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Exhibit R-2, RDT&E Budget Item Justification: PB 2025 Air Force **Date:** March 2024

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 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	-	13.630	28.294	28.995	0.000	28.995	30.084	30.264	27.073	27.608	Continuing	Continuing
643483: <i>CON-IT</i>	-	13.630	28.294	28.995	0.000	28.995	30.084	30.264	27.073	27.608	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:

- 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 the original Office of the Secretary of Defense (OSD) 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.

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- Capability 4: Deliver Business Intelligence (BI) capability to provide timely and reliable data for decision makers across the entire DAF. (Completed in FY23)
- 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).
- Capability 6: Modernize capability to meet the unique needs of the R&D contracting community to execute grants and cooperative agreements. This capability is on the critical path to sunset ConWrite (Capability 3).
- 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.
- 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.

Thus far, CON-IT has successfully fielded three of the eight established capabilities, modernizing contract writing and management for both the operational and contingency contracting communities as well as improving Business Intelligence. Fielding these capabilities resulted in the replacement of two of four contract writing systems.

Objective 2: Maintain Compliance. CON-IT has deployed to over 5,617 users across 276 procurement organizations worldwide as of 4QFY23. In FY23, CON-IT awarded 73,334 contract actions totaling \$28.4B, compared to 68,000 contract actions at \$20B in FY22. 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.

This program element may include necessary civilian pay expenses required to manage, execute, and deliver weapon system capability. The use of such program funds would be in addition to the civilian pay expenses budgeted in program element 0605827F, 0605828F, 0605829F, 0605831F, 0605832F, 0605833F, 0605898F, 0606398F. In FY 2023 \$0.000M was expended for civilian pay expenses in this program element, and in FY 2024 \$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 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total
Previous President's Budget	14.050	28.294	28.944	0.000	28.944
Current President's Budget	13.630	28.294	28.995	0.000	28.995
Total Adjustments	-0.420	0.000	0.051	0.000	0.051
• 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	-0.420	0.000	0.051	0.000	0.051

Change Summary Explanation

No significant change to FY25 funding request.

C. Accomplishments/Planned Programs (\$ in Millions)	FY 2023	FY 2024	FY 2025
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Title: CON-IT System Development	13.630	28.294	28.995
<p>Description: 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 eight major capabilities according to the requirements of each contracting community. This enables phased transitions from the various legacy systems to CON-IT. Thus far, the DAF completed Capabilities 1, 2, and 4 and deployed CON-IT to the operational/installation and contingency contracting communities. 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>Capability 4, BI, impacts all contracting communities. Consistent CLIN-level data collection increased BI capability resulting in a DAF Acquisition Excellence Award. The BI MVP was delivered in FY23, and future enhancements will be delivered as identified.</p> <p>Capabilities 3 and 5 are in work. In FY23 the DAF delivered CON-IT to 733 ConWrite limited deployment and 73 ACPS users via swivel chair integration, in which both new and legacy systems are used concurrently. This brought the total number of active users to 5,620. Additional users will be added as capabilities are developed, including Weapon System and Classified users in FY24.</p> <p>FY 2024 Plans:</p>			

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C. Accomplishments/Planned Programs (\$ in Millions)		FY 2023	FY 2024	FY 2025
<p>The DAF will deliver the MVP for Capability 3, continue to develop Capabilities 5, and 6, and plan development activities for Capability 7, e-filing. CON-IT does not contain an existing baseline to develop Capability 6, R&D. R&D business processes will be developed from scratch, implementing a new data standard that OSD is currently developing for use across all services.</p> <p>Examples of specific requirements to be addressed in FY24 included:</p> <ul style="list-style-type: none"> - Provide complex capability enhancements to capture Undefined Contract Actions (UCAs) - Provide capability to track funding from multiple purchase request on a single Contract Line Item, increasing fund traceability and allowing incremental contract funding - Field a disconnected/classified CON-IT with limited live deployment to 1-2 sites - Implement capability to validate Solicitation data elements via Procurement Data Standard (PDS) schema - 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 - Complete work for Mechanization of Contract Administration Services system interface - 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 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 OSD contract writing mandates. The regulations and laws surrounding contracting can change frequently, so Contract Writing Systems must remain adaptable. - Continue planning development activities for all remaining capabilities <p>FY 2025 Plans:</p> <p>The DAF will field MVP version of Capability 5 (Classified) continue to develop Capabilities 6 (R&D) and 7 (e-filing), and plan development activities for Capability 8 (Logistics).</p> <p>Examples of specific requirements to be addressed in FY25 include:</p> <ul style="list-style-type: none"> - Will continue construction of database and business logic for grants and cooperative agreements - Develop and field PDS 2.7 including Standard Line of Accounting - Will implement capability to capture complex Packing and Marking instruction - Will continue work to support Contract migration from legacy systems - Finalize work for Capability 5, deploying MVP version to classified communities - Finalize development work to prepare for fielding MVP version of E-filing Solution - Will develop business rules to improve data compliance by ensuring users comply with existing regulations and PDS 				

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C. Accomplishments/Planned Programs (\$ in Millions)	FY 2023	FY 2024	FY 2025
<ul style="list-style-type: none"> - Will continue to leverage Agile methods and cadence to resolve existing/new defects and add enhancements in the production environment - Will research, design, and build a secure and continuous process for capability development and delivery - Develop system updates required to maintain compliance with Federal and OSD contract writing mandates. The regulations and laws surrounding contracting can change frequently, so Contract Writing Systems must remain adaptable. - Will continue planning development activities for all remaining Capabilities. <p>FY 2024 to FY 2025 Increase/Decrease Statement: FY 2025 funding increased by 2.3% over the FY24 level. This reflects and accounts for the annual labor rate escalation factors inherent in the Program Management Office (PMO) Advisory and Administrative Support (A&AS) contracts and the Inter-Agency Agreement with USDA for Enterprise Application Services (EAS).</p>			
Accomplishments/Planned Programs Subtotals	13.630	28.294	28.995

D. Other Program Funding Summary (\$ in Millions)											
Line Item	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
• OPAF 03 834010: <i>General Information Technology</i>	0.000	0.718	1.509	-	1.509	2.329	2.593	0.000	-	0.000	7.149

Remarks

E. Acquisition Strategy

Built upon the Defense Information Systems Agency's (DISA) Integrated Defense Enterprise Acquisition System (IDEAS) 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 is actively working migration to cloud data hosting on the Air Force's CloudOne architecture, which will provide the Identity, Credential, and Access Management (ICAM) solution. In the future the Procurement Integrated Enterprise Environment (PIEE) platform will be accessed as the hosting environment as part of the Collaboration MOU. 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.

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).

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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.

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2025 Air Force **Date:** March 2024

Appropriation/Budget Activity 3600 / 4	R-1 Program Element (Number/Name) PE 0901410F / Contracting Information Technology System	Project (Number/Name) 643483 / CON-IT
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Product Development (\$ in Millions)				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 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: New Software Capability Development	MIPR	USDA : Various	-	5.934	Dec 2022	15.361	Dec 2023	15.624	Dec 2024	-		15.624	Continuing	Continuing	-
CON-IT: Architecture, SE/PM, and Compliance	MIPR	USDA : Various	-	1.944	Dec 2022	5.210	Dec 2023	5.280	Dec 2024	-		5.280	Continuing	Continuing	-
CON-IT: Platform DevSecOps	MIPR	USDA : Various	-	0.683	Dec 2022	1.006	Dec 2023	1.020	Dec 2024	-		1.020	Continuing	Continuing	-
CON-IT: Other Direct Costs	MIPR	USDA : Various	-	0.448	Dec 2022	0.891	Dec 2023	0.903	Dec 2024	-		0.903	Continuing	Continuing	-
Subtotal			-	9.009		22.468		22.827		-		22.827	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.

Management Services (\$ in Millions)				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 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 Support, Cost Estimating Support, Travel, Supplies, Equipment, Program Office Network	Various	PEO Business Sys (AFLCMC) : WPAFB, OH	-	4.621	Dec 2022	5.826	Dec 2023	6.168	Dec 2024	-		6.168	Continuing	Continuing	-
Subtotal			-	4.621		5.826		6.168		-		6.168	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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Exhibit R-3, RDT&E Project Cost Analysis: PB 2025 Air Force								Date: March 2024			
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	Prior Years	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	Cost To Complete	Total Cost	Target Value of Contract		
Project Cost Totals	-	13.630	28.294	28.995	-	28.995	Continuing	Continuing	N/A		

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2025 Air Force		Date: March 2024
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	FY 2023				FY 2024				FY 2025				FY 2026				FY 2027				FY 2028				FY 2029			
	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
CON-IT Capability Development Activities																												
Capability 3: Develop, Test, and Deploy Weapon System 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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Exhibit R-4A, RDT&E Schedule Details: PB 2025 Air Force		Date: March 2024
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
CON-IT Capability Development Activities				
Capability 3: Develop, Test, and Deploy Weapon System Capability	1	2023	4	2024
Capability 5: Develop, Test, and Deploy Classified Capability	1	2023	2	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