U.S. DEPARTMENT OF DEFENSE - MARCH 15, 2008

Annual Report to the Congressional Defense Committees

Status of the Department of Defense's Business Transformation Efforts

Presented as per the "Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005" (P.L. 108-375)

Purpose of this Report

The March 2008 Congressional Report is submitted in response to the reporting requirements of 10 U.S.C. 2222(i), as amended by section 332 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375). It directs the Secretary of Defense to provide the Congressional Defense Committees with an annual report on the Department's business transformation efforts and compliance with the requirements of the law.

In addition to meeting the requirements of the law, this report covers accomplishments and activities for the six Business Enterprise Priorities, the six DoD Components and the Military Health System that were described in the September 2007 Enterprise Transition Plan.

The law directs that the report shall: "(1) describe actions taken and planned for meeting the requirements of subsection (a); including (A) specific milestones and actual performance against specified performance measures, and any revision of such milestones and performance measures; and (B) specific actions on the defense business system modernizations submitted for certification under such subsection; (2) identify the number of defense business system modernizations so certified; (3) identify any defense business system modernization with an obligation in excess of $1,000,000 during the preceding fiscal year that was not certified under subsection (a), and the reasons for the waiver; and (4) discuss specific improvements in business operations and cost savings resulting from successful defense business systems modernization efforts. The report is to be submitted not later than March 15 of each year from 2005 through 2009."

This report includes a two-part update on DoD business transformation, a printed narrative and a set of virtual appendices available on the Defense Business Transformation website. The requirements of the law are addressed in one or more of the two parts of this report as listed below:

- (1(A)) – *describe actions taken and planned for specific milestones and actual performance against performance measures*. The narrative provides information for specific milestones in the Accomplishments and Near-Term Plans sections, as well as performance metrics for the Enterprise and Component priorities. The appendices provide additional details on milestones and performance measurements.
- (1(B)) – *describe specific actions on defense business system modernizations*. The Enterprise and Component sections of the narrative describe specific actions on Defense business system modernizations.
- (2) – *identify systems certified*. The narrative provides totals for Defense business system modernizations with an obligation in excess of $1M certified since the inception of the investment review process in 2005.
- (3) – *identify systems not certified*. During the preceding fiscal year, all defense business system modernizations with an obligation in excess of $1M were certified as compliant with the Business Enterprise Architecture.
- (4) – *discuss specific improvements and cost savings*. The accomplishments in the Enterprise and Component sections of the narrative provide specific improvements.

In summary, this annual report to Congress provides transparency and accountability for investments made to advance business transformation across the Department. These investments are yielding measurable benefits to the warfighter and improving financial accountability.

Table of Contents

Part One: Defense Business Transformation Overview

Purpose of this Report i

Section I: Business Transformation Summary v
- **Chapter 1: Business Transformation Summary** 1

Section II: Enterprise Transformation 17
- **Chapter 2: Business Enterprise Priorities** 19
  - **Personnel Visibility** 22
  - **Acquisition Visibility** 35
  - **Common Supplier Engagement** 44
  - **Materiel Visibility** 60
  - **Real Property Accountability** 70
  - **Financial Visibility** 82

Section III: Component and Medical Transformation 95
- **Chapter 3: Component Transformation Overview** 97
- **Chapter 4: Department of the Army** 101
- **Chapter 5: Department of the Navy** 127
- **Chapter 6: Department of the Air Force** 141
- **Chapter 7: Defense Logistics Agency** 167
- **Chapter 8: U.S. Transportation Command** 181
- **Chapter 9: Defense Finance and Accounting Service** 199
- **Chapter 10: Military Health System** 211

Section IV: Managing and Tracking Transformation 225
- **Chapter 11: Systems Certification** 227
- **Chapter 12: BTA Focus for FY08** 229
- **Chapter 13: Ongoing Working Relationship with GAO** 237
- **Chapter 14: Alignment of DoD Business Transformation Plans and Reports** 243

Part Two: Program Descriptions & Time Phased Milestones

Program Descriptions & Time Phased Milestones 257

Includes two appendices:
Transformation Program Summary (Enterprise and Component Summary)
Transformation Timeline (Enterprise and Component Program Timeline)

Part Three: Virtual Appendices

Includes a variety of transition planning information in Appendices A-K and program dashboards, available only on the Defense Business Transformation website.

See the next page for additional information on where to find detailed transition planning information in Parts Two and Three.

The following table indicates where to find more detailed transition planning information:

If you're looking for	Part Two: Program Descriptions & Time Phased Milestones	Part Three: Virtual Appendices
System and initiative description, objectives, milestones, cost/budget, and migration data, at a glance	Transformation Program Summary (Enterprise and Component)	A: DoD Enterprise Transformation Summary B: Component and Medical Transformation Summary
Graphics with key milestone dates for all key Enterprise and Component systems/initiatives	Transformation Timeline (Enterprise and Component Program Timeline)	C: Transformation Timeline
Graphics with key milestone dates for Business Mission Area (BMA) Architecture Planning	N/A	D: BMA Architecture Planning Timeline
Business Enterprise Priority purpose and benefits Tables that depict: • Business Enterprise Priority objectives • Business Capability improvements • Business Capability improvement metrics • Business Value Added framework impacts	N/A	E: Business Enterprise Priority Tables
Tables that depict Components and Medical: • Business transformation goals and priorities • Priorities with targeted outcomes and metrics • Business Value Added framework impacts	N/A	F: Component and Medical Transformation Priority Tables
Tables that depict: • A list of DoD Enterprise, Component, and Medical target business systems and initiatives that contains information such as the Lead Core Business Mission (CBM) and Certification Authority • Matrices showing Functional Scope & Organizational Span • Business Capabilities	N/A	Master Lists: • Transformational Targets • Fully Implemented Targets • Other Systems of Interest • Functional Scope and Organizational Span • Business Capabilities • Component Priorities
The System Evolution Description (SV-8), showing the migration of legacy systems and key milestones	N/A	G: System Migration Diagrams (fishbones) H: System Migration Summary Spreadsheets
Summary budget information for Enterprise, Component, and Medical systems and initiatives, as well as budgets for the former CBM support office lines	N/A	I: Funding Summary
Milestones by Business Enterprise Priority, Component, and Medical Transformation (since September 2007)	N/A	J: Key Milestone Plan
System outcome metrics for Enterprise systems	N/A	K: Enterprise Program Performance
Key management information about systems and initiatives	N/A	System/Initiative Dashboards

The URL for the virtual appendices is: http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

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Section I: Business Transformation Summary

Chapter 1: Business Transformation Summary

Driving Transformation Forward

Our Nation faces more diverse challenges and greater uncertainty about the global security environment than ever before. The Department of Defense (DoD) mission requires that its business operations adapt to meet these challenges and react with precision and speed to support our Armed Forces.

Over the past few years, DoD has built a strong foundation of agile business practices and management that supports the warfighter and provides improved financial stewardship for the American people. By focusing on the areas of Investment Management and Governance and Performance Management and Improvement, the Department has made significant progress in its business operations. Much of the Department's success to date is derived from the strong engagement of its senior leadership. Under the direction of the Deputy Secretary of Defense, the senior leadership of the Department is engaged and held accountable for the performance of its business operations. The Deputy Secretary has generated extensive focus to this effort.

The Deputy Secretary possesses the authority, experience and tenure to drive transformation forward and be accountable for results. In September 2007, the Department validated this expertness in the issuance of a directive appointing the Deputy Secretary as the Chief Management Officer. Section 904, Fiscal Year 2008 National Defense Authorization Act assigns the title of Chief Management Officer of the Department of Defense to the Deputy Secretary.

Investment Management and Governance

The Department has improved the governance of its business operations through the Defense Business Systems Management Committee (DBSMC), which serves as the overarching governance board for the Department's business activities. Since its inception in 2005, the DBSMC, in concert with the Investment Review Boards (IRBs), has served as the governance structure that guides the transformation activities for the Department's business areas. As required by the Fiscal Year 2005 National Defense Authorization Act and as reiterated in the DBSMC Charter, the DBSMC has responsibility for approving: business systems information technology modernizations over $1M, the Business Enterprise Architecture and the Enterprise Transition Plan.

Additionally, the DBSMC's authority extends beyond statutory requirements to include the responsibility for ensuring that the strategic direction of the Department's business operations are aligned with the rest of Defense and for measuring and reporting the progress of defense business transformation. The DBSMC has also been a driving force behind the Department's adoption of continuous process improvement/Lean Six Sigma (LSS) methodology and the Department's shared focus on Enterprise Resource Planning (ERP) strategy within the Department. The DBSMC has provided top-level direction for the business transformation efforts of the Department.

Prior to DBSMC consideration and approval, the IRBs certify business system modernizations in excess of $1M over the system modernization's lifecycle. The role of the IRBs is expanding to

include oversight of the business capabilities within their specific business areas. The Department is putting in place an acquisition process that will enable this oversight role.

The Business Enterprise Architecture (BEA) has allowed the Department to establish clear benchmarks for the alignment of business systems to the Department's future business environment. As we continue to evolve the BEA, a key objective is to mature an architecture so that it can be harnessed as an executive decision-making mechanism, while simultaneously supporting the implementation of information technology systems and services. The simultaneous release of BEA 5.0 with this report helps to achieve interoperable, efficient, transparent business operations by including and integrating data standards, required business rules and system interface requirements for the enterprise systems and ERP target programs.

Performance Management and Improvement

The Department has depended, in part, on performance management and process improvement to deliver more efficient and effective business operations. By rigorously tracking the performance of programs and processes, the Department is better able to make informed strategic decisions and deliver maximum value for each taxpayer dollar.

On November 13, 2007, President Bush signed Executive Order 13450, *Improving Government Program Performance*, which directed the Departments to appoint a Performance Improvement Officer (PIO), with the goal of spending taxpayer dollars effectively and more effectively each year. In January 2008, the Principal Deputy Under Secretary of Defense for Business Transformation was appointed as the Defense PIO. The Defense PIO will, among other things, supervise the performance management activities of the Department, advise the Secretary of Defense on performance goals and measures, and convene the appropriate agency personnel throughout the year to assess and improve program performance and efficiency. Additionally, the Defense PIO will represent the Department on the Office of Management and Budget Performance Improvement Council. The implementation of the PIO within Defense also serves as the first step in the process for satisfying the requirements of Section 904 of the FY08 NDAA, which calls on the Department to establish a Deputy Chief Management Officer (DCMO), as well as publish a Strategic Management Plan and a Section 904 Implementation Plan.

Lean Six Sigma is also an important part of the Department's effort to improve performance management and improvement. A disciplined improvement methodology and part of the Department's continuous process improvement effort, LSS has been endorsed throughout the Department.

One of the most ambitious process improvement projects the Department has undertaken is an end-to-end reform of the government-side security clearance process. Defense is working closely with the Director of National Intelligence, the Deputy Director of the Office of Management and Budget, the Director of the Office of Personnel and Management, and the Assistant to the President for National Security Affairs on this effort. The interagency team has been charged with creating a new clearance process that is fair, flexible and adaptive, managed and highly automated end-to-end, reciprocal and which delivers timely, suitable, high-assurance security clearances at the lowest reasonable cost.

President Bush, in a February 5, 2008 memorandum, has directed the interagency team to submit to him by the end of April 2008 an initial proposal that includes, as necessary, proposed executive and legislative actions to achieve security clearance process reform. It is critical that the federal government efficiently and appropriately grant access to classified material to its personnel while simultaneously ensuring the protection of national security.

Strategic Objectives: Charting the Course

The overall objective of the DoD business enterprise is to ensure that the Department rapidly delivers the right capabilities, resources and materiel to our warfighters—what they need, where they need it, when they need it, anywhere in the world.

Figure 1-1: Business Transformation Strategic Objectives

DoD's business transformation challenge is to provide unsurpassed end-to-end business support in peace and war. As shown in Figure 1-1, this challenge is driven by four strategic objectives that shape DoD priorities and serve as checkpoints through which to assess the efficacy of the efforts. Each program depicted in this plan will support one or more of the following strategic objectives:

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

Provide Support for the Joint Warfighting Capability

DoD's business enterprise must be closer to its warfighting customers than ever before. Joint military requirements drive the need for greater commonality and integration of business and financial operations. Changes in the nature of military operations place increased pressure on the business infrastructure to provide mission-driven, adaptive, and agile services and information. The warfighter relies more on system responsiveness and agility and less on mass.

The Business Transformation Agency (BTA) continues to engage Combatant Commanders to develop a better understanding of their requirements and satisfy them with innovative capabilities and techniques. One example of this support is the

"All societies need sustainable jobs. People need to be employed to have income to provide for their families, and Iraq is no different. It is important that we move Iraq from the front pages to the business pages of our newspapers."
—Gordon England, Deputy Secretary of Defense

establishment of the Task Force to Improve Business and Stability Operations in Iraq, which the Deputy Secretary established in June 2006.

The work of the Task Force, with close cooperation and support from BTA, explicitly recognizes that business systems and processes developed, architected, and deployed for garrison operations also should include the requirement to support forces in an expeditionary environment. This requirement must overcome some of the technical barriers (such as low bandwidth), as well as unique process necessities, that are often inherent in these expeditionary environments. In the September 2007 ETP, the Department highlighted the Joint Contingency Contracting System and associated procedural modifications implemented to support the Multi-National Force-Iraq. A complementary effort that has continued throughout this period is the support to the economic line of operation in Iraq, using the Department's extensive resources. Economic revitalization is critical to restoring stability to the Iraqi people. Military success is achieved by providing good governance, a secure environment and economic revitalization initiatives.

The Task Force continues its efforts to improve systems and processes to support the deployed force, while leveraging the business capabilities of the business mission area. Working in close cooperation with Multi National Force-Iraq, U.S. Department of State, other U.S. Departments and Agencies and selected Iraqi Ministries, the Task Force has sought to improve budget execution, contracting, banking, telecommunications, and business investment in Iraq.

During the past six months, factories were restarting production, Iraqis were returning to work and the industrial capacity of Iraq was being restored. Reestablishing the Iraqi business value chain is a key component of this effort. One example of this effort can be found in the manufacturing sector. A tractor assembly factory, located in a strategic location, had been identified by Multi National Force-Iraq as critical. In late January 2008, components to build 200 tractors were procured through a major international supplier. Purchase of these kits supported efforts to restart the factory, reestablish relations with the international community, and reconnect with the Iraqi marketplace. The tractors will be sold to farmers and government entities to rebuild the country's agricultural base.

Case in Point: BTA Sponsors Sixth In-Theater Business Transformation Roundtable

In late November 2007, BTA sponsored the sixth in a series of In-Theater Business Transformation Roundtables to assist deploying commanders with preparations to undertake business and economic revitalization efforts in Iraq. More than 160 military leaders, governmental and non-governmental representatives participated in the two-day event at Naval Air Station North Island, near San Diego, California.

BTA began these roundtables in January 2006 at the request of the I Marine Expeditionary Force (I MEF). Its leaders contacted BTA and asked for help with the application of business modernization systems and processes in an austere environment and to facilitate relationships between business leaders, service personnel and other agencies. I MEF leaders had recognized that winning the peace in Iraq involved much more than establishing a secure environment. It meant planning for and supporting economic revitalization with the help of the business mission area. But getting the Iraqi people back to work and reestablishing some sense of normalcy for the society were not things that could be done by the military alone. Its leaders recognized the need for establishing strong relationships with other governmental and non-governmental organizations months before the deployment began. This initial roundtable in early 2006 was so successful that as other major Army and Marine Corps units deployed, each requested that BTA provide predeployment support.

As the security situation continues to improve in Iraq, coalition practices require improved methods to coordinate across diverse issues outside of military operations. Processes, systems and information flows need to be aligned to the expeditionary operational environment, while supporting diverse requirements that take into account language, culture, and operating conditions to conduct business while supporting the force. Planning and coordination in this environment are emerging and complex challenges requiring new visibility tools and processes adapted to an austere, expeditionary, dynamic environment with limited infrastructure.

All of the roundtables have featured speakers who were presently serving in Iraq, or who had recent experience there. They delivered presentations at the "grass root" level on project management in Al Anbar Province, Battalion-Level Reconstruction and the role and activities of Embedded Provincial Reconstruction Teams. They provided their insights to standing-room-only audiences comprised of Marines, Soldiers, Sailors, and civilians from various agencies, non-governmental organizations and the private sector. The roundtable format of the conference encouraged active participation from all attendees and resulted in highly beneficial dialogue on many topics. This interaction broke down barriers to communication, collapsed organizational stovepipes and encouraged early team-building efforts.

These roundtables not only prepared the deploying force, but also leveraged business system modernization and economic revitalization projects into an integrated approach.

Enable Rapid Access to Information for Strategic Decisions

To make sound and timely decisions, senior DoD leaders need rapid access to information about their most important resource—their people. They need centrally available, secure, integrated data about military and civilian personnel, their locations, assignments, compensation and duty status.

Implementation of the Defense Integrated Military Human Resources System (DIMHRS) will further the realization of this strategic objective. The Defense Science Board recommended the deployment of an integrated personnel and pay system for military personnel in 1996. Through DIMHRS, the Department will revolutionize military personnel and pay to support 21st century warfighters and combatant commanders.

Once fully deployed, DIMHRS will be the largest Commercial Off-the-Shelf implementation integrating personnel and payroll in the world. DIMHRS is currently scheduled to deliver this integrated functionality to the Army in October 2008 and to the Air Force in February 2009. DIMHRS not only integrates this functionality, but also unifies the Guard, Reserve and Active components of the Services into a single system. This will provide a single, lifetime personnel and pay record for all service members. The Navy has committed to moving its military personnel and payroll operations to DIMHRS. The Navy deployment will occur after the Army and Air Force deployments.

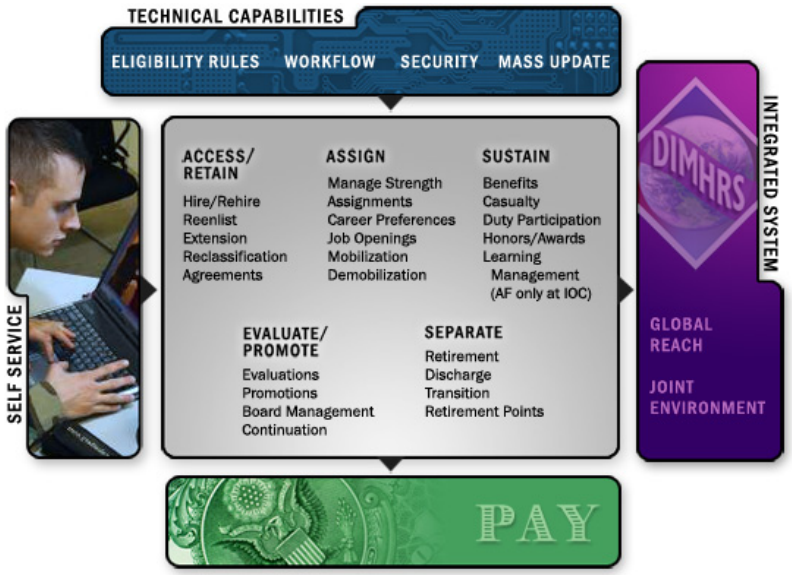

Figure 1-2: DIMHRS Functions and Capabilities

DIMHRS incorporates commercial best practices to ensure timely, accurate information and pay, with Global Reach through web-based access to information and transactions in a Joint environment across all Services and Components. Integration of personnel and pay is considered a best practice in the private sector. For the military, it is more than a best practice - it is essential to the timely and accurate compensation of military personnel. The complexities of the relationship between military personnel and pay exceed the complexities of the relationship in the private sector due to the frequency of changes in laws and regulations, mobility of military personnel, and the military compensation structure, which is based on factors, such as marital, housing, duty status, duty type, and reserve status.

Having a single, integrated military personnel and pay system enables standard data for comparison across Services and Components. Coupling the Defense Travel System with DIMHRS adds greater depth of information regarding a service member's location. This information insures timely payment of entitlements and foregoes receipt of mutually exclusive payments. This depth of information supplies visibility and accountability of military personnel to authorized users and enhances the ability of the Department to put the right person in the right place as quickly as possible. Combatant Commanders and other DoD managers often require specific skill sets for mission-essential operations. Multiple personnel systems provide inconsistent data of varying accuracy across the Services and the managers are dependent on the individual Services to search multiple databases to identify qualified individuals. DIMHRS will enable timely searches of personnel (Active, Reserve and National Guard) to identify personnel with specific skills for assignments and deployments, as well as accessions and retention decisions.

Reduce the Cost of Defense Business Operations

Focus has been placed on streamlining Defense business operations to more effectively deliver warfighting capabilities, contend with growing pressures on resources, and benefit from economies of scale. Defense business transformation requires the understanding that effective financial management is complementary to delivering joint warfighting capability. One Army organization has made that awareness an essential element of how it plans, learns, thinks and performs.

In late November 2007, the Army's Armament Research, Development and Engineering Center became the first federal and Defense organization selected to receive the Malcolm Baldrige National Quality Award. The Center, located at Picatinny Arsenal, New Jersey, provides nearly 90% of the Army's weapons systems and is internationally recognized for its innovative weapons technology and high-quality workforce. The Baldrige National Quality Award is presented each year to a small group of elite businesses and organizations deemed to have demonstrated world-class performance excellence through continuous quality improvement practices. This was the first year that federal organizations were eligible for this award under the newly established nonprofit category.

The Center's leadership and workforce recognized the value of using Lean Six Sigma (LSS) for process design and innovation. The Center's goal for LSS extended beyond process design but sought to ingrain LSS techniques in everyday work. More than one third of the Center's workforce is trained in LSS techniques. This massive training has created a synergistic learning and performance model infused with LSS techniques.

Overall, the Center's LSS projects amount to improvements in quality (91%), cost (70%), schedule (67%), and risk (84%) with a total cost benefit of $2.9 billion since 2001.

The Center's Enterprise Excellence program drives integrated improvements in effectiveness and efficiency using the Baldrige criteria as the management framework through a Quality Management System, Voice of the Customer, and Lean Six Sigma. The Center's Director and Deputy Director developed the Enterprise Excellence program as a black belt project under LSS. The Enterprise Excellence program is not a series of programs or special projects, which create islands of improvement. Its intent is to institutionalize the Baldrige framework throughout the Center and equip every employee with the tools and methodologies to be used every workday.

Improve Financial Stewardship for the American People

The Department recognizes its responsibility to the American people to manage resources carefully as it executes its National Security Mission. Defense financial statements and data structures are the tools used to help manage operational performance and to demonstrate financial accountability to the American people. Streamlined, standardized and integrated processes make end-to-end traceability of financial transactions possible.

To improve financial stewardship, Defense has joined with 23 other federal agencies to define a Common Government-wide Accounting Classification (CGAC) Structure. As a critical part of the Office of Management and Budget-led Financial Management Line of Business, the CGAC Working Group released the latest draft of the structure in July 2007. The CGAC Structure will become a federal financial management requirement. Consequently, all federal financial management systems will have to be compliant with this structure. Once the CGAC Structure is fully realized, agencies' data will be more timely and accurate and will provide a more robust foundation for strategic decision making. Since there will be one structure, agencies will no longer have to develop and implement unique systems, which will reduce the cost and risks of system implementations.

In March 2006, the CGAC effort picked up speed. DoD leadership immediately recognized that for this federal government transformation to be successful the Department had to get involved. The direction was to collaborate for success, while ensuring that DoD's requirements were understood and incorporated in the CGAC Structure.

Among the federal organizations participating, DoD was perhaps uniquely prepared, since it had already developed and was implementing a standard financial data structure, the Standard Financial Information Structure, or SFIS. It is DoD's common business language that facilitates the consistent collection and reporting of financial information.

The Department seized this transformational opportunity and was prepared to offer its SFIS experience as a model, but ultimate success still depended on a commitment of time, talent and resources for nearly two years. The working group met regularly, requiring the participants to prepare, collaborate, work action items and prepare decisions for the Department's leadership. Unity of vision and purpose was gradually attained through a process of increased coordination, collaboration and cooperation among all the federal agencies.

DoD's CGAC Working Group participants are looking forward to the next steps. Once the CGAC Structure is part of federal regulations, then all of the agencies will begin focusing on compliance. As a result of the Department's proactive efforts, the impact of the CGAC Structure on DoD financial management systems will be minimal.

Business Transformation Progress Across the DoD

Defense's approach to business transformation is based on the integration of efforts across the Department, exemplified by the integrated roadmap in the Enterprise Transition Plan. Figure 1-3 provides an overview of business transformation at the Enterprise and Component levels and across the Defense Medical enterprise.

The Department's drive to make demonstrable business improvements every six months is yielding progress at an unprecedented rate. Within the past six months, the defense business transformation effort has achieved 80% of the scheduled milestones and established new dates for the remaining milestones.

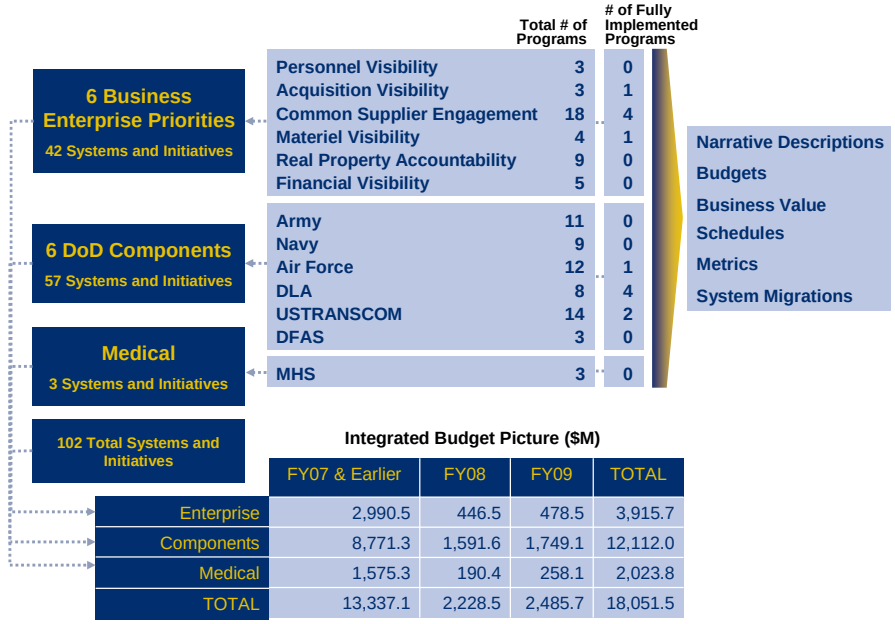

Figure 1-3: Integrated Business Transformation View

DoD Enterprise-level Transformation

The Business Enterprise Priorities represent areas in which increased focus is yielding the most dramatic and immediate transformational results. This section provides each priority's goal or purpose and highlights recent improvements.

Personnel Visibility Improvements

The goal of Personnel Visibility is to provide accurate, timely and readily available personnel information (including data on military, civilians, contractors, and coalition resources supporting the operation) to ensure accurate and timely compensation and benefits.

- Completed DIMHRS Systems Integration Performance Testing during Q1 FY08: Achieved the unprecedented goal of running a pay calculation against a database of 3.1 million members in the production system in under six hours. At its peak, the system processed 15,000 pay calculations per minute. Supported 80,000 concurrent users while processing pay calculations. These achievements constituted a new concurrent user benchmark for industry.
- Initiated Army conversion programs to migrate data from legacy systems into DIMHRS in Q1 through Q2 FY08: Completed a "mock" conversion to review the migration plan and identify and resolve data errors prior to test. Converted 30,000 member records from Army Active, Reserve, and National Guard to support the payroll parallel test, in which legacy system pay results will be reconciled to the DIMHRS pay calculation for the same period. Began full data conversion testing to verify the resolution of data errors and further refine the performance tuning of the conversion programs. As part of this effort, completed the "Person Hire" conversion to establish the member record. Roughly 4.7 million records were loaded with a 0.11% error rate within 70 hours, providing an early indication that the conversion of valid data can be achieved within projected deployment windows.

Acquisition Visibility Improvements

Acquisition Visibility (AV) brings transparency to critical information supporting lifecycle management of the Department's processes that deliver weapon systems and automated information systems. The strategy for achieving AV centers on establishment of a service-oriented architecture (SOA) governance and delivery mechanisms within the Defense Acquisition business community. This strategy permits DoD communities to continue operating their own heterogeneous business systems, while standardizing and regulating the systems' external interfaces.

- Successfully displayed in the AV SOA Demonstration the initial implementation of governance required to make authoritative acquisition data available for Defense acquisition decision making. This significant step proves data can be governed separately from the systems in which the data resides. Specific governance activities included agreement on definitions of the AV SOA Demonstration data elements, identification of the institutional steward for each of those elements, and identification of the authoritative sources. The data elements selected support Nunn-McCurdy, Earned Value (EV) Components, and Contract Variance views.
- Successfully showed the technical feasibility of making authoritative Defense acquisition data available in a SOA environment, providing decision makers with the ability to obtain the authoritative, timely data needed for decision making.

Common Supplier Engagement Improvements

The primary goal of Common Supplier Engagement (CSE) efforts is to simplify and standardize the methods that DoD uses to interact with commercial and government suppliers in the acquisition of catalog, stock, as well as made-to-order and engineer-to-order goods and services. CSE also provides the associated visibility of supplier-related information to the Warfighting and Business Mission Areas.

- Wide Area Work Flow (WAWF) provides the Department and its suppliers the single point of entry to generate, capture, and process invoice, acceptance, and payments documentation and data to support the DoD asset visibility, tracking, and payment processes. WAWF implemented Standard Transactions Phase I for passing shipment, acceptance, and accounts payable data to emerging interface partners in Q1 FY08. These standard transactions will further accelerate deployment of Enterprise Resource Planning (ERP) systems in the target environment, while reducing implementation costs. The standard data transactions are also designed to be Defense Logistics Management System compliant and will accommodate the needs of emerging logistics systems, thus expanding the scope of WAWF's capability.
- Electronic Subcontracting Reporting System completed successful testing of DoD functional requirements to ensure the ability to implement in a DoD procurement environment.

Materiel Visibility Improvements

Materiel Visibility (MV) provides users with timely and accurate information on the location, movement, status, and identity of unit equipment, materiel and supplies, greatly improving overall supply chain performance. MV improves the delivery of capability to the warfighter as measured in terms of responsiveness, reliability, and flexibility.

- Evaluated the implementation involving Department wholesale activities and Service retail activities, in Q1 FY08, to demonstrate the ability of passive Radio Frequency Identification (RFID) to increase visibility and efficiency in warehouse operations. Initial evaluation indicates that the additional visibility of shipment arrival, provided by RFID, could potentially impact critical supply chain metrics.
- Enabled Item Unique Identification marking of personal property items at Air Force and Army organic depots in Q1 FY08. This accomplishment enables these Services to mark equipment as part of the routine repair process. As a result, tangible personal property items can be marked, registered and managed in a more efficient manner through regular depot maintenance activities.

Real Property Accountability Improvements

Real Property Accountability provides the warfighter and the Defense business enterprise 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.

- Real Property Accountability's most significant accomplishment this year is achieving Full Operational Capability of the Asset Registry in Q1 FY08. The Real Property Unique Identifier Registry (RPUIR) provides the foundation for a centralized, SOA-based system that assigns and tracks real property unique identifiers. Asset Registry is the portion of RPUIR that assigns asset UIDs to identify specific facilities, thereby improving the accuracy of financial, physical and legal information contained in DoD's real property inventory.
- Real Property has also launched an initiative to geo-enable location information, providing a highly accurate digital representation of asset location. This initiative will ultimately enable multiple systems outside the real property community to access authoritative location data in real-time. This detailed representation results in high quality data for mission planning and operations. During the past year, the initiative defined fundamental standards for BEA geospatial modeling. Using this building block, its near term plan is to develop common geospatial architecture products to assure integration across DoD enterprise processes to enable implementation of a coordinated geospatial capability across the Department.

Financial Visibility Improvements

The mission of Financial Visibility is to effect changes in financial management aimed at reducing investment and operating costs by facilitating ever-improving accountability, efficiency, and decision making.

- Conducted for the Defense Agencies Initiative (DAI), Conference Room Pilot 1 (CRP1) validation, including core Initial Operational Capability (IOC) functionality, in Q2 FY08. The CRP facilitates validation of a configured system in a controlled environment.
  - Verified the blueprint design of the core functionality, identified issues and confirmed assumptions, using test scenarios and scripts.
  - Provided an opportunity for all Defense Agencies to provide input to the design of DAI.
  - Continued to share DAI system and process information with the Defense Agencies to increase their understanding of DAI.
- Defined and obtained agreement on a single Standard Financial Information Structure Line of Accounting format, which is a critical element in establishing a standard interface between the Defense Travel System (DTS) and six new Enterprise Resource Planning (Accounting) systems in Q1 FY08. The standard interface, when finalized, will eliminate the need for

DTS to customize the interface for every new business partner. The standard interface goal is a critical cost-effective step towards SFIS interoperability across DoD.

Component-level Transformation

The business modernization efforts of the six DoD Components and the Military Health System (MHS), highlighted in this report, align with corporate priorities, while also implementing their specific objectives. This section highlights the transformation visions and recent improvements of each Component and MHS.

Department of the Army: In the midst of a war with a ruthless, adaptable enemy, the Army has undertaken the most radical transformation of its force structure since World War II to realize the Army Vision: "Relevant and Ready Landpower in Service to the Nation." It is fielding the best trained, best equipped, and best led Soldiers in the nation's history and is committed to providing Soldiers and their Families a quality of life matching the quality of their service to the Nation.

The institutional Army is largely a legacy of the Cold War, industrial era in which it was developed. Support for a modernized, 21st Century force requires a transformation of Army business practices, using lessons from industry to improve visibility of core assets and data and to align organizational structures to perform core functions efficiently.

- The first federal and Defense recipient of the Malcolm Baldrige National Quality Award for performance management and achievement is the Army's Armament Research, Development and Engineering Center at Picatinny Arsenal, New Jersey.
- Global Combat Support System-Army (GCSS-Army) completed the successful operational assessment and continuous evaluation of the first module: Supply. The Soldiers of the 11th Armored Cavalry Regiment Supply Support Activity are now using the next generation GCSS-Army in place of the legacy system–based functions to transact business with their customer units. Through the GCSS-Army servers at Redstone Arsenal, the Soldiers are connected to the national level supply and financial systems.

Department of the Navy (DON): The Navy's business transformation vision is to significantly increase the readiness, effectiveness, and availability of warfighting forces by employing business process changes to create more effective operations at reduced costs and by exploiting process improvements, technology enhancements, and an effective human capital strategy to assure continued mission superiority.

- Navy Enterprise Resource Planning (ERP) transforms and standardizes the Navy's business processes for key acquisition, financial, and logistics operations. Navy ERP achieved IOC in Q1 FY08 and began deployment of Financial and Acquisition Release (1.0) at Naval Air Systems Command headquarters.
- The Information Executive Committee established the Next Generation Enterprise Network Management Board to develop information management/information technology strategy and policy, gather and validate requirements, and devise a capability acquisition strategy that will guide the DON toward a net-centric enterprise environment.

Department of the Air Force: The Air Force's business transformation vision is to create capabilities that provide rapid and predictive operational support and response through situationally-aware Commanders. High-level Air Force enterprise transformation goals are to:

- Improve warfighter effectiveness by fashioning fast, flexible, agile, horizontally-integrated processes and services that enable fast, flexible, agile and lethal combat forces.
- Establish a culture of continuous improvement to achieve increased efficiencies, allowing the return of resources. This will enable the recapitalization of the Air Force weapon systems and infrastructure, the return of Airmen to core missions, and the creation of an acquisition process unparalleled in the federal government.

Highlights of the Air Force's recent improvements are:

- Subsumed the Manpower and Personnel System-Base Level into the Deliberate and Crisis Action Planning and Execution Segments (DCAPES), the Air Force's deployment system of record on September 2006, providing war planners real-time access to manpower data. DCAPES provides force accountability applications that track and maintain deployment personnel history files supporting Combatant Commander's Area of Responsibility.
- Projected a savings of $12M annually from Non-appropriated Fund (NAF) Transformation Phase 1 IOC accomplished in June 2006, with Appropriated Funds (APF) and NAF full time equivalent savings of 76 and 167 positions respectively. APF positions have been realigned back to the corporate structure for recapitalization.

Defense Logistics Agency (DLA): DLA's vision is to extend the enterprise forward to meet the needs of the warfighter by providing the right item, right service, right place, right price, right time, every time. The Enterprise Business System (EBS), DLA's ERP platform for supply chain management, was developed and introduced into DLA operations with investment dollars managed through the Business Systems Modernization (BSM), Customer Relationship Management (CRM) and Product Data Management Initiative (PDMI) programs. CRM and PDMI are now part of the EBS process/systems integration framework. EBS, coupled with the Distribution Standard System (DSS) and data management and integration capabilities delivered by the Integrated Data Environment (IDE) program, form the cornerstone of the agency's logistics capabilities and represent significant progress in DLA's transition to net-centricity.

- The BSM program achieved full operational capability in July 2007, delivering EBS and enabling DLA to be compliant with the Joint Technical Architecture and the data exchange standards necessary for DLA to interoperate with its customers and suppliers. Prior to BSM, DLA previously provided common logistics support to the Services and Combatant Commanders using legacy materiel management systems, such as, Standard Automated Materiel Management System.
- BSM-Energy achieved full operational capability in December 2007 and is successfully supporting the warfighter. BSM-Energy supports a vertically integrated end-to-end fuel supply chain management system. BSM Energy, a web-based, net-centric enterprise resource management system, is necessary to manage energy from its source to consuming equipment, while incorporating electronic commerce requirements and other technical capabilities.

United States Transportation Command (USTRANSCOM): The USTRANSCOM vision is to create and implement world-class global deployment and distribution solutions in support of President, Secretary of Defense, and Combatant Commander assigned missions. Key elements of the strategy to achieve this vision include having End-to-End Total Asset Visibility and In-transit Visibility; improving decision cycle time by providing Information Technology support to turn real-time distribution data into actionable information; promoting DoD-wide financial solutions; and optimizing end-to-end distribution through improved and standardized resources, processes, and systems.

- Combined the planning functions of several of USTRANSCOM's subordinate commands in a single operations center, the Fusion Center, located on Scott AFB. This resulted from successful process workshops and facilities planning, leading to a Fusion Center IOC, with simplified submission and processing of Combatant Command (COCOM) requirements through dedicated COCOM-focused teams.
- Began reporting operational status in the Defense Readiness Reporting System, enabling up-to-date operational status reviews by all levels (strategic to tactical). Increased engagement with COCOM and interagency partners to ensure full integration of Joint Task Force-Port Opening capabilities in joint exercises and operation planning. Dialogue and planning expanded and now occurring with U.S. Southern Command, U.S. European Command, U.S. Special Operations Command, and the Office of Foreign Disaster Assistance, in addition to continuing relationships with U.S. Northern Command and U.S. Central Command.

Defense Finance and Accounting Service (DFAS): DFAS's vision is transforming with the warfighter to remain the trusted financial partner for DoD. Transformation is the continuation of a customer-focused change process that started with the creation of DFAS and will result in DFAS becoming a Center of Excellence (COE) for government finance and accounting, whose ultimate objective is to optimize performance and maintain downward pressure on cost.

- Decreased undetected over- and under-payments through ongoing improvements in Wounded Warrior pay management in Q1 FY08. The percentage of pay accounts requiring correction declined 58% and the dollar value of discrepancies declined 77%.
- Implemented the Corporate Electronic Document Management System 1.0 at Cleveland, Limestone, and Army units in Iraq in Q1 FY08; Arlington and Patuxent River in Q2 FY08. This capability eliminates the cost of mailing documents, facilitates workload transfers, and reduces the requirement to transfer documents within a war zone.

Military Health System (MHS): MHS's transformation vision is to develop a collaborative, agile, and efficient medical business enterprise that adapts to the changing needs of military medicine and maximizes the benefit of business and IT resources. The MHS business transformation plan focuses on continuity of care across DoD/Department of Veteran Affairs (VA)/civilian health care delivery system, a shift from reactive to proactive care, and more efficient health care operations.

- Released in December 2007, the VA/DoD Joint Executive Council Strategic Plan (FY 2008-2010), guides collaboration between the Departments to improve the quality, efficiency, and effectiveness of the delivery of benefits and services to veterans, service members, military retirees, and their families.
- In October 2007, theater clinical data including inpatient notes, outpatient encounters, and ancillary clinical data, such as pharmacy data, allergies, laboratory results, and radiology reports were made viewable by DoD to VA providers on shared patients.

Managing Enterprise Transformation through the Defense Business Transformation Agency

A business enterprise by its nature is not a functional, stovepiped organization, but an integrated operating entity focused on optimal performance. BTA seeks to enable an enterprise-view of Defense business performance and serve the corporate needs of the Defense business enterprise in an integrated way. BTA is responsible for 27 information technology programs, including the Defense Integrated Military Human Resources System, the Defense Agencies Initiative, the Defense Travel System, the Business Enterprise Information Service, and the Joint Contingency Contracting System. BTA also facilitates operation of the Investment Review Boards and production of Business Enterprise Architecture and Enterprise Transition Plan.

Each fiscal year, BTA establishes and executes a set of focus areas to guide the efforts of its workforce in supporting the Department's transformation goals. These critical linchpins foster collaboration, accountability and a sense of urgency across the Agency. The BTA focus areas for FY08 include:

- **Implement DIMHRS.** As the Department's most extensive program, BTA will deliver integrated military personnel and payroll functionality, beginning with the Army in October 2008.
- **Enterprise Standards**. Focusing on standardizing data across the enterprise, the goal is to ensure standard processes, data, integration and implementation requirements between Enterprise-level systems and Component-level systems.
- **Establish Business Capability Lifecycle (BCL) as the accepted enterprise approach for business system oversight.** The Department is establishing a new acquisition process for all business systems in an effort to speed the delivery of business capabilities to the warfighter.
- **Support implementation of Enterprise Resource Planning (ERP) systems across Department of Defense.** DoD has made a significant commitment to the adoption and implementation of ERP solutions, systems that provide an integrated suite of Information Technology applications that support the operations of an enterprise, including financial management, human resources management, and operations.
- **Institutionalize deployed warfighter process and system improvements.** The goal is to deliver near-term value by seizing and sharing opportunities presented by the intersection of business capabilities and warfighter needs.

Conclusion

The Department is pleased with its progress in its business transformation efforts. However, aligning the strategy, controls, people, processes, and technology to truly transform an organization as large and complex as the Department of Defense is an enormous undertaking. The challenges that business transformation faces should not be underestimated. DoD believes that through its persistent focus on accelerating the pace of change, it will continue to make steady and significant progress and achieve tangible results and positive business outcomes.

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Section II: Enterprise Transformation

Chapter 2: Business Enterprise Priorities

At the Enterprise level, the Department has identified and focused its transformation efforts on six strategic Business Enterprise Priority areas. Each priority is making critical business information more visible and accessible:

- Personnel Visibility
- Acquisition Visibility
- Common Supplier Engagement
- Materiel Visibility
- Real Property Accountability
- Financial Visibility

These priorities represent those areas for which increased focus is bringing the most dramatic and immediate positive impact on the business missions of DoD. The plan for each priority details an overall strategy for achieving its objectives, describes key programs and the business capabilities delivered. Achieving the objectives of these priorities will provide enduring improvements to the Department's business infrastructure, benefiting the warfighter by integrating enterprise business processes, reducing system redundancies, and continuously improving financial transparency.

To achieve the objectives of these six priorities, Department leadership has directed programs and other investments at the Enterprise level to deliver improvements to the required business capabilities. These programs implement target systems and initiatives that align to the six priorities as shown in Figure 2-1. For all solutions, deployment involves implementing: process and policy changes, appropriate training, necessary facility improvements and realigning organizations and roles to the target solution to increase business value. Some of these items are discussed in the other transformational activities section of each priority.

Each Business Enterprise Priority section provides subsections, which define and describe Fully Implemented Programs, Transformation Programs and Other Transformation Activities. These definitions apply:

- Fully Implemented Programs: Programs that have achieved Full Operational Capability (FOC), as defined in Joint Chiefs of Staff Publication 1-02 as the, "full capability to employ effectively a weapon, item of equipment or system of approved specific characteristics, and which is manned and operated by an adequately trained, equipped and supported military force or unit." These programs have achieved their transformational objectives.
- Transformation Programs (includes both systems and initiatives): Programs that provide the solutions required to achieve a specific transformational Business Capability or set of capabilities. These programs also help to achieve each priority's objectives. These programs are listed by Business Enterprise Priority in Figure 2-1.
- Other Transformational Activities: These are not programs, but are activities undertaken to support a Business Enterprise Priority. These could be activities that cut across the Doctrine, Organization, Training, Materiel, Leadership, Personnel, and Facilities (DOTMLPF), such as, policy changes, governance/leadership, or organizational changes.

Personnel Visibility	Acquisition Visibility	Common Supplier Engagement	Materiel Visibility	Real Property Accountability	Financial Visibility
DCPDS DIMHRS DTS	DAMIR *MEVA* (CAMS-ME) USXPORTS	CPARS DoD EMALL EDA *Federal IAE* - CCR - EPLS - eSRS - FBO - FedReg - FedTeDS - FPDS-NG - ORCA - PPIRS - WDOL JCCS SPOT SPS WAWF	*IUID* LMD *MILS to EDI or XML* *RFID*	*EL* HMIRS *HMPC&IMR* KBCRS RPAD *RPAR* *RPCIPR* *RPIR* RPUIR	BEIS DAI *EFD* *IGT/IVAN* *SFIS*

■ Transformational System
■ *Transformational Initiative*
■ Fully Implemented Target

Figure 2-1: Target Systems and Initiatives to achieve DoD Business Enterprise Priorities

Note: Some initiatives listed above include systems that have a different name than the initiative itself. (Systems are shown in parentheses.)

Figure 2-2 shows the overall dollar amounts the Department plans to spend on the transformational programs listed in Figure 2-1 by Business Enterprise Priority in FY08 and FY09.

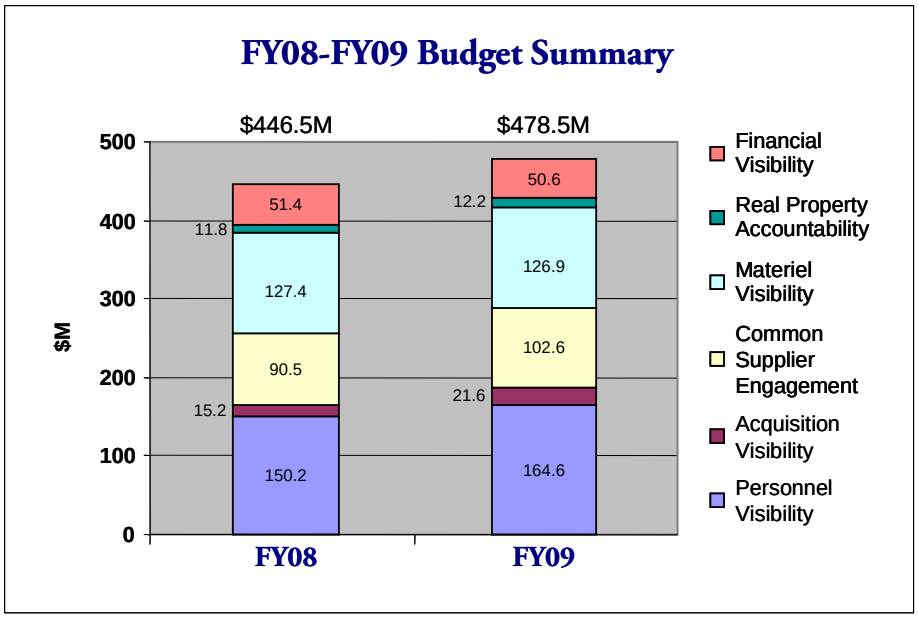


Figure 2-2: DoD Enterprise Budget Summary

Table 2-1 is a budget summary based on the 2009 President's Budget (PB09), and includes budgets for all the systems and initiatives shown in Figure 2-1 by Business Enterprise Priority. The table also includes the budgeted investment resources required for the programs and offices supporting the Core Business Mission areas that are aligned with the Business Enterprise Priorities.

Table 2-1: DoD Enterprise Budget Summary ($M)

	BEP	FY07 & Earlier	FY08	FY09	Total	
Enterprise	Personnel Visibility	1,500.0	150.2	164.6	1,814.8	
	Acquisition Visibility	75.2	15.2	21.6	112.0	
	Common Supplier Engagement	1,018.6	90.5	102.6	1,211.7	
	Materiel Visibility	226.0	127.4	126.9	480.4	
	Real Property Accountability	51.7	11.8	12.2	75.7	
	Financial Visibility	119.0	51.4	50.6	221.1	
	Enterprise Total	2,990.5	446.5	478.5	3,915.7	

This section presents the Department's transformation efforts for the six Business Enterprise Priorities, using the September 2007 Enterprise Transition Plan as the baseline, with information in the following areas:

- Definition and Goal
- Objectives
- Strategy for Achieving the Business Enterprise Priority
- Performance Metrics
- Changes since the September 2007 Enterprise Transition Plan
- Programs and Activities that Support the Business Enterprise Priority:
  - Program Descriptions
  - Status at a Glance Boxes
  - Accomplishments/Capabilities Delivered
  - Near-Term Plans
  - Business Capability Improvements
- FY08 & FY09 Critical Milestones
- Cross-Business Enterprise Priority and Component Integration
- Budget Summary
- Case in Point
- Business Enterprise Priority Timelines

For this report, some of the information normally published in the appendices is now embedded in this section. Specifically, Performance Metrics and Business Capability Improvement tables now appear in this section. The purpose for including these elements here is to make this information more visible and to align the Department's reporting more closely with the requirements of the Fiscal Year 2005 National Defense Authorization Act.

PV

OBJECTIVES

The objectives for PV are:

- **Provide access to more reliable and accurate personnel information for warfighter mission planning**
- **Ensure accurate and timely access to data on personnel and their skill sets for Combatant Commanders**
- **Decrease operational cost and cycle times, enabled by increased consistency of data, reduced rework and data calls**
- **Improve accuracy, completeness, and timeliness of personnel strength reports**
- **Reduce or eliminate duplicative data capture and system access activities**
- **Ensure accurate and timely access to and delivery of compensation, quality of life and other benefits for DoD personnel and their families**
- **Improve occupational safety through analysis of environmental and safety information and related personnel exposures**
- **Improve military healthcare delivery through implementation of an electronic record**

Programs and activities Enabling PV:

- **DIMHRS**
- **DTS**
- **DCPDS**
  - -- Civilian HR/Payroll Integration

Personnel Visibility Definition and Goal

Personnel Visibility (PV) is the fusion of accurate human resources (HR) information and secure, interoperable technology within the Human Resources Management (HRM) Core Business Mission. 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 or 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 Combatant Commanders have access to the timely and accurate data on personnel and their skill sets.

The goal of PV is to provide accurate, timely and readily available personnel information (including data on military, civilians, contractors, and coalition resources supporting the operation) to ensure accurate and timely compensation and benefits.

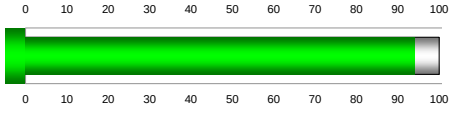
Strategy for Personnel Visibility

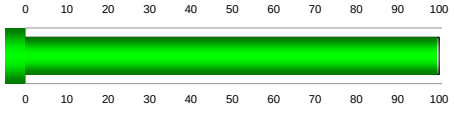
The strategies for achieving the objectives of PV are to:

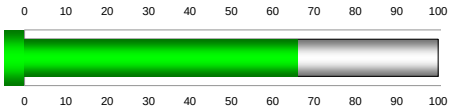
- Integrate the separate personnel and pay records for the Department's military and civilian workforce.
- Establish a single military record and a single civilian record to improve the accuracy and timeliness of data by eliminating discrepancies and the requirement for constant reconciliation between personnel and pay systems.
- Provide an enterprise solution to facilitate integration of military personnel and pay records via the implementation of the Defense Integrated Military Human Resources System (DIMHRS).
- Promote cultural change for the Military services' personnel and pay operations through training and change management techniques, including cross-Service working groups.
- Leverage information systems to create a seamless integration of the total force, provide a continuum of service to the workforce, and increase the visibility and accuracy of personnel information for decision makers.
- Transform the infrastructure of the Military Health System to match capacity/infrastructure to patient requirements and operate jointly in a multi-Service environment.

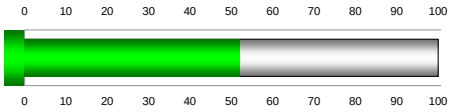
Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Personnel Visibility.

Accurate and Timely Pay - Measures effectiveness of customer support in providing accurate and timely pay for DoD personnel		
		
Target: 97% Q1 FY08	Actual: 94% Q1 FY08	Goal: 97%
Limited progress; exceeding 36.4% baseline		

Uniformity of Enlistment Accession Data – Measures timeliness and accuracy of military accession information		
		
Target: 92% Q1 FY08	Actual: 99.2% Q1 FY08	Goal: 92%
Exceeded target; expected to continue		

DoD Personnel Who Retire or Separate without a Debt – Measures percentage of DoD personnel fulfilling all of their financial obligations prior to separation or retirement		
		
Target: 68% Q1 FY08	Actual: 65% Q1 FY08	Goal: 99%
Steady state; *prior to DIMHRS implementation*		

DTS TDY Voucher Processing – Enables cost-effectiveness of the Defense Travel Enterprise		
		
Target: 40% FY07	Actual: 52% FY07	Goal: 100%
New metric; baseline 40% FY07		

Changes since the September 2007 Enterprise Transition Plan (ETP)

Since the September 2007 ETP, the Defense Travel System (DTS) Program has revised its acquisition strategy to include delaying full operational capability (FOC). This delay provides additional time to develop remaining functionality, resolve impacts resulting from the Section 943 study, and field DTS to the remaining Service and Agency sites. The later FOC date also provides the Department time to refine the acquisition strategy and to develop program compliance documentation for the final program phases.

The DIMHRS program completed Army Systems Integration Performance Testing. This achievement demonstrated support of DIMHRS FOC requirements and constituted a benchmark previously unachieved in industry.

Transformation Programs

PV has three transformation programs, which support achievement of its goals and objectives. They are discussed below.

Defense Integrated Military Human Resources System (DIMHRS): DIMHRS is the vehicle through which DoD is revolutionizing military personnel and pay to support the 21st century warfighter. DIMHRS will be a fully integrated personnel and pay system for the Department that will support military personnel throughout their careers and retirement-in peacetime and war. It will consolidate nearly a hundred legacy DoD personnel support systems and provide a common military HR and pay system for the Department using standardized business processes that generate data in a singular operating environment. This consolidation will result in:

- Greater standardization of data among Components
- Increased accuracy and timeliness of pay actions
- Greater visibility of all military personnel to the Department

DIMHRS provides a single record encompassing the critical facets of a military career–supporting personnel and pay functions for Regular, Reserve and Guard personnel (and their families), whether on active duty or not, through periods of peacetime, mobilization, and war–regardless of movement among Components…one system, one record. Once deployed, DIMHRS will deliver a cross-Service support capability allowing Soldiers, Airmen, Sailors, and Marines to manage their careers and maintain their records.

DIMHRS
Status at a Glance

- Army IOC – Q1 FY09
- Air Force IOC – Q2 FY09

Approach: The training and deployment of DIMHRS is an integrated part of the Services HR transformation.

Figure 2-3 helps illustrate the functions and capabilities of DIMHRS. At its core, DIMHRS is an integrated personnel and pay system. As transactions are processed in support of the personnel lifecycle functions listed in the middle of the graphic (i.e., Access/Retain, Assign, Sustain, Evaluate/Promote, and Separate), the payroll rules engine evaluates if there is a pay event, determines eligibility, and calculates correct pay. Because personnel transactions, such as, a promotion directly affect pay, DIMHRS eliminates unnecessary paperwork and inefficient process steps. For example, if a recently promoted soldier uncovers an error in payroll resulting from the promotion, the soldier can resolve the issue directly with the human resources official responsible for the promotion – without the unnecessary middle step of interacting with payroll staff and systems.

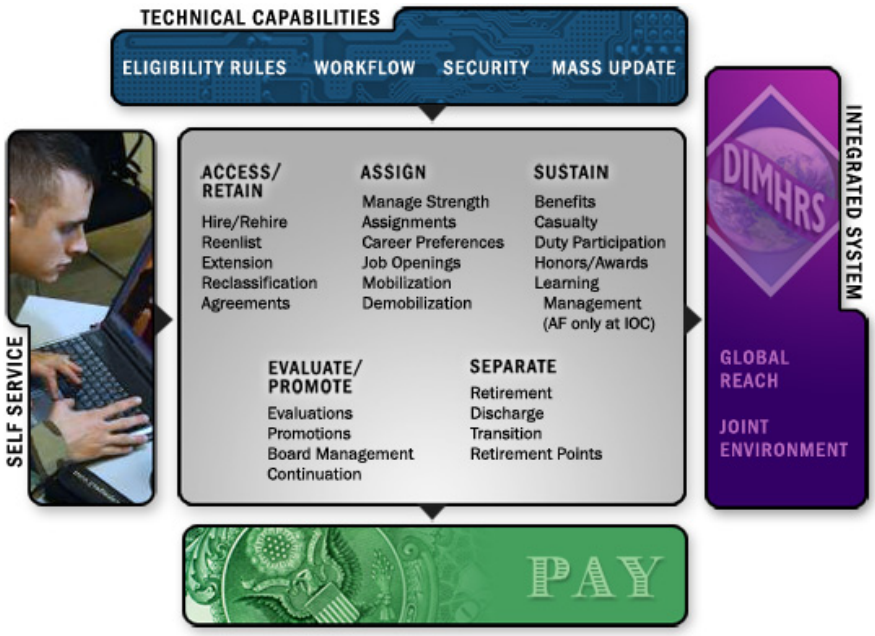


Figure 2-3: DIMHRS Functions and Capabilities

DIMHRS will provide clear accountability from end-to-end. The core personnel and pay functions are supported for all Components to produce one record of service for military personnel. As a result:

- Upon separation, records are maintained and may be updated to reestablish ties and/or connections to other Components, if warranted.
- Active Duty periods for Reserve Component members are incorporated into a single record for the member, allowing for more timely and accurate pay.

Common personnel and pay processes across all Services enhance personnel and pay support, and provide the opportunity to shape the future workforce with cross-Service visibility.

DIMHRS will provide a robust self-service capability, which allows members to:

- View and update personal information.
- Update benefits.
- Update payroll information and view their compensation.
- Manage their careers.

Approved self-service requests and updates feed into the personnel data records and, where applicable, are automatically reflected in the service members' pay.

Across the top of Figure 2-3, several key technical capabilities enable and sustain the self-service and HR/payroll functions by incorporating features, such as:

- Configurable eligibility rules to quickly respond to legislative and/or policy changes.
- Automated workflow to route transactions for review and/or approval. Rather than passing printed forms, the necessary information electronically flows to the decision maker.
- Functional and data-level security that limits access to transaction and records based on permissions.
- Mass update capabilities permit multiple records to be updated as a single transaction.

These capabilities will combine to provide an integrated system guided by commercial best practices to ensure timely, accurate information and pay. Global reach is enabled through web-based access to information and transaction records, in an Enterprise-wide environment available to all Components.

Accomplishments/Capabilities Delivered:

- Completed DIMHRS Systems Integration Performance Testing during Q1 FY08:
  - Achieved the unprecedented goal of running a pay calculation against a database of 3.1 million members in the production system in under six hours. At its peak, the system was processing 15,000 pay calculations per minute.
  - Supported 80,000 simulated, concurrent users while processing pay calculations.
  - These achievements demonstrated support of FOC requirements, and constituted achievement of a new concurrent user benchmark for industry.
- Initiated Army conversion programs to migrate data from legacy systems into DIMHRS in Q1 through Q2 FY08:
  - Completed a "mock" conversion to validate the migration plan and identify and resolve data errors prior to test.
  - Converted 30,000 Army member records from the Active, Guard and Reserve Components in order to support the payroll parallel test. During the payroll parallel test, DIMHRS calculates pay for members and compares those results with actual disbursements from the legacy pay system. This comparison will cover the period January to September 2007 and provides assurance that pay results are within tolerance.
  - Began full data conversion testing to verify the resolution of data errors and further refine the performance tuning of the conversion programs. As part of this effort, completed the "Person Hire" conversion to establish the member record. There were 4.7 million records loaded with a 0.11% error rate within 70 hours, providing an early indication that the conversion of valid data can be achieved within projected deployment windows.
- Completed 50% (622 of 1,238) functional test scripts for the contractor's System Integration Testing (SIT). The exit criteria for SIT is detailed in the DIMHRS System Integration Plan and includes the traceability of the test scripts and test results to test cycles, test scenarios, test conditions, and System Subsystems Specifications version 3.1 requirements. When this exit criteria is met, the program office conducts testing during System Acceptance Testing (SAT) prior to releasing the system for Operational Test and Evaluation (OT&E).

- Completed 100% (143 of 143) interface designs required for Army deployment, to include Defense Agencies. Of this total, 51 designs support conversion of data and 92 support inbound/outbound interfaces. Throughout the design and development process, interface packages were reexamined for efficiency. This led to a reduction in the interface requirements from 323 to 295, for both Army and Air Force.
- Completed 55% (85 of 152) interface designs required for Air Force deployment. Also received approval on 45 Air Force interface designs supporting conversion of data and 107 supporting inbound/outbound interfaces.
- Completed development of 74% (58 of 78) training lessons. Completion of training lessons at this phase in the development lifecycle allows for an early look during SAT and the incorporation of comments prior to evaluation during OT&E.
- Since September 2007, DIMHRS demonstrations were presented to over 1,900 Service leaders and commanders. The Army and Air Force have documented plans to visit all major installations, providing DIMHRS briefings to Command leadership, the HR community, and Soldiers and Airmen. The communications plan includes:
  - Army plan: 28 posts
  - Army National Guard: Five state/conference meetings
  - Army Reserve: Seven states
  - Air Force: 18 bases

Near-Term Plans:

- Complete DIMHRS SIT and initial phases of program SAT for Army in Q2 FY08. This process tests and evaluates delivered product capability and any newly integrated functionality. These tests include performance, failover/recovery, pay reconciliation, functional/interfaces and security. Upon successful completion of SIT, the final phase of SAT process begins.
- Complete final phase of program SAT for Army in Q3 FY08. The focus of SAT is for DIMHRS program to test and evaluate the entire system. SAT leverages tests conducted during SIT. SAT also evaluates training, helpdesk and documentation for compliance with the Operational Requirements Document and thus completes all formal Developmental Test and Evaluation for the Army.
- Complete DIMHRS Independent Operational Test (IOT) for Army in Q4 FY08. This entire phase focuses on gaining sufficient evidence of DIMHRS Critical Operational Issues in order to proceed to a fielding decision with the highest level of confidence.
- Complete OT&E for Army in Q4 FY08. OT&E takes place at operational field sites and is conducted under controlled conditions as practicable, without impacting normal operations and is a prelude to IOC.
- Complete Army IOC in Q1 FY09. The Army is the first Service to transition to DIMHRS. Upon reaching IOC, DIMHRS becomes the primary system supporting pay and personnel activities throughout the Army.
- Complete Air Force IOC in Q2 FY09. The Air Force's transition will capitalize on lessons learned during the Army's successful transition, as the Air Force becomes the second Service to utilize DIMHRS as its primary pay and personnel system.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) for DIMHRS.

Business Capability	Business Capability Improvement
Administer Position Management	Improve visibility of military positions across the Services by integrating Active, Reserve and Guard personnel, pay and human resources processes.
Manage Assignment, Placement and Transfer	Improve cross-Service support capability by tracking the temporary and permanent duty assignments of personnel, provide access to the cross-Service information for the Joint Commanders, and provide access and authority to complete cross-Service transactions for units of one Service that are assigned to another Service.
Manage Benefits	Improve information-sharing across related agencies by establishing a Veterans Affairs/DoD Data Sharing Initiative.
Manage Candidate Accession	Improve the uniformity of methods used among the Services to capture and report information by developing a common taxonomy among the Services, DMDC, and OSD; and improve data integrity with the implementation of best practices in the data exchanges between the service recruiting systems and DIMHRS.
Manage Personnel and Pay	Improve the accuracy of pay within the pay period of the transaction effective date by: identifying the types of inaccuracies and length of delays in processing; implementing changes to reduce errors and delays in processing; and integrate the pay and personnel record to eliminate pay affecting discrepancies among disparate systems.
Manage Quality of Life and Morale, Welfare and Recreation	Facilitate resolution of HRM issues with senior leadership by conducting senior level policy forums that cut across all functional areas under the HRM Core Business Mission (health, training, manpower, civilian personnel, etc.).
Manage Retirement and Separation	Improve debt management and the DoD personnel retirement/separation process by: integrating the pay and personnel record to eliminate processing delays of pay affecting personnel actions that result in indebtedness to the government; identifying types of indebtedness incurred and cause (e.g., trends unique to a time period or Component) to determine corrective/preventive action; and monitoring pay records for financial obligations prior to disbursement of final pay.

Defense Civilian Personnel Data System (DCPDS): A single, web-based, fully deployed DoD civilian HR system that consolidates over 800,000 civilian employee records and over 1.5 million position records. DCPDS supports appropriated and non-appropriated fund employees, as well as local foreign national and National Guard personnel through 22 Regional Service Centers and more than 300 Customer Support Units worldwide. DCPDS is a fully implemented program; however, it will continue as a transformation program because of the potential future integration of civilian human resources and payroll.

DCPDS
Status at a Glance

- DCPDS consolidation efforts underway as a precursor to HR/payroll integration.

Approach: Work closely with the Services and Defense Agencies in planning further consolidation efforts.

Accomplishments/Capabilities Delivered:

- Completed high-level fit gap analysis, mapping high-level computer software configuration items (CSCIs) to pay functionality, improving accuracy of planning and decreasing cost.
- Collaborated with Defense Finance and Accounting Service (DFAS) to identify and define high-level CSCIs for payroll, improving accuracy of future HR/payroll implementation.
- As precursor to potential HR/payroll integration, initial consolidation of three of 11 DCPDS regional operations relocated to the Denver Data Center where DCPDS enterprise

operations reside. These three were the Defense Logistics Agency, National Guard, and Broadcasting Board of Governors. This decreases the cost of the sustained system activities such as Information Assurance and reduces the cost of integration.

- Received Defense Business Systems Management Committee (DBSMC) approval to proceed with HR/payroll consolidation/integration in FY08 and FY09 subject to funds availability.

Near-Term Plans:

- Migrate up to two additional Defense Agencies customer communities to the Denver Data Center by Q4 FY08 in support of the consolidation of DCPDS enterprise operations.
- Build an executable program by Q3 FY08 in accordance with future funding allocation.
- Collaborate with DFAS to catalogue detailed legacy DCPDS functional requirements.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) for DCPDS.

Business Capability	Business Capability Improvement
Manage Quality of Life and Morale, Welfare and Recreation	Facilitate resolution of HRM issues with senior leadership by conducting senior level policy forums that cut across all functional areas under the HRM Core Business Mission (health, training, manpower, civilian personnel, etc.)

Defense Travel System (DTS): DTS is a fully integrated, electronic, end-to-end travel management system that automates temporary duty (TDY) travel for the Department. It allows travelers to create authorizations, prepare reservations, receive approvals, generate travel vouchers, and direct deposit payment to themselves and the government charge card vendor, all via a single web portal available 24 hours a day, 7 days a week.

Accomplishments/Capabilities Delivered:

- Voucher processing in DTS is increasing at an exponential rate as depicted in Figure 2-4.
  - FY06 to FY07, 72.4% growth
  - Q1 FY07 compared to Q1 FY08, 42.8% growth.
  - December 2006 compared to December 2007, 39.1% growth.

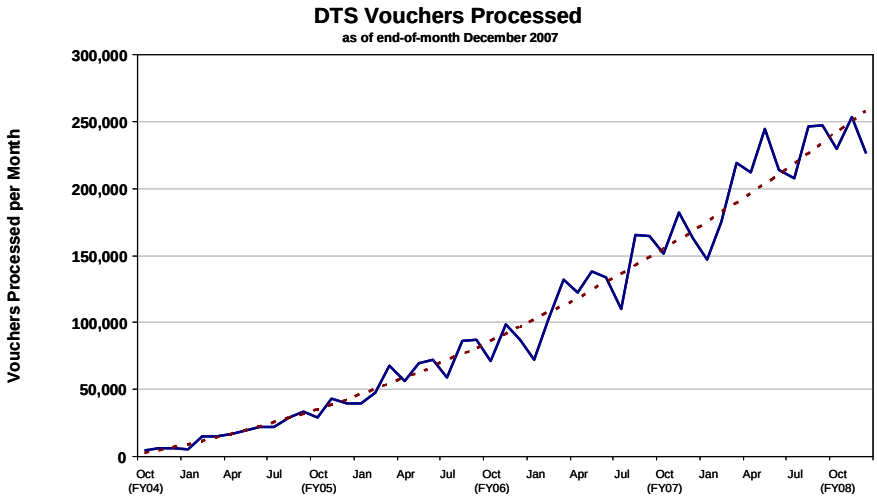


Figure 2-4: DTS Vouchers Processed as of end-of-month December 2007

- Completed DTS Quick Compass Survey in October 2007 and currently performing analysis on the results. The DTS Quick Compass Survey gauges customer satisfaction with various aspects of the system. Final analysis on customer feedback will direct the Department focus on changes in areas that provide the most value to users.
- Began implementing Section 943 Study recommendations:
  - Improve capabilities – Approved functional requirements documents for permanent duty and special circumstance travel.
  - Mandate use – Staffed memorandum to mandate use of DTS to the Department.
  - Improve usability – Initiated usability review.
- Opened the Travel Assistance Center (TAC) to all Navy and Defense Agency callers in October 2007 for DTS-related questions. Once fully operational in FY09, the TAC will serve as a "one stop shop" assisting the entire DoD travel community.
- Released enhancements to the Centrally Billed Accounts (CBA) module in Q2 FY08.

Near-Term Plans:

- Open TAC to all Air Force (April 2008) and Army (July 2008) callers for DTS-related questions.
- Continue implementation of 943 Study recommendations:
  - Improve DTS usability – Submit long-term recommendations in Q4 FY08.
  - Improve DTS capability – Submit deployment travel and Military Entrance Processing Station functional requirements by Q4 FY08.
  - Add Commercial Travel Office (CTO) Assistance button – Allow users to request full commercial travel office assistance in Q4 FY08.
  - Establish an interface with a new Government travel charge card vendor in Q1 FY09.
  - Develop an enterprise service maturity roadmap for DTS to migrate from its current baseline architecture to a service-oriented architecture target is Q3 FY08.
- Update the DTS system architecture with the implementation of the Technical Refresh in Q2 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) for DTS.

Business Capability	Business Capability Improvement
Manage Travel	Increased DTS usage will be accomplished by eliminating manual processes with automated solutions, simplifying travel policy, increasing user-friendliness, reducing costs, and educating and assisting stakeholders. Increased DTS usage equals better business intelligence for the travel enterprise.

Other Transformational Activities

Defense Travel Management Office (DTMO): In addition to the enhancements being made to DTS, there are other transformational activities occurring in Defense Travel that support personnel across DoD. In February 2006, the Department established the DTMO to serve as the single focal point for commercial travel. DTMO is responsible for establishing strategic direction, setting policy and centrally managing commercial travel programs with the ultimate vision of reshaping the Defense Travel Enterprise.

Accomplishments/Capabilities Delivered:

- Finalized worldwide CTO contract award in September 2007. The Department is in the process of awarding tailored task orders that will result in tangential savings.
- Awarded a DoD tailored task order to new credit card services provider on January 15, 2008.
- Initiated a government-wide travel policy review in October 2007. The Department has partnered with General Services Administration (GSA) to review policies to ensure they are relevant, consistent, and understandable. Initial recommendations expected by Q4 FY08.

Near-Term Plans:

- Continue execution of CTO tailored task order procurements through Q4 FY08.
- Deactivate Government Travel Charge Cards with the existing credit card services provider on November 29, 2008. Activate cards with new provider on November 30, 2008. To ensure a seamless transition, the phased implementation plan includes:
  - Each DTS user profile will temporarily have two cards.
  - DTS will determine which card is to be used based on departure/ticketing date.
  - DTS will temporarily suspend split disbursement around the cutover date to preclude payments to the wrong vendor. During that short time period, travelers will be instructed to pay the vendor directly.
  - The previous credit card services provider data will be removed from DTS when the cards are deactivated.
  - A robust communications strategy will be employed to educate cardholders, DTS users, and DTS administrators.
- Expand TAC services to handle all travel-related questions in Q1 FY09.
- Begin collection and analysis of key performance indicators of travel enterprise in Q3 FY08.

Defense Personnel Records Information Retrieval System (DPRIS): This initiative realized a cost benefit of $8M per year since the Official Military Personnel File (OMPF) records were stored in current Service imaging systems and accessed through DPRIS. This produced significant savings by eliminating the requirement to convert to microfiche and transfer to the National Personnel Records Center. Former service members are often eligible for benefits from other agencies that are related to their military service, as documented in their paper-based OMPF. Benefits may be delayed for months while Agencies wait for validation from the OMPF.

Since the mid-1990s, the Services have been scanning the OMPF papers and storing them as images in Service-specific digital systems. DPRIS is a secure portal that is designed to enable authorized government agency users to access these images online. Although the standard for access is 48 hours, most requests are filled in near real-time.

Accomplishments/Capabilities Delivered:

- DPRIS production operations began in 2002 as an advanced technology demonstration. The Veterans Benefits Administration (VBA), as the initial government agency user, immediately benefited from the secure automated access to available digital image OMPF records.
- The DPRIS secure website facilitates ease of access to OMPF records without a requirement for individual system-to-system interfaces. DPRIS greatly enhances OMPF digital image request processing as evidenced by the following:
  - Provides a single secure site for many government agencies to access and initiate requests for OMPF information from multiple different Services systems.

- Uses a standard request format, enabling documents to be queried from more than 26 functional categories.
- Eliminates system-to-system interfaces with current and prospective government agency users.
- Eliminates the manpower intensive process of the Services manually processing requests for OMPF information.

Near-Term Plans:

- Increase acceptance by the end-user communities.
- Respond to access requests received from other agencies, as well as, expand to the Department of Veterans Affairs (VA) Regional Offices.
- The Department anticipates that many more government agencies will begin to seek approval for DPRIS access.
- Over the next 18 months DPRIS processing volume is expected to continue to increase tenfold each year, beyond the current 70,000 annual requests, as government agencies provide support to new veterans.

This table provides the Personnel Visibility Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
• DIMHRS: System Integration Test for Army (Q2) • DIMHRS: Interface Requirements (Legacy) Complete for Air Force (Q2) • DIMHRS: System Acceptance Test for Army (Q3) • DIMHRS: Operational Test and Evaluation for Army (Q4)	• DIMHRS: IOC for Army (Q1) • DIMHRS: Operational Test and Evaluation for Air Force (Q1) • DIMHRS: IOC for Air Force (Q2) • DTS: FOC (Q4)

Note: DCPDS milestones have been updated to reflect lack of complete HR/payroll integration funding in future years.

Cross-BEP and Component Integration

Civilian Personnel Management Service (CPMS) and DFAS collaboration in documenting payroll requirements will continue to be the key in preparing for potential development of an integrated civilian HR/payroll system that achieves the stated savings and efficiencies. As a precursor to HR/payroll integration, DCPDS currently supports regional operations for DLA, the National Guard, and the Broadcasting Board of Governors from the Denver Data Center. CPMS is also working with the Army, Navy, Air Force and DFAS in planning for their potential relocation to the Denver Data Center.

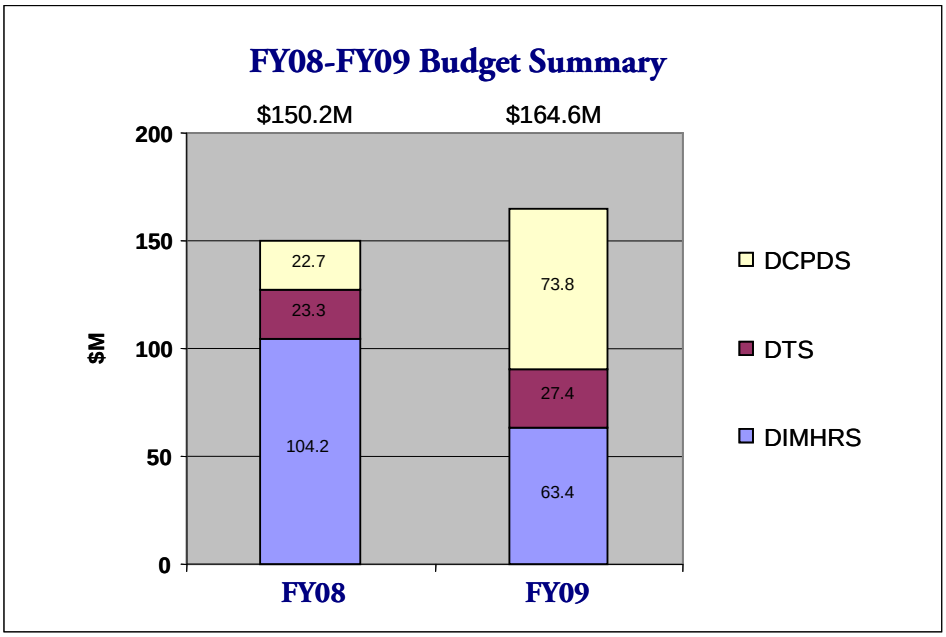
DIMHRS implementation mandates the impetus to review policies and procedures that bridge personnel and pay. The opportunity to review the policies and procedures resulted in the elimination and standardization of processes and policies representing a broad array of personnel and pay. The success of changes to processes and policies are a direct result of extraordinary cooperation and coordination among the Office of the Under Secretary Defense (Comptroller), Office of the Under Secretary of Defense Personnel and Readiness, Army, Air Force, DFAS and BTA.

Previously established collaboration process between the PV and Materiel Visibility (MV) Business Enterprise Priorities, continues to address a problem area associated with medical

logistics and movement of personnel. This functional overlap relates to casualty support and special materials that are critical to sustain patients during transportation.

Personnel Visibility Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level PV programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

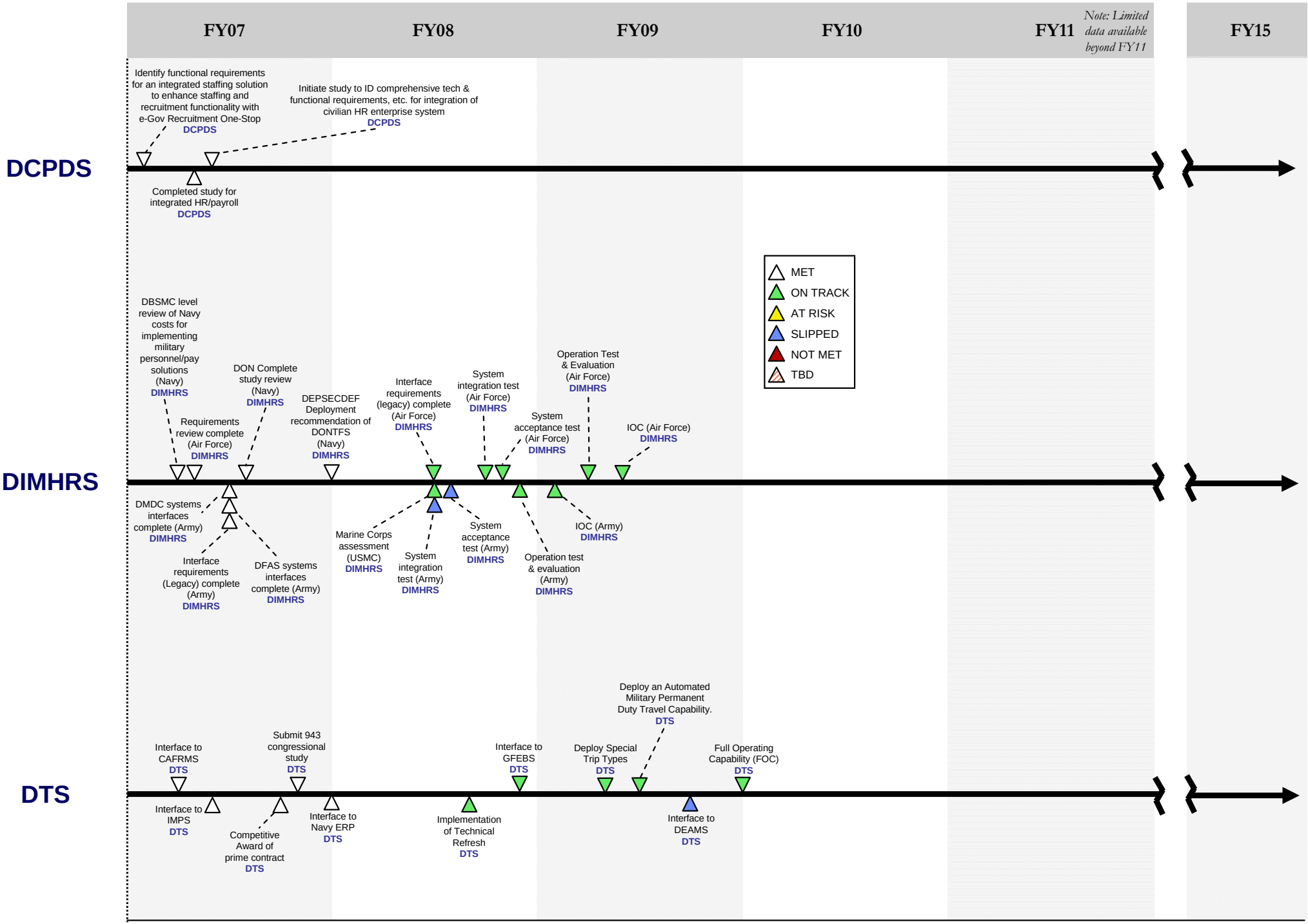
Case in Point: Disability Evaluation System (DES) Pilot Design

The design of the Disability Evaluation System (DES) Pilot is a model of interagency collaboration. On May 2, 2007, Secretary of Defense Robert M. Gates and Secretary of Veterans Affairs R. James Nicholson chartered a Senior Oversight Committee (SOC) to attend to concerns about the treatment of wounded, ill, and injured service members and veterans. SOC is one of eight interagency line of action working groups jointly chaired by DoD and Veterans Affairs (VA). Its role is to improve the continuum of care of our wounded, ill, or injured service members, veterans, and their families. Line of Action #1 is examining DoD's DES and associated VA processes.

DoD and VA policy makers, disability program managers, and care managers collaborated closely from July to November 2007 to develop an alternative to the DoD's DES and associated VA processes. The resulting process will help DoD and VA develop solutions to statutory and systemic issues associated with the DES and the transition of wounded, ill, or injured service members separated from military service to the care of the VA. A pilot program began on November 26, 2007, to test the process.

Collaborative design efforts to develop the DES Pilot included joint working groups that developed alternatives to improve the disability evaluation process. A group of experts from both Departments exercised those alternatives in a table-top simulation to determine the alternative producing the simplest, fairest, and fastest disability system possible. Constraints included current law and acceptability by service members, veterans, and the Departments. Collaborative development of policies, procedures, training, and communication tools for implementing the new DES was also undertaken. Major accomplishments of the pilot included:

- Agreement between DoD and VA to implement a single disability evaluation/transition medical examination to be used in DoD disability evaluations and in VA disability compensation and pension determinations (signed November 6, 2007).
- Agreement between the departments that DoD will accept and use VA disability ratings.
- Enhanced disability case management methods to ensure seamless transition of our wounded, ill, or injured from DoD to VA care.
- Policy and procedural guidance implementing the new process signed November 21, 2007.
- First service members enrolled in the pilot disability process November 26, 2007.


FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
DCPDS
DIMHRS
DTS
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
Identify functional requirements for an integrated staffing solution to enhance staffing and recruitment functionality with e-Gov Recruitment One-Stop DCPDS
Initiate study to ID comprehensive tech & functional requirements, etc. for integration of civilian HR enterprise system DCPDS
Completed study for integrated HR/payroll DCPDS
DBSMC level review of Navy costs for implementing military personnel/pay solutions (Navy) DIMHRS
DON Complete study review (Navy) DIMHRS
Requirements review complete (Air Force) DIMHRS
DEPSECDEF Deployment recommendation of DONTFS (Navy) DIMHRS
Interface requirements (legacy) complete (Air Force) DIMHRS
System integration test (Air Force) DIMHRS
System acceptance test (Air Force) DIMHRS
Operation Test & Evaluation (Air Force) DIMHRS
IOC (Air Force) DIMHRS
DMDC systems interfaces complete (Army) DIMHRS
Interface requirements (Legacy) complete (Army) DIMHRS
DFAS systems interfaces complete (Army) DIMHRS
Marine Corps assessment (USMC) DIMHRS
System integration test (Army) DIMHRS
System acceptance test (Army) DIMHRS
Operation test & evaluation (Army) DIMHRS
IOC (Army) DIMHRS
Interface to CAFRMS DTS
Interface to IMPS DTS
Submit 943 congressional study DTS
Competitive Award of prime contract DTS
Interface to Navy ERP DTS
Interface to GFEBS DTS
Implementation of Technical Refresh DTS
Deploy Special Trip Types DTS
Deploy an Automated Military Permanent Duty Travel Capability. DTS
Interface to DEAMS DTS
Full Operating Capability (FOC) DTS

AV

Acquisition Visibility Definition and Goal

Acquisition Visibility (AV) is defined as achieving timely access to accurate, authoritative, and reliable information supporting acquisition oversight, accountability, and decision making throughout the Department 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, and business transformation requirements of the Weapon System Lifecycle Management (WSLM) Core Business Mission (CBM).

Strategy for Acquisition Visibility

The strategy for achieving AV centers on establishment of a service-oriented architecture (SOA) governance and delivery mechanisms within the Defense Acquisition business community. This strategy permits DoD communities to continue operating their own heterogeneous business systems, while standardizing and regulating the systems' external interfaces to make available transparent, timely, and accurate authoritative data to senior Defense acquisition decision makers. Defense leadership within the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics) and the Components successfully conducted an initial SOA technical demonstration in December 2007 to prove the concept.

As demonstrated, this approach employs a governance mechanism that develops and maintains standards that:

- Define the content of the Defense acquisition data elements to be exchanged.
- Assign the institutional responsibility for maintenance of the authoritative version of each data element within the system.
- Establish data interface technical standards.

The delivery mechanism is a SOA in which data is pulled directly from authoritative sources and made available for authorized tools to ingest.

AV goals are achieved by the retrieval and use of authoritative data by authorized users. This approach is attractive to DoD for several reasons. It:

- Is inherently flexible, robust, and extensible.
- Does not require the replacement of the many existing DoD Enterprise business systems, but requires careful attention to the system external interfaces.
- Enables DoD senior management to focus on data elements that are most important to acquisition decision making, rather than on the global management of systems across a large, diverse institution.

This SOA management strategy will establish conditions for DoD's use of the new generation of business intelligence tools being developed in the commercial sector. It will also enable the integration of existing business system improvement efforts and will provide a flexible data framework to support future acquisition information management and business process needs.

OBJECTIVES

The objectives for AV are:

- **Provide governance and accountability for acquisition decision making data**
- **Provide the framework for access to authoritative data for acquisition decision making**
- **Provide definitions and business rules to define authoritative data for acquisition decision making**

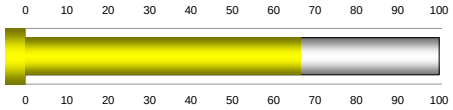
Programs and Activities Enabling AV:

- **DAMIR**
- **MEVA (CAMS-ME)**
- **AV SOA Demonstration**
- **SAR-PB Reconciliation**

Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Acquisition Visibility.

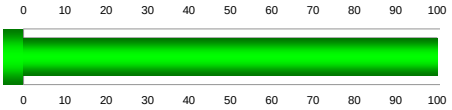
DAES* data available to Enterprise-level Defense Acquisition System - Provides ability to continually assess the status of Defense Acquisition Programs



Target: 100% Q1 FY08	Actual: 66.6% Q1 FY08	Goal: 100%

Steady Progress *achieved in Q1 FY08*

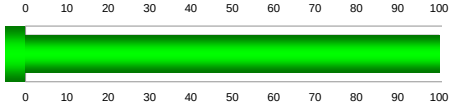
SAR** data available electronically to the Services – Allows for continuous assessment of Defense Acquisition Programs via SAR data



Target: 100% Q1 FY08	Actual: 100% Q1 FY08	Goal: 100%

Achieved Target; *100% of Unclassified information available in Q1 FY08*

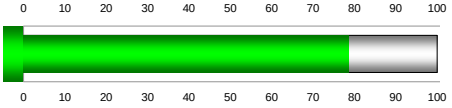
DAES* assessment data available electronically to the Services - Allows for continuous assessment of Defense Acquisition Programs via DAES data



Target: 100% Q1 FY08	Actual: 100% Q1 FY08	Goal: 100%

Achieved Target; *100% of specified DAES data elements available in Q1 FY08*

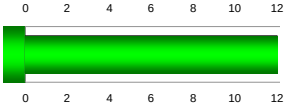
Assets Uniquely Identified/Tracked in an Accountability System of Record (ASR) – Provides for unique asset tracking with the financial accounting system



Target: 75% Q1 FY08	Actual: 78.3% Q1 FY08	Goal: 100%

Exceeding Target; *exceeding FY07-08 targets*

Requested Authoritative Data Available on Demand from specified programs – making actionable information available



Target: 8 Q2 FY08	Actual: 12 Q2 FY08	Goal: 8

Exceeded Target; *12 specified programs exceeds goal of 8. Completed January 2008*

* Defense Acquisition Executive Summary (DAES)
**Selected Acquisition Report (SAR)

Changes since the September 2007 Enterprise Transition Plan

There are no changes to the list of target transformation programs for Acquisition Visibility.

Transformation Programs

AV has two transformation programs that support achievement of its goals and objectives.

DAMIR
Status at a Glance

- FOC - Q3 FY08
- Retire CARS legacy system - Q3 FY08

Defense Acquisition Management Information Retrieval (DAMIR): DAMIR is a DoD Enterprise System that provides enterprise visibility to acquisition program information by leveraging a net-centric environment. When fully implemented in April 2008, DAMIR will provide a unified, web-based interface for Office of the Secretary of Defense (OSD), Services, and other selected entities to access the various data sources the Defense Acquisition community uses to manage Major Defense Acquisition Programs (MDAP) and Major Automated Information System (MAIS) programs.

Accomplishments/Capabilities Delivered:

- Deployed DAMIR version 3.0, providing a Web application for submission of a Selected Acquisition Report (SAR) for SAR-specific statutory requirements.
- Tested Navy, Army, and Air Force DAMIR version 3.0 Web services data exchange capability.
- Navy, Army, and Air Force provided access to acquisition information directly from their Service Acquisition Information Systems via DAMIR Web services rather than entering data into Consolidated Acquisition Reporting System (CARS).

These DAMIR 3.0 major enhancements were delivered during Q1 FY08. Improvements have resulted in each of the three AV Business Capabilities, including associated processes with ability to:

- Create, edit and staff a SAR online.
- Create, edit and staff an Acquisition Program Baseline (APB) online.
- Provide discussion comments.
- Provide APB and SAR baseline views.
- Provide standardized funding formats.
- Provide alerts and an improved interface.
- Provide notifications when a SAR has been released.

The DAMIR 3.0 new functional capabilities and the implementation of Web services now allow the legacy CARS application to be retired as scheduled.

Near-Term Plans:

- DAMIR FOC, April 2008
- Retirement of legacy CARS, June 2008

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by DAMIR.

Business Capability	Business Capability Improvement
Conduct Program Management	Establish an automated Web service data exchange for DAES data to increase transparency of program management data to the Components
Manage Acquisition Oversight Integration	Establish an automated Web service data exchange for DAES data to increase transparency of acquisition oversight data to Defense Acquisition communities
	Establish an automated Web service data exchange for SAR data to increase transparency of acquisition oversight data to the Components

CAMS-ME
Status at a Glance

✓ Spiral A IOC - Q2 FY08

Approach: Implement in three phases—Spirals A, B, and C.

Military Equipment Valuation and Accountability (MEVA) - Capital Asset Management System–Military Equipment (CAMS-ME): CAMS-ME supports Military Equipment Valuation and Accountability (MEVA), a DoD-wide effort to implement federal accounting standards requiring military equipment, including modifications and upgrades, to be valued, capitalized and depreciated over every item's useful life. CAMS-ME provides the Department the capability to value military equipment assets at the Enterprise level and report values on DoD financial statements, while providing more reliable and accurate information to decision makers who, in turn, determine future investments to support our warfighters.

Accomplishments/Capabilities Delivered:

- Deployed Increment 2, Spiral A. Go-Live was December 2007, and IOC for Spiral A was January 2008, which provided the following benefits:
  - Increased capabilities including electronic interface with the Item Unique Identifier (IUID) Registry. Automation of asset additions, transfers, retirements and losses, previously done manually, initially for the Navy using the Naval Vessel Registry and the Aircraft Inventory and Readiness Reporting System. Provides for more timely, accurate, complete, reliable and consistent information, by eliminating manual entry.
  - Addition of type, model and series filter for information processed into CAMS-ME. Allows for financial data to be segregated and reported in the same structure as acquisition programs are managed and budgeted in the Department. Results in more consistent management reporting.

Near-Term Plans:

- Deploy Increment 2, Spiral B, Q1 FY09. Spiral B replaces manual program additions each fiscal year saving approximately four man-months effort. Provides a timely, accurate, complete, and more reliable identification of Type/Model/Series (T/M/S). Allows automated pull of acquisition cost from the IUID registry.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by MEVA (CAMS-ME).

Business Capability	Business Capability Improvement
Perform Asset Accountability	Create a clear tie between the dollar values of the assets reported and their physical existence, and allow for a better tie with maintenance and logistics systems to give better lifecycle visibility into the asset by uniquely identifying and tracking assets in an ASR.

Other Transformational Activities

Two other transformational activities are occurring within the Department that support achievement of the AV priority. These activities are discussed below.

AV SOA Demonstration: The initial AV SOA Demonstration was conducted in December 2007 to validate the application of governance mechanisms and the use of a SOA for management of authoritative data for acquisition decision making. This demonstration leveraged 61 selected data elements associated with management of MDAPs.

SOA Demonstration
Status at a Glance

✓ Initial demonstration successfully completed

Approach: Pulled authoritative data from designated sources via a service-oriented architecture infrastructure.

Accomplishments/Capabilities Delivered:

- Successfully demonstrated the initial implementation of governance required to make authoritative acquisition data available for Defense acquisition decision making. This significant step proves data can be governed separately from the systems in which the data resides. Specific governance activities included agreement on definitions of the AV SOA Demonstration data elements, identification of the institutional steward for each of those elements, and identification of the authoritative sources. The data elements selected support Nunn-McCurdy and Earned Value Management views.
- Successfully demonstrated the technical feasibility of making authoritative Defense acquisition data available in a SOA environment, providing decision makers with the ability to obtain the authoritative, timely data they need for decision making in January 2008.

Near-Term Plans:

- Establish SOA governance and implement SOA environment for approximately twenty-four MDAPs to support acquisition decision making. Plans will be formalized upon direction from the Under Secretary of Defense (Acquisition, Technology and Logistics), which is expected to be issued in March 2008.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by the AV SOA Demonstration.

Business Capability	Business Capability Improvement
Manage Acquisition Oversight Integration	Provide timely Enterprise access to critical authoritative acquisition oversight data elements, define data elements and business rules, establish related governance, identify authoritative sources, and provide real-time access to data via a SOA

SAR and PB Reconciliation
Status at a Glance

- ✓ Task Force completed assessment
- Recommendations to be addressed in FY08

Selected Acquisition Report and President's Budget (SAR and PB) Reconciliation: An effort was undertaken to resolve inconsistencies between the costs reported in the annual SAR for MDAPs and the PB Future Years Defense Programs (FYDP) database. The goal is to clarify to Congress, as part of SAR submissions, how allocated funds are being used.

Accomplishments/Capabilities Delivered:

- Obtained data feed from OSD (Comptroller) that reflected final Defense PB for inclusion in SAR displays. This provides the PB data for comparison with the information to be reported in the SAR.
- Modified SAR input displays to prompt explanation for SAR/PB differences when program offices are completing SAR data inputs. These changes will help make the explanation of SAR/PB differences a regular part of SAR submissions.

Near-Term Plans:

- Will submit SARs in April 2008 that contain explanation for principal components of SAR/PB differences, in support of the FY09 PB request. This clarification will provide Congress with additional information.

This table provides the Acquisition Visibility Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
√ MEVA: Spiral A IOC: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 • DAMIR: FOC (Q3) • DAMIR: Service Components provide access to acquisition information directly from their Service Acquisition Information Systems via DAMIR web services rather than entering data into CARS (Q3) • SAR submission in support of the FY10 budget contains explanations of principal differences between SAR values reported and the PB10 request for Increment: SAR-PB Reconciliation (Q3) • DAMIR: Retire CARS legacy system (Q3) • MEVA: Spiral B IOC: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 (Q4)	• MEVA: Milestone C: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 (Q1) • MEVA: Spiral C IOC: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 (Q4)

Cross-BEP and Component Integration

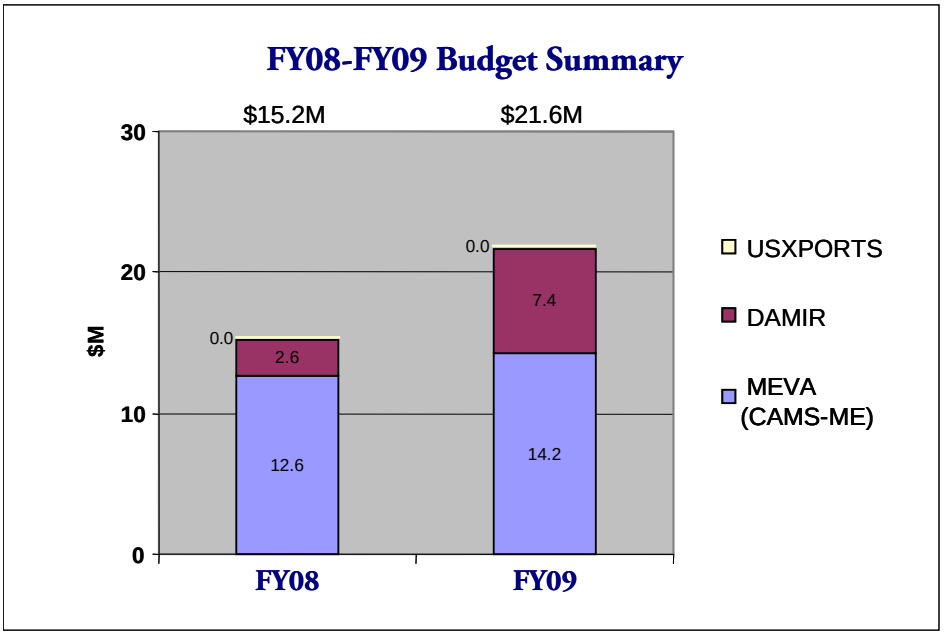
Defense acquisition business processes support a highly diverse business community that is cross-cutting and interspersed among all DoD Business Enterprise Priorities. As a result, Defense Acquisition data transparency and business process improvements will be fully realized in coordination with other parts of the organization and through data provided by each Component. To this end, representatives of AV, Material Visibility (MV), Common Supplier Engagement (CSE), and Real Property Accountability (RPA) have begun coordination to identify data commonalities, which are, and will continue to be, documented in the Business Enterprise Architecture. AV and the Financial Visibility (FV) community worked together in the SAR and PB reconciliation effort to align data and information both groups need for decision making.

Participation of the Components has been a critical factor in the success of the SAR-PB reconciliation effort and the AV SOA demonstration.

- **SAR-PB Reconciliation**: The Components provided information for the reconciliation effort. As the new processes are implemented, they will incorporate additional information in their SAR submissions to explain any apparent discrepancies with the PB.
- **AV SOA Demonstration**: The governance structure, which includes Component representatives, approved the definitions associated with the 61 data elements used in the demonstration. They assigned institutional responsibility for maintenance of the authoritative version of each data element within their systems and made those data elements available to be accessed via a SOA infrastructure. These same functions will continue as the demonstration expands to include additional MDAPs and additional data elements.

Acquisition Visibility Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level AV programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

- MEVA – Budget represents the CAMS-ME system costs associated with the MEVA initiative.
- USXPORTS – BIN # 6528 deactivated in FY05. USXPORTS has no identifiable DoD funding for PB09.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

Case in Point: Reconciling the Selected Acquisition Report (SAR) / President's Budget (PB) Programmatic Differences

Within a one-year period, the AT&L Acquisition Resource Analysis (ARA) office is implementing the capability for Component program offices to resolve discrepancies between the Selected Acquisition Report (SAR) submission to Congress and the President's Budget (PB) documents and databases. It is anticipated that the December 2007 SAR submission (submitted April 2008) will differ very little from the PB and that the remaining differences will be clearly and transparently documented in the SAR text.

For well over a decade, the Department has experienced significant challenges in reconciling programmatic differences between the SAR and the PB. These differences in apparently definitional-comparable figures erode confidence in DoD's budgeting and managerial institutions. The SAR, which accompanies the annual PB request to Congress, is statutorily required for Major Defense Acquisition Programs (MDAPs).

Preparation of these key deliverables to Congress involves numerous systems, so achieving coherency in reported costs will be a major, multi-institutional and multi-disciplined effort. The SAR is prepared by program offices and is a formatted, multi-paged document in which various technical, programmatic and contractual data are summarized for Congressional review. Conversely, the PB is prepared by the Component comptroller offices and is a massive DoD database and internal accounting system that summarizes forces and resources associated with programs. The PB includes the Future Year Defense Programs (FYDP), which allows MDAPs to provide a crosswalk between DoD's internal system of accounting and congressional budget appropriations. The PB is delivered to the Congress in the form of voluminous data tables, indexed in a number of different ways—different from the way data is required to be presented in the SAR.

A longstanding issue has been that the dollar amounts reported in the SAR for a specific program may be hundreds of millions of dollars different from what can be directly extracted from the contemporaneous PB data tables. This state of affairs is due to several not-easily-remedied structural reasons: different accounting conventions, differences between SAR and PB preparation calendars, actual data collected, and outright errors.

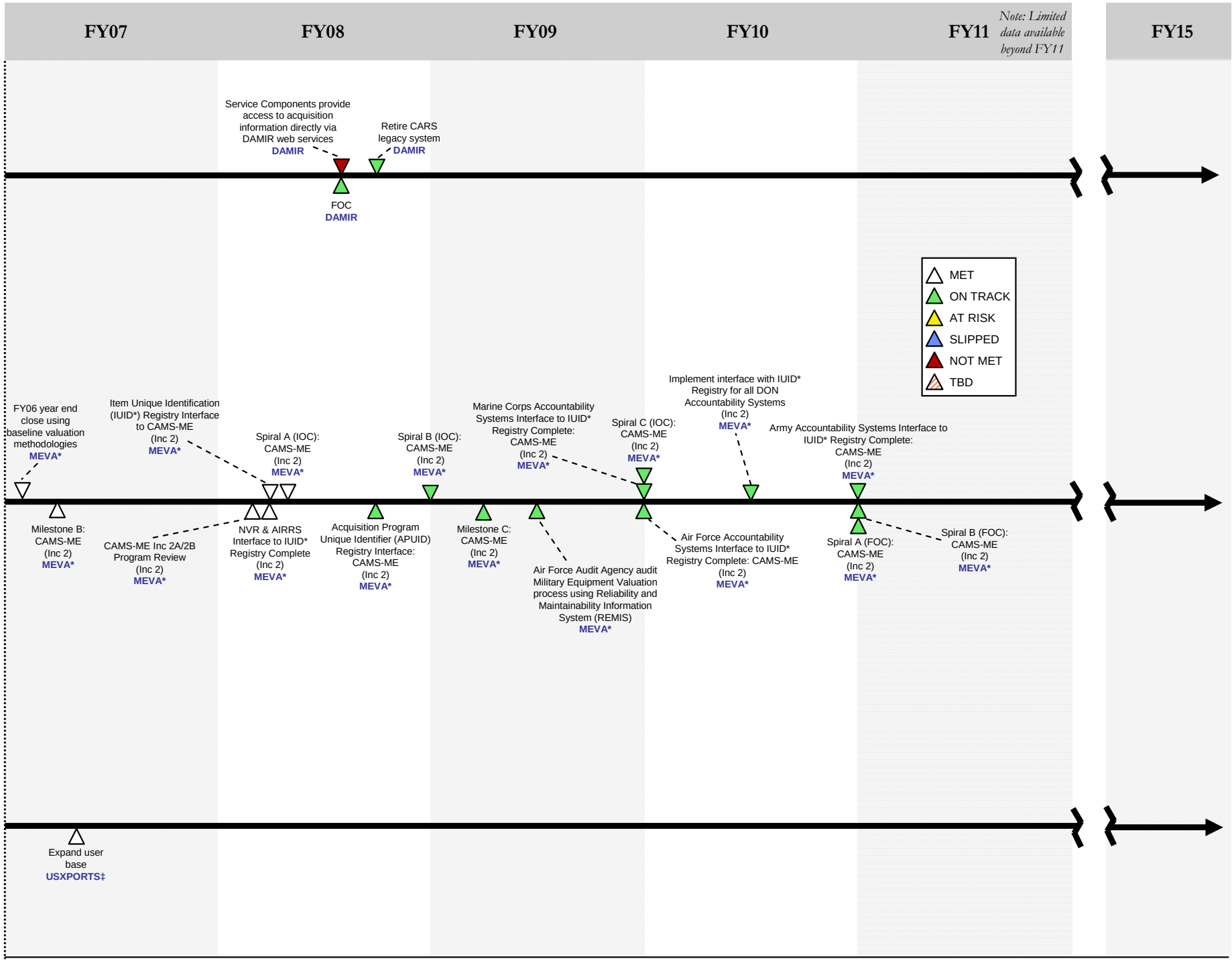
A Task Force was chartered in June 2007 with two objectives: 1) exhaustively examine a sample of MDAPs and identify precisely the sources of reported SAR/PB differences; and 2) recommend changes to the SAR preparation and reporting process (since the PB process is fixed) that would serve to minimize the differences and provide an explanation for such differences when identified. The Task Force found, by examining a dozen large programs in detail, that the problems were even greater than expected from the macro-analysis of the situation. An example of the problems identified is the issue of offsetting positive and negative variances. This practice tended to minimize the total perceived difference between the SAR and PB. Careful, detailed analysis showed the actual, absolute value differences were almost twice as large as perceived.

The Task Force recommended a fairly simple change to the Defense Acquisition Management Information Resource (DAMIR) system that program managers use to prepare their SAR input. Essentially, the Office of the Under Secretary of Defense (OUSD) Comptroller will now provide the PB data tables to DAMIR when the PB is finalized. A simple extraction from these data tables via DAMIR will now provide the program managers' staff visibility to the dollars, by appropriation, attributed by the PB to their respective programs. The program offices then have the option of entering alternative figures into the SAR for their programs, but a field is also provided to explain the reasons for differences where they exist. By this mechanism, if differences exist between the SAR and PB reported figures for a program, at least the differences will be clearly documented and explained. Initially, these modifications will cover development and procurement funding. Next year, after modifications to the Department's accounting system templates, military construction funding will be added.

Acquisition Visibility Timeline

‡ Target system or initiative is fully implemented (post - FOC)

* Initiative



CSE

OBJECTIVES

The objectives for CSE are:

- **Streamline and reduce complexities of the process touch points between DoD and suppliers**
- **Adopt standard business processes, rules, data, and interoperable systems across DoD to ensure reliable and accurate delivery of acceptable goods and services**

Programs and Activities Enabling CSE:

- **CPARS**
- **DoD EMALL**
- **EDA**
- **SPS**
- **WAWF**
- **Federal IAE**
  - **-- CCR**
  - **-- EPLS**
  - **-- eSRS**
  - **-- FBO**
  - **-- FedReg**
  - **-- FedTeDS**
  - **-- FPDS-NG**
  - **-- ORCA**
  - **-- PPIRS**
  - **-- WDOL**
- **JCCS**
- **SPOT**
- **Creation of Miscellaneous Payment Guidebook**
- **Procurement Data Strategy**

Common Supplier Engagement Definition and Goal

Common Supplier Engagement (CSE) is the alignment and integration of the policies, processes, data, technology and people to provide a consistent experience for suppliers and DoD stakeholders to ensure reliable and accurate delivery of acceptable goods and services to support the warfighter.

The primary goal of CSE is to simplify and standardize the methods that DoD uses to interact with commercial and government suppliers in the acquisition of catalog, stock, as well as made-to-order and engineer-to-order goods and services. CSE also provides the associated visibility of supplier-related information to the Warfighting and Business Mission Areas.

Strategy for Common Supplier Engagement

The foundation of the strategy for achieving CSE is the Defense Sourcing Portfolio (DSP). This portfolio of programs addresses the identified need to transform the Department's business operations sourcing environment (including the request, sourcing, receipt/acceptance, and payment capabilities). The DSP's enterprise-wide business capabilities enable DoD to acquire goods and services in support of its mission in a standardized, seamless, end-to-end, shared data environment, while enabling financial accountability. Various implementations and enhancements in the past drove system-centric solutions with a primary focus on individual technical capabilities. The DSP, on the other hand, views the enterprise environment not as individual systems, but as a portfolio of capabilities.

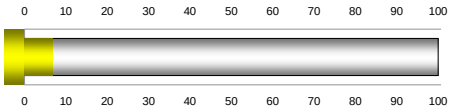
Many of the capabilities that help implement CSE goals and objectives are already federal-wide shared services as part of the Federal E-Gov Integrated Acquisition Environment (IAE) initiative. Additionally, DoD has several additional Department-wide capabilities that support and complement the end-to-end processes as depicted in the Business Enterprise Architecture (BEA).

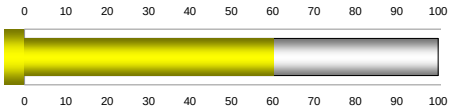
The DSP Steering Committee has led the way for the development of a consistent methodology for evaluating requirements based upon mandates by policy, as well as compliance to the BEA for systems within the CSE portfolio. By establishing this clear, collaborative governance model that addresses stakeholder interest, the DSP Requirements Life Cycle Management process creates an environment that promotes cross-functional coordination between DoD organizations. The DSP model provides a forum to develop standards and continue reducing the complexity of touchpoints between DoD and suppliers, which aligns to the strategic goals of the Department.

By approaching CSE capabilities as a portfolio using the DSP model, DoD has also begun to undertake several non-system related efforts to improve the processes and data used across the Department and industry partners for sourcing. As discussed later in this narrative, this includes such efforts as, development of a Procurement Data Strategy and associated standards, as well as development of standard transactions that can be used for specific parts of the sourcing process. In addition, the Business Transformation Agency (BTA) is working closely with functional stakeholders, such as, the Task Force to Improve Business and Stability Operations in Iraq (TFBSO) to support requirements for expeditionary contracting capabilities. This included transitioning the Joint Contingency Contracting System (JCCS) to BTA management as a CSE system.

Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Common Supplier Engagement.

Migration to Common Business Processes, Rules, and Data for Contracts - Percent of unclassified contract and modification actions made available for DoD level data aggregation		
		
Target: 7% Q1 FY08	Actual: 6.7% Q1 FY08	Goal: 95%
Missed Q1 FY08 target; earlier data reporting problems addressed		

Indirect Invoice eMigration - Percent of DFAS paid invoices submitted electronically via an authorized electronic invoicing system		
		
Target : 75% Q1 FY08	Actual: 60.2% Q1 FY08	Goal: 95%
Limited progress; full implementation of WAWF within DoD has not yet been achieved		

Although the Department did not meet the original target of 75% for the Indirect Invoice eMigration performance metric, progress was achieved by an increase in transaction volume to 60.2% (as depicted above). This increase directly correlates to an increase in invoice dollars processed via Wide Area Workflow (WAWF). As the graph below shows, the proportion of interest paid on invoices using WAWF vice other processes was significantly lower. By reducing the cycle time to process invoices and receiving reports, WAWF decreased the interest penalties paid to vendors when payments were not made on-time in accordance with contract terms. As a result, the Department was able to realize a significant cost avoidance of $52M (sum of Q3 FY07, Q4 FY07, and Q1 FY08). Figure 2-5 depicts the significantly lower interest penalties paid on invoice dollars processed through WAWF compared to the interest paid on invoices processed via Other Methods.

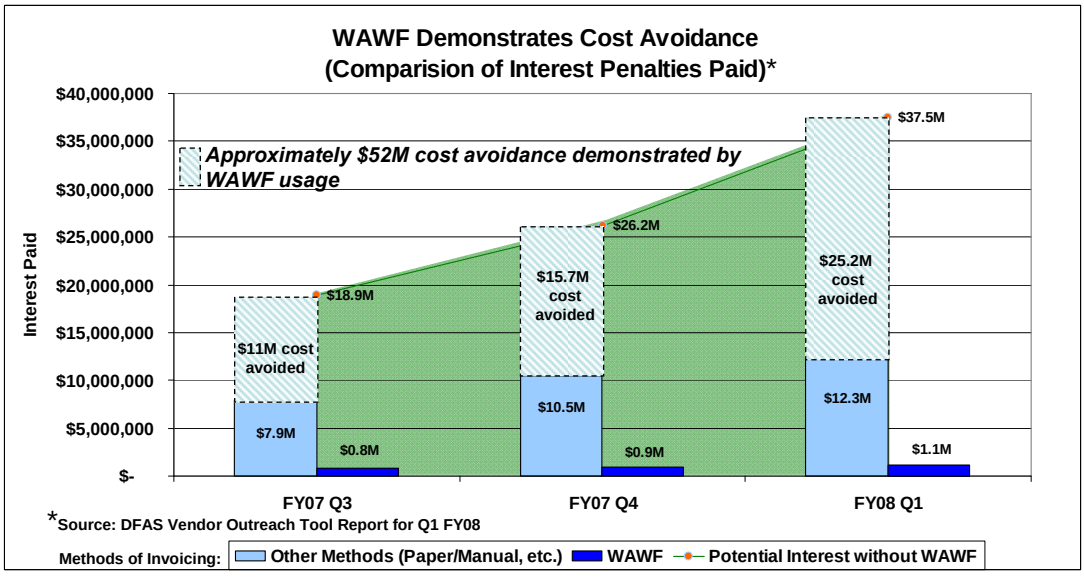


Figure 2-5: WAWF Usage Avoids Cost through Lower Interest Payments

Changes since the September 2007 Enterprise Transition Plan

There have been two changes to the target list of transformation programs for Common Supplier Engagement. Acquisition Spend Analysis Service in its current form has been removed from the list and it will not be reported on again. Joint Contingency Contracting System has been added as a new transformation program.

Acquisition Spend Analysis Service (ASAS): ASAS enabled an initial Enterprise-Level solution for acquisition analysis that pulled awarded contract line item data from multiple systems into a single view for complete analysis and reduced the complexity of data integration across the Department. The service analyzed spend data and provided a tool to perform trend analysis and compliance checks, to allow for more informed decision making across DoD.

Near-term plans in the September 2007 Enterprise Transition Plan (ETP) were to define requirements for future releases and the ASAS way ahead in accordance with the DSP, as the capability and strategic sourcing plans evolved. As a result of DSP analysis, ASAS, in its current form, will be discontinued and the construct will be used to build a new enterprise layer business intelligence capability based on the emerging procurement data standards that will service all Components and Office of the Secretary of Defense (OSD). As a result, ASAS itself will be deleted, lessons learned will be reviewed, and a new solution will be developed in accordance with the Business Capability Lifecycle (BCL) process.

Joint Contingency Contracting System (JCCS): JCCS was developed and deployed in less than six months to the Joint Contracting Command – Iraq/Afghanistan (JCC-I/A) by TFBSO. JCCS delivers a decision support capability directly to the warfighter in an austere, low bandwidth environment. The system's program management moved from the Task Force to the BTA to ensure that capabilities and lessons learned from JCCS are transferable to support future contingency and expeditionary operations.

Fully Implemented Programs

CSE has fully implemented four programs that support its goals and objectives. They are: Contractor Performance Assessment Reporting System, Excluded Parties List System, Online Representations and Certifications Application, and Wage Determinations Online.

Contractor Performance Assessment Reporting System (CPARS): CPARS is the authoritative source of commercial supplier performance information. CPARS is a web-enabled application that collects and manages an automated library of assessment reports of contractor performance completed by government officials. Each assessment provides a record, both positive and negative, on a given contract for a specific period of time. Completed assessments are copied to the Federal Past Performance Information Retrieval System (PPIRS) where they are used to support "best value" contracting.

Accomplishments/Capabilities Delivered:

- In Q2 FY08, migrated from a proprietary software package to open source. The new release included a robust system administration module that increased Tier 1 help desk functionality. The added Tier 1 functionality improved help desk turnaround/response times for users, including the warfighter.
- In Q2 FY08, re-hosted servers from a Navy legacy network to a Defense Information Systems Agency (DISA) hosting facility. The move resulted in improved performance, reliability, and system security.

This table shows the relationship between Business Capabilities and the improvements that have been enabled by CPARS.

Business Capability	Business Capability Improvement
Manage Sourcing	Improve Manage sourcing by: Enhancing the authoritative source for collection and retrieval of commercial supplier performance data.
	Improve Manage sourcing by: Establishing a process to identify award and incentive fees awarded to suppliers in order to improve visibility to acquisition decision makers for performance decisions.

Excluded Parties List System (EPLS): EPLS is the online master authoritative source of parties excluded from federal procurement and non-procurement programs, commonly referred to as the "debarred list". EPLS identifies those parties excluded throughout the U.S. Government from receiving federal contracts or certain subcontracts and from receiving certain types of federal financial and non-financial assistance and benefits.

Online Representations and Certifications Application (ORCA): ORCA is the single electronic entry point for suppliers to assert compliance with federal law via submission of Federal Acquisition Regulation required Representations and Certifications. ORCA reuses data available in CCR to pre-populate many required representations and certification fields.

Wage Determination Online (WDOL): WDOL provides a single location for federal contracting officers to obtain appropriate Service Contract Act (SCA) and Davis-Bacon Act wage determinations for each official contract action. The WDOL.gov program also provides contracting officers direct access to the Department of Labor's "e98" website to submit a request for SCA wage determinations for use on official contract actions.

Transformation Programs

CSE has 13 transformation programs that support achievement of its goals and objectives, which are discussed below.

DoD Electronic Mall (DoD EMALL): DoD EMALL allows the Department and other federal customers to find and acquire off-the-shelf, finished goods items and services from the commercial marketplace and government sources. DoD EMALL offers cross catalog shopping for a large number of items from multiple vendors for the purpose of comparison pricing and best value decision making and provides one-stop visibility of order status. DoD EMALL eliminates the need to replicate data already maintained by the vendor, reducing logistics response time, improving visibility of sources of supply and facilitating use of the government purchase card.

DoD EMALL
Status at a Glance

- Deploy next version including an improved customer care module and upgrade to current "pay.gov" requirements – Q4 FY08

Accomplishments/Capabilities Delivered:

- Implemented status tracking and warfighter critical item list management capability in version 7.2 during Q4 FY07.
- Implemented registration and product check-out improvements in version 8.0 during Q2 FY08.

Near-Term Plans:

- Deploy version 8.1 in Q4 FY08 to provide an improved customer module, which will streamline the processes for users to track status of shipments, and interact with providers.
- Improve efficiency of DoD procurement by consolidating eCommerce ordering sites, adding a Customer Care Module and improving credit card handling in Q4 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by DoD EMALL.

Business Capability	Business Capability Improvement
Manage Request	Improve Manage Request by: Identifying the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
Manage Sourcing	Improve Manage sourcing by: Establishing standard contract and modification data aggregation and associated processes to improve visibility for acquisition decision makers in order to be able to analyze the spend

EDA
Status at a Glance

- Contracts to Data Phase III – Q3 FY09

Electronic Document Access (EDA): EDA provides secure online, electronic storage and retrieval capabilities of procurement information and documents across DoD.

Accomplishments/Capabilities Delivered:

- Deployed version 7.4, which enhanced EDA data capabilities by capturing contract award data from additional contract writing systems and adding Agency Accounting Identifiers to the WAWF pre-population feed. Increased movement of contract data into EDA brings the Department closer to full deployment of end-to-end data processing in the acquisition cycle.
- Implemented standard data transactions for passing contract data through WAWF to interfacing finance and logistics systems. These standard transactions facilitated interoperability and streamlined the invoice, receipt and acceptance processes. They also enabled use of a standard interface design for providing contract data to the payment process.

Near-Term Plans:

- Implement Contracts-to-Data Phase III initiative, as it evolves with the Procurement Data Strategy. This will increase the number of data elements that can be pre-populated into WAWF for receipt and acceptance processes. These are included within contracting documents (contracts, modifications, orders, etc.), thereby enhancing the end-to-end data processing cycle and are anticipated for Q3 FY09.
- Implement Standard Financial Information Structure (SFIS) in Q4 FY09 to improve data standards and data integrity.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by EDA.

Business Capability	Business Capability Improvement
Manage Receipt and Acceptance	Improve Manage Receipt and Acceptance by: Establishing standard contract and modification data aggregation and associated processes.
Manage Request	Improve Manage Request by: Identifying the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
Manage Sourcing	Improve Manage sourcing by: Establishing standard contract and modification data aggregation and associated processes to improve visibility for acquisition decision makers in order to be able to analyze the spend.
	Improve Manage sourcing by: Reducing unmatched disbursements and improving the accuracy of data by pre-populating invoice and receiving reports, which reduces the need to re-key.

Standard Procurement System (SPS): SPS provides Enterprise-wide contract writing and management capabilities and is a key enabler, providing visibility into materiel and services sourcing actions of the Department. It provides a standard method for producing contractual agreements with suppliers and supports the Manage Sourcing and Manage Request business capabilities. SPS is deployed to various posts, camps, and stations across DoD.

SPS
Status at a Glance

- ✓ SR 08 adds interface capabilities with CCR and addressed performance related and data integrity issues – Q4 FY07
- Complete software development for SR 09, which includes enhanced Foreign Currency capabilities and Phase 1 of Archiving. – Q3 FY08

Accomplishments/Capabilities Delivered:

- Successfully delivered SPS Service Release (SR) 08 in Q4 FY07, which was scheduled for deployment in Q4 FY08. SR 08 addressed performance and data integrity issues and will interface with the Central Contractor Registration (CCR).

Near-Term Plans:

- Scheduled to complete software developments for SR 09, which will be delivered to the Department for testing by Q3 FY08. SR 09 will enhance Foreign Currency Exchange rate capabilities, Phase 1 of Archiving (which will inherently improve database performance and records management), and provide a major upgrade to key operational third party software used by SPS.
- Public Key Infrastructure (PKI) analysis and design to be completed as part of SRs 10-12 in Q1 FY09 to improve system security.
- Implement Standard Financial Information Structure (SFIS) in Q4 FY09 to improve data standards and data integrity.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by SPS.

Business Capability	Business Capability Improvement
Manage Request	Improve Manage Request by: Establishing data visibility to the purchase request level and allowing customers to identify data associated with outstanding requests.
	Improve Manage Request by: Identifying the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
	Improve Manage Request by: Improving the ability to track purchase requests and provide information to acquisition decision makers.
Manage Sourcing	Improve Manage sourcing by: Establishing standard contract and modification data aggregation and associated processes to improve visibility for acquisition decision makers in order to be able to analyze the spend.

WAWF
Status at a Glance

- ✓ Implemented Standard Transactions Phase I – Q1 FY08
- Implement standard invoicing and approval transaction processing and standard corrections processing – Q4 FY08

Approach: The standard transaction sets are changing the WAWF deployment model for new interface partners by reducing the wait to acquire an interface and enabling plug and play capability with predefined data sets.

Wide Area Work Flow (WAWF): WAWF provides the Department and its suppliers the single point of entry to generate, capture, and process invoice, acceptance, and payments related documentation and data to support the DoD asset visibility, tracking, and payment processes. It provides the nexus of information related to acceptance of goods and services in support of the DoD supply chain and helps reduce DoD interest payments through electronic invoicing.

Accomplishments/Capabilities Delivered:

- Implemented capability to process invoices for grants and cooperative agreements in version 3.0.12, released Q1 FY08. Functionality is critical to ensuring continued funding of research projects, as research funds are allocated based on achievement of expenditure rate targets.
- Implemented Standard Transactions Phase I for passing shipment, acceptance, and accounts payable data to emerging interface partners in version 3.0.12 released Q1 FY08. These standard transactions will further accelerate deployment of Enterprise Resource Planning (ERP) systems in the target environment, while reducing implementation costs. The standard data transactions are also designed to be Defense Logistics Management System (DLMS) compliant and will accommodate the needs of emerging logistics systems, thus expanding the scope of WAWF's capability.

Near-Term Plans:

- Implement Standard Transactions Phase II to provide Standard Invoicing and Approval, Corrections Processing, and Application modernization to address issues of stability, future growth, and maintainability of the system. Capability scheduled for delivery in WAWF version 4.0 release in Q4 FY08.
- Implement Standard Transactions Phase III to provide Standard Property Transfer and Transportation transactions and develop capability in WAWF to support United States Transportation Command (USTRANSCOM) Transactions and Property Visibility. This capability planned for WAWF version 4.1, tentatively scheduled for Q4 FY09, pending approval from Joint Requirements Board.

- Implement SFIS in Q4 FY09 to improve data standards and data integrity.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by WAWF.

Business Capability	Business Capability Improvement
Manage Payment	Improve Manage Payment by: Developing a standard method for commercial suppliers to submit invoices and receive payment.
	Improve Manage Payment by: Establishing standard invoicing data aggregation and associated processes.
	Improve Manage Payment by: Improving the inability to measure the implementation of standard processes.
	Improve Manage Payment by: Reducing individual WAWF interfaces with entitlement systems from 20 to 1, improving issues with data visibility and identifying, and eliminating materiel weakness in the target ERP environment.
Manage Receipt and Acceptance	Improve Manage Receipt and Acceptance by: Developing a standard method for commercial suppliers to 1) submit shipment notices and 2) to allow combatant command visibility into the location and value of deployed assets through the collection of radio frequency identification and item-unique identification data.
	Improve Manage Receipt and Acceptance by: Establishing standard receipt and acceptance data aggregation and associated processes.
	Improve Manage Receipt and Acceptance by: Improving inefficiencies due to non-standardized methods for submitting shipment notices (e.g. - interest penalties).
Manage Request	Improve Manage Request by: Identifying the data collection processes necessary for demand traceability in Military Equipment Valuation (MEV) and Personnel Property Accountability in order to be able to capture the information at the request stage.
Manage Sourcing	Improve Manage sourcing by: Reducing unmatched disbursements and improving the accuracy of data by pre-populating invoice and receiving reports, which reduces the need to re-key.

Federal Integrated Acquisition Environment (Federal IAE): The Federal IAE portfolio, whose systems are listed in Status at a Glance, provides a secure business environment that facilitates and supports cost-effective acquisition of goods and services across the federal government. The goals include: 1) creating a simpler, common, integrated business process for buyers and sellers that promotes competition, transparency and integrity; 2) increasing data sharing to enable better business decisions in procurement, logistics, payment and performance assessment; and 3) taking a unified approach to obtaining modern tools to leverage investment costs for business processes.

Accomplishments/Capabilities Delivered:

- **Federal Procurement Data System-Next Generation (FPDS-NG):** Coordinated efforts with the General Services Administration (GSA) to correct several data inaccuracies from original contract reporting forms migrated into FPDS-NG.
- **Past Performance Information Retrieval System (PPIRS):**
  - Completed development of metrics and rating criteria for the DoD Joint Supplier Scorecard (JSSC); a DoD initiative to measure and improve performance and drive positive behavior in the top 20 contractors for each service/agency. Benefits include reduced costs through improved quality and reduced lead times.

Federal IAE
Status at a Glance

- Federal IAE is one of the 24 eGov initiatives that supports the President's Management Agenda. It is a portfolio of systems managed by GSA which includes the following federal programs:

Fully Implemented
- WDOL
- EPLS
- ORCA

Transformational
- CCR
- eSRS
- FBO
- FedReg
- FedTeDS
- FPDS-NG
- PPIRS

  - Re-hosted servers from a Navy legacy network to a DISA hosting facility. The move resulted in improved performance, reliability, and system security.

- **Federal Technical Data Solutions (FedTeDS):** Transferred program management to the GSA, so capabilities can be incorporated into Federal Business Opportunities (FBO).
- **Electronic Subcontracting Reporting System (eSRS):** Completed successful testing of DoD functional requirements to ensure the ability to implement in DoD procurement environment.

Near-Term Plans:

- **Electronic Subcontract Reporting System (eSRS):** Initiate deployment of eSRS in Q3 FY08 across DoD as the authoritative source for commercial supplier subcontracting reports, increasing visibility of subcontracting data to ensure contractor compliance with subcontracting goals.
- **Federal Procurement Data System-Next Generation (FPDS-NG)**: Continue collaborative efforts with GSA to refine further the strategic plan to complete critical data management fixes and updates identified by independent verification and validation and certify completion of FY07 reporting in Q3 FY08. Ultimately, the goal is to improve the accuracy of the data being collected in FPDS-NG to satisfy Federal Funding Accountability and Transparency Act (FFATA) requirements. This will allow executives to make more informed decisions when acquiring materials and services for the Department.
- **Federal Business Opportunities (FBO):** Initiate deployment of new solution to DoD users in Q4 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by Federal IAE.

Business Capability	Business Capability Improvement
Manage Request	Improve Manage Request by: Identifying the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
Manage Sourcing	Improve Manage sourcing by: Improving the authoritative source for collection of commercial supplier data in order to limit the number of systems and formats with which DoD's supplier base has to interact.
	Improve Manage sourcing by: Enhancing the authoritative source for collection and retrieval of commercial supplier performance data.
	Improve Manage sourcing by: Deploying the authoritative source for commercial supplier submission of subcontract reports in order to replace the manual paper submission DoD's supplier base must currently perform.
	Improve Manage sourcing by: Enhancing the standard method of identifying business opportunities and distributing related information to commercial suppliers in order to limit the number of systems and formats with which DoD's supplier base has to interact.
	Improve Manage sourcing by: Establishing standard contract and modification data aggregation and associated processes to improve visibility for acquisition decision makers in order to be able to analyze the spend

Business Capability	Business Capability Improvement
Manage Sourcing	Improve Manage sourcing by: Improving the standard method for reporting commercial supplier agreement data to Congress and to the public.
	Improve Manage sourcing by: Enhancing the authoritative source for collection of commercial supplier representation/ certification information in order to limit the number of systems and formats with which DoD's supplier base has to interact.

Joint Contingency Contracting System (JCCS): JCCS is a real-time contract data repository and reporting tool for contracts in Iraq and Afghanistan. The system's goals are to allow the posting of Iraqi and Afghani solicitations, provide capability to review vendor past performance, provide a web-based location for proposal submission, track historical reconstruction data, allow oversight of in-theatre contracts to monitor cost, schedule, performance, vendor activities, and to track spend analysis for strategic sourcing and staffing.

JCCS
Status at a Glance

- ✓ Deployed Version 3.0 – Q1 FY08
- Deploy Version 3.5 – Q2 FY08
- Deploy Version 4.0 which provides the ability to add contract line items and perform multiple purchase request functionality - Q4 FY08

Accomplishments/Capabilities Delivered:

- Enhanced and consolidated two legacy systems, Joint Contracting Command Iraq/Afghanistan Admin and Advanced Contract Tracking Tool to develop the JCCS solution in Q4 FY07.
- Implemented version 3.0, in Q1 FY08, which provided users with the ability to add, delete, edit, or modify an existing task order, delivery order, or call. Additionally, this functionality allows the end-user to modify the initial base contract or Indefinite Delivery Indefinite Quantity or Blanket Purchase Agreement.

Near-Term Plans:

- Deploy version 3.5, which will enhance the capabilities described above that were established in version 3.0 during Q2 FY08.
- Deploy version 4.0, which will allow the end-user to associate multiple purchase requests to one or many contract awards and will provide the capability to add contract line items to a contract during Q4 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by JCCS.

Business Capability	Business Capability Improvement
Manage Request	Improve Manage Request by: Establishing data visibility to the purchase request level and allowing customers to identify data associated with outstanding requests.
	Improve Manage Request by: Identifying the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
	Improve Manage Request by: Improving the ability to track purchase requests and provide information to acquisition decision makers.

Business Capability	Business Capability Improvement
Manage Sourcing	Improve Manage sourcing by: Establishing standard contract and modification data aggregation and associated processes to improve visibility for acquisition decision makers in order to be able to analyze the spend.

SPOT
Status at a Glance

- Implement Letter of Authorization capability – Q2 FY08

Synchronized Predeployment and Operational Tracker (SPOT): SPOT is a multi-service system for tracking contractors who deploy with the military. It is the only system that supports the requirements to relate contract-level information with individual contingency contractor employee information.

Accomplishments/Capabilities Delivered:

- Modified SPOT version 6.0 to include standard electronic Letter of Authorization functionality to improve accuracy, timeliness, validity, and integrity of deployed contractors data to the Combatant Commander in Q1 FY08.
- Conducted Operational Requirements Committee (ORC) meeting to define requirements for version 6.1, taking an Enterprise-wide perspective and collaborating with Services and Agencies in Q1 FY08. The ORC provides the enterprise system an oversight committee responsible for requirements management and evaluation from collection through test and delivery to the government.
- Fielded capability for SPOT to receive movement data in-theater to aerial ports and dining facilities in Kuwait, Iraq and Afghanistan to improve contractor visibility and tracking during Q1 and Q2 FY08.
- Collaborated with the Joint Contracting Community to publish SPOT Business Rules in Q1 FY08.

Near-Term Plans:

- Define future requirements and SPOT way ahead during next 18-24 months as capability evolves and is implemented within contingency operations doctrine, goals, and objectives.
- Enhance reporting capability, and integration with authoritative data sources such as FPDS-NG, CCR, and contractor companies to improve data quality and reduce manual entry requirements in Q2 FY09.
- Continue to implement in theater, focusing on contingency contracts for private security companies and linguists during FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by SPOT.

Business Capability	Business Capability Improvement
Manage Sourcing	Improve Manage sourcing by: Establishing Joint Enterprise contractor management and accountability while providing a central source of contingency contractor information and a summary of contract services.

Other Transformational Activities

Several other transformational activities are occurring within the Department that support achievement of the CSE goals and objectives.

Creation of Miscellaneous Payment Guidebook: The Under Secretaries of Defense (Comptroller) and (Acquisition, Technology, and Logistics) established the miscellaneous payment working group, which is developing a common approach toward miscellaneous payments across the Components.

Miscellaneous Payment Guidebook
Status at a Glance

- Next version to provide further guidance for vendor payment categories and programs – Q3 FY08

Accomplishments/Capabilities Delivered:

- Developed Miscellaneous Payment Guidebook version 1.0, which provides additional guidance to the Components for the establishment and management of miscellaneous payment programs in Q1 FY08.

Near-Term Plans:

- Second version of Miscellaneous Payment Guidebook will provide a common approach for additional categories of miscellaneous payments, including vendor payment groups, in Q3 FY08.
- A link between the WAWF homepage and the Miscellaneous Guidebook homepage on the Defense Procurement and Acquisition Policy (DPAP) website is planned for Q2 FY08. The link will provide easier access to the guide for all users who wish to gain further knowledge and guidance about miscellaneous payments for their specific systems.

Procurement Data Strategy: The DoD procurement community must establish, document, and adhere to an Enterprise-level procurement data strategy, associated data structures, and corresponding business rules. These items will be developed by the combined DSP Governance team over time and instituted in upcoming policy issuances and the BEA.

Procurement Data Strategy
Status at a Glance

- Initiate an independent assessment of Phase 1 data standards with legacy contract writing/administrative systems to identify potential gaps. – Q2 FY08

Accomplishments/Capabilities Delivered:

- Published initial proposed Contract Data Strategy, including the first set of data standards, which covered Payment Clauses and Contract Line Item Number (CLIN) / Sub Line Item Number (SLIN) Structure in Q1 FY08.
- Initiated an assessment of the above deliverable in Q2 FY08 against SPS capabilities and the beginning of Phase 2 of the Procurement Data Strategy. Assessment includes: Clauses, Government Furnished Property, Award and Incentive Fees, and Socioeconomic data.

Near-Term Plans:

- Initiate an independent assessment of Phase 1 Data Standards with legacy contract writing / administrative systems to identify potential gaps in Q2 FY08.
- Conduct a "lessons learned" study on the ability to incorporate federal procurement processes and capture relevant data in core ERP systems with federal and DoD ERP implementation teams in Q2 FY08.

This table provides the CSE Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
√ WAWF: Implement capability to process grants and cooperative agreements for v.3.0.12 Release √ WAWF: Implement standard shipment and acceptance transaction processing for v.3.0.12 Release √ JCCS: Implement capability to modify TO/DO/calls √ FPDS-NG: Initiate Development of the Verification and Validation plan for FPDS-NG • SPS: Delivery of Service Release 09, which includes enhanced Foreign Currency capabilities and Phase 1 of Archiving (Q3) • eSRS: Initiate deployment of authoritative source for commercial supplier subcontracting reports within DoD (Q3) • JCCS: Implement multiple PR functionality and add contract line items (Q4) • SPS: Develop standard integration component for interfacing with future ERPs (Q4) • PPIRS: Initiate deployment of PPIRS-SR with targeted list of Military Services and DLA (Q4) • SPS: Deployment of SR08, which adds interfacing capabilities with CCR and addresses performance related and data integrity issues. (Q4) • WAWF: Implement standard invoicing and approval transaction processing - phase II for v.4.0 Release (Q4)	• JCCS: Implement capability to enter/print procurement instrument (Q1)

Cross-BEP and Component Integration

CSE continues cross Business Enterprise Priority integration, particularly with Materiel Visibility (MV), from a supply chain management perspective to simplify and standardize the interactions with commercial and government suppliers in the acquisition of catalogue and stock goods. In addition, there is a joint effort to identify key supply chain data elements and define their characteristics to aid in system interoperability, implementation, and compliance. As MV continues to define and validate processes related to delivery, return and disposal, and the management of inventory, CSE will support the refinement of intragovernmental transaction processes where appropriate.

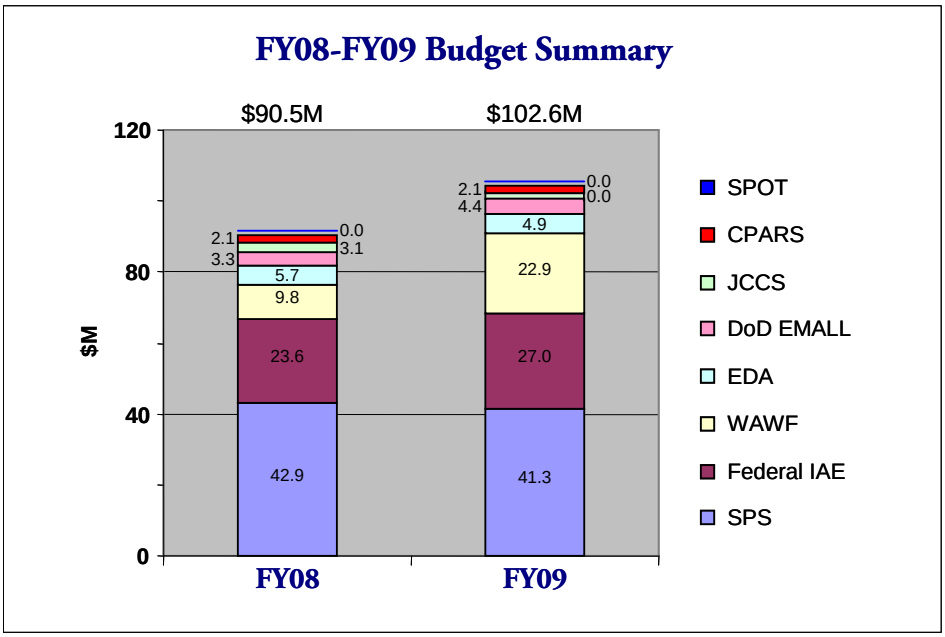
CSE also works closely with the Financial Visibility (FV) Business Enterprise Priority to define and implement the Standard Financial Information Structure for CSE financial feeder systems. In addition, CSE supports the Miscellaneous Payment working group effort, which focuses on establishing a common approach toward miscellaneous payments and the Procurement Data Standards effort.

Many of the CSE accomplishments and near-term plans require close coordination with the Department, Services and Agencies. In addition to those efforts described above, CSE has utilized the Investment Review Board (IRB) process to work with Components to develop compliance plans for the Defense Federal Acquisition Regulation Supplement (DFARS) clause, projected for

publication in FY08, which mandates WAWF as the only viable electronic invoice method for DoD unclassified contracts, further streamlining touch points with DoD suppliers.

Common Supplier Engagement Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level CSE programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

- SPOT – Program is currently funded with Global War on Terror (GWOT) Funds via Army Materiel Command.
- JCCS – Program is currently funded with GWOT Funds and from within the BTA operating budget.
- The Federal Integrated Acquisition Environment (IAE) program includes the following systems – CCR, EPLS, eSRS, FBO, FedReg, FedTeDS, FPDS-NG, ORCA, PPIRS, and WDOL. These systems receive Federal funds to support the program. Federal IAE is part of the President's E-Gov initiative and is funded through contributions from all Federal agencies. OMB determines the yearly contribution level for DoD via the passback and this is then provided to GSA (the IAE managing partner). The amounts identified for these programs are not all reflected in the FY08-FY09 DoD PB09.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

Case in Point: Standard Transactions in Action

In less than five months, BTA and the WAWF Program Management Office (PMO) filled a gap in the conventional munitions supply chain for an Army organization based at Picatinny Arsenal, New Jersey. It is one example of how this priority accomplishes its objective of establishing interoperable systems that are capable of ensuring reliable and accurate delivery of goods and services.

The Army's Productions Status (PRODSTAT) System at the Joint Munitions and Lethality Life Cycle Management Command had a gap in its information technology plan for business transformation. PRODSTAT's mission was to track the production status of conventional munitions so that inventory managers could build accurate and timely delivery schedules for locations around the world. Since these locations included installations in Iraq and Afghanistan, the importance of getting end-to-end (E2E) visibility into the conventional munitions supply chain was crucial. Yet, they were relying on e-mail and faxes from the Defense Contract Management Agency (DCMA) inspectors to receive the required receiving reports. Then, once the e-mail or faxes arrived, workers had to enter the information into PRODSTAT from their keyboards. This process was slow, cumbersome and fraught with the potential for error. There had to be a better way.

Contacts in DCMA made PRODSTAT operators aware that WAWF could fill the gap in their E2E supply chain. DCMA explained that WAWF was a paperless source of information—an enterprise aggregation point in which they could receive the information they needed. After getting in touch with the WAWF PMO, PRODSTAT reached out to the BTA to develop the requirement.

PRODSTAT's requirement could not have come at a better time. WAWF had just begun testing of its Standard Transaction capability, which allows external systems to interface with WAWF outside of a system release. The key to this capability was the development and implementation of standard data sets. These data sets would make it possible for PRODSTAT to receive all data in WAWF for transactions concerning government acceptance of conventional munitions. BTA informed PRODSTAT operators in September that WAWF would be able to meet their requirement with the forthcoming release of the first phase of Standard Transactions.

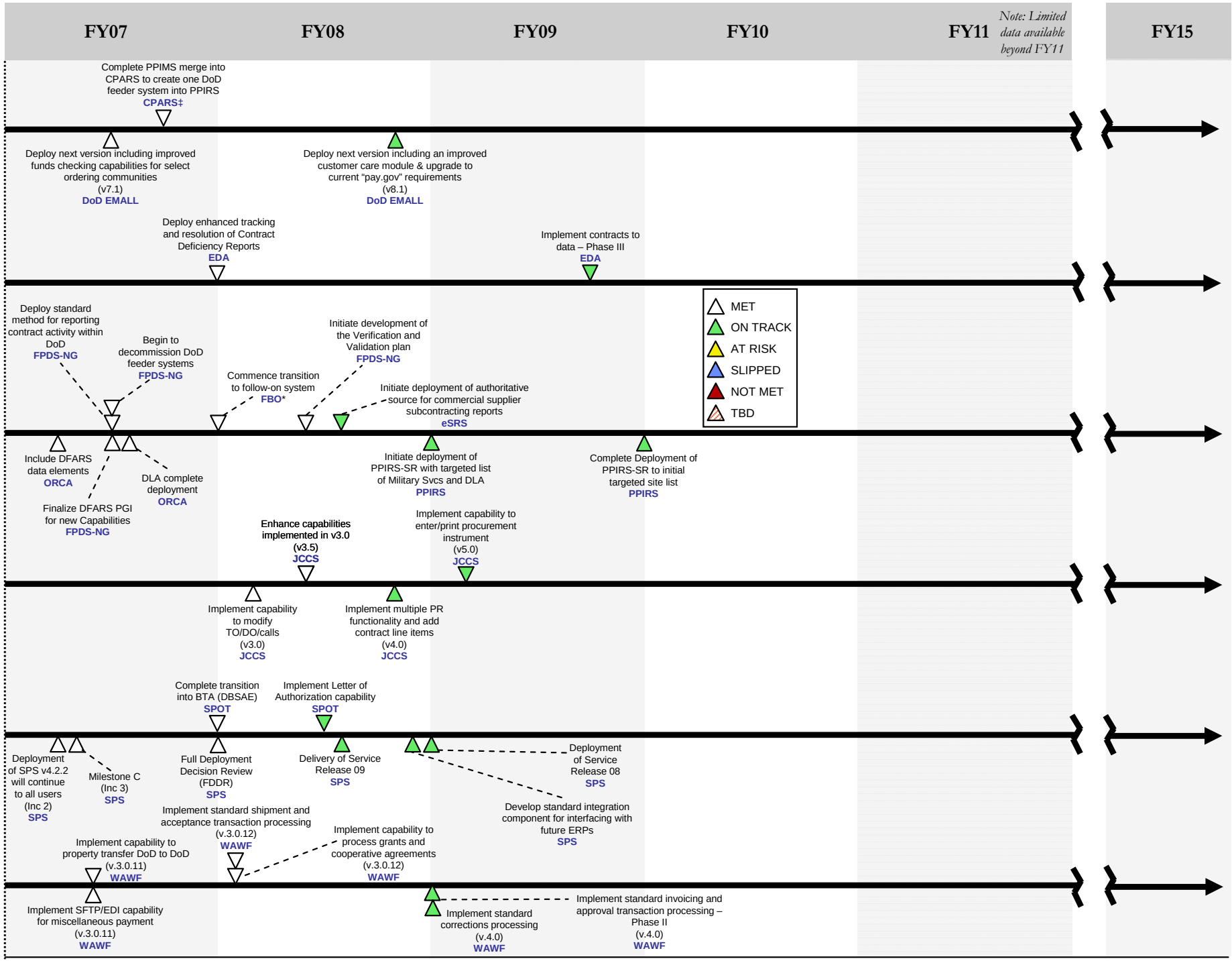
BTA also worked with PRODSTAT to provide it an automated feed from WAWF through the Global Exchange (GEX). This data feed will give PRODSTAT accurate, timely information to share with production and inventory managers. To scope the GEX data feed correctly, BTA worked with the Army Materiel Command to identify the contracting offices that were awarding orders for conventional munitions. They used this information to revise the WAWF routing tables to create an extract of the data PRODSTAT needed. The supply chain was now complete. The Army had all of the information it needed to build timely and accurate delivery schedules and to track production status.

BTA responded to PRODSTAT's requirement by leveraging a timely WAWF release, standard data sets, and knowledge of the Army's contracting system to deliver a transformational solution by Q2 FY08.

Common Supplier Engagement Timeline

‡ *Target system or initiative is fully implemented (post - FOC)*

* *Initiative*



MV

Materiel Visibility Definition and Goal

Materiel Visibility (MV) is defined as 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 provides users with timely and accurate information on the location, movement, status, and identity of unit equipment, materiel and supplies, greatly improving overall supply chain performance. The MV Business Enterprise Priority improves the delivery of warfighting capability to the warfighter as measured in terms of responsiveness, reliability, and flexibility.

OBJECTIVES

The objectives for MV are:

- **Transform the Department's supply chain information environment by improving data integrity and visibility**
- **Improve the Department's ability to move supply chain data across the Enterprise by reducing complexity and minimizing variability of business transactions**
- **Improve process efficiency of ordering, shipping, receiving, and inventory management by enabling hands-off processing of materiel transactions**
- **Uniquely identify property and materiel to improve the timely and seamless flow of materiel in support of deployed forces, improve asset visibility across the Department, and improve inventory management**

Strategy for Materiel Visibility

Achieving improved Materiel Visibility requires integrating new technology tools through improved business processes, enhanced data quality and accessibility, and conversion to modern data exchange standard formats to provide the warfighter and supporting establishment with timely, accurate, and actionable information on the location, movement, status, and identity of unit equipment, materiel, and supplies. The strategy can be illustrated as an integrated set of building blocks as shown in Figure 2-6.

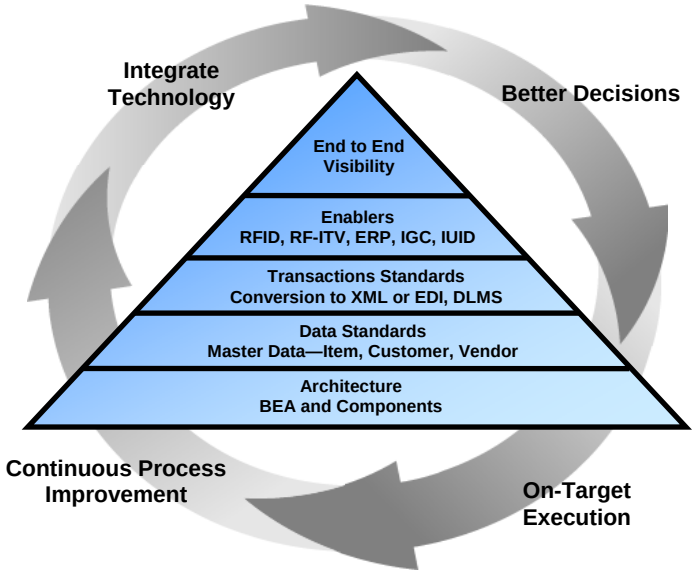


Figure 2-6: Materiel Visibility Strategy

Programs and Activities Enabling MV:

- **MILS to EDI or XML**
- **IUID**
- **RFID**
- **Logistics Data Transformation**
- **LMD**

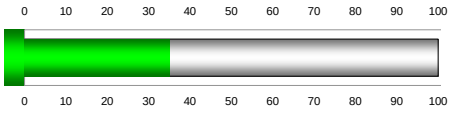
Focus remains on quality and integrity of logistics data standards and migration to the use of more robust data transmission formats. These activities build the requisite capabilities to advance the adoption of business process improvements supported by increased use and availability of Radio Frequency Identification (RFID) and Item Unique Identification (IUID) data. Pilots and existing programs, like the Joint Robot Repair Facility, are demonstrating the capability of these focus areas to improve the Department's ability to manage property and materiel and provide improved services to the warfighters. The Logistics Master Data (LMD) initiative is fully implemented as a single service to provide standard item, vendor, and customer data. Current activity shifted to promoting and establishing connections from DoD Components' and Agencies' systems to LMD enabling these systems to regularly retrieve quality data and maintain its integrity; while achieving cost avoidance through only building and maintaining a single

interface for data retrieval vice up to ten separate interfaces. Complimentary and concurrent activity is occurring to improve the authoritative data sources for this Master Data under the Logistics Data Transformation activities such as the ability to make more timely updates to a customer's master file through a web-based system and the extension of item data to include hazard data. A process that typically took up to three days can now be accomplished in near real-time. The end results are improved and accurate data exchanges, which will result in less reprocessing of logistics data. Through maturation of these interconnected activities, the Components and Department will achieve improved end-to-end visibility.

Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Materiel Visibility.

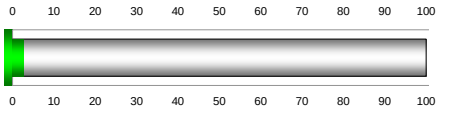
Percent of DoD Contracts with a Requirement for Unique Identification (IUID) - Enables improved asset management



Target: 30% Q2 FY07	Actual: 35% Q2 FY07	Goal: 95%

Satisfactory progress; *no update planned until Q2 FY08*

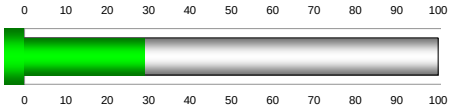
Number of DoD Tangible Personal Property Items with Unique Identification (IUID). - Enables improved asset management in inventory and operational use



Target: 2.410M Q1 FY08	Actual: 2.415M Q1 FY08	Goal: 97.1M

Continued Progress: *Q1 FY08 actual above target and on track to meet Q4FY08 goal for marking legacy assets; Metric represents number of new and legacy items marked and registered.*

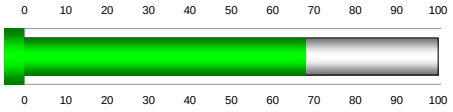
Percent EDI/XML supply transactions of total DoD supply transaction volume. - Use EDI/XML enables enhanced detail in supply chain communications



Target: 30% Q1 FY08	Actual: 29% Q1 FY08	Goal: 80%

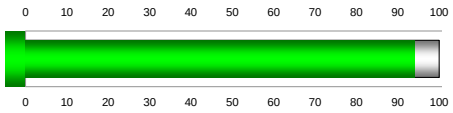
Steady Progress; *the exchange of supply related EDI/XML transaction formats continues to increase monthly.*

Percent of distribution centers and aerial ports able to read/write RFID tags -Integrates RFID with DoD Supply Chain to optimize inherent materiel management efficiencies



Target: 100% Q4 FY08	Actual: 68% Q1 FY08	Goal: 100%

Continued progress; *RFID infrastructure maturing within the supply chain*

Percent of consolidated shipments flowing into Central Command (CENTCOM) Area of Responsibilities (AOR) with RFID tags. - Provides critical required visibility to COCOMS		
		
Target: 80% Q1 FY08	Actual: 94% Q1 FY08	Goal: 100%
Continued progress; *Metric remains consistent as it is within the current target of required number shipments; continued analysis will ensure flow remains above target and reaches designated goal*		

Changes since the September 2007 Enterprise Transition Plan

There are no changes to the list of target transformation programs for MV.

Transformation Programs

MV has three transformation programs that support achievement of its goals and objectives.

Military Standard Systems (MILS) to Electronic Data Interchange (EDI) or Extensible Markup Language (XML): This involves the conversion from legacy MILS formats to EDI or XML standard formats, based on commercial formats and usage. Theses formats allow transmission of information among systems and organizations with a level of detail currently not possible with the limited 80-character MILS formats. Conversion is an essential prerequisite for the transmission of data supporting end-to-end visibility enablers such as IUID and RFID throughout logistics events and supports the adoption of the Standard Financial Information Structure (SFIS).

Accomplishments/Capabilities Delivered:

- Completed migration, in Q2 FY08, of two Defense Logistics Agency (DLA) systems to allow the exchange of data in EDI transaction formats and enabled incorporation of the associated business process rules. These systems have expanded capability to transmit and receive information related to RFID and IUID.
- Completed design, at the end of Q2 FY08, for all seven Jump Start systems and have moved toward testing capabilities to share more robust data sets (based on internationally recognized EDI and XML standard formats). These systems are able to capitalize on the expanded data content afforded by the EDI or XML formats. By incorporating this new information exchange architecture, these systems are now positioned to utilize IUID and RFID in their business processes. This improves material visibility and the efficiency of logistics operations. The implementation of EDI or XML is a prerequisite to the success of IUID and RFID initiatives.
- Provided, in Q2 FY08, legacy systems, limited to the use of inflexible 80-character interfaces, a means to incorporate RFID and IUID. This is a cost-effective interim solution to enable use of EDI or XML by legacy systems to promote exchange of data relative to IUID, RFID and SFIS.

Near-Term Plans:

- EDI or XML enabled systems implement business processes to leverage expanded data sharing capability; initial focus will be on receipt and incorporation of IUID data associated with assets and materiel.
- Complete EDI or XML Bridge operational assessment and develop future deployment schedule. The DLMS Bridge enables legacy systems to capitalize on RFID and IUID capabilities that would otherwise be unavailable to them.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by MILS to EDI or XML.

Business Capability	Business Capability Improvement
Deliver Property and Forces	Implement flexible and extensible transaction standards to enable the transmission of information across the supply chain.
Dispose or Return Property and Materiel	Implement flexible and extensible transaction standards to enable property return and disposal.

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 enables improved lifecycle visibility and Serialized Item Management (SIM) for tangible personal property items by using a Unique Item Identifier (UII) to link data gathered about marked items.

IUID
Status at a Glance

- Phase I of existing serialized legacy assets that meet IUID criteria are marked and entered into the IUID Registry -- Q1 FY08
- Phase II of marking and registering of legacy assets complete – Q4 FY08

Approach: Mark all appropriate tangible personal property with an Unique Item Identifier (UII).

Accomplishments/Capabilities Delivered:

- Enabled IUID marking of personal property items at Air Force and Army organic depots in Q1 FY08. This accomplishment enables these Services to mark equipment as part of the routine repair process. As a result, tangible personal property items can be marked, registered and managed in a more efficient manner through regular depot maintenance activities.
- Completed Release 3.4.1 of IUID Registry, in Q1 FY08, which provides a standard extract capability to create reports about items contained in the Registry. Services, Office of the Secretary of Defense (OSD), and Agency managers' now have better access to data associated with IUID marks housed in the Registry.
- Received final approval for North Atlantic Treaty Organization Standardization Agreement "Unique Identification (UID) of Items" which is now promulgated for use among member nations.

Near-Term Plans:

- Q4 FY08, improve reporting efficiency through leveraging the IUID registry to eliminate annual paper-based reporting by vendors who manage DoD property.
- Q4 FY08, Navy organic depots will install capability to mark personal property items with IUID tags enabling these facilities to mark equipment as part of the repair process thereby improving the efficiency of marking and registering tangible personal property items.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by IUID.

Business Capability	Business Capability Improvement
Perform Asset Accountability	Establish a common, widely accepted item marking and registration process to facilitate asset accountability.
Perform Build and Make and Maintenance and Sustainment	Establish business rules to enable efficient and effective lifecycle tracking from acquisition through repair to disposal.
	Improve visibility of legacy personal property in inventory and operational use to track condition, location and status to support improvements in Maintenance and Sustainment processes.

RFID
Status at a Glance

- Publish acquisition requirement (DFARS) clause requiring suppliers to apply passive RFID tags – Q4 FY08
- Implement ability to read/write passive RFID at all DLA distribution centers and aerial ports– Q4 FY08

Approach: Simultaneous activity to implement RFID technology.

- Install RFID hardware at appropriate DoD sites.
- Establish supplier (vendor and DoD) requirements for tagging appropriate supplies

RFID: RFID is a family of technologies, within the collective suite of Automatic Identification Technology (AIT) applications that enables the automated capture and identification of materiel and associated events as that materiel moves throughout the DoD supply chain. Increased and appropriate application of RFID technology will improve process efficiencies in shipping, receiving and inventory management as well as improve speed, reliability and distribution efficiency measurements. Accomplishments continue to move the Department closer to end-to-end use of RFID tags to improve visibility of appropriate shipments.

Accomplishments/Capabilities Delivered:

- Evaluated the implementation of processes leveraging RFID at Department wholesale activities and Service retail activities, in Q1 FY08, to demonstrate RFID's ability to increase visibility and efficiency in warehouse operations. Initial evaluation indicates that the additional visibility of shipment arrival, provided by RFID, could potentially impact critical supply chain metrics.
- Signed DoD Automatic Identification Technology Implementation Plan for Supply and Distribution Operations, in Q2 FY08, for the DoD supply chain. The plan is a roadmap that outlines the Department's transition between the current AIT environments to the envisioned FY15 environment outlined in the DoD AIT Concept of Operations. U. S. Transportation Command (USTRANSCOM) was named the functional proponent for all AIT implementation. This plan serves as an overall means to ensure that Department and Service level AIT implementations work toward the same strategic goals.
- Enabled the DLA Depots' Distribution Standard System (DSS) (Warehouse Management) use of EDI transaction formats for data transmission to support changes in the receiving process at the DLA Depots by enabling DSS to relate shipment information contained in Vendor Advanced Shipment Notices to RFID tags reads captured from Vendor shipments. DSS's data transmission capability also enables a similar process change for DLA shipments being received at DoD retail locations by enabling DLA to send Advanced Shipping Notices containing RFID tag information on shipments destined for DoD receiving activities. The DSS data transmission capability enables both these process enhancements, thereby improving accountability and receipt processing time of vendor shipments at DLA depots and of DLA materiel at enabled DoD customer locations.

Near-Term Plans:

- Enable the automated receipt and check-in of materiel using RFID at a single retail location within each of the Services to validate the appropriate business processes and evaluate the benefits of RFID usage at this level.
- Conduct an analysis of a more cost effective, 'license-plate' RFID tag comparing performance with the current, data-rich RFID tag. Analysis will yield a preferred usage and enhance the efficient deployment of this type of RFID within the DoD supply chain.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by RFID.

Business Capability	Business Capability Improvement
Deliver Property and Forces	Establish an Automated Identification Technology infrastructure to improve visibility at all nodes in the supply chain.

Other Transformational Activities:

Several other transformational activities are occurring within the Department that support achievement of the MV priority. These activities are discussed below.

Logistics Data Transformation: This encompasses activities to improve access, quality and synchronization of logistics data. There is a need to make data available to enable DoD to make more informed decisions about logistics operations and increase flexibility. The following accomplishments and near term plans represent efforts to increase availability of customer information by reengineering customer database functionality and to improve accessibility and efficiency for supply discrepancy reporting through implementing web-enabled functionality.

Accomplishments/Capabilities Delivered:

- **Reengineer customer databases functionality** to improve the data accuracy and timeliness of updates to these critical logistics master data repositories. The capability to update the directory improved from 72 hours to near real-time, which will reduce misdirected shipments due to inaccurate or out of date addresses.
  - In Q1 FY07, implemented robust query functionality that enables improved capability to search for DoD customer addresses through web-accessible option.
  - Developed and began testing functional requirements for reengineered repository for military assistance program and foreign military sales customer addresses
- **Web-enabled Supply Discrepancy Reporting (WebSDR):** WebSDR enables analysis of historical discrepancies to determine actions required to improve future customer satisfaction. This will enable commodity managers to identify what problems are occurring and where; and determine if policy, procedures, training, and/or equipment are needed to reduce future discrepancies.
  - Functional requirements developed, spiral development and testing in process and first report went into production in Q2 FY08.

Near-Term Plans:

- Reengineer foreign military sales and military assistance program customer repositories based on the success of the reengineered DoD customer registry to achieve the same benefits in timely retrieval and update to these key logistics data sources.
- Implement capability to generate management level Supply Discrepancy Reports to enable better analysis.

This table provides the Material Visibility Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
√ MILS to EDI or XML: Assess Jump Start funded systems ability to complete migration to high-priority DLMS transactions • MILS to EDI or XML: All FY07 Jump Start funded systems complete migration to high-priority DLMS transactions (Q2) • IUID: All new Government Furnished Property (GFP) on solicitations and contracts meet the IUID requirements (requires DFARS change). (Q4) • RFID: Implement ability to read/write passive RFID at 100% of OCONUS DLA Distribution Centers. (Q4) • RFID: Implement RFID at 3 aerial ports. (Q4) • RFID: Publish DFARS clause requiring suppliers to apply passive RFID tags to shipments of all appropriate commodities to all locations to be instrumented (Q4)	• RFID: Suppliers apply passive RFID tags to all shipments for all appropriate commodities to all locations to be instrumented. (Q1)

Cross-BEP and Component Integration

MV continues to work with Common Supplier Engagement (CSE) and Acquisition Visibility (AV) to refine requirements for achieving greater end-to-end visibility across the DoD Supply Chain. The objective is to define common logistics business processes and identify inter-dependent activities, business rules and data elements.

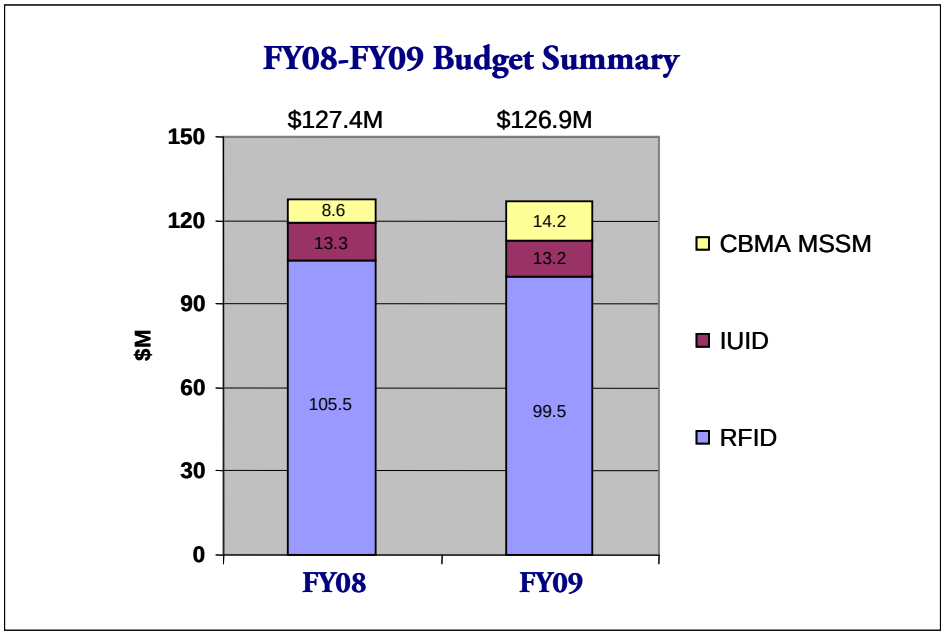
OSD, Components and Agencies are working to streamline end-to-end supply chain processes through a combination of efforts to integrate data exchange through process and system changes. Below are a few examples of coordination that is occurring to achieve the goals and objectives of the MV Business Enterprise Priority.

- The Department is working to simplify vendor distribution processes. OSD, USTRANSCOM and DLA began a collaborative effort to gather information and identify the potential root causes for problems experienced by vendors and customers during the shipment process. DoD MV and CSE will benefit through increased sharing of information on planned movements of materiel, which will contribute to improvements in distribution responsiveness and accuracy.
- USTRANSCOM continues to make progress in partnership with the Army to bring improved theater distribution capabilities to the units deployed in austere environments. The capability leverages more flexible and mobile platforms to collect and disseminate shipment information. As part of the RFID infrastructure the Army developed the capability for

established customers to view their shipment information through the Radio Frequency-in-Transit Visibility website, while customers in remote or temporary austere locations can use Portable Deployment Kits (PDKs) and Early Entry Deployment Support Kits to access and report shipment details. USTRANSCOM supported the Army through extending the functionality of the PDKs to include software to complete documentation for deployment, port operations, onward movement in the theater and redeployment of troops and equipment. The result will be more efficient supply chain operations and visibility out to remote locations, thereby supporting improved flexibility, readiness and reductions in reorders.

Materiel Visibility Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level MV programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- LMD

Note:

- RFID – The funding shown here only reflects Component programs for RFID implementation. There is no discrete budget line item for RFID in the President's Budget; therefore, this funding summary has a potential overlap with the budgets for other Component programs that implement RFID. (FY08 and FY09 budget figures do not include the Marine Corps AIT budget, which include RFID as a component of the greater AIT plan.)
- Core Business Mission Area (CBMA) Material Supply & Service Management (MSSM) – Funding includes OSD support costs for Core Business Mission (CBM) transformation.
- IUID – This program is funded from within operating budgets of affected components and/or the BTA. Includes budgets for Component programs as well as the Enterprise-level management effort. There is no Research & Development (R&D) funding beyond FY09.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

Case in Point: Robots-"Out front…in Harm's Way"

In a little more than three years, the application of improved materiel visibility processes and procedures has enabled robots to conduct more than 25,000 missions finding and clearing improvised explosive devices (IEDs) in Iraq. The robots have found and cleared slightly more than 15,000 IEDs, for a success rate of 60 percent against the loss of just 214 robots. More importantly, this highly dangerous work was successfully accomplished without putting U.S. and coalition soldiers in harm's way, not to mention the lives saved by finding and disarming these devices.

The Robotic Systems Joint Program Office (RSJPO) achieved this level of performance by standardizing equipment-tracking data that enabled it to maintain the integrity of the information and provide broad visibility to the program's stakeholders. Over time, it augmented these capabilities through enablers, such as, Item Unique Identification (IUID) and Serialized Item Management (SIM). IUID/SIM improved RSJPO's ability to manage and track its dispersed inventory of robots, resulting in timely and seamless support to deployed forces. In short, business transformation set the stage for the successful employment of robots in Iraq.

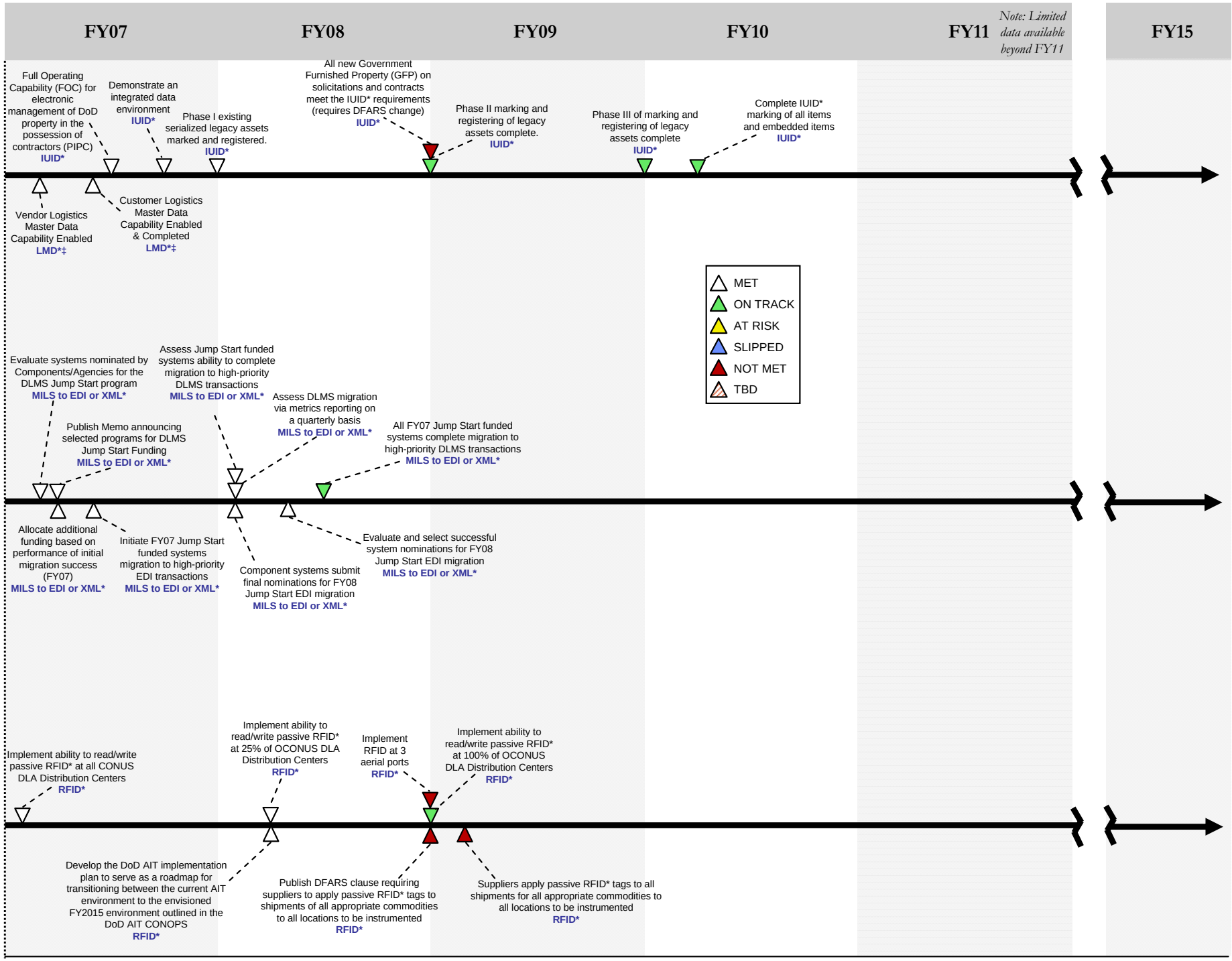
In late 2003, IEDs emerged as the significant threat to U.S. and coalition forces in Iraq. They were claiming lives and causing serious injuries at an alarming rate. The Department began a multi-pronged effort to counter this successful insurgent tactic. One initiative was to use robots to find and assist in disarming IEDs. The RSJPO delivered the first robots in early 2004. During the next three years, it achieved 100% availability and accountability for its robots. Whenever a robot was needed for a mission, there was one ready to get it accomplished.

To achieve 100% availability for its robots, RSJPO established the Joint Robotic Repair Facility (JRRF) in Iraq in March 2005 to serve as the one-stop repair facility for damaged robots. To support the work at this "Robot Hospital", RSJPO developed procedures and established a system to integrate data from the maintenance, supply and distribution processes to provide not only 100% availability, but also 100% property accountability for the more than 4,000 robots in its inventory. The system had to be able to track and account for robots that were small enough to fit in the palm of your hand all the way up to some that were too big for the family garage. JRRF also had to account for 15 levels of configuration management, parts consumption and maintenance man-hours. It maintained all of this data in a web accessible centralized database that was visible to all program stakeholders, leadership and the vendors. The success of this system enabled the JRRF to live up to a bold claim: "Any robot will be fixed in 4 hours or less. Period!"

The program has continued to grow and RSJPO has added more complex robots to its inventory. To keep up, in September 2007 it adopted IUID and SIM to comply with OSD directives and to streamline the program's existing integrated supply chain and maintenance management processes. IUID provides JRRF the means to create a unique record for all robots, mission essential and safety critical parts. Now IUID/SIM, combined with the existing system architecture, improves the ability to share data and provide rapid access to information for strategic decisions. This contributes to a reduction in the cost to maintain the robots through better collaboration between the soldiers/maintainers, the program and the vendors, based on data collected about marked robots and mission essential parts. Through sound process and technology application, these robots have a high level of reliability that ensures that they, not the soldier, are "out front in harms way" countering IEDs. Through this innovative approach, the JRRF can rapidly procure Commercial Off-the-Shelf items and sustain them long enough for an adequate evaluation of their potential for entry into the standard acquisition process.

‡ *Target system or initiative is fully implemented (post - FOC)*

* *Initiative*



RPA

OBJECTIVES

The objectives for RPA are:

- **Deliver consistent real property, environmental liabilities, and hazardous materials (Hazmat) information, supported by standard processes and data**
- **Integrate financial, real property, and environmental business practices**
- **Reduce real property inventory management burdens and inefficiencies**
- **Provide net-centric data environment that can enable delivery of accurate, real-time integrated data**
- **Provide a complete inventory of environmental liabilities reconciled with property, plant, and equipment records, adequate environmental liabilities (EL) management controls, audit trails, cost estimates, and documentation**
- **Increase Hazmat operational support, protection, and control**
- **Reduce Hazmat-related environmental violations, lost-time incidents, and exposure**
- **Geo-enable location information**

Real Property Accountability Definition and Goal

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.

The Real Property and Installations Lifecycle Management (RPILM) CBM will provide the warfighter and other Core Business Missions with continuous access to Installations & Environment (I&E) information.

Strategy for Real Property Accountability

The RPA strategy correlates directly to the Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) goal of *Capable, Efficient, and Cost Effective Installations*. The business transformation strategy is to continuously improve installation planning and operations by embracing best business practices and modern asset management techniques. The strategy has improved awareness of the importance of accurate inventories, optimized resources, and enhanced access to real property information. Ultimately, implementation of this strategy will generate a single authoritative location source for all real property in which the Department holds a legal interest. Having an authoritative source for location will enable linkage of real property, personal property, and people – anyplace, anytime, anywhere.

Current, accurate location information directly contributes to the Department's business transformation by providing essential data for strategic decisions, increasing accountability, and reducing costs. Service-oriented architecture (SOA) will enable multiple systems outside the real property community to access authoritative location data in real-time. For example, supply managers will be able to validate locations within their own information system before authorizing shipments, rather than finding out too late that a bad address wasted Department funds. Crucial business operation questions ("where is my equipment, what organizations are near me, and how do I get to them?") will be answered correctly and efficiently.

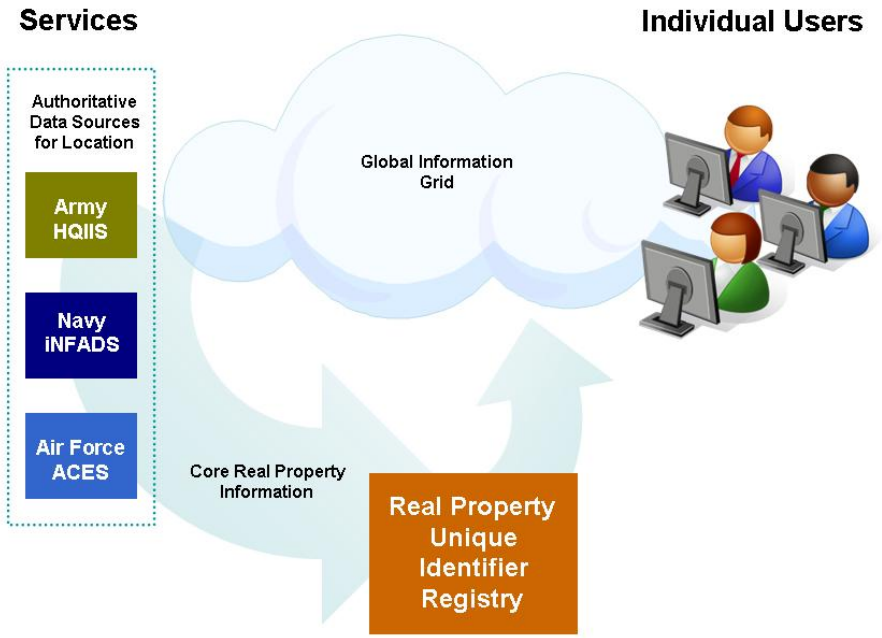


Figure 2-7: Access to Authoritative Location Data

The groundwork for RPA is nearly complete. Over the past few years, the Department has developed Enterprise-wide capabilities for real property accountability and visibility, environmental liabilities accountability and valuation, and hazardous materials operational controls. These capabilities are founded on requirements for a common business process model, standard data elements and data definitions, business rules, and recommendations for policy changes. Business Enterprise Architecture (BEA) version 5.0 applies international standards for geospatial data.

This strategy is driven by top leadership and supported by Components at all levels. The Components are fine-tuning and implementing plans to fully integrate these requirements into their operating environments. RPILM actively oversees information technology (IT) system investments at both the Component and Enterprise levels to ensure that IT systems are being modernized to support the new business enterprise capabilities.

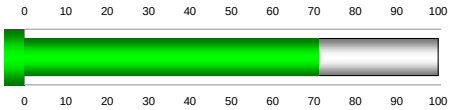
RPA is implementing business process reengineering (BPR) at the Department level, by developing and geo-enabling a net-centric data warehouse for the Department's real property infrastructure and utilization information, implementing consistent processes for reporting environmental liabilities, and standardizing management of regulatory and chemical hazardous materials data by leveraging the DoD master data capability.

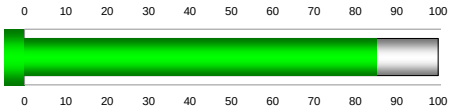
Programs and Activities Enabling RPA:

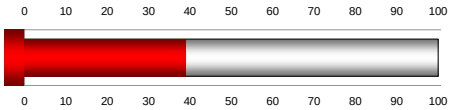
- RPIR
- EL
- HMPC & IMR
- RPAD
- RPAR
- RPCIPR
- RPUIR
- HMIRS
- KBCRS

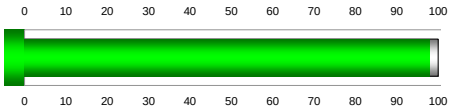
Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Real Property Accountability.

Component Population of Real Property Inventory Requirements (RPIR) Data Elements Army		
		
Target: 76% Q1 FY08	Actual: 71% Q1 FY08	Goal: 100%
Improvement shown since prior measurement		

Component Population of Real Property Inventory Requirements (RPIR) Data Elements Navy		
		
Target: 85% Q4 FY07	Actual: 85% Q4 FY07	Goal: 100%
Continued to meet target		

Component Population of Real Property Inventory Requirements (RPIR) Data Elements Air Force		
		
Target: 50% Q4 FY07	Actual: 39% Q4 FY07	Goal: 100%
Still short of target		

Product Hazard Data Master Development - regulatory reference data DLA		
		
Target: 10% Q1 FY08	Actual: 98% Q1 FY08	Goal: 95%
Exceeded Goal and Target, new measure		

Changes since the September 2007 Enterprise Transition Plan

There are no changes to the list of target transformation programs for RPA.

Transformation Programs

RPA has nine transformation programs and initiatives that support achievement of its goals and objectives.

RPIR
Status at a Glance

- Incorporate identified data elements into Component authoritative databases - Q4 FY09

Real Property Inventory Requirements (RPIR): RPIR aims to achieve real property efficiencies by standardizing data, systems, and processes. Components are required to implement RPIR's sustainable business processes and rules, update relevant policies, and modify and populate their IT systems with RPIR's standard data elements by 2009. When complete, DoD will have an authoritative source for location and near real-time access to an accurate inventory of worldwide assets.

Accomplishments/Capabilities Delivered:

- Fully populated space management data elements for all Components in Q4 FY07.

Near-Term Plans:

- Continue to monitor, report, and support Component implementation.
- Continue to incorporate standardized data elements into Component authoritative systems.

EL
Status at a Glance

✓ Components submitted implementation plans.

Environmental Liabilities Recognition, Valuation and Reporting Requirements (EL): EL will enable DoD to provide timely, authoritative, and auditable environmental liability data—reconciled with asset records—leading to improved financial reporting and management of installation assets. Environmental and financial subject matter experts reengineered the business process to recognize, value, and report environmental liabilities and developed an associated data model. Components are integrating the new process and data models, which are part of the enterprise architecture, into their information technology systems and overall operations.

Accomplishments/Capabilities Delivered:

- Components submitted EL implementation plans that communicate their approach to integrating EL requirements into their business systems/processes in Q4 FY07.
- Established Configuration Support Panel for EL to update and sustain the EL requirements in the BEA in Q2 FY08.

Near-Term Plans:

- Develop EL Implementation Guide.
- Integrate Financial Improvement and Audit Readiness (FIAR) Plan Template and EL BPR Implementation Planning Template, which will facilitate executive oversight of transition to sustainable business processes that will produce reliable, timely, and accurate data for management decision making as well as auditable financial statements.

Hazardous Materials Process Controls
Status at a Glance

✓ Hazmat MDC IOC - Q4 FY07

Hazardous Materials Process Controls and Information Management Requirements (HMPC & IMR): This initiative will develop and implement an end-to-end, systematic management process for hazardous materials operations in DoD. In partnership with the MV Business Enterprise Priority, HMPC&IMR will extend the item data of Logistics Master Data (LMD) to include accurate, authoritative hazard data. In addition, this initiative is expected to eliminate redundant data purchases, entry, and maintenance burden across DoD.

Accomplishments/Capabilities Delivered:

- Hazmat Master Data Capability (MDC) Initial Operational Capability (IOC) was achieved, placing chemical and regulatory data essential for safe and effective handling of hazardous materials in a production environment; milestone reached one year ahead of the Enterprise Transition Plan target date in Q4 FY07.

Near-Term Plans:

- Complete Service Level Agreement (SLA) for Hazmat Data Master.
- Approve Material Safety Data Sheets (MSDS) metadata requirements, a necessary precursor to establishment of the MSDS portion of the MDC.
- Integrate BEA HMPC&IMR requirements into the DoD Executive Order 13423 Toxic and Hazardous Chemicals Plan.

Real Property Assets Database (RPAD): RPAD is being developed to be the central repository of DoD real property inventory data. RPAD's planned net-centric capabilities will support DoD's entire real property inventory and become the single authoritative source for all real property inventory data. With proper authorization, account holders within the Department will be able to access real property data and can download pre-processed reports or run a wide variety of data queries to support their specific requirements. Through the use of unique identifiers, users from all defense communities will be able to access data involving real property assets in RPAD by linking with other applications with the standard enterprise architecture. RPAD will also serve as the authoritative source for external users of DoD real property asset information, including GAO, the General Services Administration (GSA), and Congress.

RPAD
Status at a Glance

✓ IOC Q1 FY08

Real property data will be provided directly from the Component's real property systems of record and electronically transmitted to the RPAD data warehouse after successfully passing a series of data validation processes.

Accomplishments/Capabilities Delivered:

- Achieved IOC in Q1 FY08. The RPAD technical application and Component Submission Application have been developed and successfully passed validation requirements on the test servers. Both applications have been tested in live situations and successfully completed data transmissions within the standard specifications outlined in the development procedures. RPAD has received an Interim Authorization to Test from the Information Assurance (IA) certification process.

Near-Term Plans:

- Once the IA certification is complete, the application and certification credentials will be passed to the Services for similar credential processing at each location. It will then be possible for data to be electronically transmitted directly from the native databases (through the application configurations) to the data warehouse, which will yield an even greater level of fidelity with real property data. The checks and balances inherent to the application will reject improperly formatted or technically incorrect data at the source of entry from which it can be fixed immediately. By providing common data access and near real-time accessibility, RPAD will provide assurance that data analysts within the Department are using the most current data available for their research. Eliminating the need for various methods of manual transmissions or physical requirements for re-formatting or translating data will continue to improve the quality of the end data points.

RPAR
Status at a Glance

✓ Reviewed Components' draft implementation plans Q1 FY08

Real Property Acceptance Requirements (RPAR): Implementation of RPAR processes will ensure that assets acquired by any method are capitalized at the placed-in-service date by all Components. Inconsistent processes can lead to duplicate or erroneous real property asset reporting and valuation.

Accomplishments/Capabilities Delivered:

- Reviewed Components' draft RPAR initiative implementation plans to ensure approaches will satisfy RPA objectives in Q1 FY08.
- Issued draft Unified Facilities Criteria 1-300-08, Transfer and Acceptance of Real Property, to other internal DoD organizations for coordination; approved RPAR requirements include update of this document to reflect standardized processes developed in RPAR and RPIR in Q2 FY08.

Near-Term Plans:

- Monitor, report, and support Component implementation.

RPCIPR
Status at a Glance

✓ Issued draft UFC 1-300-08 - Q2 FY08

Real Property Construction in Progress Requirements (RPCIPR): RPCIPR has established sustainable business processes, management controls, and standardized data elements to consistently monitor costs of new construction and facility improvement projects. The RPCIPR reengineering effort will enable accurate and consistent reporting to Congress, as well as project and financial managers.

Accomplishments/Capabilities Delivered:

- Issued draft Unified Facilities Criteria 1-300-08, Transfer and Acceptance of Real Property, to other internal DoD organizations for coordination; approved RPCIPR requirements require update of this document to include appropriate auditable supporting documentation and definition of Supervision, Inspection, and Overhead in Q2 FY08.

Near-Term Plans:

- Monitor, report, and support Component implementation.

RPUIR
Status at a Glance

✓ Achieved FOC of the Asset Registry - Q1 FY08

Real Property Unique Identifier Registry (RPUIR): Unique Identifiers (UIDs) form the foundation for building a standardized net-centric data environment that can enable delivery of accurate, real-time, integrated data. RPUIR is the centralized, SOA based system that assigns and tracks real property unique identifiers for all of DoD's real property assets and sites worldwide, consistent with RPIR.

Accomplishments/Capabilities Delivered:

- Achieved FOC in Q1 FY08, of the Asset Registry, which:
  - Allows inventories that are more accurate by assigning unique identifiers, eliminating duplicate reporting and fostering reconciliation. An asset UID is never duplicated nor reused and will remain archived in the registry database even after the asset is no longer in the inventory.
  - Leads to improved accuracy of financial, physical, and legal information contained in DoD's real property inventory by allowing ready linking of transactions with the affected assets.
  - Provides a central location for UIDs, addresses, and change histories, which facilitates the Services' achievement of clean audits.

Near-Term Plans:

- Achieve FOC of the SOA interface to RPAD, to provide RPAD with higher-level verification of the Services' data.
- Achieve FOC of a generic SOA interface, which will provide the authoritative data for location to non-real property business systems, initially including the Defense Medical Logistics Standard Support (DMLSS), the Defense Property Accountability System (DPAS), the Defense Manpower Data Center (DMDC) data warehouse, and the Comptroller Military Construction (C-1) database.

Hazardous Materials Information Resource System (HMIRS): HMIRS is DoD's authoritative source for MSDS and other data needed for transporting, labeling, managing, and disposing of hazardous materials, enabling environmental and occupational protection. HMIRS is developed and maintained by the Defense Logistics Agency (DLA).

HMIRS
Status at a Glance

✓ Established connectivity between HMIRS and the MDC - Q4 FY07

Accomplishments/Capabilities Delivered:

- Established connectivity between HMIRS and the MDC as a first step toward development of an interface to provide visibility of MDC regulatory and Chemical Abstract Services data in Q4 FY07.
- Built interface to Global Combat Support System-Army (GCSS-A) in Q4 FY07.

Near-Term Plans:

- Develop eXtensible Markup Language (XML) methodology for MSDS to reduce requirements for manual data entry.
- Create interface for HMIRS to utilize as a data provider to the MDC.
- Provide access to HMIRS for White Sands Missile Range.
- Deploy two additional interfaces, providing access to HMIRS data from:
  - Depot Support System – DoD
  - Regional Hazardous Inventory Control System 2.0 – Navy

Knowledge Based Corporate Reporting System (KBCRS): KBCRS is the system that consolidates environmental cleanup data from across the Department for appropriate decision makers within OSD, as well as for authorized users from state and federal environmental agency offices and selected Native American tribes.

KBCRS
Status at a Glance

- Continue to provide consolidated data for appropriate decision making and improved visibility of DoD's environmental cleanup program.

Accomplishments/Capabilities Delivered:

- KBCRS is the database used to generate the environmental cleanup data reported in the Defense Environmental Programs Annual Report to Congress.
- KBCRS supports data collection and analysis for Munitions Response Site Prioritization Protocol efforts, which provides an improved method for prioritizing cleanup of munitions response sites.

Near-Term Plans:

- Continue to provide consolidated data for appropriate decision making and improved visibility of DoD's environmental cleanup program.

Other Transformational Activities

Additional transformational activities are occurring within the Department that support achievement of the RPA priority.

Geo-enable Location Information
Status at a Glance

✓ Standards for BEA geospatial data modeling

Geo-enable Location Information: This initiative will improve how location information can be leveraged across the Department. The lack of consistent processes for geospatially locating real property assets resulted in difficult reporting and valuation. Locating and reporting location of real property assets in a consistent and timely manner results in high quality data for mission planning and operations.

Accomplishments/Capabilities Delivered:

- Incorporated industry standards and defined the BEA geospatial data modeling framework to aid in the development of more precise and consistent location data in Q2 FY08.

Near-Term Plans:

- Develop common geospatial architecture products to assure integration across DoD.
- Integrate BEA Location model with Real Property, Environmental Liability, and Hazmat models in order to utilize existing and planned geospatial investments.

Geospatial Visualization
Status at a Glance

✓ Identified requirements for JIVT

Enhanced Installations and Environment (I&E) Geospatial Visualization: This initiative seeks to enrich current geospatial visualization by leveraging the net-centric data strategy goals as defined in DoDD 8320.2. Enhancements to existing Defense Installation Spatial Data Infrastructure (DISDI) visualization capabilities are required to overcome current limitations in enterprise discovery, access, and comprehension of I&E geospatial data assets. This effort will support timely and seamless access to a common set of mapping information and tools, while reducing redundant acquisition of geospatial resources across DoD. Linkages of Component visualization architectures and capabilities will support a variety of operational requirements, such as joint basing, by offering timely and seamless access to a common set of mapping information.

Accomplishments/Capabilities Delivered

- Identified requirements for Joint Installation Visualization Tool (JIVT), which will geo-enable planning, and decision support for joint basing in Q2 FY08.
- Identified requirements for interfaces between DISDI and Real Property Inventory in Q2 FY08.

Near-Term Plans:

- Develop metadata architecture to enable federated enterprise discovery.
- Set the conditions for the Installation Geographic Information & Services (IGI&S) community to implement the Department's net-centric data strategy.

This table provides the RPA Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
√ RPAD: RPAD System initial operational capability (IOC)	• HMIRS: Test and implement reference data from Master Data Capability (Q1)
√ HMPC&IMR: Establish Hazmat Configuration Support Panel	• RPUIR: Incorporate leased assets (Q2)
√ RPUIR: Asset Registry fully operational	• HMPC&IMR: Complete 2 MDC Component system interfaces (Q2)
√ KBCRS: Process non-hazardous FY2007 Solid Waste data into KBCRS	• RPIR: Complete RPIR Implementation (Q4)
√ HMPC&IMR: Award contract for Hazmat MDC Part 2- Material Safety Data Sheets (MSDS)	• RPIR: Incorporate RPIR data elements in authoritative systems - Air Force for RPIR Implementation (Q4)
• HMPC&IMR: Complete final SLA for Hazmat Data Master (Q2)	• RPIR: Incorporate RPIR data elements in authoritative systems - Navy for RPIR Implementation (Q4)
	• RPAR: Incorporate RPAR standardized data elements in authoritative systems - Army (Q4)

FY08 Critical Milestones	FY09 Critical Milestones
• HMPC&IMR: Finalize Hazmat Component Implementation Plans (Q2) • KBCRS: Process FY2007 Green Procurement data into KBCRS (Q2) • RPUIR: RPAD/RPUIR interface fully operational (Q2) • RPUIR: Incorporate Civil Works assets (Q3) • RPUIR: IOC for generic interface (Q3) • RPUIR: Site address data elements fully populated (Q3) • EL: Complete development of Department-wide EL reconciliation process and standards at the land parcel level (Q4) • RPCIPR: Implement sustainable CIP business processes - Army (Q4) • RPCIPR: Incorporate CIP standardized data elements in authoritative systems - Army (Q4) • RPIR: Incorporate RPIR data elements in authoritative systems - Army for RPIR Implementation (Q4)	• RPAR: Incorporate sustainable RPAR business processes - Army (Q4) • HMPC&IMR: Hazmat MDC MSDS initial operational capability (Q4) • RPAD: RPAD System full operational capability (FOC) (Q4)

Business Capability Improvements

This table shows the relationship between Business Capabilities and the improvements that are being made (or that need to be made) by RPA.

Business Capability	Business Capability Improvement
Environmental Liabilities Identification and Valuation	Resolve material weakness of inability to provide auditable environmental liabilities information by developing the capability to create, update, review, and approve the estimated costs and expenditures to fulfill environmental cleanup, closure, and disposal requirements, including retention of all required supporting documentation.
Hazardous Materials Process Controls and Information Management	Reduce risk to personnel and materiel through access to authoritative hazardous materials data by improving availability of accurate, authoritative hazard data.
Real Property Inventory	Resolve issues with incompatible and inaccessible real property inventory information across the Components by implementing real property inventory data standards, data elements, and standard processes.
Real Property Acceptance	Develop standard processes for accepting real property into DoD inventory by collaboratively generating requirements for processes and data, and updating UFC 1-300-8.

Cross-BEP and Component Integration

Implementation of the five reengineering efforts requires partnerships with all DoD Components at many levels. The Components have already released plans for implementing the data elements, processes, and business rules developed by the RPIR, RPCIPR, RPAR, EL, and HMPC&IMR initiatives. For each of these initiatives, RPILM is responsible for review and approval of the implementation plans. RPILM also gave the Components IRB compliance assessment tools and procedures addressing each RPILM initiative. This package, delivered with a memo signed by the Deputy Under Secretary of Defense (Installations and Environment), supports the DoD requirement to demonstrate BEA compliance within six months of each system release.

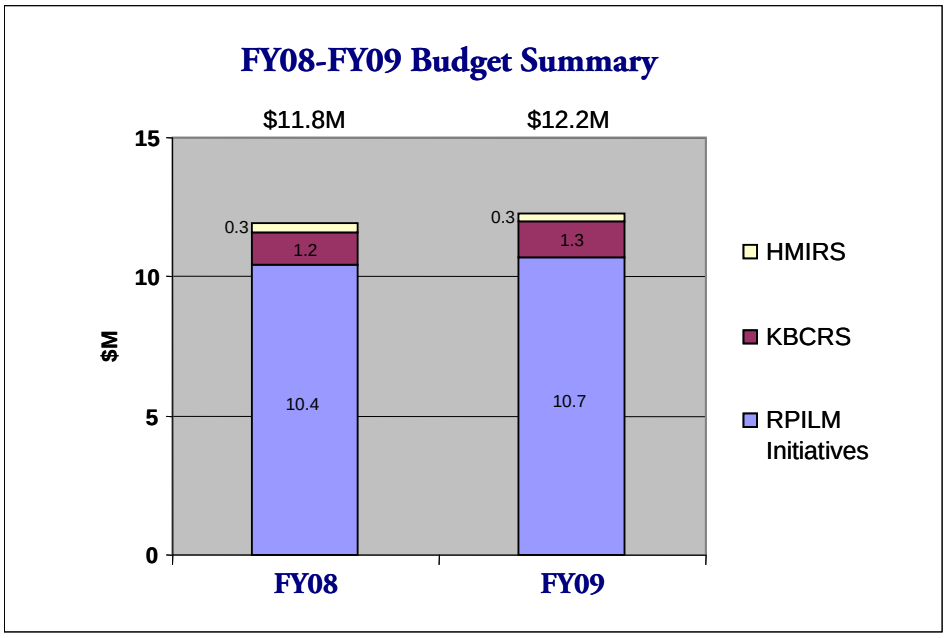
In addition, RPILM is in regular contact with the Components to provide support and guidance as the Components integrate new requirements into their existing systems and business processes. All five reengineering efforts have been integrated with the other Business Enterprise Priorities during the development of each version of the BEA.

RPILM has a strategic partnership with USTRANSCOM to develop the RPUIR. To further integrate the authoritative location construct across the DoD Enterprise, RPILM is working to develop web services interfaces with several systems, including RPAD, the Comptroller Military Construction (C-1) database, DPAS, DMDC, and the TRICARE Management Activity's DMLSS.

To accomplish our HMPC&IMR implementation objectives, RPILM is collaborating with DLA to develop a central source of authoritative chemical and regulatory data. RPLIM is also working to incorporate this data into the LMD capability, an important transformational initiative supporting the MV Business Enterprise Priority. This collaborative initiative will provide DoD environmental, safety, occupational health and logistics communities ready access to the data required for safe and effective management of hazardous materials throughout weapon systems and facilities lifecycles.

Real Property Accountability (RPA) Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level RPA programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- EL
- HMPC&IMR
- RPAD
- RPAR
- RPCIPR
- RPIR
- RPUIR

Notes:

- HMIRS – Funding for this program is provided by DLA.
- KBCRS – Funding for this program is provided by Army.
- RPILM Initiatives – The funding shown for RPILM represents amounts previously identified in the annual President's Budget and is used to support business process reengineering of all the RPILM initiatives listed in the text box, as well as partial funding for the implementation of these initiatives. They are funded by ODUSD(I&E) BEI, and OUSD(AT&L).

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

Case in Point: Establishing an Authoritative Source for Locations

The Standard Specified Geographic Location File (GEOFILE) is designated the repository for the registration of military installations and worldwide geographic locations during military planning and operations. GEOFILE predates the Real Property Information Requirements (RPIR) and thus does not entirely support full visibility of the Department's legal interest in real property assets, which the Department now recognizes as an essential capability. GEOFILE also does not have standard definitions for sites, installations, and assets. What is considered an "installation" by the GEOFILE may be as large as an ocean or as small as a building. Furthermore, the Department has committed to the use of unique identifiers, which are not incorporated into GEOFILE business rules. GEOFILE re-issues codes after they have been deleted for two years – a code that represents a warehouse in Philadelphia today may have represented a canal in Italy in 2000.

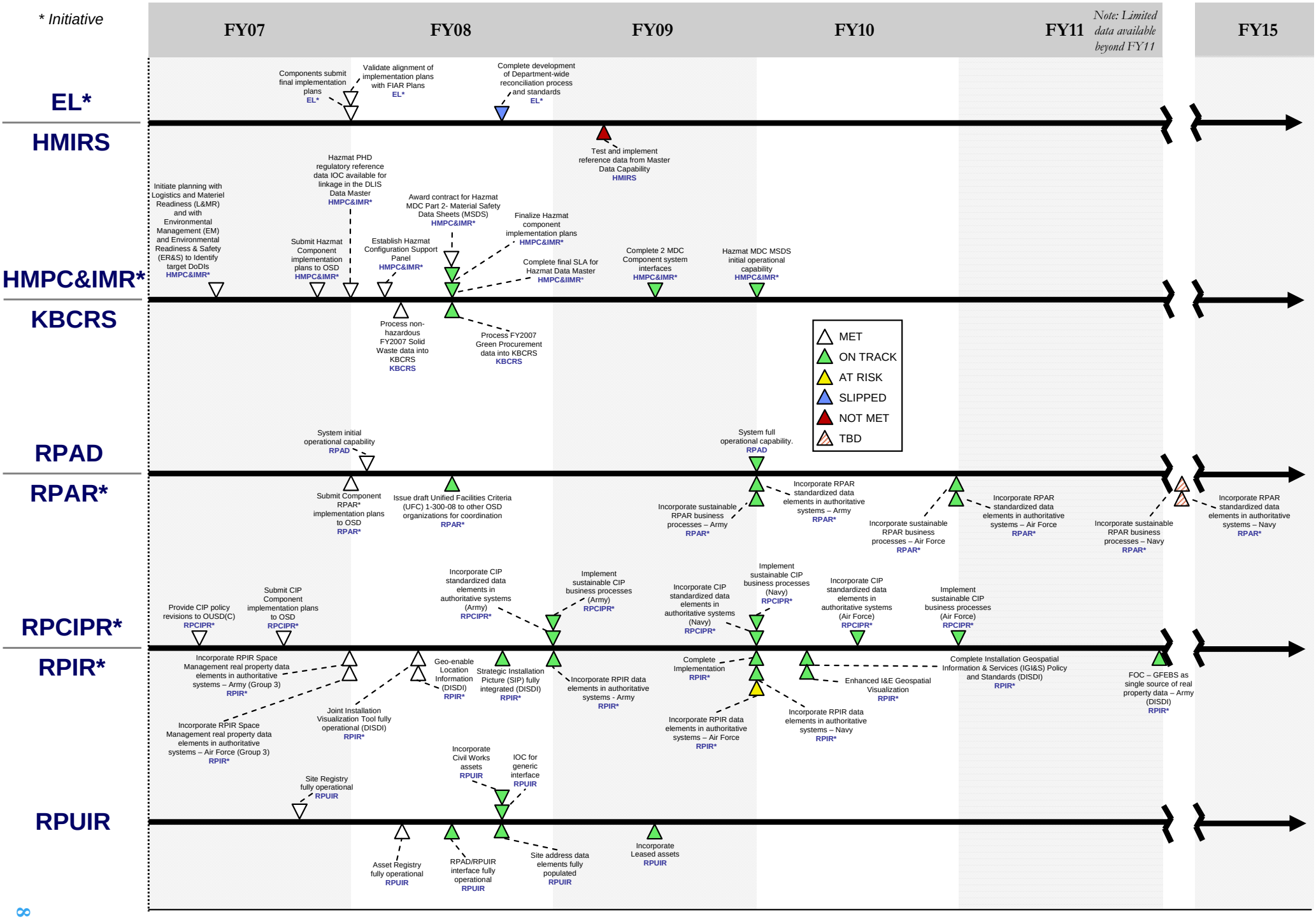
While GEOFILE serves a valuable operational purpose, its applicability to other needs leads the Components to routine use of alternative data sources (such as the Department of Defense Activity Address Codes, Monitored Command/Geographic Installation Codes, DMDC Location Codes, and Unit Identification Codes). None of these sources is comprehensive or provides a standard location value across the enterprise. The Department charged RPA with the responsibility to solve the problem.

RPA responded with the Real Property Unique Identifier Registry (RPUIR) and the Real Property Assets Database (RPAD). RPUIR and RPAD are establishing the authoritative source data for locations, including detailed information on locations and assets in which the Department has a legal, accountable interest. RPAD will serve as a net-centric data warehouse that stores information for all real property that the Department owns, leases or manages, and the RPUIR issues Unique Identifiers (UIDs) based on specific elements of this data.

Since December 31, 2007, RPUIR has maintained records of all DoD-owned sites and assets. RPUIR issues UIDs and interfaces with the RPAD to provide a real-time database of the Department's assets. Although RPAD is still under development, once it attains full operational capability, it will contain volumes of Enterprise-level data. Everyone with an appropriate management purpose will have access to consistent, reliable and accurate real property information for the Department.

Collectively, the RPAD, the UID concept and net-centricity are the foundation of the authoritative source for locations. This real-time, trustworthy information will facilitate the Department's business transformation efforts by enabling rapid access to information for strategic decisions, improving accountability, and reducing the cost of the Department's business operations.

As transformation progresses across the Enterprise, interfaces between RPAD and financial systems, logistics systems, and personnel systems will illuminate the connections between people, equipment, and locations leading to efficiencies across the Department.


* Initiative
FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
EL*
HMIRS
HMPC&IMR*
KBCRS
RPAD
RPAR*
RPCIPR*
RPIR*
RPUIR
Components submit final implementation plans EL*
Validate alignment of implementation plans with FIAR Plans EL*
Complete development of Department-wide reconciliation process and standards EL*
Test and implement reference data from Master Data Capability HMIRS
Initiate planning with Logistics and Materiel Readiness (L&MR) and with Environmental Management (EM) and Environmental Readiness & Safety (ER&S) to Identify target DoDIs HMPC&IMR*
Hazmat PHD regulatory reference data IOC available for linkage in the DLIS Data Master HMPC&IMR*
Submit Hazmat Component implementation plans to OSD HMPC&IMR*
Award contract for Hazmat MDC Part 2- Material Safety Data Sheets (MSDS) HMPC&IMR*
Establish Hazmat Configuration Support Panel HMPC&IMR*
Finalize Hazmat component implementation plans HMPC&IMR*
Complete final SLA for Hazmat Data Master HMPC&IIMR*
Complete 2 MDC Component system interfaces HMPC&IMR*
Hazmat MDC MSDS initial operational capability HMPC&IMR*
Process non-hazardous FY2007 Solid Waste data into KBCRS KBCRS
Process FY2007 Green Procurement data into KBCRS KBCRS
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
System initial operational capability RPAD
System full operational capability. RPAD
Submit Component RPAR* implementation plans to OSD RPAR*
Issue draft Unified Facilities Criteria (UFC) 1-300-08 to other OSD organizations for coordination RPAR*
Incorporate sustainable RPAR business processes – Army RPAR*
Incorporate RPAR standardized data elements in authoritative systems – Army RPAR*
Incorporate sustainable RPAR business processes – Air Force RPAR*
Incorporate RPAR standardized data elements in authoritative systems – Air Force RPAR*
Incorporate sustainable RPAR business processes – Navy RPAR*
Incorporate RPAR standardized data elements in authoritative systems – Navy RPAR*
Provide CIP policy revisions to OUSD(C) RPCIPR*
Submit CIP Component implementation plans to OSD RPCIPR*
Incorporate CIP standardized data elements in authoritative systems (Army) RPCIPR*
Implement sustainable CIP business processes (Army) RPCIPR*
Incorporate CIP standardized data elements in authoritative systems (Navy) RPCIPR*
Implement sustainable CIP business processes (Navy) RPCIPR*
Incorporate CIP standardized data elements in authoritative systems (Air Force) RPCIPR*
Implement sustainable CIP business processes (Air Force) RPCIPR*
Incorporate RPIR Space Management real property data elements in authoritative systems – Army (Group 3) RPIR*
Geo-enable Location Information (DISDI) RPIR*
Strategic Installation Picture (SIP) fully integrated (DISDI) RPIR*
Incorporate RPIR data elements in authoritative systems - Army RPIR*
Complete Implementation RPIR*
Enhanced I&E Geospatial Visualization RPIR*
Complete Installation Geospatial Information & Services (IGI&S) Policy and Standards (DISDI) RPIR*
FOC – GFEBS as single source of real property data – Army (DISDI) RPIR*
Incorporate RPIR Space Management real property data elements in authoritative systems – Air Force (Group 3) RPIR*
Joint Installation Visualization Tool fully operational (DISDI) RPIR*
Incorporate RPIR data elements in authoritative systems – Air Force RPIR*
Incorporate RPIR data elements in authoritative systems – Navy RPIR*
Incorporate Civil Works assets RPUIR
IOC for generic interface RPUIR
Site Registry fully operational RPUIR
Asset Registry fully operational RPUIR
RPAD/RPUIR interface fully operational RPUIR
Site address data elements fully populated RPUIR
Incorporate Leased assets RPUIR

FV

OBJECTIVES

The objectives for FV are:

- **Produce and interpret relevant, accurate and timely financial information that is readily available for analyses and decision making**
- **Link resource allocation to planned and actual business outcomes and warfighter missions**
- **Produce comparable financial information across organizations**
- **Achieve audit readiness and prepare auditable financial statements**

Programs and Activities Enabling FV:

- **BEIS**
- **DAI**
- **EFD**
- **IGT/IVAN**
- **SFIS**
- **USSGL SFIS Transaction Library**
- **LRP Repository**

Financial Visibility Definition and Goal

Financial Visibility (FV) provides immediate access to accurate and reliable financial information (planning, programming, budgeting, accounting, and cost information) to improve financial accountability and efficient and effective decision making throughout the Department in support of the missions of the warfighter.

The goal of FV is to effect changes in financial management aimed at reducing investment and operating costs by facilitating ever-improving accountability, efficiency, and decision making.

Strategy for Financial Visibility

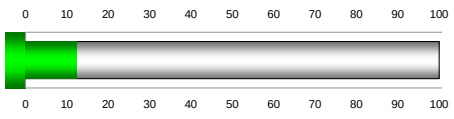
The Department's continuing progress towards financial visibility relies on a strategy focused on improved financial practices and strengthened financial controls—enabling the Department to address long-standing material weaknesses in the areas of: non-compliant financial management systems and processes, reconciliation of fund balance with Treasury, reconciliation of intra-governmental balances, valuation of military equipment, valuation of real property assets, and reporting of environmental liabilities.

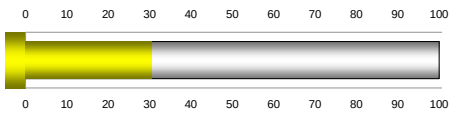
The Department has established a broad strategy to accomplish the goals of financial visibility. This strategy relies on concurrent efforts in four areas that involve:

- Defining and implementing a common language—the Standard Financial Information Structure (SFIS). SFIS provides standard definitions, lengths, values, and business rules that enable transparency and interoperability of financial information across the DoD Enterprise.
- Implementing compliant financial systems, such as, Component Enterprise Resource Planning (ERPs) (including the Defense Agencies Initiative (DAI), which provides a Chief Financial Officer (CFO)-compliant business environment for 28 Agencies and Field Activities).
- Implementing audit-ready financial processes and practices (this effort includes activities tied to the Defense Financial Improvement and Audit Readiness (FIAR) Plan).
- Implementing Business Enterprise Information Service (BEIS) to aggregate financial information and provide Enterprise-wide financial reporting.

Performance Metrics

These graphics depict business capability improvement metrics critical to achieving the objectives of Financial Visibility.

Percent of Planned DoD Business Systems that assert SFIS Compliance		
		
Target: 12.31% Q2 FY08	Actual: 12.31% Q2 FY08	Goal: 100%
Met Q2 FY08 Target for business systems compliance		

Percent of Current Year Defense-Wide General Funds ($) Received Electronically – Automated funds distribution		
		
Target: 35% Q1 FY08	Actual: 30.6% Q1 FY08	Goal: 100%
Missed Q1 FY08 Target *due to delay in EFD implementation*		

Changes since the September 2007 Enterprise Transition Plan

There are no changes to the list of target transformation programs for Financial Visibility.

Transformation Programs

The following systems and initiatives will enable the Department to implement further process change to achieve financial visibility.

Business Enterprise Information Service (BEIS): An Enterprise-level family of systems providing financial reporting, cash reporting/reconciliation, reference data and enterprise business intelligence.

BEIS
Status at a Glance

- SFIS-compliant Financial Reporting – Implementation complete for all Components and major Defense Agencies - Q4 FY08

Approach: Integrate several existing systems into a family of systems to provide financial reporting, cash reporting/reconciliation, reference data and enterprise business intelligence.

Accomplishments/Capabilities Delivered:

- Implemented SFIS-compliant Audited Financial Statements and Budgetary Reports for the following entities:
  - Air Force Working Capital Fund in Q1 FY08
  - Navy Defense Working Capital Fund ERP Implementation for Naval Air Systems Command in Q2 FY08
  - DoD Medical and Military Retirement in Q2 FY08
- This accomplishment moves DoD nearer to its FV objective of providing a CFO-compliant business environment for all agencies and activities.
  - 58% of Office of Management and Budget (OMB) financial reporting entities used SFIS-compliant data in Q1 FY08.
  - 62% of DoD assets reported by DoD-required stand alone reporting entities used United States Standard General Ledger (USSGL) and SFIS-compliant formats in Q1 FY08.
  - 45% of DoD assets reported by OMB-required reporting entities used USSGL and SFIS-compliant formats in Q1 FY08.
- Implemented new and enhanced business intelligence capabilities in Q1 FY08:
  - 2008 Global War on Terror (GWOT) reports
  - Updated input for the GWOT Module
  - Single print command to print all GWOT reports
  - Special Interest Reports, Cost Accounting Organic Freight
  - New input module for Office of the Under Secretary of Defense (Comptroller) GWOT adjustments
  - Software upgrade
- These capabilities enhance DoD decision makers' access to timely and accurate financial management information.

Near-Term Plans:

- Implement BEIS Financial Reporting functionality for Navy General Funds in Q3 FY08.
- Transition Centralized Electronics Fund Transfer (CEFT) to a web service supporting ERP's web services with multiple transactions process files containing Electronic Funds Transfer (EFT) remittance information in Q3 FY08.
- Implement Cash Accountability for Financial Reporting in support of DAI implementation in Q3 FY08.

- Resolve legacy data issues for BEIS Financial Reporting functionality for Army General Funds in Q4 FY08.
- Implement Cash Accountability for General Fund Enterprise Business System (GFEBS) implementation in Q4 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by BEIS.

Business Capability	Business Capability Improvement
Manage General Ledger	DATA - Consolidating data sources.
	DATA – Refining and implementing SFIS.
	SYSTEM - Establishing a DoD Financial Management Information System (MIS)/Dashboard.
	SYSTEM - Implementing Master Data Management System.
Manage Financial Assets and Liabilities	DATA - Consolidating data sources.
	DATA – Refining and implementing SFIS.
	SYSTEM - Establishing a DoD Financial MIS/Dashboard.
Managerial Accounting	DATA - Consolidating data sources.
	DATA – Refining and implementing SFIS.
	SYSTEM - Establishing a DoD Financial MIS/Dashboard.
Financial Reporting	DATA - Consolidate data sources.
	DATA – Refining and implementing SFIS.
	SYSTEM - Implementing compliant Financial Reporting functionality in business systems.
Collect and Disburse	DATA – Refining and implementing SFIS.
	PROCESS - Improving Collection and Disbursement data source utility, accuracy, timeliness, and availability.
	SYSTEM - Consolidating systems.
	SYSTEM - Implementing compliant Collection and Disbursement functionality in business systems.
Forecast, Plan, Program, Budget, and Funds Distribution and Control	DATA – Refining and implementing SFIS.
	SYSTEM - Providing a single system capable of recording and presenting performance and financial information.

Defense Agencies Initiative (DAI): DAI is a standardized financial management solution set for approximately 28 Agencies and Field Activities across DoD that provides the following business functions in the Initial Operational Capability (IOC): procure to pay; order to fulfill; acquire to retire; budget to report; cost accounting; grants accounting; and time and attendance. Full Operational Capability (FOC) will include budget formulation and resale accounting functionality. The objective of DAI is to achieve an auditable, CFO-compliant business environment for the Defense Agencies with accurate, timely and authoritative financial data.

DAI
Status at a Glance

- ✓ Initiated Blueprinting-Q1 FY08
- ✓ Conducted CRP1-Q2 FY08
- Milestone B - Q3 FY08
- Conduct CRP2 - Q3 FY08
- Pilot Go-Live – Q3 FY08

DAI will be implemented in 4 deployment waves. Wave 1 IOC business functions will be implemented for the following six agencies:

- Business Transformation Agency (BTA)
- Defense Threat Reduction Agency (DTRA)
- Defense Advanced Research Projects Agency (DARPA)
- Defense Technical Information Center (DTIC)
- Missile Defense Agency (MDA)
- Defense Information Systems Agency (DISA)

Accomplishments/Capabilities Delivered:

- Awarded systems integration contract at the end of Q4 FY07.
- Initiated the Blueprinting phase of DAI in Q1 FY08. Started the functional business solution development and technical design of interfaces.
  - Conducted workshops for all end-to-end processes and Master Data.
  - Discussed, in detail, requirements, business rules and policy, and system capabilities to improve and streamline transactions and processes.
  - Participation included Process Owners and Subject Matter Experts from the Defense Agencies to further interpret requirements and provide knowledge of business regulations and processes.
- Stood-up commercial hosting for initial training and validation environments in Q2 FY08.
- Conducted Conference Room Pilot 1 (CRP1) to validate the initial configuration of the DAI global business model, which includes core IOC functionality, in Q2 FY08.
  - Verified the business blueprint design of the core functionality, identified issues and confirmed assumptions, using test scenarios and scripts.
  - All participating Defense Agencies provided input to the design of DAI.
  - Defense Agencies increased their understanding of DAI.

Near-Term Plans:

- Conduct CRP2, which includes core IOC functionality from CRP1 plus the addition of common enterprise interfaces by Q3 FY08.
- Design and develop standard reports and a common data warehouse for ad hoc queries by Q3 FY08.
- Develop interfaces and target data objects using Global Exchange (GEX) by Q3 FY08.
- Complete an analysis of data conversion requirements for pilot sites (BTA and DTIC) by Q3 FY08.

- Stand-up test and production hosting environments at DISA Defense Enterprise Computing Center by Q3 FY08.
- Achieve Milestone B by the end of Q3 FY08.
- Implement DAI at pilot site, BTA, by Q3 FY08.

This table shows the relationship between Business Capabilities and the improvements that are being made (or need to be made) by DAI.

Business Capability	Business Capability Improvement
Manage General Ledger	DATA - Consolidating data sources.
	DATA – Refining and implementing SFIS.
	PEOPLE - Hiring / training the FM workforce to conduct General Ledger analyses and reconciliations.
	PROCESS - Implementing internal controls to help ensure proper classification of transactions.
	PROCESS - Implementing improved internal controls over General Ledger posting.
	PROCESS - Establishing a standard method of recording financial events and transactions (consistent with USSGL and other federal accounting standards).
	SYSTEM - Implementing compliant General Ledger functionality in business systems.
Manage Financial Assets and Liabilities	DATA – Consolidating data sources.
	DATA - Refining and implementing SFIS.
	PEOPLE - Hiring / Training the FM workforce to better account for assets and liabilities.
	PROCESS - Implementing stronger internal controls.
	PROCESS - Implementing standards to link intra-governmental receivables and payables.
	SYSTEM - Implementing compliant Asset and Liability functionality in business systems.
Managerial Accounting	DATA - Consolidating data sources.
	DATA - Refining and implementing SFIS.
	PEOPLE - Training/ hiring the FM workforce for improved cost accounting skills and experience.
	PROCESS - Implement business rules for collecting, allocating, and reporting cost and performance information.
	PROCESS - Establishing performance linkages that tie budgets to execution performance.
	SYSTEM - Establishing a DoD Financial MIS/Dashboard.
	SYSTEM - Implementing compliant Managerial Accounting functionality in business systems.

Business Capability	Business Capability Improvement
Financial Reporting	DATA - Consolidate data sources.
	DATA - Refining and implementing SFIS.
	PEOPLE - Training/hiring the FM workforce for improved financial reporting skills.
	PROCESS - Establishing performance linkages that tie budgets to execution performance.
	SYSTEM - Implementing compliant Financial Reporting functionality in business systems.
Collect and Disburse	DATA - Refining and implementing SFIS.
	PEOPLE - Training the FM workforce to better track disbursements and monitor cash position.
	PROCESS - Implementing additional uses of electronic invoice processing.
	PROCESS - Improving Collection and Disbursement data source utility, accuracy, timeliness, and availability.
	SYSTEM - Consolidating systems.
	SYSTEM - Implementing compliant Collection and Disbursement functionality in business systems.
Forecast, Plan, Program, Budget, and Funds Distribution and Control	PEOPLE - Training the FM work force to better distribute, monitor, and control funds.
	PROCESS - Establishing performance linkages for developing, reviewing, evaluating, and supporting forecasts, plans, programs and budgets that tie them to distributing, monitoring and controlling funds.
	PROCESS - Documenting budget preparation business rules outside of system code.
	PROCESS - Further consolidate program and budget data submissions.
	SYSTEM - Providing a single system capable of recording and presenting performance and financial information.
	SYSTEM - Implementing compliant Forecast, Plan, Program, Budget and Funds Distribution and Control functionality in business systems.

EFD
Status at a Glance

- Award contract – Q4 FY08
- Complete System Development and Demonstration – Q2 FY09
- Complete Production and Deployment of Release 1 – Q4 FY09

Approach:

- Spiral development strategy in 3 spirals.
- Spiral 1 focusing on delivering functionality to support appropriated funds, Spiral 2 on Defense Working Capital Funds, and Spiral 3 on reimbursables.

Enterprise Funds Distribution (EFD): EFD's objective is to increase visibility, auditability, and efficiency in the management of distributed funds and Congressional actions. Specifically, EFD will establish:

- Full visibility of appropriated funds as they pass through and across different levels of the enterprise.
- Tracking of Congressional actions.
- Automated processing of Funds Authorization Documents.
- Standardized data exchanges supporting enterprise funds management.

Figure 2-8 illustrates the logical future state of end-to-end funds management and reporting within DoD. Transactions and reference information from Office of Management and Budget (OMB), Treasury and Comptroller sources will be captured, linked and routed to the EFD network of target management and accounting systems. Through automation, EFD will allow budget personnel to better analyze impacts to DoD's mission from budget, apportionment, continuing resolution, reprogramming, rescission, warrant, and transfer events. Enhanced departmental reporting capabilities and financial visibility will be achieved through the SFIS-based common fund structures within the network; reporting back to the federal government and providing strategic information to DoD dashboards.

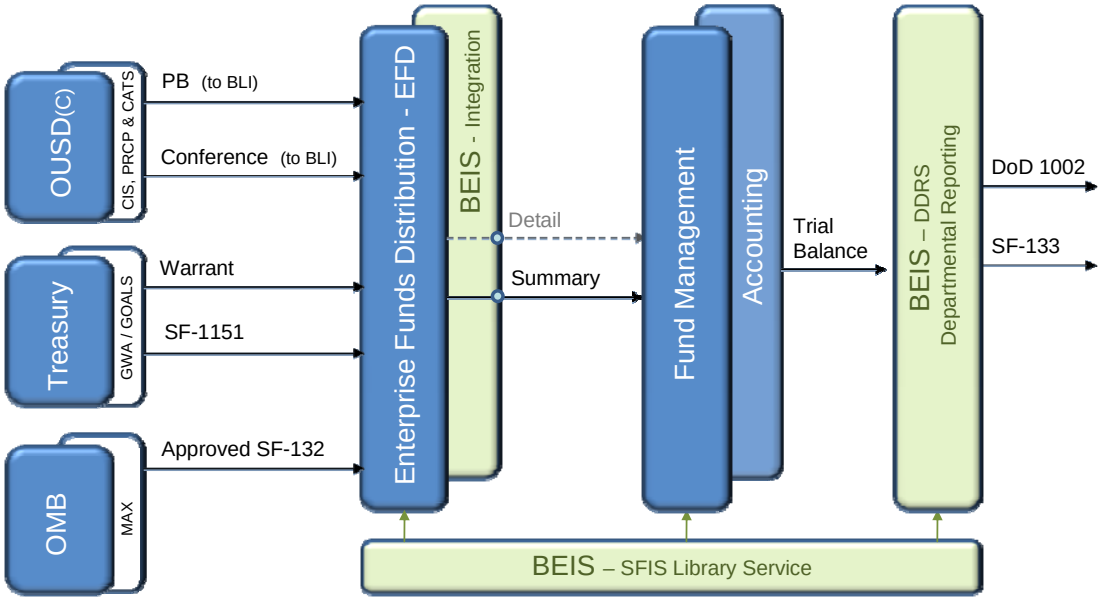


Figure 2-8: DoD Departmental Reporting of Funds Distribution

Accomplishments/Capabilities Delivered:

- Updated Business Enterprise Architecture (BEA) 5.0 for target systems' use, in Q1 FY08, to depict the enterprise information associated with those business events pertaining to funds distribution. This included all SFIS elements required for federal reporting.
- Standardized the DoD-wide organizational hierarchy for funds flow management, in Q1 FY08, to ensure consistency in the defense-wide terminology across various funds distribution levels.
- Started the Analysis of Alternatives (AoA) and released a Request for Information, in Q2 FY08, to assess market capabilities available to support the EFD initiative. The findings will be incorporated into the AoA.

Near-Term Plans:

- Finalize the AoA, complete EFD Acquisition strategy and award contract in Q4 FY08.

Intragovernmental Transactions/Intragovernmental Value Added Network (IGT/IVAN): IGT initiative addresses one of DoD's long-term material weaknesses (financial eliminations) by way of standardized, consolidated, and integrated processes and system components. This initiative provides for significantly enhanced visibility into both buying and selling elements of Intragovernmental transactions within DoD and between DoD and other federal agencies. The IVAN Proof of Concept was initiated to validate processes, business rules and data elements for reimbursable orders contained in the BEA. Component organizations that prepare reimbursable orders participated in using the proof of concept methodology to assess operational suitability.

IGT/IVAN
Status at a Glance

- Determine preferred solution for Intragovernmental Transactions for reimbursables process – Q4 FY08

Accomplishments/Capabilities Delivered:

- Expanded capabilities of IVAN proof of concept solution for orders from DoD to non-DoD agencies in order to assess its utility in addressing issues arising from orders with other federal agencies in Q2 FY08.
- Initiated proof of concept effort between DoD and the General Services Administration's Federal Acquisition Service and the Department of Interior's GovWorks in Q2 FY08.

Near-Term Plans:

- Complete proof of concept evaluation, in Q4 FY08, focusing on the viability of the proposed solution for IGT orders between DoD and other federal entities. Provide assessment of results to DoD leadership.
- Determine preferred solution for reimbursable intragovernmental transactions. Obtain a decision from the DoD leadership on the implementation of IGT/IVAN in Q4 FY08.

Standard Financial Information Structure (SFIS): SFIS is DoD's common business language that facilitates the consistent compilation and reporting of financial information. SFIS provides standard definitions, lengths, values, and business rules that enable transparency and interoperability across the DoD Enterprise.

SFIS
Status at a Glance

- ✓ SFIS online training – Q1 FY08
- ✓ SFIS ERP standard configuration guidance – Q1 FY08
- ✓ Single SFIS-compliant DTS standard interface - Q1 FY08
- ✓ Updated SFIS Matrix BEA 5.0 - Q2 FY08
- ✓ Updated SFIS Compliance Checklist BEA 5.0 - Q2 FY08

Accomplishments/Capabilities Delivered:

- Developed SFIS Training Modules that address various levels of training needs and will support the constant effort of increased awareness, standard implementation and configuration of SFIS across DoD in Q1 FY08.
- Integrated SFIS requirements into the initial OMB Financial Management Line of Business (FMLOB), Common Government-wide Accounting Classification (CGAC), which were implemented across the federal government in Q1 FY08. This ensures that DoD will be compliant with federal standards without changing the SFIS structure that has already been established.
- Defined and obtained agreement on a single SFIS Line of Accounting format, which is a critical element in establishing a standard interface between the Defense Travel System (DTS) and six new ERP (Accounting) systems in Q1 FY08. The standard interface, when finalized, will eliminate the need for DTS to customize the interface for every new business partner. The standard interface goal is a critical cost-effective step towards interoperability across DoD.
- Removed SFIS elements Expense Type, Revenue Type, and Liability Type, based on the new DoD Standard Reporting Chart of Accounts in policy Q2 FY08. The DoD Standard Reporting Chart of Accounts is incorporated in the SFIS element United States Standard

General Ledger (USSGL)/DoD Account Code. These changes, and others, were voted on by the SFIS Governance Board and are therefore reflected in the SFIS Matrix BEA 5.0 and the SFIS Compliance Checklist BEA 5.0.

Near-Term Plans:

- Focus on SFIS training and implementation in target business systems in Q4 FY08, particularly for all major ERP programs to ensure standard implementation and configuration.
- Continue to develop SFIS-compliant standard interfaces for Enterprise systems and ERPs in Q4 FY08. Today, many of the target business feeder systems and accounting systems have several system specific interfaces for the same business transaction. The standard interfaces will eliminate that need.

Other Transformational Activities

Two other transformational activities are occurring within the Department that support achievement of the FV priority. These activities are discussed below.

USSGL SFIS Transaction Library: Integral to BEA compliance since BEA 4.0, the USSGL SFIS Transaction Library enables consistent implementation of a standard general ledger throughout the Department.

Accomplishments/Capabilities Delivered:

- Included SFIS element requirements in the USSGL SFIS Transaction Library in Q1 FY08. The SFIS element requirements at the transaction level provide standard implementation guidance for all stakeholders across DoD.
- Updated USSGL SFIS Transaction Library with Treasury's FY07 and FY08 updates in Q2 FY08. Since the USSGL SFIS Transaction Library establishes the standard detailed transaction posting guidance for DoD, its updates must be consistent with the updates of Treasury's USSGL.

Near-Term Plans:

- Update USSGL SFIS Transaction Library to incorporate Treasury's FY08 and FY09 updates and DoD changes in Q4 FY08.

Laws, Regulations, and Policies (LRP) Repository: Since the inception of the BEA, the LRP repository is the single, authoritative reference source of all requirements that guide and constrain the Department's business operations. The BEA links the specific laws, regulations, and policies to the activities, processes, and business rules that carry out these requirements. The LRP repository is maintained on a continuous basis as changes are received from authoritative sources. This central repository links the systems to the business capabilities they serve. It also serves as the benchmark against which all proposed architectural and systems changes are checked for integration into the enterprise.

Accomplishments/Capabilities Delivered:

- Created and distributed 119 comparison reports, which depict updates to 44 laws, regulations, and policies of which 38 were incorporated into the repository in Q1 FY08. Incorporating changes to the LRP repository provides the DoD community with an updated set of compliance constraints and linkages to the BEA.

- Compiled seven new laws, regulations, and policies into the repository in Q1 FY08. There are approximately 198 laws, regulations, and policies contained in the repository for BEA 5.0. Updating the LRP repository with new laws, regulations, and polices supports the continuous evolution and compliance to the BEA.

Near-Term Plans:

- Complete identification and incorporation of all authoritative sources related to Federal Financial Management Improvement Act (FFMIA) compliance in LRP in Q4 FY08.

This table provides the FV Critical Milestones for FY08 and FY09.

FY08 Critical Milestones	FY09 Critical Milestones
• DAI: Milestone B (Q3) • DAI: Pilot Go-Live (Q3) • SFIS: Milestone 2 - Integrated Lines of Business into SFIS (Q4) • EFD: Award Contract (Q4) • IGT/IVAN: Determine preferred solution for Intragovernmental Transactions for reimbursables process (Q4)	• EFD: System Development and Demonstration (Q2) • BEIS: Milestone C/Full Deployment Decision by the MDA (Q4) • EFD: Production and Deployment of Release 1 (Q4)

Cross-BEP and Component Integration

The FV Business Enterprise Priority is leading an effort within BTA to support the FIAR committee. The FIAR committee is attempting to provide comprehensive clear guidance for achieving auditability compliance for both assessments of system capabilities and operational business processes. End-to-end business flows have been identified as a framework to support the auditability compliance process, as shown in Figure 2-9. BEA content associated with these end-to-end flows will be provided to the FIAR committee.

Each of the end-to-end business flows corresponds to a significant DoD business scenario, thereby encompassing many of the business processes of the BEA. FV, working across the Business Enterprise Priorities, is decomposing these business flows using architectural facets of the BEA. These facets, then, being linked to the Laws, Regulations, and Policies (LRPs) within BEA, can be provided back to the auditability reporting entities – yielding normalized, comprehensive auditability compliance requirements.

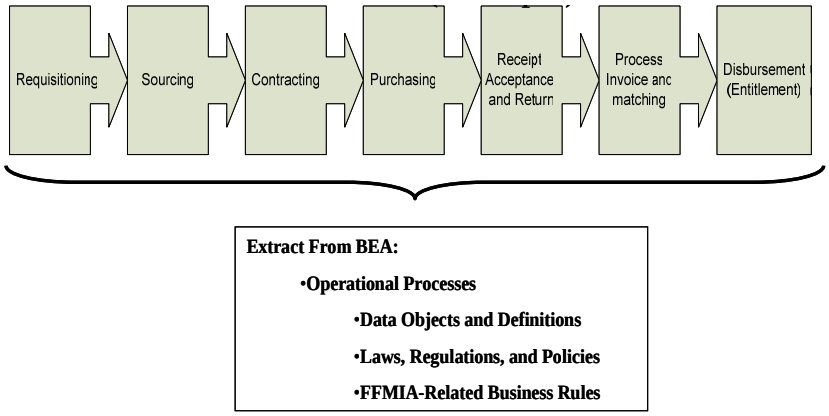
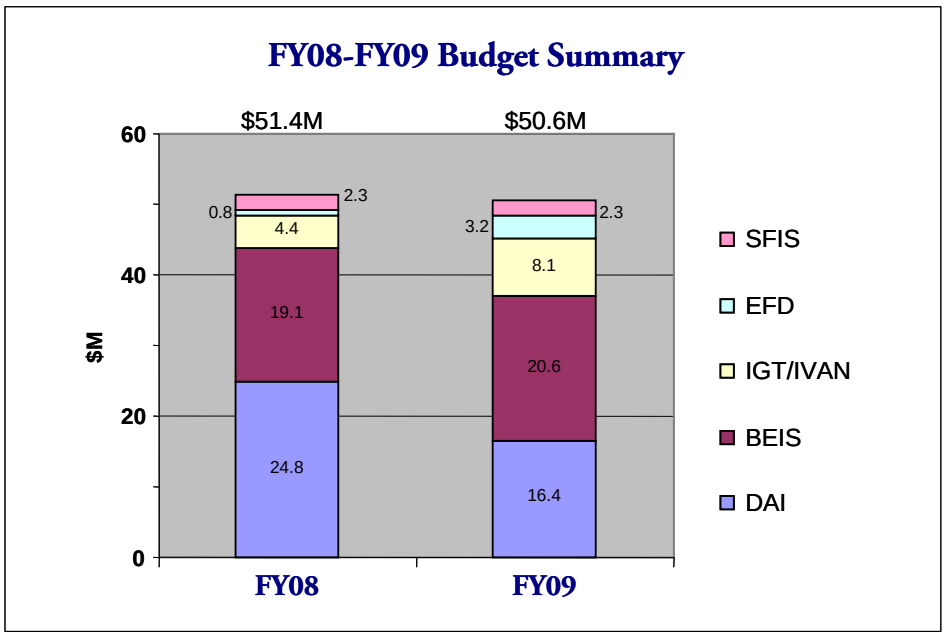


Figure 2-9: Auditability End-to-End Process (Example)

Financial Visibility Budget Summary

The Budget Summary below shows approved FY08 and FY09 budgets for Enterprise-level FV programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

- SFIS program is funded from within operating budgets of affected Components and/or the BTA.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

Case in Point: OMB Leverages DoD's Budget Process Across the Federal Government

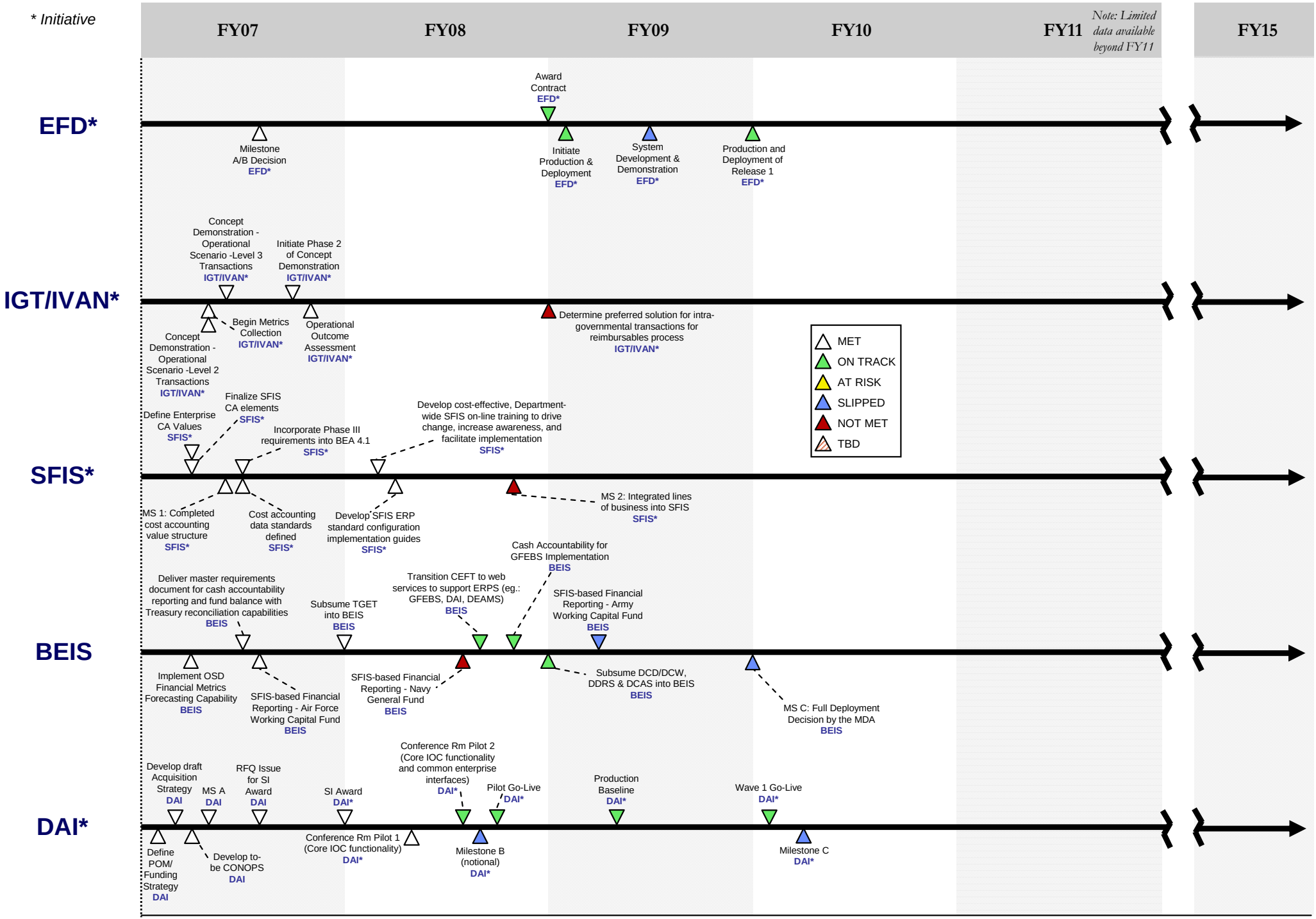
The Department of Defense has joined with 23 other federal agencies to define a Common Government-wide Accounting Classification (CGAC) Structure. As a critical part of the OMB-led Financial Management Line of Business, the CGAC Working Group released the latest draft of the structure in July 2007. The CGAC Structure will become a federal financial management requirement. Consequently, all federal financial management systems will have to be compliant with this structure.

In March 2006, the CGAC effort picked up speed. DoD leadership immediately recognized for this federal government transformation to be successful the Department had to get involved. The direction was to collaborate for success, while ensuring that DoD's requirements were understood and incorporated in the CGAC Structure.

Among the federal organizations participating, DoD was uniquely prepared, since it had already developed and was implementing SFIS. One of the first steps the CGAC Team took was to ask the Department to share information about the development and implementation of SFIS. DoD participants immediately sat down with the team and described the SFIS lessons learned in detail.

The Department seized this transformational opportunity and was prepared to offer its SFIS experience as a model, but ultimate success still depended on a commitment of time, talent and resources for nearly two years. The working group met regularly, requiring the participants to prepare, collaborate, work action items and prepare decisions for the Department's leadership. Unity of vision and purpose was gradually attained through a process of increased coordination, collaboration and cooperation among all the federal agencies.

DoD's CGAC Working Group participants are looking forward to the next steps. Once the CGAC Structure is part of the federal regulations, then all of the agencies will begin focusing on compliance. As a result of the Department's proactive efforts, the impact of the CGAC Structure on DoD financial management systems will be minimal.


* Initiative
FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
EFD*
Award Contract EFD*
Milestone A/B Decision EFD*
Initiate Production & Deployment EFD*
System Development & Demonstration EFD*
Production and Deployment of Release 1 EFD*
IGT/IVAN*
Concept Demonstration - Operational Scenario -Level 3 Transactions IGT/IVAN*
Initiate Phase 2 of Concept Demonstration IGT/IVAN*
Concept Demonstration - Operational Scenario -Level 2 Transactions IGT/IVAN*
Begin Metrics Collection IGT/IVAN*
Operational Outcome Assessment IGT/IVAN*
Determine preferred solution for intra-governmental transactions for reimbursables process IGT/IVAN*
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
SFIS*
Define Enterprise CA Values SFIS*
Finalize SFIS CA elements SFIS*
Incorporate Phase III requirements into BEA 4.1 SFIS*
Develop cost-effective, Department-wide SFIS on-line training to drive change, increase awareness, and facilitate implementation SFIS*
MS 1: Completed cost accounting value structure SFIS*
Cost accounting data standards defined SFIS*
Develop SFIS ERP standard configuration implementation guides SFIS*
MS 2: Integrated lines of business into SFIS SFIS*
BEIS
Deliver master requirements document for cash accountability reporting and fund balance with Treasury reconciliation capabilities BEIS
Subsume TGET into BEIS BEIS
Transition CEFT to web services to support ERPS (eg.: GFEBS, DAI, DEAMS) BEIS
Cash Accountability for GFEBS Implementation BEIS
SFIS-based Financial Reporting - Army Working Capital Fund BEIS
Implement OSD Financial Metrics Forecasting Capability BEIS
SFIS-based Financial Reporting - Air Force Working Capital Fund BEIS
SFIS-based Financial Reporting - Navy General Fund BEIS
Subsume DCD/DCW, DDRS & DCAS into BEIS BEIS
MS C: Full Deployment Decision by the MDA BEIS
DAI*
Develop draft Acquisition Strategy DAI
MS A DAI
RFQ Issue for SI Award DAI
SI Award DAI*
Conference Rm Pilot 2 (Core IOC functionality and common enterprise interfaces) DAI*
Pilot Go-Live DAI*
Production Baseline DAI*
Wave 1 Go-Live DAI*
Define POM/ Funding Strategy DAI
Develop to-be CONOPS DAI
Conference Rm Pilot 1 (Core IOC functionality) DAI*
Milestone B (notional) DAI*
Milestone C DAI*

Section III: Component and Medical Transformation

Chapter 3: Component Transformation Overview

This section provides transformation updates for the following Components:

- Department of the Army
- Department of the Navy (DON)
- Department of the Air Force
- Defense Logistics Agency (DLA)
- United States Transportation Command (USTRANSCOM)
- Defense Finance and Accounting Service (DFAS)

This section also covers enterprise-level medical transformation:

- Military Health System (MHS)

Each Component and MHS section, includes the Component's transformation vision and strategy, business transformation overview, priorities, program descriptions, priority accomplishments/capabilities, critical milestones for FY08 and FY09 by priority, near-term plans, outcomes and performance metrics by priority, a budget summary, support to the Business Enterprise Priorities and a Case in Point.

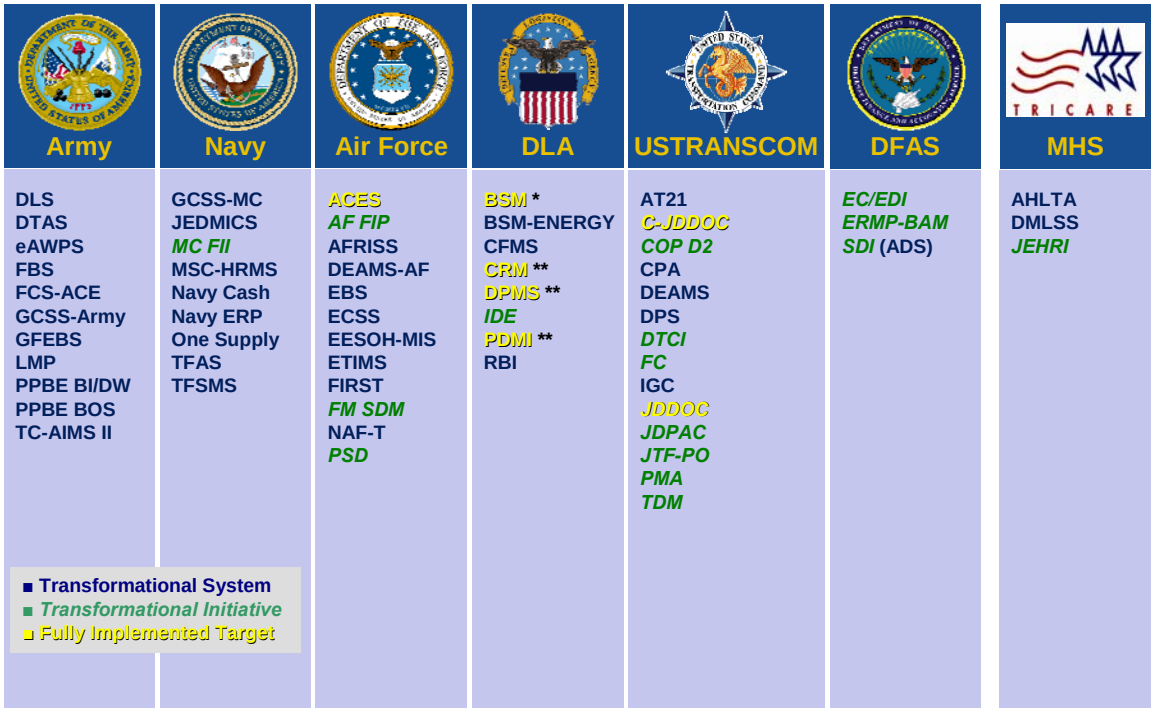


Figure 3-1: Systems & Initiatives Supporting Component & Military Health Priorities

Notes:

* The BSM program delivered the DLA Enterprise Business System (EBS).

** These investments are delivering major transformational capabilities and enhancements to DLA EBS

Each Component has designated accountable programs and other investments to help achieve its priorities, as shown in Figure 3-1. For all solutions, deployment involves implementing process and policy changes, training staff, implementing the necessary facility improvements and realigning organizations and roles to the target solution to increase business value.

Each Component provides discussions of Fully Implemented Programs, Transformation Programs and Other Transformation Activities. The Department provides these definitions:

- Fully Implemented Programs: Programs that have achieved Full Operational Capability (FOC), as defined in Joint Chiefs of Staff Publication 1-02 as the, "full capability to employ effectively a weapon, item of equipment or system of approved specific characteristics, and which is manned and operated by an adequately trained, equipped and supported military force or unit." These programs have achieved their transformational objectives.
- Transformation Programs (includes both systems and initiatives): These programs help to achieve each Component's priorities. These programs are listed by Component in Figure 3-1.
- Other Transformational Activities: These are not programs, but are activities undertaken to support each Component's priorities. These could be activities that cut across the Doctrine, Organization, Training, Materiel, Leadership, Personnel, and Facilities (DOTMLPF), such as, policy changes, governance/leadership, or organizational changes.

Figure 3-2 shows the overall proportional amount of dollars each Component plans to spend on the transformational programs shown in Figure 3-1 in FY08 and FY09.

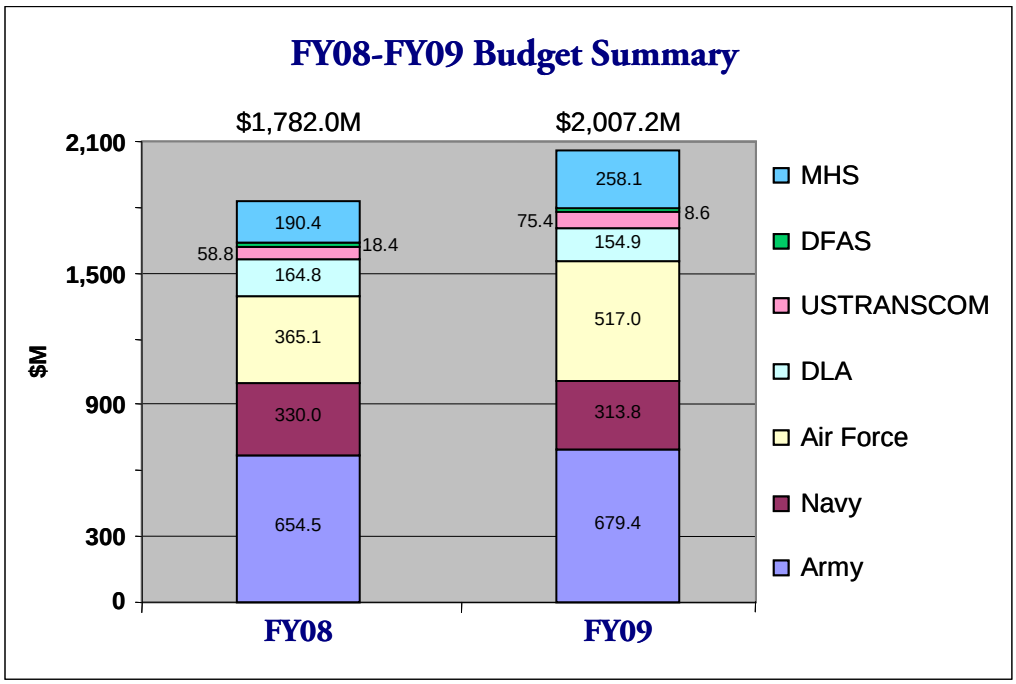


Figure 3-2: DoD Component Budget Summary

Table 3-1 is a Component budget summary based on the 2009 President's Budget (PB09) and includes budgets for systems and initiatives shown in Figure 3-1.

Table 3-1: Component Budget Summary ($M)

	Component	FY07 & Earlier	FY08	FY09	Total	
Component	Army	3,073.2	654.5	679.4	4,407.2	
	Navy	2,378.3	330.0	313.8	3,022.2	
	Air Force	1,179.5	365.1	517.0	2,061.5	
	DLA	1,963.5	164.8	154.9	2,283.1	
	USTRANSCOM	126.7	58.8	75.4	260.9	
	DFAS	50.1	18.4	8.6	77.1	
	Component Total	8,771.3	1,591.6	1,749.1	12,112.0	
Medical	MHS	1,575.3	190.4	258.1	2,023.8	
	Medical Total	1,575.3	190.4	258.1	2,023.8	

For this report, some of the information normally published in the appendices section is now found in this section. Specifically, Component Priority Transformation Summary tables now appear in this section. The purpose for including these tables here is to make this information more visible and to align the Department's reporting more closely with the requirements of the Fiscal Year 2005 National Defense Authorization Act.

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Chapter 4: Department of the Army

Department of the Army Transformation Vision and Strategy

Army Vision

Relevant and Ready Landpower in Service to the Nation

Army Mission

To provide necessary forces and capabilities to the Combatant Commanders in support of the National Security and Defense Strategies

In the midst of war with a ruthless, adaptable enemy, the Army has undertaken the most radical transformation of its force structure since World War II; we are fielding the best trained, best equipped, and best led Soldiers in our history; and we are committed to providing our Soldiers and their Families a quality of life matching the quality of their service to the Nation.

One of the Army's four overarching, interrelated strategies is to provide the infrastructure and support needed by the Warfighter. Our institutional Army is largely a legacy of the Cold War, industrial era in which it was developed. Support for a modernized, 21st Century force requires a transformation of Army business practices using best practices to improve visibility of core assets and data and to align organizational structures to perform core functions effectively and efficiently.

Under the direction of the Army Secretariat and in coordination with the Army Staff, the Army Business Mission Area (BMA) is responsible for key components of the Army's transformational goals.

Army Business Mission Area Vision

A transformed Business Mission Area, supporting the Army Warfighter through world-class, net-centric access to knowledge, systems, and services enabling confident and timely decision making across the Enterprise.

Army Business Mission Area Mission

Within the framework of the Army Vision, Mission, and Goals, the BMA will provide oversight and support of the Mission Area's Domains and their system owners, focusing on strong Governance, effective Information Technology Portfolio Management (IT PfM), and an integrated BMA Architecture that, together, enable coordinated IT PfM across all Army Mission Areas, consistent guidance for end-to-end business process change and IT investment decisions.

Important tools for Army business transformation are Lean Six Sigma (LSS), providing forcing functions for transformation, which has now been adopted by the Office of the Secretary of Defense (OSD); capabilities-based IT PfM, an Army-wide process provided by the Chief Information Officer/G-6; and Organizational Analysis and Design (OA&D), which realigns organizations to better perform core functions.

Army Business Transformation Overview

The Army's transformational goals were developed from the Transformation Plans of the Army BMA and its Domains. The Domains are Acquisition, Financial Management, Human Capital Management, Installations and Environment, and Logistics. The goals are:

Increasing Situational Awareness

Increasing situational awareness by establishing an enterprise-wide operating picture and data framework, including financial, logistics, personnel, and other data required for optimal decision making. This goal enables enterprise integration and will be supported by a comprehensive enterprise architecture leveraging Enterprise Resource Planning (ERP) common data frameworks and the Business Enterprise Architecture (BEA). Platforms for a common operating picture include four of the Army's primary ERPs—the General Fund Enterprise Business System (GFEBS), the Global Combat Support System-Army (GCSS-Army) with Product Lifecycle Management Plus (PLM+), and the Logistics Modernization Program (LMP).

Improving Asset Accountability

Improving asset accountability by creating an integrated financial environment and deployable financial management system; providing financial data compliant with federal and DoD standards through the use of the Standard Financial Information Structure (SFIS), a common format accessible throughout DoD and the Army.

Enhancing and Leveraging Synchronization

Enhancing and leveraging Army enterprise-wide synchronization by coordinating DoD, Joint, and Army initiatives to align people, processes and technologies; for example, the Army implementation of the Defense Integrated Military Human Resources System (DIMHRS) to help decision-makers manage Soldiers across the full operational spectrum, including, among other capabilities, payroll, personnel accounting and strength management data, and predictive decision support.

Improving IT Investment Strategy

Improving the IT investment strategy and outcomes through the Defense Business Systems Management Committee/Investment Review Board (DBSMC/IRB) investment certification process, BCL Investment Management process and Army IT PfM. Using these governance tools, the Army will identify future requirements and capability gaps, eliminate legacy systems, and selectively bridge current capabilities.

Army Priorities Overview

The Army's business transformation priorities are supported by business transformation programs and Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities (DOTMLPF) activities that are products of the Army Vision and Mission and contribute to the achievement of the Army's business transformation goals.

The Army's business transformation priorities are the following:

1) Support the Warfighter by accelerating business systems modernization and the transition to a net-centric data environment.

2) Provide access to more reliable and accurate personnel information for Warfighting mission planning.
3) Improve the accuracy and timeliness of information provided to Army decision makers.
4) Provide ERP systems for asset accountability, budget execution, and accounting.
5) Improve business practices through continuous process improvements to decrease operational cost and cycle times, and reduce unnecessary work and rework.
6) Strengthen Army IT governance and IT PfM, including enterprise-wide, cross-Domain synchronization.

Changes since the September 2007 Enterprise Transition Plan

The Army has not changed its list of target transformation programs.

Army Priority #1: Support the Warfighter by Accelerating Business Systems Modernization and the Transition to Net-Centric Data Environment

Transformation programs that support this priority will accelerate business system modernization and operationalize the DoD's net-centric data strategy. The Army is developing five transformational systems to enable achievement of Priority #1. These are:

- Global Combat Support System-Army (GCSS-Army)
- Logistics Modernization Program (LMP)
- Future Business System (FBS)
- Future Combat Systems Advanced Collaborative Environment (FCS-ACE)
- Transportation Coordinators' Automated Information for Movements System II (TC-AIMS II)

The capabilities of these transformation programs support the goal of increasing situational awareness by creating a common operating picture and common data framework across the logistics Domain and within the acquisition community. Sound IT Investment Strategies will also be accomplished via this strategy as these programs enable streamlined processes to eliminate the need for duplicative functions in legacy systems.

Transformation Programs

GCSS-Army: GCSS-Army will allow the Army to integrate the supply chain, obtain accurate equipment readiness, support split base operations, and get up-to-date status on maintenance actions and supplies in support of the Warfighter. GCSS-Army is the tactical level building block of our transformation to a Single Army Logistics Enterprise (SALE), which will provide information superiority through real-time visibility of personnel, equipment, and supplies anywhere in the distribution pipeline and within the battlespace.

LMP: LMP is the national level building block of the Army's transformation to SALE. It provides information superiority through real-time visibility of personnel, equipment, and supplies anywhere in the distribution pipeline and within the battlespace.

LMP
Status at a Glance

- ✓ Certification of CFO/FFMIA compliance – Q3 FY07

Approach: Enterprise expansion to AMCOM and related Depots planned for Q2 FY09, TACOM for Q1 FY10 and JM/ASC for Q4 FY10

GCSS-Army
Status at a Glance

- ✓ Segment 1 Operational Assessment – Q1 FY08
- Milestone B – Q3 FY08
- Segment 2 Operational Assessment – Q4 FY09
- IOC – Q1 FY11

Approach Increment I will be implemented in two segments: Increment I, Segment 1 will be an operational assessment and will focus on supply functionality performed in a Supply Support Activity. Increment I, Segment 2 will support fielding of GCSS-Army and will include supply, maintenance and property book functionality.

FBS
Status at a Glance

✓ Milestone A – Q1 FY07

Approach: Implement a Service-oriented architecture solution that provides required enterprise capabilities in five increments starting Q3 FY08

FBS: FBS will provide enterprise net-centric business solutions to the Army Acquisition community, enabling Army program managers and acquisition stakeholders to perform the business of acquisition efficiently and effectively. When fielded the FBS tool suite will enable Army Program Executive Officers (PEOs) and Program Managers (PMs) to focus on weapon system developments without the distraction of having to additionally administer their own business tools.

FCS-ACE: FCS-ACE is a net-centric, distributed data environment for accessing, sharing, collaborating, integrating, and controlling program information in support of the Acquisition community. It allows authorized participants secure, immediate, and controlled access to the single source of authoritative data, including product, technical, and program management information. FCS-ACE federation services bring Army leaders, system integrators, and industry partners into an integrated collaborative environment. It supports all FCS program decisions and milestone reviews including preliminary design and critical design reviews.

FCS-ACE
Status at a Glance

✓ Completed Development and deployment of capabilities required for FCS Engineering Maturity 1 (EM1) – Q1 FY08

✓ Major Upgrade of core COTS product data management (PDM) system – Q2 FY08

Approach: Implement new capabilities in support of and aligned with FCS lifecycle from development through sustainment. FCS ACE Blockpoints 1 through 30 have been deployed.

TC-AIMS II
Status at a Glance

✓ Milestone C – Q2 FY07

✓ Full Deployment Decision Review (FDDR) – Q1 FY08

Approach: Spiral development based on major blocks. Block 3 (the final block, in process) is focused on an automated transportation planning and execution capability for operations within theater and enhances related convoy operations.

TC-AIMS II: TC-AIMS II modernizes and streamlines DoD movement processes. It provides the link between SALE and joint warfighter deployment and redeployment planning requirements in the Joint Operations Planning and Execution System (JOPES). It automates and synchronizes the processes of planning, organizing, coordinating, and controlling deployment/redeployment world wide, in peace as well as contingencies.

Priority Accomplishments/Capabilities Delivered:

- **GCSS-A:** Successful Operational Assessment and Continuous Evaluation (OA/CA) of the first module, Supply. The Soldiers of the 11th Armored Cavalry Regiment Supply Support Activity (SSA) are now using the next generation GCSS-Army in place of the legacy system-based functions to transact business with their customer units. Through the GCSS-Army servers at Redstone Arsenal, they all are connected to the national level supply systems and financial systems. The program received positive comments from all related stakeholders and users about the functionality and performance of the system. The purpose of the OA/CA is to demonstrate, in a limited environment, the value gained from the technical approach to meet the Army's operational requirements as laid out in the GCSS-Army Capability Development Document. The lessons learned from this OA/CA regarding Direct Support Supply functionality will further benefit the larger SALE effort by reducing software development requirements; implementation risks; and providing combat developers tangible insight into future system capabilities.
- **LMP:** Delivered additional system functionality and enhancements associated with the Federal Financial Management Improvement Act, Government Accountability Office, Defense Logistics Management Structure, SALE Integration, and Enterprise Expansion Requirements work streams in December 2007.
- **FBS:** Established the Acquisition Business Enterprise Governance Board (ABE-GB) on October 9, 2007. This establishes the governance structure encompassing the Acquisition community integration and identification of requirements and tools and significantly enhances the governance activities and oversight of enterprise Acquisition programs.
- **FBS:** Approved the following Future Business Systems (FBS) program objectives on December 4, 2007:
  - Proceed with FBS as a non-ACAT business modernization effort.

- Proceed with expenditure of FBS program dollars to develop Increment 1 capabilities that include workforce collaboration, workforce shaping, Army Force Generation (ARFORGEN) Support and Requirements Management.
- Approved the FBS Increment 1 requirements document.
- Approved the proposed Domain requirements management process.

Approval of these program objectives allows the community to take advantage of and harvest the benefits related to the implementation of enterprise wide use of tools and will significantly improve the business value for the Acquisition Domain.

- **FBS:** Provided the FY08-15 FBS Execution Plan to the ABE-GB on January 31, 2008.

This table provides the Army Priority #1 Critical Milestones for FY08 and FY09.

Army Priority #1	
FY08 Critical Milestones	FY09 Critical Milestones
√ TC-AIMS II: FDDR for Block 3 √ FCS-ACE: Blockpoint 31: Major upgrade of core COTS product √ GCSS-Army: Segment 1 Operational Assessment for Inc 1 √ TC-AIMS II: IOC for Block 3 • GCSS-Army: Milestone B for Inc 1 (Q3) • FBS: Evaluation of Candidate Applications for Program Initiation (Q3) • FBS: Milestone B for Inc 1 (Q4) • FCS-ACE: Blockpoint 32-34: Development and Deployment of capabilities to support FCS Spin Outs and Preliminary Design Review (Q4)	• LMP: 2d Deployment Go Live (Q2) • FBS: Milestone C for Inc 1 (Q4) • GCSS-Army: Segment 2 Operational Assessment for Inc 1 (Q4)

Near-Term Plans:

- **FBS:** Intends to provide the capability for workforce collaboration, workforce shaping, ARFORGEN Support, Requirements Management in Increment 1.
- **FBS:** Roll out Increment 2, which will provide the following capabilities: improved contract business intelligence, Science and Technology management, program oversight and performance-based logistics.
- **FCS-ACE:** Perform a major upgrade of core Commercial Off-the-Shelf (COTS) product data management (PDM) software in late March 2008 providing significant capability improvements including change management, product structure editing, and visualization.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #1 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
(FCS-ACE) Improved Support to the Warfighter	Increased capability to integrate/coordinate FCS system/program data – 80% of organizations will have improved access to data and information by FY10

Army Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
(GCSS-Army) Creation of an interdependent modular logistics capability that is responsive to the Joint Force Commander across the spectrum of conflict	Provide Soldier and Combatant Commanders an effective tactical logistics operations and management tool
(FBS) Enterprise Environment	Leadership approval of Future Business System Program
(LMP) Leverage a single authoritative database for a consolidated, unambiguous view of Army National level inventory assets to permit timely, decisive action and visibility into the Army's supply chain. LMP will ensure that the warfighter receives the right equipment and repair parts at the right time	Significantly improved National level asset visibility is expected to improve planning accuracy, timely execution of requests, decrease inventory costs and a decrease reorder processing. Baseline measurements are planned when fully deployed Develop, transform, deploy and sustain/improve modernized logistics support at National level and non-deployable DOL (Directorate of Logistics) activities Upon full Deployment 1000+ locations and >17,000 users

Army Priority #2: Provide Access to More Reliable and Accurate Personnel Information for Warfighting Mission Planning

An integrated DoD and Army approach is the key to providing Warfighter Mission Area planners with more reliable and accurate personnel information. The Army is placing significant emphasis on enabling the success of the DIMHRS program in addition to the Army's internal transformation programs. In support of this priority, the Army is developing two transformational systems that will work in conjunction with DIMHRS to enable achievement of Priority #2. These are:

- Deployed Theater Accountability System (DTAS)
- Distributed Learning System (DLS)

DTAS is a personnel accountability solution designed to meet the Army's business transformation goal of enhancing and leveraging synchronization. Its positive impact has already been demonstrated and was articulated as the Army's Case in Point for the September 2007 ETP. These Army transformational programs will also enable enhanced situational awareness by providing a common operating picture of a war fighter's status worldwide in the case of DTAS and a common data framework for training programs in the case of DLS.

Transformation Programs

DTAS: DTAS is the world's first enterprise-wide Secret Internet Protocol Router Network (SIPRNet) personnel tracking system providing real-time accountability functions not available in DIMHRS. DTAS provides Warfighter commanders with accountability information on deployed military, civilian, contractor, and foreign national personnel by name, other unique identifiers, unit, location, and day, as well as keeping a complete deployment history for each person.

DTAS
Status at a Glance

- ✓ Version 3.3 expanded to cover additional requirements from Theater.
- ✓ CONUS DTAS Server Suite online – Completed December 2007

Approach: Incremental approach. Continuing to refine software functionality for current wartime operations while expanding system to non-CENTCOM units.

DLS
Status at a Glance

- ✓ Contract Awarded for Increment 4 – Q2 FY07
- IOC for Increment 4 – Q4 FY08

Approach: Incremental approach, currently in Increment 4: Deployed

DLS: DLS streamlines training processes, automates training management functions, and delivers training using electronic means to Soldiers while at or near their home station or when deployed. DLS operates 231 digital training facilities, an enterprise management center, and the Army Learning Management System at locations around the world.

Other Transformational Activities

DIMHRS – Army: The mission of the Army DIMHRS Program Office (ADPO) is to prepare all Army components (Active, Guard, and Reserve) for the implementation of DIMHRS on October 1, 2008. DIMHRS is an integrated personnel and pay enterprise solution.

DIMHRS-Army
Status at a Glance

- ✓ Baseline Army system requirements have been identified
- ✓ A testing schedule has been established
- A training program is being developed
- Communications and deployment strategies are being developed

ADPO is executing a comprehensive change management and strategic communications strategy to migrate stakeholders from a state of awareness to ownership of the new operational environment. ADPO is conducting site visits to approximately 46 installations worldwide to brief senior leaders, commanders, sergeants major, HR and military pay professionals, and general audiences on DIMHRS and the upcoming changes with implementation scheduled for October 1, 2008. ADPO is also participating in key conferences and events to increase awareness for DIMHRS in preparation for implementation. Starting in May 2008, ADPO will use a combination of distributed-learning, including computer based training and self-paced study guides, and an instructor-led train-the-trainer program to educate the 1.3 million soldiers who will be DIMHRS users and the more than 100,000 HR and pay professionals, i.e. DIMHRS administrators, who will operate the new system.

Priority Accomplishments/Capabilities Delivered:

- **DTAS:** Expanded version 3.3, which allows commanders to track both assigned and attached units and personnel, and maintain visibility over units and personnel that they attach to other units, including those of other Services. The Army Human Resources Command's Program Manager also deployed a second DTAS Theater Server Suite in the Continental United States (CONUS) as the first step in expanding DTAS use outside of the current theater of war.

This table provides the Army Priority #2 Critical Milestones for FY08 and FY09.

Army Priority #2	
FY08 Critical Milestones	**FY09 Critical Milestones**
√ DTAS: DT&E for v4.0	• DLS: FOC for Inc 3 (Q1)
√ DTAS: System Qualification Testing for v4.0	• DTAS: Development for Theater 3 (Q3)
√ DTAS: User Acceptance Testing for v4.0	• DTAS: Field for Theater 3 (Q4)
• DLS: DT&E for Inc 4 (Q2)	• DTAS: FOC for Theater 3 (Q4)
• DTAS: Development for Theater 2 (Q3)	
• DLS: OT&E for Inc 4 (Q3)	

Army Priority #2	
FY08 Critical Milestones	FY09 Critical Milestones
• DTAS: FOC for v4.0 (Q3) • DLS: FRP for Inc 4 (Q4) • DLS: Milestone C for Inc 4 (Q4) • DTAS: Field for Theater 2 (Q4) • DTAS: FOC for Theater 2 (Q4) • DLS: IOC for Inc 4 (Q4)	

Near-Term Plans:

- **DIMHRS – Army:** Complete system testing and enter into full operational testing of Army DIMHRS in June 2008. Operational testing will include personnel from all Army components.
- **DTAS:** Deployment of a second DTAS Theater Server Suite in the United States is the first step in expanding DTAS use outside of the current theater of war and occurred on December 7, 2007. The United States Army Special Operations Command plans to use this Suite to track all of its assets worldwide.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #2 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
(DLS) Standardized training and training management across the Army	230 Digital training facilities (Objective)
	Duplicate and local legacy systems retired by January 31, 2011
	Increased # of Army personnel complete IT, business and language training Goal is 10% increase from the previous year. (In FY07 there was a 22% increase from FY06)
	Maintain 50% utilization or greater for each Digital Training Facility each Fiscal Year
	Review Professional Military Education annually to reduce resident training time by converting the maximum possible amount of course content for delivery by distributed learning methods
(DTAS) Improve overall quality, accuracy, and timeliness of data shared among all echelons for deployed personnel in multiple Theaters	Provide 24/7 monitoring to respond to data inquiries
(DTAS) Improve overall visibility, status, and location of contractors and patient information for personnel deployed in a Theater of Operations	Navigation, search, and subscription features help users locate and run the reports they need
	One screen displaying current values of all high level system performance

Army Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
(DTAS) Improve overall visibility, status, and location of contractors and patient information for personnel deployed in a Theater of Operations	Reducing the duplicated counting and local legacy systems
	Reporting portal to allow users to access reports from a folder hierarchy
	Total visibility of all Army personnel throughout all Combatant Commands

Army Priority #3: Improve the Accuracy and Timeliness of Information Provided to Army Decision Makers

The transformational programs and other transformational activities, which support this priority, further enhance the Army's ability to support its goal to increase situational awareness. In support of this priority, the Army is developing two transformational systems to enable achievement of Priority #3:

- Future Business System (FBS)
- Enterprise Army Workload and Performance System (eAWPS)

The FBS creates a suite of net-centric service-oriented business capabilities that consolidate multiple disparate systems into one common data framework. The eAWPS creates actionable intelligence by aggregating data from various components. The funding and program status of eAWPS and its modules are currently under review. The other transformational activities represent process improvements in conjunction with technology enhancements currently underway to meet the Army business transformation goals.

Transformation Programs

FBS: FBS will improve visibility and access to authoritative data thereby increasing the accuracy and timeliness of essential management information for decision making. It enables implementation of the Army data strategy to ensure enterprise access to authoritative source information. This capability in FBS will enable users to enter data once, then publish and reuse as necessary, replacing current practices of keying and re-keying data into multiple stovepipe information systems.

eAWPS: eAWPS is a key component of the Army Human Capital Strategy to address the implementation of a workload-based management system in all major commands and infrastructure functions. The eAWPS program integrates several interrelated modules to include: Army Workload and Performance System (AWPS), Depot Maintenance Operational Program Systems (DMOPS), Enterprise Management Decision Support (EMDS), Resource Management Tool (RMT) and the Work Mapping Tool (WMT).

eAWPS
Status at a Glance

- ✓ WMT Milestone A – Q1 FY08
- EMDS IOC for Release 1.1: Operational Assessment – Q4 FY08

Approach: Use architecture products to augment and enable eAWPS identification of management requirements driving our workload-based solution plans.

Other Transformational Activities

Aviation Proof of Enablers (PoE): POE is a collaborative effort executed in August 2007 as an initial activity to improve aviation logistics maintenance through enhanced accessibility of platform self-diagnosing/self-reporting data, enabled by a common architecture across and at

platform maintenance. Activities are planned to leverage the lessons learned in the PoE to further develop and field aviation enablers, implement in a brigade sized unit and conduct a follow-on PoE with additional enablers to improve aviation operational readiness and capabilities.

Real Property Asset Management: The Real Property Asset Management (Accountability) initiative encompasses DoD Real Property business transformation initiatives including Real Property Inventory Requirements (RPIR), Real Property Acceptance Requirements (RPAR), and Construction in Progress Requirements (CIPR) to comply with DoD guidance and strategic direction. Current Army activities involve the review and consolidation of Real Property Inventory and Management Systems.

Priority Accomplishments/Capabilities Delivered:

- **eAWPS**: Completed RMT (Release 2.1) March 2008. RMT synchronizes Army business practices in manpower, dollars, and the force structure and produces new capabilities for Army users through the integration of major Army PPBE systems.
- **eAWPS**: Delivered EMDS Conference Room Prototype (CRP) to the Deputy Under Secretary of Army-Business Transformation (DUSA (BT)) in March 2008 to prove initial capability for cross-functional senior leader decision support. The CRP will be demonstrated to the leadership at the highest levels of the Army in subsequent months.

This table provides the Army Priority #3 Critical Milestones for FY08 and FY09.

Army Priority #3	
FY08 Critical Milestones	FY09 Critical Milestones
√ eAWPS: IOC Increment 1 for WMT • eAWPS: IOC Increment 2 for WMT (Q3) • FBS: Evaluation of Candidate Applications for Program Initiation (Q3) • eAWPS: IOC Increment 3 for WMT (Q3) • FBS: Milestone B for Inc 1 (Q4) • eAWPS: Program Assessment (M/S B) for EMDS (Q4) • eAWPS: Deployed standardized Funds Control, Budget Execution and Manpower functionality to all Army STANFINS sites for RMT (Q4) • eAWPS: Implement an integrated Purchase Request (PR) and Budget Tool (solves G8 issue) for RMT (Q4) • eAWPS: Implement the Contractor Manpower Equivalent initiative for RMT (Q4) • eAWPS: Implement WMT and ATAAPS at IMA (key to LSS) for RMT (Q4) • eAWPS: Integrate contract procurement with fund management for RMT (Q4) • eAWPS: Integrate RMT in the GFEBS design (Q4) • eAWPS: Single host site provides data-centric capability for RMT (Q4) • eAWPS: Transition RSW and IMCOM to RMT (Q4)	• eAWPS: Implement the Resource and Manpower Program (REMAP) functionality for RMT (Q1) • FBS: Milestone C for Inc 1 (Q4)

Near-Term Plans:

- **eAWPS:** Begin AWPS Lead Site Verification Testing (LSVT) in March 2008 with the Kansas National Guard. This will validate these test sites utilizing hand held technologies in depot level supply transactions, and will simplify the cumbersome supply-financial reconciliation process.
- **eAWPS:** Complete Phase 1 of EMDS development not later than February 2009 to provide capability to support senior leadership decision making for "stationing the force" issues. This is in addition to the incremental development of EMDS in the areas of equipping, sustaining, manning, and training the Force.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
(eAWPS) Ability to eliminate unneeded inventory (termed "potential DoD excess stock") by applying AWPS simulation capability and align stock positioning and sourcing logic with distribution networks	Provide 17,000 users with the strategic workforce management application
(eAWPS) Army leadership will have appropriate visibility of the process and organization, and be able to monitor its outputs and resource consumption in the context of contribution to overall Army missions	Increase by 40% Strategic/Tactical information by improving situational awareness and visibility
(eAWPS) Develop financial and operational performance metrics to manage AWCF activity production processes, customer satisfaction, and costs (both fixed and variable)	Develop dashboards to be implemented to 50% of AMC-AWPS leadership by FY09
(eAWPS) Provide the Army Resource Management Communities with an efficient interface between the Army Planning, Programming, Budgeting, and Execution (PPBE) tools	A system solution interface to PPBE by FY10 – Goal: 30% increase of system penetration from FY07 – FY10
(eAWPS) To allow senior leaders to make more accurate, timely, transparent, reliable, holistic, cross-functional decisions with an automated tool from source system information	Reduce duplicate counting and local legacy systems by 35%
(eAWPS) To introduce a different means of decision-making that is output-oriented and cross-functional in nature	50% of legacy systems are integrated by FY12 and 100% by FY15
(FBS) Enterprise Environment	Leadership approval of Future Business System Program

Army Priority #4: Provide ERP Systems for Asset Accountability, Budget Execution and Accounting

The Army is developing four transformational systems to enable achievement of Priority #4:

- General Fund Enterprise Business System (GFEBS)
- Planning Programming Budgeting and Execution Business Intelligence Data Warehouse (PPBE BI/DW)
- PPBE Business Operating System (PPBE BOS)
- Logistics Modernization Program (LMP)

The Army's ability to conduct asset accountability, budget execution and accounting processes will be enhanced through the ERP solutions of GFEBS and LMP, along with two smaller IT programs, PPBE BOS and PPBE BI/DW. The integration of financial and logistics programs will allow consistent and timely reporting in support of mission critical activities.

These systems and associated business process reengineering work will provide the Army with fully integrated financial processes for financial planning, programming, budgeting, execution, and accounting.

Transformation Programs

GFEBS
Status at a Glance

- ✓ Milestone B – Q2 FY08
- IOC for Release 1.2: Operational Assessment – Q4 FY08

Approach: Incremental approach. Currently in the Design Phase for Increment 1.2

GFEBS: GFEBS will become the Army's new core financial management system for administering its General Fund to improve performance, standardize processes and ensure that it can meet future needs. GFEBS will serve as the Army's financial backbone, capturing general ledger data into a single system and will also serve as the Standard Army Financial Enterprise (SAFE) system of record for the entire Army.

PPBE BI/DW: PPBE BI/DW will combine financial and non-financial management and operational data that will enable over 10,000 users to make decisions from aggregated dollar, manpower, and equipment data. Some of the benefits of PPBE BI/DW are:

- Supports Army efforts to improve effectiveness and efficiency
- Gains maximum advantage from existing and future IT system investments.
- Provides data views centered around mission areas, with specialized user views for senior leaders and analysts.

PPBE BOS
Status at a Glance

- PPBE BOS Enterprise Foundation (Stability Operations) (Capabilities Package 1) – Q2 FY08
- PPBE BOS Engineering Guidance and Architecture (Capabilities Package 2) – Q3 FY08

Approach: Incremental Approach. Currently formalizing Enterprise Foundation (Stability Operations) Capability Package 1

PPBE BOS: PPBE BOS will provide a variety of capabilities to report the Army Program/Budget. When completed, PPBE BOS will:

- Integrate customer business processes.
- Automate legacy paper processes.
- Eliminate duplicate data feeds.
- Integrate information processes.
- Share edits and data among processes.
- Integrate best business practices from stovepipe business systems.
- Reduce administration and coordination burdens.
- Manage change and configuration for the Army Planning Programming Budgeting and Execution System (PPBES).

LMP: LMP primarily supports Army Priority #1, but in support of this priority, LMP is the system of record for the Army Working Capital Fund (AWCF).

Priority Accomplishments/Capabilities Delivered:

- **GFEBS:**
  - Completed the Critical Design Review (CDR) for Release 1.2 in October 2007.
  - Began Pre-build activities for Release 1.2 in November 2007.
  - Completed the Enterprise Risk Assessment Methodology (ERAM) program review in December 2007.
- **PPBE BI/DW:** Achieved IOC in December 2007, providing business intelligence tools for advanced analytics, data mining, predictive modeling, and reports that assist the analyst in providing accurate funding detail of various Army Programs.
- **PPBE BOS:**
  - Completed roadmaps for the future state of the process that highlight capability gaps and served as input to a modified Analysis of Alternatives (AoA). The roadmaps and AoA are critical precursors to modernization of the Army PPBE systems and processes.
  - Completed end-to-end architectural systems engineering assessment of current-state detailing process, technology and resource components for the lifecycle of the PPBE process within HQDA.

This table provides the Army Priority #4 Critical Milestones for FY08 and FY09.

Army Priority #4	
FY08 Critical Milestones	FY09 Critical Milestones
√ PPBE BI/DW: IOC √ GFEBS: Milestone B • GFEBS: Complete Release 1.2 Operational Assessment (Q4)	• PPBE BI/DW: FOC (Q1) • LMP: 2d Deployment Go Live (Q2) • GFEBS: Milestone C (Q3) • GFEBS: IOC (Q3)

Near-Term Plans:

- **GFEBS:** Build and test Release 1.2 providing real property inventory, general ledger management, payment management, receivables management, funds management, cost management and reporting for all installation management functions at Fort Jackson, SC.
- **PPBE BI/DW:** Continue to expand community of interest and identify additional data sources needed (such as execution data from GFEBS and all historical PPBE data). The BI/DW will continue to replace functional requirements met by legacy custom-built applications with a central COTS repository and business intelligence tool. Anticipated FOC is Q1 FY09.
- **PPBE BOS:** PPBE BOS Enterprise Foundation (Stability Operations) will improve problem reporting, configuration management, stabilization of software packages, and formalize support for disaster recovery of information and systems. Anticipated completion is Q2 FY08.
- **PPBE BOS:** Engineering Guidance and Architecture: Improve efficiency and provide the common guidelines and processes that all future engineering and development will follow in Q3 FY08.

- **PPBE BOS:** Role-Based Access: Identify opportunities for cost savings and alignment of roles associated with business processes by Q2 FY09.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #4 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
(GFEBS) Federal Financial Management Improvement Act (FFMIA) Compliance	Of the applicable FFMIA requirements, achieve determination that GFEBS is substantially in compliance based on Army Audit Agency (AAA) audit with correctable system material non-conformances
(GFEBS) Interoperability: GFEBS will adequately address requirements for interoperability systems testing and certification. All required system interfaces with Army, DoD and Federal Systems will be in place and operational	100% of critical system interfaces are operational as tested by the operational test agencies during Initial Operation Test and Evaluation (IOTE)
(GFEBS) The System must support Net-Centric military operations	The system must fully support execution of joint critical operational activities identified in the applicable joint and system integrated architectures and the system must satisfy the technical requirements for transition to Net-Centric military operations including: 1) DoD Information Technology Standards and Profile Registry (DISR) mandated Global Information Grid (GIG) Information Technology (IT) standards and profiles identified in the Technical View (TV-1) 2) DISR mandated GIG Key Interface Profiles (KIP) identified in the KIP declaration table 3) Net-Centric Operations and Warfare Reference Model (NCOW RM) Enterprise Services 4) Information assurance requirements including availability, integrity, authentication, confidentiality, and non-repudiation, and issuance of an Interim Approval to Operate (IATO) by the Designated Approving Authority (DAA) 5) Operationally effective information exchanges; and mission critical performance and information assurance attributes, data correctness, data availability, and consistent data processing specified in the applicable joint and system integrated architecture views
(LMP) Leverage a single authoritative database for a consolidated, unambiguous view of Army National level inventory assets to permit timely, decisive action and visibility into the Army's supply chain. LMP will ensure that the warfighter receives the right equipment and repair parts at the right time	Significantly improved National level asset visibility is expected to improve planning accuracy, timely execution of requests, decrease inventory costs and a decrease reorder processing. Baseline measurements are planned when fully deployed

Army Priority #4 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
(PPBE BI/DW) Continue to expand community of interest and identify additional data sources needed (such as execution data from GFEBS and all historical PPBE data). The BI/DW will continue to replace functional requirements met by legacy custom-built applications with a central COTS repository and business intelligence tool	100% of PROBE resource data to include requirements, funding, manpower, and force structure data will be migrated into the Data Warehouse - scheduled completion date is December 2008 (Q1 FY09)
(PPBE BOS) PPBE BOS Enterprise Foundation (Stability Operations) will improve problem reporting, configuration management, stabilization of software packages, and formalize support for disaster recovery of information and systems	85% of our business system will use standard configuration and standard COTS software – scheduled completion date is April 2008 (Q2 FY08)
(PPBE BOS) Engineering Guidance and Architecture: Improve efficiency and provide the common guidelines and processes that all future engineering and development will follow	90% of Enterprise Architecture documentation of both operational and technical views will be completed. - scheduled completion date is May 2008 (Q3 FY08)
(PPBE BOS) Briefing Generation: Improve operations and reduce workload by consolidating briefing generation capabilities into an enterprise service capable of meeting the needs of many different users	95% completed – defining, documenting components and developing a consolidation of multiple briefing generation capabilities from a master template utilizing a common repository of data - scheduled completion date is October 2008 (Q1 FY09)
(PPBE BOS) Role-Based Access: Identify opportunities for cost savings and alignment of roles associated with business processes	85% of our user community will have Common Access Card (CAC) authentication, role-based user management and security processes to manage HQDA Planning Programming and Budgeting systems - scheduled completion date is February 2009 (Q2 FY09)
(PPBE BOS/GFEBS) and External Automation: Compliance and GFEBS interface capabilities	50% completed – documents and defining the components to develop a web interface from Probe/BIDW to GFEBS - exchange transactional data and executable information - scheduled completion date is April 2009 (Q3 FY09)
(PPBE BOS) Portal: Access to planning, programming and budgeting capabilities via a single integrated portal	75% completed – documenting and defining Portal framework for integrating of information. Developing a single point of entry as a web-based user interface. - scheduled completion date is May 2009 (Q3 FY09)

Army Priority #5: Improve Business Practices through Continuous Process Improvement to Decrease Operational Cost and Cycle Times, and Reduce Unnecessary Work and Rework

Decreasing operational cost and cycle time and reducing unnecessary work and rework through continuous process improvement is enabled by ongoing DOTMLPF activities in the Army's real property area and through enterprise-wide LSS initiatives. Our transformational programs will serve as technology enablers for continuous improvement while these activities provide the foundation for the success of programs previously discussed.

The primary Army activities that support this priority are:

- LSS programs
- Consolidation of Geographic Information Systems (GIS).
- Redesign Environmental Lines of Business.
- Organizational Analysis and Design (OA&D)

Other Transformational Activities

LSS Programs: The Army's fundamental strategic issue is that there are significantly more resourcing requirements than funding. The goal of LSS is to reduce these requirements and still accomplish the mission effectively and efficiently. LSS is transforming business processes and functions in the Army to provide improved value and responsiveness for customers while reducing cycle time and cost, all accomplished through a culture of continuous, measurable improvement.

Consolidation of GIS: GIS provides geographic data, which can be accessed to deliver a spatial representation of any geographic area based on the specific search criteria. It ties specified geographic features to functional business data and produces graphic map-like output. Consolidation of GIS will improve the delivery of installation-based GIS services across the Army by:

- Eliminating inefficiencies associated with redundant installation systems
- Increasing performance and systems functionality by migrating remaining GIS systems to a single GIS node
- Improving business functions by minimizing redundant data, developing standard functionality, and increasing availability of GIS capabilities

Redesign Environmental Lines of Business (LoB): The goal is to improve the cost-effectiveness and efficiency of the Army's environmental program, while reducing the time and costs associated with data storage, analysis, and reporting. The program includes linking environmental liabilities recognition, valuation and reporting requirements and processes, as well as hazardous materials process controls and information management requirements into the BEA.

Organizational Analysis and Design (OA&D): OA&D analyzes organizations to determine an optimal, or requisite, structure, particularly in matching the number of layers in an organization to the complexity of the work performed. OA&D study teams conduct interviews to gather information and then analyze the data on the work that organizations perform and what higher levels of command do to support that work. When organizational structures place too many layers (or too few) within one level of complexity or when managers who should be working at higher levels of complexity try to perform their subordinates work the organization is unable to attain efficiencies or improve their effectiveness.

OA&D
Status at a Glance

- ✓ Q1 FY08 TEMA Study
- ✓ Q2 FY08 OASAALT Study
- ✓ Q2 FY08 IMCOM II Study
- • Q3 FY08 TRADOC Study

Approach: OA&D bases its analyses on proven principles and methodology developed to examine the organizational and human capability for dealing with complexity and defines seven distinct levels of work. OA&D study teams conduct interviews to gather information and then analyze the data on the work that organizations perform and what higher levels of command do to support that work.

Priority Accomplishments/Capabilities Delivered:

- **LSS:** Earned the annual Malcolm Baldridge National Quality Award for performance management and achievement for the Army's Armament Research, Development and Engineering Center (ARDEC) on November 20, 2007.
- **LSS:** Completed over 200 projects using the Define, Measure, Analyze, Improve and Control (DMAIC) methodology, leading to numerous and varied accomplishments including:
  - Reduced the time it takes to complete Real Property Exchange Agreements in the Army Reserve by 60%.
  - Reduced in-processing cycle time by improving the current process for soldiers in Vincenza, Italy, by eight days.
  - Improved truck maintenance activities in Kaiserslautern, Germany, by reducing off-load time by greater than 30 minutes per truck.
- **GIS Consolidation:** Released the new enterprise wide GIS beta version of Army Mapper on November 1, 2007. The release includes the Phase I technical architecture, the foundational hardware, software and capabilities to enable the migration of selected GIS systems.
- **GIS Consolidation:** Integrated GIS services from Army Mapper into an Army business system. This demonstrates the benefits of centralized access to consolidated data and capabilities and will result in improved processes to facilitate other business function integration activities.
- **Environmental LoB:** Produced "To-Be" Architecture for Environmental Cleanup and Quality.
  - Identified and defined the Army environmental program objectives, targets, and performance metrics for each business area for the Environmental Quality and Environmental Cleanup groups. These provide the Army environmental program priorities for implementation.
  - Developed the target "to-be" business processes defined with direct traceability to the Army environmental program objectives. These processes define the desired state of the Army environmental business for structuring transformation and implementation.
  - Identified cost estimating method for developing bottom-up site-specific cost estimates for environmental closure and environmental disposal liabilities. This will result in much improved estimates of Army-wide environmental liabilities.
- **OA&D:** Finalized the Life-Cycle Management (LCM) Organizational Analysis Study as directed by the DUSA-BT and the ASA (ALT). The OA&D study team conducted interviews with the appropriate personnel assigned to the OASA (ALT) and stakeholder organizations. The stakeholder organizations share many core business processes that must be assessed holistically.
- **OA&D:** Conducted executive leader sessions or workshops during a collaborative rewrite of the Assignment of Functions and Responsibilities within HQDA. OA&D conducted executive leader sessions or workshops, for 17 of the 25 Secretariat and Army Staff (ARSTAF) elements through March 2008. The end result will be a living document in which each HQDA Agency and Principal defines their value-adding outputs, work-flows, authorities, accountabilities, and working relationships with other Agencies and Principals in HQDA and the Army.

- **OA&D:** Redesigned the Office of the Director, Test and Evaluation and the Office of the Test and Evaluation Management Agency (TEMA). Implementation of the study findings will result in a redesign or consolidation of both activities into one new staff element.

- **OA&D:** Conducted Phase II of the Installation Management Command (IMCOM) study to achieve a deeper review of the IMCOM Garrisons that will align with the organizational analysis and design study of the Training and Doctrine Command (TRADOC). Both the IMCOM Phase II and the TRADOC study began with conducting a site visit and interviews with the Fort Leonard Wood Garrison and TRADOC Maneuver Support Centers located at Fort Leonard Wood, MO. The new garrison management model will reduce overhead, and at the same time tie to TRADOC's Center of Excellence (COEs) at various installations. The Fort Leonard Wood site was used to explore solution sets that integrate DOTMLPF; for example, use of the Directorate of Public Works (DPW) infrastructure within IMCOM for "stability" and "reconstruction" work and training.

Near-Term Plans:

- **LSS:** Certify 40 Government-internal Master Black Belt candidates as the Army's long-term stewards of transformation. Master Black Belts mentor Black Belts and teach Lean Six Sigma practices, as well as provide enterprise-level, cross-functional project expertise. Currently, the Army has 105 Master Black Belts with a certification target of 40 Master Black Belts in FY08.
- **LSS:** Integrate the LSS Program of Instruction into other Army education opportunities in FY10, such as, the Army Logistics Management College's Operations Research/Systems Analysis Military Applications Course (ORSA-MAC).
- **LSS:** Embed a culture of continuous process improvement with a proliferation of Green Belts; at least 1500 training opportunities in FY08 and Black Belts; 870 training opportunities in FY08.
- **GIS Consolidation:** Complete the business plan for migrating 60 installations and their systems to the Army Mapper.
- **GIS Consolidation:** Establish proponency for GIS in support of business functions to enhance governance activities, establish requirements, and provide oversight for redundant system elimination and migration.
- **GIS Consolidation:** Implement Army Mapper Phase II technical architecture, the target hardware and production system environment needed for delivery of the complete consolidated installation GIS services and data management on June 30, 2008.
- **Environmental LoB:** Complete systems view architecture for Environmental Cleanup on March 31, 2008 and for Environmental Quality on June 30, 2008.
- **Environmental LoB:** Define the Target "to-be" information flows and data requirements in support of the business process flows that will enable optimal decisions on IT capital investments.
- **Environmental LoB:** Complete required business case analysis of alternatives in accordance with Business Capabilities Lifecycle methodology.
- **OA&D:** Conduct executive leader sessions or workshops for the remaining Army Secretariat and ARSTAF elements during a collaborative rewrite of the Assignment of Functions and Responsibilities within HQDA.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #5 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Consolidation of Geographic Information Systems (GIS)	90% of geospatial data within the Army Mapper meets Federal and DoD standards by FY09
	100% of Army Mapper Architecture completed by FY10
	90% of 176 installations have data loaded into the Army Mapper by December 2011
	60% of 176 installations are maintaining data in the Army Mapper by December 2011
	80% reduction of 34 geospatial systems in the Army Portfolio Management System (APMS) by December 2011
Redesign the Environmental Lines of Business (LOB)	100% Army future-state environmental quality information attributes documented by FY08
	100% Army future-state environmental clean-up information attributes documented by FY08
	100% capability for automated roll-up reporting of environmental compliance clean-up activities by FY10
	50% permanent automated document repository capability for archival, and retrieval of cleanup information by FY10
	100% capability for automated permit compliance management and tracking by FY10
	100% permanent automated document repository capability for archival, and retrieval of environmental quality information by EOFY12
	100% capability for automated roll-up reporting of environmental restoration activities by FY12

Army Priority #6: Strengthen Army IT Governance and IT Portfolio Management, including Enterprise-Wide, Cross-Domain Synchronization

A coordinated Army-wide IT PfM process is essential to the development of an IT funding strategy that reinforces Army strategic direction and transformation efforts. The desired outcome of this priority is improved operational effectiveness by employing standardized integrated IT solutions that reduce redundant or stovepiped IT investments.

Enterprise Architecture is the primary Army activity that support this priority.

Other Transformational Activities

The Army Acquisition Domain is using enterprise architecture to augment and enable its portfolio management activities. By mapping the comprehensive business taxonomy, the existing acquisition business systems, and the operating nodes in the community, the Domain is identifying IT system redundancy, managing programs and investments, identifying information and information management requirements, and planning for a more efficient and effective future. On-going LSS business process reengineering efforts are being captured in the architecture and augmenting the identification of information and information management requirements that are driving the FBS incremental solution plans. The Acquisition Domain architecture is directly supporting the annual review of Domain business systems in a continued effort to eliminate redundant and stovepiped systems, prioritize the transition of existing systems into the FBS suite of enterprise capabilities, to identify and control investments in existing systems and to support information and information processing requirements.

Accomplishments/Capabilities Delivered:

- The Army Acquisition Domain successfully baselined and validated the IT costs for its family of systems. The cost data will be used in conjunction with the BEA and cross-Domain analysis for identifying investment redundancies and determining the FBS business capabilities mix.

Near-Term Plans:

- Align Acquisition Domain architecture with other business Domains architectures, with particular emphasis on the logistics and financial management Domains.
- Develop architecture information that facilitates managing the Army's transformation to the future architecture state.
- Develop Acquisition Domain strategy for defining, structuring, registering and managing data to be published in response to enterprise requirements.

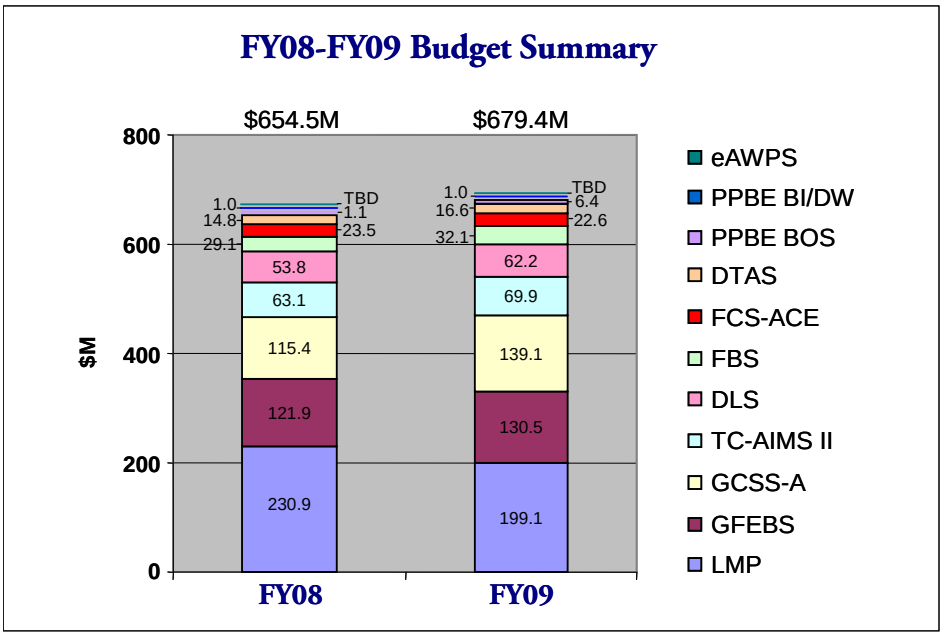
The above are on-going efforts throughout the Department to build out, better identify and align the architecture.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Army Priority #6 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Identification of current IT systems that will be used to ensure a more effective and efficient future business capabilities	Percentage of business activities supported by business enterprise systems

Army Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 andFY09 for Army programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Notes:

- GCSS-Army – The FY07 and Earlier Actuals figure includes legacy system and custom development execution not specific to the GCSS-Army ERP solution.
- TC-AIMS II – Budget figures reflect only the Department of the Army program elements.
- eAWPS – Currently under program review.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How Army Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the Army's business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Distributed Learning System (DLS)	●						DLS provides the infostructure for delivery of distributed learning products and automated management of training in support of individual, group and collective task training.
Deployed Theater Accountability System (DTAS)	●						Provides complete accountability for all Army and USMC personnel in CENTCOM Area Of Responsibility, including status (present for duty, wounded, etc.), providing information needed to fulfill personnel requirements with greater accuracy.
						●	Used in-theater by finance personnel to ensure eligibility for hazardous duty/combat pay.
Future Business System (FBS)		●					When fielded, FBS will enable improved data visibility, currency, accuracy and interoperability.
						●	When fielded, FBS interfaces with GFEBS will enable standard data and standard processes that will promote financial transparency over the acquisition process.
Future Combat Systems Advanced Collaborative Environment (FCS-ACE)		●		●			Increased data visibility and faster communication between buyer and seller are enabling FCSACE to increase the percentage of requisitions delivered by the Required Delivery Date. Improved data visibility, currency, accuracy and interoperability, which is precluding schedule slips and cost increases and reducing the time to IOC/FOC.
						●	Standard data and processes used by vendors & government activities will enhance Financial Transparency.
Global Combat Support System – Army (GCSS-Army)		●		●			GCSS-Army allows for specified Required Delivery Date (RDD) and further provides an estimated delivery date for each request. It also allows for partial receipts of orders, which may accelerate flow of supplies to the user.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Global Combat Support System – Army (GCSS-Army)						●	GCSS-Army will provide a financial transaction for each logistic transaction, thereby improving the auditability of the system. In conjunction with the capabilities of GFEBS, the financial system of record, this will result in providing accurate and timely financial information.
General Fund Enterprise Business System (GFEBS)					●	●	GFEBS will provide a common general fund budget execution and accounting system to be used across the Army and improve visibility of budget execution and accounting data leading to better decision making. GFEBS will also provide the Army's system of record for property plant and equipment, including valuation and depreciation, reporting and accountability.
Logistics Modernization Program (LMP)				●			Process improvements will reduce maintenance order processing, streamline logistics operations and processes including, Inventory movement from supply to maintenance using embedded movement/tracking capability, and provide Real-time information with increased global visibility and accuracy.
					●	●	LMP provides input to GFEBS (as the Army authoritative source for real property) to ensure consistent policies and processes for auditable financial information of newly acquired or upgraded property and depreciation. LMP will enable financial visibility through SFIS compliance, which facilitates a common language for external reporting as required by the Business Enterprise Information Services (BEIS).
PPBE Business Intelligence Data Warehouse (PPBE BI/DW)						●	Linking currently disparate data in a common data warehouse and improving visibility of budget and program information through business intelligence, leading to better information for decision making.
PPBE Business Operating System (PPBE BOS)						●	Linking currently disparate data and improving visibility of budget and program information leading to better decision making.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Transportation Coordinators' Automated Information for Movements System II (TC-AIMS II)		●		●			Automates the processes of planning, organizing, coordinating, and controlling deployment/ redeployment world wide, in peace as well as contingencies. Automates the processes of Reception, Staging, Onward Movement, and Integration (RSO&I) and will provide movements control (inbound and outbound freight, container management, and convoy planning and highway scheduling), and mode management.
Enterprise Army Workload and Performance System (eAWPS)				●			eAWPS will provide the ability to eliminate unneeded inventory by applying simulation capability and aligning stock positioning and sourcing logic with distribution networks.
	●						eAWPS aligns Army strategy, goals, and enterprise-wide business processes with the requirements and performance of the sustaining and fighting forces; linkage of programmed and actual resource allocations with programmed and actual outputs. It will also provide the ability to view Army requirements within units specified by the ARFORGEN model.
						●	eAWPS enables development of financial and operational performance metrics to manage Army Working Capital Fund activity production processes, customer satisfaction, and costs (both fixed and variable). It will provide the Army resource management communities with an efficient interface with the Army PPBE tools.

Case in Point: ARDEC Selected as First Federal and DoD Baldrige Award Winner

In late November 2007, the Army Armament Research, Development and Engineering Center (ARDEC) became the first federal and DoD organization selected to receive the Malcolm Baldrige National Quality Award. ARDEC, headquartered at Picatinny Arsenal, New Jersey, provides nearly 90% of the Army's weapons systems and is internationally recognized for its innovative weapons technology and high-quality workforce. The Baldrige National Quality Award is presented each year to a small group of elite businesses and organizations deemed to have demonstrated world-class performance excellence through continuous quality improvement practices. This was the first year that DoD organizations were eligible for this award under the newly established nonprofit category.

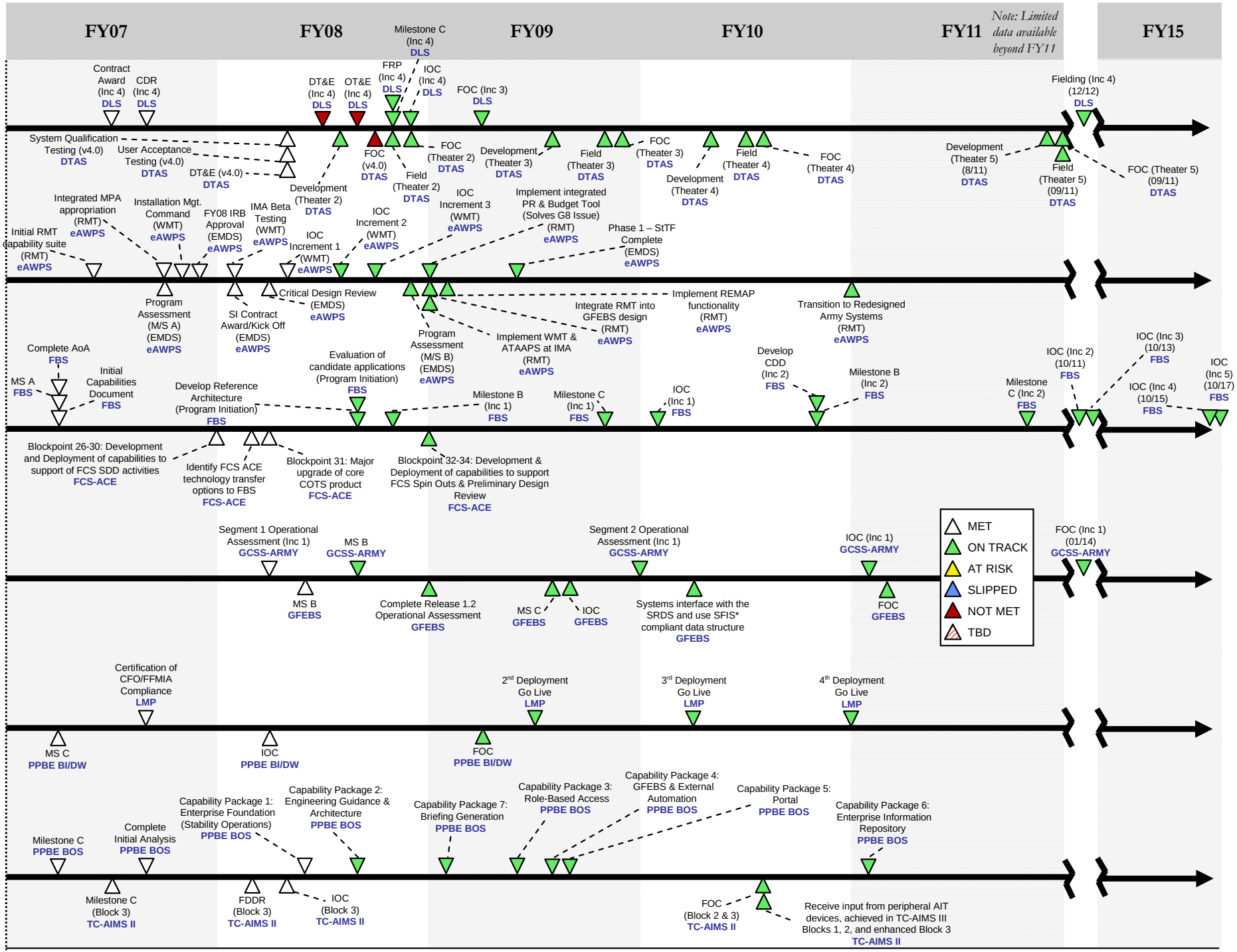
ARDEC is the Army's principal center for the research, development, and sustainment of armaments solutions, both current and future – requiring proficiency in process management and business decision making. ARDEC's drive to provide the latest technology to our Warfighters, while supporting the Army's strategic force transformation, has required excellence in leadership, strategic planning/analysis, and customer/market focus. ARDEC works closely with its Army, Navy, Marine, and Air Force partners.

ARDEC achieved this recognition, in part, by leveraging one of its Lean Six Sigma (LSS) projects. Its leadership and workforce were united in their recognition of the value of using LSS for process design and innovation. In its Baldrige Award submission, ARDEC stated its goal is to ingrain and deploy LSS techniques in its everyday work, as well as in process design. More than one-third of ARDEC's workforce is trained in LSS. The way its employees learn and the way they perform is now impossible to separate from LSS techniques, according to its award submittal. It uses LSS as its improvement engine. According to its award submission, since FY01, ARDEC's LSS efforts have achieved cost benefits/avoidance in excess of $3 billion.

To continue its commitment to performance excellence and performance improvement, ARDEC's Director and Deputy Director personally developed its Enterprise Excellence system as their LSS Black Belt project. Enterprise Excellence (EE) integrates best practices and amplifies effectiveness to assure that ARDEC accomplishes its mission and strategic objectives. EE is a role model for the integration of a quality management system, the voice of the customer, and LSS, under the umbrella of the Baldrige Criteria. According to ARDEC's leaders, EE has enabled its transformation from a traditional, product center-based organization structure to an integrated, continuously measurable, process improvement capability and competency-based organization.

ARDEC EE is not a series of programs or special projects, which create islands of improvement. The intent is to institutionalize the Baldrige Framework throughout the center and equip every employee with the tools and methodologies to be used every workday. It is the way ARDEC thinks and does business.

For these and many other reasons, as one of five 2007 Baldrige Award recipients, ARDEC joins the elite ranks of 72 exemplary organizations that have been recognized since the program's inception in 1988. Both President Bush and Commerce Secretary Carlos M. Gutierrez congratulated this year's Baldrige winners, recognizing them as organizations exercising superb "innovation, excellence and world-class performance... role models for organizations of all kinds striving to improve effectiveness and increase value to their customers."


FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
DLS
DTAS
eAWPS
FBS
FCS-ACE
GCSS-Army
GFEBS
LMP
PPBE BI/DW
PPBE BOS
TC-AIMS II
Contract Award (Inc 4) DLS
CDR (Inc 4) DLS
DT&E (Inc 4) DLS
OT&E (Inc 4) DLS
FRP (Inc 4) DLS
IOC (Inc 4) DLS
Milestone C (Inc 4) DLS
FOC (Inc 3) DLS
Fielding (Inc 4) (12/12) DLS
System Qualification Testing (v4.0) DTAS
User Acceptance Testing (v4.0) DTAS
DT&E (v4.0) DTAS
Development (Theater 2) DTAS
FOC (v4.0) DTAS
Field (Theater 2) DTAS
FOC (Theater 2) DTAS
Development (Theater 3) DTAS
Field (Theater 3) DTAS
FOC (Theater 3) DTAS
Development (Theater 4) DTAS
Field (Theater 4) DTAS
FOC (Theater 4) DTAS
Development (Theater 5) (8/11) DTAS
Field (Theater 5) (09/11) DTAS
FOC (Theater 5) (09/11) DTAS
Integrated MPA appropriation (RMT) eAWPS
Installation Mgt. Command (WMT) eAWPS
FY08 IRB Approval (EMDS) eAWPS
IMA Beta Testing (WMT) eAWPS
IOC Increment 1 (WMT) eAWPS
IOC Increment 2 (WMT) eAWPS
IOC Increment 3 (WMT) eAWPS
Implement integrated PR & Budget Tool (Solves G8 Issue) (RMT) eAWPS
Initial RMT capability suite (RMT) eAWPS
Phase 1 – StTF Complete (EMDS) eAWPS
Program Assessment (M/S A) (EMDS) eAWPS
SI Contract Award/Kick Off (EMDS) eAWPS
Critical Design Review (EMDS) eAWPS
Program Assessment (M/S B) (EMDS) eAWPS
Integrate RMT into GFEBS design (RMT) eAWPS
Implement WMT & ATAAPS at IMA (RMT) eAWPS
Implement REMAP functionality (RMT) eAWPS
Transition to Redesigned Army Systems (RMT) eAWPS
Complete AoA FBS
MS A FBS
Initial Capabilities Document FBS
Develop Reference Architecture (Program Initiation) FBS
Evaluation of candidate applications (Program Initiation) FBS
Milestone B (Inc 1) FBS
Milestone C (Inc 1) FBS
IOC (Inc 1) FBS
Develop CDD (Inc 2) FBS
Milestone B (Inc 2) FBS
Milestone C (Inc 2) FBS
IOC (Inc 2) (10/11) FBS
IOC (Inc 3) (10/13) FBS
IOC (Inc 4) (10/15) FBS
IOC (Inc 5) (10/17) FBS
Blockpoint 26-30: Development and Deployment of capabilities to support of FCS SDD activities FCS-ACE
Identify FCS ACE technology transfer options to FBS FCS-ACE
Blockpoint 31: Major upgrade of core COTS product FCS-ACE
Blockpoint 32-34: Development & Deployment of capabilities to support FCS Spin Outs & Preliminary Design Review FCS-ACE
Segment 1 Operational Assessment (Inc 1) GCSS-ARMY
MS B GCSS-ARMY
Segment 2 Operational Assessment (Inc 1) GCSS-ARMY
IOC (Inc 1) GCSS-ARMY
FOC (Inc 1) (01/14) GCSS-ARMY
MS B GFEBS
Complete Release 1.2 Operational Assessment GFEBS
MS C GFEBS
IOC GFEBS
Systems interface with the SRDS and use SFIS* compliant data structure GFEBS
FOC GFEBS
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
Certification of CFO/FFMIA Compliance LMP
2nd Deployment Go Live LMP
3rd Deployment Go Live LMP
4th Deployment Go Live LMP
MS C PPBE BI/DW
IOC PPBE BI/DW
FOC PPBE BI/DW
Capability Package 1: Enterprise Foundation (Stability Operations) PPBE BOS
Capability Package 2: Engineering Guidance & Architecture PPBE BOS
Capability Package 3: Role-Based Access PPBE BOS
Capability Package 4: GFEBS & External Automation PPBE BOS
Capability Package 5: Portal PPBE BOS
Capability Package 6: Enterprise Information Repository PPBE BOS
Capability Package 7: Briefing Generation PPBE BOS
Milestone C PPBE BOS
Complete Initial Analysis PPBE BOS
Milestone C (Block 3) TC-AIMS II
FDDR (Block 3) TC-AIMS II
IOC (Block 3) TC-AIMS II
FOC (Block 2 & 3) TC-AIMS II
Receive input from peripheral AIT devices, achieved in TC-AIMS III Blocks 1, 2, and enhanced Block 3 TC-AIMS II

Chapter 5: Department of the Navy

Department of the Navy Transformation Vision and Strategy

The Department of the Navy's (DON's) business transformation vision is to significantly increase the readiness, effectiveness, and availability of warfighting forces by employing business process change to create more effective operations at reduced costs and by exploiting process improvements, technology enhancements, and an effective human capital strategy to assure continued mission superiority.

Our transformation goals, described below, are designed to support the maritime strategy, *A Cooperative Strategy for 21st Century Seapower*. Guided by objectives articulated in National Security and Department of Defense strategic policy, the *Cooperative Strategy* states how the Navy, Marine Corps, and Coast Guard will act across the full range of military operations to secure the United States from direct attack; secure strategic access and retain global freedom of action; strengthen existing and emerging alliances and partnerships and establish favorable security conditions.

Additionally, maritime forces will be employed to build confidence and trust among nations through collective security efforts that focus on common threats and mutual interests in an open, multi-polar world. To do so will require an unprecedented level of integration among our Sea Services and enhanced cooperation with the other instruments of national power, as well as the capabilities of our international partners.

Department of the Navy Business Transformation Overview

In these times of fiscal constraint, the DON is challenged to make necessary investments in future capabilities while sustaining current warfighting effectiveness. As part of a strategy to achieve these competing ends, the DON has adopted business transformation policy designed to:

- Employ business process change to create more effective operations at reduced costs.
- Exploit process improvements, technology enhancements, and an effective human capital strategy to ensure continued mission superiority.

The Navy's business transformation concept, Sea Enterprise, is an initiative to improve organizational alignment, refine requirements, harvest efficiencies, and reinvest savings in targeted areas to improve warfighting effectiveness. Sea Enterprise is applying process-mapping techniques and other lessons learned from the worldwide business revolution to assess Navy organizations, target areas for improvement, prioritize investments, and fund them accordingly.

The Marine Corps' warfighting readiness is likewise a reflection of its success in balancing support of current operations with the imperative to invest and prepare for the future. In the Marine Corps, "business reform" means the fundamental transformation of Marine Corps business enterprise processes to create increased effectiveness, efficiency, and resilience, and to facilitate and encourage innovation. These improvements will be accomplished by changing the business enterprise culture.

Changes since the September 2007 Enterprise Transition Plan

There have been no major changes to program direction for the Department of the Navy since the September 2007 Enterprise Transition Plan.

Navy Priority #1: Establish and Manage a Secure, Interoperable Net-Centric Naval IM and IT Infrastructure

The Sea Services will maintain a persistent global presence using distributed forces extended beyond traditional deployment areas and performing missions ranging from humanitarian operations to counterterrorism and irregular warfare. Maritime forces will be tailored to the unique and evolving requirements particular to each geographic region, often in conjunction with joint, allied, and interagency partners. The DON is working to develop, implement, operate, and sustain a global information infrastructure that provides secure, interoperable, end-to-end connectivity to all its Sailors, Marines, and Civilians. Common architecture and technical standards will ensure that the naval component of DoD's Global Information Grid (GIG) maintains interoperability with joint forces, allied coalitions, and interagency partners.

Fully Implemented Programs

With more than 500,000 users, the Navy Marine Corps Intranet (NMCI) is providing access to voice, video, and data services with enhanced network security, assured inter-command interoperability, and improved knowledge sharing capacity to Sailors, Marines, DON Civilians and contractor support personnel in the Continental United States, Hawaii, Guam, Puerto Rico, Cuba, and Japan. Unquestionably, one of NMCI's greatest values is improved security. NMCI was the first network to implement DoD's cryptographic log on (CLO) requirement, and its defenses block an average of nine million spam messages; trap, quarantine and disinfect seventy thousand viruses, and detect millions of unauthorized intrusion attempts every month. Additionally, NMCI's flexibility and ability to rapidly reconstitute operations has helped the Navy and Marine Corps maintain mission capability in the face of such challenges as the attack on the Pentagon, Hurricanes Isabel, Katrina, and Rita; California wild fires, and the tsunami that devastated Singapore.

Other Transformational Activities

DON Net-Centric Data Transformation Strategy: This strategy will provide the plan for implementing the DoD vision of net-centricity across the DON.

Next Generation Enterprise Network (NGEN): The NGEN initiative is a set of phased activities that will guide the DON toward a net-centric enterprise environment. NGEN will connect and transform existing DON enterprise and legacy networks afloat and ashore, in the field and in garrison, into a secure, reliable, and globally integrated net-centric computing and communications enterprise.

Priority Accomplishments/Capabilities Delivered:

- **NGEN:** Produced an NGEN Strategy and concept of operations (CONOPS) to guide the development and prioritization of requirements and acquisition activities through the transition into a net-centric enterprise environment.

Near-Term Plans:

- **Data at Rest (DAR) Encryption:** Implement mandatory encryption of DAR. This encryption will strengthen the Navy's security posture and mitigate the impact of lost or stolen data.
- **NGEN:** Continue legacy network consolidation and termination in preparation for transition from NMCI to NGEN.

- **NGEN:** Implement NMCI technology refresh to sustain current capabilities and prepare for smooth transition to NGEN.
- **NGEN:** Produce policy, guidance, and processes necessary to implement the NGEN Strategy and CONOPS.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Navy Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
A global, secure, interoperable network integrating NMCI, One Net, ISNS, and MCEN into the FORCEnet Network Information Infrastructure	NMCI customer satisfaction

Navy Priority #2: Create Optimized Processes and Integrated Systems

The DON is aggressively applying Lean Six Sigma techniques to optimize its business processes and developing integrated systems to support those improved processes. Key programs addressing this priority are:

- Navy Enterprise Resource Planning (Navy ERP)
- Global Combat Support System – Marine Corps (GCSS-MC)
- Joint Engineering Data Management Information & Control System (JEDMICS)
- Military Sealift Command Human Resource Management System (MSC-HRMS)
- One Supply
- Total Force Administration System (TFAS)
- Total Force Structure Management System (TFSMS)

Transformation Programs

Navy ERP transforms and standardizes Navy's business processes for key acquisition, financial, and logistics operations. Navy ERP combines business process reengineering and industry best practices and uses Commercial Off-the-Shelf (COTS) software to integrate all facets of the Navy's business enterprise. Navy ERP uses a single database to manage shared common data, enabling unprecendented financial transparency and visibility into the Navy Supply Chain.

GCSS-MC implements a logistics enterprise IT architecture designed to support enhanced air/ground and Joint Task Force Commander combat support information requirements. The technology provides a fused, real-time, accurate logistics picture to operators, planners, and warfighting commanders at the Marine Corps and joint levels.

GCSS-MC
Status at a Glance

- Milestone C – Q1 FY09
- IOC – Q1 FY09

Approach:
Incremental implementation: The first increment is Logistics Chain Management Block 1.

Navy ERP
Status at a Glance

- ✓ Retire SIGMA Pilot – Q1 FY08
- ✓ NAVAIR "Go Live" – Q1 FY08
- ✓ Begin Echelon I Deployment – Q1 FY08
- ✓ Begin Air Warfare Center Deployments – Q1 FY08
- ✓ Wholesale and Retail Supply Release-Critical Design Review – Q2 FY08
- Begin SPAWAR Financials HQ Deployment – Q3 FY08
- Wholesale and Retail Supply Release-Test Readiness Review – Q3 FY08
- Retire CABRILLO Pilot – Q4 FY08

Approach:
Multiple Release Approach. Release 1.0 is Financial & Acquisition. Concurrently, Release 1.1 is the Single Supply Solution.

JEDMICS
Status at a Glance

- Release 3.9 – Q1 FY09

Approach: Spiral development using annual releases to maintain technical accuracy & functionality.

JEDMICS is a management system for the control and distribution of engineering drawings and related technical information that serves the Army, Navy, Air Force, Marine Corps and Defense Logistics Agency (DLA) activities. JEDMICS manages over 80 million engineering drawings used to support maintenance, repair, procurement and reengineering functions. The Navy reduced its number of JEDMICS sites from 16 to 10 in FY05 and FY06. Continuing with this strategy in FY07 and FY08, the Navy will consolidate its remaining sites to achieve its JEDMICS reduction plan goal of 2 primary sites and 1 back up site by the end of FY09. To aid in achieving these goals, the staff of the Deputy CNO for Fleet Readiness and Logistics (OPNAV N4) is employing Lean Six Sigma (LSS) Value Stream Analysis (VSA) techniques to eliminate non-value added business processes and the infrastructure associated with the life cycle management of engineering drawings.

MSC-HRMS
Status at a Glance

- FY08 System Development – Q4 FY08

Approach: Annual releases combining improved functionality with software updates.

MSC-HRMS is a system for placing and managing Civilian Mariners (CIVMARS) aboard U.S. Government-owned MSC ships. MSC-HRMS supports civilian personnel and pay functions with a comprehensive and flexible tool, employing an integrated database to support recruiting and staffing, medical processing, shipboard crewing, time and attendance, training and development, individual career management and organizational and resource planning.

One Supply
Status at a Glance

- Complete tech solution determination – Q2 FY08

As part of the Distance Support effort to exploit technology to perform administrative functions ashore, **One Supply** will draw upon disparate sources to support asset visibility, expediting, and record keeping functions for food, retail commodity, and hazardous material functions not in scope for Navy ERP.

TFAS
Status at a Glance

- Drill accounting module – Q2 FY08

TFAS reduces Marine Corps requirements for human resources management personnel by enabling individual Marines to perform self-service transactions online via a web-based system. Personnel Visibility is enhanced through Marine Corps leaders' ready access to personnel information.

TFSMS
Status at a Glance

- ✓ Fleet Rollout – Q2 FY08
- GFM DI IOC – Q4 FY08
- CDD Final – Q4 FY08

TFSMS identifies Marine Corps capability by defining force structure and warfighting equipment requirements through the Future Years Defense Program and forms the basis of all Marine Corps planning for organization, staffing, recruiting, equipment, procurement, fielding, training, and logistics. TFSMS is the Marine Corps' key enabler in the Joint Staff-led Global Force Data Initiative for global force visibility.

Other Transformational Activities

Consolidated Afloat Networks and Enterprise Services (CANES): CANES is an ambitious plan to deliver widespread service-oriented architecture (SOA) to the fleet. Using SOA, the Navy can identify a common set of core services for use by all applications. Thus, Navy activities, particularly ships at sea, with their limited data storage capability, will be able to run an increased number of applications on fewer networks. Marines embarking upon Navy ships will no longer need to bring their systems aboard; their software will run on ships' organic systems, maintaining uninterrupted service and connectivity.

Priority Accomplishments/Capabilities Delivered:

- **Navy ERP:** Navy ERP achieved IOC and began deployment of Financial & Acquisition Release (1.0) at Naval Air Systems Command (NAVAIR) headquarters and Air Warfare Centers.
- **Navy ERP:** Navy ERP retired the SIGMA pilot.
- **TFAS:** Completed the TFAS Drill Accounting Module, which enabled transfer of USMC Organize Reserve drill accounting to TFAS ahead of schedule.

This table provides the Navy Priority #2 Critical Milestones for FY08 and FY09.

Navy Priority #2	
FY08 Critical Milestones	**FY09 Critical Milestones**
√ Navy ERP: Begin Echelon I Deployment for Financial & Acquisition Release √ Navy ERP: IOC/Begin NAVAIR HQ Deployment for Financial & Acquisition Release √ Navy ERP: Begin Air Warfare Center Deployments for Financial & Acquisition Release √ Navy ERP: Retire SIGMA Pilot • One Supply: Determine Technical Solution (Q2) • Navy ERP: Begin SPAWAR Financials HQ Deployment for Financial & Acquisition Release (Q3) • Navy ERP: Retire CABRILLO Pilot (Q4) • MSC-HRMS: FY 2008 - System Development (Q4) • TFSMS: GFM DI IOC (Q4)	• GCSS-MC: Milestone C for LCM Block 1 (Q1) • GCSS-MC: IOC for LCM Block 1 (Q1) • JEDMICS: Baseline 3.9 Test Completion & Release (Q1) • One Supply: Release Single Sign On (Q2) • One Supply: Software Development (Q2) • One Supply: Web Services Testing (Q2) • One Supply: Release of Initial Web Services (Q3) • MSC-HRMS: FY 2009 - System Development & Application Upgrade (Q4) • TFSMS: Block 2 Milestone B (Q4) • Navy ERP: Begin Fleet Industrial Supply Centers for Wholesale & Retail Supply Release (Q4) • Navy ERP: Begin Inventory Control Point Deployments for Wholesale & Retail Supply Release (Q4)

Near-Term Plans:

- **JEDMICS:** JEDMICS Release 3.9, incorporating changes required to support Internet Protocol Version 6 (IPv6) and COTS software upgrades.
- **GCSS-MC:** GCSS-MC Logistics Chain Management (LCM) Block 1 Milestone C and IOC.
- **One Supply:** Complete determination of appropriate technical solution for One Supply program.
- **TFSMS:** TFSMS GFM Block 1 IOC for TFSMS Global Force Management module supporting Joint Staff Global Force Data Initiative.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Navy Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Efficient business processes supported by systems integrated for end-to-end interoperability	NAE – Aircraft Ready for Tasking Personnel – Fit to Fill Systems, applications, databases, networks eliminated Process improvements/Reduced cycle time

Navy Priority #3: Optimize Investments for Mission Accomplishment

The DON is committed to acquiring Naval Information Management (IM) and IT investments as efficiently as possible to make resources available for reapplication to warfighting priorities. The DON is working to achieve an optimal mix of investments that delivers required capabilities and eliminates investments that are redundant or not aligned with DoD and DON strategy and policy. The DON is leveraging DoD's immense buying power to reduce the cost of COTS IT and implement an enterprise software management process. Additionally, the DON is working to transform and standardize Navy and Marine Corps business processes for key acquisition, financial, and logistics operations.

Navy Cash
Status at a Glance

- 11-18 ship installations planned for FY08, depending on ship availability
- FOC – Q1 FY09

MC FII
Status at a Glance

- FOC – Q4 FY08

Transformational Programs

A key program supporting this priority is **Navy Cash**. Navy Cash is an evolution of the Automated Teller Machines-At-Sea (ATMs-At-Sea) program that began shipboard installations in 1988. A joint Navy/US Treasury program, Navy Cash combines chip technology and a magnetic strip that virtually eliminates the need for Sailors and Marines to carry cash at sea.

Additionally, the **Marine Corps Financial Improvement Initiative (MC FII)** will establish consistent and sustainable business processes to provide the accurate, timely, relevant financial information required by Marine Corps and DON leadership and external agencies.

Other Transformational Activities

Cyber Asset Reduction and Security (CARS) is one of the Navy's most important IT initiatives. It is an effort to maximize Navy IT investment effectiveness by identifying, migrating, and reducing legacy systems and networks. This aggressive effort is being prosecuted one Navy Region at a time, to accelerate legacy asset collapse and sunsetting, to enable redirection of resources to critical needs, such as improved bandwidth, satellite communication availability, and real-time collaboration capabilities.

The **Functional Area Managers Council** has been reinvigorated, and is engaged in planning strategies for accelerated reduction of legacy applications, networks, and servers.

Priority Accomplishments/Capabilities Delivered:

- Implemented final policy for the Marine Corps Financial Improvement Initiative (MC FII).
- Completed pre-audit assessments, the second phase of the four-phase MC FII plan to achieve financial auditability.

This table provides the Navy Priority #3 Critical Milestones for FY08 and FY09.

Navy Priority #3	
FY08 Critical Milestones	FY09 Critical Milestones
• MC FII: Complete Validations, Assessments & Audits for Audits (Q4) • MC FII: FOC for Discovery & Correction (Q4)	• Navy Cash: FOC (Q1)

Near-Term Plans:

- Identify an end-to-end financial management system that supports DoD and DON financial improvement goals.
- Develop policy that prescribes a DON IT portfolio management process aligned with DoD policy, and integrated with other decision processes.

- Embed asset discovery tools throughout the DON that provide visibility into the location and use of DON IT assets, facilitating the reduction of legacy applications, networks, and servers.
- Establish an enterprise telecommunications management structure and institute processes to reduce cost and improve warfighter communications.
- Develop and execute policy and processes for centralized management of enterprise software that will allow the DON to accrue cost avoidance and consolidate licensing for Navy commands not covered by NMCI enterprise licensing agreements.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Navy Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Accurate, timely, useful and auditable financial information to support decision makers Retirement of legacy systems Implement Enterprise Software License (ESL) Agreements	Improved financial statement accuracy Systems, applications, databases, networks eliminated # of ESI agreements

Navy Priority #4: Transform Applications and Data into Web-based Capabilities to Improve Effectiveness and Gain Efficiencies

As discussed above, replacement of legacy applications and isolated processes with web-based capabilities will be key to improving business processes and freeing Sailors, Marines and DON Civilians from administrative functions to focus on core missions. DON enterprise portals and employment of open standards and technologies will give Sailors and Marines access to secure self-service transactions from anywhere in the world and enable transformational change in our logistics, maintenance, manpower, and financial operations.

Key programs that support this priority are the following, all of which were introduced in Priority #2: Navy ERP, GCSS-MC, JEDMICS, MSC-HRMS, One Supply, TFSMS and TFAS. As discussed in the descriptions of these programs provided under Priority #2, these efforts will further the DON strategy of transferring required capabilities to the web, eliminating infrastructure and making information and services more readily accessible to warfighters, improving personnel and material status visibility for Component and joint planners and commanders, reducing the need for personnel administration through secure, self-service transactions, and moving as much other administration as possible ashore and away from afloat/expeditionary organizations.

Priority Accomplishments/Capabilities Delivered:

- The DON Open Source Software (OSS) Guidance memo focuses on removing barriers to DON's leveraging OSS methodology. Incorporation of OSS will be a key step in supporting DoD's vision of a fully-interoperable, net-centric environment providing warfighters seamless access to information.
- Released DON Web Presence guidance to improve security by directing all DON web presence into the .mil environment. Reduced the DON's infrastructure footprint and improved information quality on subordinate commands' publicly accessible web sites by integrating them into their respective Echelon II commands' URLs.

This table provides the Navy Priority #4 Critical Milestones for FY08 and FY09.

Navy Priority #4	
FY08 Critical Milestones	FY09 Critical Milestones
√ Navy ERP: Begin Echelon I Deployment for Financial & Acquisition Release √ Navy ERP: IOC/Begin NAVAIR HQ Deployment for Financial & Acquisition Release √ Navy ERP: Begin Air Warfare Center Deployments for Financial & Acquisition Release √ Navy ERP: Retire SIGMA Pilot • One Supply: Determine Technical Solution (Q2) • Navy ERP: Begin SPAWAR Financials HQ Deployment for Financial & Acquisition Release (Q3) • Navy ERP: Retire CABRILLO Pilot (Q4) • MSC-HRMS: FY 2008 - System Development (Q4) • TFSMS: GFM DI IOC (Q4)	• GCSS-MC: Milestone C for LCM Block 1 (Q1) • GCSS-MC: IOC for LCM Block 1 (Q1) • JEDMICS: Baseline 3.9 Test Completion & Release (Q1) • One Supply: Release Single Sign On (Q2) • One Supply: Software Development (Q2) • One Supply: Web Services Testing (Q2) • One Supply: Release of Initial Web Services (Q3) • MSC-HRMS: FY 2009 - System Development & Application Upgrade (Q4) • TFSMS: Block 2 Milestone B (Q4) • Navy ERP: Begin Fleet Industrial Supply Centers for Wholesale & Retail Supply Release (Q4) • Navy ERP: Begin Inventory Control Point Deployments for Wholesale & Retail Supply Release (Q4)

Near-Term Plans:

- Release DON policy on adoption of SOA, a CONOPS, and plans of action for developing diverse services across the DON enterprise. The impact of SOA on business transformation will be to promote flexibility and greater productivity through improved collaboration.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Navy Priority #4 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
A DON enterprise portfolio of web-centric solutions Common business practices delivered in net-centric form	Servers consolidated Processes moved to the web

Navy Priority #5: Align Business Mission Area Governance

The DON recognized that the most senior levels of an organization must be aligned in order for transformation to succeed. Accordingly, the Under Secretary of the Navy, as the DON Transformation Executive, chartered the DON Business Transformation Council (BTC). The BTC, chaired by the Under Secretary, with membership including the Vice Chief of Naval Operations, the Assistant Commandant of the Marine Corps, Assistant Secretaries of the Navy, the General Counsel and the Chief Information Officer, brings the Department's senior executive leadership to bear on business transformation issues and provides Enterprise-wide policy direction and execution oversight. Additionally, the BTC is charged to ensure DON compliance with DoD policy.

The DON's Functional Areas are aligned with DoD's Core Business Missions, and executive members of the DON are assigned as representatives to the DoD Investment Review Boards corresponding to their staff responsibilities.

Priority Accomplishments/Capabilities Delivered:

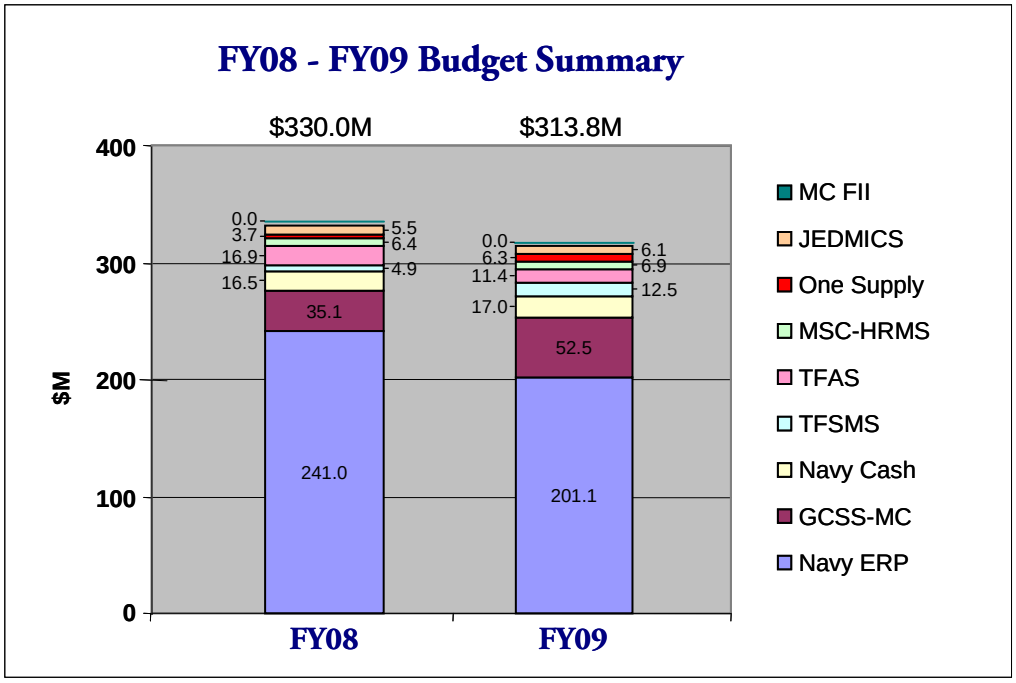
- The Information Executive Committee established the NGEN Management Board to develop IM/IT strategy and policy, gather and validate requirements, and devise a capability acquisition strategy that will guide the DON toward a net-centric enterprise environment.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Navy Priority #5 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Organizational alignment to integrate with DoD transformation activities and ensure top level oversight and direction of DON transformation initiatives	Various

Navy Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for Navy programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Notes:

- MC FII – This initiative does not meet the criteria for inclusion in the IT Budget, therefore is not reported in DITPR and SNaP-IT.
- Navy ERP - Budget numbers presented include the budgets for the Navy ERP pilot programs.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How Navy Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the DON's business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Navy ERP		●	●	●		●	Provide an end-to-end solution for receiving resource requests and processing them to fulfillment.
	●			●		●	Replace stovepiped systems used for financial management, personnel management, inventory management, and industrial operations with an integrated system.
				●			Enable rapid response to operating force logistics needs through integrated visibility and status data.
						●	Provide allocation, visibility, tracking, and reporting functionality as well as the ability to perform funds execution from distribution through disbursement.
						●	Become the financial "book-of-record" at activities where the Financial and Acquisition Increment is implemented.
						●	Encompass General Fund (GF) and Working Capital Fund (WCF) activities and provide the ability to perform funds management from Echelon 1 through Echelon 3 and below.
Global Combat Support System Marine Corps (GCSS-MC)		●	●	●			Will include all transactional Combat Service Support (CSS) systems related to Logistics Chain Management.
		●	●	●	●		Will provide timely and accurate asset posture, correct equipment readiness information, and total asset visibility, all in a deployed environment.
		●				●	Will account for all material items equal to or greater than $100,000 in the Marine Corps balance sheet, and provide financial statement traceability of these items down to the physical asset level.
Joint Engineering Data Management Information and Control System (JEDMICS)		●	●	●			Provides digital, on-demand access to information formerly contained on aperture cards and paper, as well as contracted/procured digital data, such as, Computer Aided Design (CAD).
Military Sealift Command- Human Resource Management System (MSC-HRMS)	●						Robust resource management and staffing system to quickly and efficiently place Civilian Mariners aboard MSC ships.
One Supply		●		●		●	Supports asset visibility, expediting, and record keeping functions for food, retail commodity, and hazardous material functions not in scope for Navy ERP.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Total Force Administration System (TFAS)	●						Improves payroll accuracy by making the majority of pay/personnel transactions self-service, electronic.
Total Force Structure Management System (TFSMS)	●			●			Forms the basis of all Marine Corps planning for organization, staffing, recruiting, equipment, procurement, fielding, training, and logistics. Marine Corps' key enabler in the Joint Staff-led Global Force Data Initiative for global force visibility.

Case in Point: Navy ERP Goes "Live" at NAVAIR

The Navy Enterprise Resource Planning Program, the foundation for the Navy's transformation of business affairs, began transitioning from its legacy systems at NAVAIR on October 1, 2007. During the transition, more than 13 million legacy system records were loaded into Navy ERP. By late November, Navy ERP finished loading all master and transactional data and the full transition to Navy ERP was completed in December with the delivery of Release 1.0 system functionality. Navy ERP serves about 16,000 users at nine NAVAIR sites.

One of the objectives of the Navy ERP system is to provide an updated, transforming capability that will enable innovation, interconnectivity and collaboration among scientists, engineers, program managers, and business managers. The standardization of systems and processes in financial functions and acquisition programs is the backbone of the Navy ERP and provides the foundation for subsequent releases. The system provides financial transparency and total asset visibility, key ingredients for improved enterprise management.

"We need to understand where our money goes and where our assets are throughout the Navy," Susan Keen, Navy ERP Technical Director, said. "To do that, we need to have visibility throughout all the layers of the organization. We need to know where the money is, how it gets spent, where people are, what they are working on, how we are using our people, and where our stuff is." The fully realized ERP will provide the Navy the ability to manage its finances, acquisition programs, people, supplies and maintenance in one system.

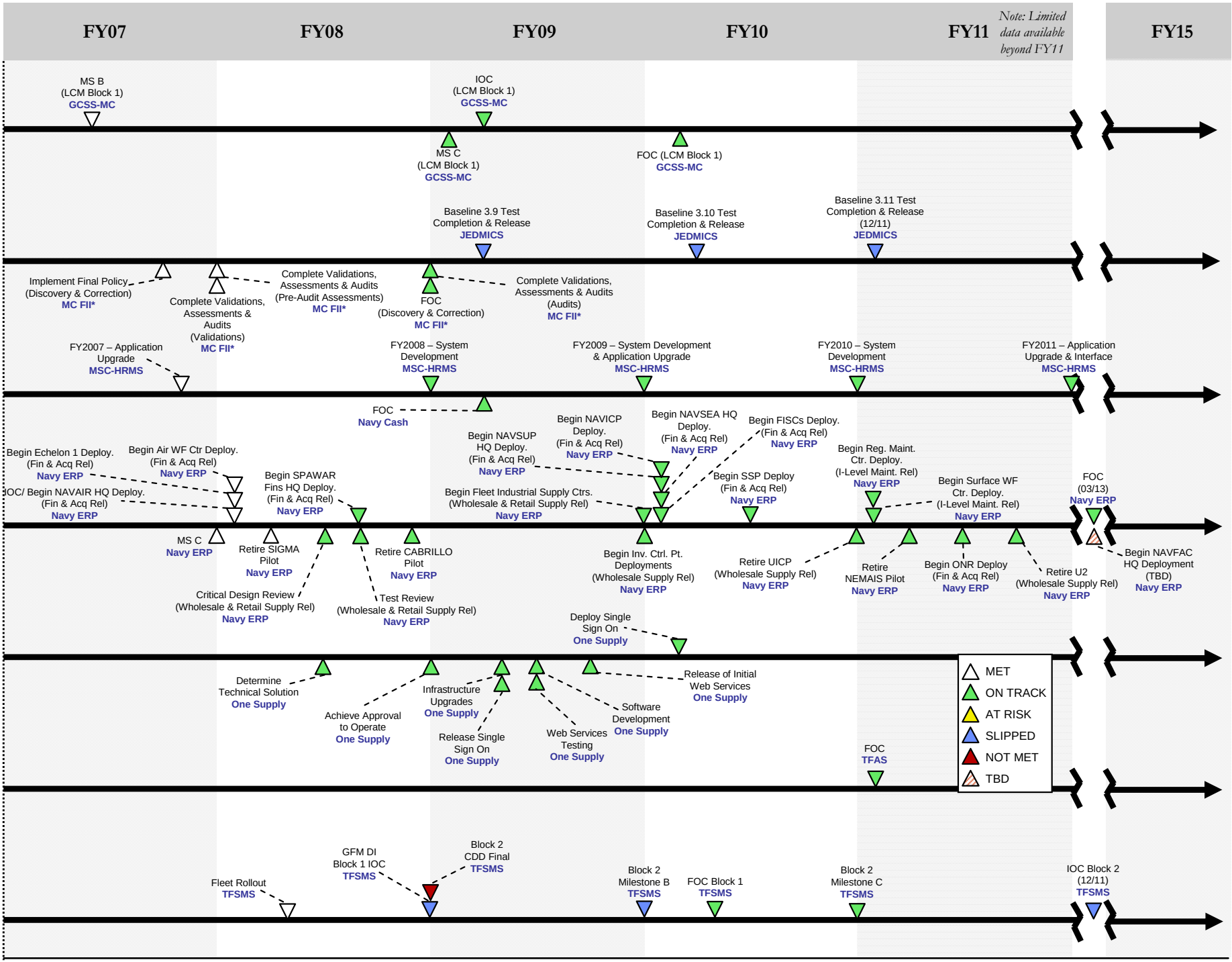
By implementing ERP, the Navy will reap significant fiscal benefits. It will return four times its investment through continued program development, gain efficiencies and effectiveness through the elimination of legacy information technology systems and by significant supply chain management improvements that ERP will deliver.

"As we bring visibility into the supply chain, anyone who has the need to know where we hold parts in supply will have the knowledge of where we hold everything," said Keen. "Getting an understanding of what we need to hold in inventory is a key aspect of this implementation."

Navy ERP's next implementations will "go-live" at Space and Naval Warfare Systems Command in April 2008, followed by Naval Supply Systems Command in October 2008, and Naval Sea Systems Command in October 2009.

‡ Target system or initiative is fully implemented (post - FOC)

* Initiative



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Chapter 6: Department of the Air Force

Department of the Air Force Mission and Vision

The mission of the Air Force is to deliver sovereign options for the defense of the United States of America and its global interests—to fly and fight in Air, Space, and Cyberspace. Complex and unpredictable global threats emerge every day and the Air Force is postured to provide options for the defense of the nation by sustaining an agile, adaptable, persistent, lethal, and surge-ready air, space, and cyberspace force. Our persistent Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR), global mobility, and rapid strike capabilities are critical to all joint operations. Our combat capability and peacetime efficiency will increase as we integrate our Active Duty, Air National Guard, and Air Force Reserve components into a Total Force. By focusing on our main priorities—winning the Global War on Terror, developing Airmen, and recapitalizing and modernizing the Total Force—we are prepared to face the challenges of today and the uncertainties of tomorrow.

The Department of the Air Force Vision goes from "Lasting Heritage to Limitless Horizons … Our Airmen, Our Air Force." The actions of our past Airmen and our lasting heritage show that Airmen have always been warfighters, innovators, and have had to constantly adapt to new operating environments. The actions of today's Airmen will take the Air Force to new and limitless horizons. That is our culture of innovation, because the technology utilized can only be as great as the Airmen that harness it.

Our culture dedicates efforts towards continuous improvement like Air Force Smart Operations 21 (AFSO21). AFSO21 shifts thinking towards examining processes for value-added tasks, maximizing value and minimizing waste. AFSO21 encourages Airmen to work smarter as effective and efficient thinkers delivering warfighting capabilities.

The Airmen of today should be inspired by the Air Force's past and continue to push forward to the future; to deliver sovereign options for the defense of the United States of America and its global interests; and to fly and fight in the Air, Space, and Cyberspace.

Air Force Business Transformation Vision and Strategy

The Air Force business transformation vision is to create capabilities that provide rapid and predictive operational support and response through situationally-aware Commanders.

The corresponding Air Force business transformation strategy is to:

- Focus operational support on improving joint warfighter effectiveness by integrating high value operational threads across Domains and across combat and non-combat functions.
- Set common goals and priorities across the operational support of the Air Force enterprise.
- Reengineer critical processes, identify and prioritize processes for improvement, and redesign them whenever they fall short of the immediate or long-term expectations.
- Move systems into a modern information framework. Leverage existing initiatives of the Air Force and the Office of the Secretary of Defense (OSD), while synchronizing and accelerating them to achieve transformation.
- Harvest resources to complete operational support transformation and support modernization of Air Force and joint capabilities.

Air Force Business Transformation Overview

High-level Air Force enterprise transformation goals are to:

- First, improve warfighter effectiveness by fashioning fast, flexible, agile, horizontally integrated processes and services that enable fast, flexible, agile and lethal combat forces.
- Second, establish a culture of continuous improvement to achieve increased efficiencies, allowing the return of resources. This would enable the recapitalization of the Air Force weapon systems and infrastructure, the return of Airmen to core missions, and the creation of an acquisition process unparalleled in the federal government.

In support of the Air Force transformation goals, the Air Force has set eight distinct priorities, or areas of focus, to drive its transformational process. These priorities are:

- Synchronize the supply chain and installation management with operations – globally
- Leveraging the power of information to transform global operations
- Improve operational capabilities through improved real-time Command and Control (C2), decision support and predictive analysis
- Support our people – our most important resource
- Increase resources available for recapitalization
- Provide accurate, reliable and timely financial information to support decision making
- Optimize enterprise performance through transformation and continuous improvement across functional boundaries
- Improve development and delivery of capabilities through disciplined and credible processes

Changes since the September 2007 Enterprise Transition Plan

The Air Force has not added to or deleted from its list of target transformation programs.

Air Force Priority #1: Synchronize the Supply Chain and Installation Management with Operations – Globally

The objective in synchronizing Supply Chain Management (SCM) and Installation Management with Operations is to effectively deliver mission support to the warfighter. To accomplish this objective, the Air Force Logistics and Installation Management communities are shifting from a reactive posture to a predictive one. The challenge is to build an integrated closed-loop planning process that starts with the Operational community, flows through the Logistics and Installation Management communities, and delivers results back to the Operational community.

To accomplish this key priority, the Air Force has undertaken several key initiatives via the eLog21 campaign to ensure synchronization of one of the largest and most complex supply chains in the world to enable supporting multiple simultaneous operations. The Air Force eLog21 change management plan provides the strategy to successfully redesign internal Air Force logistics, maintenance and transportation processes, and organizations.

To expedite transformation, the Air Force Global Logistics Support Center (GLSC) is being established concurrently with process reengineering that will tie together the reengineered processes and coordinate provision of materiel to the warfighter by the supporting activities. The Expeditionary Combat Support System (ECSS) will tie together the required information. Establishment of the GLSC is pivotal to eLog21 and begins the rational, incremental centralization of supply chain management.

Transformation Programs

ECSS: ECSS will facilitate the re-engineered processes that enable operational planning and execution to be fully synchronized. ECSS development is transforming logistics business processes by reinforcing and training personnel in use of best business practices improving command and control by providing actionable information to commanders through reporting of all logistics activities and visibility of assets, worldwide in near real-time.

ECSS
Status at a Glance

- ✓ Milestone A – Q4 FY05
- ✓ System Integrator task order resumes – Q2 FY07
- Milestone B – Q1 FY09

Approach: 3 phases (Process Blueprinting, ECSS Configuration and ECSS Deployment) with 3 major releases based upon the commercial based supply chain operations reference model; currently in Blueprinting.

Enterprise Environment Safety and Occupational Health Management Information System (EESOH-MIS): EESOH-MIS is being developed to manage the environmental liabilities, hazards, personnel exposure, and safety needs for the shop floor supervisor. It also supports the base-level and higher Headquarters Civil Engineer (CE) and Bioenvironmental Engineer in day-to-day operations of environmental systems, occupational health and environmental compliance.

ETIMS
Status at a Glance

- ✓ Design Review – Q2 FY07
- ✓ Field Readiness Review – Q2 FY08

Approach: Integration of COTS and GOTS software with GCSS-AF services

Enhanced Technical Information Management System (ETIMS): ETIMS will provide immediate (near-term) improved warfighter capability to manage, store, electronically distribute, and use both paper and digital Technical Orders (TOs). This capability will shorten distribution timeframes and improving readiness by providing maintainers with on demand, current, accurate and complete instructions to support maintenance activities.

Other Transformational Activities

GLSC: The GLSC will be *the* future supply chain management (SCM) agency for the Air Force, using enterprise planning and global C2, taking advantage of total asset visibility (TAV) and a common operating picture to support the application of air and space power across the full range of military operations.

The GLSC is the next evolution of Air Force SCM, taking advantage of Expeditionary Logistics for the 21st Century (eLog21) initiatives, commercial best practices, and years of Air Expeditionary Force (AEF) lessons learned to optimize planning and execution of critical Air Force maintenance, along with materiel and distribution processes. As the Air Force moves forward with value stream mapping of supply chain processes, it will gain more fidelity of those processes that will best be leaned, integrated with one another, and ultimately, controlled from the GLSC.

Priority Accomplishments/Capabilities Delivered:

- **ECSS:** Initiated Enterprise Level Blueprinting, Legacy Deconstruction, and Pathfinder Assessment and Analysis efforts to redesign the business process and provide selection and configuration requirements for deployable information technology products, e.g., Enterprise Resource Planning (ERP) components. This provides the initial groundwork and planning to enable the transformation of the entire Air Force logistics operation. Enterprise Level Blueprinting was successfully completed in October 2007.
- **ETIMS**: Technical Order (TO) Viewer component of ETIMS successfully completed a pilot program at Davis Monthan AFB, AZ, for the 355 MXG (A-10 aircraft maintenance unit) in early December 2007 using manual distribution. This new capability, employing electronic TOs on ruggedized laptops, was deemed a major advantage by the warfighters/maintainers and subsequently expanded to the backshops where the capability remains in use today pending deployment of the fully automated distribution solution with ETIMS in Q2 FY08.
- **ETIMS**: ETIMS successfully completed User Assessment Testing and subsequently passed Test Readiness Review II on January 11, 2008 authorizing the system to enter operational testing.

This table provides the Air Force Priority #1 Critical Milestones for FY08 and FY09.

Air Force Priority #1	
FY08 Critical Milestones	FY09 Critical Milestones
√ ETIMS: Fielding Readiness Review (FRR) • EESOH-MIS: V1.3 HazWaste Functionality for v1.3 (Q3) • EESOH-MIS: Version 1.4.1 Air Functionality - Phase 1 for v1.4 (Q4)	• ECSS: ECSS Blueprinting, first priority modules (Q1) • ECSS: Milestone B (Q1) • EESOH-MIS: Version 1.4.x Air Functionality - Phase 2 for v1.4 (Q2) • ECSS: Milestone C (Q3)

Near-Term Plans:

- **ECSS:** Process area blueprinting will be completed by the end of September 2008. Process area blueprinting maps the business process requirements to the commercial off-the-shelf application, and allows the System Integrator to configure the software and to know what Reports, Interfaces, Conversions and Extensions (RICE) objects will be needed.
- **ECSS:** Milestone B is scheduled for October 23, 2008. Achievement of Milestone B shows that the system design is viable, the technology has been demonstrated, and the program office has been authorized to develop the system.
- **ETIMS:** ETIMS is scheduled to complete the Operational Utility Evaluation and deploy via the Global Combat Support System-Air Force (GCSS-AF) Integration Framework in Q2 FY08.
- **GLSC:** Air Force activated the initial GLSC Provisional (GLSC(P)) organization with a senior Air Force leader assigned as provisional commander and a small team of permanently assigned personnel in May 2007. The GLSC(P) is a Direct Reporting Unit (DRU) to HQ Air Force Materiel Command (AFMC) located at Wright-Patterson AFB, OH. Initial capability of the GLSC is planned to stand-up in FY08. Once initial capability is achieved, the GLSC(P) will dissolve and be replaced by the GLSC organization responsible for establishing full capability. Additionally, the GLSC will assume responsibility for planning repair parts and some major end items such as engines, pods, and avionics and will have AIR FORCE SCM visibility and action authority. The Combat Air Forces (CAF) and Mobility Air Forces (MAF) Logistics Support Centers (LSC) along with Air Logistics Center (ALC) Combat Support Wing (CSW)/Customer Support Center (CSC) duties not transferring to DLA will transfer to the GLSC as well. Furthermore, in this stage, the GLSC will combine planning functions currently done at HQ AFMC and the ALC CSWs. The Air Force will then incrementally update its supply chain processes and improve IT system capabilities while adding additional classes of supply.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Improved command and control by providing actionable information to commanders through reporting of all logistics and installation management activities and visibility of assets, worldwide in near real-time. Improved mission support via an integrated closed-loop planning process that starts with the Operations community, flows through the Supply Chain and Installation Management community, and delivers as-required to the Warfighter.	Improve Prepare/Sustain Capability through synchronization of resources (S2).

Air Force Priority #2: Leveraging the Power of Information to Transform Global Operations

The seamless exchange of information between Business and Agile Combat Support (ACS) systems will contribute to decision superiority by enhancing Combatant Commanders' visibility into real-time force capability. Leveraging the power of information, the Air Force will fuse all aspects of mission readiness (weapon system status, supply and support availability, deployment and force posture) into a comprehensive picture, making innovative use of existing systems and fielding transformational new programs.

The Air Force is implementing the DoD Net-centric Data Strategy using a systematic approach to ensure authoritative data is available, accessible and reliable to the right decision maker at the right time. The approach centers on three key elements to deliver transformation through transparency: 1) exposing authoritative data with small, re-usable services, 2) tagging data and services to ensure they are discoverable, and 3) developing the infrastructure to ensure timely access for the authorized users/consumers of that data.

The Air Force is implementing Transformation through Transparency using common, international standards (as much as possible), commercial products, and process reengineering to ensure the right data is available with the right protection and safeguards.

The infrastructure leverages the work of the commercial sector – small re-usable services registered and accessed in a fully discoverable, searchable metadata environment built using a service-oriented architecture (SOA) approach.

With a SOA approach, the Air Force is deliberately moving away from creating and maintaining individual information systems connected by dozens, if not hundreds, of expensive, unique point-to-point interfaces. Migrating applications and data sharing to a SOA will enable better information sharing, reduce sustainment costs for the aforementioned interfaces, encourage re-use of services already developed, and improve access to our critical data.

Other Transformational Activities

- **SOA:** The Air Force SOA model requires new IT systems to reuse enterprise infrastructure services such as security, cryptography, discovery, and data exposure. As the SOA is implemented giant software programs will be phased out in favor of lightweight services that are dedicated to the solution of one bounded problem at a time, and whose interfaces are

discoverable via the Metadata Environment and expressed in terms of Community of Interest vocabularies.

- **Metadata Environment (MDE):** With the designing and building of a MDE the Air Force is changing how search and discovery are provided to the enterprise and its external consumers of data. A MDE will enable discovery of products such as documents and capabilities both within the enterprise and by external bodies.
- **Communities of Interest (COIs):** The Air Force is standing up COIs, a collaborative group of users requiring a shared vocabulary to exchange information supporting the group's shared mission/business process. The primary effort of a COI is to identify the business objects for which they are the authoritative source of data, and the rules for accessing that data which may include security, Privacy Act, or intellectual property considerations.
- **Standard Financial Information Structure (SFIS):** The Air Force's Enterprise SFIS initiative is working to accommodate the SFIS data structures within its Financial Management COI. This will enable its systems to deliver financial information through a SOA that is 100% compliant with the DoD's SFIS directive.

Priority Accomplishments/Capabilities Delivered:

- **SOA/MDE:** Awarded the Initial Infrastructure Build (IIB), the initial rollout of the Air Force SOA infrastructure to include the MDE, on September 27, 2007. The contract has a scheduled delivery date of April 30, 2008. A Preliminary Design Review was held in November 2007 and a Critical Design Review was held in January 2008. The SOA IIB supports the transformation of the Air Force into a continuously improving process organization and improves the sharing of trustable information. The SOA IIB will provide an environment where mission and business processes are supported by information assets delivered to users through content delivery services.
- **COI:** Developed a template for capturing functional area information assurance (IA) attribute requirements and a vocabulary to facilitate the federation of IA specific attributes and mechanisms. To develop the template, the Enterprise Vocabulary Team teamed with the Readiness and Flight Scheduling COIs (the first two COIs to be instantiated within the IIB). They completed the template in January 2008. Together the template and vocabulary will (1) enable functional area specific implementations of the IIB, (2) ensure functional area specific IA requirements are harmonized with enterprise IA mechanisms, and (3) enable federation of both enterprise and functional area specific IA mechanism between areas.
- **SFIS:** As part of its SFIS compliance strategy, the Air Force has developed a repeatable process and business logic to translate data into SFIS. As part of the process 22 systems were reviewed to verify that SFIS was required. The review indicated 11 systems required SFIS compliance and 11 systems did not.

Near-Term Plans:

- **SOA:** Post April 2008, the IIB will be part of the Area Processing Center within the Air Force Network Operations construct. The first mission thread to be tested in the IIB will be Deployment Readiness. The Deployment Readiness Service (DRS) provides commanders, installation deployment officers, unit deployment managers, and unit training monitors an end to end deployment readiness data intergration service improving situational awareness of personnel deployment readiness. DRS will standardize information and processes across the Air Force eliminating the need for non-standardized personnel readiness applications.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Provide complete, accurate, and timely information, providing comprehensive knowledge to decision makers, thereby enabling commanders to achieve effective decision making to maximize effect.	Actual capabilities delivered vs. requested (S2.1).

Air Force Priority #3: Improve Operational Capabilities through Improved Real-Time C2, Decision Support and Predictive Analysis

The acceleration of information flow to and from Commanders and civilian leaders will result in a more effective Air Force. This will enable improved information quality, the ability to present decision makers with decision support and alternatives analysis, and the ability to show cause-consequence relationships projected into the future (predictive analysis). To achieve this, we will simplify and accelerate process, upgrade technology, and improve information quality to create models needed to conduct predictive analysis.

This priority straddles and integrates between the Business Mission Area and the Warfighting Mission Area. As such, the systems that support this priority are not strictly business systems and therefore are not targeted as business transformation programs. They are listed as other transformational activities in support of this priority.

Other Transformational Activities

Deliberate and Crisis Action Planning and Execution Segments (DCAPES): DCAPES integrates automated decision support applications and information exchange capabilities to provide the Air Force the means to manage force packages and taskings. It provides multiple organizations at many levels support to plan, source, mobilize, deploy, sustain, redeploy, and reconstitute forces.

Logistics Feasibility and Capability (LOGFAC): A unit, wing, Major Command (MAJCOM), and Headquarters Air Force (HAF) level tool that utilizes Strategic Planning Guidance factors. It provides war planners with information on sortie capability and sustainability, distribution objectives and additive requirements for both munitions and non-munitions war consumables distribution objective.

Priority Accomplishments/Capabilities Delivered:

- **DCAPES:** Subsumed the Manpower and Personnel System-Base Level into DCAPES the Air Force deployment system of record on September 2006, providing war planners real-time access to manpower data. DCAPES provides force accountability applications that track and maintain deployment personnel history files supporting Combatant Commander's Area of Responsibility (CCDR AOR).
- **DCAPES:** Delivered DCAPES new version 4.1.0.0 to the government November 2007 and is waiting for testing and fielding. Major functionality includes: capability libraries Organizational Unit Type Code availability, and in-theatre deployed personnel accountability Personnel Support for Contingency Operations. DCAPES 4.1.0.0 underwent Developmental Testing at Eglin AFB, FL, January 23, 2008 – February 1, 2008. Operational Testing will take place in the Spring of 2008 with an anticipated fielding in the Summer of 2008.

- **DCAPES:** Supported Technical Exchange Meetings with USTRANSCOM and DISA on DCAPES supportability of USTRANSCOM transformation effort, Transportation Tracking Numbers (TTN). The DCAPES contractor provided a formal Technical Assessment on November 27, 2007 to support the Technical Exchange meeting, which took place on November 28, 2007. On January 2, 2008, AF/A5XW gave approval to DCAPES System Program Office (SPO) to support USTRANSCOM's prototyping efforts.
- **LOGFAC**: Delivered and tested LOGFAC new version 1.0.2.0.P7 in September 2007 and fielded it on December 10, 2007. Added functionality includes automated distribution of allocated munitions to or near the base of intended wartime use. It provides commanders visibility of limitations or shortfalls supporting wartime sortie rates and allows course-of-action analysis identifying munitions support capabilities of multiple what-if scenarios.

Near-Term Plans:

- **DCAPES:** In the Summer of 2008, the AEF scheduling tool will be incorporated with DCAPES to enable a more efficient process of identifying personnel to deploy. This will provide a single system to match deployment requirements to capabilities to fill those requirements.
- **DCAPES:** DCAPES version 4.1.0.0 testing and fielding activities will be conducted early in 2008 through the Summer of 2008. This version is one of the largest deliveries of Air Force functionality since fielding in 2002. The release provides database software and operating system upgrades. Release also includes the first web-enabled application in the Manpower-Personnel and account management modules. Additional functionality will also be provided.
- **DCAPES:** DCAPES transformation efforts to Net Enabled Command Capability (NECC) and architecture modernization efforts in support of SOA process are in work. As a member of the GCCS-J Family of Systems (FoS), DCAPES is an integral part of the DISA/U.S. Joint Forces Command (USJFCOM) Family of Systems migration effort. The efforts to determine which functionality/modules of DCAPES will migrate are currently on-going and are expected to migrate beginning October 2008. The outcome of this activity will be the initial steps of migrating Air Force war planning and execution functionality into the NECC architecture while ensuring capability is not impacted. In addition, this migration will be accomplished under the fiscal constraints the Air Force is currently under for IT solutions.
- **LOGFAC:** LOGFAC transformation efforts to NECC and architecture modernization efforts in support of SOA process are also in work. LOGFAC is part of the same DISA/USJFCOM FoS migration effort as DCAPES. The next LOGFAC release, contingent on funding, will incorporate an upgrade of the database software to and movement to a SOA environment.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Improved awareness of Commanders leading to improved decisions and predictive analysis, allowing for a more proactive approach to defusing a situation.	Improve C2 capabilities through situationally-aware Commanders (S1).

Air Force Priority #4: Support Our People -- Our Most Important Resource

The Air Force will be more effective and efficient with a satisfied, empowered, stable total force of military, civilian and contractor personnel. This strategy will be implemented through benefits, workplace and family programs; training and education of military and civilian leaders; change management strategies; and changes to process, personnel accountability and contracting. AFSO21 is aiding transformation efforts through the examining and restructuring of Air Force business processes based primarily around Lean initiatives.

Transformation Programs

Personnel Services Delivery (PSD): PSD transforms the delivery of personnel services in the military and civilian areas. IT moves from direct on-base support to web-based and service centers-based services, and substantially reduces manpower needed to deliver high quality personnel services.

Air Force Recruiting Information Support System (AFRISS): AFRISS is a core mission system of record for all Air Force non-commissioned Airmen recruiting actions. Implementation of an active duty AFRISS interface with the Air Reserve Component (AFRISS-R) will ensure total-force data is visible, accessible, discoverable, and trusted under both normal and contingency mission conditions.

Financial Management Service Delivery Model (FM SDM): FM SDM transforms the delivery of Air Force Financial Management by moving from direct on-base support to web-based and contact center based financial services, which will substantially reduce the manpower used in financial services. This initiative also provides enhanced decision support to commanders and is closely linked with the PSD Transformation.

Non-appropriated Fund Transformation (NAF-T): NAF-T will replace the 30+ year old legacy NAF accounting/payroll systems, and centralize accounting and payroll functions in a Shared Service Center (SSC). The projected savings (estimated at $11M to $12M per year) will come from decreased personnel costs associated with the SSC stand-up.

NAF-T
Status at a Glance

- Phase 1 Financial FOC – Q3 FY09

EESOH MIS: EESOH meets Defense Occupational Health and Environmental Readiness (DOHER) requirements for repositories and the tracking and documenting of environmental exposure and medical records of military personnel from service entry, through retirement, and into long-term care. This system effectively manages multiple years of information and enables users to retrieve historical information online.

Other Transformational Activities

National Security Personnel System (NSPS): A historical milestone was passed with the implementation of the NSPS, by converting the pay plans for 38,931 employees as of March 2007. By simplifying and streamlining hiring and staffing processes, NSPS has added new flexibilities and capabilities for managing Air Force human capital.

My Enlisted Development Plan (MyEDP): MyEDP highlights education, training, leadership and job experience through the Air Force Portal-based Force Development Page. This page, targeted for every enlisted Airman, was designed as a personalized space to view and track career plans. MyEDP is a Total Force system that highlights education, training and experience through the Air Force Portal's Force Development Page. This application creates a customized user experience for Airmen and their mentors to dynamically view, manage and track career plans. This system provides Air Staff policy makers and career field manager's one touchpoint to execute enlisted force development efforts and affect the total force. Airmen will be able to view critical

Air Force and career field-specific milestones through dynamic career path, which will further customize the overall user experience.

Senior Leader Career Management System (SLCMS): SLCMS is used to interface with MAJCOM/Combatant Command (COCOM) and Defense Agencies to complete assignment-related transactions for nearly 4,000 Air Force Colonels. This system and its web-based platforms for the Colonel Assignments Game plan, Command Screening Board, and Developmental Education processes support this Priority by contributing to the PSD effort.

The Total Human Resource Managers' Information System (THRMIS): THRMIS is a web-based reporting and analysis system that supports Force Management analysis and decision making at Headquarters United States Air Force (HQ USAF). This system provides Secretary of the Air Force (SAF)/Headquarters Air Force (HAF) Career Field Managers, senior leadership and action officers, and the Manpower and Personnel communities with a single source to access aggregate to disaggregate inventory and manpower data for the Total Force (active duty, Air National Guard, Air Force Reserve and Civilian workforce).

Priority Accomplishments/Capabilities Delivered:

- **NAF-T**: Centralized NAF financial accounting for 62 locations in December 2007. Processed all NAF payroll from this Shared Service Center – approximately 28,000 NAF employees and 3,500 retirees.
- **FM SDM**: Opened the Air Force Financial Services Center Central Processing Unit in October 2007, consolidating base-level back shop operations to a central site to process travel/pay processing; 35% of base-level processes now accomplished at central location.
- **PSD**: Centralized 97 personnel processes from MAJCOMs to the Air Force Personnel Center (AFPC) by January 2008 and conducted on-going business process design efforts that have documented a workload cost avoidance of 729 Full Time Equivalents (FTEs).
- **MyEDP**: Launched MyEDP to more than 105,000 enlisted users from the Active Duty, Reserve and Guard. Designated MyEDP as the enlisted mentoring tool for the Guard. Provided content management system for 82 career fields. Selected as the model for the future Officer and Civilian Development Plans (MyODP and MyCDP).
- **THRMIS**: Maintained continuity of operations and reporting and analysis capability for users by resolving incompatibility between THRMIS Business Intelligence software and upgrade of Java in newest Air Force SDC.
- **AFRISS**: Successfully developed AFRS Accessions Data Collection (ADC) process for gathering security clearance information. ADC allows potential applicants to input their information into AFRISS thereby freeing recruiters to spend more time recruiting, instead of sitting at a computer inputting data.
- **NSPS**: Conducted first Air Force-wide pay pool effort under the NSPS pay-for-performance system, resulting in a January 2008 pay-out average pay increase of 7.6% (includes performance increase, band increase, locality payout, and bonus) for covered employees.
- **EESOH-MIS**: Released version 1.2.2.0 that added Chemical Abstract Service information associated with Material Safety Data Sheets in the Hazardous Material area, and Contaminant data in the Cleanup module. This release provides standardized data for environmental compliance reporting to higher headquarters and Congress. Ensured information reported is consistent and accurate across the Air Force. Implemented EESOH-MIS at three installations and initiated implementation activities at six installations to align

shop level hazardous materials activities with their approved processes, eliminating need to manually coordinate purchase of individual hazardous materials through various base agencies.

This table provides the Air Force Priority #4 Critical Milestones for FY08 and FY09.

Air Force Priority #4	
FY08 Critical Milestones	FY09 Critical Milestones
√ FM SDM: Financial Services Transformation: Stand-up Central Processing Center • PSD: (MIL; AD/RES/NGB) Centralizing HR transactional work currently performed at base-level for Centralization of Total Force HR Services (Q3) • EESOH-MIS: V1.3 HazWaste Functionality for v1.3 (Q3) • PSD: Spiral 1, Block 20--Airmen Development Plan for Civilian, Role-based Access/E-viewer for Digitized Personnel Records for vPersonnel Services Center (Q3) • AFRISS: Complete ANG functionality incl automated leads mgmt, in-service recruiting, enlisted professions, officer accessions, health professions, and electronic waiver processing (Q3) • AFRISS: FOC (Q3) • PSD: Spiral 1, Block 50--WAPS Modernization for vPersonnel Services Center (Q4) • FM SDM: Center of Expertise FOC (Q4) • FM SDM: Enhanced Financial Advisor. Note Pending DEAMS and Senior Leader approval (Q4) • EESOH-MIS: Version 1.4.1 Air Functionality - Phase 1 for v1.4 (Q4)	• FM SDM: FST: Stand-up Contact Center (Q1) • PSD: Spiral 1, Block 60--PRISM Modernization for vPersonnel Services Center (Q1) • PSD: Migration to DIMHRS IOC (Q2) • EESOH-MIS: Version 1.4.x Air Functionality - Phase 2 for v1.4 (Q2) • NAF-T: Phase 1 Financial FOC (Q3) • FM SDM: Combat Comptroller Contingency Organization FOC (Q4)

Near-Term Plans:

- **NAF-T**: Continue Phase 2 Initial Operational Capability (IOC) deployment of enterprise Internet Service Provider to support NAF Point of Sale modernization; completion date in Q2 FY08.
- **MyEDP**: Work spiral improvements to enhance usability, for example, describing all enlisted career paths; operational date in Q3 FY08.
- **PSD**: Continue preparation for implementation of DIMHRS, integrating Active Duty, Reserve, and Guard business processes into a single system that will transform how personnel and pay services are delivered to commanders, leaders, and service members; completion date in Q3 FY08.
- **THRMIS**: Develop and test A1PR readiness extract to support new readiness reporting functionality for HQ USAF Functional Area Managers. On receipt of new DIMHRS data dictionary begin preparing for use of the Defense Integrated Military Human Resources System (DIMHRS) extract in THRMIS data warehouse.
- **AFRISS**: Planning to streamline the AFRISS database for more efficient data throughput. Increasing the database capacity today will ensure recruiters continue to use AFRISS

uninterrupted. Additionally, AFRS is in the initial stages of upgrading AFRISS to develop a total force recruiting system for the Air Force, which will encompass all three components.

- **NSPS**: Revise NSPS implementing issuances over the next three months to incorporate program changes required by FY08 NDAA.
- **EEOSH-MIS**: Deploy and transform the hazardous materials management business process within the Air Force so that hazardous materials are no longer individually ordered and consumed, but are associated with a business process. Approval is now granted for a process, which allows all associated materials to be ordered at one time. Develop an interface between EESOH-MIS and the Enterprise Solution-Supply (ESS) to better synchronize the Supply Chain and Installation Management with Operations (estimated completion date FY09), and eliminate dual data entry into ordering systems and tracking systems.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #4 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
Provide more friendly assistance for personnel services. Ensure our personnel are working and living in the safest possible environment. Ensure our personnel are working with drastically improved enterprise processes designed to save lives and minimize loss of valuable assets/resources.	Improve OS Business Processes (P2).

Air Force Priority #5: Increase Resources Available for Recapitalization

Operations Support can return resources to core missions by doing away with or automating repetitive transactional tasks. Commanders can be made more effective by leveraging a smaller cadre of expert advisory resources. We will achieve this by reengineering our processes, reorganizing, modifying our policies, retraining our personnel and our Commanders, redefining jobs and recruitment criteria, and upgrading technology.

As with other priorities' strategies, we will leverage modern Commercial Off-the-Shelf (COTS) technologies to reduce barriers of time and space in delivering services. New services can be provided at low cost by combining activities, providing regional or global support centers, and by moving to on-line self-service delivery models. We will reorganize; adopt internet, call centers, workflow, and other technologies; utilize COI defined data structures; modify our policies; and increase self-accountability. The Air Force will also combine systems into unified platforms and improve access and speed to information to reduce the need for incorporating data for analysis. The Air Force will also utilize and integrate with DoD unified systems such as DIMHRS to reduce the need to duplicate processes and resources.

Transformation Programs

Enterprise Business System (EBS): EBS is the Air Force Research Laboratory's (AFRL) system for transforming its business processes and enabling technology to provide faster technology transition to the warfighter. EBS will give AFRL the capability to collect, process, and disseminate timely, accurate information and place it in the hands of appropriate decision makers by utilizing a service delivery model.

EBS
Status at a Glance

- GCSS-AF Level 3 integration – Q2 FY08
- STES integration IOC – Q2 FY08
- GCSS-AF Level 4 integration (hosted) – Q2 FY09
- FOC – Q4 FY11

Approach: Capability is being delivered in a spiral fashion, with initial spirals focusing on records and document management, and later spirals focusing on planning, programming, and project management.

Financial Information Resource System (FIRST): FIRST is a COTS-based software development effort that will provide an integrated, modern, seamless financial management system that enables authorized users (from Air Staff to base level) to plan and program their budgets.

FIRST
Status at a Glance

- ✓ Basic Capabilities Spiral 1 – Q3 FY05
- ✓ Spiral 2/3 Pilot – Q4 FY07
- Spiral 2/3 Deploy – Q2 FY08
- FOC – Q2 FY09 (tentative)

Approach: Spiral development with 3 spirals planned. Currently in Spiral 2/3 development, Budget Formulation.

PSD: PSD transforms the delivery of personnel services in the military and civilian areas. Using IT solutions, organization and process changes at all levels, and moving transactional work from direct on-base support to web-based and service centers-based services, the Air Force will substantially reduce manpower needed to deliver high quality personnel services.

FM SDM: The Air Force has created the Air Force Financial Services Center (AFFSC) located at Ellsworth AFB, SD. The AFFSC will centralize most military and travel pay operations for 93 bases (Active and Reserve) and utilizes advanced information technology systems and redesigned processes to enable gains in efficiency and effectiveness, fundamentally changing the way services are delivered to our Airmen and returning critical resources to the warfighters.

NAF-T: NAF-T is a phased initiative to improve financial management capabilities and eliminate non-value added business processes. Phase 1 involves reengineering business processes, replacing legacy accounting and payroll systems with a COTS solution and establishing a shared service center (SSC) for global service.

Priority Accomplishments/Capabilities Delivered

- **PSD**: Centralized 97 personnel processes from MAJCOMs to AFPC and conducted on-going business process design efforts that have documented a workload cost avoidance of 729 Full Time Equivalents (FTEs).
- **FM SDM**: Achieved IOC of the AFFSC in Q1 FY08. The opening of a 24-hour, 7 day-a-week Contact Center and enhanced online self-serve capabilities offers innovative new options for handling pay and travel inquiries.
- **NAF-T**: Projected a savings of $12M annually from phase 1 IOC accomplished in June 2006, with Appropriated Funds (APF) and NAF FTE savings of 76 and 167 positions respectively. APF positions have been realigned back to the corporate structure for recapitalization through Program Budget Decision 712. IOC in June 2006. Full Operational Capability (FOC) projected for Q3 FY09.

This table provides the Air Force Priority #5 Critical Milestones for FY08 and FY09.

Air Force Priority #5	
FY08 Critical Milestones	FY09 Critical Milestones
√ FM SDM: Financial Services Transformation: Stand-up Central Processing Center √ EBS: FM/G2 re-hosting • EBS: GCSS-AF Level 3 Integration (Q2) • EBS: STES integration IOC (Q2) • PSD: (MIL; AD/RES/NGB) Centralizing HR transactional work currently performed at base-level for Centralization of Total Force HR Services (Q3) • PSD: Spiral 1, Block 20--Airmen Development Plan for Civilian, Role-based Access/E-viewer for Digitized Personnel Records for vPersonnel Services Center (Q3) • PSD: Spiral 1, Block 50--WAPS Modernization for vPersonnel Services Center (Q4) • FIRST: Milestone C (Q4) • FM SDM: Center of Expertise FOC (Q4) • FM SDM: Enhanced Financial Advisor. Note Pending DEAMS and Senior Leader approval (Q4)	• FM SDM: FST: Stand-up Contact Center (Q1) • PSD: Spiral 1, Block 60--PRISM Modernization for vPersonnel Services Center (Q1) • PSD: Migration to DIMHRS IOC (Q2) • FIRST: Budget Formulation (BF) Spiral 2&3 (Q2) • FIRST: FOC (Q2) • EBS: GCSS-AF Level 4 integration (hosted) (Q2) • NAF-T: Phase 1 Financial FOC (Q3) • FM SDM: Combat Comptroller Contingency Organization FOC (Q4)

Near-Term Plans:

- **EBS:** Deliver EBS/Scientific and Technical Enterprise System (STES) interface IOC in Q2 FY08: enables AFRL to supply a single eGov report of Research and Development case files outlining associated technical products from ten separate directorates for research, development, testing, and evaluation (RDT&E) activities.
- **FIRST:** Deliver Spiral 2/3 capabilities in February 2008: enables the FIRST User Test Team to conduct Operational Test and a "mini-exercise" of key budgeting and force programming capabilities in the live production environment.
- **PSD**: Continue preparation for implementation of DIMHRS, integrating Active Duty, Reserve, and Guard business processes into a single system that will transform how personnel and pay services are delivered to commanders, leaders, and service members. Air Force is currently scheduled to deploy DIMHRS in Q2 FY09.
- **NAF-T**: Continue Phase 2 IOC deployment of enterprise Internet Service Provider to support NAF Point of Sale modernization (Q3) to result in one means for which all Air Force Services business and financial transactions are transmitted.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #5 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Reduce the need for dedicated systems with repetitive functionality to systems serving multiple communities, provide direct on-base support to web and contact center based personnel and financial services; substantially reduce manpower used for personnel and financial services; significantly enhance decision support to Commanders.	Improve OS business processes (P2).

Air Force Priority #6: Provide accurate, reliable and timely financial information to support decision making

The Air Force is transforming from the old transaction-based business model to a new paradigm that enables decision makers and warfighters to facilitate financial transparency by providing a clean audit through the modernization of financial systems, the SFIS enterprise strategy, and the identification of authoritative data. These efforts directly impact the Air Force's ability to finance the fight and support the Air Force Mission.

Additionally, the Air Force will reduce transactional activities, establish transparent processes, and consolidate functionalities while providing increased capabilities to the warfighter. This will be met through the utilization of Enterprise Resource Planning (ERP) systems, such as the Defense Enterprise Accounting Management System (DEAMS) and ECSS, which will consolidate functionalities spread across numerous systems, thereby reducing transactional activities while establishing transparent business processes. As with other priorities' strategies, the Air Force will utilize resources across agencies, conform to governing policies and regulations, standardize business processes, utilize COTS based solutions along with Global Combat Support System-Air Force (GCSS-AF) common services, and provide integration of systems through standards based approaches. Through these efforts, the Air Force will provide timely, reliable and accurate information to the warfighter and Senior Leaders.

Transformation Programs

Air Force Financial Improvement Plan (AF FIP): AF FIP is the Air Force's detailed plan for achieving a clean audit opinion and includes detailed action items and milestones for upgrading the systems and business processes not only in the financial management arena, but also in all the functional areas that have an impact on achieving a clean audit. The Air Force realizes an integrated effort is required and our milestones are also integrated into the DoD level Financial Improvement and Audit Readiness (FIAR) Plan.

DEAMS: DEAMS will use an enterprise architecture through an ERP system to replace multiple legacy systems with COTS-based financial accounting software (general ledger, accounts payable, accounts receivable, financial reporting, billing, etc.) resulting in lower operating costs. DEAMS will provide accurate, reliable, and timely financial information and will achieve this state through a modernization and integrated software solution accompanied by sound accounting processes proven through successful audits.

DEAMS
Status at a Glance

- DEAMS Increment 2 Milestone A – Q3 FY08
- Achievement of Milestone A for Increment 2 is dependent upon the DEAMS instance reported by USTRANSCOM.

ECSS: ECSS will serve as a primary business feeder system in the target environment to feed financial information to DEAMS. Efforts are currently underway to synchronize DEAMS and ECSS efforts as the Air Force ERP systems of the target environment.

FIRST: FIRST Budget Formulation encompasses the budget exercise process, which affects all organizational levels, and is based on core financial and selected program information used to build the Air Force budget. The intent of FIRST is to provide the capability necessary to eventually replace the Automated Budget Interactive Data Environment System (ABIDES), Resource Allocation Programming Information Decision System (RAPIDS), and the Program Data System (PDS).

NAF-T: NAF-T will standardize business process and source documents for Non-Appropriated Funds (NAF), resulting in an authoritative financial data source, eliminate existing weaknesses and deficiencies identified in previous NAF audit reports and expand levels of access to an authoritative data source for timely analysis and business decision making when needed.

Other Transformational Activities

SFIS Enterprise Strategy: The Air Force has integrated the current SFIS data elements into their data cleansing efforts that are being performed to identify authoritative financial data sources and standardizing financial data structures throughout the Air Force. This effort includes identifying and classifying systems as legacy accounting systems, target accounting systems, target business feeder systems, legacy business feeder systems, and systems that contain no financial information, as well as identifying standard information structures for financial reporting.

Priority Accomplishments/Capabilities Delivered:

- **FIRST:** Completed successfully a First Program Operational Assessment (OA) with the Air Force user community on November 5-9, 2007. Users were able to become more familiar with the new system through hands on use for representative budgeting tasks. The FIRST program team also received important feedback from the user test team that will be used to refine the application in upcoming sustainment releases.
- **NAF-T:** Processing all NAF financial and payroll data for 67 locations will be accomplished with NAF-T by March 2008.

This table provides the Air Force Priority #6 Critical Milestones for FY08 and FY09.

Air Force Priority #6	
FY08 Critical Milestones	FY09 Critical Milestones
• DEAMS-AF: Milestone C for Inc 2 (Q4) • FIRST: Milestone C (Q4)	• ECSS: ECSS Blueprinting, first priority modules (Q1) • ECSS: Milestone B (Q1) • DEAMS-AF: Milestone A for Inc 2 (Q1) • FIRST: Budget Formulation (BF) Spiral 2&3 (Q2) • FIRST: FOC (Q2) • NAF-T: Phase 1 Financial FOC (Q3) • ECSS: Milestone C (Q3) • DEAMS-AF: Milestone B for Inc 2 (Q4)

Near-Term Plans:

- **FIRST**: Deliver Spiral 2/3 capabilities in February 2008: enables the FIRST User Test Team to conduct Operational Test and a "mini-exercise" of key budgeting and force programming capabilities in the live production environment.

- **DEAMS**: The DEAMS program expects to achieve Milestone A in 2008, allowing release of the Request for Proposal, source selection, and contract award for the systems integrator.
- **FIRST**: FIRST expects to achieve Milestone C in July 2008.
- **NAF-T:** Will successfully be processing all NAF payroll for all of Air Force Services worldwide by the end of March 2008.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #6 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
Provide accurate financial information to assist with clean audits, standardized financial reporting for comprehension, and a complete up-to-date financial picture for effective budget planning and analysis.	Foster a culture of accountability that optimizes enterprise performance (B3).

Air Force Priority #7: Optimize Enterprise Performance through Transformation and Continuous Improvement across Functional Boundaries

The AFSO21 program is an effort to institutionalize Service-wide, continuous process improvement. The Air Force will capitalize on using knowledge from other organizations and disciplines to improve every business process within the Air Force. AFSO21 challenges all Airmen to become great problem solvers tasked with examining work processes and eliminating steps that add little to no value to an end product. The aim is to take high-performing organizations to the next level by identifying and eliminating wasteful practices in all environments (operational, support, and otherwise) to maximize the value and productivity of resources and fully integrate a continuous process improvement system for the Total Air Force.

AFSO21 organizes work under a governance structure with clear process ownership. Senior Air Force leaders set the context for all improvement efforts and their relevance to Air Force processes. The Air Force has defined ten top level Process Owners (covering the Air Force's governing, core, and enabling processes) to organize and drive Air Force-wide improvements. Process Owners meet on a quarterly basis with Air Force top leadership to review the performance initiatives (manpower, financial, energy efficiencies, etc.) toward Air Force goals and objectives.

In concert with major initiatives implemented under Air Force Process Ownership direction, Commanders at all levels are expected to lead and implement efforts to improve processes. An outcome of the AFSO21 effort is to make all Airmen critical thinkers and problem-solvers. The Force is using proven commercial practices (e.g., Lean, Six Sigma, Theory of Constraints, and business process reengineering) under a standard problem-solving model of Observe-Orient-Decide-Act.

Other Transformational Activities

The Deputy Secretary of Defense issued a Defense Acquisition Performance Assessment (DAPA) illustrating a broad, integrated set of recommendations for changes to the acquisition process and the Department's approach to program initiation, resourcing, and execution. The Air Force's Develop and Sustain Warfighting Systems (D&SWS) core process team responded to those

recommendations with a set of high priority initiatives including time certain development, integrated lifecycle management, strategic sourcing – services and strategic source-installation.

Priority Accomplishments/Capabilities Delivered

- **Executive Training:** Delivering a twice monthly Senior Leader course for General Officers, Senior Executive Services, and Command Chief Master Sergeants. Achieving 100% leadership training by March 31, 2009.
- **Senior Leader Training:** Delivering a training program for Wing and Group Commanders, O-6 level directors, and Chief Master Sergeants three to four times per month. Achieving 100% leadership training by March 31, 2009.
- **Air Force Process Council:** Established quarterly performance review of AFSO21 initiatives and progress chaired by the Secretary of the Air Force (SECAF) and Chief of Staff of the Air Force (CSAF), and attended by Air Force senior leadership.
- **High Value Initiatives (HVI):** Continued pursuit of high-value initiatives across diverse mission areas.

Near-Term Plans:

- **Professional Military Education (PME):** Integrate core Smart Operations concepts into enlisted and officer PME as the primary effort to institutionalize common problem solving concepts in our Airmen development program.
- **Tools:** Enhance tools and processes to accelerate vertical and horizontal application of improvement solutions and best practices across the Air Force. Enhance project management tools and financial valuation of efficiencies.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #7 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Streamline processes through the USAF Smart Operations for the 21st Century (AFSO21) program: applying change management, communication of leadership intent, education, metrics with performance evaluation, constantly improving alignment with goals of senior leaders.	Foster a culture of accountability that optimizes enterprise performance (B3).

Air Force Priority #8: Improve Development and Delivery of Capabilities through Disciplined and Credible Processes

The Air Force is systematically reviewing the core processes it uses to acquire and deliver capabilities. The acquisition enterprise's activities are in the D&SWS core process, as part of AFSO21. The D&SWS Process Council has the following goals: improve system availability at reduced cost, produce systems on-time/on-cost, and reduce cycle time from need to fielding. The D&SWS process addresses the entire enterprise lifecycle for air, space, and cyberspace warfighting systems as well as appropriate business systems and services from capability planning to system disposal.

To support D&SWS, the Air Force is creating an acquisition business systems environment consisting of a core set of integrated tools and standardized authoritative data. Implementation at all levels enables improvements to achieve a more disciplined and credible acquisition process. Our vision is that decision makers – at all levels – will have immediate access to current, relevant information. The Air Force is deploying flexible services that provide integrated end-to-end processing, utilize data standards across Air Force acquisition, and support transparency throughout the acquisition process.

Transformation Programs

EBS: EBS supports this priority through improving the integrity, efficiency, and management of critical business information for the AFRL's S&T mission.

ECSS: The GLSC is being established, concurrently with Air Force-wide logistics process re-engineering, which will tie together the reengineered processes and coordinate provision of materiel to the warfighter. ECSS will tie together the required information. Establishment of the GLSC is pivotal to logistics transformation and begins the rational, incremental centralization of supply chain management. ECSS development is transforming Air Force logistics business processes by reinforcing and training personnel in use of best business practices, and improving command and control by providing actionable information to commanders through reporting of all logistics activities and visibility of assets worldwide in near real-time.

Other Transformational Activities

The Service Acquisition Executive responded to a DepSecDef, DAPA and made a personal commitment for improvement by identifying thirteen initiatives known as the Baker's Dozen. The goal of the Baker's Dozen is to provide lean acquisition while ensuring credibility, transparency, and integrity. The scope of the initiatives include human capital improvements, standard processes to improve acquisition credibility, and game changing technologies.

As part of a foundational services-oriented solution, the Air Force is developing a Program Master Relationships Key (PMRK) to define acquisition/sustainment program labels, relationships, and parent-child rules in order to provide a single program list. IT solutions and users will be able to access PMRK service to pull current, authoritative program identification data.

To support D&SWS initiatives, the Air Force is focused on how to design and build high confidence programs. Critical to this transformational activity is the development and maturation of lifecycle metrics, including program performance and risk throughout the lifecycle. The initiative provides decision-support data for oversight, direction, and formal reporting.

Priority Accomplishments/Capabilities Delivered:

- Piloted Active Risk Manager (ARM) for selected acquisition and sustainment programs in the Air Force in March 2008. The purpose of ARM is to provide the field a single enterprise tool to support the D&SWS standard risk management process model.
- Mandated the Probability of Program Success (PoPS) model for use by the entire acquisition and sustainment enterprise in September 2007. PoPS provides an analytical methodology for predictive program health assessment in support of the Structure Programs for Success Baker's Dozen initiative.
- Initiated a portfolio analysis proof of concept in March 2008, releasing the tool to select centers and air staff agencies as a beta test for Air Force-wide implementation. This tool provides portfolio analysis reporting by pulling data from multiple authoritative sources.
- **Bakers Dozen:** As part of the proactive external engagement Baker's Dozen initiative, the acquisition community has implemented processes that stress communication to Congress and other external customers. In January 2008, the Service Acquisition Executive (SAE) reported a five-fold increase in our response time to Congressional inquiries.
- **ECSS:** Completed Component-level blueprinting in October 2007. It defined the level 3 end-to-end process, identified processes that extend outside ECSS and the logistics enterprise for interoperability, identified potential gaps and identified data strategy.
- **PMRK:** Program Master Relationships Key (PMRK) service available December 2008, providing the single authoritative source for program identification data.

This table provides the Air Force Priority #8 Critical Milestones for FY08 and FY09.

Air Force Priority #8	
FY08 Critical Milestones	FY09 Critical Milestones
√ EBS: FM/G2 re-hosting • EBS: GCSS-AF Level 3 Integration (Q2) • EBS: STES integration IOC (Q2)	• ECSS: ECSS Blueprinting, first priority modules (Q1) • ECSS: Milestone B (Q1) • EBS: GCSS-AF Level 4 integration (hosted) (Q2) • ECSS: Milestone C (Q3)

Near-Term Plans:

- **ECSS:** ECSS process area blueprinting will define process models at the transaction level and define configuration requirements for the product suite by July 2008. It will identify/validate/analyze/resolve potential functional gaps, determine RICE requirements and develop functional specifications, develop detailed information on policy, job/skills, business rules, and information technology.
- **EBS:** Deliver EBS/STES interface IOC by March 2008, which will enable AFRL to provide an accurate report of R&D case files outlining the status from Technical Directorates for RDT&E activities. These R&D case files become official records and are a critical aspect of the mission of government RDT&E activities.
- Develop strategy for Air Force-wide implementation of the ARM tool in April-May 2008. ARM provides a standard capability to track and manage program and portfolio risks.
- Develop strategy for Air Force-wide implementation of a portfolio management tool in April-May 2008 that offers a services-oriented solution.

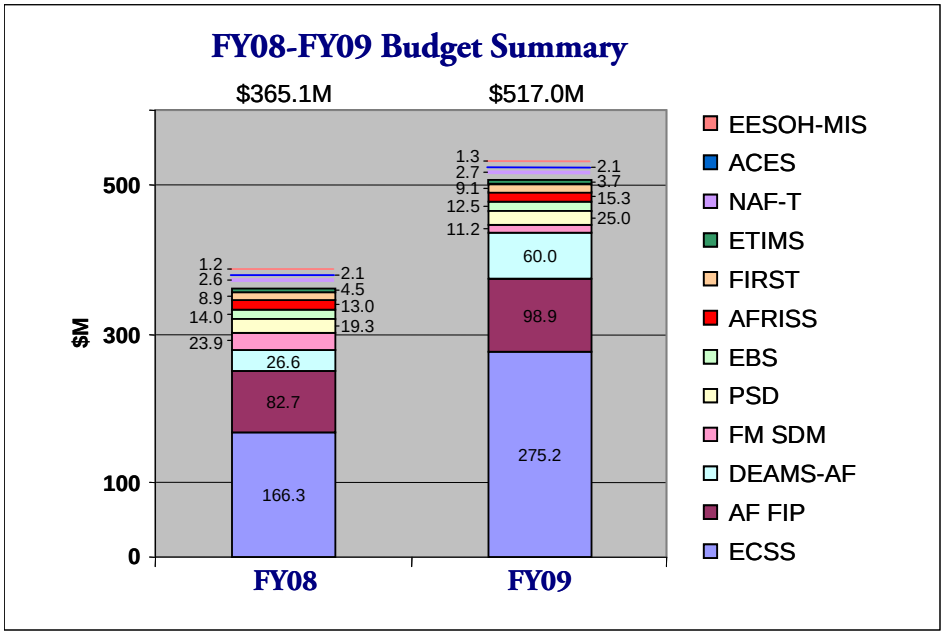
- **Baker's Dozen:** Integrate the Probability of Program Success (PoPS) methodology to formalize reporting under the Structure Programs for Success Baker's Dozen Initiative by July 2008.
- Prototype the Milestone Acquisition Document Management (MADM) Capability Improvement Initiative in September-December 2008, which will create the capability to manage, assign, and track milestone acquisition information. This initiative will create a control center for the program manager to integrate document management with workflows, automated status reporting, content storage, Air Force Records Management, and Product Lifecycle Management tools.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

Air Force Priority #8 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
Launching and maintaining high confidence programs; emphasis on capability planning and improved technology maturity; sensitivity to dollar constraints; more effective utilization of industry partners.	Improve discipline and credibility in OS business practices (P3).

Air Force Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for Air Force programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- AF FIP
- FM SDM

Note:

- AF FIP and FM SDM – Programs are funded from the operating budgets of affected activities.
- PSD – Budget figures represent the combined budgets for Virtual Personnel Services Center (VPSC), the major system that conducts PSD transformation at the system level and PSD-IT support, the initiative that reflects the infrastructure costs associated with the PSD transformation initiative.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How Air Force Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the Air Force's business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Air Force Financial Improvement Plan (AF FIP)		●		●		●	The AF FIP has mapped Financial Management and Acquisition processes within the Air Force to identify methods to improve availability and reliability of financial information that is auditable.
Air Force Recruiting Information Support System (AFRISS)	●						Provides both Active Duty and ANG field recruiters with a standardized tool for initial screening, processing, shipping and data collection on new Air Force applicants (Active Duty and ANG).
Defense Enterprise Accounting and Management System-Air Force (DEAMS-AF)						●	DEAMS provides integrated general ledger, accounts payable, accounts receivable and decision support functions incorporating industry leading best practice processes that will provide accurate, timely and reliable financial information for the Air Force and decision makers.
Enterprise Business System (EBS)		●		●		●	Provides AFRL with access to accurate and reliable information supporting acquisition oversight, accountability, and decision making; lifecycle visibility and accounting of research-related assets; and the ability to measure, correct, and ensure accurate accounting records, in order to provide faster technology transition to the warfighter.
Expeditionary Combat Support System (ECSS)		●	●	●		●	AV - Provides real-time visibility and status of assets throughout the supply chain and projected requirements by location, by NSN, by year, supporting acquisition decisions with accurate and reliable decision information. CSE - Provides accurate and timely decision support enabling planning and supply chain direction and execution and thereby provides customer relationship management and perfect order fulfillment. MV - Provides worldwide total asset visibility, material management, synchronizes operational and logistics planning and execution enabling dynamic supply chain re-planning optimizing capacity and logistics capability. FV - Enables and supports DoD financial, planning, programming, budgeting, accountability with accurate and reliable cost information.
Enterprise Environmental Safety and Occupational Health Management Information System (EESOH-MIS)	●				●		PV - Provides visibility on personnel environmental hazards and exposures for supervisory and medical personnel. RPA - Accounts for environmental clean-up liabilities for installations.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
Enhanced Technical Information Management System (ETIMS)				●			Supports scheduled and unscheduled depot and field level maintenance, repair and overhaul operations with real-time engineering technical order changes; Source of repair and maintenance instructions.
Financial Information Resource System (FIRST)						●	FIRST will provide a modernized system that will be the foundation for the Air Force Planning, Programming, Budget and Execution process. The system will use enterprise architecture and business process mappings to increase financial visibility.
Financial Management Service Delivery Model (FM SDM)						●	Transforms the delivery of financial services for military and civilian areas, moving from direct on-base support to web and call center based services reducing manpower requirements.
NAF Financial Transformation (NAF-T)						●	Improve financial management, eliminate non-value added business processes and reduce transaction processing costs. Replace legacy systems, standardize documents and processes, establish shared service center for global service and result in authoritative financial data source for timely analysis.
Personnel Service Delivery (PSD)	●						Transforms the delivery of military and civilian personnel services by moving direct on-base support to web-based and call center based services. Substantially reduces manpower needed to deliver higher quality personnel services faster and more conveniently.

Case in Point: Air Force Financial Services Center

The Air Force is reengineering its financial services delivery model through its Financial Management Transformation (FMT) effort. The objective is to provide the Air Force 'a longer tooth and a shorter tail' by returning resources from support operations to direct war fighting capabilities. The creation of the Air Force Financial Services Center (AFFSC), located at Ellsworth AFB in South Dakota, is a key component of the transformation effort, and will provide the Air Force $210M in cost savings and make available 598 manpower positions.

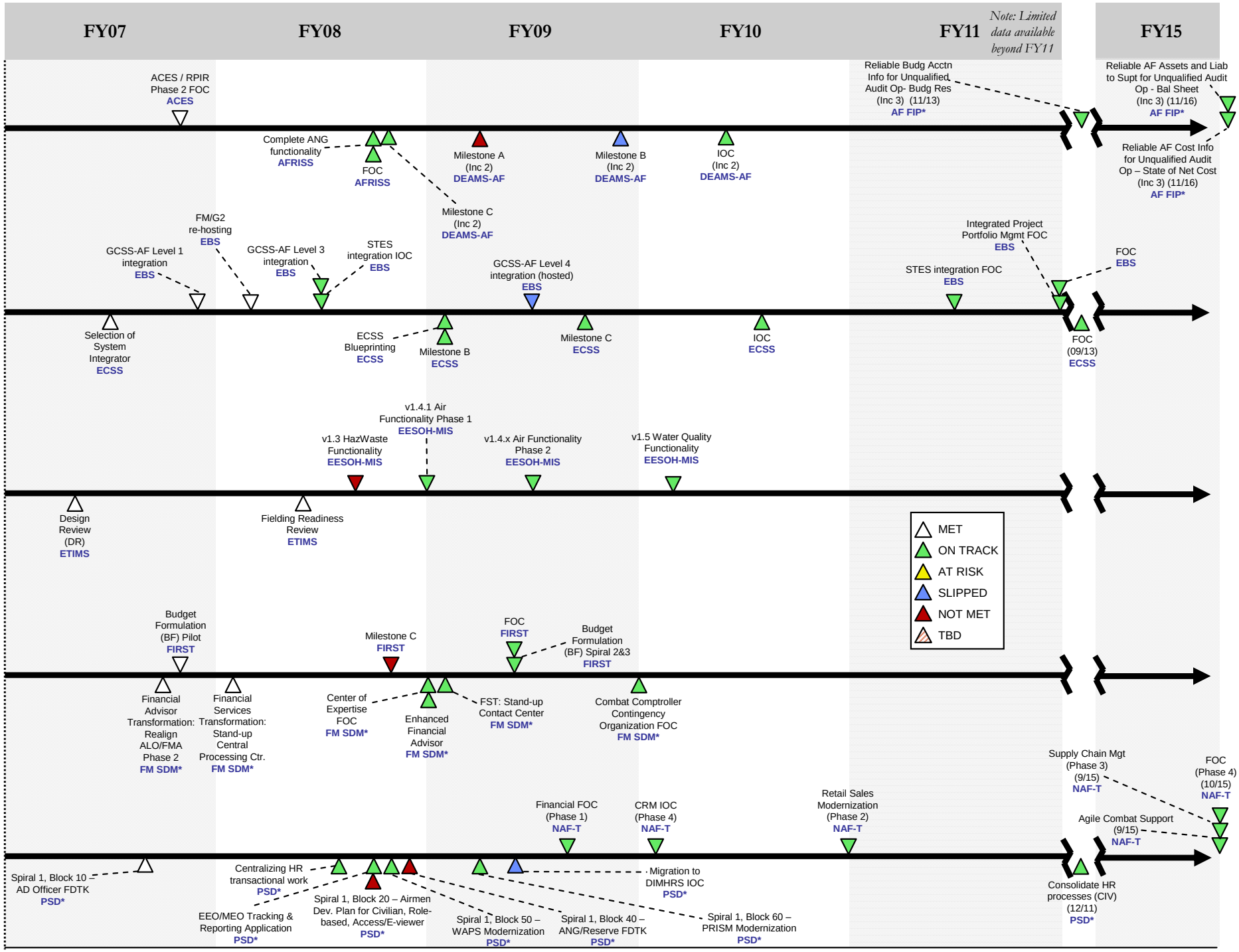
The AFFSC will lower processing times, error rates and costs while reducing the need for time-consuming face-to-face customer service interactions. The AFFSC will centralize most military and travel pay operations for 93 bases (Active and Reserve). Once fully operational, the AFFSC will boast a central processing center and a 24-hour 7-days-a-week contact center. The AFFSC project has gone from concept to reality in just over two years, and with Phase I construction nearly complete, and the initial cadre on the ground, the project remains on-schedule and on-budget.

The Initial Operational Capability (IOC) of Phase I of the AFFSC was October 2007. Phase I includes the creation of a Central Processing Center to assume responsibility for the financial processing currently being conducted at 93 bases.

The IOC for Phase II of the AFFSC is October 2008. Phase II reengineers the financial services delivery by establishing a Contact Center, which is designed to provide 24-hour Contact Center and web self-service tools. The contact center will allow Airmen to talk to a trained financial service technician to address any concerns a member may have concerning financial matters. AFFSC Contact Center staff will be equipped with advanced customer relationship management tools, built around an internet platform for maximum flexibility, which will allow staff to quickly and accurately solve customer problems and provide a consistent customer service experience for users. The web-enabled self-service options will allow Airmen to find answers to common questions, which will reduce the workload on base Financial Service Offices and the AFFSC.

For customers, movement of back-office financial operations to a central processing center will afford us the ability to serve them with timely and accurate payments. The opening of a 24-hour, 7 day-a-week Contact Center and enhanced online self-serve capabilities will offer innovative new options for handling their pay and travel inquiries.

The AFFSC is utilizing advanced information technology systems and redesigned processes to enable gains in efficiency and effectiveness, fundamentally changing the way services are delivered to our Airmen and returning critical resources to the warfighters. This initiative is also being developed in coordination with AF/A1 to develop Total Force Centers, which will create a common platform for delivery services between The AFFSC, Air Force Personnel Center, and Air Reserve Personnel Center.


FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
ACES‡
AF FIP*
AFRISS
DEAMS-AF
EBS
ECSS
‡ Target system or initiative is fully implemented (post - FOC)
* Initiative
EESOH-MIS
ETIMS
FIRST
FM SDM*
NAF-T
PSD*
ACES / RPIR Phase 2 FOC ACES
Reliable Budg Acctn Info for Unqualified Audit Op- Budg Res (Inc 3) (11/13) AF FIP*
Reliable AF Assets and Liab to Supt for Unqualified Audit Op - Bal Sheet (Inc 3) (11/16) AF FIP*
Complete ANG functionality AFRISS
FOC AFRISS
Milestone A (Inc 2) DEAMS-AF
Milestone B (Inc 2) DEAMS-AF
IOC (Inc 2) DEAMS-AF
Milestone C (Inc 2) DEAMS-AF
Reliable AF Cost Info for Unqualified Audit Op – State of Net Cost (Inc 3) (11/16) AF FIP*
FM/G2 re-hosting EBS
GCSS-AF Level 1 integration EBS
GCSS-AF Level 3 integration EBS
STES integration IOC EBS
GCSS-AF Level 4 integration (hosted) EBS
Integrated Project Portfolio Mgmt FOC EBS
STES integration FOC EBS
FOC EBS
Selection of System Integrator ECSS
ECSS Blueprinting ECSS
Milestone B ECSS
Milestone C ECSS
IOC ECSS
FOC (09/13) ECSS
v1.4.1 Air Functionality Phase 1 EESOH-MIS
v1.3 HazWaste Functionality EESOH-MIS
v1.4.x Air Functionality Phase 2 EESOH-MIS
v1.5 Water Quality Functionality EESOH-MIS
Design Review (DR) ETIMS
Fielding Readiness Review ETIMS
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
Budget Formulation (BF) Pilot FIRST
Milestone C FIRST
FOC FIRST
Budget Formulation (BF) Spiral 2&3 FIRST
Financial Advisor Transformation: Realign ALO/FMA Phase 2 FM SDM*
Financial Services Transformation: Stand-up Central Processing Ctr. FM SDM*
Center of Expertise FOC FM SDM*
Enhanced Financial Advisor FM SDM*
FST: Stand-up Contact Center FM SDM*
Combat Comptroller Contingency Organization FOC FM SDM*
Supply Chain Mgt (Phase 3) (9/15) NAF-T
FOC (Phase 4) (10/15) NAF-T
Financial FOC (Phase 1) NAF-T
CRM IOC (Phase 4) NAF-T
Retail Sales Modernization (Phase 2) NAF-T
Agile Combat Support (9/15) NAF-T
Spiral 1, Block 10 – AD Officer FDTK PSD*
Centralizing HR transactional work PSD*
Migration to DIMHRS IOC PSD*
EEO/MEO Tracking & Reporting Application PSD*
Spiral 1, Block 20 – Airmen Dev. Plan for Civilian, Role-based, Access/E-viewer PSD*
Spiral 1, Block 50 – WAPS Modernization PSD*
Spiral 1, Block 40 – ANG/Reserve FDTK PSD*
Spiral 1, Block 60 – PRISM Modernization PSD*
Consolidate HR processes (CIV) (12/11) PSD*

Chapter 7: Defense Logistics Agency

DLA Transformation Vision and Strategy

Among the sources of America's vast national power is its ability to deploy the men and women of the armed forces to any location on the planet and to sustain them there in an exceptionally high state of warfighting readiness. This ability is wholly dependent upon the superior personnel readiness of its Soldiers, Sailors, Airmen and Marines, the outstanding readiness of the aircraft, ships, tanks and other platforms essential to combat, and the nation's ability to sustain readiness, regardless of locale or duration.

DLA is the bridge between the warfighter and the American industrial base, the underlying source of the nation's military power. The Services rely on the agency for 100% of their subsistence items, medical materiel, clothing, footwear and protective garments, all the essentials of personnel readiness. DLA also provides 100% of the Services' worldwide fuel and energy requirements, essential elements of force projection. Not stopping there, DLA provides approximately 95% of the repair parts the Services require to keep warfighting platforms and warfighting support equipment in top-notch flying, driving and steaming condition, essential elements of force readiness and sustainment.

The agency's vision is to extend the enterprise forward to meet the needs of the warfighter by providing the right item, right service, right place, right price, right time, every time. DLA has identified three strategic thrusts to achieve this vision, each designed to move the agency beyond its traditional wholesaler responsibilities. These include:

Extend the Enterprise – DLA resources will geographically align with supported activities far more than today. While agency supply and distribution centers will remain activity hubs, DLA employees, inventories, and logistics capabilities will be located forward, beyond traditional agency borders to capitalize on best value opportunities to improve warfighter readiness. This will allow DLA to extend processes, capabilities, and effects deeper into customer and supplier operations, as well as expand business operations through Base Realignment and Closure (BRAC) efforts.

Connect Warfighter Demand with Supply – DLA will transform the DoD demand planning capabilities and the processing of demand signals throughout the supply chain. Building on the agency's recent evolution from managing supplies to managing suppliers, DLA will establish and manage seamless business process links between the Services' materiel requirements and the source of their materiel—the American industrial base. This will enable DLA to improve forecast accuracy through collaboration, improving supplier performance and reducing delivery time to the customer through collaborative supply planning and strategic material sourcing.

Deliver Supply Chain Excellence – Recognizing that warfighter support diminishes if a supply chain sub-optimizes or fails to perform, DLA will forge end-to-end logistics solutions that strike the targeted balance between effectiveness, agility, reliability, speed, visibility, and cost. DLA stewardship responsibilities extend beyond the agency to effective and efficient logistics processes for the entire DoD enterprise. In every case, DLA will exercise responsible leadership by proactively collaborating with national supply chain partners in developing solutions that best

support the warfighter. This will empower DLA and develop the workforce with improved tools and information. In addition, this will allow the implementation of outcome-oriented performance measures that optimize the cost-to-serve.

DLA's three strategic thrusts impact its four goals, which serve as DLA's priorities. Achievement of these priorities will help DLA implement its strategy and achieve its vision. The four priorities are:

1) Warfighter Support
2) Internal Processes
3) Learning and Growth
4) Stewardship

DLA Business Transformation Overview

DLA's business transformation has fundamentally altered DLA's core business model, supporting processes, and systems architecture. DLA has adopted the approach of managing a portfolio of capabilities based on an agency-wide Component Enterprise Architecture (EA) that aligns with the Department of Defense's Business Enterprise Architecture (BEA). This portfolio approach provides a better understanding of DLA's transition path and its plan to become net-centric. Figure 7-1 depicts DLA's portfolio approach and is described in greater detail below.

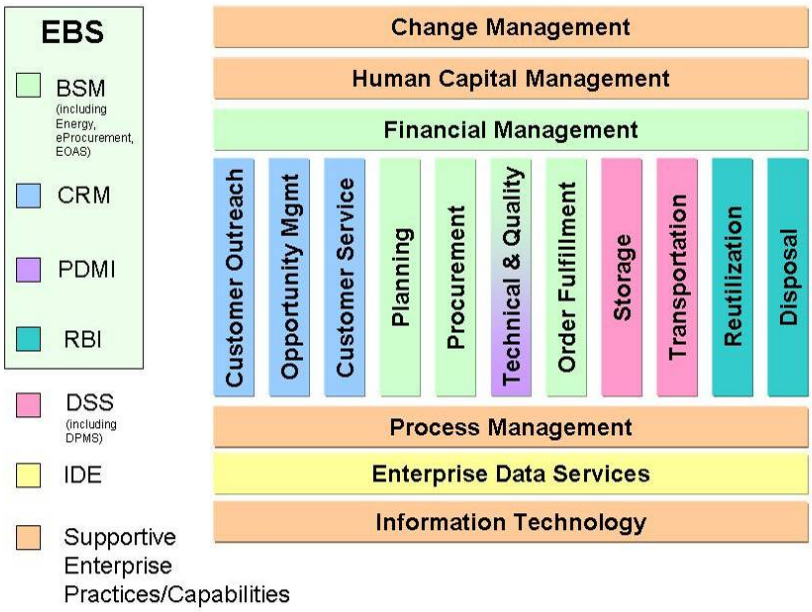


Figure 7-1: DLA's Portfolio Approach

The following investments comprise DLA's primary portfolio:

- The Enterprise Business System (EBS), DLA's Enterprise Resource Planning (ERP) platform for supply chain management, was developed and introduced into DLA operations with investment dollars managed through the Business Systems Modernization (BSM), Customer Relationship Management (CRM) and Product Data Management Initiative (PDMI) programs. CRM and PDMI are now part of the EBS process/systems integration framework. EBS coupled with the Distribution Standard System (DSS) and the data management and integration capabilities delivered by the Integrated Data Environment

(IDE) program form the cornerstone of the agency's logistics capabilities and represent significant progress in DLA's transition to net-centricity.

- IDE/Global Transportation Network (GTN) Convergence (IGC) is fundamental to DLA's enterprise data capability and will resolve DoD gaps in integrated, networked, end-to-end asset visibility, deployment, and distribution capabilities. IGC will possess the right capacity, scalability, agility, control, force projection, and timeliness to effectively support the joint force commander's ability to make decisions based on actionable logistics information.
- DLA's enterprise infrastructure capability is based on Global Information Grid (GIG) principles and partnership with the Defense Information Systems Agency (DISA) in key elements, such as data center operations and networking.
- As EBS continues to evolve, expansion of the capabilities and benefits introduced under the BSM program will be added through investments such as the Enterprise Operational Accounting System (EOAS), eProcurement, Energy Convergence, and the Retail Integration efforts required by BRAC.

Changes since the September 2007 Enterprise Transition Plan

BSM, CRM, DPMS and PDMI all achieved Full Operational Capability (FOC). Due to reprioritization of DLA's requirements such as BRAC, some of the originally planned optional releases will be implemented as post-FOC enhancements only.

BSM-Energy completed final operational testing, interoperability certification and Information Assurance Red Team Assessment. BSM-Energy achieved FOC in Q1 FY08 and is successfully supporting the warfighter.

The Reutilization Modernization Program (RMP) will be transitioning to Reutilization Business Integration (RBI). RBI will leverage EBS, DSS and other capabilities within the DLA Enterprise IT Portfolio to meet the IT needs of Defense Reutilization and Marketing Service (DRMS).

DLA Priority #1: Warfighter Support - Maximize Warfighter Potential

This priority embodies DLA's efforts to maximize warfighter potential by extending the Enterprise to provide worldwide response and integrated, best value supplies and services consistently to our customers. As a combat support agency, DLA's mission is to provide logistics support to the warfighter, and therefore, our first and most important priority addresses improved outcomes for our customers. The strategy to achieve this priority focuses on extending competencies and capabilities closer to the warfighters and actively engaging them to better understand their needs and meet their requirements. As part of engaging the warfighter, their needs are to be translated into actionable solutions that improve capabilities. A key, fully implemented transformational program that supports this priority is CRM. DLA continues to move forward with BRAC activities in order to pursue logistics economies and efficiencies that improve logistics support to joint and expeditionary forces. Three specific BRAC activities are instrumental in achieving this priority and are discussed in the Other Transformational Activities section below.

Fully Implemented Programs

CRM: CRM provides DLA with the information and processes necessary to know our customers, understand their needs, and effectively build relationships among DLA, our customers, and industry partners. Currently, 1,800 DLA employees are using the customer service, opportunity management and customer outreach CRM processes that are part of the EBS capability.

Other Transformational Activities

BRAC recommendations became official November 2005, legislatively mandating three supply and storage decisions impacting the agency:

- Commodity Management Privatization
- Depot Level Reparable (DLR) Procurement Management Consolidation
- Supply, Storage, and Distribution (SS&D) Management Reconfiguration.

Commodity Management Privatization: An activity to transfer supply contracting functions for tires, packaged petroleum products, and compressed gases from the Services to DLA and to disestablish (privatize) all other supply, storage, and distribution functions for these commodities. Privatization enables DoD to take advantage of the latest technologies, expertise, and business practices, which translates to improved support to customers at less cost. This decision will achieve economies and efficiencies that enhance the effectiveness of logistics support to forces as they transition to more joint and expeditionary operations.

DLR Procurement Management Consolidation: An activity to transfer procurement management and related support functions for the procurement of new DLRs and functions related to the management of consumable items from the Services to DLA.

Supply, Storage, and Distribution Management Reconfiguration: First, an activity to designate two additional DLA Distribution Depots as Strategic Distribution Platforms (SDPs), mirroring DLA's two existing SDPs. Second, this reconfiguration will transfer all supply, storage, and distribution functions in the Service Maintenance Depots from the Services to DLA, eliminating unnecessary redundancies and duplication, and streamline supply and storage processes.

Priority Accomplishments/Capabilities Delivered:

- For BRAC supply, storage, and distribution management reconfiguration:
  - In October 2007, implemented the first BRAC site at Warner Robins Air Logistics Center (WR-ALC).
  - In February 2008, implemented the second BRAC SS&D site at Oklahoma City Air Logistics Center (OC-ALC).
- Achieved transition commodity management privatization due to full performance of aircraft and land tires contracts in Q1 FY08.
- In 2007, the Military Services transferred 15,294 National Stock Numbers (NSNs) to DLA in accordance with the Consumable Item Transfer (CIT) process.
  - Air Force: 3,682
  - Army: 908
  - Marine Corps: 26
  - Navy: 10,678
- Achieved Provisional detachments for DLR procurement management consolidation, and developed a schedule for provisional detachment stand-ups at each Service site :
  - Army Tank-Automotive and Armaments Command: October 2007.
  - Army Aviation and Missile Command: October 2007.
  - Naval Inventory Control Point - Mechanicsburg/Philadelphia: January 2008.
  - WR-ALC: March 2008.

Near-Term Plans:

- Implement third BRAC SS&D site at Ogden Air Logistics Center (ALC) in April 2008.
- For DLR procurement management consolidation, implement strategic sourcing pilot to validate business rules; and implement Plan of Actions and Milestones for DLA DLR detachment stand-up at the following sites:
  - Ogden ALC: Detachment stand-up June 2008.
  - Oklahoma City ALC: Detachment stand-up June 2008.
  - Naval Inventory Control Point - Mechanicsburg/Philadelphia: Stand-up November 2008.
  - Army Aviation and Missile Command: Stand-up December 2008.
  - Army Tank-Automotive and Armaments Command: Stand-up January 2009.
  - Warner-Robins ALC: Stand-up February 2009.
- Implement distribution functions for BRAC SS&D sites at Navy Fleet Readiness Centers (FRCs) Southeast (Jacksonville, FL), East (Cherry Point, NC), and Southwest (North Island, CA) beginning October 2008.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DLA Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Extend competencies and capabilities closer to the warfighter Actively engage the warfighters to better understand their needs and meet their requirements	Customer Relationship Strength Index
Note: The metrics for the DLA Strategic Plan are currently under revision and are subject to change pending approval by DLA senior leadership.	

DLA Priority #2: Internal Processes - Improve DLA performance through better processes and business arrangements

This priority is to continuously improve DLA performance through development of better processes and business arrangements that reduce cost, increase logistics capabilities, and link customer demands with DoD supply chains. Supply chain management practices provide the tools to manage our internal processes. Strategies to support this priority include aligning demand and supply chain capabilities within the supply chain management model to better support the warfighters and their weapon systems, leveraging industry capabilities to provide world-class support to the warfighter at the lowest possible cost; achieving world-class supply chain performance by completing DLA's transition from wholesale to end-to-end supply chain management excellence; and designing, implementing and sustaining a best value enterprise IT environment. With the completion of the BSM program, DLA has implemented EBS, our ERP platform and the cornerstone of our capability to meet this priority. We will achieve this priority through enhanced capabilities to EBS provided by BSM-Energy, IDE, RBI, EOAS, eProcurement and Energy Convergence and to continue to build on the capabilities delivered by BSM, CRM, DPMS, and PDMI.

Fully Implemented Programs

BSM
Status at a Glance
✓ FOC – Q4 FY07

BSM: BSM established the core architecture for DLA's Enterprise Business System as the ERP platform for supply chain management of DLA's 5.2 million hardware and troop support items. It is the IT foundation that enables DLA to fully implement electronic business, web-based technologies, and an interoperable data environment. Quantitative benefits to be achieved as a result of the BSM program include improved demand forecasting and improved operational effectiveness and efficiencies.

DPMS: DPMS optimizes transportation planning for vendor shipments and provides customers with real-time supply chain information, supporting the storage and transportation capabilities, as shown in the graphic in Figure 7-1. DPMS now provides customers with information at the time of vendor shipment—key supply chain information that was never available before.

PDMI: PDMI now provides efficient technical processes and quality business processes by increasing the accuracy and accessibility of product data and providing a single enterprise application for management of all DLA product data.

Transformation Programs

BSM-Energy
Status at a Glance
✓ Interoperability Test Certification – Q1 FY08
✓ DOT&E Operational Assessment Results and Recommendations – Q1 FY08
✓ FOC – Q1 FY08
Approach: Vertically integrated E2E fuel supply chain management system.

BSM-Energy: BSM-Energy satisfies the DoD Component Integrated Material Management requirements for a system that supports a vertically integrated end-to-end (E2E) fuel supply chain management system. A web-based, net-centric enterprise resource management system is necessary to manage energy from its source to consuming equipment, while incorporating electronic commerce requirements and other technical capabilities.

Common Food Management System (CFMS): CFMS is a joint initiative between DLA and its Military Service customers. CFMS will use a best of breed Commercial Off-the-Shelf (COTS) product to provide core food management and dining facility functionality, and enable a tightly integrated Class I subsistence supply chain that will connect warfighter demand with supply.

IDE: IDE delivers infrastructure and information services to facilitate information sharing that will enable the extended DLA enterprise to execute practices, processes, applications, and decision support tools and achieve logistics information interoperability. Phase II:

IDE
Status at a Glance
- FOC – Q4 FY11

Approach:
Phase I: Asset Visibility
Phase II: Expands information sharing services

- Expands information sharing services to support DLA transformation programs.
- Shares DLA-managed data with the Components.
- Shares DoD supply and transportation data to support GTN product improvements.
- Enhances the IDE infrastructure capacity to accommodate additional interfaces to supply and transportation source systems.

IGC: IGC is a U.S. Transportation Command (USTRANSCOM)/DLA initiative to enable supply chain, logistics, transportation and distribution-related visibility and consistent access to common authoritative data within a single IT system. IDE is a modern net-centric, data sharing capability that provides a single point of access to supply chain data across DLA.

RBI: DLA has changed its strategy to modernize the Defense Reutilization and Marketing Service (DRMS) mission area by not pursuing a separately funded and delivered capability via RMP. RBI will leverage EBS, DSS and other capabilities within the DLA Enterprise IT Portfolio to meet the IT needs of DRMS, as depicted in Figure 7-1.

Priority Accomplishments/Capabilities Delivered:

- The BSM program achieved FOC in July 2007, delivering EBS and enabling DLA to be compliant with the Joint Technical Architecture and the data exchange standards necessary for DLA to interoperate with its customers and suppliers. Prior to BSM, DLA previously provided common logistics support to the Services and Combatant Commanders using legacy materiel management systems such as Standard Automated Materiel Management System (SAMMS).
- In Q1 FY08 BSM-Energy obtained its operation assessment results and recommendations from the Office of the Secretary of Defense for Operational Test and Evaluation (DOT&E). Having met all other programmatic requirements, and having collaboratively developed with Joint Interoperability Test Command (JITC) a plan of action with milestones to address Information Assurance (IA) deficiencies consistent with DOT&E's recommendation, BSM-Energy has completed all programmatic actions required for achieving FOC.
- Through IDE, near real-time asset and requisition status data service is deployed and available to Navy and Air Force systems. Rapid data availability allows the Navy and Air Force to project weapon systems availability and to plan future operations. DLA and USTRANSCOM data and web services are now discoverable and easily accessible via the Data Discovery Portal.
- In October 2007, the Business Transformation Agency Enterprise Risk Assessment Model (ERAM) Team conducted an assessment of IGC against key risk indicators of Strategy, People, Process, Technology, Scope/Requirements, External, and Contracts via a review of program documents/artifacts and interviews with key program resources and stakeholders. The assessment was carried out in conjunction with the program being re-categorized from pre-Major Automated Information System (pre-MAIS) to an Acquisition Category (ACAT) III program and January 2008 release of the IGC Request for Quote (RFQ). The assessment results highlighted the strength of the DLA/USTRANSCOM partnership and the effectiveness of small, empowered teams.

This table provides the DLA Priority #2 Critical Milestones for FY08 and FY09.

DLA Priority #2	
FY08 Critical Milestones	**FY09 Critical Milestones**
√ BSM-Energy: FOC √ BSM-Energy: Full-Rate Production Decision Review (FRPDR) for OCONUS (Bulk & PC&S) • CFMS: Milestone C (Q3)	• CFMS: IOC (Q1) • RBI: Begin production with EOAS (Q3) • BSM: FOC: eProcurement for EBS Initiatives-Continuous Post Product Improvement (Q3) • BSM: FOC: Enterprise Operating and Accounting System (EOAS) for EBS Initiatives-Continuous Post Product Improvement (Q4)

Near-Term Plans:

- An additional capability of IGC currently in development and scheduled for release in April 2008 is World Wide Express (WWX) and International Heavyweight Express (IHX), which will provide the Air Mobility Command, USTRANSCOM's air component, the ability to measure WWX/IHX Air Carrier Shipment Status compliance. The MCC and WWX/IHX capabilities are significant to IGC because they help create the conditions that will eventually allow the IGC program to sunset legacy GTN components and enable many programs to utilize these new technical capabilities in a way that improves system integration and

interoperability. This will lead to improved visibility, decision making, timeliness, and process change across the Joint Deployment and Distribution Enterprise (JDDE).

- In Q3 FY08, IDE will make available data such as air carrier transaction data, transportation reference data, requisition data, and radio frequency in-transit visibility (RF-ITV) data to support Global Transportation Network P3I for WWX/IHW performance against contract requirements.
- In Q4 FY08, IDE will initiate publishing and subscription of data from external systems to the DLA Enterprise Operational Accounting System (EOAS), extending DLA's financial architecture in support of auditability.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DLA Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Design, Implement and Sustain a Best Value Enterprise IT Environment Continuously improve best business practices to optimize quality and speed, reducing cycle time and cost	Perfect Order Fulfillment (POF)
Note: The metrics for the DLA Strategic Plan are currently under revision and are subject to change pending approval by DLA senior leadership.	

DLA Priority #3: Learning and Growth - Ensure a diverse, enabled, empowered, and motivated workforce that delivers and sustains supply chain excellence

This priority focuses on ensuring a diverse, enabled, empowered and motivated workforce capable of delivering and sustaining supply chain excellence. DLA's success depends on effective strategic management of our human capital. Our workforce must be properly staffed, possess the appropriate capabilities, and be equipped and motivated to perform the DLA mission. This priority will be achieved through institution of a comprehensive talent management program, a corporate culture that enables DLA to meet the needs of the warfighter through logistics excellence, and a quality work environment that optimizes employee performance. Activities to achieve this priority include Capability Management and the Leadership Capability Program.

Other Transformational Activities

Capability Management: In support of DLA strategic objectives, DLA is engaging in a competency modeling and gap analysis process initially focused on a select group of mission critical occupations - those supporting the Executive Strategy Management tool (ESM) The competency assessment process was piloted in 2006, and will be implemented in three phases. The first phase - focused on the Contracting career field and EBS system sustainers - was completed in October 2007. Phase 2 will focus on Logistics and includes the following occupational series: 0301, 1910, 2001, 2003, and 2010. Phase 3 of the Capability Management initiative will include the assessment of critical leadership competencies of employees in designated key leadership positions. Other occupational areas to be included in Phase 3 will be identified through assessment of critical organizational needs and workforce demographics such as attrition and turnover rates, distribution of occupational expertise, retirement eligibility, and recruitment capability.

Leadership Capability Program: This initiative is focused on the development and implementation of an additional tier of the DLA Enterprise Leader Development Program and is aligned with the DLA strategic objective to increase agency bench strength for key and senior executive positions. The Tier V program was launched in November 2007 via orientation sessions conducted at the Defense Supply Center Columbus, Defense Supply Center Richmond, Defense Supply Center Philadelphia, and the Defense Distribution Center. Tier V addresses leader selection, leadership competency assessment, and development.

Priority Accomplishments/Capabilities Delivered:

- Access to a web-based change management site was provided to all DLA employees through eWorkplace in August 2007. This site continues to provide managers and employees with information, techniques, and tools to successfully manage personal and organizational change. Facilitating the ability of the workforce to remain productive during periods of change, such as, those associated with BRAC and implementation of National Security Personnel System (NSPS) – will ensure that DLA is continually able to provide the right logistics solution, in every transaction, to the American warfighters.

Near-Term Plans:

- Capability Management: Proceed with subsequent phases of the competency assessment process. Current phase focuses on Logistics operations and includes quality assurance, inventory management, and supply management occupations.
- Leadership Capability: Continue implementation of Tier V, to include assessment of critical leadership competencies.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DLA Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Acquire, develop, and retain supply chain expertise Attain and sustain a corporate culture that meets the needs of the warfighter through logistics excellence Provide a Quality Work Environment that optimizes employee performance	Employee Perceptions of Organizational Learning & Capability Development Leadership Effectiveness/Multisource Feedback
Note: The metrics for the DLA Strategic Plan are currently under revision and are subject to change pending approval by DLA senior leadership.	

DLA Priority #4: Stewardship - Manage DLA Resources for Best Customer Value

Focusing on financial goals will sustain the strong financial discipline required to ensure effective financial planning and management in DLA. The strategies and objectives associated with this priority allow DLA to provide best value to DLA customers. Accurate forecasts strengthen DLA's ability to project and support requirements and plan for the resources needed. Better supply chain cost decisions result in better management of our resources. DLA's ability to demonstrate audit readiness will provide assurance to DLA management and stakeholders that our financial management systems produce relevant, reliable, and timely information. While many transformation programs and activities contribute to achievement of this priority, the primary transformation effort to ensure DLA auditability is EBS. The Enterprise Operational Accounting System (EOAS) is a capability that will extend the EBS financial architecture, incorporating non-supply financial accounting in support of auditability. Furthermore, DLA is implementing the

Standard Financial Information Structure (SFIS) in all core financial and business financial feeder systems in support of auditability.

Transformational Programs

EOAS will leverage the BSM software configuration, licenses, and infrastructure capabilities to leverage and extend EBS's ability to provide timely and accurate financial reporting. As an extended capability of EBS, EOAS captures and reports timely and accurate financial management information for non-Supply business areas and replaces non-compliant legacy systems. EOAS will facilitate the transformation of DLA financial management by providing an ERP solution, with financial management functionality and data supported by a single COTS solution. EOAS will provide an integrated system and will extend the DLA financial architecture in support of auditability to be compliant with the Federal Financial Management Improvement Act (FFMIA) and the DoD BEA.

Other Transformational Activities

SFIS is an enterprise data structure that supports requirements for budgeting, financial accounting, cost/performance, and external reporting across the DoD. SFIS is a requirement for all systems supporting financial transactions as it provides a standard for categorizing financial information along several dimensions to support financial management and reporting functions. SFIS enables decision makers to efficiently compare similar programs and activities across DoD and provides the level of detail required for information retrieval and auditability. DLA is implementing the Under Secretary of Defense (Comptroller) policy, which requires systems containing financial information to provide the ability to capture and transmit SFIS data as part of a certification process.

Priority Accomplishments/Capabilities Delivered: Currently engaged with the BTA/BEI team to certify the CFMS as SFIS compliant. Recently completed updating and re-submitting new SFIS checklists for all affected system investments to bring them in compliance with BEA 4.1. Checklists are updated as required when the architecture is changed.

Near-Term Plans:

EOAS software is scheduled to be deployed with a technical upgrade in October 2008. After a period of sustainment, deployment is scheduled for three phases, February 2009, April 2009 and June 2009. Each phase addresses the complexity required to address the targeted business area's deployment. The phasing process will be used to ensure software is stabilized before proceeding to the next deployment, thus minimizing the risk to the business area and Agency operations.

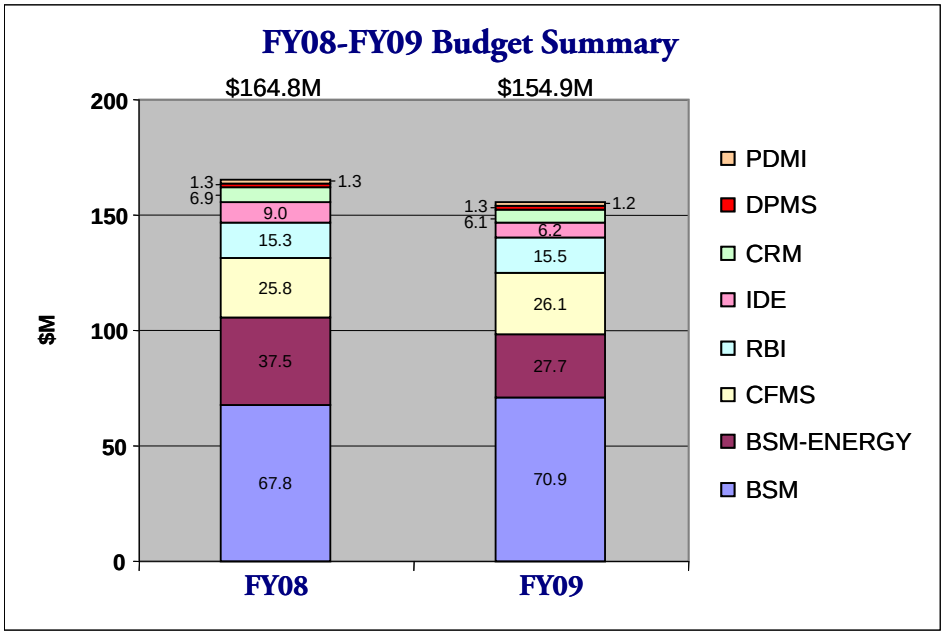
- Within the next six to eighteen months, DLA will be engaging the BTA team on SFIS compliance for EOAS, BSM-Energy, DSS, eProcurement, Financial Document Workflow (FDW), and the Defense Reutilization and Marketing Service Automated Information System (DAISY) system initiatives

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DLA Priority #4 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Minimize Total Supply Chain Costs Demonstrate stewardship and foster stakeholder trust	Cost Recovery Rate (CRR)
Note: The metrics for the DLA Strategic Plan are currently under revision and are subject to change pending approval by DLA senior leadership.	

Defense Logistics Agency Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for DLA programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

- The BSM program delivered the Defense Logistic Agency Enterprise Business System (DLA EBS). BSM-Energy, CRM and PDMI investments are delivering major transformational capabilities and enhancements to DLA EBS.
- RBI – Acronym and name changed from Reutilization Modernization Program (RMP) to Reutilization Business Integration (RBI). Record in DITPR has been updated to reflect change and the SNaP-IT record will be updated during the next budget cycle.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

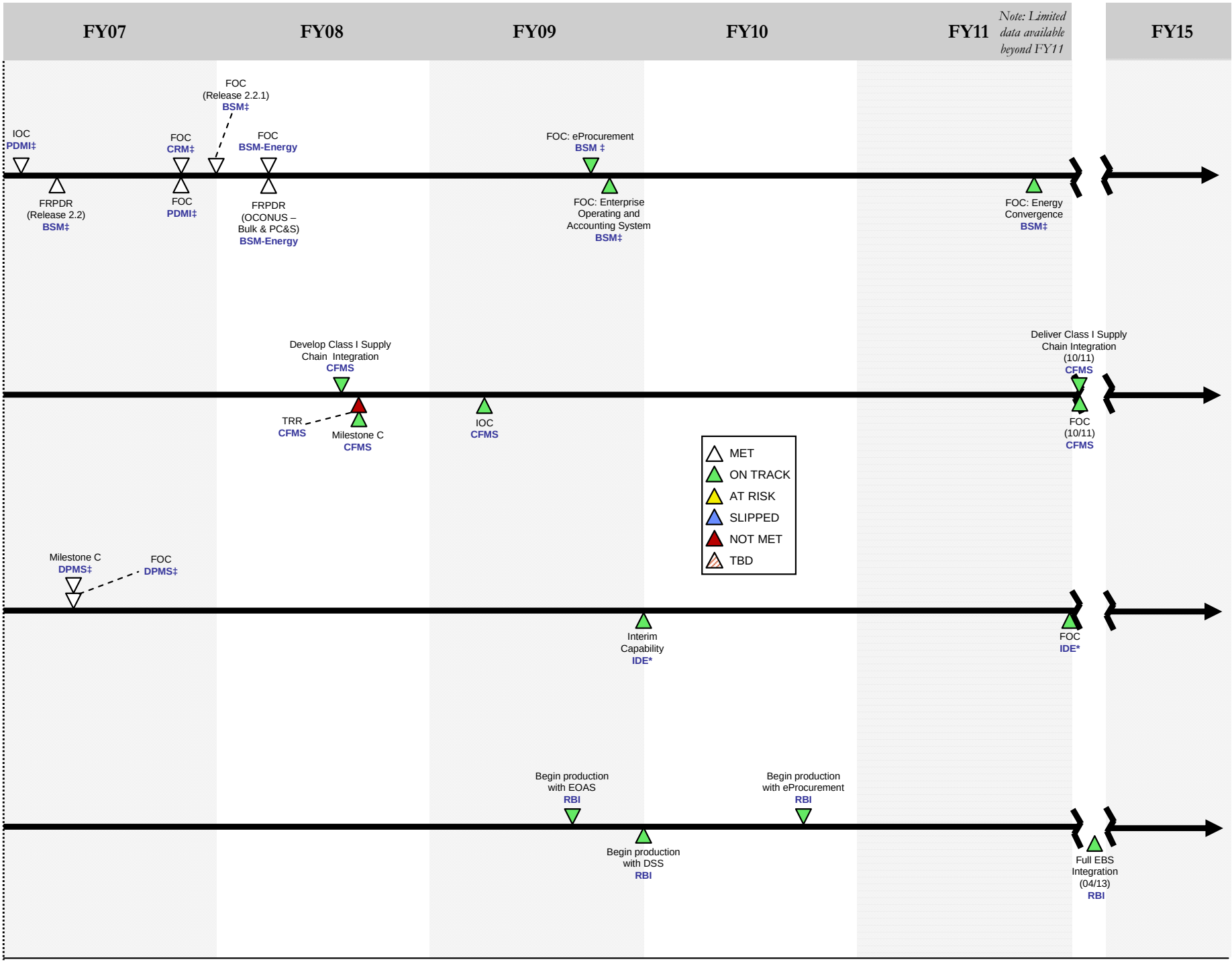
How DLA Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the DLA's business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/ Activity	PV	AV	CSE	MV	RPA	FV	Impact
BSM		●		●		●	AV: provides visibility from requirement receipt to item delivery and enables contracting personnel to compile solicitation/award documents that include all necessary terms and conditions. MV: improves DLA's ability to identify needs and improves demand plan accuracy. Ensures inventory availability via optimized inventory, reduced response times, and ability to track customer orders. FV: delivers a SFIS- and FFMIA-compliant financial management capability supporting financial auditability.
BSM-Energy				●		●	MV: deliver an integrated supply chain management system for fuels to increase fuel accountability for all Defense fuel supply points and retail point of sale data collection sites. Decrease processing time via telecommunication assets and automation that promote near real-time data processing. FV: utilize SFIS and FFMIA compliant financial management capabilities, thus supporting financial auditability.
CFMS		●		●		●	AV: implement an enterprise reporting capability for managers at all levels to view what is being ordered and consumed by their customers. MV: Integration of the Class I supply chain provides the Services and DLA visibility of food management operations at the lowest level. Improve data integrity and visibility as common master data is defined across the Services. Drive changes into cataloging and pricing processes to improve order and receipt processing and ease local food management operations. FV: Compliance with SFIS and financial regulations enables CFMS to address financial management weaknesses, such as providing the Services with the ability to ensure sufficient funds are available prior to order transmission.
CRM				●			Assists in requirements identification and provides reliable information about asset visibility in early stages of the DoD order process. CRM gives customers easier access to DLA. Increases knowledge of customer needs and helps DLA work with suppliers to obtain their support to tailor customer solutions.
DPMS				●			Gives real-time information on location, movement, and status of supplies and equipment. Supports DLA's commitment to fuse logistics and transportation information, providing rapid crisis response due to improved visibility and the ability to shift assets while en route. Provides global end-to-end distribution management.
IDE				●			Makes supply chain, distribution, and transportation data available via a data discovery portal. Provides a single source of data to support joint warfighter business intelligence tools such as AV, GTN, and the Single Mobility System.
PDMI				●			Delivers an enterprise, collaborative product data/product lifecycle management system, which yields prompt, accurate responses to engineering issues that affect procurement actions. DLA and customers realize higher levels of visibility throughout DLA's technical business processes and business work flows.
RBI		●		●		●	AV: make DRMS inventory visible to all personnel making procurement decisions through integration of DRMS inventory data within the supply chain. MV: enhance accountability and reutilization of DRMS-owned excess property via data completeness, currency and visibility within the supply chain. FV: enable DRMS to be compliant with SFIS and FFMIA, which will foster better stewardship of the tax dollars entrusted to DRMS.

‡ Target system or initiative is fully implemented (post - FOC)

* Initiative



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Chapter 8: U.S. Transportation Command

USTRANSCOM Transformation Vision and Strategy

USTRANSCOM is assigned significant responsibilities for coordinating and synchronizing DoD distribution. Providing rapid global mobility support to the warfighter in an era of transformation presents several unique challenges in the areas of readiness, modernization, process improvement, and support to our people.

USTRANSCOM is a supporting command working to improve DoD deployment and distribution and increase Joint Force Commanders' freedom of action across the full range of military operations.

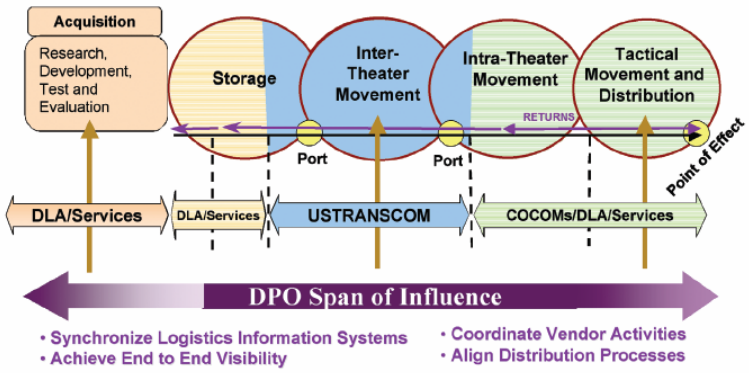


Figure 8-1: USTRANSCOM DPO Responsibility

With the role of Distribution Process Owner (DPO), USTRANSCOM is singularly responsible for synchronizing the distribution pipeline. This does not translate to owning all supply chain segments. It does mean that USTRANSCOM exercises a span of influence throughout the entire distribution process, as depicted in Figure 8-1. USTRANSCOM actively works to strengthen teamwork among the Joint Deployment and Distribution Enterprise (JDDE) Community of Interest (COI) members to increase the momentum of change.

Our basic strategy is to maintain excellence in the command's enduring transportation and global patient movement missions, while seeking to improve distribution processes for the warfighter. The USTRANSCOM vision remains the same: to create and implement world-class global Deployment and Distribution solutions in support of President, Secretary of Defense, and Combatant Commander assigned missions.

Key elements of our strategy to achieve this vision include having End-to-End (E2E) Total Asset Visibility (TAV) and In-transit Visibility (ITV); improving decision cycle time by providing Information Technology (IT) support to turn real-time distribution data into actionable information; promoting DoD-wide financial solutions; and optimizing E2E distribution through improved and standardized resources, processes, and systems. USTRANSCOM is putting in place agreements with its JDDE COI partners to optimize cooperation across the DPO Span of Influence.

USTRANSCOM Business Transformation Overview

USTRANSCOM is responsible for synchronization and interoperability of distribution-related activities supporting force projection, sustainment, and redeployment/retrograde of military forces and materiel. Specific goals to successfully execute these responsibilities are contained within the USTRANSCOM Strategic Plan.

The four goals are:

- Mature the JDDE
- Leverage collaboration and partnerships
- Develop expeditionary approaches
- Enable joint distribution concepts

To achieve these goals, USTRANSCOM has established four transformational priorities:

- E2E visibility – develop an optimal distribution process that enables Command and Control (C2) and the ability to deploy joint theater logistics C2, while simultaneously improving asset visibility, effectiveness, and efficiency throughout the DoD
- IT optimization of capabilities – maximize distribution effectiveness by providing optimized E2E Joint Deployment and Distribution IT capabilities
- Financial accountability – provide superior data control and accountability by developing Chief Financial Officer (CFO) -compliant financial IT systems to consolidate/replace legacy systems
- Execution effectiveness – achieve 100% TAV and ITV of all materiel and forces; standardize aerial and surface port IT capabilities, processes, procedures, and tactics

Changes since the September 2007 Enterprise Transition Plan

USTRANSCOM has not changed its list of target transformation programs.

USTRANSCOM Priority #1: End-to-End Visibility

The best way to describe E2E visibility is to use a United Parcel Service analogy that Gen. Schwartz, USTRANSCOM's Commander, provided: "You send me something and I can track it on the Web and know where it is at any point in time. In that engine there is trust and confidence. That same sort of insight needs to be available in the DoD supply chain." To that end, the USTRANSCOM Commander's Guidance for 2008 has designated this year as the Year of Visibility. The strategy to achieve E2E visibility was to first perform in depth analysis to identify gaps in the current E2E process. Based on analysis results, USTRANSCOM is establishing an enterprise IT infrastructure and a Joint Deployment and Distribution Architecture (JDDA) to automate improved processes, data, and tools. The transformation program supporting this priority is Agile Transportation for the 21st Century (AT21).

AT21
Status at a Glance

- ✓ Milestone B – Q3 FY07
- IOC Inc1 – Q4 FY09

Approach:
Inc1 Requirements Workflow
Inc2 Strategic planning
Inc3 Operational scheduling

Transformation Programs

AT21: AT21 will reengineer and automate transportation planning processes to capture, consolidate, and track requirements, beginning with a customer need, and translate it into a total plan to fulfill that requirement, including sourcing (supply), nodes, resources and lift capability (transportation). AT21 provides the environment, using commercial order management and transportation management systems, through which all distribution movement, business transactions, and collaborative sessions will be conducted.

Priority Accomplishments/Capabilities Delivered:

- Conducted source selection activities.

This table provides USTRANSCOM Priority #1 Critical Milestones for FY08 and FY09.

USTRANSCOM Priority #1	
FY08 Critical Milestones	FY09 Critical Milestones
	• AT21: IOC (Increment 1) - Increased requirements visibility and reduced workload of requirements management and consolidation business processes (Q4)

Near-Term Plans:

- Anticipate initial contract deliverable for E2E blueprint in Q4 FY08.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

USTRANSCOM Priority #1 Outcomes and Metrics	
Targeted Outcomes	Performance Metrics
Improved control, coordination, and synchronization of the Joint Deployment and Distribution Enterprise	On-Time Delivery: 90% Threshold 98% Objective Deployment/Distribution Forecast Accuracy: 60% Threshold 95% Objective

USTRANSCOM Priority #2: Information Technology Optimization of Capabilities

This priority is to maximize distribution effectiveness by providing optimized E2E Joint Deployment and Distribution IT capabilities. The strategy to achieve this priority is to provide Combatant Commands (COCOMs), Services, and Agencies a cohesive IT environment to manage supply, distribution, and logistics information. A single repository will be created for consistent access to common, authoritative data by DLA, USTRANSCOM, and others. The strategy to achieve this priority includes implementing the following key capabilities:

- Single sign-on to the Global Combat Support System-Joint (GCSS-J) portal – improves warfighting user experience.
- Publish/Subscribe access to data – promotes reliable and uniform decision making.
- Enterprise Data Warehouse – one place for supply chain, distribution, and logistics data.
- Enterprise data brokering – provides JDDE data and status suitable for COCOMs.

Transformation programs to achieve this priority include: Integrated Data Environment/Global Transportation Network (IDE/GTN) Convergence (IGC), Common Operational Picture for Distribution and Deployment (COP D2), Customs Process Automation (CPA), and Defense Personal Property System (DPS).

Transformation Programs

IGC: A USTRANSCOM/DLA program to enable supply chain, logistics, transportation and distribution-related visibility and consistent access to common authoritative data. Convergence creates a modern, net-centric, data sharing capability that provides a single point of access to data for decision support across both commands.

COP D2: an initiative to provide strategic, operational, and tactical decision makers with required information visibility through a portal providing a single sign-on capability that is customizable to their needs.

IGC
Status at a Glance

- ✓ Motor Carrier Compliance Concept demo complete – Q3 FY07
- ✓ ERAM Review Complete - Q1 FY08
- IOC – Q4 FY08

COP D2
Status at a Glance

- ✓ Single sign-on for NIPRNet – Q1 FY08
- ✓ DTTS/IRRIS IOC – Q1 FY08
- DTTS/IRRIS FOC – Q4 FY08

CPA
Status at a Glance

- FOC (Increment 1) – Q1 FY09

DPS
Status at a Glance

- ✓ IOC – Q2 FY08
- FOC – Q4 FY08

CPA: CPA is a system to automate creation and distribution of customs documents and related Defense Transportation System shipping documents. It will provide capabilities to populate electronic customs documents with information from approximately ten Service/Agency or vendor systems at the time shipments are tendered for movement.

DPS: DPS provides a single, standardized, worldwide, web-based personal property movement system to support over 500,000 shipments annually. DPS will implement an integrated move management system with 24/7 customer access, improve liability and claims processes, and improve carrier performance through performance-based contracting.

Priority Accomplishments/Capabilities Delivered:

IGC

- In October 2007, the BTA Enterprise Risk Assessment Model (ERAM) team conducted a favorable assessment of IGC against key risk indicators of Strategy, People, Process, Technology, Scope/Requirements, External, and Contracts via a review of program documents/artifacts and interviews with key program resources and stakeholders. The assessment was carried out in conjunction with the program being re-categorized as an Acquisition Category (ACAT) III program, and the release of Request for Quote (RFQ) on January 2, 2008. Highlights of the ERAM Team's findings included:
  - The IGC program staff has performed well in implementing the recommendations from a previous ERAM assessment.
  - Strong collaboration between DLA and USTRANSCOM continues; leadership remains committed, engaged and accessible.
  - The IGC program is led by a highly skilled Government team, notably in the areas of program management, engineering and architecture.
  - IGC has proven that great strides can be made in program implementation using a small focused team with the requisite skills.
  - IGC has demonstrated and justified the value proposition for the capability it provided through:
    - The June 2007 fielding of the Motor Carrier Compliance (MCC) application by GTN utilizing IDE services; and
    - The integration of MCC with the GCSS-J portal in November 2007.
  - Motor Carrier Compliance (MCC) is the first of three pre-planned product improvements to the USTRANSCOM's Global Transportation Network (GTN) system utilizing data services from the Defense Logistics Agency's Integrated Data Environment (IDE) system. The release of MCC in June 2007 was the first step in creating the conditions for a follow on initiative called IDE/GTN Convergence (IGC), which will award a single contract for both existing programs in Q3 FY08. The MCC application was implemented using the principles of a service-oriented architecture and the existing IDE Enterprise Service Bus. The MCC application is significant in that it validates the concept and architecture that IGC will use to sunset the legacy components of GTN and create a single point of access for decision support-related data and information within DLA and USTRANSCOM and between DLA/USTRANSCOM and external systems.
  - The new MCC capability allows USTRANSCOM's ground component, the Military Surface Deployment and Distribution Command (SDDC) to determine which Tailored Transportation Contract II commercial truck carriers are providing required electronic movement status. The Government uses MCC reports to take corrective action with

noncompliant carriers, resulting in better quality data. Better quality data leads to improved surface distribution results and elimination of gaps in visibility across the end-to-end distribution common operating picture for warfighters.

COP D2

- Delivered IOC of the Arms, Ammunition, and Explosives (AA&E) tracking capability in October 2007. Capability provides tracking of critical arms, ammunition, and explosives status to enable rapid response to potential emergency situations. Delivery enhances global awareness of assets through a web interface.
- Delivered a single sign-on Nonsecure Internet Protocol Router Network (NIPRNet) capability through GCSS Combatant Commanders/Joint Task Force (CC/JTF). Single sign-on provides capability to access five COP D2 applications: Radio Frequency In-Transit Visibility (RF-ITV), Asset Visibility (AV), Single Mobility System (SMS) Intelligent Road Rail Information Server (IRRIS) and GTN, using a single Common Access Card (CAC) authentication. Delivery provides access to a wide range of application capabilities through a single source.

DPS

- System IOC achieved on November 30, 2007, enabling, for the first time, qualifications and rate filing of the Transportation Service Providers to occur through DPS.

This table provides USTRANSCOM Priority #2 Critical Milestones for FY08 and FY09.

USTRANSCOM Priority #2	
FY08 Critical Milestones	FY09 Critical Milestones
√ COP D2: Spiral .5, Single Sign-on for NIPRNET √ COP D2: DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS IOC (Initial Tracking Capability) • DPS: DPS Initial Operational Capability (IOC) (Q2) • COP D2: DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS FOC (Q4) • DPS: DPS Full Operating Capability (FOC) (Q4) • IGC: IGC IOC (Q4)	• CPA: FOC (Increment 1) - Field & operation of Automated Customs Processing in 2 countries (Q1)

Near-Term Plans:

IGC

- Leveraging the existing GTN program and IDE programs, an additional capability scheduled for release in April 2008 is World Wide Express (WWX) and International Heavyweight Express (IHX), which will provide the Air Mobility Command (AMC), USTRANSCOM's air component, the ability to measure WWX/IHX Air Carrier Shipment Status compliance. The WWX/IHX capability is significant to IGC because it helps create the conditions that will eventually allow the IGC program to sunset legacy GTN components and enable many programs to utilize these new technical capabilities in a way that improves system integration and interoperability; leading to improved visibility, decision making, timeliness, and process change across the JDDE.

CPA

- Redevelop CPA prototype capabilities into a system architecture that will allow scalability to 18 countries. Deliver operational hardware providing the capability to expand CPA use for first two increments in June 2008 (eight countries).
- Transfer CPA prototype capabilities to the Defense Information Systems Agency (DISA) Defense Enterprise Computing Centers (DECC), in June 2008, which will greatly enhance the security posture of the system. CPA will provide automated customs processing to two countries and will be poised to accept the custom process automation to an additional 16 countries. This will decrease processing time and reduce warehousing costs for shipments awaiting customs clearance.
- Develop expanded automated capability for military air and both military and commercial surface customs clearance processes for initial two countries in Fall 2008.
- Provide the foundation for adding custom clearance processes for six additional countries during second increment by Fall 2008.

COP D2

- Achieve FOC for the COP D2 Defense Transportation Tracking System/Intelligent Road Rail Information Server (DTTS/IRRIS) migration effort to achieve enhanced AA&E visibility and emergency response management in FY08.
- Deliver Node Management Web Capability user requirements in support of the Node Management and Deployable Depot (NoMaDD) Advanced Concept Technology Demonstration (ACTD) to provide capability to visualize and analyze in theater asset tracking.
- Deliver a single sign-on for a Secure Internet Protocol Router Network (SIPRNet) capability through GCSS-(CC/JTF). Single sign-on provides capability to access five COP D2 applications (RF/ITV, AV, SMS, IRRIS, and GTN), using a single CAC authentication. Delivery provides access to a wide range of applications through a single source.

DPS

- Initiate household goods shipments in DPS, to include implementation of full replacement value coverage for any items lost or damaged during the move.
- Continue to develop functionality in DPS for remaining move types (e.g. Non-Temporary Storage, Direct Procurement Move).

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

USTRANSCOM Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Joint Logistics (Distribution) Common Operating Picture (JL(D)COP) Improved Enterprise Data Visibility	Spiral development of COP D2 complete
Improved management of personal property shipments	DPS – FOC

USTRANSCOM Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Enterprise visibility of JDDE data, enabling management of the flow of deployment and distribution forces and materiel throughout the JDDE	IGC – FOC
Automate the creation and distribution of customs documents and related Defense Transportation System shipping documents	CPA increments 1, 2, 3 and 4 complete

USTRANSCOM Priority #3: Financial Accountability

USTRANSCOM's financial accountability priority is to develop financial IT systems that consolidate and replace legacy systems, are CFO compliant, and provide superior data control and accountability. The strategy to achieve this priority is to provide a single joint solution via the Defense Enterprise Accounting and Management System (DEAMS) for USTRANSCOM. Future users include the United States Air Force, Defense Finance and Accounting Service and several COCOMs.

Transformation Programs

DEAMS: DEAMS will use an Enterprise Resource Planning (ERP) solution to replace multiple legacy systems with COTS-based financial accounting software (general ledger, accounts payable, accounts receivable, financial reporting, billing, etc.) resulting in lower operating costs. DEAMS will provide accurate, reliable, and timely financial information and will achieve this state through a modernization and integrated software solution accompanied by sound accounting processes proven through successful audits.

DEAMS
Status at a Glance

- Scott AFB Go-Live – Q3 FY09
- Milestone B – Q4 FY09

Approach:

v1.1 Convert TRANSCOM, AMC, Scott AFB

v1.2 Convert remainder of AMC, SDDC, MSC

Priority Accomplishments/Capabilities Delivered:

- There are no significant priority accomplishments that have been achieved since the September 2007 ETP.

This table provides USTRANSCOM Priority #3 Critical Milestones for FY08 and FY09.

USTRANSCOM Priority #3	
FY08 Critical Milestones	**FY09 Critical Milestones**
• DEAMS: Complete Spiral 1 (Commitment Accounting) deployment at Scott AFB for Inc 1 (Q3) • DEAMS: Complete Spiral 2 functional and technical design (core accounting functionality) for Inc 1 (Q4)	• DEAMS: Scott AFB Go-Live for Inc 1 (Q3) • DEAMS: Milestone B for Inc 1 (Q4)

Near-Term Plans:

- DEAMS Spiral 2 functional and technical design will continue through June 2008. Build and test for Spiral 2 to continue into 2009. Spiral 2 will provide standard COTS accounting functionality at Scott Air Force Base (AFB).

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

USTRANSCOM Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Transition to a single common financial management system for USAF and USTRANSCOM. Core Financial System Management: Consists of all the processes necessary to maintain the financial system in a manner that is consistent with established financial management laws, regulations, and policy. General Ledger Management: Central function of the core financial system; the highest level of summarization. Must maintain account balances by the accounting classification elements established in the Core Financial System Management function. Funds Management: Ensures that funds are not obligated or disbursed in excess of those appropriated and/or authorized. Payment Management: Provides for the accounting of commitments and obligations, and provides for receipt procedures and computes commercial vendor payments. Receivable Management: Supports activities associated with recognizing and recording debts due to the Government; performs follow-up actions to collect on these debts, and records agency cash receipts. Cost Management: Measures the total cost and revenue of federal programs, and their various elements, activities, and outputs. Essential for providing accurate program measurement information, performance measures, and financial statements with verifiable reporting of the cost of activities. Reporting: Provides timely and useful financial information to support: management's fiduciary role; budget formulation and execution functions; fiscal management of program delivery and program decision making; and internal and external reporting requirements.	DEAMS Increment 1 FOC

USTRANSCOM Priority #4: Execution Effectiveness

The USTRANSCOM strategy for achieving execution effectiveness is to focus on those activities that achieve synchronized deployment and distribution of forces and materiel from origin to final distribution point; optimized strategic and theater lift through improved collaboration, prioritization, validation and redistribution; and improved end-to-end TAV and ITV supporting COCOM operational objectives. Transformation activities to achieve this priority include the Defense Transportation Coordination Initiative (DTCI), Joint Task Force – Port Opening (JTF-PO), the Fusion Center (FC), Port Management Automation (PMA), Theater Distribution Management (TDM), and the Joint Distribution Process Analysis Center (JDPAC).

DTCI
Status at a Glance

- First DLA site activations – Q3 FY08

Transformation Programs

DTCI: DTCI is an initiative to partner with a third party transportation services provider to manage Continental United States (CONUS) distribution of selected categories of freight for the

Services, DLA, and U.S. Property and Fiscal Offices (USPFO) shipping locations. This initiative begins shipping freight in the Spring of 2008 and will be enacted at CONUS shipping locations within 25 months.

JTF-PO: JTF-PO jointly establishes and operates a port of debarkation and distribution node facilitating port throughput within a Geographic Combatant Commander (GCC) theater of operations. JTF-PO operations open aerial ports of debarkation (APOD) with jointly trained forces, ready to deploy within 12 hours of notification.

JTF-PO
Status at a Glance
- APOD transition to TPOE forces – Q4 FY08

FC: FC is the single DoD logistics coordination and synchronization organization, which ensures E2E logistics operations meet the needs of JDDE customers. USTRANSCOM is the custodian of this process, and responsibility resides in the Operations and Plans Directorate (TCJ3) as host.

PMA: PMA integrates water port management and manifesting functionality resident in the Worldwide Port System (WPS) into the existing Global Air Transportation Execution System (GATES) to achieve a joint port operations and manifesting system. Integration of WPS capabilities into the GATES environment will greatly enhance client ease of use and visibility for the warfighter.

PMA
Status at a Glance
- IOC – Q3 FY08

TDM: TDM is an initiative to improve and automate movement of supplies and equipment from the Port of Debarkation (POD) forward to the point of effect by leveraging the existing capabilities of the Army Transportation Coordinators Automated Information Management System II (TC-AIMS II), the Cargo Movement Operations System (CMOS), Navy Financial and Air Clearance Transportation System (FACTS), and eventually the Marine Automated Manifesting System – Tactical (AMS-TAC) in a deployable, web-based environment. The CONUS Army Installation Transportation Offices (ITO) will then possess an automated option.

TDM
Status at a Glance
- Field CMOS Web version 8.0 – Q4 FY08

JDPAC: USTRANSCOM was directed in the Air Force Base Closure and Realignment Commission (BRAC) business plan to consolidate USTRANSCOM Strategy, Policy, Programs and Logistics Directorate (J5/4), SDDC Transportation Engineering Agency (SDDCTEA), and Analysis, Assessments, and Lessons Learned Directorate (AMC A9) analytical capabilities. Its mission is to provide analysis and engineering support to improve the nation's ability to move and sustain the joint force and operate the JDDE.

JDPAC
Status at a Glance
- Analytic Product and Process Improvement Capability IOC – Q4 FY08

Priority Accomplishments/Capabilities Delivered:

TDM

- Completed development of TC-AIMS II Block 3-Joint Reception, Staging, Onward Movement and Integration (JRSO&I) capability. As a result, received favorable approval from Full Deployment Decision Review (FDDR) to begin fielding worldwide in CY08. JRSO&I functionality will automate convoy movement to include asset assignment and accountability.
- Conducted Laboratory Testing of TDM solution set of information flow to identify gaps and redundancies between TC-AIMS II and CMOS. Also prepared concept of operations (CONOPS) for usage of the solution set for Army ITO's and Movement Control Brigades (MCBs)/Teams at deployed locations. This solution will allow expeditionary capability for these organizations, and also allow the user to run both programs simultaneously from one laptop for onward cargo movement in theater while toggling seamlessly between CMOS and TC-AIMS II in Q1 FY08.
- Completed training of Army Theater Sustainment Command (TSC) personnel on set up, operation, and user software training for the Portable Deployment Kit (PDK) in preparation of national level exercise (NLE)-Ardent Sentry 08. With new Army reorganization this

training will be the first given to a TSC. It will be the first time exposure of new TC-AIMS II Block 3, and first time using a PDK. The Army deployment business processes will now be scrutinized to complete the CONOPS for Army personnel to use the PDK in an austere/disconnected environment.

- Conducted Developmental Testing of CMOS Web Version 8.0 in March 2008. This testing of CMOS is the first time CMOS is web-based, and available without client/server, enabling access to the Enterprise and numerous Army users. The web version of CMOS is expected to provide quicker response times to the users to include rating & ranking transactions from the Global Freight Management (GFM) system.

FC

- By 2010 the planning functions of USTRANSCOM, AMC, SDDC, and MSC will be collocated in one operations center, the Fusion Center, located at USTRANSCOM on Scott AFB. Process workshops and facilities planning have been initiated with early successes. Working together, all parties have leaned and simplified the submission and processing of COCOM requirements through dedicated COCOM focused teams. Redundancies are being eliminated, forecasting and planning are improving, and costs are being avoided through earlier mode determination. As 2010 approaches, USTRANSCOM expects a better global view and management of requirements and capacity with costed, multi-modal distribution solutions, which will lead to more effective, and efficient COCOM support and savings of tax dollars.
- Global management of air refueling support of the USTRANSCOM mission was placed in one branch within J3. The Air Refueling Management Cell achieved FOC on November 30, 2007. The AR Cell manages global requirements and capacity for USTRANSCOM. The Cell assesses requirements and mission feasibility leading to validation of all priority 1 and 2 missions. The Cell also collaborates with other COCOMs to coordinate the utilization of air refueling assets worldwide.
- Refined Distribution Academy for newly assigned personnel to USTRANSCOM and the FC.

PMA

- Completed air and surface IOC software coding. This software combines WPS CONUS/OCONUS Regional Databases into GATES Central Site for web enabled headquarters-level functionality and improved standard/ad hoc reporting capabilities in Q4 FY07.
- Continued progression toward full operational capability and requirements definition supporting terminal level functionality. Upon completion of terminal level functionality in FY09, the PMA initiative will have achieved a single port processing and manifesting system for DoD.

JTF-PO

- Began reporting operational status in the Defense Readiness Reporting System (DRRS), enabling up-to-date review by all levels (strategic to tactical) of operational status in Q1 FY08.
- Increased engagement with Combatant Commanders and interagency partners to ensure full integration of JTF-PO capabilities in Chairman, Joint Chiefs of Staff exercises and operation planning. Dialogue and planning expanded to and now occurring with U.S. Southern Command (USSOUTHCOM), U.S. European Command (USEUCOM), U.S. Special Operations Command (USSOCOM), and the Office of Foreign Disaster Assistance in

addition to continuing relationships with U.S Northern Command (USNORTHCOM) and U.S Central Command (USCENTCOM).

- Conducted JTF-PO APOD Joint Assessment Team operations in Puerto Rico, Louisiana, and Texas in response to requests for assistance from USNORTHCOM and the Federal Emergency Management Agency in preparation for hurricane response operations in Q4 FY07.

JDPAC

- Accelerated the integration of the three geographically and culturally disparate, analytical USTRANSCOM elements, providing a unified structure capable of supporting the command's major programmatic analysis agenda.

DTCI

- Resolved DTCI contract award protest favorably on November 1, 2007. First three sites will now be implemented by April 15, 2008, which reflects a 60 day delay due to the protest.

This table provides USTRANSCOM Priority #4 Critical Milestones for FY08 and FY09.

USTRANSCOM Priority #4	
FY08 Critical Milestones	FY09 Critical Milestones
√ FC: Stand-up the Air Refueling Management Branch in TCJ3 to globally manage Air refueling requirements and capacity √ FC: Bldg 1920 Contract Award (Dec 07 - Award, Mar 08 - Construction Start, Jul 10 - Construction Complete) • FC: Initiate and complete combined DDOC floor and TCC business process reengineering (Q2) • PMA: Integration of WPS into GATES Initial Operational Capability (IOC) (Q3) • TDM: Fielding of CMOS 8.0 Web Version (Q3) • TDM: Deliver and conduct operational evaluation of CMOS client/server to 7 locations in the CONUS (Q4) • JDPAC: IOC - Analytic Product and Process Improvement Capability (Q4)	• PMA: Integration of WPS into GATES Full Operational Capability (FOC) (Q3)

Near-Term Plans:

TDM

- Deploy Ardent Sentry 08 team and equipment to NLE accident site to evaluate capabilities in support of USNORTHCOM in Q3 FY08. This exercise will field test the PDK's capability, as well as initiate fielding of TC-AIMS II Block 3 to National Guard personnel.
- Field CMOS Web Version 8.0 worldwide in Q3 FY08. This web-enabled capability allows easy access to CMOS through an internet browser vice going thru a server.
- Evaluate fielding progress of TC-AIMS II and allow oversight to impact all Services' access to the TC-AIMS II enterprise and expedite fielding to the Area of Responsibility (AOR) in Q3 FY08.
- Review GFM Web Services provided to CMOS to affect rating and ranking response time in Q3 FY08. By providing a web service, CMOS no longer has to maintain an expensive

interface agreement with other systems to acquire the rating and ranking capability, but to subscribe to the service.

- Prepare a test scenario for use of middleware-Red Hat, with Standard Army Retail Supply System (SARSS) and CMOS to improve data flow between supply and transportation systems for redeployment efforts in Q3 FY08.

FC

- Continue combined business process reengineering workshops.

PMA

- Complete software testing and target an April 2008 implementation.
- In April 2008 the PMA Team will conduct their fifth joint application development session. This session will provide operators the opportunity to define specific surface terminal level requirements and review of associated screen faces. Capture of terminal level requirements will lay the foundation for development of software requirement summaries and final steps to achieve PMA FOC.

JTF-PO

- JTF-PO APOD will participate in numerous exercises in the next 12 months. These include USEUCOM's Austere Challenge, USNORTHCOM's Ardent Sentry 08, USSOUTHCOM's Blue Advance 08 (including direct coordination and exercise "play" with the United States Agency for International Development (USAID)), and USCENTCOM's Internal Look. Participation in these exercises will afford opportunities for Combatant Commanders to experience the benefits provided by JTF-PO. These exercises will also allow JTF-PO forces to gain real world experience in preparation for Combatant Commander executed contingency operations and/or humanitarian assistance operations.
- The Army element of JTF-PO APOD will activate the first of three permanent Theater Port Opening Elements (TPOE) in March 2008 to fulfill the Surface Element role in JTF-PO APOD. The Relief in Place/Transfer of Authority from the current Reserve unit (temporarily assigned) to the first TPOE will occur in July 2008. The second TPOE, which will allow for a second APOD capability will be sourced in October 2008. The final TPOE will be sourced in October 2009.
- Field one seaport of debarkation (SPOD) unit and target early 2008 IOC. Demonstrations of JTF-PO SPOD will occur at National Level Exercise 2-08 as well as Joint Logistics Over the Shore 08. JTF-PO SPOD will participate in two field training exercises (FTXs) and one certification exercise in which the capability will be declared ready for operational deployment. JTF-PO SPOD allows USTRANSCOM to provide early arriving, jointly trained forces to operate and manage a seaport of debarkation with robust C2 capabilities in support of the Combatant Commander's contingency operation and/or humanitarian assistance operations.

JDPAC

- Use existing DoD analytical agenda scenarios, actual histories, and war plans to evaluate the impact of changes that have occurred since the publication of the Mobility Capability Study 2005; complete Mobility Capability and Requirements Study (MCRS) in January 2009.
- Embark on a JDPAC partnership with CENTCOM to provide analytic support forward to the CENTCOM Deployment Distribution Operations Center (CDDOC). Deploy an analyst to the CDDOC for 179 days. CDDOC/JDPAC to access value-added after return in May 2008 to determine Return on Investment (ROI) for future rotations.

- Continue ongoing partnership with DLA's Operations Research and Resource Analysis Office (DORRA) to integrate future JSM efforts into their JRIMM analysis process. DORRA and JDPAC expanding partnership to better support National Military Strategy (NMS) requirements with timely and accurate sustainment-related distribution analysis.

DTCI

- Site visits and training have begun for the initial implementation sites. Implementation of the first three DTCI sites should be completed by April 15, 2008. The initial scope of DTCI sites include 67 sites to be phased in over a 25-month implementation schedule. Additional Service sites may be added under the contract at a rate of 50 per year, with a total contract maximum of 260 sites, but not until after successful implementation of Phase II sites. Phase II sites are scheduled to be completed within 24 months of site implementation start. Expected benefits include cost savings in excess of 15% annually (on an approximate freight spend of $250M) once all 67 sites are up and running. Additional benefits include on-time pick-up and delivery of 96% at all DTCI shipping locations, 99% of claims processed within 90 days, and 98% loss- and damage-free shipments.

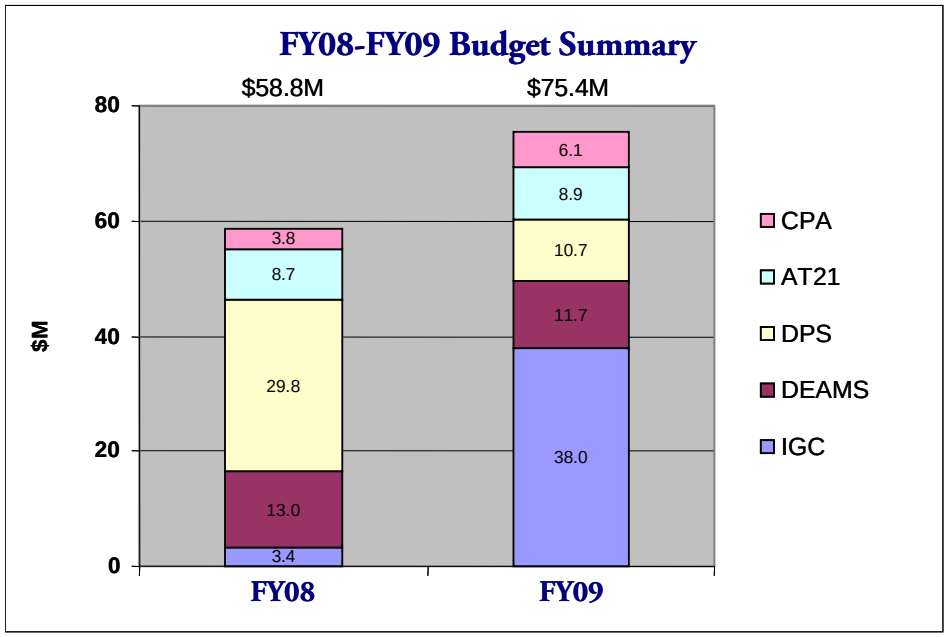
This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

USTRANSCOM Priority #4 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
FC provides process analysis support for USTRANSCOM Focus Warfighter Plan Actions to collocate TCJ3 Deployment and Distribution Operations Center (DDOC), TACC Planners, and SDDC Ops Center (FY07-11). Collocation will improve operations and reduce manpower requirements by synchronizing the distribution of forces and sustainment through collaborative planning, proactive transportation analysis, and performance monitoring, thereby increasing distribution effectiveness and customer confidence.	Collocation of TCJ3 DDOC, TACC Planners, and SDDC Ops Center Complete
Consolidation of the management and movement of DoD's CONUS second destination freight requirement under a single coordinator of transportation services.	Complete all 67 initial sites within the 25 months specified in the contract
Establish an integrated DPO analytic capability to focus on joint operations.	Planning (support) functions and analysis processes for USTRANSCOM/Component Commands combined in one Joint Distribution Process Analysis Center
Provide a joint expeditionary capability to rapidly establish and initially operate an APOD and/or SPOD and distribution node, facilitating port throughput in support of COCOM executed contingencies.	Aerial Port and Seaport capabilities established and manned
Joint Port Operations and manifesting system	Integration of WPS into GATES FOC

USTRANSCOM Priority #4 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Improved efficiency and interoperability of Deployment/Redeployment and Distribution activities in peace and war.	Theater Distribution and Traffic Management requirements implemented via TDM solution

USTRANSCOM Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for USTRANSCOM programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- C-JDDOC
- COP D2
- DTCI
- FC
- JDDOC
- JDPAC
- JTF-PO
- PMA
- TDM

Note:

- The C-JDDOC, COP D2, DTCI, FC, JDDOC, JDPAC, JTF-PO, PMA, and TDM initiatives do not meet the guidance for entry into DITPR or SNaP-IT. They are funded from the operating budgets of affected activities; there is no separate budget.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How USTRANSCOM Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of USTRANSCOM's business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/ Activity	PV	AV	CSE	MV	RPA	FV	Impact
AT21	●		●	●			Implements transportation component of distribution processes in three phases. Phase 1 provides consolidated view of transportation movement requirements, automates distribution planning assessment and workflow for DDOCs, and consolidates requirement visibility for COCOMs. Phase 2 provides strategic-level distribution planning; Phase 3 provides operational-level distribution scheduling.
COP D2				●			Mitigates the effect of multiple, overlapping functional legacy systems and provides timely, relevant, and actionable information to enhance the warfighters' level of confidence in joint distribution processes.
CPA		●		●			Provides the capability for air, land and sea shipment customs process to be totally automated including host nation country actions. Using automated clearance processes will allow shipments to flow to the consignee without unnecessary customs delay.
DEAMS						●	Delivers financial information to support effective business decisions by DoD managers. Will comply with all CFO Act and Government Management Reform Act requirements, promote development of DoD-wide financial management solutions and processes, and improve financial management visibility.
DPS				●			Impacts On Time Customer Requests and provides customers direct control of their Required Delivery Dates. Allows contact with transportation service providers, providing personnel visibility of their property movement status throughout the move. DPS decreases time required to execute personal property moves.
DTCI			●	●			Consolidates management and movement, as well as providing enterprise-wide visibility, for one third of DoD CONUS freight requirements under a single coordinator of transportation services.
FC	●	●	●	●			By 2010, will co-locate USTRANSCOM and component planning functions into the Fusion Center. Global planning and management of requirements and capacity with costed, multi-modal distribution solutions will lead to more effective and efficient COCOM support and savings of tax dollars.
IGC				●			Increases logistics information sharing across DoD and improve E2E visibility.
JDPAC				●			Establishes integrated DPO analytic capability for USTRANSCOM, SDDC-Transportation Engineering Agency (TEA), and AMC.
JTF-PO				●			To rapidly establish and operate ports of debarkation, establish a distribution node, and facilitate port throughput in theater operations.
PMA				●			Integrating WPS into GATES achieves a single port processing system and greatly enhances client usability and visibility for the warfighter.
TDM				●			Improves speed and visibility of shipment movement from POD to the SSAs.

Case in Point: Sealift of Mine Resistant Ambush Protected (MRAP) Vehicles

This fall, USTRANSCOM doubled the number of MRAP vehicles delivered to U.S. forces in Iraq through an implementation of its transformation priorities. Until that time, USTRANSCOM had relied exclusively on airlift to deliver these critically needed vehicles. Recently, MRAP builders began delivering more vehicles than could be delivered by air each month.

In order to ensure the first sealift of these vehicles was a success, USTRANSCOM employed its strategy for achieving execution effectiveness through the synchronized deployment and distribution of forces and materiel from origin to final distribution point.

It takes from 22 to 30 days for a ship to reach its destination in the U. S. Central Command (USCENTCOM) area or operations. One ship has the capacity to carry more than a month's worth of the vehicles brought in by air, USTRANSCOM officials said. In addition, sealift of these vehicles can be accomplished at approximately 10 percent of the cost of airlift. USTRANSCOM makes efficient use of all modes of strategic transportation to meet warfighters' needs.

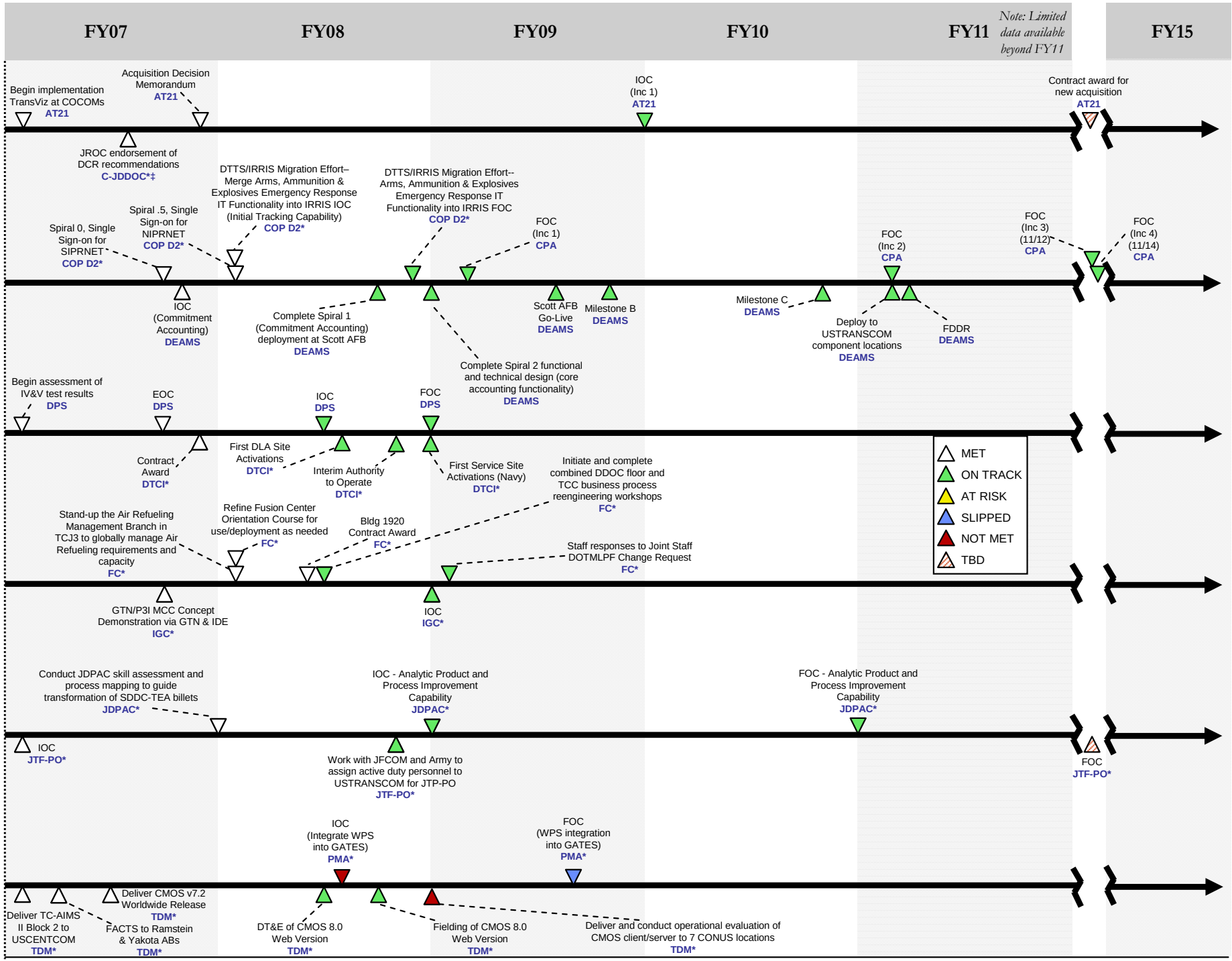
MRAPs are designed to protect their occupants against armor-piercing roadside bombs, also known as improvised explosive devices (IEDs). USTRANSCOM shipped the first load of more than 100 MRAPs from Charleston, South Carolina, in the last week of November 2007. Army Lieutenant Colonel John Hanson, chief of USTRANSCOM's MRAP end-to-end distribution team, was at the Port of Charleston to observe the ship's loading. "By adding sealift, we can effectively use concurrent strategic airlift and sealift to the U.S. Command area of responsibility and meet that command's priority requirements," he said.

Airlift had been solely responsible for moving the majority of MRAPs up to that time. Hanson said the overall plan was to continue airlifting hundreds of the vehicles each month, while increasing the number of MRAPs shipped by sea to ports in the USCENTCOM area of operations.

By optimizing strategic sealift through improved collaboration and validation, USTRANSCOM improved end-to-end total asset visibility and in-transit visibility for these mission critical vehicles, while maintaining support of the combatant commander's operational objectives.

‡ Target system or initiative is fully implemented (post - FOC)

* Initiative



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Chapter 9: Defense Finance and Accounting Service

DFAS Transformation Vision and Strategy

Defense Finance and Accounting Service (DFAS) is the largest finance and accounting operation in the world. As the Department's accounting firm, it is responsible for all DoD expenditures and each business day pays out more than $1B. With an original workforce of 28,000, DFAS today has about half that number and will finish Fiscal Year 2011 at less than 10,000.

DFAS's vision is transforming with the warfighter to remain the trusted financial partner for DoD. Transformation is the continuation of a customer focused change process that started with the creation of DFAS and will result in DFAS becoming a Center of Excellence (COE) for government finance and accounting whose ultimate objective is to optimize performance and maintain downward pressure on cost. DFAS is working to achieve this objective by reducing the number of systems, sites, and employees, as shown in Figure 9-1.

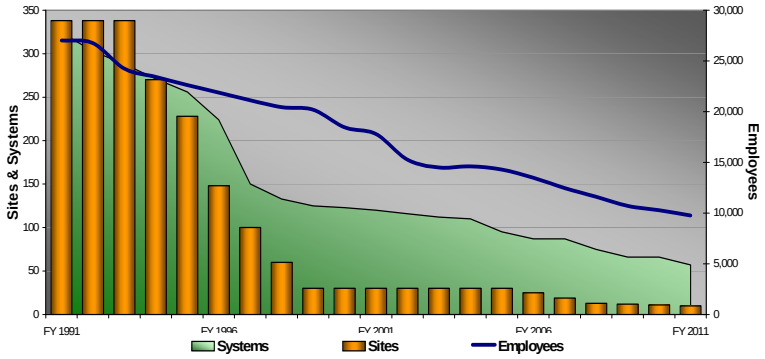


Figure 9-1 DFAS Transformation

Key aspects of DFAS's transformation strategy to achieve the vision include establishing dynamic partnerships to execute Enterprise Resource Planning (ERP) solutions, leveraging competitive sourcing initiatives, using the National Security Personnel System (NSPS) to help drive to a High Performing Organization (HPO), and implementing COE.

DFAS stands at a critical juncture in its transformation. Work to support America's warfighters continues amidst implementation of Base Realignment and Closure (BRAC) requirements, which creates opportunities to reduce excess capacity and costs.

DFAS Business Transformation Overview

DFAS has five long-term strategic goals, which cascade throughout the organization, assisting in the development, refinement and prioritization of actionable initiatives and allocation of resources.

The goals are:

- Support DoD in prevailing in the Global War on Terror (GWOT).
- Lead transformation of finance and accounting functions throughout DoD.
- Perform the DFAS mission at best value for DoD.
- Attain operational excellence in finance and accounting services.
- Attract, develop, and retain a highly capable workforce with relevant skills and competencies.

Transformation and Centers of Excellence

A critical element of transformation is the establishment of a Financial Management Center of Excellence (FM COE). The FM COE will enable DFAS to lead transformation of finance and

accounting functions throughout DoD. As the single source of requirements and expertise for the Department's core financial processes, DFAS will leverage Subject Matter Expert (SME) knowledge to establish business requirements for DoD transformation initiatives related to finance and accounting activities, which is an important DFAS objective cited in its FY08-FY13 Strategy. Benefits will be realized by the development of standard requirements, testing, training and interfaces, consistent support from SMEs, a focus on reusability and lessons learned, and leveraging best practices to accelerate systems implementations.

Information Technology Perspective

The agency's Information and Technology (I&T) efforts and contributions cover a wide spectrum and extend beyond the fundamental goal of supporting our mission. For example, DFAS takes protection of data seriously and under the leadership of the Director, I&T, conducted an agency-wide campaign for protecting Personally Identifiable Information (PII) where all organizations and their employees inspected his/her work space to ensure all accessible PII data was protected. DFAS is also improving security for systems such as MyPay in order to protect sensitive data against the increasing number of external attacks while allowing convenient access for warfighters and other customers.

In addition to providing technical support and managing the systems which play a critical role in paying our country's soldiers and accounting for DoD financial transactions, DFAS is involved in supporting the transition to newly developed systems nearing completion that will replace legacy systems. As the agency reduces the footprint in both number of systems and operating locations due to BRAC, we rise to the challenge to provide onsite support to the warfighter involved in Operation Iraqi Freedom (OIF). I&T participates in exercises such as Operation Bright Star in Egypt, which is designed to increase regional involvement in pursuit of improved security and defense capabilities.

At a time when decision makers have a greater need to rely on accurate and timely financial information, developing technological capabilities using agents such as electronic commerce, business intelligence software, and business activity monitoring is critical. Subscribing to state-of-the-art technology is a cornerstone to remaining a trusted financial partner.

Changes since the September 2007 Enterprise Transition Plan

The Standard Disbursing Initiative (SDI) has been re-baselined to focus its priorities on the support and implementation of the ERPs. DFAS is working to develop a standard interface that each ERP will use to send disbursement data to SDI. Retirement of legacy disbursing systems has been postponed in order to ensure the success of the various ERP implementations.

The Enterprise Risk Management Program-Business Activity Monitoring (ERMP-BAM) has been reclassified as an initiative. ERMP is a program to identify potential mistakes, financial losses, and workplace inefficiencies. BAM is business data mining tool to provide information about the status and results of operations, processes and transactions, so business decisions can be made.

DFAS Priority #1: Reduce Number of Urgent Military Pay Problems

DFAS manages a payroll of almost six million military members, civilians, retirees and annuitants and is continuously seeking to improve timeliness and quality of its pay services. The primary types of military pay problems that must be addressed immediately, in addition to timeliness of routine pay transactions, include basic pay entry date adjustments, retroactive leave adjustments,

and retroactive entitlements. These issues are tracked by the Case Management System (CMS) and addressed in the Military Pay Improvement Action Plan (MPIAP).

While the Defense Integrated Military Human Resources System (DIMHRS) is the heart of DoD's long-term strategy to provide the military pay solution, urgent problems are being addressed as MPIAP. As part of military pay improvements, the Wounded Warrior (WW) database was established to address problems with military pay. The WW database integrates information from the medical, personnel, and finance systems that maintain the status of medically evacuated Soldiers associated with campaigns/wars related to Operation Iraqi Freedom and Operation Enduring Freedom (OIF/OEF). An integrated military payment business capability is essential to provide efficient and accurate military payroll processing.

Other Transformational Activities

MPIAP: Members of the Office of the Under Secretary of Defense (OUSD) Personnel/Pay Council (DFAS and executives from each Department) meet to discuss DoD military pay. Associated with that effort the MPIAP was created as an interim solution until DIMHRS is deployed. Processes that impact military pay are being reviewed for possible improvement.

DFAS DIMHRS Integration Office (DDIO): DIMHRS is the long-term solution to achieve this DFAS priority. As SME for the Defense Joint Military Pay System (DJMS) legacy system, DFAS supports DIMHRS with corporate knowledge. DIMHRS will ultimately achieve this priority and eliminate many current military pay problems by providing an integrated personnel and pay system for the Services as well as an integrated active duty and reserve personnel system.

The DDIO was established to support DIMHRS development and deployment efforts. Key to achieving this capability will be the future assignment of DDIO staff as change agents. DFAS Operations and Systems representatives continue to lead the 107 internal change teams designed to posture DFAS for a post DIMHRS environment. In addition, they are leading 22 of the 40 joint stakeholder teams established to manage migration to DIMHRS across the Enterprise as well as assisting the Army with leading 34 of their key internal change requirements.

MilPay
Status at a Glance

- FY08 Preparing for DIMHRS

DIMHRS
Status at a Glance

- FY08 Support Army IOC

Priority Accomplishments/Capabilities Delivered:

- Decreased undetected over and under-payments through ongoing improvements in WW pay management in Q1 FY08. The percentage of pay accounts requiring correction declined 58% and the dollar value of discrepancies declined 77%.
- Implemented a program in Q1 FY08 to ensure wounded warriors are visited by DFAS representatives within 72 hours of their arrival at Landstuhl Regional Medical Center to discuss medical evacuation pay impact.
- Reviewed field operating procedures for processing Basic Allowance for Housing (BAH) claims in Q1 FY08. Recommendations for improving the Service's field processes were made to the OUSD Personnel and Pay Council and further delivered to the Services for disposition. The recommendations will be useful in developing Workforce Readiness change packages as the Services migrate to an integrated personnel and pay system. The Service's actions to implement the recommended procedures should ensure more accurate pay and faster receipt of BAH entitlements.
- DDIO worked with the Services to complete the interface High Level Designs in Q1 FY08. They also implemented a change management process across DFAS to monitor the required organizational changes and to determine the DFAS full time equivalent (FTE) impact.
- DDIO provided SME support for Army Systems Integration Testing (SIT) for DIMHRS, which started November 17, 2007.

- The DDIO Summit held November 28, 2007, provided an opportunity to update DFAS personnel and appropriate Service Representatives on the plans for testing and deployment of DIMHRS.

This table provides the DFAS Priority #1 Critical Milestones for FY08 and FY09.

DFAS Priority #1	
FY08 Critical Milestones	**FY09 Critical Milestones**
• Complete MPIAP systems changes for DJMS-AC and DJMS-RC (Q3) • Deploy DDS v.4.0 to integrate and share common data with Treasury and improve GWOT cash-handling processes (Q4)	• Automate GWOT CoW information delivery for the Services (Q1) • Automate GWOT CoW information delivery for the Defense Agencies (Q4)

Near-Term Plans:

- DFAS is working with the Transition Teams, the Army DIMHRS Project Office, and the Army Human Resources Command to account for the functions being transferred from DFAS to the Army and to review the 'To Be' personnel processes in Q1 FY09.
- Improve the functionality of MyPay security to meet the increasing threat of attackers attempting to obtain customers' sensitive data. By October 2008, the planned implementation of Public Key Infrastructure (PKI) Common Access Card (CAC) access will provide customers greater ease of access and protection from threats such as keylogging software.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DFAS Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Improve timeliness and quality of pay services	Resolve 99% of all pay problems within 20 days
Improve the pay support provided to Wounded Warriors and family members	Utilize a centrally managed database and Balanced Scorecard (BSC) measures to increase visibility and accountability. The following BSC measures are being tracked: • Turnaround time for casualty travel vouchers • Timely cessation of hardship duty payments Number of days between remission approval and input into a Soldier's account.

DFAS Priority #2: Improve Financial Performance by Automating Manual Processes, Eliminating Redundancies, and by Promoting Risk Management

This priority focuses on automating critical processes such as intragovernmental payment and collection processes. It addresses critical areas of risk such as over or under payments and potential fraudulent activity. The primary elements of the strategy to achieve this priority include:

- Authoritative Source - building a single data source for executive performance management and activity monitoring of financial and accounting performance.

- Process Improvement - uses Lean Six Sigma (LSS) strategy to provide the necessary tools and techniques to eliminate errors and improve quality through continuous process improvement.
- BRAC - operations from 30 sites will transition to ten sites allowing DFAS to standardize and streamline work processes at fewer sites, eliminate excess infrastructure, promote system consolidation and eliminate redundancies.
- Proactive audit strategy and Enterprise Risk Management Program – Business Activity Monitoring (ERMP-BAM) - the magnitude of DoD finance and accounting operations and associated vulnerabilities require a more robust risk management program. A proactive audit strategy and ERMP-BAM are key elements of DFAS risk management.

The programs and activities to support the priority are: SDI, ERMP-BAM, FM COE, Business Intelligence, Support for ERPs, Leaders in Motion (LIM), BRAC, and Proactive Audit.

Transformation Programs

SDI: SDI is a single, integrated capability providing tactical and enterprise disbursing services to the deployed warfighter and DoD components by modifying existing ADS and DDS systems. The tactical functions are an expansion of enterprise functions and are specifically designed to meet the needs of the deployed warfighter. This includes in-theatre placement, such as in Iraq, and also for contingency operations such as natural disasters like Hurricane Katrina. The enterprise functions are designed to work at DFAS centers in direct support of ERPs, providing disbursing services as required for payment of commercial, civilian, and transportation pay.

SDI
Status at a Glance

- FY08 The program is being re-baselined

ERMP-BAM: ERMP is a program to identify potential mistakes, financial losses, and workplace inefficiencies and create a web-based risk management solution that is integrated across multiple DFAS business areas. It will integrate management internal controls program, audit oversight, system controls program, Balanced Scorecard, Improper Payment Information Act implementation and other compliance programs to provide a single visual decision support capability for effective risk management. The BAM tool will provide real-time information about the status and results of various operations, processes, and transactions so business decisions can be informed, problem areas can be quickly addressed, and thereby allow DFAS to take full advantage of emerging opportunities while reducing enterprise risks.

ERMP-BAM
Status at a Glance

- FY08 Phased deployment plan

Other Transformational Activities

FM COE: FM COE is an activity implemented by DFAS to focus on shared services related to requirements, integration, and training. Utilizing a matrix structure, the FM COE is aligning its efforts with the strategic priorities of the Services and working to accelerate system delivery, reduce risks, standardize finance and accounting practices, and optimize use of resources for providing services.

Business Intelligence (BI): Business Intelligence continues to support DoD BI solutions with two major projects: GWOT Cost of War; and Daily and Monthly Status of Funds. Although no longer part of the BI organization, MyMetrics will deliver a corporate level performance management scorecard (to include agency's Balanced Scorecard) designed to visually represent status of agency key performance indicators.

Support for ERPs: DFAS partners with the Services to provide support to ERPs, which are part of the long-term solution to address this priority. Support includes core financial requirements definition, blueprinting, interfaces, testing, training, and implementation strategies.

LIM: DFAS is moving from a technical to a professional workforce. LIM is a three-year intern program developed to meet future demands and changes to enable DFAS to remain a viable and competitive employer.

BRAC: BRAC is the congressionally authorized process DoD uses to reorganize its base structure to more efficiently and effectively support its forces, increase operational readiness, and facilitate new ways of doing business. The DFAS goal for BRAC is to go from 30 DFAS locations in 2006 to ten sites by 2011.

Proactive Audit: DFAS is executing a proactive audit strategy to reduce and eliminate duplicative audit findings. The purpose is to improve financial management controls and processes and to meet established compliance standards. The goal is to identify existing vulnerabilities and to categorize and track resolution.

Priority Accomplishments/Capabilities Delivered:

- Successfully transitioned two Marine Corps sites from Standard Finance System-Redesign Subsystem 1 (SRD 1) to SDI for travel payments [Integrated Automated Travel System (IATS)] and five Marine Corps sites from SRD 1 to SDI for emerging military payrolls [Remote Access Pay Transactions and Reporting System (RAPTRS)] in Q1 FY08.
- Initiated production loads associated with deployment of Naval Air Systems Command (NAVAIR) to Navy ERP on October 1, 2007. Transition plans were implemented to provide required business capability during the transition/cutover period.
- Converted 250 Department of Veterans Affairs (VA) pay accounts to e-payroll in Q1 FY08.
- Closed DFAS sites at Charleston, SC and San Diego, CA in accordance with the BRAC plan in Q2 FY08.
- Published new SDI project schedule and milestones in line with re-baselining efforts to focus on the support of ERP development and implementation in Q2 FY08.
- Provided SDI support to General Fund Enterprise Business System (GFEBS) and DIMHRS connectivity testing in January 2008.
- Re-baselined MyMetrics project in Q2 FY08. A new project schedule and milestones were developed.
- Baselined the current risk maturity of business units in Q2 FY08 through ERMP.

This table provides the DFAS Priority #2 Critical Milestones for FY08 and FY09.

DFAS Priority #2	
FY08 Critical Milestones	FY09 Critical Milestones
• ERMP-BAM: BAM Implementation (Q3) • Close DFAS sites under BRAC per FY08 schedule (Q4)	• ERMP-BAM: ERM Implementation (Q1) • SDI: Implement SDI through DIMHRS for Army (Q1) • SDI: Implement SDI through GFEBS at Ft. Jackson (Q1)

Near-Term Plans:

- Begin testing standard SDI SFIS compliant interfaces with GFEBS and Defense Agencies Initiative (DAI) in Q3 FY08.
- Complete development of Monthly GWOT Status of Funds Report in Q3 FY08. This report will be available to executives and decision makers at DoD senior level management.

- Reduce number of Journal Vouchers for Navy from 2,000 per month to 150 per month by automating a manual process in Q4 FY08. This will improve DFAS financial statement auditability and will result in a combined Navy/DFAS cost savings of over $2M for FY08.
- ERMP will complete a formal risk assessment for key processes in Q4 FY08.
- Close the Omaha, NE; Pensacola, FL; Rock Island, IL; and Kansas City, MO sites to meet BRAC requirements and remain on schedule and within budget in Q3 and Q4 FY08.
- Complete the phased conversion of e-payroll for VA by February 2009.
- Reduce new unmatched disbursements and backlog related to Navy Fund Balance with Treasury in Q2 FY09.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DFAS Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Enable DFAS to reduce costs, manage risk, and enhance controls	Achieve Risk Management Maturity Model Level 3 - Standardized
Improve disbursing services	Reduce FTEs in support of DFAS disbursing operations by approximately 35% against the Sept 2003 baseline.

DFAS Priority #3: Expand Electronic Commerce (EC) Capability

EC focuses on expanding e-commerce initiatives and addresses entitlement, accounting and disbursing processes for the Services. The EC Business Plan (ECBP) targets e-commerce initiatives that will reduce costs. Analysis indicates potential savings of more than several hundred FTEs after implementation of the targeted initiatives. The strategy to achieve this priority includes:

- Analyzing end-to-end processes and identifying breakpoints. Identifying solutions with emphasis on BRAC closures, enterprise systems, standardized processes, governing priorities [President's Management Agenda (PMA), Enterprise Transition Plan (ETP), Strategic Plan], cost savings, and system migrations.
- Utilizing LSS techniques to improve business processes.
- Incorporating EC initiatives in the Financial Improvement and Audit Readiness (FIAR) Plan and Accounts Payable Working Group efforts.
- Partnering with the Defense Contract Management Agency (DCMA), Components, and vendors to ensure compliance with the Defense Federal Acquisition Regulation Supplement (DFARS) requiring electronic submission of invoices.
- Leveraging existing IT solutions: EC/EDI, Purchase Card, Wide Area Workflow (WAWF), PowerTrack, Integrated Accounts Payable System (IAPS) Database Expansion and Restructure (DEAR), and Corporate Electronic Document Management System (CEDMS).
- Conducting monthly WAWF training for vendors, DFAS Vendor Pay, and acceptors.

Transformation Programs

EC/EDI
Status at a Glance

- FY08 Focus on EC initiatives to reduce costs

Electronic Commerce/Electronic Data Interchange (EC/EDI): EC encompasses development and implementation of e-commerce solutions to improve business processes. DFAS, Components and vendors work collaboratively to support projects that offer performance gains across agency boundaries. Maximizing use of e-commerce reduces operation cycle time, errors, rework, and improper payments; reduces DFAS processing costs; improves operations and financial management information for decision makers; supports the PMA and other e-government initiatives; increases audit ability; and ultimately reduces the DFAS bill to Services and Agencies.

- CEDMS: A DFAS corporate solution to eliminate movement of paper documents among DFAS organizations. By modifying Voucher Attachment System (VAS) and its infrastructure, many types of DFAS documents can be accessed electronically via CEDMS.
- WAWF: A BTA system to reduce unmatched disbursements in the DoD receipt, acceptance, entitlement and payment process through data and electronic document sharing. WAWF provides a technical approach for integrating and applying electronic solutions with interactive web forms and interfaces that enable DFAS to achieve its priority to expand EC and reduce costs related to manual processing.

Priority Accomplishments/Capabilities Delivered:

- Implemented CEDMS 1.0 at Cleveland, OH; Limestone, ME; Army Units in Iraq in Q1 FY08; and at Arlington, VA and Paxtuxent River, MD in Q2 FY08. This capability eliminates the cost of mailing documents, facilitates workload transfers, and reduces the requirement to transfer documents within a war zone.
- Completed CEDMS scanning operations at Charleston, SC (closing site) in Q1 FY08. Eliminating the need to ship documents to enduring sites resulted in savings of $76K through January 2008; labor savings due to elimination of hard copy maintenance resulted in $41K savings through January 2008.
- Completed CEDMS scanning operations at Omaha, NE and San Diego, CA (closing sites) in Q2 FY08. Reduced shipping costs resulted in savings of $38K through January 2008; labor savings due to elimination of hard copy maintenance resulted in $15K savings through January 2008.
- Released CEDMS 2.0 in Q2 FY08. The release features pre-population of DFAS user information, upgrades to system administration features, improved user interfaces, and reporting capabilities. It was implemented at all sites simultaneously after thoroughly testing the system and providing user training.

This table provides the DFAS Priority #3 Critical Milestones for FY08 and FY09.

DFAS Priority #3	
FY08 Critical Milestones	FY09 Critical Milestones
• EC/EDI: Deploy Corporate EDM Solution (FOC) (Q4) • EC/EDI: Expand EC capability to include WAWF miscellaneous payments (Q4)	• EC/EDI: Modify IAPS to provide Powertrack functionality (Q1)

Near-Term Plans:

- Complete CEDMS scanning operations at the Pensacola, FL, and Rock Island, IL, closing sites in Q3 FY08.

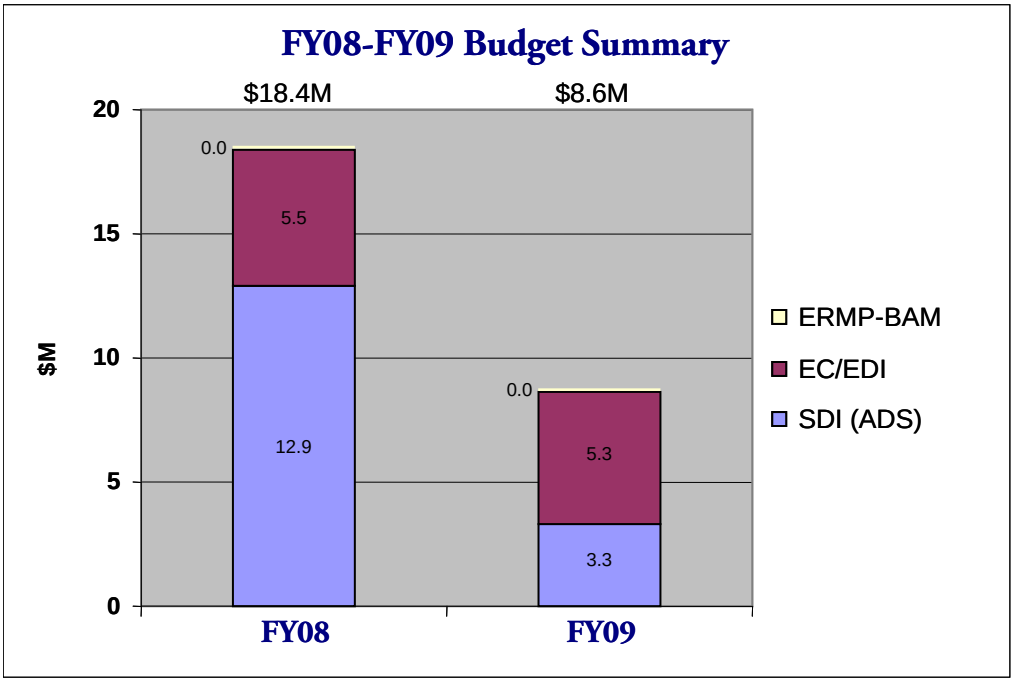
- Complete CEDMS scanning operations at the Kansas City, MO closing site in Q4 FY08.
- Implement CEDMS at the Indianapolis, IN site in Q4 FY08.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

DFAS Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Expand electronic commerce initiatives and address entitlement, accounting and disbursing processes for the Services	Achieve a 90% electronic commerce participation rate
Reduce customer bills.	Decrease customer bills by 5% for FY08
Expand imaging to additional sites	10 DFAS sites scheduled for implementation by Q2 FY09

Defense Finance and Accounting Service Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for DFAS programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- ERMP-BAM

Notes:

- The figures for SDI represent the combined budgets for the SDI program and ADS.

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How DFAS Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the DFAS business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
SDI						●	Standardizes disbursing for DFAS
EC/EDI						●	Provides immediate access to accurate and reliable financial information
ERMP-BAM (Proactive Audit)						●	Addresses internal controls and risk management to improve end-to-end financial transaction processing
Support for MPIAP	●						Action plan to address critical military pay issues
Support for ERPs						●	Help ERP solutions by providing DFAS corporate knowledge which will impact financial improvement and audit readiness
Business Intelligence						●	Allows more effective decision making with timely information

Case in Point: DFAS Employees on the Battlefield

When men and women raise their hand and recite the oath to join the Armed Forces, they do so voluntarily knowing they could be deployed in harms way to defend the nation. They know they may find themselves in uncomfortable and sometimes dangerous conditions to do their job.

A few Defense Finance and Accounting Service employees were able to experience up close and personal the sacrifices their customers make on a daily basis when they traveled to Iraq in November 2007 to improve business processes at military financial management centers throughout the region.

Sharon Banks, functional program manager, Chief Information Office, DFAS Arlington, VA, led a team on an 18 day TDY to Iraq in November. She was accompanied by George White, DFAS Rome, NY, and Michele Southwick, DFAS Columbus, OH.

"It is amazing to be able to make a difference and support your customer right there on the ground; it's an opportunity you don't get to do often and may never get to do again," Banks said.

Banks did more than just make a difference; she was able to assist military personnel in improving processes by eliminating errors and most of all minimizing risks to soldiers transporting documents.

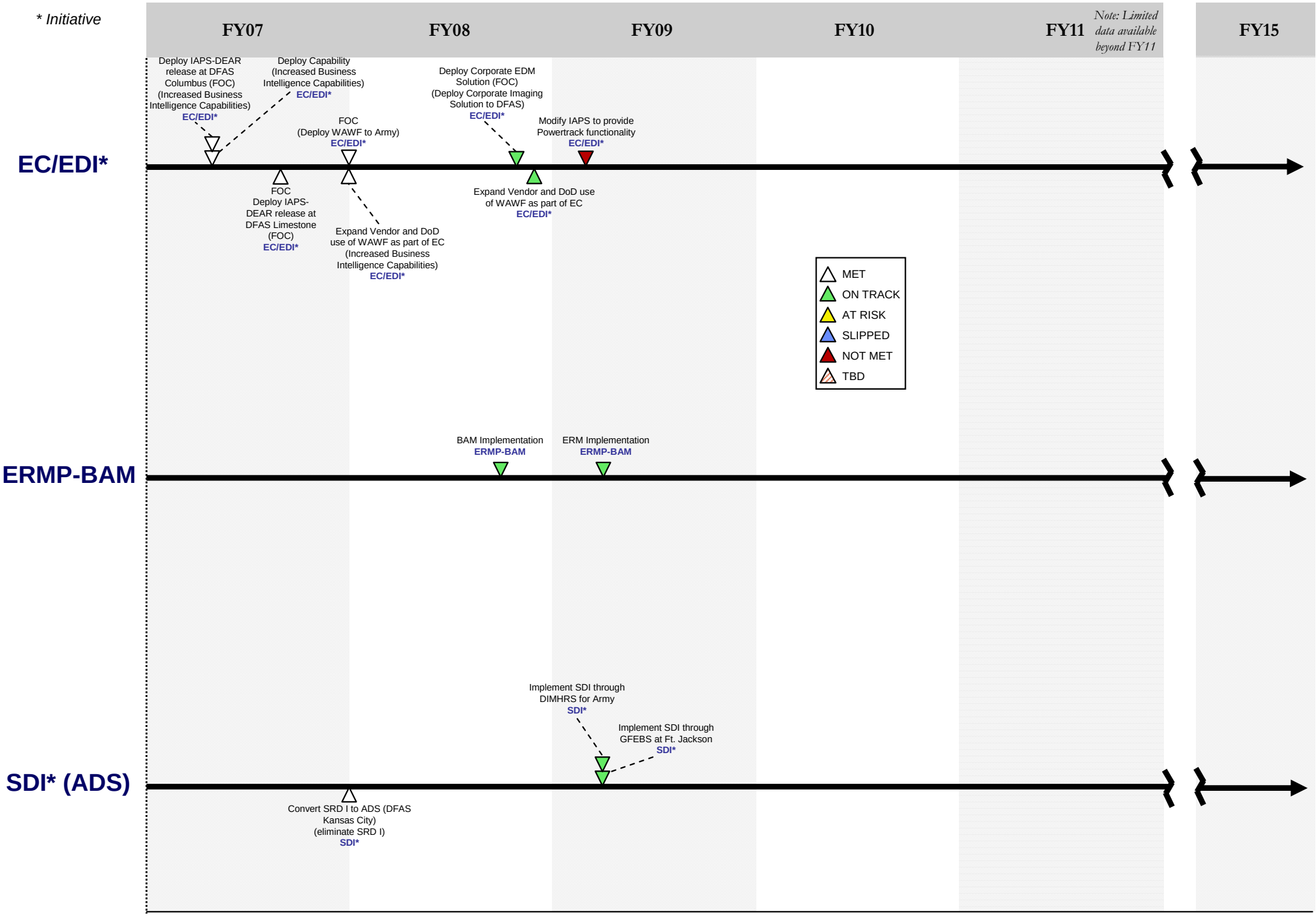
"On a weekly basis they put all of the disbursing documents in a duffle bag, got on a helicopter, and flew to Baghdad," Banks explained. "The documents were validated and they remained in Baghdad until the documents were cleared. Then they would get back on a helicopter and return to their FOB (forward operations base). This is pretty dangerous and they did this once every seven days."

During her first visits, Banks reviewed the current processes in disbursing, commercial pay and travel to determine the best approach to implement Corporate Electronic Document Management System (CEDMS).

Implementing CEDMS allowed soldiers to scan their documents at their locations and transmit them by File Transfer Protocol (FTP) to Baghdad.

"This minimized the risks of those soldiers carrying those documents around," Banks said.

Other benefits of using CEDMS include not having to mail documents and a reduction in the amount of time for offices in the United States to access supporting documentation from two-six weeks to less than 24 hours.


* Initiative
FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
EC/EDI*
Deploy IAPS-DEAR release at DFAS Columbus (FOC) (Increased Business Intelligence Capabilities) EC/EDI*
Deploy Capability (Increased Business Intelligence Capabilities) EC/EDI*
FOC (Deploy WAWF to Army) EC/EDI*
Deploy Corporate EDM Solution (FOC) (Deploy Corporate Imaging Solution to DFAS) EC/EDI*
Modify IAPS to provide Powertrack functionality EC/EDI*
FOC Deploy IAPS-DEAR release at DFAS Limestone (FOC) EC/EDI*
Expand Vendor and DoD use of WAWF as part of EC (Increased Business Intelligence Capabilities) EC/EDI*
Expand Vendor and DoD use of WAWF as part of EC EC/EDI*
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
ERMP-BAM
BAM Implementation ERMP-BAM
ERM Implementation ERMP-BAM
SDI* (ADS)
Implement SDI through DIMHRS for Army SDI*
Implement SDI through GFEBS at Ft. Jackson SDI*
Convert SRD I to ADS (DFAS Kansas City) (eliminate SRD I) SDI*

Chapter 10: Military Health System

Military Health System Transformation Vision and Strategy

The Military Health System (MHS) transformation vision is to develop a collaborative, agile, and efficient medical business enterprise that adapts to the changing needs of military medicine and maximizes the benefit of business and IT resources. The MHS business transformation plan focuses on continuity of care across the Department of Defense (DoD)/Department of Veteran Affairs (VA)/civilian health care delivery system, a shift from reactive to proactive care, and more efficient health care operations.

This chapter is coordinated through the TRICARE Management Activity (TMA). TMA executes the direction of the Assistant Secretary of Defense (Health Affairs) (ASD (HA)). It is one of a federation of DoD activities and health service contracts (collectively referred to as the MHS) that work together to provide health care services and health care support structures that serve the department's 9.2 million active duty and reserve personnel, family members, and retired beneficiaries. The TMA also supports the Military Services (including the three Surgeons General) in execution of the Departments' medical mission to maintain medical readiness and to provide medical and dental services to members of the Armed Forces during military operations.

Military Health System Business Transformation Overview

The MHS is transforming business practices to optimize the integration, efficiency, and effectiveness of the DoD health care system. The MHS will realize this transformation through the implementation of the following goals:

- **Provide continuity of care through continuity of information.** The MHS will implement processes and information solutions that will help to ensure that no matter where a patient may be—or what provider is treating them—information and medical material products and services are readily available at the point of care. In addition to deploying greater functionality in our Military Electronic Health Record (EHR) and our medical logistics suite of applications, we must integrate critical components of a Nationwide Health Information Network (NHIN) that spans military treatment facilities (MTFs), other federal health agencies including the VA, and the more than 190,000 private sector "network" providers that serve DoD's medical beneficiary population.
- **Transform from a reactive to a proactive health care system.** Keeping patients healthy and active in our community is one objective of a proactive vs. reactive approach to health care. Keeping patients healthy is more than just caring for them once they become sick or injured. We must understand the factors that threaten health in the first place, and we must anticipate the needs of our patient and provider teams. By addressing potential health issues before they become real problems, our patients and providers will partner to prevent disease rather than react to it. The collection, analysis, sharing, and application of health data not only enables proactive health care on a patient-by-patient basis, but also from a global perspective. As patients flow through the medical system along the continuum of care, they generate information every time they encounter their health care teams. Patient encounter information accumulated in EHRs will allow DoD to continuously monitor individual health status; recognize and track trends, outbreaks, and exposures to hazards; and will contribute to finding new ways to protect and improve the health of individuals, communities, and our nation.

- **Enhance the military health benefit through more efficient health care operations.** Efficiency is a hallmark of quality. Quality medical coding contributes to the efficient processing of claims and contributes to the efficiency of our medical surveillance. Quality patient safety controls help to get patients out of the medical system quickly, and protect them from medical errors and mistakes. Quality medical logistics enables smooth flow of materiel and pharmaceuticals to, from and among patients, providers, suppliers and

Changes since the September 2007 Enterprise Transition Plan

The MHS added the VA/DoD Joint Executive Council Strategic Plan, FY08-FY10, to the list of other transformational activities.

MHS Priority #1: Provide comprehensive, globally accessible information to serve our medical environment

The MHS places priority on providing comprehensive, globally accessible information that enables medical surveillance, evidence-based medicine, and effective health care operations. The MHS is committed to creating an environment that can provide information when and where needed about:

- The health of service members, other beneficiaries, and entire communities
- The medical logistics capabilities available to combat disease, including the location and amounts of key medical materiel.

To achieve this priority, the MHS is:

- Capturing and providing medical information electronically across the continuum of care for health care services rendered: medical exams, changes in service members' medical condition, periodic health assessments, and pre- and post-deployment health assessments, including assessments of mental health.
- Maintaining a clinical data repository (CDR) of computable health data to enable Population Health and Disease Management, and populate data warehouses that may be used for medical surveillance and research. This CDR represents a significant component of our end-state capability for maintaining (and making available to multiple agencies and departments) a complete longitudinal record of care for each DoD beneficiary.
- Refining end-to-end supply chain processes to facilitate the flow and visibility of medical materiel across the continuum of care and to ensure medical materiel is globally accessible and available where and when needed by MHS providers and beneficiaries.
- Providing visibility of DoD-wide medical asset information for any authorized user via the internet.
- Working in collaboration with the VA to identify the scope, user requirements, and recommendations for a joint management approach for the inpatient component of a joint EHR that could be used across the full continuum of care (from theater to VA/domiciliary care).

Transformation Programs:

AHLTA
Status at a Glance

- ✓ Received approval to deploy Block 2 (Dental Functionality) to over 300 Dental clinics and 11,000 Dental providers and staff.
- ✓ Milestone B for Block 3 is targeted for 2009

Armed Forces Health Longitudinal Technology Application (AHLTA): AHLTA is the military's EHR, an enterprise-wide medical and dental clinical information system that generates, maintains, stores and provides secure real-time access to comprehensive patient records for use in all fixed military medical facilities; and on board ships and in deployed medical facilities as part of the Theater Medical Information Program-Joint (TMIP-J).

Joint Electronic Health Record Interoperability (JEHRI): JEHRI is a set of related data sharing initiatives and projects designed to support the implementation of standards, development of shared technical and data architectures, hardware and software design, and development required for interoperability of electronic health information between DoD and VA.

JEHRI
Status at a Glance

- ✓ BHIE - data available from all DoD to all VA providers
- ✓ FHIE – 4.1 million patients
- ✓ BHIE – 2.8 million correlated patients
- ✓ PPDHA/PDHRA – 2.0 million forms transferred to VA
- ✓ BHIE Inpatient – 14 operational sites
- ✓ CHDR – Over 12,700 active dual consumers

DMLSS
Status at a Glance

- ✓ DMLSS V3.05 is deployed at 178 sites around the world and is in use supporting Operation Iraqi Freedom.
- ✓ In December 2005, the DMLSS system achieved Full Operational Capability.

Defense Medical Logistics Standard Support (DMLSS): DMLSS is the automated standard DoD medical logistics system enabling health care providers to deliver cost-effective, state-of-the-art health care to patients world-wide.

Other Transformational Activities:

American Health Information Community (AHIC): The DoD is a leading participant in AHIC, a public-private group chartered under the Federal Advisory Committee Act (FACA) to advise the Secretary of (Department of) Health and Human Services and recommend specific actions for making health information technology (HIT) interoperable.

MHS Defense Business Transformation (DBT) "IT City Planning": The MHS Defense Business Transformation program is leveraging technology and applying the tools provided by Congress to create an environment that embraces principles of good government and helps achieve the goals of enterprise architecture, transition planning and investment review.

VA/DoD Joint Executive Council Strategic Plan, Fiscal Years 2008-2010: The VA/DoD Joint Executive Council Strategic Plan guides collaboration between the departments to improve the quality, efficiency, and effectiveness of the delivery of benefits and services to veterans, service members, military retirees, and their families.

Priority Accomplishments/Delivered Capabilities:

- Received approval to deploy Block 2 (Dental Functionality) to over 300 Dental Clinics and 11,000 Dental providers and staff.
- Began deployment of AHLTA version 3.3 for operational evaluation. AHLTA version 3.3 received recognitions as a pre-market Certification Commission for Health Information Technology (CCHIT) Ambulatory EHR in April 2007
- Captured, on average, over 90,000 ambulatory encounters from the fixed military medical facilities and over 1,000 encounters from deployed medical facilities in the enterprise CDR daily.
- Delivered and deployed a new front end (user interface) for the Blood Module in support of the conversion of the Joint Medical Asset Repository (JMAR) to a Data Warehouse ahead of scheduled deployment.

This table provides the MHS Priority #1 Critical Milestones for FY08 and FY09.

MHS Priority #1	
FY08 Critical Milestones	**FY09 Critical Milestones**
√ DMLSS: Deploy new front end (user interface) to support Data Warehouse beginning with the Blood Module (Q1) for Transition the JMAR Application √ JEHRI: Define Department unique and joint inpatient EHR functional requirements for a potential joint application • DMLSS: Model, Build and Load Complete Data Warehouse including the Inventory, Assemblage, Health Affairs, Equipment and Item Receipt Modules (Q3) for Transition the JMAR Application (Q3) • AHLTA: Validate that any AHLTA infrastructure or applications gaps identified during OT&E in anticipation of deployment in the next FY have been resolved for Block II (Q4) • JEHRI: Implement the ability to share viewable family history/social history/ other history, questionnaires and forms (Q4) • JEHRI: Provide a report on the Analysis of technical solutions and recommendations for the development and/or procurement of a Joint DoD/VA Inpatient Electronic Health Report (Q4)	• DMLSS: Complete testing and fielding of JMAR Data Warehouse (Q4) for Transition the JMAR Application (Q1)

Near-Term Plans:

- Begin worldwide deployment of Block 2 capability to the optical and dental communities.
- Complete update to the Analysis of Alternatives to support the AHLTA Block 3 acquisition in Q3 FY08.
- Field AHLTA version 3.3 to the MHS enterprise to provide improved system performance and user requested functionality in Q4 FY08.
- Deploy Documents, Files and Imaging Enhanced AHLTA (DFIEA) Increment 1 to support separation of non-computable documents, files and image objects from the computable data in the CDR and make them more readily available at the point of care in Q3 FY08.
- Migrate the JMAR to a data warehouse environment allowing retention of historical data and data mining. The results will provide better capabilities for problem definition and understanding and support improved business intelligence and decision making.
- Add additional JMAR executive dashboard items or areas of interest (e.g., response to chemical, biological, radiological, and nuclear events) for MHS executives.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

MHS Priority #1 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Provide secure, real-time access to comprehensive information where and when needed about the health of Service members, other beneficiaries, and entire communities.	Capture and provide medical information electronically across the continuum of care for health care services rendered. Maintain a CDR of computable health data to enable Population Health and Disease Management, and populate data warehouses that may be used for medical surveillance and research.
Ensure medical materiel is globally accessible and available where and when needed by MHS providers and beneficiaries.	Refine end-to-end supply chain processes to facilitate the flow and visibility of medical materiel across the continuum of care. Provide visibility of DoD-wide medical asset information for any authorized user via the Internet.

MHS Priority #2: Eliminate barriers to interoperability to enable the secure sharing of beneficiary data, medical records; and to synchronize the management of medical supplies

Through partnerships with federal, state, and industry leaders, the MHS strives to eliminate barriers to interoperability and to enable the secure sharing of beneficiary data, medical records, and product data. Interoperable HIT will enhance individual patient care, allow for early detection of infectious disease outbreaks, improve tracking of chronic diseases, and enable comparison of health care price and quality information. Key transformational programs and activities that support this priority are the following, all of which were introduced in Priority #1:

- DMLSS
- JEHRI
- VA/DoD Joint Executive Council Strategic Plan, FY08-FY10

To achieve this priority, the MHS is:

- Enabling the transfer of protected electronic health information from DoD to VA at the time of a service member's separation through the Federal Health Information Exchange (FHIE). On a monthly basis, DoD transmits to VA inpatient and outpatient laboratory and radiology results, outpatient pharmacy, allergy information, consult reports, admission, disposition and transfer information, elements of the standard ambulatory data records, pre- and post-deployment health assessments and post-deployment health reassessments, and demographic data on separated service members. VA providers and benefits specialists access this data daily for use in the delivery of health care and claims adjudication.
- Enabling the real-time sharing of allergy information; outpatient pharmacy data; demographic data; inpatient and outpatient laboratory and radiology results; discharge summaries; ambulatory encounters/clinical notes; procedures; problem lists; and theater clinical data to include inpatient notes, outpatient encounters, and ancillary clinical data, such as pharmacy data, allergies, laboratory results, and radiology reports between all DoD and VA treatment facilities for patients treated by both DoD and VA.
- Sharing interoperable data between DoD's CDR and VA's Health Data Repository beginning with the exchange of computable outpatient pharmacy and medication allergy

data for shared patients, which allows for drug-drug interaction checking and drug-allergy checking using data from both departments.

- Sending electronic transfers of radiology images and scanned medical records for severely wounded and injured service members transferring as inpatients from three major DoD trauma centers to four VA Polytrauma Centers.
- Working in collaboration with the VA to identify the scope, user requirements, and recommendations for a joint management approach for the inpatient component of a joint EHR that could be used across the full continuum of care (from theater to VA/domiciliary care).
- Supporting the electronic sharing of order entry and results retrieval of chemistry, hematology, anatomic pathology, and microbiology laboratory tests among the DoD, VA, and commercial reference laboratories.
- Coordinating with Florida's Agency for Health Care Administration on health information exchange initiatives with the Tampa Bay Regional Health Information Organization (RHIO) and the Northwest RHIO (Pensacola, FL), modeled after the DoD-VA BHIE.
- Partnering between Defense Logistics Agency's (DLA) Defense Supply Center Philadelphia, PA (DSCP) and the VA to achieve data synchronization of medical/surgical item records residing in the VA Federal Supply Schedules and National Item File, and the DoD Medical/Surgical catalog and Defense Acquisition Pricing Agreements. These synchronized records enable the VA and DoD to leverage volume and joint purchasing opportunities.
- Interfacing with DLA's Business System Modernization (BSM) system, which crosses multiple DoD supply chains (e.g., subsistence, construction, medical, etc.).
- Enabling flow of medical materiel directly from industry to operational level medical logistics organizations for final distribution to MHS providers and beneficiaries.
- Implementing Radio Frequency Identification (RFID) to meet the DoD mandate to accept vendor shipments at the case and pallet level.
- Exploring RFID technology to identify specific assets (e.g., equipment, lab samples, medications, and patients) and to share the status, location, and pedigree of the assets within each MTF.

Priority Accomplishments/Delivered Capabilities:

- From September through November 2007, the number of patients in FHIE increased from 3.9 to 4.1 million. The number of messages transferred increased from over 129 million to over 197 million. These increases have contributed to a more seamless transition for separated service members enrolling for care at the VA.
- From September through November 2007, Pre- and Post-Deployment Health Assessments (PPDHA) forms transferred to VA increased from 1.7 million to 2.0 million and unique individuals with PPDHA and Post-Deployment Health Reassessments (PDHRA) forms transferred to VA increased from 706,000 to 838,000. Because of these increases, more separated service members and Reserve and National Guard members who had been deployed and are now demobilized have data available at VA if they present themselves to VA for care.

- From September through November 2007, BHIE increased the number of correlated patients from 2.2 to 2.8 million; and new patients from 940,000 to 1.4 million. Access to BHIE data is available through AHLTA, DoD's EHR, and through Veterans Health Information Systems and Technology Architecture (VistA), VA's EHR, for patients treated by both departments. In December 2007, the capability became operational for providers to view ambulatory encounters/clinical notes, procedures, and problem lists. Increasing the number of shared patients with real-time, bidirectional information available to DoD and VA providers enhances continuity of care for patients treated by both departments and potentially decreases the number of repeated laboratory or radiology tests performed since the information is readily available to the providers at the point of care.
- In October 2007, DoD made available to VA providers data on shared patients, such as, theater clinical data, including inpatient notes, outpatient encounters and ancillary clinical data, such as, pharmacy data, allergies, laboratory results and radiology reports.
- Information on more than 6.1 million veterans from the VA was successfully loaded into the Defense Manpower Data Center/Defense Enrollment and Eligibility Reporting System (DEERS) for the purpose of assigning an Electronic Data Interchange Person Identifier (EDI PI). The EDI PI assignments were primarily for veterans, who separated prior to DEERS becoming operational. The EDI PI will be used by health, personnel, and administrative systems in support of DoD/VA data sharing.
- From September through November 2007, the "active dual consumers" (ADCs) count in the CDR/Health Data Repository (HDR) (CHDR) increased from over 10,300 to over 12,700. The CHDR interface supports the first exchange of interoperable, computable, and standards-based outpatient pharmacy and medication allergy data between the departments. The exchange of computable outpatient pharmacy and medication allergy data enables drug-drug interaction checking and drug-allergy checking using consolidated pharmacy and allergy data from both departments. In December 2007, this capability was made available to all DoD sites.
- In support of the most severely wounded and injured service members, DoD continues to send electronic transfers of radiology images and scanned medical records from three major DoD trauma centers to four VA Polytrauma Centers. From September through December 2007, the number of transfers of radiology images increased from 48 to 74 and scanned medical records from 74 to 113.
- Working in collaboration with the VA to identify the scope, user requirements, and recommendations for a joint management approach for the inpatient component of a joint EHR that could be used across the full continuum of care (from theater to VA/domiciliary care).
- Laboratory Data Sharing Initiative (LDSI) for laboratory (chemistry) is operational at nine sites and Anatomic Pathology (AP) and microbiology at one site. To date, the DoD and VA have processed and exchanged over 208,000 laboratory tests. Computerized laboratory order entry and results retrieval support delivery of quality patient care and safety by reducing current manual data entry of test results, which may contribute to medical errors. Work is under way to include additional LDSI test sites where a business case exists.

This table provides the MHS Priority #2 Critical Milestones for FY08 and FY09.

MHS Priority #2	
FY08 Critical Milestones	**FY09 Critical Milestones**
√ JEHRI: Implement the ability to share viewable ambulatory encounters/clinical notes, procedures, and problem lists √ JEHRI: Implement the ability to share viewable Theatre clinical data √ JEHRI: Begin Development of Business Processes, Business Rules, and Requirements Validation to Automate Activation of Active Dual Consumer Patients • DMLSS: Complete RFID capability coding development within the DMLSS system and complete development testing (Q1) for Implement RFID Capability (Q2) • DMLSS: Conduct formal operational testing with the medical materiel Prime Vendor Owens & Minor by processing Electronic Data Interchange (EDI) transactions from the vendor to the DMLSS test environment (Q2) for Implement RFID Capability (Q3) • JEHRI: Implement the ability to share viewable vital signs data (Q3) • DMLSS: Deploy RFID as a capability within the DMLSS system as well as the hardware infrastructure to alpha test sites at Ft. Belvoir, Bethesda Naval Medical Center, and Dover AFB (Q3) for Implement RFID Capability (Q4) • JEHRI: Continue work to ensure VA patients treated in DoD facilities have DoD Electronic Data Interchange Person Numbers (EDI PN IDs) to facilitate matching patients and sharing electronic health information on shared patients. (Q4) • JEHRI: Implement automated activation of Active Dual Consumer patient capability (Q4) • JEHRI: Implement the ability to share viewable family history/social history/ other history, questionnaires and forms (Q4)	• JEHRI: Develop a plan for interagency sharing of essential health images (e.g., radiology studies) between VA and DoD (Q1) • DMLSS: Analyze RFID deployment and effectiveness of business processes at Alpha sites (Q4) for Implement RFID Capability (Q1)

Near-Term Plans:

- Begin development of business processes, business rules and requirements validation to automate activation of ADC patients in Q2 FY08.
- Implement the ability to share viewable vital signs data in Q3 FY08.
- Define Department unique and joint inpatient EHR functional requirements for a potential joint application in Q3 FY08.
- Continue work to ensure VA patients treated in DoD facilities have EDI PI PN IDs to facilitate matching patients and sharing electronic health information on shared patients in Q4 FY08.

- Implement automated activation of ADC patient capability in Q4 FY08.
- Implement the ability to share viewable family history, social history, other history, questionnaires and forms in Q4 FY08.
- Provide a report on the analysis of technical solutions and recommendations for the development and/or procurement of a joint DoD/VA Inpatient EHR in Q4 FY08.
- Develop a plan for interagency sharing of essential health images (e.g., radiology studies) between VA and DoD in Q1 FY09.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

MHS Priority #2 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Enhance the continuity of care for patients treated by DoD and VA.	Increase the number of shared patients with real-time, bidirectional information available to DoD and VA providers.
Contribute to a more seamless transition for separated Service members enrolling for care at the VA.	Transfer protected electronic health information from DoD to VA at the time of a service member's separation through the FHIE. Transfer PPDHA and PDHRA forms to the VA.
Leverage volume and joint purchasing opportunities with the VA, and identify cost avoidance opportunities at the MTF level.	Achieve data synchronization of medical/surgical item records residing in the VA Federal Supply Schedules and National Item File, and the DoD Medical/Surgical catalog and Defense Acquisition Pricing Agreements.
Share the status, location, and pedigree of specific assets (e.g., equipment, lab samples, medications, and patients) within each MTF	Implement RFID to accept vendor shipments at the case and pallet level. Explore RFID technology to identify specific assets.

MHS Priority #3: Promote the adoption of interoperability standards for Health IT and logistics.

The MHS is committed to promoting the adoption of interoperability standards for HIT and logistics. Key transformational programs and activities that support this priority are the following, all of which were introduced in Priority #1:

- AHIC
- DMLSS
- VA/DoD Joint Executive Council Strategic Plan, FY08-FY10

To achieve this priority, the MHS is:

- Assisting the DLA's DSCP to pilot a Product Data Utility (PDU) that synchronizes DoD medical/surgical product data with DoD manufacturers and distributors. This pilot integrates VA and DoD community efforts with VA/DoD trading partners to standardize and synchronize medical/surgical product data on a near real-time basis that ultimately will benefit the entire Federal health enterprise.

- Continuing to shape American HIT standards and policy through active participation in AHIC working groups.

Priority Accomplishments/Delivered Capabilities:

- In December 2007, VA and DoD released the VA/DoD Joint Executive Council Strategic Plan (FY08-FY10).
- Established a Defense Medical Logistics Community of Interest (COI) to:
  - Strive to make stakeholder data visible, accessible, and understandable to those inside and outside their community.
  - Promote cross-DoD Component information sharing efforts.
  - Enable data-centric development of standards essential to focused logistics, process agility and net-centric enterprise-wide logistics architecture.

Near-Term Plans:

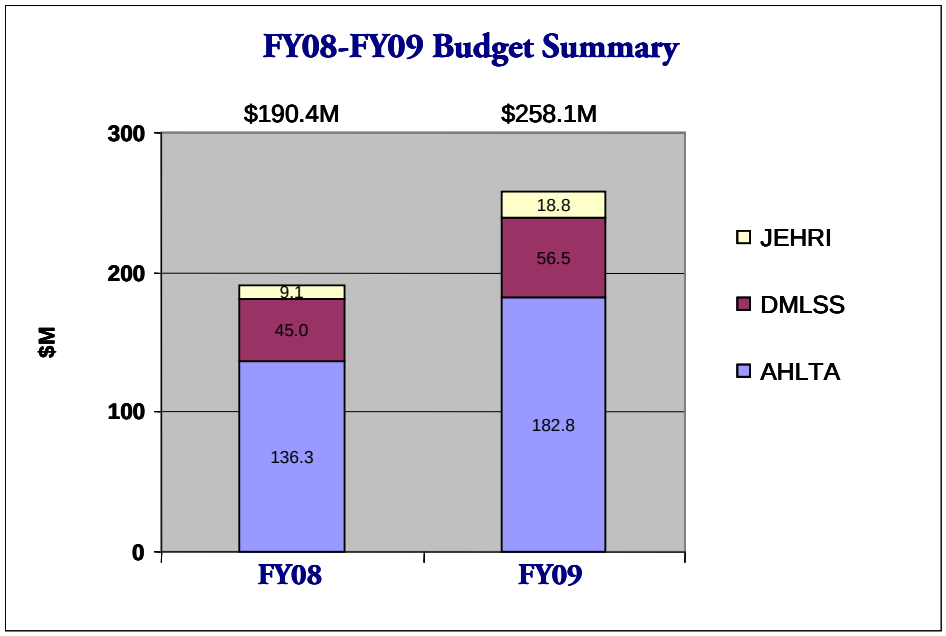
- Continue the VA and DoD partnership to improve medical/surgical item data and catalog record quality with the goal of creating a single authoritative source for standardized and synchronized DoD and VA medical/surgical product data.

This table shows the list of targeted outcomes for this priority and lists the performance metrics identified to measure progress against the outcomes.

MHS Priority #3 Outcomes and Metrics	
Targeted Outcomes	**Performance Metrics**
Standardize and synchronize VA/DoD medical/surgical product data.	Assist the DLA's DSCP to pilot a PDU that synchronizes DoD medical/surgical product data with DoD manufacturers and distributors.
Continue to shape American HIT standards and policy.	Participate in AHIC working groups.

MHS Budget Summary

The Budget Summary below shows the PB09 budgets for FY08 and FY09 for MHS programs.



Systems and initiatives funded in PB09 without discrete funding lines:

- None

Note:

For additional details and explanatory notes, please refer to Appendix I on the Defense Business Transformation web-site:
http://www.defenselink.mil/dbt/products/2008_BEA_ETP/etp/ETP.html

How Military Health System Programs and Activities Support Business Enterprise Priorities

The programs and transformation activities of the MHS business transformation priorities support the goals of the Business Enterprise Priorities, as indicated below.

Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
AHLTA	●						Supporting uniform, high-quality health promotion and health care delivery to more than 9.1 million eligible MHS beneficiaries by ensuring the continuity of the Department's health information and patient-centered health care delivery–with one patient, one record, and worldwide accessibility.
Joint Electronic Health Record Interoperability (JEHRI)	●						Enhancing the continuity of care for DoD/VA shared patients by enabling a view or transfer of electronic health data between DoD and VA electronic health information systems.
Defense Medical Logistics Standard Support (DMLSS)	●	●		●	●		Enabling health care providers to deliver cost-effective, state-of-the-art health care to patients worldwide by standardizing medical logistics between the Services, reducing the time providers and health care professionals spend on logistics activities, and improving the effectiveness and efficiency of health care delivery.
American Health Information Community (AHIC)	●		●				Establishing standards for interoperability so health information can be readily available and accessible to all Americans.
MHS DBT "IT City Planning"	●	●	●	●	●	●	Helping MHS leadership, including business and functional owners within ASD (HA)/TMA and the Service Medical Departments, to obtain the best value and results with the available IT budget by focusing investment threads on enterprise priorities, identifying potential redundancies and synergies across multiple investment threads, and assuring that investment owners have performed the correct due diligence on their own investment proposals.
VA/DoD Joint Executive Council Strategic Plan, FY 2008-2010	●	●	●	●	●	●	Improving the quality, efficiency, and effectiveness of the delivery of benefits and services to veterans, service members, military retirees, and their families through an enhanced partnership between departments.

Case in Point: MHS Acquisition Professionals Join the Transformation Effort

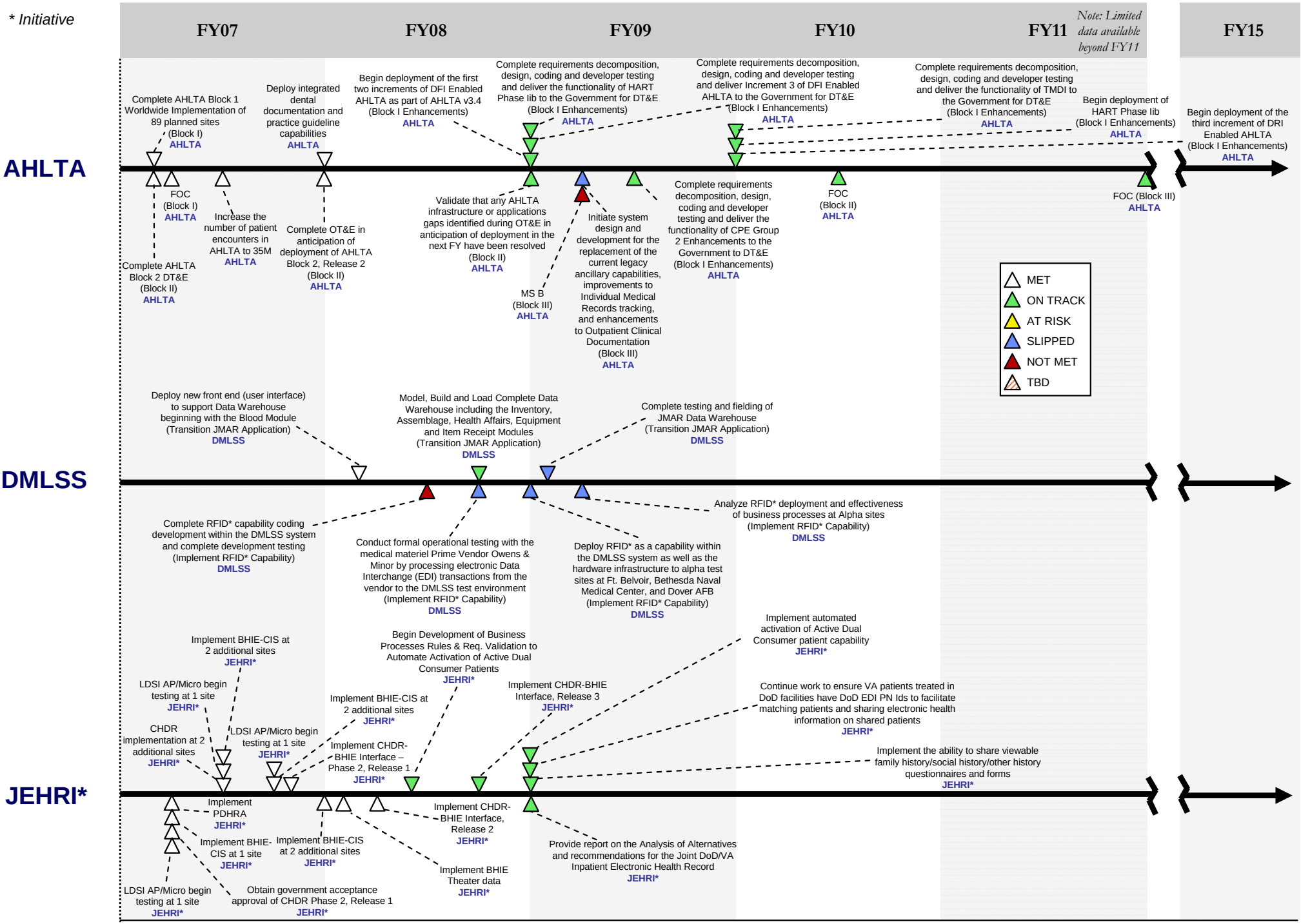
Follow any stream of money from appropriation to modernization, development or enhancement of information technology, and chances are very good that you will encounter an acquisition professional. The rubber meets the road in our contracts. It makes good business sense to bring acquisition professionals onboard as critical and trusted partners.

Continuity will only occur when and if we are able to identify and clearly direct the actions of those who build our business systems. The degree to which our contracts are clear has a direct effect on our ability to succeed and on our ability to mitigate the risk of inadvertently committing a Defense Business Transformation-related anti-deficiency violation.

In April 2007, more than 80 Contracting Officer Representatives assembled over a four-week period to attend Defense Business Transformation (DBT) training mandated by the TRICARE Management Activity (TMA). This training was the result of a leadership "stand down" designed to introduce acquisition professionals to the way the Anti-Deficiency Act (ADA) is now being applied. This training occurred simultaneously with a revision of the Health Affairs/TMA acquisition policy.

In March 2007, Health Affairs released a new policy requiring that the acquisition community work closely with MHS DBT to ensure that every IT-related Purchase Request Worksheet package is reviewed by the MHS DBT office. Statements of work that were once open enough to allow both development and sustainment are being tightened up to ensure that modernization occurs only in conjunction with certification.

As a result of the new relationship between business transformation and acquisition, both communities have advanced their knowledge and command of Business Transformation. We now know that we need to make the Enterprise Architecture (EA) into the blueprint of our future and strategically place verbiage into our contracts that ensures compliance with the EA. We now know that we need to re-structure deliverables collected during execution of our contracts in standard notation (i.e., using prescribed architecture views) so that certification and annual reviews become easy. We now know that we need to remove ambiguity about which vendors are tasked to do modernization, development, and enhancement of our business IT systems. And we know that we need to continue to partner with acquisition professionals to transform our business.


* Initiative
FY07
FY08
FY09
FY10
FY11
Note: Limited data available beyond FY11
FY15
AHLTA
DMLSS
JEHRI*
Complete AHLTA Block 1 Worldwide Implementation of 89 planned sites (Block I) AHLTA
Deploy integrated dental documentation and practice guideline capabilities AHLTA
Begin deployment of the first two increments of DFI Enabled AHLTA as part of AHLTA v3.4 (Block I Enhancements) AHLTA
Complete requirements decomposition, design, coding and developer testing and deliver the functionality of HART Phase Iib to the Government for DT&E (Block I Enhancements) AHLTA
Complete requirements decomposition, design, coding and developer testing and deliver Increment 3 of DFI Enabled AHLTA to the Government for DT&E (Block I Enhancements) AHLTA
Complete requirements decomposition, design, coding and developer testing and deliver the functionality of TMDI to the Government for DT&E (Block I Enhancements) AHLTA
Begin deployment of HART Phase Iib (Block I Enhancements) AHLTA
Begin deployment of the third increment of DRI Enabled AHLTA (Block I Enhancements) AHLTA
FOC (Block I) AHLTA
Increase the number of patient encounters in AHLTA to 35M AHLTA
Complete OT&E in anticipation of deployment of AHLTA Block 2, Release 2 (Block II) AHLTA
Complete AHLTA Block 2 DT&E (Block II) AHLTA
Validate that any AHLTA infrastructure or applications gaps identified during OT&E in anticipation of deployment in the next FY have been resolved (Block II) AHLTA
MS B (Block III) AHLTA
Initiate system design and development for the replacement of the current legacy ancillary capabilities, improvements to Individual Medical Records tracking, and enhancements to Outpatient Clinical Documentation (Block III) AHLTA
Complete requirements decomposition, design, coding and developer testing and deliver the functionality of CPE Group 2 Enhancements to the Government to DT&E (Block I Enhancements) AHLTA
FOC (Block II) AHLTA
FOC (Block III) AHLTA
MET
ON TRACK
AT RISK
SLIPPED
NOT MET
TBD
Deploy new front end (user interface) to support Data Warehouse beginning with the Blood Module (Transition JMAR Application) DMLSS
Model, Build and Load Complete Data Warehouse including the Inventory, Assemblage, Health Affairs, Equipment and Item Receipt Modules (Transition JMAR Application) DMLSS
Complete testing and fielding of JMAR Data Warehouse (Transition JMAR Application) DMLSS
Complete RFID* capability coding development within the DMLSS system and complete development testing (Implement RFID* Capability) DMLSS
Conduct formal operational testing with the medical materiel Prime Vendor Owens & Minor by processing electronic Data Interchange (EDI) transactions from the vendor to the DMLSS test environment (Implement RFID* Capability) DMLSS
Deploy RFID* as a capability within the DMLSS system as well as the hardware infrastructure to alpha test sites at Ft. Belvoir, Bethesda Naval Medical Center, and Dover AFB (Implement RFID* Capability) DMLSS
Analyze RFID* deployment and effectiveness of business processes at Alpha sites (Implement RFID* Capability) DMLSS
Implement BHIE-CIS at 2 additional sites JEHRI*
LDSI AP/Micro begin testing at 1 site JEHRI*
CHDR implementation at 2 additional sites JEHRI*
LDSI AP/Micro begin testing at 1 site JEHRI*
Implement BHIE-CIS at 2 additional sites JEHRI*
Implement CHDR-BHIE Interface – Phase 2, Release 1 JEHRI*
Begin Development of Business Processes Rules & Req. Validation to Automate Activation of Active Dual Consumer Patients JEHRI*
Implement CHDR-BHIE Interface, Release 3 JEHRI*
Implement automated activation of Active Dual Consumer patient capability JEHRI*
Continue work to ensure VA patients treated in DoD facilities have DoD EDI PN Ids to facilitate matching patients and sharing electronic health information on shared patients JEHRI*
Implement the ability to share viewable family history/social history/other history questionnaires and forms JEHRI*
Implement PDHRA JEHRI*
Implement BHIE-CIS at 1 site JEHRI*
LDSI AP/Micro begin testing at 1 site JEHRI*
Implement BHIE-CIS at 2 additional sites JEHRI*
Obtain government acceptance approval of CHDR Phase 2, Release 1 JEHRI*
Implement CHDR-BHIE Interface, Release 2 JEHRI*
Implement BHIE Theater data JEHRI*
Provide report on the Analysis of Alternatives and recommendations for the Joint DoD/VA Inpatient Electronic Health Record JEHRI*

Section IV: Managing and Tracking Transformation

Chapter 11: Systems Certification

Since the September 2007 Enterprise Transition Plan, the Defense Business Systems Management Committee (DBSMC) has approved 35 defense business system modernizations, as certified by the Investment Review Boards (IRBs). These certifications represented approximately $466M in modernization investment funding. During the preceding fiscal year, all defense business system modernizations with an obligation in excess of $1M were certified as compliant with the Business Enterprise Architecture.

Since the Department established the IRBs in 2005, the DBSMC has approved funding for 314 individual systems, representing approximately $7.9B in modernization investment funding. Table 11-1 shows a breakout of the total number of systems certified, by Component and IRB, since the 2005 inception of the investment review process. The table does not count multiple certifications for the same system.

Table 11-1: Systems Certified by Component and IRB

Component	FM IRB	HRM IRB	RPILM IRB	WSLM MSSM IRB	Total
	Certified to Date	Certified to Date	Certified to Date	Certified to Date	Certified to Date
Army	4	32	15	18	69
Navy	5	15	4	34	58
Air Force	9	18	3	30	60
Joint Staff	1	1	0	0	2
OSD	0	0	2	2	4
USTRANSCOM	2	0	0	11	13
DECA	0	6	0	0	6
DISA	2	0	0	1	3
DFAS	11	8	0	0	19
DLA	1	0	1	22	24
MHS	0	26	0	0	26
DTIC	0	0	0	1	1
DHRA	0	3	0	0	3
BTA	7	3	0	10	20
DTRA	0	0	0	1	1
SOCOM	1	0	0	0	1
DSS	0	3	0	0	3
WHS	0	0	1	0	1
Total	43	115	26	130	314

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Chapter 12: BTA Focus for FY08

The mission of the Defense Business Transformation Agency (BTA) is to guide the transformation of business operations throughout the Department of Defense and to deliver Enterprise-level capabilities that align to warfighter needs.

Each fiscal year the BTA establishes and executes a set of focus areas to guide the efforts of its workforce in supporting the Department's transformation goals. These critical linchpins foster collaboration, accountability and a sense of urgency across the agency. The BTA engages its workforce in its focus areas effort through all hands meetings, brown bag lunches and its internal Web Portal. The BTA Focus Areas for FY08 include:

- Implement the Defense Integrated Military Human Resources System (DIMHRS).
- Enterprise Standards
- Establish Business Capability Lifecycle (BCL) as the accepted enterprise approach for business system oversight.
- Support implementation of Enterprise Resource Planning (ERP) systems across Department of Defense (DoD).
- Institutionalize deployed warfighter process and system improvements.

Implement DIMHRS

Once fully deployed, DIMHRS will be the largest commercial off-the-shelf implementation integrating personnel and payroll in the world. BTA assumed programmatic and acquisition leadership for DIMHRS in 2005, and is responsible for delivering the program to the Army in October 2008 and the Air Force in February 2009. The Department of the Navy has committed to moving its personnel and payroll operations to DIMHRS after the Army and Air Force deployments.

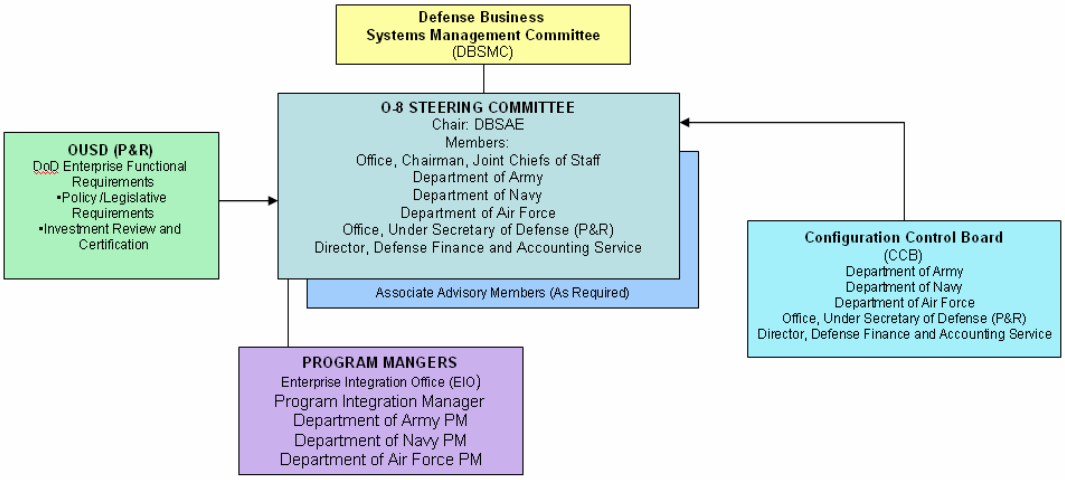
Given the significant impact that DIMHRS will have across the DoD community, and the critical nature of the tasks that need to occur in FY08, BTA has identified this focus area as its top priority for the year. Agency leadership is directly involved in monitoring the ongoing progress of the program, and has already supported the effort by reassigning some key experts from across the Agency to support successful delivery of this program.

The fluid environment of HR and payroll, coupled with the shifting necessities of deployed forces, can generate new and changing requirements that can prevent and delay product delivery. The BTA focuses efforts on product delivery and the mitigation of the risks inherent in a program of this size and scope. Specific efforts are noted below.

- To achieve the transformational objectives of a single, integrated system that can support all Components with common data and processes in a common operating environment, reconciliation of conflicting Service-specific requirements is necessary. The BTA has facilitated over 30 joint design and development workshops to create a single baseline solution that provides a common framework for the implementation of any necessary Service-specific business rules.
- The many and disparate systems in the current operating environment have led to data integrity challenges. The BTA is coordinating efforts between the Components and the developer to ensure that data cleansing and migration efforts are progressing according to schedule for the 58 Army and 2 Agency systems to be subsumed at Initial Operational Capability (IOC). Valid data is necessary to generate accurate pay based on the thousands of business rules implemented in DIMHRS.

- Although DIMHRS will significantly reduce the number of personnel and pay systems in the DoD, the system will need to both receive and send data with other DoD systems on a persistent basis. At this time, there are 164 persistent interface source and target systems across the Army, Air Force and Agencies. The BTA is coordinating efforts between the system owners and the developer to ensure interoperability and the seamless transition to DIMHRS without disruption to operations.

Figure 12-1 is a depiction of the governance structure put in place to ensure success of the DIMHRS implementation. The BTA staff actively communicates high-priority risks and escalates any decisions impacting scope, schedule, or cost to the Department's executive sponsors of the DIMHRS program. The BTA Defense Business Systems Acquisition Executive (DBSAE) chairs a DIMHRS executive level oversight group (O-8 Steering Committee), consisting of senior leadership from each of the Services, Defense Finance and Accounting Service, Defense Manpower Data Center DMDC, and OUSD (Personnel and Readiness). The DIMHRS executive level oversight group is accountable to the DBSMC for not only the success of the program, but also to ensure the success of the transformed end-to-end business processes. The DBSAE also manages a Configuration Control Board (CCB) chartered to approve and prioritize emerging technical and functional requirements. The functions performed by the CCB will become increasingly critical as each of the Services reaches IOC and the DIMHRS program is asked to consider new functional requirements. DIMHRS stakeholders brief the



DBSMC on a monthly basis to identify not only project status, but also to highlight key risks and mitigation plans.

Figure 12-1 DIMHRS Governance Structure

With the system concerns documented and actionable, the BTA is looking at other areas that continue to grow in demand. Change management is playing an ever increasing role in preparing the Components for their transition to DIMHRS, particularly in the adoption of the changes to the role of the finance community in military pay and the increased reliance on self service capabilities to support service members. The BTA continues to support outreach efforts by delivering various transition aids such as Workforce Readiness Packages, demonstrations, and tutorials. Additionally, the BTA is engaging the Combatant Commands (COCOMS) to assist with the transition to DIMHRS.

Enterprise Standards

Last year, the Rationalize the Enterprise Focus Area analyzed the business capabilities delivered and the appropriate capability breakdown at the Enterprise versus Component level. The purpose of this analysis was to ensure the BTA was focused on delivering the right DoD Enterprise Business Capabilities today and in the future. This year, BTA is focusing on standardizing data across the enterprise in specific areas. The goal is to ensure there are standard processes, data, integration and implementation requirements between Enterprise- and Component-level systems. The priority for FY08 efforts will be based on the outcome of the rationalization efforts from FY07 and the immediate needs of existing customers, as shown in Figure 12-2. Once defined, these enterprise standards must be implemented with little or no specific customization efforts required. Enterprise standards will enable emerging systems to deploy capabilities uniformly, ultimately migrating the DoD to the net-centric environment. Enterprise standards enable data sharing and reduce interface transaction times and implementation costs.

Additionally, enterprise standards will facilitate interoperability between DoD systems and eliminate the need to maintain and build numerous interfaces. The Department is in the process of implementing numerous, large-scale ERP systems in its target environment during the next couple of years. As such, it is imperative that these standards-based activities occur now to accommodate the near-term deployment of these transformational business systems.

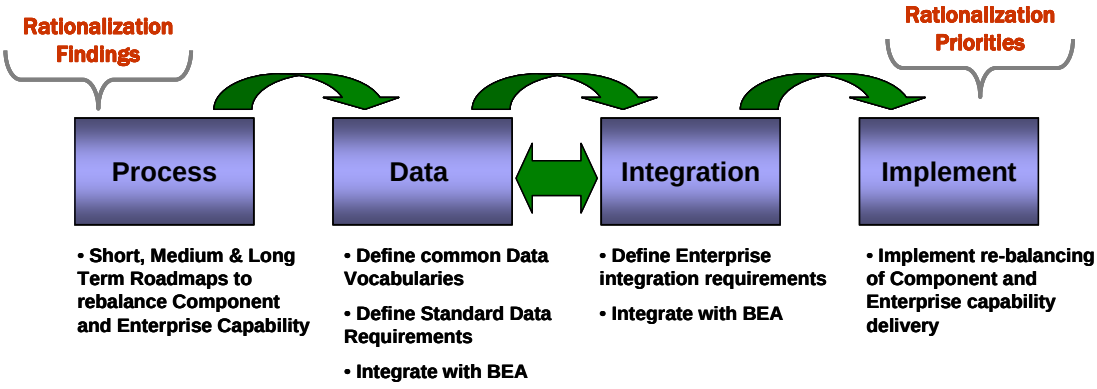


Figure 12-2: Enterprise Standards Approach

Since the beginning of FY08, 22 efforts have been identified that have an immediate need to apply data standardization. These efforts were then divided into three major categories based on level of effort, stakeholder involvement, and progress towards baseline for implementation:

1. Interface efforts already underway for enterprise systems
2. Existing "low hanging fruit" transactions where some level of standardization already exists.
3. Standardization efforts where subject matter expertise across functional areas is needed to define the standards.

Category 1 focuses on influencing current progress by identifying best practices, ERP inherent capability and compliance with existing Business Enterprise Architecture (BEA) processes and business rules to the maximum extent possible. The outcome will be to categorize each result as either a category two, or if full standardization was not achieved due to time constraints, as a baseline for the category three efforts. An example of a category one effort includes the interface between the Standard Procurement System and the Defense Agencies Initiative (DAI).

Category 2 focuses on documenting existing standards in a format that is clear, concise and consistent facilitating ease of implementation for the Components. Some documentation may require minor adjustment based on lessons learned through implementation. Once the documentation is complete the resulting standards can be prioritized for inclusion in the BEA if not already depicted as such. An example of the category two efforts is to document vendor data services available for the Central Contractor Registry.

Category 3 focuses on defining processes, data, integration and implementation requirements through DoD cross-functional working groups. The resulting standards will be tested and implemented as pilot efforts in the DBSAE systems to validate the standard prior to prioritization for inclusion in the BEA. An example of category three includes the working group efforts to define the Procurement Data Standards in conjunction with Defense Procurement and Acquisition Policy.

Progress of all 22 efforts will be tracked throughout the year. A single BTA plan for short-term, mid-term and long-term approaches for each category of standards is required, which leverages comprehensive documentation to assist interface partners in deploying new capabilities.

Near term plans include:

- Meet with Principle Staff Assistants to obtain feedback on this approach.
- Publish enterprise standards ready for "plug and play" deployment by enterprise partners along with implementation documentation.

Establish BCL as the Accepted Enterprise Approach for Business System Oversight

The Department is implementing the BCL for all business systems in an effort to speed the delivery of business capabilities to the warfighter. BCL consolidates the requirements, acquisition, and architectural compliance oversight processes into a single governance process. Additional key components of the BCL process include:

- Tiered accountability – This approach enables business transformation to occur concurrently at multiple levels (or tiers) – the DoD Enterprise level, Component level, and program level – with accountability at each level.
- Independent risk assessments, provided by the Enterprise Risk Assessment Methodology (ERAM), utilize industry best practices to identify and mitigate business system risks in order to enable more rapid delivery of business capabilities.
- A single business case for oversight and review.
- An Integrated Management Information Environment (IMIE) that supports all phases of the BCL process. IMIE will establish context for investments by delivering a discrete, actionable set of management information.
- A mindset that capability needs to be delivered by the large-scale transformation programs within 18 months of contract award.

There are three phases to the BCL process: definition, investment and execution. Figure 12-3 highlights who takes the lead in each step of the process (functional or acquisition). IMIE is at the center of the process and serves as the main resource for BCL information. There are three major Investment Review Board (IRB)/DBSMC decision points, which follow major milestones in the lifecycle.

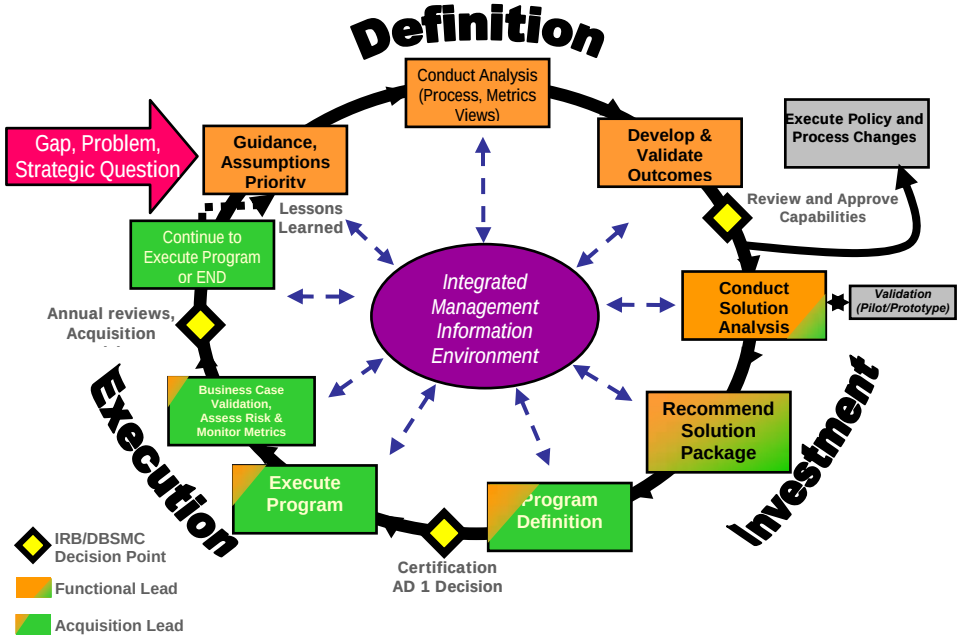


Figure 12-3: Business Capability Lifecycle Process

Since May 2007 BCL has:

- Migrated business systems from Joint Capabilities Integration and Development System (JCIDS) to the BCL process with the Joint Staff serving on Investment Review Boards (IRBs) and the DBSMC.
- Validated the BCL process through the use of test cases with evolving business capabilities and updated policies to support the improved process.
- Aligned JCIDS, IRB/DBSMC, and Defense Acquisition system into a single oversight process.
- Defined new IRB/DBSMC roles under the BCL process.
- Developed and published interim guidance for MAIS systems utilizing the BCL process.

The focus goals for FY08 are to:

- Formally coordinate IRB/DBSMC and Acquisition policies within the Department.
- Execute BCL within business MAIS programs at all phases – Problem Statement (Definition Phase), Business Case (Investment Phase) and Milestone Approvals at the IRB/DBSMC levels (Execution Phase) supported by ERAMs performed during the Investment and Execution Phases.
- Implement use of the IMIE to create visibility of resource investments and provide opportunities to improve the speed and quality of investment decisions.
- Work with IRBs, Components, and the Defense Acquisition University (DAU) to share ongoing lessons learned, identify and mitigate policy and process problems, and target training sessions to specific user groups to accelerate the learning curve.
- Continue to gain acceptance and use in the Business Mission Area community by supplementing BCL policy with the Defense Acquisition Guidebook (DAG). In addition, partner with DAU to incorporate BCL into their curriculum, and adhere to the BCL Strategic and Tactical Communication Plans.

Support Implementation of ERPs across Department of Defense

The Department has made a significant commitment to the adoption and implementation of Commercial Off-the-Shelf (COTS) ERP solutions, systems that provide an integrated suite of Information Technology (IT) applications that support the operations of an enterprise, including financial management, human resources management, and operations. Summary information from the September 2007 Enterprise Transition Plan (ETP), shown in Table 12-1, indicates that approximately half the Department's spending on business transformation is embodied in just 12 ERP programs, and that this trend existed in FY07 and will continue past FY08.

Table 12-1: ERP Spending Relative to Total Target System/Initiative Spending

September 2007 ETP	# of Systems / Initiatives	2007*	2008*	2009*	3-Yr Total*
ETP Totals	102	$2,166.9	$2,279.8	$2,407.3	$6,854.0
ERP Totals	12	$1,070.9	$1,197.1	$1,211.6	$3,479.6
ERP % of Total	12%	49.4%	52.5%	50.3%	50.7%

*$ in millions

The BTA has programmatic responsibility for two of these target systems, DIMHRS and DAI. The remaining ten are the responsibility of individual Components. Given this extensive investment in ERPs, the BTA has established a group that provides assistance with implementing these systems via its Enterprise Integration (EI) Directorate. EI's overall goal is to move DoD towards a holistic approach to successful implementations that address process, technology and change management.

Transforming DoD's business operations requires a rapid flow of information across multi-level system and organizational boundaries to support the joint warfighter. To this end, as DoD pushes toward the use of more COTS solutions, it faces a greater need to integrate those solutions with each other and with existing systems.

EI focuses on supporting the transformation of Component-specific ERP systems into an interoperable set of service delivery capabilities by aligning with DoD-wide BEA standards. EI provides consultation to the Components on reducing the costs of configuring COTS technology within and across their organizations by working closely with their programs and leveraging years of ERP and COTS implementation expertise. EI also adds value to the Components by assisting them with overcoming the statutory, regulatory, and cultural challenges that arise when attempting to implement commercial best practices. By applying best practices in the areas of acquisition strategy, domain integration, program governance, business case, end-to-end based solution architecture and testing, coupled with the right resources to manage the initiatives, DoD can gain the efficiency and effectiveness that commercial organizations have realized over the years. The desired outcome is rapid adoption of DoD-wide information and process standards and the elimination of burdensome processes that hinder the successful, rapid deployment of ERP capabilities within the Components.

EI Engagement Model

To move DoD towards a holistic approach, EI has developed a strategy that encompasses eight specific areas:

- Contracting Strategy: Apply appropriate contracting strategies (Firm Fixed Price, Time and Materials and Cost Plus) based on program lifecycle and objectives, and balancing the appropriate levels of risk between the Government and its support contractors.
- Domain Integration: Clearly defined integrated strategy for business system modernization across the financials, logistics and personnel domains, supported by a Solution Architecture, a concept of operations and a portfolio-based business system investment review process.
- Governance: Integrated program organization and governance structure designed to promote cross domain integration/alignment between stakeholders and disparate programs that can provide end-to-end business value to the organization.
- Resources: Right Government resources with the appropriate ERP functional, technical and management skills and experience in implementing large scale business transformation programs.
- Business Case: Right scoped portfolio of transformation programs with clearly identified business problem/statement, a comprehensive analysis of alternatives and supporting cost-benefit analysis.
- Solution Architecture: A "baseline" solution driving enterprise-wide financial transparency and total asset visibility that maximizes ERP design for enabling common, integrated business practices and information standards.
- Data Management: Focus on reuse of master data, rationalization of systems and interfaces to enterprise systems and appropriate data conversion strategies for retiring legacy systems.
- Testing: Adopt a standard approach for testing ERP systems that are based more on end-to-end business processes rather than discrete system requirements.

The EI team is also fully invested in the Enterprise Standards Focus Area to provide the perspective of the ERP programs. The team's involvement will ensure that the development of those process, data, and system integration standards are compatible with the requirements of the COTS ERP solutions that are being implemented across the Department.

Institutionalize Deployed Warfighter Process and System Improvements

The BTA's Warfighter Support Office (WSO) focuses on urgent DoD Enterprise-level business capabilities to expedite near-term support to the warfighter through Department-wide systems capabilities and process improvements. The goal is to deliver near term value by seizing and sharing opportunities presented by the intersection of Business Mission Area capabilities and warfighter needs. The WSO follows a nimble approach to organize and align to the fluid nature, differing conditions and unique environments of the deployed warfighter. One aspect of this approach is that WSO will reset its focus areas periodically to adapt to the warfighter's changing needs. The initial focus areas are: Warfighter Engagement, Transforming Military "Business Operations", and Defense business system modernization in contingencies, as depicted in Figure 12-4.

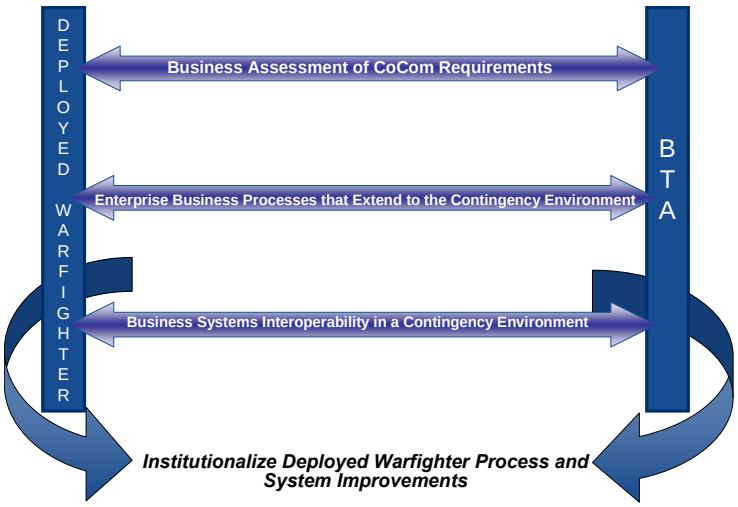


Figure 12-4: Institutionalizing Deployed Warfighter Process and System Improvements

Since the beginning of FY08 WSO has:

- Reset its focus areas and documented them in its concept of operations.
- Identified/instituted business process changes in the Continental United States (CONUS) Replacement Center (CRC) to improve its effectiveness and to create efficiencies in processing time and in operational time for deployment and redeployment of personnel at CRC.
- Conducted in-theater business transformation roundtables in support of the Task Force to Improve Business and Stability Operations in Iraq.
- Visited four COCOMS to understand the business operations within those environments, and identify common themes for consideration of requirements opportunities for future business capability investment.

As the WSO continues to develop and mature this focus area, it is planning the following the next steps:

- During the second increment, the emphasis will shift to other deployed forces around the world.
- Review existing enterprise business capabilities and identify any potential limitations to using those systems in contingency environments. WSO will collaborate with appropriate stakeholders, both inside and outside the BTA, as it develops recommendations on how to fill identified capability gaps.
- Review business systems that have been deployed directly to the theater to understand applicability to future contingency environments, and work with appropriate stakeholders to identify the means by which these capabilities can be made available to others in the future.

Summary

The focus areas described here channel the BTA's efforts in the achievement of DoD's business transformation strategic objectives, while recommendations from external oversight organizations help refine the focus. By diligently planning, executing, and delivering in each of these focus areas, the BTA will achieve its mission "to guide the transformation of business operations through the Department of Defense and to deliver Enterprise-level capabilities that align to warfighter needs."

Chapter 13: Ongoing Working Relationship with GAO

The Department of Defense continues to work closely with the Government Accountability Office (GAO) to further the goals of Defense business transformation. The GAO has released several positive reports acknowledging the Department's progress on virtually all fronts of its Defense business transformation efforts. In January 2007, the GAO affirmed that DoD's top management has demonstrated a commitment to transforming the Department's business operations. Areas where GAO has specifically reported progress include: the overall institutional approach to business systems modernization; new versions of the Business Enterprise Architecture (BEA) and the Enterprise Transition Plan (ETP); compilation of a central defense business systems inventory; and control of investments in defense business systems. This momentum was continued in a May 2007 report on Fiscal Year 2005 (FY05) National Defense Authorization Act (NDAA) compliance that acknowledged the continued progress and dedication of DoD leadership.[1] GAO has since echoed these sentiments in recent Congressional hearings on business transformation topics .

One particular topic that has been a key focus for both the GAO and DoD has been the examination of whether a Chief Management Officer (CMO) position should be created to oversee Defense business transformation efforts. In September 2007, GAO issued a report to Congress requesting their consideration that legislation be enacted to establish a separate, full-time CMO position at DoD.[2] It is the Department's position, however, that the Deputy Secretary of Defense should serve as the CMO to include taking responsibility for business transformation. The Department formalized the Deputy Secretary's CMO and transformation duties in a DoD Directive dated September 18, 2007. Congress responded to GAO's request for legislative action in the aforementioned report, via the FY08 NDAA, which contains provisions legally designating the Deputy Secretary of Defense as the CMO and mandating the establishment of a Deputy CMO Executive Level III position within the Department.

The GAO has commended the Department on its commitment to addressing open recommendations. As stated in a May 2007 GAO report, "DoD . . . continues to make progress in implementing GAO recommendations aimed at strengthening business systems modernization management."[3] The GAO continues its report by engaging in a discussion on the specific achievements the Department has made in this area. DoD appreciates the support of the GAO and views its input as constructive and positive feedback. As the Department implements the GAO's recommendations in accordance with its Business Transformation Guidance, the Department will continue to actively communicate DoD's efforts to address the recommendations.

Currently, there are 21 open enterprise-level GAO recommendations. Of the 21 open recommendations, two were issued since September 2007. In total, the open recommendations cover the topical areas of communications (one recommendation), workforce planning (one recommendation), the role of pilot programs (one recommendation), BEA (seven

[1] GAO-07-733
[2] GAO-07-1072
[3] GAO-07-733

recommendations), investment management (nine recommendations) and sustained leadership (two recommendations). The following sections provide brief summaries of the open recommendations, as well as the actions taken or planned by DoD to address them.

Communications[4]

One GAO item recommended that the Department enhance its business transformation efforts via a proactive marketing and communications effort. The Department devoted significant attention to achieving its strategic communications objectives within the BTA. A dedicated BTA Communications team actively drove communications for the organization, and the BTA sharpened its focus on achieving a higher level of external awareness of the Agency and of the Department's overall goals. The BTA Communications team made great strides toward promoting external awareness of the Department's vision, mission and progress, and recognition continues to grow with each effort. This was accomplished through initiatives such as securing public speaking opportunities at defense conferences for BTA leadership and subject matter experts, participating in and disseminating information at trade shows, and coordinating outreach campaigns to the Components and other interested stakeholders. The Agency developed a Strategic Communications Plan that details its strategy for maximizing public outreach and stakeholder participation while establishing the internal BTA culture. The Strategy was forwarded to GAO in August 2007, which DoD believes satisfies this recommendation.

Workforce Planning[5]

Another GAO recommendation urged the Department to develop and implement a comprehensive Human Capital Management Plan to guide its business transformation efforts. Consistent with the tiered accountability approach to transformation, DoD engaged in human capital management activities at multiple levels. At the highest level, the DoD *Human Capital Strategy* is defined in the *2006 Quadrennial Defense Review*. Implementation activities to support the DoD *Human Capital Strategy* are underway and are led and managed by the Office of the Under Secretary of Defense (Personnel and Readiness).

On March 15, 2007, the BTA released its *Human Capital Strategy*, which evaluated present workforce capabilities, projected future requirements, and laid out explicit strategies to address current and projected shortfalls. The BTA is implementing several activities outlined in its *Human Capital Strategy* to better align its workforce to meet mission-critical objectives. The competency-based approach to human capital processes defined in the *Human Capital Strategy* is consistent with the GAO's specific recommendations, as well as broader GAO and Office of Personnel Management (OPM) Guidance for Human Capital Planning. An update was provided to GAO in September 2007. The BTA will release its first *Annual Report on Human Capital* in March 2008, which will highlight the Agency's progress in implementing its *Human Capital Strategy*.

Role of Pilot Programs[6]

The GAO has recommended that the Department establish a policy on pilot programs, limiting them to low-cost, low-risk prototype investments. The Department agrees with the intent of this recommendation, and continues to assess the overall acquisition process to identify areas where improvements are needed, and to clarify the legitimate role of pilot programs in the system. To specifically address the GAO's recommendation, progress has been made on a Business Mission

[4] GAO-03-458
[5] GAO-05-702
[6] GAO-03-1018

Area (BMA) pilot project policy consistent with the *BMA Federation Strategy and Roadmap version 2.4,* released in September 2007. The BMA Chief Architect continues to mature the process for publishing web services to the Defense Information Systems Agency (DISA) Core Enterprise Services (CES) platform and has joined with DISA as part of the governance for establishing CES. Upon final coordination, this process will serve as a cornerstone of the pilot project policy. Additionally, the BTA will continue its examination of acquisition practices through the Business Capability Lifecycle (BCL) to further assist the Department in its assessment. (See Chapter 12, Establish BCL as the Accepted Enterprise Approach for Business System Oversight Focus Area for more information.)

BEA

There are currently seven open recommendations related to the BEA. The first recommendation originates from a 2006 GAO report[7] recommending that the Department submit an enterprise architecture program management plan to defense congressional committees that defines what the Department's incremental improvements to the architecture and transition plan will be, and how and when they will be accomplished (this recommendation subsumes Recommendation 2 from GAO Report 03-1018). To address the recommendation, the BTA continues to establish the BTG as the model for deploying incremental improvements through the BEA and ETP. The concept of operations (CONOPS) for BEA Requirements details how the allocation of requirements for each BEA release will be rationalized across the agency through the use of governance both at the beginning of each development cycle and throughout the cycle by modifying the high-level plan based on emergent priorities and available resources. BEA 5.0 served as the first release of the architecture focused on implementation and subsequent releases will build on the concepts to mature such initiatives described in the BEA CONOPS and the BMA Federation Strategy and Roadmap such as Common Vocabularies and the Service Oriented Architecture Foundation (SOAF) as well as addressing identified architecture gaps.

On April 16, 2007, the GAO released another report on the BEA that identified five new recommendations[8]. This report focuses on BEA planning as it relates to the federation of architectures. The specific focus areas include: 1) governance, 2) alignment with other federation strategies, 3) Component architecture alignment to incremental versions of the BEA, 4) shared services, and 5) metrics and milestones. The Department partially concurred on the recommendations related to governance and shared services and non-concurred on the remaining recommendations primarily because DoD had already taken actions towards meeting the objectives of the recommendations. Planned actions that would address the GAO's recommendations are included in the release of the DoD Global Information Grid (GIG) Enterprise Architecture Federation Strategy in August 2007 and the draft GIG Policy Series 8010, the CONOPS for BEA Requirements, and the BMA Federation Strategy and Roadmap version 2.4 released in September, 2007.

On May 14, 2007, the GAO released a third report related to the BEA[9]. The report contained one recommendation instructing the Department to include in DoD's annual report to Congress on compliance with the FY05 NDAA, the results of assessments by its BEA independent verification and validation contractor. The Department concurred with the recommendation.

[7] GAO-06-658
[8] GAO-07-451
[9] GAO-07-733

Investment Management

Nine recommendations were presented in the May 11, *2007 Report on Investment Management*[10]. The recommendations can be segmented into project-level investment management policies and procedures (five recommendations) and portfolio-level investment management policies and procedures (four recommendations).

The project-level recommendations focus on topics such as: maintaining Investment Review Board (IRB) oversight of programs throughout the entire lifecycle; including cost, schedule and benefit data during annual reviews and when making new investment decisions and defining criteria for making enterprise-wide investments; integrating funding with the process of selecting an investment; and maintaining adequate visibility into Component-level investment management activities. The Department partially concurred on the recommendations regarding IRB oversight throughout the entire program lifecycle and defining criteria for Enterprise-wide investments. The Department non-concurred on the remaining recommendations. In particular, the Department noted that the use of cost, schedule, benefit and funding data is currently integrated into the investment management process. The Department also cited the concept of tiered accountability as a justification for its position.

The portfolio-level recommendations include: 1) creating and modifying information technology portfolio selection criteria for business system investments; 2) analyzing, selecting, and maintaining business system investment portfolios; 3) reviewing, evaluating and improving the performance of portfolios by using indicators such as cost, schedule and risk; and 4) conducting post-implementation reviews for all investment tiers. The Department non-concurred on the recommendation requiring post-implementation reviews by citing that requiring the Deputy Secretary of Defense to perform post-implementation reviews is redundant with The Office of Management and Budget (OMB) Circular A-130, Chapter 8 b.(1).(d). The Department partially concurred on the remaining recommendations.

DoD believes that it has begun to address GAO's recommendations with the implementation of the BCL. BCL requires functional sponsors to rigorously define problems before beginning a solution analysis, and institutionalizes enterprise management of business capabilities by consolidating requirements, acquisition and compliance to BEA oversight into a single governance process.

The implementation of BCL will change the current roles and responsibilities of the Defense Business Systems Management Committee (DBSMC), the IRBs, the Joint Capabilities Integration and Development System (JCIDS), and the Defense Acquisition System (DAS). These changes will be formally documented into the appropriate DoD Directives, DoD Instructions, and Chairman of the Joint Chiefs of Staff Instruction 3170 (CJCSI).

Since BCL's official announcement in May 2007 via a memorandum from the Under Secretary of Defense (Acquisition Technology and Logistics), the Department has achieved significant milestones as it implements this new process.

- In July 2007, the USD (AT&L) issued guidance on the management of MAIS defense business programs pending approval of BCL policy and procedures.
- In October 2007, the first Problem Statement under the BCL process was presented to and approved by the Financial Management IRB. That same month, the first milestone decision under BCL was addressed at the Weapon Systems Lifecycle Management and Materiel Supply and Services Management (WSLM/MSSM) IRB.

[10] GAO-07-538

- To date, the Department has completed six Enterprise Risk Assessment Methodology (ERAM) assessments in support of the BCL process. These ERAM assessments have aided Milestone Decision Authority (MDA) and IRB decision making processes by identifying internal and external program risks early in the program lifecycle.

Sustained Leadership[11]

Two recommendations were presented in a September 5, 2007, GAO Report on the topic of Sustained Leadership. The first recommendation called for the institutionalization in directives the roles, responsibilities, and relationships among various business-related entities and committees, such as, the DBSMC, IRBs, the BTA, and the Deputy Advisor's Working Group, and the explanation of the management framework to capture overall business transformation efforts. DoD concurred with the recommendation by proposing to continue institutionalizing in its directives the functions, responsibilities, authorities and relationships of its principal officials and the management processes they oversee.

The second recommendation requested the development of a strategic planning process for business transformation that results in a comprehensive, integrated, and enterprise-wide plan or set of interconnected functional plans. Consistent with GAO's recommendation, Congress took legislative action via the FY08 NDAA, requiring the development of an overarching strategic management plan for the Department's business operations and transformation. DoD is confident that it will comply with the legal requirement for the plan within the established timeframes in the FY08 NDAA.

Summary

The Department will continue to work closely with the GAO to further the goals of Defense business transformation and to address the 21 open recommendations just discussed.

[11] GAO-07-1072

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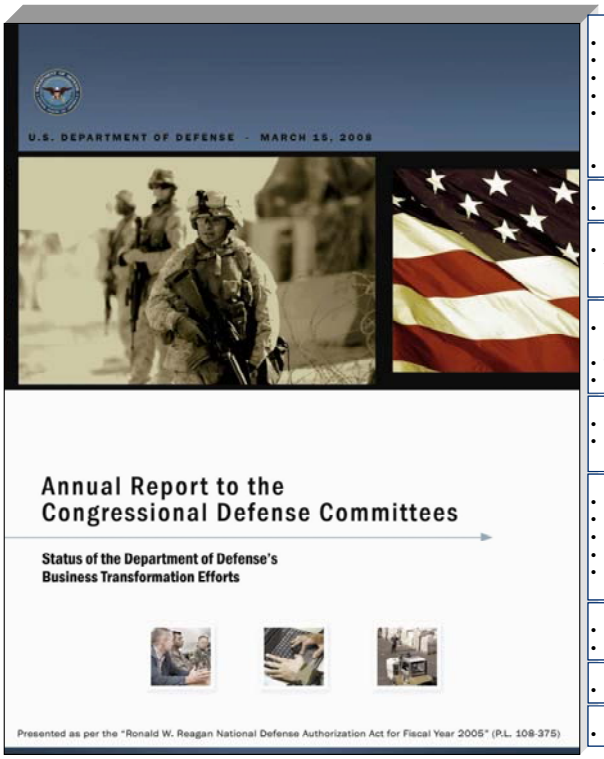
Chapter 14: Alignment of DoD Business Transformation Plans and Reports

Introduction

To address the breadth of the Department's business enterprise and the depth of its organization, it is managing transformation through a family of interconnected plans, each with a well-defined focus, and each with accountability enforced by the Department's organizational structure. This family of plans includes Enterprise-wide planning documents and functional business transformation plans. To better integrate these efforts, the Department of Defense (DoD) has established collaborative information sharing among plan owners and is actively managing overlapping scope and dependencies. The Enterprise Transition Plan (ETP) serves as the umbrella business transformation plan for this family of plans. All plans described in this chapter play a key role in business transformation and they all are aligned with this report and the ETP.

The Department is also in the process of developing an overarching Strategic Management Plan (SMP), as mandated by the Fiscal Year 2008 National Defense Authorization Act (NDAA), Section 904. This SMP will further align the objectives and activities of the Department's core business mission areas. The plan will address the Department's performance goals and measures to ensure plan performance is measured and reported and includes procedures for ensuring business operations and budgets are compatible with the SMP. Development of this plan complements the work DoD has begun to implement the Performance Improvement Officer of the Department of Defense, as called for by Executive Order 13450. Figure 14-1 identifies the subject matter alignment between this report and the plans discussed in this chapter.



QUADRENNIAL DEFENSE REVIEW
- Supply Chain Logistics
- Medical Transformation
- Strategic and Tactical Acquisition Reform
- Refine Risk and Performance Metrics and Framework
- Personnel Visibility, Acquisition Visibility, Common Supplier Engagement, Materiel Visibility, Real Property Accountability, Financial Visibility
- Component Priorities

AGENCY FINANCIAL REPORT (formerly the PAR)
- Financial Visibility

DoD ANNUAL PERFORMANCE BUDGET REPORT
- Financial Visibility, Real Property Accountability, Personnel Visibility, Acquisition Visibility, Materiel Visibility

FINANCIAL IMPROVEMENT AND AUDIT READINESS PLAN
- Component Financial Improvement Plans and ETP Key Milestone Plans
- Tool that hosts both FIAR and ETP milestones
- Financial Visibility, Real Property Accountability

DEFENSE ACQUISITION TRANSFORMATION REPORT
- Discusses ETP organization construct of tiered accountability
- References ETP BEPs with focus on Acquisition Visibility

SUPPLY CHAIN MANAGEMENT IMPROVEMENT PLAN
- DoD Business System Transformation effort
- Materiel Visibility initiatives RFID and IUID
- USTRANSCOM initiatives JDDOC and DTCI
- Objectives, Business Capability improvements, milestones, metri
- Component Priorities

FOCUSED LOGISTICS
- Materiel Visibility
- Component Priorities

HUMAN CAPITAL STRATEGY
- Personnel Visibility objectives

DEFENSE INSTALLATIONS STRATEGIC PLAN
- Real Property Accountability

Figure 14-1: Relationships Among Key Plans and Reports

Enterprise-wide DoD Business Transformation Plans

Quadrennial Defense Review (QDR)

The Department views the QDR as a major platform for transforming the way it operates across all business operations to include human resources, financial management, acquisition, portfolio management, and strategic management. Over the past 23 months, the Department has focused resources toward implementing the myriad recommendations stemming from the 2006 QDR report. To help address implementation, DoD created eight QDR execution roadmaps focused on enterprise-wide initiatives, a tracking and reporting office to monitor progress, and a senior-leader board for adjudication. Just recently, the Department reported to Congress that it has implemented all of the 2006 QDR report recommendations. Of specific interest to the ETP, the Institutional Reform and Governance (IR&G) Execution Roadmap advanced several initiatives that helped improve business transformation efforts. These efforts are described below.

QDR Execution Roadmap: DoD Institutional Reform and Governance (IR&G)

The IR&G Roadmap is a plan to streamline and improve the Department's governance to provide robust capabilities to the joint warfighter. This plan encompasses the elements of DoD – processes, tools, data and organizations – that enable strategic decision making and execution. In 2006, DoD published a refined IR&G implementation plan that focused efforts on implementing six specific initiatives. These initiatives are: 1) focus on establishing better strategic direction for FY10; 2) develop and present a fiscally informed capability portfolio strategic plan; 3) create a portfolio-based decision framework and integrated management information strategy; 4) establish a methodology to facilitate trades and manage risk within and across a portfolio framework; 5) explore options for DoD capital resource allocation and funding stability; and 6) develop a methodology that incorporates performance assessment into normal governance functions.

Another layer of functional governance is emerging as the IR&G Roadmap Team develops a capability portfolio framework for DoD decision making. This framework groups all DoD activities in a set of Capability Portfolios that are intended to enable the alignment of strategy to outcomes. Four Joint Capability Areas (JCAs) have been finalized. The assigned Capability Portfolio Managers integrate, coordinate and synchronize portfolio content by providing strategic advice intended to focus portfolio capabilities embedded in each section of this report. DoD's business transformation efforts and JCA efforts are complementary, with enterprise architectures and plans, such as, the Business Enterprise Architecture (BEA) and the ETP providing a horizontal framework. That framework describes interconnections and details of the capabilities and the JCA specifying vertical gaps and required changes that must be addressed by the BEA and ETP. Areas of alignment between this report and the QDR include:

- Supply Chain Logistics with the Materiel Visibility Business Enterprise Priority
- Medical Transformation with the Military Health System information
- Strategic and Tactical Acquisition Reform with the Acquisition Visibility Business Enterprise Priority
- Risk and Performance Metrics and Framework with the Business Capability metrics

Agency Financial Report (AFR) – Performance and Accountability Report (PAR) Pilot for Fiscal Year 2007

The AFR provides the President, Congress, other federal departments and agencies, and the American public with an overview of the Department's financial condition. The AFR is similar to a private sector company's annual report to stockholders.

The FY07 Agency Financial Report Highlights provides an analysis of the Department's financial performance for FY07 and a high level summary of the Department's FY07 performance goals, objectives, and results. In addition, it provides basic information on various financial trends such as revenues, amounts "spent," and also an assessment of the Department's financial solvency. This report is intended to provide highlights of the detailed information found in DoD's AFR for FY07.

The FY07 AFR aligns with the Financial Visibility Business Enterprise Priority's objectives, key initiatives, milestones, and performance metrics. The AFR includes weaknesses and gaps in DoD's current financial management environment, and this report identifies and tracks the corresponding systems and initiatives targeted to provide Department-wide financial management solutions.

Department of Defense Annual Performance Budget

The Department's annual Performance Budget satisfies the statutory requirements of the Government and Performance and Results Act (GPRA), which requires annual performance plans that link performance goals with the costs for achieving targeted levels of performance. Section 220 of Office of Management and Budget (OMB) Circular A-11 characterizes a performance budget as a hierarchy of goals, structured like an agency's strategic plan. At the top of the pyramid is the agency's mission statement followed by strategic or general goals. For each strategic goal, there are a limited number of strategic objectives that focus on major missions and functions. For each strategic objective, there are a limited number of high priority performance targets that include measures and milestones for tracking objective accomplishment. Each strategic goal and objective represents an aggregation of many different budget activities, program elements, projects, and, ultimately, individual personnel tasks that contribute to accomplishment. The Department's performance budget hierarchy is depicted in Figure 16-2. This hierarchy indicates that every level of the DoD is accountable for measuring performance and delivering results at multiple tiers of the organization that support the Department's strategic objectives. DoD investments in systems and other initiatives are aggregated to support strategic objectives at the enterprise of higher DoD echelon level. Performance accountability cascades to the appropriate management level (DoD Enterprise to DoD Component to individual; personnel at the bottom of the pyramid) with performance targets advocated at all echelons.

Figure 14-2: DoD Performance Budget Hierarchy

The Department's annual Performance Budget for FY09 includes five overarching strategic goals, 17 strategic objectives, and 51 unclassified performance targets that were submitted to the OMB and the Congress on February 4, 2008. This submission will also include the Department's annual Performance Report on results accomplished in FY07.

Functional Business Transformation Plans

The following plans address business transformation for specific functional areas. The complexity of the DoD's business transformation requires focus on various functions that support the five core business mission areas. The seven plans that follow provide an overview of how that complexity is managed.

Financial Improvement and Audit Readiness Plan (FIAR)

The ETP and the Defense Financial Improvement and Audit Readiness (FIAR) Plan are complementary plans. The FIAR Plan advances the ETP Financial Visibility Business Enterprise Priority by improving transparency into Component-level financial information, while this report advances the FIAR Plan by improving systems that are essential to achieving DoD-wide audit readiness.

The FIAR Plan details the long-term financial improvement plans of the Army, Navy, Air Force, and Defense Logistics Agency and progress in achieving those plans. Improvement efforts under the FIAR Plan focus on three objectives: 1) improve decision making by providing relevant, accurate, reliable, and timely financial information; 2) sustain improvements through a process of annual assessments and internal controls; and 3) achieve unqualified audit opinions on DoD's annual financial statements.

Clear progress has been made toward the objective of achieving audit readiness. Today, five Defense reporting entities have received an unqualified audit opinion. They are the:

- Defense Commissary Agency
- Defense Contract Audit Agency
- Defense Finance and Accounting Service
- Military Retirement Fund
- Office of the Inspector General

In addition, the Medicare-Eligible Retiree Health Care Fund has received a qualified opinion; three DoD-wide financial statement line items have received favorable audit reviews; and the Department of the Navy is validating the audit readiness of its $13.1B Environmental Liability for nuclear and conventional ships, which represents 18% of the Department's total Environmental Liabilities.

Since the September 2007 FIAR Plan, the Department has been aggressively revising and enhancing specific financial improvement plans (e.g., Military Equipment and Real Property) at the Component level. The Department is mapping end-to-end business processes, such as Acquire to Retire, to process steps in the Business Enterprise Architecture (BEA). Use of the BEA ensures consistency with the Department's Business Transformation and serves as a reference source for detailed process descriptions; data objects; and laws, regulations, and policies (LRP). The revised plans ensure improvements address all business and financial processes that are essential to improving financial information; comply with LRPs; and achieve audit readiness.

In addition to structuring the FIAR Plan to the end-to-end process steps, the revised Component-level plans focus improvement efforts on five essential elements of financial improvement: Policies, Processes, Controls, Systems, and Human Capital. More information on the end-to-end business process approach and how it is being incorporated in the FIAR Plan can be found in the March 2008 FIAR Plan.

This report and the FIAR Plan ensure that Component requirements and plans for the deployment of modern financial and business systems are aligned. These key milestones within system modernization plans are essential to integrating and achieving Business Transformation and Federal Financial Management Improvement Act compliance.

Defense Acquisition Transformation Report to Congress NDAA Fiscal Year 2007 Section 804

The Defense Acquisition Transformation Report is a semiannual report to Congress. It is required by Section 804 of the John Warner National Defense Authorization Act for Fiscal Year 2007, Public Law 109-364. The report addresses the recommendations of four transformation reports affecting acquisition:

1) The Defense Acquisition Performance Assessment (DAPA) Project Report
2) The Defense Science Board 2005 Summer Study: "Transformation: A Progress Assessment Vol. II" (dated April 2006)
3) The Center for Strategic and International Studies Report: "Beyond Goldwater Nichols: U.S. Government and Defense Reform for a New Strategic Era"
4) 2006 QDR Report

The next edition of the 804 Report will span the full gamut of Department-wide acquisition transformation efforts and focuses particular attention on examining the Department's response to the recommendations derived from the four reports mentioned above. In addition, the report will highlight acquisition transformation initiatives ongoing within the Department including changes to cultural behaviors, business rules (to include federal oversight requirements), and effective work management and highlights better business practices.

The next edition of the report will describe how acquisition transformation relies on many of the same transformation concepts described in this report (e.g., BEA, Defense Business Systems Management Committee, Business Capability Lifecycle, Enterprise Risk Assessment Methodology, Lean Six Sigma) and encompasses other plans described in this chapter. Additionally, the report will describe how acquisition transformation closely aligns with the Weapons System Lifecycle Management Core Business Mission and with the Business Enterprise Priorities, especially Acquisition Visibility and Common Supplier Engagement and with several of the Component priorities. Based on the July 2007 804 Report and its predecessor, it is clear that acquisition transformation depends upon the successful implementation of several enterprise programs and initiatives especially Wide Area Work Flow, Defense Acquisition Management Information Retrieval, Item Unique Identification Registry, and Standard Financial Information Structure.

Supply Chain Management (SCM) Improvement Plan

The SCM improvement plan addresses DoD's Supply Chain Management High-Risk area and focuses on the areas of Asset Visibility, Forecasting Requirements, and Distribution. The plan identifies nine initiatives to improve Supply Chain Management along with the overarching DoD business system transformation effort.

Currently, three SCM improvement plan initiatives are also initiatives in this report - the two Materiel Visibility initiatives of Radio Frequency Identification (RFID) and Item Unique Identification (IUID), as well as one U.S. Transportation Command (USTRANSCOM) initiative, Defense Transportation Coordination Initiative (DTCI). The goals of the initiatives in

the SCM plan are to improve provision of supplies to the warfighter and to improve equipment readiness, both while reducing costs.

The four initiatives common to the SCM improvement plan and this report are verified each time one of the plans is updated to ensure that objectives, business capability improvements, milestones and metrics are consistently portrayed. Sustained collaboration will continue to tighten the alignment between these plans. The SCM initiatives are also being incorporated into Focused Logistics strategies and plans.

Focused Logistics

In 2005, the Office of the Secretary of Defense (OSD) published the *"As Is" Focused Logistics Roadmap*. The "As Is" Roadmap indicated that, despite significant resource investment, gaps in key logistics capabilities would continue to exist beyond the roadmap horizon of 2015. Consequently, the Department is developing a more comprehensive "To Be" DoD *Logistics Strategy and Roadmap* (to be published in Q4 FY08) to provide credible options for achieving high priority logistics capabilities. In the interim, the draft *Logistics Strategic Direction,* published in August 2006, emphasizes three goals: 1) unity of effort, 2) visibility and 3) timely, precise response.

As part of the JCA effort described in the QDR section, DoD has prototyped a Joint Logistics Capability Portfolio Manager (JL CPM) concept to guide transformation of DoD's logistics capabilities (processes, systems, and organizations). DoD is now successfully using the prototype JL CPM for capability development, program evaluation, integration within the portfolio and DoD's Guidance for the Development of the Force. The *Logistics Roadmap* will use the new *JCA* lexicon to guide joint logistics capabilities, considering the three goals identified above. The MV Business Enterprise Priority and several DLA and USTRANSCOM priorities align closely with the *Logistics Strategic Direction* and will maintain ETP alignment as these new logistics strategies and plans emerge.

Human Capital Strategy (HCS)

DoD's HCS is highlighted in the QDR section entitled, "Developing a 21st Century Total Force." The key outcomes of achieving a workforce that has the agility and capability to meet mission requirements include developing an infrastructure to ensure that as conditions or missions change, the workforce is ready to meet any challenge, as aligned to Department priorities. This involves in great part, key processes and activities to enable the DoD to accomplish its mission through the recruitment and retention of a diverse, world-class workforce consistent with competency needs. This work force will be organized around a performance management approach, aligned with National Security Personnel System (NSPS), which enables managers to link individual performance, development and rewards to agency accomplishments. By doing so, this approach will help achieve business transformation objectives.

The HCS enables DoD's goal of Total Force Transformation by supporting an agile, collaborative, and accountable workforce (comprised of, highly qualified civilians, military members, and contractors) that embraces change and achieves results via the following approach:

- A roadmap to get the right people in the right jobs at the right time
- A competency focused and outcome-based framework to align Human Resources processes with the Department's mission, priorities, and culture
- A basis to evaluate and drive improved Department management of human capital
- Recognition as an employer of choice, through effective work/life balance programs, employee development, and rewards consistent with DoD's goals and objectives

- A stable workforce managed through both organizational and career planning
- A collaborative environment where the Department executes as a high performing team

The transition to Total Force management is critical to business transformation, enabling a linkage of human capital strategies to operational strategies supporting the warfighter in achieving the DoD mission. Further, the implementation of the HCS supports the DoD's "Focus on the People" priority. The Department's leadership has evaluated and prioritized the activities identified for each human capital goal based on the value these efforts add to overall Department priorities and the ability to execute them within a specified timeframe. The strategy and objectives for achieving the Personnel Visibility (PV) Business Enterprise Priority align hand-in-hand with four of the five HCS goals: Mission Ready Workforce; Results Oriented Performance Culture; and Enterprise Human Resource Support.

The HCS supports the Department priorities with key processes and activities to achieve business transformation objectives. Personnel Visibility aligns with the framework of the HCS through its objectives and its goal to provide information (including data on military, civilians, and contractors) to decision makers. This concept is consistent with the HCS enabling the DoD goal of the Total Force Transformation, supporting an agile, collaborative, and accountable workforce. The common goal of PV and the HCS is achieving business transformation objectives and providing the necessary information and processes to decision makers and warfighters in support of the Department's mission.

Defense Installations Strategic Plan (DISP)

The DISP, published bi-annually, reflects the continuous evolution of the strategic planning process for DoD real property and installations lifecycle assets. These include all natural and manmade assets associated with owning, managing, and operating an installation, including the facilities, people, and internal and external environment. As part of the President's Management Agenda, Executive Order 13327, "Federal Real Property Asset Management," promotes the efficient and economical use of installation assets. Likewise, the 2006 QDR directs the implementation of enterprise-wide changes to ensure that organizational structures, processes, and procedures effectively support DoD's strategic direction.

One key DISP goal entitled *Right Management Practices* focuses on the continuous improvement of installation planning and operations by embracing best business practices and modern asset management techniques. As a result, outcomes and performance targets stated in the DISP mirror those in this report. Indeed, OSD developed both concurrently. Both documents are focused on improving warfighter and business operations through the transformation and implementation of advanced management practices, rules, and data. Transformation progress for the Real Property Accountability Business Enterprise Priority will be measured against targets identical in both plans.

The Defense Information Enterprise Transition Plan (DIETP)

The DIETP is being developed by the DoD Chief Information Officer (CIO) to illustrate the Department's progress in net-centric transformation. The plan will present the strategy for transformation of the Defense Information Enterprise through key programs that support the five Defense Information Enterprise priorities: Data and Services Deployment, Secured Availability, Computing Infrastructure Readiness, Communications Readiness, and NetOps Agility. The DIETP will also track progress of these programs by establishing and reporting performance measures.

The approach that the DoD CIO is following to develop an enterprise architecture and a transition plan parallels the approach followed in the business mission area over the last three years. Like the DoD's business transformation ETP, the DIETP will describe capability improvements throughout the Department, improving situational awareness to the warfighter and decreasing decision-making cycles.

Summary

Each plan has its own purpose and is a valuable tool for DoD transformation decision makers as they lead the Department in supporting the warfighter. The Department will continue to strengthen this alignment by building relationships, sharing information, and identifying gaps and dependencies across the various plans and among DoD business transformation products.

The following section is a detailed description of the DoD CIO's approach and framework for supporting the Department's transformation.

The Defense Information Enterprise

Every business system is supported by the infrastructure, services and set of Departmental business rules governed by the DoD CIO. Through DoD CIO leadership of the Defense Information Enterprise, the Department is achieving an information advantage for its people and its mission partners. Central to this goal is delivering on the promise of net-centric operations. Net-centricity is the realization of a networked environment (including infrastructure, systems, processes and people) that enables information to be shared timely and seamlessly among users, applications and platforms. Net-centricity enables substantially improved military situational awareness and significantly shortened decision-making cycles.

In the drive towards net-centricity, the Defense Information Enterprise provides the common, integrated information, computing, and infrastructure environment that supports all DoD missions and operations. It establishes the foundational layer of capabilities, services, and standards that enable Information Management (IM) operations and drive the fundamental concepts of net-centricity across all missions of the Department.

As Defense business transformation focuses on improving Business Capabilities, the Defense Information Enterprise is enabling those improvements by implementing foundational net-centric capabilities to make data more visible, accessible, understandable and trusted. Both business IT solutions and these foundational net-centric capabilities are part of the Global Information Grid (GIG)—the globally interconnected, end-to-end set of information capabilities for collecting, processing, storing, disseminating, and managing information on demand to warfighters, policy makers, and support personnel.

Attaining the DoD CIO's goal of creating an information advantage for our people and our mission partners depends upon delivering the power of information through an agile enterprise empowered by access to and sharing of timely and trusted information. Achieving such a rich information environment will be enabled by the cultural shifts described elsewhere in this ETP, by breaking down data silos to make data visible and shared, and by achieving a future environment in which authoritative data assets, services, and applications are accessible to all authorized users across the Department, except where limited by law, policy, security classification or operational necessity.

Leveraging the Defense Business Transformation Paradigm

Just as the Office of Business Transformation has led transformation of the Department's business operations, the DoD CIO is now leading DoD net-centric transformation—guiding the Department from a legacy environment of point-to-point interfaces and application-specific hosting environments, to the net-centric world of information-on-demand and dynamic provisioning of resources. In organizing to meet this challenge, the DoD CIO has broadly leveraged the methods, tools and mechanisms pioneered within the Department by the BTA in the Defense business transformation effort.

Enterprise Architecture

The DoD CIO recently published the first release of the Defense Information Enterprise Architecture (DIEA). The DIEA provides a common foundation to support accelerated DoD transformation to net-centric operations and establishes the priorities to address critical barriers to its realization. The architecture highlights the key principles, rules, constraints and best practices to which DoD IT programs, regardless of Component or portfolio, must adhere in order to enable agile, collaborative net-centric operations. Similar to the approach in the BEA, core principles and rules are organized around a set of five key priorities:

- **Data and Services Deployment (DSD):** DSD is focused on decoupling data and services from the applications and systems that provide them, allowing them to be visible, accessible, understandable and trusted. DSD lays the foundation for moving DoD to a service-oriented architecture (SOA).
- **Secured Availability (SA):** SA is focused on ensuring that data and services are secured and trusted across DoD, without hindering access to information by authorized users, whose permissions and authorizations follow them everywhere on the network.
- **Computing Infrastructure Readiness (CIR):** CIR provides the necessary computing infrastructure (processing and storage) and related services to allow the DoD to operate according to net-centric principles. CIR will enable DoD to dynamically respond to computing needs and to balance loads across the infrastructure.
- **Communications Readiness (CR):** CR ensures that an evolvable transport infrastructure is in place to provide adequate bandwidth and access to GIG capabilities. The transport functions must provide an end-to-end, seamless net-centric communications capability across all GIG assets.
- **NetOps Agility (NOA):** NOA enables the continuous ability to easily access, manipulate, manage and share information, from any location at any time. NOA establishes common processes and standards that govern operations, management, monitoring and response of the GIG.

DIEA 1.0 addresses a "To Be" vision 3-5 years in the future. The architecture reflects existing DoD CIO-related guidance, policy, and frameworks in a single, more cohesive vision and enables investment decision-makers across the Department to have informed discussions on the key issues driving net-centric implementation. As the information environment portion of DoD's enterprise architecture, the DIEA describes capabilities, services and standards, complementing the BEA. Compliance with the DIEA is being integrated into IT investment review processes across the Department.

Architecture Next Steps

The DIEA will be revised to incorporate additional material currently contained in the Net-centric Operations and Warfare Reference Model (NCOW RM). Additionally, a DIEA compliance guideline document will be developed and published, using the NCOW RM compliance documentation as input. This guidance will describe real, measurable criteria to which programs can be held accountable.

Transition Planning

Using the DIEA as the baseline delineation of priorities, the DoD CIO will be developing an enterprise transition plan for net-centric transformation. This document will be similar in scope to the Defense Enterprise Transition Plan.

Transition Planning Next Steps

The DoD CIO is on track to deliver the first Defense Information Enterprise Transition Plan (DIETP) in September 2008. This transition plan will encompass the strategy for transformation of the Defense Information Enterprise and describe the governance of the enterprise environment. The DIETP will present the transformation approach, which relies (like business transformation) on such critical principles as federation and tiered accountability. The DIETP will provide information on the strategies and key programs of the five priorities in the DIEA, along with similar content for DoD Components. Finally, the DIETP will discuss how the DoD CIO is managing enterprise transformation, and how Defense Information Enterprise transformation aligns with related DoD efforts.

Governance

In May 2006, the DoD CIO established an Investment Review Board (IRB) based on the precedents set by the Business Mission Area's IRBs. This IRB is led by the DoD CIO, who provides executive oversight for information policy issues and all core IT infrastructure within the Department. In FY06 and FY07, the IRB reviewed capability shortfalls, gaps, and overlaps, to inform the PPBE process, enabling the process to better support warfighter needs. The DoD CIO is now transforming this IRB to strategically leverage the Department's Capability Portfolio Management (CPM) construct to affect the building out of the net-centric environment in support of all missions of the Department. Additionally, this IRB supports Defense business transformation in meeting the requirements of the Fiscal Year 2005 NDAA by reviewing and certifying business systems that don't fall within the scope of the one of the four Business Mission Area IRBs.

The DoD CIO manages and hosts the Defense Information Technology Portfolio Repository (DITPR), which supports transformation efforts across the Department. The DITPR is used to manage the DoD IT inventory and provide management support for all portfolios. In particular, the DITPR is the authoritative source for information used in certification tracking by the Business Mission Area IRBs and in development of the Defense Business Transformation ETP.

Governance Next Steps

Compliance across all DoD programs with the rules in the DIEA is critical to the Department achieving an information advantage through net-centric operations. To that end, the DoD CIO is working with the Department's business and warfighting communities to build mechanisms for net-centric compliance into the foundational processes of system acquisition, design and development. Building compliance into early stages of these processes will foster greater alignment with net-centric goals and reduce the risk of costly modifications later in development.

In further support of net-centric transformation, the DoD CIO's office is establishing performance measures to capture and report in the DIETP, for core programs supporting net-centric evolution. These metrics will be used to guide DoD portfolio processes in prioritizing IT investments across the Department; show progress in achieving compliance with the rules in the DIEA; and hold the Department accountable for delivery of net-centric capabilities.

Extending the DoD business transformation paradigm in another way, the DoD CIO is using the concept of tiered accountability in applying the principles of the Clinger-Cohen Act (CCA) to the DoD's information resources management activities. In particular, the DoD CIO is actively working with the BTA to embed necessary CCA steps into the Department's, new acquisition oversight processes for business systems, called the Business Capability Lifecycle (BCL), thus better aligning accountability and authority and further streamlining the overall process.

All of these DoD CIO transformation efforts validate the efficacy of DoD's business transformation efforts, and by creating analogous products and processes, strengthen the support for their continued evolution and usefulness in multiple areas of the Department.

Key Programs and Accomplishments

Given the nature of the Defense Information Enterprise's support to all DoD missions and operations, interactions between Defense business transformation and net-centric transformation are frequent, on-going, and essential to effective interoperability of the Department's information solutions.

Interactions range across many topics, including such things as:

- Negotiating and maintaining Enterprise Software Initiative (ESI) agreements that reduce the costs of the Department's Enterprise Resource Planning (ERP) implementations (both software and services) and reduce infrastructure needs.
- Establishing services that provide tools enabling online intra-Departmental collaboration.
- Supporting the Department's Lean Six Sigma (LSS) program through training of internal personnel, sponsorship of LSS projects, and establishing ESI agreements for LSS tools.

The following three initiatives highlight where the DoD CIO is delivering services and an environment that will make business transformation efforts better, more effective, faster-to-market, and ultimately cheaper to build and operate.

Data and Services Strategy Implementation

For information to be useful for making decisions, it needs to be visible, accessible, understandable, and trusted. To further foster interoperability and the use of shared information across DoD and the Intelligence Community (IC), the DoD CIO promotes the seamless exchange of data and services through information-oriented, community-based activities aimed at establishing shared vocabularies, taxonomies and semantic structures within and across Communities of Interest (COIs). A COI-driven process for developing community-based vocabulary and enterprise and community services across the Department has been developed and is being adopted and used. This process produced a joint DoD/IC Universal Core (UCORE) Information Exchange Schema specification. Some examples of envisioned UCORE objects are Time, Geo-location, and Security Classification. UCORE 1.0 is scheduled for pilot testing and evaluation in FY08, which will result in UCORE 2.0. The UCORE 2.0 implementation will begin in FY09.

Data and Services Accomplishments

- Providing Content Discovery and Delivery services, including enterprise content and people search standards and specifications that can be federated across the DoD and IC as part of Net-Centric Enterprise Services (NCES); and providing content staging capabilities that have dramatically improved access to data and performance of applications Outside of the Continental United States (OCONUS).
- Implemented a discovery metadata tagging standard (DoD Discovery Metadata Specification (DDMS)) to enable visibility of information and information assets across the Enterprise.
- Continuing to enhance and populate the DoD Metadata registry with community semantics and services.
- Developed and continue to deliver two-day training courses, and two-hour executive sessions, on how to establish and operate COIs to address information sharing problems.

Transition to Service-Oriented Architecture

Along with a focus on Enterprise-wide data and technical standards, the Department is following an overall IT industry trend towards SOA, an approach for delivering capabilities as net-based services. This approach uses Internet technology to provide more agility, efficiency, and effectiveness in the ways DoD shares information. The Defense Information Enterprise is providing core enterprise services that enable other IT programs to focus on the specific services that are their core mission, while leveraging Enterprise-wide interoperability for capabilities such as authentication, access control, and various directories of people, devices, and services.

SOA enables the transformation to a suite of loosely-coupled and interoperable services. These services are made available in a secure fashion across the GIG in such a way that even unanticipated users can access and use the information with only those permissions deemed appropriate by DoD policy and rules. Such a SOA approach allows the agile and dynamic composition of these services into capabilities that quickly support both existing and emerging business processes across the DoD enterprise.

To provide the foundation for the Department's SOA approach, the Net-Centric Enterprise Services (NCES) program is building these capabilities to drive collaboration among people and systems.

SOA Accomplishments

- Rolling out the NCES SOA Foundation (SOA-F) product line, in addition to the NCES Content Discovery and Delivery services previously mentioned. NCES has acquired scalable, production-capable COTS solutions with the recent award of the SOA-F managed services contract that provides Service Discovery, Mediation (with some process automation and workflow), Machine-to-Machine Messaging, and Enterprise Service Management.
- Established the Senior Enterprise Services Governance Group (SESGG) to address enterprise service issues throughout the DoD and the IC. This group has helped guide the implementation of UCORE v 1.0 and established the UCORE Executive Steering Committee to implement UCORE beyond DoD and the IC. The SESGG also drives decisions on standardizing SOA implementations across Components.

Identity Management and Attribute-Based Access Control (ABAC)

One of the most fundamental and common problems that inhibits effective information sharing is the lack of means to place appropriate controls on the distribution of that information. As a result, information often is either too open or too protected. When information is too open,

there is an increased risk of violations of privacy or security. When information is too protected, there is an opportunity cost of being unable to make informed decisions. The DoD CIO is collaborating with the DNI CIO to address this issue for the Department by developing guidelines and interfaces for Components to make user attributes available on the network, and establish enterprise milestones for ABAC services to enable policy-driven attribute-based access control, leveraging Common Access Cards (CAC) and the Department's Public Key Infrastructure (PKI) efforts.

Identity Management and ABAC Accomplishments

- Provided all active-duty military personnel and civilian employees in the Department with hardware-based PKI credentials. These credentials are a robust mechanism for identifying individuals over a computer network, a critical first step to providing access control. PKI also reduces the cost of operations for information systems by eliminating the necessity for each system to provide credentials for each user, or to staff a help desk large enough to handle all forgotten passwords.
- Established the DoD/Intelligence Community Authorization and Attribute Services Tiger Team, in conjunction with the NCES program, the Defense Manpower Data Center, and the DoD PKI program, to define the attributes, services and architecture to provide ABAC. This will enable business systems to support users who are unanticipated, but authorized by policy, and will also further the goal of being able to provide the right information to the right decision maker at the right time.

Case in Point: Maritime Domain Awareness

At the heart of DoD's net-centric challenge is making trusted information visible, accessible and understandable to all authorized—including unanticipated—users. Information collected in the normal course of operations often has utility for a wide variety of purposes. For example, financial transaction data is not just used to balance the books; it provides insight into the Department's operations and business processes. The question is: How do we create an environment with access to all who need it? The Maritime Domain Awareness (MDA) initiative is a superb example of how an initiative to provide information visibility can use cross-organizational Communities of Interest (COIs) and net-centric technology to solve information needs of the Department.

In late 2005, several organizations joined together to tackle a common problem—creating a capability to better track shipping in American waters, and thus improve maritime safety and security. These organizations (the US Navy, the Department of Homeland Security (DHS), and the Department of Transportation (DOT)) had been preparing to embark upon individual efforts to solve this problem. They realized, however, that by working together they could build a common solution using existing information for a fraction of the anticipated time and resources. The required information already existed, but in pieces, with each of the interested organizations holding a piece of the puzzle. What was required was a collaborative framework that allowed them to arrive at a common solution. The DoD CIO's COI structure provided this framework.

The organizations joined together to form the Maritime Domain Awareness Data Sharing Community of Interest (MDA DS COI). The MDA DS COI started out with a very simple problem statement for an initial Spiral 1 pilot: "Unanticipated users are unable to discover and subscribe to Automatic Identification System (AIS) information." In the case of the MDA DS COI, the required AIS information for identification and tracking of ships included ship name, International Maritime Office (IMO) number, Maritime Mobile Service Identity (MMSI) number, position (latitude and longitude), course, and speed. The MDA DS COI merged four separate information sources (Navy shipboard organic information, Naval intelligence merchant ship information, Coast Guard AIS information, and DOT maritime safety and security information) and made it accessible to a diverse set of consumers via portals and geo-spatial viewers (including a Google™ Maps/Google™ Earth implementation).

To accomplish this, the MDA DS COI developed a common, community-defined vocabulary and schema to support information exchanges among the various AIS data producers and consumers. Further, it used the DoD's NCES as a common SOA framework for AIS producers to make their data visible, accessible, and understandable to authorized consumers. The NCES Content Discovery Services enable data discovery, and the NCES Messaging Service enables data access. Within eight months the development team, working with the COI, was able to demonstrate the capability for any authorized user to discover, subscribe to, and use this information with only a Common Access Card (CAC) and a web browser. Today, this capability is used regularly by analysts in the Navy, Coast Guard and the Department of Transportation.

DoD learned many lessons from this effort. First, the community-defined vocabulary and schema allowed for a common semantic understanding of the data. This was crucial in tagging the MDA data so it could be discovered and accessed by authorized users. Secondly, the COI demonstrated how the NCES program can provide a common information sharing infrastructure for both data producers and consumers. Additionally, the MDA DS COI piloted the COI governance structure, and demonstrated that this structure could enable the different federal partners to work effectively together to provide the support and resources to help the COI accomplish its data sharing goal. Finally, the COI developed repeatable processes that will help solve similar problems in the future. With total costs of less than $1.2M (less than any of the individual participants was expecting to spend independently prior to this effort), the MDA DS COI truly demonstrated the benefits of net-centric information sharing.

Program Descriptions & Time Phased Milestones

Transformation Program Summary

This section provides an overview of the DoD Enterprise and Component transformational programs including a brief description of each program, their key milestones, legacy migration information, and their program cost and budget information. The summary is arranged first by Business Enterprise Priority (Enterprise Summary) and then by Component (Component Summary). Detailed information for this section includes:

- List of the DoD Enterprise-level transformational systems and initiatives that support each Business Enterprise Priority.
- List of the Component and Medical transformational systems and initiatives.
- The program description/objective of each system and initiative.
- The time-phased program milestones of each system and initiative. "Standard Acquisition" milestones refer to those generally considered part of major systems lifecycle development: Milestones A, B, C, IOC, and FOC. The milestones are sometimes divided into increments, with separate standard milestones present within each increment. "User defined" milestones include changes to policy, process, training, or, in particular, implementation of the system or initiative. Where no "Standard Acquisition" milestones are reported the latest critical user defined milestone will be disclosed. Any critical user defined milestone that has no designated finish date is considered TBD (To Be Determined). TBD is reported as 12/31/2020.
- Where no future milestones exist, the system or initiative will be marked "No defined future critical milestones." A complete listing of all milestones can be found in Appendix J – Key Milestone Plan in the virtual appendices.
- The number of legacy systems either previously migrated as well as the number of scheduled legacy system migrations in FY08 & FY09.
- Only milestones occurring in FY07 and beyond are represented.
- FY07 and earlier budget figures represent actual obligations, to date.
- FY08 & FY09 figures reflect the President's Budget (PB09) submission and include both Development & Modernization funding as well as Current Services (Operations & Maintenance) funding.
- Endnotes provide details about budgetary data for referenced systems and initiatives.

EXAMPLES

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Common Supplier Engagement	**CPARS**[+] Contractor Performance Assessment Reporting System	CPARS is the authoritative source of commercial supplier performance information reported by Department officials. CPARS provides a record, both positive and negative, of a contractor's performance on a given contract for a specific period of time. Each assessment is based on objective facts and is supported by program and contract management data. Completed assessment reports are used to support future source selections during "Best Value" contracting.	Complete PPIMS merge into CPARS to create one DoD feeder system into the Past Performance Information Retrieval System (PPIRS)	6/2007	# Systems Migrated	2	-	-
					Actual/Budget	10.1	2.1	2.1
	DoD EMALL DoD Electronic Mall	DoD EMALL provides the entry point for DoD, Federal, Industry (as agents for government) and Allied Nation purchasers to research and acquire off-the-shelf, finished goods and services from the commercial marketplace and government sources. DoD EMALL provides an advanced, web-based government e-procurement application while enabling a Common Supplier Engagement model.	**Increment: EMALL v7.1** Deploy next version including improved funds checking capabilities for select ordering communities	3/2007	# Systems Migrated	-	2	-
					Actual/Budget	43.2	3.3	4.4

EXAMPLE

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BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Personnel Visibility	**DCPDS** Defense Civilian Personnel Data System	DCPDS is a single, web-based Human Resources (HR) system that standardizes civilian HR processes and promotes efficiency of HR service delivery. The system uses a standard, easy-to-follow user interface to provide HR specialists, managers, and administrative specialists HR information at their fingertips. DCPDS is also the largest automated HR system in the world, containing over 800,000 civilian employee records and over 1.5 million position records. DCPDS replaced nine legacy civilian HR systems, and supports all targeted DoD civilian employees and organizations. It is fully deployed across the Department and is the enterprise civilian HR system. DCPDS supports appropriated and non-appropriated fund (NAF) employees, as well as Local Nationals and National Guard (NG) personnel through 22 DoD Regional Service Centers (RSCs) and over 300 Customer Support Units (CSUs) worldwide. DCPDS also supports the Executive Office of the President (EOP) and the International Broadcasting Bureau (IBB)/Broadcasting Board of Governors (BBG). System upgrades and enhancements to DCPDS continue today as an organized, coordinated activity centrally managed by Civilian Personnel Management Service (CPMS). DCPDS was designed to improve and simplify personnel transaction processing, the delivery of personnel services, and retrieval of timely civilian workforce information. CPMS is responsible for functional and technical oversight of DCPDS.	Complete the study for an integrated DoD civilian HR/payroll	1/2007	# Systems Migrated	9	-	-
					Actual/Budget	382.4	22.7	73.8
	DIMHRS Defense Integrated Military Human Resources System	DIMHRS is the vehicle through which DoD is revolutionizing military personnel and pay to support the 21st century warfighter. DIMHRS will be a fully integrated military personnel and pay system for the Department that will support military personnel throughout their careers and retirement in peacetime and war. It will consolidate nearly one hundred legacy DoD personnel support systems and provide a common HR and pay system for the Department using common business processes that generate common data in a common operating environment. This consolidation will result in greater standardization of data between Components, increased accuracy and timeliness of pay actions, and will provide greater visibility of all military personnel to the Department. DIMHRS provides a single system of record encompassing most facets of a military career -- supporting personnel and pay functions for Regular, Reserve and Guard personnel (and their families), whether on active duty or not, throughout their entire military careers through periods of peacetime, mobilization, and war -- regardless of movement between Components… one system, one record. Once deployed, DIMHRS delivers a full cross-Service support capability allowing Soldiers, Airmen, Sailors, and Marines to manage their careers and maintain their records.	**Increment: Army** IOC **Increment: Air Force** IOC **Increment: Navy** IOC	10/2008 2/2009 TBD	# Systems Migrated	-	-	58
					Actual/Budget	651.3	104.2	63.4
	DTS Defense Travel System	DTS is a fully integrated, electronic, end-to-end travel management system that automates temporary duty travel (TDY) for the Department of Defense. It allows travelers to create authorizations (TDY travel orders), prepare reservations, receive approvals, generate travel vouchers, and direct deposit payment to themselves and the government charge card vendor, all via a single web portal available 24 hours a day, seven days a week. The BTA has program oversight and the Defense Travel Management Office, OUSD (P&R) has functional oversight.	FOC	9/2009	# Systems Migrated	7	-	-
					Actual/Budget	466.3	23.3	27.4

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Acquisition Visibility	**DAMIR** Defense Acquisition Management Information Retrieval	DAMIR streamlines acquisition management reporting by creating a net-centric environment where data will be made available as quickly as possible to those who need it. DAMIR provides a shared solution for end users enabling them to collaborate on enterprise program management. Through its tools, DAMIR will allow users to drill down to relevant data, organize data collection, and facilitate managers' proactive ability owing to timeliness and depth of data analysis. The system enables users to customize the way they search, view information in real-time, and display previously unavailable combinations of information. The objective of DAMIR is to provide an enterprise system that will create a net-centric environment where acquisition data is available to support the acquisition and program management oversight requirements and allow AT&L to shift its acquisition oversight focus from the current reporting process to true oversight.	FOC	4/2008	# Systems Migrated	-	1	-
					Actual/Budget	8.1	2.6	7.4
	MEVA* (CAMS-ME) Military Equipment Valuation and Accountability	MEVA's goal is to develop a capability to value and account for military equipment to achieve financial management improvements required by the President's Management Agenda. Achieving financial management improvement achieves two objectives for DoD. First, it gives DoD decision makers reliable, accurate information with which to determine the full cost of assets. Decision makers receive information that can be compared over time and between programs, which will allow better investment planning. Second, it will enhance the public's trust of DoD.	**Increment: Increment 2** Milestone B: Capital Asset Management System - Military Equipment (CAMS-ME) Spiral A IOC: Capital Asset Management System - Military Equipment (CAMS-ME) Spiral B IOC: Capital Asset Management System - Military Equipment (CAMS-ME) Milestone C: Capital Asset Management System - Military Equipment (CAMS-ME) Spiral C IOC: Capital Asset Management System - Military Equipment (CAMS-ME) Spiral A FOC: Capital Asset Management System - Military Equipment (CAMS-ME)	12/2006 1/2008 9/2008 12/2008 9/2009 9/2010	Actual/Budget See Note 1 & 5	30.1	12.6	14.2
	USXPORTS‡ US Export Systems	USXPORTS provides DoD with the capability to process electronic export license data more efficiently and effectively through: inter-agency and electronic data exchange; electronic dissemination to all review layers; auto-staffing of cases; identifying precedent cases; and end-user alerts for workflow management. The objective of USXPORTS is to provide an enterprise system that will improve the export control practices of the Departments of Defense, Commerce and State; and to meet national security, foreign policy, and nonproliferation objectives while facilitating trade and business expansion.	Expand user base	1/2007	# Systems Migrated	1	-	-
					Actual/Budget See Note 7	37.1	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Common Supplier Engagement	**CPARS**‡ Contractor Performance Assessment Reporting System	CPARS is the authoritative source of commercial supplier performance information reported by Department officials. CPARS provides a record, both positive and negative, of a contractor's performance on a given contract for a specific period of time. Each assessment is based on objective facts and is supported by program and contract management data. Completed assessment reports are used to support future source selections during "Best Value" contracting.	Complete PPIMS merge into CPARS to create one DoD feeder system into the Past Performance Information Retrieval System (PPIRS)	6/2007	# Systems Migrated	2	-	-
					Actual/Budget	10.1	2.1	2.1
	DoD EMALL DoD Electronic Mall	DoD EMALL provides the entry point for DoD, Federal, Industry (as agents for government) and Allied Nation purchasers to research and acquire off-the-shelf, finished goods and services from the commercial marketplace and government sources. DoD EMALL provides an advanced, web-based government e-procurement application while enabling a Common Supplier Engagement model.	**Increment: EMALL v7.1** Deploy next version including improved funds checking capabilities for select ordering communities	3/2007	# Systems Migrated	-	2	-
					Actual/Budget	43.2	3.3	4.4
	EDA Electronic Document Access	EDA provides secure online, electronic storage and retrieval capabilities of procurement information and documents across the DoD.	Deploy next version including enhanced tracking and resolution of Contract Deficiency Reports	9/2007	# Systems Migrated	1	-	-
					Actual/Budget	30.4	5.7	4.9
	Federal IAE* Federal Integrated Acquisition Environment	The Federal eGov Integrated Acquisition Environment (IAE) provides a secure business environment that facilitates and supports cost-effective acquisition of goods and services in support of agency mission performance. The goals include: (1) creating a simpler, common, integrated business process for buyers and sellers that promotes competition, transparency and integrity; (2) increasing data sharing to enable better business decisions in procurement, logistic, payment and performance assessment; and (3) taking a unified approach to obtaining modern tools to leverage investment costs for business-related processes. The IAE initiative encompasses the following systems: Central Contractor Registration (CCR), Electronic Subcontracting Reporting System (eSRS), Excluded Parties List System (EPLS), Federal Business Opportunities (FBO), Federal Procurement Data System - Next Generation (FPDS-NG), Federal Agency Registration (FedReg), Federal Technical Data Solution (FedTeDS), Online Representations and Certifications (ORCA), Past Performance Information Retrieval System (PPIRS), Wage Determinations Online (WDOL).	No defined future critical milestones		Actual/Budget See Note 4	96.5	23.6	27.0

BEP	Enterprise Systems and Initiatives		Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
				Milestone	Date				
Common Supplier Engagement	Federal IAE	**CCR** Central Contractor Registration	CCR is to provide the Federal Government insight to its commercial supplier base. CCR is the single point of entry for commercial suppliers to provide organization information. CCR is the authoritative source of commercial supplier information in support of the sourcing and payment processes of the Federal Government. CCR is a system in the Federal eGov IAE initiative.	No defined future critical milestones		# Systems Migrated	-	-	-
		EPLS‡ Excluded Parties List System	EPLS is the on-line authoritative source of parties excluded from Federal procurement and non-procurement programs, commonly referred to as the debarred list. EPLS identifies those parties excluded throughout the U.S. Government from receiving Federal contracts or certain subcontracts and from receiving certain types of Federal financial and non-financial assistance and benefits. EPLS is a system within the Federal eGov IAE initiative.	No defined future critical milestones		# Systems Migrated	-	-	-
		eSRS Electronic Subcontracting Reporting System	eSRS provides a single point of entry for commercial suppliers to report subcontracting actions. It is the authoritative source to provide the government with insight as to how its subcontracting dollars are being distributed among small and disadvantaged businesses in relation to socioeconomic goals. eSRS is within the Federal eGov IAE initiative.	Initiate deployment of authoritative source for commercial supplier subcontracting reports within DoD	4/2008	# Systems Migrated	-	-	-
		FBO Federal Business Opportunities	FBO provides the single Government point-of-entry (GPE) for Federal Government procurement opportunities. Government buyers publicize opportunities by posting solicitation information directly to FBO via the Internet. Commercial suppliers can search, monitor and retrieve opportunities solicited by the entire Federal contracting community. FBO is a system within the Federal eGov IAE initiative.	No defined future critical milestones		# Systems Migrated	-	-	-
		FedReg Federal Agency Registration	FedReg provides the single authoritative source of Federal and Departmental entities engaged in intragovernmental transactions. FedReg allows each intragovernmental transaction to have information attached to it about each trading partner. FedReg is a system within the Federal eGov IAE initiative.	No defined future critical milestones		# Systems Migrated	-	-	-
		FedTeDS Federal Technical Data Solution	FedTeDS provides a single solution to disseminate acquisition-related sensitive but unclassified information associated with an active acquisition or solicitation to Federal Government vendors. FedTeDS is a system within the Federal eGov Integrated Acquisition Environment (IAE) initiative.	No defined future critical milestones		# Systems Migrated	-	-	-

BEP	Enterprise Systems and Initiatives		Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
				Milestone	Date				
Common Supplier Engagement	Federal IAE	**FPDS-NG** Federal Procurement Data System-Next Generation	FPDS-NG provides visibility into all federal contract sourcing arrangements with commercial suppliers. It is a web-based system that offers both the public and Federal Government with a self-service, near real-time, searchable repository for information about unclassified government contracts with third party vendors. FPDS-NG collects contract reporting data from all federal agencies. FPDS-NG is a system within the Federal eGov IAE initiative.	Initiate Development of the Verification and Validation plan for FPDS-NG	2/2008	# Systems Migrated	2	-	-
		ORCA ‡ Online Representations and Certifications Application	ORCA is the single entry point for suppliers to assert their compliance with Federal law via submission of Federal Acquisition Regulation (FAR)-required Representations and Certifications. It provides Government Contracting Officers the authoritative source of that information. ORCA is a system within the Federal eGov IAE initiative.	DLA complete deployment of ORCA	4/2007	# Systems Migrated	-	-	-
		PPIRS Past Performance Information Retrieval System	PPIRS is the authoritative source for contractor performance information submitted by DoD and Federal agencies. It compiles data from several "report card" systems across the Federal government for a consolidated, comprehensive view of contractor performance. The Statistical Reporting Module interfaces with DoD legacy systems to provide contractor performance information on lower dollar value contracts. PPIRS is a system within the Federal eGov IAE initiative.	Initiate deployment of PPIRS-SR with targeted list of Military Services and DLA	9/2008	# Systems Migrated	-	-	-
		WDOL ‡ Wage Determinations Online	WDOL is the authoritative source for federal contracting officers to obtain appropriate Service Contract Act (SCA) and Davis-Bacon Act (DBA) Wage Determinations (WD) for each official contract action. WDOL is a system within the Federal eGov IAE initiative.	No defined future critical milestones		# Systems Migrated	-	-	-
	JCCS Joint Contingency Contracting System		JCCS provides theater-wide procurement professionals a single source of data entry for contracting and financial data to support mission spend analysis, strategic sourcing, and staffing requirements. JCCS output produces a myriad of contract and financial reports to support the warfighter's overal acquisition forecasting.	**Increment: v.5.0** Implement capability to enter/print procurement instrument	11/2008	# Systems Migrated	2	-	-
						Actual/Budget See Note 12	4.3	3.1	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Common Supplier Engagement	**SPOT** Synchronized Pre-deployment and Operational Tracker	SPOT acts as the Joint Enterprise system for tracking contractors who deploy with the military. It's the only system that supports the DoDI 3020.41 requirements to relate contract-level information with individual contingency contractor employee information. The system is populated by Company personnel via secure, Internet access and updated with current locations as individuals move throughout the area of responsibility. Government Agencies use SPOT to analyze available contract services and to support their mission needs, Defense Contractors use SPOT to process and track the individuals who deploy to provide required capabilities and Combatant Commanders use SPOT reports to maintain overall visibility of contractors within their area of responsibility and integrate contractor support into their operational plans.	Complete transition into BTA (DBSAE)	9/2007	# Systems Migrated	-	-	-
					Actual/Budget See Note 6	20.0	-	-
	SPS Standard Procurement System	SPS provides the interim Enterprise-wide contract writing and management capabilities and is a key enabler providing visibility into materiel and services sourcing actions of the Department. It allows for a standard method for producing agreements with suppliers.	**Increment 3 (v4.2.3)** Milestone C Full Deployment Decision Review (FDDR)	1/2007 9/2007	# Systems Migrated	-	-	-
					Actual/Budget	754.0	42.9	41.3
	WAWF Wide Area Workflow	WAWF provides the Department and its suppliers the single point of entry to generate, capture, and process invoice, acceptance, and payments related documentation and data to support the DoD asset visibility, tracking, and payment processes. It provides the nexus of information related to acceptance of goods and services in support of the DoD supply chain.	**Increment: v.3.0.12 Release** Implement standard shipment and acceptance transaction processing Implement capability to process grants and cooperative agreements **Increment v.4.0 Release** Implement standard invoicing and approval transaction processing - phase II	10/2007 10/2007 9/2008	# Systems Migrated	-	-	-
					Actual/Budget	56.6	9.8	22.9
Materiel Visibility	**IUID*** Unique Item Identification Registry	IUID is the strategic imperative for uniquely identifying tangible personal property items. Enable the accurate, timely recording of information on the location, movement, status and identity of equipment, materiel and supplies, to ensure accurate acquisition, repair, and deployment of items in an efficient and effective manner.	Full Operating Capability (FOC) for electronic management of DoD property in the possession of contractors (PIPC).	3/2007	Actual/Budget See Note 1 & 2	45.5	13.3	13.2
	LMD‡ Logistics Master Data	LMD establishes a single integration point for Item, Vendor, and Customer Data. Currently, there are 10 different Logistics Master Data sources. Each emerging program builds unique interfaces to source systems resulting in duplication, lack of data synchronization, increased costs, and limiting Materiel Visibility. In collaboration with DLIS and DLA, the Logistics Master Data Initiative enables emerging systems to build a single interface for retrieving Item, Vendor and Customer data to support DOD to get the right item to the end customer that is both timely and accurate.	Customer Logistics Master Data Capability Enabled and Completed	2/2007	Actual/Budget See Note 1	3.1	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Materiel Visibility	**MILS to EDI or XML*** Transition from MILS to EDI or XML	Facilitate DoD-directed migration of automated information systems (AISs) interfaces from Military Standards (MILS) 80 record position transactions to ANSI X12 Electronic Data Interchange (EDI) or Extensible Markup Language (XML) variable length transactions. Directed migration is in compliance with USD (AT&L) 22 Dec 03 memorandum "Migration to the Defense Logistics Management Standards (DLMS) and Elimination of the Military Standard Systems (MILS)."	All FY07 Jump Start funded systems complete migration to high-priority DLMS transactions	3/2008	Actual/Budget See Note 1 & 13	4.2	-	-
	RFID* Radio Frequency Identification	RFID is a family of technologies, within the collective suite of Automatic Identification Technology (AIT) applications. RFID is a transformational technology and will play a vital role in achieving the DoD vision for implementing knowledge-enabled logistic support to the warfighter through fully automated visibility and management of assets. RFID enables hands-off processing of materiel transactions, streamlines business processes and allows DoD to reapportion critical manpower resources to warfighting functions.	Suppliers apply passive RFID tags to all shipments for all appropriate commodities to all locations to be instrumented.	11/2008	Actual/Budget See Note 3	142.1	105.5	99.5
Real Property Accountability	**EL*** Environmental Liabilities	This initiative supports the Environmental Liabilities Identification and Valuation Enterprise capability, which in turn supports the Real Property Accountability BEP. DoD environmental liability estimates are not auditable and have been identified by GAO as a material weakness. DoD efforts have focused on updating the required inventories, improving data quality and record keeping, and providing clear OSD financial and program guidance. However, it has been recognized that the long term solution to achieving a favorable environmental liabilities audit was to reengineer the environmental liabilities recognition, valuation, and reporting business processes, with subsequent integration into Component activities and IT systems. The business process reengineering efforts are now complete for all DoD environmental liabilities. These include the development of standardized processes for data capture; inventory recording, integration with core financial systems, and linkage to asset records. The objective of the initiative was to enable the Components to report auditable and complete environmental liabilities information reconciled with asset records.	Complete EL Requirements implementation assistance to Components	TBD	Actual/Budget See Note 8 & 9	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Real Property Accountability	**HMIRS** Hazardous Materials Information Resource System	HMIRS is a Department of Defense (DoD) automated system, residing in the commercial off the shelf (COTS) environment, developed and maintained by the DLA to satisfy DoDI 6050.05 by storing Material Safety Data Sheets (MSDS) and other related data for hazardous material procured by DoD, the General Services Administration (GSA), and other Federal Agencies. HMIRS was designated by the Office of the Secretary of Defense as the authoritative source of MSDSs and value-added data for DoD. HMIRS also includes HAZCOM warning labels and transportation information on the four major modes of transport for hazardous materials purchased by the Federal Government, DoD and Civil Agencies. MSDS data is usually available at the time of material acquisition through DoD focal points, who scan the MSDS into HMIRS then review and place the transportation, labeling, environmental, and disposal information into the system. MSDS information includes chemical constituency and hazard communications information needed to comply with the Occupational Safety and Health Administration (OSHA), and with regulations promulgated by the Environmental Protection Agency (EPA) and the Department of Transportation (DOT) regulatory guidance. The MSDS data is available on the World Wide Web and via compact disk (CD).	Test and implement reference data from Master Data Capability	12/2008	# Systems Migrated	-	-	-
					Actual/Budget See Note 10	5.1	0.3	0.3
	HMPC&IMR* Hazardous Materials Process Controls & Information Management Requirements	This initiative supports the Hazardous Materials Process Controls and Information Management Capability. The objective of this initiative is to develop and implement an end-to-end, systematic management process and information technology infrastructure for effective operational control of hazardous materials. The “To-Be” process will reduce risks and improve accuracy and availability of authoritative hazard data in conjunction with the Materiel Visibility Logistics Master Data initiative. The HMPC&IMR initiative is expected to eliminate redundant purchase and entry of data across DoD, by influencing appropriate acquisition, logistics, human resources and financial management business processes. As such, this capability provides controls on the Materiel Visibility, Acquisition Visibility, Personnel Visibility, Common Supplier Engagement and Real Property Accountability processes.	Hazmat PHD regulatory reference data IOC available for linkage in the DLIS Data Master	9/2007	Actual/Budget See Note 8 & 9	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Real Property Accountability	**KBCRS** Knowledge Based Corporate Reporting System	KBCRS provides consolidated environmental program data to OSD. It provides detailed appendices to the Environmental Management Annual Report to Congress and essential data for OSD program oversight. KBCRS receives data extracted from DoD Component organizations, performs validity checks on the information, and loads the data into a consolidated OSD database with modules for various program areas. Current programs include Cleanup (Defense Environmental Restoration Program), MMRP (Military Munitions Response Program), and Solid Waste reporting. KBCRS incorporates Cleanup data from 1997 forward and MMRP data from 2001 inception forward. Some data is provided to the general public, but most detailed information is reserved for authorized users within the DoD or its Components and authorized users from state and Federal Environmental Protection Agency offices, Federal Land Managers, and selected Native American tribes. KBCRS includes predefined reports (many published in Annual Report to Congress) and a several user-selectable queries. A powerful ad hoc reporting tool exists for power users.	Evaluate expansion of KBCRS to include additional capabilities	TBD	# Systems Migrated	-	-	-
					Actual/Budget See Note 11	4.0	1.2	1.3
	RPAD Real Property Assets Database	RPAD supports the Enterprise capability requirement for a real property inventory. RPAD is the central repository of DoD real property inventory data for the Office of the Secretary of Defense. RPAD is a Net-centric data warehouse with a multi-tiered Service-Oriented Architecture (SOA). This system is being developed in response to an I&E Business Enterprise Integration study recommending DoD real property inventory data be near real-time data, Web accessible to known and unanticipated users, trustable (auditable), and support projected real property inventory requirements. RPAD uses the Military Departments' and WHS authoritative RPI databases as its data sources and is used to populate a variety of real property resourcing predictive models. It is also used to answer DoD senior leadership and Congressional RPI inquiries and is the data source for OSD RPI studies.	RPAD System initial operational capability (IOC) RPAD System full operational capability (FOC)	10/2007 9/2009	# Systems Migrated	-	-	-
					Actual/Budget See Note 8 & 9	-	-	-
	RPAR* Real Property Acceptance Requirements	The objective of this initiative was to develop and implement a To-Be process and data model, including data elements, definitions, and business rules; and to identify supporting data objects, including but not limited to handbooks, as-built drawings, warranties, and deeds. The RPILM CBM partnered with the Military Services, Defense Agencies, and other DoD CBMs on the RPAR BPR, which is essentially complete. The Real Property Acceptance Requirements document has been released. The remaining portions of the initiative are focused on updating the applicable DoD policies and supporting the Components in implementing the new real property acceptance requirements.	Incorporate sustainable RPAR business processes - Navy	TBD	Actual/Budget See Note 8 & 9	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Real Property Accountability	**RPCIPR*** Real Property Construction In Progress Requirements	The DoD Construction in Progress Business Process Reengineering (CIP BPR) had four key objectives: (1) Standardize the process used to calculate, record, and report the value of CIP; (2) Improve DoD Components' visibility and access to CIP information; (3) Ensure that sufficient documentation is available at the transaction level to support CIP values; and (4) Enable reliable and consistent reporting of construction progress (in terms of value) to Congress, project and financial managers, thus achieving and sustaining a clean audit opinion. The BPR was completed in FY06 and the resulting processes, data elements, and business rules were incorporated into BEA 4.0. A Real Property Construction in Progress Requirements document was released in October 2006. The objective of this initiative in FY08 and forward is to assure effective implementation of the requirements developed in the previous reengineering effort.	Incorporate CIP standardized data elements in authoritative systems - Army	9/2008	Actual/Budget See Note 8 & 9	-	-	-
	RPIR* Real Property Inventory Requirements	The objective of this initiative in FY08 forward is to assure effective implementation of the requirements developed in the previous re-engineering effort and documented in the Real Property Inventory Requirements (RPIR) book. DoD Components submitted RPIR implementation plans, which have been used as the primary basis for the development of the real property portions of the Enterprise Transition Plan (ETP) and the Financial Improvement and Audit Readiness (FIAR) plan. To achieve implementation, CBM efforts include: (1) Coordinating and overseeing the implementation of hundreds of RPIR data elements, processes, and business rules; and (2) Establishing data element standards to enable uniform accountability and visibility of real property assets.	**Increment: RPIR Implementation** FOC - GFEBS as single source of real property data - Army	9/2011	Actual/Budget See Note 8 & 9	-	-	-
	RPUIR Real Property Unique Identifier Registry	This system supports the Enterprise Capability requirement for a Real Property Inventory. Consistent with the Real Property Inventory Requirements processes and data standards, the system objective is to enable visibility of financial, physical (including environmental), and legal information on the Department's real property inventory. This will be achieved through development of site and asset unique identification (UID) registries. These net-centric, service-oriented, and secure information technology systems will be capable of assigning and managing UIDs for all real property in which DoD has a legal interest. Furthermore, as the RPUIR will provide secure interfaces with Component systems, core real property information will be maintained at the authoritative source. The registry will maintain the non-intelligent unique identification database, to include identifier, location, and change histories.	IOC for generic interface Asset Registry System initial operational capability (IOC)	6/2008 6/2007	# Systems Migrated	-	-	-
					Actual/Budget See Note 8 & 9	3.9	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Financial Visibility	**BEIS** Business Enterprise Information Services	BEIS will build upon existing infrastructure to provide timely, accurate, and reliable business information from across the Department of Defense to support auditable financial statements as well as provide detailed information visibility for management in support of the Warfighter. BEIS is a DoD-wide information environment in which to: • Collect financial transactions from across the DoD; • Provide the authoritative source for Standard Financial Information Structure (SFIS) values; • Ensure data is compliant with SFIS standards; • Provide security-defined, enterprise-level access to information for ad-hoc management queries; • Produce external financial management reports/statements based on standardized data.	Milestone C/Full Deployment Decision by the MDA	9/2009	# Systems Migrated	-	2	-
					Actual/Budget	21.6	19.1	20.6
	DAI Defense Agencies Initiative	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 auditability for approximately 28 Agencies and Field Activities across the DoD. DISA, DTRA, MDA, DARPA, DTIC, and BTA will be part of Wave 1. The functional scope includes the following financial management business areas: Accounts Receivable, Accounts Payable, Asset Management, Budget Formulation, Cost Accounting, Funds Distribution, General Ledger, and Time & Attendance. The objective of DAI is to achieve auditable, CFO compliant business environment for the Wave 1 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 OFFM requirements.	Milestone A Milestone B Milestone C	1/2007 5/2008 12/2009	# Systems Migrated	-	-	-
					Actual/Budget	21.8	24.8	16.4
	EFD* Enterprise Funds Distribution (Initiative)	The objective of EFD is to increase visibility, auditability and efficiency in the management of distributed funds and congressional actions. Specifically, EFD will establish: •Full visibility of appropriated funds as they pass through and across different levels of the enterprise; •Streamlined funds distribution processes for all DoD appropriations; •Standardized funds distribution data across the enterprise; •Automated audit trail between president's budget submission and appropriations enactments ; •Automated processing of funds authorization documents (FADs); •Automated tracking of reprogrammed and distributed funds; •Creation of an authoritative funds distribution data source; •Ubiquitous access to funds distribution functionality and data.	Milestone A/B Decision	4/2007	Actual/Budget	2.7	0.8	3.2

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Financial Visibility	**IGT/IVAN*** Intragovernmental Transactions/ Intragovernmental Value Added Network	IGT initiative addresses one of the DoD's material weaknesses (financial eliminations) by way of standardized, consolidated, and integrated processes and system components, as well as 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 objective: • Validate the concept for the reimbursable model through order creation; • Provide detailed transaction data; • Aid reconciliation; • Provide system implementation and enforcement of DoD business rules to reduce the risk of Anti-Deficiency(ADA) violations.	Determine preferred solution for Intragovernmental Transactions for reimbursables process	9/2008	Actual/Budget	15.1	4.4	8.1
	SFIS* Standard Financial Information Structure	SFIS is DoD's common business language that supports information/data requirements for budgeting, financial accounting, cost/performance management, and external reporting across the DoD enterprise. SFIS provides an enterprise-wide standard for categorizing financial information along several dimensions to support financial management and reporting functions. These dimensions include: appropriation account, budget program, organizational, transactional, trading partner, and cost accounting information.	Milestone 2 - Integrated Lines of Business into SFIS	7/2008	Actual/Budget See Note 1	2.9	2.3	2.3

Specific Notes:

1. These programs are funded from within operating budgets of affected components and/or the BTA.
2. **IUID** - Includes budgets for Component programs as well as the Enterprise-level management effort. Currently, there is no Research & Development (R&D) funding beyond FY09.
3. **RFID** – The funding shown here only reflects Component programs for RFID implementation. There is no discrete budget line item for RFID in the President's Budget; therefore, this funding summary has a potential overlap with the budgets for other Component programs that implement RFID shown in the Congressional Budget Reports. [FY08 and FY09 budget figures do not include the Marine Corps AIT budget, which include RFID as a component of the greater AIT plan.]
4. The **Federal Integrated Acquisition Environment** (**IAE)** program includes the following systems – **CCR, EPLS, eSRS, FBO, FedReg, FedTeDS, FPDS-NG, ORCA, PPIRS,** and **WDOL**. These systems receive Federal funds to support the program. **Federal IAE** is part of the President's E-Gov initiative and is funded through contributions from all Federal agencies. OMB determines the yearly contribution level for DoD via the passback and this is then provided to GSA (the IAE managing partner). The amounts identified for these programs are not all reflected in the FY08-FY09 DoD PB09.
5. **MEVA –** Budget represents the CAMS-ME system costs associated with the MEVA initiative.
6. **SPOT** – Program is currently funded with Global War on Terror (GWOT) Funds via Army Materiel Command.
7. **USXPORTS** – BIN # 6528 deactivated in FY05. USXPORTS has no identifiable DoD funding for FY08.
8. **RPILM Initiatives –** The funding shown for RPILM represents amounts previously identified in the annual President's Budget and is used to support business process reengineering of all RPILM initiatives listed in this table, as well as partial funding for the implementation of these initiatives.
9. **EL, HMPC&IMR**, **RPAD, RPAR, RPCIPR, RPIR** and **RPUIR** are funded by ODUSD(I&E) BEI, and OUSD(AT&L).
10. **HMIRS** – Funding for this program is provided by DLA.
11. **KBCRS** – Funding for this program is provided by Army.
12. **JCCS -** Program is currently funded with GWOT Funds and from within the BTA operating budget.
13. **MILS to EDI or XML** – Prior year funding includes $486K RDT&E funding for Jump Start program support. There is no Jump Start funding available for FY08 and beyond.

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
ARMY	**DLS** Distributed Learning System	DLS is a non-financial, major automated information system (ACAT 1AC) that uses information technology to streamline training processes, automate training management functions, and deliver training using electronic means to soldiers while at or near their home station or when deployed. DLS supports readiness by enhancing institutional and individual training in all Army components (Active, Army National Guard, Army Reserve, and Department of the Army Civilians (DAC)). DLS provides both near- and long-term infrastructure to enhance training particularly in the areas of Military Occupational Skill Qualification (MOSQ) and reclassification. DLS is an integral component of the Department of Defense Advanced Distributed Learning Initiative, and Strategic Plan for Transforming DoD Training, which calls for the full exploitation of technologies to support quality education and training. DLS supports the eGovernment strategy by using the Web to provide training materials, enabling the intra-agency sharing of training data, and by adopting commercial practices and products to reduce operating costs. DLS supports the President's Management Agenda by making use of distributed learning to leverage scarce training funds and to provide greater agency access to training materials. The Headquarters, Department of the Army (HQDA) Major Automated Information Systems Review Council (MAISRC) approved a Material Needs Statement (MNS) (Milestone 0) for a distance (distributed) learning capability in April 1991. The MNS identified the need for a modernized training system, which will provide for the delivery of standardized individual, collective, and self-development training, educational, and informational services to soldiers, units, and civilian employees where needed and when needed through the application of multiple means and technologies.	**Increment 3 - Army Learning Management System** FOC **Increment 4 - Deployed Digital Training Campus** Milestone C IOC	 12/2008 7/2008 8/2008	# Systems Migrated	-	2	-
					Actual/Budget	396.6	53.8	62.2
	DTAS Deployed Theater Accountability System	DTAS is a web-enabled software package that resides on the military's SIPRNet and accounts for military and civilian personnel in a deployed theater by unit, day, and location, thus providing the SECRET level accountability function not available in DIMHRS. Overall, DTAS consists of three distinct levels: the Enterprise Database (ED); the Theater Database; and the Mobile User. As a G1 HQDA system, the ED resides at Information Technology Agency (ITA) secure area at the Pentagon. The Theater Database resides with CFLCC (or theater equivalent) and serves as the central repository of personnel data for that particular theater. The Mobile User consists of existing desktops and laptops linked into that theater's SIPRNet and resides at all levels of command from battalion to theater level. Each mobile user has their portion of the Theater Database resident on their mobile system, thereby enabling operation when not connected to the SIPRNet.	**Increment: DTAS v4.0 - Tracking Temporarily Attached & OPCON Personnel** FOC **Increment: DTAS Theater 2** FOC **Increment: DTAS Theater 3** FOC **Increment: DTAS Theater 4** FOC **Increment: DTAS Theater 5** FOC	 6/2008 8/2008 8/2009 4/2010 9/2011	# Systems Migrated	-	-	-
					Actual/Budget	29.1	14.8	16.6

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
ARMY	**eAWPS** Enterprise Army Workload and Performance System	The Enterprise Army Workload and Performance System (eAWPS) is a capstone system that combines information from multiple Army business operations into an integrated data environment to support senior decision making. Additionally, it provides scenario (what if) planning to identify program alternatives and risks linked to the transformation of the Army business enterprise. eAWPS operates on the principle of building information from workload and performance data derived from authoritative Army systems (existing and future) to create an enterprise view. The system is comprised of five major modules integrating data on operational requirements, current performance information, resource management, time and attendance, and output to facilitate the linkage between manpower and budget programming, planning, and execution. eAWPS provides strategic and operational decision makers the ability to view information at user-specified levels of aggregation providing unique customization capabilities.	**Increment: WMT** IOC Increment 1 IOC Increment 2 IOC Increment 3	 1/2008 4/2008 6/2008	# Systems Migrated	-	-	-
					Actual/Budget See Note 11	TBD	TBD	TBD
	FBS Future Business System	FBS is the centrally-funded and centrally-managed suite of net-centric Information Technology solutions that enable acquisition business leaders, managers and participants to perform their jobs effectively and efficiently. FBS will provide enterprise net-centric business solutions to the Army Acquisition community, enabling Army program managers and acquisition stakeholders to perform the business of acquisition efficiently and effectively. When fielded the FBS tool suite will enable Army Program Executive Officers (PEOs) and Program Managers (PMs) to focus on weapon system developments without the distraction of having to additionally administer their own business tools. By providing real-time access to information within and across programs and business domains, FBS will enable the seamless integration of data and information resources.	**Increment: Milestone A** Milestone A **Increment 1** Milestone B Milestone C IOC **Increment 2** Milestone B Milestone C IOC **Increment 3** Milestone B Milestone C IOC **Increment 4** Milestone B Milestone C IOC **Increment 5** Milestone B Milestone C IOC	 12/2006 7/2008 7/2009 10/2009 7/2010 7/2011 10/2011 7/2012 7/2013 10/2013 7/2014 7/2015 10/2015 7/2016 7/2017 10/2017	# Systems Migrated	-	-	-
					Actual/Budget	26.7	29.1	32.1
	FCS-ACE Future Combat Systems Advanced Collaborative Environment	FCS-ACE serves as the primary means of creating, sharing, reporting, collecting, recording, accessing, and approving program information between the LSI, authorized FCS major/critical subcontractors, and authorized U.S. Government personnel connected with the FCS program.	Blockpoint 32-34: Development and Deployment of capabilities to support FCS Spin Outs and Preliminary Design Review	9/2008	# Systems Migrated	-	-	-
					Actual/Budget	137.2	23.5	22.6

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
ARMY	**GCSS-Army** Global Combat Support System - Army	GCSS-Army will allow the Army to integrate the Supply Chain, obtain accurate equipment readiness, support split base operations, and get up-to-date status on maintenance actions and supplies in support of the Warfighter. GCSS-Army is the tactical level building block of our transformation to a Single Army Logistics Enterprise (SALE), which provides information superiority through real-time visibility of personnel, equipment, and supplies anywhere in the distribution pipeline and within the battlespace. GCSS-Army consists of two Components: Field/Tactical (F/T) and Product Lifecycle Management Plus (PLM+). GCSS-Army will allow the Army to retire 11 existing automated systems supporting tactical logistics.	**Increment 1--Implement ORD Block 1 functionality and interface hub to external systems.** IOC FOC	10/2010 1/2014	# Systems Migrated	-	-	-
					Actual/Budget See Note 1	1,234.4	115.4	139.1
	GFEBS General Fund Enterprise Business System	The GFEBS vision/objective is to meet the requirements of the Chief Financial Officers (CFO) Act by employing a CFO-compliant general fund finance and accounting capability that will support the Department of Defense (DoD) with accurate, reliable, and timely financial information, in peacetime and in war. GFEBS will serve as the Army's financial backbone, capturing general ledger data into a single system. GFEBS will be the system of record for the entire Army. In addition to addressing the long-term goals of the Army, and of the Defense Department in general, this investment also satisfies requirements imposed by legislation.	Milestone B Milestone C IOC FOC	2/2008 4/2009 5/2009 11/2010	# Systems Migrated	1	-	-
					Actual/Budget	188.4	121.9	130.5
	LMP Logistics Modernization Program	The LMP modernization effort will complete directed tasks for Federal Financial Management Improvement Act (FFMIA) compliance, GAO concerns, support the Second Deployment to the Aviation Missile Command (AMCOM) modernization effort and the planning/preparation for SAP upgrade. LMP is Army's core initiative to totally replace the two largest, most important warfighting support National-level logistics systems; the inventory management Commodity Command Standard System (CCSS), and the depot and arsenal operations Standard Depot System (SDS). LMP delivers an integrated production management capability supporting critical systems such as the armored, wheeled and aviation fleets, and command and control electronics delivery systems for the warfighter and foreign military sales (FMS) operations. LMP's phased implementation assures continuity of current supply chain solutions during critical OIF operations. LMP went live in July 2003 at 14 locations to over 4,000 users. LMP is a backbone for achieving Army Log Domain Strategic IT Plan and the Single Army Logistics Enterprise.	4th Deployment Go Live	9/2010	# Systems Migrated	-	-	-
					Actual/Budget	612.1	230.9	199.1
	PPBE BI/DW PPBE Business Intelligence Data Warehouse	The PPBE Business Intelligence Data Warehouse will combine financial and non-financial management and operational data that will enable over 10,000 users to make decisions from aggregated dollar, manpower, and equipment data. The Data Warehouse will store historical, accurate, correlated, and hierarchical data. Current warehouse design standards will be used to ensure system longevity as well scalability.	Milestone C IOC FOC	12/2006 12/2007 12/2008	# Systems Migrated	-	-	-
					Actual/Budget	7.0	1.0	1.0

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
ARMY	**PPBE BOS** PPBE Business Operating System	PPBE BOS, when completed, will integrate customer business processes, automate legacy paper processes, eliminate duplicate data feeds, integrate information processes, share edits and data among processes, integrate best business practices from stovepipe business systems, reduce administration and coordination burdens, and manage change and configuration for the Army PPBES. The transformation to an Army PPBE Business Operating System is a multi-year project to standardize business models, processes, and systems within the Army PPBE processes. This system will interface with the SRDS and use the SFIS-compliant data structure.	Milestone C	12/2006	# Systems Migrated	-	-	-
					Actual/Budget	14.7	1.1	6.4
	TC-AIMS II Transportation Coordinators' Automated Information for Movements System II	TC-AIMS modernizes and streamlines DoD movement processes. FY07 Procurement dollars support continued fielding of Block 2 (Enhanced Unit Move). FY07 RDT&E dollars will complete Block 3 development and provide Program Management Office (PMO) support, testing and salaries. TC-AIMS II Block 3 provides an automated transportation planning and execution capability for Joint Reception, Staging, Onward Movement and Integration (JRSOI) operations within the theater of operations and enhances related convoy operations. Block 3 will be employed by theater movements control activities to include Movement Control Teams (MCT), in-theater movement managers, trans-shippers, and mode operators. DBSMC 19 May 2006 approved DPO recommendation that TC-AIMS II Blocks 4 and 5 be incorporated into the Air Force legacy system CMOS. TC-AIMS II will enter into sustainment following FDDR for Block 3.	**Increment: Block 2** FOC **Increment: Block 3** Milestone C FDDR IOC FOC	 4/2010 3/2007 11/2007 1/2008 4/2010	# Systems Migrated	-	-	-
					Actual/Budget See Note 2	426.9	63.1	69.9
NAVY	**GCSS-MC** Global Combat Support System Marine Corps	The primary goal of GCSS-MC/LCM Block I is to provide initial capabilities specified in the Logistics Operational Architecture. The scope of GCSS-MC/LCM includes all transactional Combat Service Support (CSS) systems related to Supply Chain Management and Enterprise Asset Management functionality with an element of service management functions. When combined, these capabilities are referred to as Logistics Chain Management.	**Increment: LCM Block 1 (Logistics Chain Management Block 1)** Milestone B Milestone C IOC FOC	 2/2007 10/2008 12/2008 11/2009	# Systems Migrated	-	-	-
					Actual/Budget	145.9	35.1	52.5

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
NAVY	**JEDMICS** Joint Engineering Data Management Information and Control System	As the DoD standard repository system, JEDMICS core mission encompassses the receipt of engineering drawings and related technical data from the Acquisition and In-Service communities and likewise the association of those drawings to related technical data, the validation of the integrity of the index information, as well as provide for data storage, access control, data availablity and eventual archive.	Baseline 3.11 Test Completion & Release	12/2010	# Systems Migrated	-	-	-
					Actual/Budget	398.8	5.5	6.1
	MC FII* Marine Corps Financial Improvement Initiative	MC FII provides accurate, timely, relevant financial information supported and validated by strong financial statements sustained by a strong business enterprise that supports Marine Corps leadership.	**Increment: Discovery & Correction** Implement Final Policy FOC	 6/2007 9/2008	Actual/Budget See Note 3	-	-	-
	MSC-HRMS Military Sealift Command Human Resources Management System	In order for MSC to successfully carry out its mission in an ever-changing environment, MSC needs a robust resource management and staffing system to quickly and efficiently place Civilian Mariners (CIVMARS) who work and sail on the U.S. Government-owned MSC ships.	FY 2011 - Application Upgrade & Interface	09/2011	# Systems Migrated	-	-	-
					Actual/Budget	27.0	6.4	6.9

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
NAVY	**Navy Cash** Navy CashTM	The NAVSUP Mission is: To provide Navy, Marine Corps, Joint and Allied Forces quality supplies and services on a timely basis. Goal three of this mission is: Demand and achieve the highest standards of Quality of Service. This goal has a strategy of reducing the workload on Sailors and Marines. This strategy is supported by an objective of refining disbursing procedures to improve accuracy and timeliness of pay actions. Another Command Goal is: Be the pre-eminent military logistics enterprise by leveraging Technology, Best Business Practices, and World Class Communications. Navy Cash directly supports the Command's Mission and Goals as an electronic cash management system. With Navy Cash, everyone on a ship receives a Navy or Marine Cash card, a branded debit card that looks like a typical debit card. However, the Navy/Marine Cash card atypically combines a chip-based electronic purse with the traditional magnetic stripe. The electronic purse replaces bills and coins for purchases on board ship. The magnetic stripe and branded debit feature afford access off the ship to funds in Navy Cash accounts at 32 million locations globally and over 892,000 ATMs in over 120 countries worldwide. By providing electronic access to all pay and allowances, Navy Cash has improved the traditional financial services available on board ship. Sailors and Marines who elect the Split Pay Option have a portion of their pay sent directly to their Navy Cash accounts each payday. Cashless ATMs on board ship provide 24-hour-a-day, seven-day-a-week access to these Navy Cash accounts. The Cashless ATMs also provide 24/7 off-line access to bank or credit union accounts ashore and the ability to move money electronically to and from Navy Cash accounts and bank and credit union ccounts.	FOC	12/2008	# Systems Migrated	-	-	1
					Actual/Budget	67.2	16.5	17.0
	Navy ERP Navy Enterprise Resource Planning	The Navy ERP program will transform business activities into an integrated network of decision-making processes and activities. Navy ERP will be a major component of the Navy's Global Combat Support System (GCSS) family of systems and provide a critical link between operating forces and the Navy's support echelons. The program will reduce the overall Navy costs by applying proven industry best practices and processes and replacing legacy IT systems; facilitate an end-to-end solution for receiving requests for resources and processing them to fulfilment; Replace stove-piped sytems used for financial management, personnel management, inventory management, and industrial operations with an integrated system; and Enable rapid response to operating force logistic needs through integrated visibility and status data.	Milestone C FOC **Increment: Financial & Acquisition Release** IOC/Begin NAVAIR HQ Deployment	9/2007 3/2013 10/2007	# Systems Migrated	4	14	19
					Actual/Budget See Note 4	1,651.4	241.0	201.1
	One Supply One Supply	One Supply is the Navy fleet support concept and operation for Distance Support and leaner fleet-focused IT budgets ashore. One Supply's objective includes an infrastructure to support a web portal environment, single sign-on, integration broker, and web service capabilities. This infrastructure includes maintenance and administration of the single sign-on and service oriented architecture software as well as supporting these capabilities at NAHI. One Supply will discontinue Birdtrack's metrics functionalities to provide a streamlined web interface to enable access to functionalities only accessible by many separate tools and applications.	Deploy Single Sign On	11/2009	# Systems Migrated	-	-	-
					Actual/Budget	1.5	3.7	6.3

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
NAVY	**TFAS** Total Force Administration System	Allows Marines and leaders to view and update manpower data and conduct HR transactions on line. This environment greatly reduces the administrative overhead associated with labor-intensive, paper-based processes.	FOC	10/2010	# Systems Migrated	2	-	-
					Actual/Budget	52.1	16.9	11.4
	TFSMS Total Force Structure Management System	The Total Force Structure Management System (TFSMS) is a Marine Corps (MC) enterprise system integrating capability development processes to support the Warfighter in terms of structure and equipment. TFSMS enhances mirroring capabilities; automates compensation capabilities/billet reconciliation; automates large reorganization movement of MC force structure data; and developments of the MC Global Force Management Organizational Server.	Block 2 Milestone C GFM DI IOC Block 2 Milestone B IOC Block 2 FOC Block 1	9/2010 9/2008 9/2009 12/2011 1/2010	# Systems Migrated	-	-	-
					Actual/Budget	34.4	4.9	12.5
Air Force	**ACES**‡ Automated Civil Engineer System	ACES provides base and MAJCOM Civil Engineers with real time information for effective resources allocation, work planning, scheduling, tracking, and execution to support the operational mission. ACES focuses on reducing the time Civil Engineers spend on automation activities, such as gathering/inputting data and generating reports.	ACES / RPIR Phase 2 FOC	7/2007	# Systems Migrated	-	1	-
					Actual/Budget	120.9	2.1	2.1
	AF FIP* Air Force Financial Improvement Plan	Successful completion of the AF FIP Action Plan and the FIAR Plan will provide quality financial information and enable effective business decisions. The AF FIP Action Plan identifies the steps each organizational element must take to fully integrate all financial and non-financial processes and systems into a CFO-compliant environment that impact or involve Air Force fiscal resources.	**Increment: Increment 3** Maintain Reliable Cost Information for Air Force Programs to Support an Unqualified Audit Opinion on the Statement of Net Cost. (Increment 3): Audit Opinion Received	11/2016	Actual/Budget See Note 10	84	82.7	98.9
	AFRISS Air Force Recruiting Information Support System	AFRISS is a core mission system of record for all Air Force non-commissioned Airmen recruiting actions. It is used for all personnel management functions, recruiting, job assignment, flow and trend analysis and congressional inquiries. Legislative drivers for AFRISS include: a) Congressional inquiries, mandates, changes in law, military pay interface; b) Air Force manpower reductions, personnel policy changes, new initiatives; and c) External drivers which include technical obsolescence of the current Oracle software, technical refreshment requirements.	FOC	6/2008	# Systems Migrated	-	-	-
					Actual/Budget	109.7	13.0	15.3

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Air Force	**DEAMS-AF** Defense Enterprise Accounting and Management System - Air Force	DEAMS has been approved under the BTA as a joint United States Transportation Command (USTRANSCOM), Defense Finance and Accounting Service (DFAS) and Air Force project. The funding here reflects just the Air Force portion of the DEAMS program. Using enterprise architecture, DEAMS is designed to replace the Airlift Services Industrial Fund Integrated Computer System (ASIFICS), the Automated Business Services System (ABSS), General Accounting Finance System (GAFS), the GAFS Rehost (GAFS-R), and Integrated Accounts Payable System (IAPS). The system will use a Joint Finanical Management Improvement Program (JFMIP) approved Commercial Off-the-Shelf (COTS) package as the core and will be compliant with the Office of Management and Budget (OMB), Chief Financial Officer (CFO) Act, Financial Management Improvement Plan (FMIP), Business Enterprise Architecture (BEA) and BMMP requirements. There will be two (2) increments for the new project. Increment 1, Version 1.1 will convert the USTRANSCOM, its Air Mobility Command (AMC) component, and Scott Air Force Base (AFB) tenants over to DEAMS as a technology demonstration. Increment 1, Version 1.2 will convert all of USTRANSCOM (the remainder of AMC, all SDDC and MSC) over to DEAMS. Increment 2 will implement DEAMS throughout the Air Force. DEAMS will be available to all interested Defense Agencies. In addition, the integrated data provided by DEAMS will be available to USTRANSCOM's customers, the Secretary of Defense, Joint Chiefs of Staff (JCS), and Combatant Commanders.	**Increment: Increment 2 USAF** Milestone A Milestone B Milestone C IOC	 12/2008 8/2009 2/2010 2/2010	# Systems Migrated	1	-	-
					Actual/Budget	54.9	26.6	60.0
	EBS Enterprise Business System	EBS is the Air Force Research Laboratory's (AFRL) system for transforming its business processes and enabling technology to provide faster technology transition to the Warfighter. EBS will give AFRL the capability to collect, process, and disseminate timely, accurate information and place it in the hands of appropriate decision makers. This investment directly supports the AFRL mission of leading the discovery, development and integration of affordable warfighting technologies for our air and space force by focusing on faster technology transfer, horizontal integration, enterprise-wide capabilities and transformation of the entire laboratory.	STES integration IOC STES Integration FOC Integrated Project Portfolio Mgmt FOC FOC	3/2008 3/2011 9/2011 9/2011	# Systems Migrated	10	-	4
					Actual/Budget	99.4	14.0	12.5
	ECSS Expeditionary Combat Support System	ECSS delivers the Air Force Logistics Domain's Information Technology enabler to sustain the force. ECSS improves warfighter capability by transforming AF Logistics business processes, accomplished through: 1) improvement in the synchronization of operations/logistics planning and execution 2) improving command and control 3) providing near real-time worldwide visibility of assets, and 4) embracing updated best business practices.	Milestone B Milestone C IOC FOC	10/2008 6/2009 4/2010 9/2013	# Systems Migrated	2	6	1
					Actual/Budget	381.5	166.3	275.2

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Air Force	**EESOH-MIS** Enterprise Environmental Safety and Occupational Health Management Information System	EESOH-MIS supports base-level and higher Headquarters Civil Engineer (CE) and Bioenvironmental Engineer in day-to-day operations of environmental systems occupational health and environmental compliance. It provides direct CE environment management support to active AF, ANG, and AF Reserve, in both garrison and expeditionary settings. The system will eventually include environmental functional areas of Hazardous Material, Hazardous Waste, Cleanup, Water, Air Quality, Natural Resources and Cultural Resources.	**Increment: Version 1.5 - Water Quality / FOC** V1.5 Water Quality Functionality	11/2009	# Systems Migrated	-	1	1
					Actual/Budget	45.3	1.2	1.3
	ETIMS Enhanced Technical Information Management System	ETIMS will enable the reduction of paper by providing the capabilities to manage, store, distribute and use digital Technical Orders (TO). The TO process/system is currently based upon distribution of paper documents and CDs/DVDs to the point of use. The proliferation of paper and physical media distribution and use consumes valuable Air and Space Expeditionary Forces (AEF) airlift resources. The transition to ETIMS will enable the reduction of paper and conserve valuable Air Force resources. Management of these paper and physical media products requires significant resources and presents delivery concerns. The current system of record and Air Force TO processes are also enabling missing TO data as well as long delays between publishing and distribution of TOs and Time Compliance Technical Orders. These issues are causing safety of flight issues resulting in both loss of personnel and aircraft. In addition, the process of changing these documents over a period of time has resulted in an increase of cumbersome supplements and in-turn delays in distribution. The advent of modern digital technologies has paved the way toward potential solutions to these and related issues. (Source: AF TO CONOPS, 1 Dec 00, Rev 3.3, GOSG 26 Feb 2003, CAF/MAF April 04).	Fielding Readiness Review (FRR)	02/2008	# Systems Migrated	-	2	-
					Actual/Budget	71.9	4.5	3.7
	FIRST Financial Information Resource System	FIRST provides an integrated, modern, seamless financial management system that enables authorized users (from Air Staff to base level) to plan and program their budgets.	Milestone C FOC	7/2008 2/2009	# Systems Migrated	1	-	-
					Actual/Budget	108.7	8.9	9.1
	FM SDM* Financial Management Service Delivery Model	FM SDM transforms the delivery of Air Force Financial Management by moving from direct on-base support to web-based and contact center based financial services which will substantially reduce the manpower used in financial services. This initiative also provides enhanced decision support to commanders and is closely linked with the Personnel Service Delivery Transformation.	Center of Expertise FOC Combat Comptroller Contingency Organization FOC	9/2008 9/2009	Actual/Budget See Note 10	33	23.9	11.2

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
Air Force	**NAF-T** NAF Financial Transformation	NAF-T is a four-phased, multi-year initiative to improve financial management capabilities and leverage technology to eliminate non-value added business processes. Phase 1 of the NAF-T initiative consists of re-engineering business processes, replacing COBOL-based legacy accounting and payroll systems with a COTS solution and the establishment of a shared service center (SSC) to provide global accounting and payroll services. AF Services NAF-T effort will significantly reduce the cost of transaction processing, returning APF resources (manpower) toward the recapitalization of other AF missions and NAF resources to the installations for quality of life programs. NAF-T will drive standardization of each business process and source documents, resulting in an authoritative financial data source, eliminate existing weaknesses and deficiencies identified in previous NAF audit reports and expand levels of access to an authoritative data source for timely analysis and business decision making when needed.	Phase 1 Financial FOC Phase 4 CRM - IOC Phase 4 CRM - FOC	5/2009 10/2009 10/2015	# Systems Migrated	-	-	1
					Actual/Budget	28.4	2.6	2.7
	PSD* Personnel Service Delivery	PSD transforms the delivery of personnel services in the military and civilian areas. IT moves from direct on-base support to web-based and call center based services, and substantially reduces manpower needed to deliver high quality personnel services.	Migration to DIMHRS IOC	2/2009	Actual/Budget See Note 5	41.7	19.3	25.0
DLA	**BSM**‡ Business Systems Modernization	BSM allows for the successful integration of business processes with a new enterprise business system based on Commercial Off-the-Shelf Software and best business practices, providing an Information Technology foundation, which allows for both continuous process and technology insertion. This enables DLA to fully implement electronic business, web-based technologies, and an interoperable data environment to be compliant with the joint Technical Architecture and data exchange standards (e.g., ANSI ASC X12) necessary for DLA to interoperate with its customers and suppliers. DoD and DLA are striving to align business practices with best commercial practices by re-engineering logistics processes at all echelons. BSM supports Joint Vision 2020, the DOD Force-centric Logistics Enterprise, and the DLA Strategic Plan.	FOC: Enterprise Operating and Accounting System (EOAS) FOC: eProcurement FOC: Energy Convergence **Increment: Release 2.2** Full-Rate Production Decision Review (FRPDR) **Increment: Release 2.2.1** FOC	7/2009 6/2009 7/2011 12/2006 7/2007	# Systems Migrated	2	-	-
					Actual/Budget See Note 6	1,187.7	67.8	70.9
	BSM-ENERGY Business Systems Modernization - Energy	The BSM - Energy initiative, formerly known as the DLA Fuels Automated System (FAS), was directed by Program Decision Memorandum to integrate the unique fuels functionality with the overarching DLA logistics system, Business Systems Modernization (BSM). BSM - Energy satisfies the Integrated Material Management requirements for a system that supports a vertically integrated end-to-end fuel supply chain management system. A web based netcentric enterprise resource management system is necessary to manage energy from its source to consuming equipment, while incorporating electronic commerce requirements and other technical capabilities. BSM - Energy provides the basic application platform for data collection, inventory control, finance and accounting, procurement and distribution.	FOC **Increment: OCONUS (Bulk & PC&S)** Full-Rate Production Decision Review (FRPDR)	12/2007 12/2007	# Systems Migrated	1	-	-
					Actual/Budget See Note 6	474.8	37.5	27.7

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
DLA	**CFMS** Common Food Management System	CFMS is a DLA-financed and DLA-coordinated effort to develop a single food management system for the military services. CFMS will combine the retail functionality with the wholesale functionality of Subsistence Total Ordering and Receipt System (STORES) into a single system supporting the entire Class I supply chain. CFMS functionality will be provided to the user community in a single functional increment. The approach for this program is to develop the full functionality required to replace existing systems before the application is made available to any users. This approach is made possible by utilizing a commercial off-the-shelf (COTS) product and implementing industry best practices to perform the core functionality required. It is neither feasible nor cost effective to implement the system without satisfying the Services' core functional requirements in the initial functional increment.	Milestone C IOC FOC	5/2008 12/2008 10/2011	# Systems Migrated	-	-	2
					Actual/Budget	73.1	25.8	26.1
	CRM‡ Customer Relationship Management	The DLA CRM program established an enterprise-wide CRM capability that contributes to making DLA the best-value provider of logistics products and services. This allows for the retention and increase of its military and other authorized customers, based on the Agency intent to provide the customer with a unique level of service based on their requirements and preferences. CRM has now been incorporated into the DLA EBS process/system integration framework.	FOC	7/2007	# Systems Migrated	-	-	-
					Actual/Budget See Note 6	61.0	6.9	6.1
	DPMS‡ Distribution Planning and Management System	DPMS provided DLA with the capabilities needed to close the gap between DLA Enterprise Wide Supply Chain Solution, Business System Modernization (BSM), and the Distribution Standard System (DSS), which operates Distribution Centers. DPMS provides a web-based interface for vendor and carrier communications, using DSS for global addressing including the Navy Cargo Routing Information Management and Foreign Military Sales customers. DPMS provides DLA with an enterprise distribution and transportation optimization capability, ensuring Time Definite Delivery.	**Increment: Reverse Logistics** Milestone C FOC	 1/2007 1/2007	# Systems Migrated	-	-	-
					Actual/Budget	33.6	1.3	1.3
	IDE* Integrated Data Environment	IDE will employ a Commercial Off-the-Shelf (COTS)-based information technology service-oriented architecture that will provide industry-proven logistics transaction processing, data sharing, and state-of-the-art central data brokering capabilities. The IDE objectives are: 1) make logistics information visible, interoperable, and accessible for authorized users from a single point of entry; 2) improve the quality of data/information through use of authoritative sources and coordinated application of business rules, e.g. for transforming or aggregating data from multiple sources; 3) incrementally modernize common information services that support DoD logistics operations (peacetime and contingency/wartime) and Service transformation efforts, including reference data management, and business rules management.	FOC	9/2011	Actual/Budget	92.9	9.0	6.2

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
DLA	**PDMI**‡ Product Data Management Initiative	PDMI implements automated capabilities for managing and using engineering support and product data within DLA. This allows for increased accuracy and accessibility of product data needed to make informed engineering, technical and quality decisions in support of procurement actions. PDMI provides easy access of product data for authorized users and is a mechanism to manage, access, update and apply the wide range of product data available. PDMI has now been incorporated into the DLA EBS process/systems integration framework.	IOC FOC	10/2006 7/2007	# Systems Migrated	1	-	-
					Actual/Budget See Note 6	30.9	1.3	1.2
	RBI Reutilization Business Integration	RBI will integrate Defense Reutilization and Marketing Service (DRMS) IT systems into the DLA Enterprise Business System (EBS), Distribution Standard System (DSS) and Learning Management System (LMS). This integration will provide DRMS with a solution that integrates best business practices and DRMS materiel assets into the DLA Supply Chain. RBI will meet the IT system compliance needs of DRMS.	Full EBS integration	04/2013	# Systems Migrated	-	-	-
					Actual/Budget See Note 7	9.6	15.3	15.5
USTRANSCOM	**AT21** Agile Transportation for the 21st Century	The overall AT21 program will provide the environment through which all distribution movement process business transactions and collaborative sessions will be conducted. A single consolidated/integrated view to the warfighter affords more than mere visibility over distribution movement and its associated business processes. A requirement begins with a customer need and is translated into total plan to fill that need. Distribution fulfillment includes inventories, sourcing, nodes, resources and lift capability, both supply and transportation. A basic premise of AT21 is to improve command and control (C2) of distribution movement requirements, streamline joint deployment and distribution processes, and improve customer support services ensuring success in five areas: • Make all movement (distribution) requirements, lift assets, and infrastructure visible for optimization and C2. DPO recognizes the requirement for component headquarters to maintain capability for internal data queries. • Ensure timely availability of distribution infrastructure constraints and limitations to the optimization process via movement information repositories. • Develop sustainment optimization and scheduling capabilities for strategic, operational, and, in coordination with the other COCOMs, theater and tactical levels. • Ensure an optimized schedule can be delivered to execution systems in the form of optimized asset level movement requirements. • Improve situational awareness and movement tracking.	IOC (Increment 1) - Increased requirements visibility and reduced workload of requirements management and consolidation business processes	9/2009	# Systems Migrated	-	-	-
					Actual/Budget	1.3	8.7	8.9
	C-JDDOC‡ Codification of the Joint Deployment Distribution Operations Center	C-JDDOC formalizes the JDDOC concept in policy and doctrine and identifies training and leadership/education actions required to implement the concept	No defined future critical milestones		Actual/Budget See Note 8	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
USTRANSCOM	**COP D2*** Common Operational Picture for Distribution and Deployment	Development of a COP D2 will provide distribution decision makers at strategic, operational, and tactical levels with the visibility of information they need in one portal with a single sign-on that is customizable to their needs. COP D2 will provide event management capability, facilitate collaborative planning, and assist all echelons to achieve situational awareness.	DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS IOC (Initial Tracking Capability) DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS FOC	10/2007 8/2008	Actual/Budget See Note 8	-	-	-
	CPA Customs Process Automation	The Customs Process Automation Program will automate the creation and distribution of customs documents and related Defense Transportation System (DTS) shipping documents. 1) create customs documents electronically 2) populate these documents with information from Service/Agency or vendor shipper systems (TC-AIMS II, GTN, GATES, WPS, CFM, CMOS, and DSS) at the time shipments are tendered for movement 3) capture related shipping documents (i.e., commercial bills of lading, carrier manifests, etc) and attach them to their related customs documents 4) transmit these packages to POD activities and destination transportation offices/vendors and Host Nation Customs Authorities so that the documentation arrives before the shipment 5) file the customs entry either electronically or to print out the package 6) report the customs clearance status of these shipments, the elapsed time required to gain clearance, the reasons for any delay, and any associated costs incurred 7) generate adhoc reports and graphics based on this information.	FOC (Increment 1) - Field & operation of Automated Customs Processing in 2 countries FOC (Increment 2) - Field & operation of Automated Customs Processing in additional 6 countries FOC (Increment 3) - Field & operation of Automated Customs Processing in additional 5 countries FOC (Increment 4) - Field & operation of Automated Customs Processing in additional 5 countries	11/2008 11/2010 11/2012 11/2014	# Systems Migrated	-	-	-
					Actual/Budget	6.3	3.8	6.1

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
USTRANSCOM	**DEAMS** Defense Enterprise Accounting and Management System	DEAMS has been approved under Business Transformation Agency (BTA) as a joint United States Transportation Command (USTRANSCOM), Defense Finance and Accounting Service (DFAS) and Air Force project. Using enterprise architecture, DEAMS is designed to replace the Airlift Services Industrial Fund Integrated Computer System (ASIFICS), the Automated Business Services System (ABSS), General Accounting Finance System (GAFS), the GAFS Rehost (GAFS-R), and Integrated Accounts Payable System (IAPS). The system will use a Joint Financial Management Improvement Program (JFMIP) approved Commercial Off-the-Shelf (COTS) package as the core and will be compliant with the Office of Management and Budget (OMB), Chief Financial Officer (CFO) Act, Financial Management Improvement Plan (FMIP), Business Enterprise Architecture (BEA) and BTA requirements. There will be two increments for the new project. Increment 1, Version 1.1 will convert the USTRANSCOM, its Air Mobility Command (AMC) component, and Scott Air Force Base (AFB) tenants over to DEAMS as a technology demonstration. Increment 1, Version 1.2 will convert all of USTRANSCOM (the remainder of AMC, all SDDC and MSC) over to DEAMS. Increment 2 will implement DEAMS throughout the Air Force. DEAMS will be available to all interested Defense Agencies. In addition, the integrated data provided by DEAMS will be available to USTRANSCOM's customers, the Secretary of Defense, Joint Chiefs of Staff (JCS), and Combatant Commanders.	**Increment: Increment 1** **USTRANSCOM** IOC for Commitment Accounting Milestone B Milestone C FDDR	 7/2007 7/2009 7/2010 12/2010	# Systems Migrated	1	-	-
					Actual/Budget	64.1	13.0	11.7
	DPS Defense Personal Property System	DPS will provide a single, standardized, worldwide, web-based personal property movement system, supporting over 500,000 shipments annually. DPS employs cutting edge technology to support the "best value" approach to the future DOD Personal Property Program, known as "Families First."	DPS Initial Operational Capability (IOC) DPS Full Operating Capability (FOC)	3/2008 9/2008	# Systems Migrated	-	1	-
					Actual/Budget	55.1	29.8	10.7
	DTCI* Defense Transportation Coordination Initiative	DTCI is a DPO initiative contributing to the efforts to integrate DoD logistics to become more responsive to warfighter readiness while achieving greater efficiencies. Objectives of DTCI are: • Establish Continental United States (CONUS) enterprise (carriers, coordinator, DOD) • Improve In-Transit Visibility • Allocate resources to demand • Standardize performance, reliability and predictability • Continuous process improvements • Coordinate, optimize, consolidate enterprise operations • Leverage enterprise to reduce total cost • Balance load types and modes • Employ best commercial practices	Contract award	8/2007	Actual/Budget See Note 8	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
USTRANSCOM	**FC*** Fusion Center	FC provides process analysis support for USTRANSCOM Focus Warfighter Plan Actions to collocate TCJ3 Deployment and Distribution Operations Center (DDOC), TACC Planners, and SDDC Ops Center (FY07-11). Collocation will improve operations and reduce manpower requirements by synchronizing the distribution of forces and sustainment through collaborative planning, proactive transportation analysis, and performance monitoring, thereby increasing distribution effectiveness and customer confidence.	Initiate and complete combined DDOC floor and TCC business process reengineering	3/2008	Actual/Budget See Note 8	-	-	-
	IGC Integrated Data Environment (IDE) / Global Transportation Network (GTN) Convergence	IGC will establish common integrated data services to enable development of applications which will provide the COCOMS, Services, the DOD, and other Federal agencies a cohesive solution for the management of supply, distribution, and logistics information with a global perspective. This will create a single location between DLA and USTRANSCOM for consistent access to common, authoritative data, business standards, and information.	IGC IOC	9/2008	# Systems Migrated	-	-	-
					Actual/Budget	-	3.4	38.0
	JDDOC‡ Joint Deployment Distribution Operations Center	USTRANSCOM will publish Edition 3 of the JDDOC Template.	No defined future critical milestones		Actual/Budget See Note 8	-	-	-
	JDPAC* Joint Distribution Process Analysis Center	JDPAC will establish across USTRANSCOM, SDDC-Transportation Engineering Agency (TEA), and AMC, an integrated DPO analytic capability to focus on joint operations.	IOC - Analytic Product and Process Improvement Capability FOC - Analytic Product and Process Improvement Capability	9/2008 9/2010	Actual/Budget See Note 8	-	-	-
	JTF-PO* Joint Task Force-Port Opening	The JTF-PO will rapidly establish and initially operate ports of debarkation, establish a distribution node and facilitate port throughput within a theater of operations.	Initial Operational Capability (IOC) Full Operational Capability (FOC)	10/2006 TBD	Actual/Budget See Note 8	-	-	-
	PMA* Port Management Automation	PMA will support the integration of water port management and manifesting functionality currently resident in the Worldwide Port System (WPS) into the existing Global Air Transportation Execution System (GATES) to achieve a joint port operations and manifesting system.	Integration of WPS into GATES Initial Operational Capability (IOC) Integration of WPS into GATES Full Operational Capability (FOC)	4/2008 5/2009	Actual/Budget See Note 8	-	-	-
	TDM* Theater Distribution Management	TDM will leverage existing capabilities in the Air Force's Cargo Movement Operations System (CMOS) by providing the Theater Distribution and Traffic Management requirements as defined by Transportation Coordinators Automated Information Management System II (TC-AIMS II) Blocks 4 & 5, 30 months sooner and avoiding $35 million in costs. The TDM solution also includes the Navy's Financial and Air Clearance Transportation System (FACTS), the Army SDDC's Global Freight Management (GFM) system, Global Air Transportation Execution System (GATES) and eventually the Marines Automated Manifesting System – Tactical (AMS-TAC).	Deliver and conduct operational evaluation of CMOS client/server to 7 locations in the CONUS	9/2008	Actual/Budget See Note 8	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
DFAS	**EC/EDI*** Electronic Commerce/Electronic Data Interchange	EC initiatives support the DFAS business transformation vision by providing seamless processing of all financial transactions in a secured environment. Leveraging EC solutions will enable DFAS to provide our customers world-class finance accounting services for the best value. EC encompasses the development and implementation of electronic commerce solutions to improve business processes. Through a collaborative effort, DFAS, the DoD Components and commercial vendors have implemented several EC solutions. DFAS plans to continue to work closely with the DoD Components to expand these capabilities throughout the Department. • Implement Electronic Commerce (EC) initiatives to process all financial transactions electronically • Leverage IT investments to reduce the number of entitlement systems • Provide customers with real-time secure access to financial data • Provide customers savings through reduced billing rates	**Increment: Deploy WAWF to ARMY** FOC **Increment: Deploy Corporate Imaging Solution to DFAS** Deploy Corporate EDM Solution (FOC) **Increment: Increased Business Intelligence Capabilities** Deploy IAPS-DEAR release at DFAS Columbus (FOC) Deploy IAPS-DEAR release at DFAS Limestone (FOC)	9/2007 7/2008 1/2007 5/2007	Actual/Budget	40.9	5.5	5.3

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
DFAS	**ERMP-BAM*** Enterprise Risk Management Program - Business Activity Monitoring	The Enterprise Risk Management Program/Business Activity Monitoring (ERMP-BAM) capability provides tracking and analysis of management controls and their effectiveness in terms of reducing risk, ensuring high quality of operations, reducing cost of operations, supporting the accomplishment of DFAS strategic and operational goals, and supporting DFAS transformation efforts. The ERMP-BAM capability will support mission essential business functions in a real time or near real time environment through monitoring, correlating, and analyzing financial business transactions(i.e. Commercial Pay, Civilian Pay, etc) and identifying potential discrepancies, duplicate transactions, and anomalies. In addition, it will support an enterprise wide workflow management process that will be used by financial system operators, auditors, security professionals, management control program managers and senior leadership. Results of analytical reviews must be available for various levels of management and ultimately must be reported in risk assessments, Management Control Programs, internal control programs, or in other forums that allow management to assess operational performance. Based on a DFAS Request for Information (RFI), it was determined that industry possessed the capabilities to provide an integrated solution to this requirement. Thereby, a managed service contract vehicle will be utilized to procure the information technology services from the selected vendor. The ERMP-BAM solution will provide tracking and analysis of key management control objectives and activities and their adequacy and effectiveness in terms of reducing risk, ensuring high quality of operations, reducing costs of operations, supporting the accomplishment of DFAS strategic and operational goals, and supporting DFAS transformation efforts. The ERMP-BAM solution needs to capture real-time or near real-time end-to-end transaction processing and workflow data for detection and prevention of transactional errors, misuse, or potential fraud through sophisticated analytical technologies.	ERM Implementation	12/2008	# Systems Migrated	-	-	-
					Actual/Budget	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
DFAS	**SDI* (ADS)** Standard Disbursing Initiative	SDI is the IT portion of the Defense Finance and Accounting Service (DFAS) Disbursing High Performing Organization (DDHPO) initiative. SDI represents the system modernizations required in support of DDHPO which contributes to the DFAS business transformation vision whereby changes to business operations and systems will allow DFAS to achieve its vision of being the best disbursing provider in the public sector. SDI is a single, integrated disbursing capability, providing tactical and enterprise disbursing services to the deployed warfighter and DoD components. The SDI tactical disbursing functions are an expansion of the enterprise functions, and are specifically designed to meet the disbursing needs of the deployed warfighter. This includes in-theater placement, such as in Iraq, and also for contingency operations, such as natural disasters like Hurricane Katrina. The SDI enterprise functions are designed to work at DFAS centers in direct support of ERPs, providing disbursing services as required for payment of commercial, military, civilian, and transportation pay. SDI will improve the efficiency and effectiveness of disbursing for our customer. SDI will work with the Enterprise Resource Planning (ERP) Solutions to be a single disbursing system that all disbursing transactions will flow through. This will be accomplished by transitioning the existing disbursing systems (including embedded disbursing operations) into SDI. SDI will be initially deployed using a combination of the Automated Disbursing System (ADS), for Enterprise functionality, and the Deployable Disbursing System (DDS), for Tactical functionality. As a result, the ADS and DDS technical platforms will be re-hosted and utilized by SDI. The result of DFAS streamlining its disbursing operations will be a reduction in costs of providing disbursing products to DFAS customers. Operating procedures will be standardized for use at all sites. The number of DFAS locations where disbursing services are performed will be reduced to fewer than the five current sites.	Implement SDI through DIMHRS for Army	12/2008	Actual/Budget See Note 9	9.2	12.9	3.3

Specific Notes:

1. **GCSS-Army** – The FY07 & Earlier Actuals figure includes legacy system and custom development execution not specific to the GCSS-Army ERP solution.
2. **TC-AIMS II** – Budget figures reflect only the Department of the Army program elements.
3. **MC FII** – This initiative does not meet the criteria for inclusion in the IT Budget, therefore it is not reported in DITPR and SNaP-IT.
4. **Navy ERP** - Budget numbers presented include the budgets for the Navy ERP pilot programs.
5. **PSD** – Budget figures represent the combined budgets for Virtual Personnel Services Center (VPSC), the major system that conducts PSD transformation at the system level and PSD-IT support, the initiative that reflects the infrastructure costs associated with the PSD transformation initiative.
6. The **BSM** program delivered the DLA (DLA EBS). BSM-Energy, CRM and PDMI investments are delivering major transformational capabilities and enhancements to DLA EBS.
7. **RBI –** Acronym and name changed from Reutilization Modernization Program (RMP) to Reutilization Business Integration (RBI). Record in DITPR has been updated to reflect change and the SNaP-IT record will be updated during the next budget cycle.
8. These **initiatives** do not meet the guidance for entry into DITPR or SNaP-IT. They are funded from the operating budgets of affected activities; there is no separate budget.
9. ***SDI* (ADS)** – These figures represent the combined budgets for the SDI program and ADS.
10. **AF FIP and FM SDM** – Programs are funded from the operating budgets of affected activities.
11. **eAWPS** – Currently under program review.

Medical	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY07 & Earlier Actuals ($M)	FY08 PB09 Budget ($M)	FY09 PB09 Budget ($M)
			Milestone	Date				
MHS	**AHLTA** AHLTA	AHLTA is the military medical and dental clinical information system that will generate and maintain a comprehensive, life-long, computer-based patient record for each Military Health System (MHS) beneficiary. AHLTA provides a secure, comprehensive, interoperable, standards-based, enterprise-wide medical and dental clinical information system that generates, maintains, and provides round-the-clock access to longitudinal electronic health records of active duty military, their family members and others entitled to DoD health care in fixed medical/dental facilities, on board ships, and in Theaters of Operations.	**Increment: Block I** FOC **Increment: Block II** FOC **Increment: Block III** Milestone B FOC	12/2006 3/2010 12/2009 9/2011	# Systems Migrated	-	-	-
					Actual/Budget	896.3	136.3	182.8
	DMLSS Defense Medical Logistics Standard System	The Military Health System is the sub-domain for DMLSS and DMLSS supports the Managing Health Care Performance function. DMLSS addresses the need for automated tools to support the purchase of best value medical items; timeliness and ease of ordering medical supplies; need for information with which to negotiate preferred pricing arrangements with manufacturers; need for tools to support management of inventory; equipment, technology and facilities; need for visiblity of assets in both DoD and the commercial sector to support contingency and go-to-war planning as is provided by the Joint Medical Asset Repository; need for tools to manage patient movement items; and the need to be compliant with OSD Radio Frequency Identification (RFID) policy. DMLSS supports the Manage the Healthcare Business function.	**Increment: Implement RFID capability in the DMLSS system along with new medical logistics business processes that will result in compliance with DoD policy mandating the capability of Radio Frequency Identification (RFID) for processing materiel receipts:** Analyze RFID deployment and effectiveness of business processes at Alpha sites (Q4)	12/2008	# Systems Migrated	-	-	-
					Actual/Budget	589.4	45.0	56.5
	JEHRI* Joint Electronic Health Record Interoperability	JEHRI addresses the Departments' on-going plans to improve the appropriate sharing of health information; adopt common standards for architecture, data, communications, security, technology and software; seek joint procurement and/or building of applications, where appropriate; seek opportunities for sharing existing systems and technology, and explore convergence of DoD and VA health information applications consistent with mission requirements.	Develop a plan for interagency sharing of essential health images (e.g., radiology studies) between VA and DoD	10/2008	Actual/Budget	89.6	9.1	18.8

Transformation Timeline

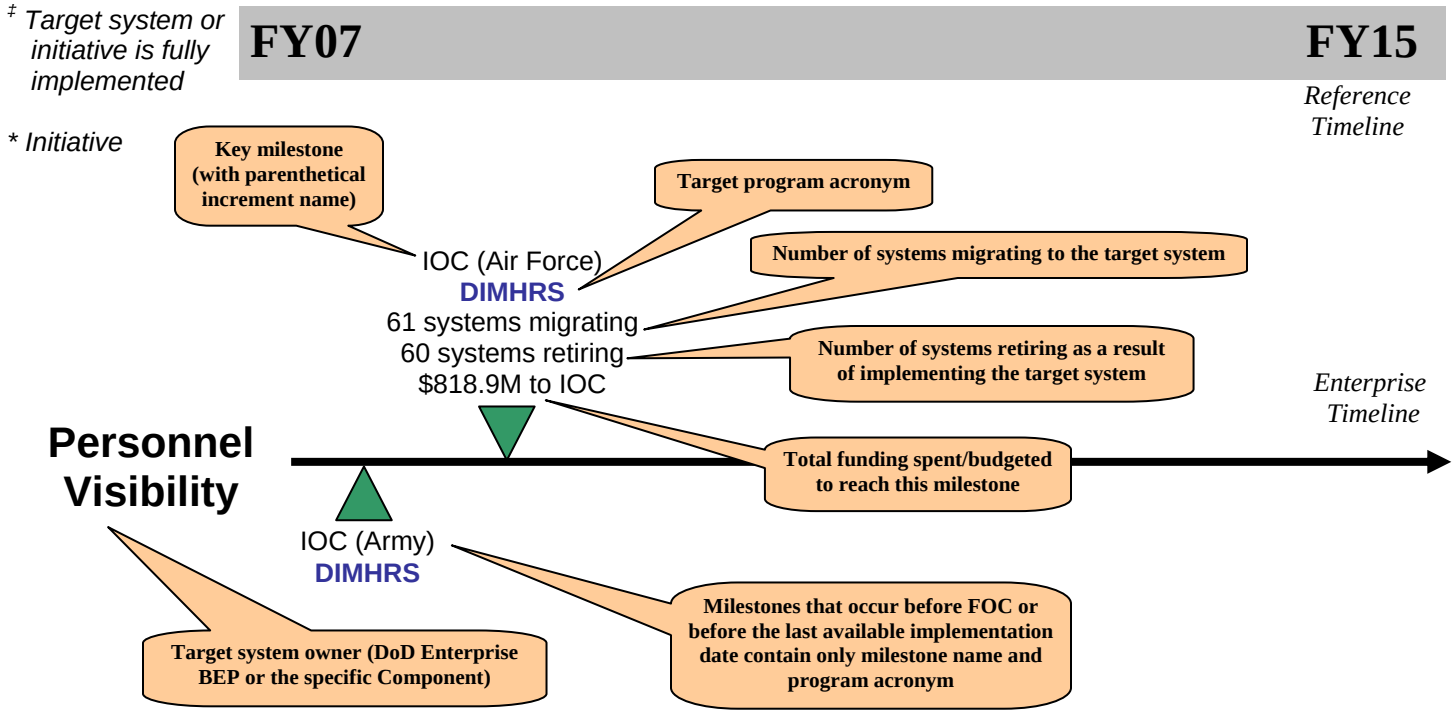
This section provides a single view of the key milestones for DoD Enterprise programs and, on a second page, Component programs. Each timeline shows key time-phased milestones including the last critical milestone scheduled for each program. A program's funding data for target systems is displayed on the last milestone prior to FY10 and includes total program funding through the fiscal year of the respective milestone. The numbers of legacy systems both migrating to a system and retiring are displayed on the last implementation milestone. Programs shown have, as a minimum, one of the following milestones:

- Full Operational Capability (FOC) is displayed whenever available; otherwise,
- Initial Operational Capability (IOC) is displayed; otherwise,
- The last implementation milestone associated with the system or initiative is displayed; otherwise,
- Other standard acquisition milestone; otherwise,
- The last critical user-defined key milestone.

Conventions used to produce this timeline include the following:

- Programs with no critical milestones in FY07 or later are listed in the left margin.
- Initiatives are annotated by an asterisk (*).
- Fully-implemented systems are annotated by a double dagger (‡). Fully-implemented Programs have achieved FOC, as defined in JCS Pub1-02 as the, "full capability to employ effectively a weapon, item of equipment or system of approved specific characteristics, and which is manned and operated by an adequately trained, equipped and supported military force or unit." These programs have achieved their transformational objectives.
- The hardcopy version of both graphics is in double size, or tabloid, format (11 x 17 inches).

A sample graphic from the timeline is enlarged for illustrative purposes below.



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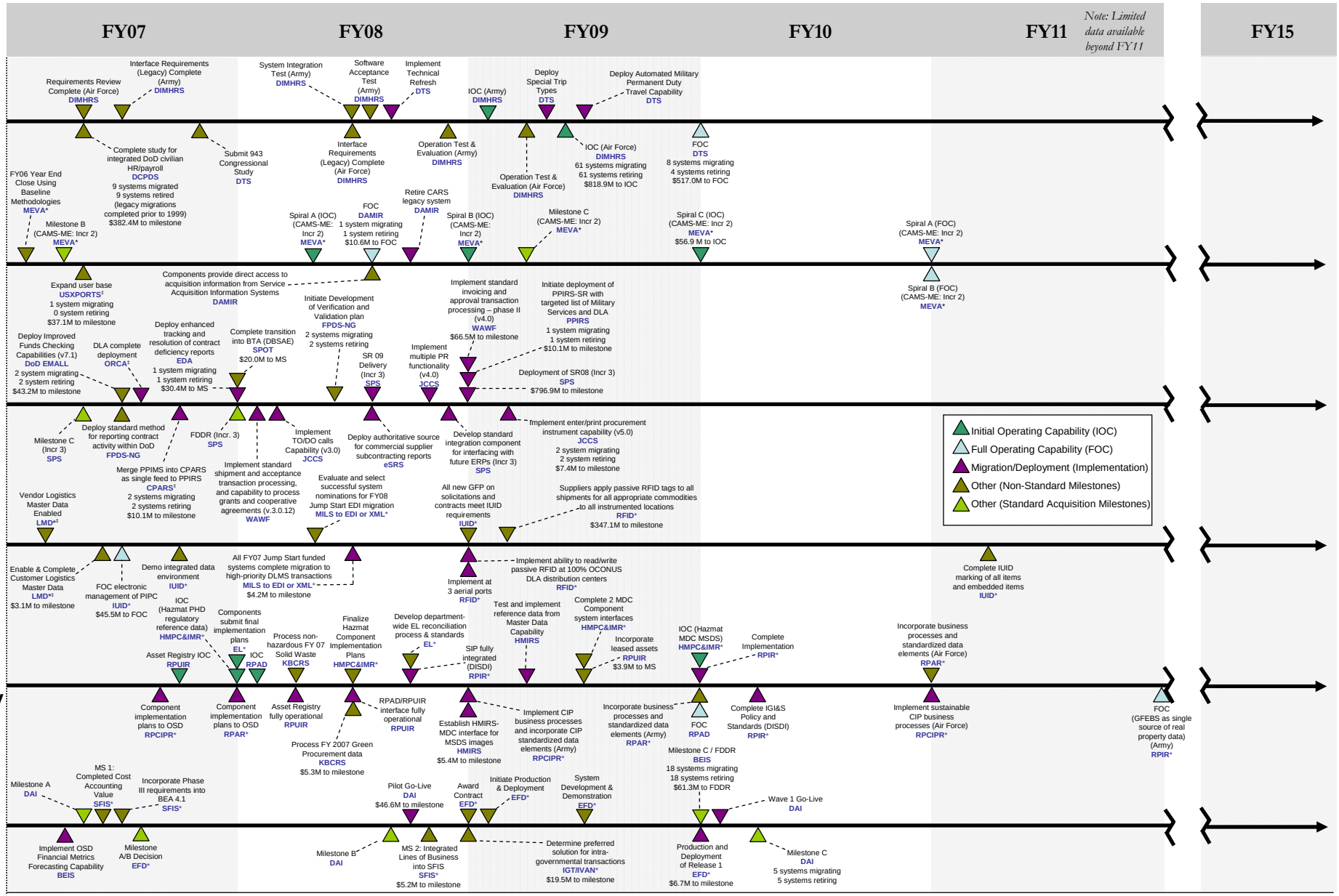
DoD Enterprise Program Timeline

‡ Target system or initiative is fully implemented

* Initiative



Annual Budget: $446.5M $478.5M

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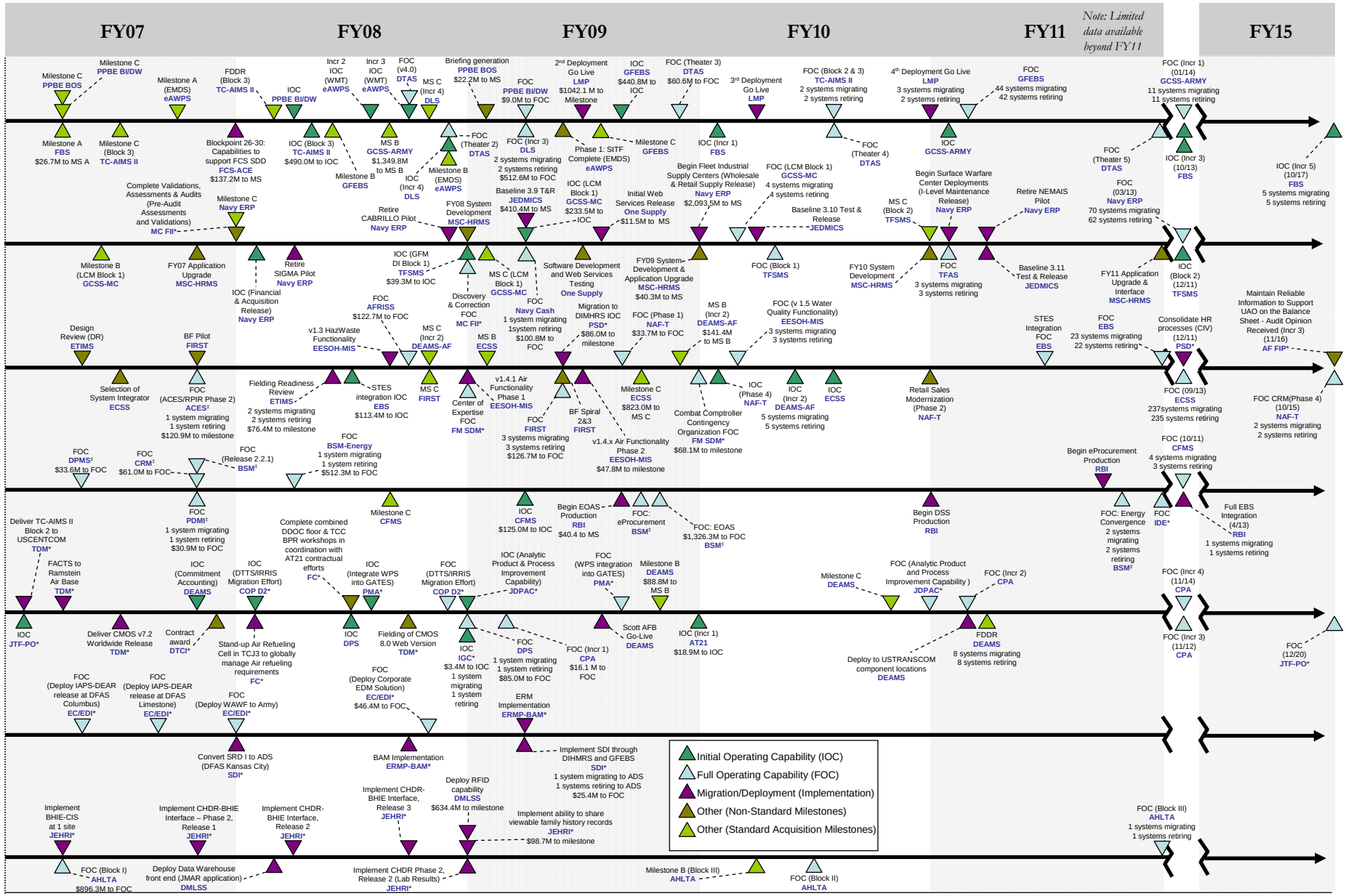
Component Program Timeline

March 2008 Congressional Report, Transformation Timeline

‡ *Target system or initiative is fully implemented*

* *Initiative*



Annual Budget: $1,782.0M $2,007.2M

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