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**Exhibit R-2, RDT&E Budget Item Justification:** PB 2017 Defense Logistics Agency **Date:** February 2016

<b>Appropriation/Budget Activity</b>					<b>R-1 Program Element (Number/Name)</b>							
0400: Research, Development, Test & Evaluation, Defense-Wide / BA 5: System Development & Demonstration (SDD)					PE 0605090S / Defense Retired and Annuitant Pay System (DRAS)							
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
Total Program Element	8.229	9.801	10.135	4.949	-	4.949	4.872	2.226	1.753	1.785	Continuing	Continuing
1: Defense Retired and Annuitant Pay System 2 (DRAS)	8.229	9.801	10.135	4.949	-	4.949	4.872	2.226	1.753	1.785	Continuing	Continuing

**A. Mission Description and Budget Item Justification**

The primary objective of Defense Retired and Annuitant Pay System 2 (DRAS 2) is to establish and maintain a modernized retired military pay accounts.

<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
Previous President's Budget	10.135	13.085	8.166	-	8.166
Current President's Budget	9.801	10.135	4.949	-	4.949
Total Adjustments	-0.334	-2.950	-3.217	-	-3.217
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-2.950			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.334	-			
• Underexecution	-	-	-2.441	-	-2.441
• SRRBs/U	-	-	-0.732	-	-0.732
• Inflation for Non-Pay/Non-Fuel Purchases	-	-	-0.044	-	-0.044

**Change Summary Explanation**

In FY 2016, PE was reduced \$2.950M for a delayed new start contract award.

In FY 2017, PE was reduced \$2.441M for underexecution and \$0.732 for Services Requirements Review Boards (SRRBs)/Contractor Courts (U).

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Defense Logistics Agency										<b>Date:</b> February 2016		
<b>Appropriation/Budget Activity</b> 0400 / 5					<b>R-1 Program Element (Number/Name)</b> PE 0605090S / <i>Defense Retired and Annuitant Pay System (DRAS)</i>				<b>Project (Number/Name)</b> 1 / <i>Defense Retired and Annuitant Pay System 2 (DRAS)</i>			
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
1: <i>Defense Retired and Annuitant Pay System 2 (DRAS)</i>	8.229	9.801	10.135	4.949	-	4.949	4.872	2.226	1.753	1.785	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

**A. Mission Description and Budget Item Justification**

The primary objective of Defense Retired and Annuitant Pay System 2 (DRAS 2) is to establish and maintain a modernized retired military pay accounts. DRAS 2 will replace the current Defense Retiree and Annuitant Systems (DRAS) and selected manual processes with proven state of the market technology. This modernization will allow for the consolidation of disparate DRAS systems and business processes, the reduction of system redundancies and inefficiencies, increased customer satisfaction.

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

	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Title:</b> Defense Retired and Annuitant Pay System (DRAS) 2	9.801	10.135	4.949
<b>FY 2015 Accomplishments:</b>			
-DRAS2 issued a system development task order for continued system development activities in support of Milestone B and Critical Design Review.			
-DRAS2 obtained the USCG GOTS and Oracle PeopleSoft COTS licensing and established the DRAS2 software baseline.			
-DRAS2 performed Data Management activities in support of DRAS legacy data cleansing.			
-Obtained DLA Transaction Services for DRAS2 system interface activities.			
-Established development environment.			
<b>FY 2016 Plans:</b>			
-DRAS2 will issue a task order to continue system development, testing, and Information Assurance activities for Build 1 and 2.			
-Deliver 2 Conference Room Pilots and training modules and perform system regression, integration, and Functional testing.			
-DRAS2 will obtain additional Oracle PeopleSoft COTS software licensing.			
-Maintain Transaction Services for DRAS2 system interface activities.			
-Establish Data Management environment in MilCloud and begin legacy data cleansing activities.			
-Complete Build 1 configuration and design activities and begin development.			
<b>FY 2017 Plans:</b>			
-DRAS2 will issue a Task Order to continue system development, testing, and Information Assurance activities. Development activities include Build 2 requirements review and Conference Room Pilots, Build 2 System / Regression, System Integration, Function			
-Obtain additional COTS software licensing.			

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Defense Logistics Agency		<b>Date:</b> February 2016		
<b>Appropriation/Budget Activity</b> 0400 / 5	<b>R-1 Program Element (Number/Name)</b> PE 0605090S / <i>Defense Retired and Annuitant Pay System (DRAS)</i>	<b>Project (Number/Name)</b> 1 / <i>Defense Retired and Annuitant Pay System 2 (DRAS)</i>		
<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>		<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
-Continue development of system interfaces and performance testing. -Establish DRAS2 hosting environment.				
<b>Accomplishments/Planned Programs Subtotals</b>		9.801	10.135	4.949
<b>C. Other Program Funding Summary (\$ in Millions)</b> N/A				
<b>Remarks</b>				
<b>D. Acquisition Strategy</b> DRAS2 will achieve Milestone B in March 2016 and perform Critical Design Review in April 2016. After CDR DRAS2 will be in the Engineering, Development, and Production Phase of the Acquisition Lifecycle.				
<b>E. Performance Metrics</b> N/A				

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Defense Logistics Agency** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 0400 / 5	<b>R-1 Program Element (Number/Name)</b> PE 0605090S / Defense Retired and Annuitant Pay System (DRAS)	<b>Project (Number/Name)</b> 1 / Defense Retired and Annuitant Pay System 2 (DRAS)
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<b>Product Development (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
DRAS2 System Development and Integration	Option/ IDIQ	CSRA : To be Determined	1.478	5.894	Sep 2015	5.850	Sep 2016	1.495	Sep 2017	-		1.495	Continuing	Continuing	-
DRAS2 COTS License Purchase	Option/ IDIQ	CSRA/Oracle : To be Determined	5.951	2.857	May 2015	3.235	May 2016	1.195	May 2017	-		1.195	Continuing	Continuing	-
Cloud Hosting	MIPR	Commercial Cloud Provider : To Be Determined	0.000	0.000		0.000		0.959	Nov 2017	-		0.959	Continuing	Continuing	-
Transaction Services Interface Design	MIPR	DLA Transaction Services : Chambersburg, PA	0.800	1.050	May 2015	1.050	May 2016	0.800	May 2016	-		0.800	Continuing	Continuing	-
JITC - Testing	MIPR	JITC : To Be Determined	0.000	-		-		0.500	Nov 2016	-		0.500	-	-	-
<b>Subtotal</b>			8.229	9.801		10.135		4.949		-		4.949	-	-	-

	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
<b>Project Cost Totals</b>	8.229	9.801	10.135	4.949	-	4.949	-	-	-

**Remarks**  
The System Development and Integration Contract is scheduled to award during September 2016.

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Exhibit R-4, RDT&E Schedule Profile: PB 2017 Defense Logistics Agency

Date: February 2016

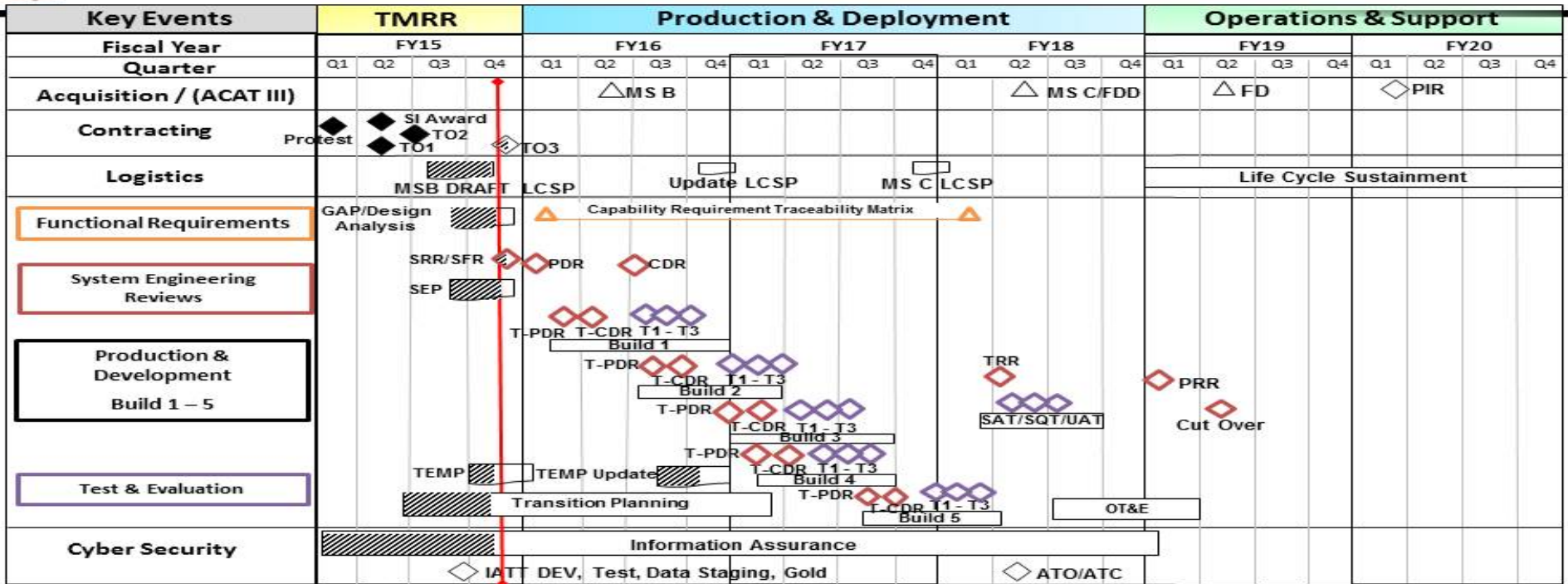
Appropriation/Budget Activity  
0400 / 5

R-1 Program Element (Number/Name)  
PE 0605090S / Defense Retired and  
Annuitant Pay System (DRAS)

Project (Number/Name)  
1 / Defense Retired and Annuitant Pay  
System 2 (DRAS)



# DRAS2 Top Level Schedule



△ Milestone Decision    □ Task Timeline (Planned)  
 ◇ Decision Point        ▨ Partial Progress Indicator  
 ◆ Completed              □ Document Review

APB - Acquisition Program Baseline MS B - Milestone B MS C - Milestone C FDD - Full Deployment Decision FD - Full Deployment IATT - Interim Authority To Test ATO/ATC - Authority To Operate/Authority to Connect TMRR - Technology Maturation and Risk Reduction SI - System Integrator TO - Task SRR - System Requirements Review SFR - System Functional Review PDR - Preliminary Design Review CDR - Critical Design Review - T-PDR Tailored Preliminary Design Review - T-CDR Tailored Critical Design Review (Build 1 - 5) TRR - Test Readiness Review OT&E - Operational Test and Evaluation PRR - Production Readiness Review PIR - Post Implementation Review SEP - System Engineering Plan TEMP - Test & Evaluation Master Plan T - Testing SAT - System Acceptance Testing SQT - System Qualification Testing UAT - User Acceptance Testing T1,T2,T3 - Functional, System Quality and User Acceptance Testing

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2017 Defense Logistics Agency		<b>Date:</b> February 2016
<b>Appropriation/Budget Activity</b> 0400 / 5	<b>R-1 Program Element (Number/Name)</b> PE 0605090S / <i>Defense Retired and Annuitant Pay System (DRAS)</i>	<b>Project (Number/Name)</b> 1 / <i>Defense Retired and Annuitant Pay System 2 (DRAS)</i>

Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<b><i>Defense Retired and Annuitant Pay System (DRAS)</i></b>				
Defense Retired and Annuitant System (DRAS)	1	2017	4	2021