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Exhibit R-2, RDT&E Budget Item Justification: PB 2021 Defense Logistics Agency **Date:** February 2020

Appropriation/Budget Activity 0400: <i>Research, Development, Test & Evaluation, Defense-Wide / BA 5: System Development & Demonstration (SDD)</i>	R-1 Program Element (Number/Name) PE 0605070S / <i>DoD Enterprise Systems Development and Demonstration</i>
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COST (\$ in Millions)	Prior Years	FY 2019	FY 2020	FY 2021 Base	FY 2021 OCO	FY 2021 Total	FY 2022	FY 2023	FY 2024	FY 2025	Cost To Complete	Total Cost
Total Program Element	27.058	3.057	2.291	1.377	-	1.377	0.687	0.712	0.728	0.745	Continuing	Continuing
09: <i>Enterprise Funds Distribution</i>	27.058	3.057	2.291	1.377	-	1.377	0.687	0.712	0.728	0.745	Continuing	Continuing

A. Mission Description and Budget Item Justification

The mission of the DoD Enterprise Business Systems (DEBS) is to coordinate and enable business transformation efforts across the Department of Defense (DoD). DoD's business enterprise must be closer to its warfighting customers than ever before, and Joint military requirements drive the need for greater commonality and integration of business and financial operations.

B. Program Change Summary (\$ in Millions)

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021 Base</u>	<u>FY 2021 OCO</u>	<u>FY 2021 Total</u>
Previous President's Budget	3.057	2.378	1.481	-	1.481
Current President's Budget	3.057	2.291	1.377	-	1.377
Total Adjustments	0.000	-0.087	-0.104	-	-0.104
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-0.087			
• Defense Wide Review Reduction	-	-	-0.078	-	-0.078
• Internal Realignment	-	-	-0.025	-	-0.025
• Inflation for Non-Pay/Non-Fuel Purchases	-	-	-0.001	-	-0.001

Change Summary Explanation

FY2020, the Small Business Innovation Research and Small Technology Transfer Research tax amounted to \$0.087 million.

FY2021, internal realignment decreased program baseline by \$0.025 million for critical Defense Property Accountability System redesign and upgrade requirements.

The FY 2021 funding request was reduced by \$0.078 million during the Defense-Wide Review to free up resources for higher priority Department needs.

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Exhibit R-2A, RDT&E Project Justification: PB 2021 Defense Logistics Agency										Date: February 2020		
Appropriation/Budget Activity 0400 / 5					R-1 Program Element (Number/Name) PE 0605070S / DoD Enterprise Systems Development and Demonstration				Project (Number/Name) 09 / Enterprise Funds Distribution			
COST (\$ in Millions)	Prior Years	FY 2019	FY 2020	FY 2021 Base	FY 2021 OCO	FY 2021 Total	FY 2022	FY 2023	FY 2024	FY 2025	Cost To Complete	Total Cost
09: Enterprise Funds Distribution	27.058	3.057	2.291	1.377	-	1.377	0.687	0.712	0.728	0.745	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

Enterprise Funds Distribution (EFD) is a multi-service/multi-agency process improvement and modernization solution, initiated to provide full visibility of the OUSD(C) funds distributed through echelon I and II for the Military Departments, and at all levels for the Defense Agencies. Funds distribution by its nature is a key enabler of financial visibility within DoD enterprise systems. The concept of a fully visible enterprise funds distribution process serves as a reference where planned and coordinated funds development and execution takes place.

Within the current DoD environment, progress has been made streamlining a diverse set of stove-piped budget execution and funds distribution processes and systems. Efforts continue to improve the visibility of funding information, eliminate manual efforts and undue complexities to the management of budget authority, and to eliminate impediments in the flow of funding documents. The current environment relies heavily on manual processing and on disconnected standalone systems for the processing of Funding Authorization Documents (FADs) and reprogramming actions. This environment made the implementation of internal controls difficult, negatively impacted the accuracy and timeliness of information while making the processes of integrating and obtaining management information arduous.

The envisioned operational environment solves these problems by enabling lifecycle program value management in a web-based application utilizing an authoritative database with single-source data entry and automated workflow. Capabilities within this integrated environment will enable the automation of all funds distribution and funds control processes within OUSD(C) using authoritative and highly visible data. Specifically, capabilities include managing apportionments, distributing budget authority to the Military Departments and Defense Agencies, managing rescissions and continuing resolutions, creating and tracking reprogramming actions, and establishing program baselines and budget authority needed to support changes in funding priorities throughout the year.

The operational environment includes organizational elements down to the echelon II level responsible for managing DoD and Component appropriations operating in an unclassified environment. The web-based application provides pre-planning, apportionment, reprogramming, rescission, continuing resolution, reporting of enterprise-level funds control and distribution of appropriated funding.

B. Accomplishments/Planned Programs (\$ in Millions)

	FY 2019	FY 2020	FY 2021
Title: Enterprise Funds Distribution (EFD)	3.057	2.291	1.377
Description: EFD will distribute funds to the Military Departments and the Defense Agencies.			
FY 2020 Plans:			

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B. Accomplishments/Planned Programs (\$ in Millions)	FY 2019	FY 2020	FY 2021
<p>The program will continue the development and deployment of EFD post Wave 2 requirements based on user group migration strategy. The program will also deploy additional accounts and development activities related to Momentum Software Baseline upgrade and deploy System Change Requests (SCR's) to support post deployment requirements.</p> <p>FY 2021 Plans: The program will continue the development and deployment of EFD post Wave 3 requirements based on user group migration strategy. The program will also deploy additional accounts and development activities related to Momentum Software Baseline upgrade and deploy System Change Requests (SCR's) to support post deployment requirements.</p> <p>FY 2020 to FY 2021 Increase/Decrease Statement: FY2021 is lower due to the majority of EFD's development to be completed in FY2020.</p>			
Accomplishments/Planned Programs Subtotals	3.057	2.291	1.377

C. Other Program Funding Summary (\$ in Millions)

N/A

Remarks

D. Acquisition Strategy

The EFD strategy is to use a "single acquisition to full capability," commercial-off-the-shelf (COTS) solution (Momentum software). The effort is needed to ensure EFD is fully implemented for all appropriation funding data for the Military Services and Defense Organizations.

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2021 Defense Logistics Agency **Date:** February 2020

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Product Development (\$ in Millions)				FY 2019		FY 2020		FY 2021 Base		FY 2021 OCO		FY 2021 Total	Cost To Complete	Total Cost	Target Value of Contract
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Savantage Solutions	Option/FP	Savantage Solutions : Rockville, MD	14.158	0.000		-		-		-		-	0.000	14.158	14.158
TeraThink Corporation	C/FFP	TeraThink Corporation : Reston, VA	11.408	3.057	Dec 2018	2.291	Dec 2019	1.377	Dec 2020	-		1.377	Continuing	Continuing	Continuing
TBD	C/FFP	TBD : TBD	1.492	0.000		-		-		-		-	0.000	1.492	1.492
Prior Year Contracts	Option/Various	Multiple : Multiple	-	-		-		-		-		-	Continuing	Continuing	-
Subtotal			27.058	3.057		2.291		1.377		-		1.377	Continuing	Continuing	N/A

Remarks
Prior year contracts line include Savantage Solutions Option/FP Rockville, MD \$14.158 million and TeraThink Corporation FFP Reston, VA \$1.492 million.

	Prior Years	FY 2019	FY 2020	FY 2021 Base	FY 2021 OCO	FY 2021 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	27.058	3.057	2.291	1.377	-	1.377	Continuing	Continuing	N/A

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2021 Defense Logistics Agency		Date: February 2020
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FY 2019				FY 2020				FY 2021				FY 2022				FY 2023				FY 2024				FY 2025			
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

Enterprise Funds Distribution																											
Enterprise Funds Distribution (EFD) [REDACTED]																											

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Exhibit R-4A, RDT&E Schedule Details: PB 2021 Defense Logistics Agency		Date: February 2020
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
Wave 1 Deployment				
Development Activities using Momentum Financials ERP	1	2017	4	2018
Wave 2 Deployment				
The program will continue the development and deployment of EFD post Wave 2 requirements based on user group migration strategy. Also deploy additional accounts and dev activities.	1	2019	4	2019
Wave 3 Deployment				
The program will continue the development and deployment of EFD post Wave 3 requirements based on user group migration strategy. Also deploy additional accounts and dev activities.	1	2020	4	2020
Post Waves 1, 2 and 3 Development				
SCRs, Momentum Upgrade Development, Break-Fix Development	4	2020	4	2025