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Exhibit R-2, RDT&E Budget Item Justification: PB 2021 Air Force **Date:** February 2020

Appropriation/Budget Activity 3600: <i>Research, Development, Test & Evaluation, Air Force I BA 4: Advanced Component Development & Prototypes (ACD&P)</i>	R-1 Program Element (Number/Name) PE 0901410F / <i>Contracting Information Technology System</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	-	16.998	20.830	8.662	0.000	8.662	20.648	13.787	14.040	14.102	Continuing	Continuing
643483: <i>CON-IT</i>	-	16.998	20.830	8.662	0.000	8.662	20.648	13.787	14.040	14.102	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

The Contracting Information Technology (CON-IT) system replaces aging legacy contract writing and management systems with a single contract management system to support the global Air Force mission. CON-IT will consolidate all contract writing, management, and reporting capabilities, as well as provide interoperability across all contracting communities (base operations, logistics, contingency, research and development, and weapons systems). As of FY19, CON-IT has replaced Standard Procurement System, and will replace O'Contrax, ConWrite, and Automated Contract Preparation System, as well as six supporting systems.

CON-IT allows for a standardized and integrated method of anticipating and responding to the changing pace and dynamic nature of processes, regulations, and technologies across the contracting domain. CON-IT also empowers the contracting community to fully support compliance with financial auditability and Financial Improvement Audit Readiness goals that depend on the integrity of the data flow through the Procure to Pay process.

CON-IT capabilities are developed, deployed, and enhanced under an agile software development method, enabling strategic sourcing and other acquisition efficiencies by standardizing data, business rules, and milestone tracking. The CON-IT Integrated Program Office's (IPO) agile framework allows for gap requirements to be addressed through an iterative process of sprint development cycles, after which usable capability is produced and deployed to operational users. The IPO construct, along with application of an agile framework, allows the program to properly plan system requirements, deliver early capability to the end users, achieve early return on investment of taxpayer dollars, mitigate risk, reduce waste, effectively respond to change, and continuously improve processes.

CON-IT's configuration baseline is built upon the Defense Information Systems Agency's Integrated Defense Enterprise Acquisition System contract writing system, a Government-off-the-Shelf product running on a Commercial Off-the-Shelf platform, Appian Business Process Management. Through an interagency agreement, the CON-IT IPO partnered with the United States Department of Agriculture's (USDA) Enterprise Application Services (EAS) team to develop, test, validate, deploy, and maintain CON-IT. Data Center Hosting Services, managed and operated by the Digital Infrastructure Services Center, provides and maintains the development and production environments in the USDA Enterprise Data Centers.

This program element may include necessary civilian pay expenses required to manage, execute, and deliver contract management system capabilities. The use of such program funds would be in addition to the civilian pay expenses budgeted in program element 0605831F.

As directed in the FY 2019 National Defense Authorization Act (NDAA), Section 825, amendment to Public Law 114-92 FY 2016 NDAA, Section 828 Penalty for Cost Overruns, the FY 2020 AF penalty total is \$50.0M The calculated percentage reduction to each research, development, test and evaluation and procurement account will be allocated proportionally from all programs, projects, or activities under such account.

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Funds will be used to perform studies and innovative integration efforts for common technology capabilities such as cloud migration, technology development and mobile application.

This effort is in Budget Activity 4, Advanced Component Development and Prototypes (ACD&P), because efforts are necessary to evaluate integrated technologies, representative modes or prototype systems in a high fidelity and realistic operating environment.

B. Program Change Summary (\$ in Millions)	FY 2019	FY 2020	FY 2021 Base	FY 2021 OCO	FY 2021 Total
Previous President's Budget	17.577	20.830	5.672	0.000	5.672
Current President's Budget	16.998	20.830	8.662	0.000	8.662
Total Adjustments	-0.579	0.000	2.990	0.000	2.990
• Congressional General Reductions	0.000	0.000			
• Congressional Directed Reductions	0.000	0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Other Adjustments	-0.579	0.000	2.990	0.000	2.990

C. Accomplishments/Planned Programs (\$ in Millions)	FY 2019	FY 2020	FY 2021
Title: CON-IT System Development	16.998	20.830	8.662
Description: Initiated in FY 2017, CON-IT is delivering contracting capability to the operational contracting community at the speed of relevance through the Integrated Program Office's agile development execution. The CON-IT IPO established early user engagement through a series of subject matter expert familiarization events, in which system capabilities produced from each sprint cycle are tested by operational contracting officers (COs) and valuable user feedback is collected and incorporated into the program's requirements backlog. In FY 2018, the CON-IT IPO achieved Early Operational Capability (EOC) with initial deployment of CON-IT capabilities to 12th AF and subsequent EOC deployment to eight additional operational locations across the AF in every Major Command, except United States Air Forces in Europe. In FY 2019, CON-IT was deployed AF-wide across 96 sites globally, and supported more than 3,500 contracting specialists and contracting officers (COs), resulting in more than 44,000 contract actions awarded. CON-IT successfully subsumed Standard Procurement System (SPS), resulting in sun setting SPS 26 months ahead of schedule, and delivered a Business Intelligence Pilot for contracting data analytics. CON-IT successfully supported two Air Force (AF) Pitch Days, resulting in more than 610 contracts and ~\$200M. Thus far in FY 2020, CON-IT is supporting more than 5,300 contracting specialists and COs, and has awarded more than 55,000 contracting actions. CON-IT successfully supported two AF Pitch Days, resulting in more than 350 contracts and ~\$28M.			

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C. Accomplishments/Planned Programs (\$ in Millions)	FY 2019	FY 2020	FY 2021
<p>CON-IT's accomplishments have resulted in other Department of Defense and federal agencies seeking information about migrating to CON-IT as their contract writing and management solution. Some agencies have made requests to start the migration process.</p> <p>FY 2020 Plans:</p> <ul style="list-style-type: none"> -Update interagency agreement with USDA -Continue development and deployment activities for operational contracting capabilities -Begin deployment of Weapon Systems, Research & Development, and Business Intelligence capabilities based on priorities of the program backlog -Continue planning for Logistics, Electronic Filing, and Governance capabilities based on priorities of the program backlog -Continue to mature agile and continuous integration/continuous delivery processes and assess long-term solution scalability & hosting needs -Continue to plan future system development through an iterative process of sprint/release planning and backlog grooming amongst our stakeholder partners, which ensures that the capabilities developed meet our end users' needs and increases mission success. <p>FY 2021 Plans:</p> <ul style="list-style-type: none"> - Will update interagency agreement with USDA - Will continue development and final deployment activities for Weapon System, Research & Development, and Business Intelligence capabilities based on priorities of the product backlog - Will continue planning for Logistics, Electronic Filing, and Governance capabilities based on priorities of the product backlog - Will continue to plan future system development through an iterative process of sprint/release planning and backlog grooming amongst our stakeholder partners, which ensures that the capabilities developed meet our end users' needs and increases mission success. <p>FY 2020 to FY 2021 Increase/Decrease Statement: Funding decreased in line with program schedule and will ramp up in FY22 to complete remaining capabilities.</p>			
Accomplishments/Planned Programs Subtotals	16.998	20.830	8.662

D. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u> <u>Base</u>	<u>FY 2021</u> <u>OCO</u>	<u>FY 2021</u> <u>Total</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• OPAF 03 Line Item #834010: <i>General Information Technology</i>	5.000	0.000	0.000	-	0.000	0.000	0.000	-	-	Continuing	Continuing

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

<u>Line Item</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u> <u>Base</u>	<u>FY 2021</u> <u>OCO</u>	<u>FY 2021</u> <u>Total</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
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Remarks

E. Acquisition Strategy

The interagency agreement between the CON-IT IPO and the United States Department of Agriculture is utilized to develop and deliver functional capability associated with the approved product backlog contained within the program's roadmap. This agreement is renewed each year and contains a high-level outline of the highest priority requirements and epics to be addressed during the timeframe of the agreement.

The CON-IT roadmap includes five major capabilities. Capability 1 modernizes contract writing for base-level and operational users, allowing the Air Force's Standard Procurement System and AFCENTs' O'Contrax to sunset as sites transition to CON-IT. Capability 2 deploys the same capability to meet the unique needs of the Weapon Systems, Research & Development, and Logistics communities, which will result in sunsetting ConWrite and Automated Contract Preparation System. Capability 3 and Capability 4 automate pre/post award activities for the unclassified user base from Capability 1 and Capability 2. Capability 5 implements Capability 1, Capability 2, Capability 3, and Capability 4 for classified users.

CON-IT is aligned to Office of the Secretary of Defense's (OSD's) Defense Procurement Acquisition Policy strategy for procurement systems. The program is re-engineering and automating the entire business process, implementing data standards set by OSD across the community, consolidating 10 legacy systems into one, reusing Government-off-the-Shelf solutions versus creating a new solution, and employing agile software development methods (a best practice from industry).

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2021 Air Force **Date:** February 2020

Appropriation/Budget Activity 3600 / 4	R-1 Program Element (Number/Name) PE 0901410F / <i>Contracting Information Technology System</i>	Project (Number/Name) 643483 / <i>CON-IT</i>
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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			
CON IT: Prime Developer/ Systems Integrator	MIPR	Contracting Information : Wright Patterson AFB, OH	-	12.491	Oct 2018	15.487	Oct 2019	6.000	Oct 2020	-		6.000	Continuing	Continuing	-
Subtotal			-	12.491		15.487		6.000		-		6.000	Continuing	Continuing	N/A

Remarks
Interagency agreement with USDA (United States Department of Agriculture)

Test and Evaluation (\$ 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			
CON IT: Test and staging environment from USDA	MIPR	Various : Various	-	0.692	Oct 2018	0.922	Oct 2019	0.710	Oct 2020	-		0.710	Continuing	Continuing	-
Subtotal			-	0.692		0.922		0.710		-		0.710	Continuing	Continuing	N/A

Remarks
USDA: United States Department of Agriculture

Management Services (\$ 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			
CON-IT: Program Management Administration, Cost Estimating Support, Travel, Supplies, Equipment, Program Office Network	Various	AFLCMC/HIBB : WPAFB, OH	-	3.815	Oct 2018	4.421	Oct 2019	1.952	Oct 2020	-		1.952	Continuing	Continuing	-
Subtotal			-	3.815		4.421		1.952		-		1.952	Continuing	Continuing	N/A

Remarks
A&AS: Advisory & Assistance Services

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Exhibit R-4, RDT&E Schedule Profile: PB 2021 Air Force		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
<i>CON-IT Incremental Development Activities</i>																												
Agile Software Development of AF Contracting Domain Mission Set																												
Development, Test & Deployment Operational Contracting Capability																												
Development, Test & Deployment of Weapon Sys/R&D/Business Intel Capability																												
Development, Test & Deployment of Logistics Capability																												
Development, Test, & Deployment of Electronic Filing & Governance Capability																												
Development, Test & Deployment of Pre/Post Award Contracting Capability																												

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Exhibit R-4A, RDT&E Schedule Details: PB 2021 Air Force		Date: February 2020
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
CON-IT Incremental Development Activities				
Agile Software Development of AF Contracting Domain Mission Set	1	2019	4	2025
Development, Test & Deployment Operational Contracting Capability	1	2019	4	2020
Development, Test & Deployment of Weapon Sys/R&D/Business Intel Capability	4	2020	4	2022
Development, Test & Deployment of Logistics Capability	1	2023	4	2023
Development, Test, & Deployment of Electronic Filing & Governance Capability	1	2024	4	2024
Development, Test & Deployment of Pre/Post Award Contracting Capability	1	2025	4	2025

Note

Development is forecasted to end in Q4 FY 2028.