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

<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 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	-	43.111	45.925	57.689	0.000	57.689	47.553	55.538	48.363	49.474	Continuing	Continuing
675178: <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>	-	43.111	45.925	57.689	0.000	57.689	47.553	55.538	48.363	49.474	Continuing	Continuing

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

The Defense Enterprise and Accounting System (DEAMS) 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 an Enterprise Resource Planning (ERP) program based on Oracle e-Business Suite (EBS), a commercial-off-the-shelf (COTS) solution, that provides an auditable, modern accounting and finance management capability. It is the Department of the Air Force's (DAF) core accounting and financial management solution and is a key component of the DAF's long-term business process improvements needed to sustain auditability and correct financial system weaknesses.

DEAMS 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. DEAMS supports 17,000 users at 170 installations world-wide supporting all Air Force Major Commands, the U.S. Space Force, and Unified Commands where the DAF is the executive agent.

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. 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 capability to the end users early and often, achieve early return on investment of taxpayer dollars, mitigate risk, reduce waste, effectively respond to change, and continuously improve processes.

The DAF will deploy DEAMS to 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 program's funds would be in addition to the civilian pay expenses budgeted in program element 0605827F, 0605828F, 0605829F, 0605831F, 0605832F, 0605833F, 0605898F,

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0606398F. In FY23, \$0.755M was expended for civilian pay expenses in this program element, and in FY24, \$1.241M is forecasted for civilian pay expenses in this program element.

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 2023</u></b>	<b><u>FY 2024</u></b>	<b><u>FY 2025 Base</u></b>	<b><u>FY 2025 OCO</u></b>	<b><u>FY 2025 Total</u></b>
Previous President's Budget	48.199	45.925	57.587	0.000	57.587
Current President's Budget	43.111	45.925	57.689	0.000	57.689
Total Adjustments	-5.088	0.000	0.102	0.000	0.102
• 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	-3.500	0.000			
• SBIR/STTR Transfer	-1.588	0.000			
• Other Adjustments	0.000	0.000	0.102	0.000	0.102

**Change Summary Explanation**

No significant change to FY25 funding request.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2025 Air Force										<b>Date:</b> March 2024		
<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 2023</b>	<b>FY 2024</b>	<b>FY 2025 Base</b>	<b>FY 2025 OCO</b>	<b>FY 2025 Total</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
675178: <i>Def Enter Acct Mgt Sys (Deams) Incr 2</i>	-	43.111	45.925	57.689	0.000	57.689	47.553	55.538	48.363	49.474	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

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

The Defense Enterprise and Accounting System (DEAMS) 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) Enterprise Resource Planning (ERP) solution based on the Oracle e-Business Suite (EBS). It provides an auditable, modern accounting and finance management capability 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. 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 capability to the end users early and often, achieve early return on investment of taxpayer dollars, mitigate risk, reduce waste, effectively respond to change, and continuously improve processes.

The DAF will deploy DEAMS to 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 program's 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 \$0.755M was expended for civilian pay expenses in this program element, and in FY 2024 \$1.241M is forecasted for civilian pay expenses in this program element.

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<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<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 2024 Plans:</b> FY24 Plans:</p> <ul style="list-style-type: none"> <li>-Continue to release new capability into production using Agile methodology and established cadence</li> <li>-Continue to onboard Scaled Agile Framework (SAFe) methodology and continue to implement the scalable requirements</li> <li>-Continue the burn-down of cyber vulnerabilities</li> <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 (DevOps) and posturing the production system architecture for cloud migration</li> <li>-Develop production environment for migration to Cloud One Oracle Cloud Infrastructure (OCI)</li> <li>-Complete the Tech Stack Upgrade</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>-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</li> <li>-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</li> <li>-Develop management data base solution for the Audit Remediation and Capability Integration (ARCI) enterprise toolset</li> <li>-Develop and install E-Business Suite (EBS) 12.2.10 upgrade</li> <li>-Complete Treasury Direct Disbursing (TDD) Grant payments</li> <li>-Complete Reporting Go Live</li> <li>-Complete SFIS 11.2 Upgrade</li> </ul> <p><b>FY 2025 Plans:</b></p>	43.111	45.925	57.689

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<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<p><b>FY25 Plans:</b></p> <ul style="list-style-type: none"> <li>-Will continue to release new capability into production using Agile methodology via established cadence</li> <li>-Will continue to optimize performance by conducting tuning activities and removing unused code and interfaces</li> <li>-Will continue to deploy fixes to address defects and user-identified problems</li> <li>-Will continue to ensure system security and support the Risk Management Framework (RMF) through continuous monitoring activities</li> <li>-Will continue to improve system efficiency by supporting continuous processes for secure development and delivery of capabilities (DevOps) and posturing the production system architecture for cloud migration</li> <li>-Will continue to utilize Scaled Agile Framework (SAFe) methodology and continue to implement the scalable requirements</li> <li>-Will complete production environment migration to Cloud One Oracle Cloud Infrastructure (OCI) and decommission the DISA tenancies</li> <li>-Will continue to Implement the Identity, Credential, and Access Management (ICAM) Solution</li> <li>-Will continue the burn-down of cyber vulnerabilities</li> <li>-Will complete Treasury Direct Disbursing (TDD) Interfund Payments</li> <li>-Will integrate Audit Remediation and Capability integration enterprise tools and solutions including Security Information and Event Management</li> <li>-Will develop and deploy additional user requirements, functionalities, and enhancements including integration with logistics, payroll, asset accounting, foreign military sales, budget distribution, and personnel travel management systems</li> <li>-Will declare full operational capability of G-invoicing for Enterprise Business Suite 12.2.10 implementation</li> </ul> <p><b>FY 2024 to FY 2025 Increase/Decrease Statement:</b> FY25 funding increase of \$11.7M, adds 3 additional agile teams that will accelerate development of Civ Pay accounting, logistics integration, and asset accounting while continuing to address audit controls and findings.</p>			
<b>Accomplishments/Planned Programs Subtotals</b>	43.111	45.925	57.689

<b>C. Other Program Funding Summary (\$ in Millions)</b>											
<u>Line Item</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u> <u>Base</u>	<u>FY 2025</u> <u>OCO</u>	<u>FY 2025</u> <u>Total</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>Cost To Complete</u>	<u>Total Cost</u>
• OPAF 03 834470: <i>Defense Enterprise Accounting &amp; Mgt Sys</i>	0.116	0.000	1.235	-	1.235	0.699	0.000	0.000	0.000	0.000	2.050
<b>Remarks</b>											

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**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 2025 Air Force** **Date:** March 2024

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<b>Product Development (\$ in Millions)</b>				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
DEAMS: Rapid Acquisition	C/Various	CACI, Inc/BCSS (ISSM) : Various	-	10.503	Jun 2023	12.391	Jun 2024	18.366	Jun 2025	-		18.366	Continuing	Continuing	-
DEAMS: SME Support, General Ledger Reports and Analysis, Business Process Analysis, Master Data Conversion and Training Development	C/T&M	Kearney & Co/Help Desk : Various	-	14.311	Aug 2023	8.063	Aug 2024	13.146	Feb 2025	-		13.146	Continuing	Continuing	-
DEAMS: ERP Solution Architecture services	C/FP	Lintech Global Inc. (DTS) : Farmington Hills, MI	-	3.717	May 2023	4.141	May 2024	5.509	May 2025	-		5.509	Continuing	Continuing	-
DEAMS: Direct mission Support (Development, Integration Environments)	Various	DCIDS/other/DATS : Various	-	4.846	May 2023	10.574	May 2024	10.251	May 2025	-		10.251	Continuing	Continuing	-
DEAMS: Oracle Software Solutions	Various	Various : Various	-	0.283	May 2023	0.435	May 2024	0.216	Nov 2024	-		0.216	Continuing	Continuing	-
DEAMS: ERP DBA Development and Support Services	C/FFP	DDCIT-DIS (DINE Sources) : Albuquerque, NM	-	2.096	Apr 2023	4.650	Apr 2024	1.266	Nov 2024	-		1.266	Continuing	Continuing	-
<b>Subtotal</b>			-	35.756		40.254		48.754		-		48.754	Continuing	Continuing	N/A

<b>Test and Evaluation (\$ in Millions)</b>				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
DEAMS: Test Services from AFOTEC, JITC, LDTO and other miscellaneous Test services	C/CPAF	Various : Various	-	1.129	Jul 2023	0.762	Jul 2024	1.363	Jul 2025	-		1.363	Continuing	Continuing	-
<b>Subtotal</b>			-	1.129		0.762		1.363		-		1.363	Continuing	Continuing	N/A



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<b>Exhibit R-4, RDT&amp;E Schedule Profile:</b> PB 2025 Air Force			<b>Date:</b> 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

<b>DEAMS CCD</b>	
Tech Stack Upgrades	██████████
12.2.10 Upgrade & Install	████████████████████
G-Invoicing	██████████████████████████████
ICAM	██████████████████████████████████████
Treasury Direct Disbursing	████████████████████████████████████████████
Budget Distribution, Future TDY, PCS, TMS	████████████████████████████████████████████████████████████
Capability Support Authority to Proceed (CS-ATP)	████
AFIPPS Mil Pay Accrual/Receivables & Civ Pay	████████████████████████████████████████████████████████████
JOCAS, Logistics & Supply	████████████████████████████████████████████████████████████
Capability Support Phase	████████████████████████████████████████████████████████████████████████████████
Adversarial Testing/Cooperative Vulnerability & Penetration Testing	████████████████████████████████████████████████████████████
DISA to Oracle Cloud Infrastructure	████
Data Initiative and Conversions	████████████████████████████████████████████████████████████████████████████████
Asset Accounting	████████████████████████████████████████████████████████████
Foreign Military Sales (FMS)	████████████████████████████████████████████████████████████

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2025 Air Force		<b>Date:</b> March 2024
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Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<b>DEAMS CCD</b>				
Tech Stack Upgrades	1	2023	4	2023
12.2.10 Upgrade & Install	2	2023	3	2024
G-Invoicing	1	2023	1	2025
ICAM	3	2023	4	2025
Treasury Direct Disbursing	1	2023	1	2026
Budget Distribution, Future TDY, PCS, TMS	3	2023	2	2028
Capability Support Authority to Proceed (CS-ATP)	2	2024	2	2024
AFIPPS Mil Pay Accrual/Receivables & Civ Pay	2	2024	2	2027
JOCAS, Logistics & Supply	2	2024	2	2027
Capability Support Phase	3	2024	4	2028
Adversarial Testing/Cooperative Vulnerability & Penetration Testing	4	2024	2	2026
DISA to Oracle Cloud Infrastructure	1	2025	1	2025
Data Initiative and Conversions	1	2025	2	2028
Asset Accounting	2	2025	4	2026
Foreign Military Sales (FMS)	3	2026	2	2028