

E-Government Act Implementation Report

Department of Defense

Fiscal Year (FY) 2008

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– Executive Summary –

The Department continues its steadfast support of the President's Management Agenda (PMA) and remains committed to implementing the mandates and tenets of the E-Government (E-Gov) Act, throughout the Department.

In support of the PMA Federal-wide initiatives, the Department actively serves in the following key leadership roles: The Under Secretary of Defense for Personnel and Readiness is a member of the President's Management Council (PMC) and also serves as the Chair for the PMC E-Gov Subcommittee. Additionally, the DoD Chief Information Officer (CIO) and the CIOs of the Military Departments (MILDEPs) participate on the Federal CIO Council and the DoD CIO Executive Board, sharing insightful expertise and providing leadership.

In support of the President's goal of expanding E-Government (E-Gov), the Department participates in 18 of 26 Federal E-Gov Initiatives and 8 of 9 Lines of Business, and routinely works with OMB and the Federal Managing Partners to facilitate the implementation of the DoD E-Gov Implementation Plan. In addition, the Department continues to serve in a lead role on the Federal CIO Council's Enterprise Architecture and Infrastructure Committee, and the IT Workforce Committee to acquire IT professionals to meet Federal IT mission needs.

In this year's report, the Department will highlight the Defense Contracting Management Agency (DCMA) Duty Free Entry (DFE) Application, which significantly reduces delays and provides cost avoidances in processing Duty Free Entry requests by DoD and external stakeholders.

In the FY 2007 E-Gov Act Report, DoD highlighted the DoD Enterprise Software Initiative (ESI), which continues to provide valuable assistance to commercial software buyers from the Department of Defense, the Intelligence Community, and other Federal agencies as they use the co-branded SmartBUY/ESI Enterprise Software Agreements (ESAs). To further illustrate the success of the DoD ESI, a progress update is provided in Section 1 of this report.

The following are the Department's responses to OMB's FY 2008 E-Gov Act Reporting Instructions (Sections 1 and 2).

Section 1
– Implementation of Electronic Government Initiatives –

- Agency-Specific Initiative -
Defense Contract Management Agency (DCMA) Duty Free Entry (DFE) Application

A. Describe the initiative, the methodology for identification of the initiative, and how the initiative is transforming agency operations

- **DoD Response:**

Duty Free Entry (DFE) is a Defense Contract Management Agency (DCMA) application used by DCMA's vendor trading partners, their Customs Brokers, DoD Contracting Officers and the DCMA customs team for processing requests for Duty Free Entry. In DCMA's role as the Customs Broker for the Department of Defense, DCMA receives and processes requests for Duty Free Entry Certificates in accordance with the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS). The process was experiencing significant delays due to lost, misrouted and incomplete documents. To improve the effectiveness of the process, DCMA developed the DFE tool.

B. Explain how your agency maintains an ongoing dialogue with interested parties to find innovative ways to use information technology for the initiative

- **DoD Response:**

In developing this tool, DCMA met with U.S. Customs and Border Patrol (CBP), representatives of the Defense industry and Defense Procurement and Acquisition Policy (DPAP). These partners participated in the testing of the application and supported its fielding, a major contributor to its success. Formal meetings with the industry trading partners continue four times a year and informal input is received as well. DCMA is currently working with CPM to integrate this process into their International Trade Data System (ITDS) project during FY2009.

C. Identify external partners (e.g., Federal, State or local agencies, industry) who collaborate with your agency on the initiative

- **DoD Response:**

External partners include Defense vendors, their Customs Brokers and indirectly Customs and Border Patrol.

D. Identify improved performance (e.g., outcome measures, quantifiable business impact) by tracking performance measures supporting agency objectives and strategic goals

• **DoD Response:**

There has been a 300% improvement in throughput, 99% reduction in cycle time and an 88% reduction in rejects since the fielding of the application. Cycle time on a Duty Free Request went from over 180 days to an average of 1 day. Rejected transactions were reduced from 25% to near 0 (zero).

E. Quantify the cost savings and cost avoidance achieved through implementing the initiative (e.g., reducing or eliminating other investments in information technology)

• **DoD Response:**

Fielding of DFE enabled the retirement of our previous system which required approximately \$100,000 of maintenance per year. Cost Avoidance due to the improved business process noted above are estimated at \$1,108,750 and are split equally between the vendor and DoD users.

F. Explain how this initiative ensures the availability of government information and services for those without access to the Internet and for those with disabilities

• **DoD Response:**

This application requires access to the Internet. The application is compliant with Section 508 for disabled users. And the paper process continues to be supported for vendors and brokers who do not have access to the Internet.

G. Explain how the project applies effective capital planning and investment control procedures

• **DoD Response:**

The project was costed and benefits identified before management approval to begin was received. Monthly In Process Reviews were held and Earned Value was applied to ensure that the project stayed within cost and schedule. The total cost of the project was \$526,000 and it is expected to have a 3.6:1 return on investment over its first three years. However, the greater benefit is the increase in effectiveness and timeliness in processing over \$66 million worth of inbound shipments.

Additionally, DCMA has an eBusiness Directorate under the CIO with a role to look for and implement eBusiness Opportunities. DCMA meets with and has open communications industry groups, their Service and Defense Agency customers, and internal customers to look for new opportunities to expand trading partners and to create new tools to improve the efficiency and effectiveness of DCMA. Electronic business at DCMA currently exceeds \$250 billion per year.

DoD Enterprise Software Initiative – FY 2008 Progress Update

In the FY 2007 E-Gov Act Report, DoD highlighted the DoD Enterprise Software Initiative (ESI), which continues to provide valuable assistance to commercial software buyers from the Department of Defense, the Intelligence Community, and other Federal agencies as they use the co-branded SmartBUY/ESI Enterprise Software Agreements (ESAs). The ESI progress updates are summarized in the following paragraphs.

In FY 2008, the DoD ESI opened two existing Army managed ESAs to Federal-wide use by re-negotiating them as co-branded SmartBUY/ESI agreements, and work continues on a third ESA. Similarly, DoD ESI is assisting the IT Infrastructure LoB by negotiating with vendor partners to open up more existing ESAs to co-branded SmartBUY/ESI status. Also, an additional new software publisher was brought “into the fold” via the co-branded SmartBUY/ESI process. Currently, 20 of the 22 SmartBUY agreements with software publishers are serviced by DoD ESI Software Product Managers via co-branding arrangements with GSA SmartBUY.

DoD ESI Operations: Four new software publishers were awarded ESAs by the Navy and DISA Software Product Managers, enabling advantageous procurements by all DoD Components, the U. S. Coast Guard, NATO, the Intelligence Community, and authorized DoD contractors.

Reflecting the growing collaboration between DoD and the National Intelligence Community, the Director of National Intelligence (DNI) CIO is now represented on the DoD ESI Working Group. In support of DoD’s and DNI’s visions for enhanced information sharing capabilities, DoD ESI organized and leads a Joint Net-Centric Licensing Team designed to eliminate information-sharing roadblocks, such as institutional boundaries and license limitations.

Establishment of an effective enterprise IT Asset Management (ITAM) process is the overarching mission of DoD ESI. As such, the DoD ITAM Integrated Product Team completed ITAM system and architecture design and an initial ITAM proof-of-concept. The proof-of-concept demonstrates the use of web services to retrieve data from simulated component feeder systems, displays the aggregation of data through a set of selected reports, and shows the user interface within a portal infrastructure.

To support DoD IT hardware buyers, DoD ESI hosted two “IT Hardware Summits.” Subject-matter-experts from across the Department were able to discuss and share their IT hardware procurement strategies, and collaborate on Electronic Stewardship and Green Procurement – with enthusiastic assistance from Environmental Protection Agency representatives.

As a preferred source for acquiring commercial software, DoD ESI continues to bring value to its customers by negotiating with software manufacturers for more favorable software licensing terms and conditions; including those that ensure alignment with DoD objectives and OMB guidance. ESA price reductions from GSA FSS levels, combined with spot discounting, helped DoD ESI achieve over \$3 billion in cost avoidance since the Project’s inception in 1998.

There are now 79 ESAs in place from 55 publishers, systems integrators, and research/advisory firms through distribution channels that include 36 resellers.

Established DoD Business Process

H. Describe the established business process your agency has in place for the continued ongoing process of identification of initiatives

- **DoD Response:**

Investment Management and Governance: The Department has improved the governance of its business operations through the Defense Business Systems Management Committee (DBSMC), which serves as the overarching governance board for the Department's business activities. Since its inception in 2005, the DBSMC, in concert with the Investment Review Boards (IRBs), has served as the governance structure that guides the transformation activities for the Department's business areas. As required by the Fiscal Year 2005 National Defense Authorization Act and as reiterated in the DBSMC Charter, the DBSMC has responsibility for approving: business systems information technology modernizations over \$1M, the Business Enterprise Architecture and the Enterprise Transition Plan.

The Business Enterprise Architecture (BEA) has allowed the Department to establish clear benchmarks for the alignment of business systems to the Department's future business environment. As we continue to evolve the BEA, a key objective is to mature an architecture so that it can be harnessed as an executive decision-making mechanism, while simultaneously supporting the implementation of information technology systems and services. The simultaneous release of BEA 5.0 with the DoD March 15, 2008, Annual Report to the Congressional Defense Committees, Status of the Department of Defense's Business Transformation Efforts, helps to achieve interoperable, efficient, transparent business operations by including and integrating data standards, required business rules and system interface requirements for the enterprise and ERP target programs.

In addition, the Department's Enterprise Transition Plan (ETP) lays out a roadmap for achieving DoD's business transformation by implementing changes to technology, process, and governance. The ETP contains time-phased milestones, performance metrics, and a statement of resource needs for new and existing systems that are part of the Business Enterprise Architecture (BEA) and Component architectures. The ETP also includes a termination schedule for legacy systems that will be replaced by systems in the target environment.

Together, the ETP and BEA allow leadership to evaluate gaps and overlaps between current programs and redirect efforts to minimize redundancy and provide needed Business Capabilities. As the ETP is executed, progress is tracked and measured against specific milestones. Management discipline is applied to monitor progress and ensure maximum return on investment and measurable Business Capability improvements.

Section 2
– Agency Information Management Activities –

Please provide a links to your agency's website of where the following information is located

2 – A. Your agency's IRM Strategic Plan and EA Transition Plan

DoD Response:

The DoD CIO Strategic Plan identifies specific goals and objectives to guide the net-centric transformation of the DoD during the period 2008 - 2009. The link to the DoD IM / IT Strategic Plan is: http://www.defenselink.mil/cio-nii/docs/DoDCIO_Strat_Plan.pdf.

The DoD EA Transition Strategy serves as the foundation to modernize and transform activities by describing the Department's plan to migrate from its 'baseline' architecture as described in the federated GIG architecture to its 'target' architecture as outlined in the GIG Architectural Vision. The DoD EA Transition Strategy is accessible via the following link: <http://www.defenselink.mil/cio-nii/cio/index.shtml>.

2 – B. Final determinations, priorities, and schedules. Also include your agency's information dissemination product catalogs, directories, inventories, and any other management tools used to improve the dissemination of and access to your agency's information by the public

• **DoD Response:**

DefenseLINK serves as the Department's premier public information site for all current information on DoD. DefenseLINK is located at: www.defenselink.mil.

Information on programs, directories, schedules and other functions that relate to the public's ability to obtain information that facilitates business or other interactions with DoD, can be found at the following links, all of which are displayed prominently on DefenseLINK:

- Major DoD Organizations: www.defenselink.mil/sites/
- Links to additional major DoD web sites which provide information to the public, on the military departments or DoD specialized functions such as medical support, can be found on the main DoD "Contact Us" page on DefenseLINK: www.defenselink.mil/faq/comment.html
- The public can also make extensive use of these DoD sites for information pertaining to contracting, logistical activities and the resale of DoD property:
 - Defense Contact Management Agency: www.dcma.mil

- Defense Logistics Agency: www.dla.mil
- Defense Reutilization and Marketing Service: www.drms.dla.mil
- For the public interested in doing business with DoD these links appear on Defense LINK:
 - Contracting with DoD: www.acq.osd.mil/osbp/doing_business/DoD_Contracting_Guide.htm
 - General business information index: www.defenselink.mil/other_info/business.html
 - GSA for contractors and vendors: www.gsa.gov/Portal/gsa/ep/home.do?tabId=8
 - Advanced research and development: www.darpa.mil
- For Members of the Media:
 - News: www.defenselink.mil/news/articles.aspx
 - Press resources: www.defenselink.mil/news/
 - Bloggers roundtable: <http://www.defenselink.mil/blogger/index.aspx>
 - Photos: www.defenselink.mil/home/features/2007/Imagery/index.html
- Information About the Activities and Processes of the Military Services:
 - Army: www.army.mil
 - Navy: www.navy.mil
 - Marines: www.marines.mil
 - Air Force: www.af.mil
- Members of the Public Interested in Joining the U.S. Military:
 - Join the Army: www.goarmy.com
 - Join the Navy: www.navy.com
 - Join the Marines: www.marines.com
 - Join the Air Force: www.airforce.com

- Alphabetized search tool to find directories and listings on DefenseLINK:
www.defenselink.mil/sitemap.html
- For the public to subscribe to news or request information, DefenseLINK offers these Services:
 - E-mail: www.defenselink.mil/news/dodnews.aspx
 - DoD news reader feeds (ROSS): www.defenselink.mil/news/rss/
 - Pod casts: www.pentagonchannel.mil/podcast.aspx
 - Publications: www.defenselink.mil/pubs/
 - Freedom of Information Act Requests:
www.defenselink.mil/odam/DFOIPO/index.htm
 - The American Forces Press Service widget (the widget allows Web sites to carry a steady stream of the latest official news and information about DoD):
http://www.defenselink.mil/home/features/widgets/afps_news

2 – C. Your agency’s Freedom of Information Act (FOIA) handbook, the link of your agency’s primary FOIA website, and the website link where frequent requests for records are made available to the public

• **DoD Response:**

The Freedom of Information Act (FOIA) handbook for the Department of Defense is available at <http://www.dod.mil/pubs/foi/dfoipo/docs/FOIAhandbook.pdf>. The Defense Freedom of Information Policy Office maintains the primary FOIA web site for the Department of Defense at <http://www.dod.mil/pubs/foi/dfoipo/>. This web site also contains links to the FOIA web sites for the Department of Defense Components. Documents that are frequently requested by the public under the FOIA from the Office of the Secretary of Defense/Joint Staff are located at <http://www.dod.mil/pubs/foi/rdroom.html>.

2 – D. A list of your agency’s public websites disseminating research and development (R&D) information to the public, and whether or not each website provides the public information about federally funded R&D activities and/or provides the results of Federal research

• **DoD Response:**

The Director, Defense Research & Engineering (DDR&E) has established a centralized digital DoD E-Gov repository to collect information regarding DoD funded research and development (R&D) activities. This repository, managed by the Defense Technical Information Center (DTIC), is maintained on the Defense Research and Engineering (R&E) Portal and provides access to DoD researchers, acquisition professionals, testers and operators. DTIC will

expand the centralized digital DoD E-Gov repository in FY2009 to improve access for the general public. The link to the DDR&E Portal is: <https://rdte.osd.mil>.

2 – E. An inventory of formal agency agreements (e.g., contracts, memoranda of understanding, partnerships) with external entities (e.g., State and local governments, public libraries, industry and commercial search engines) complementing your agency’s information dissemination program, with a brief explanation of how each agreement improves the access to and dissemination of government information to the public

- **DoD Response:**

The Assistant Secretary of Defense (Public Affairs) has partnered with the "America Supports You" organization to establish a web presence that brings together citizens, businesses and organizations that want to support the men and women serving in our military. The "America Supports You" site is located at: www.americasupportsyou.mil and at: www.americasupportsyou.com.

2 – F. An inventory that describes your agency’s NARA-approved records schedules(s) or the link to the publicly-posted records schedules(s), and a brief explanation of your agency’s progress to implement NARA Bulletin 2006-02. For the brief explanation please report the number of systems for which a record schedule was submitted to NARA in FY 2008 and the number of systems still requiring records schedule

- **DoD Response:**

The Department of Defense (DoD) continues to strive to effectively manage records (including electronic records) consistent with 44 U.S.C. ch. 31, 44 U.S.C. 3506, 36 CFR Ch. XII, Subchapter B, Records Management, and OMB Circular A-130, par. 8a1(j) and (k) and 8a4. The Department, the OSD Headquarters staff, and all of the Armed Services have been working with NARA to implement the guidance/instructions in NARA Bulletin 2006-02, NARA Guidance for Implementing Section 207(e) of the E-Government Act of 2002. Selected representatives stay engaged with the latest NARA updates by participating in the bi-monthly Federal Records Council meetings at Archives.

The principal policy document used by the Department is DoD Directive (DoDD) 5015.2, "DoD Records Management Program," March 6, 2000 (www.defenselink.mil/webmasters/policy/dodd50152p.pdf), which establishes responsibility for the DoD Records Management Program, in accordance with reference Title 36, Code of Federal Regulations, Chapter XII, "National Archives and Records Administration," Subchapter B, "Records Management." It sets forth responsibilities for life-cycle management (creation, maintenance and use, and disposition) of information as records in all media, including electronic. The Department of Defense continues to manage records, including electronic records, consistent with DoDD 5015.2.

Over the past year, the Department has revised the primary testing standard which is Department of Defense Standard 5015.02 (DoD 5015.02-STD), "Design Criteria Standard for

Electronic Records Management Software Applications," dated April 25, 2007 (<http://www.dtic.mil/whs/directives/corres/html/501502std.htm>). This Standard sets forth mandatory baseline functional requirements for Records Management Application (RMA) software, including electronic records, used by DoD Components in the implementation of their records management programs; defines required system interfaces and search criteria to be supported by the RMAs; and describes the minimum records management requirements that must be met, based on current National Archives and Records Administration (NARA) regulations. The revised edition (Version 3) addresses electronic records more effectively and has recently been validated by NARA for all federal agencies to use.

The Department continues to obtain NARA-approved records schedules for all records, in existing electronic information systems, by September 30, 2009. This continues to be a major focus of each Component, and over the past year DoD has identified over 500 information systems to NARA which must be scheduled by the deadline.