



U.S. DEPARTMENT OF DEFENSE • SEPTEMBER 28, 2007

2007 Enterprise Transition Plan ETP

DEFENSE BUSINESS TRANSFORMATION OVERVIEW

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Part Two: Mini-Appendices

Mini-Appendices **Appendix Intro-1**

Part Three: Virtual Appendices

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: Mini-Appendices Cost/Schedule/Performance	Part Three: Virtual Appendices (see below for URL)
System and initiative description, objectives, milestones, cost/budget, and migration data, at a glance.	Transformation Program Summary	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	C: Transformation Timeline
Graphics with key milestone dates for Business Mission Area Architecture Planning	N/A	D: BMA Architecture Planning Timeline
Business Enterprise Priority purpose and benefits Tables that depict: <ul style="list-style-type: none"> • Business Enterprise Priority objectives • Business Capability improvements • Business Capability improvement metrics • Business Value Added framework impacts 	Enterprise Performance Summary	E: Business Enterprise Priority Tables
• System outcome metrics for Enterprise systems		K: Enterprise Program Performance Measurement
• Business Enterprise Priority Timelines		J: Key Milestone Plan
Tables that depict for Components and Medical: <ul style="list-style-type: none"> • Business transformation goals and priorities • Priorities with targeted outcomes and metrics • Business Value Added framework impacts 	Component Performance Summary	F: Component and Medical Transformation Priority Tables
• Component Timelines		J: Key Milestone Plan
Tables that depict: <ul style="list-style-type: none"> • A list of DoD Enterprise, Component, and Medical target business systems and initiatives that contains information such as the Lead Core Business Mission and Certification Authority • Matrices showing functional scope and organizational span • Business Capabilities 	N/A	Master Lists: <ul style="list-style-type: none"> • Transformational Targets • Fully Implemented Targets • Other Systems of Interest • Functional Scope and Organizational Span • Business Capabilities
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 CBMA support office lines	N/A	I: Funding Summary
Milestones by Business Enterprise Priority, Component, and Medical Transformation (since September 2006)	N/A	J: Key Milestone Plan
Key management information about systems and initiatives	N/A	System/Initiative Dashboards

The URL for the virtual appendices is: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



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Foreword



DEPUTY SECRETARY OF DEFENSE
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September 2007 marks 2 years of executing the Department's integrated Enterprise Transition Plan (ETP) and nearly 2 years since the establishment of the Defense Business Transformation Agency. Since then, the Department of Defense (DoD) has made significant progress in transforming strategy, culture, process, information, and technology. Recent improvements have streamlined end-to-end business processes, made information accessible, and implemented systems quickly to help the Warfighter. By improving processes and information, we are improving everything we do every day so that we can better invest the taxpayer resources for our national defense and our security. To increase the pace of process improvements, we are using Lean Six Sigma (LSS), an approach with which the Military Services have already had marked success. To enable this, we recently established an OSD Continuous Process Improvement/LSS Office to provide the resources, expertise, and people to manage this effort across the Department.

DoD is also improving the processes that support business transformation itself, such as a new set of investment review processes called the Enterprise Risk Assessment Methodology (ERAM). ERAM assessments identify – and then mitigate – specific risks that would keep programs from achieving their objectives. DoD is also combining ERAM with new business system acquisition oversight processes, known as the Business Capability Lifecycle (BCL). The BCL will provide the Defense Business Systems Management Committee and Investment Review Boards with oversight of large business system investments from the initial concept creation throughout ultimate deployment.

The ETP provides details on business transformation progress, such as improvements in information visibility through standards such as the Standard Financial Information Structure. The ETP also details implementation progress on 100 systems and initiatives, including 12 large ERP implementations ongoing throughout the Department – these ERP implementations represent more than 50 percent of the Department's annual investment in business systems modernization.

The Department remains firmly committed to transforming business to help today's modular, agile, technologically-advanced joint force respond rapidly to emerging situations and changing missions. We encourage you to explore the wealth of information in this plan, both in the printed volume and online.



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Section I: Defense Business Transformation

Chapter 1: Overview and Perspective

The Department of Defense (DoD) is perhaps the largest and most complex organization in the world. It manages a budget more than twice that of the world's largest corporation, employs more people than the population of a third of the world's countries, provides medical care for as many patients as the largest health management organization, and carries 500 times the number of inventory items as the world's largest commercial retail operation. That being said, DoD's mission, and the changing nature of the threats to which the Department must respond, requires that it become as nimble, adaptive, flexible, and accountable as any organization in the world.

The DoD is engaged in a massive business transformation effort to become that nimble, adaptive organization as it modernizes its processes, systems, and information flows to support 21st Century national security requirements. To help guide this undertaking, the Department released its first integrated Enterprise Transition Plan (ETP) on September 30, 2005. For the first time, the Department provided its internal and external stakeholders a comprehensive view of the systems and initiatives that will transform the largest business entity in the world. Over these past two years the Department has made significant progress, not only in the business capabilities that have been improved, but also in the fundamental ways in which it thinks about business operations and the methods to achieve transformation. These changes manifest themselves in the daily lives of civilian and military personnel throughout the Department, and have set the stage for enabling ongoing business transformation at both the Enterprise and Component levels of the Department.

Business transformation requires a multi-faceted set of activities, especially in a large, complex, hierarchical organization like DoD. Among the core elements necessary to achieve transformation are strategy, culture, process, information, and technology, as depicted in Figure 1-1 below.

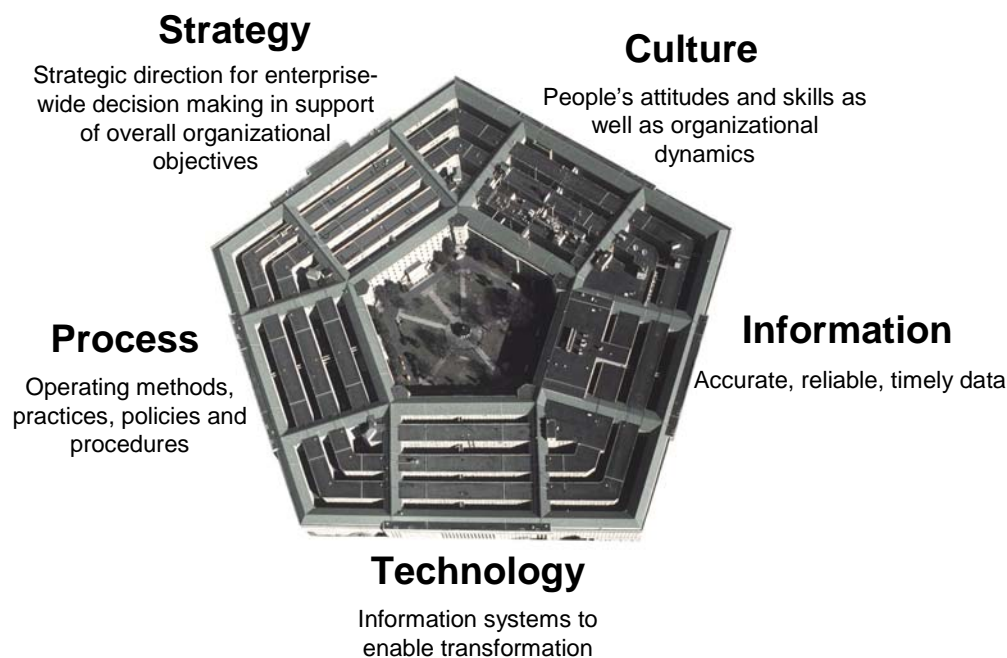


Figure 1-1: Core Business Transformation Elements



The Department recognizes the importance of each of these elements of transformation not only for its individual contribution to the desired outcome, but also for the necessity to achieve alignment in capabilities across all five areas. For example, it will be virtually impossible to achieve business transformation in an organization that may have a highly formed, forward-looking strategy, but has yet to evolve the organizational culture to support this new way of doing business. Investing in the latest and greatest in the area of Information Technology (IT) can be a key enabler for business transformation. However, if the organization has not sufficiently evolved its process and information capabilities, the technology implementation alone will likely fall short in terms of achieving the desired outcomes. Organizations need to be able to mature in each of these areas to effectively drive business transformation, and these changes need to be infused across organizational boundaries in order to produce optimal results.

The Department is well aware that business transformation is a marathon, not a sprint. Following this course, the Department has made steady, significant progress in each of the five areas mentioned above, achieving tangible results that are truly yielding positive returns in its business operations.

Strategy

The strategy area provides an understanding of the role, positioning, and focus for enterprise-wide decision making in support of overall organizational objectives. Defense business transformation is driven by four strategic objectives that shape priorities and serve as checkpoints to assess the efficacy of the Department's transformation efforts. The publication of the ETP every six months for the past two years has provided the Department the means to describe its strategy for achieving its Enterprise and Component priorities. The ETP also provides detailed milestones, metrics, and resource needs for each of the DoD's transformational programs that support the Department's four business transformation strategic objectives (Figure 1-2):



Figure 1-2: Business Transformation Strategic Objectives

Strategy starts at the top, and that is where significant change in the Department's approach to business transformation began to occur a little more than two years ago, just prior to the publication of the first ETP. In April 2005, the Department held the first meeting of the Defense Business Systems Management Committee (DBSMC), the governing body that was chartered to oversee all aspects of business transformation across the Department. Every month since that first



meeting, the Deputy Secretary of Defense has personally led a collection of senior leaders that includes the Service Secretaries, the Principal Staff Assistants, the Joint Staff, Agency Directors, and other leaders from across the Office of the Secretary of Defense (OSD) in a combination of briefings, discussions, and strategic decisions that span the breadth of DoD business transformation. These monthly sessions culminate in members tasked to resolve specific issues, and have resulted in top-down strategic guidance that shapes actions throughout the Department, including:

- Establishing six Business Enterprise Priorities (BEPs) to focus the Department's business transformation efforts, which now guide DoD investment decisions (described in detail in this ETP)
- Providing strategic oversight for key enterprise-wide programs, such as the Defense Integrated Military Human Resources System (DIMHRS)
- Conducting strategic business policy reviews; for example, travel policies that impact solutions such as the Defense Travel System (DTS)
- Performing reviews of the Component-wide strategies, performance, and risks for Enterprise Resource Planning (ERP) systems
- Approving business system investment certifications from across the Department

The outcome of these sessions yields strategic direction for the entire DoD business community. For example, the establishment of the six BEPs has guided investments in both enterprise architecture and business systems development for the last two years. These priorities, which are focused extensively on the management and visibility of information, are appropriately centered on the needs of the *Enterprise* level of the organization. This focus recognizes that the Enterprise layer of the Department requires more in the area of enterprise-wide data standards and business rules (to enable information visibility for its stakeholders) than in the area of hands-on operational business execution, which falls more in the hands of the Components. Finding the right balance between the priorities of the Enterprise and the priorities of its Components is a challenge in any large, complex organization. The DBSMC, in its role of providing strategic oversight for business transformation across the Department, has led the way for the DoD to strike that balance under a concept called *tiered accountability*.

Tiered accountability, depicted below in Figure 1-3, is a strategic concept that requires each tier in the DoD organizational hierarchy to focus on those requirements that are relevant for that specific tier, and leave the responsibility and accountability for other elements of business management and execution to other tiers in the organization. Tiered accountability in the

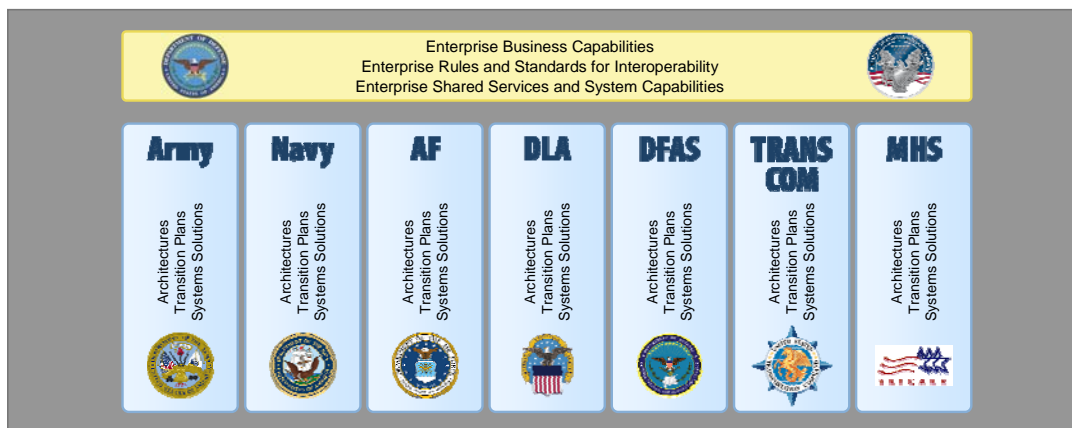


Figure 1-3: Tiered Accountability



Department of Defense encompasses the broad area of policy setting; the detailed establishment of process and data standards; as well as the ultimate execution of business operations. One example of tiered accountability can be found in the way in which the Department now defines and documents business requirements through its Business Enterprise Architecture (BEA). Previously, those efforts went much deeper than just the needs of the Enterprise layer, and incorporated many of the detailed requirements for operational activities that are only performed at the Component level. The strategy up to that point was primarily focused on a top-down effort to drive highly detailed requirements into a comprehensive enterprise architecture. Unfortunately, this approach often delved into the most granular elements of business requirements, resulting in a high degree of resistance from the operations-focused Components, and ultimately failing to yield actionable results. In many cases, the Department has eliminated incorporating prescriptive requirements in the BEA for functions that are neither performed at the Enterprise level of the organization, nor required for interoperability. For example, since DoD's supply chain operates at the Component level, few supply chain execution requirements are depicted in the BEA. This approach allows those closest to the operations to drive the definition and instantiation of those business requirements.

BEA development now focuses on those process, data, and system elements truly required to enable *Enterprise-wide* information aggregation and system interoperability. By focusing the BEA on those elements specifically needed for Enterprise-level transformation, the Department has improved the likelihood that that layer of requirements will be implemented, while at the same time providing flexibility to the Components to implement improvements to their own processes and data standards as needed to satisfy their unique missions.

Another strategic action taken by the Deputy Secretary and the DBSMC came from the recognition that in order to effectively drive change at the Enterprise level of the organization, there needed to be a permanent piece of the institution staffed by resources with the requisite skills who could be held accountable for specific elements of the overall transformation effort. To that end, it was two years ago that the Department established the 17th and newest agency in the DoD: the Business Transformation Agency (BTA).

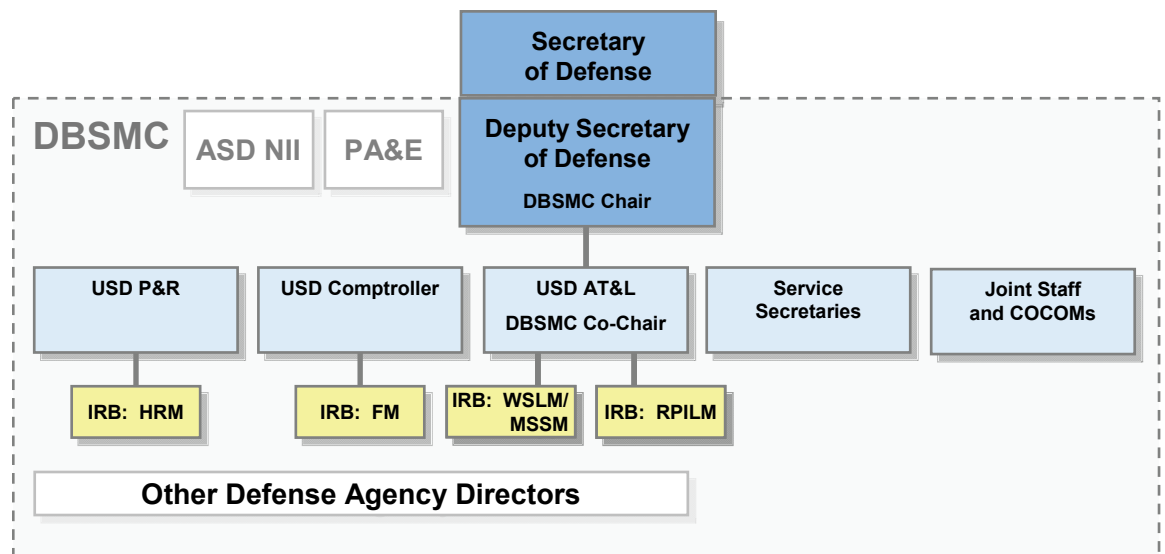


Figure 1-4: Enterprise-Level Transformation Governance

Under the guidance of the DBSMC (shown in Figure 1-4), the BTA has focused primarily on those requirements that have broad impact across the DoD enterprise—the Enterprise tier—



working with the functional leaders within the OSD to gather prioritized business requirements that can be depicted in the BEA and ultimately get implemented in business systems across the Department. In addition, the BTA facilitates the standardized investment review process on behalf of the newly established Investment Review Boards (IRBs), and supports the DBSMC on specific tasks resulting from its monthly meetings. Further, the BTA has been assigned 27 IT programs for acquisition, development, and deployment, each of which is specifically focused on delivering a capability that has impact across the DoD enterprise. Prior to the standup of the BTA, these kinds of programs were owned and managed in a variety of organizations across OSD and in some of the Components, leaving no single point of accountability for these enterprise solutions. The BTA now provides senior leadership of the Department a point of accountability for the acquisition and execution of these programs. Finally, the BTA maintains an office specifically focused on the current and future business needs of the warfighting community, to ensure that the needs of the most important customers of the Department's business operations are being properly addressed.



As mentioned, the BTA plays a key role in facilitating the Department's investment review and system certification process. However, in another example of the Department's adoption of the concept of tiered accountability, the Components also play a significant role in partnering with the BTA and the IRBs in the execution of the new end-to-end process. Previously, system certification was driven entirely at the OSD level. That process entailed a detailed compliance review of documents across seven functional domain organizations, each of which carefully assessed the program's compliance in every area of solution design. The problem was that this approach was neither efficient nor effective. Because the process took several months and was very paper intensive, the process was extremely expensive and time consuming for the programs, and resulted in many programs not even bothering to go through the effort. In the four years from FY02 – FY05, only 75 financial systems investments received certification.

Now, under the concept of tiered accountability, each program has become responsible for ensuring compliance with the DoD BEA for each business system investment greater than \$1 million. The Components are charged as pre-certification authorities, to perform the necessary due diligence to ensure compliance is indeed being achieved, and to certify to that effect during the annual investment review process and at appropriate milestone decision points within the acquisition process. The OSD tier of the review process focuses on those areas that are critical to Enterprise-wide transformation. This OSD focus is enabled by the accountable due diligence performed by the Component tier – with program managers, program executive officers, and pre-certification authorities executing the detailed analysis and assertion elements associated with the review process. This strategic shift in the approach to system certifications has properly empowered those closest to the programs to review the systems being placed forward; has enabled the reviewers at OSD to focus on those elements most critical to achieving Enterprise-wide



transformation; and has enabled efficient throughput by way of the streamlined nature of the standardized review process. Reviews that had previously taken more than six months are now processed in an average of six weeks. As a result, over the last two years a total of 303 systems at both the Component and OSD levels have been certified as compliant to the BEA or been granted conditional certifications based on specific plans to achieve compliance during the implementation lifecycle.

The strategic use of the concept of tiered accountability has enabled both a more efficient and more effective means for the Department to oversee its vast array of business system investments. In fact, this ETP reflects this tiered accountability, providing distinct plans for each Business Enterprise Priority and the seven Components with the most impact on business transformation. Moreover, the adoption of the concept of tiered accountability represents a strategic shift in the culture of management within the DoD.

Culture

Strategy provides guidance and direction for transformation, but unless an organization’s culture embraces that strategy, few benefits will be realized. Because of the breadth and depth of the Department, the DoD has many cultures. That being said, a number of changes across DoD over the last two years have been instrumental in the area of business transformation.

The engagement of top Department leadership in business transformation by way of the DBSMC represents a cultural shift in governance that has been critical to enabling progress. Tiered accountability focuses on the vertical aspects of the DoD organization, with an eye toward ensuring that the right people at the right level of the broad DoD organization structure assume the appropriate level of responsibility for the relevant tasks associated with business transformation. Moreover, combining that vertical perspective on accountability with a horizontal perspective on business execution has become central to a cultural shift in how to view and achieve transformative results for the DoD.

Two years ago, the Department introduced the concept of five Core Business Missions (CBMs) within the Business Mission Area, as depicted in Figure 1-5.



Figure 1-5: Core Business Missions



The vertical silos in the graphic represent just some of the individual business functions that have traditionally been the focal point for organization, execution, modernization, and accountability in the Department. Like many large organizations, the DoD business environment is structured largely around such specific functions. However, large organizations know that successful businesses execute along the lines of end-to-end business processes, not within disconnected or loosely connected individual functions.

An example of horizontal focus in the Materiel Supply and Service Management (MSSM) CBM is that the United States Transportation Command (USTRANSCOM) has been named as the Distribution Process Owner (DPO). As DPO, USTRANSCOM has responsibility that extends across the entire distribution process (not just transportation of people and materiel), based on a horizontal view of the entire supply chain—and very importantly, on providing direct support to the Combatant Commands (COCOMs), as shown in Figure 1-6.

The DPO works to better serve the warfighter by moving beyond the notion that the Air Force only does air missions, the Navy only does maritime missions, and the Army only does ground missions. Additionally, the DPO takes a more integrated view and looks at the supply chain not as stovepiped acquisition or movement or warehousing functions, but as steps in a more integrated process. Prior to establishing a DPO, DoD lacked a cross-Service capability to open and operate airports (and seaports) expeditiously, and the MSSM CBM lacked a cross-functional solution for this portion of the end-to-end process. For example, in the past each Service’s actions to open an airfield lacked integration, and USTRANSCOM’s role in opening ports was primarily for noncombat operations. During combat operations, the Air Force would typically arrive first and take actions to enable the arrival and departure of aircraft. The Army would generally follow a few days after the first planes landed and establish the capability to dispatch equipment to ground force destinations. Recognizing this disjointedness, USTRANSCOM and its sub-commands developed a Joint Task Force – Port Opening (JTF-PO) capability under its DPO authority to establish ports of debarkation and distribution networks.

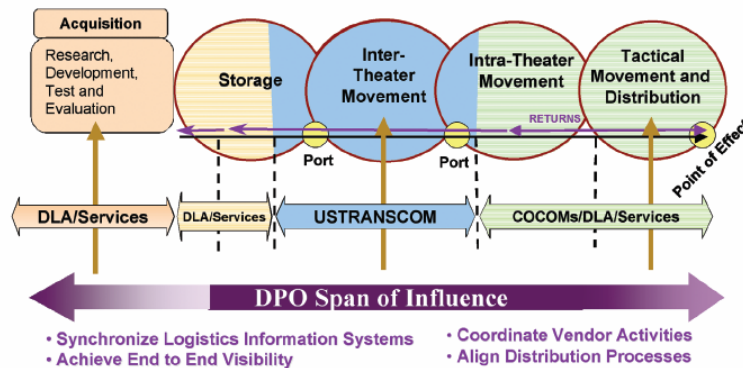


Figure 1-6: USTRANSCOM as DPO

The JTF-PO now has the authority and means to perform this mission. USTRANSCOM successfully demonstrated its JTF-PO capability last May during the NORTHCOM-sponsored Ardent Sentry 07 Exercise and more recently during the Bright Star Exercise. A major outcome of this joint task force is the capability for the Army to get into the fight at the same time as the Air Force, not afterwards, and for supplies to arrive within hours rather than days. During one exercise the force deployed and redeployed 1505 passengers and 356 short tons of cargo in two days of operations—an unprecedented timeline. JTF-PO aerial port of debarkation forces are currently fully operational



to support contingency operations worldwide. USTRANSCOM is in the process of developing a similar capability to rapidly open a seaport of debarkation with a planned Initial Operational Capability in early 2008. These and other similar efforts are creating a more integrated Defense supply chain, facilitating more efficient, effective operations, and better quality decision making for the joint warfighter.

The horizontal perspective to business that unites individual functions has become manifest in a number of other transformational efforts in the DoD. First, since 2005, the BEA is being developed as a fully-integrated architecture, built by way of cross-functional domain workshops that enforce contribution and alignment from each functional element into an end-to-end set of business standards. These standards cover not only end-to-end process definitions and models, but also data standards and business rules.

An example of this cross-functional approach is shown in the composition of the governance board for the Standard Financial Information Structure (SFIS), the Department's newly defined common financial language. This governance board consists of members from a number of the functional (vertical) organizations from across DoD because the financial results that ultimately get recorded are often based on transactions that initiate in the procurement, logistics, asset management, or force management business areas. Furthermore, the cross-functional development of standards and architecture products results in SFIS compliance requirements not only on finance and accounting systems, but also on those business feeder systems that are fundamental to effective process execution. Prior to this kind of discussion, the Department was filled with instances where feeder systems would provide non-standard data to the accounting systems, with very little collaboration between these communities. The results were a process and information environment where it was nearly impossible to reconcile data as it went from one system to the next. An integrated architecture, with cross-functional requirements developed from a horizontal perspective, has been a catalyst to changing the dialogue around business execution and modernization to a broader focus on end-to-end execution.

The investment review process has likewise become an embedded part of Department culture. The IRBs are organized around the five CBMs, providing an appropriate portfolio of solutions for executive-level governance and review. However, the IRBs recognize that the ramifications of the issues discussed and the decisions made within a particular IRB may ripple beyond their core mission. When a system comes through one IRB with some capabilities or activities primarily owned by another IRB, that other IRB has the opportunity to cross-coordinate on the submission. This means (among other things) that the other IRB can levy conditions necessary for the system's fulfillment of end-to-end requirements for certification. Even with this high degree of coordination, the process runs very efficiently. The IRBs have established a process ensuring all appropriate stakeholders review certification packages within agreed-upon timelines. The efficiency stems in part by the fact that all the IRBs operate under the same Concept of Operations (CONOPS) and are all benchmarking requirements against the single, integrated DoD Business Enterprise Architecture.

This past year, the IRBs took an additional step toward supporting the horizontal perspective of business transformation by combining their meetings once per quarter into a single body that focuses on the large-scale Enterprise Resource Planning (ERP) system implementations underway across the Department. ERP systems are cross-functional by nature, and the IRB chairs recognized the value in having stakeholders from across the various functional communities together in one room as the optimal way to ensure effective adoption of—and compliance with—the architectural standards that have been defined at the Enterprise level of the organization. The ERP IRB looks not only at the compliance requirements for individual ERPs, but also on how these large systems are tied together to form truly end-to-end business solutions.



As a result of such approaches to business investment oversight, collaboration across functional domains has matured significantly over the last two years. DoD culture now recognizes that to achieve truly transformational results, business systems must be viewed in an end-to-end perspective. That view must further be supported by specific constructs, such as the layout of the Business Enterprise Architecture and the make-up of the IRBs and their associated processes, in order to achieve the desired results. The Department is evolving this approach, taking a lead at the Enterprise level of the organization. The DBSMC is helping to drive the strategic importance of these perspectives into the approaches to business transformation at the Component level as well.

Focus on the Warfighter

An additional cultural shift has occurred in the focus of business transformation efforts, and one that may be surprising in terms of its need. Traditionally, business improvements in the Department focused on how the organization operates in peace time, where infrastructure can be designed for the posts, camps, and stations that dominate much of the work environment for DoD personnel. Similar to the past, the current conflict in the Middle East initially required soldiers in the field to establish business capabilities largely from scratch, using the limited tools that were available to them in theater. Over the last two years, the Department has dedicated efforts to meeting the needs of soldiers in the field with real and lasting capabilities designed for the theater of operation, along with the traditional focus on peacetime garrison operation.

Just over a year ago, the Deputy Secretary established the Task Force to Support Improved DoD Contracting and Stability Operations in Iraq. In the area of contingency contracting, the Task Force has focused on two primary objectives: (1) increasing the number of opportunities available and awarded to Iraqi/Afghan firms by identifying capable firms while minimizing barriers to compete for U.S. reconstruction efforts, and (2) consolidating and creating visibility into Iraq/Afghan reconstruction contract data. In an illustration of the bias toward rapid implementation, which represents another noteworthy cultural change from the past, the Task Force worked collaboratively with the Joint Contracting Command – Iraq/Afghanistan (JCC-I/A) to develop and deploy a tool in less than six months – the Joint Contingency Contracting System (JCCS).

Using JCCS, contract opportunities are posted in both English (full contract) and Arabic (summarized version). JCCS also stores critical information about all registered and approved host nation vendors who may bid on opportunities. In addition to providing a standardized and streamlined process for capturing the contract requirements, solicitation, and award data, the information generated by the tool has been invaluable to the effective management of the Department’s mission. JCCS provides the contracting community real-time information on what the command is spending, with whom it is spending, where the funds are being spent, on what they are being spent, and so on. (See the related “Case in Point” on JCCS for more information about the solution and the benefits achieved to date.)



Case in Point: Joint Contingency Contracting System

The Joint Contingency Contracting System (JCCS) follows the “Keep it Simple” philosophy to enabling information technology, which in and of itself represents a cultural shift in the approach to IT development in the DoD. While very powerful in terms of the capability it provides, the simplicity of JCCS enables rapid deployment and streamlined adoption in theater—an especially powerful combination where the customer is deployed in a war zone. Along with posting contract opportunities in English (full contract) and Arabic (summarized version), and providing information about all the registered and approved host nation vendors, the JCCS captures vendor proposals, and documents contract awards. Once an award is made, specific data associated with the contract award is entered into JCCS, which then provides the key to the information visibility needs of the command. The tool even provides visibility to receipt of goods, payment to vendors, and ultimately the close-out of the contract, completing the end-to-end business process.

The analysis of JCCS information provides the Commander of JCC-I/A, Major General Darryl Scott, the information he and his staff need on what parts of the organization are in fact effectively driving business to host nation vendors. This access to information from across the Area of Responsibility (AOR), previously unavailable, is now at the fingertips of the Commander and his staff in real-time. MG Scott uses JCCS on a daily basis, managing and allocating his resources based on the solid data enabled by the tool. According to MG Scott:

“JCCS has proven to be a tremendous information asset and management tool for the Joint Contracting Command Iraq/Afghanistan (JCC-I/A). JCCS’ capabilities have allowed our contracting officers and enterprise management leaders a complete look at the contracting process from receipt of a purchase request to the final contract payment and close out actions. These system capabilities have dramatically reduced required contract planning times, allowing for a level of customer support and service never previously realized in a contingency contracting environment.

On a strategic level, JCCS has had a direct impact on JCC-I/A’s ability to identify strategic source commodities and has enabled the implementation of our efforts to build and bolster the local economy through the Iraqi First program. In short, JCC-I/A could not have achieved its demonstrated level of organizational success without the management benefits provided in JCCS.”

JCCS is now deployed at 19 (14 Iraq, 5 Afghanistan) Regional Contracting Centers throughout the AOR and the Reconstruction offices at JCC I/A headquarters in Baghdad. Since its inception, less than a year ago, JCCS has:

- Captured 23,014 contracting actions in the centralized contract repository valued at \$2.95B
- Registered 7732 total vendors (3,597 Iraqi vendors and 1,301 Afghanistan vendors)
- Posted 377 solicitations by DoD Contracting Officers
- Received 1,239 proposals in response to posted solicitations
- Provided Department leadership with accurate and timely contract visibility on host nation and non-host nation vendor activity

Figure 1-7 depicts the dramatic growth in the usage of this tool in the relatively short-time since it was first deployed.

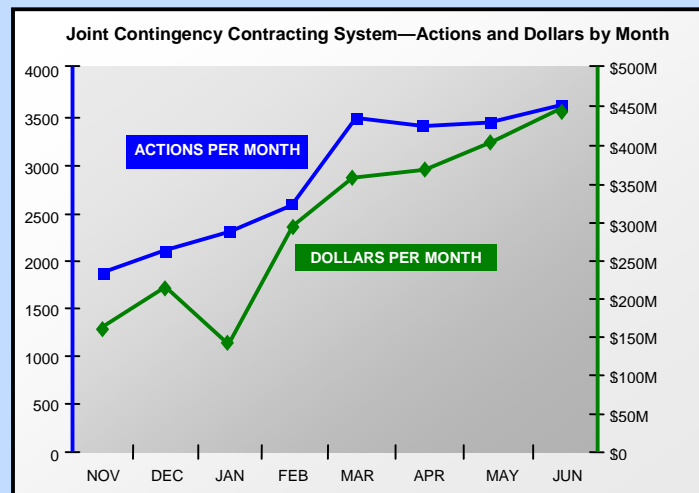


Figure 1-7: JCCS Actions and Dollars by Month

The long-term intent for JCCS is to transfer it to future contingency operations. The BTA provides that central point of accountability to ensure that the business lessons learned, and some of the systems that have been deployed in response to this and other contingency-related needs, survive to support future operations.

As noted above, the JCCS example reflects another aspect of cultural change that has occurred within the Department in the area of business transformation: the shift to a bias toward implementing capability as rapidly as possible. For many of the large scale business transformation efforts across the Department, the time required to deploy solutions has been a significant challenge. In part, the time required is due to the size and scale of the business



operations being addressed. However, the cumbersome acquisition process for business systems has also been an impediment to rapid fielding of capability. Accordingly, the Deputy Secretary has made it clear that the Department must resist the desire to create all-in-one, big bang solutions, because many are simply never completed, and those that are completed can take so long that they may no longer address the original problem that initiated the modernization effort in the first place. A fundamental element of decision making with regard to business system modernization investments must be a cultural bias toward rapid deployment.

In fact, DBSMC engagement in the new acquisition oversight processes being developed for business systems—the Business Capability Lifecycle (BCL) to be implemented starting in FY08—has solidified a tenet for future business cases that systems must include the delivery of tangible capability within 12-18 months. If this timeframe is not met, the business case will likely be rejected. Because some of the Department’s current large-scale transformation efforts don’t conform to this tenet, the DBSMC is looking at some of those programs to see if there are practical approaches to accelerating deployment of capability. All future investment opportunities, however, are expected to comply with this top-down mandate for the rapid approach to capability delivery.

Process

As mentioned, over the last two years the Department has embraced a cultural shift away from just focusing on enhancing the capabilities of individual stovepiped functions toward a view to optimizing end-to-end business processes. Processes are the lifeblood of business execution and as such, process improvements in themselves can bring about substantial transformation. Process improvement involves a continuous disciplined effort to decrease operational cost and cycle times, and reduce unnecessary work and rework, particularly by eliminating steps that add little or no value.

The process improvements that the Department is trying to achieve are first and foremost those that support the warfighter—such as those that provide capability improvements more rapidly and by returning equipment to use in less time—and those that save money. A focal point for the Department’s approach to process improvement has been in the area of Lean Six Sigma (LSS) methodology and how successes through LSS in the Military Services have led to the establishment of an OSD Continuous Process Improvement (CPI)/LSS Office and a broadening of the effort.

The industry standard principles of LSS are an integral part of the Department’s CPI effort. LSS has been endorsed by DoD leadership as the means by which the Department will become more efficient in its operations and more effective in its support of the warfighter. By focusing on becoming a “lean” organization, DoD can address resource constraints and other barriers to improving business performance by eliminating waste and defects that hinder operational excellence. To date, the Military Services have been particularly proactive in their application of CPI/LSS and are already realizing significant benefits through its use. The Services’ proactive approach can serve as a model for the Department as a whole.

For example, Naval Air Systems Command recognized the need to improve the closeout process for large Naval Warfare Center contracts. In the past, a lack of standardized processes and ineffective communication between the Naval Warfare Center, the Defense Finance & Accounting Service (DFAS), and the Defense Contracting Management Agency (DCMA—the DoD Component that administers certain types of contracts for the Center) contributed to a number of contracts overdue for closeout. This caused significant rework, multiple unnecessary reviews, and a loss of funds that expired before being used. By using CPI/LSS to analyze,



According to the Deputy Secretary, “...when we improve our processes, we improve everything we do every day so that we can better invest the resources that the taxpayers provide us for our national defense and our security.”



consolidate, and improve processes, the Naval Warfare Center was able to save money, reduce unnecessary rework, and create processes that can be replicated throughout the Navy. It is expected that the new contract close-out process will save the Navy more than \$1 million in 2007, with the potential for even greater savings in the future as the new process is adopted by other organizations.

Maintenance is another area where the Military Services have been able to save time and money through the use of CPI/LSS. The Army Materiel Command, at the Fort Knox Unit Maintenance Activity, recognized its inability to meet the requirement to service ten M1 Main Battle Tanks per week. Under the existing inspection process, the Unit Maintenance Activity was only able to service an average of six tanks per week. As a result, the service backlog grew every week, even with additional inspection hours. Using Lean Six Sigma tools, the team found that maintenance providers were not given enough information on tanks' operational status prior to entering scheduled service. Some tanks that the Unit Maintenance Activity received were non-mission-capable and had to be removed from the service process when that status was discovered, resulting in wasted activity. By identifying the root cause of the problem, the team created an inspection process that quickly prevented non-mission-capable tanks from entering the maintenance queue. With the increased throughput that this solution allowed, the team was able to reduce the tank servicing backlog from 85 tanks to zero over a six-month period.



The Air Force has also realized decreased costs and improved cycle times in maintenance activities using CPI/LSS. The 58th Maintenance Squadron reduced the time required for its inspections of the MH-53J Pave Low helicopter by 43%. By conducting a value stream analysis and taking a critical look at the current state of operations, the Squadron identified 86 potential non-value added steps in its 107-step helicopter inspection. The Squadron was then able to eliminate 41 non-value added steps and combine or modify the other 45. This reduction in cycle time saved money by reducing the number of man hours needed to complete an inspection, increased the Squadron's capacity, and improved team morale.



As a result of such demonstrated successes in process improvement by the Military Services, the Deputy Secretary of Defense, on April 30, 2007, instructed the Office of the Deputy Under Secretary of Defense for Business Transformation to create a DoD CPI/LSS Program Office that would leverage the existing CPI Senior Steering Committee to drive DoD-wide CPI/LSS activities and build on the types of successes mentioned above. The Deputy Secretary recognized that CPI/LSS is an important part of DoD's ongoing culture change, and that "Aggressive implementation of CPI/LSS within all levels of DoD will go a long way to support our overall business transformation efforts."

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Commitment to LSS involves dedicating the proper resources to both participate in training and lead improvement efforts. The Deputy Secretary directed all parts of DoD to provide their full support to the new Program Office through actions such as assigning a focal point to coordinate with the office; establishing 12-18 month training objectives (1% LSS Black belt trained and 5% Green belt trained personnel); including CPI/LSS in individual employee performance objectives; providing support to the DoD CPI/LSS Program Office in DoD-wide process improvement initiatives; and reporting progress on CPI/LSS projects and activities monthly.

Currently, the Program Office is collecting and consolidating baseline CPI/LSS information from all DoD organizations; developing a standardized metrics reporting system; coordinating LSS training for OSD and Service personnel; and working with appropriate organizations to incorporate CPI/LSS into individual employee performance objectives.

The Program Office has begun coordinating work on a number of Department-wide process improvement initiatives. These include:

- Achieving a reform of the end-to-end security clearance process in order to deliver high-assurance clearances efficiently and at the lowest reasonable cost.
- Identifying and filling gaps in the processes for delivering care to wounded warfighters across the continuum of care within DoD and to the Veterans Administration. These improvements will enhance care to ensure that service is timely, proactive, and coordinated to meet individual and family needs.
- Reviewing the four primary DoD Technology Transfer and Disclosure processes, to enable these processes to start sooner, work together more effectively/efficiently, be used more proactively and with more flexible criteria, and make cognizant officials more knowledgeable through education and training.
- Reviewing and improving the efficiency and effectiveness of the flow of correspondence within organizations and across DoD.



CPI/LSS is rapidly becoming embedded in the DoD culture, as it is a critical component to efficient use of taxpayer dollars and support to the warfighter. In fact, Deputy Secretary England notes that "... frankly, we have an obligation, particularly those of us in the civilian side of this business, and the military people who are not on the front lines, we owe it to the people who are in the fight to make the maximum use of the money we have available so we can continuously improve our war fighting." The Department is embracing CPI/LSS as a key tool in transforming process execution across the organization, and is investing heavily in training its population to enable it to take advantage of this proven set of transformational techniques.

Continuous process improvement efforts are also manifest in the DoD across a number of processes that specifically support the management efforts associated with business transformation itself. Many of these processes have been under review with a strategic perspective targeting improvement. One such example revolves around the acquisition process in OSD for all Major Acquisition Information Systems (MAIS) programs. Historically, this paper-intensive process included multiple layers of review that required these large-scale transformation efforts to delay progress for weeks as documents were briefed, reviewed, and ultimately approved. This process was not only inefficient in time and resources, but also largely ineffective in getting to the heart of the challenges inherent in these kinds of complex programs. In the last two years, the DBSMC has been championing an effort to instantiate a new set of processes to review business systems with a focus on identifying and mitigating risk. Under this Enterprise Risk Assessment Methodology (ERAM), a team of business system experts from within the BTA is paired with



functional and policy staff from across OSD to work directly with large-scale IT programs, not only reviewing documents, but also engaging in detailed interviews with key stakeholders. The documented risks that result from these assessments get embedded in the risk mitigation plans of the programs, and get briefed to the Milestone Decision Authority for further action as appropriate. Figure 1-8 shows the risk assessment areas covered by ERAM.

ERAM Risk Assessment Areas	
<input checked="" type="checkbox"/>	People
<input checked="" type="checkbox"/>	Strategy
<input checked="" type="checkbox"/>	Scope
<input checked="" type="checkbox"/>	Technical
<input checked="" type="checkbox"/>	External
<input checked="" type="checkbox"/>	Process
<input checked="" type="checkbox"/>	Contract

Figure 1-8: ERAM Risk Assessment Areas

ERAM was piloted with the Army's General Fund Enterprise Business System (GFEBS) and the joint Defense Logistics Agency (DLA)/USTRANSCOM program Integrated Data Environment/Global Transportation Network (IDE/GTN). These assessments resulted in identification of specific risks that may inhibit these programs from achieving their objectives. The ERAM assessment of GFEBS, for example, noted that the Army lacked a strategy for integrating GFEBS with the Army's two other ERP programs (GCSS-Army and LMP). This lack of an overarching architecture and concept of operations was identified as a key risk to successfully achieving the Army's overall objectives, and Army leadership in the Business Mission Area is now working with the Program Executive Office to clarify at a detailed level exactly how these solutions will ultimately fit together. Based on the results of these pilots, all business system MAIS programs have now been officially moved under the ERAM model, with the Under Secretary of Acquisition, Technology and Logistics (AT&L) serving as the Milestone Decision Authority.

ERAM is just one element of the process transformation underway in the area of business system acquisition and oversight. As described earlier, the last two years have witnessed the introduction of an entirely new model for investment review for business systems in the Department. To further the process transformation in this area, the DBSMC is now driving the coordination of a set of policy changes—under the moniker Business Capability Lifecycle (BCL)—that will combine these new investment review processes along with the business system acquisition oversight processes into a single point of accountability for MAIS level business system implementations.

By using BCL, the DBSMC and the IRBs will now have the opportunity to engage in the oversight of business system investments from the initial concept creation throughout ultimate deployment, serving the dual roles of investment review and acquisition oversight. The tiered accountability-based investment review process will continue as described above, but the ERAM results will now feed into the same review boards for recommendations to the Milestone Decision Authority on the health of the program and appropriate mitigation actions. This is yet another cultural shift within the business systems community, providing an integrated focus to both investment review and acquisition oversight. Combining those previously distinct sets of processes into a single, lifecycle-based set of reviews is expected to prove more efficient and effective for both the programs and the Milestone Decision Authority. The formal coordination related to the detailed policy implications of BCL is currently underway across the Department with a target completion for this fall.



Information

While process transformation is focused on how business is conducted within the Department, information transformation relates to the DoD's ability to leverage the results of those processes to make optimal decisions. Providing decision makers access to timely, reliable, and accurate information is a fundamental capability in support of effective management. DoD's limitations in this regard are well known—with labor-intensive manual data calls for the most basic information. These data calls have historically produced outdated, inaccurate, and inconsistent data, with extensive efforts focused on data collection rather than information analysis. The Department has long recognized the need to improve data aggregation, yet has lacked the tools and standards to enable this kind of capability. Over the last two years, this particular area of transformation has taken center stage – with several of the DBSMC's Business Enterprise Priorities focused on information visibility. Results are now starting to be realized in this area, with a series of specific enhancements already in place and more are on the way.

The DoD financial management community has long suffered from its inability to automate the aggregation of data, largely due to a lack of enterprise data standards. In October 2005, the Department took its first step to alleviating this problem by the publication of Phase I of the DoD's Standard Financial Information Structure (SFIS). This set of 59 data elements was specifically focused on those elements necessary for the generation of mandated financial statements. These elements span the functional areas of appropriation account, budget program, organizational, transactional, trading partner, and cost accounting information, as shown in Figure 1-9. These SFIS data definitions were based on a number of Federal standards, as well as new standards resulting from the collaborative efforts of representatives from across the OSD and Component functional communities, spanning a number of business functional areas. While SFIS is focused on financial statement generation, many of the elements included in Phase I that are necessary to generate those statements span functional areas, which required this cross-functional collaboration.

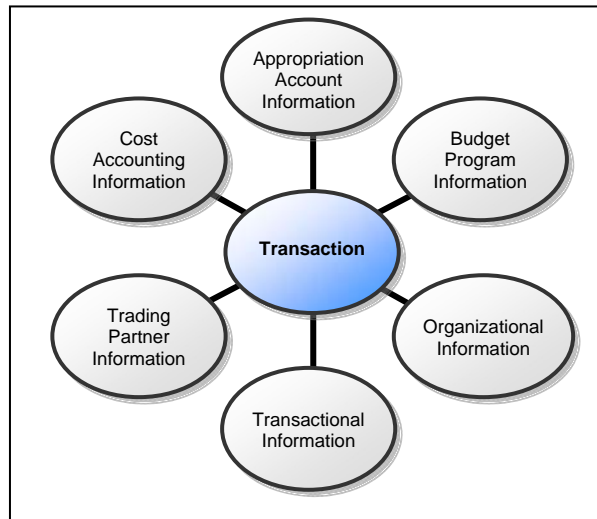


Figure 1-9: Types of SFIS Standards

As with any set of data standards, SFIS is not static. In fact, the cross-functional SFIS governance board, under the direction of OUSD(Comptroller), has released two more phases of SFIS definitions and associated business rules in the last two years. These releases have extended further into the area of managerial cost accounting. The data standards have all been articulated in the BEA, and the authoritative list of SFIS values is now available in a single repository within the Business Enterprise Information Services (BEIS) application.

Information transformation may begin with data definitions and business rules, but true transformation cannot be realized until those data standards become embedded in the processes and supporting systems in use throughout DoD. To this end, the Department has adopted a two-phased approach to implement the SFIS standards. First, the Department is embedding the SFIS standards into every new target financial system. Second, with the recognition that many of the current accounting systems will be replaced in the near term, it did not make economic sense



to invest heavily in embedding the SFIS standards in these systems. Rather, the Department has leveraged the BEIS solution to capture data feeds from these legacy accounting systems and cross-walked them to the SFIS standards in the corporate repository.

FY07 has seen tremendous progress in the implementation of this short-term strategy with the following entities now yielding crosswalk-enabled SFIS-compliant data within BEIS:

- Air Force General Fund
- Air Force Working Capital Fund
- Marine Corps General Fund
- Marine Corps Working Capital Fund
- Navy Working Capital Fund

Beginning in June 2007, the Department began issuing financial statements for many of those entities using SFIS-compliant data. It is expected that all legacy accounting system data will be cross-walked for SFIS compliance within BEIS by the second quarter of FY08.

Information transformation by way of standards-based cross-walks remains an interim solution to providing timely, accurate, and reliable financial information to decision makers. As mentioned, the long term strategy is to embed the SFIS standards in every target accounting system. Each DoD Component is currently involved in some phase of systems transformation encompassing finance and accounting. As part of the investment review process, each of these target systems is required to certify compliance to the SFIS standards. By implementing these data elements and their associated business rules within these systems themselves, the enterprise cross walks can eventually be eliminated in the data collection process. No matter how precise cross walks may be, there will always be room for error. Embedding the SFIS requirements at the transaction sources eliminates this potential source of error. Moreover, the SFIS requirements are not limited to finance and accounting systems. Transactions using the SFIS elements are often initiated in other business systems, which is why SFIS compliance conditions are also placed on these systems. As the SFIS standards become embedded in transactions throughout their lifecycle, the more effective will be the result on information transformation. This ETP provides a consolidated view of the SFIS implementation milestones for the 233 system investments that have received SFIS conditions through the investment review process in the last two years.

Standards-based financial statement generation is only one of the benefits of the information transformation that has resulted from the adoption of the SFIS standards. The standards-based data is now beginning to provide a business intelligence capability that spans the DoD enterprise. This capability allows senior management to compare budget availability to actual execution data at Appropriation and Component levels for decision making, including a budget metrics forecasting capability for OSD. This same dashboard is available not only at the OSD level, but also to the Component finance organizations, so that all stakeholders (based on security constraints) are looking at the same set of aggregated data in real-time. As the Department gains more confidence in the underlying data sources, manual data calls will subside significantly, enabling leadership to focus on analyzing the data for decision making, rather than focusing on the traditional laborious process of data collection.

This implementation approach to SFIS standards in Component target systems highlights another area of cultural change within the Department – using IT implementation experts to support policy development and implementation. In years past, as new requirements were published as policy or documented in the BEA, the Components were largely left on their own to study the documentation and formulate an implementation approach. This was challenging, since many of these requirements were formulated without anticipating systems implementation



issues. The result was often standardized data elements implemented in a non-standardized way. For the last year, the BTA has been alleviating implementation problems -- first, by assigning technical resources to participate in the data standard design; and second by deploying BTA ERP experts (cross-trained as functional SFIS experts) to support the Component ERP programs in understanding the definitions, as well as to provide practical, hands-on implementation guidance.

This approach to SFIS implementation has already shown its value both in clearing up confusion on the elements (which helped some programs avoid costly customization approaches to implementing SFIS) and in helping each ERP program move toward a common interpretation of the standards. As the Enterprise defines data standards that are required for system implementations, the Enterprise also has a responsibility to assist in the implementation of those standards. Effective implementation is essential in order to achieve the desired outcome in the area of information transformation.

SFIS is only one of the enterprise data standards that have been defined in the DoD in the last two years. Another prominent standard is Real Property Inventory Requirements (RPIR), which is in the area of Real Property Accountability.

The DoD currently maintains more than \$700 billion in real property assets, including more than 2.4 billion square feet of building space and approximately 32 million acres of land. Similar to the financial management information challenges being addressed by SFIS, the Real Property community has struggled for years to provide a real-time information repository to give decision makers timely, accurate, and reliable information about this tremendous volume and variety of assets. The process of real property accountability often involved more time collecting and reconciling data than using that data for management analysis. The BEA documents the almost 200 data elements that comprise the RPIR standards. The RPIR reengineering effort has extended into a comprehensive data management strategy, sustainable business processes, proposed policy changes, and overall asset accountability. (See the "Case in Point" below for more on the RPIR efforts.)

SFIS and RPIR are the most mature of the data standards that have been defined in the Department, but several more are on the way as a focal point for future iterations of the BEA. The functional areas of acquisition, materiel, and procurement all have data standard working groups underway, each engaging its respective functional community to first prioritize the data elements for consideration, and then do the hard work to agree upon standard definitions and business rules for each element. This data-driven work will ultimately enable the ability to automate the data capture and aggregation of information across each of these functional areas. These efforts represent the building blocks for even further information transformation for decision makers throughout the Department.

Technology

Information Technology provides a physical instantiation that enables and enforces the strategy, culture, process, and information elements of business transformation. All of these elements are essential to achieving transformational results, and it is the IT portion of the overall solution that often ultimately delivers actual capabilities to the DoD community. Consequently, the Department is investing significantly in business systems at both the Enterprise and Component levels of the organizations. Some of these systems have already been described, such as BEIS which provides the capability to aggregate standards-based financial data at the Enterprise level of the Department and render that information in a meaningful way to decision makers. The Enterprise systems that are entrusted to the BTA cover a variety of capabilities across each of the Core Business Missions within the Department. Some of these systems focus on master data,



some focus on information management (data aggregation and reporting), and some are geared to transaction processing.

Case in Point: Data Standards Enable Strategic Management Decisions

The DoD manages one of the largest portfolios of real property within the federal government and has undertaken a comprehensive effort to improve real property accountability. The Department's portfolio includes airfields, wharves, warehouses, barracks, dining facilities, administrative offices, tank farms, storage facilities, training ranges, and more. The Real Property Inventory Requirements (RPIR) effort encompasses four key elements outlined below – creating a common language, establishing a unique identifier registry, supporting Component Real Property management solutions, and helping enable a Real Property data warehouse.

Creating a Common Language is First Step to Accountability

Until RPIR, aggregating data across the Services has been quite difficult, because there were minimal real property data standards within each Service, and even more limited standards across the Services. Compiling a usable end product of the overall defense real property portfolio involved a one-time annual data call to the Services, which would be reconciled through an extensive series of data queries and application of business rules. OSD and the Components worked together to create the RPIR standards – as such, the RPIR standards represent the culmination of extensive work to define the core data elements, definitions, and business rules associated with the physical, legal, and financial characteristics of DoD's real property.

Real Property Unique Identifier Registry

Fundamental to RPIR implementation has been the development of the Real Property Unique Identifier Registry (RPUIR) that will be used to permanently and uniquely identify real property sites and real property assets. The RPUIR reached full operational capability for sites in June 2007, and is scheduled to reach full operational capability for real property assets in December 2007. These unique identifiers enable on-demand information in a net-centric environment based on specific data for all real property assets in which the Department has a legal interest. The RPUIR provides a constant source of reference on the historical record of a particular asset as it moves from one organization to another or when it is partially or completely disposed of. The real property unique identifier has been recognized as an industry best practice.

IT Solutions for Real Property Management

Component IT systems supporting real property tracking and management are required to become RPIR compliant. Each Component has submitted RPIR implementation plans to OSD I&E and to the Real Property and Installations Lifecycle Management IRB indicating when those implementations will occur. The IRB regularly monitors RPIR implementation progress against these plans, and progress is already being achieved. Implementation efforts include updating legacy systems and embedding the RPIR standards in target systems such as the Army's General Fund Enterprise Business System (GFEBS). Full RPIR implementation is expected by September 30, 2009.

Centralized Real Property Database

In addition to Component RPIR-compliant systems, the Department is standing up an information repository, called the Real Property Assets Database (RPAD). The RPAD is replacing the current Facilities Assessment Database (FAD). RPAD will be fully RPIR compliant and constructed based on DoD net-centric requirements. Begun less than a year ago, RPAD will achieve initial operating capability on October 1, 2007, after completing a test to receive direct data feeds from a Component's compliant system. The RPAD will provide a single point to access real property management information from across the Department. The RPAD also features a four-tiered validation tool that verifies compliant data from the lowest level entry, and will ascertain that the Components' systems are submitting RPIR compliant data.

The benefits of RPIR are far-reaching at both the OSD and Component levels, primarily related to making timely and well-informed management decisions. For example, RPIR will ensure that the right management information on the Department's real estate holdings is available to facilitate implementation of the Base Realignment and Closure (BRAC) recommendations, including the movement of people, property transfers, etc. Second, the capability to respond to queries from external sources such as OMB, GAO, and the Congress will be facilitated by the implementation of the RPIR standards.

The ETP, together with the BEA and Component architectures, describes the target business systems environment. The ETP also provides a roadmap with the milestones, metrics, and resource needs for each of these business system investments.

In an effort to rationalize the IT-enabled capabilities that support business activities across the DoD, the BTA is evaluating its existing portfolio of systems with a focus on determining whether a DoD Enterprise-level system or a Component-level system makes the most sense for maximizing the effectiveness of each capability and improving business operations. To enable structured, informed decisions about implementing the capabilities in the right levels and areas of the Department, the BTA has established a Business Enterprise Rationalization Framework. The



framework guides decision makers through a list of questions that reveal the tradeoffs, such as: “Can the business process supported by the capability be common across all the Components?” and, “Does the capability enable data visibility across the Business Mission Area?” In general the framework recommends that *Enterprise*-level solutions should yield capabilities in one or more of the following four areas: (1) Enterprise information visibility, (2) a single point of entry for business activity, (3) a common reference data for the Department, or (4) a common Enterprise-wide transaction process. As for transaction processes, these are often significantly more efficient and effective when optimized within each Component organization (rather than forcing commonality through an Enterprise system). Therefore, the framework recommends that transactional systems generally be managed at the Component-level and leverage DoD’s investments in the ERP systems, thereby enabling integrated end-to-end processes along each line-of-business. This approach supports the concept of tiered accountability and its associated benefits, and can achieve the desired results as long as these Component-specific solutions are effectively bound by the data, process, and business rule standards defined at the Enterprise level of the organization. The BTA has begun to use the framework by analyzing its own DBSAE-managed Enterprise-solutions and making subsequent recommendations. The next step is to finalize a course-of-action including a plan to implement the changes.

The BTA manages 27 enterprise-level programs. The largest of these, the Defense Integrated Military Human Resources System (DIMHRS), is also one of a dozen ERP implementations ongoing throughout the Department, ten of which are occurring at the Component level. In fact, these dozen programs represent more than 50% of the Department’s total investment in business systems modernization, as shown by Table 1-1.

Table 1-1: ERP Spending Relative to Total Target System/Initiative Spending

	# 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%

ERPs are a suite of integrated business modules that utilize a common database to execute end-to-end processes. Evolving out of the manufacturing industry, ERPs imply the use of packaged software rather than proprietary software written by or for one customer. ERP systems are designed to replace old stand-alone computer systems in the areas of finance, human resources, manufacturing, procurement, etc., with a single, unified software program divided into modules that accounts for the capabilities provided by the old stand-alone systems; takes advantage of best business practices embedded in these application suites, and leverages the end-to-end process integration embedded directly into the product. Every Component in the Department is actively engaged in one form of ERP implementation or another, many of which are among the largest ERP implementations ever undertaken.

The Department is by no means new to the world of ERPs. In fact, the Department has many such systems in production today, illustrated in Figure 1-10 on the following page.



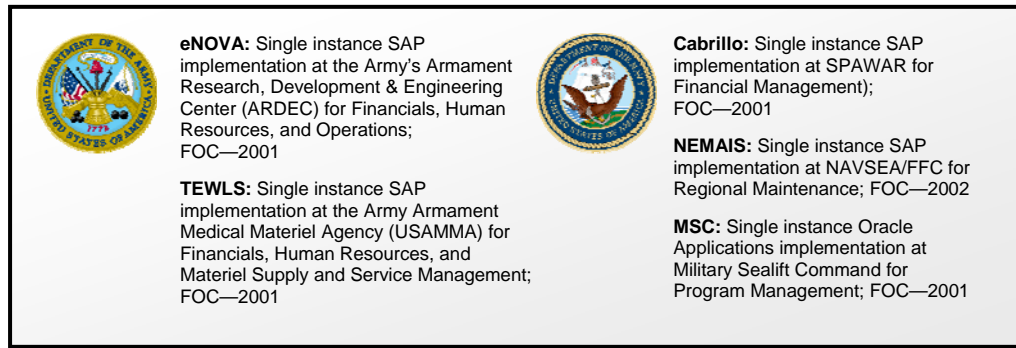


Figure 1-10: ERP Programs in Operation in DoD Today

While a number of the solutions shown above are slated to be replaced over time by newer ERP efforts, many of these efforts have provided valuable lessons learned on the essential elements of large-scale business system deployments. The Navy is leveraging its experience from its previous pilot implementations into the ongoing Navy ERP effort that will see its first Initial Operational Capability (IOC)—its first “Go-Live”—in October 2007. While some of those lessons are related to the technology itself, many more relate to the people side of business transformation, identifying the many cultural changes necessary to effectively enable migration from the traditional legacy world of DoD business processing to taking full advantage of the transformational-enabling ERP systems. The target ERP deployments, shown below in Figure 1-11, will dramatically change the way in which business is performed across the DoD.



Figure 1-11: DoD's Target ERP Programs

Integrated Transformation Example: DLA BSM

Of the target environments identified in Figure 1-11, only one has reached Full Operational Capability: the Business Systems Modernization (BSM) effort at the Defense Logistics Agency. BSM has become a truly transformational solution for DLA, having a dramatic impact on all five of the core transformation elements. The program dates to 1999 when DLA's leaders recognized that to remain viable as DoD's combat logistics support agency, the organization had to completely replace its legacy systems and entire mode of operation, both of which dated from the 1960s.

At the outset of the program, DLA began to reengineer its business processes in response to changing warfighter needs. DLA's transformation initiatives are not only upgrading decades-old legacy systems, but also improving support to its customers and providing better access to DLA's portfolio of business systems and processes. Therefore, DLA was not simply implementing ERP technology, but completely changing and modernizing the DLA Business Enterprise, including culture, processes, information management, and IT infrastructure. Agency leadership's strategy to implement that extensive change was through a phased-in and carefully orchestrated approach.

This transformation took place at a time when DLA's operations tempo was at the highest level in its history. From fiscal year (FY) 2001 to FY 2005, sales/services doubled from almost \$17 billion to nearly \$35 billion, largely as a result of the Global War on Terror, as shown in Figure 1-12. During this time, the culture of DLA's business operations also took on a much greater focus on the warfighter and warfighting operations than ever before.

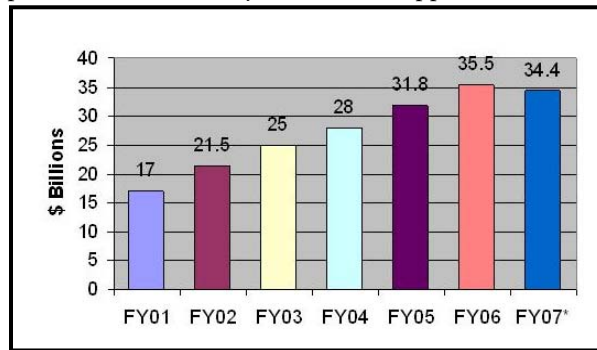


Figure 1-12: DLA Sales/Services (in Billions)

BSM Technology Transformation

A critical element of DLA's transformation to enhance its capabilities as DoD's combat logistics support agency, was to replace DLA's aging technology legacy systems with state-of-the-art commercial-off-the-shelf software (COTS) technologies configured to meet the unique needs of the DoD. DLA achieved this by developing and implementing an ERP solution using SAP and Manugistics (both COTS products). BSM established the core architecture for DLA's Enterprise Business System (EBS), the ERP platform for supply chain management of DLA's 5.2 million hardware and troop support items.

The first rollout of the ERP system went live as a limited concept demonstration environment in July 2002. It included items from all non-energy categories managed by DLA (e.g., subsistence, maintenance and repair parts, medical, clothing and textile, construction and barrier materials). BSM's first release was with limited items and users. However this limited deployment was broad enough to demonstrate a fully operational system and small enough to manage risk. The Concept Demonstration phase lasted until August 2004, and included the conversion of approximately 170,000 National Stock Numbers (NSNs) and 470 users into the ERP system. It demonstrated improved quality and speed of service, met sustainment/readiness goals and supported best value procurements, and began the Agency's migration from functioning within "stovepiped business units" to proving technologies that support enterprise-wide processes. Additionally, BSM placed a greater focus on the warfighter in theater, for a more complete logistics solution to DLA's customers.



Key lessons learned from this “concept demonstration” included:

1. Change management is paramount. BSM was not only about technology; it was about culture and business process change. There is no such thing as too much change management to help users navigate not only the technology changes, but also the cultural changes required.
2. Top leadership support and involvement at all levels of the organization is invaluable and absolutely necessary for success.
3. Extensive testing is necessary before going live. It is easier to learn that a process does not work properly during testing rather than in the production environment.
4. Cleanse data up-front to ensure up-to-date, accurate, and authoritative information. This also reduces the amount of time spent designing interfaces to handle bad data.

After the Concept Demonstration phase, DLA implemented BSM Release 2.0 in August 2004. Release 2.0 enhanced 37 more functional areas in DLA’s business operations. That release, combined with favorable results from the Initial Operational Test and Evaluation led to IOC in January 2005, which included the first of 19 monthly planned cutovers of supply items and users from the aging legacy systems. All initial functional requirements were operational by December 2005, and further releases over the following year completed the approved BSM solution footprint. Within DLA’s environment today, approximately 8000 system users manage more than 5.2 million DoD items of supply, accounting for more than \$18 billion in annual business.

BSM Strategy and the Leadership of Transformation

Continuity of committed leadership and sustained governance were integral parts of the BSM implementation success story. At the outset of the program, under the guidance of DLA’s Vice Director, Rear Admiral Ray Archer, there was a recognition that any success in a program like BSM that would drive fundamental change across the entire DLA enterprise, would require strong, committed, and sustained leadership. Under this strategy, much of that responsibility for the transformation was vested in the hands of the career civilian leadership that would remain in place throughout the implementation lifecycle, regardless of changes in the military or political leadership. To achieve this end, the Commanders at each of the DLA field locations assigned their Deputy Commanders to hold lead responsibility for the BSM program. This assignment included significant personal commitment of time, working collaboratively with the functional and IT leaders at DLA Headquarters. These business leaders from across the organization formed what is now called the DLA Transformation Executive Board (TEB), which has been in existence since just after the turn of the century, and continues to meet every two weeks. These mandatory sessions became the focal point where fundamental issues were raised, debated, and decisions made that would drive the total solution encompassed by BSM. Unlike many IT steering committees, where members are often reluctant to raise difficult issues in the group forum, the TEB became the environment in which all aspects of the program were discussed and difficult decisions were reached. It then became the responsibility of the Senior Executive Service (SES) members to take action on those decisions within their local communities. Because it was encouraged to air difficult issues in this forum, the Program Manager in the early phases of the program and now the IT Program Executive Officer at DLA, David Falvey, felt that “the TEB worked more for the PM than the PM working for the TEB. We always tried to resolve issues prior to TEB meetings, but that was the place we could always go to get decisions when we needed to.” TEB decisions were then rigorously enforced throughout the BSM implementation across the entire DLA enterprise.

The TEB structure that began under RADM Archer continued and grew under the leadership of Vice Admiral Keith Lippert, DLA’s Director from 2001-2006. VADM Lippert’s time at DLA



encompassed the majority of the actual implementation of BSM. It also represented the longest tenure of any Director in the history of the Agency. That continuity of leadership yielded significant dividends to this Agency-wide business transformation effort. VADM Lippert understood the importance of leadership support in achieving successful outcomes for truly transformational efforts like BSM. While at DLA, he noted, “If any organization, I do not care if it is public or private, wants to implement an ERP solution, there has to be a commitment from the leadership. It is not just a commitment; it is a passion to get this thing done. If the passion to do this is not there, the system will fail.” DLA benefited significantly throughout the BSM implementation by having this strategic leadership passion and support that translated into action at all levels of the DLA organization, all critical steps in achieving the cultural buy-in necessary for success.

Guiding these transformation efforts was a set of basic tenets that dealt with all five of the core business transformation elements (Figure 1-13):

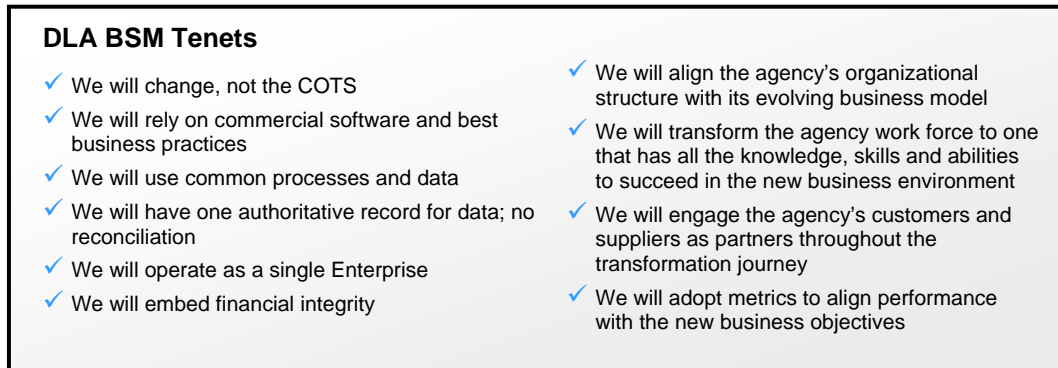


Figure 1-13: DLA BSM Tenets

Each of these tenets is easy to proclaim, but can be very difficult to bring into reality. The TEB members held each other accountable to ensure that consistency of both message and action were part of the reality across the DLA enterprise. As an example, like most parts of the DoD, where custom development of business applications had been the norm, DLA faced a huge cultural shift in moving to the adoption of a COTS solution, but it was the only way to achieve the desired benefits available to DLA. Mae De Vincentis has been the Director of Information Operations at DLA throughout the lifecycle of the BSM implementation. According to Ms. De Vincentis, any process owner who wanted to deviate from the configuration available in the COTS system was required to come to the TEB and justify to the entire board the rationale for the change. “This was the only way we were going to fulfill this tenet,” she said. “We did it as a group. And over time, the requests became fewer and fewer as people realized we were all going to stick to this.”

The TEB members led the transformation effort based on personally upholding these tenets. Further, they brought the decisions of this leadership committee back to their local organizations to lead the enabling transformation activities. They created their own process-oriented organizations in the field, which were held accountable to following the enterprise-wide guidance. Moreover, these principles applied not only from one geographic location to another, but also across the functional domains within the DLA enterprise. According to Ms. De Vincentis, “the finance organization recognized early-on that it needed to embrace the end-to-end process orientation of the ERP. ERPs are unforgiving when it comes to bad data, and if the logistics and finance organizations weren't collaborating, the back-end finance activities were never going to be effective. The finance people liked the discipline required by the system, but



they also knew that to get it right, they were going to have to dedicate the time to work with the other parts of the organization to meet their needs.”

BSM Process, Information, and Culture Transformation

Not only did the TEB drive the decisions around the BSM technology efforts, but it also was the center of gravity for the change management functions associated with this massive program. As Ms. De Vincentis stated, “BSM was more than just *change*. Change is when you replace some software. BSM was about *transformation*, and that’s where you change everything about the business.” In conjunction with the BSM rollout, DLA changed not only software, but also transformed processes, metrics, information management, and even fundamental organizational elements to include individual position descriptions (PDs). A total of 1100 PDs from across DLA were reduced to 167 standard, role-based PDs that were consistent with the capabilities provided by the BSM solution. Inventory Managers became Demand and Supply Planners, for example, recognizing the process-orientation of BSM.

One of the additional elements of change has been the metrics DLA uses to manage its business. The organization no longer focuses on functional-oriented metrics such as backorders and order volumes. Rather, senior leadership relies on process-oriented metrics such as material availability, demand plan accuracy, and attainment to plan to see how process improvements are reducing costs, increasing material availability, and reducing cycle times. Even at this early stage following Full Operational Capability, DLA is experiencing significant business results from the transformation:

- Cost of operations (represented in the cost-recovery surcharge to its customers) has been reduced from 22.1% in FY00 to 13.1% in FY07
- Average order processing time has been reduced from frequently exceeding one work day in FY00 to under 4 hours in FY07
- Overall material availability has improved from 88% in FY00 to 92% in FY07
- End-of-year financial close-out time was reduced from 2 weeks in FY00 to one day in FY07

There have been a number of fundamental lessons learned by the DLA organization as a result of these ERP-enabled activities. Those involved in the BSM implementation at DLA carefully studied and learned from earlier modernization efforts. Most importantly, it was demonstrated that best business practices are usable within the government IT environment and that finding ways to fit best business practices into the DLA IT environment was the right thing to do. However, it was also shown that commercial practices are not always the way to go with such complex ERP projects in the government, and that sometimes the government in fact has the best practice. For example, the way DLA’s Defense Logistics Information Service (DLIS) manages data about products is arguably a best practice that is performed better than any other organization in the world.

In terms of the culture element of transformation, DLA recognized that it is incumbent on the leadership and the management staff who own the delivery of the ERP to provide their people with the appropriate training before they gain access to the system, as they gain access to the system, and after they gain access to the system to be fully successful in that new environment. Agency leadership measured employee readiness through a survey process both before and immediately after implementation, and where a gap in understanding was found, the organization became proficient at providing the additional training and one-on-one mentoring needed to close that gap. Although it was a challenging changeover, leadership learned that its employees are extremely flexible and can provide extremely important feedback for improvements to the system and processes to ensure that both function as efficiently and effectively as possible.



The cultural transformation that BSM has enabled for DLA has extended beyond the walls of the organization itself. The new business processes that came along with the new enterprise business system moved the Agency from a traditional wholesaler role into one that more fully engages the Agency, in a more direct way, with its customers and its suppliers. The organization found it was just as important to address this cultural change as it was any of the systems changes that were implemented. This portion of the transformation meant DLA went from being a very internally focused organization to much more customer and supply chain focused and a more tightly integrated enterprise, as opposed to separate entities within a DLA “holding company.” BSM enabled DLA to be a more complete partner with its military customers and more fully engaged with its suppliers to manage, integrate and synchronize supply chains, providing quicker, more efficient service to the end customer.

BSM moving forward

The BSM effort encompasses much of DLA’s enterprise supply chain capability in its order fulfillment, demand planning, technical quality, procurement and financial processes across diverse DLA supply chains. BSM allowed the Agency to transform from being largely an inventory manager to a broader manager of information, suppliers and customer relationships. It complements the organization’s distribution and customer relationship management systems and provides the Agency with the core architecture on which to build further capabilities.

DLA will continue to extend and enhance the capabilities that were introduced by BSM to deliver on its end-state business transformation. This end-state architecture will enable expanded reengineering of business processes throughout DLA with complementary and extended capabilities such as fuels/energy supply chain management, enterprise procurement, and reverse logistics. In this regard, Lieutenant General Robert Dail, the current Director of DLA, has picked up where his predecessors left off. He has embraced the BSM solution, and is now in the process of leading the effort to expand the footprint both in terms of functionality and user base. LTG Dail said, “My focus over my tenure at DLA [will be] to take our new capabilities and extend them beyond where we have traditionally operated at the wholesale level and move the value far forward to the point of sale, wherever the service and warfighting clients want us to be. Then we’ll link supply with their demand so that we purchase better, we manage better, acquiring exactly what they need, reducing inventory, and providing better support and better value to the Department.”

LTG Dail recognizes that the BSM initiative, and all that it encompasses, laid the foundation that will enable DLA to successfully move in this direction. “We have just come through such a revolutionary time, and that required a lot of cultural change in the organization to understand that we were not going to continue running our business units in the same way we had been, where each of our supply centers operated with different processes and tailored systems. Now that we have all of our business units operating under the same processes and systems, that allows the Agency to have tremendous agility to respond to changing requirements by our warfighting clients. It allows us the ability to exercise the unity of command over the actions of the agency which my predecessors did not have available to them.”

BSM is the cornerstone that is enabling this dramatic improvement in business capability, and as has become clear, the enabling technology of the COTS product was just one element of this transformation. DLA leadership identified a strategy that incorporated a set of fundamental



tenets that have been the unwavering guiding focus for the organization for more than seven years. This strategy revolved around information technology, but truly encompassed all five core elements of business transformation, especially the cultural changes that would be necessary to achieve transformational results in both process execution and information management. Dramatic operational improvements have already been achieved at DLA, and those results continue to improve on a regular basis. Now, DLA leadership is positioned to push the envelope even further, extending the business capability footprint and user community to enable even further improvements in efficiency and effectiveness throughout the DoD supply chain. None of that would be available had it not been for the successful implementation of BSM and all the transformational activities associated with that agency-wide initiative.

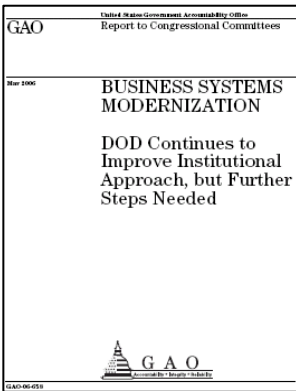
The Way Ahead

The Department is making significant progress in business transformation, as validated by recent Government Accountability Office (GAO) reports. This progress is evidenced by effective governance, useful architecture and transition plans, better control of system investments, implemented systems, and improved business capabilities, all in conformance with the Clinger-Cohen Act of 1996.

However, the Department agrees with the GAO that much work remains to be done. That work includes continuing those efforts that have initiated across all five elements of successful transformation: improving the Department’s *strategy* through experience and tiered accountability, continuing to build a *culture* of transformation, streamlining DoD *processes*, providing better *information*, and implementing information *technology* systems.

The Department will continue to focus on meeting the needs of warfighters in the field with real and lasting capabilities designed for the theater of operation, along with the traditional focus on peacetime garrison operation. The BCL approach will help speed the delivery of business capabilities to the warfighter and other key stakeholders from across the Department.

Moving forward, DoD will focus its efforts on executing this DBSMC-approved plan—the ETP—in order to provide improved support to warfighters and decision makers and enable greater financial accountability. This plan includes an aggressive schedule to improve business operations and monitors progress through an enhanced performance management framework. As a consequence, business transformation will support the mission of America’s Armed Forces by providing direct, measurable benefits to the warfighter and improved stewardship of the Nation’s resources.



Section II: Core Business Missions

Chapter 2: Core Business Missions – Aligning Business to Support Warfighters

To support a DoD-wide process of identifying joint needs, analyzing capability gaps, and implementing improvements, the BMA comprises five Core Business Missions that focus on supporting the warfighting mission. This construct enables a capabilities-based approach to enterprise business planning, resourcing, and execution.

The five CBMs integrate horizontally across all business functions (e.g., planning, budgeting, IT, procurement, maintenance) to provide end-to-end support, ensuring that their processes, systems, and operations work in coordination with one another.

Each CBM is led by the appropriate Principal Staff Assistant (PSA). As CBM “owners” within the Office of the Secretary of Defense (OSD), the PSAs ensure the alignment of transformation investments to end-to-end operational support improvements. They also serve as the approval authority responsible for certifying business system modernization investments, as required by the 2005 NDAA, officially known as 10 U.S.C. 2222, as amended by section 332 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375).

The following section summarizes the Department’s business transformation effort for each of these CBMs. Following that, Section III describes the six strategic Business Enterprise Priorities that represent those areas where increased focus is having the most dramatic and immediate impact on the CBMs.



Human Resources Management (HRM) Core Business Mission

The Human Resources Management (HRM) Core Business Mission area is responsible for all Human Resources (HR) processes necessary to acquire, train, and prepare personnel to populate warfighter and support organizations. It includes providing trained, healthy, and ready personnel to combatant and combat support organizations and ensuring timely and accurate access to all applicable compensation and benefits for all DoD personnel.

HRM goals are to improve and transform business practices and information systems to better support service members, civilian employees, military retirees, volunteers, contractors (in theater), other U.S. personnel, the warfighter and others with an agile, joint, Total-Force DoD Human Capital Strategy. It encompasses all activities that support DoD personnel and family members (throughout their careers and beyond) and that enable effective management of DoD personnel assets. HRM spans the full operational spectrum—peacetime and war, mobilization and demobilization, deployment and redeployment, benefits, and morale support. It includes the Military Health System (MHS) which provides quality healthcare in theaters of operation and at home bases—capturing and maintaining accurate and timely information.

Objectives

The objectives of HRM reflect the goals of the Office of the Under Secretary for Personnel and Readiness (OUSD (P&R)) and include:

- Attract, retain, and motivate a high quality, diverse, and sufficiently sized force to meet mission requirements.
- Integrate the Active and Reserve military, civilian employees, and contractors into a diverse, cohesive Total Force and rapidly tailorable force structure.
- Provide management systems that support Total Force (military and civilian) planning and personnel visibility.
- Provide appropriate education, training, and development of the Total Force to meet mission requirements.
- Support the readiness of the Total Force for peacetime, contingency, crisis, and warfighting.
- Provide high quality, responsive and accountable health services to ensure force health protection and optimize the health of beneficiaries.
- Support the warfighter by deploying ready and capable medical forces that effectively use technology to enhance force health protection.
- Use beneficiary needs as the driving force for policy decisions relative to healthcare accessibility, quality, cost effectiveness, and positive health outcomes.

Organization

HRM includes all the functions under the auspices of the USD (P&R). There are three major areas: Civilian HRM, Military Health System, and Military and Other HRM. HRM capabilities provide the vehicle for the OUSD (P&R) to enact policies and procedures to achieve goals and objectives and to care for the most important resource in the Department—its people.

Certification/Investment Review Activities

HRM continues implementation of the certification provisions from the 2005 NDAA. HRM certification policies restrict the period of an approved system's certification to no more than two consecutive fiscal years. This provides HRM and the Department with a consistent manageable oversight interval.



As the BEA and ETP development and investment review processes matured, HRM placed more emphasis on each system's BEA and ETP status. HRM uses the certification and annual review process to closely manage these investments and ensure systems align to the HR business capabilities.

In FY07 (October 1, 2006 through August 31, 2007), the HRM IRB certified 34 systems totaling \$446.31M. This total represents \$116.96M in FY07 dollars, \$219.81M in FY08 dollars, and \$109.53M in FY09 dollars.

Transformation Programs and Activities

OSD Manpower Analysis: The overarching goal of the OSD Manpower Analysis initiative is to determine the requirements that will provide an OSD-level capability to centralize information from current DoD stand-alone systems and integrate manpower processes across OSD manpower offices. The effort was limited to the OSD, Joint Staff, Defense Agency, and Defense Field Activity level.

Decorations and Awards (D&A) Analysis: The overarching goals of the DoD D&A initiative were to address military D&A policy shortcomings, ensure military D&A policies are consistent with the evolving nature of warfare, and develop recommendations to improve the DoD Military D&A Program.

Disability Evaluation System (DES) Analysis: The overarching goals of the DES project were to examine and document existing DES processes and systems, identify problem areas, and prepare recommendations for improvements. The result was a comprehensive set of process improvements and automation recommendations, and policy updated to incorporate public law requirements. This project preceded the review groups commissioned for the Walter Reed Army Medical Center earlier this year. Follow-on efforts to address the Walter Reed Army Medical Center findings are in progress.

Accomplishments:

- The OSD Human Resources Policy Forum was established to enable DoD functional leadership to provide for more efficient Information Technology development. For example, at the Enterprise Program Manager's request, the Policy Forum addressed DIMHRS issues by developing policy to support DIMHRS Initial Operational Capability (IOC). The Forum also resolved issues on mission critical functionality that reduced cost, schedule, and performance impacts of DIMHRS.
- OUSD(P&R), in coordination with the HRM Community of Interest (HRM COI), conducted a Reengineering Study to improve the processes used by the Components to conduct Permanent Change of Station (PCS) moves.

Near-Term Plans:

- DoD and Veterans Affairs (VA) have plans in place to reduce the number of electronic data feeds by augmenting the information transmitted in existing feeds while eliminating legacy feeds. The goal of this data sharing initiative is to reduce feeds to one bidirectional, automatic feed between DoD and VA by the end of FY08 which contains the information required to assist VA in claims adjudication and benefits decisions.



Weapon System Lifecycle Management (WSLM) Core Business Mission

The Weapon System Lifecycle Management (WSLM) Core Business Mission encompasses the Defense Acquisition business processes that deliver weapon systems and automated information systems. It addresses management of the full lifecycle—from concept through disposal—including requirements, concept refinement, technology development, production and deployment, operations and support, and disposal.

The mission of the WSLM CBM is to execute Defense Acquisition, which is defined as, “activities that execute the conceptualization, initiation, design, development, test, contracting, production, deployment, logistics support, modification, and disposal of weapons and other systems, supplies, or services (including construction) to satisfy DoD needs, intended for use in or in support of military missions.”

Objectives

The WSLM CBM is working to continuously improve its provision of the following:

- A management structure to address the full lifecycle of acquisition management, to include: requirements definition, technology development, production and deployment, operations and support, and disposal.
- Accessibility, continuity, and accountability of acquisition information required by managers and decision makers.
- A balanced and coherent Defense Acquisition, technology and logistics process that supports the National Security Strategy and makes the most effective use of resources provided.

To address the complexities of this effort, the WSLM CBM has identified and defined the following four major inter-related business areas for the WSLM CBM:

- Defense Acquisition Management Framework – Provides a simple and flexible Defense Acquisition Management Framework for translating mission needs and technology opportunities—based on approved mission needs and requirements—into stable, affordable, and well-managed acquisition programs.
- DoD Decision-Support System – Provides an integrated approach to strategic planning, identification of needs for military capabilities, systems acquisition, and program and budget development. There are three contributing systems: the Defense Acquisition System (DAS), the Joint Capabilities Integration and Development System (JCIDS) and the Planning, Programming, Budget, and Execution (PPBE) System.
- Defense Acquisition Business Functional Areas – Provides management of acquisition or acquisition-related operations.
- Acquisition Statutory Responsibility – Executes the remaining statutory activities not addressed in the Defense Acquisition Management Framework, DoD Decision-Support System, or Defense Acquisition Business Functional Areas.

These four major Defense Acquisition business areas interact to execute Defense Acquisition for effective and efficient delivery of capabilities required by the warfighter.

Organization

The WSLM CBM operates under the leadership of the Under Secretary of Defense (Acquisition, Technology & Logistics) USD (AT&L), with requirements generation and validation support from the Joint Chiefs of Staff and other functional areas.



The organization supporting the WSLM CBM is a three-tiered structure:

- WSLM Defense Acquisition Management Senior Steering Group – Sets the direction for all WSLM activities and provides Executive-level oversight. Members include designated Department executive leadership and representatives of the Senior Acquisition Executive. The group is composed of SES or General/Flag officers.
- WSLM Core Business Management Group – Manages execution of WSLM activities. Members include designated Department senior leadership and Defense Acquisition Managers.
- WSLM Defense Acquisition Functional Business Areas – Executes WSLM activities in support of objectives. Members include Defense Acquisition Managers or Acquisition Functional Experts.

Certification/Investment Review Activities

The WSLM organization continues implementation of the certification provisions from the 2005 NDAA. In FY07 (October 1, 2006 through August 31, 2007), the WSLM/MSSM IRB approved certification packages totaling \$1.78B. This total represents \$230.26M in FY07 dollars, \$702.94M in FY08 dollars, \$249.18M in FY09 dollars, \$176.99M in FY10 dollars, \$137.44M in FY11 dollars, \$125.03M in FY12 dollars, and \$105.49M in FY13 dollars. Additionally, the WSLM/MSSM IRB conducted 57 annual reviews in FY07 between October 1, 2006 and August 31, 2007.

As the BEA and development and investment review processes mature, the WSLM organization continues to monitor and assess business systems contributions to DoD transformation efforts as an integral part of the certification/investment approval process. This ensures systems coming forward for certification align to the WSLM goals and objectives.

Transformation Programs and Activities

The WSLM CBM has various ongoing initiatives that support achievement of the AT&L strategic goals and move the Department forward in its efforts to streamline the acquisition environment.

Accomplishments:

- Developed WSLM governance to facilitate capability development—including joint capabilities—planning and management of WSLM activities and, therefore, further progress toward achievement of the AT&L strategic goals.
- Increased emphasis on materiel readiness and maintenance requirements, outcome-based performance support, systems engineering, software engineering, and developmental test and evaluation to improve the DoD acquisition system.
- Restructured performance, cost, and schedule tracking to provide greater transparency and to direct trade-off considerations that make DoD a “smarter buyer.”
- Restructured the review process to present monthly reports to Senior Acquisition Executives and quarterly progress to the Office of the Secretary of Defense.
- Engaged the Joint Requirements Oversight Council (JROC) earlier in the requirements process to improve decisions and enhance oversight.
- Employed readiness and sustainment modeling to enhance outcomes.



Near-Term Plans:

- Develop and implement a WSLM-approved set of business process reengineering initiatives, with a defined timeline of key events and milestones.
- Develop analytical tool kit functional requirements to notify Program Managers (PMs) and Defense acquisition stakeholders of potential problems.
- Increase ability to view individual programs through a capabilities-based decision lens and adopt successes from ongoing experiments in portfolio management, data transparency, and industry-driven, competitive solutions and results.

These recent accomplishments and near-term plans establish the WSLM organization as the primary Defense Acquisition authoritative leadership. From this position, WSLM activities over the next 18 months, at the Enterprise and Component levels, can be further integrated, expanded, refined, and updated to support achievement of the WSLM CBM objectives.



Materiel Supply & Service Management (MSSM) Core Business Mission

The Materiel Supply & Service Management (MSSM) CBM manages supply chains for the provision of materiel supply and services to deploy, redeploy and sustain the warfighter, increase materiel availability and maintain readiness of deployed and non-deployed forces. This includes all aspects associated with acquiring, storing, and transporting all classes of supply, up to the point where those supplies are provided to operational units and deployed warfighters.

The goal of the MSSM CBM is to improve business practices and information systems to better support the warfighter with a more agile and effective supply chain. It is the MSSM CBM's mission to transform enterprise activities associated with supply chain planning, sourcing, maintenance, distribution, return, and disposal enabling the logistician's ability to provide cost-wise readiness, materiel and services faster and more reliably, with fewer resources and better accountability.

Objectives

The objectives of MSSM CBM reflect the goals of the Office of the Under Secretary for Acquisition, Technology, and Logistics:

- High performing, agile, and ethical workforce
- Cost-effective joint logistics support for the warfighter
- Focused technology to meet warfighter needs
- Available and accurate data which supports the product over its lifecycle
- Reliable and cost-effective industrial capabilities sufficient to meet strategic objectives
- Improved governance and decision processes

Organization

MSSM includes all supply chain functions under the auspices of the OUSD (AT&L), the Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&MR)) and includes the United States Transportation Command (USTRANSCOM) and Defense Logistics Agency (DLA). There are five major areas: Sourcing, Inventory Management, Distribution, Maintenance and Reutilization/Disposal. MSSM capabilities provide the vehicle for the OUSD (AT&L) to enact policies and procedures for an integrated supply chain, from source of supply to point of consumption and ultimately disposal or reutilization, to more effectively provide goods and services to meet warfighter's objectives.

Accomplishments:

MSSM has had accomplishments in the following areas in the past year:

- Developed improved capabilities to manage Logistics Master Data that will enable current and emerging systems to receive near-real-time updates via authoritative data sources.
- Developed and initiated a phased strategy that identified and provided seed funding for migration to key transactions that will enable the implementation of visibility enablers such as Radio Frequency Identification (RFID) and Item Unique Identification (IUID)
- Developed a Theater Distribution Management (TDM) solution that will improve theater distribution, redeployment, and redistribution capabilities.



Near-Term Plans:

MSSM has the following near-term plans:

- Continue eliminating the use of fixed length transactions by providing opportunities for Service level systems to migrate transaction formats to more extensible and flexible formats (for example, EDI or XML).
- Collaborate with the Services to define a product lifecycle data management strategy for each Service that can be incorporated into current property management processes and systems.



Real Property & Installations Lifecycle Management (RPILM) Core Business Mission

The Real Property and Installations Lifecycle Management Core Business Mission provides installation assets and services necessary to support our military forces in a cost effective, safe, sustainable, and environmentally safe manner.

Objectives

The RPILM CBM is focused on improving Installations and Environment (I&E) business operations to produce outcomes that:

- Provide better information for strategic and tactical decisions
- Reduce the cost of business operations
- Improve stewardship and visibility of I&E assets
- Support integration of DoD Enterprise business operations

Organization

RPILM is managed by the Deputy Under Secretary of Defense (Installations & Environment) (DUSD(I&E)) and supported by the installations and environment components of the Military Departments and Defense Agencies.

Certification/Investment Review Activities

In FY07 (October 1, 2006 through August 31, 2007), the RPILM IRB approved certification packages totaling \$37.43M. This total represents \$23.52M in FY07 dollars, \$7.11M in FY08 dollars, \$5.63M in FY09 dollars, and \$1.17M in FY10 dollars.

Over the last year, RPILM IRB activities included:

- Re-certification of three systems including the Real Property Unique Identifier Registry, the Air Force's Enterprise Environmental, Safety, Occupational Health Management Information System, and the Army's investment in the Real Estate Management Information System.
- Certification of five systems including the Virtual Incident Command Center/Pentagon Integrated Campus Pilot Project.
- Annual reviews of 11 systems, including the Real Property Assets Database.
- Provided recommendations on 27 partner systems that are impacted by business or data requirements of the Real Property Accountability Business Enterprise Priority, prior to their consideration for certification/re-certification by other IRBs. Systems reviewed include the Navy Enterprise Resource Planning System, the Global Combat Support System for the Army and the General Fund Enterprise Business System.

Transformation Programs and Activities

I&E community leadership actively oversees Information Technology (IT) system investments to ensure that IT systems are being modernized to support the new business enterprise capabilities identified in this ETP. I&E has become a leader in implementing DoD's net-centric vision and has already stood up a site unique identifier registry, that will allow all IT systems (and communities) with a need for location information to easily get authoritative source information.



Accomplishments:

During the past year, RPILM has expanded efforts beyond defining transformation requirements to actual implementation of business transformation. Each Military Service has either completed and is implementing, or is developing implementation plans, to deliver these reengineered capabilities. Some recent successes include:

- Developed and implemented a real property information model to enable net-centric discovery and use of DoD real property information; began exposing BTA personnel to the concept of information modeling.
- Addressed outdated policies. Because policy change promotes behavioral change, RPILM is in the process of updating policies to include modernized processes for construction in progress, real property acceptance, and workplace hazard communication.
- Completed standardized requirements for the management of regulatory and chemical hazardous materials information. This success allows DLA to serve the entire Department with standardized regulatory information on hazardous materials from a central repository of authoritative data. As the Services use this information in their business processes, DoD will realize cost savings, and more importantly, improve operational control of mission activities involving hazardous materials.
- Funded a pilot to use geospatial information systems (GIS) and Real Property Inventory Requirements (RPIR) processes to determine official DoD boundaries for land parcels. The objective is to develop a department-wide Environmental Liabilities (EL) reconciliation process and standards to enable the Components to demonstrate completeness of the EL site records at each installation.
- Established processes and procedures for enterprise use of Spatial Data Standards for Facilities, Infrastructure, and Environment (SDSFIE). Precision and speed are no longer unique qualifiers of the operational community alone. We are applying these drivers to our core business mission areas as well. Knowing exactly where an asset is geographically located is fundamental to total asset management. The SDSFIE will ensure a level of accuracy and consistency never before seen as we geospatially enable our business areas.

Near-Term Plans:

- Support Component implementation plans for establishing a federated architecture of geospatial data portals.
- Implement net-centric enterprise federated search capabilities to access content and service metadata to support Installation Geospatial Information & Services portfolio management.



Financial Management (FM) Core Business Mission

The Financial Management CBM is responsible for providing accurate and reliable financial information in support of the Planning, Programming, Budgeting, and Execution process to ensure adequate financial resources for warfighting mission requirements. It provides accurate financial information to reliably cost: 1) the conduct, output, and performance of DoD operations and missions both in total and in varying levels of organizational, operational, and resource detail; and 2) ongoing, completed, or projected programs in support of warfighting requirements.

Goal/Mission

The Financial Management Core Business Mission ensures that the Department's budget and financial expenditures support the national security objectives. The goal of FM is to:

- Prepare and execute balanced and defensible budgets that support the mission of the Department of Defense
- Ensure proper stewardship of Defense Department funds
- Provide the Secretary of Defense and Senior Leadership with authoritative, accurate, and timely financial information and analysis
- Drive Department-wide business transformation through leadership of financial management processes and systems improvements
- Attain the highest level of professional competence and continuously improve the skills and abilities of the Department's financial workforce

Priorities/Objectives

The priority for the Financial Visibility Core Business Mission Area is addressing fiduciary responsibility through sound financial management.

- Eliminate material and systematic weaknesses that prevent unqualified audit opinions
- Create and phase in the implementation of a common financial language across the Department to include establishing processes and data standards that support a common approach to managerial accounting, including cost and performance management
- Improve the core competency levels of financial managers, analysts, and managers analytical abilities and core competencies (compared to the prior year) needed to achieve the USD(C) mission, and strategic goals and objectives

Transformation Programs and Activities

- **Audit Risk Assessments** – An OUSD(C) working group is working to help ensure that the Department's target accounting and business systems include processes and sufficient internal controls to support production of auditable financial statements. The working group is developing requirements for target business systems related to achieving auditable financial statements and meeting the requirements of the Federal Financial Management Improvement Act. The group will then perform reviews of the programs and systems to provide assistance in meeting the auditability goals.
- **Smart Accountability** – The OUSD(C) is working closely with OMB in order to refine our financial management improvement efforts to ensure that we are pursuing auditability in a way that improves management decision making and Department effectiveness while at the same time improving accountability to outside stakeholders through auditability.



Certification/Investment Review Activities

In FY07 (October 1, 2006 through August 31, 2007), the FM IRB approved certification packages totaling \$371.82M. This total represents \$45.54M in FY07 dollars, \$198.6M in FY08 dollars, \$76.86M in FY09 dollars, and \$50.82M in FY10 dollars. Additionally, the FM IRB conducted 9 annual reviews in FY07 between October 1, 2006 and August 31, 2007.

Accomplishments:

- The FIAR program is on schedule and completed 73% of its third quarter milestones.
- The Department has achieved a clean audit opinion on \$215B (15%) of its assets and \$969B (49%) of its liabilities since the FIAR plan was implemented.
- The Department has reduced Defense Finance and Accounting Service costs by \$285M while increasing productivity by 46%.
- The Department has reduced internal control weaknesses by 51%, going down from 71 to 35 since 2003. Recently the Department initiated a DoD-wide internal control awareness program called “Check It” which stresses “what gets checked gets done.”
- Since 2003 the Defense Contract Audit Agency audit efforts have consistently resulted in savings over \$2.3B per year by reducing contractors’ proposed prices or billed costs. This is a return of \$5.20 for each audit dollar spent.

Near-Term Plans:

- The Department will implement a pilot Smart Accountability program within the next 12 months to prove the value of this approach to auditability.
- The Department plans to achieve audit readiness on 47% of assets and 78% of liabilities by 2010.





Section III: Enterprise Transformation



Chapter 3: Business Enterprise Priorities

At the Enterprise level of the Department, DoD has identified and focused its transformation efforts on six strategic Business Enterprise Priorities, each of which 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 where increased focus is bringing the most dramatic and immediate positive impact on the business missions of DoD, enabling the Department to better answer basic questions about its people, its assets, its suppliers, and its investments. The plan for each priority details an overall strategy, key programs, and measurable program and Business Capability deliverables spread over the next several years. 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.

Achieving the priorities will improve DoD's ability to answer essential questions such as:

- Who are our people? What are their skills? Where are they located?
- Who are our industry partners, and what is the state of our relationship with them?
- What assets are we providing to support the warfighter, and where are these assets deployed?
- How are we investing our funds to best enable the warfighting mission?

To achieve the objectives of these six priorities, Department leadership has designated accountable 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 Enterprise priorities as shown in Figure 3-1. For all solutions, deployment involves implementing process and policy changes, training staff, implementing the necessary facility improvements, as well as realigning organizations and roles to the target solution to increase business value.

Some of these systems and initiatives are now fully implemented and are labeled as Fully Implemented Targets in Figure 3-1. Since these are programs that have been fully deployed, the ETP will no longer track milestones and legacy migration information for them. However, since they are now delivering the capability improvements identified in their requirements, the Department will continue to track their contribution to the target environment throughout this document, especially their impact on performance improvement.



Personnel Visibility	Acquisition Visibility	Common Supplier Engagement	Material Visibility	Real Property Accountability	Financial Visibility
DCPDS DIMHRS DTS	DAMIR MEVA (CAMS-ME) USXPORTS	ASAS CPARS DoD EMALL EDA Federal IAE - CCR - EPLS - eSRS - FBO - FedReg - FedTeDS - FPDS-NG - ORCA - PPIRS - WDOL 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
<ul style="list-style-type: none"> ■ Transformational System ■ Transformational Initiative ■ Fully Implemented Target 					

Figure 3-1: 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.)

Table 3-1 is a budget summary based on the 2008 President’s Budget, and includes budgets for all the systems and initiatives shown in Figure 3-1. The table also provides a summary of budgeted investment resources required for the programs and offices supporting the Business Enterprise Priorities.

Table 3-1: DoD Enterprise Budget Summary (\$M)

	CBM	FY06 & Earlier	FY07	FY08	FY09	Total
Enterprise	Human Resources Management (HRM)	1,307.9	182.5	150.2	138.1	1,778.7
	Weapon System Lifecycle Management (WSLM)	972.4	106.8	108.8	102.6	1,290.7
	Material Supply & Service Management (MSSM)	140.9	85.1	122.8	121.5	470.4
	Real Property & Installations Lifecycle Management (RPILM)	39.1	12.9	11.9	12.1	76.0
	Financial Management (FM)	79.0	49.8	26.9	28.2	183.9
	Enterprise Total	2,539.3	437.1	420.6	402.5	3,799.7



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

- Definition and Goal
- Objectives
- Strategy for Achieving the Business Enterprise Priority
- Changes Since March 2007 Congressional Report
- Business Capability Improvement Metrics
- Programs and Activities That Support the Business Enterprise Priority:
 - Accomplishments Since March 2007 Congressional Report
 - FY07 & FY08 Critical Milestones
 - Near-Term Plans
- Cross-BEP and Component Integration
- Budget Summary
- Case In Point

The strategy for achieving the enterprise priority and the descriptions of programs and activities that support the Business Enterprise Priority are new to the ETP this year. The purpose for including these new elements is to present a more complete picture of how the Department intends to achieve the objectives of each priority and to describe the programs and activities that are the primary drivers of change.



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

PV programs and activities:

- 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, 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 decision makers.

Strategy for Personnel Visibility

The strategy for achieving the goal of Personnel Visibility:

- 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 the integration of military personnel and pay records via the implementation of Defense Integrated Military Human Resources System (DIMHRS).
- Promote cultural change for the Military Departments personnel and pay operations through training and change management techniques including cross-Service working groups.
- Leverage information systems to create a more 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.

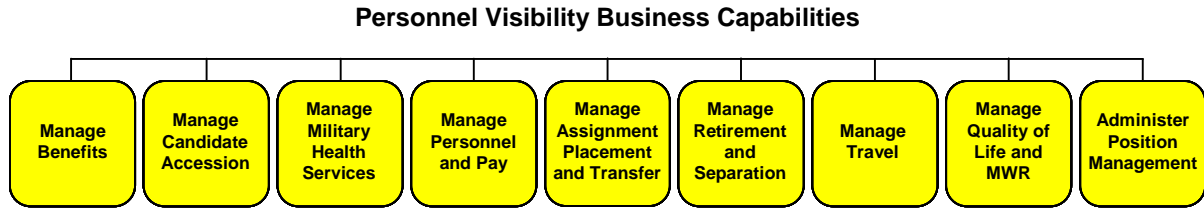
Changes since the March 2007 Congressional Report

Since the last publication of the Enterprise Transition Plan, the Defense Travel System (DTS) has released an upgrade—the DTS Reservation Refresh—that provides the traveler with a book-as-you-go process. The Defense Civilian Personnel Data System (DCPDS) was considered a candidate fully implemented program however it will continue as a target program because of the initiation of a requirements review to integrate civilian human resources and payroll.

The DBSMC has decided that it is in the best interest of the DoD for the Department of the Navy (DON) to join the other Services in migrating to DIMHRS, thereby creating a single pay and personnel system for the DoD. The Navy will examine transition options to migrate to DIMHRS, focusing on schedule and system performance. The Navy will work jointly with USD (PA&E) to complete, no later than March 2008, gap analyses, program office preparations, and requirements definition required to support transition to a unified personnel and pay system.



Personnel Visibility covers the following Business Capabilities:



The following table depicts Business Capability improvement metrics critical to achieving the objectives of Personnel Visibility.

Objective	Metric	Baseline	Current	Goal
Ensure accurate and timely access to and delivery of compensation, quality of life and other benefits for DoD personnel and their families.	Percent of pay-affecting events submitted and accurately reflected in a DoD Personnel system within 30 days.	36.4%	94%	99%
		Source: Q3 FY06		
Decrease operational cost and cycle times, enabled by increased consistency of data, reduced rework and data calls.	Time elapsed from traveler signing travel voucher, Authorizing Official providing approval of the travel voucher, to the point in time a final payment is made to the traveler and/or the traveler's government charge card.	30 Days	6.8 Days	5.5 Days
		Source: Q3 FY07		

Transformation Programs

Defense Integrated Military Human Resources System (DIMHRS): It is enabling military human resources transformation by bringing an Enterprise-wide solution to how the DoD manages HR information for Service members. The first phase of DIMHRS is to integrate military personnel and pay by subsuming or interfacing with over 290 information systems across the Army, Air Force and Defense Finance and Accounting Service (DFAS). The generation and identification of Navy and Marine Corps unique requirements will begin in Fiscal Year 2008. Future phases of DIMHRS include the Enterprise-wide management of manpower resources and information on training and skill sets across the Services.

An integral part of DIMHRS is the change management required to prepare the Services for total HR and payroll transformation. The Services and their related sub Components (Active, Reserve, and National Guard), and DFAS are undergoing business transformation that brings efficiency and accuracy to current business processes. DIMHRS change management helps commanders, HR specialists and the warfighter themselves understand the benefits of an Enterprise-wide approach to human resources. Benefits include information defect reduction, IT savings, productivity improvements and cost avoidances. DIMHRS supports all the Personnel Visibility Business Capabilities and will include an interface with DTS that meets the Manage Travel capability. It will help the Services answer the transformation based questions such as “Where are our people?” and “What are their skill sets?”

DIMHRS
Status at a Glance

- ✓ DIMHRS Design and Analysis complete, Development being completed and Change Management/ Communications strategies are in full execution phases.
- IOC: 1Q FY 09

Approach: In conjunction with the Services, DIMHRS prepares for training and deployment as an integrated part of Service-specific human resources transformation.



Accomplishments:

- Completed business process analysis for the Army and the Air Force leading them from the “As-Is” to the “To-Be” processes under DIMHRS. Began policy change initiatives to prepare for deployment.
- Since January 2007, DIMHRS demonstrations have been presented to over 500 Service leaders and commanders at more than 30 military conferences and were included in a special demonstration and briefing at the largest national government IT event, Federal Office Systems Exposition. The Army and Air Force have documented plans to visit all major installations, providing briefs on DIMHRS to three groups- command leadership, HR community and Soldier/Airmen forums.
- Completed preparations to begin DIMHRS system integration testing (SIT) in Q4 FY07 to ensure that DIMHRS meets specified system performance parameters and that imported data is reported and displayed properly.
- Delivered 185 of the 323 DIMHRS interface high level design documents for the Army, Air Force and Defense Agencies. Received signed concurrence on 100 of those delivered documents. Of the 323 interface high level designs, 105 represent the conversion sources of data. The remaining 218 of the 323 interface high level design documents represent both persistent sources and targets of DIMHRS data (inbound and outbound persistent interfaces).
- Completed DIMHRS Operational Test Readiness Review, Phase One.
- Completed over 30 Joint Design and Development workshops, resulting in a single baseline solution that provides a common framework for the implementation of any Service-specific business rules.

Near-Term Plans:

- Complete DIMHRS systems integration testing for Army and Air Force.
- Complete DIMHRS systems acceptance testing for Army and Air Force.
- Begin the identification of Navy unique requirements for DIMHRS.
- Conduct parallel testing – run pay in DIMHRS using 30,000 converted member records from Active, Reserve, and National Guard and then reconcile the legacy system pay results to the DIMHRS pay calculation for the same period.
- Begin executing DIMHRS communication plan:
 - Army plan: 65 posts
 - Army National Guard plan: 112 state/conference meetings
 - Army Reserve: 50 States
 - Air Force and Air National Guard: 212 bases

DTS

Status at a Glance

- ✓ Submit 943 Congressional Study Q4 FY07

Approach: Three-phased deployment. Deployment to Phase I pilot sites is complete. Phase II deployment is also complete as these sites were the high travel volume and high visibility sites representing ~74% of DoD travel. Phase III deployment, which is the responsibility of the Services and Agencies, covers the remainder of the smaller low-volume sites not fielded in Phases I or II.

Defense Travel System (DTS): It is a fully integrated, electronic, end-to-end financial management system that automates temporary duty travel for the Department of Defense. It allows travelers to create authorizations (travel orders), prepare all travel reservations, receive all approvals, generate a travel voucher, and direct deposit payment to themselves and the government charge card vendor, all via a single web portal that is available 24 hours a day, seven days a week. DTS meets unique DoD mission, security and financial system requirements within the guidelines of federal and DoD travel policies and regulations and provides the government with the capability to monitor expenditure of travel dollars. DTS supports the Manage Travel Business Capability and several of the PV objectives.



Accomplishments:

- Submitted to Congress an independent study of DTS required by Section 943 of the 2005 National Defense Authorization Act. DoD intends to implement all recommendations that are practical and cost-effective.
- Developed DTS strategic goals and objectives and a framework for capturing performance measures and metrics. Capturing performance measures and metrics in the areas of usage, cost, and customer satisfaction will assist leadership in evaluating DTS ROI and opportunities for improvement for all DTS stakeholders.
- Released Reservation Refresh in February 2007. Reservation Refresh provides the traveler with a book-as-you-go process, eliminating the last minute loss of reservations. Further enhancements include an expanded list of flight availabilities and auto-cancellation to preclude unused ticket occurrence.
- Coordinated with DoD Service and Agency representatives to develop functional requirements to support the processing of special circumstance travel in DTS. Functionality is expected to provide more expeditious payment and an overall cost savings to the Department.
- Hosted an Enterprise Resource Planning (ERP) Summit in June 2007. The Summit focused on providing the ERPs with an overall understanding of the current DTS end-to-end process, concentrating on financial processing. Subsequent discussion included the common functionalities of the ERPs and finding a common solution for all.
- Established a customer satisfaction program that will assess various aspects of DTS and the travel enterprise. Initial feedback was focused on the Reservation Refresh enhancements to DTS. Upcoming focus will be on DTS overall, general travel, government travel charge card, and commercial travel programs. Feedback from surveys will be used to gauge customer satisfaction, develop future requirements, and assist leadership in making customer-focused decisions for system changes.
- Vouchers processed in DTS are increasing at an exponential rate, 78% over last year – see chart below.

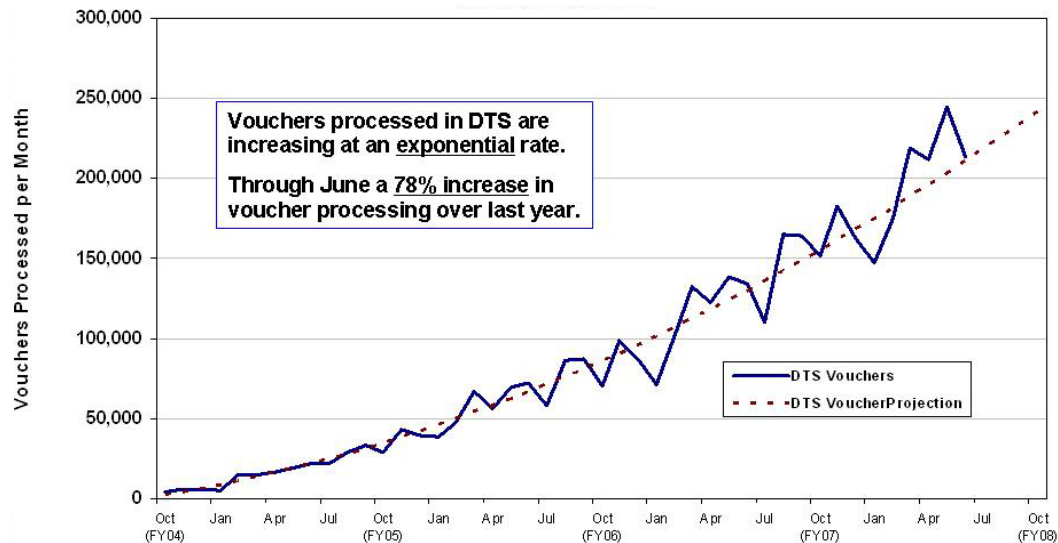


Figure 3-2: DTS Vouchers Processed
As of end-of-month June 2007



Near-Term Plans:

- Establish an updated cost baseline that can be used to evaluate potential system improvements and make more informed cost-benefit decisions.
- Award a tailored task order for a new government travel card vendor.
- Develop requirements for enhanced DTS functionality based on customer feedback.
 - Coordinate with the Army to implement the capability to use DTS to process long-term travel in support of the Global War on Terror (GWOT). The functionality exists within DTS, however, the Army's business processes do not currently support its use. The Army plans to have processes in place by early FY08 that will provide for substantial cost savings to the Army as well as more expeditious payments for thousands of Active and Reserve Component personnel.
 - Develop requirements and business processes to utilize DTS to process deployment travel for Services and Agencies. The capability will cover the period of time when an individual is called to active duty (if necessary) to the time the individual is released from active duty (if necessary)—mobilization, training, deployment, demobilization, etc. Requirements are expected to be finalized in early CY08.
 - Develop requirements to utilize DTS to process travel related to military Permanent Duty Travel. Requirements are expected to be finalized in early FY08.
 - Develop requirements to utilize DTS to process travel for Military Entrance Processing Station (MEPS) recruits/accession travel. Requirements are expected to be finalized in early Q2/3 FY08.
- Add Quick Compass survey capability to customer satisfaction program to assess DTS usability and travel process satisfaction from military and civilian travelers. Survey results are expected October 2007. Survey results will be used to develop future requirements for modifying DTS to meet user needs.

Defense Civilian Personnel Data System (DCPDS): It 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 with HR information at their fingertips. Also, DCPDS is 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 foreign national and National Guard (NG) personnel through 22 DoD Regional Service Centers (RSCs) and over 300 Customer Support Units (CSUs) worldwide. 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. Deployment of the system began in October 1999, reaching Full Operating Capability (FOC) on September 27, 2002.



Accomplishments:

- Completed the study for an integrated DoD civilian HR/payroll system including a baseline economic case as the basis for the development and implementation decision. The study recommended development of the integrated system. This recommendation was approved by USD(P&R).
- Gained approval from the DBSMC for authority to obligate funds to support the civilian HR/Payroll initiative.

Near-Term Plans:

- Stand up the HR/Payroll Program Office and transition current program planning activities to the Program Office.
- Define high level technical and functional requirements for HR/Payroll and conduct Preliminary Requirements Review.
- Conduct Final Requirements Review.
- Develop Preliminary Design for the HR/Payroll initiative and conduct Preliminary Design Review.
- Complete the translation of HR/Payroll into a detailed design and conduct Critical Design Review.

FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ DCPDS: Complete the study for an integrated DoD civilian HR/payroll including a baseline economic case as the basis for the development and implementation decision ✓ DIMHRS: Air Force Requirements Review Complete for Air Force ✓ DIMHRS: DFAS Systems Interfaces Complete for Army ✓ DIMHRS: DMDC Systems Interfaces Complete for Army ✓ DIMHRS: Interface Requirements (Legacy) Complete for Army ✓ DTS: Competitive Award of Prime Contract ✓ DTS: Submit 943 Congressional Study 	<ul style="list-style-type: none"> • DCPDS: Define high level technical and functional requirements for HR/Payroll and conduct Preliminary Requirements Review (Q2) • DIMHRS: System Integration Test for Army (Q2) • DIMHRS: Interface Requirements (Legacy) Complete for Air Force (Q2) • DIMHRS: Software Acceptance Test for Army (Q2) • DCPDS: Develop Preliminary Design for the HR/Payroll initiative and conduct preliminary Design Review (Q3) • DCPDS: Final Requirements Review (Q3) • DTS: Implementation of Technical Refresh (Q3) • DCPDS: Complete the translation of HR/Payroll into a detailed design and conduct Critical Design Review (Q3) • DIMHRS: Operation Test and Evaluation for Army (Q4) • DIMHRS: IOC for Army (Q4)



Cross-BEP and Component Integration

DIMHRS implementation has created the impetus to review policies and procedures that bridge personnel and pay. This 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 functionality such as leave accrual and posting. Inconsistencies between leave accrual and payment were addressed and remedied. The process and policy changes were accomplished through extraordinary cooperation and coordination among the OSD(C), OSD (P&R), Army, Air Force, DFAS and the BTA.

CPMS and DFAS jointly developed a business case to support the Department's integration of HR and payroll by expanding the current enterprise DCPDS to include payroll functionality. The business case analysis (BCA) presented significant potential long-term savings resulting from the integration of civilian HR and civilian payroll utilizing DCPDS. The BCA also highlighted the pressing need to modernize the nearly 20 year old Defense Civilian Pay System (DCPS) and to mitigate the risk imposed by BRAC to relocate DCPS operation from Pensacola (by decommissioning DCPS) by 2011. CPMS and DFAS collaboration will continue to be the key in developing an integrate HR/Payroll system that achieves the stated savings and efficiencies and meets BRAC deadlines.

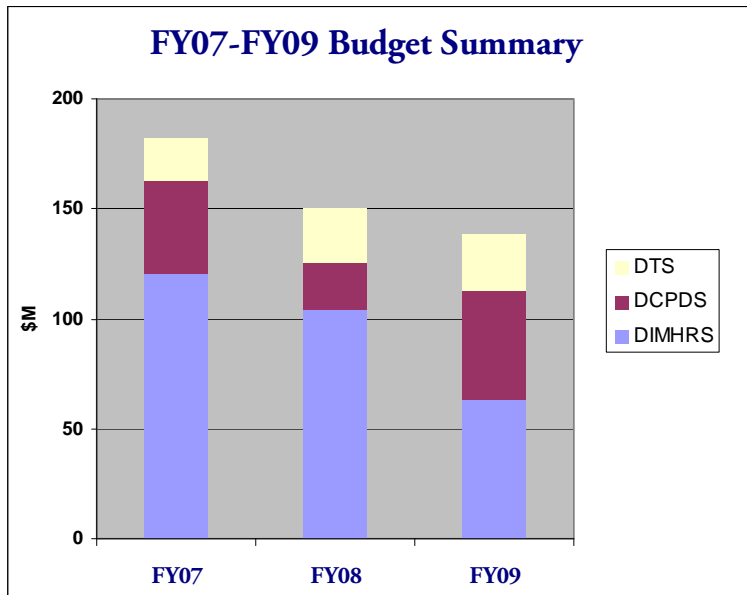
A new collaboration process between PV and Materiel Visibility (MV) BEPs was established to address a problem area associated with medical logistics and movement of personnel. This functional overlap relates to casualty support and special materials that are critical to sustain patients during transportation.

The HRM EA Collaboration Forum was established in February 2007 to facilitate cross-Service/Agency resolution of HRM EA federation issues and champion the integration, standardization, and interoperability of HRM Architecture products. The HRM EA Collaboration Forum assists the HRM community in articulating and resolving architecture issues and initiatives necessary to support the Business Enterprise Architecture (BEA)/HRM Architecture and comply with DoD Directives, Instructions, and Manuals. Over 60 representatives from all of the Services, HRM Components, and OSD level policy proponents actively participate in the quarterly HRM EA Collaboration Forum meetings. To date, the HRM EA Collaboration Forum team members have analyzed the definition of HRM Capabilities and Lines of Business (LoBs), discussed the BEA/HRM Architecture Federation approach, and shared updates on the Service and Component-specific architecture initiatives.



Personnel Visibility Budget Summary

The Budget Summary below shows approved FY07, FY08, and FY09 budgets for Enterprise-level Personnel Visibility programs.



Systems and initiatives funded without identified PB08 budgets:

[None]

Note: For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



Case in Point: Transforming Defense Travel

The Defense Travel System (DTS) provides Department of Defense travelers with a fully integrated, electronic travel and financial management system, automating the defense travel processes from end-to-end – authorization, reservations, voucher filing, payment and document archiving. The initial deployment of DTS earned wide recognition for its achievements in managing back-end processing of vouchers, payments and archiving, but suffered from user dissatisfaction on front-end processing of the reservation process. Users provided unfavorable comments about screen formats, navigation, and presentation. In February 2007, the Department responded by implementing a major enhancement of the DTS reservations module, Reservation Refresh. Developed in only one year, Reservation Refresh greatly enhances front-end usability and the DTS reservations process by:

- Accessing a more complete airline flight inventory,
- Displaying the lowest-cost fares consistent with DoD policy,
- Improving usability by pricing all flights as displayed with various sort options,
- Grouping flight choices into easy-to-understand categories,
- Securing reservations at the point of selection,
- Alerting potential policy violations at the point of selection.

The much improved DTS flow-controller queries users on the specifics of their travel plans in an enhanced “Trip Overview” section utilizing the look and feel of other online booking engines. DTS now uses industry leading ITA Software, the same commercial product that powers Orbitz, a leading online travel company. The system guides travelers to the most likely reservation selections, enabling a quicker booking process. If assistance is required, on-screen messaging supports users throughout the booking process. This new “book-as-you-go” process creates travel reservations immediately, instead of awaiting signature authorization. Reservation Refresh automatically cancels unsigned travel authorizations and provides immediate warnings when users choose a Non-Contract Government Fare. If the original flight, car or hotel selected is no longer available during the reservation process, travelers receive immediate notification.

To what degree has Reservation Refresh improved defense travel? From February 1 through June 30, DTS Help Desk tickets relating to the reservation process decreased by 79%. A survey of 3,030 defense travelers shows that almost twice as many travelers now prefer to book travel themselves using the online system than to use a commercial travel agent to arrange the trip.

As it evolves, DTS continues to transform defense travel. By replacing manual processes with automated solutions, reducing the complexities of travel policy, increasing user-friendliness and reducing costs, DTS transforms travel from mission diversion to mission focus.



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 Systems Lifecycle Management (WSLM) CBM.

Strategy for Acquisition Visibility

The strategy for achieving AV involves establishing Service-Oriented Architecture (SOA) governance and delivery mechanisms within the Defense acquisition business community. The essence of this strategy is straightforward: permit the various DoD communities to continue to operate their own heterogeneous respective systems, but standardize and regulate their *external interfacing* in a way that makes transparent, timely, and accurate data available to senior Defense acquisition decision makers.

This approach requires a governance mechanism that creates and maintains standards that:

- Define the content of the data elements to be exchanged;
- Assign the institutional responsibility for maintenance of the authoritative copy of each data element within the system; and
- Establish data interfacing technical standards.

Once these standards are established and executed under the direction of the WSLM CBM, AV goals are achieved by the use of the current, authoritative copies of data within the system by legitimate, authorized, users. The approach is attractive to DoD for several reasons, it:

- Is inherently flexible, robust, and extensible;
- Doesn't require supplanting DoD's many existing enterprise systems, but rather only requires careful attention to their interfaces;
- Causes DoD senior management to focus on those elements that are most important to their management function—concise, explicit, definition of the data required and unambiguous assignment of responsibilities—rather than global management of systems across hugely diverse institutional conditions.

The seamless availability of timely, accurate data will dramatically improve the current primary DoD AV tools (e.g., DAMIR). For example, a significant majority of the effort expended in the operation of these tools now relates to data problems that the SOA approach explicitly delegates to the Services. Once data definitions are established, when a valid query is directed to the owner of a particular data element, the validity of the answer is the responsibility of the owner of the data.

More importantly, this environment will establish the pre-condition for DoD's use of the new generations of Business Intelligence tools being developed in the robust U.S. information technology sector. Right now, such tools as are commercially available are of little use for Acquisition Visibility because of the lack of integrity within the data infrastructure to make the tools useful aids in decision making. This SOA management approach will, over time, establish

AV

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



data integrity and provide DoD with the environment in which business tools may be seamlessly implemented.

This strategy will integrate ongoing efforts and provide a flexible data framework to support meeting future needs. It will create a pool of critical data elements from which ongoing systems and initiatives can draw, with little required disruption to the ongoing function of existing systems and processes. The data framework, and associated definitions, will become the foundation for future AV-related business process reengineering activities.

AV programs and activities:

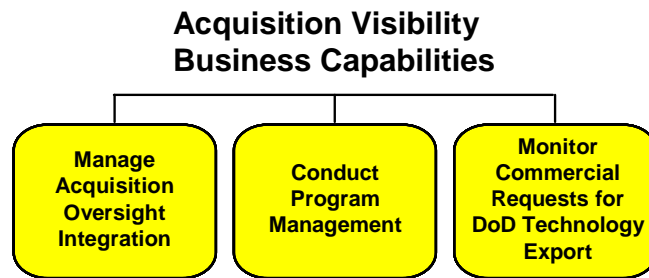
- DAMIR
- USXPORTS
- MEVA (CAMS-ME)

Concurrent with AV SOA and process reengineering efforts, existing systems supporting AV will continue to be improved. With the establishment of the AV data framework, these systems and others will incorporate and rely on the authoritative data the framework provides to achieve the Department’s Acquisition Capabilities.

Changes since the March 2007 Congressional Report

The approach to AV has shifted from a system-centric approach to one that focuses on defining authoritative data and making it more widely available for decision making. System-specific changes include full implementation of USXPORTS, which has reached Full Operational Capability. USXPORTS improves the export control oversight of designated DoD technology, and supports the Departments of Commerce and State in meeting national security, foreign policy, and nonproliferation objectives while facilitating trade and business expansion. In addition, the name of the Material Equipment Valuation (MEV) initiative has been changed to Material Equipment Valuation Accountability (MEVA) to align with initiative objectives more clearly.

Acquisition Visibility initiatives and activities support the following capabilities, as documented in the current BEA:



The following table depicts Business Capability improvement metrics critical to achieving the objectives of Acquisition Visibility.

Objective	Metric	Baseline	Current	Goal
Provide definitions and business rules to define authoritative data for acquisition decision making	Number of Major Defense Acquisition Programs (MDAPs) that have made the requested data available in support of the AV SOA Demonstration.	0 Source: ARA Q3 FY07	0	8
Provide the framework for access to authoritative data for acquisition decision making	Percent of Defined Acquisition information requirements made available from each Service to the Enterprise-level Acquisition Information System.	4.8% Source: ARA Q3 FY07	4.8%	100%



Transformation Programs

Defense Acquisition Management Information Retrieval (DAMIR): DAMIR is a DoD Enterprise System that provides enterprise visibility to Acquisition program information. The primary goal of DAMIR is to streamline acquisition management and oversight by leveraging the capabilities of a net-centric environment. When fully implemented in April 2008, DAMIR will provide a unified web-based interface 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. DAMIR enables the OSD, Military Services, Congress and other participating communities to access information relevant to their missions, regardless of the agency or where the data resides.

Accomplishments:

- Submitted to Congress electronically the annual unclassified portions of SARs for ninety-five MDAPs for the second consecutive year. Confirms implementation of this capability and that it increases the efficiency with which the SAR reporting requirements are met.
- Navy and Army completed testing of the new DAMIR version 3.0 Web input capability. This capability enables submission of SAR/APB data via the Web.

Near-Term Plans:

- Test DAMIR version 3.0 Web input capability for submission of SAR/APB data via the Web.
- Navy, Army, and Air Force test DAMIR version 3.0 Web services data exchange capability.
- Deploy DAMIR version 3.0, providing a Web application for submission of a Selected Acquisition Report (SAR) for SAR-specific statutory requirements.
- Navy, Army, and Air Force provide 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).

The immediate impact of the near-term plans facilitates the retirement of the legacy system, CARS, increasing process efficiency and reducing the resources needed for reporting, while also reducing the costs associated with maintenance of the legacy system.

Military Equipment Valuation and Accountability (MEVA) - Capital Asset Management System—Military Equipment (CAMS-ME): CAMS-ME is the information technology system being developed to maintain and update military equipment valuation data. CAMS-ME is a DoD enterprise system that is built upon an enterprise resource planning (ERP) software product. DoD is incrementally implementing the CAMS-ME to provide the fixed asset accounting functionality necessary to value, capitalize and depreciate military equipment. CAMS-ME supports Military Equipment Valuation and Accountability (MEVA), a DoD-wide effort to implement federal accounting standards requiring all military equipment, including modifications and upgrades, to be treated as capitalized assets. MEVA provides the Department the capability to value military equipment assets and report values on DoD financial statements. It also provides more reliable and more accurate information to decision makers.

Accomplishments:

- Completed proof of concept on the impact of military operational tempo on military equipment useful life. This was conducted to provide more complete information for making decisions about military equipment acquisitions needed to support the warfighter.

DAMIR

Status at a Glance

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

CAMS-ME

Status at a Glance

- Milestone C for Inc 2 - Q1 FY08

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



- Developed a set of ten principle-based business rules and valuation methodology for military equipment that were approved by the Deputy Chief Financial Officer and the Director, Acquisition Resources and Analysis in Q3 FY05.
- Established an historical cost estimate for actively procuring DoD major weapon systems on Q1 FY06.
- Deployment of CAMS-ME in Q3 FY06, and achievement of Full Operational Capability for CAMS-ME increment 1 in Q4 FY06.
- Established the military equipment valuation baseline in Q4 FY06.

Near-Term Plans:

- Completion of Milestone C and Deployment of CAMS- ME Spiral A IOC: Spiral A replaces manual update of asset status, e.g., asset transfers, retirements, and loss for Service military equipment assets when these updates are provided by the IUID registry.
- Deployment of CAMS-ME Spiral B IOC: Spiral B replaces manual update of asset additions and use end item asset values and embedded Global Freight Management (GFM) as they are provided by the IUID registry.
- Deployment of CAMS-ME Spiral C IOC: Spiral C automates the process of collecting expenditure data and accumulating work-in-process accounts based on inputs from the Component accounting systems and DUID registry.
- Going forward, the MEVA initiative is focused on obtaining more granular values for assets to allow separation of end-item cost from support cost. This will be accomplished by automation and integration of fiscal accounting and physical accountability systems. The goal is to achieve seamless end-to-end processing and enterprise level visibility of assets.

Other Transformational Activities

SOA Demonstration Status at a Glance

- ✓ Data definitions established

Approach: Coordination with the Services to implement technical interface standards is beginning.

AV Service-Oriented Architecture (SOA) Demonstration: The AV SOA demonstration is intended to validate the use of a SOA for management of authoritative data for acquisition decision making. This demonstration is being conducted by AT&L(ARA) in coordination with BTA, leveraging selected data elements associated with management of Major Defense Acquisition Programs (MDAPs). Following a successful demonstration, it is anticipated that this approach will be expanded to all MDAPs and, eventually, to other acquisition capabilities.

Accomplishments:

- Developed a data/information map to define the Defense acquisition data environment to support the development of the WSLM SOA data strategy.
- Defined key AV data elements pertaining to MDAPs to provide guidance to the Components in aligning their data for the SOA demonstration. This is the first step in providing governance and establishing authoritative sources of data for Acquisition decision making.

Near-Term Plans:

- Successfully demonstrate SOA approach with a small set of Defense acquisition data pertaining to Major Defense Acquisition Programs (MDAPs), under WSLM guidance. The first step to achieving a SOA approach is to demonstrate that the governance mechanisms, institutional cooperation, and technical interfacing can work. Toward that end, a rapid SOA demo will consist of the following high-level critical path over approximately 120 days:



- Assign institutional responsibility for maintenance of the authoritative copy of each specified and defined data element within Component system(s) – Q1 FY08
- Develop technical interface standards – Q1 FY08
- WSLM issue data exchange standards and implementation schedule –Q1 FY08
- Specified MDAPs implement data exchange standards –Q1 FY08
- Query authoritative sources – Q2 FY08
- Validate data and Component’s implementation of the technical standard to verify next steps required to make SOA operational for AV.
- Based on successful demonstration, expand SOA approach beyond initial capabilities to address WSLM data requirements.
- Develop and field analytical tool kits or automated capabilities that use authoritative data and alert Program Managers and Defense acquisition stakeholders of potential program risks or problems.

Selected Acquisition Report and President’s Budget (SAR and PB) Reconciliation: An effort is underway 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 resolve the majority of these discrepancies in time for the December 2007 SAR submission to Congress to clarify how allocated funds are being used.

Accomplishments:

- Established a SAR and PB Reconciliation Task Force.
- Completed study and provided recommendations for resolving discrepancies between data reported in SARs and the data provided in the PB FYDP.

Near-Term Plans:

- Develop Implementation Plan and execute approved recommendations from SAR and PB Reconciliation Task Force to resolve inconsistencies between the costs reported in the annual SAR for MDAPs and the PB Future Years Defense Programs (FYDP) database.

Fully Implemented Programs

US Export System (USXPORTS): USXPORTS, which achieved FOC in January 2007, 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. USXPORTS provides an enterprise system that improves the export control practices of the Departments of Defense, Commerce and State; and meets national security, foreign policy, and nonproliferation objectives while facilitating trade and business expansion.

Accomplishments:

- Reduced DoD processing time to an average of 17 days (exceeding the 30-day regulatory requirement).

SAR and PB Reconciliation Status at a Glance

- ✓ Task force established
- Recommendations to be addressed in FY08



FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ MEVA: FY06 year end close using baseline valuation methodologies ✓ MEVA: Milestone B: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 ✓ USXPORTS: Expand user base 	<ul style="list-style-type: none"> • Assign institutional responsibility for maintenance of the authoritative copy of each data element within component system(s) for AV SOA Demo (Q1) • MEVA: Spiral A IOC: Capital Asset Management System - Military Equipment (CAMS-ME) for Inc 2 (Q1) • Query authoritative sources for AV SOA Demo (Q1) • 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 (Q2) • DAMIR: FOC (Q3) • DAMIR: Retire CARS legacy system (Q3) • MEVA: Spiral B 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 Enterprise 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, MV, CSE, and RPA have begun coordination to identify data commonalities, which will be documented in the BEA. AV and the FV community are working together in the SAR and PB reconciliation effort to align data and information both groups need for decision making. In addition, AV representatives will be examining data across the organization to determine its applicability to AV.

WSLM governance, which crosses Business Enterprise Priorities, will continue to establish the required framework for the Defense Acquisition business process stakeholders across the Department to guide process changes required to achieve AV.

Specific Component integration activities with Component stakeholders over the next 18 months include:

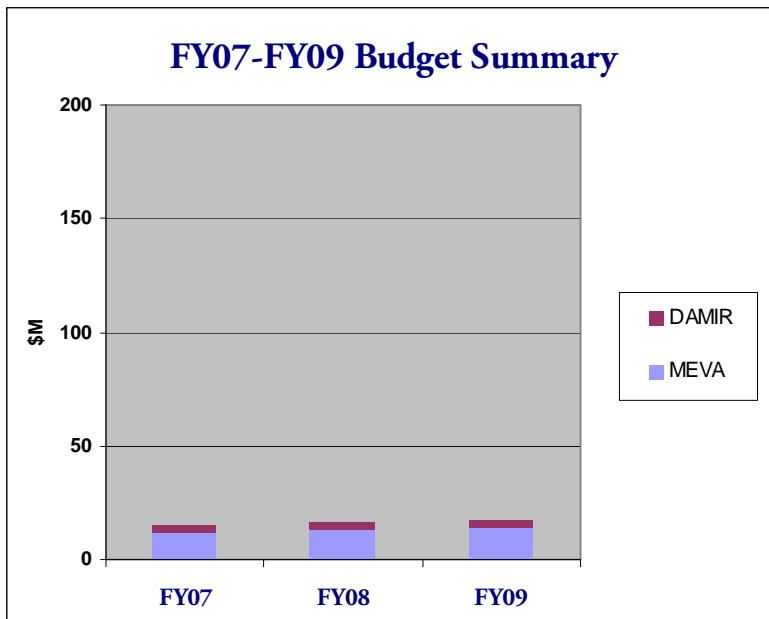
- Continuing to expand data sharing across Services, OSD and Joint Staff by linking DAMIR to Components' acquisition and sustainment management information/data systems (AIM, SMART, and Navy Dashboard).
- Continue participation in the SFIS data standard working group to support ERP alignment with AV goals.
- As appropriate, examine any existing Component data sources that provide data elements that cannot be readily obtained through Enterprise systems.

As data becomes more available and sources are deemed authoritative through the accomplishment of near-term AT&L Strategic Implementation Plan activities, including the SOA effort, a pool of critical data elements will become available for use by any authorized entity in the Department, regardless of the Business Enterprise Priority or Component it supports.



Acquisition Visibility Budget Summary

The Budget Summary below shows approved FY07, FY08, and FY09 budgets for Enterprise-level Acquisition Visibility programs.



Systems and initiatives funded without identified PB08 budgets:

- USXPORTS

Note: The MEVA budget represents the CAMS-ME system costs associated with the MEVA initiative. USXPORTS has no identifiable DoD funding for FY08. DoD FY07 funding was used to support USXPORTS Operations and Maintenance (O&M).

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



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

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 (BMA).

Strategy for Common Supplier Engagement

The foundation of the strategy for achieving Common Supplier Engagement 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 Defense Sourcing Portfolio'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 eGov Integrated Acquisition Environment (IAE) initiative. Additionally, DoD has several additional Department-wide capabilities that support and complement the end-to-end process as depicted in the BEA.

By establishing a clear, collaborative governance model that addresses stakeholder interest, the DSP aligns enterprise system development with the strategic goals of the Department, as set forth in this Enterprise Transition Plan. Moreover, this governance model creates an environment that promotes cross-functional coordination between DoD organizations, which will provide a forum to develop standards and continue reducing the complexity of touch points between the DoD and suppliers.

By approaching the CSE-related capabilities as a portfolio using the DSP, DoD has also begun to undertake several non-system related efforts to improve the processes and data being used across the Department and with industry partners for sourcing. These are discussed later in this narrative, but include such efforts as to develop a DoD procurement data strategy and associate standards, as well as to develop standard transactions that can be used for specific parts of the sourcing process. Both of these efforts, when realized, will allow the Department to focus at the enterprise level on those authoritative data sources and transaction systems / hubs necessary to support cross-functional and agency processes, and data accuracy and interoperability; while allowing decentralization of other capabilities that are more appropriately accomplished at the Service and Agency level using the established standards and transactions.



Changes since the March 2007 Congressional Report

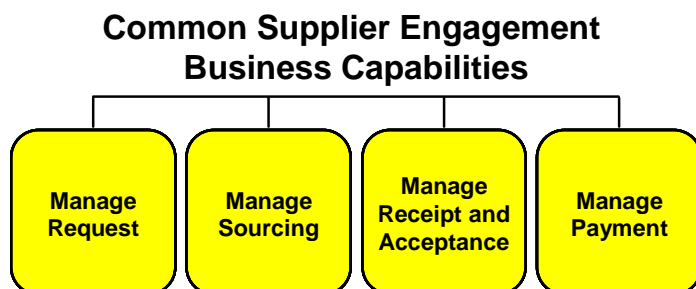
Four CSE programs are fully implemented, meaning these programs have successfully been implemented and deployed new capabilities across the Department, and there are no significant capability enhancements planned in the near future.

The following programs were assessed as fully implemented.

- Contractor Performance Assessment Reporting System (CPARS)
- Three programs within the Federal eGov Integrated Acquisition Environment (IAE) portfolio:
 - Excluded Parties List System (EPLS)
 - Online Representations and Certifications Application (ORCA)
 - Wage Determinations Online (WDOL)

Another recent change is that the Standard Procurement System (SPS) is now considered the interim enterprise solution for the contract writing and management capability for its current user population. SPS remains a key enabler providing visibility into materiel and services sourcing actions of its user base across the Department. It allows for a standard method for producing agreements with suppliers. SPS supports improvements to the Manage Request and Manage Sourcing Business Capabilities.

CSE encompasses the following DoD Business Capabilities:



CSE Programs and Activities:

- ASAS
- CPARS
- DoD EMALL
- EDA
- SPS
- WAWF
- Federal IAE
- CCR
- EPLS
- eSRS
- FBO
- FedReg
- FedTeDS
- FPDS-NG
- ORCA
- PPIRS
- WDOL
- SPOT
- MOCAS / BEA Gaps Analysis
- Creation of Miscellaneous Payment Guidebook
- DoD Procurement



The following table depicts Business Capability improvement metrics critical to achieving the objectives of Common Supplier Engagement.

Objective	Metric	Baseline	Current	Goal
Streamline and reduce complexities of the process touch points between DoD and suppliers.	Percent of unclassified contract and modification actions made available for DoD level data aggregation	3.2% Source: Q3 FY07	3.2%	95%
	Percent of DFAS paid invoices submitted electronically via an authorized electronic invoicing system.	45.4% Source: Q3 FY06	56.5%	95%
Adopt standard business processes, rules, data, and interoperable systems across DoD to ensure reliable and accurate delivery of acceptable goods and services.	Percent of total payments from DFAS made via Electronic Funds Transfer (EFT)	94.9% Source: Q1 FY07	94.3%	100%

Transformation Programs

ASAS
Status at a Glance

- Determine way ahead in accordance with the Defense Sourcing Portfolio – Q2 FY08

Acquisition Spend Analysis Service (ASAS): Provides an initial Enterprise Level solution to acquisition analysis, pulling awarded contract line item data from multiple systems into a single view for complete analysis, reducing the complexity of data integration across the Department. This service analyzes spending data, providing a tool to perform trend analysis and compliance checks, resulting in more informed decision making across the DoD. ASAS supports improvements to the Manage Request and Manage Sourcing Business Capabilities.

Accomplishments:

- Improved the visibility of contract data received from the Air Force and Army Contract Business Intelligence Systems.

Near-Term Plans:

- Define requirements for future releases and ASAS way ahead in accordance with the Defense Sourcing Portfolio, as the capability and strategic sourcing plans evolve.

DoD EMALL
Status at a Glance

- Deployed next version including improved funds checking capabilities for select ordering communities – Q2 FY07

DoD Electronic Mall (DoD EMALL): Allows DoD and other federal customers to find and acquire off-the-shelf, finished good items from the commercial marketplace. 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. EMALL supports Business Capability improvements to Manage Request, Manage Sourcing, and Manage Receipt and Acceptance by eliminating 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.

Accomplishments:

- Deployed version 7.1, providing improved funds checking capabilities for select ordering communities to ensure orderers have appropriate funding authority.



Near-Term Plans:

- Deploy version 8.1, which will provide an improved customer module, streamlining the processes for users to track status of shipments, and interact with providers.
- Establish data sharing effort with DoD purchase card program office to enable tracking of potential high risk purchases.

Electronic Document Access (EDA): Provides secure online, electronic storage and retrieval capabilities of procurement information and documents across the DoD. EDA supports improvements to the Business Capabilities of Manage Request and Manage Receipt and Acceptance.

Accomplishments:

- Deployed version 7.2, enhancing the Contract Deficiency Report (CDR) workflow to allow reassignment, returns, and automated reminders for CDRs awaiting resolution. This enhancement will more easily steer the DoD away from a paper process and into a paperless process, thereby reducing manual data input errors.
- Implemented Contracts-to-Data Phase II initiative which enables contract writing systems to post contract award data to EDA resulting in the reduction of manual data input errors.

Near-Term Plans:

- Define standard data transactions for passing contract data to interfacing finance and logistics systems. These standard transactions will facilitate interoperability and streamline the invoice, receipt and acceptance processes. These standard transactions will also enable the use of a standard interface design for providing contract data to the payment process.
- Implement Contracts-to-Data Phase III initiative, as it evolves with the DoD Procurement Data Strategy, which will increase the number of data elements that can be pre-populated into Wide Area Workflow (WAWF) for receipt and acceptance processes that are included within contracting documents (contracts, modifications, orders, etc.), thereby enhancing the end-to-end data processing cycle.

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 agreements with suppliers.

Accomplishments:

- Completed deployment of increment 4.2.2 to the targeted user base in order to provide an interim enterprise contract writing capability across the DoD. The DSP Steering Committee approved a strategy for increment 4.2.2 to maintain that capability as an interim system.

Near-Term Plans:

- The SPS increment 4.2.2 strategy will extend to FY14, including two releases each year, the first scheduled to deploy in November 2007. This release will provide solutions to foreign currency and other performance related issues.
- The second release is scheduled to begin testing in January and deploy in February. This release will provide a new solution for archiving records that inherently improves database performance and records management.

EDA

Status at a Glance

- Contracts to Data Phase II – Q3 FY09
- SFIS Compliance – Q1 FY08



WAWF

Status at a Glance

- Implement standard shipment and acceptance transaction processing - Q1 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 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.

Accomplishments:

- Defined standard data transactions for passing shipment, acceptance, and accounts payable data to emerging interface partners. These standard transactions will further accelerate deployment of enterprise resource planning (ERP) systems in the target environment while reducing implementation costs. These standard 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 the capability to process invoices for grants and cooperative agreements. This functionality is critical to ensuring the continued funding of research projects, as research funds are allocated based on achievement of expenditure rate targets.

Federal IAE

Status at a Glance

- eSRS: Initiate deployment of authoritative source for commercial supplier subcontracting reports within DoD – Q3 FY08

Approach: eSRS is planned to be deployed in the semi-annual reporting period that begins in April 2008 across the entire Department

Federal Integrated Acquisition Environment (Federal IAE): The Federal IAE portfolio provides a secure business environment that facilitates and supports cost-effective acquisition of goods and services. 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 portfolio encompasses the following systems:

- Central Contractor Registration (CCR)
- Electronic Subcontracting Reporting System (eSRS)
- Excluded Parties List System (EPLS)
- Federal Business Opportunities (FBO; FedBizOpps)
- Federal Procurement Data System-Next Generation (FPDS-NG)
- Federal Agency Registration (FedReg)
- Federal Technical Data Solution (FedTeDS)
- Online Representations and Certifications Application (ORCA)
- Past Performance Information Retrieval System (PPIRS)
- Wage Determinations Online (WDOL)

Accomplishments:

- Support development and deployment of a publicly available reporting tool within FPDS-NG. This tool provides the public, Congress, and the Federal government with the ability to query standardized contract award data.
- The Department's contract writing systems now directly provide contract reporting data to FPDS-NG, reducing the time to availability of the information to decision makers. As a result, legacy Service feeder systems, including the Contract Action Reporting System (CARs1) and Procurement Management Reporting System (PMRS) were decommissioned.



- Reduced the number of DoD systems that collect and feed into the federal level Past Performance Information Retrieval System (PPIRS) from four to one over a two-year timeframe, thereby establishing the master authoritative source for vendor report card information across the Department.

Near-Term Plans:

- Initiate deployment of eSRS across DoD as the authoritative source for commercial supplier subcontracting reports, enabling DoD to have more visibility to subcontracting data to ensure contractor compliance with subcontracting goals.
- Commence DoD's transition to follow-on FBO system, which includes possible merger with FedTeDS to streamlining the posting process for opportunities with the Government.
- Develop and initiate a baseline plan to verify and validate DoD contract reporting data to satisfy Federal Funding Accountability and Transparency Act (FFATA) requirements and ultimately improve the accuracy of the contract reporting data being collected in FPDS-NG. This will enable executive decision makers to make better informed decisions when sourcing materials and services for the DoD.

Synchronized Predeployment and Operational Tracker (SPOT): Acts as the Joint Enterprise 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. DoD Services and 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; Combatant Commanders use SPOT reports to maintain overall visibility of contractors within their area of responsibility in order to integrate contractor support into their operational plans. SPOT supports improvements to the Manage Sourcing Business Capability.

SPOT Status at a Glance
<ul style="list-style-type: none"> • Complete transition into BTA (DBSAE) – Q4 FY07

Accomplishments:

- Deployed version 6.0 which implemented an automated capability for generating digitally-signed Letters of Authorization (LOAs) for contractors deploying with the force, incorporated movement tracking through integration with key theater systems, and was the first step toward a Service-Oriented Architecture IT-service for interfacing with authoritative Enterprise systems. This implementation provides an improvement in accuracy, timeliness, validity, and integrity of contractor deployee data to the Combatant Commander.

Near-Term Plans:

- Define future requirements and SPOT way ahead over the next 18-24 months as the capability evolves and is implemented with Contingency Operations doctrine, goals, and objectives.

Other Transformational Activities

MOCAS / BEA Gaps Analysis: Through a Joint Component effort, the DoD produced an initial BEA Gap Analysis of a major Department entitlement system, the Mechanization of Contract Administration Services (MOCAS) system. The objective of this assignment was to determine the current architectural gaps that would derive the cost/benefit of improving MOCAS' functionality in the target environment. The Gap Analysis outlined areas of compliance and non-compliance to business rules, laws, regulations, and policies, against the requirements, guidelines, and directives set forth by the BEA Version 4.1. The analysis was broken down by MOCAS's prime two functional categories, Financial Management and

MOCAS/ BEA Gaps Analysis Status at a Glance
<ul style="list-style-type: none"> • Results under Executive Management's Review



Contracts Administration. Contracts Administration was assessed to be 87% compliant to the BEA and the Financial Management function was assessed to be only 54% compliant. These results are under management review and will form the basis of the Department's recommendation.

Accomplishments:

- Recommended several enhancements that will direct MOCAS towards an acceptable level of compliance in relation to the business rules, laws-regulations-policies (LRPs), and Standard Financial Information Structure (SFIS) elements associated with the financial management and contract administration functions performed by MOCAS.

Near-Term Plans:

- Upon receiving the level of effort and estimated costs of implementing the recommendations, the Department will determine whether or not the business case exists and investment funding will be made available for MOCAS to modernize and become a target entitlement system.

Creation of Miscellaneous Payment Guidebook: The Under Secretaries of Defense (Comptroller) and (Acquisition, Technology, and Logistics) established the miscellaneous payment working group, which ultimately reports to the Special Focus Group that oversees charge cards for DoD. The Special Focus Group's primary focus is on establishing a common approach toward miscellaneous payments across the Military Services and Defense Agencies. Miscellaneous payments are government obligations that may require special authoritative arrangements other than a contract; necessitate subsequent funding arrangements, special billing/reimbursement conditions, or non-recurring, non-contractual purchases; or require the configuration of unique standard document numbers for processing through a DoD payment system.

The current end-to-end processing environment for miscellaneous transactions is predominantly paper-based. The goal of the working group is to move process partners away from a paper-based environment where transactions are entered multiple times, to an electronic environment where transactions are entered once by the source and transmitted systemically to all process partners. The inefficiencies related to paper-based processing and storage result in greater costs incurred by DFAS, as well as reduced accuracy and timeliness of transactional processing. This goal enables DoD to process transactions in a timely, accurate, and efficient manner. This working group was tasked by DoD leadership to establish a high level overview of policies and processes, with a goal of streamlining and consolidating miscellaneous payment procedures across the Components.

Accomplishments:

- Developed initial Miscellaneous Payment Guidebook v1.0 which will allow Components to proactively identify mandatory requirements, while being provided with additional guidance, for the establishment and management of miscellaneous payment programs.

Near-Term Plans:

- The Miscellaneous Payment Working Group plans to provide the Miscellaneous Payment Guidebook v2.0 in Q4 FY08 which will address additional requirements.



DoD Procurement Data Strategy: In order to support the mission and the business transformation goals of the Department of Defense, it is essential that the DoD Procurement community 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 both upcoming policy issuances (e.g., DoD Instruction(s) and the BEA).

The overarching objectives of the procurement data strategy include:

- Continuously improve data quality
- Maximize ability to leverage data from various sources/systems
- Improve visibility and monitor quality of business processes
- Establish and enforce internal controls
- Improve interoperability and enforce standards
- Improve ability to make strategic business decisions
- Improve enterprise workload management

The outcomes of this strategy are envisioned to better enable the goals of such efforts as joint basing and strategic sourcing that are directly supported by the procurement capability. The goal is to establish a procurement data structure to be used in all department contracting capabilities, identifying the minimum data needs to be made available and shared among identified enterprise systems, functions, and Components.

Accomplishments:

- Identified initial procurement data views to be researched to determine minimum data needs. This allows the efforts to focus on the different customer groups for the data.
- Conducted reviews of existing policies for all current DSP systems to identify gaps in required instructions for integrations and use.

Near-Term Plans:

- Initiate formal coordination of policy requirement (e.g., Draft DoD Instruction(s)) to enforce use of DSP systems.
- Establish initial draft data standards for contracts, modifications, orders and system interfaces that will be required for a contracting system deployed in the Department.

Fully Implemented Programs

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, which provides a record, both positive and negative, on a given contract for a specific period of time. Each assessment is based on objective facts, supported by program and contract management data, for use in source selection as a qualitative input. CPARS also supports improvements to the Manage Request and Manage Sourcing Business Capabilities.



Accomplishments:

- Retired the final remaining legacy DoD contractor performance collection system, by completing the transition of the entire Army and Defense Information Systems Agency (DISA) population of users from the Past Performance Information Management System (PPIMS) to the CPARS, creating one DoD collection system and feeder into the federal level Past Performance Information Retrieval System (PPIRS). CPARS is now the Department's master authoritative source for vendor report card information.

Excluded Parties List System (EPLS): EPLS is the on-line 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. The program provides the federal government with the capability to manage supplier eligibility and streamline the federal strategic sourcing process, by creating one source for debarment and suspension information. EPLS is deployed across the DoD and is a system within the Federal eGov Integrated Acquisition Environment (IAE) portfolio.

Online Representations and Certifications Application (ORCA): ORCA is the single electronic entry point for suppliers to assert their compliance with federal law via submission of Federal Acquisition Regulation (FAR)-required Representations and Certifications. ORCA reuses data available in CCR to pre-populate many required Representations and Certification fields. This allows vendors to complete remaining Representations and Certifications with the understanding that with each solicitation, they are certifying to current, accurate, and complete information. It provides Government Contracting Officers the authoritative source of that information. ORCA is a system within the Federal eGov Integrated Acquisition Environment (IAE) portfolio.

Accomplishments:

- The Defense Logistics Agency (DLA) completed its deployment of ORCA via integration with its Business Systems Modernization effort. This ensures the ability to obtain vendor representations and certifications from the federal authoritative source.

Wage Determinations Online (WDOL): WDOL provides a single location for federal contracting officers to use in obtaining appropriate Service Contract Act (SCA) and Davis-Bacon Act (DBA) wage determinations (WD) 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. The program is deployed across the DoD and is now the master authoritative data source for wage determination information used in procurement to comply with the SCA and DBA. WDOL is a system within the Federal eGov Integrated Acquisition Environment (IAE) portfolio.



FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ SPS: Deployment of SPS v4.2.2 will continue to all current users for Inc 2 ✓ SPS: Milestone C for Inc 3 ✓ ASAS: Define Requirements for Future Release ✓ DoD EMALL: Deploy next version including improved funds checking capabilities for select ordering communities for EMALL v7.1 ✓ FPDS-NG: Deploy standard method for reporting contract activity within DoD ✓ ORCA: DLA complete deployment of ORCA ✓ CPARS: Complete PPIMS merge into CPARS to create one DoD feeder system into the Past Performance Information Retrieval System (PPIRS) ✓ SPOT: Complete transition into BTA (DBSAE) ✓ EDA: Deploy next version including enhanced tracking and resolution of Contract Deficiency Reports ✓ SPS: Full Deployment Decision Review (FDDR) for Inc 3 	<ul style="list-style-type: none"> • WAWF: Implement capability to process grants and cooperative agreements for v.3.0.12 Release (Q1) • WAWF: Implement standard shipment and acceptance transaction processing for v.3.0.12 Release (Q1) • FPDS-NG: Initiate Development of the Verification and Validation plan for FPDS-NG (Q2) • eSRS: Initiate deployment of authoritative source for commercial supplier subcontracting reports within DoD (Q3) • PPIRS: Initiate deployment of PPIRS-SR with targeted list of Military Services and DLA (Q4) • WAWF: Implement standard invoicing and approval transaction processing - phase II for v.4.0 Release (Q4)

Cross-BEP and Component Integration

In addition to all the cross-Component efforts described above, Common Supplier Engagement is teaming with Materiel Visibility from a Supply Chain Management perspective in order to achieve the goal of simplifying and standardizing the interactions with commercial and government suppliers in the acquisition of catalogue and stock goods.

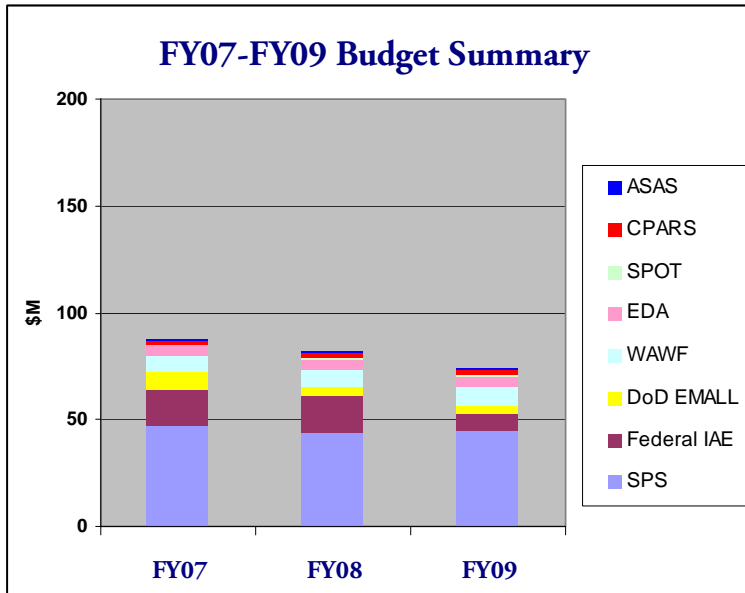
Supply Chain Management activities currently identified as having some commonalities include Sourcing and Receipt and Acceptance. The teams are analyzing touch points related to sourcing decisions, differences between receipt and acceptance procedures, and defining when physical equipment tracking transitions from Acquisition teams to Component/Agency Sustainment teams. 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 Materiel Visibility continues to define and validate processes related to delivery, return and disposal, and the management of inventory, Common Supplier Engagement will support the refinement intragovernmental transaction processes where appropriate.

Many of the cross-Component efforts described above are also cross-BEP integration actions. This is apparent in the efforts performed by the Miscellaneous Payment working group that is focusing on establishing a common approach toward miscellaneous payments across the Military Services and Defense Agencies; as well as the effort to establish DoD Procurement Data Standards, which includes vital coordination with the financial visibility community.



Common Supplier Engagement Budget Summary

The Budget Summary below shows approved FY07, FY08, and FY09 budgets for Enterprise-level CSE programs.



Systems and initiatives funded without identified PB08 budgets:

[None]

Note: 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 FY07-FY09 DoD PB08.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



Case in Point: Creation of a Single Entry Point for Past Performance Information across the Department

Just two years ago, DoD had several disparate systems deployed across the Department to collect contractor performance information. With the migration of key support systems to the Contractor Performance Assessment Reporting System (CPARS), the Department now has a “best of breed” application that saves \$1.1M annually and provides 24,000 users worldwide with many new conveniences. CPARS-generated contractor performance information is one of the tools used to communicate contractor strengths and weaknesses to source selection officials and Contracting Officers.

On June 14, 2007, the Army and Defense Information Systems Agency (DISA) completed the transition from the Army’s legacy Past Performance Information Management System (PPIMS) to CPARS, creating one DoD feeder system for the federal Past Performance Information Retrieval System (PPIRS). PPIMS was the third legacy system retired over the past two years, to make CPARS the authoritative master data source for DoD vendor report card information.

The consolidation of contractor performance systems provides for more efficient operations by the Department’s vendor community, which is no longer required to access a myriad of reporting systems to view their contractor performance assessments. CPARS improves the business process for vendors because it creates a single interface to retrieve and provide comments on their respective performance information regardless of which DoD Component they are doing business with.

The move to CPARS as the single centralized location for collection of contractor performance data benefits the Department by increasing operational efficiency and supporting improved capabilities for the DoD Acquisition decision makers. CPARS now provides DoD contracting officials with the ability to auto-register their contracts in CPARS through an interface with the federal-wide contract reporting system, FPDS-NG. This interface reduces manual workload and improves data accuracy for contracting officials and has been greeted with much enthusiasm. It also allows contracting officials to easily track the progress of contracts from registration through completion to ensure performance reporting requirements are being met and tracked consistently throughout the Department.

As an added benefit, by eliminating all legacy report card systems, CPARS allows for a centralized online approach to training new users and a centralized helpdesk which provides a cost effective method for reaching over 24,000 users, worldwide.



MV

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

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 will provide 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 will improve the delivery of warfighting capability to the warfighter as measured in terms of responsiveness, reliability, and flexibility.

Strategy for Materiel Visibility

Materiel Visibility strategy is to integrate 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 3-3.

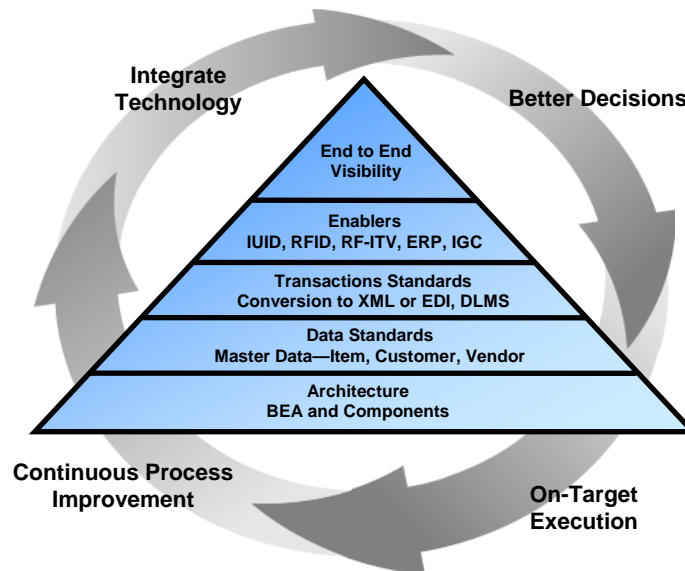


Figure 3-3: Materiel Visibility Strategy

The foundation is improved business processes derived from an established set of basic supply chain functions; Plan, Source, Make, Deliver, and Return and articulated through an Enterprise Architecture (EA). These business activities and processes rely on accurate data so there is a need to improve the accessibility, quality, exchange, and integrity of common standard data. Tools are being developed to access and manage standardized sets of trusted and centrally accessible logistics master data on DoD items, vendors, and customers. These will enable increased synchronization to ensure that accurate information is visible, available, and usable when needed and where needed. Improved data accessibility will facilitate the DoD logistics community's ability to manage logistics requirements and decision making. To effectively exchange data, DoD logistics trading partners are implementing and converting to more flexible and extensible data interchange transaction standards based on Commercial EDI or XML formats. Data and

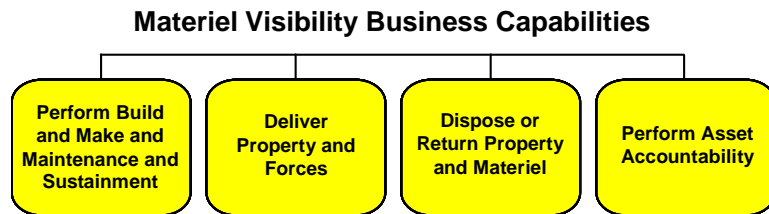


transactions standards complement Components' Enterprise Resource Planning (ERP) systems as well as resources like IUID and the RFID Infrastructure which enable Asset Lifecycle Visibility and In-Transit Visibility, respectively. Along with these new visibility tools, Components and Agencies will have access to defense supply chain, logistics, transportation, and distribution related data. Access will be available through the development of tools that integrate data within and between trading partners; ensure consistent sharing of common, authoritative logistics data and business rules; and provide reliable information for the DoD Logistics Community. Together these emerging technology tools will enable efficient and effective exchange of logistics data across the supply chain. The result is a cohesive solution to access logistics information when it is needed and where it is needed to provide increased end-to-end visibility of supply chain activities across the global DoD Enterprise. This will lead to improved On-target Execution, more flexible and effective utilization of resources to provide responsive and reliable materiel movement. The resulting environment will facilitate application of Continuous Process Improvement (CPI) measures, based on realistic data, to evaluate and identify additional areas for DoD supply chain performance improvement.

Changes since the March 2007 Congressional Report

Logistics Master Data (LMD) achieved its transformational objectives and is fully implemented. LMD established a single integration point for item, vendor, and customer data that simplifies the capability to access this information.

The DoD and Components continue to make improvements that provide better Materiel Visibility across the enterprise. Transformational activities focus on providing better controls and processes for managing and exchanging logistics data within the Department to facilitate improvements in the following business capabilities:



MV Programs and Activities:

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

The following table depicts Business Capability improvement metrics critical to achieving the objectives of Materiel Visibility.

Objective	Metric	Baseline	Current	Goal
Improve the Department's ability to move supply chain data across the Enterprise by reducing complexity and minimizing variability of business transactions.	Percent Defense Logistics Management System (DLMS) Transaction Volume Through Defense Automatic Addressing System (DAAS).	15.7% Source: Q3 FY06	23.8%	80%
Improve process efficiency of ordering, shipping, receiving, and inventory management by enabling hands-off processing of materiel transactions.	Percent of consolidated shipments flowing into Central Command (CENTCOM) Area of Responsibilities (AOR) with active RFID tags.	78% Source: Q3 FY06	84%	100%



Transformation Programs

MILS to EDI or XML

Status at a Glance

- ✓ Initiate FY07 Jump Start funded systems migration to high-priority EDI Transactions – Q2 FY07

Approach: Systems convert to or implement usage of EDI or XML formats. Select systems have started converting to high priority transaction formats that facilitate transmission of RFID and IUID data expanding the usefulness of these resources.

MILS to EDI or XML: Conversion to Electronic Data Interchange (EDI) or Extensible Markup Language (XML) standard formats, based on commercial formats and usage, allows transmission of information among systems and organizations at a rate and with a level of detail currently not possible with the limited 80-character MILS standard formats. Conversion is an essential prerequisite for the transmission of data enhancements such as Item Unique Identification (IUID), Radio Frequency Identification (RFID) throughout logistics business process and supports the adoption of the Standard Financial Information Structure (SFIS). DoD specific formats are contained in the Defense Logistics Management System (DLMS). DLMS is a body of documentation agreed to by joint committees that specify how logistics business will be conducted among DoD trading partners in terms of business rules, information exchanges, and data standards.

Accomplishments:

- Selected and funded seven additional DoD Component systems for DLMS Migration under the Jump Start program. These systems support the retail logistics and transportation functions and add to the end-to-end thread of systems that will have the capability to implement improved materiel visibility via IUID and RFID. Each system has detailed plans and contract vehicles in place, has received DLMS training, and is executing their plans toward a March 2008 implementation date.
- Achieved a 65.9% increase in DLMS transaction volume from the baseline in FY06.

Near-Term Plans:

- Support the seven additional and two previous for a total of nine Component system migration efforts with enterprise services (training, consulting and testing services) to ensure their plans are successfully implemented by March 2008.
- Evaluate nominations for systems requesting DLMS Jump Start funding during FY08 to continue the momentum and broaden the number of systems involved in business transformation.

IUID

Status at a Glance

- ✓ FOC for electronic management of DoD property in the possession of Contractors – Q2 FY07

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

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

Accomplishments:

- Military services and DoD suppliers are marking appropriate equipment with standardized identification currently there are 1.5 million new and legacy items marked.
- Deployed continuous learning course “Contract Format and Structure for the DoD e-Business Environment” to the acquisition workforce to address identified consistent process weaknesses in the area of contract construction (i.e. establishing contract line items) that impact payment, receipt and acceptance.



- DoD Directive 8320.03, was signed on March 23, 2007, implementing Strategic Planning Guidance (SPG) FY06-FY11 to establish policy and prescribe the criteria and responsibilities for creation, maintenance, and dissemination of UID data standards for discrete entities.
- DoD Instruction 4151.19, signed on December 26, 2006, establishes a Serialized Item Management (SIM) program in DoD which directs Military Departments and Defense Agencies to identify items to be serially managed based on potential benefit, mark those items in accordance with IUID policy, ensure that current and future automated information systems (AISs) support SIM program requirements, and manage the maintenance and support of SIM items using the information generated.

Near-Term Plans:

- Publish DoD 8320.cc-R, “National Level Data Strategy for Property Traceability and Transfers” and DoDI 8320.cc Item Unique Identification (IUID) Standards for Personal Property.
- Military Departments develop processes and procedures which provide maintenance activities the requisite authority to apply the IUID mark to items being repaired or overhauled that are currently identified on data labels or data plates. It is estimated that approximately 80% the roughly 100 million legacy SIM items are and will be identified on data labels and data plates.

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

Accomplishments:

- Educated government contracting resources from the Defense Contract Management Agency (DCMA) on how to properly utilize the passive RFID clause in contracts.
- Supported by the Procurement Technical Assistance Center, educated small business vendors on compliance with the RFID clause.
- Installed a pilot RFID infrastructure to track shipments outbound from a DLA Defense Distribution Center to an Army and an Air Force customer location.
- Issued DoD Automatic Identification Technology (AIT) CONOPS for the DoD Supply Chain. This CONOPS provides DoD’s future vision for AIT use across the supply chain.

Near-Term Plans:

- Evaluate performance of pilot RFID infrastructure in Pacific Northwest to develop model of best practices and techniques in order to replicate full RFID implementation throughout the DoD Supply Chain.
- Develop the DoD AIT implementation plan to serve as a roadmap for transitioning between the current AIT environment to the envisioned FY15 environment outlined in the DoD AIT CONOPS.

Other Transformational Activities

Logistics Data Transformation encompasses activities to improve access, quality and synchronization of logistics data. There is a need to make data available to enable DoD to make

RFID

Status at a Glance

- ✓ Publish acquisition requirement (DFAR) clause requiring suppliers to apply passive RFID tags – Q1 FY08
- Implement ability to read/write passive RFID at all DLA distribution centers and aerial ports – Q1 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



more informed decisions about logistics operations and increase flexibility. The following activities are an effort to better standardize how logistics related data is accessed, transmitted and updated.

- Reengineer and modernize the repositories that store and manage DoD Component and Foreign Military Sales customer addresses. The changes will allow the addresses to be updated and accessed in near real-time versus the previous 72 hour batch processing time. DoD vendors and logistics organizations will have access to accurate and timely addresses which will benefit supply responsiveness and reliability.
- Move Supply Discrepancy Reports (SDRs) into an integrated transactional environment utilizing modern EDI standards for transaction formats. This effort will improve the collection and processing of shipping or packaging discrepancies. The benefits include near real-time discrepancy reporting that allows for improved transmission of reports which will lead to more speedy resolution of reported discrepancies in order to better determine the cause of such discrepancies, effect corrective action and prevent recurrence.
- Provide a centralized, web-based capability to create, manage and manipulate transportation manifests. This will replace unique service level manifesting systems and standardize manifest data used throughout the DoD. Use of standard manifests across the DoD will contribute to improvements in transmission and accuracy of the data required to ship supplies to the warfighter.

Accomplishments:

- Completed system design that reengineered Foreign Military Sales customer address repository through leveraging successful design process used during the reengineering of DoD Component address repository.

Near-Term Plans:

- Deploy a reengineered capability to provide for near real-time access to customer address databases by logistics systems. Improved accuracy and timely retrieval of customer, addresses will contribute to improvements in the efficiency of shipping processes within the Department and by DoD vendors.

Fully Implemented Programs

Logistics Master Data (LMD) has achieved its transformational objective by implementing a single integration point to access logistics master data sources for item, vendor and customer information. DoD target systems that connect to the service will achieve a cost avoidance of \$4M – \$8M through building and managing only a single interface to retrieve data versus nine interfaces. This will serve as an interim solution until the NCES (Net Centric Enterprise Services) are available across legacy systems.

Accomplishments:

- Completed the final phase of development of the single integration point to access the Customer Master Data source, DoD Customer Address File, two months early.

FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ RFID: Implement ability to read/write passive RFID at all CONUS DLA Distribution Centers. ✓ LMD: Vendor Logistics Master Data Capability Enabled 	<ul style="list-style-type: none"> • IUID: All new Government Furnished Property (GFP) on solicitations and contracts meet the IUID requirements (requires DFARS change). (Q1) • RFID: Implement RFID at 3 aerial ports. (Q1)



FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ MILS to EDI or XML: Evaluate systems nominated by components/agencies for the DLMS "Jump Start" program ✓ MILS to EDI or XML: Allocate additional funding based on performance of initial migration success (FY07) ✓ MILS to EDI or XML: Publish Memorandum announcing selected programs for DLMS "Jump Start Funding ✓ LMD: Customer Logistics Master Data Capability Enabled and Completed ✓ MILS to EDI or XML: Initiate FY07 Jump Start funded systems migration to high-priority EDI transactions ✓ IUID: Full Operating Capability (FOC) for electronic management of DoD property in the possession of contractors (PIPC). ✓ IUID: Demonstrate an integrated data environment. 	<ul style="list-style-type: none"> • MILS to EDI or XML: Assess Jump Start funded systems ability to complete migration to high-priority DLMS transactions (Q1) • RFID: Publish DFAR clause requiring suppliers to apply passive RFID tags to shipments of all appropriate commodities to all locations to be instrumented (Q1) • RFID: Suppliers apply passive RFID tags to all shipments for all appropriate commodities to all locations to be instrumented. (Q2) • MILS to EDI or XML: All FY07 Jump Start funded systems complete migration to high-priority DLMS transactions (Q2) • RFID: Implement ability to read/write passive RFID at 100% of OCONUS DLA Distribution Centers. (Q4)

Cross-BEP and Component Integration

Matériel Visibility is working with Common Supplier Engagement and Acquisition Visibility 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. The teams have currently identified and are analyzing touch points related to sourcing decisions. They have also identified responsibilities related to receipt and acceptance procedures, and have defined when equipment tracking transitions from acquisition to sustainment.

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 Matériel Visibility enterprise priority.

- The Department is working to simplify vendor distribution processes through improving the availability of pertinent DoD shipping information to vendors. DoD Matériel Visibility will benefit through increased sharing of information on planned movements of matériel which will contribute to improvements in distribution responsiveness and accuracy.
- In partnership, DLA and USTRANSCOM initiated efforts to converge DLA's Integrated Data Environment (IDE) and USTRANSCOM's Global Transportation Network (GTN) IDE-GTN Convergence (abbreviated IGC) to provide a single point of access to decision support related data & information within DLA and USTRANSCOM, and between DLA/USTRANSCOM and external systems; enabling supply chain, logistics, transportation and distribution-related visibility and consistent access to common authoritative data.
- USTRANSCOM was designated the Executive Agent for AIT. Together with the DLA and the services they are working to establish a worldwide network of RFID read and write

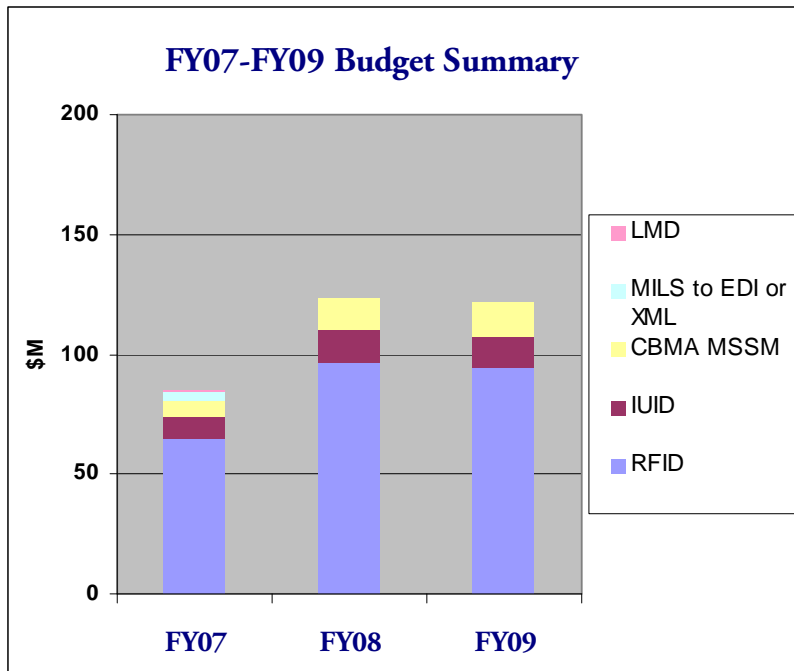


stations and associated computers, servers, software, and communications capabilities used for tracking RFID tagged items and shipments.

- USTRANSCOM has partnered with the Army to develop improved theater distribution capabilities using 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 an RF-ITV website while customers in remote or temporary austere locations can use Portable Deployment Kits (PDKs) and Early Entry Deployment Support Kits (EEDSKs) 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 FY07, FY08, and FY09 budgets for Enterprise-level MV programs.



Systems and initiatives funded without identified PB08 budgets:

[None]

Note:

IUID includes budgets for Component programs as well as the Enterprise-level management effort. RFID – OSD level oversight funded through OUSD (AT&L)-ODUSD (LM&R) is not shown here. 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 ETP. (FY08 and FY09 budget figures do not include the Marine Corps AIT budget of which RFID is one component.) CBMA MSSM funding includes OSD support costs for CBM transformation.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



Case in Point: Transforming Expeditionary Logistics

Providing the warfighter with improved theater distribution and traffic management capability is a key goal for the Department. In early 2006 USTRANSCOM, in collaboration with its national partners, stood up a Joint Staff directed Capability Based Analysis Team (CBAT) to identify potential near term solutions to achieve the capability sooner than originally programmed in the Transportation Coordinators Automated Information System (TC AIMS II) fielding schedule. The resulting CBAT analyses concluded that other software applications such as the Cargo Movement Operations System (CMOS) could provide a theater distribution management (TDM) capability to the Services sooner and for less cost. Additionally, the CBAT determined that it was paramount to provide, as early as possible, an expeditionary capability for theater in-transit visibility, mobility, and accountability of cargo transiting to the operational area for deployment, sustainment, and redeployment.

Based on the CBAT's recommendations, a solution has been developed, tested and is being fielded as The Portable Deployment Kit, or PDK. The key capability of the PDK is a breakthrough "mobile chokepoint solution" that integrates several Automatic Identification and Data Collection (AIDC) technologies, including bar codes, 2D bar codes, active RFID and Global Positioning System (GPS) location and satellite communications—all in a single, hardened carrying case. PDK's integrated solution bridges infrastructure deficiencies and provides asset accountability to theater and tactical logisticians.

USTRANSCOM worked with industry to develop requirements for the PDK, such as increased memory and a hard drive, to accommodate multiple software applications that support the theater distribution management initiative. These improvements allow greater flexibility for the user to conduct unit move reception, staging, and onward movement requirements or distribution of supplies.

USNORTHCOM's exercise ARDENT SENTRY 07, in May 2007, was the first operational opportunity to test the capabilities of the PDK. USTRANSCOM, with support from the Army G4, Air Force A4, Air National Guard and the CMOS program office, deployed the PDK and PDK operators to Indiana for the exercise. The PDK provided early entry and immediate response to NORTHCOM for receipt, positive control, and visibility of deploying equipment and supplies supporting the disaster scenario. The demonstrated capability of the PDK received an overall enthusiastic response from the entire community, representing a resounding success for the effort.

As the Services continue to transform operations for more flexible, tailored, and expeditionary capability, the PDK will enhance the Joint Task Force commander's ability to rapidly deploy, sustain, retrograde and redeploy in multiple environments across the joint enterprise.



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 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 CBMs access to near-real-time secure, accurate and reliable information on real property assets, and environment, safety, and occupational health sustainability. Accurate and timely data is fundamental to effective management of the assets, and ultimately to military success.

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

Strategy for Real Property Accountability

The Real Property Accountability strategy correlates directly to 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 targets improved awareness of the importance of accurate inventories, enhanced access to real property information, and optimization of resources to improve maintenance and accessibility of 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.

This strategy is driven by top leadership and supported by all Components at all levels. The DoD Components are developing Component-specific implementation plans to integrate these requirements into their operating environments, aligning their business policies, processes, and systems to the RPA capabilities. RPILM actively oversees 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.

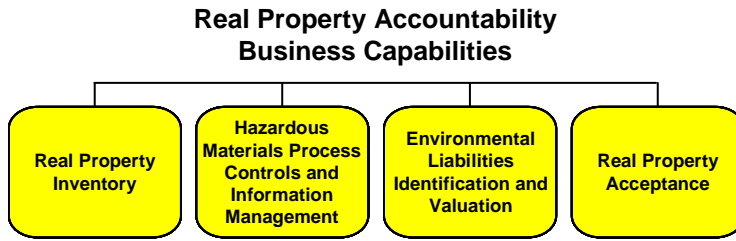
RPA programs are continuing their efforts beyond defining transformation to actual implementation of business process reengineering (BPR) results. Continuing the development of a net-centric data warehouse for the Department’s real property infrastructure and utilization information, timely and accurate real property data will be readily available to support improved decision making. Using common metadata and business rules across Components will ensure that data is authoritative and consistent from Service to Service. Requirements are being standardized for the management of regulatory and chemical hazardous materials data by leveraging the DoD master data capability. In addition, the Department leverages Component applications for enterprise use such as the Defense Logistics Agency’s Hazardous Materials Information Resource System to provide common databases and web-based solutions to improve the reliability and accuracy of real property and environmental information.

Changes Since the March 2007 Congressional Report

The Department has not added to or deleted from the list of target transformation programs for Real Property Accountability.



The following business capabilities will provide Real Property Accountability:



Transformation Programs

Real Property Inventory Requirements (RPIR): RPIR aims to achieve real property efficiencies by standardizing DoD’s data, systems, and processes. Military Services and Defense Agencies are required to implement RPIR’s sustainable business processes and rules, update relevant Service policies, and modify and populate their IT systems with RPIR’s standard data elements by 2009. Many of the Components are well on their way to achieving the 2009 target. When complete in 2009, the RPIR initiative will offer near real-time access to an accurate inventory of DoD’s worldwide assets, providing business owners with enhanced decision making and management tools.

Accomplishments:

- Developed and published standardized metadata requirements to support the development of a net-centric environment for real property data accessibility across DoD.
- Developed mechanisms for measuring execution of RPIR implementation by DoD Components.
- Developed real property accountability business scenarios and associated work flows that further decompose enterprise business processes. This will assist the Services with implementing sustainable business processes.
- Developed Defense Installation Spatial Data Infrastructure (DISDI) standards to document how Services will determine completeness of inventory and eliminate this material weakness.
- Undertook inventory completeness initiative with U.S. Army Corps of Engineers (USACE) addressing environmental liabilities material weakness. Processes and data standards developed by this initiative will facilitate development of a complete inventory of sites and a methodology for demonstration of due diligence.

Near-Term Plans:

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

Environmental Liabilities Recognition, Valuation and Reporting Requirements (EL): To improve environmental liabilities’ reporting, OSD’s environmental and financial subject matter experts reengineered the business process, collaboratively developed a “To-Be” process model and standard enterprise architecture to recognize, value, and report environmental liabilities. OSD is currently working with the Components to integrate the reengineered business processes and data elements into their information technology systems and overall operations. This initiative will enable DoD to provide timely, authoritative, and auditable environmental liability data—reconciled with asset records—for improved financial statement reporting and management of its installation assets.

RPA programs and activities:

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

RPIR
Status at a Glance

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

Approach: The approach includes defining requirements, submitting implementation plans. The final phase is implementation.

EL
Status at a Glance

- Components submit implementation plans – Q4 FY07

Approach: Work with Components on implementation of requirements.



Accomplishments:

- Initiated an EL Mapping and Reconciliation Pilot Project to define and implement a Department-wide reconciliation process and standards to enable Components to demonstrate completeness of EL site records at each installation.

Near-Term Plans:

- Continue to support Component implementation of business process model, standard data elements, data definitions and business rules.
- Analyze implementation plans submitted by Components and validate against their Financial Improvement and Audit Readiness (FIAR) goals.

Hazardous Materials Process Controls

Status at a Glance

- ✓ Completed draft Service Level Agreement (SLA) for Hazmat Data Master
- Final SLA Q2 FY08

Phase I nearing completion; implementation of Hazmat Master Data Capability underway.

Hazardous Materials Process Controls and Information Management Requirements

(HMPC&IMR): The objective of HMPC&IMR is to develop and implement an end-to-end, systematic management process for hazardous materials operations in DoD. The “To-Be” process will reduce risks and improve accuracy and availability of authoritative hazard data by leveraging a cross-BEP partnership with the Logistics Master Data Capability. The initiative is expected to eliminate redundant data purchases, entry, and maintenance burden across DoD. It will improve DoD safety and environmental performance in business processes involving hazardous materials management by providing controls to be implemented in acquisition, logistics, personnel, procurement, and real property business processes.

Accomplishments:

- Partnered with the Defense Logistics Agency to incorporate chemical and regulatory reference data into the Logistics Master Data Capability, as an expansion of the logistics “Item Master.” The resulting “Hazardous Materials Master Data” fulfills the jointly developed standard data requirements for safe and cost-effective hazardous materials management.
- Developed and validated a data construct and business rules to enable unique linkage of hazardous products and material safety data sheets, and initiated discussions with industry regarding implementation. If adopted in the supply chain, the unique linkage will eliminate costly and ineffective local “work-arounds” in DoD.
- Drafted the full set of requirements, including metadata and business rules, to enable implementation of the Hazmat material safety data sheet (MSDS) data requirements in appropriate systems across DoD. Once finalized, the requirements will enable net-centric data management for MSDS in DoD, thereby eliminating redundant data procurement, entry and sustainment costs.

Near-Term Plans:

- Establish a Configuration Support Panel.
- Approve MSDS metadata requirements.

Real Property Assets Database (RPAD): RPAD is the “to-be” central repository of DoD real property inventory data for the OSD. RPAD’s planned net-centric capabilities will support DoD’s entire real property inventory, becoming the sole source for all real property inventory data. Based on the information provided by Component real property systems of record, RPAD allows DoD to quickly and easily understand and monitor its real property assets. It also serves as the authoritative source for external users of DoD real property asset information, including Congress, General Services Administration (GSA), GAO, and auditors.

RPAD

Status at a Glance

- ✓ Developed Physical Data Model for the net-centric data warehouse

Approach: Next key step is achievement of IOC in late 2007



Accomplishments:

- Developed the Physical Data Model for the net-centric data warehouse.
- Implemented testing of the Component Submission Application.

Near-Term Plans:

- Achieve Initial Operational Capability in late 2007.

Real Property Acceptance Requirements (RPAR): This initiative enables visibility of the Department’s real property acceptance activities, ensuring that assets acquired by any method are capitalized at the placed-in-service date by all Components. The lack of consistent processes for real property assets at the point of acceptance resulted in duplicate or erroneous real property asset reporting and valuation. Recording and reporting real property assets in a consistent and timely manner and linking them with DoD’s overall real property inventory results in high quality data for mission planning and operations.

Accomplishments:

- Developed and published metadata requirements for RPAR data element implementation
- Components’ draft RPAR initiative implementation plans completed; review underway to ensure approaches will satisfy RPA objectives.
- Revised Unified Facilities Criteria 1-300-08, Transfer and Acceptance of Real Property, to incorporate RPAR.

Near-Term Plans:

- Develop RPAR implementation milestones based on analysis of Component plans.

Real Property Construction in Progress Requirements (RPCIPR): The initiative will provide Enterprise-wide visibility and consistent processes and data about Construction-In-Progress (CIP) from construction agents to Components, provide accurate and timely CIP information including project status, and comply with requirements for real-time visibility of associated financial information.

Accomplishments:

- Components submitted RPCIPR implementation plans to OSD.
- Developed and published metadata requirements for RPCIPR data element implementation.
- Revised Unified Facilities Criteria 1-300-08, Transfer and Acceptance of Real Property, to incorporate RPCIPR.

Near-Term Plans:

- Monitor, report, and support Component implementation.

Real Property Unique Identifier Registry (RPUIR): Unique Identifiers 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, Service-Oriented Architecture based system to assign and track real property unique identifiers for all of DoD’s real property assets and sites worldwide, consistent with the Real Property Inventory Requirements processes and data standards. In addition to permitting real-time identification and validation of address information on behalf of Business, Intelligence, and Warfighting Mission Areas, RPUIR will improve financial accountability, increase asset managers’ productivity, and improve business intelligence for decision making across DoD.

RPAR
Status at a Glance

- Provide RPAR Component implementation plans to OSD – Q4 FY07

Approach: The approach included defining requirements; final phase is monitoring implementation.

RPCIPR
Status at a Glance

- ✓ Provided CIP Component implementation plans to OSD – Q3 FY07

Approach: Continue monitoring Component implementation.

RPUIR
Status at a Glance

- Complete Asset Registry Q1 FY08

Approach: Next key step in approach is population of Component real property assets



Accomplishments:

- Achieved Full Operational Capability of the Site Registry, including secure interfaces with Military Service RPI systems.
- Achieved Initial Operating Capability of the Asset Registry.

Near-Term Plans:

- Achieve Full Operational Capability of the Asset Registry.

HMIRS

Status at a Glance

- Provide interface to purchased reference data Q1 FY08

Approach: Next key step is to analyze impact and systems changes required for support of Hazardous Materials Process Controls initiative.

Hazardous Materials Information Resource System (HMIRS): HMIRS is DoD's authoritative source for Material Safety Data Sheets (MSDS) and other data needed for transporting, labeling, managing, and disposing of hazardous materials. 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. MSDS data is available to DoD users on the World Wide Web and via compact disk (CD). HMIRS is an automated system developed and maintained by the Defense Logistics Agency (DLA).

Accomplishments:

- March 2007 Tailored CD for Navy, yearly CD provided to users for entire database.
- Built seven interfaces:
 - FLIS – Federal Logistics Information System-is the one two-way interface
 - ERLS – Environmental Reporting and Logistics System - information used for RCRA reporting for DLA and GSA
 - LMP – Logistics Management Program - Army
 - HSMS - Hazardous Substance Management System - Army
 - HSMS software is currently in use on 58 Army bases, 102 Navy stations and three Marine Corp bases. The Army Reserve is currently studying HSMS for possible implementation.
 - JACKS – Joint Acquisition Chemical-Bio-Radiological-Nuclear Knowledge System - OSD/Army

Near-Term Plans:

- Achieve initial operating capability for interface to purchased reference data in the MDC.
- Build five additional interfaces in 2007:
 - MDC – Master Data Capability - DoD
 - WSMR – White Sands Missile Range - Army
 - GCSS – Global Combat Support System - Army
 - RHICS 2.0 – Regional Hazardous Inventory Control System - Navy
 - DSS – Depot Support System - all

KBCRS

Status at a Glance

- Enhancements underway to field additional modules for environmental programs

Approach: Continue to build on capability to generate integrated data to support information management.

Knowledge Based Corporate Reporting System (KBCRS): KBCRS is a secured Department of Defense Information Assurance Certification and Accreditation Process (DIACAP) web-based DoD Information Technology application that 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. Some data is provided to the general public, but most detailed information is reserved for authorized users within the DoD or its



Components as well as authorized users from state and federal EPA offices, Federal Land Managers, and selected Native American tribes. KBCRS includes predefined reports (many published in the Annual Report to Congress) and several user-selectable queries. KBCRS also contains extensive data validation queries and facilities. A powerful ad hoc reporting tool exists for power users.

Accomplishments:

- KBCRS used to generate the cleanup data reported in the Defense Environmental Programs Annual Report to Congress.

Near-Term Plans:

- Complete changes to support data collection and analysis for new Munitions Response Site Prioritization Protocol, which provides improved method for prioritizing cleanup of Munitions sites.

Other Transformational Activities

Geo-enable Location Information: As currently defined within the BEA, location does not contain the level of detail necessary to accurately model geospatial information. This initiative will improve how location information can be leveraged across the Department and allow the BEA to more effectively support the mapping needs of emerging I&E initiatives such as Real Property Inventory, the RPAD, and RPUIR interfaces. Geo-enabling location information requires the integration of the International Organization for Standardization (ISO) geospatial meta-model which will provide a series of building blocks to include a geospatial taxonomy, rules, constraints, and controlled vocabularies.

Accomplishments:

- Identified geospatial requirements for the Real Property Inventory data model.
- Identified geospatial requirements for the Environmental Safety and Occupational Health (ESOH) data model.
- Identified DoD Information Technology Standards Registry (DISR) mandated ISO standards to support geo-enabling location.
- Reviewed Installation Geospatial Information and Services (IGI&S) system architectures and data models.

Near-Term Plans:

- Analyze the ISO 19100 geospatial meta-model series to include the general feature model.
- Identify modeling requirements.
- Develop options for BEA geospatial data modeling.
- Work with the ESOH community to define geospatial elements required in the data modeling.

Enhanced I&E Geospatial Visualization: Current limitations in enterprise discovery, access, and comprehension of I&E geospatial data assets require enhancements to existing DISDI visualization capabilities. This initiative seeks to enrich current geospatial visualization by leveraging the net-centric data strategy goals as defined in DoDD 8320.2. This effort will not only focus on the addition of common geospatial features used across the Components, but will also include key net-centric enterprise capabilities to help reduce redundant acquisition of geospatial resources across the Department. Linkages of Component visualization architectures

Geo-enable Location Information

Status at a Glance

- Analyze ISO geospatial meta-model series

Next key step is to identify modeling requirements and develop options.

Geospatial Visualization

Status at a Glance

- ✓ Established DISDI Geospatial Metadata Profile

Next key step is to integrate SIP map services into the DISDI Portal.



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:

- Coordinated and defined a set of Strategic Installation Picture (SIP) geospatial features.
- Identified initial requirements for Joint Installation Visualization Tool (JIVT).
- Established DISDI Geospatial Metadata Profile.
- Implemented a comprehensive, web-based viewer capable of displaying current maps of major DoD installations to include current unclassified satellite imagery. The map viewer is supplemented by a data discovery and fitness-of-use search tool.

Near-Term Plans:

- Integration of SIP map services into the DISDI Portal.
- Development of technical specification and interface for JIVT.
- DISDI/RPI interface requirements gathering and development.
- Support Component implementation plans for establishing a federated architecture of geospatial data portals.
- Develop a geospatial approach in support of the RPILM system review process.
- Implement net-centric enterprise federated search capability to access content and service metadata to support IGI&S portfolio management.

Implement new ISO 14001 Based Environmental Management System (EMS): One key RPILM objective is to implement new management systems based on the “plan-do-check-act” framework of the international standard for environmental management systems to manage the environment, safety and occupational health (ESOH) aspects of the mission worldwide

Accomplishments:

- 100% of EMS goals, objectives, and targets identified, reviewed, and updated at appropriate facilities.

Near-Term Plans:

- Pursue 100% self-declaration of full conformance with Components’ EMS guidance.

EMS
Status at a Glance

✓ Implemented EMS at all appropriate facilities to meet DoD and Component environmental policies

Approach: On track to implement Safety and Occupational Health Management Systems at all appropriate locations by Q4 FY08.

FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ RPCIPR: Provide CIP policy revisions to OUSD(C) ✓ HMPC&IMR: 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: Complete draft Service Level Agreement (SLA) for Hazmat Data Master ✓ RPUIR: Site Registry software acceptance testing complete ✓ RPCIPR: Submit CIP Component implementation plans to OSD 	<ul style="list-style-type: none"> • KBCRS: Process preliminary FY07 Financial Liability data for Cleanup (Q1) • RPAD: RPAD System initial operational capability (IOC) (Q1) • HMPC&IMR: Establish Hazmat Configuration Support Panel (Q1) • RPUIR: Asset Registry fully operational (Q1) • HMIRS: Test and implement reference data from Master Data Capability (Q1) • KBCRS: Process non-hazardous FY07 Solid Waste data into KBCRS (Q1) • RPIR: Geo-enable Location Information for DISDI (Q2) • RPIR: Joint Installation Visualization Tool fully operational for DISDI (Q2)



FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ RPUIR: Asset Registry System initial operational capability (IOC) ✓ RPUIR: Site Registry fully operational ✓ HMPC&IMR: Submit Hazmat Component implementation plans to OSD ✓ RPIR: Incorporate RPIR Space Management real property data elements in authoritative systems - Air Force (Group 3) for RPIR Implementation ✓ RPIR: Incorporate RPIR Space Management real property data elements in authoritative systems - Army (Group 3) for RPIR Implementation ✓ RPAR: Submit Component RPAR implementation plans to OSD ✓ RPUIR: Asset registry software acceptance testing complete • EL: Components submit final implementation plans (Q4) • EL: Validate alignment of implementation plans with FIAR Plans (Q4) 	<ul style="list-style-type: none"> • HMPC&IMR: Complete final SLA for Hazmat Data Master (Q2) • EL: Complete development of Department-wide EL reconciliation process and standards at the land parcel level (Q2) • HMPC&IMR: Award contract for Hazmat MDC Part 2- Material Safety Data Sheets (MSDS) (Q2) • HMPC&IMR: Finalize Hazmat Component Implementation Plans (Q2) • KBCRS: Establish review and comment capabilities for MMRP sites for authorized users (Q2) • KBCRS: Generate the detailed table data used for the Defense Environmental Programs Annual Report to Congress for FY07 Cleanup data (Q2) • KBCRS: Process FY07 Green Procurement data into KBCRS (Q2) • KBCRS: Process FY07 Installation / Site data for Cleanup (Q2) • KBCRS: Process FY07 Presidential Budget data for Cleanup (Q2) • KBCRS: Update KBCRS Military Munitions Response Programs (MMRP) website with approved FY07 MMRP site list (Q2) • RPUIR: RPAD/RPUIR interface fully operational (Q2) • RPIR: Strategic Installation Picture (SIP) fully integrated for DISDI (Q3) • HMPC&IMR: Hazmat PHD regulatory reference data IOC available for linkage in the DLIS Data Master (Q4) • RPIR: Incorporate RPIR Core real property data elements in authoritative systems - Air Force (Group 1), Army (Group 1), Navy-USMC (Group 1) for RPIR Implementation (Q4) • RPIR: Incorporate RPIR Financial real property data elements in authoritative systems – Army (Group 2), Navy-USMC (Group 2), Air Force (Group 2) for RPIR Implementation (Q4) • RPIR: Incorporate RPIR Grant Specific real property data elements in authoritative systems – Army (Group 4), Air Force (Group 4) for RPIR Implementation (Q4) • RPIR: Incorporate RPIR Linear Facilities real property data elements in authoritative systems - Army (Group 5) for RPIR Implementation (Q4) • HMIRS: Establish HMIRS - MDC interface for MSDS images (Q4) • RPIR: Incorporate RPIR Grant Specific real property data elements in authoritative systems - Navy-USMC (Group 4) for RPIR Implementation (Q4)



Cross-BEP and Component Integration

Implementation of our five reengineering efforts requires partnerships with all the DoD Components at many levels. The Components have already released plans for implementing the data elements, processes, and business rules published in the *Real Property Inventory Requirements* document and the *Real Property Construction in Progress Requirements* document. During the next several months, plans will be submitted for the EL, RPAR and HMPC&IMR initiatives. For each of these initiatives, RPA is responsible for review and approval of the implementation plans. RPA also gave the Components IRB compliance assessment tools and procedures addressing each RPILM initiative. This package, delivered with a memo signed out by the DUSD(I&E), supports the BTA requirement to demonstrate BEA compliance within six months of each system release.

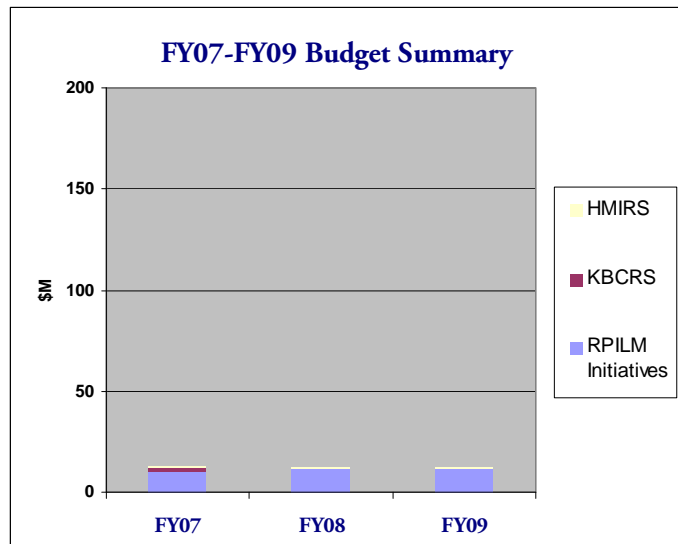
In addition, RPA staff is in constant contact with the Components to provide support and guidance as the Components integrate new requirements into their existing systems and business processes. All five reengineering efforts have been integrated with the other Business Enterprise Priorities during the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

RPILM has a strategic partnership with U.S. Transportation Command to develop the RPUIR.

To accomplish our Hazardous Materials Process Controls and Information Management implementation objectives, we are collaborating with the Defense Logistics Agency to develop a central source of authoritative chemical and regulatory data. We are working to incorporate this data into the Logistics Master Data Capability, an important transformational initiative supporting the Materiel Visibility (MV) BEP. 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.

RPA Budget Summary

The Budget Summary below shows approved FY07, FY08, and FY09 budgets for Enterprise-level RPA programs.



Systems and initiatives funded without identified PB08 budgets:

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

Notes:

The programs listed in the box above on the right are funded by ODUSD(I&E) BEI, and OUSD(AT&L). All of the RPILM initiatives receive funding in support of business process reengineering as well as partial funding for implementation. HMIRS – Funding for this program is provided by DLA. KBCRS – Funding for this program is provided by Army.



For additional details and explanatory notes, please refer to Appendix I on the DBT web-site:
www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html

Case in Point: DoD Approach Identified as Commercial Best Practice

The Department of Defense often seeks the best commercial practices of industry and other government agencies as the foundation of transformational activity. Rarely does industry look to the Department for models of business transformation, but this was indeed the case when the Department developed the Real Property Unique Identifier (RPUID). Industry leaders in utilities, transportation, and real property management provided input to this comprehensive, standardized approach for real property accountability, which has now been declared a commercial best practice.

The RPUID was developed as an essential component of the Department's Real Property Inventory Requirements (RPIR). Published in January 2005, the RPIR advanced several fundamental concepts for real property accountability including management and inventory strategies for both assets and sites at the installation level. Assets are defined as land parcels, buildings, structures, or linear structures. Sites are defined as one or more contiguous parcels of land and/or a collection of buildings, structures, or linear structures. Additionally, the definition of an installation has been standardized to meet management constructs without regard to boundaries. Through the association of assets to sites and sites to installations the Department will accurately account for its real property interests. This organizational and functional concept was incorporated in all Services' real property information systems.

The Department's real property portfolio consists of more than \$700 billion in real property assets, including airports, wharves, warehouses, barracks, cafeterias, offices, tank farms, storage facilities, training ranges, and more. More than 2.4 billion square feet of building space is located on more than 5,300 sites on approximately 32 million acres of land. Therefore, the association of assets and sites required a strong linking mechanism with unique characteristics to cross Service real property stovepipes into functional business areas across the Department. The RPUID was designed for this purpose. It provides permanent unique identification of sites and assets throughout the lifecycle from acquisition to disposal, when the RPUID will be archived and never re-used.

The Services' inventory systems are able to obtain an RPUID for a site from the Real Property Unique Identifier Registry. This Registry stores limited site information. Through Service-Oriented Architecture, more information on a site will be accessible through the Global Information Grid regardless of business mission area. It is anticipated that assets will receive RPUIDs in December 2007 and the detailed asset and site information resident in the Services' real property systems will be increasingly available to others within the Department.

During the initial phase of Registry development, the Open Standards Consortium of Real Estate (OSCRE) approached the Department of Defense to learn more. OSCRE is an initiative of CoreNet, a global organization of real estate professionals. The mission of OSCRE is to facilitate a greater level of coordination, standardization and collaboration across the key stakeholders in the commercial real estate industry. The integration of standardized business processes and data elements presented in the RPIR, in concert with the RPUID, produced a key outcome: integrated, accurate, consistent, and complete real property data available for decision making at a variety of levels. OSCRE and the Department initiated regular weekly working group sessions via web-conferencing to further explore RPUID concepts and applications. As the Registry approached full operational capability for sites, OSCRE held two working group sessions to learn more from the Department on implementation, processes, and technical aspects of the Registry. OSCRE continues to interface weekly with the Department.

At the April 2007 CoreNet Global Summit the Department of Defense RPUID was pronounced as the commercial best practice for real property unique identification. The Department is pleased to have made this positive contribution to both private and other government organizations for use in the commercial real estate industry. The Department will see the benefits of sharing a common data standard with industry in the form of lowered information technology support costs.



FV

Financial Visibility Definition and Goal

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

At the highest level, the goal for Financial Visibility is more efficient and effective decision making throughout the Department and assistance in satisfying the DoD-wide effort to achieve financial auditability.

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:

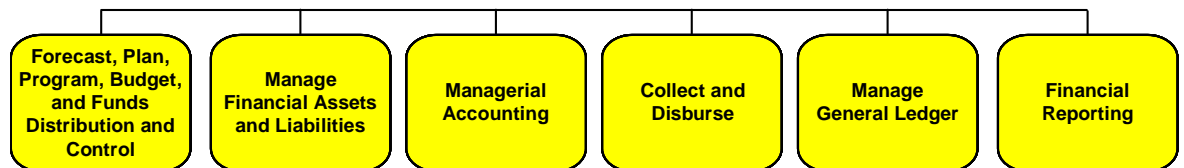
- Defining and implementing a common language—the Standard Financial Information Structure (SFIS). SFIS provides standard definitions, lengths, values, and business rules that enable transparency and interoperability of financial information across the DoD enterprise.
- Implementing compliant financial systems, such as Component ERPs (including the Defense Agencies Initiative, which provides a 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 a system to aggregate financial information and provide Enterprise-wide financial reporting (that system is the Business Enterprise Information Service, BEIS)

Changes since the March 2007 Congressional Report

The Department has not added to or deleted from the list of target transformation programs for Financial Visibility.

FV encompasses the following DoD Business Capabilities:

Financial Visibility Business Capabilities



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

FV programs and activities:

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



The following table depicts Business Capability improvement metrics critical to achieving the objectives of Financial Visibility.

Objective	Metric	Baseline	Current	Goal
Link resource allocation to planned and actual business outcomes and warfighter missions.	Percent of DoD assets (\$) reported using USSGL and SFIS compliant formats (For OMB required assets).	26% Source: DDRS PMO Q2 FY07	26%	100%
Produce comparable financial information across organizations.	Percent of planned DoD business systems that are SFIS-compliant.	0% Source: BTA SFIS Team Q3 FY07	3.2%	100%

Transformation Programs

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

Business Enterprise Information Service (BEIS): BEIS is an enterprise level suite of services to manage the General Ledger and Standard Financial Information Structure. BEIS integrates and modernizes several previously independent systems, Defense Departmental Reporting System (DDRS), Defense Cash Accountability System (DCAS), Defense Corporate Database/Defense Corporate Warehouse (DCD/DCW), and Transportation Global Edit Table (TGET). BEIS provides services for financial reporting, cash reporting and reconciliation, general ledger, reference data, and enterprise business intelligence. BEIS will yield timely, accurate, and reliable financial information and enable comparison of financial data across the Department. BEIS works with other financial management initiatives such as SFIS to provide the information that DoD needs to make more informed financial decisions.

Accomplishments:

- Automated input of Special Interest and Global War on Terror Data in Q1 FY07.
- Delivered master requirements document for cash accountability reporting and fund balance with Treasury reconciliation capabilities in Q2 FY07.
- Expanded SFIS Library to encompass enterprise cost accounting data elements in Q3 FY07.
- Implemented daily trial balances supporting enterprise level business intelligence in Q3 FY07.
- Implemented SFIS compliant Financial Reporting for the following entities:
 - Marine Corps General Funds in Q3 FY07
 - Air Force General Funds in Q3 FY07
 - Air Force Working Capital Funds in Q3 FY07
 - Marine Corps Working Capital Funds in Q3 FY07
 - Navy Working Capital Fund in Q3 FY07

BEIS

Status at a Glance

- SFIS-compliant Financial Reporting – Implementation complete for all Components and Defense Agencies Q4 – 2008

Approach: Integrate several existing systems into a suite of services.



Near-Term Plans:

- Complete BEIS System Development and Demonstration (Milestone B) Review by the Milestone Decision Authority in Q1 FY08.
- Implement the SFIS-compliant financial reporting for Navy General Funds in Q1 FY08, accommodating the Navy's more complex and granular reporting structure.
- Implement the SFIS-compliant financial reporting for Army Working Capital Funds in Q3 FY08.
- Implement the SFIS-compliant financial reporting for Army General Funds in Q3 FY08.
- Complete BEIS Milestone C Review by the Milestone Decision Authority Q4 FY08.
- Complete SFIS-compliant financial reporting for Defense Agencies in Q4 FY08.

DAI

Status at a Glance

- ✓ Approval to begin development – Q2 FY07
- Pilot Go-Live Q2 FY08

Defense Agencies Initiative (DAI): DAI represents the Department's effort to extend its solution set for streamlining financial management capabilities, reduce material weaknesses, improve internal controls, and achieve financial statement auditability for approximately 28 Agencies and Field Activities across the DoD. The objective of DAI is to achieve an auditable, CFO compliant business environment for the Defense Agencies with accurate, timely, authoritative financial data. The primary goal is to deploy a standardized system solution to improve overall financial management and comply with the BEA, SFIS, and Office of Federal Financial Management (OFFM) requirements. DAI provides the following business functions within budget execution: procure to pay; order to fulfill; acquire to retire; budget to report; cost accounting; grants accounting; time and attendance; and re-sales accounting.

Accomplishments:

- Established the Business Operations Leadership Team (BOLT) in Q2 FY07, comprised of representatives from DAI stakeholders.
- Established the DAI Executive Steering Committee (ESC) Governance structure in Q3 FY07, with executive sponsorship from OUSD(C).

Near-Term Plans:

- Initiate Blueprinting phase of DAI in Q1 FY08.
- Achieve Milestone B by the end of the Q1 FY08.
- Determine the Global Model for all Defense Agencies as a result of Blueprinting by Q2 FY08.

EFD

Status at a Glance

- ✓ Approval to begin development – Q4 FY07
- Complete System Development and Demonstration – Q4 FY08

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): The objective of the EFD initiative 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.
- Automated processing of funds authorization documents (FADs).

EFD will minimize duplication of core capabilities across Components and provide visibility both vertically (echelon levels) and horizontally (enterprise-wide). It will employ middleware services to provide integration with legacy funds distribution systems until full migration to a Full Operational Capability enterprise system. EFD will leverage the Standard Financial Information Structure (SFIS) which includes the Organization Unique Identifier (OUID) to provide fully visible funding data (e.g., appropriation, apportionment, etc.) to the Echelon II level.



Accomplishments:

- Completed Concept Refinement and Technology Development phases of the Department's Acquisition development lifecycle.
- Received Milestone A/B decision and approval to proceed to the System Development and Demonstration phase.
- Developed a standard Financial Management OUID alias structure needed for Enterprise funds distribution.

Near-Term Plans:

- Complete System Development and Demonstration phase.
- Design electronic feed of approved Apportionment and Reapportionment Schedule (SF-132) from OMB.

Intragovernmental Transactions/Intragovernmental Value Added Network (IGT/IVAN):

The IGT initiative addresses one of the DoD's material weaknesses (financial eliminations) by way of standardized, consolidated, and integrated processes and system components. It also provides for significantly enhanced visibility into both the buying and selling elements of Intragovernmental transactions within the DoD and between the DoD and other Federal agencies. The total magnitude of intragovernmental activity involving the DOD exceeds \$200 billion per year. Proper accounting for these actions is critical for the department to achieve a clean audit opinion. In addition, recent audit findings have highlighted the need to establish more effective controls over orders with the other federal agencies to avoid potential violations of accounting rules. The IGT effort is a key part of the Department's strategy for these issues.

The IVAN Proof of Concept was initiated to validate the processes, business rules and data elements for reimbursable orders contained in the Business Enterprise Architecture. Component organizations who prepare reimbursable orders participated in using the Proof of Concept system to assess operational suitability. Also being assessed is IVAN's potential as an interim automated tool to both assist in the reconciliation of eliminations discrepancies and provide required visibility over intragovernmental orders. A decision will be made by the end of FY07 on the future of this effort.

Accomplishments:

- Completed test and evaluation of initial capabilities of the IVAN Proof-of- Concept solution for Intragovernmental orders in Q3 and Q4 FY07.
- Validated order creation and acceptance elements of the reimbursable process model as defined in the DoD Business Enterprise Architecture to include data elements, process flows, and business rules.

Near-Term Plans:

- Develop summary findings of the proof of concept document for review by OUSD(C) and BTA.
- Develop alternative options/approaches to determine the path forward /preferred solution for IGT.

Standard Financial Information Structure (SFIS): SFIS is DoD's common business language that facilitates the consistent collection and reporting of financial information. All target business systems must incorporate SFIS. SFIS provides standard definitions, lengths, values, and business rules that enable transparency and interoperability across the DoD enterprise. These standards contain six financial information categories: appropriation, budget program, organization,

IGT/IVAN

Status at a Glance

- Determine preferred alternative solution for Intragovernmental Transactions for reimbursables process – Q1 FY08

SFIS

Status at a Glance

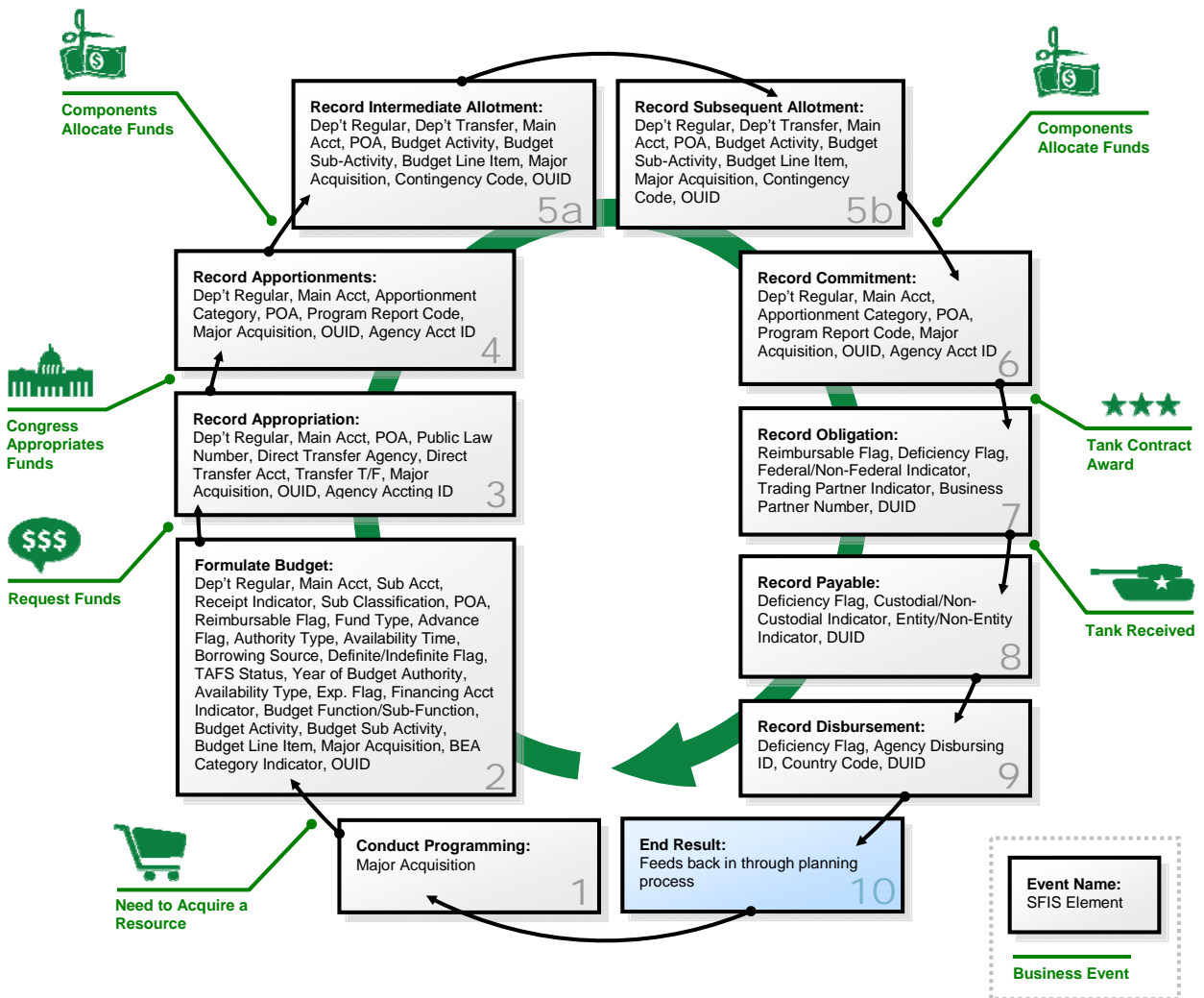
- SFIS on-line training – Q1 FY08
- SFIS ERP standard configuration guidance – Q1 FY08



transaction, trading partner, and cost accounting. The success of SFIS can be attributed to a cross-functional governance board consisting of representatives from the services, OUSD (C), OUSD (P&R), OUSD (AT&L), OSD (PA&E), Defense Agencies and BTA. This governance board provides direction and approves all requirements and changes to the SFIS structure.

The focus of SFIS now is on target business system training and implementation. Training is being accomplished through collaborative work towards an SFIS on-line training application that will be scalable and address various levels of training needs. ERP implementation experts from the BTA's Enterprise Integration team are working closely with all major ERP programs to ensure that standard implementation and configuration is achieved across DoD.

The following example (Figure 3-4) illustrates how the SFIS, once implemented, enables a continuous link and transparent view of financial management information throughout a



transaction lifecycle, such as that for acquiring a tank.

Figure 3-4: Budgeting/Accounting Transaction Lifecycle Example with SFIS

In the SFIS environment, the transaction cycle continues from programming, through disbursement, to output and performance that becomes the input into the next purchasing cycle. SFIS elements are used at each stage of the process.



SFIS enables DoD to trace financial transactions across the enterprise during all phases of the PPBE and finance and accounting cycle. SFIS is a critical component in building fully auditable financial and accounting systems. SFIS also provides more timely and reliable information to support resource decisions within the DoD.

Accomplishments:

- SFIS Phase III: Cost accumulation structure, added 12 new data elements and deleted 1 data element released in BEA 4.1 Q2 FY07. SFIS Phase III has further defined the cost data structure necessary to accumulate the full cost of program and mission operations. Phase III greatly enhances the ability to view program cost across the enterprise to better plan, manage, and measure program enterprise costs to achieve greater accountability and stewardship of the taxpayer's resources.
- Established SFIS compliance criteria for all business systems. SFIS compliance criteria provides DoD Management with an agreed upon 'base' for measuring performance of SFIS transformation activities.
- Completed an enterprise SFIS Compliance Plan that tracks when each DoD business feeder and accounting system will be SFIS compliant. The SFIS Compliance Plan provides the Department's management with a roadmap for better control, forecasting and communication of SFIS compliance activity.
- Established evaluation and tracking mechanism through the IRB – enabling improved governance and management over SFIS transformation investments

Near-Term Plans:

- Focus on SFIS training and implementation in target business systems, now that most of the SFIS requirements have been defined and embedded in the BEA. Training will be provided by an SFIS on-line training application that will be scalable and will address various levels of training needs. The BTA's implementation experts on the Enterprise Integration team are working closely with all major ERP programs to ensure that standard implementation and configuration are achieved across the DoD.
- Develop cost-effective, Department-wide SFIS on-line training to drive change, increase awareness, and facilitate implementation by Q1 FY08.
- Develop SFIS ERP standard configuration implementation guides Q1 FY08.
- Integrate SFIS requirements into OMB Financial Management Line of Business (FMLOB), Common Government-wide Accounting Classification (CGAC).

Other Transformational Activities

United States Standard General Ledger (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. The USSGL SFIS Transaction Library establishes detailed transaction posting guidance that aligns with Treasury's USSGL. The Library incorporates budgetary, proprietary, and memorandum accounts that link specific business events to the appropriate accounting transaction. It also identifies SFIS data elements that are associated with each detail general ledger posting.



Accomplishments:

- Developed integrated, enterprise-wide USSGL SFIS Transaction Library of over 3,000 accounting transactions to support consistent recording of business events.
- Developed supporting case studies and training material.

Near-Term Plans:

- Integrate all SFIS data elements into USSGL SFIS Transaction Library.
- Update USSGL SFIS Transaction Library to incorporate all Treasury and DoD changes.
- Establish enterprise-wide standard chart of accounts policy and guidance for target accounting system implementation.

Laws, Regulations, and Policies (LRP) Repository: Since the inception of the BEA, as mandated by the NDAA, the LRP repository is the single, authoritative reference source of all requirements that constrain the Department’s business operations. This tool links the specific laws, regulations, and policies to the activities, processes, and business rules that carry out these requirements. The 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:

- Compiled approximately 220 laws, regulations, and policies into an automated source as a guide for BEA compliance.
- Established direct relationships with stewards of LRP’s to ensure all updates are immediately identified and incorporated in the Repository.

Near-Term Plans:

- Identify and incorporate all authoritative sources related to Federal Financial Management Improvement Act (FFMIA) compliance in LRP.

FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ DAI: Define POM/Funding Strategy ✓ DAI: Develop Acquisition Strategy - Draft ✓ DAI: Develop To-be CONOPS ✓ SFIS: Finalize SFIS CA Elements ✓ BEIS: Automate Input of OSD Financial Metrics Data ✓ BEIS: Implement OSD Financial Metrics Forecasting Capability ✓ DAI: Milestone A ✓ SFIS: Milestone 1- Completed Cost Accounting Value Structure ✓ BEIS: SFIS-based Financial Reporting - Marine Corps Working Capital Fund 	<ul style="list-style-type: none"> • SFIS: Milestone 2 - Integrated Lines of Business into SFIS (Q1) • IGT/IVAN: Determine preferred alternative solution for Intragovernmental Transactions for reimbursables process (Q1) • BEIS: SFIS-based Financial Reporting - Navy General Fund (Q1) • SFIS: Develop cost-effective, Department-wide SFIS on-line training to drive change, increase awareness, and facilitate implementation (Q1) • SFIS: Develop SFIS ERP standard configuration implementation guides (Q1) • DAI: Milestone B (Notional) (Q2) • BEIS: SFIS-based Financial Reporting - Army Working Capital Fund (Q3) • DAI: Pilot Go-Live (Q3) • EFD: Complete System Development and Demonstration (Q4)



FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ BEIS: Deliver master requirements document for cash accountability reporting and fund balance with Treasury reconciliation capabilities ✓ SFIS: Cost Accounting data standards defined ✓ SFIS: Incorporate Phase III Requirements into BEA 4.1 ✓ BEIS: SFIS-based Financial Reporting - Air Force Working Capital Fund ✓ BEIS: Expand SFIS Library to Encompass Enterprise Cost Accounting Data Elements ✓ BEIS: SFIS-based Financial Reporting - Air Force General Fund ✓ BEIS: SFIS-based Financial Reporting - Marine Corps General Fund ✓ BEIS: SFIS-based Financial Reporting - Navy Working Capital Fund ✓ BEIS: Implement Daily Trial Balances supporting Enterprise Level Business Intelligence ✓ EFD: Milestone A/B Decision 	<ul style="list-style-type: none"> • BEIS: BEIS Milestone C/Full Deployment Decision by the MDA (Q4) • BEIS: Complete SFIS Compliant Financial Report for Defense Agencies (Q4)

Cross-BEP and Component Integration

The BTA is collaborating with Components and Defense Agencies to develop a standard approach for implementing provisions of SFIS and USSGL, as well as a standard approach for integrating these target systems with Enterprise level capabilities. BTA is incorporating SFIS concepts in operational and informational training. Finally, BTA has developed a tool that captures all laws, policies, and regulations (LRP) that drive business operations. To acquire the capabilities above, the Department is implementing the following improvements:

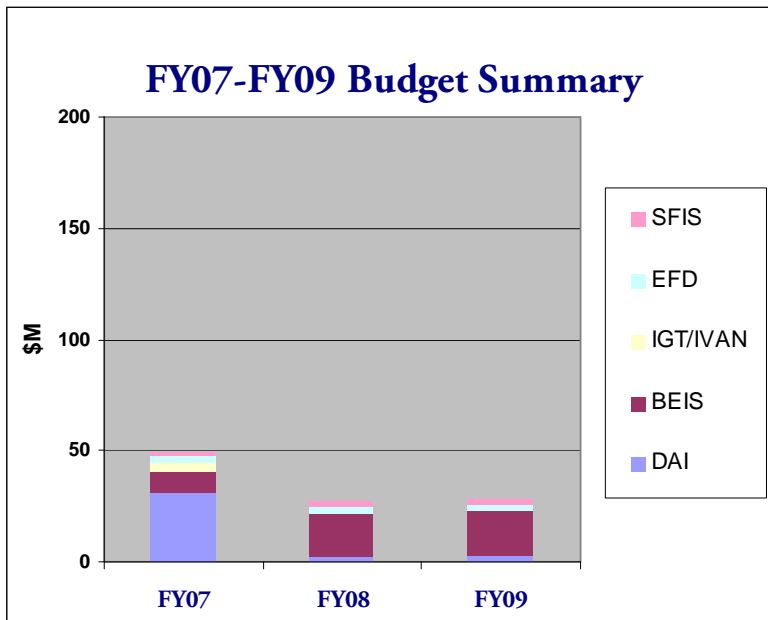
Financial Visibility crosses all core business mission areas – and the Financial Management Core Business Mission area (FM CBM) maintains continuous coordination and collaboration with all other CBMs to ensure delivery of integrated enterprise capabilities. An example of cross-CBM effort to improve enterprise business capabilities is the collaboration between the FM CBM and the Weapon System Lifecycle Management CBM to address the long standing DoD material weakness regarding valuation of military equipment. The ability to produce accurate asset valuations is a key component of this effort. Realization of this specific collaboration is the integration between BEIS and the Capital Asset Management System-Military Equipment (CAMS-ME), both of which are following incremental developmental approaches. During Increment 2, CAMS-ME will continue to leverage the BEIS interface that imports monthly expenditure data from core accounting systems across DoD. CAMS-ME will also have interfaces to receive contract level asset and program information from various DoD systems. Those interfaces will be released in three spirals – representing increasing levels of capability. For instance, Spiral A will replace the manual update of asset status information with an automated process – leveraging the Item Unique Identifier (IUID) Registry.



Representatives of the Financial Visibility Business Enterprise Priority are also actively engaged with the Personnel Visibility Business Enterprise Priority in the development and deployment of DIMHRS. This involvement encompasses developing and deploying a capability for integrating DIMHRS with legacy finance and accounting systems which provide required disbursing, bonds issuance and general ledger capabilities in support of the military pay function.

FV Budget Summary

The Budget Summary below shows approved FY07, FY08, and FY09 budgets for Enterprise-level Financial Visibility programs.



Systems and initiatives funded without identified PB08 budgets:
[None]

Note: These programs are funded from within operating budgets of affected Components and/or the BTA. The DAI plan in the ETP can only be executed if sufficient funding is approved. As of the publication of this document, DAI funding is still pending.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



Case in Point: SFIS Implementation

SFIS, the common business language standard for the DoD, will produce comparable financial information across organizations. SFIS is a key financial visibility transformation initiative essential to the Department's ability to create integrated business systems.

Now that the SFIS standard has been successfully integrated in the BEA, a key focus of Financial Visibility transformation is the successful implementation of the SFIS across all DoD business systems. The IRB is the governance body for enterprise implementation of the SFIS. The foundation for enterprise-level SFIS implementation is the IRB's ability to track the transition efforts of hundreds of disparate business systems. The SFIS Implementation Master Schedule (shown in Figure 3-5) provides the primary management tool for tracking implementation at the enterprise level.

The SFIS Implementation Master Schedule focuses on tracking four implantation categories comprising hundreds of systems. The four categories are: 1) Legacy Business Feeder, 2) Legacy Accounting, 3) Target Business Feeder, and 4) Target Accounting. Over the last 12 months, BTA has collected SFIS compliance implementation plans from the program managers/PCAs of each individual system that fall into one of these categories. These detail implementation plans, including required interfaces, systems being replaced, FFMIA compliance, and SFIS FOC, have been incorporated into the SFIS Implementation Master Schedule to provide an enterprise-level 'snapshot' of the implementation status of each system, sorted by Military Service, Agency, and Field Activity.

During the transition phase, the SFIS Implementation Master Schedule provides a basis for portfolio management. The SFIS Implementation Master Schedule is a baseline for evaluating individual system implementation progress against plan, while providing enterprise level schedule integration and ensuring consistency with the overall enterprise SFIS implantation effort.

While individual systems will achieve SFIS implementation at different times, Enterprise-level implementation, accomplished through the SFIS Implementation Master Schedule, will mark the successful transition from hundreds of disparate business systems to a modern, integrated To-Be DoD financial management environment, providing improved financial visibility through accurate, reliable, and timely financial management information, improved accountability, and improved decision making. A summary of SFIS implementation plans is shown in Figure 3-5. Refer to the FV section of the Enterprise Performance Summary, in the Mini-Appendices or Virtual Appendices, for more detailed SFIS plans including SFIS and FFMIA compliance dates for legacy, feeder, and target accounting systems.



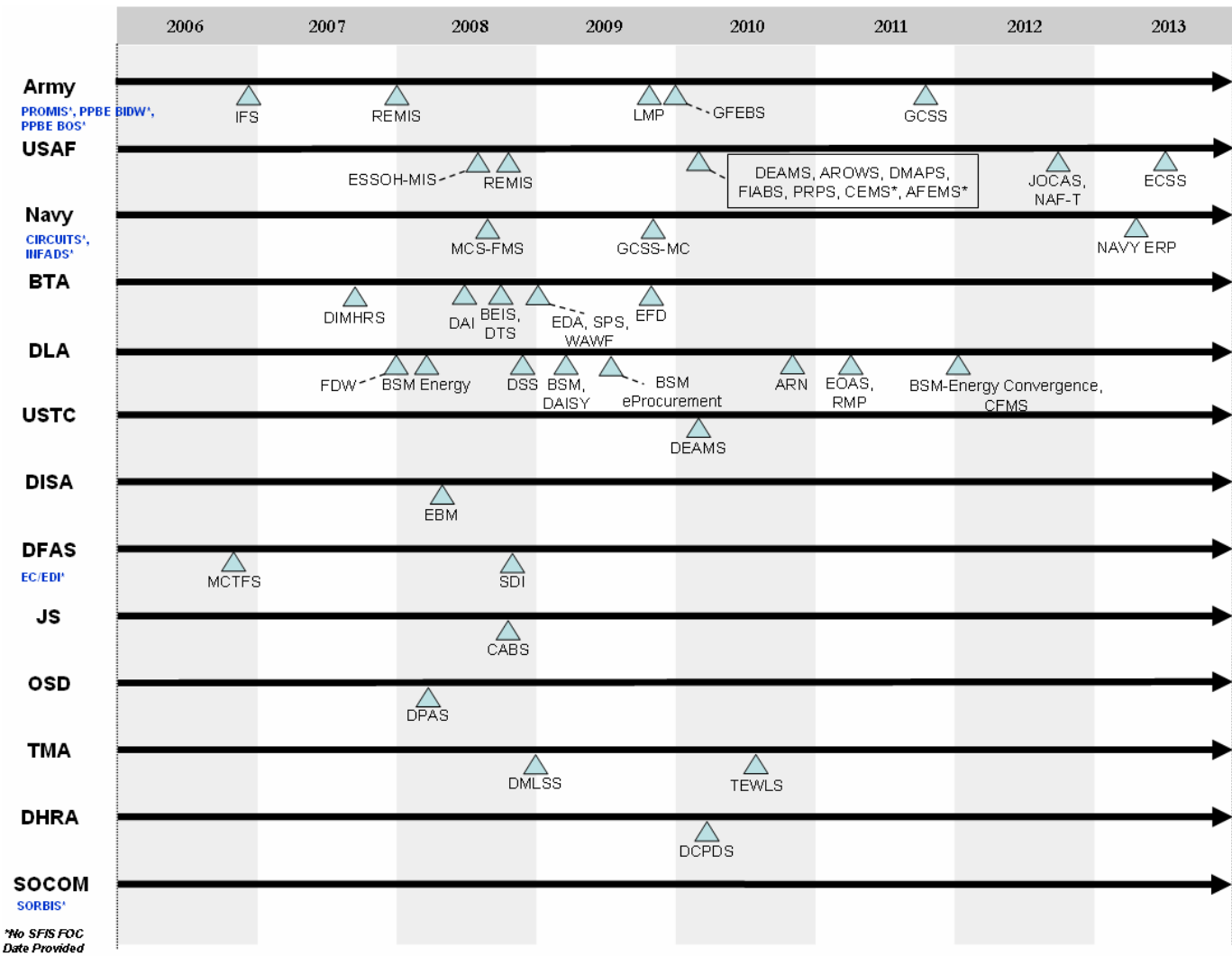


Figure 3-5: SFIS Implementation Timeline



Section IV: Component and Medical Transformation

Chapter 4: 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)

For each Component, and for MHS, the Transformation Plan update covers that Component's transformation vision, goals, priorities, programs, accomplishments since the March 2007 Congressional Report; critical milestones for FY07 and FY08; near-term plans; and a budget summary.

Table 4-1 is a Component budget summary based on the 2008 President's Budget as submitted in February 2007, and includes budgets for business systems and initiatives in this report.

Table 4-1: Component Budget Summary (\$M)

	Component	FY06 & Earlier	FY07	FY08	FY09	Total
Component	Army	2,573.8	527.6	721.1	788.9	4,611.5
	Navy	1,501.8	337.8	334.9	309.2	2,483.8
	Air Force	959.2	383.1	425.2	443.8	2,211.4
	DLA	1,790.1	155.3	153.6	148.2	2,247.1
	USTRANSCOM	57.4	41.2	38.1	57.2	193.8
	DFAS	38.3	8.5	15.5	15.0	77.3
	Component Total		6,920.6	1,453.5	1,688.4	1,762.3
Medical	MHS	1,561.4	276.3	170.8	242.5	2,251.0
	Medical Total		1,561.4	276.3	170.8	242.5



Each Component has designated accountable programs and other investments to help achieve their priorities, as shown in Figure 4-1. For all solutions, deployment involves implementing process and policy changes, training staff, implementing the necessary facility improvements, as well as realigning organizations and roles to the target solution to increase business value.

Some of these systems and initiatives are now fully implemented and are labeled as Fully Implemented Targets in Figure 4-1. Since these are programs that have been fully deployed, the ETP will no longer track milestones and legacy migration information for them. However, since they are now delivering the capability improvements identified in their requirements, the Department will continue to track their contribution to the target environment throughout this document, especially their impact on performance improvement.








 Army	 Navy	 Air Force	 DLA	 USTRANSCOM	 DFAS	 MHS
DLS DTAS eAWPS FBS FCS-ACE GCSS-Army GFEBS LMP PPBE B/DW PPBE BOS TC-AIMS II	GCSS-MC JEDMICS MC FII MSC-HRMS Navy Cash Navy ERP NMCI* One Supply TFAS TFSMS	ACES AF FIP AFRISS DEAMS-AF EBS ECSS EESOH-MIS ETIMS FIRST FM SDM NAF-T PSD	BSM** BSM-ENERGY CFMS CRM*** DPMS*** IDE PDMI*** RMP	AT21 C-JDDOC COP D2 CPA DEAMS DPS DTCI FC IGC JDDOC JDPAC JTF-PO PMA TDM	EC/EDI ERMP-BAM SDI (ADS)	AHLTA DMLSS JEHR
<ul style="list-style-type: none"> ■ Transformational System ■ Transformational Initiative ■ Fully Implemented Target 						

Figure 4-1 Target Systems and Initiatives that Support Component and Military Health Priorities

* NMCI is a fully implemented program in the Enterprise Information Environment Mission Area. NMCI support to Navy business priorities are described in this section, but the program is no longer tracked as an ETP system or initiative.

** The BSM program delivered the Defense Logistics Agency Enterprise Business System (EBS).

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

Chapter 5: Department of the Army

Army Transformation Vision and Strategy

The Army is making dramatic changes in force structure to realize the Army Vision and Mission, by developing soldiers, leaders, and modular forces to ensure the Army remains the preeminent land power on Earth and the ultimate instrument of national resolve.

Army Vision

The Army Vision is to remain the preeminent landpower on Earth – the ultimate instrument of national resolve – that is both relevant to, and ready for, the challenges of the dangerous and complex 21st Century security environment.

Army Mission

The Army Mission is enduring: to provide necessary forces and capabilities to the Combatant Commanders in support of the National Security and Defense Strategies. The Army recruits, organizes, trains and equips Soldiers who, as vital members of their units and the Joint Team, conduct prompt, sustained combat and stability operations on land. The Army is also charged with providing logistics and support to enable the other Services to accomplish their missions, and supporting civil authorities in time of emergency, when directed.

Achieving these aims requires not only operational transformation, it requires business transformation. Our institutional Army is a legacy of the industrial era in which it was developed. We must adopt a culture and orientation to facilitate more responsive, flexible and efficient approaches to supporting the operational Army. The required business transformation includes leveraging the best business models and processes of American enterprise, improving situational awareness, and aligning organizational structures to perform core functions more effectively and efficiently.

Army Business Mission Area Vision

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

Business transformation of the Army requires commitment and constancy of vision to realize significant capability gains and cost avoidance. Essential to the BMA Vision are strong governance enabled by a BMA architecture and IT Portfolio Management (PfM). These are key to developing well-supported business cases that enable IT transition planning. The Business Mission Area aims to operate within a federated architecture that supports the Army with current, authoritative knowledge processed through systems compliant with DoD business, Joint and Army warfighter architectures. Our initiatives to refine enterprise architectures and leverage industry best practices include the Single Army Logistics Enterprise (SALE) and the Single Army Financial Enterprise (SAFE). The Army is also fully engaged in the Department of Defense (DoD) joint program to implement the Defense Integrated Human Resources System (DIMHRS). The Army will employ ERP and Service-Oriented Architecture (SOA) technologies to provide the integration needed for true enterprise capabilities that support end-to-end business operations. The end-state for this transformation is Army IT investments supporting the



warfighter and driven by capabilities-based IT PFM coupled with business transformation initiatives.

Important tools for Army business transformation are Lean and Six Sigma, primary forcing functions for transformation; capabilities-based PFM, which lays out the business processes in a Mission Area Domain against relevant IT systems for the identification of gaps, redundancies, and needs; and Organizational Analysis and Design, which applies proven management principles to missions, management, and organizational structures to achieve necessary change. A major change in business processes used for the development of Major Automated Information Systems (MAIS) has been the use of the Enterprise Risk Assessment Methodology (ERAM) sponsored by the BTA. The Army benefited from the ERAM assessments of GFEBS and GCSS-Army that highlighted vulnerabilities and proposed risk mitigation plans.

Army Business Transformation Overview

The Army's four transformational goals are: 1) increasing situational awareness by establishing an enterprise-wide operating picture and data framework for optimal decision making; 2) improving asset accountability by creating an integrated financial environment and deployable financial management system; 3) enhancing and leveraging Army enterprise-wide synchronization by coordinating DoD, Joint, and Army initiatives to align people, processes and technologies; and 4) improving the IT investment strategy through rigorous investment certification processes and IT Portfolio Management (IT PFM).

Increasing Situational Awareness

Increasing Situational Awareness requires a common operating picture using a common data framework to improve logistics, financial, personnel, and all other business capabilities to optimize decision making across the Army enterprise. A common data framework, implemented through enterprise solutions provides authorized users access to relevant data across the Army Enterprise and aligns with the Army's net-centric data strategy. Army Enterprise solutions provide the technology supporting Situational Awareness. Enterprise solutions represent the vertical and horizontal alignment of people, processes, and technology across organizational and functional boundaries to support delivery of Army capabilities. The technology solutions that support actionable knowledge are comprised of COTS software such as ERP solutions, legacy applications, middleware, data warehouses, custom-developed software solutions, or some combination in an SOA.

The Army's primary ERPs are the General Fund Enterprise Business System (GFEBS), the Global Combat Support System-Army (GCSS-Army), and the Logistics Modernization Plan (LMP).

A common operating picture establishes a unifying view of information across Army mission areas and functional domains to enable decision making. An Army Enterprise common operating picture will align with Joint processes and the DoD Business Enterprise Architecture.



Improving Asset Accountability

Improving Asset Accountability for the Army includes the creation of an integrated financial environment and financial management system. Fully integrated processes that provide timely, accurate and authoritative financial planning, programming, budgeting, execution, and accounting knowledge further enable Army Enterprise-wide asset accountability and enhanced financial decision making. This integration will improve business practices and processes for paying the force and ensuring financial and property accountability.

An integrated financial environment will provide financial data compliant with the Federal Financial Management Improvement Act (FFMIA) and DoD standards through the use of the Standard Financial Information Structure (SFIS), a common format accessible throughout DoD and the Army. This ensures that systems provide accurate, reliable, and timely information.

Enhancing and Leveraging Synchronization

Enhancing and leveraging Army enterprise-wide synchronization involves coordination of DoD, Joint and Army initiatives to align people, processes and technology across multiple components and business processes. A fully integrated enterprise personnel and pay enterprise solution is necessary to successfully manage personnel and pay processes for both military and civilian members.

The Army is implementing the DoD DIMHRS solution in order to effectively manage Soldiers across the full operational spectrum – during peacetime and war, through mobilization and demobilization – by providing accurate and timely data on the number, characteristics, location, and status of all deployed personnel. DIMHRS will provide decision support capabilities that are predictive, will support personnel accounting and strength management, and will provide for timely integration of personnel requirements for deployment, sustainment and replacement operations. Strength accounting and reporting will be available by unit and location for personnel assets in-transit or those scheduled for the combat theater or home station. DIMHRS self-service functions will enable the Soldier to effectively monitor and maintain one centralized, electronic record of service and to initiate human resources action request transactions. Finally, DIMHRS will administer the complexities of pay for Soldiers as circumstances require.

The Army is also implementing logistics processes and systems that provide optimum sustainment support at the critical time to Joint and Army commands. The goal is to provide accurate logistics data and precise forecasting to improve efficiency, reduce costs and allow Army mission planners to make rapid, confident decisions.

Improving IT Investment Strategy

Army IT investment management requires the identification and elimination of stovepiped or redundant systems, identification of capabilities gaps and future requirements, and the selection of best of breed solutions. Additionally, Army IT strategy continues current capabilities through selective investments in bridging systems. Continuous improvement of the Army's IT investment strategy is rooted in rigorous implementation of PfM, enabled by strong governance processes for improved IT capabilities. PfM will utilize IT management tools to improve data quality and reinforce governance structures.



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 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 improvement to decrease operational cost and cycle times, and reduce unnecessary work and rework.
- 6) Strengthen Army IT governance and IT portfolio management, including enterprise-wide, cross-domain synchronization.

Changes Since the March 2007 Congressional Report

The Army added the Enterprise Army Workload and Performance System (eAWPS) to its list of transformation programs. Army priorities have been realigned and combined to focus on one of the transformation initiatives of the Secretary of the Army and Chief of Staff:

The Army will develop an integrated, synchronized action plan NLT August 2007 to adapt or initiate institutional policies, programs, and procedures—and improve business practices—to better support a campaign capable, expeditionary Army at war facing persistent conflict for the foreseeable future.

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

The transformation programs represented by the Army's judicious investment in systems that support this priority will accelerate business system modernization and operationalize the DoD's net-centric data strategy. The fruition of these transformation programs supports 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 because these programs enable streamlined processes to eliminate the need for duplicative functions in legacy systems.

The primary Army programs that support this priority 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)



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.

GCSS-Army consists of two Components: Field/Tactical (F/T) and Product Lifecycle Management Plus (PLM+). GCSS-Army (F/T) will provide the Army’s Combat Support/ Combat Service Support (CS/CSS) warfighter with logistical readiness information and allow the Army to reengineer tactical logistics business processes in accordance with commercial best business practices. At the operational level, PLM+ will be the hub providing enterprise level data management and SALE-related product data, and will act as the data warehouse for the exchange of Tactical and Strategic information with Army Battle Command, joint systems, and DLA and Army national level logistical and procurement systems. The demonstrated capability of the PLM+ solution has established support for expanding the program to provide hub services and master data management for other Army ERP solutions. Expansion of PLM+ functionality will allow it to function as a cross-domain enabler and allow the Army to retire 11 existing automated systems supporting tactical logistics.

Logistics Modernization Program (LMP): LMP is the strategic level building block of the Army’s transformation to a Single Army Logistics Enterprise (SALE). It provides information superiority through real-time visibility of personnel, equipment, and supplies anywhere in the distribution pipeline and within the battlespace. LMP is Army’s core initiative to totally replace the two largest 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 implementation benefits include a reduction in spares inventory; a reduction of inventory obsolescence, storage, and loss; an increase of labor productivity in the Logistics and Acquisition areas; and a reduction of interfaces.

Future Business System: The Army Future Business System (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 an Internet based, web-centric, and federated 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 together Army leaders, systems integrators, and industry partners with an integrated collaborative environment. It supports all FCS program decisions and milestone reviews including preliminary design and critical design reviews.

GCSS-Army
Status at a Glance

- Operational Assessment Segment 1 – FY08
- Operational Assessment Segment 2 – FY09
- IOC – FY10

Approach: Implementing multiple segments concurrently. Increment I, Segment 1, will focus on supply functionality performed in a Supply Support Activity. Increment I, Segment 2 adds maintenance, ammunition and property book functionality.

LMP
Status at a Glance

- ✓ Certification of CFO/FFMIA compliance
- Second Deployment Go Live – Q1 FY09

Approach: Conduct 3 additional enterprise expansions to the rest of the national Army – AMCOM, TACOM, and ASC/JMC as well as implement LMP at Army Installations.

FBS
Status at a Glance

- ✓ Milestone A – Q1 FY07
- IOC for Increment 1 – Q1 FY11

Approach: Implement a Service-Oriented Architecture solution that provides required enterprise functional capabilities in five increments

FCS-ACE
Status at a Glance

- ✓ Development and deployment of capabilities to support FCS SDD activities
- Major upgrade of core COTS product – Q1 FY08

Approach: Developed and deployed in groups of capabilities called blockpoints. Blockpoints 1 to 25 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 modernizes and streamlines DoD movement processes. It provides the link between the Single Army Logistics Enterprise (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. TC-AIMS II also automates the processes of receipt, staging, onward movement, and integration (RSO&I) and will provide movements control and convoy planning and highway scheduling, and mode management.

Priority Accomplishments:

- FBS: Established a prototype Service-Oriented Architecture to exhibit an initial array of enterprise business capabilities to the community, in order to demonstrate flexible access to existing data stores, and to facilitate development of requirements and business case development. This provides the FBS architecture to the community for the purpose of building confidence in the solution and begins a process for refining FBS requirements and exposing opportunities for improvement.

Army Priority #1	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ FBS: Milestone A ✓ TC-AIMS II: Milestone C for Block 3 ✓ LMP: Certification of CFO/FFMIA Compliance ✓ FCS-ACE: Blockpoint 26-30: Development and Deployment of capabilities to support of FCS SDD activities. 	<ul style="list-style-type: none"> • TC-AIMS II: FDDR for Block 3 (Q1) • TC-AIMS II: IOC for Block 3 (Q2) • 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)

Near-Term Plans:

- LMP is blueprinting for the next enterprise expansion as well as planning for a major SAP upgrade. The SAP upgrade to the public sector version allows for SFIS and UID compliance as well as reduces reports, interface, conversion and enhancement complexity.
- GCSS-Army is assessing supply capability through continuous evaluation and developmental testing. The first of these assessments will occur with one Army unit in early FY08. This assessment will provide an opportunity to confirm the supply capability design before entering into the next phase of design for maintenance, ammunition, and property book capability.
- FCS-ACE will perform a major upgrade of core COTS product data management (PDM) software in December 2007 providing significant capability improvements including change management, product structure editing, and visualization.



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. DTAS is a joint personnel solution designed to meet the Army's business transformation goal of enhancing and leveraging synchronization. Its positive impact has already been demonstrated and is articulated further 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 warfighter's status worldwide in the case of DTAS and a common data framework for training programs in the case of DLS.

The primary Army systems that support this priority (in addition to DIMHRS) are:

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

Deployed Theater Accountability System (DTAS): DTAS is the world's first enterprise-wide Secret Internet Protocol Router Network (SIPRNet) personnel tracking system. It provides commanders and personnel specialists with near real-time accountability of deployed military personnel, civilians, contractors, and foreign nationals in-Theater by name, SSN, unit, location, and day, thus providing the SECRET level accountability function currently not available in DIMHRS. DTAS allows tactical units uninterrupted access to data while still updating higher Headquarters when communications are available, and provides a web-enabled application for Theater/Command level personnel to manage units and analyze the data. This visibility is vital in determining the warfighting capability of the Army and subordinate commands within a specific theater. Additionally, DTAS provides deployment history of individual soldiers for historical, medical and analytic purposes. The system is in use by all land component forces (Army and Marine Corps) in the Central Command Area of Operations, and is being extended into the Continental United States.

Distributed Learning System (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. Under DLS, 231 digital training facilities, an enterprise management center, and the Army Learning Management System operate worldwide. Army e-Learning provides 2600+ IT, Business, and Foreign Language Courses through DLS. 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 is an integral component of the Department of Defense Advanced Distributed Learning Initiative, and the Strategic Plan for Transforming DoD Training. DLS enables intra-agency sharing of training data and reduces operating costs through the adoption of commercial practices and products. DLS uses distributed learning to leverage scarce training funds and provide greater agency access to training materials.

DTAS

Status at a Glance

- Version 3.3 expanded to cover additional requirements from Theater. Redesignated as Version 4.0, due for release Q1 FY08
- CONUS DTAS Server Suite online – Q1 FY08

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 Digital Training Campus.



Other Transformational Activities

DIMHRS-Army
Status at a Glance

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

Defense Integrated Military Human Resources System (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 in 2008. DIMHRS is an integrated personnel and pay enterprise solution managed by the Enterprise Program Management Office (EPMO) within the Business Transformation Agency (BTA). ADPO activities include performing requirements and data analysis; preparing existing human resources data for migration to DIMHRS; performing “as-is” and “to-be” business process analysis and development; customizing the user interface; developing training plans and materials; testing system functionality; determining help desk requirements and establishing physical support locations; planning and implementing a deployment strategy and readiness checklist; and communicating important DIMHRS information to targeted audiences, including the 1.3 million Soldiers who will be affected by DIMHRS implementation.

Priority Accomplishments:

- DTAS: Completed successful JCS sponsored pilot test of DTAS as a potential Joint personnel accountability solution.
- DLS: Completed Critical Design Review of the Deployed Digital Training Campus (DDTC). The review included an analysis of hardware, software, telecommunications and business processes needed to satisfy the government’s functional and performance requirements. The outcome of the review was the establishment of a product baseline for the DDTC.
- Army DIMHRS: The ADPO has completed functional requirements for personnel and pay for all Army Components representing approximately 1.3 million warfighters and retirees.

Army Priority #2	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ DLS: CDR for Inc 4 	<ul style="list-style-type: none"> • DTAS: FOC for v4.0 (Q2) • DLS: Milestone C for Inc 4 (Q4) • DTAS: FOC for Theater 2 (Q4) • DLS: IOC for Inc 4 (Q4)

Near-Term Plans:

- DLS: In Q4 FY08, with favorable test results reported by the Army Test and Evaluation Command, the Army will submit Increment 4 for Milestone C Full Rate Production (FRP) Decision Review. In Q4 FY08, with approval of FRP, the Army will begin fielding DDTCs to the deploying brigades.



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

The transformational program and other transformational activities which support this priority further enhance the Army's ability to increase situational awareness. The Future Business System creates a suite of net-centric service-oriented business capabilities that consolidate multiple disparate systems into one common data framework. The Enterprise Army Workload and Performance System consists of multiple applications which create actionable intelligence by aggregating data from the various components. The other transformational activities represent process improvements in conjunction with technology enhancements currently underway to meet the Army business transformation goals.

The primary Army programs that support this priority are:

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

Transformation Programs

Future Business System (FBS): The Army Future Business System (FBS) will improve the accuracy and timeliness of essential management information for decision making by implementing the Army data strategy to ensure enterprise access to authoritative source information. 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.

Enterprise Army Workload and Performance System (eAWPS): eAWPS is a key component of the Army Human Capital Strategy to address the FY 1995 National Defense Authorization Act from the House Report (May 1994), which directed the Army to implement a workload-based management system in all major commands and infrastructure functions. Along with other IT applications, eAWPS will allow agencies to develop plans and programs to either change the nature of work required in the future by applying technology or other change tools, or to change the ways in which the future workforce will be recruited, trained and deployed.

The eAWPS program contains the following applications:

- Enterprise Management Decision Support (EMDS) spans the Army enterprise to draw data from systems of record into a web-based environment designed to support the Army in meeting its readiness and sustainment challenges.
- Resource Management Tool (RMT) allows resource managers to plan, program, budget and execute Army funding in an integrated manner at multiple organizational levels to improve the utilization of available funding and the quality of financial and program management records.
- Work Mapping Tool (WMT) establishes projects and work breakdown structures (WBS), links budget with time attendance data, records status, and produces outcome reporting by leveraging interfaces to RMT and the time collection system. It creates a single thread from budget to plan to accomplished work.
- Army Workload & Performance System (AWPS) enables the Army to manage workforce, workload and budgets more effectively. AWPS is mandated by Congress, certified by the Army Audit Agency (AAA), and designated as the Army's single workload/workforce/manpower determination tool.

eAWPS

Status at a Glance

- ✓ Developed and deployed initial capabilities to support PPBES, NSPS, STAMIS, and senior decision-making activities
- ✓ eAWPS/RMT & AWPS are currently integrated within several commands
- eAWPS/EMDS & WMT prototype release – Q2 FY08

Approach:

Develop and deploy parallel developments in phased fielding using LSS, CPI, CMM, and PMI methodologies.



- Depot Maintenance Operational Program Systems (DMOPS) consolidates depot maintenance requirements from which organizations plan workload and determine unit funded costs. DMOPS also provides the capability to identify inventory of repair parts and components in advance of work inductions.

Other Transformational Activities

Aviation Proof of Enablers (PoE): This is a collaborative effort 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. This effort included assessment and evaluation of the Army’s ability to digitally gather and analyze on-board logistics data, enhance situational awareness and enhance operational and fleet management through common user access.

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. Certain real property accountability information will be acquired and maintained in GFEBS.

Priority Accomplishments:

- FBS: An initial draft of the Capabilities Development Document (CDD) has been developed. It provides much of the material needed to support increment 1 of the FBS and on further maturation, will be submitted into the JCIDS process in December 2007.
- eAWPS/Resource Management Tool (RMT) deployed standardized Funds Control, Budget Execution and Manpower functionality and integrated MPA appropriation within ten Army commands.
- Completed, published and deployed the enhanced eAWPS/Army Workload and Performance (AWPS) utilizing an initial data collection solution based on the deployment of mobile solution technology (FMS) also known as “handheld scanners” within the National Guard.
- Aviation Proof of Enablers: Demonstrated ability to move critical sustainment and operational status information from aircraft and ground platforms autonomously and into a data warehouse environment to provide improved situational awareness for operational commanders and logistics managers.

Army Priority #3	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ FBS: Milestone A ✓ eAWPS: FY08 IRB Approval for EMDS ✓ eAWPS: Program Assessment (M/S A) for EMDS ✓ eAWPS: ATAAPS MOA with ADCF (MOA) (ATAAPS Developer) for WMT ✓ eAWPS: ATAAPS DB Link with DFAS-OK (SIA) (ATAAPS Host) for WMT ✓ eAWPS: Integrated MPA appropriation 	<ul style="list-style-type: none"> • eAWPS: SI Contract Award/Kick-Off for EMDS (Q1) • eAWPS: IMA Beta Testing for WMT (Q1) • eAWPS: IOC Increment 1 for WMT (Q2) • eAWPS: PMC & SPF Modules for WMT (Q2) • eAWPS: Prototype Go-live for EMDS (Q2) • eAWPS: IOC Increment 2 for WMT (Q3) • eAWPS: Phase 1 - ETF/STF Complete for EMDS (Q3)



Army Priority #3

<ul style="list-style-type: none"> ✓ eAWPS: Installation Management Command for WMT ✓ eAWPS: OAA Beta Testing for WMT 	<ul style="list-style-type: none"> • eAWPS: Phase 1 - MTF/TTF Complete for EMDS (Q3) • eAWPS: IOC Increment 3 for WMT (Q3) • FBS: Milestone B for Inc 1 (Q4) • eAWPS: FY09 IRB Approval for EMDS (Q4) • eAWPS: Program Assessment (M/S B) for EMDS (Q4) • eAWPS: Implement WMT and ATAAPS at IMA (key to LSS) for RMT (Q4) • eAWPS: Integrate RMT in the GFEBS design (Q4)
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Near-Term Plans:

- A joint effort with the Navy Post Graduate School and the Defense Manpower Data Center is developing a more powerful workforce aging module to improve forecasting accuracy used in both Army and Navy applications. This effort will be complete within 8 months.
- Establish and continue relationships between eAWPS and selected transformational ERP systems, so eAWPS system obtains single integration points to Acquisition, Logistics, Manning, and Training data repositories.
- Integrate eAWPS modules and applications into Enterprise Management Decision System (EMDS). RMT will implement the Contractor Manpower Equivalent initiative, deploy Resource and Manpower Program functionality, employ an integrated Purchase Request and Budget Tool and integrate RMT in the GFEBS design. These capabilities will provide EMDS with manpower, and financial data via systems of record and AWPS will provide EMDS with Industrial Operations data.

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

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. 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.

The primary Army systems that support this priority are:

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

Transformation Programs

GFEBS: The General Fund Enterprise Business System (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 Single Army Financial Enterprise (SAFE) system of record for the entire Army. GFEBS will also acquire and maintain some real property accountability information.

GFEBS

Status at a Glance

- Milestone B – Q1 FY08
- IOC for Release 1.2: Operational Assessment – Q4 FY08

Approach:

Incremental approach. Currently in the Design Phase for Increment 1.2



GFEBs will be a web-based COTS ERP system that is certified by the Chief Financial Officer's Council (CFOC) and provide the six core financial functions (United States General Ledger (USGL)), Cost Management, Funds Control, Payable Management, Receivable Management, Reports). The ability to perform these core financial functions in a single system will allow the Army to standardize and streamline current business processes making them more efficient and effective in providing accurate information.

The fielding of GFEBs will close deficiencies within today's financial systems such as: lack of transaction-based general ledger controls, non-standard general ledger charts of accounts, lack of integrated, accurate, accessible, relevant in near real-time financial data, lack of traceability of cost transactions, limited visibility of Real Property (fixed asset valuation), and absence of linkage between budget and performance information. GFEBs will replace a minimum of 46 systems by FY2011, while serving over 79,000 end-users at nearly 200 Army resource management organizations around the world.

PPBE BI/DW

Status at a Glance

- IOC – Q1 FY08
- FOC – Q1 FY09

PPBE BI/DW: 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. Among the benefits of PPBE BI/DW are that it supports Army efforts to improve effectiveness and efficiency; gains maximum advantage from existing and future IT system investments; and provides data views centered around mission areas, with specialized user views for senior leaders and analysts. PPBE BI/DW enables cross-functional analysis, what-if drills, modeling, and forecasting. It provides visualization of Army data in easy to understand charts and graphs, with reports and dashboards that are updated automatically.

PPBE BOS

Status at a Glance

- ✓ End to End Analysis; which documented the AS-IS state – Q3 FY07
- ✓ Contract Award – Q4 FY07
- PPBE BOS Enterprise Foundation (Stability Operations) (Increment 1) – Q2 FY08

PPBE Business Operating System (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, and manage change and configuration for the Army PPBEs. This effort supports the architecting, reengineering, streamlining and consolidation of the PROBE database system, several of its feeder database systems, and the interfaces and business processes associated with them.

Logistics Modernization Program (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:

- PPBE BOS: Completed Capability Roadmaps of the desired future-state of the PPBE process to be enabled by PPBE BOS. Capability Roadmaps highlighted 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.
- PPBE BOS: Completed End-to-End architectural systems engineering assessment of current-state detailing process, technology and resource components for the lifecycle of the Planning, Programming, Budgeting and Execution (PPBE) process within HQDA.



Army Priority #4	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ PPBE BI/DW: Milestone C ✓ PPBE BOS: Milestone C ✓ LMP: Certification of CFO/FFMIA Compliance 	<ul style="list-style-type: none"> • GFEBS: Milestone B (Q1) • PPBE BI/DW: IOC (Q1) • PPBE BOS: Capability Package 2: PPB BOS Engineering Guidance & Architecture (Q3)

Near-Term Plans:

- 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 – Q2 FY08
- PPBE BOS: Design, development, and implementation of a Web Portal fully integrated with the Army Knowledge On-line (AKO) and fully Common Access Card (CAC) enabled. This begins to integrate user access through authentication, reduce administrative costs, and streamline various segregated user authentication systems across HQDA – Q4 FY08.
- PPBE BOS: Design, development, and implementation of a common Role Based Access system. This process adds to the AKO, CAC authentication by adding role based user management and security processes to manage HQDA PPBE systems. This begins to integrate customer business processes, eliminate duplicate user management systems, and reduce administrative burden associated with granting user access to numerous business applications process. – Q4 FY08.

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 Lean Six Sigma initiatives.

The primary Army activities that support this priority are:

- Lean Six Sigma programs
- Consolidation of GIS
- Redesign Environmental Lines of Business
- Organizational Analysis and Design (OA&D)

Other Transformational Activities

Lean Six Sigma (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 in a quality and timely manner. 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. LSS is the primary forcing function for business transformation in the Army.



Consolidation of GIS: Installation Geospatial Information and Services (IGI&S) 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. For example querying the Army's real property assets impacted by environmental liabilities such as underground storage tanks, lead-based paint, etc delivers a graphic representation of all such areas corresponding to the search criteria. This activity will improve the delivery of installation-based GIS services across the Army by:

- Consolidating installation systems with redundant functions;
- Improving business functions by eliminating redundant business processes and data;
- Increasing performance and systems functionality by migrating remaining GIS systems to a single GIS node.

Redesign environmental lines of business: 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): 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 on the work that organizations perform and what higher levels of command do to support that work. OA&D seeks to align work at the proper levels and construct organizational structures to support the performance of that work. This alignment may result in the movement of assets (manpower & financial) between organizational layers and sometimes identifies savings, but always returns a more effective organization.

Priority Accomplishments:

- The prestigious Shingo Prize for Excellence in Manufacturing recognizes business excellence based on world-class quality, cost and delivery achieved through lean principles and techniques. In 2006, Army depots were awarded four Shingo prizes for their results in using Lean Six Sigma to reduce process cycle time, increase efficiency and productivity, and reduce defects.
- Other LSS accomplishments:
 - Reduced time to publish Permanent Orders (e.g., change of station or inactivation of a unit) from 19.5 days to 3.7 days.
 - Completed effort on the Army Cost Analysis Requirements Description (CARD) process that resulted in a reduction in manhours from 4,300 to 3,000 per CARD processed.
 - Reduced the time to recall retirees to service from 82 days to 46 days providing more rapid support to the warfighter.



- Soldiers, veterans, and their families need corrected records in as short a time as possible to correctly document their military service and obtain appropriate benefits. The Army Discharge Review Board receives 1800 cases a year for review and had a backlog of more than 1398 cases with a projected backlog of 2061 at the end of the year. LSS project (LD01390) was completed that reduced the Army Discharge Review Board's average review cycle time from 33 days to 18 days, reduced the backlog of cases by 37% (from a projected 2061 to 1280) while increasing weekly case review production capacity by 50% from (29 to 45 per week).
- An OA&D study of the Installation Management Command (IMCOM) was completed in December 2006. Implementation of the study findings is ongoing and once completed is designed to produce a more efficient organization with significantly reduced overhead.

Near-Term Plans:

- Certify 200 internal Master Black Belts in FY07 and 1,000 by FY08 as the Army's long-term stewards of transformation. Master Black Belts mentor Black Belts and teach Lean Six Sigma practices, as well as providing enterprise-level, cross-functional project expertise.
- Integrate the LSS Program Of Instruction into other Army education opportunities.
 - Continue to include 12 hours of integrated LSS instruction in the Civilian Education System Advanced Course.
 - Present Project Sponsor Workshop to, and integrate with, Judge Advocate General Warrant Officer Basic and Advanced Courses.
 - Insert LSS instruction into Army Logistics Management College's Operations Research/Systems Analysis Military Applications Course (ORSA-MAC).
 - Integrate Green Belt training into AMC's Fellows Program.
 - Embed a culture of continuous process improvement with a proliferation of Green Belts; 500 in FY07 and 3,000 in FY08.
- The IMCOM study to conduct a deeper review of the IMCOM Garrisons began in April 2007 and will align with the Organizational Analysis and Design study of the Training and Doctrine Command (TRADOC), which also began in April 2007. These two studies are expected to be finalized in the December 2008 timeframe.
- OA&D analysis and design work will continue to apply widely accepted organizational design principles to attack overhead and improve frontline operating efficiencies within Headquarters Department of the Army through December 2008. Base Realignment and Closure (BRAC) implementation will factor heavily into the focus and timeline for organizational assessments to preclude the relocation of redundancies or unnecessary military construction.
- OA&D will conduct executive leader sessions during a collaborative rewrite of Headquarters Department of the Army (HQDA) General Order Number 3, Assignment of Functions and Responsibilities within the Army Secretariat and Staff Agencies.



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.

The primary Army activities that support this priority are:

- Enterprise Architecture activities

Other Transformational Activities

The Army Acquisition domain is using enterprise architecture to augment and enable its portfolio management activities. By mapping between 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 Lean Six Sigma 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

- Since January 2006, the Acquisition Domain has identified and reduced the number of redundant systems by 55% (97 systems) going from 176 to 79 systems.

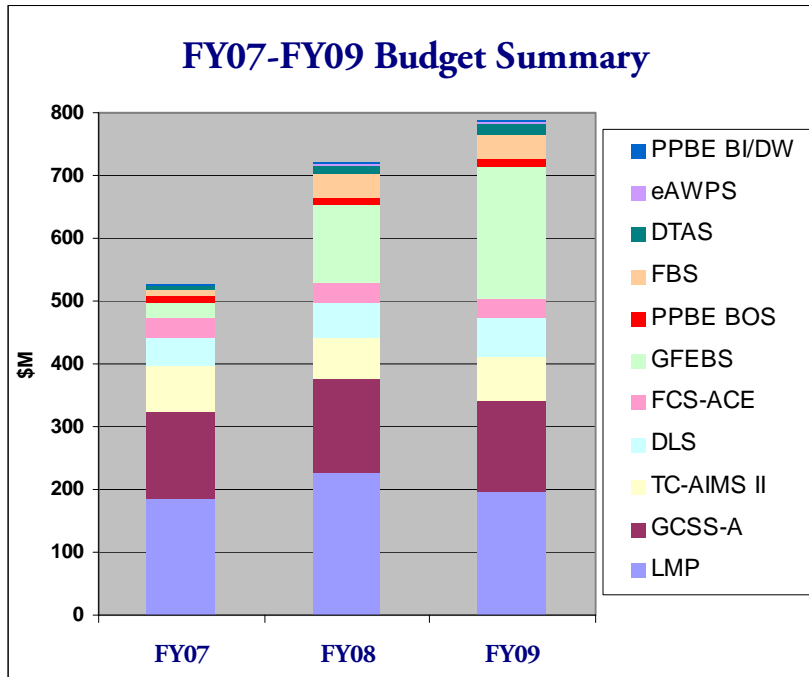
Near-Term Plans:

- Publish the annual update (FY08) to the Army Logistics Domain's Investment Technology (IT) Strategic Plan, which lays out the vision for the Single Army Logistics Enterprise (SALE), and the alignment of Army Distribution Architectures with Joint Distribution Processes.
- Publish the annual update (FY08) to the Army Logistics Domain's Investment Technology (IT) Implementation Plan, which lays out specific tasks, sub-tasks, and milestones for each program associated with the SALE, and for Domain IT Portfolio Management.



Army Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for Army programs.



Systems and initiatives funded without identified PB08 budgets:

[None]

Notes:

1. The budget figures for TC-AIMS II reflect only the Department of the Army program elements.
2. DTAS shares a budget line with eMILPO, thus the budgeted Army dollars are split. Dollars reflected here represent only the DTAS portion.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_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 infrastructure 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.



Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
						●	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.
						●	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.



Program/Activity	PV	AV	CSE	MV	RPA	FV	Impact
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. (FV): 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.
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 receipt, 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.



Case in Point: DTAS Provides Unparalleled Ability to Track Soldiers in Theater

The Deployed Theater Accountability System (DTAS) is a web-enabled system for managing, tracking, and accounting for all personnel—including civilian contractors and foreign nationals—in Iraq, Afghanistan, and other deployed environments.

In 2003, “It took 24 man hours a day to add up all the spreadsheets to tell General Abizaid where the soldiers were,” said Lieutenant Colonel John Kilgallon, product manager for DTAS¹. DTAS now provides the Army with the priceless ability to account for the Service’s most valuable resource: its Soldiers. DTAS gives the Army as great a capability to track Soldiers as it does rifles, Humvees, and tanks.

DTAS is the first Service-sponsored system to reside on the Pentagon Secret Internet Protocol Router Network, or SIPRNET. “For the first time ever, the Army now knows exactly where a soldier is,” says Kevin Carroll, the Army Program Executive Officer for Enterprise Information Systems. “In Desert Storm, there was trouble when they believed chemical weapons had been used, but they didn’t know where people were or what they might have been exposed to. We didn’t have records of where individual soldiers were. Now we have a record of where everyone is every day. Even if they go somewhere, it records where they went. It’s not a GPS system, so a person might have gone off somewhere. But we can pin pretty closely where everyone has been at all times in theater. So the Deployed Theater Accountability System has been a big success.”²

According to Army Lieutenant Colonel Terri Campbell, head of the Design and Development Branch of the Adjutant General Directorate's Field Services Division of HRC, DTAS was designed with “the absolute bottom line that accountability is the foundation for any support or service that the deployed commander needs to succeed operationally. If you don’t know who you’ve got, where they are, and what skills they have, then you’re on shifting sand.”³ DTAS automates a simple morning report and rolls it into an intuitive summary statistic report, said Lt. Col. Marcus J. Messina, DTAS team leader in the Marine Corps. “This effectively eliminates the requirement of generating dozens of stovepipe reports at the lower levels of command, and ensures data quality by physically matching a Social Security number to each strength statistic report,” he added.⁴

DTAS allows users to retrieve information generated days, hours, or minutes earlier by tactical units on the battlefield. DTAS requires constant updating of the underlying database to allow near real-time visibility as Soldiers move within the theater and when they leave the theater. DTAS is a classified extension of the Army’s Electronic Military Personnel Office system (eMILPO).

¹ Jason Miller, “Finding a ‘soldier in a haystack,’” *Government Computer News*, 3/7/07

² Harrison Donnelly, “Procurement Visionary: Delivering Results for the Warfighter,” *Military Information Technology*, April 10, 2007, Volume 11, Issue: 3,

³ “Accountability software tracks troops in combat zone,” *Army Logistician*, Sept-Oct, 2005, Volume 37, Issue 5

⁴ Dawn Onley, “Marine Corps joins Army in rolling out personnel tracking application,” *Government Computer News*, 3/7/05



Chapter 6: 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.

Naval Power 21. The Navy and Marine Corps exist to control the seas, assure access and project power beyond the sea, and influence events and advance American interests across the full spectrum of military operations. As expressed in our keystone vision document, *Naval Power 21*, naval forces are characterized by four fundamental qualities:

- **Decisiveness:** Every element of the Navy-Marine Corps team will be equipped, organized, and trained to bring decisive effects to bear against our adversaries.
- **Sustainability:** We are capable of arriving quickly and remaining on scene for extended periods.
- **Responsiveness:** Naval forces operate around the globe, around the clock. Operating from the sea, we are free of basing or permission constraints.
- **Agility:** Our flexible organization enables scalability to the requirements of any situation.

These essential qualities have remained constant, though the Navy and Marine Corps have always changed, adapted, and transformed to meet emerging threats and respond to evolving requirements. Looking to the future, we expect that naval forces will be more widely dispersed than in the past, yet by leveraging technology and innovation they will be fully netted and capable of simultaneous sea control, strike, forcible entry, special operations, sea based missile defense, strategic deterrence, and maritime interdictions. This broader, more complex mission, coupled with constrained resources, will require us to operate with a smaller number of Sailors and Marines that are better trained, better educated, and more motivated than ever before.

Enhanced sea basing and dispersed logistics will enable us to sustain our forces' warfighting capability and continue American influence as long as necessary, wherever we are called upon to deploy. By becoming a more effective and efficient enterprise and implementing innovative business initiatives, we will free resources for reinvestment in improved warfighting capabilities. The Navy and Marine Corps have defined their respective Service strategies for achieving the *Naval Power 21* vision in *Sea Power 21* and *Marine Corps Strategy 21*.

Sea Power 21 defines a Navy with three fundamental operational concepts: Sea Strike, Sea Shield, and Sea Basing, enabled by a robust information technology component, **FORCEnet**. Respectively, they enhance America's ability to project offensive power, defensive assurance, and operational independence around the globe. A supporting triad of initiatives – **Sea Warrior**, **Sea Trial**, and **Sea Enterprise** – will develop those core operational concepts.

- **Sea Basing** projects the United States' sovereignty globally while providing Joint Force Commanders with vital command and control, fire support, and logistics from the sea, thereby minimizing risk to vulnerable assets ashore.
- **FORCEnet** is an architectural construct designed to include standard joint protocols, common data packaging, seamless interoperability, and strengthened security, to enable the



swift and effective use of information that is foundational to Sea Power 21 and Naval Power 21.

- **Sea Warrior** is the process of developing 21st century Sailors. It identifies the knowledge, skills, and abilities needed for mission accomplishment; applies a career-long training and education continuum; and employs a responsive, interactive career management system to ensure the people with the right skills are in the right place at the right time.
- **Sea Trial** is a continual process of concept and technology development through focused wargames, experiments, and exercises. It strengthens the Navy's culture of innovation and accelerates the delivery of enhanced capabilities to the Fleet.
- **Sea Enterprise** promotes change to more efficient methods of doing business through reengineering and incorporation of new technologies. This effort captures efficiencies by employing lessons from private business transformation to assess organizational alignment, target areas for improvement, and prioritize investments. Navy ERP will be the key enabler for business process transformation and generation of enterprise wide savings to support the planned recapitalization of naval forces.

Marine Corps Strategy 21 defines a Marine Corps tailored to answer the Nation's call at home or abroad. It provides the vision, goals, and objectives supporting development of enhanced strategic agility, operational reach, and tactical flexibility for joint, allied, and coalition operations. These capabilities will continue to provide the regional Combatant Commanders with scalable, interoperable, combined arms Marine Air-Ground Task Forces (MAGTF) that shape the international environment; respond quickly across the complex spectrum of crises and conflicts; and assure access or prosecute forcible entry where and when required. To execute this strategy, the operational concept of Expeditionary Maneuver Warfare (EMW) and its family of supporting concepts provide the basis for a Marine Corps that is organized, trained and equipped to conduct maneuver warfare in a joint and multinational environment. The implications of Marine Corps Strategy 21 and EMW for MAGTF Command and Control (C2) are significant and wide-ranging. EMW requires highly decentralized MAGTF C2 that still conveys Commander's Intent in a fluid and constantly changing area of operation.



Figure 6-1: DON Business Transformation

Department of the Navy Business Transformation Overview

In these times of fiscal constraint, the Department of the Navy (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 will apply 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 top business priority will be to identify and protect the resources required to sustain our naval forces' core capabilities. Protecting those resources will require aggressively reducing overhead, streamlining processes, enhancing networking, scrutinizing procurement plans and contracting strategies, ending non-value added activity, and creating meaningful incentives for Navy people to become agents of change.

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. To effect this change, the Marine Corps will employ:

- Education and Communication. The development of effective and comprehensive strategic plans, training and education of the workforce, and improved management of organizational knowledge.
- Accountability. Improved management information systems associated with reform will provide commanders the information to make improved fact-based decisions and to hold their subordinate leaders accountable for expected goals and targets defined in strategic plans.
- Skill Development. The Marines and Civilian-Marines responsible for managing the Business Enterprise require a suite of business skills to enable them to achieve expected outcomes.
- Incentives. Future Marine Corps plans will increase focus on incentives to change culture and positively drive reform.

To support Navy and Marine Corps business transformation efforts, the DON's priorities are to:

1. Create a Seamless Infrastructure
2. Create Optimized Processes and Integrated Systems
3. Optimize Investments for Mission Accomplishment
4. Transform Applications and Data into Web-based Capabilities to Improve Effectiveness and Gain Efficiencies
5. Align Business Mission Area Governance to Further Transformation Goals



Changes from March 2007 Congressional Report

Several transformational DON investments and initiatives that have been featured since September 2005 have reached stages of maturity in which they will no longer be highlighted:

NMCI: With the approval of a One Time Payment in October 2006, NMCI reached a point equivalent to FOC, leading to the decision to remove the initiative from the list of target transformation programs.

AIT: DON AIT efforts are part of the larger DoD AIT implementation, described elsewhere in this ETP, and so AIT was removed from the highlighted group in favor of more DON-specific efforts.

NTCSS: With MDA approval of its Optimized Organizational Maintenance Activity fielding decision in April 2007, the Navy Tactical Combat Support System program reached a level of maturity that led DON to remove it from highlighted status, in favor of investments in more dynamic stages of development.

Other DON investments have reached critical stages in their lifecycles and are highlighted in the DoD ETP for the first time: the Joint Engineering Data Management Information Control System (JEDMICS), the Military Sealift Command Human Resource Management System (MSC-HRMS), One Supply, and the Marine Corps' Total Force Structure Management System (TFSMS). Descriptions of these systems may be found under Priority #2.

Navy Priority #1: Create a Seamless Infrastructure

Swift and effective use of information will be central to the success of our future operations. Near-instantaneous collection, analysis, and dissemination of information, coupled with computer-driven decision aids, will enable joint force commanders to make more informed decisions that will focus overwhelming offensive and defensive firepower over tremendous distances from widely dispersed forces. Integrated intelligence from joint military, interagency, and coalition sources will enable us to identify and neutralize threats far from our shores, locate and destroy anti-access challenges in littoral waters, and engage adversaries on land and in the air. Compiled data will inform critical functions, such as joint command and logistics, ensuring operational effectiveness and timely support.

The DON continues its information technology infrastructure rationalization effort, the result of which will be a core set of networks that support the Navy-Marine Corps team. ONE-NET (OCONUS network), Integrated Shipboard Network System (ISNS – afloat network), the Marine Corps Enterprise Network (MCEN), and the Navy Marine Corps Intranet (NMCI) form the nucleus of a consistent naval network infrastructure that enables effective, consistent standards and information access to Department of the Navy personnel around the globe.

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, and DON Civilians and contractor support personnel in the Continental United States, Hawaii, Guam, Puerto Rico, Cuba, and Japan. NMCI is a key component of the DON's strategy for achieving net-centricity. Unquestionably, one of NMCI's greatest values is improved security. NMCI was the first network to implement DoD's cryptographic log on (CLO) requirement, blocks an average of nine million spam messages and traps, quarantines and disinfects seventy thousand viruses, and detects 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. NGEN will support the full spectrum of Navy and Marine Corps warfighting and warfighting-support missions and functions. Realizing NGEN will require transforming our people, business processes, and information architecture to better support our military forces. We will aggressively plan, develop, implement, operate, and sustain our current network infrastructure as we move to the future that is NGEN.

Priority Accomplishments:

- Achieved One-Time Payment for NMCI. Per contract, the OTP is equivalent to an Acquisition system's FOC. NMCI provides U. S. shore-based Sailors and Marines secure, universal access to integrated voice, video and data communications.

Near-Term Plans:

- Continue legacy network consolidation and termination in preparation for transition from NMCI to NGEN.
- Produce an NGEN Strategy and CONOPS to guide the development and prioritization of requirements and acquisition activities through the transition into a net-centric enterprise environment.
- Produce policy, guidance, and processes necessary to implement the NGEN Strategy and CONOPS.

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 (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
Status at a Glance

- ✓ Milestone C – Q4 FY07
- NAVAIR “Go Live” – Q1 FY08

Approach: Incremental implementation. Increment 1.0 is the Financial & Acquisition increment. Concurrently, the program is integrating functionality to develop the Single Supply Solution (Increment 1.1).

The Navy established **Navy ERP** to transform and standardize its business processes for key acquisition, financial, and logistics operations. Navy ERP combines business process reengineering and industry best practices, and, supported by Commercial Off-the-Shelf (COTS) software, integrates all facets of an enterprise, using a single database to manage shared common data. Navy ERP is built upon four successful ERP pilot projects that executed focused business transformation for limited user groups. One pilot, SMART, has been retired. The three remaining pilots (SIGMA, CABRILLO and NEMAIS) continue as production systems supporting over 23,000 users until replacement by Navy ERP. Plans call for SIGMA and CABRILLO to retire in FY08.

Navy ERP will be a major component of the Navy's Global Combat Support System family of systems and will provide a critical link between operating forces and support activities. Navy ERP will:

- Reduce overall costs by applying proven industry best practices and processes and replacing legacy IT systems.
- Facilitate an end-to-end supply chain solution.
- Facilitate an end-to-end solution for receiving requests for resources 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.

GCSS-MC
Status at a Glance

- ✓ Milestone B – Q3 FY07
- IOC – Q1 FY09

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

GCSS-MC implements a logistics enterprise IT architecture designed to support enhanced air/ground and Joint Task Force Commander combat support information requirements. The first increment, Logistics Chain Management Block 1 provides core capabilities for order management, request management, inventory, and maintenance management. 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 will facilitate shorter supply cycles and more efficient delivery, employing lessons learned from Operations Desert Storm and Iraqi Freedom.

JEDMICS is a management system for the control and distribution of engineering drawings and related technical information that jointly serves the Army, Navy, Air Force, Marine Corps and DLA activities. JEDMICS manages over 80 million engineering drawings used to support maintenance, repair, procurement and reengineering functions. It provides digital, on-demand access to information formerly contained on aperture cards and paper. A key element of JEDMICS is the conversion of repositories for engineering data—which include both drawings and documents—into digital format and storing the data on optical disk to support changes in depot maintenance processes.

JEDMICS
Status at a Glance

- Release 3.9 – Q1 FY09

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

MSC-HRMS
Status at a Glance

- ✓ FY07 Release – Q4 FY07
- FY08 Release – 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.



The Navy is developing **One Supply** 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.

One Supply
Status at a Glance

- Complete tech solution determination – Q2 FY08

TFAS
Status at a Glance

- ✓ Retired IMPROMPTU – Q1 FY06
- Drill accounting module – Q3 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 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.

TFSMS
Status at a Glance

- Milestone B – Q4 FY08

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:

- Achieved Acquisition Milestone B for GCSS-MC Logistics Chain Management (LCM) Block I.
- Obtained fielding decision for the Optimized Organizational Maintenance Activity (OOMA) module of Navy's NTCSS.

Navy Priority #2	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ GCSS-MC: Milestone B for LCM Block 1 ✓ MSC-HRMS: FY07 - Application Upgrade ✓ Navy ERP: Milestone C 	<ul style="list-style-type: none"> • Navy ERP: Begin Echelon I Deployment for Fin & Acq Inc Release (Q1) • Navy ERP: IOC/Begin NAVAIR HQ Deployment for Fin & Acq Inc Release (Q1) • Navy ERP: Begin Air Warfare Center Deployments for Fin & Acq Inc Release (Q1) • Navy ERP: Retire SIGMA Pilot (Q1) • TFSMS: CDD Final (Q2) • TFSMS: Fleet Rollout (Q2) • Navy ERP: Critical Design Review for Whole. & Reg. Sup. Inc Release (Q2) • One Supply: Determine Technical Solution (Q2) • TFSMS: GFM DI Block 1 IOC (Q3) • Navy ERP: Begin SPAWAR Financials HQ Deployment for Fin & Acq Inc Release (Q3)



Navy Priority #2

- Navy ERP: Test Readiness Review for Whole. & Reg. Sup. Inc Release (Q3)
- Navy ERP: Retire CABRILLO Pilot (Q4)
- MSC-HRMS: FY08 - System Development (Q4)
- TFSMS: IOC Block 2 (Q4)
- TFSMS: Milestone B (Q4)

Near-Term Plans:

- Navy ERP Financials & Acquisition deployment to NAVAIR and SPAWAR HQ.
- JEDMICS Release 3.9, incorporating changes required to support Internet Protocol Version 6 (IPv6) and COTS software upgrades.
- Complete determination of appropriate technical solution for One Supply program.
- TFAS: Complete Drill Accounting Module to enable transfer of USMC Organized Reserve drill accounting to TFAS.
- TFSMS GFM Block1 IOC. IOC for TFSMS Global Force Management module supporting Joint Staff Global Force Data Initiative.

Navy Priority #3: Optimize Investments for Mission Accomplishment

The DON is committed to acquiring Naval IM and IT investments as efficiently as possible to make resources from efficiencies gained available for 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.

Transformational Programs**Navy Cash**

Status at a Glance

- 11-18 ship installations planned for FY08, depending on ship availability
- FOC – Q4 FY09

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 US Navy/US Treasury program, Navy Cash combines chip technology and a magnetic strip that virtually eliminate the need for Sailors and Marines to carry cash at sea. Service members carry Navy Cash cards that contain chip based, secure, electronic purses enabling cashless environments aboard ships, and magnetic strips providing for prepaid debit access to funds in the users' Navy Cash accounts. Navy Cash cards are branded, and can be used at ATMs and merchants worldwide, wherever MasterCard is accepted. Navy Cash also provides cardholders with electronic access to their personal funds in checking and savings accounts ashore.

MC FII

Status at a Glance

- FOC – Q4 FY08

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 Department of the Navy leadership and external agencies.



Other Transformational Activities

Cyber Asset Reduction and Security (CARS) is one of the Navy's most important IT initiatives, an effort to maximize Navy information technology 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 sunseting, 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** will be reinvigorated, and charged to set goals and plan strategies for accelerated reduction of legacy applications, networks, and servers.

- Develop a strategy and supporting business case for a financial application to execute the DON's financial mission.
- Articulate policy for a standard, transparent, and repeatable IT portfolio management process to enable efficient provisioning of IM/IT capabilities to DON warfighters.
- Design streamlined processes for DON IT asset and service procurement at substantial savings over retail and GSA prices.
- Develop policy and processes to manage telecommunications at the DON enterprise level.

Priority Accomplishments:

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

Navy Priority #3	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ MC FII: Implement Final Policy for Discovery & Correction ✓ MC FII: Complete Validations, Assessments & Audits for Pre-Audit Assessments ✓ MC FII: Complete Validations, Assessments & Audits for Validations 	<ul style="list-style-type: none"> • MC FII: Complete Validations, Assessments & Audits for Audits (Q4) • MC FII: FOC for Discovery & Correction (Q4)

Near-Term Plans:

- Identify an end-to-end financial management system that supports DoD and DON financial improvement goals.
- 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.
- 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.



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
- TFAS

As discussed in the descriptions of the above listed investments 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:

- The DON Open Source Software (OSS) Guidance memo focuses on removing barriers to DON's leveraging OSS methodology, giving the Department greater flexibility in pursuing its vision of a fully-interoperable, net-centric environment providing warfighters seamless access to information.

Navy Priority #4	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ GCSS-MC: Milestone B for LCM Block 1 ✓ Revise draft DON portfolio management policy ✓ MSC-HRMS: FY07 - Application Upgrade ✓ Navy ERP: Milestone C 	<ul style="list-style-type: none"> • Navy ERP: Begin Echelon I Deployment for Fin & Acq Inc Release (Q1) • Navy ERP: IOC/Begin NAVAIR HQ Deployment for Fin & Acq Inc Release (Q1) • Navy ERP: Begin Air Warfare Center Deployments for Fin & Acq Inc Release (Q1) • Navy ERP: Retire SIGMA Pilot (Q1) • Navy ERP: Critical Design Review for Whole. & Reg. Sup. Inc Release (Q2) • One Supply: Determine Technical Solution (Q2) • Navy ERP: Begin SPAWAR Financials HQ Deployment for Fin & Acq Inc Release (Q3)



Navy Priority #4

- Navy ERP: Test Readiness Review for Whole. & Reg. Sup. Inc Release (Q3)
- Navy ERP: Retire CABRILLO Pilot (Q4)
- MSC-HRMS: FY08 - System Development (Q4)

Near-Term Plans:

- Release DON Web Presence guidance to improve security by directing all DON web presence into the .mil environment, and reduce the DON's infrastructure footprint and improve information quality on subordinate commands' publicly accessible web sites by integrating them into their respective Echelon II commands' URLs.
- Release DON policy on adoption of Service-Oriented Architecture (SOA), a concept of operations, 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.

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 resulting from DBSMC and BTA action.

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:

- 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.

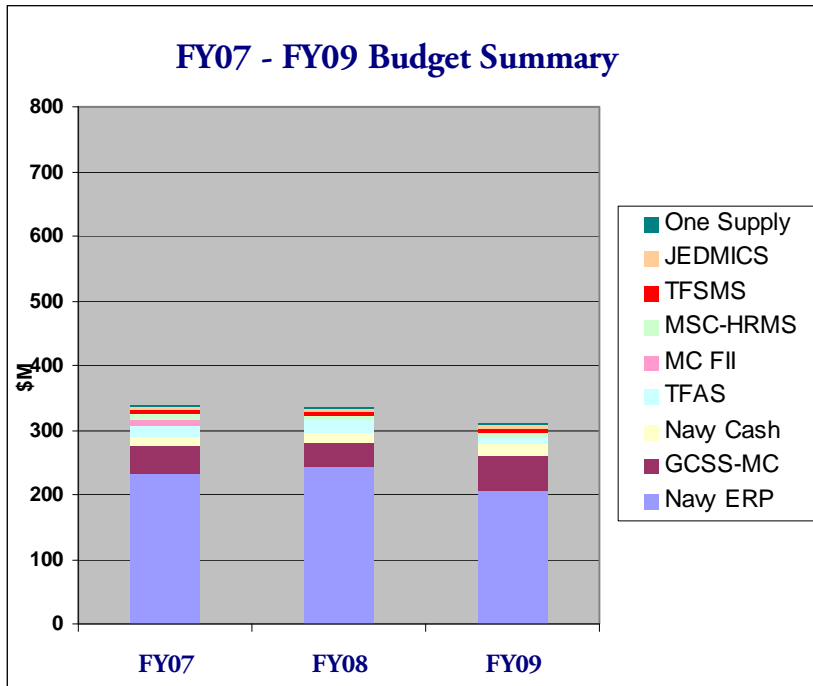
Near-Term Plans:

- In the coming months, the DON will consider how to integrate the Navy Information Leadership Council (ILC) and the Information Executive Committee (IEC) with the Business Transformation Council (BTC) and the Functional Area Managers' Council. Governance bodies will be consolidated where possible, while maintaining a tiered structure that can deliver decisions quickly and efficiently.



Navy Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for Navy programs.



Systems and initiatives funded without discrete PB08 budgets:

[None]

Notes:

1. The Navy ERP budget numbers presented include the budgets for the Navy ERP pilot programs.
2. One Supply is a new start. The current funding reflects funded amounts under the Birdtrack program (BIN 1734).

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html



How Navy Programs and Activities Support Business Enterprise Priorities

The programs and 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.
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.
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: Department of the Navy Transformation Through Lean Six Sigma

The Secretary of the Navy has charged his Senior leaders with executing two tasks simultaneously: fighting and winning today's Global War on Terror and positioning our Force for an uncertain future. The process element that supports this strategic direction is Lean Six Sigma (LSS). The way ahead is guided by a three-year action plan that involves engaging senior leadership, applying LSS to their respective "top issues" and building the capacity and expertise of "lean" culture.

The Secretary personally uses monthly meetings with his principal leaders to discuss how LSS is being applied to their respective "top issues." High Impact Core Value Streams relating to those "top issues" continue to be identified, mapped and used for project selection. An aggressive training program continues to build capacity in terms of Executive Champion training, Green Belt, Black Belt and Master Black Belt training and certification. To date, the following training is ongoing or completed:

1. Executive Champions – 7967
2. Green Belts – 4221
3. Black Belts – 1001
4. Master Black Belts – 30

Of the 1001 trained LSS Black Belts (BB) in the Department, 120 have passed the DON/American Society of Quality (ASQ) Black Belt certification examination.

LSS is being applied to both critical, high visibility, High Impact Core Value Streams involving organizations across the federal government and the most basic business processes within the DON. Comprehensive Casualty Care is one example of a High Impact Core Value Stream where LSS was used to develop a framework to clearly document and identify relationships in this value stream so that meaningful and measurable improvements could be implemented. This very complex process of end to end Comprehensive Casualty Care was recently completed as depicted below:

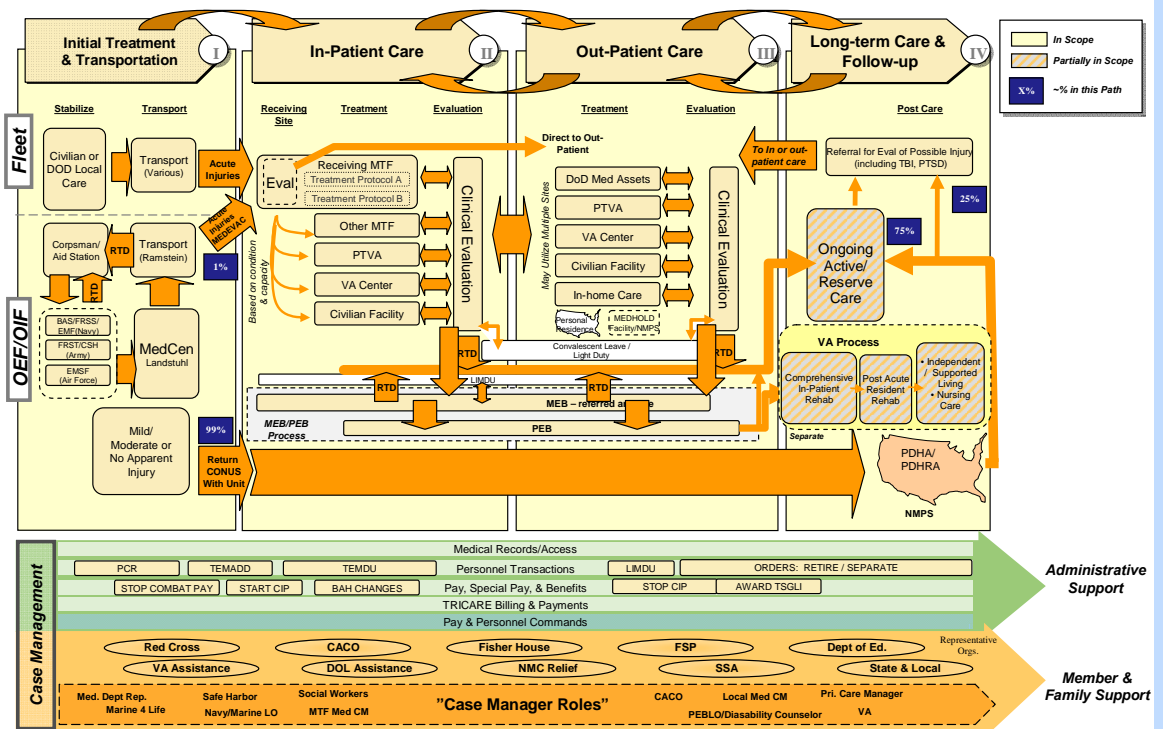


Figure 6-2: DON Comprehensive Casualty Care



Next steps involve using this process to facilitate LSS projects, attacking process gaps or inefficiencies.

Over 55% of DON resources are directed at our core infrastructure in support of the warfighter. This is where the savings from LSS projects will be redirected from infrastructure to recapitalizing our Navy-Marine Corps warfighting capability. Discrete active and completed projects now exceed 4,500, and have resulted in improved performance and savings returned to the warfighter and the American taxpayer across a broad spectrum of activities.

Examples of LSS projects that are being replicated across the DON, and may be considered for replication throughout DoD include:

CONTRACTING PROCESS – The Naval Sea Systems Command completed a project that focused on contracting processes that were generating long cycle times prior to award, lacked customer valued-based output measures, and created problems in execution due to multiple contract modifications. Procurement Request (PR) generation processes were measured and analyzed using DD350s and archival records as data sources. The average contracting cycle time exceeded customer requirement. Improve and control phases centered on standardizing and improving the PR generation process, an upfront planning conference, use of standardized information management, and standardized output metrics. This reduced the contract cycle time over 30% (from 545 to 360 days), improved efficiency of contract specialist resources and provided for better contract value.

URGENT UNIVERSAL NEEDS STATEMENT (UUNS) – The United States Marine Corps completed an LSS project that focused on decision time from initial new urgent idea to final requirement determination of equipment and/or capability for the GWOT. The measure and analyze phase found a 129 day average cycle time from receipt to decision along with wide variation between UUNS. The improve and control phase focused on using a standard data format throughout the approval process and removal of duplicate approval processes. These actions decreased the average cycle time by 60 days, reduced defects from 30% to 5% and established visibility via a web-based tracker. The next phase is centered on UUNS rapid acquisition processes.

BASE CHECK-IN CHECK-OUT PROCESSES – The Naval Air Systems Command completed two projects that focused on civilian base check-in and check-out processes. Both projects identified long cycle times, excessive labor costs, disjointed processes and IT network accounts remaining open post check-out during the measure and analyze phases. The improve and control phase streamlined both with a one stop check-in and phone check-out and identified a new process for termination or transfer of network accounts. Cycle times were reduced by 28% for check-in and 38% for check-out and as iterative stops were reduced by 88% and 28% respectively. The value of labor reallocated as a result of these process improvements exceeds \$4.5M, network account savings were significant and the overall command image improved for new employees.

The challenge is clear: create the capacity for more current readiness within our budget while allowing more of our program to go to future warfighting capability by using LSS. Application of LSS applies to activities engaged in transactional, service and support missions. The DON's four goals for LSS are:

1. Increased speed of decisions, transactions and paperwork
2. Enhanced quality of work life
3. Reduction in ownership costs
4. Improved safety stemming from adherence to standard operating procedures and cleanliness.

LSS is making these goals a reality for the DON.



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Chapter 7: 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. As we increasingly integrate our Active Duty, Air National Guard, and Air Force Reserve components into the entire Joint team, our combat capability and peacetime efficiency will only increase. We're at a critical juncture—a transition period that will shape the Air Force and our nation's security for generations to come. 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 give us a lasting heritage, while the actions of today's Airmen will take the Air Force to new and limitless horizons. Our Airmen are joint warfighters, and their efforts are appreciated by their leaders and the country. Airmen have been fighting the current war for a longer time period than the combat operations portion of World War II, contributing in operations like Noble Eagle, Enduring Freedom, and Iraqi Freedom. Our Lasting Heritage shows that Airmen have always been warfighters, innovators, and have had to constantly adapt to new operating environments. That is our culture of innovation, because the technology utilized can only be as great as the Airmen that harness it.

The Air Force of the future is being optimized to continue to wage irregular warfare by providing:

- More Special Operation Forces and Combat Search and Rescue platforms
- More C4ISR platforms
- More Battlefield Airmen

Air Force Smart Operations 21 (AFSO21) will ensure that our Airmen do things right the first time, and cease non-mission critical tasks. Doing so will free up more resources for recapitalization as the Air Force is dedicated to providing combat capability in the most efficient manner possible.

The Vision is a tribute to and a challenge to the Airmen of today. They 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.
- Re-engineer 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 AF 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.

Air Force's Transformation Environment

The Air Force transformation environment is characterized by numerous critical factors. These factors include the reliance of Combatant Commanders and Joint Staff on the interoperability of forces; the changing nature of threats; implementation of the President's Management Agenda and Office of the Secretary of Defense priorities; budget pressures over time; Executive, Congressional, and Public scrutiny; new opportunities and dependencies between people, processes, and costs brought about by communications and information technology; and industrial globalization driving competition for people and assets.

Many of these challenges are addressed by the Office of the Secretary of Defense's vision of a "net-centric" operational warfighting environment. Net-centricity focuses on the reliance of network communications rather than relying simply on the information at hand. The application of Net-Centricity will provide decision makers with more accurate information and timely notification as the situation changes, directly from the authoritative source of the information. To provide a more "net-centric" environment, the Air Force has begun a grass-roots effort of having systems provide their information in a comprehensive, easily discoverable, well-understood fashion, while maintaining information protection from unauthorized access. The AF also is utilizing industry established and tested practices to ensure Net-Centricity is provided through a risk-reduced investment. By focusing on systems design providing open but controlled access to its information, less money and time is spent on expensive and time consuming system-to-system integration funding. Information Transparency is what the Air Force calls its effort to provide accurate, trusted information that is reusable throughout the DoD's network domain. The Air Force seeks to accomplish this by cultivating a Service Oriented Environment.



The Air Force has set a number of priorities to address the transformation environment. By synchronizing the supply chain and installation management with operations globally (Priority 1), the Air Force is looking to provide accurate timely information to the Combatant Commanders and Joint Staff in all areas of Combat Support, thereby enabling agile joint operations. Likewise, the Air Force is setting a priority in leveraging the power of information to transform global operations (Priority 2). This will enable the adaptation to asymmetrical, unconventional and increased threats, both in the homeland and abroad. Also, in support of changing threats, the Air Force wishes to improve operational capabilities through improved real-time C2, decision support and predictive analysis (Priority 3).

Changing missions require different competencies, skills, and training for our people. These people are highly valued and are the cornerstone of our armed forces. As such, the Air Force must remain competitive as employers and as industrial partners to ensure continuing access to the best employee resources. However, budget pressures over time, exacerbated by the cost of war, taxes both our people and our material beyond the immediate resources. The Air Force needs to operate, sustain, and recapitalize simultaneously. As such, the Air Force puts special attention on the support of our people: our most important resource (Priority 4). Likewise, budget pressures and the President's Management Agenda and OSD priorities for better vertical integration require the Air Force to increase resources available for recapitalization (Priority 5). Budget pressures, heightened visibility, Presidential/Congressional/Public scrutiny and accountability require the Air Force to prioritize the need to provide accurate, reliable, and timely financial information (priority 6). The Air Force also needs to optimize enterprise performance through transformation and seek continuous improvement across functional boundaries (priority 7).

A rapidly changing environment where information technology and communications consistently present new opportunities requires the Air Force to improve development and delivery of capabilities through a more disciplined and credible process (Priority 8). The Air Force can automate processes and decision support, centralize core expertise, disseminate knowledge and out-source services in new ways. With these opportunities comes the need to address threats rooted in our dependency on technology and the low cost of hostile cyber-attack.

Air Force Changes since the March 2007 Congressional Report

The Air Force has added no new Component Target Transformation Programs to the ETP but has removed four systems. Of the four systems, the Automated Civil Engineering System (ACES) has reached Full Operational Capability and is now in sustainment. The other three systems were removed because they do not meet the criteria for transformation programs that are reported in the September 2007 Enterprise Transformation Plan.

The Air Education and Training Command (AETC) Decision Support System (ADSS) has been removed because it does not meet criteria of "transformational objectives." The Graduate Training Integrated Management System (GTIMS) and the Technical Training Management System (TTMS) are no longer target systems, because of changes in the Air Force's approach to streamlining training management tools. They continue to support the Air Force Personnel Transformation efforts as key contributors to enhancing the Training and Education line of business.



Air Force Priority #1: Synchronize the Supply Chain and Installation Management with Operations – Globally

The objective in synchronizing Supply Chain Management 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 as indicated in the diagram that follows.

In order to expedite transformation, the Air Force Global Logistics Support Center (GLSC) is being established concurrently with process reengineering that will tie together the re-engineered 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. Because this transformation approach is based on successful depot-specific pilot tests, industry proven reengineering methods and best practices, and use of COTS the result is predictable—a supply chain that operates at peak efficiency—delivering the right stuff to the right place at the right time, every time. Establishment of the GLSC is pivotal to eLog21 and begins the rational, incremental centralization of supply chain management.

Pilot programs are a part of the total strategy to evolve from the current state to an end state which anticipates warfighter point-of-need product requirements and delivers capability at the required rate where needed most to accomplish strategic, operational, and tactical effects. The primary benefit of pilot testing is the ability to rapidly and inexpensively assess specific process changes with minimal risk to the enterprise. Successful pilots are then exported to other product lines and locations and the functional doctrine is updated. Pilot programs yielding unsuccessful tests are terminated and valuable lessons learned are captured. Pilot programs are initiated and monitored with the intent of fully integrating successful process improvements into the future processes and useful capabilities into ECSS.

The USAF eLog21 campaign and its associated IT investment portfolio have been coordinated with the USTRANSCOM distribution process owner to ensure these changes support joint and global operations. Coordination is achieved at the individual system program manager level, the AF Logistics IT portfolio level, and at the DoD Investment Review Board level on an annual basis or more frequently as required.

Other eLog21 initiatives being developed involve the modernization and integration of numerous capabilities hosted by systems with funding pools that range in size. Besides large scale efforts such as ECSS and GLSC, this also encompasses focused logistics systems such as Repair Enterprise 21 (RE21); Centralized Asset Management (CAM); Purchasing and Supply Chain Management (PSCM); Inventory Optimization; Aircraft Availability Improvement Programs (AAIP); Asset Marking and Tracking (AMT); Condition-based Maintenance + (CBM+); Life Cycle Systems Engineering (LSCE); and Product Lifecycle Management (PLM).



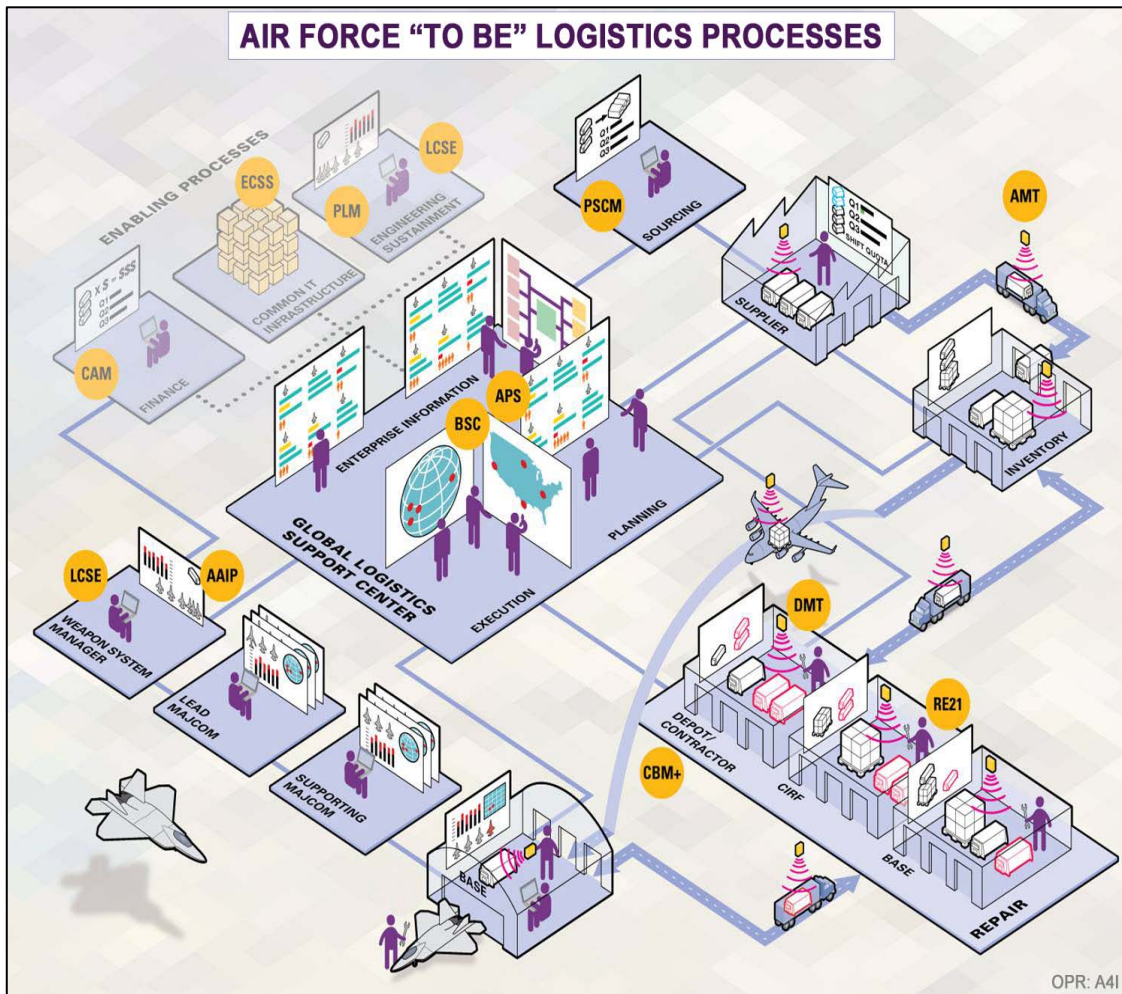


Figure 7-1: Air Force “To Be” Logistics Processes

In addition to eLog21 initiatives, the Air Force is undertaking several key initiatives under Agile Installation Management (AIM) to manage over \$223B in facilities and infrastructure enabling support for multiple simultaneous operations. AIM is transforming real property asset management to integrate all assets within the enterprise to provide the warfighter facility, infrastructure, financial, and environmental data visibility and the ideal mix of facilities and infrastructure to accomplish the mission. AIM will transform the management of asset information to achieve effective, efficient and agile installation asset lifecycle management and accountability. The end result of this effort will be transparent, auditable, accurate, accountable, and authoritative physical, legal, financial and environmental data on Air Force installation assets, enabling data discovery at all levels. The future state business processes are being defined and architecture is being developed to enable achievement of the DoD priority of Real Property Accountability (RPA) by implementing the Real Property Inventory Requirements (RPIR), Real Property Acceptance Requirements (RPAR), and Construction In Progress Requirements (CIPR) initiatives. The management of environmental liabilities, hazards, and safety will be a core capability within the AIM effort that for the first time mainstreams environmental stewardship and safety aspects into installation lifecycle management activities.



The primary Air Force programs that support synchronizing the supply chain management and installation management with Operations are:

- Expeditionary Combat Support System (ECSS)
- Enterprise Environmental Safety and Occupational Health Management Information System (EESOH-MIS)
- Enhanced Technical Information Management System (ETIMS)

Transformation Programs

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.

ECSS: Fielding the Air Force Expeditionary Combat Support System (ECSS) will facilitate the re-engineered processes that enable operational planning and execution to be fully synchronized. ECSS development is transforming AF logistics business processes by:

- Reinforcing and training personnel in use of best business practices that improve both effectiveness and efficiency. The ECSS will be composed of a COTS ERP integrated application suite consisting of Oracle, IFS, and Click Commerce. It will replace 400+ wholesale and retail legacy logistics and procurement (acquisition) IT systems. ECSS will support the AF enterprise with DoD and industry best business practices and capabilities, at all AF enterprise echelons in areas of product support and engineering; supply chain management; expeditionary logistics Command and Control; acquisition and procurement; and maintenance, repair, and overhaul. ECSS will reside on the Global Combat Support System-Air Force (GCSS-AF) Integration Framework. ECSS implementation is currently underway. Implementing the sophisticated capabilities of the Advanced Planning and Scheduling (APS) pilot within ECSS that allow a “sense and respond” supply chain to function in ‘push’ mode rather than reacting with inadvertent and inherent delivery lag.
- 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.

EESOH-MIS
Status at a Glance

- Version 1.3 HazWaste functionality – Q1 FY08

Approach: Hazardous Waste is first of five incremental areas of functionality.

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. EESOH-MIS will represent a single enterprise database hosted on the GCSS-AF framework and is designed to eventually replace at least 11 independent stovepiped systems. The current effort will complete four areas of functionality (Hazardous Materials, Cleanup, Hazardous Waste, and Air) and make significant progress on a fifth functionality (Water Quality).

ETIMS
Status at a Glance

- ✓ Design Review – Q2 FY07
- ✓ Fielding Readiness Review – Q4 FY07

Approach: Integration of COTS and GOTS software with GCSS-AF services

ETIMS: This investment is providing immediate (near-term) improved warfighter capability to manage, store, electronically distribute, and use both paper and digital Technical Orders (TOs). This capability is shortening distribution timeframes and improving readiness by providing maintainers with on demand, current, accurate and complete instructions to support maintenance activities. The Concept of Operations (CONOPS) is to provide user-friendly, technically accurate, and current digital technical data at the point of use in digital format from a single point of access for all technical data users. The ETIMS execution strategy was revised in FY06 to accelerate the schedule to FY06-08 and decrease cost. ETIMS will eventually be subsumed by ECSS.



Other Transformational Activities

Global Logistics Support Center (GLSC): GLSC will become the Air Force supply chain management process owner. It will provide enterprise planning, global command and control and a single focal point in support of the full range of military logistics operations. GLSC is one of the key elements in the Air Force logistics transformation. GLSC has the following primary functions:

- Enterprise-wide planning of the Air Force supply chain including planning for material, maintenance, and distribution.
- Command and control as a single point of contact for customers to resolve immediate logistics issues at the point of execution.
- Single point of entry and authority for enterprise supply chain information management. This will include the management of business rules, policies and procedures, functional requirements for supply chain systems and measuring, assessing and taking action to improve supply chain performance through enterprise metrics and analysis capability.

GLSC will achieve initial capability in 2008, networking current locations, skill sets and capabilities into a single supply chain organization, using lean processes and enhanced information technology systems. The later spirals will integrate the Expeditionary Combat Support System, newly skilled supply chain managers and lean, agile logistics processes to be fully operational in 2012.

Fully Implemented Transformation Programs

Automated Civil Engineer System (ACES): ACES provides base and MAJCOM Civil Engineers with real-time information for effective resource allocation and work planning. ACES reduces the time that Civil Engineers spend in manual activity—gathering and inputting data and generating reports. ACES currently supports transformational requirements for Real Property Accountability (RPA) by implementing the Real Property Inventory Requirements (RPIR), Real Property Acceptance Requirements (RPAR), and Construction In Progress Requirements (CIPR). ACES is supporting the USAF data transparency initiative by developing a unified data structure and enabling exposure and discovery of Installation Management data supporting requirements. These modernization efforts support the Civil Engineer's requirement to operate in a leaner, more fluid, operational environment.

Priority Accomplishments:

- ECSS: Enterprise Level Blueprinting, Legacy Deconstruction, and Pathfinder Assessment and Analysis efforts were initiated to redesign the business process and provide selection and configuration requirements for deployable information technology products, e.g., ERP components. This provides the initial groundwork and planning to enable the transformation of the entire AF logistics operation.
- Critical supply chain project management and scheduling methodology and planning tools were successfully pilot tested on C-5 maintenance line at the Warner Robins Air Logistics Center. This success is being exported to other airframes and centers across the Air Force.

GLSC

Status at a Glance

- ✓ Spiral I – Q3 FY07
- Spiral II – Q3 FY08
- Spiral III/IOC – Q4 FY08
- Spiral IV/FOC – Q4 FY12

Approach: 4 spirals

I: Implementation plan, provisional office

II: Process realignment

III: GLSC stand up

IV: ECSS integration



Air Force Priority #1	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ ETIMS: Design Review (DR) ✓ ECSS: Selection of System Integrator ✓ ACES: ACES / RPIR Phase 2 FOC ✓ ETIMS: Fielding Readiness Review (FRR) 	<ul style="list-style-type: none"> • EESOH-MIS: V1.3 HazWaste Functionality for v1.3 (Q1) • EESOH-MIS: Version 1.4.1 Air Functionality - Phase 1 for v1.4 (Q4)

Near-Term Plans:

ECSS key planned activities include:

- Develop enterprise-wide standardized process and systems architecture models consistent with the DoD BEA.
- Integrate on-going transformation initiatives:
 - Global Logistics Support Center (GLSC)
 - Air Force Fuels, Vehicle and Equipment and Energy Support Agency (AFVEESA)
 - Repair Enterprise for the 21st Century (RE21) into the ECSS framework.

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: Exposing authoritative data with small, re-usable services; tagging data and services to ensure they are discoverable; and 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.



Transformation Programs

Ensuring the right data is available to decision makers at the right time and with the right degree of granularity is the goal of all the Air Force's transformation systems. As a result, all the transformation programs plan to take into account the underlying SOA, Communities of Interest (COI), and Metadata Environment (MDE) efforts during their development. A few of the key transformation efforts underway to support this priority are listed in the Other Transformation Activities section.

Other Transformational Activities

SOA/MDE: The following are key initiatives supporting the design, development and deployment of both a SOA and MDE:

- **Service-Oriented Architecture (SOA):** The Air Force is changing how IT systems supporting missions/business processes are acquired, implemented, executed and maintained. The old model typically required that an IT system implement not only the process-specific business logic, but also all infrastructure and information storage functionality. The new model that the Air Force is designing and implementing requires new IT systems to support a process to reuse enterprise infrastructure services such as security, cryptography, discovery, and data exposure. The only new technology the IT system will introduce is the logic specific to the process it supports. This will be achieved using a SOA in which 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 MDE and expressed in terms of COI vocabularies. In a SOA, if a better method is found for solving a particular problem, only one service needs to be updated, rather than every large system in the enterprise which attempted to solve that problem.
- **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. Metadata is information that describes a document or capability. Authors and developers will be able to register and advertise their products via the MDE, and consumers will be able to use straightforward search methods to find those products. Different functional communities within the enterprise may contain their own MDEs, but they will federate such that a consumer in one functional community can discover products described by an MDE in another functional community. Federated MDEs will comply with enterprise security rules, trust relationships and other information assurance considerations. The MDE is not a content repository, so there are no constraints on where actual products are physically located, as long as their metadata is registered in the MDE.
- **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. Individual COI vocabularies will be published in the Metadata Environment (MDE) such that consumers will be able to align them with the process they are executing. Producers will not have to make agreements with every consumer, one-by-one, and will not be bound to a particular software implementation of data storage in order to execute their mission of exposing data.



- **Standard Financial Information Structure (SFIS):** The Air Force's Enterprise SFIS initiative is working on accommodating the SFIS data structures within its Financial Management COI, to enable its systems to deliver financial information through a SOA that is 100% compliant with the U.S. Government's SFIS directive.

Priority Accomplishments:

- Proved that the Air Force Automated Metadata Tagging Pathfinder can utilize a COTS tool populated with a COI vocabulary to automatically obtain an information asset's subject matter metadata in a fraction of the time that it can be done manually—with more precision and accuracy. The Automated Metadata Tagging Pathfinder does this by inspecting the information within the asset and categorizing it within the vocabulary.
- During a pilot or pathfinder project from last summer, the DoD team found that automated metadata tagging was far superior to manual (human) tagging—for a variety of reasons. Based on the success of that effort, DoD-CIO chartered the AMPS working group to develop the suite of services that could automatically tag information assets and register the discovery metadata into appropriate metadata registries. The team began earnest in Q3 FY07 and expects the first services to be ready for testing in Q2 FY08.

Near-Term Plans:

SOA/MDE

- Build and implement the first Metadata Environment (MDE) enclave. The first MDE is being built at Scott AFB to provide a live environment to begin implementing the first service-based enterprise application – flight scheduling. Testing will begin in January 2008 with FOC by September 2008
- Leverage process and vocabulary work being accomplished by Communities of Interest (COI) that working to define information sharing needs within the AF and DoD. COIs determine and document access and control restrictions to ensure anyone who is authorized to view the data can, and those who are not, will not have access. Representative set of active AF COIs:
 - Force Presentation
 - Flight Scheduling
 - Air Operations
 - Information Assurance
 - Readiness
 - Real Property Information System

Air Force Priority #3: Improve Operational Capabilities through Improved Real-Time C2, Decision Support and Predictive Analysis

The Air Force will be more effective through the acceleration of information flow to and between Commanders and civilian leaders, improved information quality, ability to present decision makers with decision support and alternatives and ability to show cause-consequence relationships projected in the future (predictive analysis). To achieve this, we will simplify and accelerate processes, upgrade technology and information quality to create models needed for prediction.

- DCAPES is evolving to support the SECDEF's Adaptive Planning initiative with the Collaborative Feasibility Analysis Sustainment Tool (CFAST) and JOPES NECC; DCAPES



technology will rapidly communicate AF forces in support of course of action selections to CCDR contingency plans.

- LOGFAC calculates the aircraft consumables (fuel, munitions, TRAP, film, hydrozene, LOX/LIN, etc) for a specific sortie rate and identifies to commanders any limitations or LIMFACs in order to make informed decisions; LOGFAC interfaces with FAS, CAS, and SBSS to provide current inventory levels, comparing them to current requirements.

The USAF is revising the War and Mobilization Plan Volume 5 (WMP-5), Basic Planning Factors and Data system. The WMP-5 calculation program combines force structure and data rates and factors to produce flying hours and sorties to determine required wartime assets. AF organizations utilize this information to aid the unified command's war planning.

Transformation Programs

This priority straddles and integrates between the Business Mission Area and the Warfighting Mission Area which is key to DoD military success. 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 System (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. DCAPES is directly linked to Joint Operation Planning and Execution System (JOPES) and supports joint warfighter effectiveness. Transactions are updated within DCAPES or JOPES with the data exchanged between the two systems in real-time.

Logistics Feasibility and Capability (LOGFAC): A unit, wing, MAJCOM, and 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. It shows visibility of on-hand consumables and equipment assets, as well as displaying capability assessments for real world and emerging tasking.

Priority Accomplishments:

- The Air Force deployment system of record DCAPES, subsumed the Manpower and Personnel System-Base Level, providing war planners real-time access to manpower data. DCAPES provides force accountability applications that track and maintain deployment personnel history files supporting CCDR AORs.
- In support of the GWOT, DCAPES implemented a data element to identify, deploy, and re-deploy personnel tasked to fill non-traditional Air Force deployment tasking in support of the Army. CSAF directed development of a data element to identify those CCDR IA/ILO requirements and AF individuals filling/supporting the GWOT in traditional Army positions such as convoy ops, interrogation, prison guard, etc.

Near-Term Plans:

- In preparation for the migration from a rigid deliberate planning process to a fluid adaptive planning process, the Air Force is developing an interface between its deployment system, DCAPES, and the Joint War Planning modeling and simulation system, CFAST. The



Interface will provide joint war planners access to Air Force capabilities to facilitate the development of combatant commanders courses of action.

- To enable a more efficient process of identifying personnel to deploy, the Air Expeditionary Force scheduling tool will be incorporated with DCAPEs. This will provide a single system to match deployment requirements to capabilities to fill those requirements.
- The USAF revision to the WMP-5 will represent the approved USAF position on aircraft flying data required to develop logistic support and manpower requirements for current force levels. The system will provide up-to-date planning factors based on a repeatable and verifiable process. In addition, this new analysis method allows the WMP-5 to become a living document.
- Force Presentation COI: Force Presentation COI will define the presentation of forces through the Commander Air Force Forces to the combatant commander as Air & Space Expeditionary Task Forces comprised of air expeditionary wings, groups, and squadrons via the Air Expeditionary Force construct. The first working group established will be the Force Presentation Data Panel (FPDP). The purpose of the FPDP is to support Force Presentation users across the USAF. The working group's primary focus will be to ensure Force Presentation information is identified and exposed across the enterprise to all authorized users.

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.

- Maximized automation and self-service
- Consistent, reliable and knowledgeable customer service
- Accurate, up-to-date personnel and pay information
- Tools, organizations, and training to ensure world-class personnel and pay expertise
- Guidance and resources that enable Airmen to take ownership of their careers
- Standardized services and platforms across Active Duty, Reserve, Guard, Civilian components and for all family members and retirees
- Simplified and streamlined hiring and staffing processes

This priority is supported by the following programs:

- Personnel Services Delivery (PSD) Transformation
- Air Force Recruiting Information Support System (AFRISS)
- Financial Management Service Delivery Model (FM SDM)
- Non-appropriated Fund Transformation (NAF-T)
- EESOH-MIS (introduced in Priority 1)



Transformation Programs

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. The IT portion of the PSD Program will, among other things, replace those parts of the Military Personnel Data System (MilPDS) which will not be accomplished in the DIMHRS. This delivery concept will provide faster, more convenient service to the Air Force population by taking advantage of business process changes, the advances in communications and data base technologies.

PSD
Status at a Glance

- ✓ vPSC Spiral I, Block 1 – Q3 FY07
- FOC – Q2 FY11

Approach: Spiral development with 2 spirals planned. Currently in Spiral 1. First of six blocks complete.

AFRISS
Status at a Glance

- ✓ Upgraded database to Oracle 9i
- FOC – Q4 FY11

Approach: Spiral development: Planning database upgrade to web compatible 10g version; automate "live chat" for ANG; corrections to ANG information and management tools.

PSD aspects supporting this priority: 1) Provide improved access to personnel services while accommodating a programmed reduction in AF personnel positions; and 2) Create the capability to allow AF members to view their records online.

AFRISS: 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.

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 Personnel Service Delivery Transformation.

The Air Force Financial Management transformation through FM SDM is changing the way the Air Force conducts all financial operations through a six-pronged approach. The specific lanes of this initiative include Financial Service Transformation (FST), Financial Advisor Transformation (FAT), Analytical Capability Transformation (ACT), Education and Training, Budget Transformation Operations (BTO), and Air Force Smart Operations for the 21st Century (AFSO21). FST, for example, will consolidate back-office financial transaction processes of 93 bases into the Air Force Financial Service Center (AFFSC) at Ellsworth AFB, SD, beginning October 2007. Each lane is focused on actively delivering innovative Financial Management transformation solutions to the Air Force.

FM SDM
Status at a Glance

- ✓ Base-Level ALO/FMA Realignment – Q2 FY07
- Air Force Financial Services Center – Q1 FY08

Approach: Transforms the delivery of Air Force Financial Management by moving from direct on-base support to web-based services.

NAF-T
Status at a Glance

- Phase 1 Financial FOC – Q3 FY09

NAF-T: NAF-T will replace the 30+ year old legacy Non-Appropriated Funds (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 appropriated funds and non-appropriated funds personnel costs associated with the SSC standup. The overarching long-term objectives are to

significantly increase productivity, reduce overhead costs, and provide timely financial information for all levels of Services management.

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' information and enables users to retrieve historical information online. This allows the member's long-term history to be stored by date, regardless of changes in business practices.



Other Transformational Activities

NSPS: A historical milestone was passed with the implementation of the National Security Personnel System (NSPS), by converting the pay plans for 37,241 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.

MyEPD: My Enlisted Development Plan (MyEPD) highlights education, training, leadership and job experience through the AF Portal-based Force Development and Learning Page. This page, targeted for every enlisted Airman, was designed as a personalized space to view and track career plans.

SLCMS: The Senior Leader Career Management System (SLCMS) is used to interface with MAJCOM/COCOM and Defense Agencies to complete assignment-related transactions for nearly 4,000 AF 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. SLCMS ensures accurate and timely notification of command eligibility and assignment vulnerability to every Colonel and timely collection of their intention. SLCMS enables timely and accurate MAJCOM/CC input on and requests for colonel hiring and development.

THRMIS: The Total Human Resource Managers' Information System (THRMIS) is a web based reporting and analysis system that supports Force Management analysis and decision making at HQ USAF. This system provides SAF/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). Business Intelligence is applied to a Total Force data warehouse to help access the health and sustainability of the career fields against mission requirements, as well as perform other analysis through standardized or user created reports. THRMIS also serves as a delivery platform for Force Sustainment and Projected Inventory models. THRMIS, operational since October 2002, offers enhanced reporting and analysis capability through its expandable data warehouse.

Air Education and Training Command (AETC) continues to support the AF A1 Transformation effort by 1) automating tools necessary to design, develop, and validate training instruction; train and manage students; manage training resources; and evaluate the quality of training via TTMS; and 2) standardizing the management, scheduling, resource allocation, accounting and tracking of all graduate level flying training programs via GTIMS.

Priority Accomplishments:

- PSD – Centralizing 94 personnel processes from MAJCOMs to AFPC and on-going business process design efforts have documented a workload cost avoidance of 729 Full Time Equivalents (FTEs).
- NAF-T – In FY07, 61 of the 76 Appropriated Funds (APF) positions have been returned to the AF corporate structure.
- FM SDM – Expedited and completed Base-Level Accounting Liaison Office (ALO)/Financial Analysis Flight (FMA) realignment as of January 2007. ALO realigned to FMA, and formed cross-functional Budget & Accounting Teams that are physically collocated. This established a single source for budget and accounting advice at a centralized location at every Air Force base within the Comptroller Squadron.



- THRMIS – Captured Total Force Deployment Readiness Data to Generate Common Operating Picture for HQ USAF Functional Area Managers (FAMs).
- GTIMS – Implementation has been completed at Tyndall AFB, FL, Luke AFB, AZ, and Kingsley Field (ANG), OR.

Air Force Priority #4	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ PSD: Spiral 1, Block 10--AD Officer FDTK for vPersonnel Services Center ✓ FM SDM: Financial Advisor Transformation: Realign ALO/FMA Phase 2 ✓ PSD: Centralizing HR processes currently performed at MAJCOMs for Centralization of Total Force HR Services 	<ul style="list-style-type: none"> • FM SDM: Financial Services Transformation: Stand-up Central Processing Center (Q1) • EESOH-MIS: V1.3 HazWaste Functionality for v1.3 (Q1) • PSD: Spiral 1, Block 20--Role-based Access/E-viewer for vPersonnel Services Center (Q1) • PSD: (MIL; AD/RES/NGB) Centralizing HR transactional work currently performed at base-level for Centralization of Total Force HR Services (Q3) • PSD: Migration to DIMHRS IOC (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)

Near-Term Plans:

- NAF-T – In FY08, plan to return the remaining 15 APF positions to the AF corporate structure.
- GTIMS – In FY08, will be deployed to support Active Duty, Reserve and ANG training at Altus AFB, OK and Little Rock AFB, AR—expanding support to C-5, C-17, C-130, and KC-135 training for all Services and 31 nations.
- FM-SDM – The Air Force expects to complete cross-training of Budget & Accounting personnel to support the ALO/FMA as of October 2007. All Base-Level ALO/FMA personnel will be cross-trained on 21 Core Training Tasks to provide Budget and Accounting guidance to the Airmen.



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 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.

This priority is supported by the following programs:

- Enterprise Business System (EBS)
- Financial Information Resource System (FIRST)
- PSD (introduced in Priority 4)
- FM SDM (introduced in Priority 4)
- NAF-T (introduced in Priority 4)

Transformation Programs

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. 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. EBS's purpose is to improve the integrity, efficiency, and management of critical business information for AFRL's Science and Technology (S&T) mission. EBS leverages COTS tools and applications to complete the transformation of the full range of business functions involved in Air Force S&T management. The approach is to establish common enterprise-level business practices, data definitions, and enabling tools across all AFRL business processes and locations. These support systems enable AFRL to manage its primary S&T mission and comply with statutory requirements.

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. Objectives which support this priority:

- Combine ABIDES, RAPIDS, PDS, and cost models into a unified platform, thereby freeing resources needed to maintain and operate multiple separate systems.

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 – Q3 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.

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.



- Provide integrated access to budget, programming, hardware, and cost data to authorized AF-wide users.
- Simplify and speed user access to other data sources (e.g. MPES), thus reducing manpower investment into incorporating data for analysis.

PSD: PSD transforms the delivery of military and civilian personnel services by moving direct on-base support to web-based and call center based services. It substantially reduces manpower needed for personnel services. It utilizes advances in communications and database technologies to provide faster, more convenient service.

FM SDM: The Air Force has created the Air Force Financial Services Center (AFFSC) located at Ellsworth AFB in South Dakota. The AFFSC is a key component of the Air Force's 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 face-to-face customer service interactions. The AFFSC will centralize most military and travel pay operations for 93 bases (Active and Reserve). The IOC of the AFFSC is October 2007. 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 that will create a common platform for delivery services between the AFFSC, Air Force Personnel Center, and Air Reserve Personnel Center.

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. This effort will reduce the cost of transaction processing, returning APF resources toward recapitalization and NAF resources for quality of life programs. NAF-T will drive standardization of business processes and source documents, resulting in an authoritative financial data source for timely analysis.

Priority Accomplishments:

- **FIRST** – Delivered “Pilot” phase. 20% of the final system functionality deployed on GCSS-AF, reducing technical risk for Spiral 3. Pilot applies Program Data System, change control number (CCN), and RAPIDS Decision Tracker functionality within the Oracle environment. Pilot provides operational assessment capability of key business functions and facilities change management. Pilot demonstrates force programming header groups, incorporates user interface options, manages master CCN information, and allows real-time updates of data.
- **PSD** – Recapitalized 1500 manpower cuts at contemporary Military Personnel Flights. Reductions are programmed at 300 per year starting FY06 through FY10.
- **PSD** – Implemented a new capability in IT support as a critical enabler – the Virtual Personnel Services Center (vPSC). PSD initiative is also resulting in the implementation of non-material solutions via personnel process design. Numerous personnel process labs highlighting reengineering have been conducted and documented. Additional process analysis has been conducted as a result of AF processes being subsumed by DIMHRS.
- **NAF-T** – To date 61 APF positions have been returned with an estimated savings of over \$5M by FY08.



Air Force Priority #5	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ EBS: STES integration IOC ✓ PSD: Spiral 1, Block 10--AD Officer FDTK for vPersonnel Services Center ✓ FM SDM: Financial Advisor Transformation: Realign ALO/FMA Phase 2 ✓ EBS: GCSS-AF Level 3 Integration ✓ FIRST: Budget Formulation (BF) Pilot ✓ EBS: GCSS-AF Level 1 integration ✓ PSD: Centralizing HR processes currently performed at MAJCOMs for Centralization of Total Force HR Services 	<ul style="list-style-type: none"> • FM SDM: Financial Services Transformation: Stand-up Central Processing Center (Q1) • EBS: FM/G2 re-hosting (Q1) • PSD: Spiral 1, Block 20--Role-based Access/E-viewer for vPersonnel Services Center (Q1) • FIRST: Milestone C (Q2) • PSD: (MIL; AD/RES/NGB) Centralizing HR transactional work currently performed at base-level for Centralization of Total Force HR Services (Q3) • PSD: Migration to DIMHRS IOC (Q3) • PSD: Spiral 1, Block 50--WAPS Modernization for vPersonnel Services Center (Q4) • EBS: GCSS-AF Level 4 integration (hosted) (Q4) • FM SDM: Center of Expertise FOC (Q4) • FM SDM: Enhanced Financial Advisor. Note Pending DEAMS and Senior Leader approval (Q4)

Near-Term Plans:

- FM SDM – Provide IOC of the Air Force Financial Services Center in Q1 FY08. 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 pay and travel inquiries.

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 through the modernization of financial systems, the Standard Financial Information Structure (SFIS) enterprise strategy, and the identification of authoritative data to facilitate financial transparency through providing a clean audit. 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 ERP systems, such as 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 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.

This priority is supported by the following programs:

- Air Force Financial Improvement Plan (AF FIP)
- Defense Enterprise Accounting Management System (DEAMS)



- ECSS (introduced in Priority 1)
- FIRST (introduced in Priority 5)
- NAF-T (introduced in Priority 4)

Transformation Programs

AF FIP: The Air Force Financial Improvement Plan 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 plan.

DEAMS
Status at a Glance

✓ DEAMS Increment 2 Milestone A – Q3 FY07

Achievement of Milestone A for Increment 2 will be directly impacted by the new ERAM/Business Capability Lifecycle (BCL) process.

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, which is a top priority of the Secretary of the Air Force and Chief of Staff of the Air Force. DEAMS will achieve this state through a modernization and integrated software solution accompanied by sound accounting processes proven through successful audits.

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 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. The FIRST capability is intended to pull together the functionalities of three separate legacy Air Force data utilities to provide a common resource for programming, budgeting, and tracking of funds, programs, appropriations, and hardware across the Air Force. The tool will interface with other fundamental data utilities to provide manpower and billet data, as well. This investment supports the Air Force Core Competency for Integrating Operations through Agile Combat Support. The tool will be compatible with the Global Combat Support System (GCSS-AF) architecture and will provide a unified input to central OSD data repositories. FIRST is ultimately envisioned to be the foundation for the Air Force's Planning, Programming, Budgeting, and Execution system.

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: This strategy is the Air Force’s approach to assess, review, and implement the SFIS for all Air Force systems. 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

AF FIP
Status at a Glance

✓ Asserted Working Capital Funds – Fund Balance with Treasury Package – Q2 FY07

AF FIP assertion schedule is being reviewed and updated to incorporate changes from OUSD(C) which will be published in the September 2007 version of the FIAR Plan.



no financial information, as well as identifying standard information structures for financial reporting. The target accounting system for the Air Force is DEAMS. Once systems have been properly categorized, the Air Force will assess the systems in order of criticality and importance based on migration plan dates and data that is required to support DEAMS.

Priority Accomplishments:

- AF FIP – Submitted the Working Capital Fund (WCF) – Fund Balance with Treasury (FBwT) assertion package. By completing this milestone, the Air Force stated that a portion of this financial line item is ready for audit. An independent examination audit will be conducted to verify audit readiness.
- DEAMS – Successfully established crosswalks of legacy data of specific data elements that will standardize Responsibility Center/Cost Center (RC/CC) data.

Air Force Priority #6	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ ECSS: Selection of System Integrator ✓ FIRST: Budget Formulation (BF) Pilot 	<ul style="list-style-type: none"> • FIRST: Milestone C (Q2) • DEAMS-AF: Milestone B for Inc 2 (Q4)

Near-Term Plans:

- DEAMS-AF – The DEAMS-AF program anticipates awarding the contract for the system integrator by Q3 FY08.
- FIRST – Provide Pilot of Budget Formulation capability to the user community for test and evaluation that will be delivered in Q2 FY08.

Air Force Priority #7: Optimize Enterprise Performance through Transformation and Continuous Improvement across Functional Boundaries

Air Force Smart Operations for the 21st Century (AFSO21) encapsulates our intent to develop and institutionalize a comprehensive, Service-wide, strategic-level continuous process improvement approach. "We will capitalize on using knowledge from other organizations and disciplines to improve every business process within the Air Force. With AFSO21, we are challenging all Airmen to examine processes and eliminate steps in business processes that add little to no value." (Air Force Strategic Plan, Objective 3.6) In other words, the aim is to take our high performing organization to the next level by reviewing how we maximize value and eliminate waste in all of our environments – operational, support, and otherwise; and fully integrate continuous process improvement (CPI) across the Total Air Force.

AFSO21 organizes work under a governance structure with clear process ownership. Senior Air Force leaders will set the context for all improvement efforts and their relevance to Air Force processes. The Air Force has defined 10 top level Process Owners (covering areas of Air Force governing, core and enabling processes) to organize and drive AF-wide improvements. In parallel, our Air Force commanders are responsible not only to accomplish the work of the Air Force, but improve how we effectively and efficiently do it. The Air Force has established a governance structure (the Air Force Process Council) that includes Process Owners and Major Command (4 and 3 star members) to collaborate on plans, priorities and execution of high value initiatives. Process Owners and supporting teams will play a key role of standardizing and stabilizing best practices to maximize value and minimize waste.



We will institutionalize AFSSO21 across the Air Force by integrating it into our workforce development programs with appropriate training and education from newly assessed Airmen to our most senior leaders. The Air Force is implementing training in alignment with OSD process improvement competencies for our certified Level 1 (greenbelt), Level 2 (blackbelt), and Level 3 (master blackbelt) AFSSO21 facilitators.

There are five desired effects, the SECAF/CSAF “Commander’s Intent,” for our continuous process improvement journey. The five desired effects are:

- Increase productivity of our most valued asset – People
- Significantly increase critical equipment availability rates
- Improve response time and agility
- Sustain safe and reliable operations
- Improve energy efficiency

The overarching intent of AFSSO21 is to effectively and efficiently deliver war-winning, expeditionary capabilities (deployed and in place) to the joint commanders. By achieving a CPI operating style, the Air Force will be better positioned to:

- Prepare for and participate in the joint fight, anywhere, anytime
- Develop, maintain and sustain the war-fighter edge
- Provide motivated and accountable Air Force warriors
- Continually improve our ability to meet the ever-changing demands of the world, our enemies and inevitable fiscal constraints

Transformation Programs

AFSSO21 is being employed throughout the Air Force. Therefore, all transformation programs are designed/developed with improved business process performance in mind.

Other Initiatives

The primary objectives for AFSSO21 are to:

- Provide a standard AF approach to continuously improve all processes (production, transactional, and knowledge based) that drive our capability to deliver effects.
- Develop a culture which promotes elimination of waste, sharing of best practices, reduction of cycle times across all products and services, and involve all Airmen in the relentless pursuit of excellence
- Ensure that all Airmen understand their role: develop the ability to affect change and continuously learn new ways to improve processes in their daily activities in order to save resources, eliminate waste, and increase performance.

Priority Accomplishments:

- Process Council comprised of executive level leaders (four to three star and SES equivalent) has provided governance over the first year of AFSSO21 implementation. The Process Council has aligned key process ownership and initiated high value initiatives across the ten Air Force process ownership areas. Several are described further below.
- Air Force partnerships with the University of Tennessee have resulted in a key educational opportunity for 70 Master Process Officers (Level 2). The training accomplished serves to invigorate Air Force process improvement across the board of enlisted and officer leaders.



- Numerous Best Practices have developed in the past three years of implementation of process improvement across the Air Force. Ogden Air Logistics Center, Utah was awarded a 2006 Gold Level Shingo Prize for Process Excellence due to significant Lean process improvement in the F-16 Common Configuration Implementation Program and the Falcon Structural Augmentation Roadmap. Pope Air Force Base, North Carolina conducted an improvement initiative in 2006 to review energy costs associated with the runway and determined a method that will result in a 51% decrease in electricity required. An initiative that started at Hill Air Force Base to review security processes resulted in a cross cutting initiative to eliminate vehicle stickers across the Air Force saving \$700,000 in unnecessary activity and materials. An initiative at Headquarters Air Force to improve annual training delivery resulted in the discovery that 3 million man hours are spent in Ancillary Training that does not add value to the improvement of combat skills that our Airmen employ in the Joint Fight.
- Air Force Process Owners are conducting high value initiatives linked to our five desired effects identified above. Several key initiatives include:
 - Energy Efficiency. Combination of aviation fuels consumption reduction, alternative aviation fuels, ground vehicle fuel efficiencies and infrastructure efficiencies. The Air Force goal is a 3% annual reduction in energy consumption.
 - Space Launch. Conducting process improvement in space launch to reduce cost and time while assuring no degradation in safety and reliability.
 - Enroute Structure. Deployment and Distribution processes focused on objectives of reduced transit time of people, material and fuel in combination with improved on-time delivery. Breakthrough objectives are 50% improvement in both in 5 years.

Near-Term Plans:

- Roll out the AFSSO21 Senior Leader course for General Officer/Senior Executive Service.
- Continue high value initiatives delivering high payback opportunities in Air Force Core, Governing or Enabling processes⁵

Air Force Priority #8: Improve Development and Delivery of Capabilities through Disciplined and Credible Processes

The Air Force is using a strategy of systematically reviewing the core processes it uses to acquire and deliver capabilities. That review resulted in the selection of the following high-level initiatives chosen for their direct impact on improving key processes:

- Launching and maintaining high confidence programs with lifecycle emphasis
- Emphasizing capability planning and improved technology maturity assessment
- Building discipline into the requirements process, being sensitive to dollar constraints
- Refocusing test and evaluation, integrating the management of development test and early operational test

⁵ Air Force Process Ownership is separated into Governing, Core and Enabling Processes. The two Governing Processes are Plan/Execute Strategic Initiatives and Manage Programs & Processes. The four Core Processes are 1) Develop Warfighters, 2) Develop and Sustain Weapon Systems, 3) Deployment & Distribution Chain, and 4) Conduct Air, Space & Cyber Ops. The four Enabling Processes are 1) Caring for People, 2) Provide Info Technology Support, 3) Provide Infrastructure, and 4) Manage Financial Resources.



- Establishing a lifecycle management view for decision making at each level and instituting enhanced consideration of risk above the program level

We are actively working to more effectively use industry partners by:

- Moving to Air Force-wide strategic sourcing for commodities, support activities, and enterprise supplier management
- Creating enterprise-level supply chain operational management, point of order to point of use.

As part of AFSO21, the acquisition enterprise's activities are in the Develop and Sustain Warfighting Systems (D&SWS) core process. The D&SWS Process Council is charged with the task of improving system availability at reduced cost, producing systems on-time/on-cost, and reducing 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 and requirements to system disposal.

The AF is creating an acquisition business systems environment consisting of a core set of integrated tools and standardized authoritative data. This is done at all levels supporting the breadth of the acquisition process. This enables improvements resulting in a more disciplined and credible acquisition process. Our vision is that decision makers – at all levels – will have immediate access to required information. Emphasis will be placed on deploying flexible services that provide integrated end-to-end processing, utilize data standards across Air Force acquisition, and support transparency throughout the acquisition process.

This priority is supported by:

- EBS (introduced in Priority 5)
- ECSS (introduced in Priority 1)

Transformation Programs

EBS: EBS supports this priority through improving the integrity, efficiency, and management of critical business information for the AFRL's Science and Technology (S&T) mission.

ECSS: ECSS supports this priority primarily through its implementation of updated best practices.

Other Transformational Activities

D&SWS Band 1 Initiatives:

The Deputy Secretary of Defense issued a Defense Acquisition Performance Assessment (DAPA) which resulted in 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 D&SWS core process team has responded to those recommendations with a set of high priority initiatives. These initiatives include:

- **Time Certain Development:** Formulate and commit to programs that can be executed within a prescribed time frame. Require analysis and decisions to limit risk and control requirements creep, thus increasing program confidence. Pursue breakthrough technologies in technology maturation or demonstration programs.
- **Integrated Life Cycle Management:** Better integrate the leadership, management, and decision processes for capability planning, technology, acquisition, test, and logistics across the Air Force. Instantiate by consolidating 26 acquisition and sustainment policy documents



into four publications. Produce a user-friendly policy toolkit to assist those developing, maintaining, and using policy.

- **Strategic Sourcing – Services:** Stand-up AF-wide strategic sourcing of targeted critical services, managing those supplier relationships at an enterprise level. Utilizing enterprise governance, the Air Force will provide rapid response via delivery orders placed against strategic contracts, creating flexible, performance-based contracting arrangements, utilizing spend analysis and strategic market research, resulting in improved requirements forecasting and streamlining of the acquisition process.
- **Strategic Sourcing – Installation:** Realign Air Force contracting from installations to regional centers in order to better support strategic sourcing by leveraging regional and Air Force-wide spend opportunities, optimize productivity of limited resources, improve supplier relationship management, and strategically manage contracts for services.

A dozen additional initiatives focus on streamlining and integrating life cycle management to build end-to-end customer-focused processes to develop and sustain war-winning capabilities. These initiatives range from improving the requirements process, improving life cycle affordability and up-front sustainment planning to improving reporting, program performance metrics, and enterprise decision making.

Priority Accomplishments:

- Completed initial integration of the Air Force’s System Metric and Reporting Tool (SMART) system with the OSD’s Defense Acquisition Management Information Retrieval (DAMIR) system for acquisition program health reporting. This eliminates duplicative data entry (saving manpower and eliminating chance of conflicting information) and speeds the reporting process resulting in decision makers having more timely access to more reliable information. This also enables the retirement of the legacy Consolidated Analysis and Reporting System (CARS).

Air Force Priority #8	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ EBS: STES integration IOC ✓ ECSS: Selection of System Integrator ✓ EBS: GCSS-AF Level 3 Integration ✓ EBS: GCSS-AF Level 1 integration 	<ul style="list-style-type: none"> • EBS: FM/G2 re-hosting (Q1) • EBS: GCSS-AF Level 4 integration (hosted) (Q4)

Near-Term Plans:

Planned initiatives to enable Commanders and Decision Authorities:

- Add sustainment metrics to the acquisition metrics already in SMART, the Air Force’s acquisition portfolio reporting system. The result will be to provide key decision makers a comprehensive, balanced life cycle view of programs. One objective set of parameters describing the entire weapon system life cycle will facilitate feedback from operations to the system design process allowing the early identification of risk areas and the development predictive indicators of long term program success.
- Deploy a Probability of Program Success (PoPS) assessment within SMART to provide a disciplined approach for assessing the probability of success for major acquisition programs. The PoPS assessment provides program managers with a predictive tool to gauge the health of their programs, alert them to emerging problems, and facilitate early mitigating actions.

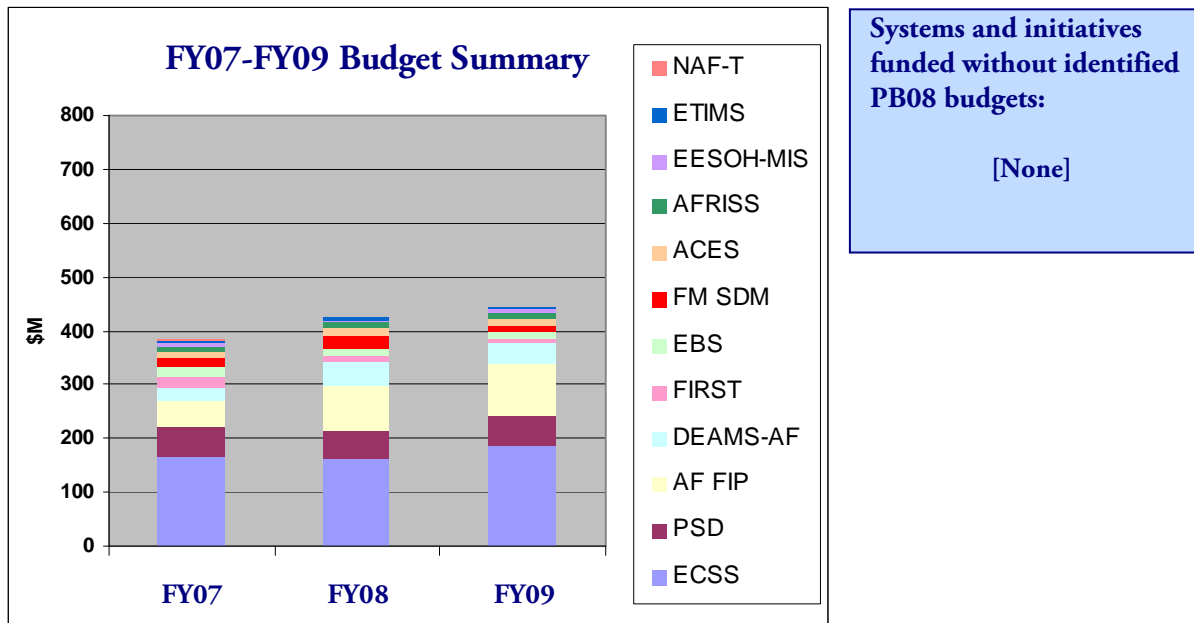


These assessments will be integrated with other enterprise-level metrics to show overall health of the Air Force’s portfolio of acquisition programs. The integration will aid in making more informed portfolio investment decisions.

- Complete data feed from the AFRL on research and development (R&D) projects to the Scientific and Technical Enterprise System (STES). The impact of this data feed will be to consolidate information on R&D projects into one location within the Air Force where they will be fed to the OSD-level portal (AFRL currently manually inputs data from each of its ten technical directorates independently). This will result in a more efficient process that assures information on Air Force R&D projects is available in a timely manner to those who could utilize the research.

Air Force Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for Air Force programs.



Note:

The AF FIP and FM SDM programs are funded from the operating budgets of affected activities. The PSD budget numbers for FY07-FY09 are consistent with the PB08 budgets for PSD, MilPDS and the regional civilian centers.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site:

www.defenselink.mil/dbt/products/2007_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.
AFRISS	●						Provides both Active Duty and ANG field recruiters with a standardized tool for initial screening, processing, shipping and data collection on new AF 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)							<p>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.</p> <p>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.</p> <p>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.</p> <p>FV - Enables and supports DoD financial, planning, programming, budgeting, accountability with accurate and reliable cost information.</p>
Enterprise Environmental Safety and Occupational Health Management Information System (EESOH-MIS)	●					●	<p>PV - Provides visibility on personnel environmental hazards and exposures for supervisory and medical personnel.</p> <p>RPA - Accounts for environmental clean-up liabilities for installations.</p>



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 AF 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: USAF Diligence Yields Gains through Transformation

Air Force Claims Service Center (AFCSC)

Moving is commonplace in the military, so it follows that filing a personal claim for goods damaged during a move is a common experience. Over the years, the personal claims process became so daunting that military members many times decided to forgo it.

In the span of one year, the Air Force Judge Advocate (JA) Corps has transformed the experience of filing a moving claim. Through JAG Corps 21, JA used Air Force Smart Operations 21 (AFSO 21) principles to stand up the Air Force Claims Service Center (AFCSC). On March 2, 2007, a year to the day from when the Chief of Staff signed the decision memo, the AFCSC achieved full operating capability at Kettering, Ohio. With a staff that will ultimately number 107, the Center replaced over 300 personnel at 91 claims offices worldwide.

For Airmen, the claims process is now simple and quick. In place of repeated trips to the legal office for briefings and paperwork, Airmen complete a streamlined form on the Web—from their desk, home computer, or anywhere with Internet connectivity. By uploading digitized pictures of damaged items, they reduce the need for inspections. If they have questions, they can call an AFCSC help line, which is manned 24/7 by claims experts. Input data is automatically transferred to the AFCSC, where claims are adjudicated and payment information is forwarded electronically to the Defense Finance and Accounting Service. The result: payment within five days of adjudication, instead of five weeks under the old process!

To date, the Center has serviced over 5,000 claims, for a total of \$4.3M in payments. Average processing time is less than 10 days from online submission to payment.

The stand-up of the Air Force Claims Service Center aligns squarely with AFSO 21 goals. This initiative alone is projected to save \$60M over the next 10 years. It has also allowed the Air Force to reallocate 212 personnel slots to recapitalization efforts.



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Chapter 8: 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 military 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. And 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. DLA's joint service combat support responsibility is immense.

DLA's ability to deliver American warfighters the right logistics solution in every transaction requires more than successful management of the Department's wholesale supplies and suppliers. It requires supply chain excellence.

Our military's ability to generate and sustain combat readiness indefinitely, anywhere on the globe, requires that DLA-managed materiel flow seamlessly and as needed from the nation's industrial base to where it is ultimately used. It requires a joint logistics capability that optimizes warfighter support above all else. As the only logistics combat support agency, DLA has a pivotal leadership role in delivering this capability across the Department.

To fulfill this mission, DLA must build on its wholesaler excellence. It must leverage the capabilities being delivered in the agency's transformational initiatives, such as BRAC 2005 and the just-completed Business Systems Modernization (BSM) program—an end-to-end ERP capability managing all of DLA's 5.2 million hardware and troop support items.

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.

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.



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.

A key tool used to manage strategy and track progress in achieving transformation is the DLA Balanced Scorecard. DLA's Balanced Scorecard Strategy Map (Figure 8-1) is a macro view of the agency's strategic plan. In a single view, it describes how we will create value for the warfighter. Figure 8-1 illustrates how our strategies are developed from the four priorities, the relationships between them, and how the strategies are aligned to the overall strategic thrusts.

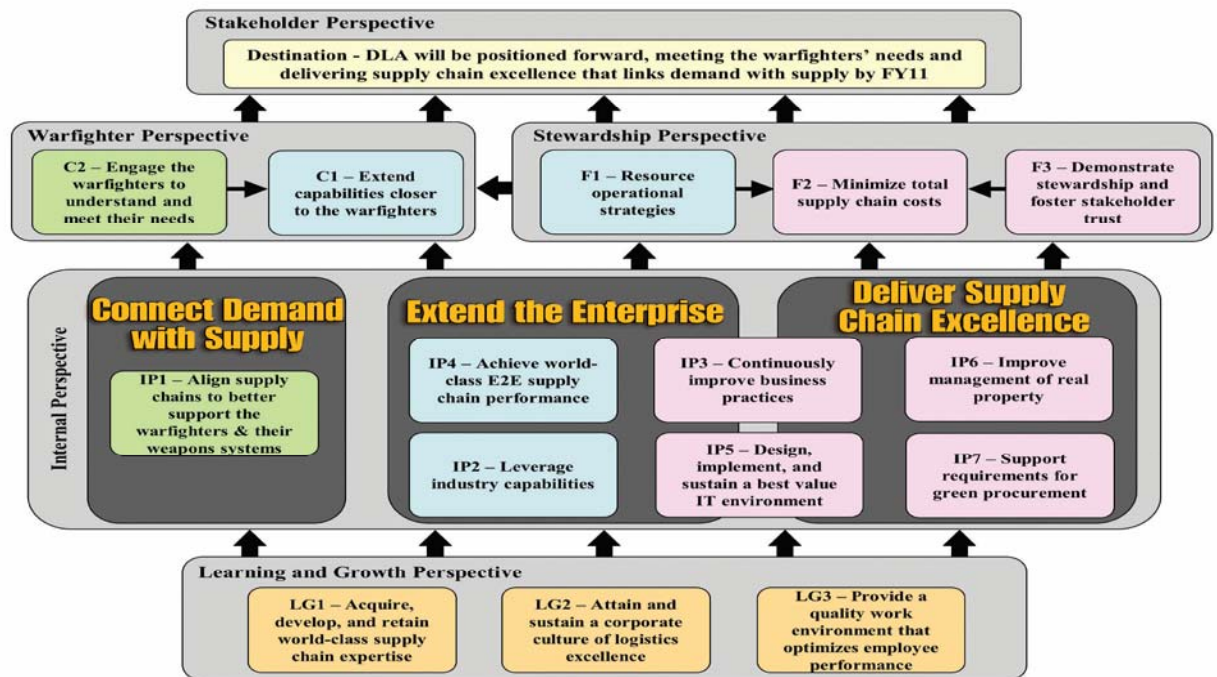


Figure 8-1: DLA Balanced Scorecard Strategy Map

DLA's three strategic thrusts impact its four goals, which serve as DLA's Component 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 BEA. This portfolio approach provides a better understanding of DLA's transition path and its plan to become net-centric.

The following investments comprise DLA's primary portfolio:

- 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 BSM, Customer Relationship Management (CRM), and Product Data Management Initiative (PDMI) programs. 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 protection, 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.

Changes Since the March 2007 Congressional Report

Business Systems Modernization has reached FOC. Customer Relationship Management, Distribution Planning and Management System (DPMS) and Product Data Management Initiative all achieved FOCs. Due to reprioritization of DLA's requirements, some of the originally planned optional releases have not been implemented for these three programs.

While FOC for BSM-Energy has been adjusted to allow time for the program to complete its final operational testing, interoperability certification and Information Assurance Red Team Assessment, BSM-Energy is operational and successfully supporting the warfighter.

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 the warfighters 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

Customer Relationship Management: CRM now provides DLA with the information and processes necessary to know our customers, understand their needs, and effectively build relationships between DLA, our customers, and industry partners. Currently 1,800 DLA employees are using the CRM system and processes to perform customer outreach, account/opportunity management, and customer service, as well as taking advantage of the integrated analytics capability that provides reports for each process.

Other Transformational Activities

BRAC recommendations became official November 2005, legislatively mandating three supply and storage decisions impacting the agency:

- Commodity Management Privatization
- Depot Level Repairable (DLR) Procurement Management Consolidation
- Supply, Storage, and Distribution Management Reconfiguration

Commodity Management Privatization: an activity to transfer supply contracting functions for tires, packaged petroleum products, and compressed gases from the Military 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 DLRs and functions related to the management of consumable items from the Military Services to DLA.

Supply, Storage, and Distribution Management Reconfiguration: an activity to designate two additional DLA Distribution Depots as Strategic Distribution Platforms (SDPs), mirroring DLA's two existing SDPs, transform existing logistics processes by creating four CONUS support regions, with each having one SDP and multiple Forward Distribution Platforms (FDPs), and designate the remaining DLA Defense Depots as FDPs, focused on local customers. FDPs will consolidate all supply and storage functions and related inventories supporting industrial activities, to include those internal to depots and shipyards, and those at any intermediate level that may exist. This reconfiguration will transfer all supply, storage, and distribution functions in the Military Service Maintenance Depots from the Military Services to DLA, will eliminate unnecessary redundancies and duplication, and streamline supply and storage processes.

Priority Accomplishments:

- In April 2007, CRM accomplished successful implementation of Release 1.2, the final enhancement prior to FOC. Release 1.2 provides an enhanced service capability for Customer Interaction Center agents. In addition, CRM provides access to customer survey feedback to ensure DLA maintains a high level of service.
- CRM achieved FOC in July 2007 and is linking customer and supplier operations to more effectively provide service to the warfighter. Pre-Planned Product Improvements (P3I) focus on CRM customer service processes, as they have the most direct benefit to the warfighter



and other DLA customers. CRM has been incorporated in the DLA business model and will contribute to the DLA goal of a single, integrated enterprise business system.

- DLA Headquarters is responsible for the overall planning and execution of all BRAC 2005 DLA-related actions. As such, DLA has established a BRAC Implementation Office responsible for implementation, planning and execution oversight of the three decisions from the BRAC 2005 Supply and Storage Joint Cross Service Group that directly impact DLA.
- Awarded contracts for commodity management privatization: 1) aircraft tires in December 2006; 2) land tires in January 2007; 3) compressed gasses and cylinders in April 2007; 4) chemicals and packaged petroleum, oil, and lubricant (POL) products in May 2007.
- As part of the DLR procurement management consolidation activity:
 - Governance Charter approved and signed
 - Implementation Strategy approved and signed
 - Plan of Action and Milestones (POA&M) approved
 - DLR Working Group implemented POA&M
 - As part of supply, storage, and distribution management reconfiguration, the Defense Distribution Center conducted drawdown of materiel from DDCCO. Since March 2006, NSNs on hand have been reduced by 64% and GSF had a reduction of 53% in occupied gross square feet from the BRAC baseline.

DLA Priority #1	
FY07 Critical Milestones	FY08 Critical Milestones
√ CRM: FOC	

Near-Term Plans:

- For supply, storage, and distribution management reconfiguration:
 - Implement the first BRAC site at Warner Robins Air Logistics Center (ALC), with a target date of October 2007 for stand-up.
 - Tinker ALC and Hill ALC implementation scheduled for FY08.
 - Plan details for FDP constructs and identify specific storage space requirements and specialized missions and support function requirements at each of the 12 future FDPs.
 - Work with Services and DLA Inventory Control Points to review assets currently in storage. Provide Military Services and DLA supply centers with listings of their assets to be reviewed for disposition, resulting in attrition, disposals or redistributions.
- Transition commodity management privatization until full performance of:
 - aircraft tires contract in Q1 FY08
 - land tires contract in Q1 FY08
 - compressed gasses and cylinders contract in Q3 FY09
 - chemicals and POLs contract in Q3 FY08
- For DLR procurement management consolidation, develop a schedule for provisional detachment stand up at each Military Service site; implement strategic sourcing pilot to validate business rules; and implement POA&M for DLA DLR detachment stand up.



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 its enterprise business system. EBS is our ERP platform and is the cornerstone of our capability to meet this priority. We will continue to enhance our capability to achieve this priority through BSM-Energy, CFMS, IDE, RMP, EOAS, eProcurement, and Energy Convergence and to build on the capabilities delivered by BSM, DPMS, and PDMI.

Transformation Programs

BSM-Energy: 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, 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. BSM-Energy provides the basic application platform for data collection, inventory control, finance and accounting, procurement and distribution. BSM-Energy provides operational and inventory data to the Asset Visibility (AV) system, the Node Management and Deployable Depot advanced concept technology demonstration (ACTD), and the GCSS Joint Supply Management Module to support fuels visibility, queries, and reporting requirements.

BSM-Energy incorporates the latest point of sale technologies. The process changes from being paper-driven to an electronic method, reduces DFAS costs incurred by the military services by \$194M. Implementation of BSM-Energy enterprise applications helps Defense Energy Support Center (DESC) meet demands for increased productivity by web-enabling access to information and reengineering manual processes inherent in the legacy system. BSM-Energy reduces the time it takes to resolve errors by 50%; saving DESC \$1.3M per year (\$15M over its lifecycle). By automating DESC and DFAS processes to pay DESC contractors, BSM-Energy reduces interest payments for late payments to contractors by \$300k per year.

Common Food Management System (CFMS): CFMS is a joint initiative between DLA and its Military Service customers. CFMS will use a best of breed 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. It is a single retail and wholesale food system supporting garrisons and deployed units that provides menu planning, recipe management, nutrition management, and inventory management. It delivers a common process across Services and will replace existing legacy food service systems.

Integrated Data Environment: 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.

IDE

Status at a Glance

- ✓ IOC – Q1 FY06
- FOC – Q4 FY11

Approach:

Phase I: Asset Visibility
Phase II: Expands information sharing services



Phase II expands information sharing services to support DLA transformation programs, share DLA-managed data with the Services and Agencies, share DoD supply and transportation data to support GTN product improvements, and enhance the IDE infrastructure capacity to accommodate additional interfaces to supply and transportation source systems. With IDE:

- Bulk amounts of supply chain data will soon be available to all current Military Service customer systems. Near real-time asset and requisition status data will be available to Navy and Air Force systems. IDE will initiate publishing and subscription of data from external systems to the Enterprise Operational Accounting System (EOAS).
- DLA and USTRANSCOM data and web services will be discoverable and easily accessible via the Data Discovery Portal.
- Data will be available, 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 World-Wide eXpress and International Heavyweight Express compliance capabilities. This will allow the Air Mobility Command to track carrier performance against contract requirements.

Reutilization Modernization Program (RMP): RMP is DLA's strategy to replace the current Defense Reutilization and Marketing Service (DRMS) IT systems with a solution based on best business practices, COTS, and GOTS software products. RMP will integrate and leverage DRMS IT system functionality into the DLA Enterprise Business System, Distribution Standard System, and Learning Management System (LMS). This integration will incorporate DRMS information needs into the DLA end-state architecture.

Fully Implemented Programs

Business System Modernization: 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. Quantitative benefits to be achieved as a result of the BSM program include improved demand forecasting and improved operational effectiveness and efficiencies. A 15% improvement in forecast accuracy and the corollary reductions in administrative lead time allow DLA to achieve inventory safety level reductions of \$764M. Additionally, more efficient system and process performance through automation of manual tasks and a transition from batch to real-time processing allow for \$494M in savings.

Distribution Planning and Management System : DPMS optimizes transportation planning for vendor shipments and provides customers with real-time supply chain information. DPMS now provides customers with information at the time of vendor shipment—key supply chain information that was never available before. Actual order and shipment information can be extracted for use in analyzing potential operational and policy changes.

Product Data Management Initiative: 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.

Priority Accomplishments:

- BSM achieved FOC in September 2007 following approval of the completed operational assessment interoperability certification. Qualitative benefits to be achieved include improved customer satisfaction, improved financial accounting, common data across the entire enterprise, and improved internal processes. EBS enables DLA to improve customer service by providing a more accurate knowledge of current inventory levels and improves fill rates and supply availability, thereby improving reliability and responsiveness to the

BSM

Status at a Glance

- ✓ Program Initiated – FY99
- ✓ Concept Demo – FY02
- ✓ IOC – Q2 FY05
- ✓ FOC – Q4 FY07



customer. DLA improves its financial accountability and will be able to achieve for the first time an unqualified audit certification.

- DPMS achieved FOC in December, 2006, delivering two increments of increasing functionality to the DLA user community. Increment I provided DLA with planning and optimization capabilities for Free On Board 1st destination distribution (inbound orders). Increment II provided DLA with planning and optimization capabilities for 2nd destination distribution (outbound orders).
- PDMI achieved FOC in July 2007, which addresses the need for automated product data and product data management capabilities in DLA. It enables the technical, quality, and engineering functions required to support DLA’s business operations and the warfighter support mission.
- The IGC implementation plan has been refined into an overarching program schedule beginning in FY08 and leveraging DLA’s IDE to sunset legacy GTN components in FY10. The plan is synchronized with guidance from the USTRANSCOM Distribution Portfolio Manager and DPEO, as well as the DLA PEO. The multi-spiral implementation will build on planned IDE enhancements, synchronize with several other USTRANSCOM / Distribution Process Owner joint development initiatives, and inject investment into the converged environment rather than into the old GTN infrastructure.
- In April 2007 IDE provided On-line Representations and Certifications (Reps and Certs) Application (ORCA) data to the DLA EBS using the DoD Master Data Capability (MDC). The addition of this data allowed the DLA EBS procurement process to become fully automated, replacing a previously manual process. In July 2007, IDE delivered bulk supply chain data to the first military service system, replacing an interim data sharing solution initiated in FY06.
- The RMP Program Office reviewed both COTS software and GOTS products. The group identified significant cost avoidance that could be achieved by leveraging applications already in the DLA portfolio to meet the mission needs of the aging DRMS IT system.

DLA Priority #2	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ PDMI: IOC ✓ BSM: Full-Rate Production Decision Review (FRPDR) for Release 2.2 ✓ DPMS: FOC for Reverse Logistics ✓ DPMS: Milestone C for Reverse Logistics ✓ PDMI: FOC ✓ BSM: FOC for Release 2.2.1 	<ul style="list-style-type: none"> • BSM-Energy: FOC (Q2) • BSM-Energy: Full-Rate Production Decision Review (FRPDR) for OCONUS (Bulk & PC&S) (Q2) • CFMS: Develop Class I Supply Chain Integration (Q3) • CFMS: Milestone C (Q3)

Near-Term Plans:

- Submit Draft Capability Production Document for CFMS to the JCIDS process prior to awarding Milestone C decision.
- Deliver IDE Phase II data brokering (publish/subscribe) and integration projects, which will provide timely accessibility to supply chain and transportation data. With IDE brokering data gathered from the Master Data Capability (BTA project), DLA and USTRANSCOM



systems can receive authoritative reference (item and address) data from a single source rather than establishing multiple interfaces for access to each source system.

- Systems integration contract award anticipated for RMP in Q1 FY08.
- Complete BSM-Energy final operational testing, interoperability certification and IA Red Team Assessment. FOC is targeted for Q2 FY08 after completion of these activities.

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 BSM. A pilot of this effort, led by the Human Resources directorate was conducted in FY06 for the information technology occupational group.

Leadership Capability Program: This program is to develop and implement a new tier of the DLA Enterprise Leader Development Program and focuses on a DLA strategic objective to increase agency bench strength for key and senior executive positions. This Tier V program is under development by the Human Resources directorate and will address leader selection, leadership competency assessment, and development.

Priority Accomplishments:

- Access to a web-based change management site was provided to all DLA employees through eWorkplace. This site provides 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 NSPS - will ensure that DLA is continually able to provide the right logistics solution, in every transaction, to the American warfighters.

Near-Term Plans:

- For Capability Management, proceed with subsequent phases of the competency assessment of targeted mission critical occupations. The next phase of the competency assessment process will focus on contracting occupations, quality assurance, inventory management, and supply management.
- For the Leadership Capability Program, proceed with development and implementation of Tier V of the Executive Leader Development Program.

DLA Priority #4: Stewardship - Manage DLA Resources for Best Customer Value

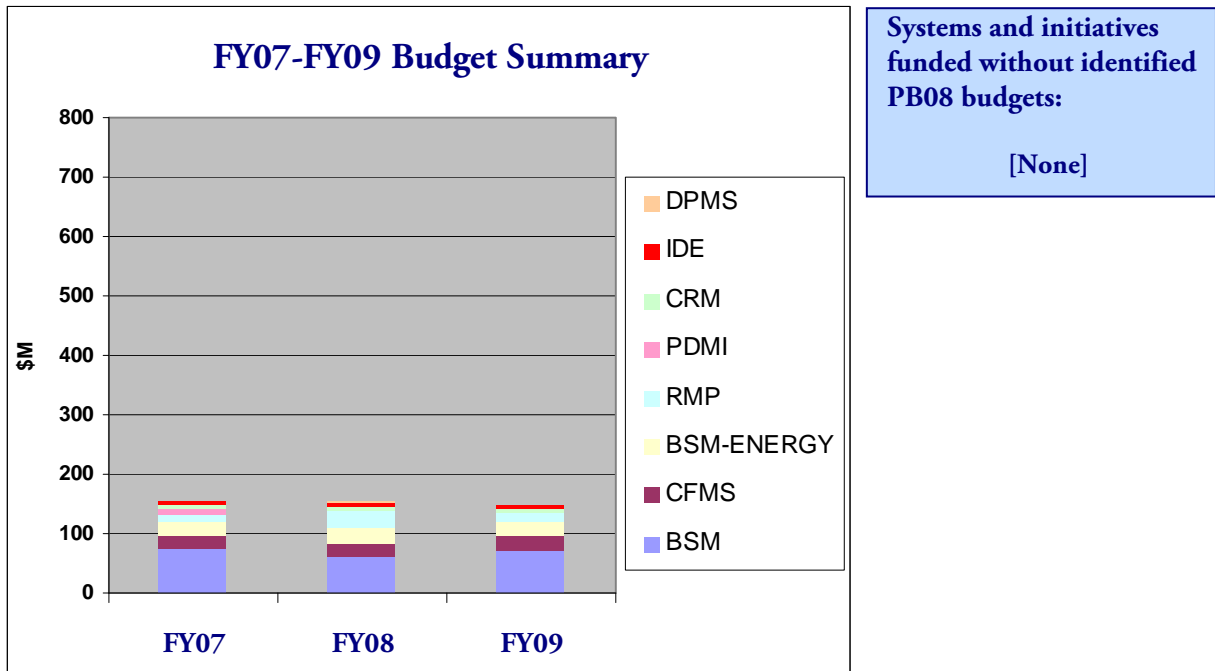
Focusing on financial goals will sustain the strong financial discipline required to ensure effective financial planning and management in DLA. The strategies and objectives associated with this priority allow DLA to provide best value to DLA customers. Accurate forecasts strengthen DLA's



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. BRAC activities, including Commodity Management Privatization; Depot Level Repairable Procurement Management Consolidation; and Supply, Storage, and Distribution Management Reconfiguration (all described in Priority 1), are also largely responsible for improvement to organizational stewardship.

DLA Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for DLA programs.



Note: The BSM program delivered the Defense Logistic Agency Enterprise Business System (DLA EBS). BSM- Energy, CRM and PDMI investments delivered major transformational capabilities and enhancements to DLA EBS.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_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 enroute. 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.
RMP		●		●		●	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.



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Chapter 9: U.S. Transportation Command

USTRANSCOM Transformation Vision and Strategy

USTRANSCOM is one of the DoD's nine Combatant Commands (COCOMs) – five having regional responsibility and four having worldwide responsibility. USTRANSCOM has three subordinate components (functional Commands) – Air Mobility (AMC), Military Sealift (MSC), and Surface Deployment and Distribution Commands (SDDC).

USTRANSCOM CDR Gen. Schwartz explains its mission: "... the business of USTRANSCOM is to get the shooters to the fight. That's the core purpose. We're likewise engaged in sustaining the forces while they're deployed or in combat—a very important function. The third thing is the air medical evacuation function. That's one of the things of which I am proudest because it is part of the contract. In our volunteer force, it is one of those things that maintain the faith of our troops in the way we function. We make the promise that if someone is injured or wounded in battle, we'll return him or her as rapidly as possible to the best medical care the country can provide. Last, we bring the shooters back home from the fight."

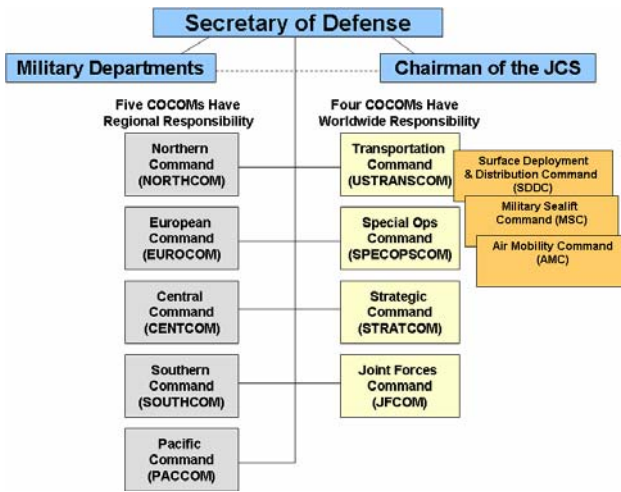


Figure 9-1: COCOMs

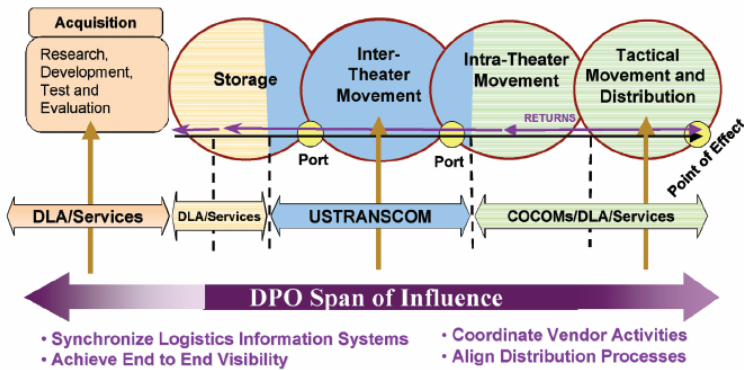


Figure 9-2: USTRANSCOM DPO Responsibility

As the Distribution Process Owner (DPO), USTRANSCOM responsibility now extends to the entire distribution process, not just its old "strategic port-to-strategic port" role. It is expanding supply chain visibility and crafting a true sense-and-respond logistics reach back from point of origin and forward to point of effect.

Our transformation vision is to change our orientation from a Command that provides strategic transportation to a Command that develops and employs end-to-end (E2E) global coordinated transportation of forces and materiel. Further we provide comprehensive solutions to improve joint distribution capabilities for regional COCOMs and functional Component warfighters. Key elements of our strategy to achieve this vision include having E2E Total Asset Visibility (TAV) and In-transit Visibility (ITV); improving decision cycle time by providing 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 Joint Deployment and Distribution Enterprise (JDDE) Community of Interest (COI) partners to optimize cooperation across the DPO Span of Influence. Examples include the Performance Based Partnering Agreement with DLA and the USTRANSCOM / JFCOM Joint Vision Statement.

Changes Since March 2007 Congressional Report

USTRANSCOM has completed Codification of the Joint Deployment Distribution Operations Center (C-JDDOC) and JDDOC and both initiatives are now fully deployed. Three initiatives - Distribution Portfolio Management (DPfM), Joint Deployment and Distribution Architecture (JDDA), and JDDE - are integral business transformation activities and will continue to be reported, however, funding and milestones will not be tracked (these are not Tier 1 or Tier 2 systems). E2E Supply Chain Analysis and C4S Multi-Component Information Transformation were removed from the target list; the Customs Process Automation (CPA) program was added.

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. They are: 1) to mature the JDDE; 2) leverage collaboration and partnerships; 3) develop expeditionary approaches; and 4) enable joint distribution concepts.

With the role of DPO, USTRANSCOM is singularly responsible to synchronize 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 and actively works to strengthen teamwork among the JDDE COI members and to increase the momentum of change. The figure below depicts the critical span of COI membership and the leadership provided for this important dialogue.

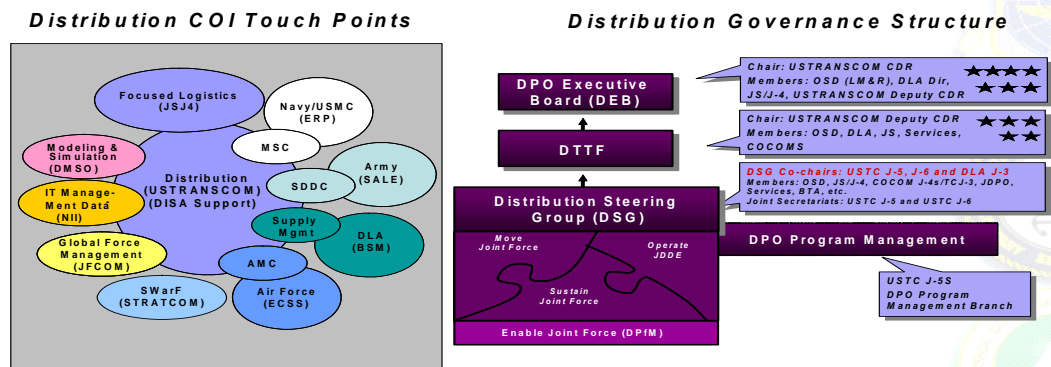


Figure 9-3: Distribution COI Touchpoints and Governance Structure

In the past, USTRANSCOM operated as the military delivery service – now it synchronizes handoffs to the point of effect - theatre distribution center or foxhole. These efforts contribute to increased materiel and operational readiness for the Services and warfighters.

USTRANSCOM completed its Distribution Portfolio Review Process Service/Agency site visits in June 2007, during which time 94 systems were removed from the distribution portfolio



(systems that had already migrated, non-distribution, etc.) The current total of distribution and distribution-related systems is 245 (132 distribution/113 distribution-related). Through planned system migrations the total will be reduced to 135 systems (73 distribution/62 distribution-related) by 2013.

USTRANSCOM has identified four transformational priorities that help achieve its goals:

- 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 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.

USTRANSCOM Priority #1: End-to-End Visibility

The best way to describe E2E visibility is to use a UPS analogy that Gen. Schwartz 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.” The strategy to achieve E2E visibility was to first perform in depth analysis to identify gaps in the current end-to-end 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.

USTRANSCOM and JFCOM recently released a joint vision statement that represents a strategic partnership to align interrelated joint deployment and distribution actions for better mutual performance. The USJFCOM commander is the DoD Joint Deployment Process Owner and the USTRANSCOM commander is the DoD Distribution Process Owner.

The transformation program supporting this priority: Agile Transportation for the 21st Century.

Transformation Programs

Agile Transportation for the 21st Century (AT21): AT21 will track a requirement, 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 through which all distribution movement, business transactions, and collaborative sessions will be conducted. It focuses on supply chain execution and utilizing commercial optimization. It will put deployment requirements through a mode optimization tool, which gathers scheduling decision information such as available movement options, weather, routing, and infrastructure data. AT21 will select sealift-qualified movement options to reduce usage of scarce airlift assets and optimize critical movement requirements. Capability improvements include providing Services with cost-effective transportation; meeting COCOM delivery requirements; removing bottlenecks and missed transfers; and improving multi-modal analysis.

Priority Accomplishments:

- AT21 achieved Milestone B in May 2007 and the Acquisition Decision Memorandum was signed in August 2007.

AT21

Status at a Glance

✓ Milestone B – Q3 FY07

Approach:

Inc1 requirements, workflow
Inc2 strategic planning
Inc3 operational scheduling



USTRANSCOM Priority #1	
FY07 Critical Milestones	FY08 Critical Milestones
	<ul style="list-style-type: none"> AT21: Contract award for new acquisition (Q1)

Near-Term Plans:

- The Acquisition Contract award is anticipated in November 2007.
- Complete AT21 business process reengineering and COTS configuration for order management capability; anticipate IOC Q4 FY09.

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 COCOMS, Services, and Agencies a cohesive IT environment to manage supply, distribution, and logistics information. A single place 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 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: IDE/GTN Convergence (IGC) and Common Operational Picture for Distribution and Deployment (COP D2), CPA, and Defense Personal Property System (DPS).

Transformation Programs

IGC
Status at a Glance

- ✓ Motor Carrier Compliance Concept demo complete – Q3 FY07
- IOC – Q4 FY08

IDE/GTN Convergence (IGC): A 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. GTN is a legacy decision support system that integrates information from multiple disparate systems to track passengers and cargo through the Defense Transportation System. IGC will allow legacy elements of GTN to be retired (Q4 FY10) and newer ones to be expanded in conjunction with services provided by IDE.

COP D2
Status at a Glance

- Single sign-on for SIPRNet/NIPRNet complete – Q1 FY08
- DTTS/IRRIS IOC – Q1 FY08

Common Operational Picture for Distribution and Deployment (COP D2): an initiative to provide decision makers at strategic, operational, and tactical levels with visibility of information they need in one portal with a single sign-on capability customizable to their needs.

Customs Process Automation (CPA): a system to automate creation and distribution of customs documents and related Defense Transportation System shipping documents. It will provide capabilities to populate electronic custom documents with information from approximately ten Service/Agency or vendor systems at the time shipments are tendered for movement. The system then transmits this documentation to the ultimate destination, arriving before the shipment.



Defense Personal Property System (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.

DPS
Status at a Glance

- IOC – Q2 FY08

Priority Accomplishments:

- GTN/P3I fielded a Motor Carrier Compliance (MCC) capability in June 2007. MCC allows GTN users to determine which commercial truck carriers are complying with requirements to submit electronic status of movement and government bills of lading. This critical capability improvement enables the government to take corrective action with non-compliant carriers leading to improved surface distribution and elimination of serious gaps in E2E distribution.
- USTRANSCOM awarded the CPA contract in April 2007. Initial contract activities proceeded on schedule and a requirements review conference was held in July 2007.

USTRANSCOM Priority #2	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ COP D2: Spiral 0, Single Sign-on for SIPRNet ✓ IGC: GTN/P3I Motor Carrier Compliance (MCC) Concept Demonstration via GTN & IDE ✓ DPS: Early Operational Capability (EOC) 	<ul style="list-style-type: none"> • COP D2: Spiral .5, Single Sign-on for NIPRNet (Q1) • COP D2: DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS IOC (Initial Tracking Capability) (Q1) • DPS: IOC (Q2) • CPA: FOC (Increment 1) - Field & operation of Automated Customs Processing in Germany, Korea, Japan & Italy (Q3) • COP D2: DTTS/IRRIS Migration Effort - Merge Arms, Ammunition & Explosives Emergency Response IT Functionality into IRRIS FOC (Q4) • DPS: FOC (Q4) • IGC: IOC (Q4)

Near-Term Plans:

- Single sign-on through GCSS-J infrastructure will be complete in the fall of 2007 and all COP D2 applications will be available via the classified SIPRNet and unclassified NIPRNet (implemented through DISA). Having a single sign-on environment, on both classified and unclassified portals, avoids duplicative command-specific infrastructure.
- Achieve FOC for the COP D2 Defense Transportation Tracking System/Intelligent Road Rail Information Server (DTTS/IRRIS). Migration effort is to achieve enhanced arms, ammunitions, and explosives visibility and emergency response management in FY08.
- USTRANSCOM will field first CPA increment in June 2008 which distributes customs documents and related Defense Transportation System shipping documents for Germany, Japan, Korea, and Italy.
- Achieve IOC for phased deployment of DPS to all DoD user sites.



USTRANSCOM Priority #3: Financial Accountability

USTRANSCOM’s financial 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 USAF, DFAS, CENTCOM, NORTHCOM, SOCOM, and STRATCOM.

Transformation Programs

Defense Enterprise Accounting and Management System (DEAMS): The system will be compliant with all OMB, CFO Act, Financial Management Improvement Plan (FMIP), requirements. Integrated financial data provided will be available to customers, the Secretary of Defense, JCS, and COCOMs. DEAMS will replace seven legacy systems. Improvements include:

- Elimination of paper forms (users initiate business events directly into the system) and electronic transactions routed for online approvals
- Data validation against budget availability with funds reserved automatically
- Distribution of budget authority to lowest level required to control resources
- Implementation of SFIS for consistent financial analysis and reporting
- Uniform practices when dealing with business events that involve foreign currency

Priority Accomplishments:

- DEAMS Increment 1/Spiral 1 (USTRANSCOM led) was built, tested, and deployed in July 2007. This spiral is a production demonstrator that replaced Automated Business Services System for commitment accounting for select users at Scott AFB.

DEAMS
Status at a Glance

- Milestone B – Q4 FY09

Approach:
v1.1 Convert TRANSCOM, AMC, Scott AFB
v1.2 Convert remainder of AMC. SDDC. MSC

USTRANSCOM Priority #3	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ DEAMS: IOC for Commitment Accounting for Inc 1 	

Near-Term Plans:

- DEAMS Spiral 2 functional and technical design will continue through June 2008. Production and testing for Spiral 2 continue through February 2009. Spiral 2 will provide standard COTS accounting functionality at Scott AFB.



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).

Transformation Programs

Defense Transportation Coordination Initiative (DTCI): an initiative to partner with a third party (3PL) transportation services provider to manage CONUS distribution of selected categories of freight for specified Service (Army, AF, Navy, Marines), DLA, and U.S. Property and Fiscal Offices (USPFO) shipping locations. The initiative will outsource management of all DoD freight moving commercially in CONUS. Of \$900M DoD spends annually on CONUS second destination freight, approximately \$250M will be managed by the 3PL.

Joint Task Force – Port Opening (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 are to open an aerial port of debarkation (APOD) with a jointly trained force, ready to deploy within 12 hours of notification. An APOD team will consist of Air Force and Army forces and will link strategic air movement to the GCC's theater distribution operations by establishing a distribution node and ITV network out to 10 kilometers from the port of debarkation (POD).

Fusion Center (FC): will combine USTRANSCOM, AMC, and SDDC operations and planning functions in a single operations center located at Scott AFB.

Port Management Automation (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.

Theater Distribution Management (TDM): to leverage the existing capabilities of the Army Transportation Coordinators Automated Information Management System II (TC-AIMS II), the Cargo Management Operations System (CMOS), Navy Financial and Air Clearance Transportation System (FACTS), the SDDC Global Freight Management (GFM) and eventually the Marine Automated Manifesting System – Tactical (AMS-TAC) in a deployable, web-based environment. This deployable common user platform will improve TDM and Installation Transportation Office / Transportation Management Officer (ITO/TMO) capabilities.

Joint Distribution Process Analysis Center (JDPAC): USTRANSCOM was directed in the Air Force BRAC Business Plan to consolidate USTRANSCOM J5/4, SDDC Transportation Engineering Agency (SDDCTEA), and AMC A9 analytical capabilities. This consolidation formed JDPAC. 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. While maintaining SDDCTEA and AMC/A9 Title 10 / Service responsibilities, the JDPAC will cultivate existing and new partnerships leveraging its people, processes, and technologies to evolve the transportation mindset into an E2E distribution focus. Ultimately, the JDPAC will function as

JTF-PO

Status at a Glance

✓ IOC – Q1 FY07

PMA

Status at a Glance

• IOC – Q2 FY08



the major focal point to collaborate and synchronize performance-oriented analytical and modeling solutions to complex distribution challenges.

Fully Implemented Programs

Joint Deployment Distribution Operations Center (JDDOC): received JROC endorsement of DOTMLPF Change Request recommendations in April 2007. Held JDDOC Template Edition 3 working group meeting in Q1 2007. Several editions of the template have been put in place and additional templates will be created on an ongoing basis to standardize the DDOCs. Examples of the types of processes addressed include a framework for performance based metrics and the JDDOC-forward concept that allows the regional CDR to have a JDDOC capability forward to support, for example, a Combined/Joint Task Force Commander.

Codification-JDDOC: codification of the JDDOC template process has been completed. Changes have been implemented to standardize all aspects of the DDOC regardless of theater, which provides a consistent process to better assist the warfighter.

Priority Accomplishments:

- DTICI contract was awarded in mid-August. However, a protest has been filed with GAO and consequently work with contract recipient was suspended at the end of August, pending resolution of the protest. Ultimately, DTICI partnership with a 3PL logistics provider will provide experts at consolidating loads and choosing the best modes and routes for transportation. Having these types of experts run routine DoD CONUS freight movements at the enterprise level will greatly improve operational effectiveness and customer confidence.
- Initial JTF-PO APOD unit participated in two CONUS exercises with NORTHCOM to support humanitarian assist/disaster relief scenarios. Ready to support any disaster relief operation during the 2007 CONUS hurricane season or overseas contingency support for the GCCs.
- The Fusion Center effort completed cataloging "as is" operations and control center activities for USTRANSCOM and its subordinate commands. It modeled 132 multi-modal processes linked to 170 IT systems and yielded eight "to be" process maps for implementation in FY07. The Fusion Center will provide command and control of a unified JDDE, using integrated capabilities for E2E global deployment and distribution operations.
- PMA secured DoD reprogramming actions, outlined critical roles and responsibilities of stakeholders, and conducted sessions to ensure Active Duty, Guard/Reserve, civilian (including host foreign nationals), and surface terminal experts had the opportunity to address issues. This resulted in a compressed development timeline leading to a cost avoidance of \$7.5M and fielded capability a year earlier than projected.
- GATES completed IOC software development with turnover to government in June.
- CMOS was deployed to Al Taqaddum and Al Asad Iraq for use by Marines. Improved capabilities include hand-held scanners, improved inbound cargo screens, and a WPS interface to water port cargo resulting in increased speed of cargo delivery.
- JDPAC completed the OSD sponsored Joint Shipment Manager (JSM), OAHU Study. The results of the study highlighted the value of centralizing many of the transportation management process functions thereby integrating joint movement data and increasing equipment / load utilization.



USTRANSCOM Priority #4	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> √ TDM: Deliver TC-AIMS II Block 2 to selected Movement Battalion/Movement Control Teams in USCENCOM √ JTF-PO: IOC √ TDM: Field Financial and Air Clearance Transportation System (FACTS) to Ramstein AB Germany and Yakota AB Japan √ TDM: Conduct Qualification Testing of CMOS v7.2.0.2 √ TDM: Conduct Development Testing of TC-AIMS II Block 3 √ TDM: Deliver CMOS v. 7.2 Worldwide Release √ TDM: Fund hardware for convergence of TC-AIMS II and CMOS on the Regional Access Node (RAN) √ TDM: Conduct an operational evaluation of TC-AIMS Block 3 in USEUCOM √ TDM: Complete researching operation of TC-AIMS Block 3 and CMOS on a PDK with middleware solution √ DTICI: Contract award 	<ul style="list-style-type: none"> • FC: Matrix Air Refueling Cell validation team from TACC with appropriate policy and IT support in place (IOC) (Q1) • TDM: CMOS operational from RAN providing access to TC-AIMS II Enterprise via Citrix (Q1) • FC: Bldg 1920 Contract Award (Dec 07 - Award, Mar 08 - Construction Start, Jul 10 - Construction Complete) (Q1) • TDM: Deliver and conduct operational evaluation of CMOS client/server to 7 locations in the CONUS (Q1) • PMA: Integration of WPS into GATES IOC (Q2) • FC: Initiate and complete combined DDOC floor and TCC business process reengineering workshops in coordination with AT21 contractual efforts as appropriate (Q2) • TDM: Fielding of CMOS 8.0 Web Version (Q3) • JDPAC: IOC - Analytic Product and Process Improvement Capability (Q4)

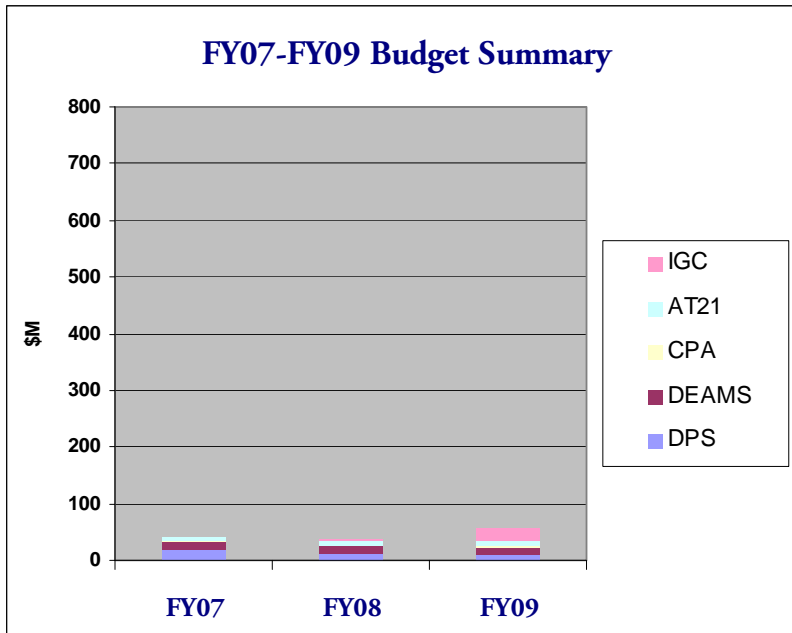
Near-Term Plans:

- Complete first DTICI deployment at Defense Distribution Center Puget Sound, WA (impacted by pending resolution of the contract award protest).
- Field one SPOD unit and target early 2008 IOC.
- PMA targeting deployment for February 2008.
- TDM will install CMOS at seven CONUS Army Installation Transportation Offices for operational evaluation and testing.
- TDM will provide multiple Movement Control Teams in USCENCOM to assist redeployment, retrograde, and port operations.



USTRANSCOM Budget Summary

The Budget Summary shows PB08 budgets for FY07 to FY09 for USTRANSCOM programs.



- Systems and initiatives funded without identified PB08 budgets:**
- C-JDDOC
 - COP D2
 - DTCI
 - FC
 - JDDOC
 - JDPAC
 - JTF-PO
 - PMA
 - TDM

Note: The USTRANSCOM initiatives listed in the box above on the right do not meet the guidance for entry into SNaP-IT. These initiatives are funded from the operating budgets of affected activities; there is no separate budget for any of these initiatives.

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_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 will provide 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 shipments 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 personnel 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				●			Co-locates USTRANSCOM and component operations centers to coordinate management of deployment and distribution processes.
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: Aero Medical Evacuation

“Our expeditionary medical system and aeromedical systems combine to achieve an average patient movement time of three days from the battlefield to stateside care. This is remarkable when compared to the 10 to 14 days required during the 1991 Persian Gulf War or the average 45 days it took in Vietnam.”

-- Maj. Gen. Melissa A. Rank, Assistant Surgeon General of the Air Force, in a speech at Pope Air Force Base, N.C., April 19, 2007

One of the many responsibilities of USTRANSCOM is to function as the lead command for DoD’s worldwide aeromedical evacuation (AE). USTRANSCOM’s AE operations play a life-saving role in combat service support by rapidly moving injured Soldiers, Sailors, Airmen, Marines, coalition forces, and others from the battlefield to critical care facilities. The AE mission response time has rapidly accelerated in recent years, resulting in significantly increased survival rates of the wounded. For example, over 90% of patients injured in Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) have survived; an improvement of 14% over those injured in Desert Storm. Patients reaching the hospital in Balad, Iraq, have a 98% chance of survival, and those in Landstuhl, Germany have a 99% chance.

What is behind these dramatic improvements? Highly skilled AE personnel having better visibility into patients requiring movement, available hospital beds, airlift resources, and the in-transit wounded. The stovepiped systems for each of these individual combat support and business operations have been replaced by seamless, web-based decision-support tools. Through use of common standards, data from logistics, transportation, and medical systems are being fused together to help provide an expeditionary patient movement capability.

And better data enables better command and control. The Deployment and Distribution Command and Control (D2C2) systems allow the medical expertise in the Aeromedical Evacuation Control Team (AECT) and the Joint Patient Movement Requirements Center (JPMRC)—both theater-controlled assets—to rapidly identify available transportation assets to move critically injured personnel. An AE mission that exemplifies this capability involves a Marine who was critically injured in October 2006. The Marine sustained multiple injuries including burns and shrapnel in his leg and eye, and the critical care he needed could only be provided at Brook Army Medical Center (BAMC) in San Antonio, TX. Within minutes, the AECT contacted the JPMRC to validate the urgent AE mission. The mission had to proceed direct from Balad to San Antonio because a refueling stop was out of the question; the patient could only withstand in-flight pressure changes once. The AE specialists worked with Air Mobility Command (AMC) to identify a C-17 on alert in the theater. An aeromedical aircrew and a Critical Care Air Transport Team (CCATT) – consisting of a physician, a critical care nurse, and a respiratory therapy technician – were added to the crew. AMC’s Tanker Airlift Control Center worked the flight details including diverting air refueling assets to provide the C-17 crew the fuel needed for the 15-hour flight. Superb “care in the air” coupled with the specialized support at BAMC directly resulted in saving the Marine’s eyesight. He is undergoing corrective surgery to improve his vision and physical therapy to overcome his other injuries. The D2C2 system improvements were critical elements in rapidly matching the AE mission requirements with an aircraft and the coordination for clearances and in-flight refueling to ensure a successful life-saving mission.



Chapter 10: Defense Finance & Accounting Service

DFAS Transformation Vision and Strategy

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 to keep the Department running. DFAS has been in existence since 1991 but much has changed since its inception. To strengthen customer relationships, DFAS reorganized along three major business lines: Military and Civilian Pay Services, Commercial Pay Services, and Accounting Services. Recent streamlining established operations to include the business lines and to serve as the backbone of the agency to accomplish DFAS's core mission. With an original workforce of 28,000, DFAS today has about half that number and will finish fiscal year 2011 at slightly more than 10,000. And yet, since 2001, DFAS has reduced manpower costs by approximately \$239M, reduced the rate of past due individual travel accounts from 18.4% to an all time low of 3.2%, and increased use of electronic payments to 94% of all payments, reducing the cost of issuing payments by \$6M.

Current DFAS versus the Future

Current	Future
• 30 sites	• 10 sites
• 14,000 employees	• <10,000 employees
• Transaction-oriented	• Consultative (business intelligence)
• Skill based	• Competency based
• Management directed	• Self-directed
• Process-oriented	• Results-oriented
• Leadership succession plans	• Cascading succession plans
• GS system - time-based pay	• NSPS - performance-based pay
• Reactive culture	• Proactive culture
• Stovepiped information flow	• One-DFAS information flow



Figure 10-1: Current DFAS versus the Future

is to optimize performance and maintain downward pressure on cost. Aspects of DFAS's transformation that are critical to its success are depicted here.

Key aspects of DFAS's transformation strategy to achieve this vision are to: 1) establish dynamic partnerships to execute ERP solutions, 2) leverage competitive sourcing initiatives, and 3) use NSPS performance-based management to help drive to a High Performing Organization (HPO). Another component of DFAS's transformation strategy is implementation of COEs with back-up processing centers to provide redundancy of operations and to produce an end-state structure that includes site directors accountable to the DFAS Director of Operations.

DFAS stands at a critical juncture in its transformation. Work to support America's warfighters continues amidst implementation of BRAC requirements, which creates opportunities to reduce excess capacity and costs. The agency is reorganizing itself, adopting concepts such as HPOs and COEs, and using tools such as Lean Six Sigma to increase value to its customers.

DFAS's vision is transforming with the warfighter to remain the trusted financial partner for DoD.

Achievement of this vision will enable DFAS to better support the warfighter through finance and accounting operations excellence achieved by dependable, accurate, and reliable service at the lowest cost. 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



Changes Since March 2007 Congressional Report

DFAS added the Enterprise Risk Management Program – Business Activity Monitoring (ERMP-BAM) to its list of transformation programs.

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 winning the Global War on Terror
- 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 Blueprint and Centers of Excellence

The DFAS vision, strategy, and goals described above are the centerpiece of the DFAS Transformation Blueprint, which is the primary vehicle for realizing the agency's transformation. The blueprint is comprised of five dimensions: 1) People - human capital strategies to address competency requirements, workload needs, and communications; 2) Structure - organizational design, decision rights, and authorities; 3) Process - how the organization manages internal operations and measures performance; 4) Information - enterprise data and business intelligence for decision making; and 5) Technology - systems and networks needed to support business activities or the performance of mission requirements.

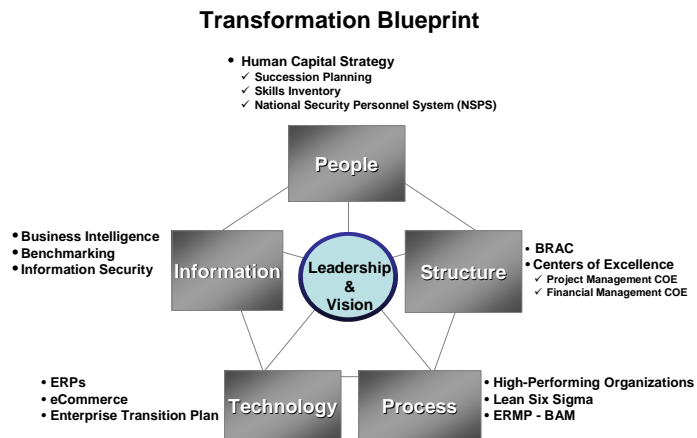


Figure 10-2: DFAS Transformation Blueprint

A critical element of the execution of this blueprint is the establishment of a Financial Management Center of Excellence (FM COE) as the foundation for DFAS to lead transformation of finance and accounting functions throughout DoD. The COE will focus on shared services related to requirements, interfaces, and training; accelerate system delivery and reduce risks associated with system delivery; standardize finance and accounting practices in DoD; optimize dollars for providing services; and improve financial management. As the single

source of requirements and expertise for core financial processes such as general ledger, accounts payable and receivable, disbursing, and financial reporting, DFAS will leverage 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.

During the past year, DFAS met with industry leaders to discuss how system development could be improved. The changing work environment and implementation of ERPs provided the impetus for change. DFAS realized this as an opportunity to optimize their business capabilities. The key is putting people in the right jobs and maximizing their skills.

In July 2007, DFAS implemented the new FM COE to develop and integrate DoD standard finance and accounting business practices. Utilizing a matrix structure, the FM COE is working to integrate and refine business system strategies and involve customers and stakeholders in identifying targets of opportunity where they can make a difference. The FM COE provides tactical support, surfaces and integrates best practices, and utilizes strategic thinking to add value to opportunities, challenges, and problems. They are working to align their efforts with the strategic priorities of the Services.

Benefits will be realized by the development of standard requirements, testing, training and interfaces, consistent support from Subject Matter Experts, a focus on reusability and lessons learned, and leveraging best practices to accelerate systems implementations.

Information Technology Perspective

As part of its transformation, an organizational realignment took place in 2005. Management of systems was centralized and responsibility transferred to the Office of the CIO, creating opportunities to better control IT spending and providing economies of scale in management of systems. Many IT improvements have been very successful. MyPay allows active duty military personnel, retirees, and civilians to review earnings statements and initiate pay withholdings at their desktops. The DFAS-owned Defense Civilian Pay System (DCPS) is designated as one of four federal payroll solutions and has reduced costs by processing pay accounts for DoD and non-DoD federal agencies.

Through consolidation and migration efforts, the portfolio of DFAS finance and accounting systems has been reduced from over 300 to fewer than 100. In 2003, an IT investment review process was implemented to oversee IT budget requests. This process will continue as migration to ERPs occurs and DFAS reaches an end-state of fewer than 60 finance and accounting systems by 2012.

DFAS Priorities

To accomplish our transformation goals, the following priorities have been identified.

- Reduce the number of urgent military pay problems – an integrated military payment Business Capability is essential to provide efficient and accurate military payroll processing
- Improve financial performance by automating manual processes, eliminating redundancies, and by promoting risk management – being a trusted financial partner includes leading the way in integrating technological advances in finance and accounting practices
- Expand electronic commerce capabilities – to improve accuracy and timeliness of transaction processing, a paper-based environment must be replaced by electronic processing to provide single-source entry, electronic transmission of data, and electronic storage of data



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. Basic pay entry problems occur when individuals re-enter the service and prior service is not properly credited. Retroactive leave adjustments are required when a soldier fighting the war is unable to take accrued time off. When, due to the exigencies of service, documentation authorizing retroactive entitlements catches up with the soldier, data must be manually entered into the pay systems. 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 soldiers who depart Southwest Asia for medical treatment. An integrated military payment Business Capability is essential to provide efficient and accurate military payroll processing.

Transformation Programs

DIMHRS: The BTA's 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 Army and Air Force as well as an integrated active duty and reserve personnel system.

Other Transformational Activities

Military Pay Improvement Action Plan (MPIAP): Members of the 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. Every process that impacts military pay, i.e., pay computation, legislation, systems, budget, customer service, etc., is being reviewed for possible improvement. Key actions of the plan include the WW database (formerly Wounded in Action), the DFAS CMS and updates to DJMS and the Marine Corps Total Force System (MCTFS).

DFAS joins OSD and the services to form the MPIAP project team to address the following: 1) personnel and pay leadership and process improvement – provide a single focal point for compensation policy; 2) personnel and pay systems integration – errors and delays in calculating the impact of personnel actions produce pay problems for service members; 3) interim improvements to antiquated pay systems – DJMS and MCTFS; 4) active and reserve pay account integration – eliminate issues from transferring mobilized service members from DJMS-Reserve to DJMS – Active status; and 5) improving response time to legislative changes.

DFAS DIMHRS Integration Office (DDIO): 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 will lead 93 change teams established to manage migration to DIMHRS. DDIO will provide tools to the change teams to enable status reporting via a database that will ultimately link to an online Executive Dashboard.

MilPay

Status at a Glance

- ✓ FY05 OUSD Pers/Pay Council stood up
- ✓ FY06 MPIAP initiated



Priority Accomplishments:

- Assigned a full time MPIAP program manager; identified opportunities for military pay improvement and presented for OUSD Personnel/Pay Council approval.
- Completed expansion of CMS for Army Reserve components to the unit level to provide Army Reserves with the same capabilities as Army Active to track and control pay problems. Prior to using CMS, many pay problems remained unresolved with only manual processes in place for identification and control. Currently CMS has approximately 2,300 users.
- Conducted a review to improve oversight of the Savings Deposit Program (SDP) for warfighters. As part of a Black Belt Project in-progress, completed recommendations for improving the inherent SDP processes. An initial phase of the project has resulted in more timely withdrawals for returning warfighters.
- Completed the review for training service members to educate them on authorized entitlements and increase their awareness of individual pay responsibilities.
- Reduced turnaround time for Casualty Travel Claims to the estate or beneficiary of deceased soldiers from five days to two days.
- DDIO used results of the *DFAS after DIMHRS* analysis to develop a Lean Six Sigma (LSS) strategy and supporting governance structure that places ownership, responsibility, and accountability for affecting the required business change with appropriate DFAS authorized personnel.
- DDIO helped define the general ledger interface process, framed the interface associated with garnishment processing, and provided LSS training to DDIO change agents.
- DFAS DIMHRS July 2007 Summit was held and provided updates to DFAS and Service representatives on the critical issues, with a focus on testing and implementation.

DFAS Priority #1	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ Conduct training for new hires in reservist processing ✓ Deploy CMS to all Army Reserve units ✓ Implement DJMS enhancements 	<ul style="list-style-type: none"> • Complete MPIAP systems changes for DJMS-AC and DJMS-RC (Q3) • Close DFAS sites under BRAC (Q4) • Complete review of the Military Pay Compensation system to simplify pay (Q4) • Deploy DDS v.3.4 to integrate and share common data with Treasury and improve GWOT cash-handling processes (Q4)

Near-Term Plans:

- Recommendations to simplify military pay are due to the OUSD Personnel/Pay Council in October 2007. OSD will review DFAS input and present recommendations to the Defense Advisory Committee on Military Compensation (DACMC) in December 2007.
- As part of the WW effort (and per NDAA), complete the audit of pay accounts for Soldiers medically evacuated for inpatient care between May 1, 2006 and December 31, 2006.
- Support System Integration Testing for Army and Air Force for DIMHRS.



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 intra-governmental payment and collection processes as well as automating the advice of payments for travel and vendor pay. 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 within DFAS and DoD.
- Process Improvement - automating manual processes reduces errors and improves accuracy of financial information. DFAS uses LSS to provide the necessary tools and techniques to eliminate errors and improve quality through continuous process improvement.
- BRAC - operations from 30 sites will be transitioned to 10 sites allowing DFAS to standardize and streamline work processes at fewer sites, to eliminate excess infrastructure, to promote system consolidation, and to eliminate redundancies.
- Proactive Audit Strategy and ERMP-BAM - DFAS has always emphasized the need for effective management controls, however, 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 (ADS), ERMP-BAM, COEs, Business Intelligence, Support for ERPs, Leaders in Motion, BRAC, and Proactive Audit.

Transformation Programs

Standard Disbursing Initiative (SDI): SDI will consolidate non-tactical and non-classified disbursing to a single system. Incremental implementation includes retirement of DFAS-owned, standalone disbursing systems Standard Finance System - Redesign I (SRD I), the migration of embedded disbursing capabilities from entitlement systems (e.g. MOCAS, MCTFS), and adoption of SDI by the DoD and service ERP solutions. Business Enterprise Information Services (BEIS) functions as the front end of the process providing a central point for edits, data translation and reconciliation, and will be the central transaction repository. DFAS and BTA are partnered to consolidate disbursing systems and operations and reduce overlaps.

Enterprise Risk Management Program – Business Activity Monitoring (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, systems control program, Balanced Scorecard, Improper Payment Information Act implementation and other compliance programs to provide a single visual decision support capability for effective risk management. BAM will be part of ERMP and includes integrity checks, reviews and parameter analytics applied to each transaction to provide capabilities to identify and stop potential errors such as over/under-payments and possible fraudulent activity. ERMP-BAM will enable DFAS to reduce costs, manage risk and enhance controls, thereby, maximizing DFAS's return on investment. It is planned that in 2008, LSS will be integrated with ERMP-BAM.



Other Transformational Activities

Establishment of Financial Management Center of Excellence (FM COE): FM COE is an activity implemented by DFAS to focus on shared services related to requirements, integration, and training. The changing work environment and implementation of the ERPs provided the impetus for change. Utilizing a matrix structure, the FM COE is aligning their 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): includes three major projects: 1) Global War on Terror (GWOT) Cost of War, 2) Daily and Monthly Status of Funds, and 3) MyMetrics which includes Balanced Scorecard. The goal is to deliver a corporate-level performance management scorecard in a stylized Executive Dashboard designed as a visual representation of key performance indicators. MyMetrics, a module in BEIS, creates infrastructure for the BSC and provides a single data source. MyMetrics is being developed in three spirals. The first spiral implements a BSC core capability with selected measures; Spiral II will complete BSC reporting requirements. The third spiral will integrate the DFAS Executive Dashboard into the Comptroller Executive Dashboard and incorporate USD(C) measures, DFAS work year execution, and other special interest scorecards. Benefits include an environment for improved decision making and reduction in performance monitoring costs.

Support for ERPs: DFAS partnered 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. These initiatives include: Defense Agencies Initiative (DAI), Defense Enterprise Accounting and Management System (DEAMS), Enterprise Business System (EBS), General Fund Enterprise Business System (GFEBS), Logistics Modernization Program (LMP), Global Combat Support System - Army (GCSS-A), Expeditionary Combat Support System (ECSS), and Navy ERP.

Leaders in Motion (LIM): DFAS is moving from a technical to a professional workforce. LIM is a 3-year intern program developed to meet future demands and changes to enable DFAS to remain a viable and competitive employer. DFAS hires students using the Student Educational Employment Programs to create a potential pool of applicants for LIM hires. A total of 508 individuals are currently participating in the program at DFAS Cleveland, Columbus, Indianapolis, Limestone and Rome. DFAS has an 88% retention rate for the first five years.

BRAC: 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 10 sites by 2011. As the work and responsibilities from closing sites are being moved to enduring sites, it provides an opportunity to standardize and streamline processes, automate manual processes, eliminate redundancies, and create more efficient operations.

Proactive Audit: to improve our financial management controls and processes and to meet established compliance standards, DFAS is executing a Proactive Audit strategy to reduce and eliminate duplicative audit findings. The goal is to identify existing vulnerabilities and to categorize and track resolution. The approach uses findings from a recent financial audit to provide immediate improvement in vulnerable areas until ERMP-BAM is implemented. Part of the process is to determine whether the finding applies to other systems. The program is a major factor to achieving the risk management portion of this priority by improving financial integrity.

BI - MyMetrics Status at a Glance

Approach:

- Spiral1 BSC core capabilities
- Spiral2 Complete BSC reports
- Spiral3 Integrate DFAS and USD(C) dashboards



Priority Accomplishments:

- Completed SRD I conversion for Kansas City.
- Established FM COE organization and developed transition plan. Met with customers to brief strategy and identify targets of opportunity to impact systems development.
- As federal e-payroll provider, completed payroll conversion to DCPS for Broadcasting Board of Governors and 9,800 Federal Emergency Management Agency intermittent employees. Introduced functionality to meet legislative requirements and to accommodate requirements such as payment for employees who work nine months but are paid on a 12-month schedule.
- Completed MyMetrics prototype of DFAS Executive Dashboard and incorporated Comptroller Executive Dashboard content into a single Executive Dashboard display. The capability provided to date makes financial performance metrics, GWOT reporting, and status of funds data available to executives and decision makers for testing and evaluation.
- Using the LSS tools and methodology, executed approximately 30 process improvement projects that provided more than \$28M of estimated benefits.
- Implemented a DFAS-championed change to require mandatory Electronic Funds Transfer (EFT) information in DTS. This will eliminate 4000-5000 checks issued per month from DTS, positively influence DoD performance toward meeting the OMB goal of 99% EFT payments, and eliminate traveler payment delays when Treasury checks are lost in the mail.
- Closed DFAS Orlando, Pacific, and St. Louis sites. Work was migrated from these sites with closures occurring on schedule and within budget with no disruption to customer support.
- Identified business rules associated with reconciliation of master line of accounting tables for BAM implementation.

DFAS Priority #2	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ SDI: Convert SRD I to ADS (DFAS Kansas City) 	<ul style="list-style-type: none"> • SDI: Convert SRD I to ADS (DFAS Columbus) (Q2) • ERMP-BAM: BAM Implementation (Q3) • SDI: ADS FOC (Q4) • SDI: Convert SRD I to ADS (DFAS Indianapolis) (Q4) • SDI: FOC for Reduce Disb. Sites (Q4)

Near-Term Plans:

- MyMetrics prototype (Spiral I) DFAS Executive Dashboard development scheduled for Q1 FY08. Will make financial performance metrics, GWOT reporting and Status of Funds data available to executives and decision makers for testing and evaluation.
- Achieve MyMetrics Spiral II IOC in Q2 FY08 with DFAS Executive Dashboard developed.
- Finalize development of GWOT reporting into DFAS and Comptroller Executive Dashboard systems by June 2008 and reach FOC by Q4 FY08.
- Integrate LSS with ERMP-BAM by Q4 FY08.
- Complete phased conversion of e-payroll for Veterans Affairs.
- Reconcile Navy Fund Balance with Treasury to include reduction of new unmatched disbursements (UMDs), backlog of UMDs, and Navy non-STARS UMDs.



DFAS Priority #3: Expand Electronic Commerce (EC) Capability

EC is a DFAS initiative that focuses on expanding e-commerce initiatives and addresses entitlement, accounting and disbursing processes for the Air Force, Army, Navy, Defense Agencies and Marine Corps. The EC Business Plan (ECBP) summarizes the analysis of service-level electronic and manual processes and targets e-commerce initiatives that will reduce costs. In July 2006 DFAS worked with SMEs to identify 223 targets of opportunity and agreed to focus on 49 initiatives (Wave One) based on return on investment and support to governing priorities. Analysis recently performed indicates potential savings of more than several hundred FTEs after complete implementation of all initiatives associated with Wave One in 2009. The strategy to achieve this priority includes:

- Analyzing end-to-end processes and identifying breakpoints. Identifying solutions to fix breakpoints, with emphasis on BRAC closures, enterprise systems, standardized processes, governing priorities (PMA, ETP, DFAS Strategic Plan), cost savings, and system migrations.
- Utilizing LSS techniques to improve business processes.
- Incorporating EC initiatives in the FIAR Plan and Accounts Payable Working Group efforts.
- Partnering with the Defense Contract Management Agency (DCMA), Components, and vendors to ensure compliance with the DFAR requiring electronic submission of invoices.
- Leveraging existing IT solutions including: Purchase Card, 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.

The programs and activities that support the priority include: EC/EDI, Purchase Card, WAWF, PowerTrack, IAPS DEAR implementation, and CEDMS.

Transformation Programs

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. The EC/EDI umbrella includes several activities discussed below.

Purchase Card Program: a program that allows DoD users to make purchases less than \$3,000 in a streamlined electronic fashion.

Wide Area Workflow (WAWF): a DISA 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 the cost of manual transactions (manual transactions are more than \$24 each, whereas electronic transactions are less than \$4 each).

PowerTrack: integrates web-based accounts payable, accounts receivable, and cash management with physical supply chain events. PowerTrack supports the EC priority by generating electronic transactions, thereby eliminating AP and AR paperwork.



Integrated Accounts Payable System (IAPS) Database Expansion and Restructure

(DEAR): a DFAS system to electronically process vendor contracts, receipts and invoices in support of all EC initiatives (PowerTrack, WAWF and Purchase Card Program).

DFAS Corporate Electronic Document Management System(CEDMS): a DFAS corporate solution to eliminate movement of paper documents among DFAS organizations. By modifying Voucher Attachment System (VAS) and its infrastructure, all types of DFAS documents can be accessed electronically via CEDMS. This will avoid: 1) \$1,709,991 in costs for shipping documents from closing to enduring sites; 2) \$24,940,522 in annual labor costs for maintaining paper documents beginning in FY10; and 3) \$2,340,258 in annual records holding costs.

Priority Accomplishments:

- Completed the EC Communication Plan for existing initiatives and EC Governance Plan.
- Completed CEDMS testing and delivered to DFAS in April 2007. Completed user acceptance testing and deployed at Denver, Columbus, Rome, Charleston, San Diego.
- Released WAWF 3.0.11, which added FTP and EDI capability for miscellaneous payments and WAWF 3.0.12, which added miscellaneous pay capability for Navy transactions.

DFAS Priority #3	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ EC/EDI: Deploy capability for Increased Bus. Intell. ✓ EC/EDI: Deploy IAPS-DEAR release at DFAS Columbus (FOC) ✓ EC/EDI: Deploy IAPS-DEAR release at DFAS Limestone (FOC) ✓ EC/EDI: Deploy DFAS MyMetrics (FOC) for Increased Bus. Intell. ✓ EC/EDI: Expand Vendor and DoD use of WAWF as part of EC ✓ EC/EDI: FOC for Deploy WAWF to Army 	<ul style="list-style-type: none"> • EC/EDI: Implement Powertrack at all DFAS sites (Q2) • EC/EDI: Develop MyMetrics Executive Dashboard (Q2)

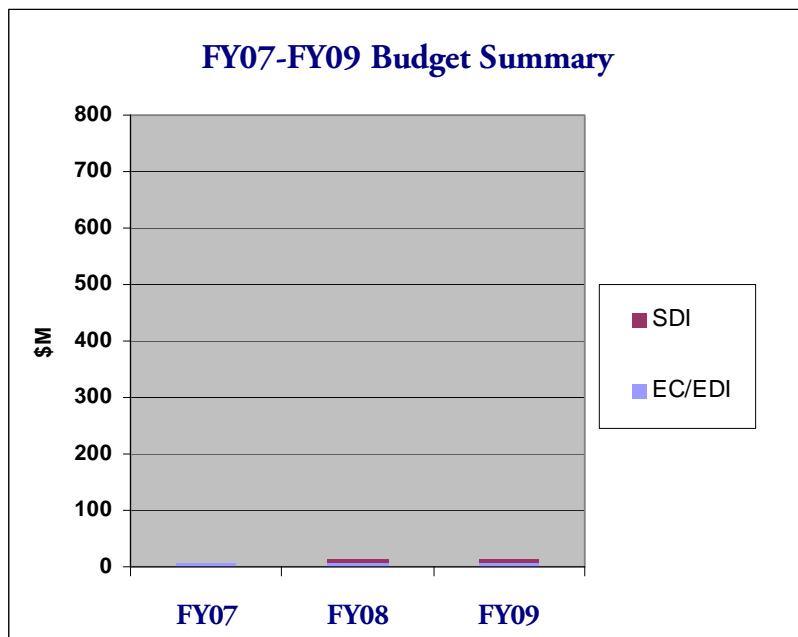
Near-Term Plans:

- Implement CEDMS at Kansas City, Pensacola Naval Air Station, Rock Island, Omaha, Limestone, Cleveland, Indianapolis, Arlington, Pensacola Saufley, and Pax River.
- Implement an IAPS-DEAR release that includes PowerTrack functionality by January 2008.
- Expand EC capability to include WAWF miscellaneous payments by May 2008.



DFAS Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for DFAS programs.



Systems and initiatives funded without identified PB08 budgets:

- ERMP-BAM

Note:

For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_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 (ADS)						●	Standardizes disbursing for DFAS
EC						●	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: Soldiers and Civilians Deploy to support Deployable Disbursing System

The need for a deployable disbursing system was never more evident than after Desert Shield/Desert Storm. The Army Finance Corps deployed without adequate accounting and funds disbursing systems support. Most computer mainframe applications used in peacetime would not work in a deployed environment. Connectivity and communications were issues as well as the adverse operating environment. Manual processes were hard to control, often led to accountability issues and duplicate payments, and were susceptible to fraudulent activity. Paper copies of records were lost and hard to reconstruct. Subsequent investigations took years, and the cost to taxpayers was in the millions.

In April 1996, the Army requested DFAS to develop a disbursing capability that could be used in both the deployed and garrison environments. DFAS responded to the request by developing the Deployable Disbursing System which supports operations in remote combat environments where communications capabilities are limited. DDS has replaced labor-intensive manual processes and integrated the flow of information between entitlements and accounting. Streamlined processes have improved the accountability of funds, timeliness of financial information, and provision of historical data. The Army and Marine Corps also use DDS in garrison to enhance force readiness and respond quickly to directives from the National Command Center. DDS is but one element in DFAS's current disbursement solution, and its role as part of the long-term disbursing solution is under discussion.

Supporting remote operations sometimes requires onsite assistance from DFAS employees. At the request of the Theatre Finance Command, the DDS program has provided transition teams to support all five rotations of finance troops since the inception of the Operation Iraqi Freedom (OIF) war. While DDS software upgrades can be supported remotely, the value of hands on support to new troops by DDS software specialists has been immeasurable. Master Sergeant Sylvia Rios-Holcomb led a team of seven individuals from Indianapolis in support of the last rotation from early November through mid-December of 2006. The team's job was to provide training to finance Soldiers and Marines assigned to the Theatre Finance Command who had recently arrived in theater and to upgrade DDS software as required. The upgrade provided the ability to send payment data to an imaging system, which addressed problems prior to DDS regarding lack of control, accountability, and a reliable trail of financial documents.

"Our mission was to make sure that everyone was operational on the system and that they had a good understanding of the system," Rios-Holcomb said. "We wanted to upgrade every site that we visited, and we accomplished that but not without challenges." Finance offices in Iraq operate seven days a week. In order to upgrade the DDS software with minimal impact on operations, the team frequently worked throughout the night. The system upgrade at Taqaddum, Iraq was an example of the challenges faced by the team. "We started the upgrade as soon as they closed for business around 5pm. We weren't able to get them up and running until exactly five minutes before they opened the next day...but thanks to support from DFAS Indianapolis they were able to get the doors open on time." That support came from employees who work around the clock in Indianapolis. Since the Iraq time zone is eight hours ahead of Indianapolis, the Program Management Office operates a 24/7 help desk to include weekends and holidays. The DDS PMO team is dedicated to support the finance troops in OIF as well as the transition teams from Indianapolis.

Before deployment, all eight members of the team received combat training, as well as Improvised Explosive Device (IED) and first aid training at the CONUS Replacement Center at Fort Benning, Georgia. All team members understood that their transition assistance mission was not without risk. Rios-Holcomb states that there were some very tense times for all members of the team, and while in theater, the team traveled by helicopter when possible as IEDs made convoys very dangerous.

This approach has been very successful and the DDS PMO continuously incorporates lessons learned from OIF Soldiers and Marines into new releases. Many system improvements are discovered during calls to the help desk, which are an important part of the daily interaction with Soldiers and Marines in OIF. The DDS PMO is currently supporting pre-deployment training and planning for the next transition assistance mission expected for October through November 2007. The PMO feels that this type of "boots on the ground" assistance is vital to the troops and plans to continue these deployments of DFAS staff for the foreseeable future.



Chapter 11: 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 DoD/Department of Veteran Affairs (VA)/civilian healthcare delivery system, a shift from reactive to proactive care, and more efficient healthcare operations.

The MHS Business Transformation Strategy is driven by the three pillars of the MHS Strategic Plan:

- The MHS will provide a medically ready and protected force and medical protection for communities through the implementation of surveillance and health monitoring solutions and processes that improve health, enhance human performance and protect against medical threats across the entire range of military operations.
- The MHS will create a deployable medical capability, enabled by globally accessible health information and rapidly deployed medical services and products that can go anywhere, anytime with flexibility, interoperability and agility.
- Finally, the MHS will manage and deliver a superb health benefit by strengthening our partnerships with our beneficiaries, other federal health agencies including the VA and Health and Human Services (HHS), and the private sector.

This DoD medical ETP submission is coordinated through the TRICARE Management Activity (TMA). TMA executes the direction of the Assistant Secretary of Defense (Health Affairs) (ASD (HA)) and is one of a federation of DoD activities and health service contracts (collectively referred to as the MHS) that work together to provide healthcare services and healthcare support structures that serve the Department's 9.1 million active duty and reserve, family members, and retired beneficiaries. The TMA also supports the Military Departments (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 healthcare 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 healthcare system.** Keeping patients healthy and active in our community is one objective of a proactive vs. reactive approach to healthcare. 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 healthcare 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 healthcare 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 healthcare 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 between patients, providers, suppliers and intermediaries.

Transformation Programs

AHLTA

Status at a Glance

- ✓ During Q3 FY07, AHLTA Block 2 (Dental Functional) completed OT at 2 Army, 2 Navy, and 2 Air Force Dental Clinics. Testing included 200 dentists and support staff conducting over 4000 actual patient encounters. Observations included manual data collection of functional performance, user opinion surveys, and automated performance data collection encompassing over 75,000 transactions (individual tasks within an encounter).
- ✓ AHLTA Block 1 is fully deployed and in use by more than 55,000 MHS care providers across all 138 Army, Navy and Air Force MTFs, 11 time zones worldwide.

AHLTA: AHLTA is the military's EHR, an enterprise-wide medical and dental clinical information system for use in all fixed military medical facilities, on board ships, and in deployed medical facilities. It generates, maintains, stores and provides secure real-time access to patient records. This EHR began worldwide deployment in January 2004 and is becoming a key enabler to military medical readiness. It supports uniform, high-quality health promotion and healthcare delivery to more than 9.1 million Military Health System beneficiaries.

AHLTA meets the eight care delivery functions that the Institute of Medicine identified as essential for healthcare delivery safety, quality, and efficiency: health information and data; result management; order management; decision support; electronic communication and connectivity; patient support; administrative processes and reporting; and reporting and population health. AHLTA ensures the continuity of the Department's health information and patient-centered healthcare delivery – with one patient, one record and worldwide accessibility.

AHLTA is being deployed in phases or "blocks" of increasing functionality that allow the MHS to incrementally build a system that adapts to evolving requirements and incorporates the latest available technology. Block 1 provides the foundation of system performance through a graphical user interface for real-time ambulatory encounter documentation and enables retrieval of a beneficiary's health record at the point of care. Block 2 will integrate optometry orders management capabilities and robust dental documentation. Subsequent blocks will modernize legacy system ancillary services (laboratory, pharmacy, and radiology), order entry and results retrieval, inpatient documentation, and interface exchange with other MHS information support systems.

Joint Electronic Health Records 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 to achieve interoperability of electronic health information between VA and DoD. JEHRI essentially implements the strategy for how VA and DoD continue to enhance the continuity of care between the two Departments by enabling a view of health data from VA and DoD electronic health information.

The JEHRI initiative enables efficiencies between the DoD and VA and their respective business processes. It provides benefit by reducing complexity between systems while focusing investments on collaborative efforts. The sharing of clinical data between the two departments has decreased redundant tests and procedures and reduced dependency on paper records. Through JEHRI, DoD and VA have enhanced the delivery, quality and continuity of healthcare. JEHRI remains the recognized federal model for electronically sharing health information. It exemplifies how federal agencies can take the lead in health IT adoption and prime the marketplace for continued success.

Defense Medical Logistics Standard Support (DMLSS): DMLSS is the standard DoD medical logistics system enabling health care providers to deliver cost-effective, state-of-the-art healthcare to patients worldwide. The DMLSS automated information system implements a Tri-Service suite of products (modules) that standardizes medical logistics among the Services, reduces the time providers and health care professionals spend on logistics activities, and improves the effectiveness and efficiency of health care delivery. DMLSS has achieved significant savings by implementing just-in-time practices and Prime Vendor support concepts. Just-in-time delivery systems eliminate the need to maintain large inventories of pharmaceutical and medical/surgical items at the wholesale level and at MTFs. By providing price comparison tools and electronic commerce capabilities, DMLSS has enabled MTFs to select and order the best value item that meets their requirements.

DMLSS includes a full suite of medical logistics capability to include stock fund level inventory management, quality assurance, medical technology management, and management of readiness materiel. DMLSS Release 3 completely replaces the Service medical logistics systems in DoD hospitals by providing wireless data collection devices, improved e-commerce capabilities, a web-based interface, improved facility management features, and computer aided drawing.

JEHRI

Status at a Glance

- ✓ BHIE - data available from all DoD and VA sites with all VA and DoD sites
- ✓ FHIE – 3.9 million patients
- ✓ BHIE – 2.2 million correlated patients
- ✓ PPDHA/PDHRA – 706,000 forms transferred to VA
- ✓ BHIE Inpatient – 12 operational sites
- ✓ CHDR – Over 8,300 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.

Other Transformational Activities

AHIC

Status at a Glance

- ✓ August 2006: Contributed to Executive Order to help increase the transparency of America's Health Care System-Empowering Americans to Find Better Value and Better Care
- ✓ Dec. 2006: Recommended three sets of "Interoperability Specifications" for EHRs approved by the Health Information Technology Standards Panel (HITSP) and the Secretary of HHS
- ✓ Published First Annual Adoption Survey Report
- ✓ Developed Clinical Decision Support roadmap
- ✓ Agreed on priorities for 2nd round of Use Cases
- ✓ Advanced recommendations regarding patient identity proofing and PHRs

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 HHS and recommend specific actions for making health information technology (HIT) interoperable. The Assistant Secretary of Defense for Health Affairs is one of the sixteen commissioners nominated to this Community, responsible for addressing EHR and Nationwide Health Information Network (NHIN) adoption through standards harmonization, product compliance certification, health information exchange, privacy, security, and the health IT agenda. The DoD also participates in five of the seven AHIC Workgroups formed to establish breakthroughs in the areas of biosurveillance (or population health), consumer empowerment, chronic care, EHRs, confidentiality, privacy and security, quality and personalized healthcare. By actively participating in these Workgroups, the DoD is engaged in making recommendations to the AHIC thereby helping advance national efforts to reach President Bush's 2004 call for most Americans to have EHRs within ten years. Through this activity, the DoD is committed to working with the private sector to set standards for interoperability so health information can be readily available and accessible to all Americans.

MHS Defense Business Transformation (DBT) "IT City Planning:" The MHS Defense Business Transformation program is applying the tools provided by Congress via statute (10USC, Section 2222) in concert to create an environment that embraces principles of good government. Leveraging technology in the most meaningful way requires adopting behaviors that promote awareness, interoperability, agility, and alignment. The statute provides the three tools to help us achieve these goals: Enterprise Architecture, Transition Planning and Investment Review.

The MHS is aggressively evolving its enterprise architecture for use as a blue print and a repository of "IT city codes." This set of documents details existing and allowable structures, standards, characteristics, processes and interactions between them. It constrains building activities to those which are allowed and that support the strategic vision. Analysis of this set of "city codes" and "blueprints" informs decision making, promises to keep the government in control of building activities, and actually produces new requirements.

The MHS is writing and making use of a Component Transition Plan (CTP) as one might use a city plan. This document contains a description of the future state of the MHS IT structure and priorities and specifies how we will achieve that state. It is consulted as each investment team seeks certification for their investments.

The MHS Investment Review process was established over the past two years and is similar to the process of obtaining a "permit" to build. Due diligence is performed on each "application" to assess the merit of individual information technology (IT) investments within the context of the entire MHS business environment. It is one of several integrating tools and processes that help MHS leadership, including business and functional owners within ASD (Health Affairs)/TRICARE Management Activity and the Service Medical Departments, to obtain the best value and results with the available IT budget.

MHS DBT

Status at a Glance

- ✓ December 2006: MHS DBT User Manual version 2.0 Published
- ✓ August 2006: MHS DBT Web Site (www.ha.tma.osd/dbt) published.
- ✓ January 2007: MHS DBT Investment Evaluation Criteria version 1.0 Published
- ✓ March 2007: TRICARE Management Activity policy released formally linking acquisition community with DBT program
- ✓ June 2007: MHS DBT has stopped or redirected \$40.215M as a result of the investment review process
- ✓ June 2007: Reviewed a cumulative \$854.351M of Defense Health Programs (DHP) Business IT investment activities

Stated goals of the MHS Investment Review process are to:

- Focus MHS IT investment threads on enterprise priorities;
- Identify potential redundancies and synergies across multiple investment threads;
- Assure that investment owners have performed the correct due diligence on their own investment proposals;
- Assess investment alignment with the Business Enterprise Architecture (BEA) and MHS Enterprise Architecture (EA);
- Integrate with other MHS IT management processes where possible; and
- Reduce complexity and bring people together in the MHS IT environment

Application of Enterprise Architecture, Transition Planning, and Investment Review is a shared responsibility. Health Affairs/TMA re-wrote its acquisition policy to ensure that all new IT contracts and modifications of IT contracts are coordinated with the MHS Defense Business Transformation office. Today, no money is spent on developing business IT solutions in Health Affairs or TMA without coordinating with the IT City Planners.

Use of the Balanced Scorecard (BSC) Approach to Strategic Planning: Use of the Balanced Scorecard approach to strategic planning has allowed functional and technical communities to better understand the relationship between strategic objectives and enabling technologies. The successful transformation of the MHS to a Strategy Focused Organization depends on reliable, real-time, commonly accessible data in the areas of clinical quality, business process, and customer satisfaction. As a result of greater efforts at understanding changing strategic and tactical priorities, proposals have come forward to leadership to re-shuffle the priorities that drive the modernization and development of our portfolio of capabilities. Some examples are modifications to the rollout of AHLTA blocks, development of a common Performance Measurement Decision Tool, and use of a Metrics Standardization Board across all of the MHS Strategic Business Units.

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 healthcare operations. The MHS is committed to creating an environment that can provide information when and where needed about (1) the health of Service members, other beneficiaries, and entire communities; (2) 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 healthcare 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.
- Deploying AHLTA Block II, Release 1 – Spectacle Request Documentation capability
- Deploying AHLTA Block II, Release 2 – Dental Documentation capability
- Working in collaboration with the VA to identify the scope and requirements of a joint inpatient electronic health record that could be used across the full continuum of care (theater to VA).

Priority Accomplishments:

- On April 30, 2007, the National Certification Commission for Health Information Technology (CCHIT), the recognized certification body for health IT products, confirmed that AHLTA 3.3 is a Pre-market CCHIT Certified Ambulatory EHR product for 2006. As a CCHIT Certified product, AHLTA 3.3 has been tested and passed inspection of a set of criteria for functionality (ability to create and manage electronic records for all patients, as well as automating workflow in a physician's office), interoperability (a first step towards creating the ability to receive and send electronic data to other entities such as laboratories), and security (ability to keep patients' information safe).
- Achieved FOC for AHLTA Block 1 by completing deployment to the final seven MTFs. AHLTA Block 1 has now been implemented at all 138 planned Army, Navy, and Air Force MTFs across 11 time zones worldwide, with over 55,000 fully trained users.
- AHLTA's Clinical Data Repository (CDR) currently contains electronic clinical records for over nine million beneficiaries. As of July 31, 2007, AHLTA had processed 53,836,720 outpatient encounters and currently processes approximately 12,000 patient encounters per workday. Since the March 2007 report, the average percentage of outpatient visits documented in AHLTA increased from 85.3% to 87.9%. The number of theater encounters documented in AHLTA-T and available in the CDR now exceeds 799,000.
- DMLSS created an executive dashboard for senior MHS leadership illustrating the DoD's worldwide capability to combat pandemic influenza. Through the Joint Medical Asset Repository (JMAR), decision makers can now view organizational readiness and the location and amounts of key medical material (i.e., pharmaceuticals and medical/surgical items/equipment) necessary to prevent the spread of disease and treat patients.

Near-Term Plans:

- Continue worldwide deployment of AHLTA Block 2, Release 1 (spectacle management support).
- Deploy AHLTA Block 2, Release 2, which includes integrated dental documentation and practice guideline capabilities.
- Complete development test and evaluation (DT&E) for Build 841 Patch 5. This patch provides AHLTA infrastructure and application enhancements that were identified as needed during OT&E.
- Transition the National Capital Area to AHLTA version 838.20.
- Release the next AHLTA enhancement, version 3.3.

- Complete the development of the Block 3 revised Acquisition Strategy and Acquisition Program Baseline.
- 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.

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 health IT 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.

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, the DoD transmits to VA inpatient and outpatient laboratory and radiology results, outpatient pharmacy, allergy information, discharge summaries, consult reports, admission, disposition and transfer information, elements of the standard ambulatory data records, and demographic data on separated service members. VA providers and benefits specialists access this data daily for use in the delivery of healthcare and claims adjudication.
- Enabling the real-time sharing of allergy, outpatient pharmacy, demographic, and inpatient and outpatient laboratory and radiology data between all DoD and VA treatment facilities for patients treated by both DoD and VA.
- Sending electronic pre- and post-deployment health assessment and post-deployment health reassessment information to the VA.
- Sharing interoperable data between DoD's Clinical Data Repository and VA's Health Data Repository beginning with the exchange of computable pharmacy and medication allergy data for shared patients which allows for drug-drug and drug-allergy checks on data from both Departments.
- Working with the VA to investigate opportunities for a joint approach for an inpatient EHR. A joint DoD-VA inpatient EHR may result in significant efficiencies, making inpatient medical records accessible to doctors and other clinicians in both Departments. A joint inpatient EHR will allow both Departments to share medical data more seamlessly, leading to enhanced patient care.
- 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), modeled after the DoD-VA Bidirectional Health Information Exchange (BHIE).
- Partnering between Defense Logistics Agency's Defense Supply Center Philadelphia (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 and location of the assets throughout the Medical Logistics Supply Chain.

Priority Accomplishments:

- The Federal Health Information Exchange (FHIE) increased the number of patients from 3.7 to 3.9 million; lab results from 51.8 to 55 million; radiology reports from 8.6 to 9.1 million; pharmacy records 52.2 to 55.6 million; and standard ambulatory records from 52.2 to 58.9 million available to the VA in the FHIE Data Repository. These increases have contributed to a more seamless transition for separated Service members enrolling for care at the VA.
- Bidirectional Health Information Exchange (BHIE) increased the number of correlated patients from 2.0 to 2.2 million; and new patients from 871,000 to 940,000. In March 2007, BHIE was operational at 23 host sites, which included 15 medical centers, 17 hospitals, and over 180 outlying clinics. BHIE data are now available through AHLTA, DoD's electronic health record, from all DoD sites, and through VistA, VA's electronic health record, to all VA and DoD providers for those patients treated by both departments. 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.
- Pre-and Post-Deployment Health Assessments (PPDHA) forms transferred to VA increased from 1.5 to 1.7 million and unique individuals with PPDHA and Post-Deployment Health Reassessments (PDHRA) forms transferred to VA increased from 623,000 to 706,000. Because of these increases, more separated Service members and Reserve and National Guard members who have been deployed and are now demobilized have data available at VA if they present themselves to VA for care.
- In the 2nd quarter FY07, one additional DoD/VA site with a business case to use the other as a reference laboratory, implemented Laboratory Data Sharing Initiative (LDSI) Chemistry, increasing the operational sites from 8 to 9. 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. DoD and VA completed testing the addition of laboratory anatomic pathology (AP) and microbiology orders and results retrieval which uses the Logical Observation Identifiers Names and Codes (LOINC) and Systematized Nomenclature of Medicine Clinical Terms (SNOMED CT) data standards. The AP/microbiology functionality became operational at Brooke Army Medical Center and VA South Texas Health Care System in May 2007.

- During the 3rd and 4th quarter FY07 the capability to provide inpatient discharge summaries using BHIE and DoD's Essentris System was implemented at Brooke Army Medical Center, Martin Army Community Hospital, Naval Medical Center San Diego, Dewitt Army Community Hospital, Malcolm Grow Medical Center, William Beaumont Army Medical Center, Wright-Patterson AFB, Walter Reed Army Medical Center, Naval Hospital Camp Pendleton and National Naval Hospital Bethesda enabling DoD and VA providers access to view inpatient discharge summaries from both agencies.
- The Clinical Data Repository (CDR)/Health Data Repository (HDR) (CHDR) is operational at William Beaumont Army Medical Center (AMC) and El Paso Department of Veterans Affairs (VA) Health Care System (HCS); Eisenhower AMC and Augusta VA Medical Center (VAMC); Naval Hospital Pensacola and VA Gulf Coast HCS; Madigan AMC and VA Puget Sound HCS; Naval Health Clinic Great Lakes and North Chicago VAMC; Naval Hospital San Diego and VA San Diego HCS; and Mike O'Callaghan Federal Hospital and VA Southern Nevada HCS. The DoD and VA continue to monitor the performance of data exchanges at these seven sites. As of July 2007, there were over 8,300 "active dual consumers" (ADCs). 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 data through the CHDR interface enables drug-drug and drug-allergy order checking using consolidated pharmacy and allergy data from both Departments.
- Achieved 90% data synchronization between the DMLSS PMO, DLA's Defense Supply Center Philadelphia (DSCP), and the VA of all medical/surgical items records residing in the VA Federal Supply Schedules and National Item File and the DoD Medical/Surgical catalog and Defense Acquisition Pricing Agreements.

Near-Term Plans:

- Begin work to expand the use of BHIE to share viewable encounters/clinical notes, procedures, and problems in real-time and bidirectional for shared patients at all sites.
- Begin work to expand use of BHIE to share viewable vital signs in real-time and bidirectional.
- Define inpatient data required to share between DoD and VA for clinical use for an inpatient to inpatient transfer of a shared patient.
- Define Department unique and joint inpatient electronic health record functional requirements for potential joint application.

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 Health IT and logistics.

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.

- Establishing a Defense Medical Logistics Community of Interest (COI) to (1) strive to make stakeholder data visible, accessible, and understandable to those inside and outside their community; (2) promote cross-DoD Component Information sharing efforts; and (3) enable data-centric development of standards essential to focused logistics, process agility and net-centric enterprise-wide logistics architecture.
- Continuing to shape American health IT standards and policy through active participation in American Health Information Community (AHIC) working groups.

Priority Accomplishments:

- Participated in five of the seven AHIC Workgroups formed to establish breakthroughs in the areas of biosurveillance (or population health), consumer empowerment, chronic care, EHRs, confidentiality, privacy and security, quality and personalized healthcare.
- Initiated a concept of operations with a project plan promoting DoD and VA consumers’ access to their personal health information.
- Recommended to the Federal HIT community candidate policies, practices, and standards related to the management and control of access to electronic health information (e-authentication).
- Provided continued representation to the AHIC confidentiality, security and privacy workgroup.
- Evaluated security, privacy and design level specifications from the Healthcare Information Technology Standards Panel (HITSP).

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/synchronized DoD and VA medical/surgical product data.

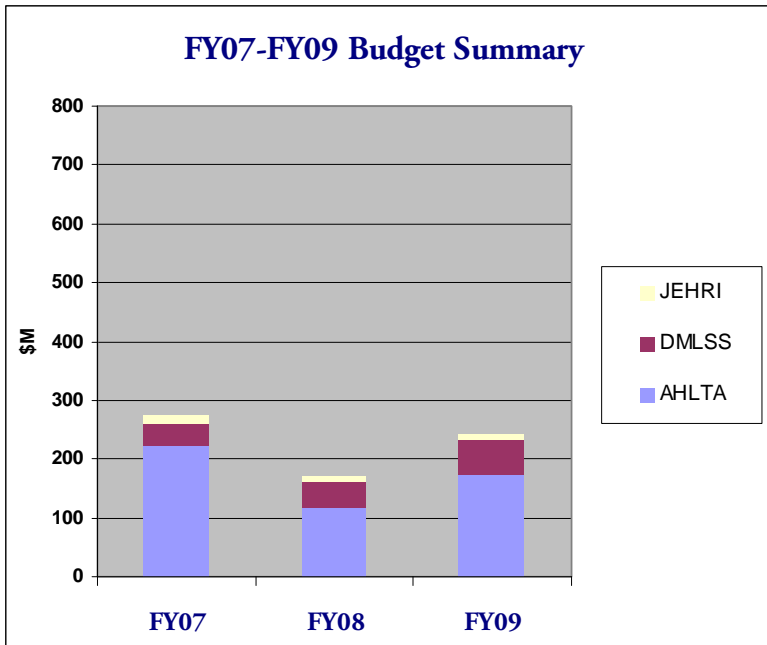
MHS System: AHLTA	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> ✓ AHLTA: Complete AHLTA Block 2 DT&E for Block II ✓ AHLTA: FOC for Block I ✓ AHLTA: Increase the number of patient encounters in AHLTA to 35,000,000 ✓ AHLTA: Complete OT&E in anticipation of deployment of AHLTA Block 2, Release 2 for Block II 	<ul style="list-style-type: none"> • AHLTA: Milestone B for Block III (Q2) • AHLTA: Begin deployment of the first two increments of DFI Enabled AHLTA as part of AHLTA v3.4 for Block I Enhancements (Q4) • 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)

MHS Initiative: JEHRI	
FY07 Critical Milestones	FY08 Critical Milestones
<ul style="list-style-type: none"> √ JEHRI: Implement BHIE-CIS at 1 site √ JEHRI: Implement BHIE-CIS at 2 additional sites √ JEHRI: Implement CHDR-BHIE Interface, Release 1, part of 2nd phase of JEHRI implementation √ JEHRI: Implement BHIE-CIS at 2 additional sites √ JEHRI: Implement BHIE-CIS at 2 additional sites 	<ul style="list-style-type: none"> • JEHRI: Implement BHIE Theater data (Q1) • JEHRI: Implement CHDR-BHIE Interface, Release 2 (Q1) • JEHRI: Implement CHDR-BHIE Interface, Release 3 (Q3) • JEHRI: Implement automated activation of Active Dual Consumer patient capability (Q4) • JEHRI: Implement CHDR Phase 2, Release 2, Part of 2nd phase of JEHRI implementation (Laboratory Results) (Q4) • JEHRI: Implement CHDR-BHIE Interface, Release 4 (Q4) • JEHRI: Provide report on the Analysis of Alternatives and recommendations for the Joint DoD/VA Inpatient Electronic Health Record (Q4)

MHS System: DMLSS	
FY07 Critical Milestones	FY08 Critical Milestones
	<ul style="list-style-type: none"> • DMLSS: Complete RFID capability coding development within the DMLSS system and complete development testing (Q1) for Implement RFID Capability (Q1) • DMLSS: Deploy new front end (user interface) to support Data Warehouse beginning with the Blood Module (Q1) for Transition the JMAR Application (Q1) • 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 (Q2) • 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 (Q3) • 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) • DMLSS: Analyze RFID deployment and effectiveness of business processes at Alpha sites (Q4) for Implement RFID Capability (Q4) • DMLSS: Complete testing and fielding of JMAR Data Warehouse (Q4) for Transition the JMAR Application (Q4)

MHS Budget Summary

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for MHS programs.



Systems and initiatives funded without discrete PB08 budgets:

[None]

Note: For additional details and explanatory notes, please refer to Appendix I on the DBT web-site: www.defenselink.mil/dbt/products/2007_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 healthcare delivery to more than 9.1 million Military Health System (MHS) beneficiaries by ensuring the continuity of the Department's health information and patient-centered healthcare delivery – with one patient, one record and worldwide accessibility.
Joint Electronic Health Records Interoperability (JEHRI)	●						Enhancing the continuity of care between DoD/VA by enabling a view of health data from DoD and VA electronic health information.
Defense Medical Logistics Standard Support (DMLSS)	●	●		●	●		Enabling health care providers to deliver cost-effective, state-of-the-art healthcare 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 (Health Affairs)/TRICARE Management Activity 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.
Balanced Scorecard (BSC) Approach to Strategic Planning	●						Providing a better understanding of the relationship between strategic objectives and enabling technologies

Case in Point: DoD/VA Transform Business Processes to Care for our Most Seriously Wounded Warriors

Bi-Directional Health Information Exchange is “a superb example of the commitment our departments have made to work hand in hand to provide quality and continuity of care for our beneficiaries”

-- Dr. S. Ward Casscells, Assistant Secretary of Defense for Health Affairs

“The ability to electronically share [radiology] images significantly improves the continuity and quality of patient care... With all the images immediately available, VA physicians can begin assessment and treatment plans even before the patient arrives.”

-- Dr. Stephen Scott, Director of the Tampa VA Polytrauma Center

In the March 2007 Congressional Report, we followed Army SGT Tom Humphrey’s journey through the Military Health System, from the battlefield in Iraq through his rehabilitation in Pomona, California. His story revealed both the complexity of the military medical environment, and the heroic efforts of the three Service medical departments, the VA, a network of civilian partnerships, and the service member’s loved ones to restore the health of our wounded warriors. Successful outcome for SGT Humphrey and for every other wounded warrior is dependent upon our medical team’s ability to access up-to-date, complete medical information at each point along the continuum of care.

Our most critically injured soldiers, sailors and airmen need the collective strengths of the DoD and the VA to return to their families. This means that the privilege of providing care must be split between the two departments while ensuring that care itself is seamless to the patient. Today, many of the larger DoD medical centers transfer patients to VA Polytrauma Centers for continuation of inpatient care. With these transfers, the DoD must move large amounts of medical information accumulated while under DoD care. Transferring medical records, including radiology imagery, is important for the VA receiving care teams in order to provide proper care. Without image information, for example, clinically unstable patients may need to be re-imaged unnecessarily, exposing them to additional risk.

Since our last report, a joint VA/DoD Imaging workgroup developed an approach to sharing radiology images and electronic medical records between the two departments. The workgroup leveraged existing technologies to electronically move radiology images from the radiology image storage repositories at our three primary DoD wounded warrior care facilities to the repositories at the four VA Polytrauma Centers. Additionally, the workgroup established a process to combine electronic health record information from DoD systems with scanned paper medical documents in a single electronic file that can be accessed by the clinical care team at the receiving VA Polytrauma Center. As a result, this initiative has significantly enhanced the coordination and quality of care delivered to our most seriously injured patients.

This project represents an important and necessary step towards the bidirectional sharing of health information between the DoD and VA. As our service members continue to rely on strengths of both departments for their care and recovery, the ability of the two departments to share information will be brought to bear when and where it is needed the most – in support of our wounded warriors.

Section V: Managing and Tracking Transformation

Chapter 12: Other DoD Components

To provide a more comprehensive view of business transformation across the Department, and encompass all Tier 1 and Tier 2 systems (i.e., MAIS programs and IT investments greater than \$10M), this section of the Enterprise Transition Plan provides information on two other Components: the Defense Commissary Agency (DeCA) and the Defense Human Resources Activity (DHRA). These Components certified five Tier 1 and Tier 2 systems that contribute to business transformation.

This section introduces the mission of each of the agencies, followed by information about each of the certified systems, including a description of the systems, budget and the Business Enterprise Priorities they support.

Defense Commissary Agency (DeCA)

The mission of DeCA is to deliver a premier commissary benefit to the Armed Services community that:

- Encourages an exciting shopping experience;
- Satisfies customer demand for quality grocery and household products; and
- Delivers exceptional savings while:
 - Enhancing quality of life.
 - Fostering recruitment, retention and readiness.
 - Supporting warfighters' peace of mind, knowing their families have secure and affordable access to American products.

From its headquarters at Fort Lee, VA, DeCA operates stores (approximately 3,100 checkout lanes) through three regional offices with approximately 15,000 employees. Commissaries are located in most countries where U.S. military forces reside.

Two Tier 1 and Tier 2 systems from DeCA have been certified: the Commissary Advanced Resale Transaction System (CARTS) and the Warehouse Management System (WMS).

CARTS

CARTS is a total system replacement of the existing point-of-sale (POS) system at DeCA locations worldwide, to take advantage of increased functionality and serviceability available through technological advances. CARTS will maintain target inventory levels, track product pricing, and capture customer preferences. CARTS supports other commercial grocery industry functions, such as electronic benefits transfer, credit and bank debit cards, gift cards, check truncation, electronic shelf labels, and customer self-checkout.

Employing the new features of modern POS systems will greatly improve customer service, reduce costs associated with maintenance of outdated hardware and software, and provide for the more efficient exchange of information with the data warehouse and other Agency systems.

Business Enterprise Priorities supported: Financial Visibility and Personnel Visibility



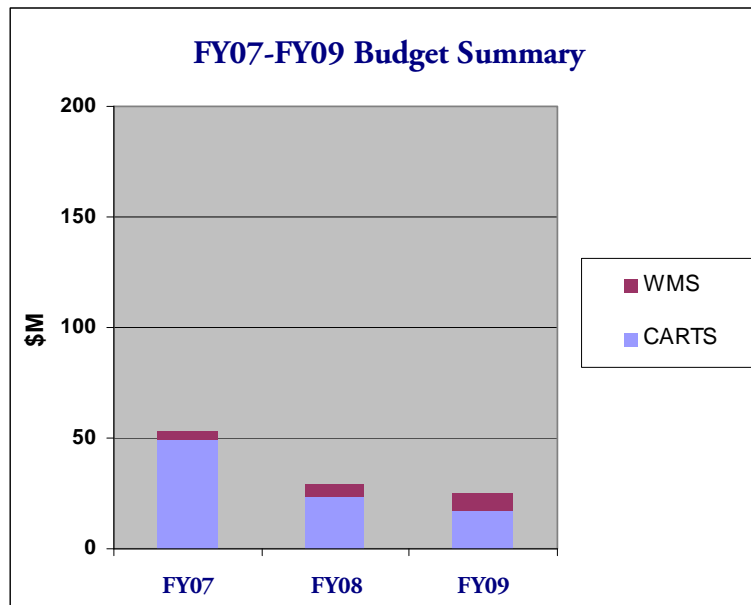
WMS

The Warehouse Management System (WMS) supports product movement to overseas commissaries. WMS is a scalable system that can support increasing volumes of transactions and users, in particular high throughput in Centralized Distribution Centers (CDC) worldwide. The WMS will provide for improved inventory management, better labor scheduling, detailed productivity tracking, integrated transportation planning, comprehensive van management and increased order accuracy.

WMS provides a technology incorporating proven supply chain industry leading practices, and meets DeCA's functional and technical requirements for improving the efficiency of DeCA's central distribution centers. WMS enables DeCA to comply with DoD standards and requirements for RFID and keep pace with commercial retail grocery industry and warehouse best practices.

Business Enterprise Priorities supported: Acquisition Visibility and Materiel Visibility

The Budget Summary below shows the PB08 budgets for FY07 to FY09 for the two DeCA programs.



Defense Human Resources Activity (DHRA)

The Defense Human Resources Activity (DHRA) is a DoD Field Activity under the authority, direction and control of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)). The USD (P&R) is the Director of DHRA and the Deputy Under Secretary of Defense (Program Integration) is the Deputy Director.

DHRA's mission is to provide program support, information management, and administrative services to the DoD Components on human resource matters and to collect, archive and provide management information, research and analysis of human resources and other related functional area data bases for the DoD.



For DHRA, three Tier 2 systems are included: the Defense Enrollment Eligibility Reporting System (DEERS), the Real-time Automated Personnel Identification System (RAPIDS), and the Common Access Card (CAC) system.

DEERS / RAPIDS / CAC

The DEERS, RAPIDS, and CAC programs are interdependent and interrelated:

- DEERS is the DoD person data repository (PDR),
- CAC uses the DEERS database for authentication and personnel information, and
- RAPIDS is the system that supports the Uniformed Services Identification card program to provide online updates to DEERS and issues the CAC to Service members, civilian employees, and eligible contractors used to provide access DoD facilities and networks.

DEERS is the central PDR for the entire DoD containing personnel data on more than 25 million persons. It ensures that only eligible beneficiaries receive benefits/entitlements and automates the related processes. DEERS serves as a flagship for identity management and authentication services, promoting the Presidential initiatives for e-Government and Homeland Security.

RAPIDS is the Department's enterprise solution for issuing Uniformed Services Identification and Privilege Cards for the DoD. This system is fielded in over 1,200 locations around the world including mobilized Guard/Reserve activities and aboard Navy ships. RAPIDS issues four to five million identification cards a year.

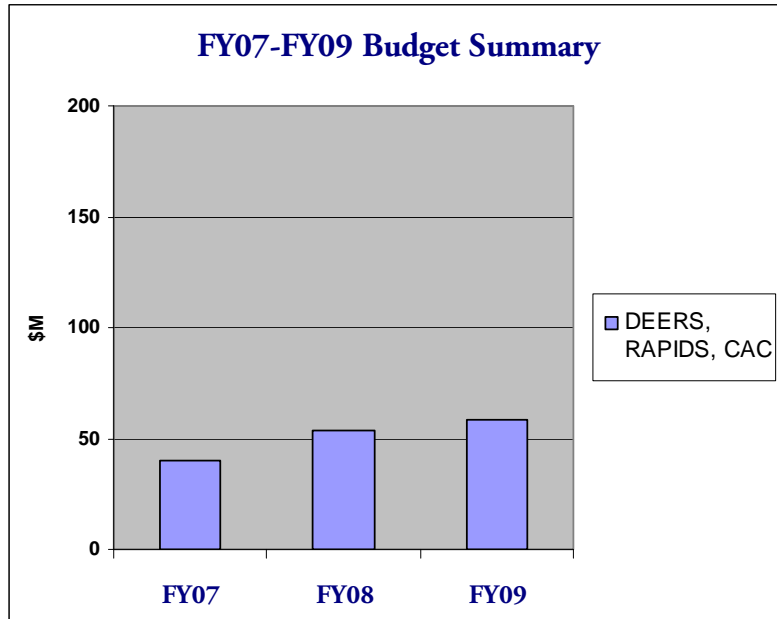
The CAC is a technologically advanced identification credential. Because it contains Public Key Infrastructure (PKI) digital certificates, it is the key to protect the DoD information technology infrastructure, conduct electronic commerce with DoD's business partners, and move to secure web-based business processes.

Funding the modernization of these systems makes it easier to develop new product and service offerings and easier to comply with legislative and federal requirements regarding entitlements and benefits. Funding these systems also increases the flexibility of the system infrastructure, enhances interoperability between applications, and decreases the risk of technology and architecture obsolescence.

Business Enterprise Priority supported: Personnel Visibility



The Budget Summary below shows the PB08 budgets for FY07 to FY09 for the interrelated DHRA programs.



Chapter 13: Systems Certification

Since the March 2007 Congressional Report, the DBSMC has approved 72 system certifications recommended by the IRBs. These systems represent approximately \$2.1B in modernization investment funding. Overall, since the IRBs were established in 2005, the DBSMC has approved 304 system certifications recommended by the IRBs, representing approximately \$7.5B in modernization investment funding.

Table 13-1 shows a breakout of the total number of systems certified, by Component and IRB, since the inception of the investment review process in 2005. The table does not count multiple certifications for the same system.

Table 13-1: 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	14	18	68
Navy	5	15	4	34	58
Air Force	9	17	3	30	59
Joint Staff	1	1	0	0	2
OSD	0	0	2	2	4
USTRANSCOM	2	0	0	11	13
DECA	0	5	0	0	5
DISA	2	0	0	1	3
DFAS	11	8	0	0	19
DLA	1	0	1	21	23
MHS	0	25	0	0	25
DTIC	0	0	1	1	2
DHRA	0	3	0	0	3
BTA	6	2	0	9	17
DTRA	0	0	0	1	1
SOCOM	1	0	0	0	1
DSS	0	1	0	0	1
Total	42	109	25	128	304



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Chapter 14: Legacy Migration

The 2005 NDAA requires that “the transition plan ... shall include ... a listing of the defense business systems as of December 2, 2002 (known as ‘legacy systems’), that will not be part of the objective defense business enterprise architecture, together with the schedule for terminating those legacy systems that provides for reducing the use of those legacy systems in phases.”

Reducing the number of business systems creates a simpler systems environment, enabling better process control and agility, less complex system integration, and economies-of-scale in systems maintenance. However, each system migration and subsequent termination entails significant costs. The frequent migration schedule changes reflect changes to both the target system implementation schedules and the ongoing discovery of more cost-effective migration strategies. As the development plans for target systems become more mature, the system migration characterization as either a ‘Full’ or ‘Partial’ migration may also change.

In some cases, the legacy system migration may be best characterized as “evolutionary,” that is, the system’s functionality is subsumed by the target system, but the legacy system remains intact as a module within the context of the target system. Unlike a legacy system that transfers its data to a new target system, the legacy system remains as a whole functioning system within the target system until it eventually fades away over time. An example of this scenario is the migration of the former D-systems (DCAS, DCD/DCW and DDRS) to BEIS. Whereas the March 2007 Congressional Report previously reported a migration and termination date for these D-systems as September 2008, they are now being reported as TBD since it is unclear when their migrations to BEIS will be completed and when or if they will be completely terminated.

Legacy systems (including interim target systems) account for more than 61% of the 2,866 Business Mission Area systems listed in the Defense Information Technology Portfolio Repository (DITPR). The September 2007 ETP shows plans for the migration or termination of more than 500 systems. By 2009, 23% of those systems are scheduled to terminate. The majority of migrations and terminations are to four major programs—DIMHRS (12%), ECSS (47%), GFEBS (5%), and Navy ERP (12%)—for a total of more than 77% of the legacy systems in this report. The majority of the migrations and terminations to those four programs are scheduled to finish by 2013.

Table 14-1 summarizes the legacy migrations and terminations since the March 2007 Congressional Report with details contained in Appendix H (available on the web). Through the March 2007 Congressional Report, the Department terminated 30 systems through their migration to a target, transformational system reported in the ETP.

Table 14-1: Summary of Terminated Legacy Systems Since March 2007

Target System Acronym	Legacy System Acronym	System Name	Managing Component	Termination Date
ECSS	SMART	Supply Management Analysis Reporting Tool	USAF	04/2007
PDMI	JEDMICS	Joint Engineering Data Management Information & Control System	DLA	04/2007
PRPS	AS (J090A)	Acquisition Screening	USAF	06/2007



Target System Acronym	Legacy System Acronym	System Name	Managing Component	Termination Date
CPARS	PPIMS	Past Performance Information Management System	Army	06/2007
BSM	SAMMS	Standard Automated Materiel Management System	DLA	09/2007

Planning a legacy systems migration is a collaborative effort between the target system owner and the legacy system owner. The target system owner is responsible for projecting the savings of replacing the legacy system as part of the business case, fitting the migration into his deployment schedule, and funding any additional capability required to absorb the legacy system, including the cost of converting legacy data. The legacy system owner is responsible for maintaining the functionality as long as necessary for legacy system users, and providing resources for the maintenance of the legacy system. Both the target and legacy system owners must agree on the migration and termination schedule as well as cost responsibilities.



Chapter 15: BTA Focus for FY07-FY08

To accomplish its mission, BTA is concentrating its focus on a few critical lynchpins. These “Focus Areas” guide the BTA workforce in achieving a unified vision with their combined energies. To maintain momentum, each week, two senior leaders responsible for delivering on the goals of each focus area host staff information sessions to showcase success and progress. Prominent space on the internal Web Portal is devoted to information, updates, and exchanges. The agency even has designed and distributed posters and personal computer desktop wallpaper to continually focus staff.

Aligning Support to the Warfighter

Central to “Aligning Support to the Warfighter” is BTA’s support to the Task Force to Improve Business and Stability Operations in Iraq, deployed to Camp Victory, Baghdad. The Task Force began by arranging economic roundtables and continues through a wide range of activities including helping reopen Iraqi factories. The Task Force has helped implement improved system capabilities to avoid pay problems for Wounded in Action (WIA) servicemen and women. Similarly, the Combat Trauma Registry (CTR), a casualty records database maintained by the Naval Health Research Center, now increases in-theater clinical data capture. This casualty records data led the Marine Corps to adjust personal body armor requirements. DoD is now buying better armor. BTA helped the CONUS Replacement Center (CRC) at Fort Benning, Georgia, absorb a doubling of their workload in 2007 by implementing business process improvements in information management, in/out-processing, data exchange between systems, and medical processes. These streamlined CRC solutions are now being evaluated for the planned Joint Pre-Deployment/Mobilization Site (JMS) for Army Forces Command (FORSCOM). The BTA has continued to actively engage with Combatant Commands (COCOMs) to listen to warfighters’ business support needs and to share knowledge about BTA services and products that can fill business gaps. By engaging COCOMs, BTA will continue to identify and address critical business support requirements for current operations (six to 12 months) at the deployed/tactical level to complement Business Enterprise Priorities.

The Task Force draws on BTA resources to deliver a Joint Contingency Contracting System (JCCS). JCCS helps 1) increase the number of opportunities available and awarded to Iraqi firms by identifying capable firms while minimizing barriers to compete for U.S. reconstruction efforts, and 2) consolidate and create enterprise visibility into Iraq reconstruction contract data. By providing a bi-lingual web-based interface in which the host nation businesses can register their services and compete for contracts, the BTA Task Force aims to increase the host nation participation in the ongoing reconstruction efforts. The BTA Task Force is also tasked with the development of a contract tracking tool within JCCS, which provides a single location for storing all reconstruction contract data in Iraq and Afghanistan. Currently the system tracks all historical reconstruction contract data, and allows oversight of in-theater contracts to monitor cost, schedule, and performance, and vendor activities against their prescribed missions. This data is used to facilitate strategic executive decisions regarding contracting and procurement operations.

The JCCS is now deployed at 19 (5 Afghanistan, 14 Iraq) Regional Contracting Centers throughout Iraq and Afghanistan and the Reconstruction offices at Joint Contracting Command-Iraq/Afghanistan (JCC I/A) headquarters in Baghdad. The BTA Task Force continues to build on its successes.

The mission of the Defense Business Transformation Agency is to guide the transformation of business operations throughout the Department of Defense and to deliver Enterprise-level capabilities that align to warfighter needs.



Since its inception the JCCS has:

- Captured 97,447 contracting actions in the centralized contract repository valued at \$31.48B. This is an increase of 93,217 contracting actions since the March 2007 Congressional Report at an increase of \$30.86B.
- Provided Department leadership with accurate and timely contract visibility on host nation and non-host nation vendor activity.
- Registered 7732 total vendors (3,597 Iraqi vendors and 1,301 Afghanistan vendors).
- Posted 377 solicitations by the DoD Contracting Officers. (This is an increase of 335 solicitations since March.)
- Received 1,239 proposals in response to posted solicitations (increase of 1,214 proposals since March).

As the JCCS continues to develop and mature, the BTA Task Force has established a Go-Forward strategy that includes the deployment of the following new features:

- Near-term version enhancements to deliver improved reporting functionality and streamlined user interface.
- Workflow and contract writing tools to capture the entire contracting lifecycle.

Additionally, JCCS is expanding operations to include SOCOM contingency operations and piloting a contingency system with CONUS commands that are procuring materials stateside but will be delivering and executing in the AOR.

Providing Meaningful Metrics

To support informed business transformation decisions, DoD requires “Meaningful Metrics” on the progress and effect of business transformation efforts—identifying which efforts are effective and which are not. These metrics will identify improvements in Business Capabilities and progress toward achieving objectives. Metrics also will track program efficiency and effectiveness. To this end, BTA has developed a Business Transformation Performance Framework to help guide transformation and a Meaningful Measurements Guidance document is forthcoming to provide improved guidance for the organizations that produce performance metrics. BTA also plans to set up a Community of Practice (CoP) around the measurements strategy and establish a portal to enable this collaborative approach.

Evolving the Business Enterprise Architecture

A key objective of “Evolve the BEA” is to produce an architecture that can be harnessed as an executive decision-making mechanism while simultaneously supporting the implementation of information technology systems and services. The recently released *Concept of Operations for Business Enterprise Architecture (BEA) Requirements* addresses this objective by 1) outlining a new architecture development approach that addresses both top-down strategic requirements with bottom-up tactical requirements, and 2) expanding the governance process to encourage greater participation of users and stakeholders in shaping architecture form and content. This approach is already drawing from new sources of requirements, resulting in better evaluation of the priority of requirements, and providing improved governance for the BEA development cycle. To provide requirements stability for transformational programs, the BTA now updates the BEA on an annual cycle, rather than every six months.

When BEA 5.0 is released in March 2008, it will help achieve interoperable, efficient, transparent business operations by including and integrating data standards, required business rules and



system interface requirements for the business systems and ERP target programs. Including this information also supports alignment to and implementation of the direction of the Federation Strategy.

Rationalizing the Enterprise

In an effort to “Rationalize the Enterprise,” BTA is working to transform DoD’s strategy of where and how each business capability is enabled by business systems. This focus is about determining whether a DoD Enterprise-level system or a Component-level system makes the most sense for maximizing the effectiveness of the capability and improving business operations. To enable structured, informed decisions about implementing the capabilities in the right levels and areas of the Department, the BTA has established a Business Enterprise Rationalization Framework. The framework guides decision makers through a list of questions that reveal the tradeoffs (for example, “Can the business process supported by the capability be common across all the Components?”). In general the framework recommends that Enterprise-level systems provide Enterprise visibility, or enable a single point of entry, or provide common reference data for the Department, or enable a common Enterprise-wide transaction process. Nevertheless, processes are often significantly more efficient and effective when optimized within each line of business (rather than forcing commonality through an Enterprise system). Therefore, the framework recommends that transactional systems generally be managed at the Component level and leverage DoD’s investments in the Enterprise Resource Planning (ERP) systems, thereby enabling integrated end-to-end processes along each line of business based on standards defined at the Enterprise level. The BTA has begun to use the framework by analyzing the DBSAE-managed Enterprise system capabilities and making subsequent recommendations. The next step is to finalize a course of action including a plan to implement the changes.

Integral to the process to “Rationalize the Enterprise” is alignment to and implementation of the *DoD Net-Centric Data Strategy* and the *DoD Net-Centric Services Strategy*. To achieve this, the BTA is guiding progress through the *BMA Federation Strategy and Roadmap*. Since March, the Department has 1) evaluated using a DoD and BMA federated portal (Defense Knowledge Online), 2) helped DTS analyze approaches for moving DTS to a SOA environment, 3) constructed an initial version of a canonical data model for BMA enterprise systems as part of an approach to achieving Net-Centricity, and 4) made the following operational as BMA Enterprise Services: On-Line Certification and Representation (ORCA), Central Contractor Registration (CCR) and Electronic Data Access (EDA). Next steps include the establishment of SOA governance bodies and the initial implementation of BMA SOA infrastructure.

Supporting Accelerated Deployment of Component ERPs

ERP technology represents the cornerstone of DoD efforts to streamline business process execution and increase Enterprise-level visibility for business information management. As part of “Supporting the Accelerated Deployment of Component ERPs” the BTA has worked with the Army (GFEBs, GCSS-Army, and LMP), Air Force (DEAMS, DEAMS-AF, ECSS), Marine Corps (GCSS-MC), Navy (Navy ERP), and DLA (BSM) to resolve issues, provide stakeholder education, and help each align these ERPs with the BEA and related standards such as SFIS. In the near term, the BTA will continue to support these activities as well as:

- Develop standard ERP configurations.
- Update the Enterprise Integration Toolkit Portal to incorporate lessons learned and to align to the Business Capability Lifecycle (BCL).
- Streamline the ERP testing processes.



- Begin to develop standards for interface between ERPs and Enterprise Systems.
- Define the strategy for integrating ERPs into the SOA environment.

Implementing a Risk-based Approach to Managing the Business Capability Lifecycle (BCL)

There are a number of processes within the Department of Defense (DoD) that specifically support the management efforts associated with business transformation itself. Many of these processes have been under review with a strategic perspective targeting improvement. One such example revolves around the acquisition process performed within the Office of the Secretary of Defense (OSD) for business Major Acquisition Information Systems (MAIS). Over the years, this paper-intensive process has included multiple layers of reviews that required these large-scale transformation efforts to consume hundreds of hours of their implementation timelines to prepare documents and present multiple briefings to several bodies that participate in the Defense Acquisition System (DAS), Joint Capabilities Integration and Development System (JCIDS) and BEA Compliance processes. This process tended to not only be inefficient in terms of time and resources, but also largely ineffective in terms of getting to the heart of the challenges inherent in these kinds of complex programs. These reviews have a tendency to focus more on the documentation rather than on the merits of the performance of the program.

In the last two years, the BTA, at the request of the Defense Business Systems Management Committee (DBSMC), has been leading an effort to instantiate a new set of processes designed to review business systems with a focus on risk identification and mitigation rather than on documentation compliance. Under the Enterprise Risk Assessment Methodology (ERAM), a team of business system experts from within the BTA is paired with functional and policy staff from across OSD to collaborate with the program offices, in a comprehensive risk analysis that involves extensive review of documentation and detailed interviews with key stakeholders. The output of these assessments is a documented set of risks and risk mitigation plans that are then embedded in the programs' risk management software systems. The assessment findings are briefed to the appropriate Investment Review Boards (IRBs) and are presented to the DBSMC, which includes the Milestone Decision Authority (MDA) for designated business MAIS, for further action as appropriate.

ERAM was piloted with the Army's General Fund Enterprise Business System (GFEBs), the Defense Integrated Military Human Resources System (DIMHRS) and the Integrated Data Environment/Global Transportation Network (IDE/GTN). The assessments of these programs resulted in the identification of specific risks that could impact delivery of desired capabilities, and the refinement of the associated risk mitigation plans required to ensure success. Each of these risks and associated mitigation plans created in collaboration with the program and program sponsors were briefed at the program level, with the sponsoring functional communities, with the Components' senior leadership, and finally with the IRB members. These risks will continue to be monitored by each of these stakeholder groups, and will be of primary interest when the ERAM teams visit each of these programs during the next review cycle which will take place sometime in the next 12 months. Based on the success of these pilots, several business MAIS programs have now been officially moved under the ERAM model, with the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) serving as the MDA.

ERAM is just one element of a holistic approach to process transformation currently underway in the area of business MAIS oversight. As described earlier, the last two years have witnessed the introduction of an entirely new model for investment review for business systems in the



Department. To further the process transformation in this area, the BTA, as directed by the Deputy Secretary of Defense and AT&L Leadership, is now driving the coordination of a set of policy changes that will combine these new investment review processes with the business system acquisition processes into a single point of accountability for MAIS-level business system implementations. In fact, under the moniker Business Capability Lifecycle (BCL), the DBSMC and the IRBs will now serve as the single governance body for business capability investments from the initial concept creation throughout ultimate deployment, serving the dual roles of investment review and acquisition oversight. Under BCL, the tiered accountability-based investment review process will continue as described above, but the IRBs will have access to more expansive information to make recommendations to the DBSMC and MDA on the health of the program and appropriate mitigation actions. Additionally, the IRBs will have access to the ERAM reviews, now a key tool in the BCL process; BEA Compliance certification; and the attestation of Component Acquisition Executive that the program complies with applicable statute and regulation. BCL takes a different focus to both investment review and acquisition oversight, and combining those previously distinct sets of processes into a single, lifecycle-based set of reviews that are expected to prove more efficient and effective for both the programs and the MDA. As of this publication, select business MAIS have been transferred under the BCL processes, per the directive of the USD(AT&L) via memos issued May 18, 2007 and July 18, 2007. BCL concept refinement efforts will be completed and policy updates will commence this fall, and the Department will be poised for implementation of the new process.

Finalizing a Sustainment Strategy

The Agency is finalizing a sustainment strategy for systems under BTA management. Over the next few months, the Department will decide upon an approach for management control of BTA programs over their lifecycle and whether to outsource specific sustaining functions of the 27 programs in the DBSAE portfolio. As part of this strategy, the BTA will establish a Concept of Operations (CONOPS) to link requirements and funding processes for operations and maintenance activities. The strategy will be integrated with plans to “Rationalize the Enterprise” and use functional and program governance bodies and processes. BTA’s sustainment strategy will be closely tied to future funding strategy, and must enable BTA to accomplish business transformation aims, while ensuring well-maintained, reliable systems throughout their lifecycle.

Building BTA's Workforce and Culture

True transformation requires visionary leaders and an agile, collaborative, accountable workforce that embraces change and achieves results. To support its workforce, mission, and goals, the agency is “Building BTA’s Workforce and Culture” through implementation of a Human Capital Strategy. Key goals are Strategic Alignment, World-Class Leadership, Agile Mission Critical Workforce, Performance Culture, Continuous Learning, and Knowledge Management. The agency has trained staff in the National Security Personnel System (NSPS); designed and implemented Performance Appraisals tied to agency objectives and leadership, professional, and technical competencies; developed and implemented a process for equitable performance payouts; and conducted a “mock pay pool” for smooth transition to the new compensation and rewards process. Toward the goal of increasing workforce stability and retention, BTA has strengthened its on-boarding, orientation, and acclimation resources and activities.



Delivering on Commitments

Finally, no agency focus could be meaningful without “Delivering on Commitments.” Reflecting on the commitments and milestones of the past few months, BTA has enhanced support to the warfighter; expanded collaboration around deployment of Component ERP programs; executed ERAM assessments; delivered DBSAE system capabilities on time; set the stage for improved utility of the BEA; framed a strategy for Meaningful Metrics; stabilized our personnel practices; and much more. The BTA is committed to delivering promised results, and our staff never forgets why they do what they do: in Fallujah, Kabul, or elsewhere, there is a serviceman or woman in uniform putting his or her life on the line for our country. We will continue to deliver on commitments because it is the support community’s job—our job—to get them what they need when they need it, and to do so in the most effective and efficient way possible.

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 BEA and the 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 National Defense Authorization Act (NDAA) compliance that acknowledged the continued progress and dedication of DoD leadership⁶.

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. The Department has completed the studies requested by Congress and conducted by the Defense Business Board (DBB) and the Institute for Defense Analysis (IDA). Based on the results of these studies, a DoD memo, dated May 11, 2007, recommends that the Deputy Secretary of Defense serve as the CMO to include responsibility for business transformation. To implement the recommendation, the Department plans to formalize the Deputy Secretary’s CMO and transformation duties in a DoD Directive.

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.”⁷ 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 we implement the GAO’s recommendations in accordance with the Department’s business transformation guidance, we will continue to actively communicate DoD’s efforts to address the recommendations.

Currently, there are 19 open GAO recommendations. Of the 19 open recommendations, 15 were issued since March 2007. These recommendations cover the topical areas of communications (one recommendation), workforce planning (one recommendation), the role of

⁶ GAO-07-733 page 40

⁷ GAO-07-733 Summary section



pilot programs (one recommendation), BEA (seven recommendations), and investment management (nine 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*⁸

One open GAO item recommends that the Department enhance its business transformation efforts via a proactive marketing and communications effort. The Department is devoting significant attention to achieving its strategic communications objectives within the BTA. A dedicated BTA Communications team continues to actively drive communications for the organization. The BTA has also 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 has made great strides toward promoting external awareness of the Department's vision, mission and progress, and recognition continues to grow with each effort. This has been 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 has also developed a Strategic Communications Plan that details its strategy for maximizing public outreach and stakeholder participation while establishing the internal BTA culture.

*Workforce Planning*⁹

Another open GAO recommendation urges 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 is 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 OUSD (P&R).

On March 15, 2007, the BTA released its *Human Capital Strategy*, which evaluates present workforce capabilities, projects future requirements, and lays 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. The BTA also plans to 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*¹⁰

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 Area pilot project policy consistent with the *BMA Federation Strategy and Roadmap*. Draft documents have been circulated outlining the process for publishing web services to the DISA

⁸ GAO-03-458 Recommendation #2

⁹ GAO-05-702 Recommendation #3

¹⁰ GAO-03-1018: Recommendation #10



Core Enterprise Services (CES) platform. Upon 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 BCL to further assist the Department in its assessment. (See the Investment Management Section for more information on BCL.)

BEA

There are currently seven open recommendations related to the BEA. The first recommendation originates from a 2006 GAO report¹¹ 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 has released an update to the *Business Transformation Guidance*. It has also released a new *Concept of Operations for Business Enterprise Architecture (BEA) Requirements*, which describes how the BEA will be enhanced to address the use of the architecture and identify the high-level planned milestones. This document 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. Planning for BEA 5.0 and beyond will also address identified gaps.

On April 16, 2007, the GAO released another report on the BEA that identified five new recommendations¹². 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 projected releases of the *DoD Enterprise Architecture Federation Strategy* and the draft *Global Information Grid Policy Series 8010*, the *Concept of Operations for Business Enterprise Architecture (BEA) Requirements*, and the *BMA Federation Strategy and Roadmap* version 3.0.

On May 14, 2007, the GAO released a third report related to the BEA¹³. The report contained one recommendation instructing the Department to include in DoD's annual report to Congress on compliance with the Fiscal Year 2005 National Defense Authorization Act, the results of assessments by its BEA independent verification and validation contractor. The Department concurred with the recommendation.

¹¹ GAO-06-658: Recommendation #1

¹² GAO-07-451

¹³ GAO-07-733



Investment Management

Nine recommendations were presented in the May 11, 2007 *Report on Investment Management*¹⁴. 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 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 leverages tiered accountability by requiring 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 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). Policy updates will begin Fall 2007 and the Department will be poised for implementation.

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."

¹⁴ GAO-07-538



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Chapter 16: Alignment of DoD Business Transformation Plans and Reports

Introduction

To manage the breadth of DoD’s business and the depth of the organization, DoD is managing transformation through a family of plans, each with a well-defined focus, and each with accountability enforced by the Department’s organizational structure. To better integrate these efforts, DoD has established collaborative information sharing among plan owners, and is actively managing overlapping scope and dependencies.

This section describes some of the major plans and reports that play key roles in business transformation and how each aligns with the Enterprise Transition Plan. Figure 16-1 depicts high-level relationships among this subset of key plans and reports discussed in this section.

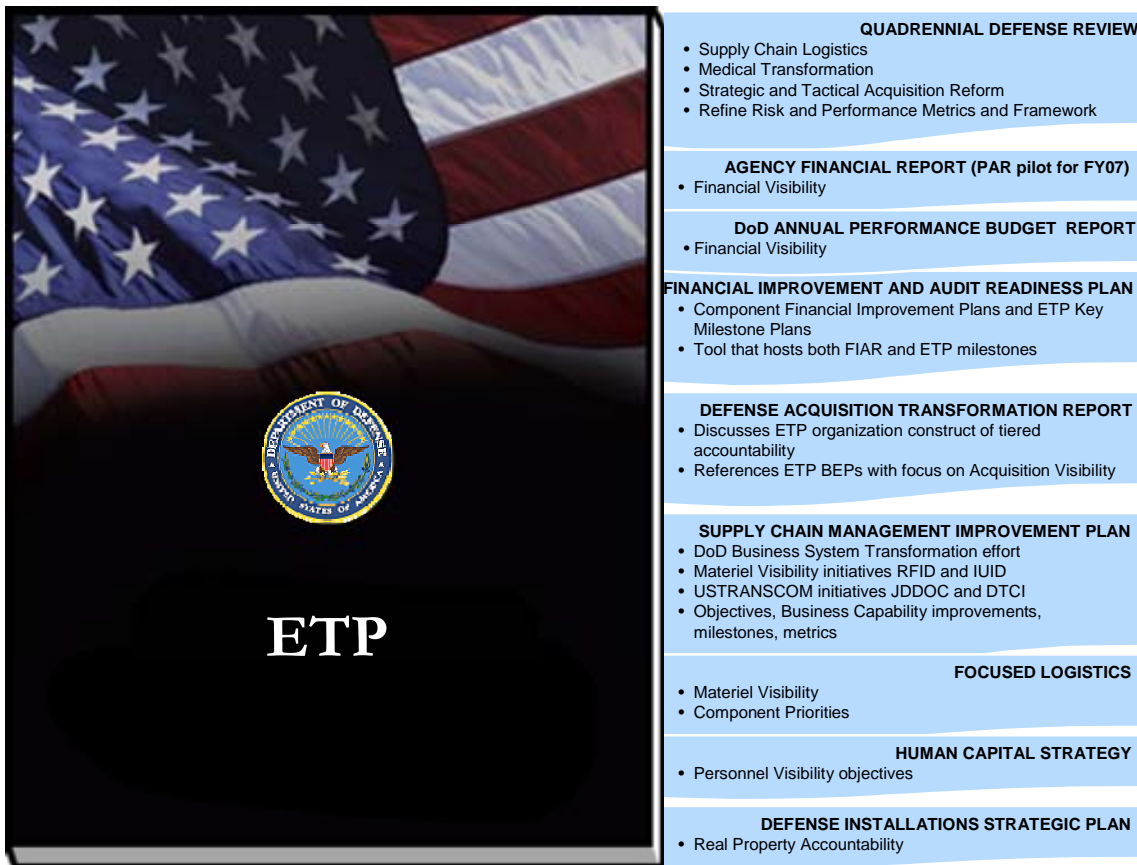


Figure 16-1: Relationships Among Key Plans and Reports

Enterprise-wide DoD Business Transformation Plans

Quadrennial Defense Review (QDR)

The QDR highlights the need for transforming the way the Department works and what the Department works on across all mission areas. The 2006 QDR report and resulting implementation efforts have resulted in hundreds of improvements. To address the cross-



Component actions, DoD created eight QDR execution roadmaps, one of which (the Institutional Reform and Governance roadmap) focuses on QDR business improvements. DoD reflects QDR Institutional Reform and Governance (IR&G) roadmap actions in the ETP as priorities and programs with corresponding milestones, budgets, and metrics.

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 will group all DoD activities in a set of Integrated Capability Portfolios (ICP) that are intended to enable the alignment of strategy to outcomes. This ICP concept is being piloted with four Joint Capability Area (JCA) test cases. In this framework, JCA ICP portfolio managers evaluate the full-range of Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities (DOTMLPF) including the weapon systems and information technology needed to provide the required capability. DoD's business transformation efforts and JCA ICP efforts are complementary, with enterprise architectures and plans such as the BEA and ETP providing a horizontal framework that describes interconnections and details of the capabilities, and the JCA ICP specifying vertical gaps and required changes that must be addressed by the BEA and ETP.

Areas of alignment between the ETP and the QDR include: Supply Chain Logistics (with the ETP MV priority); Medical Transformation (with the ETP Military Health System information); Strategic and Tactical Acquisition Reform (with the ETP AV priority); and Risk and Performance Metrics and Framework (with the ETP BVA and Business Capability metrics).

Agency Financial Report (AFR) – PAR Pilot for FY07

The AFR provides the President, Congress, other federal departments and agencies, and the American public with an overview of the Department's financial condition and high level analysis from senior management on overall Department status and progress during the year.

The FY07 AFR will align to the ETP Financial Visibility priority, its objectives, key initiatives, completion of ETP milestones, and performance metrics. The AFR will include weaknesses and gaps in DoD's current financial management environment, and the ETP 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) calling for Agency submissions of annual performance plans that link performance goals with the costs for achieving targeted levels of performance. Section 220 of OMB Circular A-11 characterizes a performance budget as a



hierarchy of goals, structured like an agency's strategic plan. DoD's performance budget hierarchy is depicted in Figure 16-2.

At the top of the pyramid is the agency's mission statement followed by strategic goals, or statements of aim or purpose, as outlined in the agency's strategic plan. For each strategic goal, there is a limited number of high priority strategic objectives that add greater specificity to the general goal in terms of outcomes. For each strategic objective, there are a limited number of performance goals that include annual performance targets or interim steps toward accomplishing the long-term performance goal. 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. Under a performance budget concept, these lower-level contributing activities also have performance goals and measures, which are identified throughout various appropriation-specific budget justification exhibits transmitted to Congress.



Figure 16-2: DoD Performance Budget Hierarchy

The Department's Performance Budget complements the appropriation-specific information that is submitted to the Congress by providing:

- A performance-focused articulation of the Defense Department's strategic goals and objectives for senior-level management direction and focus; and
- A vehicle for communicating a limited number of high priority enterprise-level performance improvement goals to provide a basis for organizational, program, and individual assessment.

The Department's current Performance Budget includes five overarching strategic goals, 17 strategic objectives, and 42 unclassified performance goals that will serve as the basis for completing DoD annual performance reports to the Congress for fiscal years 2007 and 2008. The Performance Budget and the ETP are linked by Performance Budget references to ETP Business Enterprise Priorities, DoD's strategy to achieve these priorities, and the identification of IT investments (Enterprise and Component) that provide solutions.

Functional Business Transformation Plans

The following plans address business transformation for specific functional areas.

Financial Improvement and Audit Readiness Plan (FIAR)

The Defense Financial Improvement and Audit Readiness (FIAR) Plan is the Department's roadmap for improving the overall financial management health of the Department of Defense. Submitted to Congress and the Office of Management and Budget twice yearly, the FIAR Plan details the progress achieved to date in several important areas.

Improvement efforts proceed along two tracks: 1) those that improve accuracy, timeliness, and availability of financial information; and 2) those that help the Department achieve audit readiness.



Since the plan was initiated in December 2005, clear progress has been made toward the goal of achieving audit readiness. Today, seven Defense reporting entities have received an unqualified audit opinion. They are the:

- Defense Commissary Agency
- Defense Contract Audit Agency
- Defense Finance and Accounting Service
- Defense Threat Reduction Agency
- Military Retirement Fund
- Office of the Inspector General
- Chemical Biological Defense Program

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 ready to validate the audit readiness of its \$12.7B Environmental Liability, for nuclear and conventional ships, which represents 18% of the Department's total Environmental Liabilities.

Based on discussions with the internal and external audit communities, the Department's original audit strategy has been refined from one that conducts full-scope audits of line items to one that ensures that a line item is audit ready as confirmed by an independent validation. Readiness will be sustained through a process of annual assessments and internal controls.

The FIAR Plan complements the ETP by providing details that support the ETP Financial Visibility priority. Conversely, the ETP provides system implementation details that support the FIAR Plan and are essential to achieving DoD-wide audit readiness. The FIAR team uses the ETP Key Milestone Plan to identify system dependencies for audit readiness. The FIAR Plan and ETP share a tool that hosts the FIAR's Component Financial Improvement Plans (FIPs) and the BTA's Key Milestone Plans (KMPs). This tool allows easier alignment of shared critical key milestones.

Defense Acquisition Transformation Report to Congress NDAA 2007 Section 804

This biannual congressional report 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 acquisition transformation reports:

- 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) "The 2006 Quadrennial Defense Review (QDR) Report"

The July 2007 804 Report spans the full gamut of Department-wide acquisition processes and focuses particular attention on examining changes to cultural behaviors, business rules (to include Federal oversight requirements), and effective work management and highlights better business practices.

The July 2007 804 Report describes how acquisition transformation relies on many of the same transformation concepts described in the ETP (e.g., BEA, DBSMC, BCL, ERAM, LSS) as well as



the other efforts described in this chapter. Additionally, the report describes how acquisition transformation closely aligns with the WSLM CBM and with the Business Enterprise Priorities (especially AV and CSE), and several of the Component priorities. Moreover, it makes it clear that acquisition transformation depends on the successful implementation of several ETP systems and initiatives (especially WAWF, DAMIR, IUID, and SFIS)

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, which includes the ETP and BEA products.

Currently, four SCM improvement plan initiatives are also initiatives in the ETP - the two MV initiatives of Radio Frequency Identification (RFID) and Item Unique Identification (IUID), as well as two USTRANSCOM initiatives, Joint Deployment and Distributions Operations Center (JDDOC) and 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. These closely align to the four key objectives for DoD business transformation in Chapter 1.

The four initiatives common to the SCM Improvement Plan and ETP 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, 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 & Roadmap* (to be published in Q4 FY08) to provide credible options for achieving high priority logistics capabilities. In the interim, DoD published the draft *Logistics Strategic Direction* in August 2006, with emphasis on three goals: 1) unity of effort, 2) visibility and 3) timely, precise response.

As part of the JCA ICP 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 to develop future budgets and Strategic Planning Guidance.

Concurrently, the Joint Staff is re-writing the *Focused Logistics Joint Functional Concept* to be called *Joint Logistics* and incorporating the JCA concepts. The *Logistics Strategy & Roadmap* will use the new *Joint Logistics* document to guide joint logistics capabilities, considering the three goals identified above.

The ETP MV priority and several Component priorities align closely with the *Logistics Strategic Direction*, and will maintain ETP alignment as these new logistics strategies and plans emerge.

Human Capital Strategy

DoD's Human Capital Strategy (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 of Defense 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 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 HR 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.

Defense Installations Strategic Plan

The Defense Installations Strategic Plan (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 RPA will be measured against targets identical in both plans.



Summary

This section has highlighted nine plans and reports and how they align with the ETP. While each plan has its own purpose, the Department will continue to strengthen this alignment by building relationships, sharing information, and identifying gaps across the various plans. To this end, DoD intends to continue its efforts to identify additional dependencies among DoD business transformation products.



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Mini-Appendices

September 2007 Enterprise Transition Plan Appendices

The Enterprise Transition Plan appendices provide details on the programs that are driving transformation, summarized below in an integrated view across the Enterprise and Components. Thirteen of these systems and initiatives are now fully implemented. Because these programs are delivering the capability improvements identified in their requirements, the Department is continuing to track their contribution to the target environment.

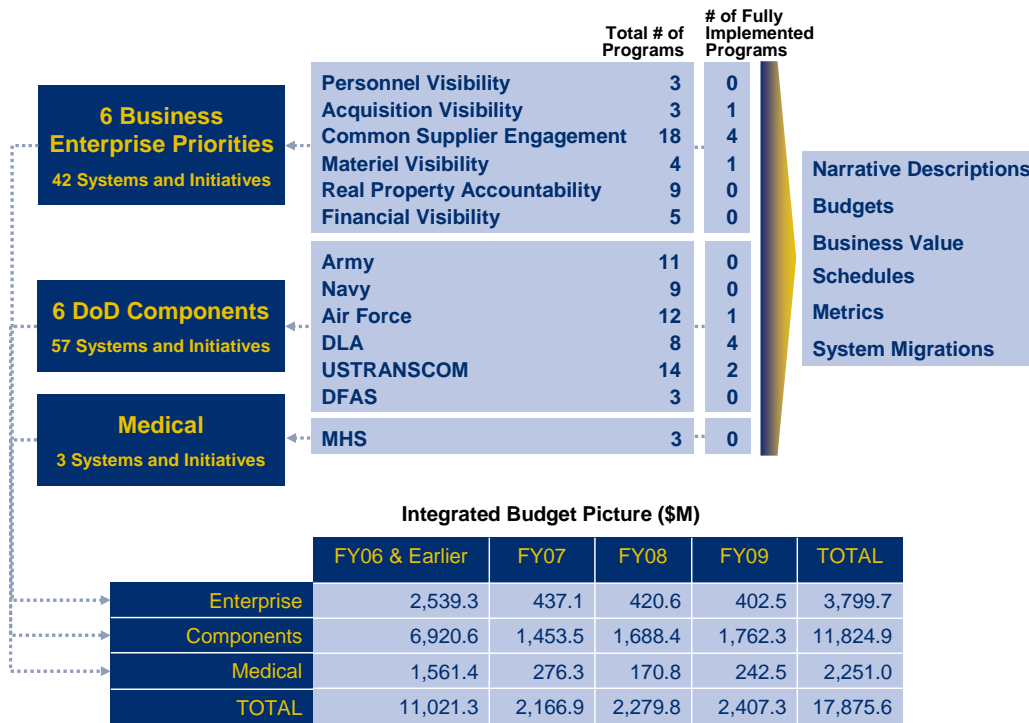


Figure A-1: Integrated Business Transformation View

The appendices are now split into two sections: 1) a set of “mini-appendices” in this volume focused on cost, schedule, and performance summaries for the executive audience, and 2) a full set of “virtual appendices” available on the Defense Business Transformation website (www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html) that provide detailed information for planners at all levels.

Mini-Appendices in this Volume

- **Transformation Program Summary:** Provides an overview of business transformation programs, including a description of each investment, its key milestones, legacy migration, and cost/budget information.
- **Transformation Timeline:** Provides an overview of the key milestones for DoD Enterprise and Component programs.
- **Enterprise Performance Summary:** Provides detailed information on performance of DoD transformation at the Enterprise level, including priorities, objectives, metrics, and milestones.
- **Component Performance Summary:** Provides detailed information on the performance of DoD's transformation at the Component level, including priorities, goals, objectives, metrics, and milestones.



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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 Business Enterprise Priority. Initiatives are annotated by an asterisk (*). Fully-implemented systems are annotated by a double dagger (‡).
- List of the Component and Medical transformational systems and initiatives. Initiatives are annotated by an asterisk (*).
- The program description/objective of each system and initiative.
- The major program milestones of each system and initiative. “Standard” 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 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 in the virtual appendices.
- Only milestones occurring in FY07 and beyond are represented.
- FY06 and earlier figures represent actual obligations.
- FY07, FY08 and FY09 figures reflect the President's Budget (PB08) submission.
- Endnotes elaborate details about budgetary data for referenced systems and initiatives.

EXAMPLES

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Materiel Visibility	MILS to EDI or XML* Transition from MILS to EDI or XML	MILS to EDI or XML transitions standards (MILS) to commercial standard sets of transactions (EDI or XML). It facilitates 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) migration is in compliance with DoD Policy.	All FY07 Jump Start funded systems complete migration to high-priority DLMS transactions	3/2008	Actual/Budget see note 1	0.6	3.6	-	-
	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 and allows DoD to reapportion critical manpower resources to warfighting functions and to streamline business processes.	Implement ability to read/write passive RFID at 100% of OCONUS DLA Distribution Centers.	12/2007	Actual/Budget see note 4	77.1	65.0	96.6	94.0

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Air Force	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 1 Increment 2 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 5	37.5	46.5	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	- 99.1	- 10.8	- 12.9	- 12.0

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BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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 national 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 translation of HR/Payroll into a detailed design and conduct Critical Design Review	6/2008	# Systems Migrated	9	-	-	-
					Actual/Budget	340.6	41.8	21.1	49.6
	DIMHRS Defense Integrated Military Human Resources System	DIMHRS is the vehicle through which the Department of Defense (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 Army and Air Force that will support military personnel throughout their careers and retirement in peacetime and war. It will provide a common human resources and pay system for the Army, Air Force and potentially the Navy and Marine Corps using common business processes that generate common data in a common operating environment. Once developed and implemented, DIMHRS will ensure accurate and timely pay and benefits for Service members and their families - anytime, anywhere. DIMHRS will support Army and Air Force personnel and pay and training (DIMHRS (Pers/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 -- and beyond their military service.	Increment: Army IOC Increment: Air Force IOC	9/2008 1/2009	# Systems Migrated	-	-	-	58
					Actual/Budget	518.7	120.7	104.6	63.4
	DTS Defense Travel System	DTS transforms the legacy paper-based and labor-intensive travel process into a fully automated and web-based system that supports official travel. When fully implemented, DTS will be the designated single standard system for temporary duty travel requirements for all DoD personnel. The Managing Component for DTS is BTA/DBSAE and OUSD(P&R). The Defense Travel Management Office is the functional lead.	FOC	9/2009	# Systems Migrated	5	-	-	-
					Actual/Budget	448.6	19.9	24.6	25.1

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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 object 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. The current legacy system is a data entry and reporting system, not a management tool, built on a now obsolete and costly maintenance platform.	FOC	4/2008	# Systems Migrated	-	-	1	-
					Actual/Budget	5.4	2.6	2.6	2.9
	MEVA* (CAMS-ME) Military Equipment Valuation and Accountability	MEVA was designated as the initiative to develop a capability to value and account for military equipment to achieve financial management improvements as called for in the President's Management Agenda. Achieving this financial management improvement achieves two objectives for DoD. First, it gives DoD decision makers reliable, accurate, and transparent information with which to determine the total acquisition cost of assets. Decision makers will get 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 CAMS-ME: Milestone B CAMS-ME: Spiral A IOC CAMS-ME: Spiral B IOC CAMS-ME: Milestone C CAMS-ME: Spiral C IOC CAMS-ME: Spiral A FOC CAMS-ME: Spiral B FOC (Replace manual update of asset additions)	12/2006 12/2007 9/2008 12/2008 9/2009 9/2010 9/2010	Actual/Budget See Notes 1 & 6	19.0	11.9	13.5	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 8	37.1	-	-	-
Common Supplier Engagement	ASAS Acquisition Spend Analysis Service	ASAS will support DoD-wide Strategic Sourcing by providing an Enterprise-wide spend analysis capability that can access data across disparate databases; aggregate that data to a common, Enterprise view; and make spend data visible and available for analysis across the Department.	Define Requirements for Future Release	3/2007	# Systems Migrated	-	-	-	-
					Actual/Budget	2.8	0.6	1.0	1.1
	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 (PIRS)	6/2007	# Systems Migrated	-	1	-	-
					Actual/Budget See note 4	8.6	1.6	2.1	2.2

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Common Supplier Engagement	DoD EMALL DoD Electronic Mail	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	-	1	-	-
					Actual/Budget	32.6	8.5	4.1	4.1
	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	23.8	5.3	4.5	4.8
	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	72.7	16.6	17.7	8.0
					See Note 5				
	Federal IAE	CCR Central Contractor Registration	The primary objective of 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 Integrated Acquisition Environment (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 Integrated Acquisition Environment (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 Integrated Acquisition Environment (IAE) initiative.	Initiate deployment of authoritative source for commercial supplier subcontracting reports within DoD	4/2008	# Systems Migrated	-	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Common Supplier Engagement	Federal IAE	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 Integrated Acquisition Environment (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 Integrated Acquisition Environment (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	-	-	-	-
		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 will collect contract reporting data from all federal agencies. FPDS-NG is a system within the Federal eGov Integrated Acquisition Environment (IAE) initiative.	Initiate Development of the Verification and Validation plan for FPDS-NG	3/2008	# 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 Integrated Acquisition Environment (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 Integrated Acquisition Environment (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 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	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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 7	12.7	5.2	11.7	12.2	
	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	716.2	47.1	43.5	44.8
	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	12/2007	12/2007	# Systems Migrated	-	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Material 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 Notes 1 & 2	36.4	9.1	13.3	13.2
	LMD *‡ Logistics Master Data	COMPLETED-----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	2.3	0.8	-	-
	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	0.6	3.6	-	-
	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.	Implement ability to read/write passive RFID at 100% of OCONUS DLA Distribution Centers.	9/2008	Actual/Budget See Note 3	77.1	65.0	96.6	94.0

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Real Property Accountability	EL* Environmental Liabilities	EL initiative supports the Environmental Liabilities Identification and Valuation Enterprise capability, which in turn supports the Real Property Accountability BEP. This includes data capture, inventory recording, integration with core financial systems and linkage to asset records. DoD environmental liability estimates are not auditable and have been identified by GAO as a material weakness. DoD efforts have traditionally focused on updating the required inventories, improving data quality and record keeping, and providing clear OSD financial and program guidance. However, the long term solution to achieving a favorable environmental liabilities audit is to reengineer the environmental liabilities recognition, valuation, and reporting business process and then integrate financial and program IT systems to produce auditable and complete data.	Complete EL Requirements implementation assistance to Components	TBD	Actual/Budget See Notes 9 & 10	-	-	-	-
	HMIRS Hazardous Materials Information Resource System	HMIRS is a DoD automated system developed and maintained by the DLA to satisfy DODI 6050.5 by storing Material Safety Data Sheets (MSDS) and other related data for hazardous material procured by the Department of Defense (DoD), the General Services Administration (GSA), and other Federal Agencies. HMIRS was the DoD system designated by OSD as the solution for one location to store the MSDSs for DoD, making it the authoritative source. The MSDS data is available on the World Wide Web and via compact disk (CD). HMIRS is the central repository for MSDS and value added information including HAZCOM warning labels and transportation information on the four major modes of transport for hazardous materials purchased by the Federal Government, Department of Defense (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.	Establish HMIRS - MDC interface for MSDS images	9/2008	# Systems Migrated	-	-	-	-
					Actual/Budget See Note 11	4.3	1.0	0.4	0.4

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)	
			Milestone	Date						
Real Property Accountability	HMPC&IMR* Hazardous Materials Process Controls & Information Management Requirements	The objective of HMPC&IMR is to develop and implement an end-to-end, systematic management process for hazardous materials operations in DoD. The "To Be" process will reduce risks and improve accuracy and availability of authoritative hazard data in conjunction with the Material Visibility DoD Data Master initiative. The HMPC&IMR initiative is expected to eliminate redundant data purchases and entry 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	9/2008	Actual/Budget See Notes 9 & 10	-	-	-	-	
	KBCRS Knowledge Based Corporate Reporting System	KBCRS is a web-based, DoD Information Technology Security Certification and Accreditation Process (DITSCAP) certified application that provides environmental program data to OSD for the entire Department. 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 (currently under development). 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 EPA offices, Federal Land Managers, and selected Native American tribes. KBCRS includes predefined reports (many published in Annual Report to Congress) and 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	-	-	-	-	
	RPAD Real Property Asset 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)	10/2007	# Systems Migrated	Actual/Budget See Note 12	2.5	1.7	-	-
			RPAD System fully operational capability (FOC)	9/2009						
	RPAR* Real Property Acceptance Requirements	This initiative supports the Real Property Accountability Capability. This initiative is an extension of the Real Property Inventory Requirements initiative, the results will support the goals of accurate, timely and accessible real property portfolio information for effective management of assets. The initiative goal is to enable visibility (fiscal, physical, legal, environmental and geospatial) of the Department's real property acceptance activities through linkage with the integrated, 24x7 accessible and uniquely identified real property inventory in which DoD has a legal interest.	Submit Component RPAR implementation plans to OSD	9/2007	Actual/Budget See Notes 9 & 10	-	-	-	-	

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Real Property Accountability	RPCIPR* Real Property Construction In Progress Requirements	RPCIPR initiative will provide Enterprise-wide visibility to consistent processes and data for CIP from construction agents to Components; provide accurate and timely CIP information, notably project status and financial data; and comply with requirements for real-time visibility of certain financial information.	Submit CIP Component implementation plans to OSD	5/2007	Actual/Budget See Notes 9 & 10	-	-	-	-
	RPIR* Real Property Inventory Requirements	This initiative supports the Real Property Inventory Capability. Presently, the Services and Defense Agencies operate and maintain independent, disparate and redundant real property inventory systems that are non-integrated across both warfighting and Business Mission Areas. As a result, accurate, timely and accessible real property portfolio information is not available for effective management. The primary purpose of this initiative is to describe a real property inventory that will meet the Department's future requirements. The real property accountability function for Defense needs to meet the following requirements: <ul style="list-style-type: none"> • Achieve total asset accountability • Provide useful data for local real property management • Provide reliable and timely data and information to higher headquarters for reporting and decision making • Ensure accessibility to current data to all relevant users • Eliminate duplication • Establish and enforce real property data standards department-wide to facilitate data integration and analyses 	Increment: Defense Installation Spatial Data Infrastructure (DISDI) Complete Installation Geospatial Information & Services (IGI&S) Policy and Standards	12/2009	Actual/Budget See Notes 9 & 10	-	-	-	-
	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.	Asset Registry System initial operational capability (IOC)	6/2007	# Systems Migrated	-	-	-	-
					Actual/Budget See Notes 9 & 10	3.9	-	-	-

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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.	BEIS Milestone B Review by the Milestone Decision Authority BEIS Milestone C/Full Deployment Decision by the MDA	12/2007 9/2008	# Systems Migrated	-	-	2	-
					Actual/Budget See Note 1	10.0	9.9	19.3	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 audibility 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 (Notional) Milestone C	1/2007 3/2008 12/2008	# Systems Migrated	-	-	-	-
					Actual/Budget See Note 13	1.5	31.1	2.5	2.5
	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 See Note 1	0.5	2.8	2.8	2.8

BEP	Enterprise Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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: <ul style="list-style-type: none"> • Validate the concept for the reimbursable model through order creation; • Provide detailed transaction data; • Aid reconciliation. 	Determine preferred alternative solution for Intragovernmental Transactions for reimbursables process	11/2007	Actual/Budget See Note 1	11.5	3.6	-	-
	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.	Develop cost-effective, Department-wide SFIS on-line training to drive change, increase awareness, and facilitate implementation	12/2007	Actual/Budget See Note 1	0.6	2.3	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.
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 ETP. [FY08 and FY09 budget figures do not include the Marine Corps AIT budget of which RFID is one component.]
4. **CPARS** – The FY07-FY09 amounts shown here were not reported in the March 2007 Congressional Report but were reflected in the PB08 Budget Justification Materials.
5. 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 FY07-FY09 DoD PB08. The FY07-FY09 amounts for PPIRS that were reflected in the PB08 Budget Justification Materials were not included in the original roll-up for Federal IAE in the March 2007 Congressional Report. The FY07-FY09 amounts now include PPIRS.
6. **MEVA** – Budget represents the CAMS-ME system costs associated with the MEVA initiative.
7. **SPOT** – Program is currently funded with Global War on Terrorism Funds via Army Materiel Command.
8. **USXPORTS** – BIN # 6528 deactivated in FY05. USXPORTS has no identifiable DoD funding for FY08.
9. **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. BIN 0577 deactivated and applies to only the FY06 & Earlier actuals.
10. **EL, HMPC&IMR, RPAD, RPAP, RPCIPR, RPIR and RPUIR** are funded by ODUSD(I&E) BEI, and OUSD(AT&L), but not discretely.
11. **HMIRS** – Funding for this program is provided by DLA.
12. **KBCRS** – Funding for this program is provided by Army.
13. **DAI** - The DAI plan in the ETP can only be executed if sufficient funding is approved. As of the publication of this document, funding is still pending.

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Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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, by 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	363.7	43.6	56.0	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	2/2008 8/2008 8/2009 4/2010 9/2011	# Systems Migrated	-	-	-	-
					Actual/Budget	19.0	6.7	11.8	17.1

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	-	-	4.6	5.1
	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	19.2	8.2	37.4	37.2
	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	112.1	32.3	31.3	29.5

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	1,126.1	137.2	150.9	145.0
	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	10/2007 4/2009 5/2009 11/2010	# Systems Migrated	-	-	-	-
					Actual/Budget	127.4	23.8	124.3	211.2
	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	452.1	184.9	226.8	197.3
	PPBE B/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	5.1	3.3	2.6	2.5

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	5.1	11.9	12.4	11.9
Army	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	343.9	75.7	63.0	69.9
Navy	GCSS-MC Global Combat Support System Marine Corps	The primary goal of GCSS-MC/LCM Block 1 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	87.9	42.3	35.8	53.0
	JEDMICS Joint Engineering Data Management Information and Control System	As the DoD standard repository system, JEDMICS core mission encompasses 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 availability and eventual archive.	Baseline 3.11 Test Completion & Release	12/2010	# Systems Migrated	-	-	-	-
					Actual/Budget	393.7	5.1	5.1	5.4
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	26.4	10.2	0	0	

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Navy	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	9/2011	# Systems Migrated	-	-	-	-
					Actual/Budget	19.7	7.3	7.3	7.3
	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 counts.	FOC	12/2008	# Systems Migrated	-	-	-	1
					Actual/Budget	51.1	16.2	16.9	17.4
	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 and end-to-end solution for receiving requests for resources and processing them to fulfillment; Replace stove-piped systems 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	15	19
					Actual/Budget See Note 4	859.7	232.5	244.2	206.4

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Navy	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.	Software Development	3/2009	# Systems Migrated	-	-	-	-
	One Supply				Actual/Budget See Note 5	2.1	2.8	1.5	1.5
	TFAS	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	1	-	-
	Total Force Administration System				Actual/Budget	36.6	16.2	18.5	12.6
	TFSMS	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.	GFM DI Block 1 IOC Milestone B	4/2008	# Systems Migrated	-	-	-	-
	Total Force Structure Management System		IOC Block 2 FOC Block 1	9/2008 9/2008 1/2010	Actual/Budget	24.5	5.2	5.6	5.6
Air Force	ACES [‡]	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	-	-	-	-
	Automated Civil Engineer System				Actual/Budget	111.3	11.8	12.0	12.4
	AF FIP*	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 6	37.5	46.5	82.7	98.9

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
Air Force	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	99.1	10.8	12.9	12.0
	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 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 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 B Milestone C IOC	8/2008 2/2010 2/2010	# Systems Migrated	1	-	-	-
					Actual/Budget	34.3	25.9	47.8	36.8
	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 P1M FOC FOC	12/2006 3/2011 9/2011 9/2011	# Systems Migrated	6	-	-	4
					Actual/Budget	81.1	18.3	15.0	12.5

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)	
			Milestone	Date						
Air Force	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	10/2008	# Systems Migrated	1	1	4	-	
			Milestone C IOC FOC	6/2009 4/2010 9/2013						Actual/Budget
	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	-	2	-
			Actual/Budget	43.9	5.6	3.1	4.9			
	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)		9/2007	# Systems Migrated	-	-	2	-
			Actual/Budget	67.4	4.6	3.9	4.0			
	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		2/2008 2/2009	# Systems Migrated	1	-	-	3
			Actual/Budget	90.7	19.1	8.9	9.0			
	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 7	16.0	17.0	23.9	11.2

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	-	-	-	2
					Actual/Budget	23.4	0.7	0.8	0.8
	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	4/2008	Actual/Budget See Note 7	142.4	57.9	52.9	54.1
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.	Increment: Release 2.2 Full-Rate Production Decision Review (FRPDR) Increment: Release 2.2.1 FOC	12/2006 9/2007	# Systems Migrated	1	1	-	-
					Actual/Budget See Note 9	1,093.3	75.3	60.3	71.5
	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)	3/2008 3/2008	# Systems Migrated	-	1	-	-
				Actual/Budget See Note 9	441.2	20.9	24.4	23.4	

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	50.6	21.8	24.5	23.7
	CRM [‡] Customer Relationship Management	The DLA CRM program will establish an enterprise-wide CRM capability. This strategy will contribute to making DLA the best-value provider of logistics products and services, thus retaining and increasing its military and other authorized customers. The Agency's intention is to provide the customer with a unique level of service based on their requirements and preferences.	FOC	7/2007	# Systems Migrated	-	-	-	-
					Actual/Budget See Note 9	54.4	6.2	7.2	5.3

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
DLA	DPMS [‡] Distribution Planning and Management System	DPMS will be the mechanism that will provide the Defense Logistics Agency (DLA) 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 will provide a web-based interface for vendor and carrier communications and will use the DSS for global addresses including the Navy Cargo Routing Information Management and Foreign Military Sales customers. DPMS is comprised of Commercial Off-The-Shelf (COTS) and Government Off-The-Shelf (GOTS) applications. The combined system will provide DLA with an enterprise distribution and transportation optimization capability. In this context, optimization is a least cost transportation plan that will ensure Time Definite Delivery. The program is divided into five increments: 1) First Destination Optimization – Vendor to Distribution Center or Vendor to Customer 2) Second Destination Optimization – Distribution Center to Customer 3) Integration with BSM 4) Reverse Logistics 5) Integration with Service Enterprise Resource Plans (ERP).	Increment: Reverse Logistics Milestone C FOC	1/2007 1/2007	# Systems Migrated	-	-	-	-
					Actual/Budget	31.5	1.6	0.7	0.7
	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	85.2	5.6	6.3	5.8
	PDMI [‡] Product Data Management Initiative	The primary objective of PDMI is to implement automated capabilities for managing and using engineering support and product data within DLA. Specific objectives include the following: Increase the accuracy and accessibility of product data needed to make informed engineering, technical and quality decisions in support of procurement actions; Provide easy location and access of product data for authorized users; Link to the Business Systems Modernization (BSM) system being developed and implemented where required to support ongoing business process. Mechanism to manage, access, update or apply the wide range of product data available to its operations.	IOC FOC	10/2006 7/2007	# Systems Migrated	-	1	-	-
					Actual/Budget See Note 9	28.0	8.9	1.3	1.2

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
DLA	RMP Reutilization Modernization Program	RMP enables the Defense Reutilization and Marketing Service (DRMS) to become financially compliant (Federal Financial Management Improvement Act (FFMIA), Office of Management and Budget (OMB), Clinger-Cohen Act, etc); Enhance accountability and reutilization of excess property via increased data visibility within the DLA/DOD environment; Enable DRMS to continue business transformation to a customer-focused, corporate culture; Enable the DRMS workforce through knowledge management tools; Provide a system that is flexible, responsive to change, intuitive, user- friendly, logically organized, on an integrated common platform, role-based, and has real-time integrated accurate data; Collaborate with suppliers to obtain advanced property information for disposal decisions and to ensure appropriate reutilization of excess property in lieu of new procurement; Provide planning services, including integration of disposal planning and reutilization of assets as part of a holistic logistics system; Link DLA Balanced Scorecard goals, to include automatic alerts and early warnings for metrics and measures that are automatically updated; Integrate with DOD supply chain systems to enhance the overall ability to provide asset visibility, and to identify and manage items that pose potential security risks; Support the enterprise architecture through the use of the Portfolio Management Process, and align RMP with the Business Systems Modernization (BSM) concept and DLA Information Technology (IT) solutions; and, Provide robust analytical capabilities.	Milestone C Full-Rate Production Decision Review (FRPDR)	12/2009 6/2010	# Systems Migrated	-	-	-	-
			IOC FOC	6/2010 5/2011					
USTRANSCOM	AT21 Agile Transportation for the 21st Century	<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • 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	-	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
USTRANSCOM	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 9	-	-	-	-
	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	11/2007 8/2008	Actual/Budget See Note 10	-	-	-	-
	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 Germany, Korea, Japan & Italy FOC (Increment 2) - Field & operation of Automated Customs Processing in additional 4 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	6/2008 6/2010 6/2012 6/2014	# Systems Migrated	-	-	-	-
					Actual/Budget	1.5	5.5	1.0	2.1

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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	34.2	11.3	14.2	13.9
	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	21.1	19.3	11.5	10.0
	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: <ul style="list-style-type: none"> • 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 	First DLA Site Activations (Defense Distribution Center, Puget Sound, etc.)	TBD	Actual/Budget See Note 10	-	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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.	Matrix Air Refueling Cell validation team from TACC with appropriate policy and IT support in place (IOC)	10/2007	Actual/Budget	-	-	-	-
	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	Actual/Budget	-	-	2.5	22.3
	JDDOC*+ Joint Deployment Distribution Operations Center	USTRANSCOM will publish Edition 3 of the JDDOC Template.	No defined future critical milestones		Actual/Budget See Note 9	-	-	-	-
	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 10	-	-	-	-
	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 10	-	-	-	-
	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)	2/2008 3/2009	Actual/Budget See Note 10	-	-	-	-

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
USTRANSCOM	TDM*	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).	Fielding of CMOS 8.0 Web Version	6/2008	Actual/Budget See Note 10	-	-	-	-
	Theater Distribution Management								
DFAS	EC/EDI*	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. <ul style="list-style-type: none"> • 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	9/2007	Actual/Budget	36.4	6.7	5.8	5.6
	Electronic Commerce/Electronic Data Interchange		Increment: Deploy Corporate Imaging Solution to DFAS Deploy Corporate EDM Solution (FOC)	9/2010					
			Increment: Increased Business Intelligence Capabilities Deploy DFAS MyMetrics (FOC)	9/2007					
			Deploy IAPS-DEAR release at DFAS	1/2007					
			Columbus (FOC)						
			Deploy IAPS-DEAR release at DFAS	5/2007					
			Limestone (FOC)						
			EDA and VAS FOC	12/2008					

Component	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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. DFAS will not own or develop any hardware or software. 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	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 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. One objective is to design, develop, and implement transformation of the current disbursing operations within DFAS while reducing the number of disbursing systems. Efficiencies and material savings will result from eliminating the STANFINS-Redesign I (SRD I) disbursing system and by replacing it with the Automated Disbursing System (ADS). The result of DFAS streamlining its disbursing operations will be a reduction in costs of providing disbursing products to DFAS customers (Army, Navy, Air, Force, Marine Corps, Defense Agencies, DoD vendors, and allied countries served by DFAS). Operating procedures will be standardized for use at all sites. The HPO concept includes appointing a team to study best practices at each disbursing site and exporting those practices across DFAS. Some of the functionality will be replicated by using the Business Enterprise Information Service (BEIS) in conjunction with ADS. SRD I will be eliminated in a three-phased approach with transition to ADS. DFAS will streamline operations in conjunction with the systems replacement and follow the timeline associated with the Base Realignment and Closure (BRAC) schedule as approved by the President and Congress. The DDHPO, in conjunction with the BRAC recommendations, calls for fewer DFAS sites. The number of DFAS locations where disbursing services are performed will be reduced to fewer than the five current sites. The goal is to complete consolidation of DFAS disbursing operations at fewer than the five current DFAS sites by end of FY09.	Increment: Eliminate SRD I ADS FOC	9/2008	Actual/Budget See Note 11	1.9	1.8	9.7	9.5
			Increment: Reduce Number of Disbursing Service Sites FOC	9/2008					

Specific Notes:

1. **GCSS-Army** – The FY06 & 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** - Program is funded from the operating budgets of affected activities.
4. **Navy ERP** - Budget numbers presented include the budgets for the Navy ERP pilot programs.
5. **One Supply** – This program is a new start and will have its own unique BIN and funding line in PB09. Current funding reflects genesis of the program under Birdtrack BIN 1734.
6. **AF FIP** - Program is funded from the operating budgets of affected activities.
7. **FM SDM** - Program is funded from the operating budgets of affected activities.
8. **PSD** – Budget numbers for FY07 - FY09 are consistent with PB08 budgets for PSD, MIIPDS and the regional civilian centers.
9. 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.
10. 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.
11. **SDI (ADS)** – These figures represent the combined budgets for the SDI program and ADS.

Medical	Component Systems and Initiatives	Program Description/Objectives	Program Milestones		Cost and Migration	FY06 & Earlier Actuals (\$M)	FY07 PB08 Budget (\$M)	FY08 PB08 Budget (\$M)	FY09 PB08 Budget (\$M)
			Milestone	Date					
MHS	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	12/2006	# Systems Migrated	-	-	-	-
	AHLTA		Increment: Block II FOC	3/2010					
	AHLTA		Increment: Block III Milestone B FOC	1/2008 9/2011					
	DMLSS	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 visibility 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: Transition the JMAR application from an operational data store (ODS) to a data warehouse (DW): Complete testing and fielding of JMAR Data Warehouse (Q4)	9/2008	# Systems Migrated	-	-	-	-
	Defense Medical Logistics Standard System				Actual/Budget	970.7	222.8	115.6	174.2
	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.	Implement CHDR-BHIE Interface, Release 4	9/2008	Actual/Budget	62.8	17.1	9.1

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Transformation Timeline

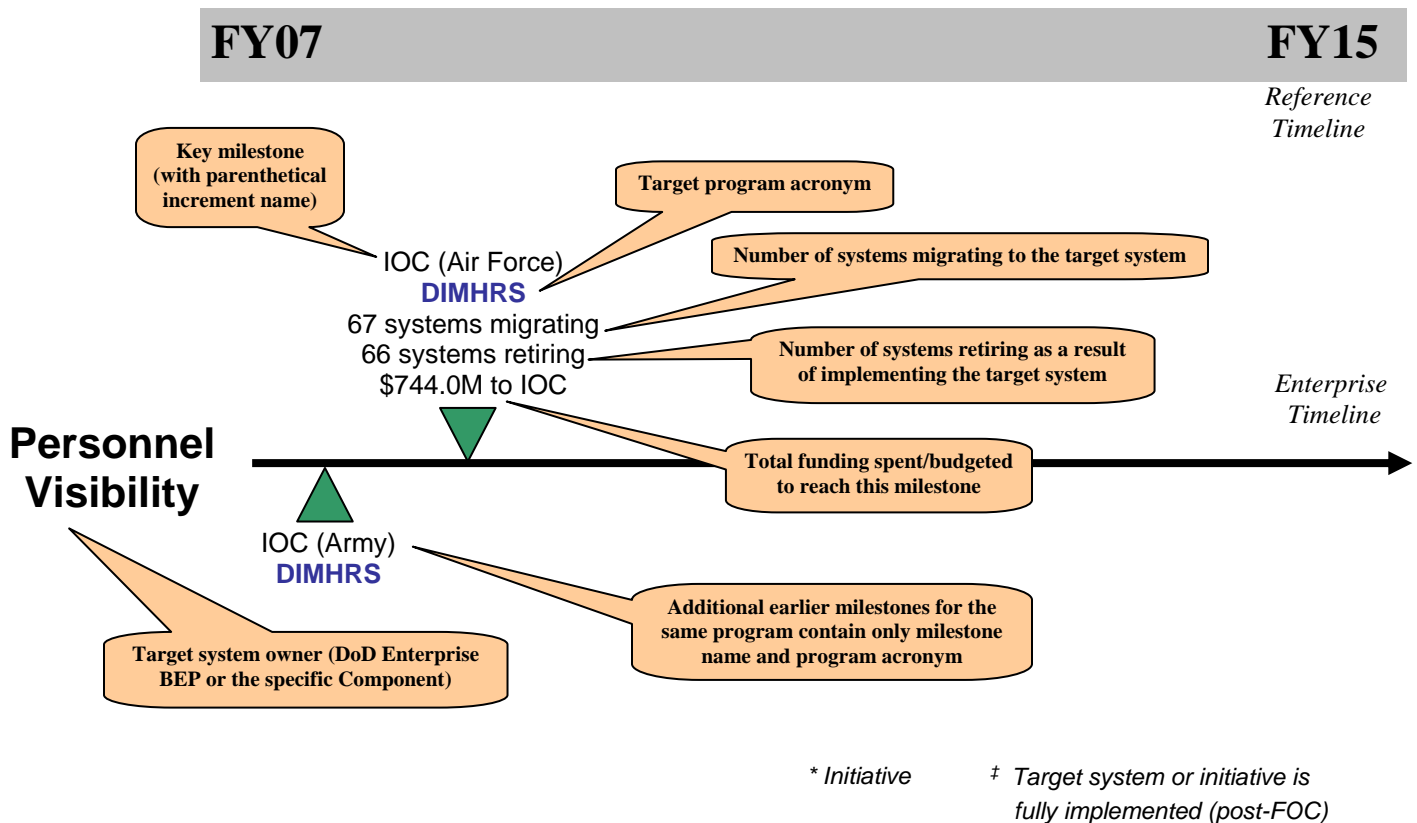
The Transformation Timeline provides an overview of the key milestones for DoD Enterprise programs and, on a second page, Component programs. Each timeline shows key milestones including the last critical milestone scheduled currently for each program. A program's funding data for target systems is displayed on the latest pre-FY10 milestone (since the ETP contains no budget information past FY09) and includes total program funding through the fiscal year of the respective milestone. The number 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,
- The latest implementation milestone associated with the system or initiative is displayed; otherwise,
- Initial Operational Capability (IOC) is displayed; otherwise,
- The latest critical user-defined key milestone date.

Conventions used to produce this timeline include the following:

- Programs with no critical milestones in FY07 or later are listed in the left margin.
- An asterisk denotes programs that have already achieved FOC (or equivalent).
- 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.



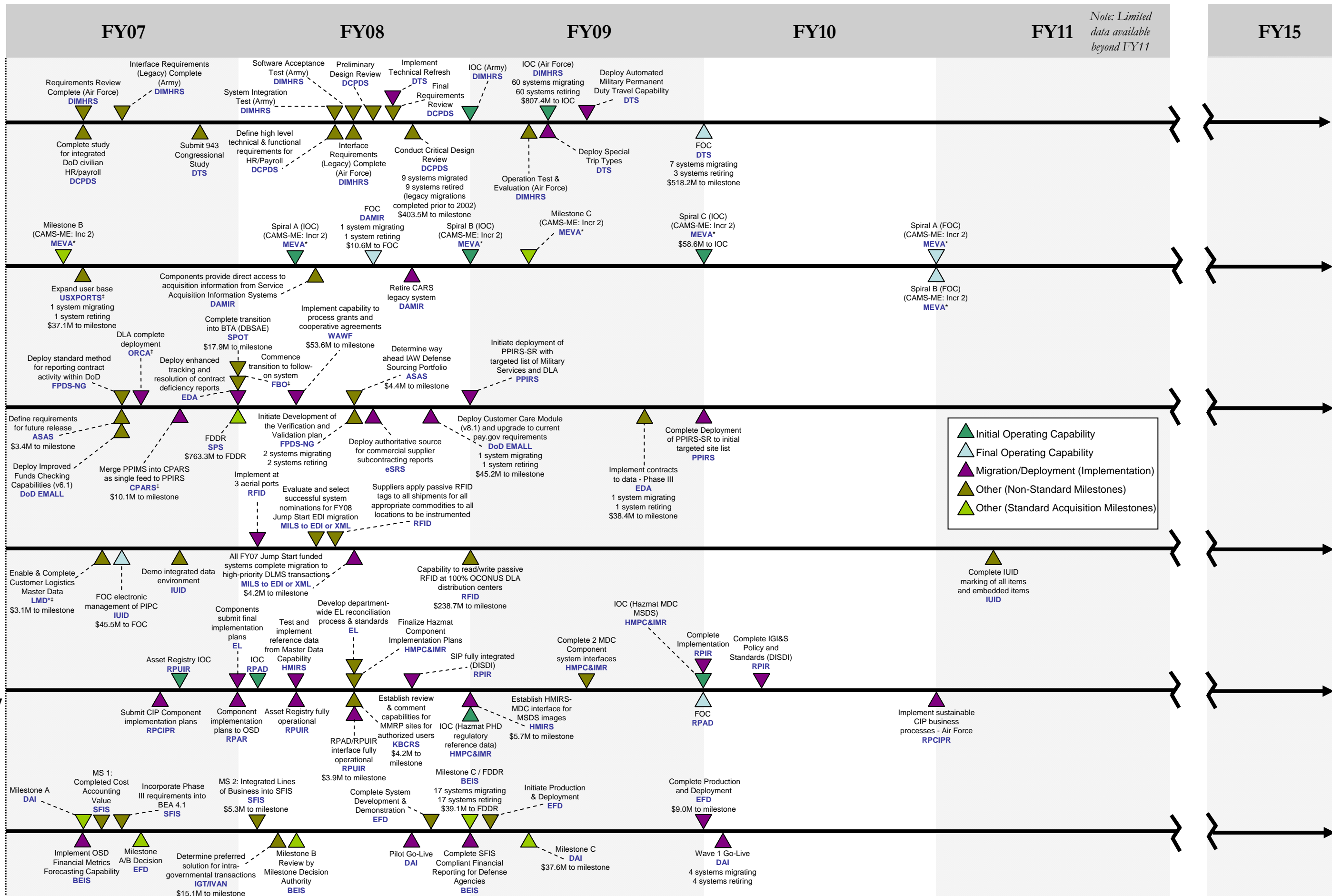
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DoD Enterprise Program Timeline

ETP, Transformation Timeline Overview

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

* Initiative



Annual Budget:

\$437.1M

\$420.6M

\$402.5M

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Component Program Timeline

ETP, Transformation Timeline Overview

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

* Initiative

Army

Navy

Air Force

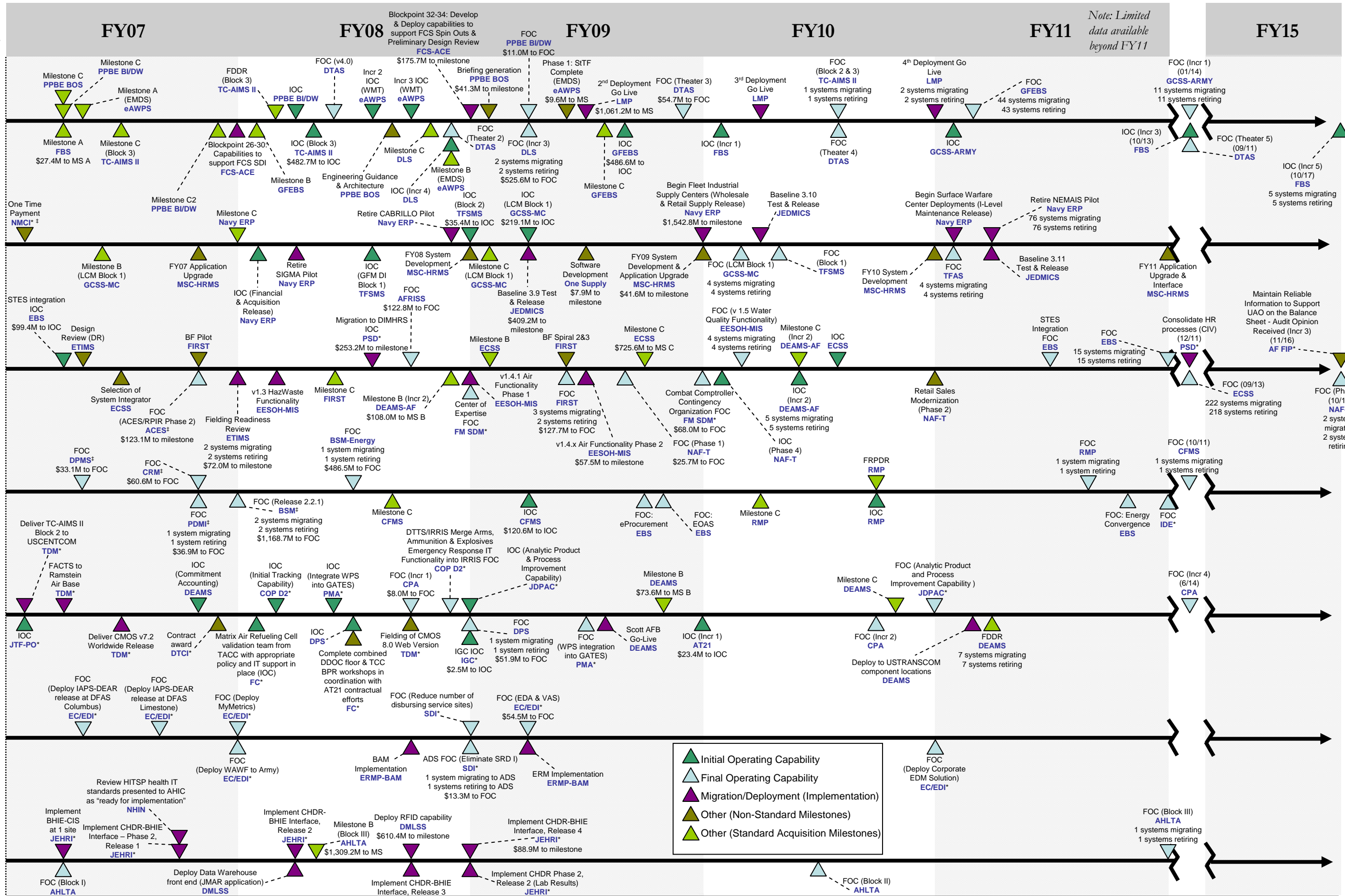
DLA

USTRANS-COM

No defined critical milestone dates in FY07 or beyond:
C-JDDOC*
JDDOC**

DFAS

MHS



Note: Limited data available beyond FY11

Annual Budget:

\$1,729.8M

\$1,859.2M

\$2,004.8M

28 September 2007 Timeline-5

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Enterprise Performance Summary

The Enterprise Performance Summary provides an overview of DoD business transformation performance at the Enterprise level. Program-level metrics identify progress toward achieving full implementation of systems and initiatives. Business Capability metrics enable monitoring the improvements to each Business Capability.

The content of this summary includes five tables for each Business Enterprise Priority (BEP): 1) BEP Objectives Status; 2) BEP Business Capability Improvements; 3) Performance Metrics; 4) Business Value Added Framework Impacts; and 5) Key Milestone Plans.

Table BEP-1: BEP Objective Status

Each priority has goals and objectives that can be met by implementing systems and initiatives. This table provides an assessment of the progress made toward achievement of the priority. A progress indicator arrow indicates progress made against the objective.

 Significant progress made against objective
  Progress made against objective
  Progress not made

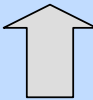
ID	Objective	Assessment	Progress Indicator
FV1-07	Produce and interpret relevant, accurate and timely financial information that is readily available for analyses and decision making.	BEIS financial reporting services currently is consolidating reporting of DoD financial information. When complete, this standardized reporting, coupled with the use of the SFIS, will provide timely, standardized financial reporting in accordance with the requirements of the U.S. Standard General Ledger and improve DoD's ability to record accounting transactions in accordance with federal accounting standards. This, in turn, will improve the Department's ability to conduct general ledger analyses and reconciliations. The deployment of the Defense Agency Initiative ERP will support these Financial Visibility objectives for defense agencies.	

Table BEP-2: Business Capability Improvements

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

Business Capability	Improvement
Managerial Accounting	Improve consistency, accuracy, measurement, and availability of cost information, Improve ability to analyze and interpret results, and Improve ability accumulate and correlate costs with performance information by: <ul style="list-style-type: none"> DATA - Refining and implementing SFIS DATA - Consolidating data sources PEOPLE - Training/ hiring the FM workforce for improved cost accounting skills and experience PROCESS - Establishing a standard structure for recording cost information 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 Transformation Performance Framework

Metrics are aligned to a Business Transformation Performance Framework (Figure 1). The framework helps convert performance measurement intentions into measurable results. It provides context and guidance to identify metrics throughout the execution business transformation. It provides an adaptable approach to laying out the inputs, processes, outputs, and outcomes associated with deploying a program, improving capabilities, and achieving mission objectives.

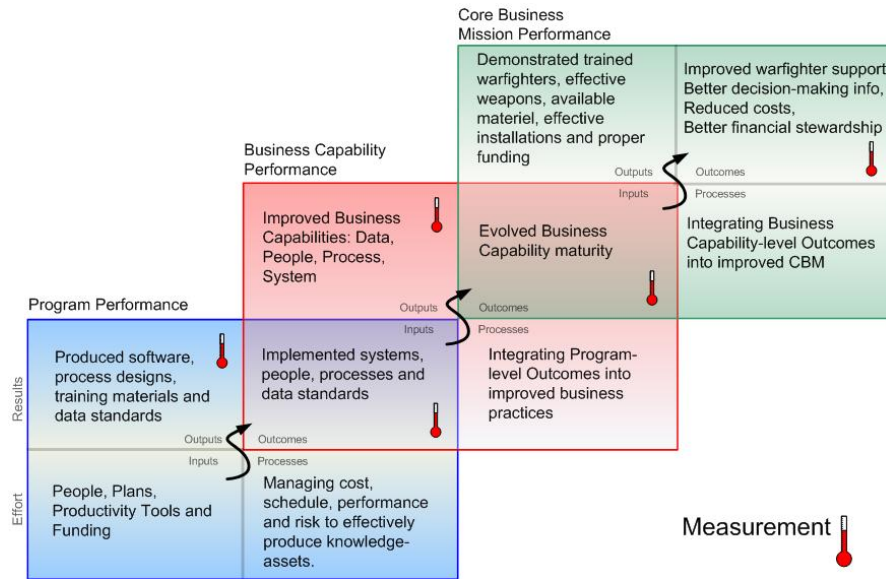
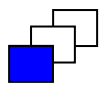
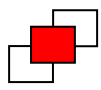


Figure 1, The Business Transformation Performance Framework

The “Measurement” icon (📏) identifies quadrants where measurement data will be the most discernable indicator of transformation.

The framework consists of three levels: Program, Business Capability and Core Business Mission.

 The Program-level focuses on the execution of systems and initiatives. Although Input and Process metrics are important, Program-level Output and Outcome metrics are the two areas where measurement data will be the most discernable indicator of transformation.

 The Business Capability-level focuses on generating robust capability improvements. The Outcomes from one or more Programs become Inputs at the Business Capability-level. By successfully integrating systems and initiatives, Business Capabilities improvements will aggregate to achieve an expected Outcome of maturing the Business Capability. Business Capability Output and Outcome metrics are the two areas where measurement data will be the most discernable indicator of transformation.

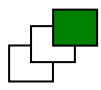
 The Core Business Mission-level focuses on maturing Business Capabilities to improve mission performance, and achieve the Department’s four business transformation Strategic Objectives. Maturing Business Capabilities combine to improve Core Business Mission performance, which ultimately impacts the four business transformation Strategic Objectives. Core Business Mission-level Outcome metrics are the highest indicator of transformation.

Table BEP-3: Performance Metrics

The performance metrics represent progress being made toward achieving the associated BEP objectives and improvements to Business Capabilities. In many cases, one metric is associated with several Business Capabilities and BEP objectives. Each table has five significant elements:

1. An icon indicating that the metric is at the Program-level or the Business Capability-level.
2. A statement of the metric (e.g., Percent of X using Y)
3. The Business Capabilities against which the metric measures improvement.
4. The BEP objectives against which the metric shows progress towards achievement.
5. A graphic that identifies the baseline, goal, current and next targets, the quarterly actual measurement, and the status (green, yellow, or red). The “thermometer-style” of the graphic is meant to indicate progress towards the goal. The example below shows increments of 10% towards a goal of 100%.

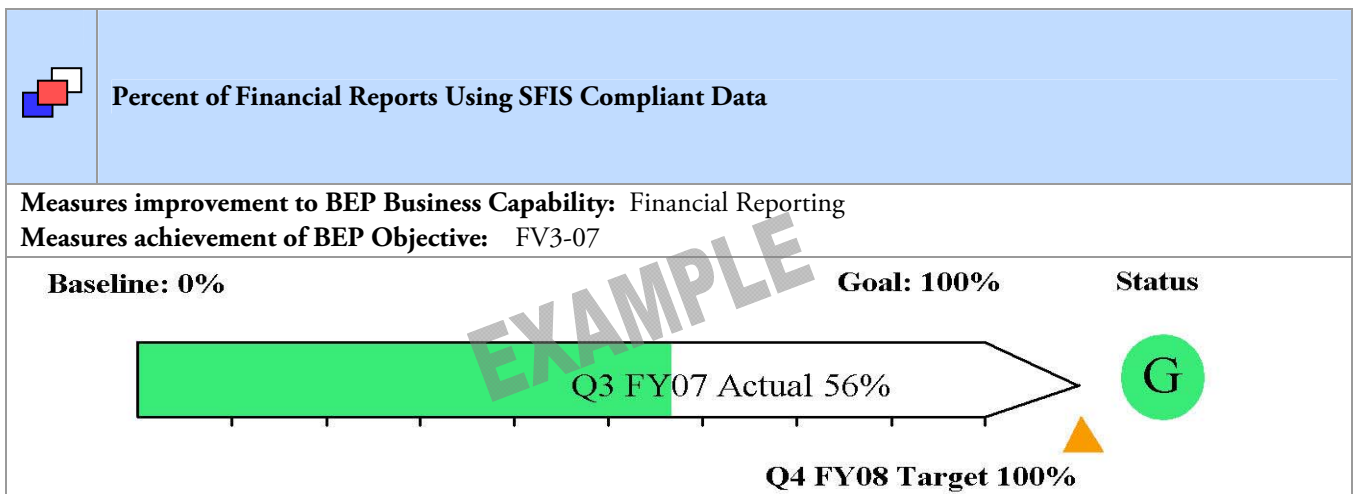


Table BEP-4: Business Value Added Framework Impacts

The ETP contains a Business Value Added (BVA) Framework of 10 outcomes that drive transformation progress at the Core Business Mission level. The table below contains definitions for the 10 outcomes in the framework, which is followed by Table BEP-4: Business Value Added Framework Impacts.

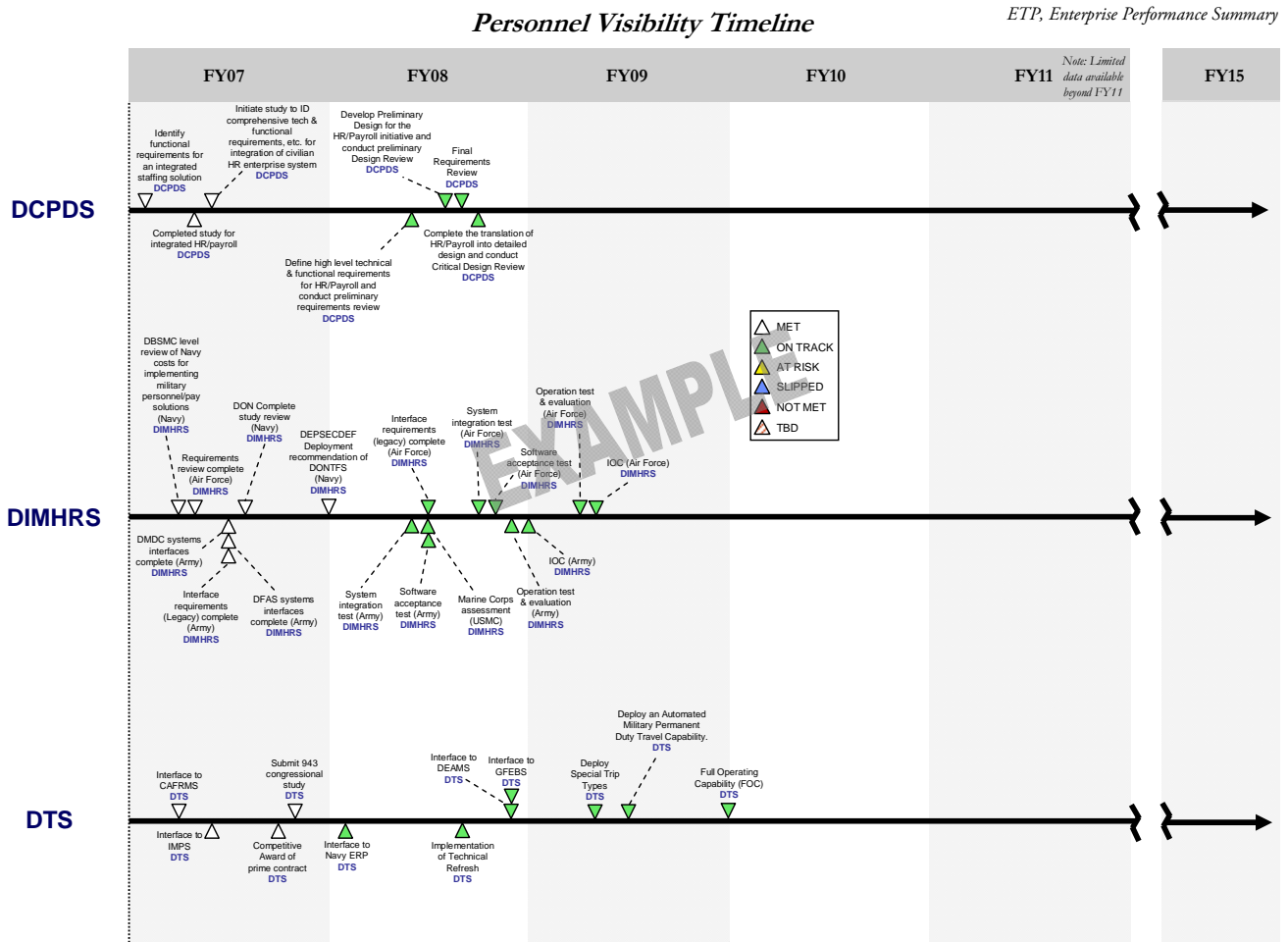
Business Value Added Outcomes	
On Time Customer Request	An improvement in the number of requisitions that are delivered by the Required Delivery Dates (RDD)
Cash-to-Cash Cycle Time	A reduction in time from when funds are obligated to when a product or service is delivered to the end customer
Time to IOC/FOC for Acquisition Category (ACAT) 1 and ACAT 2 Systems	An improvement in the time it takes to bring major acquisition systems to Initial and Full Operational Capability
Time to IOC/FOC for Urgent Combatant Command Requests	A reduction in the time it takes to initially or fully realize an urgent request from a deployed Combatant Command
Weapons Systems Operational Availability	An increase in the percentage of time that each weapons system is fully functional
Cannibalization Rate	A decrease in the rate at which parts from major end-items (e.g., weapons systems) are removed from one and placed into another
Real Property Utilization	An improvement in the availability of mission critical and mission dependent inventory, and a decrease or elimination of non-mission-dependent inventory
Personnel Requirements Fulfillment	An improvement in the ratio between the current manpower level and the level approved for an organization to deliver its current and future services
Payroll Accuracy	Elimination of pay errors, either in pay amount (over or under the correct amount) or in the time payment is made, e.g., late payments
Financial Transparency	An improvement in the quality, usefulness, reliability, and timeliness of financial information for decision makers

The table below is table BEP-4: Business Value Added Framework Impacts. In this table, several key impacts of the system or initiative are identified and cross referenced to the BVA affected by the system or initiative.

MV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC/ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
RFID	●									RFID improves visibility at all nodes in the supply chain and improves the Department's ability to analyze/improve supply chain performance.
Radio Frequency Identification		●								RFID improves Cash-to-Cash Cycle Time by enabling visibility of customer wait time within the supply chain. This provides item managers the requisite visibility to redistribute critical assets to support the most critical needs.
					●					RFID enables the ability to see inventory within the supply chain which allows item managers to move assets to systems experiencing down time.
						●				RFID enables visibility thereby providing item managers ability to redistribute assets to systems in need of repair. This increased visibility and ability to redistribute assets inhibit cannibalization.
									●	RFID improves the Department's ability to track items through the supply chain at all nodes by enabling the ability to track shipments and verify delivery. This contributes to financial management processes and internal controls by ensuring that effective measures are in place to accurately collect data at the source which flows through all the processes and is free from errors.

Figure BEP-5: Key Milestone Plan

The milestone plan below provides a view of performance against key milestones for DoD's target Enterprise and Component Programs. Color of the milestones indicates milestone status.



28 September 2007 PV-10

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Personnel Visibility





Goal





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 decision makers.

Objectives

The table below lists eight PV objectives which support this goal and an assessment of the progress towards achieving each objective.

Table PV-1: Personnel Visibility Objective Status

ID	Objective	Assessment	Progress Indicator
PV1-07	Provide access to more reliable and accurate personnel information for warfighter mission planning.	<p>Conducted a review of directives, instructions, and statutes that document current manpower and acquisition policies and processes in support of the OSD Manpower Analysis initiative. Identified current IT capabilities utilized to conduct manpower activities, current users of manpower information, current process and IT capability issues, process improvement initiatives, existing COTS-based manpower IT capabilities, IT development and implementation of lessons learned, and expectations for improved IT support.</p> <p>Completed DIMHRS Operational Test Readiness Review for Phase One. Delivered 57% DIMHRS interface high level design documents for Army, Air Force and Agencies.</p>	
PV2-07	Ensure accurate and timely access to data on personnel and their skill sets for Combatant Commanders.	Completed business process analysis for Army and the Air Force DIMHRS (Pers/Pay) implementation.	
PV3-07	Decrease operational cost and cycle times, enabled by increased consistency of data, reduced rework and data calls.	<p>Conducted OSD Human Resources Policy Forums for DoD leadership for more efficient Information Technology development. This group addresses issues in all HRM areas including, health, training, manpower, and civilian personnel. The Senior Executive Level OSD HR Policy Forum reduced cost, schedule and performance impact on the DIMHRS design and development through resolutions of mission critical functionality and capabilities.</p> <p>Released "Reservation Refresh," a significant enhancement to the DTS reservations module that improves the user's navigation of flight inventory and reservation selection process.</p>	
PV4-07	Improve accuracy, completeness, and timeliness of personnel strength reports.	<p>Conducted manpower business analysis to identify and validate current OSD/Joint Staff business processes and procedures; and requirements analysis to identify and document requirements for position management, data warehouse, and reports.</p> <p>Improved visibility of human resources in the combative theater which has improved the decision-making process.</p>	

ID	Objective	Assessment	Progress Indicator
PV5-07	Reduce or eliminate duplicative data capture and system access activities.	<p>Completed the study for an integrated DoD civilian HR/payroll system and gained DBSMC approval.</p> <p>Streamlined the data sharing effort between DoD and VA. Plans are in place to reduce the number of data feeds by augmenting the information transmitted in existing feeds while eliminating legacy feeds. The goal is to reduce feeds to one bi-directional, automatic feed between DoD and VA by the end of FY 2008. Established the VA/DoD Identity Repository (VADIR) as the authoritative VA repository. As of the end of FY2006, personnel / admin data feeds were reduced to 20 from DoD to VA, and to 8 from VA to DoD. By using the VADIR, VA employees have access to data provided by DoD. This assists VA in processing Operation Iraqi Freedom/Operation Enduring Freedom (OIF/OEF) claims on a priority basis.</p>	
PV6-07	Ensure accurate and timely access to and delivery of compensation, quality of life and other benefits for DoD personnel and their families.	Developed recommendations to improve the DoD Military Decorations and Awards (D&A) Program. Updated and significantly improved the regulatory guidance, "Manual of Military Decorations and Awards," DoD 1348.33-M, that was last updated in 1996.	
PV7-07	Improve occupational safety through analysis of environmental and safety information and related personnel exposures.	Improved communications with the safety community has clarified the formulations of occupational safety policy.	
PV8-07	Improve military healthcare delivery through implementation of an electronic record.	<p>Conducted analysis of existing Disability Evaluation System (DES) law, policies, and procedural guidance and identified many challenges and opportunities to improve the DES process. Facilitated ten working groups between July 2006 and February 2007, to resolve Service-specific and cross-Service issues and to provide a forum to discuss recommended changes; assembled a comprehensive set of process and automation recommendations; and revised the DES guidance.</p> <p>Incorporated requirements from the 2007 National Defense Authorization Act into policy.</p> <p>Improved access and delivery time of healthcare records with digitization (ongoing).</p>	

Business Capability Improvements

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

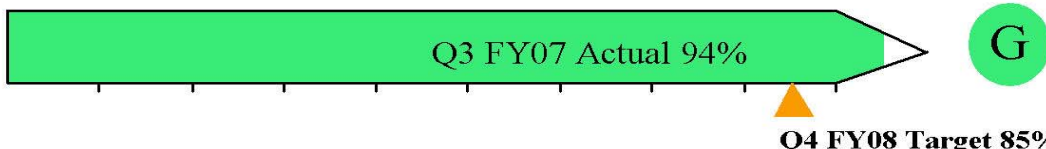
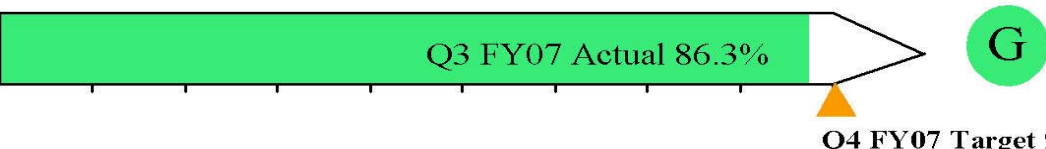
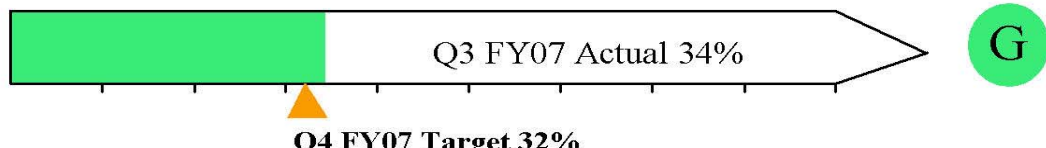
Table PV-2: Personnel Visibility Business Capability Improvements



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 and Placement and Transfer	Improve cross-Service support capability by tracking the temporary and permanent duty assignments of personnel and provide access to the cross-Service information for the Joint Commanders; and providing 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 Department of Defense/Veterans Affairs (DoD/VA) 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.
Manage Military Health Services	Improve Health Treatment Record (HTR) processing by validating 'as is' business processes related to HTR processing with stakeholders from all agencies involved to facilitate improvement and resolve HTR issues.
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 integrating the pay and personnel record to eliminate pay affecting discrepancies between 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.
Manage Travel	Improve traveler reimbursement experience by reducing time from voucher completion and signing to reimbursement of traveler and/or charge card vendor. This will be accomplished by electronically computing voucher payment within DTS, allowing for digital signature by the traveler and electronic submittal of voucher for approval and payment.


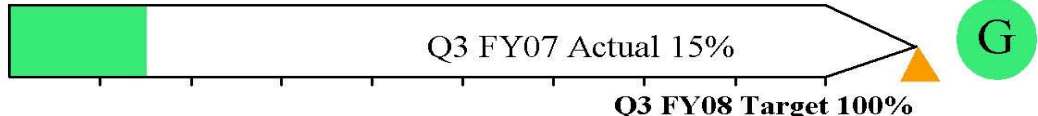
Performance Metrics


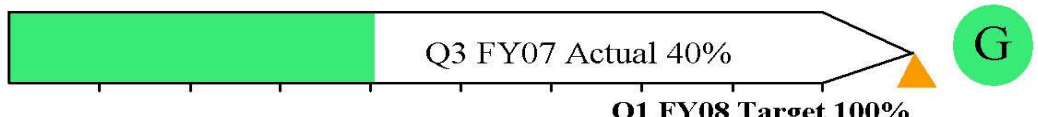
Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

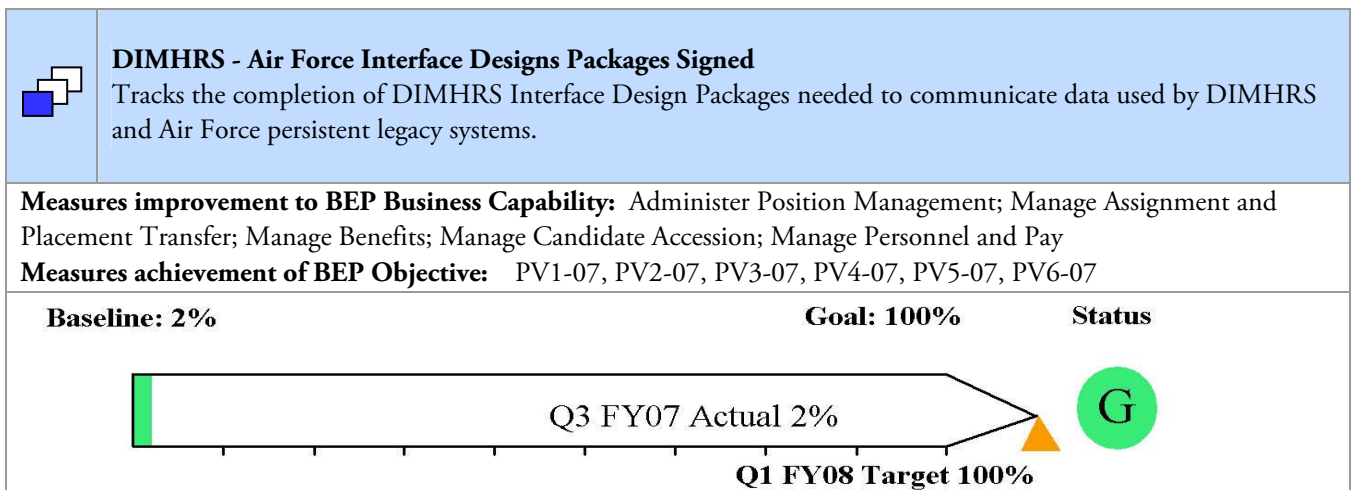
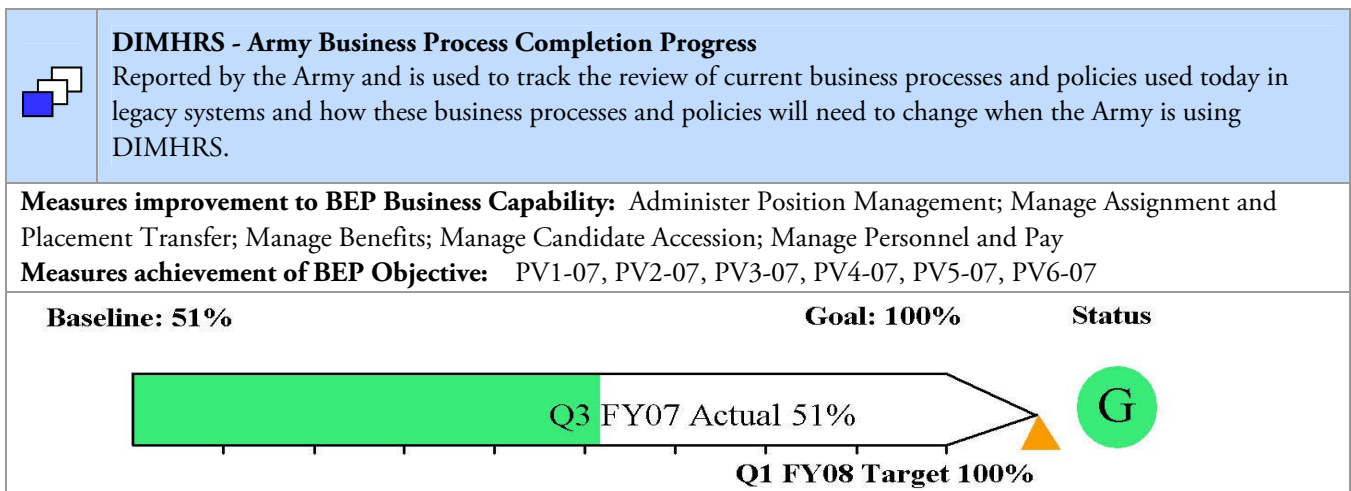
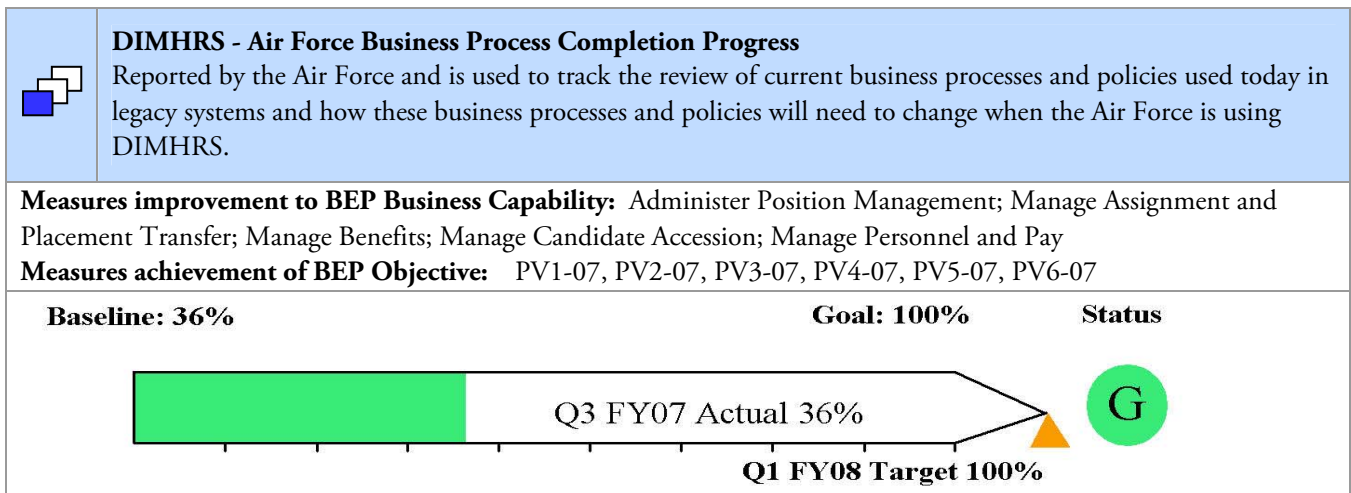
Table PV-3: Personnel Visibility Performance Metrics

	<p>Accurate and Timely Pay Percentage of pay-affecting events submitted and accurately reflected in a DoD Personnel system within 30 days.</p>
<p>Measures improvement to BEP Business Capability: Manage Personnel and Pay Measures achievement of BEP Objective: PV1-07, PV2-07, PV3-07, PV4-07, PV5-07, PV6-07</p>	
<p>Baseline: 36.4% Goal: 99% Status</p>  <p style="text-align: right;">Q4 FY08 Target 85%</p>	
	<p>Uniformity of Enlistment Accession Data Extent to which accession data reporting is consistent among Services (as reported by USMEPCOM) and OSD (as reported by DMDC).</p>
<p>Measures improvement to BEP Business Capability: Manage Candidate Accession Measures achievement of BEP Objective: PV1-07, PV2-07, PV3-07, PV4-07, PV5-07, PV6-07</p>	
<p>Baseline: 86.3% Goal: 99% Status</p>  <p style="text-align: right;">Q4 FY07 Target 90%</p>	
	<p>DoD Personnel who Retire or Separate with a Debt Percentage of DoD personnel who retire or separate that are indebted to the U.S. Government.</p>
<p>Measures improvement to BEP Business Capability: Manage Retirement and Separation Measures achievement of BEP Objective: PV6-07</p>	
<p>Baseline: 38% Goal: 1% Status</p>  <p style="text-align: right;">Q4 FY07 Target 32%</p>	

	<p>Accurate and Timely Travel Reimbursement Time elapsed (in days) from traveler signing travel voucher, Authorizing Official providing approval of the travel voucher, to the point in time a final payment is made to the traveler and/or the traveler's government charge card.</p>
<p>Measures improvement to BEP Business Capability: Manage Travel Measures achievement of BEP Objective: PV6-07</p>	
<p>Baseline: 30 Goal: 5.5 Status</p>	
	

	<p>DIMHRS – Data Conversion Testing Progress Tracks the conversion progress for the conversion of legacy data necessary for the initial load of legacy personnel and pay data into DIMHRS system for “Go Live” to the Army and the Air Force.</p>
<p>Measures improvement to BEP Business Capability: Administer Position Management; Manage Assignment and Placement Transfer; Manage Benefits; Manage Candidate Accession; Manage Personnel and Pay Measures achievement of BEP Objective: PV1-07, PV2-07, PV3-07, PV4-07, PV5-07, PV6-07</p>	
<p>Baseline: 15% Goal: 100% Status</p>	
	

	<p>DIMHRS - User Productivity Toolkit (Training Packages) Production Progress Tracks the completion of DIMHRS training packages to be used by the services and agencies responsible for end user training and testing DIMHRS system.</p>
<p>Measures improvement to BEP Business Capability: Administer Position Management; Manage Assignment and Placement Transfer; Manage Benefits; Manage Candidate Accession; Manage Personnel and Pay Measures achievement of BEP Objective: PV1-07, PV2-07, PV3-07, PV4-07, PV5-07, PV6-07</p>	
<p>Baseline: 40% Goal: 100% Status</p>	
	





DIMHRS – Army Interface Designs Packages Signed

Tracks the completion of DIMHRS Interface Design Packages needed to communicate data used by DIMHRS and Army persistent legacy systems.

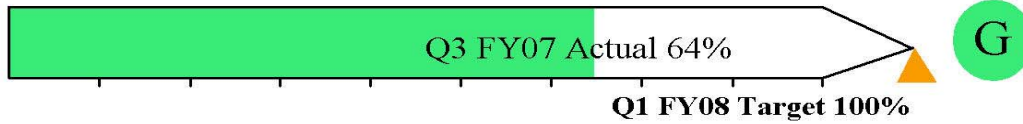
Measures improvement to BEP Business Capability: Administer Position Management; Manage Assignment and Placement Transfer; Manage Benefits; Manage Candidate Accession; Manage Personnel and Pay

Measures achievement of BEP Objective: PV1-07, PV2-07, PV3-07, PV4-07, PV5-07, PV6-07

Baseline: 64%

Goal: 100%

Status



PV Business Value Added Framework Impacts

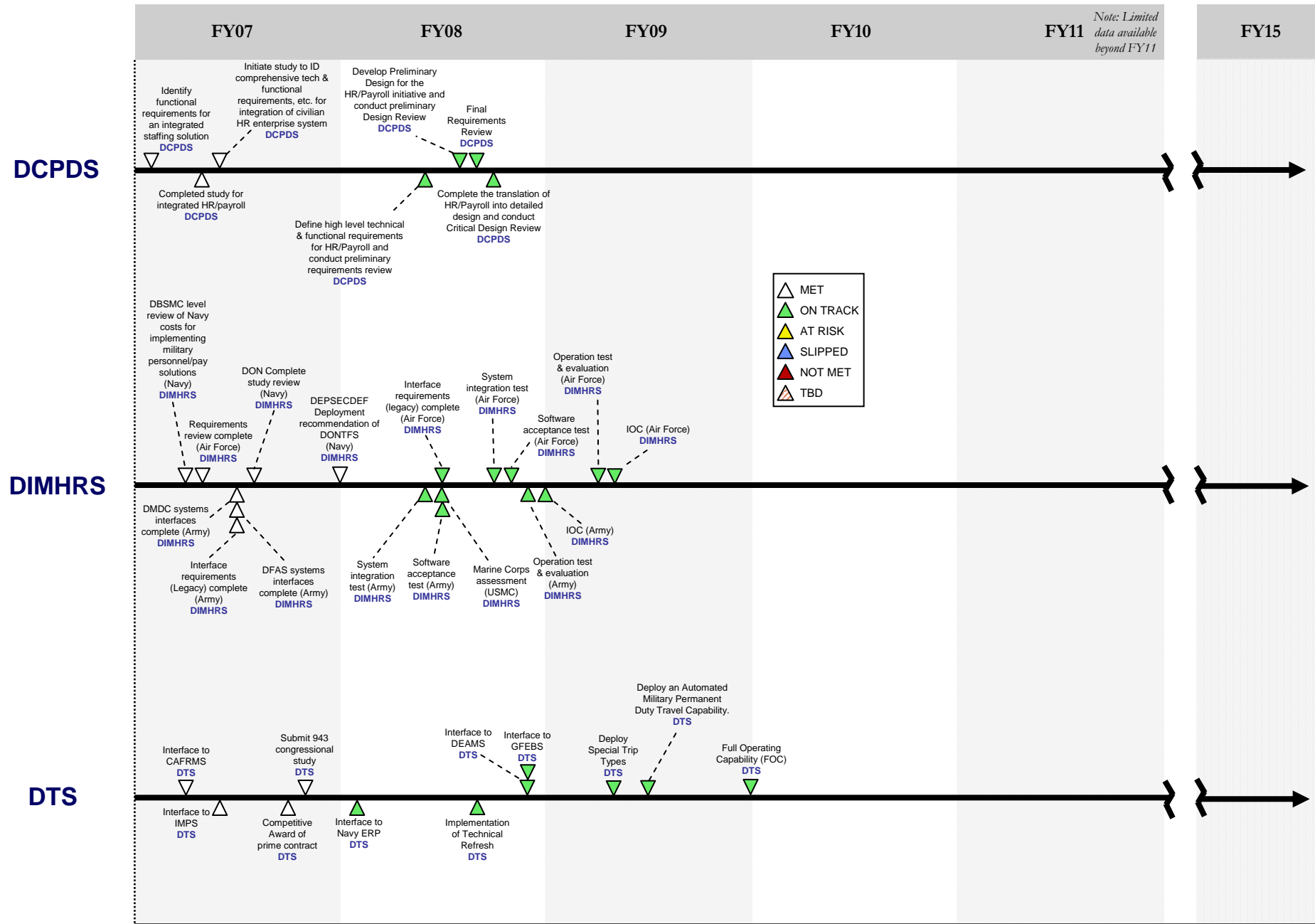
The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table PV-4 below provides information on how specific PV system investments support each of the 10 BVA measures.

Table PV-4: Business Value Added Framework Impacts

PV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
DCPDS Defense Civilian Personnel Data System	●										DCPDS uses the following Service Level Agreements (SLAs) as contract metrics. - Implement time critical regulatory changes as required - Implement DoD time critical regulatory changes as required - Implement DoD non-time critical regulatory changes as required These metrics are used to show improvement and maintenance for DCPDS in its capability to support Federal or DoD mandated changes.
								●			DCPDS uses the Servicing Ratio as a quantitative measure of Personnel Requirements Fulfillment. The Servicing Ratio is the number of personnel dedicated to supporting Civilian HRM functions divided by the total Civilian user population, expressed as a fraction. The Servicing Ratio is an indication of the savings brought about through regionalization of human resources (HR) operations supported by DCPDS, and facilitates the economic viability analysis to indicate business improvements. As a result of the DCPDS program, the Components have been able to automate, consolidate and streamline their HR functions. This enables the HR specialists to serve and support the workforce more efficiently.
										●	The underlying metric applied to DCPDS to quantify success in achieving financial transparency is in the Service Level Agreement (SLA) as "Maintenance of Database Integrity." Each Regional Service Center (RSC) database is considered the database of record. As such, all subsequent actions rely on accurate data. A proactive set of defined processes is used to examine and verify DCPDS database integrity. This critical activity supports DCPDS database integrity to ensure that the DCPDS interface to Payroll and other systems is maintained.
DIMHRS Defense Integrated Military Human Resources System								●			DIMHRS will drive improved business value through significant improvements in personnel visibility, strength management, mobilization operations, pay accuracy, and personnel data accuracy. DIMHRS will accomplish this by consolidating a wide range of personnel systems and databases into a single system with a single data store. The data store will contain only one record per Service member and will serve as the authoritative source for strength accounting and management. Since Service member records will exist in only one database, movement of Service members between Components and even Services will be greatly improved. This in turn will facilitate greatly improved mobilization and demobilization operations. The single DIMHRS record will be updated using the DIMHRS software or DIMHRS developed and approved interfaces. In this manner DIMHRS will provide consistent quality control and edits thereby improving data accuracy.

PV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
DIMHRS (cont.) Defense Integrated Military Human Resources System									●		DIMHRS will drive improved business value through the consolidation of personnel and pay systems into a single integrated system. DIMHRS will accomplish this by deploying commercial off the shelf software specifically designed to support integrated personnel and pay operations. Careful configuration of the software to support military personnel and pay operations will eliminate many of the complex interfaces required to transfer data between existing personnel and pay systems. The integrated software will also make personnel changes that affect pay available to the pay system in near real time. Finally improvements to personnel operations to include visibility and mobilization will significantly improve the accuracy of personnel changes that drive pay.
DTS Defense Travel System		●									DTS provides significantly improved visibility of available travel obligations and disbursing of travel funds allowing for better "check book" management of DOD travel when compared to manual process.
					●						DTS and its inherent flexibility allows travelers to make all travel arrangements anyplace/anytime reducing previous travel office choke points providing for more efficiency in supporting mission needs.
									●		Voucher reject rates are less than 2% based on internal DTS audit checks. This reflects automated "compliance flagging" to traveler and approver as travel arrangements and payments are prepared. Significantly reduces over/under payments and associated efforts to resolve them.
										●	Electronic Archival and internal DTS audits allow significantly better Post Payment Review Audits. Electronic sampling is much more efficient than manual process and provides all background materials required.

Personnel Visibility Timeline



Acquisition Visibility


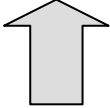
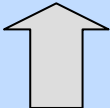
Goal

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 Weapons Systems Lifecycle Management (WSLM) CBM.

Objectives

The table below lists three AV objectives which support this goal and an assessment of the progress towards achieving each objective.

Table AV-1: Acquisition Visibility Objective Status

ID	Objective	Assessment	Progress Indicator
AV1-07	Provide governance and accountability for acquisition decision making data.	Acquisition, Technology & Logistics (AT&L) directed that a Service-Oriented Architecture (SOA) demonstration be conducted for Defense Acquisition information. The scope of the demonstration includes issuing functional and technical guidance to the Services to define selected data entities and the means for making that data available to OSD.	
AV2-07	Provide the framework for access to authoritative data for acquisition decision making.	A preliminary functional framework has been documented to identify the data required for AV. The AV SOA demonstration creates a technical framework—the SOA environment—for access to data. As additional critical data entities/elements are identified, defined, and established as authoritative, they can be made available through the framework. In addition, ongoing activities associated with DAMIR implementation support this objective.	
AV3-07	Provide definitions and business rules to define authoritative data for acquisition decision making.	On behalf of AT&L, ARA developed definitions for selected data entities/elements that support decision making for MDAPs. This concept may be extensible to other acquisition decision making. These data entities/elements will be incorporated into the Business Enterprise Architecture to integrate them into the overall framework for the Department. It is expected that the AV SOA demonstration will show that Department-wide access to authoritative data can be provided through a SOA environment. Data entities/elements supporting other capabilities will be identified and defined through ongoing SOA implementation and process re-engineering, and the results will be reflected in the BEA.	

Business Capability Improvements

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

Table AV-2: Acquisition Visibility Business Capability Improvements

Business Capability	Improvement
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.
	Provide timely Enterprise access to critical, authoritative acquisition oversight data elements by defining data elements and business rules and establishing related governance, identifying authoritative sources, and providing real-time access to data via a SOA.
Conduct Program Management	Establish an automated Web service data exchange for DAES data to increase transparency of program management data to the Components.
Monitor Commercial Requests for DoD Technology Export	Improve the ability to manage requests for commercial export license application for DoD controlled technology by providing electronically disseminated data, using an automated workflow process within the DoD technology communities.
Perform Asset Accountability (See note 1)	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.
	Assert to the existence of assets within each military equipment (ME) program by requiring establishment of accountability improvement plans and reviewing implementation progress.

Note 1: Currently a Materiel Visibility Business Capability

Performance Metrics

Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

Table AV-3: Acquisition Visibility Performance Metrics

	<p>DAES data available to Enterprise-level Defense Acquisition System Quarterly percentage of DAES information requirements made available from each Service to the Enterprise-level Acquisition Information System.</p>
<p>Measures improvement to BEP Business Capability: Manage Acquisition Oversight Integration Measures achievement of BEP Objective: AV2-07, AV3-07</p>	
<p>Baseline: 4.8% Goal: 100% Status</p> <p style="text-align: center;">Q3 FY07 Actual 4.8%</p> <p style="text-align: center;">Q1 FY08 Target 100%</p>	
	<p>Assets Uniquely Identified/Tracked in an Accountability System of Record Percent of military equipment programs where 100% of the assets are uniquely identified/tracked in an Accountability System of Record (ASR).</p>
<p>Measures improvement to BEP Business Capability: Perform Asset Accountability Measures achievement of BEP Objective: MV1-07</p>	
<p>Baseline: 75.4% Goal: 100% Status</p> <p style="text-align: center;">Q3 FY07 Actual 78.5%</p> <p style="text-align: center;">Q3 FY07 Target 75%</p> <p style="text-align: center;">Q4 FY07 Target 75%</p>	
	<p>Military Equipment (ME) Programs that have Asserted to the Existence and Completeness of the Assets within their Programs Percent of military equipment programs that have asserted.</p>
<p>Measures improvement to BEP Business Capability: Perform Asset Accountability Measures achievement of BEP Objective: MV1-07</p>	
<p style="text-align: center;">First Measurement: Q3FY08 Baseline: 0% Q2FY08 Target: 40% Goal: 100%</p>	

	<p>SAR data available electronically to the Services</p> <p>Yearly percentage of specified unclassified SAR information available to the Services electronically via the Enterprise-level Acquisition Information System.</p>
<p>Measures improvement to BEP Business Capability: Manage Acquisition Oversight Integration Measures achievement of BEP Objective: AV1-07, AV2-07, AV3-07</p>	
<p style="text-align: center;">First Measurement: Q2FY08 Baseline: 0% Q1FY08 Target: 100% Goal: 100%</p>	

	<p>DAES assessment data available electronically to the Services</p> <p>Quarterly percentage of specified DAES assessment information available to the services electronically via the Enterprise-level Acquisition Information System.</p>
<p>Measures improvement to BEP Business Capability: Conduct Program Management Measures achievement of BEP Objective: AV2-07, AV3-07</p>	
<p style="text-align: center;">First Measurement: Q2FY08 Baseline: 0% Q1FY08 Target: 100% Goal: 100%</p>	

	<p>Requested Authoritative Data Available on Demand from Specified Programs</p> <p>Number of MDAPs that have made the requested data available, in support of the Service Oriented Architecture (SOA) demonstration.</p>
<p>Measures improvement to BEP Business Capability: Manage Acquisition Oversight Integration Measures achievement of BEP Objective: AV1-07, AV2-07, AV3-07</p>	
<p style="text-align: center;">First Measurement: Q2FY08 Baseline: 0 Q1FY08 Target: 8 Goal: 8</p>	

AV Business Value Added Framework Impacts 

The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table AV-4 below provides information on how specific AV system investments support each of the 10 BVA measures.

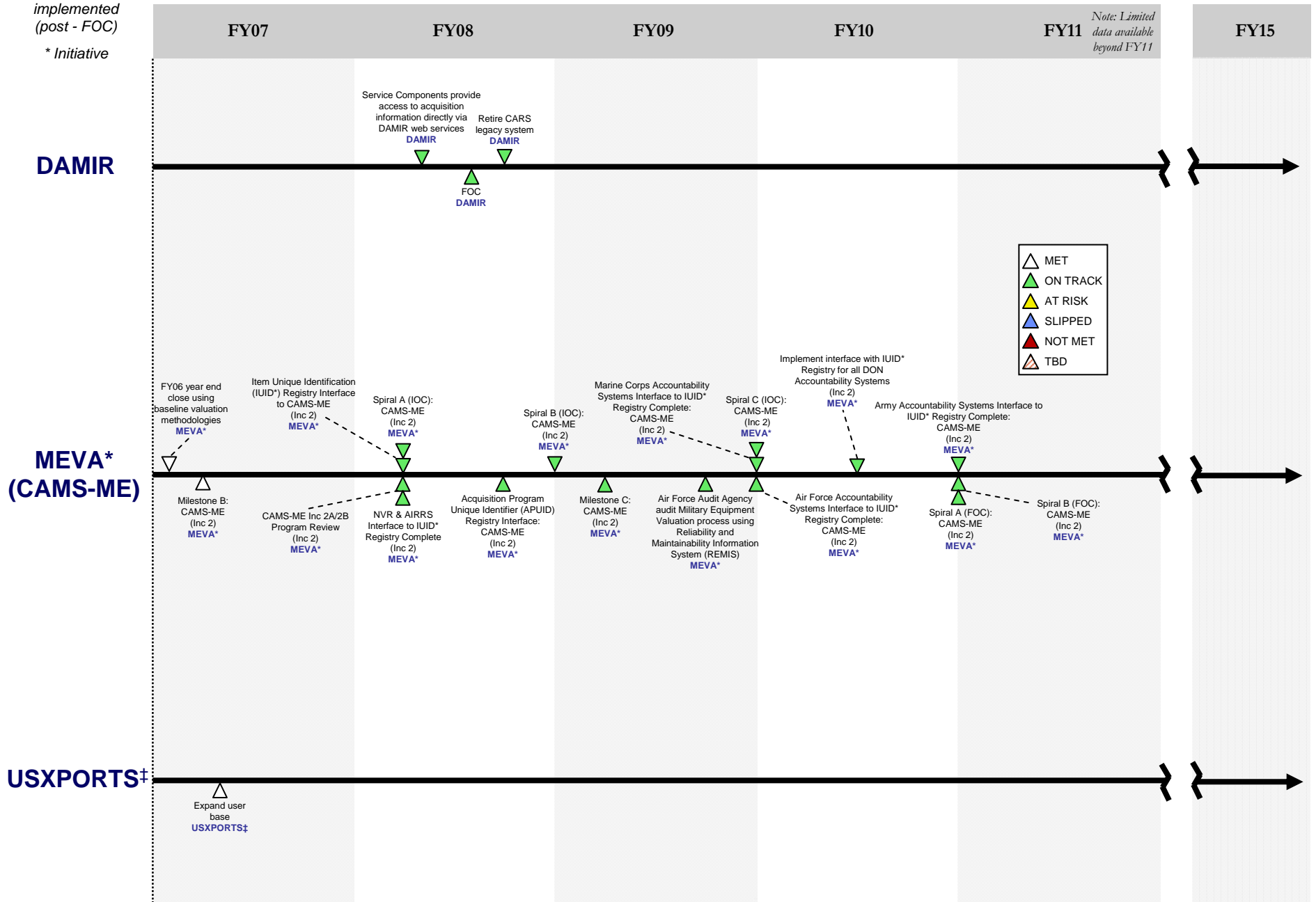
Table AV-4: Business Value Added Framework Impacts

AV System/ Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
CAMS-ME Capital Asset Management System - Military Equipment										●	CAMS-ME assists in financial transparency by functioning as a tool to maintain and update military equipment valuation data. CAMS-ME will value work-in-process, determine a value for each military equipment asset, and perform fixed asset accounting.
DAMIR Defense Acquisition Management Information Retrieval			●								For ACAT 1 programs: Establishes data transparency and accessibility into the types of acquisition information required by Defense acquisition managers and decision makers regarding the time gap between Milestone B for only ACAT 1 programs and the program reaching IOC and FOC.
MEVA Military Equipment Valuation and Accountability										●	MEVA helps the department achieve compliance with generally accepted accounting principles which improves financial accountability and achieves compliance with property management standards in DoD instruction 5000.64 which improves asset accountability.
USXPORTS US Export Systems											No Impact

Acquisition Visibility Timeline

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

* Initiative



Common Supplier Engagement

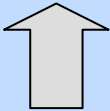
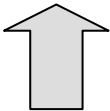
Goal

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 warfighter and Business Mission Area (BMA).

Objectives

The table below lists two CSE objectives which support this goal and an assessment of the progress towards achieving each objective.

Table CSE-1: Common Supplier Engagement Objective Status

ID	Objective	Assessment	Progress Indicator
CSE1-07	Streamline and reduce complexities of the process touch points between DoD and suppliers.	Significant progress is illustrated by the elimination of three legacy systems over two years to make CPARS the sole source for collecting contractor performance information. Contractors now have only one location to review and comment on their performance assessments. Additionally, eight of the ten Federal IAE systems are now master authoritative data sources.	
CSE2-07	Adopt standard business processes, rules, data, and interoperable systems across DoD to ensure reliable and accurate delivery of acceptable goods and services.	Significant progress is being achieved by the definition of standard data transactions for passing shipment, acceptance, and accounts payable data to emerging interface partners. These standard transactions will reduce inefficiencies and provide less opportunity for error during the receipt and acceptance of goods and services.	

Business Capability Improvements

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

Table CSE-2: Common Supplier Engagement Business Capability Improvements

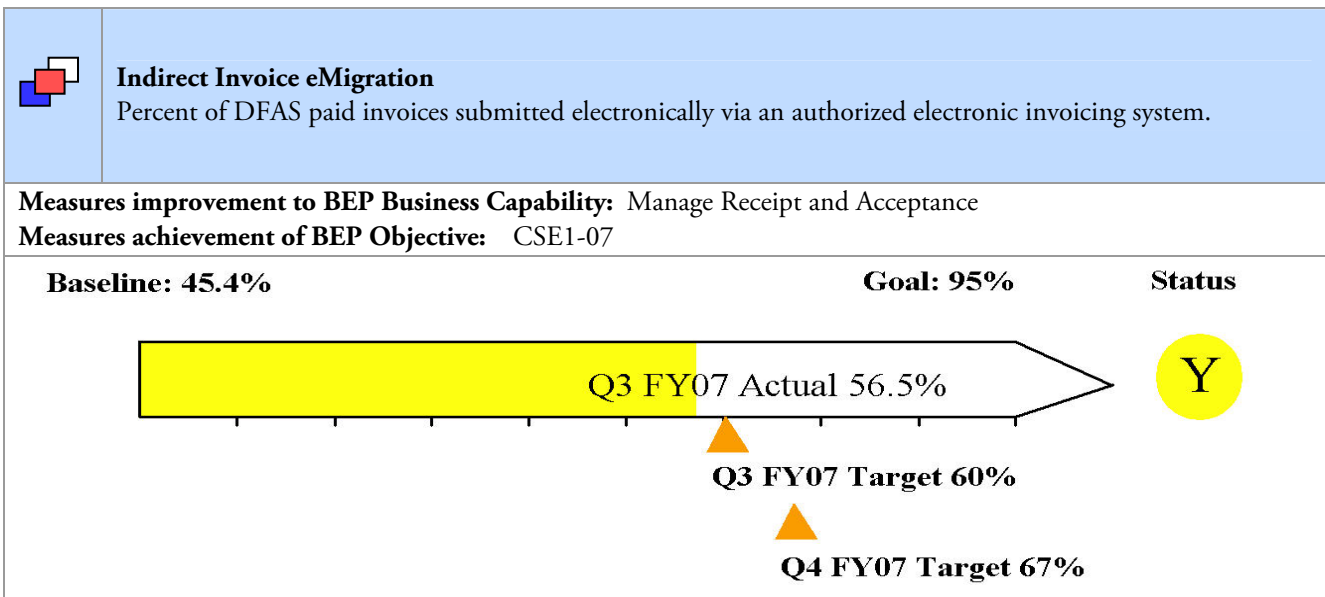
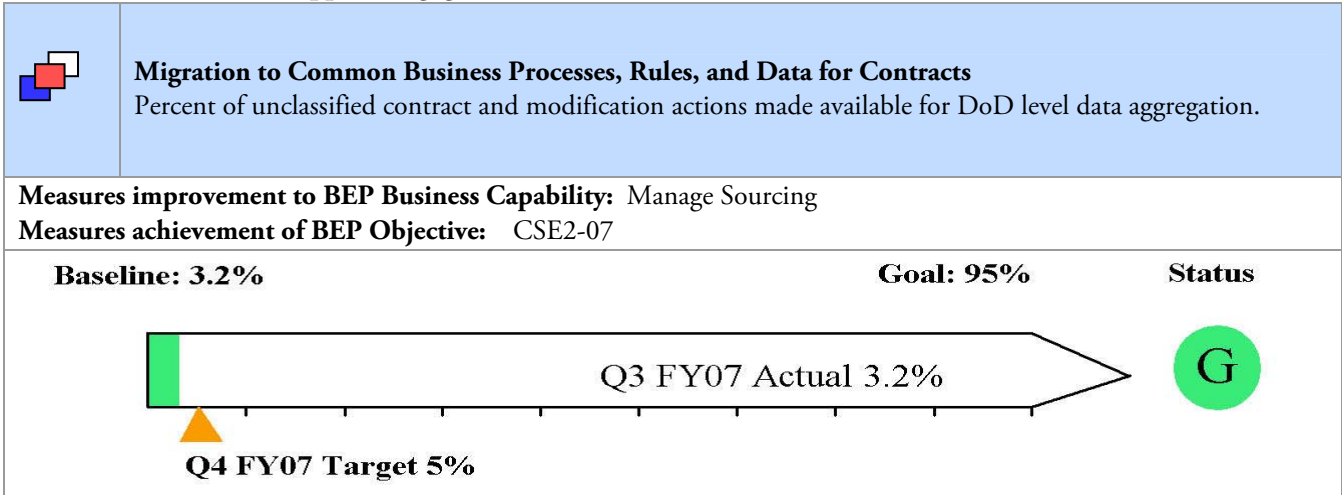
Business Capability	Improvement
Manage Request	Identify the data collection processes necessary to make consolidated enterprise spend analysis data available for Department strategic sourcing decisions in order to be able to capture information at the request stage.
	Identify the data collection processes necessary for demand unique identification in Military Equipment Valuation (MEV), Real Property Accountability (RPA), and Personnel Property Accountability in order to be able to capture the information at the request stage.
	Establish data visibility to the purchase request level and allowing customers to identify data associated with outstanding requests.
	Improve the ability to track purchase requests and provide information to acquisition decision makers.
Manage Sourcing	Establish 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.

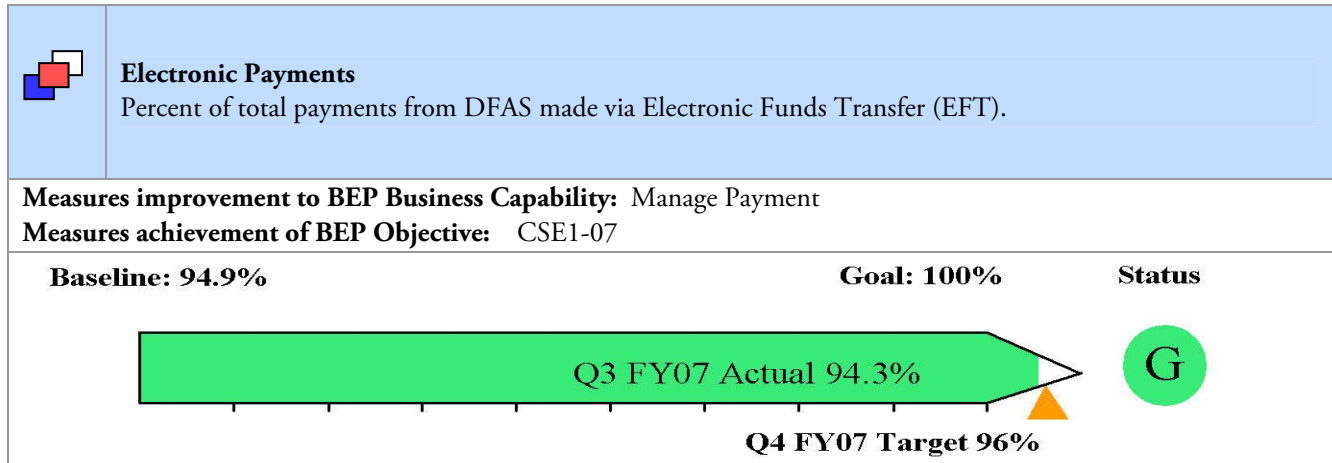
Business Capability	Improvement
Manage Sourcing (continued)	Establishing a process to identify award and incentive fees awarded to suppliers in order to improve visibility to acquisition decision makers for performance decisions.
	Improve the standard method for reporting commercial supplier agreement data to Congress and to the public.
	Improve 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.
	Enhance 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.
	Enhance 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.
	Deploy 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.
	Reduce unmatched disbursements and improve the accuracy of data by pre-populating invoice and receiving reports which reduces the need to re-key.
	Enhance the authoritative source for collection and retrieval of commercial supplier performance data.
Manage Receipt and Acceptance	Develop 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.
	Establish standard receipt and acceptance data aggregation and associated processes.
	Establish standard contract and modification data aggregation and associated processes.
	Improve inefficiencies due to non-standardized methods for submitting shipment notices (e.g. - interest penalties)
Manage Payment	Develop a standard method for commercial suppliers to submit invoices and receive payment.
	Identify Enterprise-level entitlement processes.
	Establish standard invoicing data aggregation and associated processes
	Improve the inability to measure the implementation of standard processes
	Reduce 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.

Performance Metrics

Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

Table CSE-3: Common Supplier Engagement Performance Metrics





CSE Business Value Added Framework Impacts 

The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table CSE-4 below provides information on how specific CSE system investments support each of the 10 BVA measures.

Table CSE-4: Business Value Added Framework Impacts

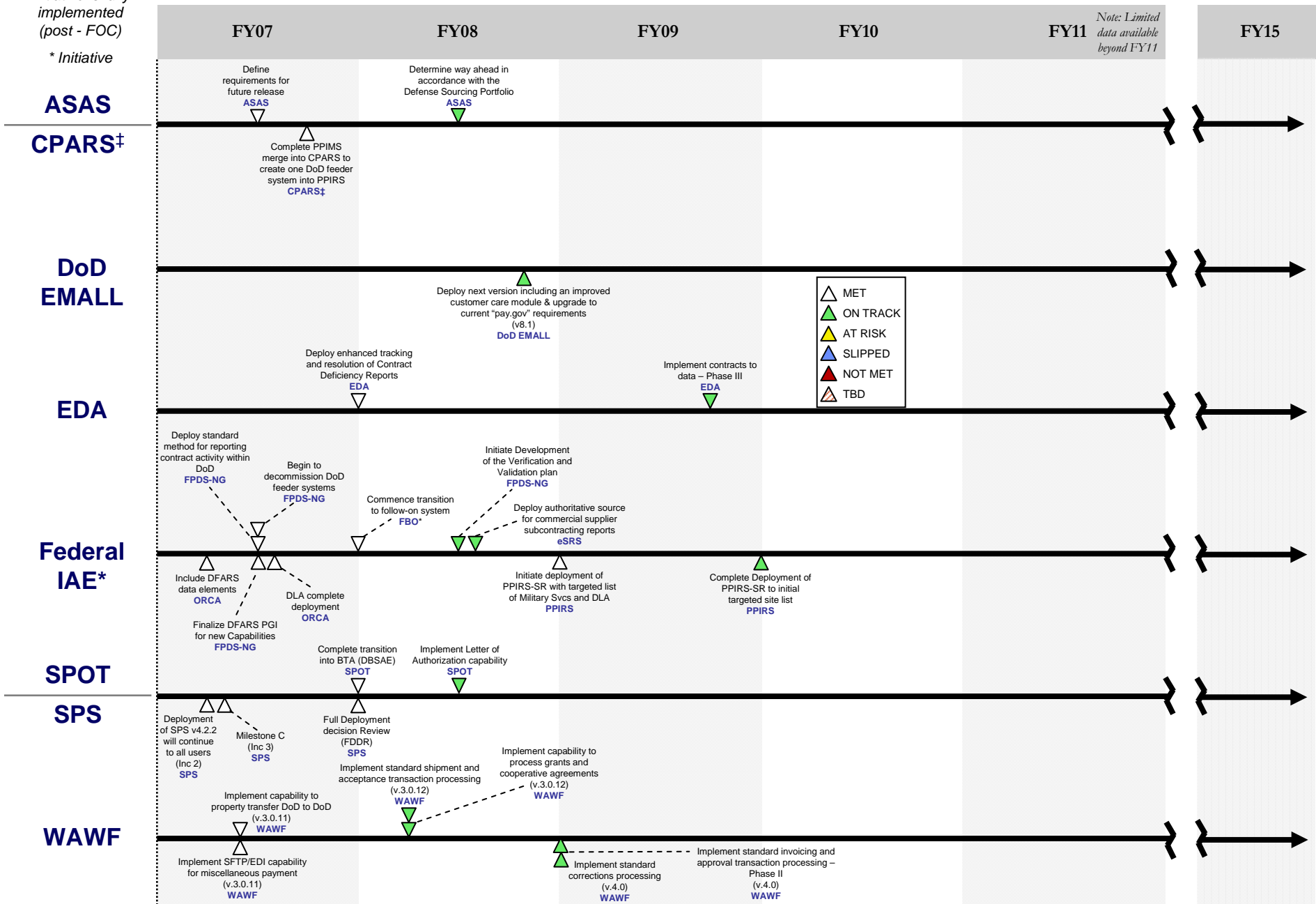
CSE System/ Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
ASAS Acquisition Spend Analysis Service											ASAS provides consolidated DoD spend analysis data that will enable sourcing executives to make better, more informed decisions and will increase the level of accessibility of the data during the acquisition process.
CPARS Contractor Performance Assessment Reporting System	●										CPARS enables the government to better and more quickly identify quality vendors by collecting performance data obtained from previous contracts.
DoD EMALL DoD Electronic Mall	●										DoD EMALL standardizes the self-serve process through the use of an enterprise catalog ordering system, which will streamline the user's ordering process, thereby reducing order cycle time.
										●	DoD EMALL standardizes the self-serve process through the use of an enterprise catalog ordering system, which will streamline ordering and expedite the ordering process, and provide financial traceability of those purchases.
EDA Electronic Document Access		●									EDA provides consolidated contract data to WAWF to streamline the invoice receipt and acceptance process by making key contract data more accessible, reliable, and provided in a timelier manner for payment purposes.
Federal IAE Federal Integrated Acquisition Environment	●										Federal IAE provides authoritative sources of vendor data to identify quality vendors and improve the accuracy of vendor data which leads to improved levels of performance by vendors.
		●									Federal IAE provides streamlined capabilities for soliciting requirements, and improves the accuracy of the data thereby enabling key vendor information to be transferred more smoothly, resulting in a reduction of cash-to-cash cycle time.
SPOT Synchronized Pre-deployment and Operational Tracker	●										SPOT standardizes the complete contractor deployment process, which improves reporting; thereby providing timely logistics, contract and contractor asset information used to prepare a more agile response to war fighter needs in theater.
								●			SPOT is a joint web-access database that provides Contractors on the Battlefield (COB) information to include who they work for, the training they received prior to deployment, the position they fill, the system they service, and their location. SPOT tailored reporting provides Combatant Commanders with information to reallocate strength and skill sets as needed.
SPS Standard Procurement System	●										SPS standardizes the procurement process through the use of an interim enterprise procurement system, which will improve accuracy of contract data and decrease cycle time of producing agreements with suppliers.

CSE System/ Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
SPS (Continued)		●									SPS provides contract data to EDA, enabling a more streamlined Receipt and Acceptance process.
				●							SPS-Contingency (SPS-C) provides improvements to contingency contracting tools since it can be used in a mobile, forward-deployed version in support of contingency missions worldwide, providing faster functional availability for in-theater business needs.
										●	SPS standardizes the procurement process through the use of an enterprise procurement system, which will improve accuracy of contract data and provide financial traceability.
WAWF Wide Area Workflow		●									WAWF contains receipt and acceptance functionality. Electronic receipt and acceptance reduces the time required for the government to confirm receipt and acceptance of goods and services, ensuring vendors and contractors are paid more quickly.
										●	WAWF contains receipt and acceptance functionality. Electronic receipt and acceptance improves the accuracy of the data required for the government to confirm receipt and acceptance of goods and services, ensuring vendors and contractors are paid more quickly. Additionally, the system provides financial traceability and captures IUID for valuation of assets.

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

Common Supplier Engagement Timeline

ETP, Enterprise Performance Summary



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Matériel Visibility

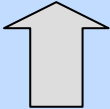
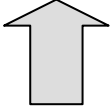
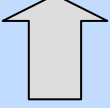
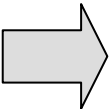
Goal

Matériel Visibility will provide users with timely and accurate information on the location, movement, status, and identity of unit equipment, matériel and supplies, greatly improving overall supply chain performance. The MV Business Enterprise Priority will improve the delivery of warfighting capability to the warfighter as measured in terms of responsiveness, reliability, and flexibility.

Objectives

The table below lists four MV objectives which support this goal and an assessment of the progress towards achieving each objective.

Table MV-1: Matériel Visibility Objective Status

ID	Objective	Assessment	Progress Indicator
MV1-07	Transform the Department's supply chain information environment by improving data integrity and visibility.	Established a single integration point for item, vendor, and customer data that simplifies the capability to access this information. This will serve as an interim solution until the NCES (Net Centric Enterprise Services) are available across legacy systems. Follow-on activities, such as Web Supply Discrepancy Reporting (Web SDR), DoD Activity Address Directory (DoDAAD), and Military Assistance Program Address Directory (MAPAD), will improve access, quality and synchronization of logistics data.	
MV2-07	Improve the Department's ability to move supply chain data across the Enterprise by reducing complexity and minimizing variability of business transactions.	To improve data exchange across the Enterprise DoD Logistics Systems, need less complex standard transaction formats than are currently being used. To support the migration effort the Department initiated the Defense Logistics Management System (DLMS) Jump Start program to provide seed funding to DoD Component systems migration to more flexible and extensible transaction formats based on Commercial standards. Each system has detailed plans and contract vehicles in place, has received DLMS training, and is executing their plans toward a March 08 implementation date. Jump Start complements new system development using DLMS formats.	
MV3-07	Improve process efficiency of ordering, shipping, receiving, and inventory management by enabling hands-off processing of matériel transactions.	DoD is leveraging the availability and affordability of Auto Identification and Capture Technology (AIDC) of which RFID is a component. OSD and DLA are near complete installing RFID hardware at appropriate DoD sites. This infrastructure will allow these sites to streamline receiving processes. All US based DLA locations have passive readers installed and are working toward implementing procedures to leverage the efficiencies this technology provides.	
MV4-07	Uniquely identify property and matériel to improve the timely and seamless flow of matériel in support of deployed forces, improve asset visibility across the Department, and improve inventory management.	Effort continues to focus on marking all appropriate tangible personal property with an Item Unique Identifier (IUID).	

Business Capability Improvements

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

Table MV-2: Materiel Visibility Business Capability Improvements

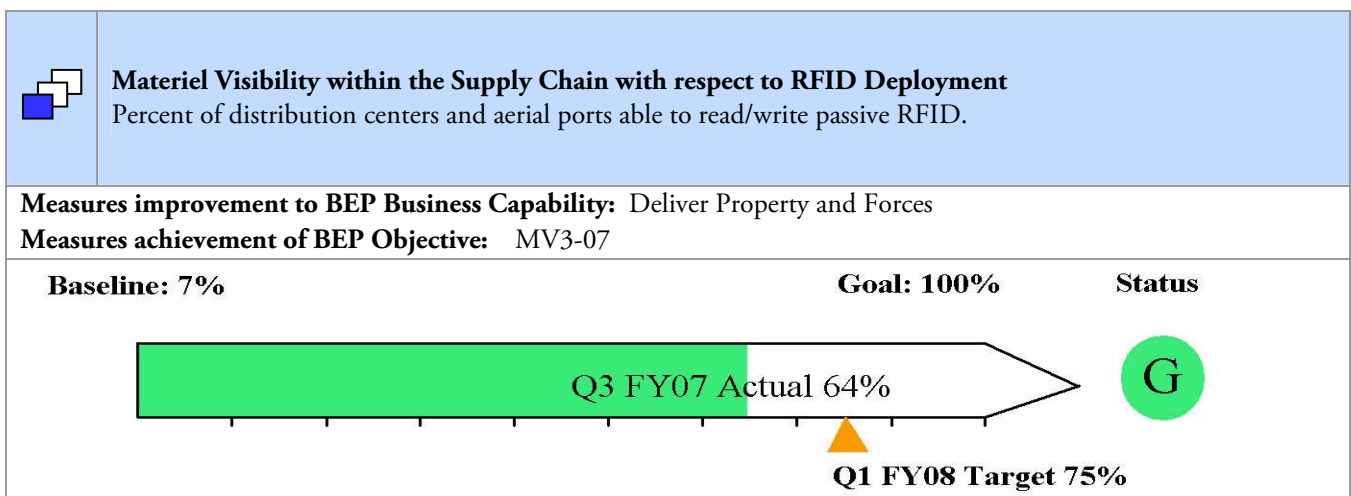
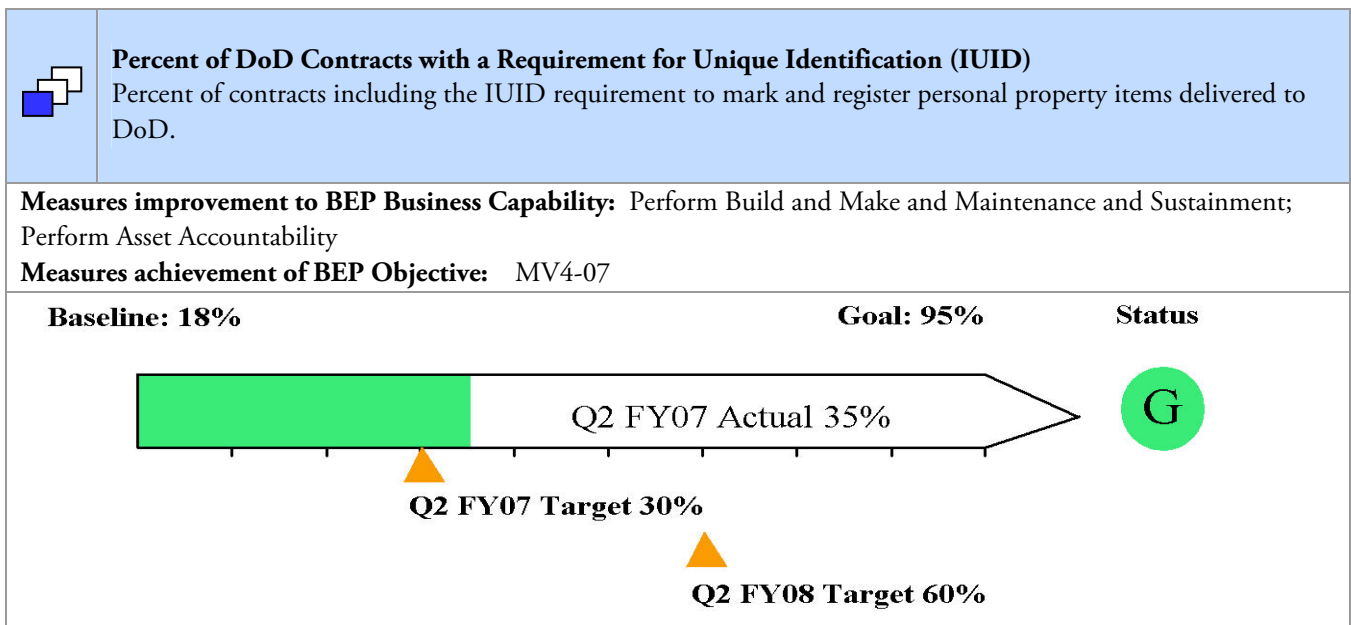
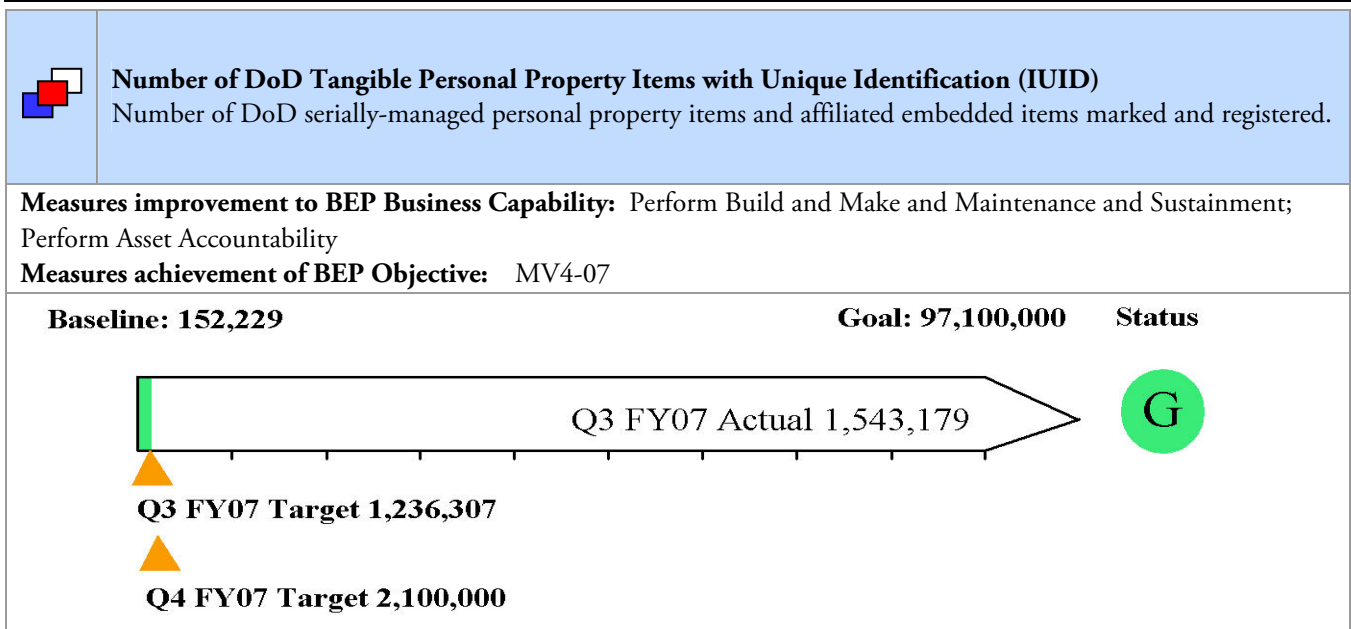
Business Capability	Improvement
Deliver Property and Forces	Implement flexible and extensible transaction standards to enable the transmission of information across the supply chain.
	Establish an Automated Identification Technology infrastructure to improve visibility at all nodes in the supply chain.
	Establish business rules and data standards that enable collaboration through a common language and framework to articulate logistics processes, information requirements, and performance metrics.
Perform Build and Make and Maintenance and Sustainment	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.
	Improve accessibility and integrity of logistics data through establishment of business rules and data standards that enable collaboration through a common language and framework to articulate logistics processes, information requirements, and performance metrics. Improved visibility of equipment data allows for better sourcing, maintenance and sustainment decisions.
	Establish business rules to enable efficient and effective lifecycle tracking from acquisition through repair to disposal.
Perform Asset Accountability	Completed. Implement a single logistics master data integration point that will increase data integrity by reducing multiple interfaces to multiple data sources to one interface to retrieve item, vendor and customer master data.
	Establish business rules and data standards that enable collaboration through a common language and framework to maintain accurate records on materiel and equipment to support improved logistics processes, exchange of information requirements, and capturing performance metrics.
	Establish a common, widely accepted item marking and registration process to facilitate asset accountability.
Dispose or Return Property and Materiel	Implement Automated Identification Technology to provide greater visibility at all nodes in the supply chain.
	Implement flexible and extensible transaction standards to enable property return and disposal.
	Establish business rules and data standards that enable collaboration through a common language and framework to articulate logistics processes, information requirements, and performance metrics.
	Establish business rules to enable efficient and effective lifecycle tracking from acquisition through repair to disposal.

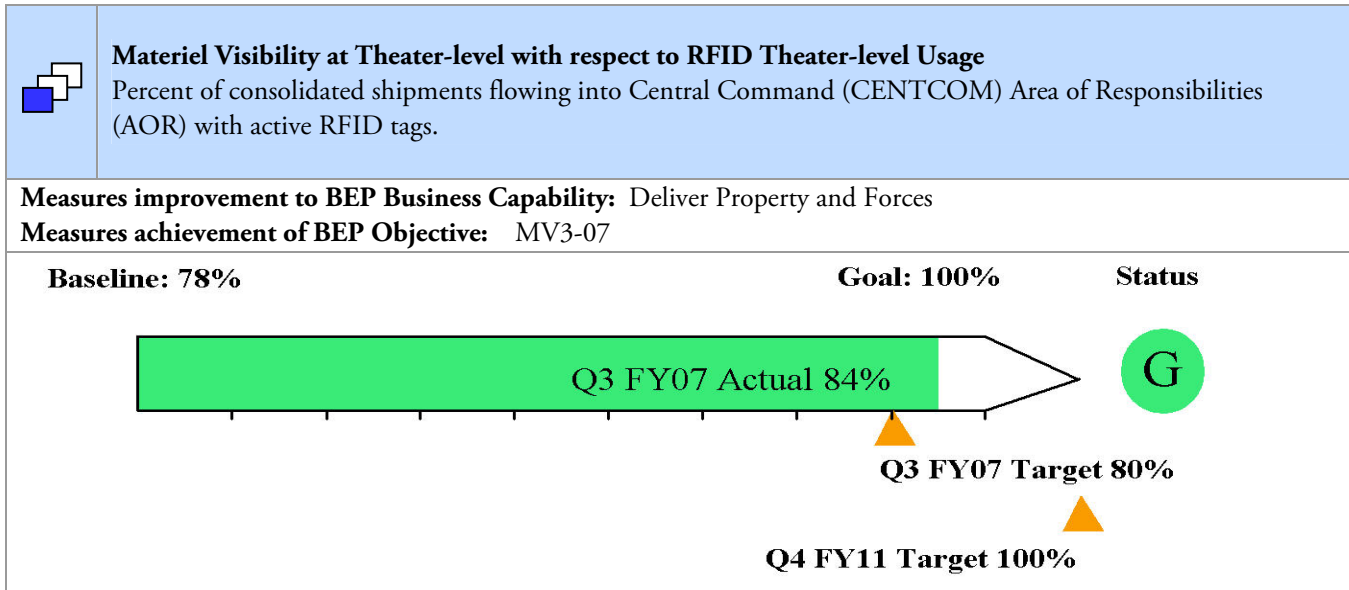
Performance Metrics

Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

Table MV-3: Matériel Visibility Performance Metrics

	<p>Percent of Logistics Master Data Sources Linked to Single Data Broker Percent of total logistics data repositories available through single source.</p>	
<p>Measures improvement to BEP Business Capability: Perform Asset Accountability Measures achievement of BEP Objective: MV1-07</p>		
<p>Baseline: 88%</p>	<p>Goal: 100% Status</p>	
	<p>Percent Defense Logistics Management System (DLMS) Transaction Volume Percent DLMS transactions of total transaction volume, through DAAS.</p>	
<p>Measures improvement to BEP Business Capability: Deliver Property and Forces; Dispose or Return Property and Matériel Measures achievement of BEP Objective: MV2-07</p>		
<p>Baseline: 15.7%</p>	<p>Goal: 80% Status</p>	
<p>Q1 FY08 Target 30%</p>		





MV Business Value Added Framework Impacts 

The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table MV-4 below provides information on how specific MV system investments support each of the 10 BVA measures.

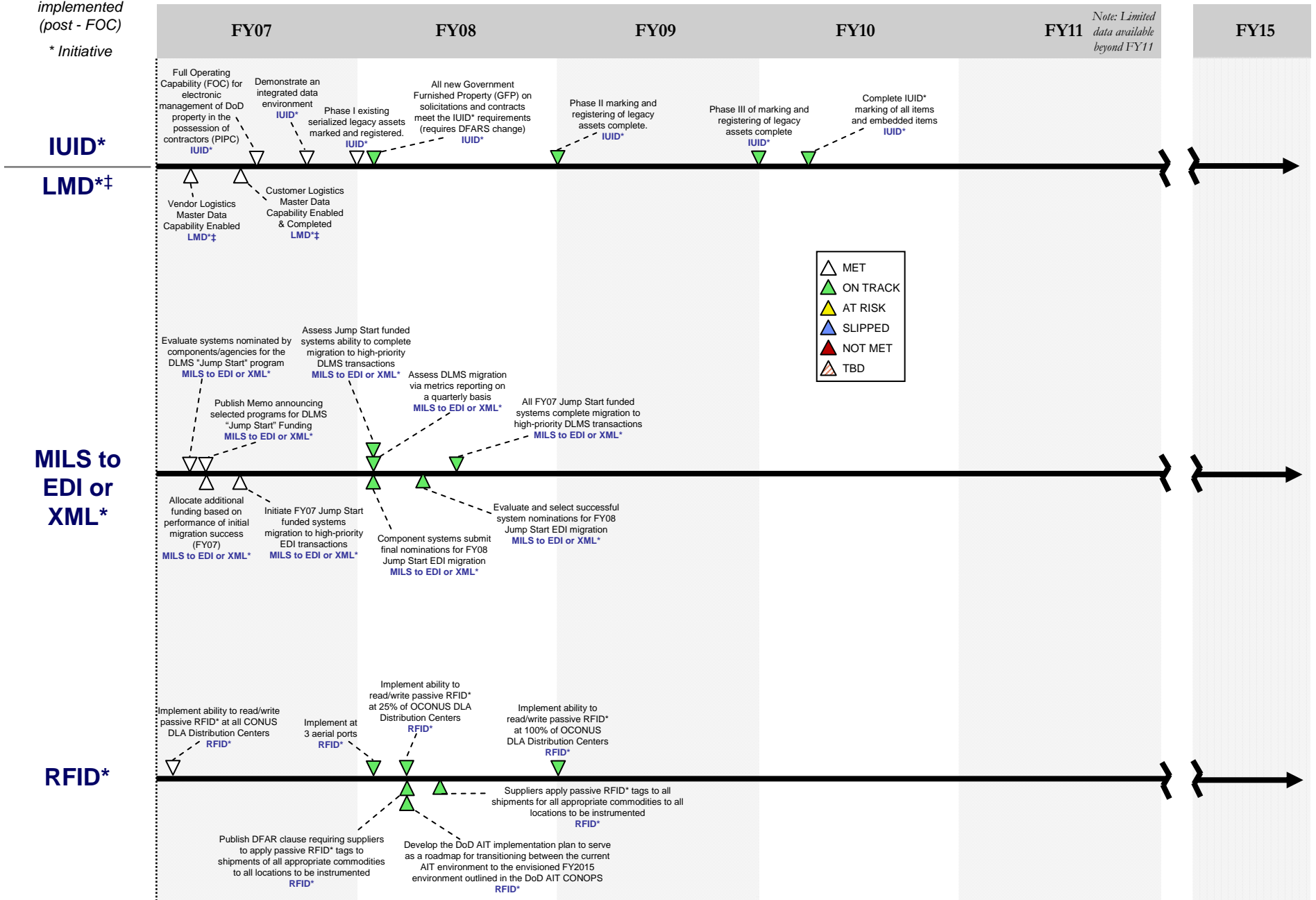
Table MV-4: Business Value Added Framework Impacts

MV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
UID Unique Item Identification Registry	●										UID will improve the Department's ability to predict the need for products and services and respond in a more timely manner to the warfighter.
		●									UID improves Cash-to-Cash Cycle Time by providing visibility of customer wait time within the supply chain. This provides the item managers the requisite visibility to redistribute critical assets to support the most critical needs.
					●						UID allows the Department to track assets and view their location and status thereby improving the ability of the warfighter to optimize weapon system usage which leads to greater availability.
						●					UID allows the Department to track assets and view their location and status thereby improving the ability to repair and replace component parts and subassemblies vice resorting to cannibalization.
										●	UID improves the Department's ability to maintain asset accountability, location and status. UID enhances logistics, contracting and financial business transactions and consistently captures the value of items it buys. This assists in the control of these items during their lifecycle which assists in property accountability, inventory, and financial management.
LMD Logistics Master Data			●								LMD provides an interim solution which reduces the number of interfaces required to obtain logistics master data for logistics information system programs thereby reducing the cost and complexity for system development and implementation.
					●						LMD simplifies weapon system availability by improving data integrity, quality and access through authoritative sources thereby improving supply chain responsiveness which leads to higher weapon system availability.
									●		LMD provides an interim solution which reduces the number of interfaces required to obtain logistics master data thereby increasing the integrity, quality and access to authoritative sources which increases the responsiveness and accuracy for vendor payment.
MILS to EDI or XML Transition from MILS to EDI or XML	●										MILS to EDI or XML will improve the Department's ability to respond in a more timely manner to the warfighter. By using the standard business transactions provided by MILS to EDI significant improvements have been attained with "Order to Receipt" times.
		●									MILS to EDI or XML improves the Department's ability to pay invoices in a timely manner by applying modern transactions standards to logistics systems and improving the acceptance process.

MV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
MILS to EDI or XML Transition from MILS to EDI or XML (Continued)					●						MILS to EDI or XML allows the Department to track assets and view their location and status by providing a means to carry both RFID and IUID information thereby increasing the ability of the warfighter to optimize weapon system usage which leads to greater availability.
										●	MILS to EDI or XML applies modern transactions to DoD logistics systems which improves accountability and visibility of transactions within the supply chain.
RFID Radio Frequency Identification	●										RFID improves visibility at all nodes in the supply chain and improves the Department's ability to analyze/improve supply chain performance.
		●									RFID improves Cash-to-Cash Cycle Time through enabling hands-off receipt and processing of materiel as items move through the supply chain. This capability increases efficiency in the receipt process which decreases the time required to move materiel to customers once they are ordered.
					●						RFID enables the ability to see inventory within the supply chain which allows item managers to move assets to systems experiencing down time.
						●					RFID enables visibility thereby providing item managers ability to redistribute assets to systems in need of repair. This increased visibility and ability to redistribute assets inhibit cannibalization.
										●	RFID improves the Department's ability to track items through the supply chain at all nodes by enabling the ability to track shipments and verify delivery. This contributes to financial management processes and internal controls by ensuring that effective measures are in place to accurately collect data at the source which flows through all the processes and is free from errors.

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

Material Visibility Timeline



Real Property Accountability


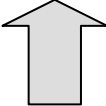
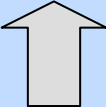
Goal

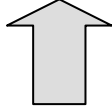

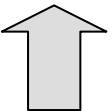
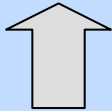
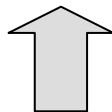
Real Property Accountability (RPA) provides the warfighter and CBMs access to near-real time secure, accurate and reliable information on real property assets, and environment, safety, and occupational health sustainability.

Objectives

The table below lists eight RPA objectives which support this goal and an assessment of the progress towards achieving each objective.

Table RPA-1: Real Property Accountability Objective Status

ID	Objective	Assessment	Progress Indicator
RPA1-07	Deliver consistent real property, environmental liabilities, and hazardous materials (Hazmat) information, supported by standard processes and data.	RPILM completed business process reengineering efforts for five major initiatives, developing consistent processes and data standards for generating, managing and accessing real property, Environmental Liabilities (EL), and Hazmat information across the Department. Significant progress is also illustrated by the Real Property Assets Database IOC and the phased implementation of RPIR data standards in 3 overarching Department-level systems that will feed RPAD with information.	
RPA2-07	Integrate financial, real property, and environmental business practices.	RPILM developed and implemented an RPILM information model to provide net-centric access to DoD real property and EL information. Location information for EL aligns to RPIR location data elements. Both EL and RPIR adhere to standards for financial information developed by the Comptroller. RPILM has aligned RPIR milestones with those in the Financial Improvement and Audit Readiness (FIAR) Plan. RPILM distributed compliance assessment tools and procedures addressing each initiative to support Investment Review Board evaluations. These tools provide the framework to enable the Components to implement and maintain consistent, accurate, and complete information on our vast and geographically diverse real property asset portfolio.	
RPA3-07	Reduce real property inventory management burdens and inefficiencies.	The Real Property Assets Database (RPAD) uses the Military Departments' and WHS authoritative real property inventory systems as its data sources. It will be DoD's centralized real property inventory database that provides all source data for numerous data models and external information queries regarding the Department's physical infrastructure. It will be used to populate the Federal Real Property Profile. RPAD's ability to re-use this data for many purposes reduces the number of data calls to the Services, reducing their management burden and making more efficient use of the data provided annually. Assigning Real Property Unique Identifiers to DoD's real property sites and assets worldwide enables the RPAD data to be easily consolidated and allows the Services to tie financial and other records to a specific asset, reducing the Services' management burden.	

ID	Objective	Assessment	Progress Indicator
RPA4-07	Provide net-centric data environment that can enable delivery of accurate, real time integrated data.	RPILM developed and published standardized metadata requirements to support the development of a net-centric environment for real property data accessibility across DoD. RPILM implemented a structure to evaluate architecture compliance maturity and matrixed it with compliance metrics to support investment decisions at the Investment Review Board.	
RPA5-07	Provide a complete inventory of environmental liabilities reconciled with property, plant, and equipment records, adequate EL management controls, audit trails, cost estimates, and documentation.	RPILM initiated an EL Mapping and Reconciliation Pilot Project to develop a department-wide reconciliation process and standards to enable Components to demonstrate completeness of EL site records at each installation.	
RPA6-07	Increase Hazmat operational support, protection, and control.	RPILM partnered with the Defense Logistics Agency to incorporate chemical and regulatory reference data, as an expansion of the logistics "Item Master." The resulting "Hazardous Materials Master Data" will fulfill the jointly developed standard data requirements for safe and cost-effective hazardous materials management. RPILM has convened a cross-Component working group to develop metadata for the entire Product Hazard Data set.	
RPA7-07	Reduce Hazmat related environmental violations, lost-time incidents, and exposure.	RPILM achieved DoD-wide consensus on standardized requirements for the management of regulatory and chemical hazardous materials information. This success allows the Defense Logistics Agency to serve the entire Department with standardized regulatory information on hazardous materials from a central repository of authoritative data. As the Services use this information in their business processes, DoD will, most importantly, improve operational control of mission activities involving hazardous materials, and will also realize cost savings.	
RPA8-07	Geo-enable location information.	RPILM implemented a comprehensive, web-based viewer capable of displaying current maps of major DoD installations to include current unclassified satellite imagery. RPILM also established the Geospatial Metadata Profile, addressing geospatial requirements for the Real Property Inventory and EL. RPILM undertook an inventory completeness initiative via USACE, using GIS and RPIR processes to determine official DoD boundaries for land parcels.	

Business Capability Improvements

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

Table RPA-2: Real Property Accountability Business Capability Improvements

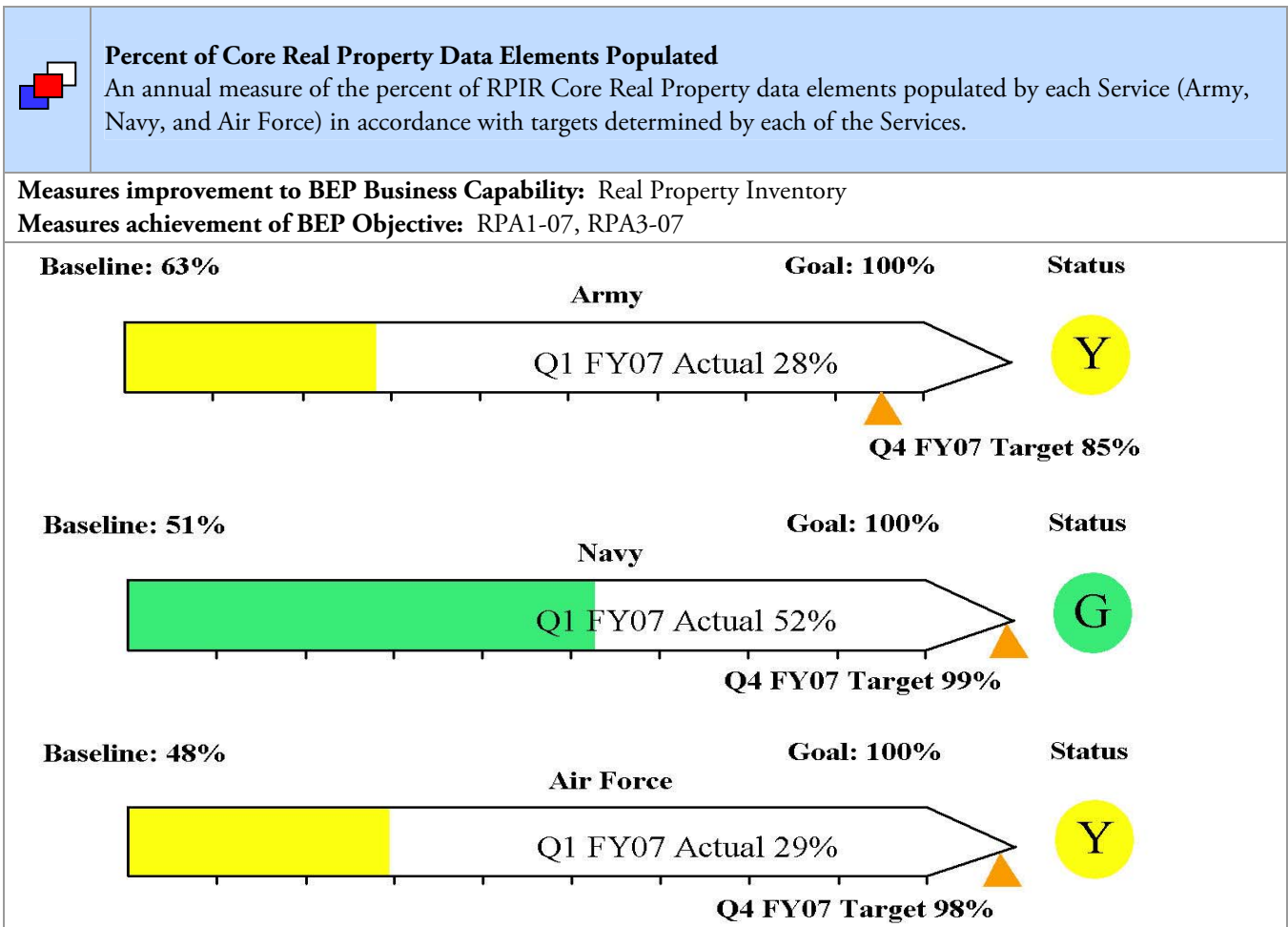
Business Capability	Improvement
Environmental Liabilities Identification and Valuation	Resolve material weakness of inability to provide auditable environmental liabilities information by developing a process model for recognizing, valuing, and reporting environmental liabilities.

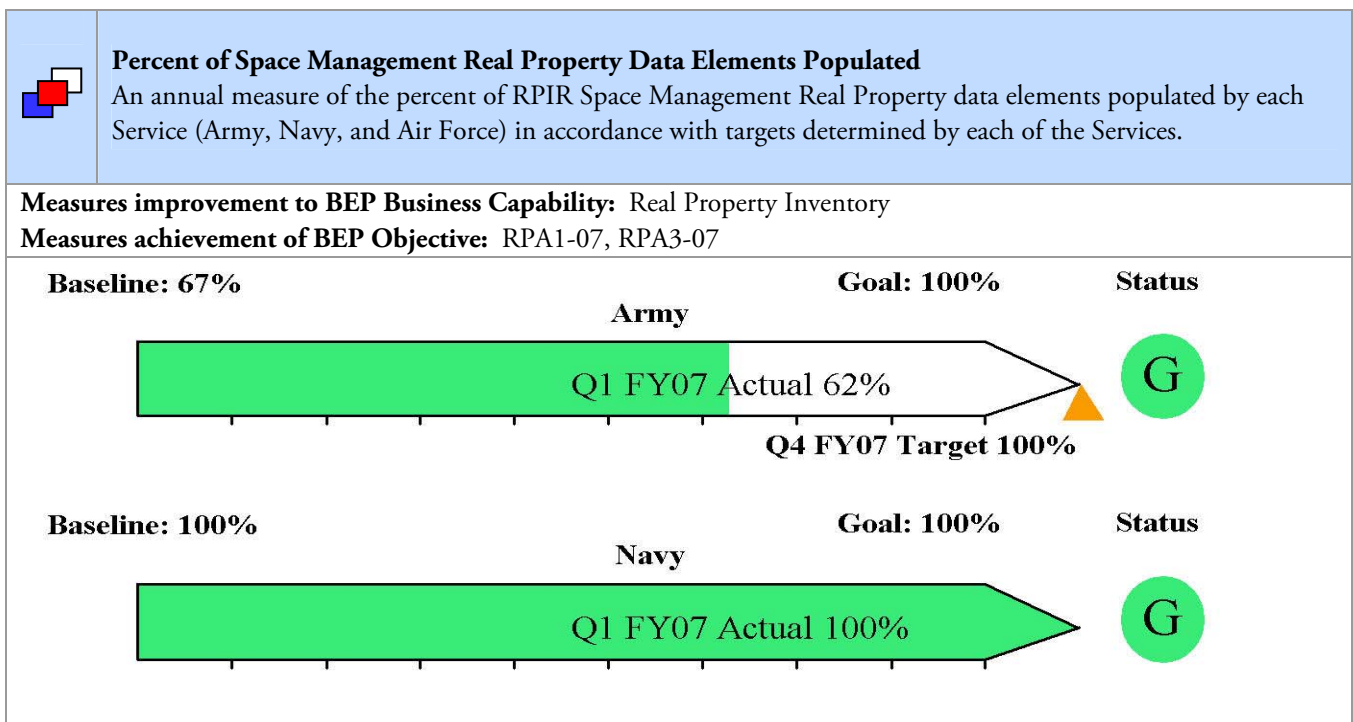
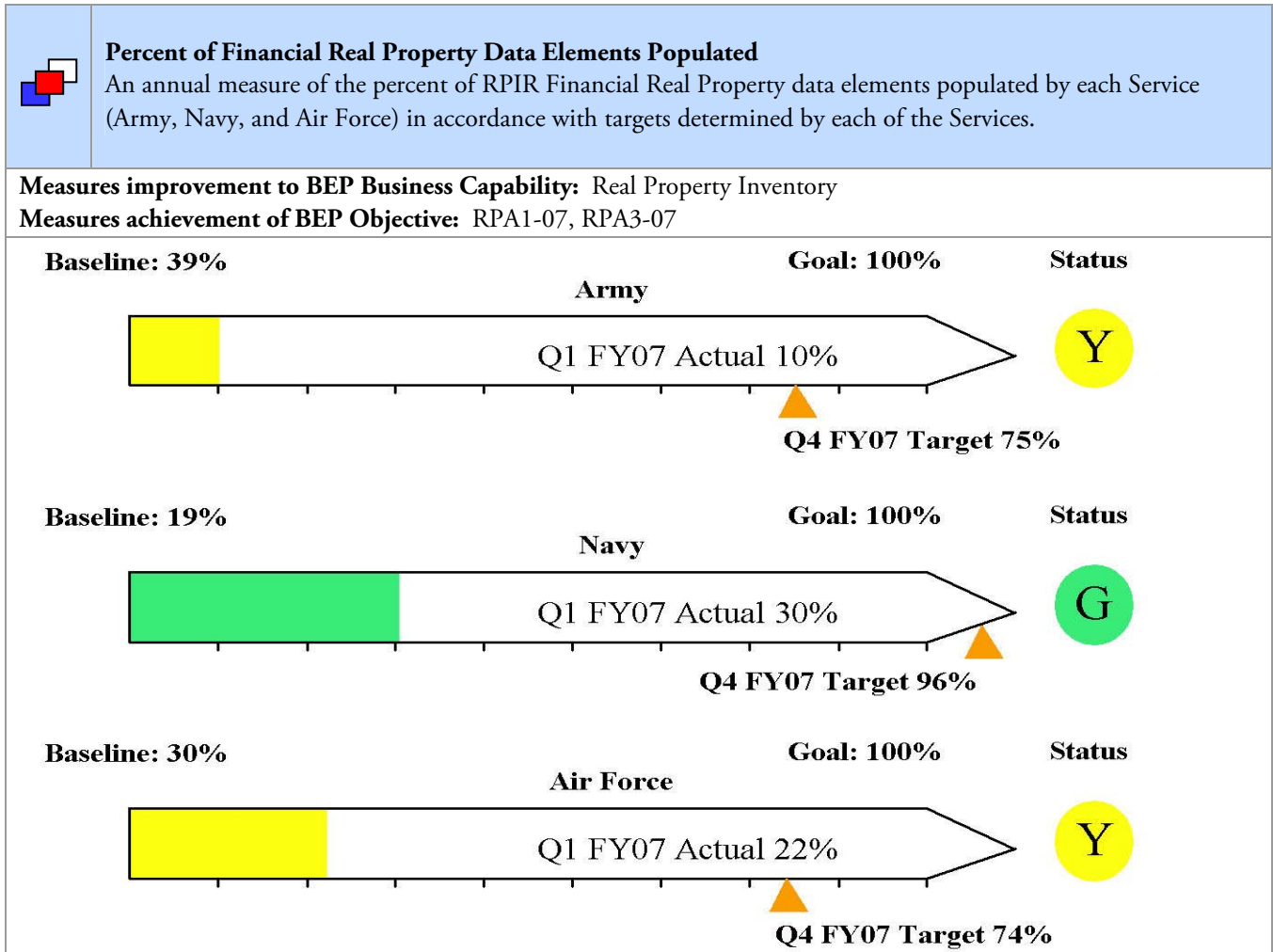
Business Capability	Improvement
Hazardous Materials Process Controls and Information Management	Reduce risk to personnel and materiel through access to authoritative hazardous materials data by developing a common Product Hazard Data Master that provides accurate and authoritative regulatory reference data.
Real Property Inventory	Resolve issues with incompatible and inaccessible real property inventory information across the Components by establishing 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.

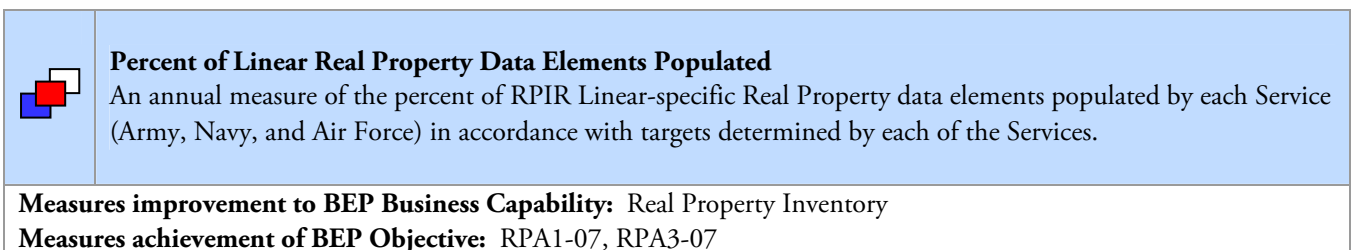
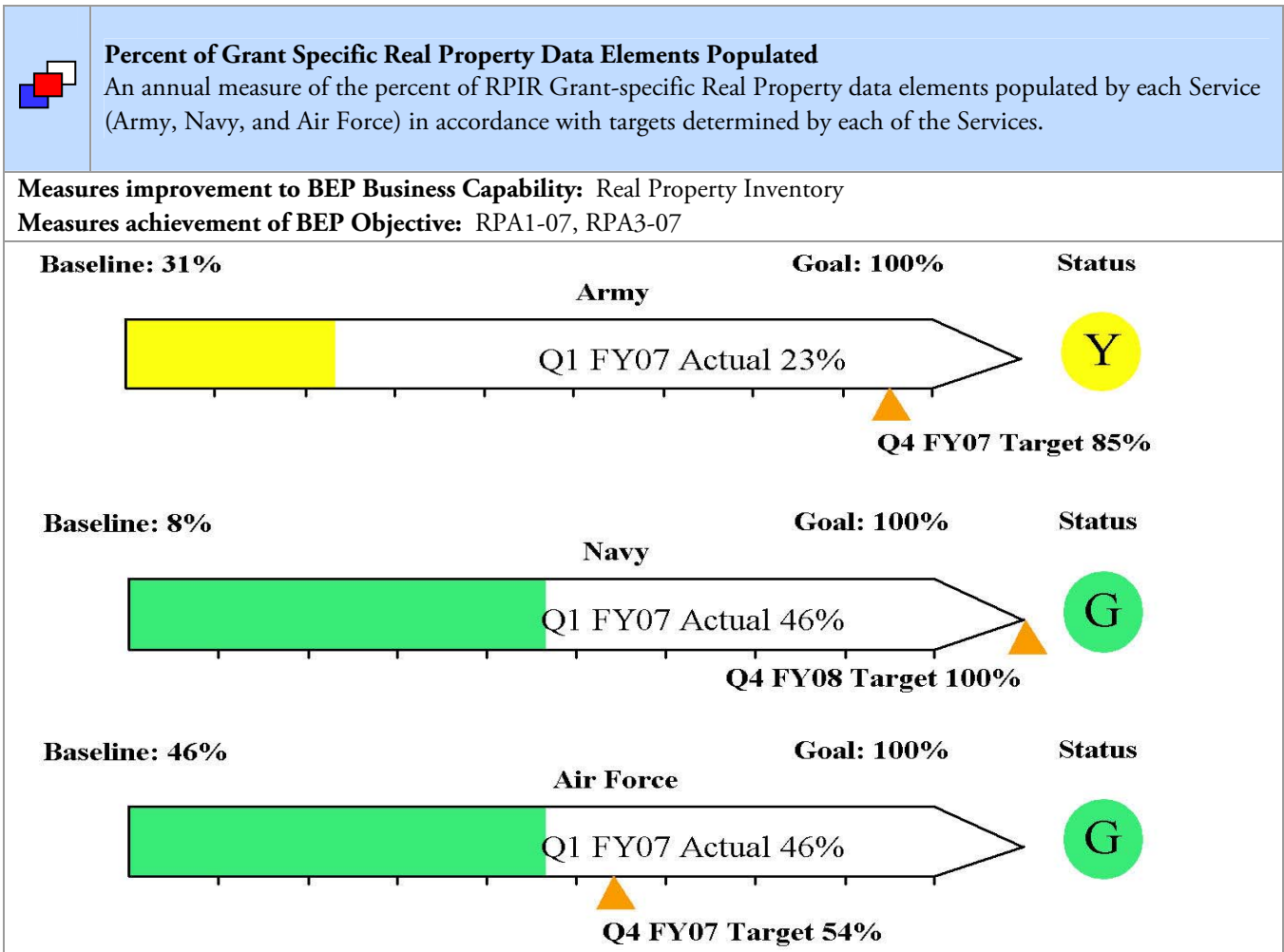
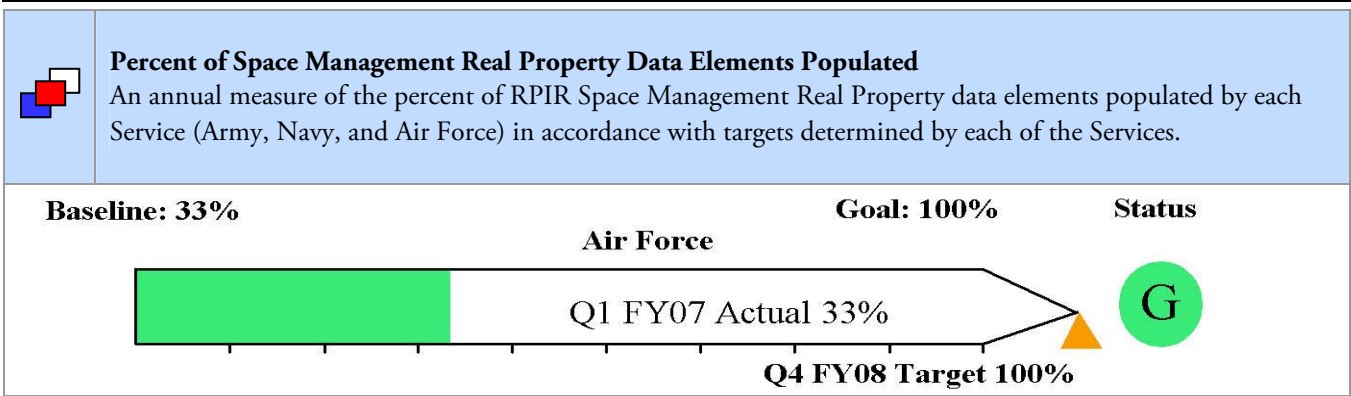
Performance Metrics

Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

Table RPA-3: Real Property Accountability Performance Metrics







Baseline: 0%	Army	Goal: 100%	Status
Navy – First Measurement: Q1FY08			
Baseline: 0% Q4FY07 Target: 60% Goal: 100%			
Air Force – First Measurement: Q1FY08			
Baseline: 0% Q4FY07 Target: 70% Goal: 100%			

*Metrics identified for future measurement.

	<p>Product Hazard Data Master Development -- Regulatory Reference Data Percent hazmat-related regulatory reference data in the Product Hazard Data Master relative to the total regulatory reference data requested by DoD customers of the Product Hazard Data Master.</p>
<p>Measures improvement to BEP Business Capability: Hazardous Materials Process Controls and Information Management</p>	
<p>Measures achievement of BEP Objective: RPA1-07, RPA6-07, RPA7-07</p>	
<p>First Measurement: Q1FY08</p>	
<p>Baseline: 0% Q1FY08 Target: 10% Goal: 95%</p>	

	<p>Real Property Inventory Physical Verification Percent real property assets with 'Asset Review Date' no earlier than five years prior to current date.</p>
<p>Measures improvement to BEP Business Capability: Real Property Inventory</p>	
<p>Measures achievement of BEP Objective: RPA1-07, RPA3-07</p>	
<p>First Measurement: Q1FY08</p>	
<p>Baseline: 0 Q1FY08 Target: 80% Goal: 100%</p>	

	<p>Environmental Liabilities Auditability Percent real property asset records reconciled with environmental site records.</p>
<p>Measures improvement to BEP Business Capability: Environmental Liabilities Identification and Valuation</p>	
<p>Measures achievement of BEP Objective: RPA1-07, RPA2-07, RPA3-07, RPA5-07</p>	
<p>First Measurement: TBD</p>	
<p>Baseline: TBD Target:TBD Goal: TBD</p>	

	<p>Environmental Liabilities Inventory Completeness Percent environmental site records reconciled with real property asset records.</p>
<p>Measures improvement to BEP Business Capability: Environmental Liabilities Identification and Valuation Measures achievement of BEP Objective: RPA1-07, RPA2-07, RPA3-07, RPA5-07</p>	
<p style="text-align: center;">First Measurement: TBD Baseline: TBD Target:TBD Goal: TBD</p>	

	<p>Environmental Liabilities Accountability Percent Components who have submitted 'ready to assert' letters indicating readiness for environmental audit.</p>
<p>Measures improvement to BEP Business Capability: Environmental Liabilities Identification and Valuation Measures achievement of BEP Objective: RPA1-07, RPA2-07, RPA3-07, RPA5-07</p>	
<p style="text-align: center;">First Measurement: TBD Baseline: TBD Target:TBD Goal: TBD</p>	

RPA Business Value Added Framework Impacts 

The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table RPA-4 below provides information on how specific RPA system investments support each of the 10 BVA measures.

Table RPA-4: Business Value Added Framework Impacts

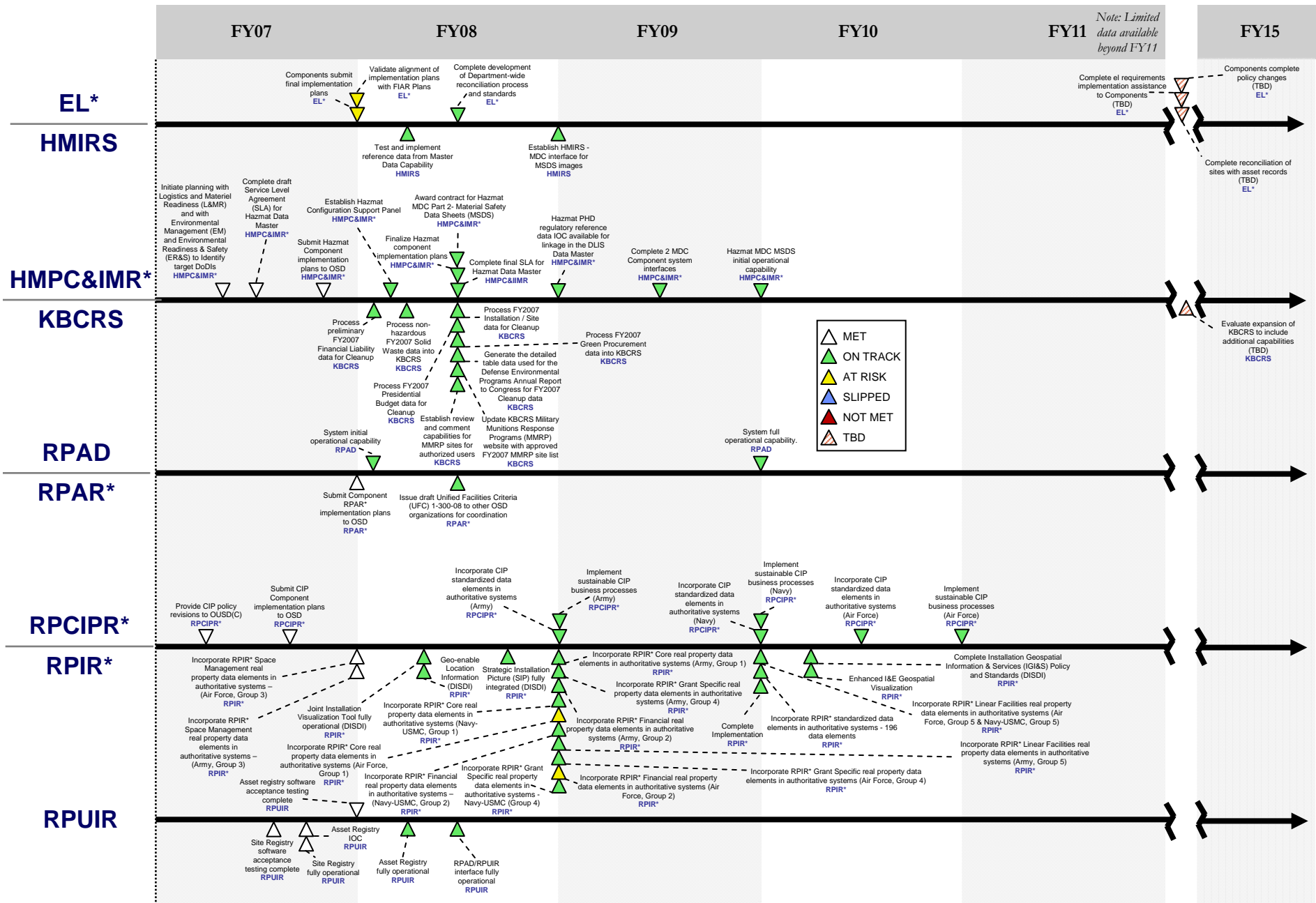
RPA System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
EL Environmental Liabilities							●				EL enables the complete, accurate, and visible inventory of environmental liabilities reconciled with real property asset records.
										●	The ability to audit environmental liabilities reported on the financial statement increases the credibility of resource estimates and improves confidence in the Department's ability to forecast future environmental costs. It also eliminates a material weakness.
HMIRS Hazardous Materials Information Resource System											HMIRS has no direct impact on the BVAs listed.
HMPC&IMR Hazardous Materials Process Controls & Information Management Requirements							●				The HMPC&IMR initiative will enable safer and more efficient operations by enterprise-wide standardized, timely and accurate information on hazardous materials used by DoD.
KBCRS Knowledge Based Corporate Reporting System							●				KBCRS is a web-enabled application whose purpose is to primarily provide OSD with program oversight, support, and online access to corporate information about environmental (and eventually installation) programs and activities within the Department of Defense (DoD) and its Component organizations.
										●	KBCRS is used by OSD for oversight of financial liabilities and to support the President's Budget submission.
RPAD Real Property Asset Database							●				Using a Net-Centric and Service Oriented Architecture, RPAD will enable DoD RPI data to be visible, accessible, understandable, and reliable when and where needed to accelerate decision-making and support OSD studies/modeling efforts. The new system will focus on data reuse, fully implement OSD's new RPIR reporting requirements, and support data requirements of the Federal Real Property Council.
										●	RPAD will provide enterprise visibility to RPIR-compliant data, which includes financial information on DoD's real property assets.
RPAR Real Property Acceptance Requirements							●				The RPAR initiative will enable standard processes for real property acceptance, resulting in higher quality data for mission planning and operations.
										●	The RPAR initiative will enable consistent and reliable real property financial and acquisition information when real property is accepted into DoD's real property inventory.

RPA System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
RPCIPR Real Property Construction in Progress Requirements									●	The Construction in Progress (CIP) initiative will drive improvement by standardizing the process used by all Components to calculate, record, and report the value of CIP. It will also foster reliable and consistent reporting of CIP value to project and financial managers, Congress, and other communities of interest, as well as enabling the achievement of a clean audit opinion.
RPIR Real Property Inventory Requirements						●				The RPIR initiative will enable 24x7 secure, accurate, & reliable information on all real property assets, resulting in quality real-time mission planning and operations. In addition, the RPIR complies with the Federal Real Property Council real property inventory data requirements.
									●	The RPIR initiative is the basis for modernized real property inventory lifecycle business processes that will meet the Department's current and future requirements for physical asset and fiscal accountability.
RPUIR Real Property Unique Identifier Registry						●				RPUIR provides unique identifiers to all DoD real property assets, and a single source for 24x7 access to all real property information, including location and utilization.
									●	RPUIR enables financial management systems to link real property assets with their financial information. It thereby reduces manual financial reconciliations.

* Initiative

Real Property Accountability Timeline

ETP, Enterprise Performance Summary



Financial Visibility





Goal

At the highest level, the goal for Financial Visibility is more efficient and effective decision making throughout the Department and assistance in satisfying the DoD-wide effort to achieve financial auditability.

Objectives

The table below lists four FV objectives which support this goal and an assessment of the progress towards achieving each objective.

Table FV-1: Financial Visibility Objective Status

ID	Objective	Assessment	Progress Indicator
FV1-07	Produce and interpret relevant, accurate and timely financial information that is readily available for analyses and decision making.	BEIS financial reporting services currently is consolidating reporting of DoD financial information. When complete, this standardized reporting, coupled with the use of the SFIS, will provide timely, standardized financial reporting in accordance with the requirements of the U.S. Standard General Ledger and improve DoD's ability to record accounting transactions in accordance with federal accounting standards. This, in turn, will improve the Department's ability to conduct general ledger analyses and reconciliations. The deployment of the Defense Agency Initiative ERP will support these Financial Visibility objectives for defense agencies.	
FV2-07	Link resource allocation to planned and actual business outcomes and warfighter missions.	The Enterprise Funds Distribution System recently received approval for development. When deployed, it will enable the Department of Defense to track resource allocation from congressional appropriations, across the DoD enterprise, and vertically down from OSD through the components and their headquarters to the installation level. When operational, the EFD, linked with the standardized information provided by use of SFIS, will allow auditors to track resource allocations and financial transactions across the enterprise. This improved tracking of information, coupled with DoD's progress in incorporating metrics in its performance budget, will provide improved linkage of resource allocation to outcomes.	
FV3-07	Produce comparable financial information across organizations.	The SFIS Phase III cost accounting data elements will standardize cost codes across the enterprise and thus enable the Department of Defense to relate costs on an enterprise basis to the capabilities they support. The data elements also provide additional spaces for the DoD components to tailor cost information and develop and track more granular cost estimating relationships.	
FV4-07	Achieve audit readiness and prepare auditable financial statements.	The Department of Defense is implementing internal controls to help ensure proper classification of transactions by establishing a standard method of recording financial events and transactions (consistent with USSGL and other federal accounting standards) through the deployment of BEIS and SFIS. These will improve internal controls over General Ledger posting and enable the Department to achieve audit readiness.	

Business Capability Improvements

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

Table FV-2: Financial Visibility Business Capability Improvements

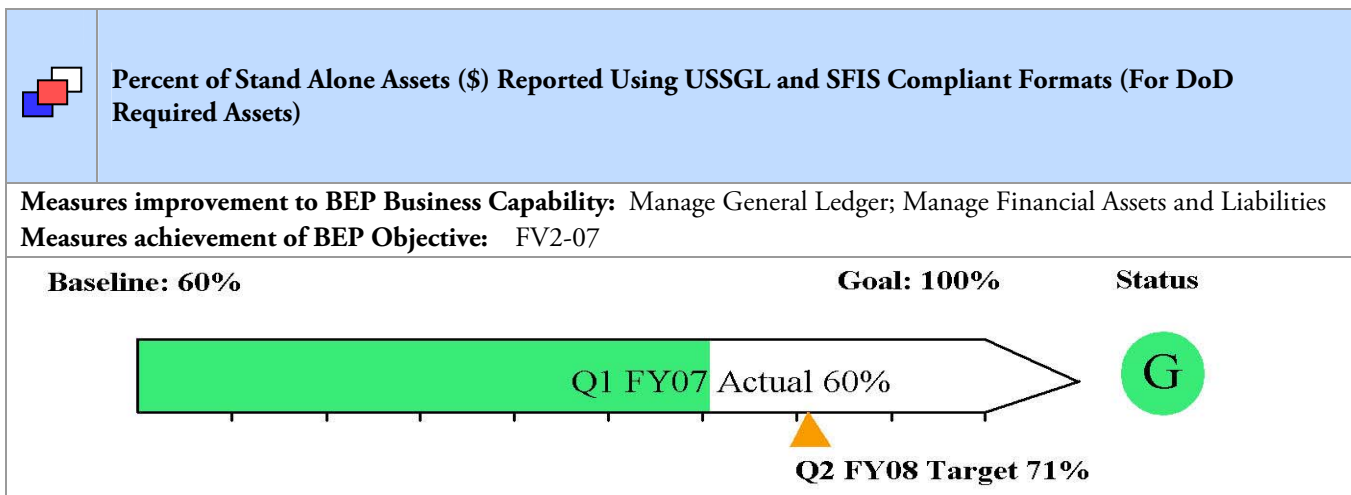
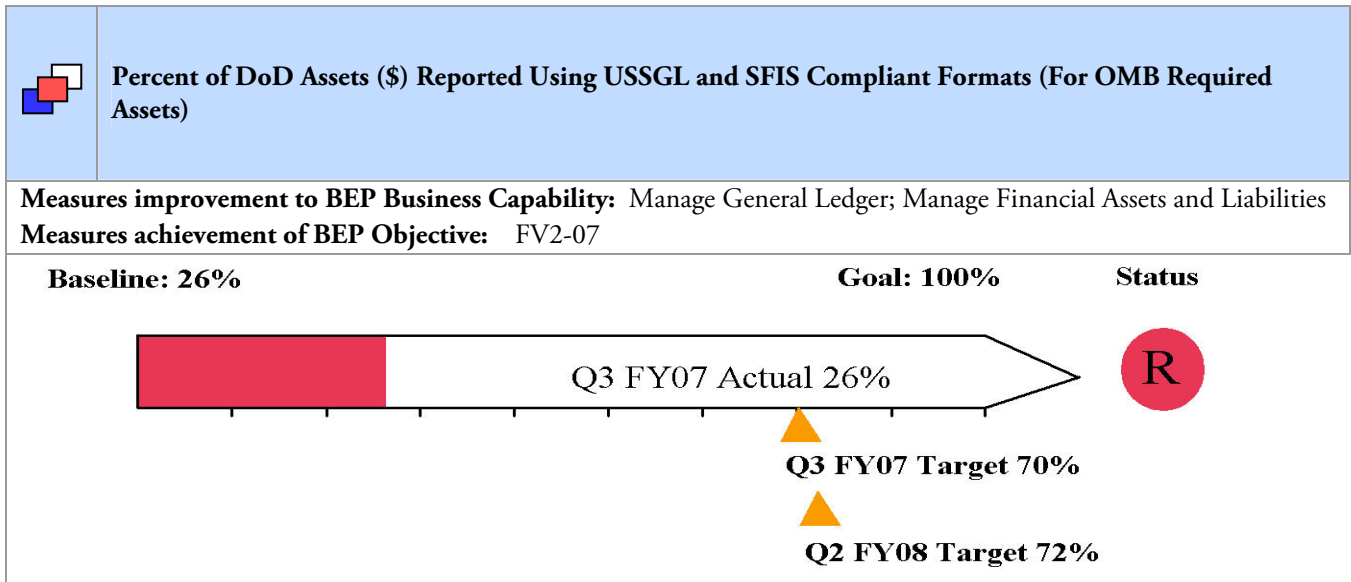
Business Capability	Improvement
Manage General Ledger	<p>Improve the use of the U.S. Standard General Ledger, Improve the ability to record accounting transactions in accordance with federal accounting standards, and Improve the ability to conduct general ledger analyses and reconciliations by:</p> <ul style="list-style-type: none"> 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 - Establishing a DoD General Ledger SYSTEM - Implementing compliant General Ledger functionality in business systems SYSTEM - Establishing a DoD Financial Management Information System (MIS)/Dashboard SYSTEM - Implementing Master Data Management System.
Manage Financial Assets and Liabilities	<p>Improve identification and valuation of existing financial assets and liabilities, Improve timeliness of recording changes from inception to disposition or liquidation, and Improve ability to manage financial assets and liabilities (e.g., aging receivables and payables) by:</p> <ul style="list-style-type: none"> 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 intragovernmental receivables and payables SYSTEM - Establishing a DoD General Ledger. SYSTEM - Establishing a DoD Financial MIS/Dashboard. SYSTEM - Implementing compliant Asset and Liability functionality in business systems.
Managerial Accounting	<p>Improve consistency, accuracy, measurement, and availability of cost information, Improve ability to analyze and interpret results, and Improve ability accumulate and correlate costs with performance information by:</p> <ul style="list-style-type: none"> DATA - Refining and implementing SFIS DATA - Consolidating data sources PEOPLE - Training/ hiring the FM workforce for improved cost accounting skills and experience PROCESS - Establishing a standard structure for recording cost information PROCESS - Implement business rules for collecting, allocating, and reporting cost and performance information PROCESS - Establishing performance linkages that tie budgets to execution performance

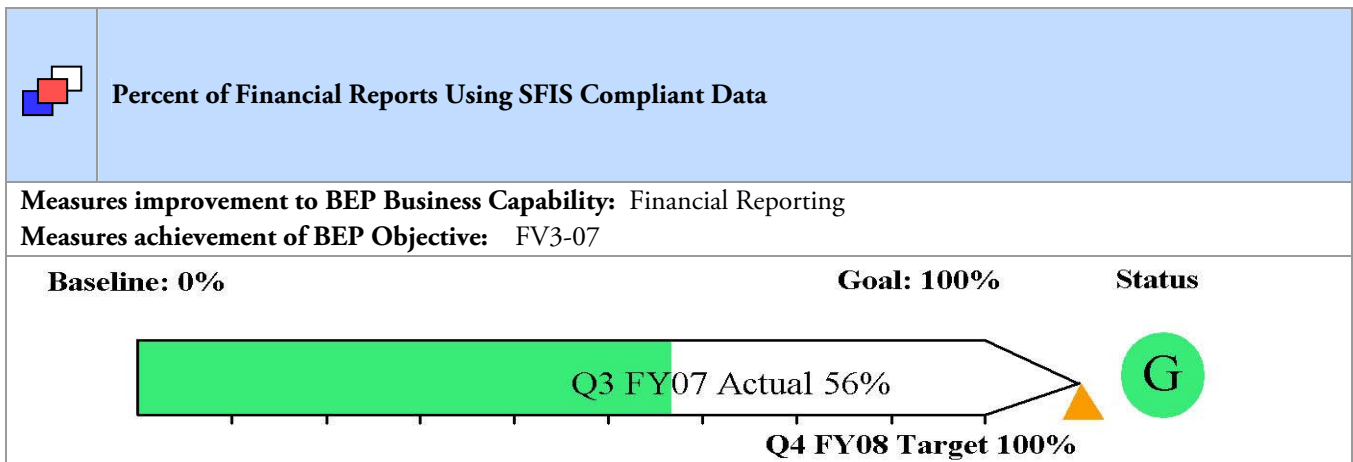
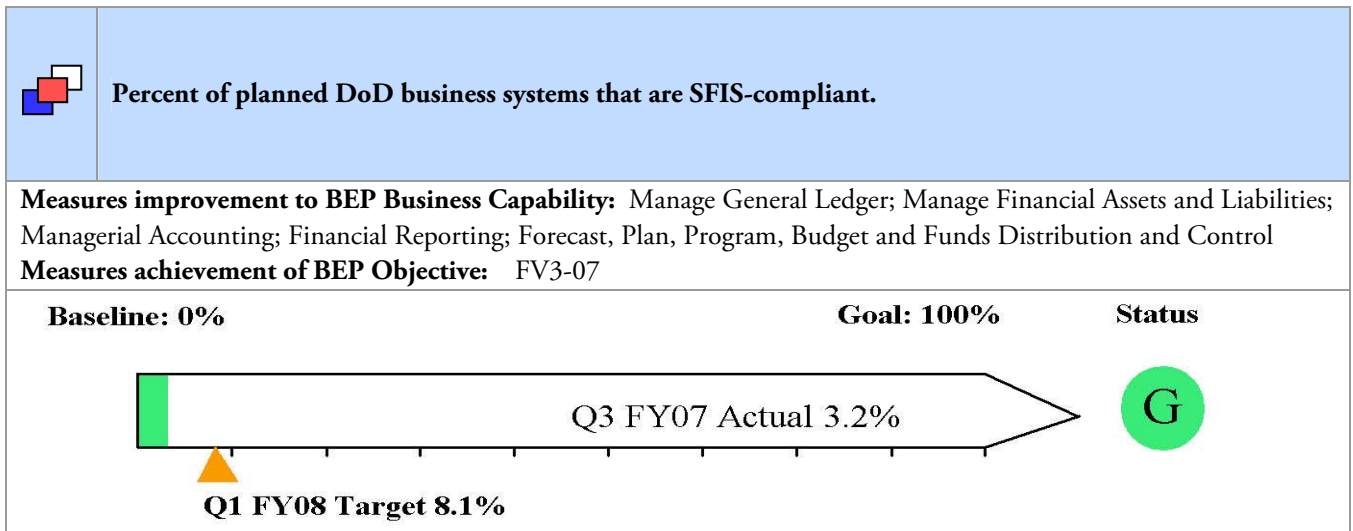
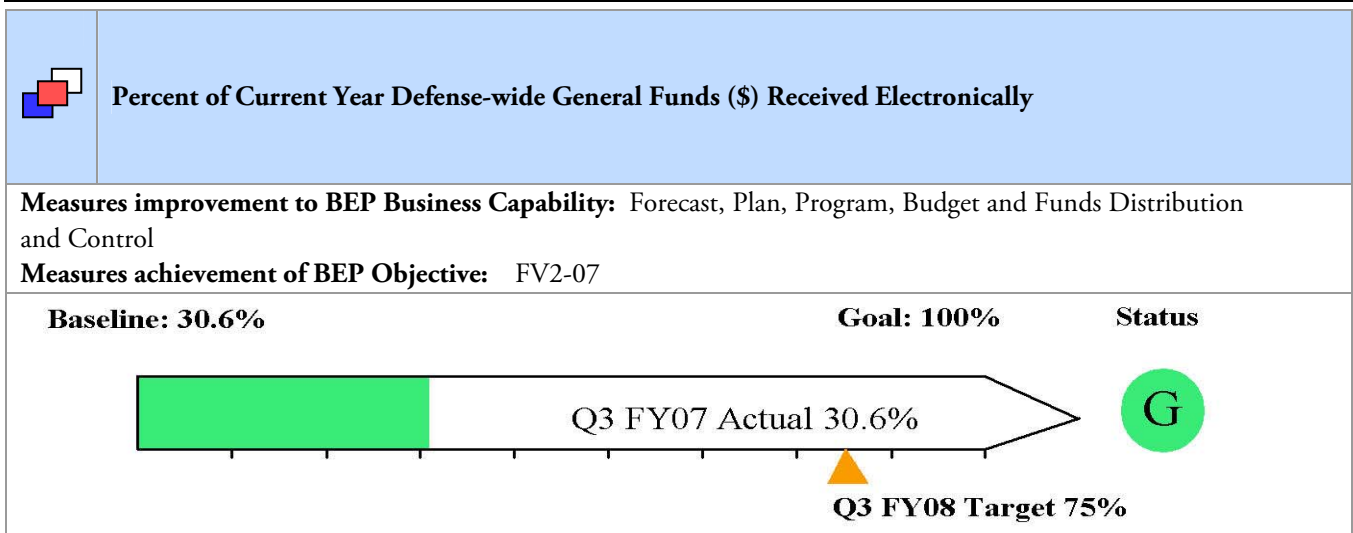
Business Capability	Improvement
Managerial Accounting (Continued)	<p>SYSTEM - Establishing a DoD Financial MIS/Dashboard.</p> <p>SYSTEM - Implementing compliant Managerial Accounting functionality in business systems.</p>
Financial Reporting	<p>Improve ability to provide useful, accurate, and timely financial information, Improve availability of financial information to decision makers, and Improve ability to produce mandatory and discretionary financial reports by:</p> <p>DATA – Consolidating data sources</p> <p>DATA - Refining and implementing SFIS</p> <p>PEOPLE - Training/hiring the FM workforce for improved financial reporting skills</p> <p>PROCESS - Establishing performance linkages that tie budgets to execution performance</p> <p>PROCESS - Establishing a standard method of recording financial information</p> <p>SYSTEM - Implementing compliant Financial Reporting functionality in business systems.</p>
Collect and Disburse	<p>Improve ability to timely collect funds and receivables, and Improve ability to accurately and timely track disbursements and monitor cash position by:</p> <p>DATA - Refining and implementing SFIS</p> <p>PEOPLE - Training the FM workforce to better track disbursements and monitor cash position</p> <p>PROCESS - Implementing additional uses of electronic invoice processing</p> <p>PROCESS - Improving Collection and Disbursement data source utility, accuracy, timeliness, and availability</p> <p>PROCESS - Establishing a standard method of recording Collections and Disbursements information</p> <p>SYSTEM - Consolidating systems</p> <p>SYSTEM - Implementing compliant Collection and Disbursement functionality in business systems.</p>
Forecast, Plan, Program, Budget and Funds Distribution and Control	<p>Improve ability to develop, review, evaluate, and support forecasts, plans, programs, and budgets and to integrate them with performance indicators, and Improve ability to distribute, monitor, and control funds by:</p> <p>DATA - Refining and implementing SFIS</p> <p>PEOPLE - Training the FM work force to better distribute, monitor, and control funds</p> <p>PROCESS - Establishing performance linkages for developing, reviewing, evaluating, and supporting forecasts, plans, programs and budgets that tie them to distributing, monitoring and controlling funds</p> <p>PROCESS - Documenting budget preparation business rules outside of system code</p> <p>PROCESS - Further consolidate program and budget data submissions</p> <p>SYSTEM - Providing a single system capable of recording and presenting performance and financial information</p> <p>SYSTEM - Implementing compliant Forecast, Plan, Program, Budget and Funds Distribution and Control functionality in business systems.</p>

Performance Metrics

Program-level metrics represent progress towards deploying systems and initiatives that contribute to achieving BEP objectives and improving Business Capabilities. Business Capability-level metrics identify improvements to Business Capabilities.

Table FV-3: Performance Metrics





FV Business Value Added Framework Impacts 

The Business Value Added Framework consists of 10 measures that the DBSMC is using to drive transformation progress at the Core Business Mission level. Table FV-4 below provides information on how specific FV system investments support each of the 10 BVA measures.

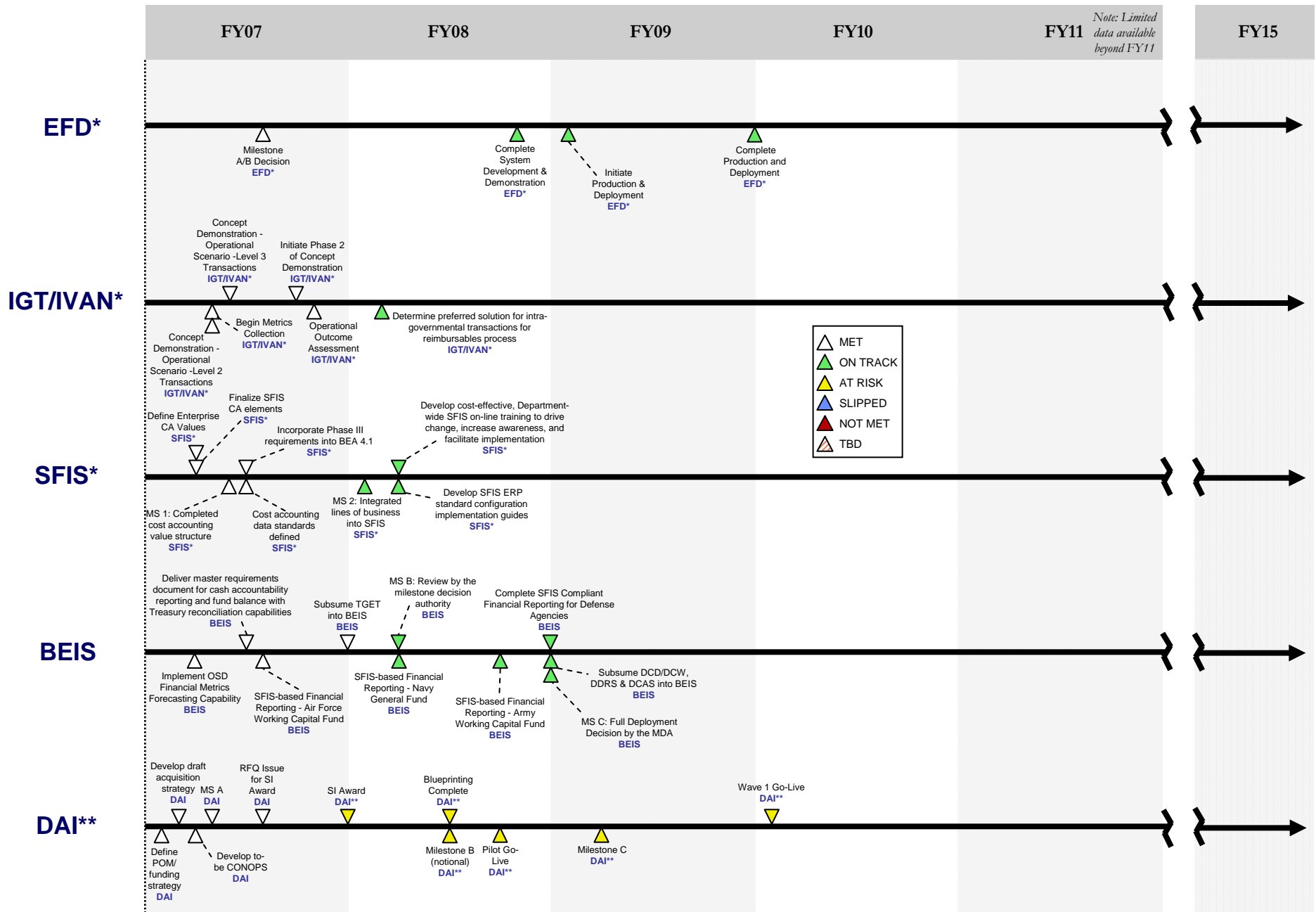
Table FV-4: Business Value Added Framework Impacts

FV System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
BEIS Business Enterprise Information Services										●	BEIS provides a federated financial reporting capability with SFIS-compliant reports that enable auditability.
DAI Defense Agencies Initiative	●										Provides accurate capture of requirements and better tracking and visibility into the fulfillment process.
		●									Streamlines the process, eliminates redundancy and provides visibility into accurate financial data.
										●	Improves overall financial management performance, visibility and cycle time through process improvement, technology deployment and compliance with BEA, SFIS and OFFM requirements.
EFD Enterprise Funds Distribution (Initiative)										●	Full visibility of appropriated funds as they pass through and across different levels of the enterprise down to echelon level II (MAJCOM).
IGT/IVAN Intragovernmental Transactions/ Intragovernmental Value Added Network	●										Higher visibility/central source for IGT/IVAN order information will assist in meeting order requirements.
		●									Centralization and streamlining of IGT/IVAN orders and payment will improve end-to-end cycle time.
										●	Capturing of standard order and bill data and the related financial transactions will lead to supportable eliminations and reconciliations over the long run and eliminate the related material weakness.
SFIS Standard Financial Information Structure										●	Standardizes financial reporting data to improve reporting accuracy across DoD. Enables decision makers to efficiently compare similar programs and activities by providing standard and comparable financial data across DoD.

* Initiative

Financial Visibility Timeline

ETP, Enterprise Performance Summary



** The DAI plan in the ETP can only be executed if sufficient funding is approved. As of the publication of this document, funding is still pending.

SFIS Implementation Master Schedule

The SFIS Implementation Master Schedule provides the primary management tool for tracking implementation at the enterprise level. This schedule tracks four implantation categories comprising hundreds of systems. The four categories are: 1) Legacy Business Feeder, 2) Legacy Accounting, 3) Target Business Feeder, and 4) Target Accounting. Over the last 12 months, BTA has collected SFIS compliance implementation plans from the program managers/PCAs of each individual system that fall into one of these categories. These detail implementation plans, including required interfaces, systems being replaced, FFMIA compliance, and SFIS FOC, have been incorporated into the SFIS Implementation Master Schedule to provide an enterprise-level ‘snapshot’ of the implementation status of each system, sorted by Military Service, Agency, and Field Activity.

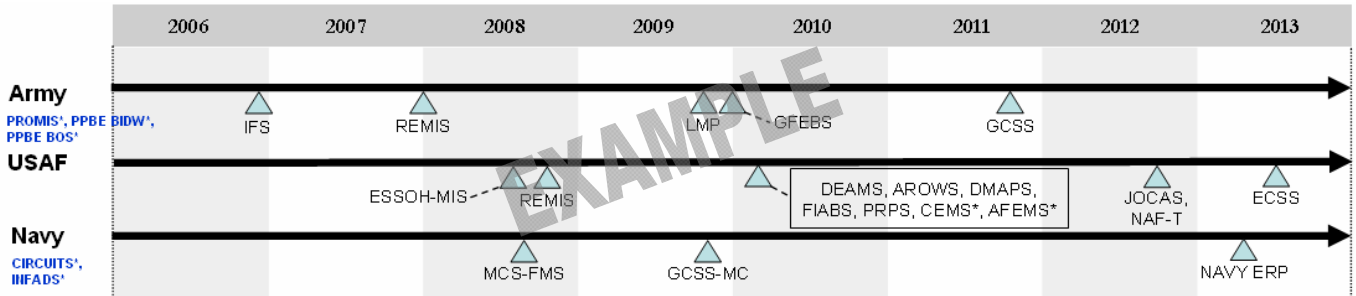


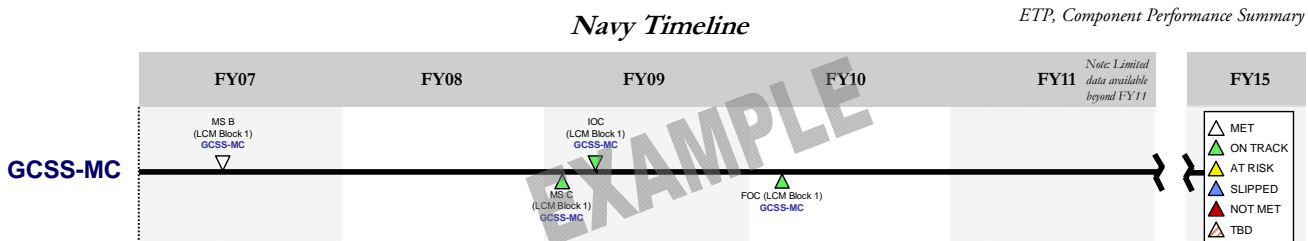
Table FV-5: SFIS Implementation Plans

The Financial Visibility version of the Key Milestone Plan table contains separate pages for the Component Standard Financial Information Structure (SFIS) implementation plan milestones. These milestones reflect the plans to achieve SFIS compliance for Financial and Financial Feeder systems across DoD.

The table describes five types of milestones.

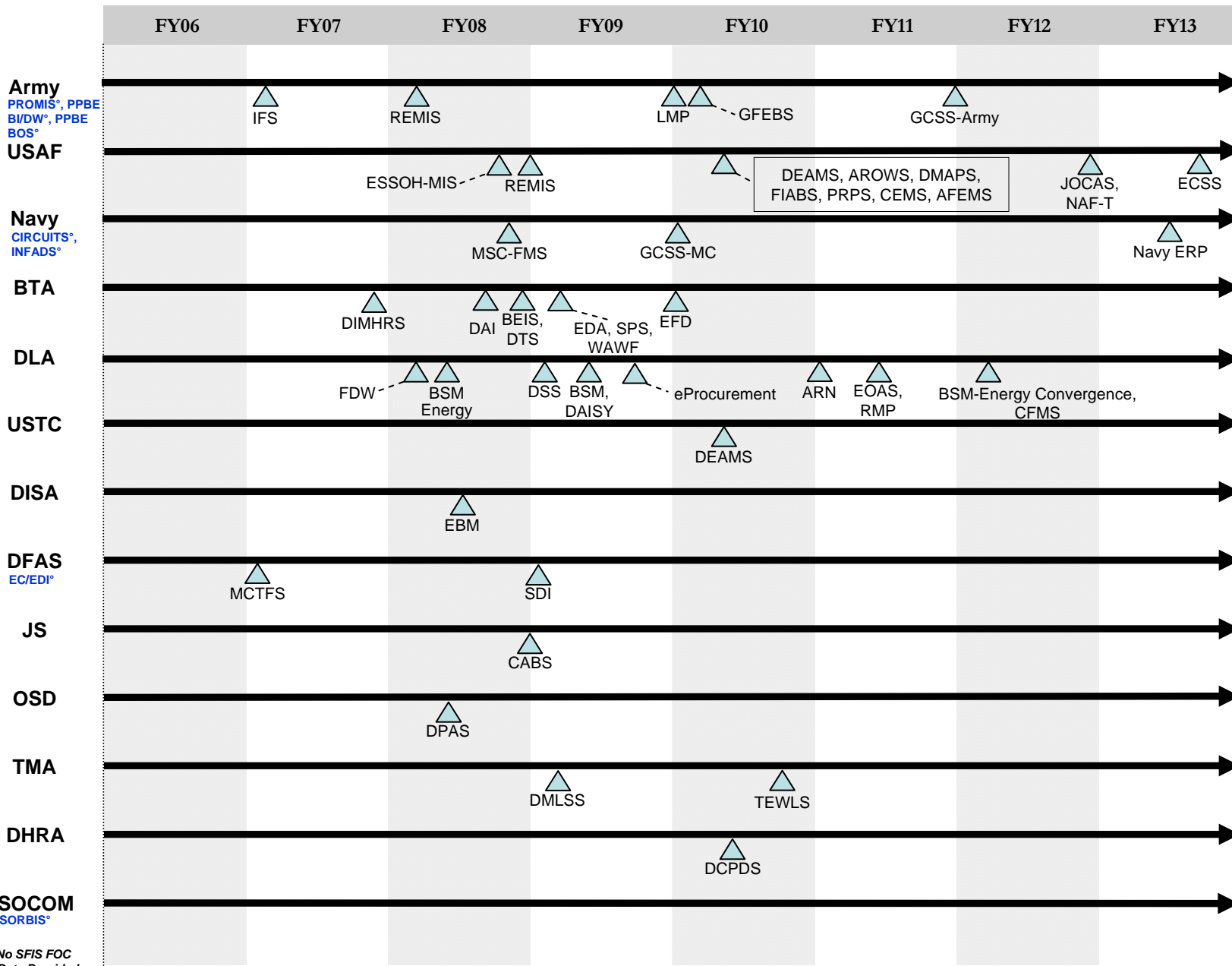
- 1) **SFIS Compliance Milestones** describe the date at which the system is fully SFIS compliant
- 2) **FFMIA Compliance** milestones describe the date at which the system is fully compliant with the requirements prescribed by the Federal Financial Management Improvement Act of 1996 (FFMIA).
- 3) **Target Accounting Interface** milestones describe the implementation date for required SFIS compliant interface from the designated financial feeder system to its target accounting system.
- 4) **Last Legacy System Sunset** milestones describe the date at which all legacy systems being replaced by the designated system have been migrated and terminated.
- 5) **Legacy BEIS interface** milestones describe the data at which the designated legacy accounting system will have an SFIS compliant interface to the Business Enterprise Information Services (BEIS) system.

The figures use a different color for each milestone type.



SFIS FOC Compliance Timeline

ETP, Enterprise Performance Summary

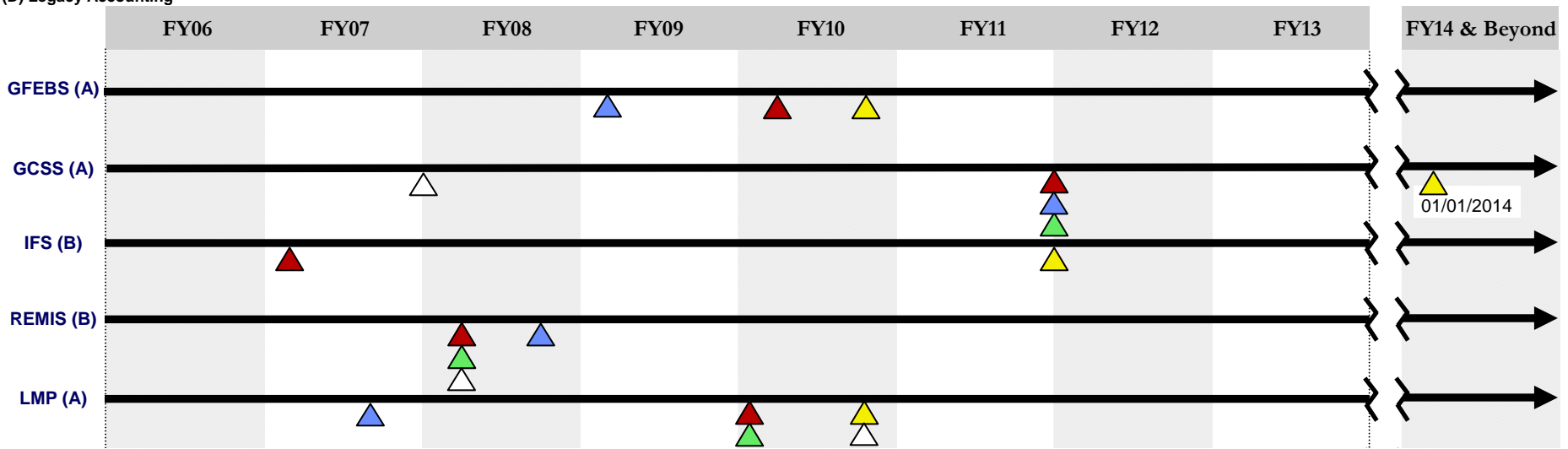


* No SFIS FOC Date Provided

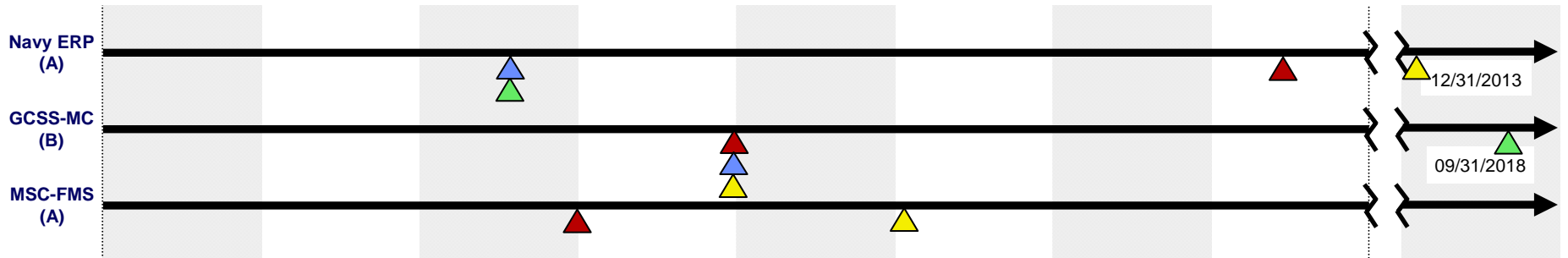
- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

Army SFIS Implementation Plan Timeline

ETP, Enterprise Performance Summary



Navy SFIS Implementation Plan Timeline

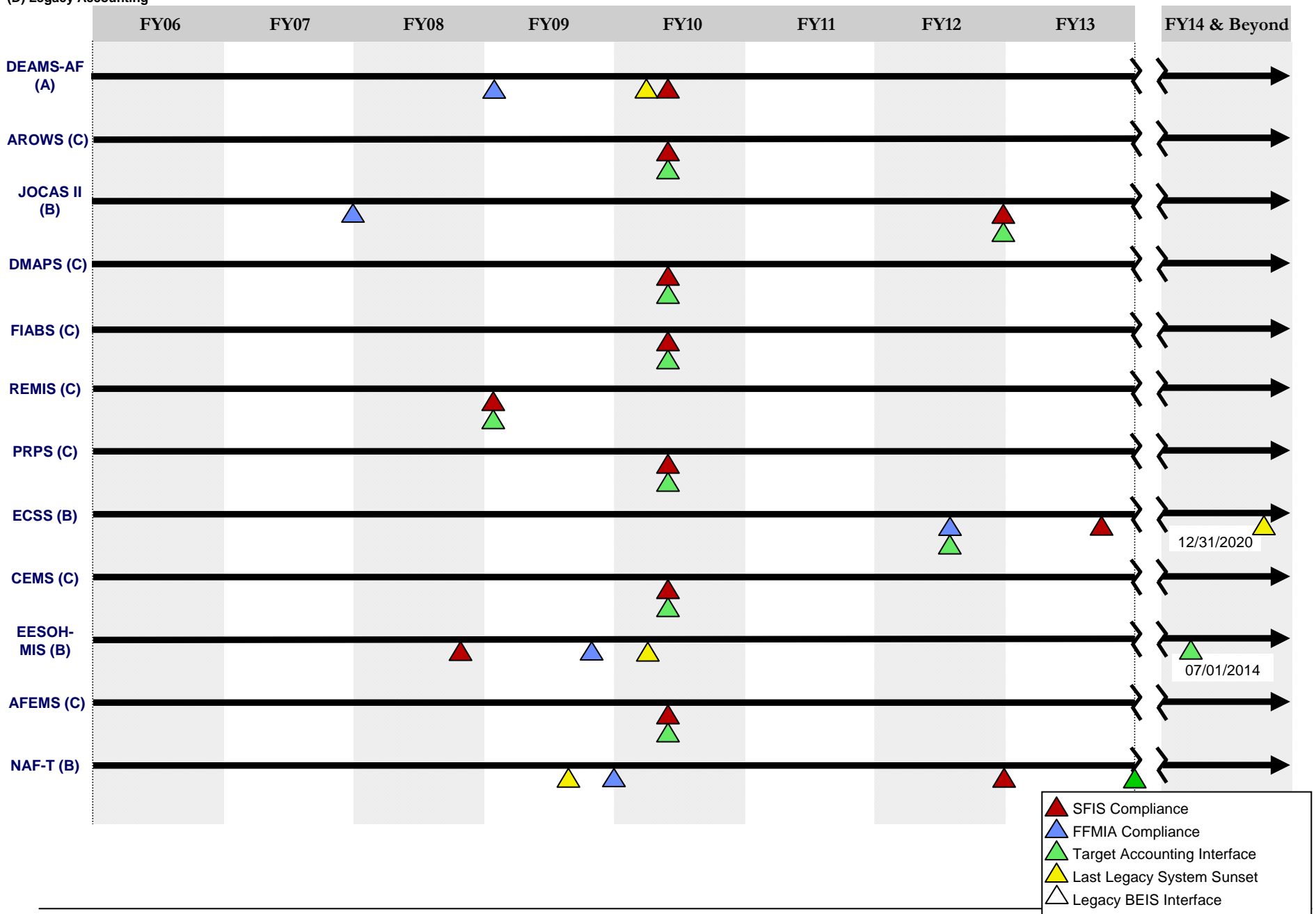


- ▲ SFIS Compliance
- ▲ FFMIA Compliance
- ▲ Target Accounting Interface
- ▲ Last Legacy System Sunset
- △ Legacy BEIS Interface

- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

Air Force SFIS Implementation Plan Timeline

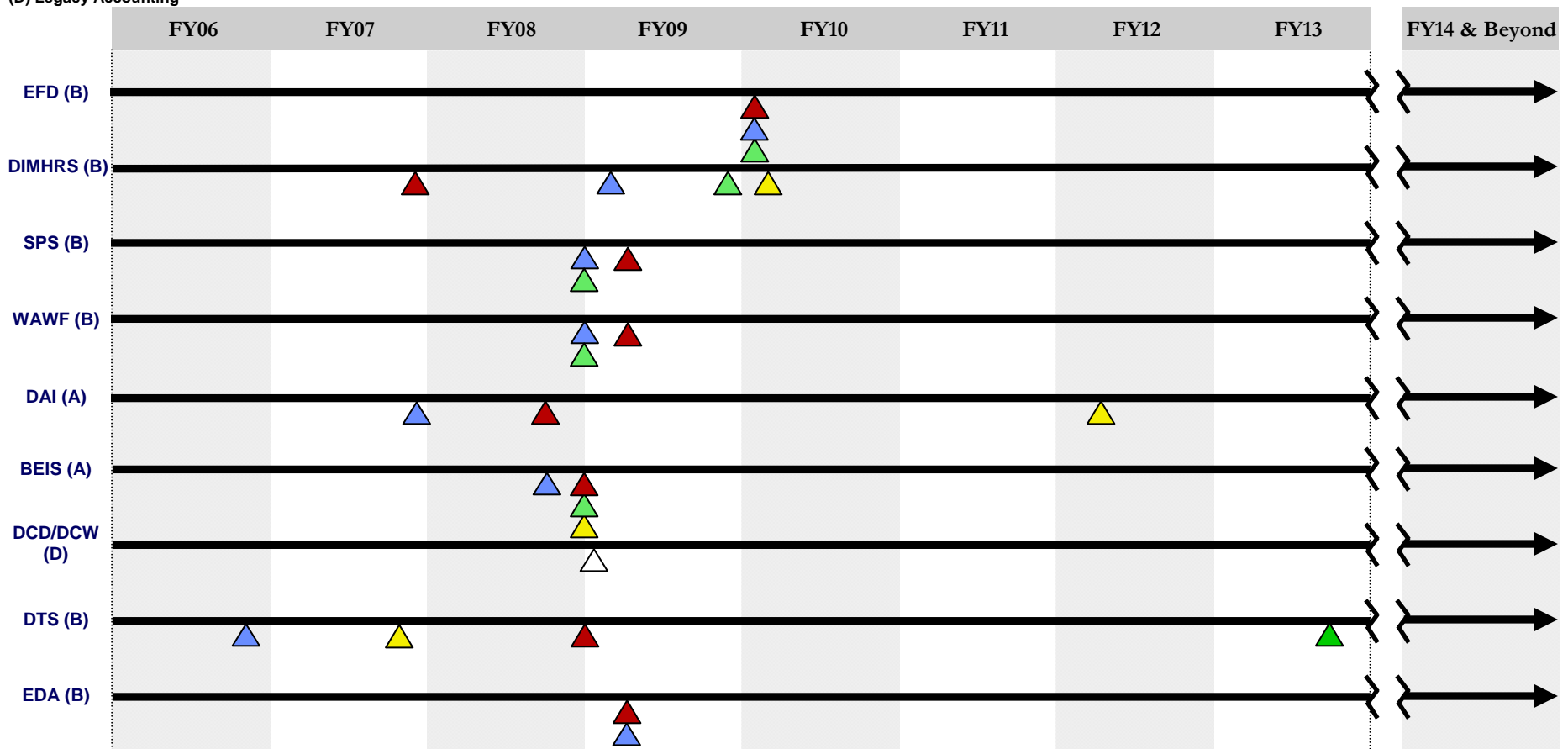
ETP, Enterprise Performance Summary



- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

BTA SFIS Implementation Plan Timeline

ETP, Enterprise Performance Summary

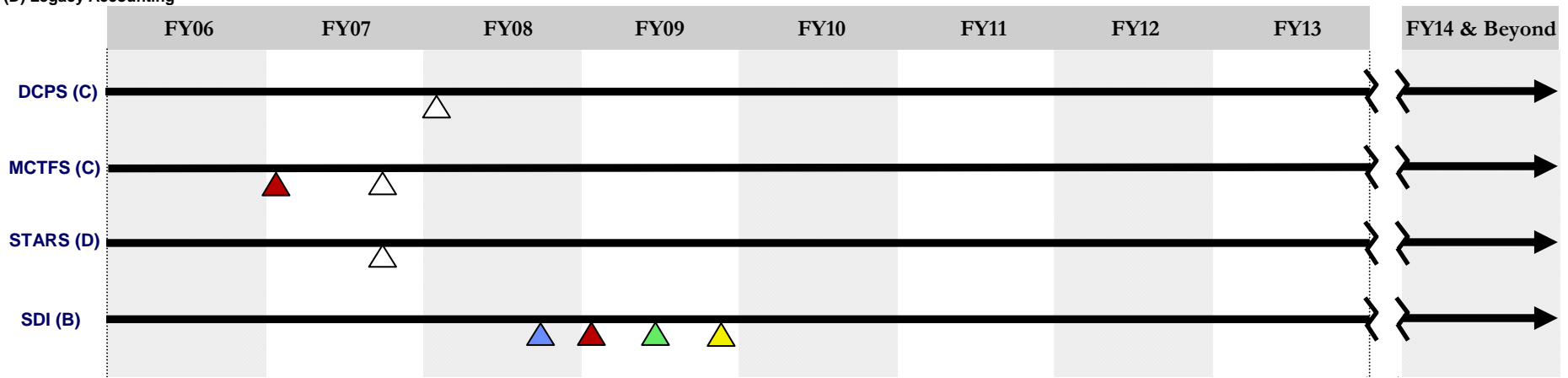


- ▲ SFIS Compliance
- ▲ FFIA Compliance
- ▲ Target Accounting Interface
- ▲ Last Legacy System Sunset
- ▲ Legacy BEIS Interface

- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

DFAS SFIS Implementation Plan Timeline

ETP, Enterprise Performance Summary

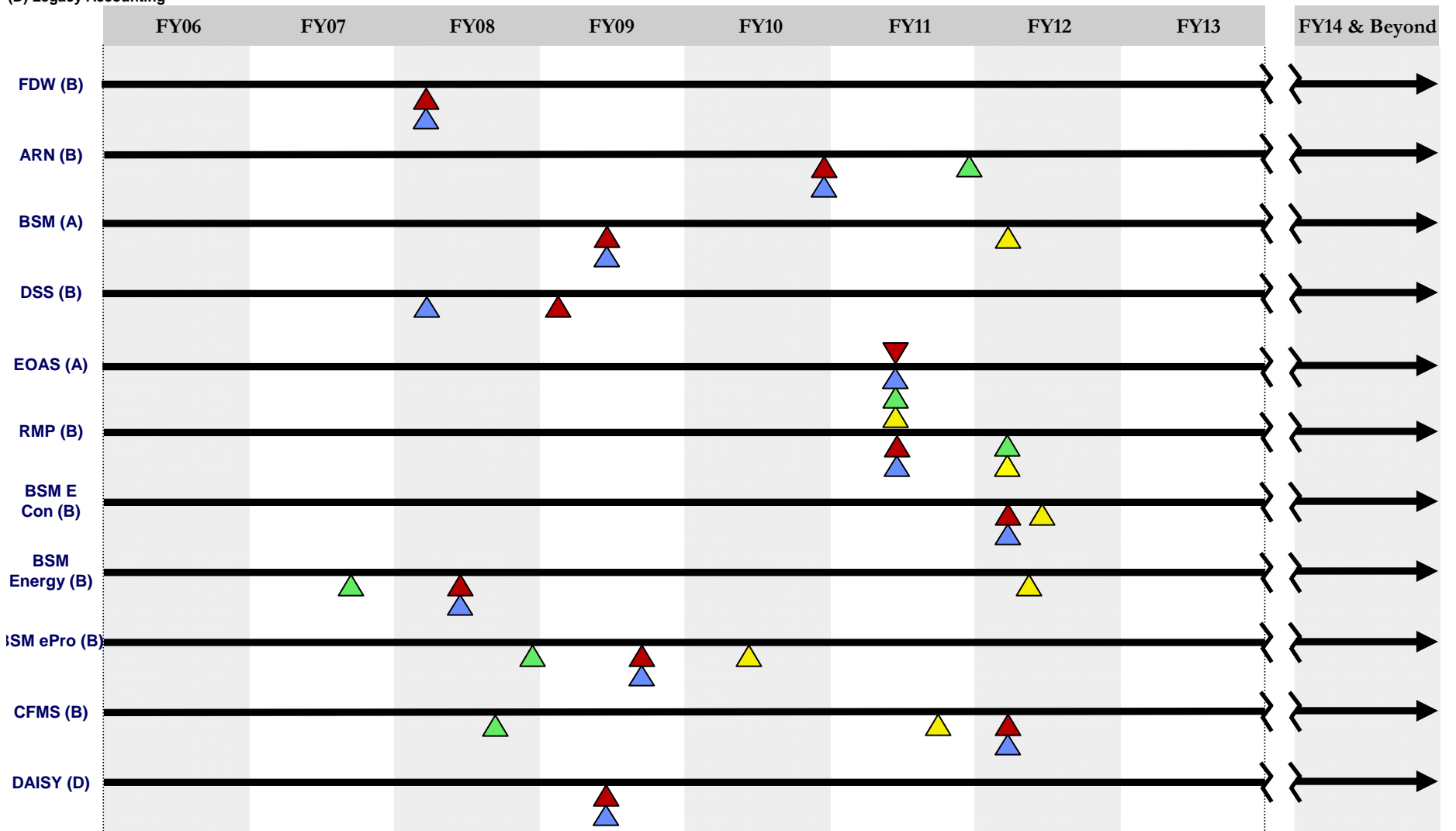


- ▲ SFIS Compliance
- ▲ FFIA Compliance
- ▲ Target Accounting Interface
- ▲ Last Legacy System Sunset
- △ Legacy BEIS Interface

- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

DLA SFIS Implementation Plan Timeline

ETP, Enterprise Performance Summary

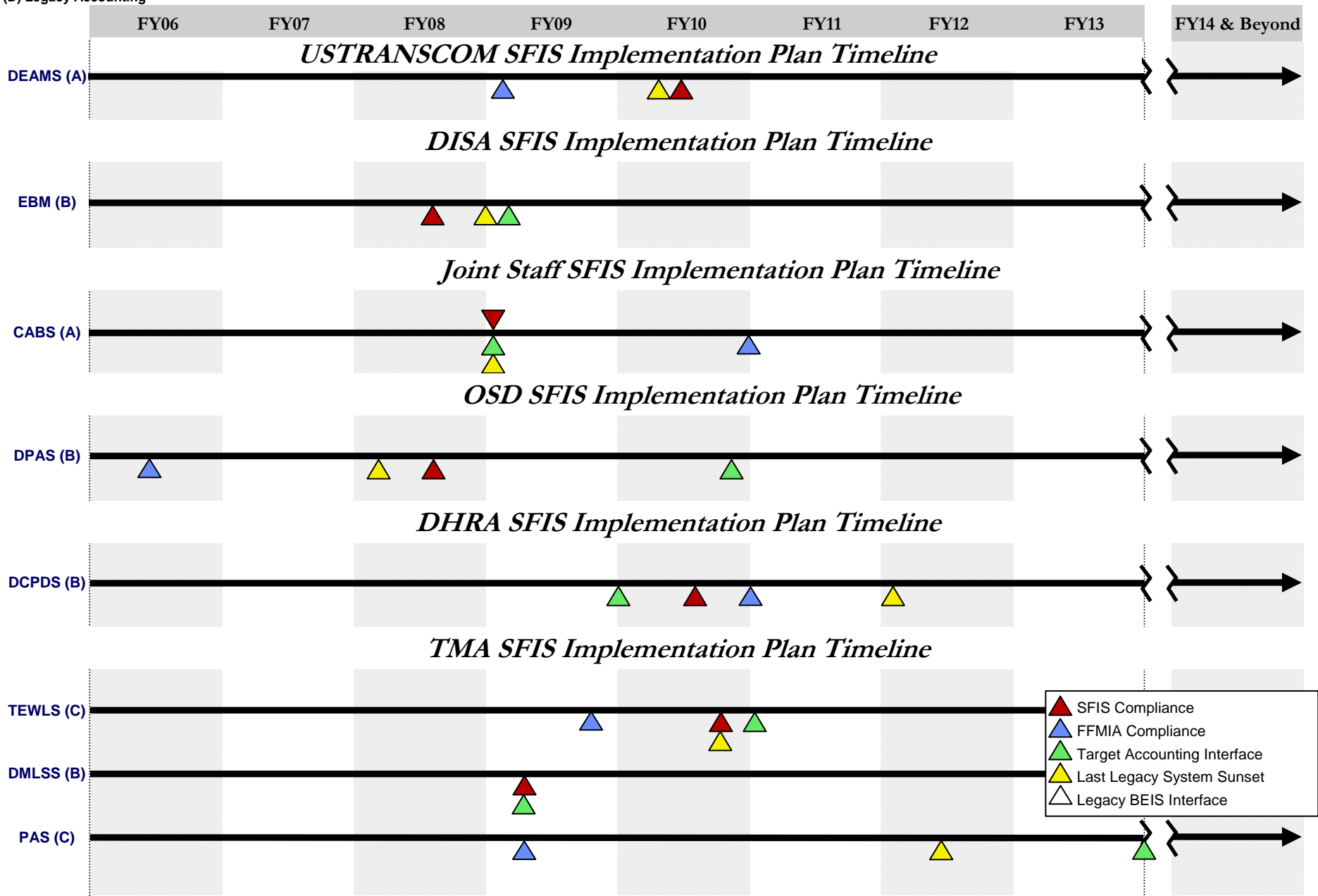


- ▲ SFIS Compliance
- ▲ FFIA Compliance
- ▲ Target Accounting Interface
- ▲ Last Legacy System Sunset
- △ Legacy BEIS Interface

- (A) Target Accounting
- (B) Target Business Feeder
- (C) Legacy Business Feeder
- (D) Legacy Accounting

Other SFIS Implementation Plan Timeline

ETP, Enterprise Performance Summary



Non-Target Systems Associated with SFIS

DITPR ID	System Acronym	System Name	Managing Component
202	AFEMS	AIR FORCE EQUIPMENT MANAGEMENT SYSTEM	USAF
293	ARN	APPAREL RESEARCH NETWORK (ARN) SUPPLY CHAIN SYSTEM	DLA
879	AROWS	ANG RESERVE ORDER WRITING SYSTEM	USAF
419	BSM-Energy Convergence	BUSINESS SYSTEMS MODERNIZATION - ENERGY	DLA
3111	CABS	COMPTROLLER AUTOMATED BUDGET SYSTEM	JS
224	CEMS (D042)	COMPREHENSIVE ENGINE MANAGEMENT SYSTEM	USAF
865	CIRCUITS	CENTRALIZED AND INTEGRATED REPORTING FOR THE COMPREHENSIVE UTILITY INFORMATION TRACKING SYSTEM	NAVY
284	DAISY	DEFENSE REUTILIZATION AND MARKETING AUTOMATED INFORMATION SYSTEM	DLA
200	DMAPS	DEPOT MAINTENANCE ACCOUNTING AND PRODUCTION SYSTEM	USAF
3266	DPAS	DEFENSE PROPERTY ACCOUNTABILITY SYSTEM	OSD
281	DSS	DISTRIBUTION STANDARD SYSTEM	DLA
480	EBM	ENTERPRISE BUSINESS MODERNIZATION	DISA
1464	EOAS	ENTERPRISE OPERATIONAL ACCOUNTING SYSTEM	DLA
1441	eProcurement	BSM EPROCUREMENT	DLA
5187	FDW	DLA J-8 FINANCIAL DOCUMENT WORKFLOW	DLA
1	FIABS	FINANCIAL INVENTORY ACCOUNTING & BILLING SYSTEM	USAF
175	IFS	INTEGRATED FACILITIES SYSTEM	ARMY
137	INFADS	INTERNET NAVY FACILITY ASSETS DATA STORE	NAVY
3	JOCAS	JOB ORDER COST ACCOUNTING SYSTEM II	USAF
139	MCTFS	MARINE CORPS TOTAL FORCE SYSTEM	DFAS
42	MSC-FMS	MILITARY SEALIFT COMMAND FINANCIAL MANAGEMENT SYSTEM	NAVY
3715	PROMIS	PROGRAMS AND PROJECT MANAGEMENT INFORMATION SYSTEM	ARMY
443	PRPS	PURCHASE REQUEST PROCESS SYSTEM	USAF
201	REMIS	RELIABILITY AND MAINTAINABILITY INFORMATION SYSTEM	USAF
8930	SORBIS	SPECIAL OPERATIONS RESOURCE BUSINESS INFORMATION SYSTEM	SOCOM
204	TEWLS	THEATER ENTERPRISE WIDE MEDICAL LOGISTICS SYSTEM	TMA

Component Performance Summary

This section provides an overview of the performance of DoD's target Component programs. It presents information on Component goals, priorities, the impact of programs on the Business Value Added Framework and their associated milestone schedule status. The Component performance section combines information from Appendix F: Component Priority and Medical Transformation System/Initiative Tables and Appendix J: Key Milestone Plan. It also contains a table that shows the Component priorities with targeted outcomes and metrics. Below are examples of the tables and types of information included in the component performance summary appendix.

Table Component-1: Business Transformation Goals

This table provides a summary listing of the Component/Medical transformational goals.

Number	Goals
1	Mature the Joint Deployment and Distribution Enterprise (JDDE)
2	Leverage collaboration and partnerships

Table Component-2: Business Transformation Priorities

This table indicates Component/Medical transformational priorities.

Number	Priorities
USTC1	End-to-End 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
USTC2	Information Technology (IT) Optimization of Capabilities - Maximize distribution effectiveness by providing optimized E2E Joint Deployment and Distribution IT capabilities

Table Component-3: Priority Transformation Summary

This table contains the targeted outcomes for Component/Medical priorities, and lists the performance metrics that have been identified to measure progress against the outcomes.

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
USTC1 E2E Visibility	AT21	<ul style="list-style-type: none"> Improved control, coordination, and synchronization of the Joint Deployment and Distribution Enterprise 	AT21 increments 1, 2, and 3 complete.
USTC2 Information Technology (IT)	COP D2	<ul style="list-style-type: none"> Joint Logistics (Distribution) Common Operating Picture JL(D)COP Improved Enterprise Data Visibility 	Spiral development of COP D2 completed.

Table Component-4: Business Value Added Framework Impacts

The ETP contains a Business Value Added (BVA) Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below contains definitions for the 10 measures in the framework, which is followed by Business Value Added Framework Impacts table.

Business Value Outcomes	
On Time Customer Request	An improvement in the number of requisitions that are delivered by the Required Delivery Dates (RDD)
Cash-to-Cash Cycle Time	A reduction in time from when funds are obligated to when a product or service is delivered to the end customer
Time to IOC/FOC for Acquisition Category (ACAT) 1 and ACAT 2 Systems	An improvement in the time it takes to bring major acquisition systems to Initial and Full Operational Capability
Time to IOC/FOC for Urgent Combatant Command Requests	A reduction in the time it takes to initially or fully realize an urgent request from a deployed Combatant Command
Weapons Systems Operational Availability	An increase in the percentage of time that each weapons system is fully functional
Cannibalization Rate	A decrease in the rate at which parts from major end-items (e.g., weapons systems) are removed from one and placed into another
Real Property Utilization	An improvement in the availability of mission critical and mission dependent inventory, and a decrease or elimination of non-mission-dependent inventory
Personnel Requirements Fulfillment	An improvement in the ratio between the current manpower level and the level approved for an organization to deliver its current and future services
Payroll Accuracy	Elimination of pay errors, either in pay amount (over or under the correct amount) or in the time payment is made, e.g., late payments
Financial Transparency	An improvement in the quality, usefulness, reliability, and timeliness of financial information for decision makers

The table below is table Component-4: Business Value Added Framework Impacts. This table provides information on how the target Component programs support each of the 10 BVA measures.

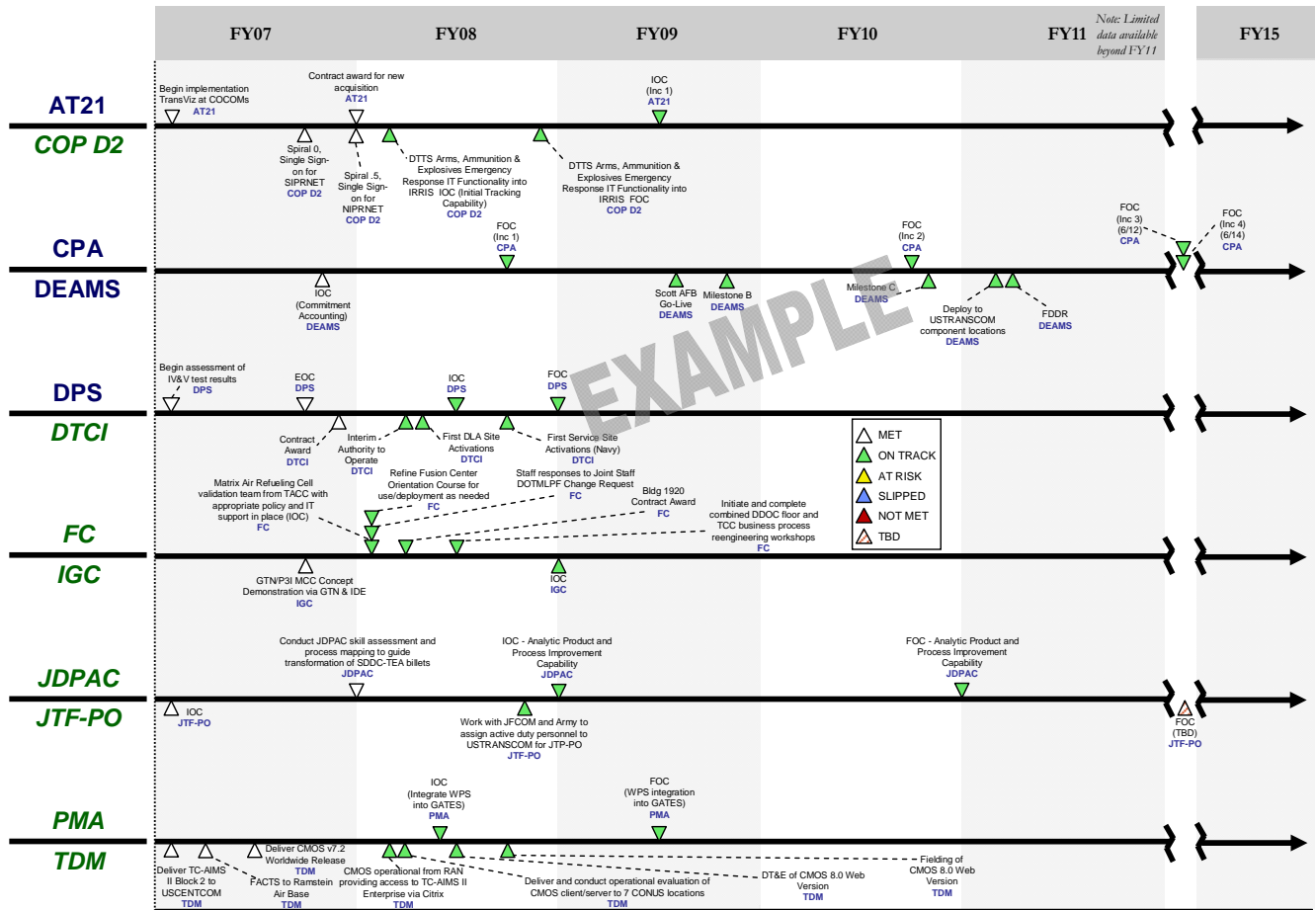
USTRANSCOM System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
AT21 Agile Transportation for the 21st Century	●			●							The AT21 program will implement the transportation component of distribution processes over three phases. Increment 1 will provide a consolidated view of transportation movement requirements, automate distribution planning assessment and work flow management for the DDOC, and provide consolidated requirements visibility to the COCOMs. Increment 2 will provide strategic-level distribution planning, and Increment 3 will provide operational-level distribution scheduling.
C4S MIT Command, Control, Communications, and Computer Systems Multi-Component Information Transformation	●										The goal is to identify alternatives to integrate, synchronize, and harmonize C4S support to efficiently reduce C4S manpower support requirements across ten BRAC-related focus areas, while improving support to the warfighter.

Table Component-5: Key Milestone Plan

The milestone plan below provides a view of performance against key milestones for DoD's target Component programs.

USTRANSCOM Timeline

ETP, Component Performance Summary Overview



28 September 2007 USTRANSCOM-7

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Department of the Army Performance Summary

The Army is implementing dramatic changes in our force structure to realize the Army vision: “Relevant, and Ready Landpower in Service to the Nation.” We are developing soldiers, leaders, and modular forces to ensure the Army remains the preeminent land power on Earth and the ultimate instrument of national resolve. Achieving this vision requires not only operational transformation; it requires business transformation. Our institutional Army is a legacy of the industrial era in which it was developed. We must adopt a culture and orientation to facilitate more responsive, flexible and efficient approaches to supporting the operational Army. The required business transformation includes leveraging the best business models and processes of American enterprise, improving situational awareness, and aligning organizational structures to core functions.

Business transformation of the Army requires commitment and constancy of vision to realize significant capability gains and cost avoidance. Information Technology (IT) Portfolio Management (Pfm) is key to developing well-supported business cases that enable IT transition planning. Our initiatives to refine enterprise architectures and leverage industry best practices include Single Army Logistics Enterprise (SALE) and Single Army Financial Enterprise (SAFE). The Army is also embracing Enterprise Resource Planning (ERP) technology, which provides the integration processes needed for true enterprise solutions that support end-to-end business operations. Strong governance is essential to timely achievement of the vision. The end-state for this transformation is not a destination, but rather the attainment of a steady state in which capabilities-based IT Pfm coupled with business transformation initiatives drive Army IT investment.

Table Army-1: Business Transformation Goals

Number	Goals
1	Increasing Situational Awareness
2	Improving Asset Accountability
3	Enhancing and Leveraging Synchronization
4	Improving IT Investment Strategy

Table Army-2: Business Transformation Priorities

Number	Priorities
Army1	Support the Warfighter by Accelerating Business Systems Modernization and the Transition to Net-Centric Data Environment
Army2	Provide Access to More Reliable and Accurate Personnel Information for Warfighting Mission Planning
Army3	Improve the Accuracy and Timeliness of Information Provided to Army Decision Makers
Army4	Provide ERP Systems for Asset Accountability, Budget Execution and Accounting
Army5	Improve Business Practices through Continuous Process Improvement to Decrease Operational Cost and Cycle Times, and Reduce Unnecessary Work and Rework
Army6	Strengthen Army IT Governance and IT Portfolio Management, including Enterprise-Wide, Cross-Domain Synchronization

Table Army-3 below lists the targeted outcomes for each Army priority, and lists the performance metrics identified to measure progress against the outcomes.

Table Army-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
<p>Goal 1 Increasing Situational Awareness</p> <p>Priority: Army 1 Support the Warfighter by Accelerating Business Systems Modernization and the Transition to Net-Centric Data Environment</p>	<p>FCS-ACE</p> <p>GCSS-Army</p> <p>LMP</p> <p>TC-AIMS II</p>	<p>Improved Support to the Warfighter</p> <p>Data and Knowledge Centric Environment</p>	<p>Increased capability to integrate/coordinate FCS system/program data</p>
<p>Goal 1 Increasing Situational Awareness</p> <p>Priority: Army 2 Provide Access to More Reliable and Accurate Personnel Information for Warfighting Mission Planning</p>	<p>DTAS</p>	<p>Improve overall quality, accuracy, and timeliness of data shared among all echelons for deployed personnel in multiple Theaters</p> <p>Improve overall visibility, status, and location of contractors and patient information for personnel deployed in a Theater of Operations</p>	<p>Improved data collection capabilities and allow for Enterprise to receive and store information for multiple Theaters</p> <p>Improve contractor and patient data collection</p> <p>One screen displaying current values of all high level system performance</p> <p>Reporting portal to allow users to access reports from a folder hierarchy</p> <p>Navigation, search, and subscription features help users locate and run the reports they need</p> <p>Total visibility of all Army personnel throughout all Combatant Commands</p> <p>Reducing the duplicated counting and local legacy systems</p>
<p>Goal 1 Increasing Situational Awareness</p> <p>Priority: Army 3 Improve the Accuracy and Timeliness of Information Provided to Army Decision Makers</p>	<p>eAWPS</p>	<p>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.</p> <p>To allow senior leaders to make more accurate, timely, transparent, reliable, holistic, cross-functional decisions with an automated tool from source system information.</p>	<p>Improved data collection capabilities and allow for Enterprise to receive and store information</p> <p>Improve contractor and patient data collection</p> <p>Ability to view Army requirements within units specified by the ARFORGEN model</p>

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
<p>Goal 3 Enhancing and Leveraging Synchronization</p> <p>Priority: Army 2 Provide Access to More Reliable and Accurate Personnel Information for Warfighting Mission Planning</p>	DLS	Standardized training and training management across the Army	<p>274 Digital training facilities (Objective) Note – BRAC will impact</p> <p>Increased training throughout, at home station and where deployed. Duplicate and local legacy systems retired. Reduced training time</p> <p>Army personnel complete IT, business and language training</p>
<p>Goal 4 Improving IT Investment Strategy</p> <p>Priority: Army 1 Support the Warfighter by Accelerating Business Systems Modernization and the Transition to Net-Centric Data Environment</p>	FBS	Enterprise Environment	Leadership approval of Future Business System Program
<p>Goal 4 Improving IT Investment Strategy</p> <p>Priority: Army 5 Improve Business Practices through Continuous Process Improvement to Decrease Operational Cost and Cycle Times, and Reduce Unnecessary Work and Rework</p>	This priority is supported by efforts that are not among the 10 Component target systems and initiatives	<p>Redesign the environmental lines of business</p> <p>Consolidate Geographic Information System (GIS) systems into GIS-R</p>	<p>90% of current business processes documented</p> <p>90% of existing systems documented</p> <p>85% of data migration complete</p> <p>80% of systems migrated</p> <p>80% reduction of installation based GIS systems</p>
<p>Goal 4 Improving IT Investment Strategy</p> <p>Priority: Army 6 Strengthen Army IT Governance and IT Portfolio Management, including Enterprise-Wide, Cross-Domain Synchronization</p>	Enterprise Architecture	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

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table Army-4: Business Value Added Framework Impacts

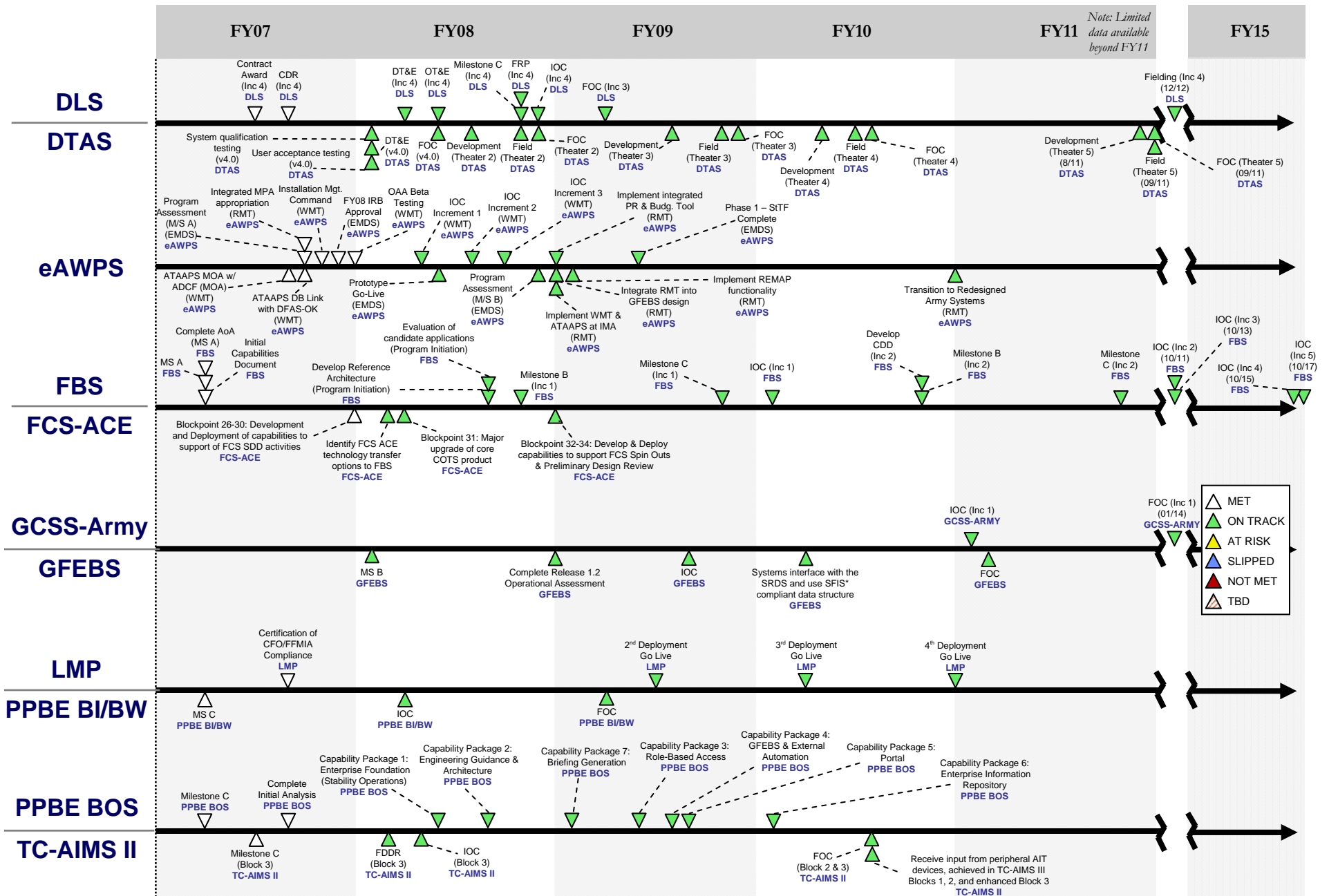
Army System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
DLS Distributed Learning System							●			DLS streamlines and automates training, training support, training management tasks for the Army using commercial technologies to increase training effectiveness/efficiency, improve readiness, increase training opportunities for Soldiers and DA civilians, and reduce training backlog. DLS increases Personnel Requirements Fulfillment by improving Army capability to train Soldier and Defense Agency civilian skills to meet current and future needs. DLS provides the infrastructure for delivery/management of training in support of individual, group and collective task training.
DTAS Deployed Theater Accountability System							●			Provides complete accountability for all Army and USMC personnel in CENTCOM AOR, 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.
eAWPS Enterprise Army Workload and Performance System	●									eAWPS provides the capability to identify interrelationships among workload, resources and productivity. By providing this level of aggregation of information, resources can be applied to more consistently provide the right product at the right time, meeting the required delivery date with high quality products and services in a consistently efficient manner. This in turn allows senior leaders to make better informed decisions with actionable knowledge concerning reallocation of resources against time definite delivery requirements.
FBS Future Business System	●									When fielded, increased visibility into data combined with faster communication between buyer and seller will enable FBS to increase the percentage of requisitions delivered by the Required Delivery Date.
			●							When fielded, FBS will improve data visibility, currency, accuracy and interoperability, thus precluding slips and cost increases and reducing the time to IOC/FOC.
									●	When fielded, FBS interfaces with GFEBs will enable standard data, standard processes that will promote Financial Transparency.
FCS-ACE Future Combat Systems Advanced Collaborative Environment	●									Increased data visibility and faster communication between buyer and seller are enabling FCS-ACE to increase the percentage of requisitions delivered by the Required Delivery Date.
			●							FCS-ACE has improved data visibility, currency, accuracy and interoperability, which is precluding schedule slips and cost increases and reducing the time to IOC/FOC.
					●					Higher FCS Operational Availability (Ao) requirements demanded the virtual design and development capabilities enabled by FCS (ACE). These capabilities have a direct impact on the program's ability to deliver systems with Ao that meets design requirements.

Army System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
FCS-ACE (Continued)									●	Standard data and processes used by vendors & government activities will enhance Financial Transparency.
GCSS-Army Global Combat Support System – Army	●									GCSS-Army allows for specified Required Delivery Date (RDD) and further supplies an estimated delivery date for each request. It also allows for partial receipts of orders which may accelerate flow of supplies to the user.
									●	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.
GFEBS General Fund Enterprise Business System									●	GFEBS' impact on Financial Transparency will be in providing a common general fund budget execution & accounting system to be used across Army and improved visibility of budget execution and accounting data leading to better decision making.
LMP Logistics Modernization Program	●									Balanced scorecard will be incorporated in LMP Way Ahead. Nineteen business value KPIs going forward focus on tangible business benefits. Business process improvements in the areas impacting required delivery dates include: LMP maintenance order processing reduced from a 10 step (2-4 weeks) to a 3 step (less than 1 day) process. Streamlined logistics operations and processes including Inventory movement from supply to maintenance using embedded movement/tracking capability with a single integrated database. Real-time information with increased global visibility and accuracy. Data processing metrics has exceeded availability target: 99.98% vs. Target 99.5% = Gartner Best in Class Availability. In addition, exceeded response time target: 98.5% transactions completed in less than 2 seconds. Furthermore, LMP allows the Item Manager the ability to process multiple sales orders simultaneously and if a sales order rejects, the Item Manager can utilize SAP's drill down capability to determine the root cause of the problem.
					●					The LMP Production System Monthly Performance Report for June 2006 reports system availability of 100%. June 2006 operational availability is indicative of overall availability.
									●	LMP will be Federal Financial Management Improvement Act (FFMIA) compliant by 30 December 2006. Fully 86% of FFMIA identified Bluebook requirements' concerns have already been addressed.
PPBE BI/DW PPBE Business Intelligence Data Warehouse									●	PPBE BI/DW impact on Financial Transparency will be a linking of currently disparate data in a common data warehouse and improved visibility of budget and program information through business intelligence leading to better information for decision making.
PPBE BOS PPBE Business Operating System									●	PPBE BOS' impact on Financial Transparency will be a linking of currently disparate data and improved visibility of budget and program information leading to better decision making.

Army System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
TC-AIMS II Transportation Coordinators' Automated Information for Movements System II											No impact.

Army Timeline

ETP, Component Performance Summary



Department of the Navy Performance Summary

The Navy and Marine Corps exist to control the seas, assure access and project power beyond the sea, influence events and advance American interests across the full spectrum of military operations. The Department of the Navy's (DON) business transformation vision is to significantly increase readiness, effectiveness, and availability of warfighting forces through the accomplishment of the transformational goals listed in Table Navy-1. These goals enable achievement of the DON's broader transformation initiatives, including Naval Power 21 (Vision), Sea Power 21, and Marine Corps Strategy 21.

Table Navy-1: Business Transformation Goals

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

The Department of the Navy's business transformation priorities are listed in Table Navy-2 below.

Table Navy-2: Business Transformation Priorities

Number	Priorities
Navy1	Create a Seamless Infrastructure
Navy2	Create Optimized Processes and Integrated Systems
Navy3	Optimize Investments for Mission Accomplishment
Navy4	Transform Applications and Data into Web-Based Capabilities to Improve Effectiveness and Gain Efficiencies
Navy5	Align Business Mission Area Governance to Produce a Single, Integrated Enterprise

Table Navy-3 below lists the targeted outcomes for each DON priority, and lists the performance metrics identified to measure progress against the outcomes.

Table Navy-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
Navy1 Create a Seamless Infrastructure	This priority is supported by efforts that are not among the Component target systems and initiatives	A global, secure, interoperable network integrating NMCI, One Net, ISNS, and MCEN into the FORCEnet Network Information Infrastructure	NMCI customer satisfaction
Navy2 Create Optimized Processes and Integrated Systems	GCSS-MC JEDMICS MSC-HRMS Navy ERP One Supply TFAS TFSMS	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
Navy3 Optimize Investments for Mission Accomplishment	MC FII Navy Cash	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
Navy4 Transform Applications and Data into Web-Based Capabilities to Improve Effectiveness and Gain Efficiencies	GCSS-MC JEDMICS MSC-HRMS Navy ERP One Supply TFAS	A DON enterprise portfolio of web-centric solutions Common business practices delivered in net-centric form	Servers consolidated Processes moved to the web
Navy5 Align Business Mission Area Governance to Produce a Single, Integrated Enterprise	This priority is supported by efforts that are not among the Component target systems and initiatives	Organizational alignment to integrate with DoD transformation activities and ensure top level oversight and direction of DON transformation initiatives	Various

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table Navy-4: Business Value Added Framework Impacts

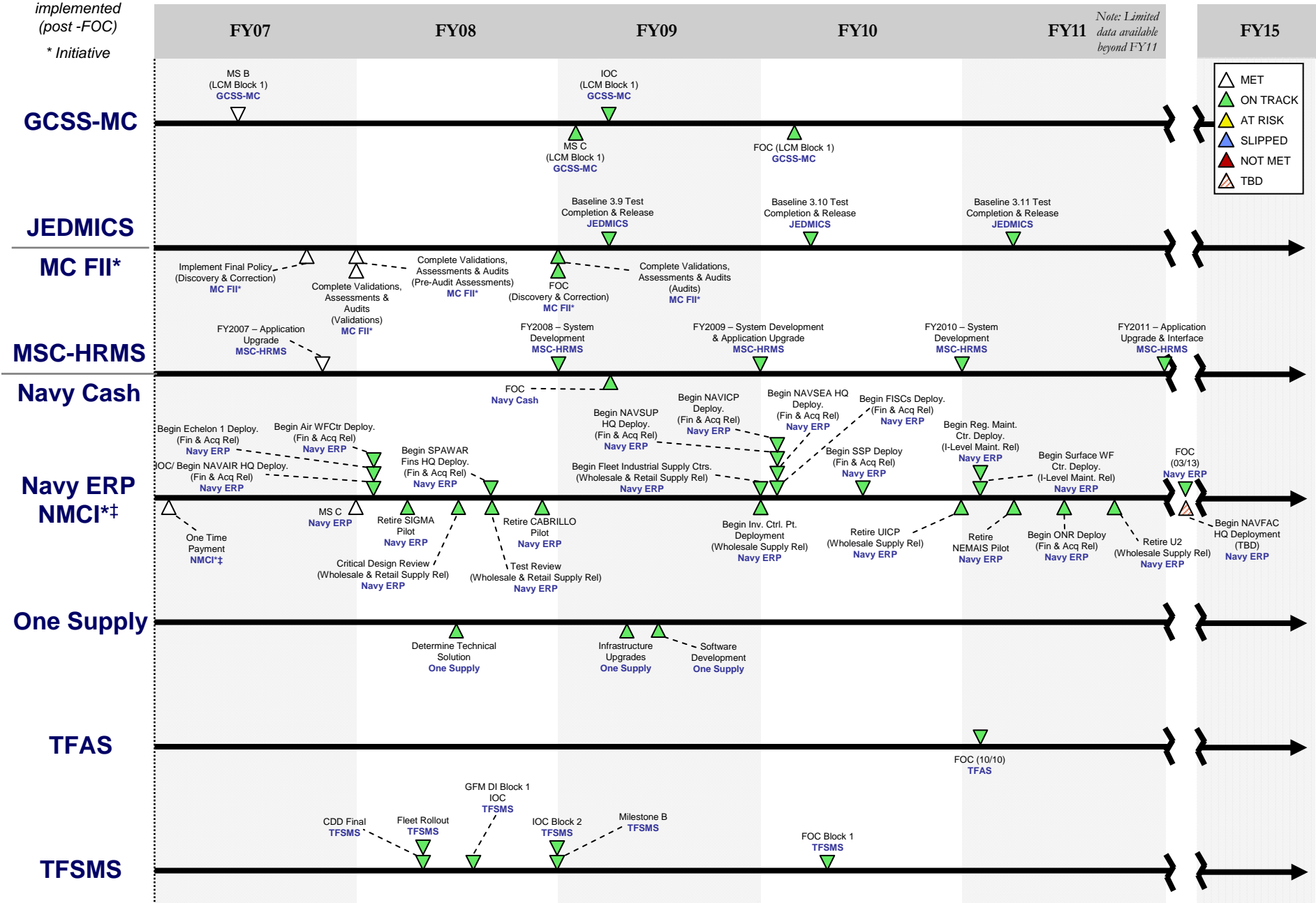
Navy System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
GCSS-MC Global Combat Support System Marine Corps	●										Web based, real-time information and data synchronization between deployed units and support activities will result in increased efficiency and quicker response times
		●									Real-time data synchronization and automated receipt will result in faster settlement of accounts payable and reduced interest payments
					●						Shorter supply cycles, more efficient delivery, and greater asset visibility will improve weapons system availability
						●					Improved asset visibility, faster delivery of combat essential items will reduce instances of cannibalization
										●	Improved asset visibility, calculation of supply and inventory value, certain expenses, revenues, liabilities and depreciation will be provided to SABRES automatically, greatly aiding the Marine Corps' effort to achieve an unqualified audit opinion
JEDMICS Joint Engineering Data Management Information & Control System					●						Technical information supports maintenance & repair, battle damage assessment & repair; improves weapon system availability
						●					Technical database informs parts procurement, reduces cannibalization
MC FII Marine Corps Financial Improvement Initiative									●		MC FII establishes standards and procedures for entry of pay related information into unit diaries and financial data into accounting systems.
										●	MC FII enables financial data traceability from transaction through financial report.
MSC-HRMS Military Sealift Command Human Resource Management System								●			Tracks Military Sealift Command civilian mariner staffing, training, & employee relations
Navy Cash™ Navy Cash™									●		Eliminates cash handling workload. Provides Afloat forces personal funds access at banks and credit unions ashore, and ability to conduct personal banking electronically, while at sea.
Navy ERP Navy Enterprise Resource Planning	●										Standardized processes and end-to-end supply chain integration will result in improved asset visibility and on-time delivery
		●									Improved financial record accuracy and integrated funds management will result in reduced cycle time
										●	ERP will become the financial "book of record", increasing accuracy of financial management information

Navy System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
One Supply One Supply										●	Moves afloat food, retail, and HAZMAT distribution data collection & record keeping ashore
TFAS Total Force Administration System									●		Improves payroll accuracy by making the majority of pay/personnel transactions self-service, electronic
TFSMS Total Force Structure Management System								●			Identifies Marine Corps capability by defining force structure and war fighting equipment requirements through the Future Years Defense Program, forms the basis of all USMC organization, staffing; recruiting, equipment procurement, fielding, training and logistics planning. TFSMS is the Marine Corps' key enabler in the Joint Staff's led Global Force Management Data Initiative for global force visibility.

Navy Timeline

ETP, Component Performance Summary

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



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Department of the Air Force Performance Summary

The overall 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. The USAF is organized, trained and equipped primarily for prompt and sustained offensive and defensive air operations – Airmen provide air and space power as part of an interoperable and interdependent joint warfighting team. The concept of expeditionary forces, the long reach of satellites and systems of sensors, a network of airborne and ground-based command and control elements, and mobility, fighter, bomber and attack aircraft all integrate to make the vision of Global Vigilance, Reach, and Power a reality. In this global operations context, business and combat support processes are expected to provide fast, flexible, predictable support to the warfighter. We have developed an Agile Combat Support Concept of Operations to guide the transformation of business and combat support processes and systems.

Air Force business and combat support transformation envisions creation of capabilities to provide rapid and predictive support and response through situationally-aware Commanders. We will improve joint warfighter effectiveness by integrating high value operational processes across all domains and functions; set common goals and priorities across the business and combat support enterprise; re-engineer critical processes through USAF Smart Operations - identifying, prioritizing, and redesigning processes focused on mission outcome and continual improvement; and move our systems into a modern information framework, leveraging current and planned USAF and DoD initiatives.

Table USAF-1: Business Transformation Goals

Number	Goals
1	Improve warfighter effectiveness by fashioning fast, flexible, agile, horizontally integrated processes and systems that enable fast, flexible, agile and lethal combat forces.
2	Establish a culture of continuous improvement to achieve increased efficiencies that will allow us to return resources toward the recapitalization of the USAF weapons systems and infrastructure; return Airmen to core missions, and create an acquisition process unparalleled in the federal government.

Table USAF-2: Business Transformation Priorities

Number	Priorities
USAF1	Synchronize the supply chain and installation management with operations - globally
USAF2	Leveraging the power of information to transform global operations
USAF3	Improve operational capabilities through improved real-time C2, decision support and predictive analysis
USAF4	Support our people – our most important resource:
USAF5	Increase resources available for recapitalization
USAF6	Provide accurate, reliable and timely financial information to support decision making
USAF7	Optimize enterprise performance through transformation and continuous improvement across functional boundaries
USAF8	Improve development and delivery of capabilities through disciplined and credible processes

Table USAF-3 below lists the targeted outcomes for each Air Force priority, and lists the performance metrics identified to measure progress against the outcomes.

Table USAF-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics Note 1
USAF1 Synchronize the supply chain and installation management with operations - globally	ACES ECSS EESOH-MIS ETIMS	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).
USAF2 Leveraging the power of information to transform global operations	This priority is supported by efforts that are not among the Component target systems and initiatives	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).
USAF3 Improve operational capabilities through improved real-time C2, decision support and predictive analysis	This priority is supported by efforts that are not among the Component target systems and initiatives	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).
USAF4 Support our people – our most important resource	AFRISS EESOH-MIS FM SDM NAF-T PSD	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).
USAF5 Increase resources available for recapitalization	EBS FIRST FM SDM NAF-T PSD	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).

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics Note 1
USAF6 Provide accurate, reliable and timely financial information to support decision making	AF FIP DEAMS-AF ECSS FIRST NAF-T	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).
USAF7 Optimize enterprise performance through transformation and continuous improvement across functional boundaries	This priority is supported by efforts that are not among the Component target systems and initiatives	Streamline processes through the USAF Smart Operations for the 21 st Century (AFSO21), 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).
USAF8 Improve development and delivery of capabilities through disciplined and credible processes	EBS ECSS	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).

Notes:

1. Metrics derived from the USAF Operational Support (OS) Transformation Balanced Scorecard with the mapping indicated in ().

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table USAF-4: Business Value Added Framework Impacts

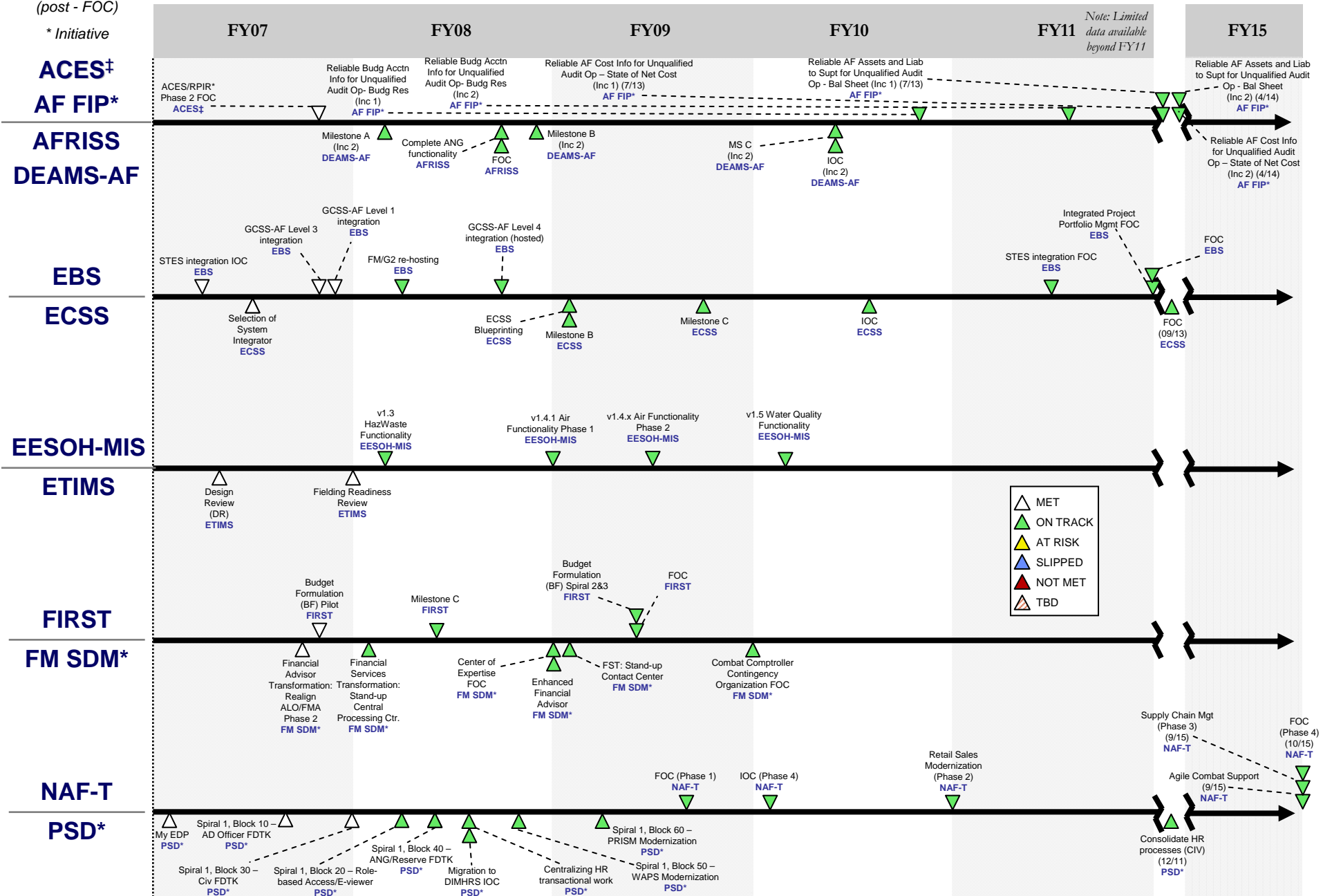
Air Force System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
ACES Automated Civil Engineer System							●				Resource tracking and critical decision making for real property inventory and accountability, engineering, housing, resources, readiness, Explosive Ordnance Disposal (EOD), and fire.
AF FIP Air Force Financial Improvement Plan										●	Significantly improve availability and reliability of financial information of auditable quality.
AFRISS Air Force Recruiting Information Support System								●			Accession of personnel into the Air Force; recruiting; job assignment; flow and trend analysis; Congressional inquiries support.
DEAMS-AF Defense Enterprise Accounting and Management System - Air Force		●									Using an enterprise architecture through an ERP system to replace multiple legacy systems with COTS-Based financial accounting software, DEAMS will reduce transaction time between order and delivery which will improve cash-to-cash cycle time and lower operating costs.
										●	Through integrated general ledger, accounts payable, and accounts receivable.
EBS Enterprise Business System				●							Faster technology transition to the warfighter. Leading discovery, development and integration of affordable warfighting technologies for the Air and Space force.
ECSS Expeditionary Combat Support System	●										Enables worldwide total asset visibility yielding on-time request.
		●									Implementation of the system enables the AF to reduce cycle time of operational support logistics, saving money by reducing transaction time between order and delivery providing logistic support to the warfighter.
				●							Provides material management; Synchronizes operational and logistics planning and execution enabling dynamic supply chain re-planning.
						●					Consolidating data from legacy systems subsuming their capability into one coordinated effort.
										●	By integrating across the supply chain, financial information is coordinated providing an authoritative and comprehensive fiscal view.
EESOH-MIS Enterprise Environmental Safety and Occupational Health Management Information System							●				Support/enhance operational capabilities by managing environmental liabilities, hazards, personnel exposure, and safety needs for shop floor supervisors.

Air Force System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
ETIMS Enhanced Technical Information Management System					●					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.
FIRST Financial Information Resource System									●	Foundational system for USAF Planning, Programming, Budget and Execution (PPBE) process.
FM SDM Financial Management Service Delivery Model									●	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-T NAF Financial Transformation									●	NAF financial and payroll management. Real-time command and control, decision support and predictive analysis. Targeted Outcomes: Improved Commander awareness, improved decision-making in war and peacetime.
PSD Personnel Service Delivery							●			Transforms the delivery of personnel services in the military and civilian areas. Moves from direct on-base support to web-based and call center based services. Substantially reduces manpower needed to deliver high quality personnel services.

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

Air Force Timeline

ETP, Component Performance Summary



Defense Logistics Agency Performance Summary

The Defense Logistics Agency's (DLA's) vision for the future 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's approach to achieve the business transformation goals (identified in Table DLA-1) is to replace its legacy business and systems environment with a new business model and organizational structure, supported by Commercial Off-the-Shelf (COTS) based Information Technology (IT).

Table DLA-1: Business Transformation Goals and Priorities

Number	Goals and Priorities
DLA1	Warfighter Support - Maximize Warfighter Potential
DLA2	Internal Processes - Improve DLA performance through better processes and business arrangements
DLA3	Learning and Growth - Ensure a diverse, enabled, empowered and motivated workforce that delivers and sustains supply chain excellence
DLA4	Stewardship - Manage DLA resources for best customer value

Table DLA-2 below lists the targeted outcomes for each DLA priority, and lists the performance metrics identified to measure progress against the outcomes.

Table DLA-2: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes Note 1	Performance Metrics
DLA1 Warfighter Support - Maximize Warfighter Potential	CRM	Extend competencies and capabilities closer to the warfighter (C1) Actively engage the warfighters to better understand their needs and meet their requirements (C2)	Note 1
DLA 2 Internal Processes - Improve DLA performance through better processes and business arrangements.	BSM BSM – Energy CFMS DPMS IDE PDMI RMP	Design, Implement and Sustain a Best Value Enterprise IT Environment (IP5) Continuously improve best business practices to optimize quality and speed, reducing cycle time and cost (IP3)	Note 1
DLA 3 Learning and Growth - Ensure a diverse, enabled, empowered and motivated workforce that delivers and sustains supply chain excellence	This priority is supported by efforts that are not among the component target systems and initiatives.	Acquire, develop, and retain supply chain expertise (LG1) Attain and sustain a corporate culture that meets the needs of the warfighter through logistics excellence (LG2) Provide a Quality Work Environment that optimizes employee performance (LG3)	Note 1
DLA 4 Stewardship - Manage DLA resources for best customer value.	This priority is supported by efforts that are not among the component target systems and initiatives.	Minimize Total Supply Chain Costs (F2) Demonstrate stewardship and foster stakeholder trust. (F3)	Note 1

Notes:

1. The metrics for the DLA Strategic Plan are currently under revision. Performance Metrics for Priorities indicated in () will be updated pending approval by DLA senior leadership.

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table DLA-3: Business Value Added Framework Impacts

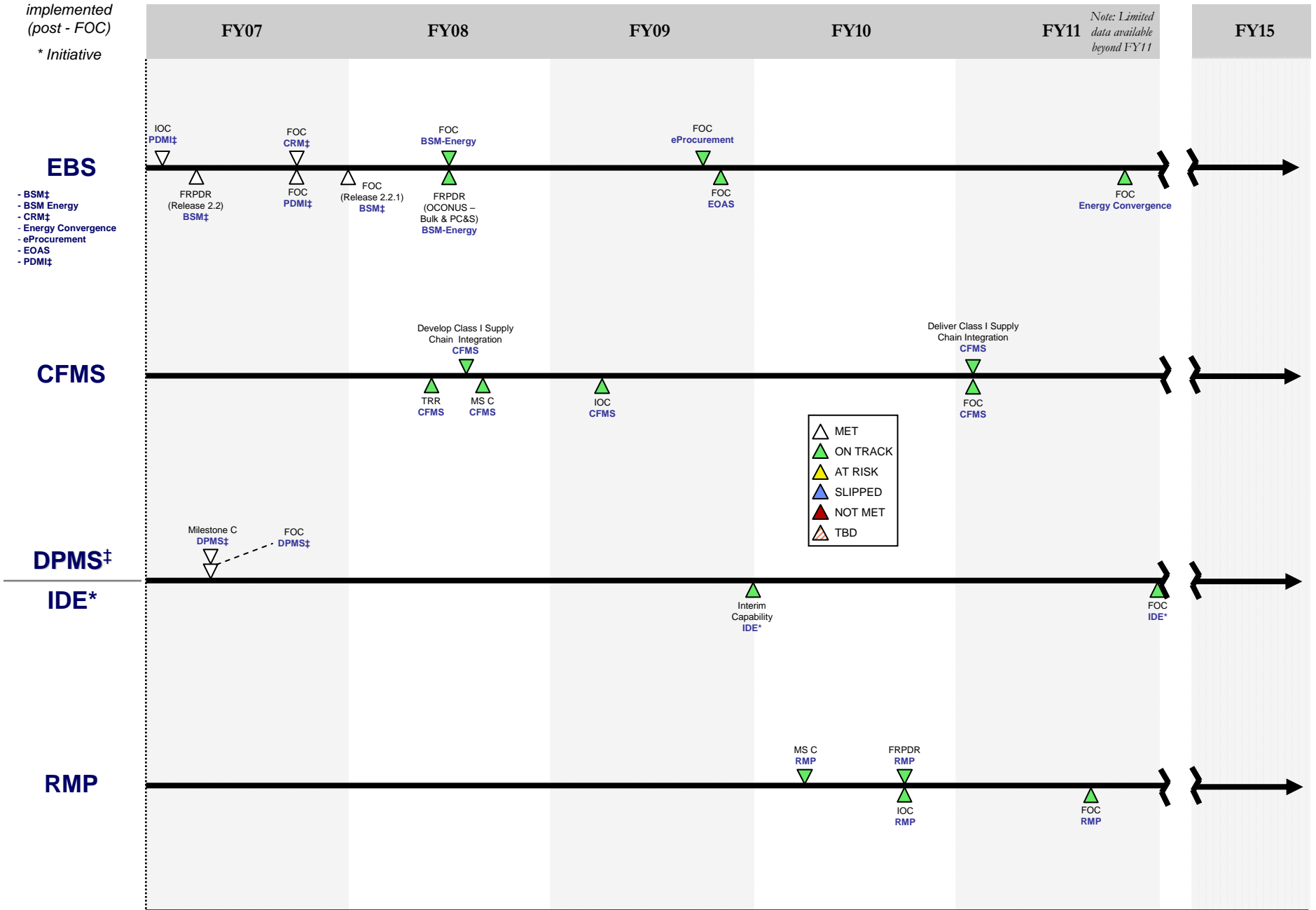
DLA System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
BSM Business Systems Modernization	●										BSM measures the percentage of orders completely filled and shipped on time within the target ship date. In the legacy system DLA measured the percentage of orders that could be filled immediately (first pass fill rate) but did not have a time component within the metric. Adding a time dimension allows DLA to more accurately measure support to the customer.
		●									Through use of a Supply Non-Energy enterprise system, that includes collaboration tools; DLA has improved visibility of the business and financial processes affecting cash.
										●	Through use of a FFMIA compliant system and complying with Chief Financial Officer standards and practices provide timely and accurate financial statements and information.
BSM-ENERGY Business Systems Modernization - Energy	●										BSM-Energy provides enhanced visibility on actual customer consumption worldwide, permitting more efficient right-sizing and right-positioning of retail-level inventories and promoting efficiencies throughout the wholesale supply and distribution mechanisms.
		●									Through BSM-Energy, elimination of redundant Service Working Capital Funds associated with fuels and centralization under the DWCF eliminated requirements for hundreds of millions of dollars in cash and obligation authority across DoD. Billing direct to Service Operations and Maintenance (O&M, OMA) level accounts improves real-time visibility on cash positioning both within DLA and for its customers.
										●	Externally, BSM-Energy provides near-real time perspective on OA positioning for DLA Class III customers through data provisioning to support obligations against purchases. Internally, BSM-Energy incorporates CFO-compliant processes and FFMIA compliance (self-assessed) for business activities supported, to include increased accuracy and timeliness in financial reporting.
CFMS Common Food Management System	●										CFMS will improve the Services' capability for predicting the appropriate quantities of food, thereby, reducing spoilage and improving inventory carrying costs.

DLA System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
CFMS (Continued)										●	CFMS will be fiscally compliant as a financial feeder system and will provide the Services with integrated real-time data. This will provide better cash management and allow them to reduce "cash on-hand" requirement to meet 1517; it will also enhance cost control and budget management with more rigorous ordering and receiving processes.
CRM Customer Relationship Management	●										CRM will improve DLA's ability to better plan for customer demands for the Agency's products and services and provide them when needed. CRM will enable DLA to respond in a more timely manner to the warfighter through its customer intelligence tools and partnership strategies.
DPMS Distribution Planning and Management System	●										DPMS impacts On Time Customer Request by reducing the time to ship by 1-3 days resulting in a reduced supply chain and reduced inventory levels. DPMS will further impact On Time Customer Request through transportation optimization as the Required Delivery Date (RDD) is a key decision factor in the optimization algorithm.
IDE Integrated Data Environment											No Impact
PDMI Product Data Management Initiative	●										PDMI optimizes decision-making throughout DLA, increases DLA's agility in response to its customer's changing requirements, and facilitates the managing of product data throughout the DLA supply chain.
RMP Reutilization Modernization Program	●										RMP will enable Defense Reutilization and Marketing Service (DRMS) to expedite material identification which in turn will allow material to be visible to the DLA supply system. This efficient visibility will allow maximized reutilization and reduced lead time to the warfighter. DOD will realize supply cost through the reduction on purchasing material already within the supply system.
										●	RMP assists in financial transparency by aligning DRMS with standardized accounting practices. The easy to understand, near real time tool will allow DRMS to accurately assess the cost of doing business.

Defense Logistics Agency Timeline

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

* Initiative



△	MET
▲	ON TRACK
▲	AT RISK
▲	SLIPPED
▲	NOT MET
▲	TBD

Note: Limited data available beyond FY11

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United States Transportation Command Performance Summary

USTRANSCOM is the Combatant Command (COCOM) responsible for creating and implementing world-class global deployment and distribution solutions in support of the National Security Strategy. To accomplish this, USTRANSCOM’s transformational vision is to change its orientation from a Command that provides strategic transportation, to a Command that develops and employs end-to-end (E2E) global transportation of forces and materiel distribution solutions to improve joint distribution capabilities for regional COCOMs and functional component warfighters.

The focus of USTRANSCOM transformation IT efforts is on developing a seamless process that will provide better visibility of supplies from their point of production to their ultimate destination of the warfighters in the field.

USTRANSCOM is continuing to work with its national partners (Office of the Secretary of Defense organizations, Joint Staff, COCOMs, Services, Agencies, and other affected organizations) on priorities that support the transformation goals listed in Table USTRANSCOM-1.

The priorities in Table USTRANSCOM-2 will be fully supported by the Joint Deployment and Distribution IT Transition Plan currently in development. Current USTRANSCOM initiatives are aligned with these priorities.

Table USTRANSCOM-1: Business Transformation Goals

Number	Goals
1	Mature the Joint Deployment and Distribution Enterprise (JDDE)
2	Leverage collaboration and partnerships
3	Develop expeditionary approaches
4	Enable joint distribution concepts

Table USTRANSCOM-2: Business Transformation Priorities

Number	Priorities
USTC1	End-to-End (E2E) Visibility
USTC2	Information Technology (IT) Optimization of Capabilities
USTC3	Financial Accountability
USTC4	Execution Effectiveness

Table USTRANSCOM-3 below lists the targeted outcomes for each USTRANSCOM priority, and lists the performance metrics identified to measure progress against the outcomes.

Table USTRANSCOM-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
USTC1 E2E Visibility	AT21	<ul style="list-style-type: none"> Improved control, coordination, and synchronization of the Joint Deployment and Distribution Enterprise 	AT21 increments 1, 2, and 3 complete.
USTC2 IT Optimization of Capabilities	COP D2	<ul style="list-style-type: none"> Joint Logistics (Distribution) Common Operating Picture JL(D)COP Improved Enterprise Data Visibility 	Spiral development of COP D2 completed.
	DPS	<ul style="list-style-type: none"> Improved management of personal property shipments 	DPS – IOC
	IGC	<ul style="list-style-type: none"> Enterprise visibility of JDDE data, enabling management of the flow of deployment and distribution forces and materiel throughout the JDDE 	IGC - IOC
	CPA	<ul style="list-style-type: none"> Automate the creation and distribution of customs documents and related Defense Transportation System shipping documents 	CPA increments 1, 2, 3 and 4 complete.
USTC3 Financial Accountability	DEAMS	<ul style="list-style-type: none"> 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: 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 required 	Increment 1 IOC

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
USTC4 Execution Effectiveness	C-JDDOC	<ul style="list-style-type: none"> • Codify the JDDOC concept in training, policy and doctrine 	Implement JDDOC DOTMLPF Change Recommendation
	FC	<ul style="list-style-type: none"> • 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 	FC created, manned, and running.
	DTCI	<ul style="list-style-type: none"> • Consolidation of the management and movement of DoD’s CONUS second destination freight requirement under a single coordinator of transportation services 	DTCI site activations completed.
	JDDOC	<ul style="list-style-type: none"> • Guidance for JDDOC augmentation teams in the governance of theater JDDOCs 	JDDOC Template published.
	JDPAC	<ul style="list-style-type: none"> • Establish an integrated DPO analytic capability to focus on joint operations 	Planning and analysis processes for USTRANSCOM / Component Commands combined in one Joint Distribution Process Analysis Center.
	JTF-PO	<ul style="list-style-type: none"> • 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.
	PMA	<ul style="list-style-type: none"> • Joint Port Operations and manifesting system 	Integration of WPS into GATES FOC.
	TDM	<ul style="list-style-type: none"> • Improved efficiency and interoperability of Deployment/Redeployment and Distribution activities in peace and war 	Theater Distribution and Traffic Management requirements implemented via TDM solution.

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table USTRANSCOM -4: Business Value Added Framework Impacts

USTRANSCOM System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
AT21 Agile Transportation for the 21st Century	●			●							AT21 will implement the transportation component of distribution processes in three increments. AT21 will improve C2 of distribution movement requirements, streamline joint deployment/distribution processes, and improve customer support services ensuring success by: (1) Making all movement (distribution) requirements, lift assets, and infrastructure visible for optimization and C2; (2) Ensuring timely availability of distribution infrastructure constraints/limitations to the optimization process via movement information repositories; (3) Developing sustainment optimization/scheduling capabilities for strategic, operational, and in coordination with the other COCOMs, theater and tactical levels; (4) Ensuring an optimized schedule can be delivered to execution systems as optimized asset level movement requirements; and (5) Improving situational awareness/movement tracking. AT21's operational KPPs directly impact the two BVA measures selected: (1) On-time Delivery (Responsiveness & Cost): Calculates Percentage of On-Time Delivery meeting Perfect Order criteria (complete, accurate, and in perfect condition); (2) Demand Forecast accuracy (scheduled versus actual demand order fulfillment).
C-JDDOC Codification of the Joint Deployment Distribution Operations Center	●										Codifies the JDDOC concept in professional military education, training, policy and doctrine per JROC approved DOTMLPF Change Recommendation. JDDOC's support strategic to theater material visibility of force flow, sustainment and retrograde to facilitate end-to-end supply chain management. JDDOC's collect data and provides the geographic Combatant Commander with in transit visibility on deployment and distribution assets throughout the national and theater transportation system. They synchronize the strategic to operational flow of forces into theater by providing advanced notices of the force flow to the geographic Combatant Commander air and surface theater movement command and control elements. JDDOC's also integrate the nation's commercial capability as far forward as appropriate to move the deployment, sustainment, redeployment and retrograde as quickly as possible to those forces based on their needs.
COP D2 Common Operational Picture for Distribution and Deployment	●										Provides actionable data to managers at all levels, enabling and ensuring effective management of all RDDs.
CPA Customs Process Automation	●			●							CPA will provide the capability for air, land and sea shipments 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.

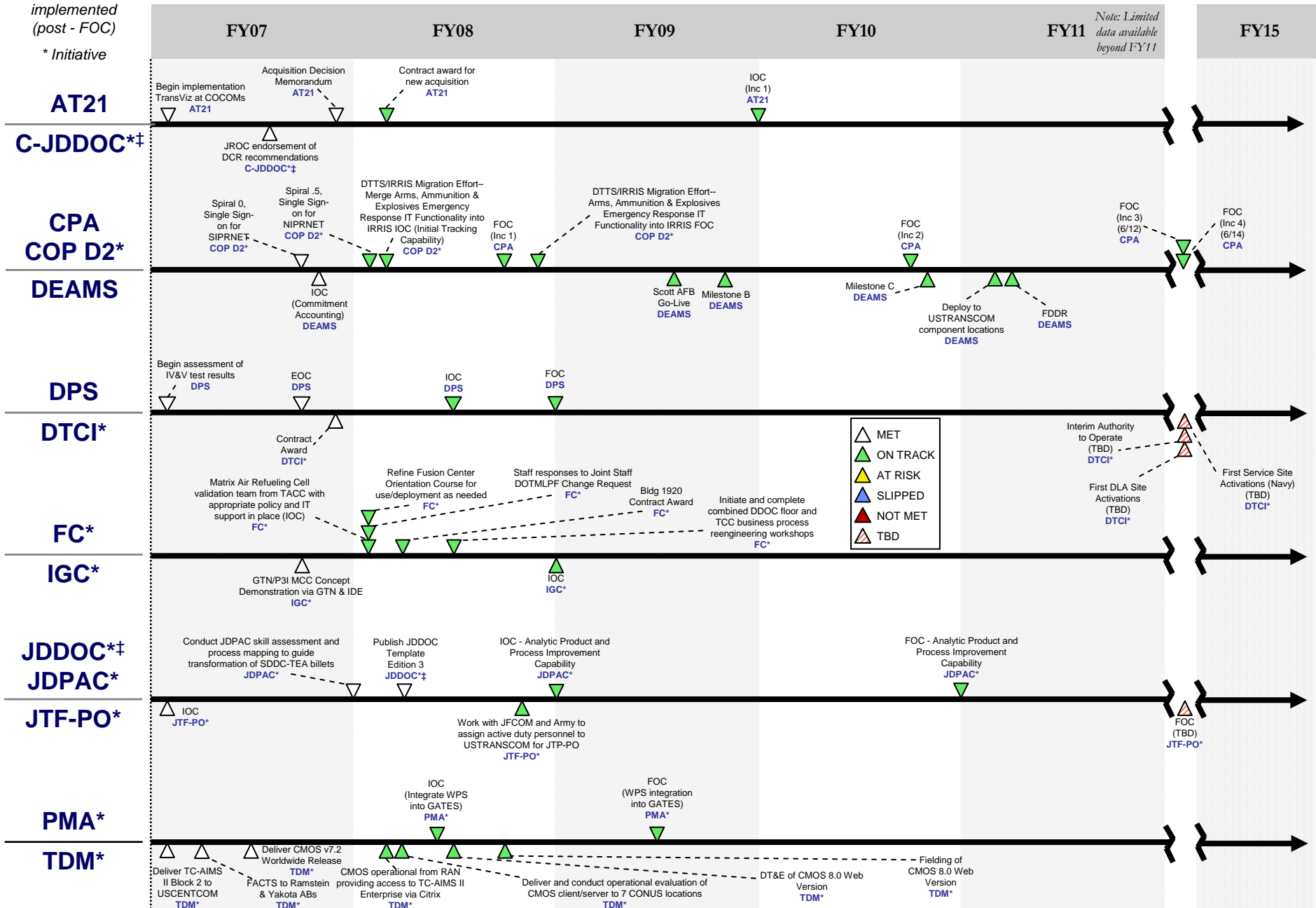
USTRANSCOM System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
DEAMS Defense Enterprise Accounting and Management System		●								DEAMS will deliver timely, accurate, and reliable financial information to support effective business decisions by DoD managers in the execution of their duties.
									●	When fully implemented, DEAMS 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 Defense Personal Property System	●									DPS impact on On Time Customer Requests (Required Delivery Dates) provides customers direct control of their RDD based on their input to the system and increased contact with the Transportation Service Provider, thus effectively managing customer expectations with their personal property move.
							●			Personnel will have clearer understanding of the movement of their personal property, with visibility of their property movement status throughout the move. DPS decreases personnel time required to accomplish personal property moves thus freeing them to focus on organizational tasks.
DTCI Defense Transportation Coordination Initiative	●									DTCI will provide enterprise-wide visibility over approximately 1/3 of CONUS freight movement. This visibility will afford better decision making to influence on-time delivery.
									●	Payment will be made to only one coordinator verse multiple carriers. This should streamline audits.
FC Fusion Center	●									FC co-locates USTRANSCOM and component command operations centers to enable more coordinated management of deployment and distribution processes.
IGC Integrated Data Environment (IDE) / Global Transportation Network (GTN) Convergence	●									Improved data quality and improved visibility to enable determination of more accurate RRDs.
		●								Improved data quality and improved visibility of commercial carrier deliveries to enable approval of payments.
			●							Elimination of the requirement for other PMs to develop point-to-point interfaces with other systems for supply and transformation "source data" will enable faster IOC/FOC.
				●						The replacement of five legacy systems with a single financial management system coupled with the elimination of the requirement for paper form generation will enable rapid transaction processing.
					●					Improved distribution visibility will allow commanders to make better make/buy for wholesale/local purchase decisions based on knowing "how long it will take" to receive critical repair parts.
						●				Improved distribution visibility will allow commanders to make better cannibalize/controlled substitution decisions based on knowing "how long it will take" to receive critical repair parts.
							●			Improved distribution visibility will allow commanders to know where personnel are in the distribution system (including patients); this will allow them to project fulfillments and losses, as well as tasks organized for operations based on personnel strength
									●	IGC will broker information to financial systems like DEAMS.

USTRANSCOM System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
JDDOC Joint Deployment Distribution Operations Center	●									The JDDOC is a joint capability that synchronizes, integrates and optimizes strategic and theater deployment execution and distribution operations within each Geographic Combatant Commander's Area of Responsibility (AOR). The JDDOC enhances the Combatant Commander's ability to execute distribution plans with National Partner support. The JDDOC Template provides guidance for Combatant Commanders and their JDDOC augmentation teams in the governance of theater JDDOCs.
JDPAC Joint Distribution Process Analysis Center	●									JDPAC combines the planning and analysis processes for USTRANSCOM and its component commands in one operations center.
JTF-PO Joint Task Force-Port Opening	●									JTF-PO is an expeditionary capability to rapidly extend the distribution network into the theater. It will establish a port of debarkation by rapidly assessing and opening up an airfield (or seaport) as soon as it is seized and secured by COCOM operation, or made available by the host nation. JTF-PO capabilities also provide for theater follow-on operations required by the Joint Force Commander (JFC). JTF-PO provides the initial onward movement of passengers and cargo to the first transportation node past the APOD or SPOD.
PMA Port Management Automation	●									Integrating the Worldwide Port System into the Global Air Transportation Execution System will provide enhanced visibility of cargo movement operations resulting in a decreased amount of time required to support cargo delivery dates.
TDM Theater Distribution Management	●									TDM Solution will improve speed and visibility of shipment movement from POD to the SSAs.

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

USTRANSCOM Timeline

ETP, Component Performance Summary



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Defense Finance and Accounting Service Performance Summary

The Defense Finance and Accounting Service (DFAS) is the largest finance and accounting operation in the world. DFAS is responsible for ensuring accurate records are kept for the over \$400B that DoD spends annually. The transformation vision of DFAS is to enable the warfighter through excellence in our finance and accounting operations. Major financial services include paying people, paying vendors, and accounting for financial events. In order to maintain the drive toward higher quality and lower costs, the DFAS transformation strategy applies technology and standard processes and systems to optimize performance. The strategy also includes creating High Performing Organizations (HPOs) to streamline our business processes and operate more effectively and efficiently. The Base Realignment and Closure (BRAC) actions will offer DFAS the opportunity to reduce costs by reducing its infrastructure.

DFAS's transformation goal is to produce higher quality products and services at lower costs, allowing more dollars to be directly applied to the DoD warfighting mission.

Table DFAS-1: Business Transformation Goals

Specific transformation goals of DFAS are to:

Number	Goals
1	Support DoD in winning the Global War on Terror
2	Lead transformation of finance and accounting functions throughout DoD
3	Perform the DFAS mission at best value of DoD
4	Attain operational excellence in finance and accounting services
5	Attract, develop, and retain a highly capable workforce with relevant skills and competencies

DFAS has identified the priorities shown in Table DFAS-2 to meet these goals.

Table DFAS-2: Business Transformation Priorities

Number	Priorities
DFAS1	Reduce Number of Urgent Military Pay Problems
DFAS2	Improve Financial Performance by Automating Manual Processes, Eliminating Redundancies, and by Promoting Risk Management
DFAS3	Expand Electronic Commerce (EC) Capabilities

Table DFAS-3 below lists the targeted outcomes for each DFAS priority, and lists the performance metrics identified to measure progress against the outcomes.

Table DFAS-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
DFAS1 Reduce Number of Urgent Military Pay Problems	This priority is supported by efforts that are not among the 3 Component target systems and initiatives	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 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, and number of days between remission approval and input into soldiers account.
DFAS2 Improve Financial Performance by Automating Manual Processes, Eliminating Redundancies, and by Promoting Risk Management	ERMP-BAM	Enable DFAS to reduce costs, manage risk, and enhance controls	Achieve Risk Management Maturity Model Level 3 - Standardized
	SDI	Improve disbursing services	Consolidate non-tactical and non-classified disbursing to a single system by Q4 FY08
		Completion of disbursing transformation	Reduce FTEs in support of DFAS disbursing operations by approximately 35% against the September 2003 baseline
DFAS3 Expand Electronic Commerce (EC) Capability	EC/EDI	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 (EDA&VAS) to additional sites	10 DFAS sites scheduled for implementation by Q2 FY09

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

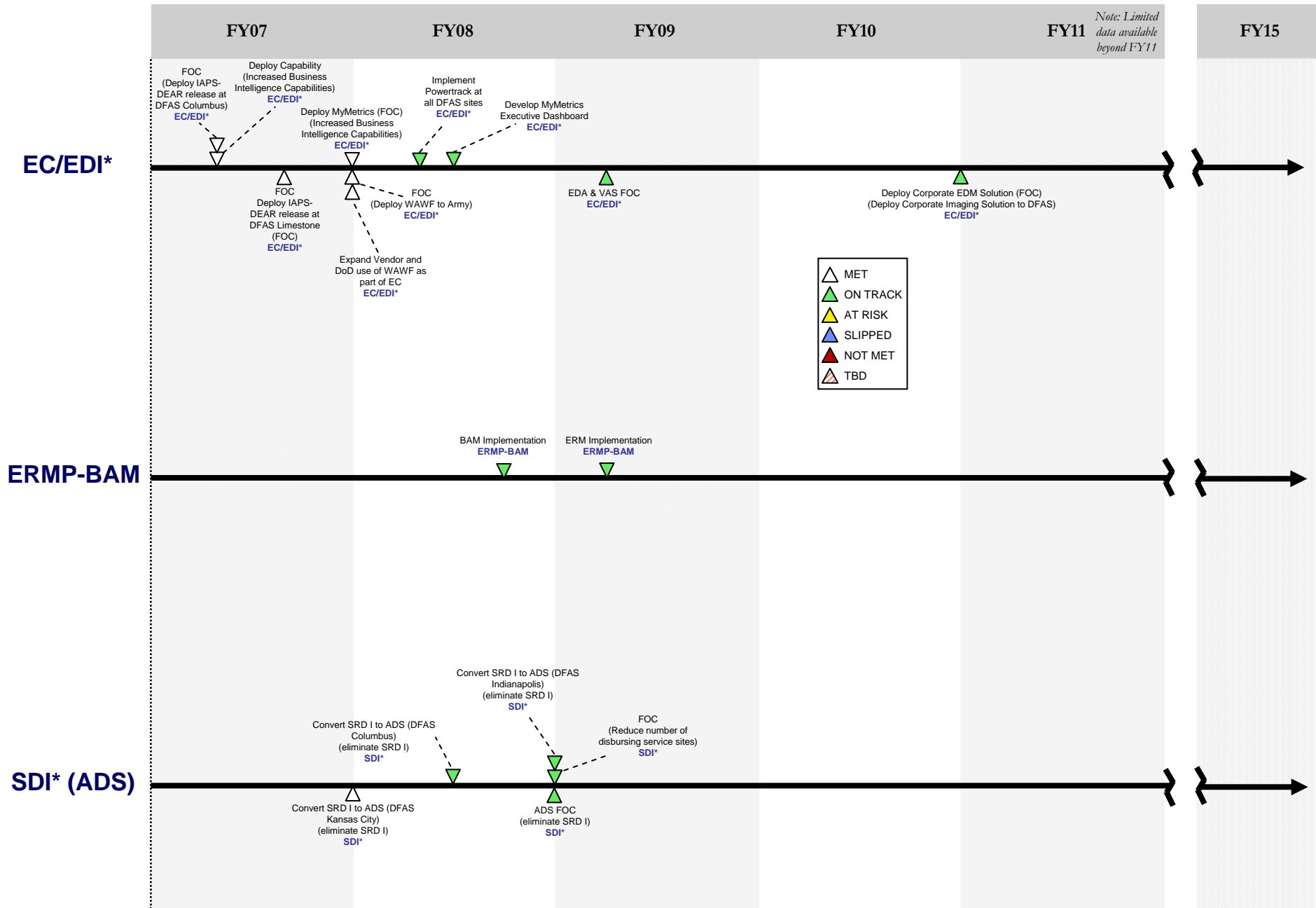
Table DFAS -4: Business Value Added Framework Impacts

DFAS System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/FOC ACAT	Urgent Requests	Weapons Systems Ops Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
EC/EDI Electronic Commerce/Electronic Data Interchange								●		Powertrack, an electronic freight payment solution from US Bank, enables vendors to electronically request payment for DoD purchases (non-contractual)
ERMP-BAM									●	Addresses internal controls and risk management to improve end-to-end financial transaction processing
SDI Standard Disbursing Initiative		●								Reduction in number of disbursing systems and standardizing end-to-end process should reduce length of time to pay disbursements and record collections
									●	Standardizing end-to-end process from entitlements to Treasury reporting should generate useful, reliable and timely financial information

* Initiative

Defense Finance & Accounting Service Timeline

ETP, Component Performance Summary



Military Health System Performance Summary

The overall Military Health System (MHS) vision is to be a world-class health system that supports the military mission by fostering, protecting, sustaining and restoring health. 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 DoD/Department of Veteran Affairs (VA)/civilian healthcare delivery system, a shift from reactive to proactive care, and more efficient healthcare operations.

The MHS Business Transformation Strategy is driven by the three pillars of the MHS Strategic Plan:

- The MHS will provide a medically ready and protected force and medical protection for communities through the implementation of surveillance and health monitoring solutions and processes that improve health, enhance human performance and protect against medical threats across the entire range of military operations.
- The MHS will create a deployable medical capability, enabled by globally accessible health information and rapidly deployed medical services and products, that can go anywhere, anytime with flexibility, interoperability and agility.
- Finally, the MHS will manage and deliver a superb health benefit by strengthening our partnerships with our beneficiaries, other Federal Health agencies including the VA and HHS, and the private sector care.

The MHS is transforming business practices to optimize the integration, efficiency, and effectiveness of the DoD healthcare system; and will realize this transformation through the implementation of the following goals:

Table MHS-1: Business Transformation Goals

Number	Goals
1	Provide continuity of care through continuity of information
2	Transform healthcare from a reactive to proactive healthcare system
3	Enhance the military health benefit through more efficient healthcare operations

The Military Health System business transformation priorities are listed in Table MHS-2 below.

Table MHS-2: Business Transformation Priorities

Number	Priorities
MHS1	Provide comprehensive, globally accessible information to serve our medical environment
MHS2	Eliminate barriers to interoperability to enable the secure sharing of beneficiary data, medical records; and to synchronize the management of medical supplies
MHS3	Promote the adoption of interoperability standards for Health IT and logistics

Table MHS-3 below lists the targeted outcomes for each MHS priority, and lists the performance metrics identified to measure progress against the outcomes.

Table MHS-3: Priority Transformation Summary

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
<p>MHS1 Provide comprehensive, globally accessible information to serve our medical environment</p>	<p>AHLTA DMLSS JEHRI</p>	<p>Capturing and providing medical information electronically across the continuum of care for healthcare services rendered.</p> <p>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.</p> <p>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.</p>	<p>Initiation of 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</p> <p>Begin deployment of the first two increments of DFI Enabled AHLTA as part of AHLTA v3.4</p> <p>Delivery of the functionality of HART Phase IIb DT&E</p> <p>Delivery of Increment 3 of DFI Enabled AHLTA DT&E</p> <p>Model, Build and Load Complete Data Warehouse including the Inventory, Assemblage, Health Affairs, Equipment and Item Receipt Modules (Q3)</p>

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
<p>MHS2 Eliminate barriers to interoperability to enable the secure sharing of beneficiary data, medical records; and to synchronize the management of medical supplies</p>	<p>JEHRI DMLSS</p>	<p>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).</p> <p>Enabling the real-time sharing of allergy, outpatient pharmacy, demographic, and inpatient and outpatient laboratory and radiology data between all DoD and VA treatment facilities for patients treated by both DoD and VA.</p> <p>Interfacing with Defense Logistics Agency’s (DLA) Business System Modernization (BSM) system, which crosses multiple DoD supply chains (e.g., subsistence, construction, medical, etc.).</p> <p>Enabling flow of medical materiel directly from industry to operational level medical logistics organizations for final distribution to MHS providers and beneficiaries.</p> <p>Implementing Radio Frequency Identification (RFID) to meet the DoD mandate to accept vendor shipments at the case and pallet level.</p>	<p>Automated activation of Active Dual Consumer patient capability.</p> <p>Exchange of standardized laboratory results through the implementation of CHDR Phase 2, Release 2, Part of 2nd phase of JEHRI implementation (Laboratory Results).</p> <p>Provide the ability to read RFID tags and receive materiel in the DMLSS system in a development environment.</p> <p>Provide the DMLSS system a testing environment with the ability to process EDI transactions written to RFID tags attached to materiel received from vendors.</p>

Priority	Systems/Initiatives	Targeted Outcomes	Performance Metrics
MHS3 Promote the adoption of interoperability standards for Health IT and logistics	DMLSS	Assisting the DLA's Defense Supply Center Philadelphia (DSCP) to pilot a Product Data Utility (PDU) that synchronizes DoD medical/surgical product data with DoD manufacturers and distributors. Establishing a Defense Medical Logistics Community of Interest (COI) Continuing to shape American health IT standards and policy through active participation in American Health Information Community (AHIC) working groups.	Provide an updated interface to access current and historical Inventory, Assemblage, Health Affairs, Equipment, and Item Receipt management data stored in the data warehouse development environment.

The ETP contains a Business Value Added Framework of 10 measures that drive transformation progress at the Core Business Mission level. The table below provides information on how the target Component programs support each of the 10 BVA measures.

Table MHS -4: Business Value Added Framework Impacts

DFAS System/Initiative	On Time Request	Cash-to-Cash	Time to IOC/ FOC ACAT	Urgent Requests	Weapons Systems Ops	Cannibalization Rate	Real Property Utilization	Personnel Requirements	Payroll Accuracy	Financial Transparency	Impact
These BVAs do not apply to MHS systems											

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