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Exhibit R-2, RDT&E Budget Item Justification: PB 2017 Army **Date:** February 2016

Appropriation/Budget Activity 2040: Research, Development, Test & Evaluation, Army / BA 5: System Development & Demonstration (SDD)	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System
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COST (\$ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
Total Program Element	-	0.000	0.000	20.663	-	20.663	31.607	18.621	13.718	5.406	0.000	90.015
FA7: Contract Writing System	-	0.000	0.000	20.663	-	20.663	31.607	18.621	13.718	5.406	0.000	90.015

Note

This funding line is not a new start in FY 2017. Army Contract Writing System funding was realigned from PE 0605013, Project T05 to PE 0605047, Project FA7 in FY 2017.

A. Mission Description and Budget Item Justification

The Army Contract Writing System (ACWS) will be the Army's single, next-generation, enterprise-wide contract writing, management, execution, and close-out software system. ACWS will facilitate the standardization of Army Procurement business processes and streamline the integration with Army ERP systems. As a financial feeder system, ACWS will meet the compliance requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA). The system will meet the full scope of Army Contracting requirements, including those in secure and non-secure locations, those supporting combat or non-combat contingencies, those within or outside the borders of the Continental United States, those supporting grants and assistance agreements, and those performing weapons systems, construction, installation, and other specialized contracting activities. This is consistent with Undersecretary of Defense, Acquisition, Technology and Logistics Memorandum; Department of Defense (DoD) Functional Contract Writing and Administration, dated 21 October 2011, which directed each of the Services to develop a new contract writing system. Accordingly, Army received an OSD Deputy Chief Management Officer (DCMO) validated problem statement and the Army Acquisition Executive approved the ACWS Materiel Development Decision (MDD) on 15 May 2014. On 27 January 2016, the Undersecretary of Defense for Acquisition, Logistics and Technology re-designated the ACWS as an ACAT IAM (MAIS) program and authorized the release of the RFP to procure a Commercial-off-the-Shelf (COTS) system. Funds are to perform all requisite activities to carry the program through the source selection process, a contract award authority to proceed decision (ATP-1), and a Risk Reduction phase while developing pre-Milestone B documentation expected of an ACAT IAM program.

B. Program Change Summary (\$ in Millions)

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017 Base</u>	<u>FY 2017 OCO</u>	<u>FY 2017 Total</u>
Previous President's Budget	0.000	0.000	0.000	-	0.000
Current President's Budget	0.000	0.000	20.663	-	20.663
Total Adjustments	0.000	0.000	20.663	-	20.663
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Other Adjustments 1	-	-	20.663	-	20.663

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Appropriation/Budget Activity
2040: *Research, Development, Test & Evaluation, Army / BA 5: System Development & Demonstration (SDD)*

R-1 Program Element (Number/Name)
PE 0605047A / *Army Contract Writing System*

Change Summary Explanation

ACWS program moved from PE 0605013, Project T05 to PE 0605047, Project FA7 in FY 2017.

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Exhibit R-2A, RDT&E Project Justification: PB 2017 Army										Date: February 2016		
Appropriation/Budget Activity 2040 / 5					R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System				Project (Number/Name) FA7 / Contract Writing System			
COST (\$ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
FA7: Contract Writing System	-	0.000	0.000	20.663	-	20.663	31.607	18.621	13.718	5.406	0.000	90.015
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

Note

This funding line is not a new start in FY 2017. Army Contract Writing System funding was realigned from PE 0605013, Project T05 to PE 0605047, Project FA7 in FY 2017.

A. Mission Description and Budget Item Justification

The Army Contract Writing System (ACWS) will be the Army's single, next-generation, enterprise-wide contract writing, management, execution, and close-out software system. ACWS will facilitate the standardization of Army Procurement business processes and streamline the integration with Army ERP systems. As a financial feeder system, ACWS will meet the compliance requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA). The system will meet the full scope of Army Contracting requirements, including those in secure and non-secure locations, those supporting combat or non-combat contingencies, those within or outside the borders of the Continental United States, those supporting grants and assistance agreements, and those performing weapons systems, construction, installation, and other specialized contracting activities. This is consistent with Undersecretary of Defense, Acquisition, Technology and Logistics Memorandum; Department of Defense (DoD) Functional Contract Writing and Administration, dated 21 October 2011, which directed each of the Services to develop a new contract writing system. Accordingly, Army received an OSD Deputy Chief Management Officer (DCMO) validated problem statement and the Army Acquisition Executive approved the ACWS Materiel Development Decision (MDD) on 15 May 2014. On 27 January 2016, the Undersecretary of Defense for Acquisition, Logistics and Technology re-designated the ACWS as an ACAT IAM (MAIS) program and authorized the release of the RFP to procure a Commercial-off-the-Shelf (COTS) system. Funds are to perform all requisite activities to carry the program through the source selection process, a contract award authority to proceed decision (ATP-1), and a Risk Reduction phase while developing pre-Milestone B documentation expected of an ACAT IAM program.

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

Title: Product Development	FY 2015	FY 2016	FY 2017
Description: The ACWS objective is to execute a strategy for the identification, procurement and deployment of the Army's single, next-generation, enterprise-wide contract writing, management, execution, and close-out software system that will meet the Army's current critical functional requirements and expand to meet future functional needs. The new capability is required to replace SPS, PADDS and VCE systems. The end state goal is to streamline contracting end-to-end business processes; reduce operating, maintenance and support costs; decrease and where applicable mitigate the complexity of existing and future interfaces; support financial auditability; and promote and improve efficiencies when integrating with existing ERP systems. An ACWS re-baseline and a new program office estimate were completed following an AAE-directed Red Team Review while ACWS was still an ACAT III program. The updated POE resulted in the program exceeding ACAT I funding thresholds. The new	-	-	20.663

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Exhibit R-2A, RDT&E Project Justification: PB 2017 Army	Date: February 2016
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Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System	Project (Number/Name) FA7 / Contract Writing System
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B. Accomplishments/Planned Programs (\$ in Millions)	FY 2015	FY 2016	FY 2017
acquisition strategy for the ACAT IAM program was approved by the Army Acquisition Executive, and is pending approval by the Defense Acquisition Executive, who is now the Milestone Decision Authority for the program.			
<i>FY 2017 Plans:</i> FY17 funds will be used to award Task Order 001, to procure a COTS contract writing system and to select a System Integrator (SI) to conduct a collaborative Risk Reduction phase focusing on performing fit-gap analysis, blueprinting and business process reengineering activities, analysis of cyber security risks, and interfacing designs with 36 unique key system partners and stakeholders. Task Order 001 is the guaranteed minimum.			
Accomplishments/Planned Programs Subtotals	-	-	20.663

C. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• Contract Writing System: OPA: SSN B66001	-	-	0.986	-	0.986	4.941	8.299	5.874	5.885	0.000	25.985

Remarks

D. Acquisition Strategy
ACWS strategy is to award the System Integrator contract and to perform all requisite Risk Reduction activities concurrent with development of all regulatory and statutory Milestone B documentation expected of an ACAT IAM program. These activities are conducted for the purpose of meeting the USD AT&L timeline goals for building a contract writing system to replace legacy contract systems to include the Standard Procurement System (SPS), Procurement Automated Data and Document System (PADDS), and the Virtual Contracting Enterprise (VCE).

E. Performance Metrics
N/A

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Army **Date:** February 2016

Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System	Project (Number/Name) FA7 / Contract Writing System
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Product Development (\$ in Millions)				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Product Development	C/IDIQ	Alexandria VA : Alexandria VA	0.000	-		-		20.663		-		20.663	0	20.663	0
Subtotal			0.000	-		-		20.663		-		20.663	0.000	20.663	0.000

Remarks
 Army Contract Writing System: The Under Secretary of Defense, Acquisition, Technology and Logistics directed that the Standard Procurement System (SPS) be decommissioned by FY17. In order for the Army to meet appropriate legislative mandates, the new capability will provide improved functionality in general contract writing and contract administration while seamlessly operating in the NIPR, SIPR, CONUS, OCONUS, and in low/no bandwidth environments. In addition, the replacement capability will produce data that is trackable and auditable by the Army designated finance account system(s) and will be in compliance with the Secretary of Defense's mandate for implementing internal controls to facilitate full financial audit readiness and accountability.

	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	0.000	-	0.000	20.663	-	20.663	0.000	20.663	0.000

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2017 Army **Date:** February 2016

Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System	Project (Number/Name) FA7 / Contract Writing System
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Event Name	FY 2015				FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021							
	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				
Product Development									Product Development																							

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Exhibit R-4A, RDT&E Schedule Details: PB 2017 Army		Date: February 2016
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System	Project (Number/Name) FA7 / Contract Writing System

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Product Development	1	2017	4	2021

Note

Army Contract Writing System projected ATP-1 1st Qtr FY17. MS B scheduled 1st Qtr FY18. Release 1.1 begin 1st Qtr FY18.

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