



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, DC 20301-3040

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COMMAND, CONTROL,
COMMUNICATIONS
AND INTELLIGENCE

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF DEFENSE (CIVILIAN
PERSONNEL POLICY/EQUAL OPPORTUNITY)
DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH
SERVICES OPERATIONS)
DEPUTY ASSISTANT SECRETARY OF DEFENSE
(LOGISTICS)
DEPUTY COMPTROLLER (MANAGEMENT SYSTEMS)
DIRECTOR OF DEFENSE PROCUREMENT
DEPUTY ASSISTANT SECRETARY OF THE NAVY (COMMAND,
CONTROL, COMMUNICATIONS AND COMPUTERS/EW/SPACE)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(COMMUNICATIONS, COMPUTERS AND LOGISTICS)
DIRECTOR, INFORMATION SYSTEMS, C4, UNITED STATES
ARMY
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTOR, WASHINGTON HEADQUARTERS SERVICES

SUBJECT: Business Case Model Availability

Corporate Information Management funding decisions will be based upon sound business case analysis or equivalent economic analysis. A business case tool is now available for use in preparing business cases ensuring consistent presentation and computation. A binary copy of the software modules and text for loading the software is available on floppy disks or can be downloaded to a host connected to the DDN.

Please provide a point of contact who will act as the focal point for distribution within your organization to Dr. Tom Frazier at (703) 845-2132. Requests for additional copies of the model and updates to the software and documentation will be coordinated through your point of contact.

Paul A. Strassmann
Director of Defense Information

cc:

CIM Council

BUSINESS CASE SUPPORT

Business Case Analysis Model

In support of the Director of Defense Information, the Institute for Defense Analysis (IDA), has developed a business case analysis model. It is implemented in software that runs on generally available personal computers.

Copies of the software which implement the business case analysis model and the associated user manual can be obtained by calling Ms. Cathy Thompson, phone (703) 696-1280. For assistance in using the model, call Dr. Tom Frazier at the Institute for Defense Analysis, phone (703) 845-2132.

Personnel preparing or presenting business cases are encouraged to use the model wherever possible. The model supports business case preparation in three ways:

- a. Establishes common definitions and formats for describing cost elements used in baseline and alternative analyses.
- b. Ensures consistent computations of risk adjusted discounted cash flow procedure.
- c. Establishes a comprehensive presentation format for the economic analysis conclusions to aid in preparation and review.

Business Case Training

A business case instruction course is planned through the DoD Information Resources Management College. Arrangements can be made through Mr. Frank Henrion at (202) 433-3938.

Business Case Workshop

A workshop will be held July 30 through August 1, 1991, to review component progress on business cases to support FY 1992 ADP Development and Modernization requirements. Mr. Dave Norem, at (703) 696-1280, is coordinating meeting arrangements for this session directly with components. Other workshops may be planned to address specific actions.

Attachment