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Exhibit R-2, RDT&E Budget Item Justification: PB 2023 Defense Logistics Agency **Date:** April 2022

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 2021	FY 2022	FY 2023 Base	FY 2023 OCO	FY 2023 Total	FY 2024	FY 2025	FY 2026	FY 2027	Cost To Complete	Total Cost
Total Program Element	32.406	1.327	0.654	0.000	-	0.000	0.000	0.000	0.000	0.000	Continuing	Continuing
09: <i>Enterprise Funds Distribution</i>	32.406	1.327	0.654	0.000	-	0.000	0.000	0.000	0.000	0.000	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 2021</u>	<u>FY 2022</u>	<u>FY 2023 Base</u>	<u>FY 2023 OCO</u>	<u>FY 2023 Total</u>
Previous President's Budget	1.377	0.679	0.000	-	0.000
Current President's Budget	1.327	0.654	0.000	-	0.000
Total Adjustments	-0.050	-0.025	0.000	-	0.000
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.050	-0.025			

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Exhibit R-2A, RDT&E Project Justification: PB 2023 Defense Logistics Agency										Date: April 2022		
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 2021	FY 2022	FY 2023 Base	FY 2023 OCO	FY 2023 Total	FY 2024	FY 2025	FY 2026	FY 2027	Cost To Complete	Total Cost
09: Enterprise Funds Distribution	32.406	1.327	0.654	0.000	-	0.000	0.000	0.000	0.000	0.000	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 2021	FY 2022	FY 2023
Title: Enterprise Funds Distribution (EFD)	1.327	0.654	0.000
Description: EFD will distribute funds to the Military Departments and the Defense Agencies.			
FY 2022 Plans: Development and deployment of System Change Requests (SCR's) to support post deployment requirements, required			

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B. Accomplishments/Planned Programs (\$ in Millions)	FY 2021	FY 2022	FY 2023
enhancements, post annual closeout activities and support of mandated ad-hoc/urgent operational requirements.			
<i>FY 2023 Plans:</i> Funding is no longer required as program was transitioned to DFAS in November 2021.			
<i>FY 2022 to FY 2023 Increase/Decrease Statement:</i> The decrease from FY 2022 to FY 2023 is due to the program being removed from the RDT&E portfolio.			
Accomplishments/Planned Programs Subtotals	1.327	0.654	0.000

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 2023 Defense Logistics Agency **Date:** April 2022

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Product Development (\$ in Millions)				FY 2021		FY 2022		FY 2023 Base		FY 2023 OCO		FY 2023 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	14.158	14.158
TeraThink/CGI Corporation	C/FFP	TeraThink Corporation/CGI : Reston, VA	16.756	1.327	Dec 2020	0.654	Dec 2021	0.000		-		0.000	Continuing	Continuing	Continuing
TeraThink Corporation	C/FFP	TeraThink Corp. : TeraThink Corporation, Reston, VA	1.492	-		-		-		-		-	0.000	1.492	1.492
Prior Year Contracts	Option/Various	Multiple : Multiple	-	-		-		-		-		-	Continuing	Continuing	-
Subtotal			32.406	1.327		0.654		0.000		-		0.000	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 2021	FY 2022	FY 2023 Base	FY 2023 OCO	FY 2023 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	32.406	1.327	0.654	0.000	-	0.000	Continuing	Continuing	N/A

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2023 Defense Logistics Agency **Date:** April 2022

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	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Enterprise Funds Distribution							
+			TRANSITION TO DFAS (Nov 2021)				
Enterprise Funds Distribution (EFD)							

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Exhibit R-4A, RDT&E Schedule Details: PB 2023 Defense Logistics Agency		Date: April 2022
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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	1	2021	4	2021
Transition to DFAS				
Transition to DFAS in November 2021	1	2022	1	2022
Post Transition to DFAS				
Post transition SCRs, Break-Fix Development	1	2022	4	2022