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

Appropriation/Budget Activity 0400: Research, Development, Test & Evaluation, Defense-Wide / BA 5: System Development & Demonstration (SDD)	R-1 Program Element (Number/Name) PE 0605090S / Defense Retired and Annuitant Pay System 2 (DRAS2)
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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	45.566	10.339	6.368	1.638	-	1.638	1.664	1.726	1.770	1.775	Continuing	Continuing
01: Defense Retired and Annuitant Pay System 2 (DRAS2)	45.566	10.339	6.368	1.638	-	1.638	1.664	1.726	1.770	1.775	Continuing	Continuing

A. Mission Description and Budget Item Justification

DRAS2 will streamline processes and provide auditable, sustainable and flexible retiree and annuitant pay capability to meet user's needs.

B. Program Change Summary (\$ in Millions)	FY 2019	FY 2020	FY 2021 Base	FY 2021 OCO	FY 2021 Total
Previous President's Budget	10.339	6.609	1.763	-	1.763
Current President's Budget	10.339	6.368	1.638	-	1.638
Total Adjustments	0.000	-0.241	-0.125	-	-0.125
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-0.241			
• Internal Realignment	-	-	-0.030	-	-0.030
• Defense Wide Review Reduction	-	-	-0.093	-	-0.093
• Inflation for Non-Pay/Non-Fuel Purchases	-	-	-0.002	-	-0.002

Change Summary Explanation

FY2020, the Small Business Innovation Research and Small Technology Transfer Research tax amounted to \$0.241 million.

FY2021, internal realignment decreased baseline by \$0.029 million for critical Defense Property Accountability System redesign and upgrade requirements.

The FY 2021 funding request was reduced by \$0.093 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 0605090S / Defense Retired and Annuitant Pay System 2 (DRAS2)				Project (Number/Name) 01 / Defense Retired and Annuitant Pay System 2 (DRAS2)			
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
01: Defense Retired and Annuitant Pay System 2 (DRAS2)	45.566	10.339	6.368	1.638	-	1.638	1.664	1.726	1.770	1.775	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

DRAS2 will streamline processes and provide auditable, sustainable and flexible retiree and annuitant pay capability to meet user's needs. This modernization will allow for the consolidation of disparate DRAS systems and business processes, the reduction of system redundancies and inefficiencies, and increased customer satisfaction.

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

	FY 2019	FY 2020	FY 2021
Title: Defense Retired and Annuitant Pay System 2 (DRAS2)	10.339	6.368	1.638
FY 2020 Plans: Data migration from the legacy DRAS to the new DRAS2 will begin in FY2020. It is anticipated the data migration may extend the schedule. FY2019 funding delays resulted in an 80% staffing reduction which compounded the schedule delay.			
FY 2021 Plans: DRAS2 formal testing will begin in early FY2021 and is scheduled to conclude in early FY2022. The current FY2021 budget will support development through October 2020.			
FY 2020 to FY 2021 Increase/Decrease Statement: Current FY2020 to FY2021 exhibit was based on the expectation that DRAS2 would be in sustainment in FY2021.			
Accomplishments/Planned Programs Subtotals	10.339	6.368	1.638

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

N/A

Remarks

D. Acquisition Strategy

DRAS2 achieved Milestone B in August 2016 and entered into the Engineering, Development, and Production Phase of the Acquisition Lifecycle. DRAS2 achieved a successful Critical Design Review in December 2017 and is now in System Development. DRAS2 has been Accepted for the Agile Pilot sec. 873 program by OSD and has successfully begun Agile development.

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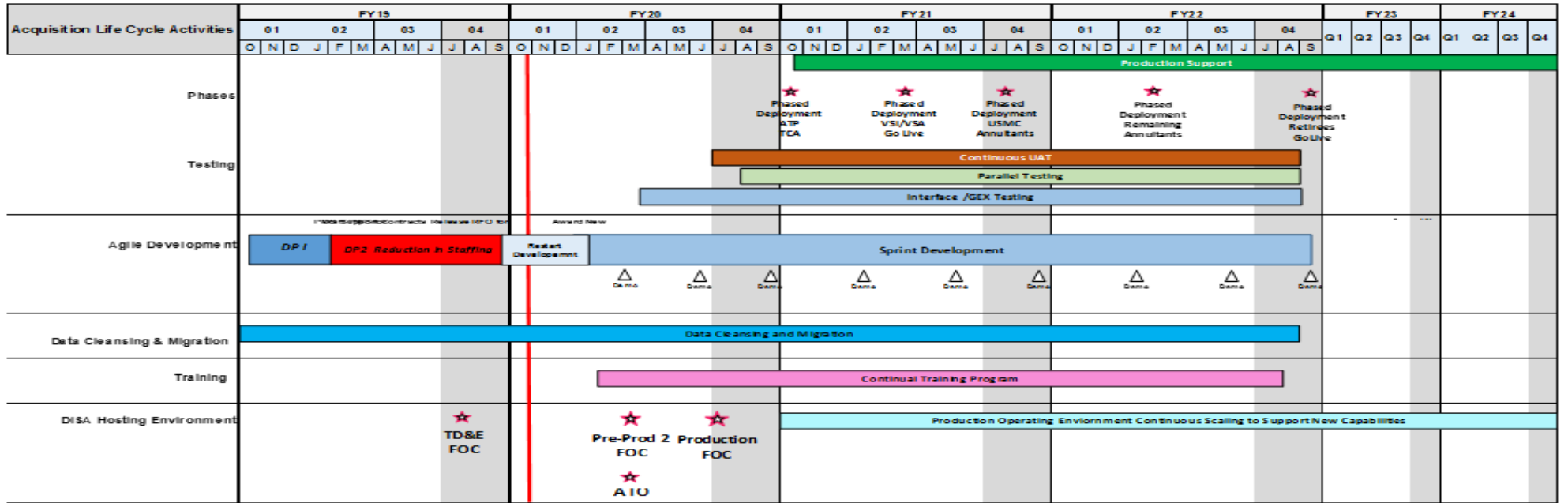
Exhibit R-3, RDT&E Project Cost Analysis: PB 2021 Defense Logistics Agency												Date: February 2020			
Appropriation/Budget Activity				R-1 Program Element (Number/Name)				Project (Number/Name)							
0400 / 5				PE 0605090S / Defense Retired and Annuitant Pay System 2 (DRAS2)				01 / Defense Retired and Annuitant Pay System 2 (DRAS2)							
Product Development (\$ in Millions)				FY 2019		FY 2020		FY 2021 Base		FY 2021 OCO		FY 2021 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
DRAS2 System Development and Integration	Option/IDIQ	CSRA : Chantilly, VA	23.410	4.505	Oct 2018	5.568	Oct 2019	1.638	Oct 2020	-		1.638	Continuing	Continuing	Continuing
DRAS2 COTS License Purchase	Option/IDIQ	CSRA/Oracle : To be Determined	14.029	0.000		0.000		0.000		-		0.000	Continuing	Continuing	14.110
DISA Hosting	MIPR	Virtual Operating Environment : Mechanicsburg, PA	1.769	0.000	Jan 2019	0.000		0.000		-		0.000	Continuing	Continuing	2.590
Transaction Services Interface Design	Option/IDIQ	Northrop Grumman DLA Transaction Services : Chambersburg, PA	4.202	0.000		0.000		0.000		-		0.000	Continuing	Continuing	4.162
Transaction Services Interface Development & Testing	Option/IDDQ	Northrop Grumman DLA Transaction Services : Chambersburg, PA	1.354	0.720	Jul 2019	0.800	Jul 2020	0.000		-		0.000	Continuing	Continuing	Continuing
DRAS2 System Development & Integration	Option/IDIQ	CSRA : Chantilly, VA	0.802	2.162	Feb 2019	0.000	Feb 2020	0.000		-		0.000	Continuing	Continuing	6.643
Interoperability Testing	MIPR	Joint Interoperability Test Command (JITC) : Fort Meade, MD	0.000	1.542	Oct 2018	0.000	Oct 2019	0.000		-		0.000	Continuing	Continuing	Continuing
Training Effort	C/TBD	To be determined : To be determined	0.000	1.410	Jun 2019	0.000	Jun 2020	0.000		-		0.000	Continuing	Continuing	2.196
Subtotal			45.566	10.339		6.368		1.638		-		1.638	Continuing	Continuing	N/A
Project Cost Totals			45.566	10.339		6.368		1.638		-		1.638	Continuing	Continuing	N/A
Remarks															

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

Appropriation/Budget Activity 0400 / 5	R-1 Program Element (Number/Name) PE 0605090S / Defense Retired and Annuitant Pay System 2 (DRAS2)	Project (Number/Name) 01 / Defense Retired and Annuitant Pay System 2 (DRAS2)
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DRAS2 Schedule



As of October 30, 2019

WARFIGHTER FIRST