Exhibit R-2, RDT&E Budget Item Justification: PB 2017 Air Force											Date: February 2016	

Appropriation/Budget Activity 3600: *Research, Development, Test & Evaluation, Air Force I* BA 7: *Operational Systems Development*						R-1 Program Element (Number/Name) PE 0901538F *I Financial Management Information Systems Development*						

COST ($ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
Total Program Element	395.781	91.766	95.130	10.581	0.000	10.581	6.975	6.951	6.966	7.087	Continuing	Continuing
672222: *Program Budget Enterprise Service (PBES)*	0.000	1.791	1.971	1.991	0.000	1.991	1.990	1.961	1.966	2.001	0.000	13.671
675177: *Cost Estimating Modeling (CEM)*	0.000	4.442	5.016	4.983	0.000	4.983	4.985	4.990	5.000	5.086	Continuing	Continuing
675179: *Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*	395.781	85.533	88.143	3.607	0.000	3.607	0.000	0.000	0.000	0.000	0.000	573.064

Program MDAP/MAIS Code: N87

A. Mission Description and Budget Item Justification

This program element develops upgrades to existing financial management information systems. These upgrades are required to comply with auditability and transparency requirements as well as enable efficiencies in processing financial transactions. This program element also supports studies and analysis to improve future program planning and execution.

There are three projects within this program element: the Program and Budget Enterprise Service (PBES), the Cost Estimating Modeling (CEM), the Defense Enterprise Accounting and Management System (DEAMS) Increment 1 (Inc 1). A previous project, DEAMS Inc 2, was incorporated into DEAMS Inc 1 and requested FY 2015 funding was removed by Congressional action.

PBES is a software development effort that will utilize a service oriented architecture (SOA) to deliver budgeting and programming capability for the Air Force. PBES will replace legacy systems such as the Automated Budget Interactive Data Environment System (ABIDES) and the Resource Allocation Programming Information Decision System (RAPIDS) and will support the budget formulation and force programming process.

CEM is a knowledge-based study effort to improve Air Force-wide cost estimating by analyzing cost data and recommending changes to estimating models, methods, and tools.

DEAMS Inc 1 is a financial software effort to provide the Air Force with a modern accounting and finance system. It will allow the Air Force to comply with and fulfill statutory requirements for auditability by 2017, as required in the FY2010 NDAA, and will be Standard Financial Information Structure (SFIS) and Generally Accepted Accounting Principles (GAAP) compliant. Activities also include studies and analysis to support both current program planning and execution and future program planning.

Exhibit R-2, RDT&E Budget Item Justification: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600: *Research, Development, Test & Evaluation, Air Force I* BA 7: *Operational Systems Development*		**R-1 Program Element (Number/Name)** PE 0901538F *I Financial Management Information Systems Development*

This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

B. Program Change Summary ($ in Millions)	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total
Previous President's Budget	102.215	101.840	10.123	0.000	10.123
Current President's Budget	91.766	95.130	10.581	0.000	10.581
Total Adjustments	-10.449	-6.710	0.458	0.000	0.458
• Congressional General Reductions	0.000	-0.410			
• Congressional Directed Reductions	0.000	-6.300			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	-7.000	0.000			
• SBIR/STTR Transfer	-3.449	0.000			
• Other Adjustments	0.000	0.000	0.458	0.000	0.458

Change Summary Explanation

FY2015
- Congressional approved reprogramming of $7.000 from RDT&E to O&M.
- SBIR/STTR Transfer of $3.449M

FY2016
- Congressional General Reduction of $0.410M for FFRDC
- Congressional Directed Reduction of $6.300M for forward financing excluding funds for audit readiness

FY2017
- $0.458M increase to meet updated DEAMS Service Cost Estimate

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force										Date: February 2016	
Appropriation/Budget Activity 3600 I 7				**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*						**Project (Number/Name)** 672222 I *Program Budget Enterprise Service (PBES)*	

COST ($ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
672222: *Program Budget Enterprise Service (PBES)*	0.000	1.791	1.971	1.991	0.000	1.991	1.990	1.961	1.966	2.001	0.000	13.671
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

The Program and Budget Enterprise Service (PBES) is a single solution software development effort that will utilize a service oriented architecture (SOA) to deliver budgeting and programming capability for the United States Air Force. PBES will replace legacy systems such as the Automated Budget Interactive Data Environment System (ABIDES) and the Resource Allocation Programming Information Decision System (RAPIDS, and will support the budget formulation and force programming process. Upon full deployment of PBES, the system will be compliant with the Standard Financial Information Structure (SFIS) and Standard Line of Accounting (SLOA) conventions, which will enable standardization of data across the Department of Defense (DoD).

Utilizing Business Process Re-engineering (BPR), the Air Force has designated PBES as the solution to deliver traceability of financial data in support of the programming and budgeting processes. Through the use of BPR, PBES will address excessive overhead, outdated business practices and other time-consuming support activities. PBES will make the budget formulation process more efficient by incorporating business best practices, organizing programming and budgeting personnel, as well as utilizing current technology. PBES will also eliminate checks and balances required of older technology, taking advantage of automated reconciliation services. In addition, the solution will allow the use of Authoritative Data Sources (ADS) for data exposure, resulting in more timely and accurate budget submissions to Office of the Secretary of Defense (OSD), Congress, and other internal and external customers.

PBES was originally conceived to be a multiple-release program. In FY2016, based on streamlining efforts to maximize efficiencies and synergies between the three Releases, PBES will be consolidated into a single delivery effort. Under the revised single effort, PBES will deliver the following capabilities: baseline extension, allocation of budgetary resources, development of budgetary options for the President's Budget submission, and the integration Congressional marks into the appropriated budget.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2015	FY 2016	FY 2017
Title: PBES *Description:* Software development effort providing modern and enhanced budgeting and programming capabilities to the USAF. Funding supports engineering and technical development and implementation activities. *FY 2015 Accomplishments:* - Performed pre-MDD acquisition activities (e.g., market research, risk reduction, annual review) to support business process re-engineering (BPR) and requirements definition	1.791	1.971	1.991

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force		**Date:** February 2016
Appropriation/Budget Activity 3600 I 7	**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*	**Project (Number/Name)** 672222 I *Program Budget Enterprise Service (PBES)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2015	FY 2016	FY 2017
- Discontinued Budget Formulation and Execution Manager (BFEM) effort due to potential solutions discovered during market research showing improved efficiencies and synergies ***FY 2016 Plans:*** - Consolidate 4-release approach into 1 to gain efficiencies and synergies - Continue pre-MDD acquisition activities (e.g., market research, COA analysis and selection, analyze options for hosting environment) - Milestone Development Decision and preparations for RFP development - Identify Program Management Office ***FY 2017 Plans:*** - Milestone A/B - Award product development and system integrator contracts			
Accomplishments/Planned Programs Subtotals	1.791	1.971	1.991

C. Other Program Funding Summary ($ in Millions)
 N/A
Remarks

D. Acquisition Strategy
 PBES will be acquired using an incremental development-deployment approach. A competitive, best-value contracting strategy will be used. Establishment of a
 Program Management Office is planned post-MDD that will work in coordination with a Functional Management team.

E. Performance Metrics
 Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air
 Force performance goals and most importantly, how they contribute to our mission.

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force															Date: February 2016

Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 672222 I Program Budget Enterprise Service (PBES)

Product Development ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
PBES R1 Development	PO	Dept of Treasury : Washington, DC	0.000	0.850	Jan 2015	0.000		0.000		0.000		0.000	0.000	0.850	3.566
PBES R1 Proof of Concept	RO	AFLCMC : WPAFB, OH	0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	1.000
PBES R1 Requirements Definition	RO	AFLCMC : WPAFB, OH	0.000	0.491	Jan 2015	0.000		0.000		0.000		0.000	0.000	0.491	0.491
PBES Product Development	Various	Not specified. : TBD	0.000	0.000		0.000		1.011	Jan 2017	0.000		1.011	0.000	1.011	-
Subtotal			0.000	1.341		0.000		1.011		0.000		1.011	0.000	2.352	-

Remarks
 FY2015 funding and contract with Department of the Treasury to re-use existing government-developed budget tools.

Support ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
PBES R1 Environment Hosting	MIPR	DISA : Fort Meade, MD	0.000	0.450	Feb 2015	0.000		0.000		0.000		0.000	0.000	0.450	-
PBES R1 Information Assurance	MIPR	AFLCMC : WPAFB, OH	0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.115
PBES system engineering	MIPR	AFLCMC : WPAFB, OH	0.000	0.000		0.371	Jan 2016	0.000		0.000		0.000	0.000	0.371	-
PBES Environment/on-boarding	MIPR	AFLCMC : WPAFB, OH	0.000	0.000		0.300	Jan 2016	0.000		0.000		0.000	0.000	0.300	-
PBES Business/Data Analyst	MIPR	AFLCMC : WPAFB, OH	0.000	0.000		0.200	Feb 2016	0.000		0.000		0.000	0.000	0.200	-
PBES Data Architect	MIPR	AFLCMC : WPAFB, OH	0.000	0.000		0.200	Jan 2016	0.000		0.000		0.000	0.000	0.200	-
Subtotal			0.000	0.450		1.071		0.000		0.000		0.000	0.000	1.521	-

Exhibit R-3, **RDT&E Project Cost Analysis:** PB 2017 Air Force												**Date:** February 2016		

Appropriation/Budget Activity
3600 I 7

R-1 Program Element (Number/Name)
PE 0901538F I *Financial Management Information Systems Development*

Project (Number/Name)
672222 I *Program Budget Enterprise Service (PBES)*

Test and Evaluation ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015 Cost	Award Date	FY 2016 Cost	Award Date	FY 2017 Base Cost	Award Date	FY 2017 OCO Cost	Award Date	FY 2017 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			-	-		-		-		-		-	-	-	-

Management Services ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015 Cost	Award Date	FY 2016 Cost	Award Date	FY 2017 Base Cost	Award Date	FY 2017 OCO Cost	Award Date	FY 2017 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
Program Management Costs	C/CPAF	AFLCMC : WPAFB, OH	0.000	0.000		0.900	Apr 2016	0.980	Apr 2016	0.000		0.980	Continuing	Continuing	-
Subtotal			0.000	0.000		0.900		0.980		0.000		0.980	-	-	-

	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	0.000	1.791	1.971	1.991	0.000	1.991	-	-	-

Remarks

Exhibit R-4, RDT&E Schedule Profile: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 / 7	**R-1 Program Element (Number/Name)** PE 0901538F / Financial Management Information Systems Development	**Project (Number/Name)** 672222 / Program Budget Enterprise Service (PBES)

	FY 2015				FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Pre-MDD Acquisition Activities (e.g., Risk Reduction)	█	█	█																									
MDD						█																						
Initiate Program Office operations							█																					
Initiate RFP development								█																				
Milestone A/B (Dec 2016)									█																			
Contract award (software product development)										█																		
Contract award (system integrator)											█																	
Development activities												█	█	█	█	█												
Milestone C Full Deployment Decision (June 2019)																			█									

Exhibit R-4A, RDT&E Schedule Details: PB 2017 Air Force					**Date:** February 2016

Appropriation/Budget Activity 3600 *I* 7	R-1 Program Element (Number/Name) PE 0901538F *I Financial Management Information Systems Development*	Project (Number/Name) 672222 *I Program Budget Enterprise Service (PBES)*

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Pre-MDD Acquisition Activities (e.g., Risk Reduction)	1	2015	4	2015
MDD	2	2016	2	2016
Initiate Program Office operations	3	2016	3	2016
Initiate RFP development	4	2016	4	2016
Milestone A/B (Dec 2016)	1	2017	1	2017
Contract award (software product development)	2	2017	2	2017
Contract award (system integrator)	3	2017	3	2017
Development activities	4	2017	4	2018
Milestone C Full Deployment Decision (June 2019)	3	2019	3	2019

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force											Date: February 2016	

Appropriation/Budget Activity 3600 I 7				R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development							Project (Number/Name) 675177 I Cost Estimating Modeling (CEM)	

COST ($ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
675177: Cost Estimating Modeling (CEM)	0.000	4.442	5.016	4.983	0.000	4.983	4.985	4.990	5.000	5.086	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

Cost Estimating Modeling (CEM) provides and enhances Air Force-wide cost estimating capabilities by developing current cost data and estimating methods and tools. In collaboration with the OSD Cost Assessment Data Enterprise (CADE) project, these products will improve the quality, timeliness, and effectiveness of the acquisition program cost estimates required by statute (e.g., 10 USC 2366, 2433, 2434) and regulation (e.g., DoDI 5000.02) in support of Air Force and Department of Defense acquisition decisions, programming and execution decisions, and Congressional mandates.

The Air Force works to continuously improve cost estimating capabilities for each weapon system type (aircraft; ballistic missiles; electronics and aircraft modifications; ground stations and automated information systems; cross cutting databases; satellites and launch vehicles; tactical missiles; and munitions). Changing acquisition laws, regulations, initiatives, and technologies drive the need to revise cost estimating tools. For example, current shortfalls in capability reflect efforts needed to fill gaps in response to the laws and regulations such as the FY06 NDAA report {PL 109-163--Provisions relating to Major Defense Acquisition Programs (MDAPs)}, Weapon System Acquisition Reform Act (WSARA) {provisions related to improving cost estimating quality, especially earlier in the program life-cycle and affordability analysis}, Secretary of the Air Force (SECAF) Acquisition Excellence Plan {priorities to improve cost estimating capability and affordability analysis and improved cost estimating support to requirements process}, and new Office of the Secretary of Defense (OSD) policy {better buying power initiatives on enhanced trade-off analysis, affordability analysis, and will versus should cost analysis}.

This project will perform knowledge-based studies (KBS) analyzing historical data to produce cost estimating relationships (CERs) or statistical data to develop cost estimating databases, methods and tools across hundreds of product work breakdown structure (WBS) elements and functional cost elements within each weapon system type. The different weapon system types are: Aircraft, Ballistic Missiles, Electronics and Aircraft Modifications, Ground Stations and Automated Information Systems (AIS), Cross-Cutting Studies, Satellites and Launch Vehicles (Space Systems), and Tactical Missiles and Munitions. Some areas of cost modeling efforts that are cross-cutting within all weapon system types are: cost risk metrics, methods development, statistical model enhancements; software cost database, metrics, statistical model development; contract or engineering change order analysis models; other government cost elements (e.g., depot standup and government test); nuclear hardening; time phasing; reliability and maintainability; disposal; and commodity area price escalation analysis and models.

B. Accomplishments/Planned Programs ($ in Millions)

	FY 2015	FY 2016	FY 2017
Title: CEM	4.442	5.016	4.983
Description: Perform knowledge-based studies (KBS); develop databases, methods and models, and gap improvements for Aircraft, Ballistic Missiles, Tactical Missiles and Munitions, Electronics and Aircraft Modifications, Ground Stations and Automated Information Systems (AIS), Satellites, Launch Vehicles, and cross-cutting databases.			

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 I 7	**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*	**Project (Number/Name)** 675177 I *Cost Estimating Modeling (CEM)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2015	FY 2016	FY 2017
FY 2015 Accomplishments: - Completed optimal data collection templates and began populating with General Commodity KBS data and initiated integration with OSD Cost Assessment Data Enterprise (CADE) project - Initiated Space Commodity KBS - Developed Cost Analysis Requirements Document (CARD) table templates and Cost and Software Data Report (CSDR) standardized plans - Initiated pilot data collection, for Major Defense Acquisition Programs (MDAPS) meeting milestone reviews - Initiated CARD and CSDR integration with OSD CADE project - Initiated CADE integration efforts for existing Selected Acquisition Report (SAR) database - Collected historical program data to fill gaps identified by KBS - Conducted Quarterly Progress Reviews with government cost community *FY 2016 Plans:* - Populate optimal data collection templates with General Commodity and Space Commodity KBS data - Develop CARD and CSDR templates as programs are scheduled to meet milestone reviews (DCAPES Inc 2B, KC-46, LRASM, LRSO, GBSD, HTM, F-22 Inc 3.2B) - Complete CARD and CSDR integration with OSD CADE project - Complete SAR database integration into OSD CADE project - Develop cost estimating relationships (CERs) and other cost estimating tools/methods - Continue to collect historical program data to fill gaps identified by KBS - Conduct Quarterly Progress Reviews with government cost community *FY 2017 Plans:* - Populate optimal data collection templates with General Commodity and Space Commodity KBS data - Develop CARD and CSDR templates as programs are scheduled to meet milestone reviews (programs TBD) - Revise CARD and CSDR templates with data collection lessons learned - Develop CERs and other cost estimating tools/methods with recent data collections - Continue to collect historical program data to fill gaps identified by KBS - Conduct Quarterly Progress Reviews with government cost community			
Accomplishments/Planned Programs Subtotals	4.442	5.016	4.983

C. Other Program Funding Summary ($ in Millions)

N/A

Exhibit R-2A, **RDT&E Project Justification:** PB 2017 Air Force		**Date:** February 2016
Appropriation/Budget Activity 3600 *I* 7	**R-1 Program Element (Number/Name)** PE 0901538F *I Financial Management Information Systems Development*	**Project (Number/Name)** 675177 *I Cost Estimating Modeling (CEM)*

C. Other Program Funding Summary ($ in Millions)

Remarks

 N/A

D. Acquisition Strategy

 Contracts are expected to be firm-fixed price and/or cost plus, and will be awarded through full and open competition and follow Federal Acquisition Regulations (FAR) guidelines. Headquarters Air Force will provide contract management oversight and direction. Contracted knowledge-based studies progress will be reviewed on a quarterly basis and adjusted as appropriate.

E. Performance Metrics

 Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force												Date: February 2016		

Appropriation/Budget Activity 3600 *I* 7	R-1 Program Element (Number/Name) PE 0901538F *I Financial Management Information Systems Development*	Project (Number/Name) 675177 *I Cost Estimating Modeling (CEM)*

Product Development ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Aircraft	Various	Various : Various	0.000	1.065	Feb 2015	1.165	Feb 2016	1.115	Feb 2017	0.000		1.115	Continuing	Continuing	TBD
Ballistic Missiles	C/FFP	Tecolote : Arlington, VA	0.000	0.250	Feb 2015	0.350	Feb 2016	0.350	Feb 2017	0.000		0.350	Continuing	Continuing	TBD
Electronics, Aircraft Modifications	C/FFP	Tecolote : Arlington, VA	0.000	0.475	Feb 2015	0.575	Feb 2016	0.575	Feb 2017	0.000		0.575	Continuing	Continuing	TBD
Ground Stations, Automated Information Systems	C/FFP	Tecolote : Arlington, VA	0.000	0.525	Feb 2015	0.625	Feb 2016	0.625	Feb 2017	0.000		0.625	Continuing	Continuing	TBD
Cross-Cutting Databases	Various	Various : Various	0.000	1.292	Feb 2015	1.395	Feb 2016	1.412	Feb 2017	0.000		1.412	Continuing	Continuing	TBD
Satellite, Launch Vehicles	Various	Various : Various	0.000	0.625	Jun 2015	0.696	Feb 2016	0.696	Feb 2017	0.000		0.696	Continuing	Continuing	TBD
Tactical Missiles, Munitions	C/FFP	Various : Various	0.000	0.210	Feb 2015	0.210	Feb 2016	0.210	Feb 2017	0.000		0.210	Continuing	Continuing	TBD
Subtotal			0.000	4.442		5.016		4.983		0.000		4.983	-	-	-

Support ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Subtotal			-	-		-		-		-		-	-	-	-

Test and Evaluation ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Subtotal			-	-		-		-		-		-	-	-	-

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force														Date: February 2016	

Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 675177 I Cost Estimating Modeling (CEM)

Management Services ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Subtotal			-	-		-		-		-		-	-	-	-

			Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals			0.000	4.442	5.016	4.983	0.000	4.983	-	-	-

Remarks

Exhibit R-4, RDT&E Schedule Profile: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 675177 I Cost Estimating Modeling (CEM)

Schedule chart showing FY 2015 through FY 2021 (quarters 1–4) for the following activities:

- General Commodity KBS Activities
- Space Commodity KBS Activities
- Optimal Data Collection Templates Deliverable (Feb 2015)
- Populate Templates with General & Space Commodities KBS data (ongoing)
- CARD Table Templates Deliverable (Jun 2015 - Initial Deliverable)
- CSDR Plan Draft Templates Deliverable (Sep 2015)
- SAR Database Integration with OSD CADE Project
- Develop CERs/Estimating Tools/Models
- Update 1 - Templates / CERs / Tools / Models Deliverables (Feb 2016)
- Update 2 - Templates / CERs / Tools / Models Deliverables (Feb 2017)
- Update 3 - Templates / CERs / Tools / Models Deliverables (Feb 2018)
- Update 4 - Templates / CERs / Tools / Models Deliverables (Feb 2019)
- Update 5 - Templates / CERs / Tools / Models Deliverables (Feb 2020)
- Quarterly KBS Progress Review (Nov, Feb, May, Aug)

Exhibit R-4A, RDT&E Schedule Details: PB 2017 Air Force		**Date:** February 2016
Appropriation/Budget Activity 3600 I 7	**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*	**Project (Number/Name)** 675177 I *Cost Estimating Modeling (CEM)*

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
General Commodity KBS Activities	1	2015	4	2021
Space Commodity KBS Activities	3	2015	4	2021
Optimal Data Collection Templates Deliverable (Feb 2015)	2	2015	2	2015
Populate Templates with General & Space Commodities KBS data (ongoing)	1	2015	4	2021
CARD Table Templates Deliverable (Jun 2015 - Initial Deliverable)	3	2015	3	2015
CSDR Plan Draft Templates Deliverable (Sep 2015)	4	2015	4	2015
SAR Database Integration with OSD CADE Project	3	2015	2	2016
Develop CERs/Estimating Tools/Models	1	2015	1	2016
Update 1 - Templates / CERs / Tools / Models Deliverables (Feb 2016)	2	2017	2	2017
Update 2 - Templates / CERs / Tools / Models Deliverables (Feb 2017)	2	2018	2	2018
Update 3 - Templates / CERs / Tools / Models Deliverables (Feb 2018)	2	2019	2	2019
Update 4 - Templates / CERs / Tools / Models Deliverables (Feb 2019)	2	2020	2	2020
Update 5 - Templates / CERs / Tools / Models Deliverables (Feb 2020)	2	2021	2	2021
Quarterly KBS Progress Review (Nov, Feb, May, Aug)	1	2015	4	2021

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force											Date: February 2016	

Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 675179 I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)

COST ($ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
675179: *Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*	395.781	85.533	88.143	3.607	0.000	3.607	0.000	0.000	0.000	0.000	0.000	573.064
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

MDAP/MAIS Code: N87

Defense Enterprise Accounting and Management System (DEAMS) is a commercial-off-the-shelf (COTS), Oracle-based software implementation effort that will provide an auditable, modern accounting and finance system. DEAMS is a Joint United States Air Force (USAF) and United States Transportation Command (USTRANSCOM) Enterprise Resource Planning (ERP) Program that will replace many existing accounting and finance legacy systems and will provide core funds execution management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. DEAMS is compliant with the Clinger-Cohen Act, Business Enterprise Architecture (BEA), and integrates into Global Combat Support System-Air Force (GCSS-AF). When fully deployed, DEAMS will bring the Air Force in compliance with the Financial Improvement and Audit Readiness (FIAR) requirement in the 2010 NDAA.

DEAMS Inc 1 is planned as an eight-release program:

Release 1 - Air Mobility Command (AMC) without Transportation Working Capital Funds (TWCF)
Release 2 - AMC with TWCF, Defense Finance and Accounting Service (DFAS) Rome
Release 3 - Air Combat Command (ACC), Air Force Global Strike Command (AFGSC), Air Education and Training Command (AETC)
Release 4 - Air Force Reserve Command (AFRC), and Air National Guard (ANG) Geographically Separated Units (GSUs) to include DFAS Limestone, Air Force District of Washington (AFDW), Air Force Special Operations Command (AFSOC), U.S. Air Force Academy (USAFA), Pacific Air Forces (PACAF), and DFAS Japan
Release 5 - U. S. Air Forces in Europe (USAFE), and DFAS Europe
Release 6 - Air Force Space Command (AFSPC), Air Force Materiel Command (AFMC), and DFAS Columbus
Release 7 - Conversion programs
Release 8 - Surface Deployment and Distribution Command (SDDC), funded with U.S. Transportation Command Working Capital Funds

DEAMS Inc 1 is transitioning to the Operations and Support (O&S) phase post Milestone C to support deployed locations.

As reported in the November 30, 2015 Defense Acquisition Executive Summary Report and November 2015 significant change notification letters to the congressional defense committees, the DEAMS program did not meet the original estimate schedule threshold for Full Deployment Decision (FDD) in August 2015. A September 30,

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 I 7	**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*	**Project (Number/Name)** 675179 I *Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*

2015 Acquisition Decision Memorandum (ADM) directed the Air Force to return in February 2016 for an FDD review. This additional time is required to accommodate a verification of the ongoing mitigation actions to address the findings of the July 1, 2015 Initial Operational Test and Evaluation Report, as outlined in the September 30, 2015 ADM. Postponing FDD from August 2015 to February 2016 does not impact DEAMS pre-deployment activities, funding or schedule. DEAMS Inc 1 capability will continue to be deployed in FY2016-2017 as approved by the Milestone Decision Authority.

Activities also include studies and analysis to support both current program planning and execution and future program planning.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2015	FY 2016	FY 2017
Title: Product Development	82.073	84.124	3.607
Description: DEAMS Inc 1 capability development activities support multiple releases as described in the mission description. Development activities include design, build, test, data conversion, cutover from legacy systems and the resolution of deficiency reports and defects. Activities also include hardware support (system admininstration and database security) and storage service by Defense Information Systems Agency (DISA); continued development of interface to Global Combat Support System (GCSS); Enterprise Resource Planning (ERP) support; Independent Verification and Validation (IV&V); Developmental Release Field Support (DRFS) to include process execution, data scripts, etcetera; help desk support; Engineering Integration Services (EIS) for oversight of development tools and processes; deployment training and change management activities, etc. Provides acquisition, contract, finance, and cost management planning and support activities. ***FY 2015 Accomplishments:*** - Initiated development activities affiliated with Releases 4, 5, and 6 - Transitioned DISA, GCSS, Level 0 Help Desk, and Deployment Support costs Post Milestone C to Operations and Maintenance (O&M) ***FY 2016 Plans:*** - Continue and complete DEAMS Inc 1 Release 4, 5, and 6 development activities in support of multiple deployments. - Initiate DEAMS Inc 1 Release 7 development activities in support of multiple deployments. ***FY 2017 Plans:*** - Complete any remaining development activities in support of remaining deployments.			
Title: Test and Evaluation (T&E)	3.460	4.019	-
Description: The T&E process will be a complete system test to validate system software requirements and to ensure compliance mandates are satisfied. The T&E efforts will be conducted at developer test site, Capabilities Integration Environment (CIE) and DISA production sites. The DEAMS Inc 1 Integrated Test Plan (ITP) and System Integrator (SI) Software Test Plan (STP) cover the details of DEAMS Inc 1 T&E.			

Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 675179 I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)

B. Accomplishments/Planned Programs ($ in Millions)	FY 2015	FY 2016	FY 2017
FY 2015 Accomplishments: - Continued T&E activities for the following: -- System development services testing & government testing -- Software problem reports and defect resolution - Completed Initial Operational Test and Evaluation (IOT&E) **FY 2016 Plans:** - Complete T&E activities for the following: -- System development services testing & government testing -- Software problem reports and defect resolution -- Releases 4, 5, 6, and 7 development			
Accomplishments/Planned Programs Subtotals	85.533	88.143	3.607

C. Other Program Funding Summary ($ in Millions)

Line Item	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
• OPAF: BA03: Line Item #834470: *DEAMS*	4.298	4.755	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	-

Remarks

D. Acquisition Strategy

DEAMS Inc 1 will employ multiple contract actions as the various Releases are developed, tested, and deployed through FY 2017. Program office will provide management oversight of the system integrator and multiple subcontractors. Program reviews will occur throughout the lifecycle of the program. Development and deployment will occur via multiple Releases. Programmatic adjustments will occur as appropriate or as directed by Air Force leadership or by the Milestone Decision Authority.

E. Performance Metrics

Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force		Date: February 2016

Appropriation/Budget Activity 3600 I 7	R-1 Program Element (Number/Name) PE 0901538F I Financial Management Information Systems Development	Project (Number/Name) 675179 I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)

Product Development ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
DRFS (Post Production Support, Level 2/3 Help Desk Support), System Stabilization, Design, Blueprint, Code, Development tools/ processes, etc.	C/FFP	Accenture Federal Services LLC : Various	109.287	38.219	Nov 2014	33.249	Nov 2015	2.959	Nov 2016	0.000		2.959	0.000	183.714	-
DRFS (Level 0 Help Desk Support)	C/FFP	The Greentree Group : Dayton, OH	2.491	0.552	Oct 2014	0.000		0.000		0.000		0.000	0.000	3.043	-
ESB messaging, adapters, web services, security, digital signature service, etc.	MIPR	GCSS-AF : Gunter AFB, AL	6.266	0.640	Oct 2014	0.000		0.000		0.000		0.000	0.000	6.906	-
Computing and storage support, system administration, security, storage, etc.	MIPR	DISA : Various	26.967	1.037	Oct 2014	0.000		0.000		0.000		0.000	0.000	28.004	-
Direct Mission Support (Development/Integration Environments)	Various	Various : Various	82.013	9.472	Oct 2014	12.988	Oct 2015	0.000		0.000		0.000	0.000	104.473	-
Oracle R12 Support, ERP Support	C/FFP	SRISYS : West Chester, OH	0.000	3.093	Nov 2014	2.600	Nov 2015	0.000		0.000		0.000	0.000	5.693	-
SME Support, General Ledger Reports and Analysis, Business Process Analysis, Master Data Conversion and Training Development	C/T&M	Kearney and Company : Various	73.593	14.662	Mar 2015	16.015	Mar 2016	0.000		0.000		0.000	0.000	104.270	-
Change Management, Strategic Communications	C/FFP	SAIC : Dayton, OH	1.511	0.816	Dec 2014	1.889	Dec 2015	0.648	Dec 2016	0.000		0.648	0.000	4.864	-
Information Assurance (IA) / Risk Management Framework (RMF)	C/CPFF	Jacobs Technology : Dayton, OH	1.087	0.567	Nov 2014	0.584	Nov 2015	0.000		0.000		0.000	0.000	2.238	2.238

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force													**Date:** February 2016	
Appropriation/Budget Activity 3600 I 7					**R-1 Program Element (Number/Name)** PE 0901538F I Financial Management Information Systems Development					**Project (Number/Name)** 675179 I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)				

Product Development ($ in Millions)				**FY 2015**		**FY 2016**		**FY 2017** **Base**		**FY 2017** **OCO**		**FY 2017** **Total**		
Cost Category Item	**Contract Method & Type**	**Performing Activity & Location**	**Prior Years**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Cost To Complete**	**Total Cost** / **Target Value of Contract**
ERP System Integration	C/FFP	Credence Management Solutions LLC : Dayton, OH	10.706	4.600	Jun 2015	8.259	Jun 2016	0.000		0.000		0.000	0.000	23.565 / -
FFRDC ERP Engineering	C/Various	The MITRE Corporation : Various	10.476	0.942	Oct 2014	1.415	Oct 2015	0.000		0.000		0.000	0.000	12.833 / -
Independent Verification and Validation (IV&V)	C/FFP	JYG Innovations : Dayton, OH	6.525	1.324	Jan 2015	0.000		0.000		0.000		0.000	0.000	7.849 / -
ETASS (Engineering)	C/CPFF	Jacobs Technology : Dayton, OH	26.819	3.199	Nov 2014	4.784	Nov 2015	0.000		0.000		0.000	0.000	34.802 / 34.466
		Subtotal	357.741	79.123		81.783		3.607		0.000		3.607	0.000	522.254 / -

Remarks
DMS data are a consolidation of multiple less than $1M contracts.

DRFS: Developmental Release Field Support
DISA: Defense Information Systems Agency
ERP: Enterprise Resource Planning
ESB: Enterprise Service Bus
ETASS: Engineering and Technology Acquisition Support Services
FFRDC: Federally Funded Research and Development Center
GCSS-AF: Global Combat Support System - Air Force
SME: Subject Matter Expert

Support ($ in Millions)				**FY 2015**		**FY 2016**		**FY 2017** **Base**		**FY 2017** **OCO**		**FY 2017** **Total**		
Cost Category Item	**Contract Method & Type**	**Performing Activity & Location**	**Prior Years**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Award Date**	**Cost**	**Cost To Complete**	**Total Cost** / **Target Value of Contract**
		Subtotal	-	-		-		-		-		-	-	- / -

Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force		Date: February 2016
Appropriation/Budget Activity 3600 I 7	**R-1 Program Element (Number/Name)** PE 0901538F I *Financial Management Information Systems Development*	**Project (Number/Name)** 675179 I *Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*

Test and Evaluation ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015 Cost	FY 2015 Award Date	FY 2016 Cost	FY 2016 Award Date	FY 2017 Base Cost	FY 2017 Base Award Date	FY 2017 OCO Cost	FY 2017 OCO Award Date	FY 2017 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
Test services from AFOTEC, JITC, LDTO and other miscellaneous test resources	MIPR	Various : Various	13.055	3.460	Oct 2014	4.019	Oct 2015	0.000		0.000		0.000	0.000	20.534	-
Subtotal			13.055	3.460		4.019		0.000		0.000		0.000	0.000	20.534	-

Remarks
AFOTEC: Air Force Operational Test and Evaluation Center
JITC: Joint Interoperability Test Command
LDTO: Lead Developmental Test Organization

Management Services ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2015 Cost	FY 2015 Award Date	FY 2016 Cost	FY 2016 Award Date	FY 2017 Base Cost	FY 2017 Base Award Date	FY 2017 OCO Cost	FY 2017 OCO Award Date	FY 2017 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
Program Management Administration costs	Various	AFLCMC : Wright-Patterson AFB, OH	9.177	0.726	Oct 2014	0.879	Oct 2015	0.000		0.000		0.000	0.000	10.782	-
Economic/Sustainment Analysis Support	C/CPAF	Peerless Technologies : Dayton, OH	1.097	1.070	Oct 2014	0.000		0.000		0.000		0.000	0.000	2.167	2.449
Program Management Office Support	C/CPFF	Quantech Services : Lexington, MA	14.711	1.154	Apr 2015	1.462	Oct 2015	0.000		0.000		0.000	0.000	17.327	-
Subtotal			24.985	2.950		2.341		0.000		0.000		0.000	0.000	30.276	-

Remarks
A&AS: Advisory & Assistance Services

	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	395.781	85.533	88.143	3.607	0.000	3.607	0.000	573.064	-

Remarks

Exhibit R-4, **RDT&E Schedule Profile:** PB 2017 Air Force		**Date:** February 2016
Appropriation/Budget Activity 3600 *I* 7	**R-1 Program Element (Number/Name)** PE 0901538F *I Financial Management Information Systems Development*	**Project (Number/Name)** 675179 *I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*

Exhibit R-4A, **RDT&E Schedule Details:** PB 2017 Air Force		**Date:** February 2016
Appropriation/Budget Activity 3600 *I* 7	**R-1 Program Element (Number/Name)** PE 0901538F *I Financial Management Information Systems Development*	**Project (Number/Name)** 675179 *I Defense Enterprise Accounting Management System Increment 1 (DEAMS Inc 1)*

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
DEAMS Inc 1, Milestone C (Feb 2015)	2	2015	2	2015
DEAMS Inc 1, Initial Operational Capability (May 2015)	3	2015	3	2015
DEAMS Inc 1, Full Deployment Decision (FDD)	2	2016	2	2016
DEAMS Inc 1, Full Deployment (FD)	1	2017	1	2017
DEAMS Inc 1 Initial Operational Test & Evaluation (IOT&E)	1	2015	3	2015
DEAMS Inc 1 Release 4 Development Activity	1	2015	2	2016
DEAMS Inc 1 Release 5 Development Activity	1	2015	3	2016
DEAMS Inc 1 Release 6 Development Activity	1	2015	4	2016
DEAMS Inc 1 Release 7 Development Activity	1	2016	4	2016
DEAMS Inc 1 Release 8 Development Activity (funded by U.S. Transportation Command)	1	2017	4	2018
Deploy DEAMS Inc 1 Capability (Oct 2014, Feb 2015, Jun 2015)	1	2015	4	2015
Deploy DEAMS Inc 1 Capability (Oct 2015, Mar 2016, Jun 2016)	1	2016	4	2016
Deploy DEAMS Inc 1 Capability (Oct 2016)	1	2017	1	2017

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