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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 7: Operational Systems Development</i>	<b>R-1 Program Element (Number/Name)</b> PE 0901554F / <i>Defense Enterprise Acntng and Mgt Sys (DEAMS)</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	-	52.707	48.199	45.925	0.000	45.925	57.587	47.470	55.438	51.272	Continuing	Continuing
675178: <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>	-	52.707	48.199	45.925	0.000	45.925	57.587	47.470	55.438	51.272	Continuing	Continuing

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

The Defense Enterprise Accounting and Management System (DEAMS) program previously requested funding as a Software and Digital Technology Pilot Programs, an OSD initiative that originated from the FY 2018 NDAA Sections 873/874 in which all lifecycle funding is consolidated in Budget activity 8. The DAF is no longer requesting consideration for the Software and Digital Technology Pilot Program.

This program element develops required capability and functionality to existing financial management systems in order to comply with audit and transparency requirements, in addition to, other upgrades that provide efficiencies in processing financial transactions. This program element also supports studies and analysis to improve future program planning and execution.

DEAMS is a commercial-off-the-shelf (COTS) solution based on the Oracle e-Business Suite (EBS) and provides an auditable, modern accounting and finance management capability.

The DAF is preparing to transition DEAMS to the fifth and final phase of the Business Capability Acquisition Cycle (BCAC) process known as Capability Support. New system requirements are managed through the program backlog by the Program Management Office (PMO) and Functional Management Office (FMO) and released on a regular cadence as usable capability via Agile methodology. The PMO construct, along with the application of Agile principles 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.

The DAF is planning to increase DEAMS usage within the acquisition community to include acquisition program executive offices, laboratories, test centers, and air logistics complexes. These deployments will add an additional 4,500 users for a total of 21,500 users.

DEAMS is compliant with the Clinger-Cohen Act and the DoD's Business Enterprise Architecture (BEA). DEAMS is key to DAF compliance with the Financial Improvement and Audit Readiness (FIAR) requirement. This requirement 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 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 FY22 0.810M was expended for civilian pay expenses in this program element, and in FY23 0.890M is forecasted for civilian pay expenses in this program element.

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This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

<b>B. Program Change Summary (\$ in Millions)</b>	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2024 Base</u></b>	<b><u>FY 2024 OCO</u></b>	<b><u>FY 2024 Total</u></b>
Previous President's Budget	54.400	0.000	0.000	0.000	0.000
Current President's Budget	52.707	48.199	45.925	0.000	45.925
Total Adjustments	-1.693	48.199	45.925	0.000	45.925
• 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	48.199			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	-1.693	0.000			
• Other Adjustments	0.000	0.000	45.925	0.000	45.925

**Change Summary Explanation**

This budget request can not be compared to prior year request as last years request was submitted as a Software and Digital Technology Pilot Program, Budget Activity 8 in PE 0608920F.

The FY 2024 funding request was reduced by 8.121 million to account for the availability of prior year execution balances.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2024 Air Force										<b>Date:</b> March 2023		
<b>Appropriation/Budget Activity</b> 3600 / 7					<b>R-1 Program Element (Number/Name)</b> PE 0901554F / <i>Defense Enterprise Acntng and Mgt Sys (DEAMS)</i>				<b>Project (Number/Name)</b> 675178 / <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>			
<b>COST (\$ in Millions)</b>	<b>Prior Years</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>
675178: <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>	-	52.707	48.199	45.925	0.000	45.925	57.587	47.470	55.438	51.272	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

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

This program element develops required capability and functionality to existing financial management systems in order to comply with audit and transparency requirements, in addition to, other upgrades that provide efficiencies in processing financial transactions. This program element also supports studies and analysis to improve future program planning and execution

This program element includes the Defense Enterprise Accounting and Management System (DEAMS) Continuous Capability Development (CCD), formerly known as DEAMS Increment 2, Project 675178. Project 675179: DEAMS Increment 1, formerly included in this program element, was completed in FY21.

DEAMS is a commercial-off-the-shelf (COTS) solution based on the Oracle e-Business Suite (EBS) and provides an auditable, modern accounting and finance management capability.

DEAMS is an Enterprise Resource Planning (ERP) Program that replaces numerous inefficient and/or obsolete legacy accounting and finance systems and provides core funds execution management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting” under mission description and budget item justification.

The DAF is preparing to transition DEAMS to the fifth and final phase of the Business Capability Acquisition Cycle (BCAC) process known as Capability Support. New system requirements are managed through the program backlog by the Program Management Office (PMO) and Functional Management Office (FMO) and released on a regular cadence as usable capability via Agile methodology. The PMO construct, along with the application of Agile principles 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.

The DAF is planning to increase DEAMS usage within the acquisition community to include acquisition program executive offices, laboratories, test centers, and air logistics complexes. These deployments will add an additional 4,500 users for a total of 21,500 users.

DEAMS is compliant with the Clinger-Cohen Act and the DoD's Business Enterprise Architecture (BEA). DEAMS is key to DAF compliance with the Financial Improvement and Audit Readiness (FIAR) requirement. This requirement supports performance of a full financial audit as required by title 10 U.S.C. Chapter 9A, Sec 240-D.

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

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0901554F / <i>Defense Enterprise Acntng and Mgt Sys (DEAMS)</i>	<b>Project (Number/Name)</b> 675178 / <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>
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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 0.810M was expended for civilian pay expenses in this program element, and in FY 2023 0.890M is forecasted for civilian pay expenses in this program element.

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

	FY 2022	FY 2023	FY 2024 Base	FY 2024 OCO	FY 2024 Total
<p><b>Title:</b> DEAMS Continuous Capability Development (CCD) Product Development</p> <p><b>Description:</b> DEAMS CCD system capabilities will be developed and enhanced through completion of iterative development cycles in accordance with an Agile software development strategy. The DAF is implementing a steady-state incremental development tempo that is more complimentary to the Agile software development process. Development activities include requirements analysis, design, build, test, data conversion, migration from legacy system as required, implementation into the DEAMS baseline, and the resolution of deficiency reports and defects. Activities also include various Advisory and Assistance Services (A&amp;AS) and Program Management Administration (PMA) activities to support the aforementioned development efforts.</p> <p><b>FY 2023 Plans:</b></p> <ul style="list-style-type: none"> <li>-Continue to optimize performance by conducting tuning activities and removing unused code and interfaces</li> <li>-Continue to deploy fixes to address defects and user identified problems</li> <li>-Continue to ensure system security and support the Risk Management Framework (RMF) through continuous monitoring activities</li> <li>-Continue to improve system efficiency by supporting continuous processes to secure development and delivery of capabilities (Dev/Sec/Ops) and posturing the production system architecture for cloud migration</li> <li>-Continue production environment migration to Oracle Cloud Infrastructure (OCI)</li> <li>-Continue Solaris 11 Upgrade</li> <li>-Perform Disaster Recovery Test</li> <li>-Continue implementation of Security Information and Event Management Splunk Automation</li> <li>-Continue software delivery of the G-Invoicing solution to facilitate inter-governmental transactions</li> <li>-Prepare to implement the Identity, Credential, and Access Management (ICAM) solution</li> <li>-Continue to improve Treasury Direct Disbursing (TDD) domestic vendor US dollar payments and developing foreign currency vendor payments</li> </ul>	52.707	48.199	45.925	0.000	45.925

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2024 Air Force		<b>Date:</b> March 2023
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<b>B. Accomplishments/Planned Programs (\$ 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>
<p>- Continue Defense Information Systems Agency (DISA) Joint Interoperability Test Command (JTIC) Support; interoperability test and certification, Section 508 and Standard Financial Information System (SFIS) test and evaluation support</p> <p>- Continue Lead Development Test Organization (LDTO) Support; independent developmental test Operational Test Agency (OTA) Support; independent operational test for system effectiveness, suitability, and cyber survivability</p> <p>- Obtain Capability Support ATP and transition to BCAC Capability Support phase</p> <p><b>FY 2024 Base Plans:</b></p> <p>-Will continue to release new capability into production using Agile methodology and established cadence</p> <p>-Will continue to optimize performance by conducting tuning activities and removing unused code and interfaces</p> <p>-Will continue to deploy fixes to address defects and user-identified problems</p> <p>-Will continue to ensure system security and support the Risk Management Framework (RMF) through continuous monitoring activities</p> <p>-Will continue to improve system efficiency by supporting continuous processes for secure development and delivery of capabilities (Dev/Sec/Ops) and posturing the production system architecture for cloud migration</p> <p>-Will continue to onboard Scaled Agile Framework (SAFe) 5.0 methodology and continue to implement the scalable requirements</p> <p>-Will continue production environment migration to Oracle Cloud Infrastructure (OCI)</p> <p>-Will complete the Tech Stack Upgrade (TSU) effort</p> <p>-Will continue the burn-down of cyber vulnerabilities</p> <p>-Will continue development of the Treasury Direct Disbursing (TDD) solution</p> <p>-Will continue development of the G-Invoicing solution</p> <p>-Will complete the implementation the Identity, Credential, and Access Management (ICAM) solution</p> <p>- Will continue Defense Information Systems Agency (DISA) Joint Interoperability Test Command (JTIC) Support; interoperability test and certification, Section 508 and Standard Financial Information System (SFIS) test and evaluation support</p> <p>-Will continue Lead Development Test Organization (LDTO) Support; independent developmental test Operational Test Agency (OTA) Support; independent operational test for system effectiveness, suitability, and cyber survivability</p> <p><b>FY 2024 OCO Plans:</b></p>					

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2024 Air Force		<b>Date:</b> March 2023
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<b>B. Accomplishments/Planned Programs (\$ 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>
N/A					
<b>FY 2023 to FY 2024 Increase/Decrease Statement:</b> FY24 funding reduced to meet program requirements.					
<b>Accomplishments/Planned Programs Subtotals</b>	52.707	48.199	45.925	0.000	45.925

<b>C. 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 834470: <i>Defense Enterprise Accounting &amp; Mgt Sys</i>	3.103	3.156	0.000	0.000	0.000	3.176	3.077	3.247	3.004	0.000	18.763

**Remarks**

**D. Acquisition Strategy**

The DAF concluded Increment I deployment and has begun preparation for the Business Capability Acquisition Cycle's (BCAC) Capability Support Phase. Implementation is accomplished via the Continuous Capability Development program in which requirements are prioritized by the associated Program and Functional Management Offices and organized in the requirements backlog. DEAMS capabilities are developed and sustained in accordance with the selected Agile software implementation strategy. Development activities include requirements analysis, design, build, test, data conversion, migration from legacy system as required, implementation into the DEAMS baseline, and the resolution of deficiency reports and defects. Sustainment activities include day-to-day operations and support, production environment management, and numerous system performance improvement initiatives. This strategy has been refined to enable continual enhancements and process improvements for the life of the system.

The DEAMS program will develop functionality on cadence and release on demand. User experience and mission impact will be considered when determining release dates during the execution cycle.

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2024 Air Force** **Date:** March 2023

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0901554F / Defense Enterprise Acntng and Mgt Sys (DEAMS)	<b>Project (Number/Name)</b> 675178 / Def Enter Acct Mgt Sys (Deams) Incr 2
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<b>Product Development (\$ in Millions)</b>				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
DEAMS: Rapid Acquisition	C/Various	CACI, Inc/BCSS (ISSM) : Various	-	13.233	Feb 2022	11.743	Jun 2023	12.391	Jun 2024	-		12.391	Continuing	Continuing	-
DEAMS: SME Support, General Ledger Reports and Analysis, Business Process Analysis, Master Data Conversion and Training Development	C/T&M	Kearney & Co/ GreenTree : Various	-	15.551	Mar 2022	16.000	Aug 2023	8.063	Aug 2024	-		8.063	Continuing	Continuing	-
DEAMS: ERP Solution Architecture services	C/FP	Lintech Global Inc. : Farmington Hills, MI	-	3.617	Jan 2022	4.156	May 2023	4.141	May 2024	-		4.141	Continuing	Continuing	-
DEAMS: Direct mission Support (Development, Integration Environments)	Various	HumanIT/DIS (Bridge) : Various	-	9.203	May 2022	5.418	May 2023	10.574	May 2024	-		10.574	Continuing	Continuing	-
DEAMS: Oracle Software Solutions	Various	Various : Various	-	0.413	May 2022	0.316	May 2023	0.435	May 2024	-		0.435	Continuing	Continuing	-
DEAMS: ERP DBA Development and Support Services	C/FFP	DDCIT-DIS (DINE Sources) : Albuquerque, NM	-	3.390	May 2022	2.343	Apr 2023	4.650	Apr 2024	-		4.650	Continuing	Continuing	-
<b>Subtotal</b>			-	45.407		39.976		40.254		-		40.254	Continuing	Continuing	N/A

<b>Test and Evaluation (\$ in Millions)</b>				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
DEAMS: Test Services from AFOTEC, JITC, LDTO and other miscellaneous Test services	C/CPAF	Various : Various	-	0.930	May 2022	1.262	Jul 2023	0.762	Jul 2024	-		0.762	Continuing	Continuing	-
<b>Subtotal</b>			-	0.930		1.262		0.762		-		0.762	Continuing	Continuing	N/A



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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>DEAMS CCD</b>																												
Tech Stack Upgrade																												
Cyber Vulnerability Reductions																												
G-Invoicing																												
Treasury Direct Disbursing (TDD)																												
Defects & Enhancements																												
DISA to Oracle Cloud Infrastructure																												
Capability Support Authority To Proceed (CS-ATP)																												
Capability Support Phase CCD																												
ICAM																												
AFLCMC SMC Deployment																												
AFRL Deployment																												
AFSC Deployment																												

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2024 Air Force		<b>Date:</b> March 2023
<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0901554F / <i>Defense Enterprise Acntng and Mgt Sys (DEAMS)</i>	<b>Project (Number/Name)</b> 675178 / <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>

Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<b>DEAMS CCD</b>				
Tech Stack Upgrade	1	2022	4	2023
Cyber Vulnerability Reductions	1	2022	1	2024
G-Invoicing	1	2022	1	2025
Treasury Direct Disbursing (TDD)	1	2022	1	2025
Defects & Enhancements	1	2022	4	2028
DISA to Oracle Cloud Infrastructure	1	2022	3	2025
Capability Support Authority To Proceed (CS-ATP)	4	2023	4	2023
Capability Support Phase CCD	1	2024	4	2028
ICAM	3	2023	2	2024
AFLCMC SMC Deployment	2	2025	2	2026
AFRL Deployment	1	2026	1	2027
AFSC Deployment	1	2027	4	2027