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Exhibit R-2, RDT&E Budget Item Justification: PB 2022 Air Force **Date:** May 2021

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 2020	FY 2021	FY 2022 Base	FY 2022 OCO	FY 2022 Total	FY 2023	FY 2024	FY 2025	FY 2026	Cost To Complete	Total Cost
Total Program Element	-	22.266	5.662	20.343	0.000	20.343	-	-	-	-	-	-
643483: <i>CON-IT</i>	-	22.266	5.662	20.343	0.000	20.343	-	-	-	-	-	-
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-	-	-

A. Mission Description and Budget Item Justification

The Contracting Information Technology (CON-IT) system replaces 10 aging legacy contract writing and management systems with a single contract management system to support the global Air Force mission. It will consolidate all contract writing, management, and reporting capabilities, as well as provide interoperability across all contracting communities (base operations, contingency operations, weapon systems, research and development (R&D), and logistics). Thus far, CON-IT has completed the first of 5 major capabilities, which modernized contract writing capabilities for base-level and operational users and replaced two of four contract writing systems. Deployed to over 4,164 users across 105 installations worldwide, CON-IT has awarded over 126,000 contract actions totaling 20B to date.

The DAF is modernizing its contracting infrastructure with focus on 5 major capabilities:

- Capability 1: Modernize contract writing for base-level and operational users, allowing the DAF's Standard Procurement System (SPS) and AFCENT's O'ContraX system to sunset
- Capability 2: Modernize capability to meet the unique needs of the Weapon Systems, Research & Development, and Logistics communities, resulting in sunsetting ConWrite and Automated Contract Preparation System
- Capabilities 3 and 4: automate pre/post award activities for the unclassified user base from Capabilities 1 and 2, respectively
- Capability 5: Implement Capabilities 1-4 for classified users.

CON-IT enables the Air Force to anticipate and respond to the changing pace and dynamic nature of processes, regulations, and technologies across the contracting domain. It empowers the contracting community to comply with financial auditability and Financial Improvement Audit Readiness (FIAR) goals. CON-IT supports performance of a full financial audit as required by title 10 U.S.C. Chapter 9A, Sec 240-D.

This program element may include necessary emergent or unanticipated civilian pay expenses required to manage, execute, and deliver CON-IT for emergent or unanticipated weapon system capability. The use of such programs funds would be in addition to the civilian pay expenses budgeted in program element 0605831F. In FY20 \$0.000M was expended for civilian pay expenses in this program element, and in FY21 \$0.000M is forecasted for civilian pay expenses in this program element.

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.

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B. Program Change Summary (\$ in Millions)	FY 2020	FY 2021	FY 2022 Base	FY 2022 OCO	FY 2022 Total
Previous President's Budget	20.830	8.662	20.648	0.000	20.648
Current President's Budget	22.266	5.662	20.343	0.000	20.343
Total Adjustments	1.436	-3.000	-0.305	0.000	-0.305
• Congressional General Reductions	0.000	0.000			
• Congressional Directed Reductions	0.000	-3.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	2.000	0.000			
• SBIR/STTR Transfer	-0.564	0.000			
• Other Adjustments	0.000	0.000	-0.305	0.000	-0.305

Change Summary Explanation

FY20 - \$2M BTR (initiated during FY20 prior to FY21 mark); \$564K SBIR Transfer

FY21 - \$3M Congressional Reduction

C. Accomplishments/Planned Programs (\$ in Millions)	FY 2020	FY 2021	FY 2022
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Title: CON-IT System Development	22.266	5.662	20.343
Description: Agile software development and deployment activities that enhance the CON-IT Government-off-the-Shelf contract management system and provide a holistic capability solution to replace four legacy contract writing systems and six support systems. Development efforts are phased into 5 major capability increments according to various user base requirements organized by contracting community (i.e., Base Operations Contracting, Contingency Operations Contracting, Weapon Systems Contracting, R&D Contracting, and Logistics). This enables discrete transitions from the various legacy systems to CON-IT.			
FY 2021 Plans: Commence Capability 2 development by addressing weapons systems contracting, R&D contracting, and Business Intelligence requirements. Unlike previous initiatives under the overarching development effort, these capabilities are much larger and more complex. Baseline code and processes already existed for Capability 1 requirements; efforts consisted of modifying baseline to DAF needs. Capability 2 initiatives require extensive FAR/DFAR research to program and ensure compliance. This initiative has been organized into 27 projects (i.e., agile epics). As development progresses, CON-IT will incrementally deliver to 91 weapon system and R&D sites totaling 3,000 users.			
Anticipate delivering 4 of the 27 projects, to include developing:			

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C. Accomplishments/Planned Programs (\$ in Millions)		FY 2020	FY 2021	FY 2022
<p>- the ability to simultaneously develop and award multiple modifications on a single contract to support offices that use large contracts with multiple buyers working concurrently (i.e., concurrent modifications).</p> <p>- the ability to manage more complex contract line item number (CLIN) structures for more robust pricing of individual tasks.</p> <p>- enhanced pricing arrangements that are compliant with all mandated regulations and data schema (PDS).</p> <p>- the ability to award undefinitized contract actions to include the ability to modify and definitize them to support rapid contracting response for real world issues and provide better pricing opportunity for long lead procurements.</p> <p>Anticipate delivery to 14 of the 91 weapon system and R&D sites totaling 200 users by the end of FY21.</p> <p>FY 2022 Plans: Will finalize the weapon systems contracting and R&D contracting development initiatives within Capability 2. Funding supports increased development velocity to develop the minimum viable products for the remaining 23 of 27 vital projects that will enable deployment to the remaining weapon system and R&D sites (2,800 users).</p> <p>Development initiatives will include but not be limited to the following:</p> <ul style="list-style-type: none"> - Will enable administrative contracting officers (ACOs) to award administrative modifications within CON-IT. - Will award grants and other transaction authority devices to include the use of articles to support non-FAR based transactions; this enables increased partnership with universities and industry. - Will improve transaction integrity and security with the implementation of digital signatures. - Will automate the incorporation of clause updates prior to award. - Will assign contract numbers early in the acquisition process to link documentation to the actual contract number and allow for earlier reviews. - Will add capability to create lease type agreements. - Will automate the data transmission of customer requirements from various DAF financial systems into CON-IT. - Will automate the data exchange of contract data with AF accounting systems instead of requiring manual entry that can delay contractor payments. - Will automate the solicitation process with the business opportunity website to allow contractor bids to populate the system automatically instead of manually loading proposal information. <p>Will begin planning development activities for Capability 2 - Logistics contracting community (1,200 users).</p> <p>FY 2021 to FY 2022 Increase/Decrease Statement:</p>				

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C. Accomplishments/Planned Programs (\$ in Millions)	FY 2020	FY 2021	FY 2022
Funding has increased from FY21 to FY22 to complete remaining development on 85% of projects and 78% of weapons systems. This increase will facilitate availability for all 3,000 users.			
Accomplishments/Planned Programs Subtotals	22.266	5.662	20.343

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

N/A

Remarks

E. Acquisition Strategy

The CON-IT acquisition strategy aligns with the Secretary of Defense's (OSD) Defense Procurement Acquisition Policy strategy for procurement systems. The program automates the entire business process, implements data standards set by OSD across the AF contracting community, consolidates 10 legacy systems into one, reuses Government-off-the-Shelf solutions, and employs agile software development methods (a best practice from industry).

Each of the 5 aforementioned major capabilities are developed, deployed, and enhanced using agile software development methods enabling strategic sourcing and other acquisition efficiencies by standardizing data, business rules, and milestone tracking. Development activities consist of an iterative process of three-week sprint development cycles, each culminating in deploying capability to DAF users. This allows the program to 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.

Built upon the Defense Information Systems Agency's Integrated Defense Enterprise Acquisition System contract writing system, CON-IT is a Government-off-the-Shelf product running on a Commercial Off-the-Shelf platform, Appian Business Process Management. Through an interagency agreement, the DAF 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.

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2022 Air Force **Date:** May 2021

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 2020		FY 2021		FY 2022 Base		FY 2022 OCO		FY 2022 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	-	14.276	Oct 2019	2.968	Oct 2020	12.266	Dec 2021	-		12.266	-	-	29.510
Subtotal			-	14.276		2.968		12.266		-		12.266	-	-	N/A

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

Test and Evaluation (\$ in Millions)				FY 2020		FY 2021		FY 2022 Base		FY 2022 OCO		FY 2022 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 Functional/ Automation Quality Assurance from USDA	MIPR	Various : Various	-	3.569	Oct 2019	0.742	Oct 2020	3.067	Dec 2021	-		3.067	-	-	7.378
Subtotal			-	3.569		0.742		3.067		-		3.067	-	-	N/A

Remarks
USDA: United States Department of Agriculture

Management Services (\$ in Millions)				FY 2020		FY 2021		FY 2022 Base		FY 2022 OCO		FY 2022 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	-	4.421	Oct 2019	1.952	Oct 2020	5.010	Dec 2021	-		5.010	-	-	11.383
Subtotal			-	4.421		1.952		5.010		-		5.010	-	-	N/A

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Management Services (\$ in Millions)				FY 2020		FY 2021		FY 2022 Base		FY 2022 OCO		FY 2022 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			

Remarks
 A&AS: Advisory & Assistance Services
 Multiple contract awards for less than \$1M per award

	Prior Years	FY 2020	FY 2021	FY 2022 Base	FY 2022 OCO	FY 2022 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	-	22.266	5.662	20.343	-	20.343	-	-	N/A

Remarks

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Exhibit R-4A, RDT&E Schedule Details: PB 2022 Air Force		Date: May 2021
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
CON-IT Program Milestones				
Capability 2: Weapon Systems Limited Deployment	1	2020	2	2020
CON-IT Capability Development Activities				
Capability 2: Development, Test, and Deployment of Weapon System/R&D Capability/ Business Intelligence	4	2020	4	2022