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Exhibit R-2, RDT&E Budget Item Justification: PB 2025 Office of the Secretary Of Defense **Date:** March 2024

Appropriation/Budget Activity 0400: <i>Research, Development, Test & Evaluation, Defense-Wide I BA 5: System Development & Demonstration (SDD)</i>	R-1 Program Element (Number/Name) PE 0605210D8Z I <i>Defense-Wide Electronic Procurement Capabilities</i>
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COST (\$ in Millions)	Prior Years	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	FY 2026	FY 2027	FY 2028	FY 2029	Cost To Complete	Total Cost
Total Program Element	108.850	6.649	6.899	9.485	-	9.485	9.740	8.204	8.455	8.600	Continuing	Continuing
021: <i>Defense-Wide Electronic Procurement Capabilities-Contingency</i>	108.850	6.649	6.899	9.485	-	9.485	9.740	8.204	8.455	8.600	Continuing	Continuing

Note

New Start (Y/N): No

A. Mission Description and Budget Item Justification

This program supports the Department's initiative to Build Sustainable and Long-Term Advantage.

Defense-wide Electronic Procurement Capabilities provides for the development of critical enterprise-wide e-business requirements for the procurement community. These requirements result from statute, regulation, process re-engineering, internal control requirements, and audit findings. This program provides for the introduction of innovative, time and cost-saving technologies into procurement processes across the Department. Resources are provided to conduct agile software development and testing on new or modified defense-wide e-business applications to ensure system and application development, integration, and demonstration of production representative systems and capabilities.

B. Program Change Summary (\$ in Millions)

	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025 Base</u>	<u>FY 2025 OCO</u>	<u>FY 2025 Total</u>
Previous President's Budget	6.949	6.899	7.050	-	7.050
Current President's Budget	6.649	6.899	9.485	-	9.485
Total Adjustments	-0.300	0.000	2.435	-	2.435
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-0.046	-			
• SBIR/STTR Transfer	-0.254	-			
• Program Adjustment	-	-	2.435	-	2.435

Change Summary Explanation

The change in FY 2025 is to speed delivery of capabilities of the Electronic Contract Writing Module (ECWM) to the 4th Estate contracting agencies to enable complete transition from Procurement-Desktop Defense (PD2) prior to its scheduled retirement.

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Exhibit R-2A, RDT&E Project Justification: PB 2025 Office of the Secretary Of Defense										Date: March 2024		
Appropriation/Budget Activity 0400 / 5					R-1 Program Element (Number/Name) PE 0605210D8Z / Defense-Wide Electronic Procurement Capabilities				Project (Number/Name) 021 / Defense-Wide Electronic Procurement Capabilities- Contingency			
COST (\$ in Millions)	Prior Years	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	FY 2026	FY 2027	FY 2028	FY 2029	Cost To Complete	Total Cost
021: Defense-Wide Electronic Procurement Capabilities- Contingency	108.850	6.649	6.899	9.485	-	9.485	9.740	8.204	8.455	8.600	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

Defense-wide Electronic Procurement Capabilities provides for the development of critical e-business enterprise-wide requirements for the procurement community. These requirements may result from statute, regulation, process re-engineering or internal control requirements. This program provides opportunities for the introduction of innovative, time-saving, and cost-saving technologies into procurement processes across the Department. Resources are provided to conduct agile software development and testing on new or modified defense-wide e-business applications to ensure system and application development, integration, and demonstration of production representative systems and capabilities.

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

	FY 2023	FY 2024	FY 2025
Title: Defense-Wide Electronic Procurement Capabilities- Contingency	6.649	6.899	9.485
<p>Description: FY 2023 accomplishments continued to focus on improving the identification and tracking of government furnished property (GFP) and resolving audit findings – by completing the transition of the Plant Clearance Screening capability and initiating development of GFP phase IV interchange capabilities in the Procurement Integrated Enterprise Environment (PIEE). DPC also continued improvement and implementation of the purchase request, procurement, and catalog data standards. Additional standard development was initiated for other transactions. Further developed the modules in PIEE to improve invoice handling, surveillance performance monitoring, and appointments for purchase cardholders and contracting officer representatives. Enhanced supply chain risk data mining for vendor threat mitigation. Used robotics and automation efforts for streamlining procurement processes (e.g., FY 2019 Section 889 look-up) and expanding data mining. Began transition of the Procurement Business Intelligence Service (PBIS) to OSD Comptroller Advanced Analytics (ADVANA) hosting and build-out of ADVANA Procurement dashboards. Initiated pilot for future fourth estate contract writing capability.</p> <p>FY 2024 Plans: FY 2024 plans continue to focus on improving the identification and tracking of government furnished property and resolving audit findings – completing Phase IV capabilities in the PIEE to support Component accountable property systems. DPC will also focus on continued development of the catalog data standard to enable better price comparisons. Additional standard development will focus improvements in procurement and purchase request data standards, particularly for the spares, other transactions, and financial assistance types of awards. Further develop the modules in PIEE to use the catalog data standard to drive better product and pricing identification; as well as better integrate the module capabilities to enable better efficiencies and transparency.</p>			

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B. Accomplishments/Planned Programs (\$ in Millions)	FY 2023	FY 2024	FY 2025
<p>Complete transition of former DCMA contract administration capabilities. Continue to enhance supply chain risk data mining and data collection capabilities in the SPRS supporting statutory requirements. Leverage robotics and automation efforts for streamlining procurement processes and expanding data mining – implementing capabilities to support annual procurement data validation requirements. Develop enterprise requirements coming from emerging statutes and regulations for the fourth estate contract writing capability. Complete initial deployment of the 4th estate contract writing capability.</p> <p><i>FY 2025 Plans:</i> FY 2025 plans will focus on deploying enterprise-wide capabilities in PIEE to support both the Services’ new contract writing capabilities and Procure-to-Pay (P2P) initiatives including deployment of the other transactions / assistance and catalog data standard, expansion of the centralized solicitation module capabilities, and a modernized clause logic capability. Enhance the 4th estate contract writing module for identified requirements beyond the initial minimal viable product, including complex contract types and other transactions. Continue to develop the procurement analytics area of ADVANA, integrating additional data feeds from enterprise systems and leveraging artificial intelligence and robotics for increasing detail for management decisions. Continue to enhance supply chain performance and risk data mining and data collection capabilities in the SPRS supporting statutory requirements and Department initiatives. Develop enterprise requirements coming from emerging statutes and regulations for the procurement community.</p> <p><i>FY 2024 to FY 2025 Increase/Decrease Statement:</i> Increase from FY 2024 to FY 2025 is to speed delivery of capabilities of the Electronic Contract Writing Module (ECWM) to the 4th Estate contracting agencies to enable complete transition from Procurement-Desktop Defense (PD2) prior to its scheduled retirement.</p>			
Accomplishments/Planned Programs Subtotals	6.649	6.899	9.485

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

N/A

Remarks

D. Acquisition Strategy

N/A

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Exhibit R-4A, RDT&E Schedule Details: PB 2025 Office of the Secretary Of Defense		Date: March 2024
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<i>Enhancements managed outside of DPC</i>				
Enhancements managed outside of DPC	4	2022	3	2024