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**Exhibit R-2, RDT&E Budget Item Justification:** PB 2024 Air Force **Date:** March 2023

<b>Appropriation/Budget Activity</b> 3600: <i>Research, Development, Test &amp; Evaluation, Air Force I BA 4: Advanced Component Development &amp; Prototypes (ACD&amp;P)</i>	<b>R-1 Program Element (Number/Name)</b> PE 0901410F / <i>Contracting Information Technology System</i>
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COST (\$ in Millions)	Prior Years	FY 2022	FY 2023	FY 2024 Base	FY 2024 OCO	FY 2024 Total	FY 2025	FY 2026	FY 2027	FY 2028	Cost To Complete	Total Cost
Total Program Element	-	19.733	14.050	28.294	0.000	28.294	28.944	30.032	30.210	27.024	Continuing	Continuing
643483: <i>CON-IT</i>	-	19.733	14.050	28.294	0.000	28.294	28.944	30.032	30.210	27.024	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

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

The Contracting Information Technology (CON-IT) system enables the Department of the Air Force (DAF) to accomplish its mission effectively and securely in today's rapidly changing and increasingly contested cyber domain. The Air and Space Forces require a single, 21st century contract management solution to enable DAF mission execution, from acquiring and sustaining weapon system platforms, to supporting contingency operations overseas. CON-IT supplies this single solution by consolidating and replacing numerous aging and increasingly unsupportable, legacy contract writing and management systems, while enabling the Air and Space Forces to procure vital capability faster and with increased data accuracy through built-in automation.

Specifically, CON-IT's functionality provides contract data sharing interoperability across all DAF contracting communities and external business partners such as Defense Contract Management Agency, Defense Finance and Accounting Service, and industry partners. In addition, CON-IT facilitates the execution of the DAF's \$200+ billion annual budget, ensuring global procurement operations are timely, auditable, and secure.

CON-IT enables the DAF to anticipate and respond to the changing pace and dynamic nature of processes, regulations, compliance and technologies across the contracting domain. It empowers the contracting community to comply with Financial Improvement Audit Readiness (FIAR). CON-IT supports performance of a full financial audit as required by title 10 U.S.C. Chapter 9A, Sec 240-D. CON-IT is the DAF's only contract writing system meeting Section 862 of FY13 NDAA requirements implementing DoD Procurement Data Standards (PDS). In addition, CON-IT implements Section 508 of the Rehabilitation Act of 1973 (as amended) to make Electronic and Information Technology (EIT) accessible to people with disabilities.

To modernize the DAF contracting infrastructure, requirements are divided into 2 objectives.

Objective 1: Develop the following 8 capabilities, organized primarily by contract writing community:

- Capability 1: Modernize contract writing for 3,800 operational/installation contracting users, sunsetting the Standard Procurement System (SPS) system. (Completed in FY19; first and only service to comply with OSD's original SPS sunset mandate)
- Capability 2: Modernize contract writing capability for the contingency contracting community, sunsetting O'Contrax system. (Completed in FY20)
- Capability 3: Modernize contract writing capability for 2,500 Weapon Systems contracting users, sunsetting ConWrite, a 20+ year-old system containing contracts worth more than \$2 trillion for major weapon system programs such as B-21, KC-46, and more. (Completed 3 Limited Deployments between FY21-FY23)

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<p>- Capability 4: Deliver Business Intelligence (BI) capability to provide timely and reliable data for decision makers across the entire DAF.</p> <p>- Capability 5: Modernize capability to meet the unique classified needs within all contracting communities. This capability is on the critical path to sunset ConWrite (Capability 3).</p> <p>- Capability 6: Modernize capability to meet the unique needs of the R&amp;D community to execute grants and cooperative agreements. This capability is on the critical path to sunset ConWrite (Capability 3).</p> <p>- Capability 7: Add E-Filing capability to provide a single, authoritative source for electronic contract file storage with capability to search and review individual documents.</p> <p>- Capability 8: Modernize contract writing capability for 1,500 Logistics contracting community users to award weapon system sustainment product support/logistics requirements. Enables the DAF to sunset the Automated Contract Preparation System (ACPS), a 30+ years old legacy system.</p> <p>Thus far, CON-IT has successfully fielded two of the eight established capabilities, modernizing contract writing and management for both the operational and contingency contracting communities. Fielding these capabilities resulted in the replacement of two of four contract writing systems.</p> <p>Objective 2: Maintain Compliance. CON-IT has awarded over 239,000 contract actions, totaling \$72 billion through 1QFY23. The system is currently deployed to 4,900 users across 212 installations worldwide. In FY22 CON-IT awarded 68,000 contract actions totaling \$20B, compared to 63,000 contract actions at \$15B in FY21. The DAF continuously addresses numerous technical debt backlog requirements to maintain system functionality and meet modern data standards. These initiatives also develop capability to maintain compliance with Federal and OSD mandates, coordinate DevSecOps, and improve infrastructure and system performance.</p> <p>This program element may include necessary civilian pay expenses required to manage, execute, and deliver weapon system capability. The use of such programs funds would be in addition to the civilian pay expenses budgeted in program element 0605827F, 0605828F, 0605829F, 0605831F, 0605832F, 0605833F, 0605898F, 0606398F. In FY 2022 \$0.000M was expended for civilian pay expenses in this program element, and in FY 2023 \$0.000M is forecasted for civilian pay expenses in this program element.</p> <p>This effort is in Budget Activity 4, Advanced Component Development and Prototypes (ACD&amp;P), because efforts are necessary to evaluate integrated technologies, representative modes or prototype systems in a high fidelity and realistic operating environment.</p>		

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<b>B. Program Change Summary (\$ in Millions)</b>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024 Base</u>	<u>FY 2024 OCO</u>	<u>FY 2024 Total</u>
Previous President's Budget	20.343	14.050	14.343	0.000	14.343
Current President's Budget	19.733	14.050	28.294	0.000	28.294
Total Adjustments	-0.610	0.000	13.951	0.000	13.951
• 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	-0.610	0.000			
• Other Adjustments	0.000	0.000	13.951	0.000	13.951

**Change Summary Explanation**

FY 2024 funding increased to expedite retirement of legacy contract writing systems in order to advance procurement system compliance with FIAR objectives, procurement data standards, and contract writing mandates.

<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
<p><b>Title:</b> CON-IT System Development</p> <p><b>Description:</b> CON-IT development is accomplished using agile software development practices to build upon a Government-off-the-Shelf contract management system to replace four legacy contract writing systems and multiple support systems. Development efforts are phased into 8 major capabilities according to the requirements of each contracting community (i.e., Weapon Systems, Classified, Research and Development, and Logistics). This enables phased transitions from the various legacy systems to CON-IT. Thus far, the DAF completed Capabilities 1 and 2, and deployed CON-IT to the operational/installation and contingency contracting communities. Capabilities 3 and 4 are in work. Within Capability 3, the DAF delivered CON-IT to 1,349 weapon systems contracting users. Additional users will be added as capabilities are developed; including Weapon System, Classified and Logistics users in FY23. Capability 4 impacts all contracting communities. Consistent CLIN-level data collection increased BI capability resulting in a DAF Acquisition Excellence Award. BI efforts continue to be refined and automated; enhancements are delivered as they are developed. Capabilities are fielded utilizing the Minimum Viable Product (MVP) concept for each user group. The MVP contains the minimum set of requirements users need to complete their mission. The deployed MVP is then continually enhanced and refined in future capability releases.</p> <p>Based on lessons learned from other DAF and sister service business systems, the DAF re-evaluated its previously-accomplished business process mapping procedures for Capabilities 3, 4, and 6 as well as scaling requirements for the underlying system. While on-going development initiatives still support numerous FY22 capability deliveries, the entire schedule has been re-aligned</p>	19.733	14.050	28.294

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<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
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to better meet requirements, enable more robust testing, improve interface exchange management, and more effectively balance risk. Capability 3 and 5 deliveries are anticipated to be complete in 4QFY24 and 4QFY25 respectively. Capability 6 development activities will begin in 4QFY23.

**FY 2023 Plans:**

The DAF will continue to develop Capabilities 3, 4, and 5, and plan development activities for Capabilities 6 (R&D) and 7 (E-filing). CON-IT does not contain an existing baseline to develop R&D capability. R&D business processes will be developed from scratch, implementing a new data standard that OSD is currently developing for use across all Services.

Examples of specific requirements to be addressed in FY23 are included below:

- Provide complex capability enhancements to incentive contract types
- Provide complex capability enhancements to capture Undefined Contract Actions (UCAs)
- Upgrade system to process PDS 2.6.2.1. Data Schema, most current deployed by DPC
- Field MVP version of disconnected/classified CON-IT with limited deployment to 1-2 sites
- Implement capability to create and protect Source Selection Contract Award documents
- Implement capability to capture data required for multiple Contract Action Reports (CAR)
- Begin to construct database backbone and business logic for grants and cooperative agreements
- Begin developing E-Filing capability to host and capture contract file documentation
- Continue to develop Business Intelligence functionality to enhance contract writing and reporting capability
- Develop business rules to improve data compliance by ensuring users comply with existing regulations and Procurement Data Standard (PDS)
- Continue to leverage Agile methods and cadence to resolve existing/new defects and add enhancements in the production environment
- Develop system updates required to maintain compliance with Federal and Office of the Secretary of Defense (OSD) contract writing mandates. The regulations and laws surrounding contracting can change frequently, Contract Writing Systems must be adaptable to allow updates to maintain currency with all mandated changes.
- Continue planning development activities for all remaining Capabilities

**FY 2024 Plans:**

The DAF will continue to develop Capabilities 3 and 5, and plan development activities for Capabilities 6 (R&D) and 7 (E-filing).

Examples of specific requirements to be addressed in FY24 are included below:

- Will continue construction of database and business logic for grants and cooperative agreements
- Will implement capability to store the long line of accounting as segmented data and store as Standard Line of Accounting (SLOA)

	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>

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<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<ul style="list-style-type: none"> <li>- Will implement capability to capture complex Packing and Marking instruction</li> <li>- Will add digital signature capability to contractual documents</li> <li>- Will provide capability to automatically create and transmit data for Combined Synopsis</li> <li>- Will develop business rules to improve data compliance by ensuring users comply with existing regulations and Procurement Data Standard (PDS)</li> <li>- Will continue to leverage Agile methods and cadence to resolve existing/new defects and add enhancements in the production environment</li> <li>- Will research, design, and build a secure and continuous process for capability development and delivery</li> <li>- Will develop system updates required to maintain compliance with Federal and Office of the Secretary of Defense (OSD) contract writing mandates. The regulations and laws surrounding contracting can change frequently, Contract Writing Systems must be adaptable to allow updates to maintain currency with all mandated changes</li> <li>- Will continue planning development activities for all remaining Capabilities</li> </ul> <p><b><i>FY 2023 to FY 2024 Increase/Decrease Statement:</i></b>  FY 2024 funding increased to expedite development of Weapon System and Classified capabilities in order to accelerate retirement of legacy systems, while simultaneously continuing development of system updates to remain compliant with contract writing mandates.</p>			
<b>Accomplishments/Planned Programs Subtotals</b>	19.733	14.050	28.294

<b>D. Other Program Funding Summary (\$ in Millions)</b>											
<b>Line Item</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024 Base</b>	<b>FY 2024 OCO</b>	<b>FY 2024 Total</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
• OPAF 03 834010: <i>General Information Technology</i>	0.000	0.000	0.718	-	0.718	1.508	2.326	2.590	0.000	0.000	7.142

**Remarks**

**E. Acquisition Strategy**  
Built upon the Defense Information Systems Agency's Integrated Defense Enterprise Acquisition System contract writing system, CON-IT is based on a Government-off-the-Shelf product running on a Commercial Off-the-Shelf platform. 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. The USDA Digital Infrastructure Services Center currently provides and maintains hosting for the development and production environments in USDA's Enterprise Data Centers. The program plans for future cloud data hosting on the Procurement Integrated Enterprise Environment (PIEE)) platform providing the Identity, Credential, and Access Management (ICAM) solution. In accordance with DoDI 5000.75, the program management office (PMO) and the functional management office (FMO) are jointly accountable for the successful delivery of business process design through business system deployment and capability support.

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<p>CON-IT is developed using agile software development principles. Requirements are envisioned at a high level, then decomposed into small pieces of effort to allow for just-in-time development and maximum flexibility to meet emerging needs. A Minimum Viable Product (MVP) is developed and fielded to satisfy bare-minimum user requirements. As development continues, the DAF will deliver iterative releases to mature the MVP. This commonly-used practice in the commercial industry speeds time to market and allows for rapid reprioritization of requirements based on external influences (e.g., warfighter needs, cybersecurity threats).</p> <p>CON-IT implements the OSD Strategic Plan for Defense-Wide Procurement Capabilities to employ the Procurement Data Standard mandated by Section 862 of the FY13 NDAA.</p>		

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<b>Exhibit R-3, RDT&amp;E Project Cost Analysis: PB 2024 Air Force</b>											<b>Date: March 2023</b>				
<b>Appropriation/Budget Activity</b> 3600 / 4						<b>R-1 Program Element (Number/Name)</b> PE 0901410F / Contracting Information Technology System					<b>Project (Number/Name)</b> 643483 / CON-IT				

<b>Product Development (\$ in Millions)</b>				<b>FY 2022</b>		<b>FY 2023</b>		<b>FY 2024 Base</b>		<b>FY 2024 OCO</b>		<b>FY 2024 Total</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>			
CON-IT: New Software Capability Development	MIPR	USDA : Various	-	7.658	Dec 2021	4.475	Dec 2022	13.683	Dec 2023	-		13.683	Continuing	Continuing	-
CON-IT: Architecture, SE/PM, and Compliance	MIPR	USDA : Various	-	4.386	Dec 2021	3.534	Dec 2022	4.630	Dec 2023	-		4.630	Continuing	Continuing	-
CON-IT: Platform DevSecOps	MIPR	USDA : Various	-	2.382	Dec 2021	1.212	Dec 2022	1.478	Dec 2023	-		1.478	Continuing	Continuing	-
CON-IT: Other Direct Costs	MIPR	USDA : Various	-	0.565	Dec 2021	0.418	Dec 2022	0.573	Dec 2023	-		0.573	Continuing	Continuing	-
<b>Subtotal</b>			-	14.991		9.639		20.364		-		20.364	Continuing	Continuing	N/A

**Remarks**  
 Interagency agreement with USDA (United States Department of Agriculture) Architecture, SE/PM, and Compliance: Enterprise, application and DevOps Architecture; Systems Engineering; Program Management; and Compliance Updates.  
 Other Direct Costs include procurement and support of software licenses for development tools and software developer travel.

<b>Management Services (\$ in Millions)</b>				<b>FY 2022</b>		<b>FY 2023</b>		<b>FY 2024 Base</b>		<b>FY 2024 OCO</b>		<b>FY 2024 Total</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>			
CON-IT: Program Support, Cost Estimating Support, Travel, Supplies, Equipment, Program Office Network	Various	PEO Business Sys (AFLCMC) : WPAFB, OH	-	4.742	Dec 2021	4.411	Dec 2022	7.930	Dec 2023	-		7.930	Continuing	Continuing	-
<b>Subtotal</b>			-	4.742		4.411		7.930		-		7.930	Continuing	Continuing	N/A

**Remarks**  
 A&AS: Advisory & Assistance Services  
 Multiple contract awards  
 AFPEO/Business & Enterprise Systems (AFLCMC/GB) - Wright-Patterson AFB, OH



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<b>Exhibit R-4, RDT&amp;E Schedule Profile: PB 2024 Air Force</b>		<b>Date:</b> March 2023
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	FY 2022				FY 2023				FY 2024				FY 2025				FY 2026				FY 2027				FY 2028			
	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
<b>CON-IT Capability Development Activities</b>																												
Capability 3: Develop, Test, and Deploy Weapon System Capability																												
Capability 4: Develop, Test, and Deploy Business Intelligence Capability																												
Capability 5: Develop, Test, and Deploy Classified Capability																												
Capability 6: Plan, Develop, Test, and Deploy R&D Capability																												
Capability 7: Plan, Develop, Test, and Deploy E-Filing Capability																												
Capability 8: Plan, Develop, Test, and Deploy Logistics Capability																												

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2024 Air Force		<b>Date:</b> March 2023
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<b>CON-IT Capability Development Activities</b>				
Capability 3: Develop, Test, and Deploy Weapon System Capability	1	2022	4	2024
Capability 4: Develop, Test, and Deploy Business Intelligence Capability	1	2022	2	2023
Capability 5: Develop, Test, and Deploy Classified Capability	1	2022	4	2025
Capability 6: Plan, Develop, Test, and Deploy R&D Capability	4	2023	2	2026
Capability 7: Plan, Develop, Test, and Deploy E-Filing Capability	1	2024	1	2026
Capability 8: Plan, Develop, Test, and Deploy Logistics Capability	3	2026	2	2028