

Title

(12/02/96)

2.B.4.1. Defense Acquisition Executive Summary (DAES)

Description

1. **PURPOSE:** The DAES report provides standard, comprehensive summary reporting of acquisition category I programs between milestone decision points. It is designed to provide, on a regular and systematic basis, indications of both potential and actual program problems before they become significant. Recognizing that problems are expected to surface in these programs aids in communication and early resolution. The DAES is an internal report for the DoD. As indicated in DoD 5000.2-R, Appendix I and Part 6 paragraph 6.1, this section provides instructions for preparing the DAES report.

References

DoDD 5000.1,
DoD 5000.2-R part 6.1, 6.2.2 and Appendix I.

2. GENERAL GUIDANCE

a. Designation and Frequency of Reports (including Additions, Termination, and Waivers

- (1) The Under Secretary of Defense for Acquisition and Technology (USD(A&T)) designates programs for DAES reporting and assigns a quarterly reporting month. In most cases designated programs will be ACAT I programs.
- (2) DoD CAEs are notified in advance (usually 2 to 3 months) of the requirement to start DAES reporting on a program.
- (3) Programs for which reporting is no longer required also will be identified promptly to the DoD CAE.
- (4) Requests for waivers from reporting requirements may be submitted to the USD(A&T) on a case-by-case basis along with supporting rationale.

b. Report Submission.

- (1) Program Managers of designated reporting programs submit the DAES report to the USD(A&T) by the last working day of each designated quarterly reporting month. Exceptions to the last working day rule will be documented in the DAES program reporting list (commonly known as the DAES "ABC" list).
- (2) The DAES report is not to be delayed for any reason.
- (3) Program Managers submit one hard-copy and one digital copy of their DAES report. The digital version is prepared using the mandatory instructions and format contained in the DAES module of the Consolidated Acquisition Reporting System (CARS) software. (See DoD 5000.2R, Appendix I)
- (4) Exceptions to this mandatory requirement to complete each of the eight DAES sections are made on a case by case basis. (Report structure and format is discussed below in paragraph 2.f.).
- (5) Out-of-cycle exception reports will be submitted as provided for immediately below in paragraph 2.c (also see DoD 5000.2-R, 6.2.2.2).

c. Out-of-Cycle Exception Reports. There are two types of out-of-cycle exception reports; each is mandatory (see DoD 5000.2R, 6.2.2.2, 6.2.5).

- (1) The first exception report is submitted when there is reasonable cause to believe that a Nunn-McCurdy unit cost breach occurred or will occur. In such cases, the Program Manager submits Sections 6 (Program

Background Data) and 7 (Supplemental Contract Cost Information, block #28) through the Program Executive Officer (PEO) to the DoD CAE. (See 6.2.5 for a complete discussion of unit cost reporting.)

- (2) The second exception report occurs when the program will or may experience an APB breach due to the Program Objective Memorandum (POM), and Budget Estimate Submission (BES). This involves the submission of Section 8, Program Funding Summary, Section 6-2 Unit Cost, and Section 5 (Approved Program Data) for the POM and BES. The information required by this section is submitted by all program offices experiencing an APB breach at the same time, following submission of the Components' POM or BES, in accordance with the schedule established by the USD(A&T). Offices not experiencing or anticipating an APB breach may submit an exception report for information if they wish.

d. Tailored DAES Reporting. The DAES report is an information report for the DoD acquisition communities responsible for oversight; information requested is the minimum necessary for oversight purposes. In this regard most sections of the report are mandatory (described below). Some parts of some sections of the report may be tailored due to the program phase or other factor(s). Should a program desire to tailor information/formats other than those required and explained below may propose to do so through the IPT process within the office of the OUSD(A&T); such proposals are submitted for OSD approval by separate correspondence. Tailoring flexibility shall be retained, and thus tailoring shall not be proposed or approved in documents, such as those documenting the program's approved acquisition strategy, which are intended to remain unchanged for extended periods of time. Reports shall not be tailored until USD(A&T) approval is obtained. Any office which requires reinstatement or changes to tailored DAES sections shall advise OUSD(A&T)/API/PM and the program manager. In addition to the cover page, the DAES will contain at a minimum the following information as mandated by DoD 5000.2-R paragraph 6.2.2, 10 USC 2433, 2435, and FMFIA:

- (1) Assessment requirement (5000.2-R, 6.2.2): DAES sections 1 (part 1), 2, 3, and 4 in their entirety, and 6.3 for procurement contracts;
- (2) Unit cost reporting (10 USC 2433): DAES sections 6 (part 2) and 7 in their entirety;
- (3) Current estimates of the APB parameters (10 USC 2435): DAES sections 1.2 and 5. Section 8 is mandatory for actual or potential APB breach—otherwise use of format would be tailorable/optional;
- (4) Status reporting of exit criteria, if applicable (5000.2-R, 6.2.2): DAES section 5; and
- (5) FMFIA vulnerability assessments (5000.2-R, 6.2.2): DAES section 6.9).
- (6) The cover sheet is mandatory although largely administrative – it is easily completed and valuable for helping to resolve questions quickly on data problems, classification, and for other basic information. Please note that the basic information is used to prepare other reports and avoids soliciting information separately from the program office (e.g., the “Summary of Major Defense Acquisition Programs,” which is prepared for the USD(A&T).
- (7) In summary, by DAES section the mandatory parts are:
 - (a) Cover page.
 - (b) Section 1: parts 1 and 2.
 - (c) Section 2: all.
 - (d) Section 3: all
 - (e) Section 4: all
 - (f) Section 5: all
 - (g) Section 6: Parts 6.2 and 6.9 are required for all contracts, and part 6.3 is required for procurement contracts. Other parts may be tailored/optional.
 - (h) Section 7: all
 - (i) Section 8: mandatory for actual or potential APB breach—otherwise use of format may be tailored/optional.

(8) The DAES may be tailored to exclude any section not mentioned above. Should the PM choose to tailor the DAES, but later wish to report something contained in one of the excluded sections, he/she is encouraged to include the section at any time.

(9) Once a tailored DAES has been established it can be changed as circumstances dictate by subsequent IPT action or other official direction.

(10) The tailored DAES must be prepared using CARS software.

(11) If the PM must submit an out-of-cycle DAES report because of an actual or potential Nunn-McCurdy unit cost breach, the report will contain sections 5, 6.2 and 7 (block(s) 28 only).

(12) If the PM must submit an out-of-cycle DAES report because of an APB breach as reflected in the Component's program objective memorandum (POM) or budget estimate submission (BES), the report will contain sections 5, 6.2 and 8.

(13) OSD will continue to independently assess program status via the DAES. The information contained in the DAES report will meet the oversight information requirements of the acquisition community. Note: There is no need to repeat information. For example if key points (say in testing and in contracts) are addressed in section 1b "Significant Developments Since Last Report" then in section 3 (Assessments) rather than repeating these points under T&E and Contracts, simply refer the reader back to section 1b (or vice versa).

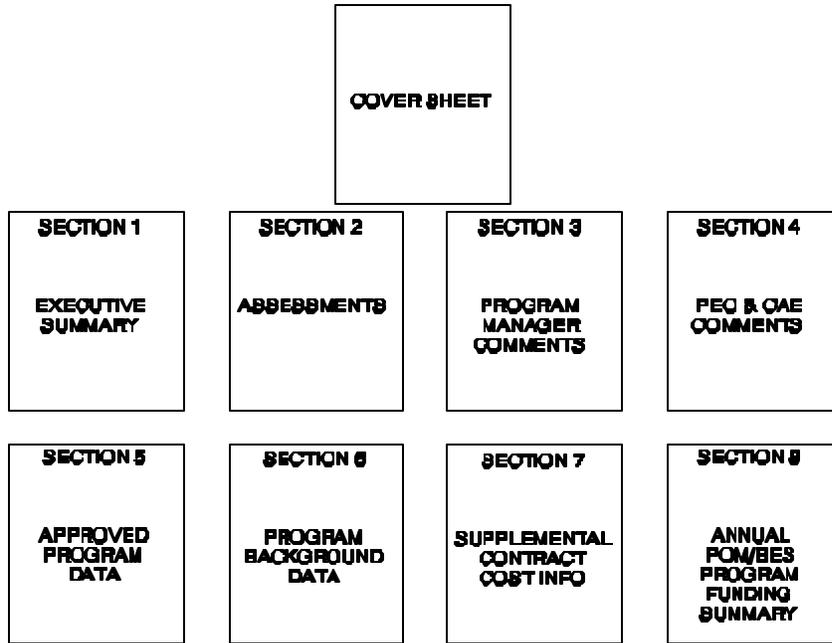
e. Consistency of Information and Data with Other Documents and/or Reports. In this regard:

- (1) DAES Report Consistent With Other Documents And Reports. Information shown in the DAES report is consistent with that in the latest Acquisition Decision Memorandum (ADM) and APB, the Selected Acquisition Report (SAR) (see DoD 5000.2-R part 6.2.4), and other approved program documentation.
- (2) Selected Acquisition Report. The DAES may differ from the SAR in cases where the SAR shows only research, development, test and evaluation funding. contractor.
- (3) Total Costs And Total Quantities. The DAES presents total costs and total quantities for all years as projected through the end of the acquisition phase. This concept of "total program" is further explained in DoD 5000.2-R part 6.2.2.
- (4) Approved Program Baseline. The current approved APB will be incorporated, as appropriate, into Section 5 (Approved Program Data)..
- (5) President's Budget. The first DAES submission after the submission of the President's Budget to the Congress will reflect the new President's Budget funding in all sections, as appropriate, of the Report. (Note: the acquisition program baseline will not be updated to the President's Budget until and unless a baseline change based on a breach has been approved. See 6.2.1 for a complete discussion of the APB.) Subsequent quarterly DAES reports will reflect the President's Budget updated for approved APB changes, approved reprogramming actions, actual expenditures, and accounting adjustments.
- (6) Current Estimates. The report reflects the most current status of the program with comment on actual or projected changes in the appropriate sections. The "Current Estimate" represents the Program Manager's own estimate against the currently approved Acquisition Program Baseline (APB). The "current estimate" column for cost/funding should not reflect POM or BES numbers until approved as the PB; however, any impact(s) on the program need to be included in the appropriate narrative sections of the DAES report. Note: Take care on the "definition" of "Current Estimate." The words mean what they say—where does the Program Manager currently believe he is in the program. If in the PM's judgment some aspect of his program has slipped several months and this is buttressed by, for example, the contractor saying that the slip can not be made up then that several month slip should be reflected in the current estimate column. Some program offices have left the current estimate column unchanged until they receive official approval for the slip from their Component Acquisition Executive (or at least the CAE's staff). Thus the "definition" of "Current Estimate" incorrectly becomes instead an "Officially Blessed Estimate." The problem is at least two fold: (1) it defeats the intent of the DAES serving as an early warning system; and (2) it creates the false impression that the PM has been "trying to hide something." There are times when the PM should leave "current estimate" as is. These are the times when the "current estimate" is under

the control of the DAE or CAE. For example, when the PM is aware that a key APB performance parameter may be changed by the CAE. In such a case the PM would leave the column alone; however, he should narrate the change in section 3 (PM's comments). Similarly, a CAE/DAE plan to change schedule milestones or changes that may occur as a result of POM/BES deliberations should be in the narrative section of DAES, but not in all likelihood in the current estimate column.

- (7) Additional Supporting Data from Contractors. Information presented in DAES Reports is based solely on estimates made by the Program Manager, supplemented by summaries of data normally received from contractors. DAES report information requirements will not be used as the authority to require additional data from a contractor.
 - (8) Dollar Values. All dollars are in millions rounded to one decimal point (e.g., \$54.2M).
 - (9) Classified Data. Each classified paragraph and line in a Report is identified by a "(C)" for CONFIDENTIAL or "(S)" for SECRET. TOP SECRET information will not be submitted, except for highly sensitive classified programs designated for DAES reporting by the milestone decision authority. Specific classified text will also be bracketed ({ }).
 - (10) Focal Points. To facilitate the resolution of data item entry questions and the flow of administrative preparation instructions, DAES Report focal points will be established in the Office of the USD(A&T), the Offices of the DoD CAEs, the Offices of the PEOs, and in the reporting Program Manager's offices.
 - (11) Control Symbol. The DAES Report has been assigned Report Control Symbol DD-ACQ (Q) 1429.
- f. Report Structure and Format.
- (1) The DAES report consists of a cover sheet and eight reporting sections as illustrated below and discussed in the sections attached.

DEFENSE ACQUISITION EXECUTIVE SUMMARY REPORT STRUCTURE



3. RESPONSIBILITIES AND POINTS OF CONTACT

- a. The Under Secretary of Defense for Acquisition and Technology will:
 - (1) Administer the DAES requirements and provide guidance to the DoD CAEs, as necessary.
 - (2) Designate programs that require DAES reporting.
 - (3) Review and analyze DAES reports submitted by DoD acquisition programs.

- (4) Ensure that the Office of the Secretary of Defense and all elements of DoD Components are properly overseeing the status and progress of acquisition category I programs.
 - (5) Maintain a historical data file of all DAES reports and maintain the automated contractor cost data segment of the DAES data base.
 - (6) Use DAES Sections 6 (Program Background Data) and 7 (Supplemental Contract Cost Information) data, as necessary, to support financial oversight.
- b. The Comptroller of the DoD will provide independent program funding and budget execution status analyses to the USD(A&T).
 - c. The Director, Operational Test and Evaluation will:
 - (1) Assist in the independent assessment of the status of DAES program operational test and evaluation and operational performance.
 - (2) Review DAES Reports to ensure consistency with test planning documentation.
 - d. The OSD Cost Analysis Improvement Group will:
 - (1) Assist in the independent assessment of the status of DAES program costs.
 - (2) Assist in the independent assessment of the status of DAES program performance.
 - e. The DoD Component Heads will require that:
 - (1) The Component Acquisition Executives:
 - (a) Establish a Component focal point for DAES reporting.
 - (b) Provide necessary programmatic and budget information to Program Managers to ease the preparation and ensure completeness of all DAES reports.
 - (c) Ensure that the DAES reflects the independent assessment of the Program Manager to the USD(A&T), and minimize the imposition of different assessment reviews or modifications of those assessments by the various layers of the Component organization.
 - (d) Review DAES Reports and add comments as appropriate on DAES Section 4 (PEO/CAE Comments).
 - (e) Receive all reports of potential program baseline deviations from Program Managers and review the affected programs.
 - (2) The PEO will review DAES reports and add comments as appropriate on DAES Section 4 (PEO/CAE Comments). The DAES Report will not be delayed for any reason.
 - (3) The Program Managers will:
 - (a) Establish focal points for DAES reporting within their program offices.
 - (b) Prepare DAES reports in accordance with this guidance.
 - (c) Verify that DAES reports are complete, accurate, and consistent before forwarding them to the PEO.
 - (d) Maintain sufficient records to document and track reported DAES data and ensure the records are available for periodic on-site Office of the Secretary of Defense reviews.

f. The matrix below identifies the offices to be contacted for additional information on this section.

<u>DoD Component</u>	Points of Contact	
	General	Specific
OSD	Dir, API	DepDir, PM (703-695-5166)
Dept of Army	ASA(RDA)	SARD-DE (703-695-8545)
Dept of Navy	ASN(RDA)	Dir, RE (703-614-0160)
Dept of Air Force	ASAF(A)	SAF/AQX (703-697-9966)
BMDO	BMDO/ACQ	BMDO/ACQ/PI (703-413-0302)

4. DAES REVIEW PROCESS. The responsibilities and points of contact do not fully explain the full process. For this reason we are separately outlining the process the DAES report undergoes, primarily after receipt within OSD.

- a. DAES is both a reporting and review process that serves two primary purposes: to provide progress information to DoD principals on selected acquisition programs and to provide to the DoD acquisition community feedback on OSD staff views. The report follows a standardized format and is automated using CARS software. DAES in its current format has been in use since 1988. Major features include:
 - (1) Coverage of all major acquisition programs (i.e., ACAT IC and ACAT ID programs),
 - (2) Quarterly rotation of reports, monthly process,
 - (3) Independent review by OSD staffs where technical, schedule, cost and other parameters are reviewed and reported,
 - (4) Monthly information meeting for principals, and
 - (5) Monthly feedback to relevant program managers and others in the DoD acquisition community.

- b. The purpose of the DAES review process is to provide timely information to the DoD acquisition hierarchy on program execution and progress, policy decisions, and early problem identification. The PM is held accountable for the completeness, accuracy, and consistency of the DAES report. The report passes through the PEO and CAE and is received in OUSD(A&T)/API/PM for distribution to the several OSD staffs involved with acquisition oversight. Issues identified during this OSD staff review form the basis for a meeting held for the USD(A&T) and the PDUSD(A&T) and other key DoD acquisition executives. The quarterly OSD staff review, meeting and feedback to the field forms the core of the DAES process.

- c. Why the independent OSD DAES review: The DAES report has some of the drawbacks of any fixed report which is why the independent review process by the staffs was created in OSD. First the reviewers update any dated information. Second, the process allows for a different point of view. This approach allows the DoD leadership to see how well the chain of command is communicating. A known management principle is the normal reluctance of an organization to report bad news (e.g., an increase in risk for some aspect of a program). In addition, each level of an organization wants to delay reporting bad news until they first attempt a solution; lots of time and money may be lost. For this basic reason and given the high value (monetary and military) of the ACAT I programs, the OSD staffs are tasked to review the DAES reports. Other information is added by these staffs from other reports, visits to contractor sites and program offices, phone calls and so forth.

d. A total of nine indicator areas or categories are examined (listed immediately below). As with the PM's rating in their DAES reports the OSD ratings are based on the section 2 program assessment criteria in this section of the Desk book, and documentation that represents the approved planned program (e.g., APB). Please note that any office may submit written comments on any indicator to API for discussion at the meeting. One important point to note is that while specific organizations have prime responsibility for certain indicator(s), all are free to comment on any indicator. We have found that the more offices that participate in the DAES assessments and the process overall the greater the chance of early identification of problems. The primary reviewing organizations of the DAES reports by organization are:

<u>DAES Indicator</u>	<u>OSD Lead by Code</u>
Performance	Program Technical Staffs (C3I, S&TS, Space, NCB, DARO)
T&E	TSE&E/T&E and OT&E
Logistics & Readiness	TSE&E/SE
Cost	API/PM
Funding	Comptroller/PB
Schedule	Program Technical Staff (C3I, S&TS, Space, NCB, DARO)
Contracts	D,DP/DSPS
Production	IA&I
Management Structure	Program Technical Staff (C3I, S&TS, Space, AE, DARO)

d. (continued): Other organizations have an interest and participate in the DAES process as circumstances warrant. These organizations include International Programs (I&CP), PA&E and the CAIG, and the Joint Staff (J-8).

e. These independent assessments lead to a regular meeting with the DoD Principals on select programs and overarching issues. The DAES point of contact serving for the Director, API, is an "independent player" in managing the process. After the review and assessments are complete (about two weeks), the DAES POC consolidates the information, recommends an agenda to the D,API (the agenda recommended reflects concerns/issues raised based principally on the OSD staff assessments, e.g., reflects programs with a change in risk and/or communication differences with the program office. Aside from the assessments discussed at the meeting, all assessments prepared for all programs reviewed that month are summarized in the DAES Feedback package (the review, meeting and feedback fit together to form the DAES process).

(1) The meeting for the USD(A&T) and PDUSD(A&T) and other top DoD executives is a quick way to transmit information and exchange different viewpoints.

(2) A high level meeting also serves as a forcing function to quickly "force" information up the chain of command. The executive interest spurs corrective action at the program office level as quickly as possible. If action is needed at a higher level, the DAES meeting and overall process provides information over time to the executives to aid in making a decision.

(3) The meeting may create a request by the USD(A&T) or PDUSD(A&T) for some action. These "Agreement and Assignment" memoranda contribute to the "forcing function" process.

f. The DAES Feedback package is intended to contribute to better communication beyond OSD. Overtime the DAES process is meant to encourage the open discussion of problems by the program manager in the DAES, the IPTs and all other appropriate forums. The "Feedback" package makes no attempt to provide an "OSD position" but simply condenses the individual assessments prepared by the several staffs within OSD. This can and does result in some conflicting and contradictory responses within OSD; communication within OSD is thereby encouraged. The program offices and others in the DoD are provided an opportunity to understand the positions of the OSD staffs to, again, encourage optimum communication and problem identification and resolution.

COVER SHEET FOR DAES

PURPOSE:

The DAES Cover Sheet is used for all DAES report submissions. The instructions below explain how to complete the Cover Sheet.

PREPARATION INSTRUCTIONS:

Program Name (Popular Name). Enter the designation, nomenclature, and popular name (if any) of the Department of Defense acquisition program (e.g., F-99A/Advanced Fighter (EAGLE)).

1. DoD Component. Enter the lead Department of Defense Component and other participating Components.
2. Program Manager (PM) Information. Enter the Program Manager's rank and name, mailing and e-mail address (including office symbol and zip code), and commercial, DSN, and FAX telephone numbers, and date of assignment.
3. Program Manager's Point of Contact (POC). Enter the Program Manager's DAES point of contact, rank and name, mailing and e-mail address, and commercial, DSN, and FAX telephone numbers. The POC is responsible for preparing the DAES report for the PM and is authorized to answer simple questions on data problems found in the report (such as apparent number transpositions or data inadvertently omitted from the report). Updates or information bulletins on the DAES software module (part of CARS) are addressed to this individual, as well as to the DoD Component DAES focal points.
4. Program Executive Officer (PEO) Information. Enter the PEO's rank and name; mailing and e-mail address (including office symbol and zip code, but only if different from the address of either the PM or PM's DAES POC (specify which; i.e., PM or PM's DAES POC)) and commercial, DSN, and FAX telephone numbers.
5. Contents. Do not enter anything. The software program will do this automatically for you.
6. Security Classification Data
 - a. Classified by: Enter classifying official's office symbol, or cite the System Classification Guide (SCG) and date.
 - b. Downgrade Instruction: Provide specific instruction on when automatic downgrade is to occur, or indicate "Not Subject to Automatic Downgrade."
 - c. Declassify on: Enter the Originating Agency Determination Required (OADR), or a specific date.

Attachment - 1

1. Cover Sheet Format

COVER SHEET FOR DAES

PROGRAM NAME

Submission Date: ---- [U]

1. DoD Component: ---- [U]

2. Program Manager (PM) Information: [U]

PM Name: ----

Mailing Address: ----

E-mail Address: ----

Comm Phone:---- DSN: ---- FAX:----

Date Assigned: ----

3. Program Manager's Point of Contact (POC): [U]

POC Name: M----

Mailing Address: ----

E-mail Address: ----

Comm Phone: ---- DSN: ---- FAX:----

4. Program Executive Officer (PEO) Information: [U]

PEO Name: MG John S. Jones

Mailing Address: ----

E-mail Address: ----

Comm Phone: ---- DSN: ---- FAX:----

5. Contents Page No.

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PM Comments	3-1
PEO/CAE Comments	4-1
Approved Program Data	5-1
Program Background Data	6-1
Supplemental Contract Cost Information	7-1
Annual Funding Summary	8-1

6. Security Classification Data: ----

Classified By: ----

Downgrade Instruction: ----

Declassify: ----

EXECUTIVE SUMMARY, DAES SECTION 1

PURPOSE:

This section provides summary level assessment and key information on the status of the program. Other sections of the Report offer specific information/assessments on various issues. The intent of this section is to provide a synthesis of the issues that follow in the report (for example, design problems exist and affect cost, schedule and test and evaluation; operational test requirements have changed and affect funding, schedule, test, etc.). The DAES Report is designed to provide, on a regular and systematic basis, indications of both potential and actual program problems before they become significant. Recognizing that problems are expected to surface in these programs aids in communication and early resolution. The OSD staff use the DAES reports as well as other reports, various meetings, and visits to the program office(s) and contractor site(s) to assess the program status. Meetings for the USD(A&T) and PDUSD(A&T) are held to discuss programs on an exception basis; most often program selection is based on views that differ amongst the OSD and program office staffs. For example, when all parties report the same areas of high risk there is limited need to discuss that program to the DoD executives since steady communication to the oversight community is underway with further discussion of limited value.

PROCEDURES:

In the printed DAES report, Sections 1, 2, 3, and 4 appear in the order that their numbers suggest. However, since these summary sections most logically would be completed after the Program Manager completes the more detailed sections, the sequence for completion of the DAES report by the PM is Sections 5, 6, 7, 2, 3, 1, and 4 (Section 4 is completed by the PEO and DoD Component Acquisition Executive).

PREPARATION INSTRUCTIONS:

1. Executive Summary
 - a. Program Issues: This paragraph should be limited to ten lines maximum and provide a qualitative evaluation of key issues or accomplishments and their significance in a clear and straight forward writing style from the PM's perspective. Key issues do not necessarily have to be those detailed later in the Assessment Section (Section 2) or the Program Manager's Comments/Narrative Assessment Section (Section 3) of this Report. Issues should not be limited to those contained in the acquisition program baseline. If there are none, enter "none". If Section 3 is not required, the ten line limit may be disregarded.
 - b. Significant Developments Since Last Report: The PM should provide, in a clear and straight forward style not exceeding 60 lines, program developments and accomplishments and their significance to the major program objectives since the last DAES report submission. The areas addressed/assessed here should consider the entire program and all objectives, and not be limited only to those areas that are part of the acquisition program baseline. For example, the PM is expected to address the status of all exit criteria. Additionally, the PM discusses/assesses at least six non-baseline schedule elements that are projected for completion over the next 18 months (these elements are to be shown in Section 5 (Other Significant Schedule Milestones); the six non-baseline elements may include exit criteria); the PM may discuss/assess these elements in more detail in Section 3. Finally, funding concerns due to proposed or projected decisions are to be addressed here and/or Section 3 (i.e., concerns that may result from the Program Objective Memoranda, Program Decision Memoranda, Program Budget Decisions, etc.). If Section 3 is not required, the 60 line limit may be disregarded.

- (1) Subjects/assessments appropriate for inclusion here are any program areas that require the additional attention of the PM. Examples include test results; advisory information, such as changes in risk levels for major area(s) of the program; changes to major internal milestones; the need to modify the contract to implement changes in requirements; and the need for relief from the program or resource requirements outlined in the Test and Evaluation Master Plan (TEMP), Manpower Estimate Report (MER), or any other approved milestone decision documentation.
 - (2) This assessment should also include any effect that this program may have on any other interrelated programs or any effect that interrelated programs may have on this program.
 - (3) The PM is to discuss/assess actions taken to reduce unit costs, changes to design-to-cost objectives. If no design-to-cost objectives have been established this fact should be briefly addressed. Regardless, the USD(A&T) wishes to see major cost/performance tradeoff opportunities highlighted in this report. If not in this specific section, then in another section that the PM believes would best explain the issue.
 - (4) Actions taken to reduce operating and support (O&S) costs should be addressed/assessed here. Note: these costs are the ones reflected in the SAR's section 18. The USD(A&T) is interested in discussions of major cost/performance tradeoff opportunities.
 - (5) Developments and accomplishments raised here do not necessarily have to be those detailed later in the Assessments Section (Section 2) or the PM's Comments Section (Section 3) of this report. Sections 1, 2, and 3 provide an overall assessment of the program from the Program Manager's perspective. Section 4 provides the PEO and CAE the option for their own assessment of the program.
 - (6) If the PM desires he may display here in rank order the top challenges (about five challenges is suggested) to meeting program objectives. (Discussion of challenges here or in section 7 under contract costs is an option for the PM in the DAES report.) If he wishes to address broader issues here and more contract specific challenges in section 7 that is also an acceptable approach for the Program Manager. Indicate for each challenge the best case, worst case, and best estimate regarding the effect of the challenge(s) on cost, schedule and performance. Describe action being taken to achieve the best estimate.
- c. Other Comments: The PM should/may provide relevant information on factors external to the PM's office and control that may not fit elsewhere in this report. Examples would/may include relevant Congressional direction or interests, withhold actions, pending budgetary activities, actions of private firms not under contract to the program, activities involving the general public.
2. Program Information/Baseline History: The intent of this section is to provide a brief overview of the stability of the acquisition program baseline.
- a. Program Information:
 - (1) ACAT: Enter the acquisition category (ACAT) of the program. The purpose here is to indicate who officially approved the most current acquisition program baseline.

- (2) Next Review: Enter date of next DAB or Component review (month and year). This date should reflect the best judgment of the PM. Notification of date changes as early as possible help the acquisition community in planning for meetings. Dates placed here are a PM's informal best estimate for planning purposes and, therefore, are not subject to breach reporting.
 - (3) Type of Review: Enter type of next review. Indicate either major milestone (MSI, MSII, MSIII), program review (PR) or not applicable (N/A).
 - (4) Next RFP: Enter date of next Request for Proposal (RFP) (month and year) and describe what is being procured (e.g., Lot IV aircraft against FY 95 buy). Note that all dates should reflect the PM's best estimate of program status. Notification of date changes as early as possible help the acquisition community in planning. Dates placed here are a PM's informal best estimate for planning purposes and, therefore, are not subject to breach reporting.
- b. Baseline History:
- (1) Initial Acquisition Program Baseline Date: Enter the date (MM/DD/YY) of the initial milestone acquisition program baseline for the current acquisition phase (i.e., concept exploration, engineering & manufacturing development, or production).
 - (2) Current Approved Acquisition Program Baseline Date: Enter the date (MM/DD/YY) of the most current approved acquisition program baseline.
 - (3) Total Number of Baselines: Enter the total number of acquisition program baselines approved for the current phase of the program. The initial acquisition program baseline for the current acquisition phase (say, Engineering and Manufacturing Development) is number "one"; "Change 1" is number "two," and so on.
 - (4) Total Number of Current Parameters: This portion of the DAES report is completed by CARS. The software "Counts" and displays from section 5 the APB cost, performance, and milestone parameters.
3. Mission and Description: Enter a brief description of the program, its intended mission and features (such as that provided in the RDT&E Descriptive Summary). Identify the system(s) it replaces, updates, or augments.

Attachment - 1

1. Executive Summary Format

EXECUTIVE SUMMARY, DAES SECTION 1

PROGRAM NAME

Prepared: MM/DD/YY

Class: [U]

1. Executive Summary

a. Program Issues: ----

b. Significant Developments Since Last Report: ----

c. Other Comments: ----

2. Program History/Baseline Information: Class: [U]

ACAT: ----

Next Review: MM/DD/YY

Review Type: ----

Next RFP: MM/DD/YY, Type

Initial Acquisition Program Baseline Date: MM/DD/YY

Current Acquisition Program Baseline Date: MM/DD/YY

Total Number of Baselines: ----

Total Number of Current Parameters: ----

Cost: ----

Performance Characteristics: ----

Milestones: ----

3. Mission and Description: Class: [U]

ASSESSMENTS, DAES SECTION 2

PURPOSE:

The purposes of this section are to assess the status of the entire program and to identify potential or actual program problems. Narrative assessments are contained in sections 3 and 1 for the Program Manager; and in section 4 for the PEO and the CAE (PEO and CAE assessments are not mandatory).

PROCEDURES:

1. The DAES report measures program performance against significant intermediate objectives as well as against the key parameters identified in the acquisition program baseline. Measurement of a program's progress and status is not possible using only the acquisition program baseline; therefore, in assessing program status all program documentation (e.g., agreed upon exit criteria, the SAR, TEMP, SAMP, etc.) should be considered. The assessments represent the Program Manager's best independent judgment. They may not reflect official Component or Department positions. The assessments serve as an early warning. In that regard, the identified areas of risk may be resolved over time as a result of actions taken by the PM or others in the management chain.
2. Sections 2 and 3 also will be used to identify issues associated with proposed changes to the most recent President's Budget, such as the POM, or BES, where proposed changes have the potential to cause a change in the acquisition strategy or to the acquisition program baseline threshold. The procedures for notifying the milestone decision authority of potential and actual acquisition program baseline breaches are provided in 6.2.1.

Note #1: CARS software combines Sections 2 and 3 into a single input section. However, the software prints Sections 2 and 3 as separate formats. Therefore, for classification purposes, when Sections 2 and 3 are printed, each should be reviewed separately by the Program Manager as to appropriate classification.

Note #2: In cases where reporting is to begin but there is no APB the Program Manager shall use the Current Estimate columns of the most recent December SAR as the temporary baseline. This data shall be entered in subsection 5 "Other Significant Parameters."

PREPARATION INSTRUCTIONS:

1. Color Coded Rating System
 - a. The following guidelines are for assessing the status of the program:
 - (1) On-Track (Green): All aspects of the program are progressing satisfactorily as evidenced by performance facts, schedule, costs, and contractor performance. Some minor problem(s) may exist, but appropriate solutions are available. Performance characteristics at the subsystem and system level are supporting program objectives and meeting threshold requirements. Milestone slippages, if any, can be rescheduled without requiring a significant amount of additional effort on the part of the program office or contractors. Costs are not expected to exceed approved funding levels and are not expected to exceed contract target costs by more than 5%.
 - (2) Advisory (Green, Yellow or Red): Advisory indicates the program is either assessed to be between ratings, or is moving from one rating to another, thus this provides advance notification of shifting status. A Red (Advisory) indicates that a program with prior Red

status requires higher echelon attention. The narrative will explain if the advisory means an improvement or a worsening in the status or area of risk.

- (3) Potential or Actual Problem (Yellow): Some event, action or delay has occurred that impairs progress against major objectives in one or more segments of the program. While appropriate solutions are within the Program Manager's ability to solve, timely action by the PEO, or by the DoD CAE, or by the USD(A&T) may also be required. Required actions may include activating a WIPT to develop a revised test strategy, or decision, or similar type action. In the case of a potential risk to a major program objective or acquisition program baseline, the Program Manager should state this distinction in Section 3 (Program Manager's Comments). Early reporting is encouraged.
- (4) Major Weakness (Red): Some event, action, or delay has occurred that seriously impedes successful accomplishment of one or more major program objectives. Such a set-back to the program requires reorientation or reprogramming of the program effort, with the advice and consent of the PEO, and/or the DoD CAE, and/or the USD(A&T). Such a problem may be beyond the ability of the PM to resolve without significant action by the Component or DoD. A major weakness includes, but is not limited to, deviations from the acquisition program baseline that will result in a breach (see 6.2.1) or a unit cost breach (see 6.2.4).

b. The Program Manager will review each program performance indicator and enter a "G" (Green; on-track), "Y" (Yellow; potential or actual problem), or "R" (Red; major problem) next to each indicator and an Advisory as appropriate. The software program allows the Program Manager (PM) to make comments in Section 3 (Program Manager's Comments) on each assessment, regardless of "color."

- (1) If the problem is a potential one, the Program Manager should clearly note this fact in Section 3 (Program Manager's Comments) so there is no doubt that this is an advisory and that the situation is being properly managed. Early reporting of potential problems and that corrective action plans are underway is essential.
- (2) In most cases, it is expected that the progression of program assessment ratings should move from Green to Yellow to Red, without sudden changes from Green to Red. This is consistent with the intent that the DAES is to be used as an early warning report of both potential and actual problems. In this regard, the system depends on the Program Manager exercising sound judgment in assessing the program's status. Rating an indicator as "on-track," solely because the APB might be "on-track" is counterproductive and leads to downstream problems. Additionally, in the past, some program offices have provided only the status of their platform and not their electronics (or vice versa); or, the status of other areas which, though not yet in the acquisition program baseline, are in fact key program objectives. All areas are to receive attention by the Program Manager in the DAES status updates. The Program Manager is to report also on the status of interrelated programs that may adversely affect the program objectives (or vice versa).

2. Program Performance and System Indicators

Nine major areas are to be rated. They are described below:

- a. Performance Characteristics. Includes a broad range of mission performance criteria, including, but not limited to, essential physical, technical, operating, software, reliability, availability, maintainability, durability, manpower, training system effectiveness, and other similar characteristics needed to meet field or fleet needs. The program's overall performance to date should be compared with the significant objectives for the program as a whole and significant major subsystems for the program, which include, but are not exclusive of acquisition program baseline performance requirements. Analysis and testing results from contractor and Government activities are to be used in performing this evaluation.
 - (1) Systems Containing Software. PM is requested in making the assessment to address all aspects of the software performance including:
 - (a) Product Capability - ability of the delivered product to support the user's need without failure, and problems and errors discovered during testing that result in the need for rework
 - (b) Growth and Stability - stability of requirements, functionality, or capability and the volume of software delivered to provide required capability
- b. Test and Evaluation. Assess the overall status of system test planning, system testing, considering test article availability, test support, test center and range availability and funding, test success and achievement of test schedules as provided for in the approved TEMP.
- c. Logistics Requirements and Readiness Objectives. All significant logistics requirements and readiness objectives must be considered in assessing this indicator.
 - (1) Logistics Requirements. Assess the overall status of logistics requirements (including manpower requirements). Assess initiatives to achieve or maintain logistics management and support requirements. Consider maintenance manpower, support equipment, test and measurement equipment, training, training manpower and equipment (e.g., will the training system, including facilities, instructors, and training devices, be on-line and fully operational when necessary?), technical data, packaging, handling and storage, transportation and transportability, material fielding, depot support and maintenance, fuel, consumables, replenishment spares, contractor support, war reserves, logistics management, and other relevant logistics issues.
 - (2) Readiness Objectives. Readiness objectives describe the ability of a system to undertake a specified set of missions or capabilities at planned peacetime and wartime utilization rates (e.g., for a missile system, established time to launch; for aircraft, previously agreed upon number of planes ready for take-off, or time for take-off). Should a readiness objective potentially or actually affect the program objectives or thresholds, other performance indicators (such as the performance characteristics or test and evaluation indicators) will be rated and discussed appropriately. Also consider the system's ability to interface with other systems or units responsible for its operation or deployment, the proportion of total operating time that the system is operable, the frequency of maintenance and the extent of required maintenance crew checks and service, the life of major system components and requirements relative to time between major overhauls or rebuilds, and those system features designed to ensure the system's ability to survive and function in a hostile environment.
- d. Cost Performance. Assess the program's cost performance status based on performance to date. Include an assessment of the performance of Firm Fixed Price (FFP) and cost capped contracts. The major consideration is executability of the program within approved resources, based on cost and schedule performance status of the program's major contracts and the

probable effects of those contracts on cost estimates for future effort on the program. When a contract's cost is expected to exceed the government's liability, a Yellow rating normally should be assigned even though funding is available to cover the maximum liability. The PM's comments should discuss what is being done to ensure contractual requirements are met, and what the effect is on estimated future contract prices. Consider if the research, development, test and evaluation and production programs can be accomplished within the approved funding program. Consider potential unit cost reporting threshold breaches (see 5000.2-R, 6.2.5). Assess the status of the program's design-to-cost, value engineering, and other cost reduction initiatives. Consider the probability of achieving design-to-average-unit-procurement-cost objectives, and cost and/or performance tradeoff initiatives, such as, increased performance at the same cost and constant performance at reduced cost.

- e. Funding. Assess the overall adequacy and availability of programmed and budgeted funds by fiscal year. The effect of potential funding shortfalls, reductions, or non-availability due to congressional, OSD, Component, and/or cooperative Allied country actions. Identify program areas not funded to the approved acquisition program baseline, and whether the program is executable to the baseline, or if actual obligation rates are as planned. The PM should display obligation and expenditure data and explain changes/differences from planned rates, with emphasis on changes/differences from the last report.
- f. Schedule Performance. Compare the program's overall schedule performance and deliveries to date with the program schedule milestones (including exit criteria and other critical but non-baseline milestones planned over the next 18 month period; see DAES Section 5) and annual delivery schedules (see DAES Section 6.3). Consider the effect of schedule variations on major decision points, operational capability dates, and if any major component of the system being developed or procured is not meeting the planned schedule. Any system Initial Operational Capability (IOC) or Full Operational Capability (FOC) that will not be met for any reason will be reported as a Red rating.
- g. Contracts. Review all aspects of contract performance including technical and schedule achievement, cost performance, deliveries, contract change proposals and negotiations, and quality. Review the potential for contract adjustments and the ability to properly execute the contract. Also assess all significant aspects of the contract award schedule, including definitization dates. Consider the effect of delays that threaten to extend major contract award dates that are on the critical path of program master schedule activities, or that threaten to expose the Government to unnecessary cost risk. All of these provisions stated here are applicable for all types of contracts including fixed-price types.
 - (1) A Yellow rating should normally be applied when the condition of the contract is such that delays threaten to extend major contract award dates on the critical path of the program master schedule or to expose the Government to unnecessary cost, technical, or schedule risk. A Yellow rating is also appropriate when contractors' performance jeopardizes schedules or budgets or exposes the Government to inappropriate cost, technical or schedule risk.
 - (2) A Red rating should normally be applied when a delay for a major contract award, modification, or definitization activity or event exceeds, or likely to exceed, 90 days, the existing contract cannot be executed as currently negotiated, or contractual actions required to deal with contractor cost, technical, or schedule deficiencies have not been taken or were not effective.

- h. Production. Assess the overall status of the planning and execution of production and continuous process improvement activities. This means all hardware and software aspects of the program. The production assessment should consider configuration management, technical data package availability, contractor capital investment, material availability, surge and mobilization planning, capacity to meet delivery requirements, value engineering, and other key production (hardware and software) requirements. Assess initiatives to achieve or maintain timely and cost effective production. Consider the development and qualification of “capable” manufacturing processes and whether all of these processes have been considered and incorporated beginning with the design phase (hardware and software), continuing throughout the development phase and into production. Assess the extent to which appropriate considerations have been incorporated into the design such that production can achieve desired and/or planned ramp-up rates and redesign of system or components or software codes are not needed for government acceptance of and use of the final product. Assess whether the transition to the production program integrates all life-cycle disciplines and incorporates continuous process improvement throughout the acquisition process for both the hardware and the software. All assessments need to consider the status of vendors and sub-contractors if their performance may have an impact on the program.

- i. Management Structure. This area is for consideration and assessment of those areas that do not fit elsewhere under paragraphs 2.a. through h., above (e.g., status of documentation; effect of problems from interrelated programs on this program, or vice versa; dependence of and problems for this program on Government- or Contractor-Furnished Equipment (GFE or CFE) that are not managed or controlled by the Program Manager; manpower and training for the subject weapon system; adequacy of program office manpower to accomplish current or planned future requirements; relevant national security issues; Joint Service issues; Foreign Military Sale (FMS) issues; or other areas of significance to the Program Office).

Attachment - 1

- 1. Assessments Format

ASSESSMENTS, DAES SECTION 2

PROGRAM NAME	Prepared: MM/DD/YY	Class: [U]
<u>Program Assessment Indicators</u>	<u>Assessment</u>	[U]
Performance Characteristics	---	[U]
Test & Evaluation	---	[U]
Logistics Requirements & Readiness Objective	---	[U]
Cost	---	[U]
Funding	---	[U]
Schedule	---	[U]
Contracts	---	[U]
Production	---	[U]
Management Structure	---	[U]

PROGRAM MANAGER'S COMMENTS/ASSESSMENT NARRATIVE, DAES SECTION 3

PURPOSE:

The purpose of the narrative assessment section is to summarize and explain observations, advisory comments, and potential or significant program problem areas for the categories shown in DAES Section 2 (Assessments), with emphasis on changes since the previous reporting period.

PROCEDURES:

1. Assess the entire program, and do not focus solely on the acquisition program baseline. Status of all elements of the exit criteria is required.
2. Indicate in the assessments if this is a new issue, a significant change, or no change in status from last quarter's report.
3. Program Managers are invited to explain the reason for their assessment, when different from the written assessment(s) from the Office of the Secretary of Defense in the feedback package; however, Program Managers are not obliged to alter their assessment or rating.
4. Program Managers are strongly encouraged to use the narrative to indicate potential risk. We recognize the fact that there are times when long before baseline or non-baseline elements change in Section 5 or Section 6, the Program Manager is aware of areas of risk that are not easy to quickly quantify.
5. Program Managers are strongly encouraged to identify plans and actions taken to resolve problems, including anticipated schedules for reaching resolution.

PREPARATION INSTRUCTIONS:

1. General Guidelines

In developing the comments for this section, quantitative comparisons between the approved program values and the Program Manager's latest estimate should be included when appropriate. When such estimates are not possible, the Program Manager's best judgment in the narrative is strongly encouraged.

- a. Ratings are to be based on the formally approved acquisition program baseline and not on proposed new baseline parameters that may be undergoing review.
- b. Approved Program Data (Section 5) may contain additional data elements that are not part of the acquisition program baseline, but are contained in official program documentation and are integral to the program objectives. These are provided for a more complete picture of the program and allow for realistic status reporting of the program through the DAES report. The status of these additional data elements should be carefully considered in rating and providing a written assessment in this section.

2. Minimum Requirements

Explain the following, at a minimum:

- a. Assess and comment on all ratings, regardless of “color,” where an ADVISORY would avoid potential surprises. Describe the problem and provide the significance of the problem relative to major program objectives and, if applicable, the acquisition program baseline. Also discuss if an interrelated program is affected. Discuss the actions to be taken to accomplish the affected program objective(s). If the program objective needs to be changed, discuss the changes. If there is no management action plan in place, explain when this will be accomplished. Note: Identification and reporting of a problem is more important than waiting to report until even a minimal corrective action plan is in hand.
- b. Assess and provide the status of corrective action(s) since the last DAES report in all cases, whether an advisory, potential or actual problem. The status should include the management plan to correct the issue and the level of risk associated with the plan.
- c. Assess and comment, as appropriate, on any pending or proposed acquisition program baseline parameter changes, the reason for the change, and the risk associated with not changing the baseline parameter, as well as the risk that remains after the change is made to the baseline parameter. When rating against any acquisition program baseline parameter, ratings are based on the acquisition program baseline and not on any proposed new baseline parameters that may be undergoing review. Changes to the baseline parameters and baseline deviations will be reported in accordance with Part 19.
- d. Assess and comment on changes made to any data parameters contained in Approved Program Data (Section 5) that are not part of the acquisition program baseline. Changes to these data parameters can be made by the Program Manager (PM) without prior approval of any higher authority. If the Program Manager determines that any change to these parameters merits higher level attention, the Program Manager should also summarize the change in Section 1 (Executive Summary). Should any of these changes require an exception SAR, official guidance should be followed (see Part 17).

Note: The software program model combines Sections 2 and 3 into a single input section. However, the model prints Sections 2 and 3 as separate formats. Therefore, for classification purposes, when Sections 2 and 3 are printed, each should be reviewed separately by the Program Office as to appropriate classification.

Attachment - 1

1. Program Manager’s Comments Format

PROGRAM MANAGER'S COMMENTS/ASSESSMENT NARRATIVE, DAES SECTION 3

PROGRAM NAME

Prepared: MM/DD/YY

Class: [U]

[U] Explanation of RATING in INDICATOR.

[U] ----

PROGRAM EXECUTIVE OFFICER/DOD COMPONENT ACQUISITION EXECUTIVE COMMENTS/ASSESSMENT NARRATIVES, DAES SECTION 4

PURPOSE:

The purpose of this section is to enable the Program Executive Officer and the DoD Component Acquisition Executive to provide their assessments and perspectives on the program.

PREPARATION INSTRUCTIONS:

1. General Guidelines

- a. The Program Manager's report input does not change nor is modified by the Program Executive Officer or the Component Acquisition Executive except as necessary to correct format errors, the use of unapproved acquisition program baseline parameters, or other such inconsistencies.
- b. The comments of both the Program Executive Officer and the Component Acquisition Executive may differ from those of the Program Manager; however, the Program Executive Officer and the Component Acquisition Executive must ensure that the DAES report reflects the independent assessment of the Program Manager.

2. Specific Guidelines

The following specific guidelines apply regarding the completion of this section:

- a. Comments focus on changes in the relative level of risk associated with the program, the significance of the problems reported by the Program Manager, the Program Manager's proposed corrective actions, the level of risk associated with these actions, and other significant changes to the program from the vantage point of the Program Executive Officer and the Service or Agency Acquisition Executive. The DAES report is not to be delayed for any reason.
- b. Comments are to be provided on any pending or proposed acquisition program baseline parameter changes, the reason for the change, and the risk associated in not changing the baseline parameter, as well as the risk that remains after the change is made to the baseline parameter.
- c. Comments are to be provided also on any proposed changes to additional data elements that are not part of the acquisition program baseline, but are contained in official program documentation and are integral to achieving the program objectives.
- d. Comments may be end-item specific or for the entire program.
- e. The Office of the Secretary of Defense staff will review this section carefully in making their final independent assessments in support of the DAES meeting held for the USD(A&T) and the PDUSD(A&T).

Attachment - 1

1. Program Executive Officer/DoD Component Acquisition Executive Comments

PROGRAM EXECUTIVE OFFICER/DOD COMPONENT ACQUISITION EXECUTIVE
COMMENTS/ASSESSMENT NARRATIVES, DAES SECTION 4

PROGRAM NAME

Prepared: MM/DD/YY

Class: [U]

PEO Comments

[U] ---

[U]

CAE Comments

[U] ---

[U]

ASSESSMENT OF APPROVED PROGRAM DATA, DAES SECTION 5

PURPOSE:

The purpose of this section is to display, in tabular form, the key program parameters. These key parameters fall into three categories: performance characteristics, schedule milestones, and program acquisition cost.

PROCEDURES:

1. All of the acquisition program baseline parameters appear in this section. (Note: CARS will automatically display here the date of the most current APB that was entered in Section 1, paragraph 2b(2) of the DAES report.)
2. Also shown are additional data integral to the program objectives for the entire program (exit criteria or data from a critical interrelated program) and are contained in other official program documents (e.g., TEMP, SAMP, ADM, SAR, etc.). Such additional data is identified in separate subsections immediately after the APB data subsections are listed.
3. This section forms a key starting point for the Program Manager's evaluation of the current program status as reflected in DAES Section 2 (Assessments).

PREPARATION PROCEDURES:

1. Performance Characteristics
 - a. Performance Characteristics. Enter in tabular form the mission performance criteria, including, but not limited to, essential physical, technical, operational, software, survivability, reliability, availability, maintainability, durability, manpower, training system effectiveness, readiness and supportability, interrelated program(s), and other similar characteristics needed to meet the significant objectives required by the field or fleet.
 - b. Initial Approved Acquisition Program Baseline Objective. The CARS module generates the measurable performance characteristic objectives initially approved for the current acquisition phase. These objectives will not change throughout the current acquisition phase. At the next major milestone review, a new initial column will be established to reflect the approved initial APB for the next acquisition phase.
 - c. Current Approved Acquisition Program Baseline Objective/ Threshold. The CARS module generates the performance characteristic thresholds and objectives for the current APB. The current approved acquisition program baseline values would normally be the same as the initial approved APB values in the first submission after a major milestone decision. However, unlike the "Initial Approved Acquisition Program Baseline" column, changes may occur in the "Current Approved Acquisition Program Baseline" column. The CARS module generates any changes to the APB as a result of a baseline breach (see 6.2.1.1) or other directed baseline revision. Note that baseline changes may not be included until they are approved by the milestone decision authority.
 - d. Demonstrated Performance. For each data element being reported, enter that value (relative to the objective and/or threshold) achieved in the latest development or operational testing program (may be government or contractor results – please footnote which one). In the absence of formal test results, the reported value will be the best objective measure of technical

progress as determined by the PM. The results of advanced development testing will be displayed until engineering development data are available. The results of operational testing will take highest precedence in determination of demonstrated performance. In all cases, should system test results not be available, estimates should be based on results of subsystem testing. Information in this column is not subject to any type of breach reporting.

- e. PM's Current Estimate. Enter the PM's current estimate of the performance characteristic value for each of the major program objectives. When the Current Estimate differs from the major program objectives, the differences should be explained in the appropriate part of Section 3 (Program Manager's Comments) with emphasis on changes since the previous reporting period. If the PM can not quantify the estimate at the time of report submission, he should explain to the best of his ability in the narrative memo field of this section. The current estimate represents the PM's best judgment of the program status relative to the APB parameters. (Any APB performance changes under consideration by the CAE/DAE that are not related to the PM's execution responsibilities should be addressed in the narrative sections of the DAES report, but not the current estimate column until approved. (For example the CAE wishes to incorporate an entirely new radar system on the baselined platform system – this is a CAE/DAE prerogative.))
- f. PM's Projection. This column should include the PM's current estimate as well as events or plans that are not "fact of life" but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program
Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM's Projection column should be available in CARS Version 8.0.

2. Other Significant Performance Characteristics

- a. Other Significant Performance Characteristics. Same as above, but not part of the APB (essential physical, technical, operational, software, survivability, reliability, availability, maintainability, durability, manpower, training system effectiveness, readiness and supportability, interrelated program(s), and other similar characteristics needed to meet the significant objectives required by the field or fleet). This list should be representative of those characteristics that will be subject to developmental and operational test and evaluation and the exit criteria required to proceed to the next milestone decision point or to proceed further in the current acquisition phase of the program. All exit criteria are to be listed here (see 5000 2-R, 6.2.2).
 - (1) Changes in Other Significant Performance Characteristics Data. Data of significant program objectives that are not part of the APB but which have been provided to give a more complete picture of the program may be changed by the PM as internal management plans change; any such non-baseline elements are not subject to any type of breach reporting (e.g., Nunn-McCurdy; APB deviation reports). Address these changes in the appropriate part of Section 3 (Program Manager's Comments). Emphasize changes since the previous reporting period. Provide the reason for the change(s) and the risk associated in the decision to make the change(s). If the PM determines that any of these changes merit higher level attention, the PM also

summarizes the change(s) in Section 1 (Executive Summary). If the PM does believe that any of these changes does require an exception SAR, official guidance should be followed (see 5000.2-R, 6.2.4).

- (2) Adding Performance Parameters. Other non-baselined performance parameters may be added at a later time, when in the judgment of the PM, PEO, DoD CAE, or USD(A&T), such requirements need to be recorded to provide a more complete understanding of program status. Do not wait for a new APB to add such elements or to make assessments (Section 2, Assessments). All data entered would be at the “objective” level not at the threshold level.
 - (3) Dropping Performance Parameters. Completed data should be noted as complete and reported at least one final time in the DAES report. After that point the PM may drop or retain at his/her discretion.
- b. Initially Approved. Enter the data reflecting the approval document setting the initial data points. Examples would include the exit criteria approved at the time of the most recent milestone decision or, if the data are not part of the exit criteria, than use other official documents such as the TEMP or major contract and the contracted for performance goals. Please do not change these objectives throughout the current acquisition phase. At the next major milestone review, a new set of data may be entered to reflect the approved performance for the next acquisition phase.
 - c. Revised Data. Revisions made to Other Significant Performance Data reflected in the exit criteria, TEMP, contract(s) or other non-APB document(s) are entered here (please footnote document that has changed and date; if more than one change occurs there is no need to maintain a historical file of previous changes; documentation of only the most current authorizing document is needed).
 - d. Demonstrated Performance. For each data element being reported, enter that value (relative to the objective) achieved in the latest development or operational testing program (may be government or contractor results – please footnote which one). In the absence of formal test results, the reported value will be the best objective measure of technical progress as determined by the PM. The results of advanced development testing will be displayed until engineering development data are available. The results of operational testing will take highest precedence in determination of demonstrated performance. In all cases, should system test results not be available, estimates should be based on results of subsystem testing. Information in this column is not subject to any type of breach reporting.
 - e. PM’s Projection. Enter the PM’s projection of the performance characteristic value for each of the major program objectives. Comments may be made in the memo field or DAES section 3 or 1 with emphasis on changes since the previous reporting period. These projections represents the PM’s best judgment of the program status. This column may address the issues as the PM determines including events or plans that are not “fact of life” but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program

Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM's Projection column should be available in CARS Version 8.0.

3. Program Schedule/Milestones

- a. Schedule Milestones. List the milestones specified in the APB. Milestones should encompass at a minimum the entire period from the currently approved milestone decision point through retirement of the system.
- b. Initial Approved Acquisition Program Baseline Objective (MON YY). The CARS module generates the schedule milestone dates (objectives) initially approved for the current acquisition phase. These dates will not change throughout the current acquisition phase. (At the next major milestone review, a new initial column will be established to reflect the approved initial acquisition program baseline for the next acquisition phase.) Enter dates in the form (MON YY) (e.g., JUN 98 for June 1998). Month should be entered and not a given quarter of a year. When a quarter is entered, for program assessments purposes, the last day of the quarter or last day of the fiscal year is used.
- c. Current Approved Acquisition Program Baseline Objective/ Threshold (MON YY). The CARS module generates the schedule milestone objectives and thresholds for the current approved acquisition program baseline. The current approved acquisition program baseline values would normally be the same as the initial approved acquisition program values in the first submission after a major milestone decision. However, unlike the "Initial Approved Acquisition Program Baseline" column, changes may occur in the "Current Approved Acquisition Program Baseline" column. Incorporate any changes to the approved acquisition program baseline that result from a baseline breach (see 6.2.1.1) or other directed baseline revision. However, baseline changes may not be included until they are approved by the milestone decision authority.
- d. PM's Current Estimate (MON YY). Enter the Program Manager's current estimate of the schedule milestone date for each of the major program objectives. When the Current Estimate column differs from the major program objectives, the differences should be explained in the appropriate part of Section 3 (Program Manager's Comments) with emphasis on changes since the previous reporting period. Milestones will be listed chronologically as shown in the Current Estimate. If the PM can not quantify the estimate at the time of report submission and leaves his current estimate unchanged in the report, he should explain to the best of his ability in the narrative section that a milestone change is possible in a future report or some risk factor is required in the narrative. The use of a "TBD" in the PM's Current Estimate column is strongly discouraged. The current estimate represents the PM's best judgment of the program schedule milestone status relative to the APB parameters. (APB schedule milestone changes under consideration by the CAE/DAE that are not related to the PM's execution responsibilities should be addressed in the narrative sections of the DAES report, but not the current estimate column until approved.) (For example the CAE wishes to incorporate an entirely new radar system on the baselined platform system that will delay APB scheduled developmental testing by more than 6 months – this is a CAE/DAE prerogative.)
- e. PM's Projection. This column should include the PM's current estimate as well as events or plans that are not "fact of life" but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in

keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program

Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM's Projection column should be available in CARS Version 8.0.

4. Other Significant Program Schedule/Milestones

- a. Other Significant Schedule Milestones. List other significant program milestones not part of the APB, such as those shown in the acquisition strategy report, ADM, TEMP, Research and Development Descriptive Summary, or other approved document. Examples of key system-level development milestones that may not be in the APB may include the Engineering and Manufacturing Development contract award, preliminary and critical design reviews, and first full-up system tests (start and completion dates); and key system-level production milestones, such as production contract award, first delivery. Include key dates associated with evolutionary requirements. At least one key date should be entered for interrelated programs, when applicable.
- (1) Changes in Other Significant Milestones. Significant program objective milestone dates that are not part of the APB, but are necessary to provide a more complete picture of the program, may be changed by the PM as internal management plans change (please note that they are not subject to any type of breach reporting (e.g., Nunn-McCurdy; APB deviation reports). In the meantime, however, do not wait to make assessments in Section 2 (Assessments). Address these changes in the appropriate part of Section 3 (Program Manager's Comments), with emphasis on changes since the previous reporting period. Provide the reason for the change(s) and the risk associated in the decision to make the change(s). If the PM determines that any of these changes merits higher level attention, the changes should also be summarized in the available memo field, or section 3 or section 1 of the DAES report. If the PM does believe that any of these changes does require an exception SAR, official guidance should be followed (see 5000.2-R, 6.2.4).
- (2) Adding Other Schedule Milestones. The PM must include all exit criteria milestones and at least six non-baseline elements that are projected for completion over the next 18 months (we would expect new element(s) would be added for nearly each new submission of the DAES report; non-APB exit criteria milestones projected for completion over the 18 month period do qualify); the PM must discuss these elements as appropriate in Section 1 and as appropriate in Section 3 (the PM is not expected to repeat what he may have addressed in the first section, or vice versa). Other non-baseline schedule milestones may be added at a later time when, in the judgment of the PM, PEO, CAE, or USD(A&T), such milestones need to be recorded to provide a more complete understanding of program status. Do not wait for a new acquisition program baseline to add this element, or to rate in Section 2 (Assessments). All milestone schedule dates shown would be the "objective" date not the threshold date.
- (3) Dropping Other Schedule Milestones. Completed milestone events should be noted as complete and reported at least one final time in the DAES report. After that point the PM may drop or retain at his/her discretion.
- b. Initially Approved Dates (MON YY) (Objective Date). Enter the key non-APB milestones dates (objective date only) reflecting the dates as initially set at the time the current milestone phase

was established in various official documents (e.g., ADM, major contracts, TEMP, acquisition strategy, exit criteria memorandum, etc.). Please do not change these milestone objective dates throughout the current acquisition phase. At the next major milestone review, a new set of data may be entered to reflect the approved performance for the next acquisition phase. Enter dates in the form (MON YY) (e.g., JUN 98 for June 1998). Month should be entered and not a given quarter of a year. When a quarter is entered, for program assessments purposes, the last day of the quarter or last day of the fiscal year is used.

- c. Revised Dates (MON YY) (Objective Date). Revisions made to Other Significant Schedule Milestones reflected in the exit criteria, TEMP, contract(s) or other non-APB document(s) are entered here (please footnote document that has changed and date; if more than one change occurs there is no need to maintain a historical file of previous changes; documentation of only the most current authorizing document is needed).
- d. PM's Projection (MON YY). Enter the PM's projection of the schedule milestone date for each of the listed schedule milestone dates. Comments may be made in the memo field or DAES section 3 or 1 with emphasis on changes since the previous reporting period. These projections represents the PM's best judgment of the program status. This column may address the issues as the PM determines including events or plans that are not "fact of life" but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program

Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM's Projection column should be available in CARS Version 8.0.

- 5. Program Acquisition Cost. This part displays total program acquisition costs in base-year and then-year dollars. Total costs for the entire acquisition program, all years, must be provided. If not identified in the Future Years Defense Program (FYDP), best estimates for costs beyond the FYDP should be provided in keeping with the concept of total program reporting. The total program concept refers to the entire weapon system acquisition process from concept exploration and definition through demonstration and validation, engineering and manufacturing development, and production and deployment. It encompasses the total weapon system quantity and cost as projected by the DoD Component. This projection is recognized as not just the amount funded in the budget or just the total amount budgeted and programmed through the FYDP. The presentation of the total program reporting within the DAES report is intended to provide a more comprehensive understanding of total program requirements. (See also 5000.2R, 6.2.1.) In the case of programs which are subsystems to platforms and whose procurement is reported in the platform budget line, approved acquisition program baseline procurement funding for such subsystem programs will be reported here. In addition, the DAES report will also summarize subsystem procurement quantities and funds by appropriation code in Section 6 of the DAES (see DAES section 6.7, below). Examples of these subsystem programs include command, control, communications, and intelligence (C³I) electronics, ship electronics suites, strategic submarine missile weapons equipment, or aircraft engine programs that are essentially subsystems to a platform(s). Information on foreign military sales (FMS) will be reported when applicable (see DAES Section 6.4 (Program Background Data)).
 - a. Program Base Year. Enter the fiscal year base year (BY). The base year is normally the base year of the estimate prepared for a major milestone decision review (e.g., Milestone II).

- b. Program Acquisition Costs. Enter the total program acquisition cost in base-year and then-year dollars.
- (1) Development (RDT&E). Enter the sum of all research, development, test and evaluation program costs for all years through the end of the acquisition phase.
 - (2) Procurement (PROC). Enter the sum of all procurement program costs for all years through the end of the acquisition phase. Include procurement cost total for all subsystem programs that are separately budgeted by platform Program Managers of other programs (e.g., command, control, communications, and intelligence (C³I) electronics, ship electronics suites, strategic submarine weapon equipment, or aircraft engine programs that are essentially subsystems to a platform(s)).
 - (3) Military Construction (MILCON). Enter the sum of all program-specific military construction program costs for all years through the end of the acquisition phase.
 - (4) Acquisition-Related Operation and Maintenance (O&M). Enter the sum of all program acquisition-related operation and maintenance program costs for all years through the end of the acquisition phase.
- c. Quantities. Enter total program quantities.
- (1) Development (RDT&E). Enter the total development quantity (less non-fully configured end items). (See 6.2.4 for further information.)
 - (2) Procurement (PROC). Enter the total procurement quantity.
- d. Unit Cost. Enter average procurement unit costs.
- (1) Avg Unit PROC Cost (BY). Enter the total procurement cost in base-year dollars divided by total procurement quantity.
 - (2) Avg Unit PROC Cost (TY). Enter the total procurement cost in then-year dollars divided by total procurement quantity.
- e. End Item Quantity Name(s). The CARS module generates the name of the end item associated with the cost parameter values. This supports programs with two or more end items with separate cost baselines. If there are two or more end items with separate cost baselines, each end item should have a separate unit cost. Most aircraft, ship, and missile programs are single end item programs. Some multiple end item programs (e.g., air defense systems that may include a platform, a weapon, and a command, control, communication, and intelligence system) may use a single unit or grouping for unit cost purposes. In any case, a unit of measure must be established in order to measure changes in unit cost over time. The definition of a unit of measure should not change over time.
- f. Initial Approved Acquisition Program Baseline Objective. The CARS module generates the program costs initially approved for the current acquisition phase. The costs shown in this column will not change throughout the current acquisition phase. (At the next major milestone review, a new initial column will be established to reflect the approved initial acquisition program baseline for the next acquisition phase.)

- g. Current Approved Acquisition Program Baseline Objective/ Threshold. The CARS module generates the program costs for the current approved acquisition program baseline. The costs of these two columns are expected to be the same at the milestone decision point. Unlike the “Initial Approved Acquisition Program Baseline” column, changes may occur in the “Current Approved Acquisition Program Baseline Objective/Threshold” column. Incorporate any changes to the acquisition program baseline that result from a baseline breach (see 6.2.1.1) or other directed baseline revision. However, baseline changes may not be included until they are approved by the milestone decision authority.
- h. PM’s Current Estimate. The “Current Estimate” will reflect updated estimates of this program as of the date of the DAES Report. To avoid confusion, the PM should provide in the comment part of this section the document supporting the change, the authority, and date. Change may occur because of a new or revised President’s Budget, a program review by the milestone decision authority, a reprogramming, or other similar direction. Address these changes in the appropriate part of Section 3 (Program Manager’s Comments), with emphasis on changes since the previous reporting period. Provide the reason for the change(s), and the risk associated in the decision to make the change(s). Changes being considered and reflected in Planning, Programming, and Budgeting System (PPBS) memoranda (such as the POM, Program Decision Memoranda (PDMs), and Program Budget Decisions (PBDs)) that do not reflect fact-of-life changes (e.g., contract awards, official reprogrammings) should not be reported until approved and included in the President’s Budget. The PM should, of course, address non-fact-of-life changes in the narrative funding assessment (DAES Section 3) and/or the Executive Summary (DAES Section 1) especially if such changes may impact execution of the program and/or requirements that established the program. If the PM can not quantify the estimate at the time of report submission, he should explain to the best of his ability in the memo field of this section. Finally, the USD(A&T) has directed that the PM must explain changes in the average procurement unit cost since the previous report. This discussion would be related to the unit cost discussion described in section 1 of this part of the instruction.
- i. PM’s Projection. This column should include the PM’s current estimate as well as events or plans that are not “fact of life” but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program
Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM’s Projection column should be available in CARS Version 8.0.

6. Other Significant Program Acquisition Costs.

- a. The structure here is the same as the preceding APB cost section. However, only changes to the displayed rows by exception need to be displayed. Show any costs that are not part of the APB but play a key direct or indirect role on the program. Cite the approved documentation relative to the cost(s) under discussion.
 - (1) Other Funding/Budget Costs. Costs that are not part of the APB may be changed by the PM as the PM’s internal management plan changes, or as the PM is directed to make a change by higher authorities (please note that they are not subject to any type of breach reporting (e.g., Nunn-McCurdy; APB deviation reports). In the meantime,

however, do not wait to make assessments in Section 2 (Assessments). Address these changes in the appropriate part of Section 3 (Program Manager's Comments), with emphasis on changes since the previous reporting period. Provide the reason for the change(s) and the risk associated in the decision to make the change(s). If the PM determines that any of these changes merits higher level attention, the changes should also be summarized in the available memo field, or section 3 or section 1 of the DAES report. If the PM does believe that any of these changes does require an exception SAR, official guidance should be followed (see 5000.2-R, 6.2.4).

- (2) Adding Other Cost Changes. Other non-baseline costs may be added at a later time, when in the judgment of the PM, PEO, CAE, or USD(A&T), such costs need to be recorded to provide a more complete understanding of program status. Do not wait for a new APB to add this element or to make assessments (Section 2, Assessments). Costs associated with exit criteria must be reflected here (unless already included as part of the program APB). GFE costs should be footnoted in the available memo field.
 - (3) Dropping Other Non APB Costs. Cost issues shown here may be dropped as the PM wishes. Prior to doing so he is requested to cite this fact at least one final time in the DAES report (usual reason would most likely be that the cost issue is no longer relevant. After that point the PM may drop or retain at his/her discretion.
- b. Initially Approved. Enter the non-APB costs and footnote sources supporting those costs. Please do not change this information throughout the current acquisition phase. At the next major milestone review, a new set of data may be entered to reflect costs for the next acquisition phase.
 - c. Revised Costs. Revisions made to Other Significant Acquisition Program Costs as the PM desires (please footnote document that provides authority for change).
 - d. PM's Projection: Enter the PM's projection of costs. Comments may be made in the memo field or DAES section 3 or 1 with emphasis on changes since the previous reporting period. These projections represents the PM's best judgment of the program status. This column may address the issues as the PM determines including events or plans that are not "fact of life" but may change the program (e.g., contractor consolidation, early informal technical results, POM and or BES projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program
Please Note: CARS Version 7.0 software may not have this column available under the title "PM's Projection." The column will likely read "Current Estimate." Until the title is changed with CARS Version 8.0, the available current estimate column is to be used.

Attachment - 1

1. Approved Program Data Format

ASSESSMENT OF APPROVED PROGRAM DATA, DAES SECTION 5

FORMAT

PROGRAM NAME Prepared: MM/DD/YY Class: [U]

(Current APB Date: MM/DD/YY) [entered by CARS]

1. Performance Characteristics	Initial APB Objective	Current ABP Objective/Threshold	Demonstrated Performance	PM's Current Estimate	PM's Projection	[U]
EACH APB CHARACTERISTIC	---	---/---	---	---	---	

2. Other Significant Performance Characteristics	Initially Approved	Revised Data	Demonstrated Performance	PM's Projection	[U]
EXIT CRITERIA	---	---	---	---	
OTHER AS APPROPRIATE	---	---	---	---	

3. Schedule Milestones	Initial APB Objective	Current ABP Objective/Threshold MON YY	PM's Current Estimate MON YY	PM's Projection	[U]
EACH APB MILESTONE	---	---	---	---	

4. Other Significant Schedule Milestones	Initially Approved	Revised Data	PM's Projection	[U]
EXIT CRITERIA	---	---	---	
OTHER AS APPROPRIATE	---	---	---	

5. Program Acquisition Cost Program Base-Year: FY 19XY	Initial APB Objective	Current ABP Objective/Threshold	PM's Current Estimate MON YY	PM's Projection	[U]
Base Year Costs (BY \$M)					

Development (RDT&E):	\$---	\$--/--	\$---	---
Procurement (PROC):	---	--/--	---	---
MILCON:	---	--/--	---	---
Acquisition O&M:	---	---	---	---
Total FY 93 Base-Year	\$---	--/--	---	---

Then Year Costs (TY \$M)

	Initial APB Objective	Current ABP Objective/ Threshold	PM's Current Estimate MON YY	PM's Projection
Development (RDT&E):	---	--/--	---	---
Procurement (PROC):	---	--/--	---	---
MILCON:	---	--/--	---	---
Acquisition O&M:	---	--/--	---	---
Total Then-Year	\$---	\$--/--	\$---	\$---

	Initial APB Objective	Current ABP Objective/ Threshold	PM's Current Estimate MON YY	PM's Projection
Quantities				
Development (RDT&E):	---	---	---	---
Procurement (PROC):	---	---	---	---

	Initial APB Objective	Current ABP Objective/ Threshold	PM's Current Estimate MON YY	PM's Projection
Unit Cost				
Avg PROC Unit Cost (BY \$M):	---	---	---	---
Avg PROC Unit Cost (TY \$M):	---	---	---	---

6. Other Significant Program Acquisition Cost(s)

Initially Approved	Revised Cost	PM's Projection	[U]
---	---	---	

PROGRAM BACKGROUND DATA ASSESSMENT, DAES SECTION 6

PURPOSE:

This section provides descriptive program related information on total costs and total quantities for all years through the end of the acquisition phase for all DoD Components. (See total costs, 5000.2-R, 6.2.2) This includes both information on and (as appropriate) the assessment of program elements and procurement lines by appropriation, unit cost reporting data, procurement deliveries, contract costs, international cooperative programs, other participating DoD Components, a procurement/platform supplement, CALS status, and vulnerability assessments.

PREPARATION INSTRUCTIONS:

1. Track to Budget. Identify all program elements (PEs) and procurement annex line items (PALIs) included in the latest President's Budget that directly apply to this program. Show Joint Service program elements and procurement annex line items. Indicate those program elements and procurement annex line items shown in the SAR, if applicable, by indicating "Y" (yes its shown in the SAR) or "N" (it is not shown) in the SAR column of the format. Repeat the identification of PEs as often as is required to show the complete budget track.
 - a. Research, Development, Test and Evaluation (RDT&E) Program Element (PE) & Project Data. Show all research, development, test and evaluation, program elements and projects included in this program. Only the program element number and name is required if the program element funds only this program. The program element and all directly applicable project numbers and names are required if the program element contains funds for other programs. Program elements and project numbers should be traceable to the Service Automated Research, Development, Test and Evaluation Annex, Research, Development, Test and Evaluation Descriptive Summary, and Research, Development, Test and Evaluation Project Listing submissions, chapters 253 and 462 of DoD 7110.1-M, "DoD Budget Guidance Manual" (reference (f)).
 - b. Procurement Annex Line Item (PALI) Data. Show the appropriation (treasury) code and item control number (ICN) for each procurement annex line item included in this program. The appropriation code is contained in columns 1 to 4 and the item control number (ICN) is contained in columns 10 to 19 of the Procurement Data Format of the Automated Procurement Annex Data Base, chapters 241, appendix C-1, and chapter 461 of DoD 7000.14R, "DoD Budget Guidance.".
 - (1) The item control number (ICN) is equivalent to standard study number (SSN), Army; budget line item (BLI), Navy; or weapon system code (WSC), Air Force.
 - (2) The Automated Procurement Annex data base is submitted by the DoD Components with each FYDP update and includes for each primary procurement annex line item associated non-add data for initial spares and/or outfitting, ship design, post delivery, cost growth, and escalation. Do not reference the "basket" procurement annex line items that contain these funds. Include all other procurement annex line items directly applicable to the program (e.g., modifications and other procurement funded items that have been included in separate procurement annex line items).

- c. Military Construction (MILCON) Program Element (PE) Data. Show only those system specific military construction program elements that directly support and are uniquely identifiable with this program. The program elements are to be traceable to the Automated Construction Annex Data Base, chapter 463 of DoD 7000.14R, “DoD Budget Guidance.”
 - d. Operation and Maintenance (O&M) Program Element (PE) Data. Show those operation and maintenance program elements that, in special cases, have been used to fund this program for acquisition purposes. Do not include program elements funding system operation and maintenance functions after it is fielded. The program elements are to be traceable to the Operation and Maintenance budget justification materials format, DoD 7110.1-M, “DoD Budget Guidance.”
2. Unit Cost Reporting (UCR). This data is mandatory; it compares Current Estimate unit costs and unit cost baselines for the total program and the procurement program, and provides additional information for those programs that have experienced unit cost breaches of 15 percent or more against the unit cost baseline. Unit costs will be computed to at least three significant figures. When unit costs are identified for more than one end item, show cost, quantity, and unit cost for each end item. Only those programs having unit cost breaches of 15 percent or more are required to provide additional unit cost exception information in SAR sections 12.c through 12.m (5000.2-R, 6.2.4). Additional guidance on these sections and unit cost reporting in general is provided in 5000.2-R, 6.2.5. This section is not required for programs submitting RDT&E-only SARs. All other exceptions must be approved by the USD(A&T) and annotated appropriately in the SAR and in the DAES. (See section 12 of attachment 3 in Part 17.) When combined with the required DAES Section 7 (Supplemental Contract Cost Information) information, this data meets the minimum requirements of the unit cost information required by Title 10, United States Code, Section 2433, “Unit cost reports” (see 6.2.5).
- a. Total Program (Base-Year Dollars). Enter the total program acquisition cost in base-year dollars, the quantity, and program acquisition unit cost (PAUC) in base-year dollars for the Current Estimate and unit cost reporting baseline, and the percent change between the baseline PAUC and the current estimate PAUC (see the example in subsection 12.a of attachment 3, 6.2.4). The PAUC is the total program acquisition costs divided by the total number of fully configured end items. Note that the quantities reflected here shall agree with the number of fully configured quantities reported in subsection 11.b of the SAR (see paragraph 11.b, 6.2.4).
 - (1) Current Estimate. Enter the Current Estimate of the total program acquisition cost, quantity, and program acquisition unit cost (PAUC) in base-year dollars. This information will agree with the base-year dollar totals shown under “Total Program Cost and Quantity” (paragraph 11.a, above) and under “Program Funding Summary” (paragraph 16.c, 6.2.4).
 - (2) Unit Cost Reporting Baseline. The unit cost reporting baseline for the Program Acquisition Unit Cost (PAUC) is the PAUC of the currently approved acquisition program baseline (APB) in base-year dollars. For initial SARs or for programs reporting unit costs for the first time, that do not yet have an approved APB, there will be no unit cost baseline. Include the appropriate baseline reference in the column header (date and document name, for example, Dec 95 APB or Mar 95 SAR).
 - (3) Percent Changed. Enter the change in percent between the Current Estimate PAUC and the APB PAUC.
 - b. Procurement (Base-Year Dollars). Enter the procurement cost in base-year dollars, the quantity, and average unit procurement cost (AUPC) in base-year dollars for the Current Estimate and

unit cost reporting baseline, and the percent change between the baseline AUPC and the current estimate AUPC (see the example in subsection 12.b of attachment 3, Part 6.2.4). The AUPC is the total procurement costs divided by the total procurement quantity. Note that the quantities reflected here shall agree with the procurement quantities reported in subsection 11.b of the SAR (see paragraph 11.b, Part 6.2.4).

- (1) Current Estimate. Enter the Current Estimate of the total procurement program, quantity, and average unit procurement cost (AUPC) in base-year dollars. This information will agree with the base-year dollar totals shown under “Total Program Cost and Quantity” (paragraph 11.a, Part 17) and under “Program Funding Summary” (paragraph 16.c, Part 6.2.4).
- (2) Unit Cost Reporting Baseline. The unit cost reporting baseline for the average unit procurement cost (AUPC) is the AUPC of the currently approved acquisition program baseline (APB). For initial SARs or for program reporting unit costs for the first time, that do not yet have an approved APB, there will be no unit cost baseline.
- (3) Percent Changed. Enter the change in percent between the Current Estimate AUPC and the APB AUPC.

3. Procurement Delivery Assessment and Display

This part displays, in tabular form, the program’s planned and actual procurement major end item delivery schedules. Funds are in then-year dollars. The total program for procurement, all years, is to be shown. If there are two or more contractors, the data should be added together and shown as a single entry. If there are two or more major equipment models, variants or end item types (e.g. airborne and ground units; motorized and non-motorized units), repeat this part for each end item type. If there are two or more DoD Components, repeat this part for each Component. Beyond the FYDP, best estimates should be provided in keeping with the concept of “Total Program,” as defined under “Cost” in Section 5 (Approved Program Data); also see 5000.2-R, 6.2.2. A memo field is available for the PM to provide an assessment narrative when appropriate.

- a. Procurement funding for all subsystem programs that are separately budgeted by another Program Manager will be reported by the Program Manager of the subsystem. Examples of these subsystem programs include command, control, communications, and intelligence (C³I) electronics, ship electronics suites, strategic submarine missile weapons equipment, major training devices and simulators, or aircraft engine programs that are essentially subsystems to a platform(s). Subsystem procurement quantities and funds should be displayed by DoD Component procurement appropriation. The instructions for each column are provided below.
- b. Funded Quantities. Enter the total funded quantities for prior years, the quantity for the current year, each year of the FYDP, and the total to complete. The Program Manager of a subsystem will report procurement quantities for all subsystem programs that are separately budgeted by platform Program Managers (e.g., command, control, communications, and intelligence (C³I) electronics, ship electronics suites, strategic submarine weapons equipment, or aircraft engine programs that are essentially subsystems to a platform(s).
- c. Funding (TY \$M). Enter the funding, in then-year dollars, that supports the “Funded Quantities”, following the guidelines provided above. If there are two or more DoD Components, repeat this part for each Component. (Funding is not to be broken down by quarter.)

- d. Delivery Schedule. Enter the contract delivery schedule as negotiated with the prime or system integration contractor(s) (which includes the latest estimate of future deliveries of negotiated contracts). For the four quarters beyond the “as of” date of this report submission, show the deliveries by quarter. This rolling wave will always show four future delivery quarters and will mean that current year and next year data will be displayed. If there are two or more contractors, the delivery data will be added together and reported as one summary schedule. If there are two or more DoD Components, repeat this part for each Component. It is recognized that the funded quantities, which are budget driven, will not be the same as the delivery schedule quantities, which are contractor delivery oriented. Note: PMs should provide a separate table for significantly different versions of systems being delivered.
 - e. Actual/Current Projection. Enter actual deliveries or the best projection of deliveries based on actual performance trends as of the date of the DAES Report. Change may occur for a number of reasons, and should be commented upon under the appropriate indicator of Section 3 (Program Manager’s Comments).
 - (1) At the beginning of a new budget year, funded quantity and funding are expected to follow the budget. During the year, change may occur for many reasons (e.g., a new or revised President’s Budget (PB), reprogramming actions, a decision of the USD(A&T), recommendations contained in the POM or BES, etc.). To avoid confusion, the Program Manager should provide in the comment part of this section the document supporting the change, the authority, and the date. Address these changes, as appropriate, in Section 3 (Program Manager’s Comments), with emphasis on changes since the previous reporting period. Provide the reason for the change(s), and the risk associated in the decision to make the change(s). Deliveries are not part of the acquisition program baseline and may be changed by the Program Manager as internal management plans change, or as the Program Manager is directed to make a change by the milestone decision authority; changes are not subject to any type of breach reporting. Address these changes, as appropriate, in Section 3 (Program Manager’s Comments).
 - (2) Delivery schedule and actual and/or current projection are affected by either changes in funding or programmatic changes (e.g., change in schedule, need for new testing, changes in mission requirements). In the case of such a change by either the contractor(s) or the Government, note the reason for change and risk in Section 3 (Program Manager’s Comments), as outlined in the paragraph above.
 - f. Provide tabular information on funded quantities for other customers (another Component, Foreign Military Sales, commercial sales) for the same items in a separate table when such other quantities make a contribution to avoiding production breaks or maintaining economic production rates.
4. Program and Contract Cost Information Summary. This part displays summary level program and contract cost information. Separate formats will be completed for each major appropriation category (research, development, test and evaluation, procurement, military construction, and operation and maintenance).
- a. Program Manager’s Current Estimated Price At Completion (PMCEPAC). For contract effort, Program Manager’s Current Estimated Price At Completion is the estimated cost for the authorized work, plus applicable fee or profit. Only the work authorized to be performed under the contract, not additional effort contemplated for the contract, should be included. Program level reserves set aside for risk or unanticipated engineering change orders (ECOs) may be included here or under Management Reserves (MR).

- (1) Budgeted by Program Manager (Column 1). This category includes funds that are directly associated with each itemized Section 6, part 1 effort budgeted by the Program Manager. For large active contracts (see paragraph 4.c., below), this entry is analyzed to determine whether contract cost performance that is reported in Section 7 (Supplemental Contract Cost Information) is likely to effect adversely the overall financial execution of the program.
 - (2) Budgeted by Other Sources (Column 2). This category includes funds that are directly associated with each itemized Section 6, part 1 effort that are budgeted by another source (such as within another DoD Component program or joint program) and provided to and managed by the Program Manager.
 - (a) If “Other Sources” include foreign military sales, enter under comments in this section the quantity and estimated cost (then-year dollars) by recipient country.
 - (b) While foreign military sales are considered to be non-add to the costs of the program, any schedule or cost variance to any of the foreign military sales should be immediately assessed in the appropriate category of Section 3 (Program Manager’s Comments).
- b. Completed Contracts. Enter under columns 1 and 2 the total price for contract effort completed in support of this program.
- c. Large Active Contracts. Large active contracts include prime and associate prime contracts that require the contractor’s cost and schedule management control system to meet the requirements of the DoD (see 5000.2-R, 6.4); or that have an anticipated total price of at least \$60 million in research, development, test and evaluation or \$250 million in procurement or ship construction in fiscal year 1990 constant dollars; or that are “major contracts” (see “Unit Cost Reporting Definitions” in 5000.2R, 6.2.5); or that, in the best judgment of the PM, are determined to be critical to the program, regardless of dollar value or contract type. A DAES Section 7 (Supplemental Contract Cost Information) will be prepared for each large active contract.
- (1) Identification. This is a descriptive contract title that distinguishes this contract from others being reported for this program. The contract title will be the same as that reported in Section 7 (Supplemental Contract Cost Information).
 - (2) Contract Number. Enter the assigned contract number (e.g., N00007-90-C-0001). The contract number will be the same as that reported in Section 7 (Supplemental Contract Cost Information).
 - (3) Enter under columns 1 and 2 the Program Manager’s Current Estimated Price At Completion.
 - (4) When (a) a contract is more than 90 percent complete, (b) anticipated additional expenditures are less than \$50 million, (c) all significant contractual effort is complete (see Section 7, Procedures # 3), and (d) no additional modifications are anticipated, state in item 26 of Section 7 (Supplemental Contract Cost Information), “This is the Final Report.” Section 7 (Supplemental Contract Cost Information) may be deleted from the next DAES submission, and the contract included in “Completed Contracts”, unless otherwise directed.

Note: For contracts requiring a Cost Performance Report (CPR) or Cost/Schedule Status Report (C/SSR) use Section 7 (Supplemental Contract Cost Information) entry “Cumulative Budgeted Cost for Work Performed (BCWP)” divided by entry “Total Allocated Budget” to determine completion status.

- d. Total Small Active Contracts. Enter under columns 1 and 2, the data required for the total value of all active contracts not included under line 2 as large active contracts.
 - e. Current and Future Non-contract Effort (Prior, Current, and Future). Enter under columns 1 and 2, the data required for the total value of all non-contract effort (e.g., in-house effort).
 - f. Management Reserves (MR). Enter under columns 1 and 2, program reserves available for the active contract and non-contract effort. Include anticipated changes to active contracts. Reserves, such as total risk-assessing cost estimate (TRACE), should be included, if applicable. Do not include reserves for future contracts. As indicated in item 1 above, reserves for active effort may be included here or against each active contract.
 - g. Future Contract Effort. Enter under columns 1 and 2, the Program Manager’s estimated price for all future contract effort, including any associated Management Reserve.
 - h. Total Appropriation (Line 7). Enter under columns 1 and 2 the totals for lines 1 through 6. The total of columns 1 and 2 should equal the major appropriation category (research, development, test and evaluation, procurement, military construction, and operation and maintenance) appropriation total values reported in Section 6, part 1. To be consistent with Section 6, part 1, the total appropriation value should be updated to reflect changes in prior year actuals and approved reprogramming actions.
5. Foreign Military Sales, International Cooperative Program, and Direct Commercial Sales. Display foreign military sales, international cooperative program, and direct commercial sales information, including the quantity and estimated cost in U.S. dollars by recipient country. If there has been a significant change to any aspect of the international cooperative program, it should be immediately assessed in the appropriate category of Section 3 (Program Manager’s Comments). Include appropriate assessment from related FMS contracts as shown in DAES section 6.4 (above) when appropriate.
6. Joint Potential Designation. This information is required by and for the Joint Staff. Each DoD Component will assess the joint potential of their Mission Need Statements as part of the validation process. The sponsoring Component will assign a Joint Potential Designator (JPD) to describe the expected level of joint DoD Component involvement. This part provides information on joint potential.
- a. As defined below, indicate the joint potential designation as “independent,” “joint interest,” or “joint.”
 - (1) Independent. No potential for other DoD Component use of systems interface or for joint development or procurement.
 - (2) Joint Interest. Joint program management is inappropriate, but a potential for other DoD Component use or system interface exists. (Formerly interoperating)
 - (3) Joint. A potential for joint program management, joint funding, and/or joint development or procurement exists.

- b. Provide the approval date of the Mission Need Statement containing the recommended Joint Potential Designator.
7. Procurement/Platform Supplement. This part is required for programs that are subsystems to a platform and whose procurement is reported in the platform budget lines. That is, procurement will be reported by the Program Manager of a subsystem to a platform, even though the procurement is budgeted by a platform Program Manager. Enter in tabular form the current estimate of the subsystem program's procurement quantities and funding (in then-year dollars) for each platform which is a major defense acquisition program and all other platforms of which the reporting program is a subsystem program. Examples of these subsystem programs include command, control, communications, and intelligence (C3I) electronics, ship electronics suites, strategic submarine missile weapons equipment, major training devices and simulators, or aircraft engine programs that are essentially subsystems to a platform(s). The total program for procurement, all years, is to be shown. If there are two or more DoD Components, repeat this part for each Component. Beyond the FYDP, best estimates should be provided in keeping with the concept of "Total Program," as defined under "Cost" in Section 5 (Approved Program Data). Specific instructions are provided below.
- a. Enter by fiscal year for each appropriation the total quantity to be procured and total then-year dollars associated with each platform that is a major defense acquisition program.
 - b. "Other" means the total of all programs that are not major defense acquisition programs. These do not have to be broken out separately.
 - c. Repeat as required for each DoD Component.
8. Continuous Acquisition Life Cycle Support (CALC) Assessment. This part is required to provide status of progress in accomplishing the goals established by the CALC process.
- a. Enter the CALC point of contact (name, phone number, fax number, e-mail address and standard mailing address).
 - b. Program Managers should assess the status of their program's progress in relationship to the Government's Concept of Operation (GCO) and the contractor's CALC Implementation Plan (CALCIP), with emphasis on the following:
 - (1) Assess the effectiveness of the GCO.
 - (2) Assess the progress which the contractor has made in complying with the CALCIP.
 - (3) Identify those business processes which have been/are being improved as a result of the move toward a digital environment.
 - (4) Assess the progress which has been made toward making a Contractor Integrated Technical Information Service available, i.e., status of installation; uses being made of the CITIS (program reviews, data approvals); and effectiveness toward reducing time and cost.
 - (5) Identify steps which have been/are being taken to incorporate any infrastructure improvements necessary to improve information-enhancement capabilities;

- (6) Assess the progress being made in migrating from paper, or hard, documents to digital access or delivery of necessary information; and the progress which has been realized in converting data currently existing in paper form to digital form where appropriate and economically feasible.
 - c. Red/Yellow/Green. It is rare that a program would be judged to be “Red” relative to CALS implementation, but a “Yellow” may apply if little or no progress is being made to move toward a digital environment. For example, if a CITIS has not yet been established, or little progress is being made in that area; or, if a large percentage of the product data is still being received in hard copy form. Rating would be entered in Section 2. Narrative may be addressed here or in Section 3 depending on the Program Manager’s preference.
- 9. Vulnerability Assessment. For this section assess the vulnerability of the program with respect to achievement of its cost, schedule, and performance control objectives on the basis of the information presented in this report regarding the established objectives and the attainment of those objectives. This assessment of the program’s vulnerability will serve as the basis for preparing the annual statement of assurance for the program required by DoD Directive 5010.38.
 - a. Federal Requirement. OMB Circular A-123 provides guidance for establishing, evaluating, improving, and reporting on management controls in programs and administrative activities. The Circular requires that executive organizations establish cost-effective management control systems to provide reasonable assurance that resources are protected and that program activities be effectively and efficiently managed to achieve the goals of the organization.
 - b. Department of Defense Requirement. DoD Directive 5010.38 provides policy, prescribes procedures, and assigns responsibilities for management control systems. The Directive requires that systems meet requirements in the General Accounting Office’s “Standards for Internal Control in the Federal Government,” which sets forth requirements for management control systems.
 - c. Control Objectives. For Defense systems, basic control objectives involve the program office’s ability to adhere to a weapon system’s cost, schedule, and performance baseline parameters. Control objectives for weapon system cost, schedule, and performance parameters are embodied in acquisition program baselines that are established in accordance with DoD Instruction 5000.2, “Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information Systems,” 1996. The requirements validation authority and the milestone decision authority update the acquisition program baselines at milestone reviews. As weapon systems progress through the acquisition process, baseline parameters are refined and the level of detail evolves at succeeding milestone reviews. The objectives evolve from broad, general objectives at Milestone I, Concept Demonstration Approval, to system-specific, detailed objectives at Milestone III, Production Approval. Minimum acceptable requirements for each baseline parameter, known as thresholds, are identified. Values for acquisition program baseline parameters reflect the cost and performance characteristics of the system as it is expected to be produced and fielded as well as critical acquisition schedule events. Program exit criteria are also control objectives for Defense systems.
 - d. Control Techniques. Control techniques are mechanisms by which control objectives are achieved. A control technique is any form of organization, procedure, or document flow that is relied on to accomplish a control objective and help safeguard or protect an organization from waste, fraud, and mismanagement. Control techniques include, but are not limited to, specific policies, procedures, plans of organization (including separation of duties), and physical

arrangements (such as locks and fire alarms). Management control techniques are to continually provide a high degree of assurance that the management control objectives are being achieved.

- (1) For Defense systems, the milestone review documentation and periodic program status reports (such as this DAES Report) and certifications specified in DoD Instruction 5000.2 provide adequate control techniques to achieve the control objectives.

Attachment - 1

1. Program Background Data Format

PROGRAM BACKGROUND DATA FORMAT, DAES SECTION 6

PROGRAM NAME

Prepared: MM/DD/YY

Class: [U]

1. Track to Budget (Joint program PEs and PLIs must be shown).

a. RDT&E Program Element (PE) & Project Data

PE Number: PE ----

Project Name: ----

SAR [U]
Y or N

b. Procurement Annex Line Item (PLI) Data

Appropriation Code: ----

Item Control Number: ----

PALI Name: ----

Y or N [U]

c. MILCON Program Element (PE) Data

PE Number: ----

PE Name: ----

(Repeat as required.) (Include only if PE is system specific and uniquely identifiable.)

Y or N [U]

d. O&M Program Element (PE) Data

PE Number ----

PE Name: ----

SAR _____(Y/N)

Y or N [U]

2. Program Acquisition/Current Procurement Unit Cost Summary (Current (Then-Year) Dollars in Millions):
(Sample numbers provided) (see Selected Acquisition Report)

	<u>Current</u> <u>Estimate</u> (MM YY SAR)	<u>UCR</u> <u>Baseline</u> (MM YY APB)	<u>Percent</u> <u>Change</u>
a. Total Program			
(1) Cost	----	----	
(2) Quantity	----	----	
(3) Unit Cost	----	----	----
b. Procurement			
(1) Cost	----	----	
(2) Quantity	----	----	
(3) Unit Cost	----	----	----

3. Procurement Delivery Assessment and Display

(Repeat for programs with procurement from two or more DoD Components. Repeat for programs with two or more end items in the APB.)

	<u>Funded Quantity</u>	<u>Funding (TY \$M)</u>	<u>Delivery Schedule</u>	<u>Actual/ Current Projection</u>
Prior Years:	---	---	---	---
Current FY [FY97]:	---	---	---	---
Next four quarters				
4 th Qtr[97Q4]	N/A	N/A	---	---
1 st Qtr[98Q1]	N/A	N/A	---	---
2 nd Qtr[98Q2]	N/A	N/A	---	---
3 rd Qtr[98Q3]	N/A	N/A	---	---
Over FYDP				
FY: Y1	---	---	---	---
FY: Y2	---	---	---	---
FY: Y3	---	---	---	---
FY: Y4	---	---	---	---
FY: Y5	---	---	---	---
FY: Y6	---	---	---	---
<u>To Complete:</u>	---	---	---	---
Total:	---	---	---	---

4. Program and Contract Cost Information Summary. (TY \$M)

Appropriation: LIST EACH SEPARATELY

PM's Current Est. Price at Completion	PMCEPAC Budgeted By PM	Budgeted By Other Sources*
a. Completed Contracts	---	---
b. Large Active Contracts		
(1) Air Frame E&MD F99000-93-Z-5555	---	---
(2) Engine E&MD F99000-93-Z-5556	\$---	\$---
c. Small Active Contracts	---	\$---
d. Current/Future Non-contract Effort	---	\$---
e. Management Reserves	---	\$---
f. Future Contract Effort	---	\$---
g. Total Appropriation	\$---	\$---

Note if includes Foreign Military Sales (FMS). If FMS included provide along with relevant assessment in memo field: See DAES section 6.5.

Foreign Government, quantity, and funding total (in TY \$M). See DAES section 6.5.

5. Foreign Military Sales, International Cooperative Program, and Direct Commercial Sales: (Funding in U.S. Dollars, TY \$M). (Memo field is provided for relevant assessment(s).)

Foreign Military Sales: (first unit FMS sale is in CY99; last year at present is CY05)

Allied Country	CYn1	CYn2	CYn3	CYn4	CYn5	CYn6	To Complete
Consolidated	\$---	\$---	\$---	\$---	\$---	\$---	\$---
Nation's Qty:	---	---	---	---	---	---	---
Group (CNG)							

6. Joint Potential Designation:

- a. List Proposed Other Component Involvement: -----
- b. Date of JROC Assessment of Designation: mm/dd/yy

7. Procurement/Platform Supplement: (required only for those systems that have their procurement in platform budget lines). (Memo field is provided for relevant assessment(s).)

Name of Equipment here:

PLATFORM #1	Quantity	TY \$M	Class
FY Y1	Q--	\$--	[U]
FY Y2	Q--	\$--	[U]
FY Y3	Q--	\$--	[U]
FY Y4	Q--	\$--	[U]
FY Y5	Q--	\$--	[U]
Totals	Q--	\$--	[U]

PLATFORMS CONTINUE AS APPROPRIATE

8. Continuous Acquisition Life Cycle Support (CAL S) Assessment.

- a. Enter the CALS point of contact (name, phone number, fax number, e-mail address and standard mailing address).

- 3. PM's CALS Point of Contact (POC): ---- [U]
 - POC Name: ----
 - Mailing Address: ----
 - E-mail Address: ----
 - Comm Phone: (---) ---- DSN: ---- FAX: ----

- b. Program Manager's narrative assessment

9. Vulnerability Assessment

a. Assess the vulnerability of the program on the basis of the information presented in this report. This assessment of the program's vulnerability will serve as the basis for preparing the annual statement of assurance for the program.

SUPPLEMENTAL CONTRACT COST INFORMATION, DAES SECTION 7

PURPOSE:

This section displays, in tabular form, summary-level contract identification, schedule, and performance information.

PROCEDURES:

1. The “contract identification data” and “contract schedule data” sections apply to all large contracts, including those identified in DAES Section 6, (Program Background Data).
2. The “contract performance data” section applies primarily to those contracts requiring a Cost Performance Report (CPR) or a Cost/Schedule Status Report (C/SSR), (see Part 20), or other report containing earned value data (identify the source).
 - a. Items 4.b. and 4.d.; 6 through 8; and 13 through 14 should be current as of the “report date” of the data provided in Items 15 through 27. If more recent information is available for Items 4.b., 4.d., 6 through 8, and 13 through 14, however, it should be presented under Item 26. Providing the most current information available as of the DAES report date is necessary – adding explanatory narrative in the memo field is encouraged to aid the oversight reviewer(s).
 - b. The remaining items are based on information available in other program documents or program cost estimates.
 - c. Data should be as current as possible. If the data is more than 60 days old, an explanation will be provided under the comments section (item 26).
 - d. Reported data should be consistent with the contract effort. For example, when a CPR or a C/SSR is being received on contract basic line items plus exercised options, relevant dates and values associated with the basic line items plus exercised options, not the just basic contract line items, should be shown. Data on options and future changes should not be included until such time as the options are exercised or changes contractually implemented.
 - e. When a CPR or a C/SSR is not required, the Program Manager should provide the best estimate of contract cost at completion (item 25 below) and identify the source in the comments section (item 26). This includes firm fixed price (FFP) contracts, for which the Program Manager’s estimate of cost to the contractor at completion should be provided, not simply the firm fixed price of the contract..
 - f. For firm fixed price contracts, entries should be provided for items 1 through 5; 7, 8a; 9 through 14; and 25. Note: if for any reason earned value data is required under an FFP contract entries should be provided for all items.
 - g. Blanks, such as “not applicable (N/A)” and “to be determined (TBD)” should be avoided. If the Program Manager believes the contractor reported data is in error, the correct data and appropriate comments should be provided in the comments section (item 26).
3. When (a) a contract is more than 90 percent complete (Cumulative Budgeted Cost for Work Performed (BCWP) divided by Total Allocated Budget), (b) anticipated additional expenditures are less than \$50 million, (c) significant contractual effort is complete (see item 13 below), and (d) no additional

modifications (including resolution of requests for equitable adjustment, claims, etc.) are anticipated, state in Section 26, "This is the Final Report". This section may be deleted from the next DAES submission and the contract may be included in DAES Section 6 (Program Background Data), part 4, line 1 (Completed Contracts), unless otherwise directed.

PREPARATION INSTRUCTIONS:

CONTRACT IDENTIFICATION DATA:

1. Program Name. Enter the preferred name of the program being reported. This name is the same as that reported in Section 6 (Program Background Data), part 4.
2. Contract Name. Enter a descriptive contract title which distinguishes this contract from others being reported for this program. This title is the same as that reported in Section 6 (Program Background Data), part 4.
3. Contractor Data
 - a. Enter the name of the contractor, or the joint venture if the award is to a joint venture.
 - b. Enter the division identification when appropriate (such as Rockwell International (Collins) or Boeing (Vertol)).
 - c. Enter the city of the contractor's main facility performing the work.
 - d. Enter the state of the contractor's main facility performing the work.
- 4a. Contract Number. Enter the assigned contract number (e.g., N00007-90-C-0001).
- 4b. Change Order Number. Enter the latest change order number, including those that are not definitized.
- 4c. Contract Type. Enter the type(s) of contract(s) as defined in Part 16 of the Federal Acquisition Regulation (reference (g)), such as cost-plus-incentive-fee (CPIF), cost-plus-fixed-fee (CPFF), cost-plus-incentive-fee/award fee (CPIF/AF), fixed-price incentive firm target (FPIF), or firm fixed price (FFP). For incentive contracts, see instructions for the comments section (item 26). If the contract includes multiple contract types, provide a summary table in block 26 which identifies the work/product, the contract type, and the associated value for each grouping.
- 4d. Contract Deliveries. Enter the total contract major end item delivery quantity required under the contract (do not include option quantities for options not exercised), the cumulative quantity planned/required for delivery by the DAES "as of" date, and the actual quantity delivered by the "as of" date.
5. Program Phase. Identify the program phase for which work is being done on this contract (i.e., CE for concept exploration, PDRR for Program Definition and Risk Reduction, E&MD for engineering and manufacturing development, or PROD for production).
6. Negotiated Cost. Enter the current cost (excluding fee or profit) for all contract effort which has been priced as shown in item 15 (in the memo field enter data as of the DAES report date, if different from blocks 15, 16). For a cost-type contract, enter the estimated (target) cost negotiated for the authorized contract effort; do not include amounts for cost growth even if recognized and funded. For incentive contracts, whether fixed price or cost reimbursement, enter the definitized contract target cost.
7. Cost of Authorized, Unpriced Work. Enter the contractor's proposed estimated cost (including fee or profit), or when a proposal has not been received, the agreed upon Not-To-Exceed value, for all work

on which the government has given the contractor written authorization to proceed, but definitized contract prices have not been negotiated

- 8a. Target Price. . For a cost-type contract, enter the current estimated cost plus all fees, including the estimated cost and fee for authorized unpriced effort. For fixed-price incentive contracts, enter the current target price. For firm-fixed-price contracts, enter the firm-fixed-price. In all cases include the not to exceed value of authorized unpriced work.
- 8b. Ceiling Price. Enter the current contract ceiling price, for contracts that include a ceiling price (fixed price incentive). Include the not to exceed value of authorized unpriced work. For all others, leave blank.

CONTRACT SCHEDULE DATA:

9. Contract Definitization Date: Enter the actual date the contract was definitized (MON YY) (e.g., JUN 96 for June 1996). Do not enter planned or projected dates in this block; do provide that information in block 26.
10. Work Start Date. Enter the date (MON YY) work started on the contract, whether or not the contract is definitized. For a contract option or modification being reported separately, show the date work started on the reported effort, not the basic contract start date.
11. Critical Milestone 1 - Name and Completion Date. Enter the name and scheduled completion date (MON YY) for the first of two contract critical milestones as defined by the Program Manager. Also enter the actual completion date. For engineering and manufacturing development contracts, this may be the preliminary design review (PDR), or equivalent. For production contracts, this may be first production item delivery or equivalent. The event selected should be consistent from report to report. A description of the milestone, as well as scheduled, projected and actual dates for completion should be provided in the memo field. Within six months of actual completion of the event, a different, more current and active, contract milestone should be entered in item 11; this may be the event previously selected for Critical Milestone 2..
12. Critical Milestone 2 - Name and Completion Date. Enter the name and scheduled completion date (MON YY) for the second of two contract critical milestones defined by the Program Manager. Also enter the actual completion date if it has occurred. For engineering and manufacturing development contracts, this may be the preliminary design review (PDR), critical design review (CDR), first flight, or equivalent. For production contracts, this may be completion of Production Readiness Review, receipt of a major component, laying a keel, launch of a ship, first unit assembly, first or last unit delivery, etc. The event selected should be consistent from report to report. A description of the milestone, as well as scheduled, projected and actual dates for completion should be provided in the memo field. Within 6 months of completion of the event, or upon shifting of this event to Block 11, a different, more current and active, contract milestone should be entered in item 12.
13. Significant Effort Completion Date. Enter the Program Manager's current estimated completion date (MON YY) for the significant effort on the contract. It should represent that point in the contract when the major portion of the contract work is expected to be completed and all significant risks have been satisfactorily resolved. After this date, the expenditure rate is expected to decrease significantly as the contractor reassigns personnel. For engineering and manufacturing development contracts, this may be the date when the last major testing is expected to be completed. For production contracts, this may be the date that the last major item of equipment is expected to be delivered to the Government.

14. Estimated Completion Date. Enter the Program Manager's current estimate of the date (MON YY) that the contract effort actually will be completed. For contracts with a CPR or C/SSR, this is when cumulative Budgeted Cost for Work Performed for all practical purposes equals the contract budget base.

CONTRACT PERFORMANCE DATA:

15. Report Date. Enter the accounting period cutoff date (MM/DD/YY) for the data covered by the contractor's report (CPR or C/SSR) that is being used to prepare this section. (Example: On October 25th, 1999, a contractor submits a CPR covering the accounting period ending September 30th, 1999. Accordingly, the appropriate entry in item 15 would be "09/30/99.")
16. Source Document. Enter the source document (CPR, C/SSR, or Other) that is being used to prepare this format. If "Other" is entered, specify the source of the cost performance data.
17. Data Verification. Enter the review type and date the review was conducted (or is planned to be conducted) on the contractor's cost and schedule management control system (e.g., "Integrated Baseline Review (IBR)," "April 1996," or "walk-through-talk-through (WTTT)," "April 1996"). Identify in the comments section (item 26) any problems or inconsistencies in the performance data, any known problems in the contractor's cost and schedule management control system, and any waivers granted from Cost/Schedule Control System Criteria (C/SCSC) review requirements (see Part 11-B, DoD Instruction 5000.2, "Defense Acquisition Management Policies and Procedures" (reference (e))).
18. Budgeted Cost for Work Scheduled (BCWS). Enter the cumulative Budgeted Cost for Work Scheduled from the source document.
19. Budgeted Cost for Work Performed (BCWP). Enter the cumulative Budgeted Cost for Work Performed from the source document.
20. Actual Cost of Work Performed (ACWP). Enter the cumulative Actual Cost of Work Performed from the source document.
21. Management Reserve (MR). Enter the total amount of contractor management reserve remaining from the source document.
22. Contract Budget Base (CBB). Enter the sum of negotiated cost (item 6) plus the estimated cost for the authorized, unpriced work (item 7) from the source document. If the contract is not definitized, explain in the comments section (item 26) what the contract budget base represents and when contract definitization is anticipated. For cost-type contracts, include in the contract budget base only the estimate for authorized effort, not the estimates for cost growth.
23. Total Allocated Budget. Enter the sum of all budgets allocated to the contract from the source document. This amount normally equals the contract budget base (item 22). If this amount differs from the contract budget base, an explanation is required in the comments section (item 26). (See paragraph 27 below.)
24. Contractor's Estimated Cost. Enter the contractor's latest revised estimate of contract cost at completion (excluding fee or profit) for the period covered by the performance report. This should include only authorized effort.
25. Program Manager's (PM's) Estimated Cost. Enter the Program Manager's current, best, and worst case estimates of contract cost at completion (excluding fee or profit) for the period covered by the

performance report (see item 26 below). These should include only authorized effort. Cost estimates in excess of the Government's liability must be reported. The Program Manager's best estimate and its source should be provided for contracts (including firm fixed price contracts) that do not require contract cost reporting.

26. Comments. This section is designed to provide concise information on contract performance, including any effect of contract performance on overall program execution, and to provide supplemental data unique to the contract type or individual contract.
- a. If the data reported is limited to a portion of a contract, e.g. only a particular option, or only certain contract line items, or grouping of contract line items by contract type, provide an explanation and provide sufficient data to explain the balance of the contract status. A table showing the various parts with associated values can be helpful.
 - b. For fixed price incentive contracts, provide the share ratio (government/contractor). For contracts which include an award fee incentive, show total potential award fee, total available award fee to date, and total award fee earned to date.
 - d. If delivery data includes two or more major variants or end items, provide a break-out of total quantity for each, quantity of each planned/required delivery to date, and quantity of each actual delivery to date.
 - e. Individually identify each request for equitable adjustment (REA) or claim, the initial face value, the date submitted, and the planned resolution date. Once REAs or claims have been adjudicated, provide the identification and the adjudication date, the claim value and a brief description of the adjudication decision for one DAES cycle after disposition and resolution.
 - f. Identify the number and aggregate value of authorized unpriced changes that are less than 180 days old. Individually identify each authorized unpriced change that has been authorized for more than 180 days, with a brief description, date authorized, face value, and planned definitization date.
 - g. Address the Program Manager's estimate of contract cost at completion as follows:
 - (1) Enter the range of estimates at completion, reflecting current, best and worst cases. Justify the PM's best estimate (item 25) if the contract is at least 15 per cent complete and the estimate is lower than that calculated using the cumulative cost performance index.
 - (2) Provide the estimate at completion reflecting the best professional judgment of the servicing cost analysis organization. If the contract is at least 15 per cent complete and the estimate is lower than that calculated using the cumulative cost performance index, provide an explanation.
 - h. Display in rank order the top five challenges to meeting contract objectives. Indicate for each challenge the best case, worst case, and best estimate regarding the effect on cost, schedule and performance. Describe action being taken to achieve the best estimate.
 - i. If a contractor's cost at completion is estimated to exceed the Government's liability (e.g., ceiling price, firm fixed price amount), discuss actions being taken to ensure contractor compliance with the contract requirements and how increases in future program cost will be avoided.

- j. Address the primary reasons for “significant” changes since the last report period for contract milestone completion dates (items 11 through 14), contract budget base (item 22), problems on cost and schedule management control system reviews (item 17), and the reasons for authorizing over target baselines (item 27).
 - k. Identify any design-to-cost (DTC) objectives established in the contract and explain any changes since the last report. If no contract design-to-cost objectives have been established, please explain (Ref. DoDD 5000.1, Part 1, paragraph C.2.a, and DoDI 5000.2, Part 6, Section K, paragraph 3.c. and 3.d.).
 - l. Keeping with the intent of the DAES as an early warning report of both potential and actual problems, the Program Manager is expected to exercise sound judgment in providing comments in item 26. All aspects of contract performance, in addition to cost, should be reviewed including the potential for contract adjustments and the ability to execute the contract properly. Also all significant aspects of the contract award schedule, including definitization dates should be assessed. If the PM included this assessment in another narrative section(s) of the DAES report reference may be made to that section(s); there is no need to repeat that information again. In the assessment the PM should consider the effect of delays that threaten to extend major contract award dates that are on the critical path of program master schedule activities or that threaten to expose the Government to unnecessary cost risk.
27. Over Target Baseline. If the total allocated budget (item 23) exceeds the contract budget base (item 22), provide the date the change was authorized and the amount of any adjustments made to past cost and schedule variances.
28. Unit Cost Report Requirements. If the contract is a “major contract” as defined in Part 18 of this Manual, this block must be completed.
- a. Contract Cost Baseline Established. Enter the date that the contract cost baseline was established (MMDDYY). This would normally be within 3 months of contract award and/or definitization. See the definition of “contract cost baseline” in Part 18, Attachment 1, of this Manual.
 - b. Statement. State either “There have been no breaches of the contract cost baseline,” or state “There has been a breach of the contract cost baseline.” (Item 28.a).
 - c. Comments Since the Baseline Report. This section provides information on the cost variance and schedule variance from the time of the “baseline SAR” to the current estimate and from the last unit cost breach for the current year to the current estimate. The most recent unit cost exception SAR for the current year is the reference for the last unit cost breach. The baseline SAR is the SAR in which the unit cost reporting baseline was first established for the current year.

Attachments - 2

- 1. Supplemental Contract Cost Information
- 2. Supplemental Contract Cost Information Continuation Page

SUPPLEMENTAL CONTRACT COST INFORMATION, DAES FORMAT 7

PROGRAM NAME
MM/DD/YY

Section 7 - Supplemental Contract Cost Information

Prepared: MM/DD/YY

** CONTRACT IDENTIFICATION DATA **			
1. PROGRAM NAME: -----		2. CONTRACT NAME: -----	
4a. CONTRACT NUM: -----		4c. CONTRACT TYPE: -----	
4b. CHANGE ORDER NUMBER: ---		4d. CONTRACT DELIVERIES: TOTAL QTY: ----- PLAN QTY: ---- DEL QTY: ----	
5. PROGRAM PHASE: -----		6. NEGOTIATED COST: -----	
		7. AUTH. UNPRICED WORK: -----	
		8. TARGET PRICE: ----- CEILING PRICE: -----	
** CONTRACT SCHEDULE DATA **			
9. CONTRACT DEFINITIZATION DATE: MM/DD/YY		11. CRITICAL MILESTONE 1: NAME. MM/DD/YY	
10. WORK START DATE: MM/YY		12. CRITICAL MILESTONE 2: NAME. MM/DD/YY	
		13. SIGNIFICANT EFFORT COMPLETION DATE: MM/YY	
		14. ESTIMATED COMPLETION DATE: MM/YY	
** CONTRACT PERFORMANCE DATA **			
		15. REPORT DATE: MM/DD/YY	
		16. SOURCE DOCUMENT: ----	
		17. DATA VERIFICATION REVIEW TYPE: --- REVIEW DATE: MM/YY	
18. BCWS: ----		19. BCWP: ----	
		20. ACWP: ----	
		21. MANAGEMENT RESERVE: ----	
22. CONTRACT BUDGET BASE: ----		23. TOTAL ALLOCATED BUDGET: ----	
		24. CONTRACTOR'S EST. COST: ----	
		25. PM'S ESTIMATED COST: CURRENT: ---- BEST: ---- WORST: ----	
** CONTRACT VARIANCE DATA **			
COST VARIANCE = ----		SCHEDULE VARIANCE = ----	

27. COMMENTS

28. Unit Cost Report Requirements.

- a. Contract Cost Baseline Established On: MM/DD/YY
- b. Statement: There have been no/HAVE BEEN breaches of the contract cost baseline
- c. Comments since baseline report:

	Values as of APB Date <u>(02/09/96)</u>	Values as of Last Unit <u>Cost Breach</u>	Current <u>Values</u>	Change Since Baseline <u>SAR</u>	Changes Since Last Unit <u>Cost Breach</u>
<i>Cost</i>					
Variance:					
\$ in millions	----	N/A	----	----	N/A
Percent (%)	----	N/A	----	----	N/A
<i>Schedule</i>					
Variance:					
\$ in millions	----	N/A	----	----	N/A
Percent (%)	----	N/A	----	----	N/A

- If the program has not submitted a Selected Acquisition Report (SAR) to reflect a unit cost breach for the current year, reflect "N/A" in the second column.

PRESIDENT'S BUDGET, PROGRAM OBJECTIVE MEMORANDUM, BUDGET ESTIMATE SUBMISSION FUNDING ASSESSMENT SUMMARIES, DAES SECTION 8

PURPOSE:

1. This section enables all program offices reporting in the DAES to provide either the President's Budget (PB), Program Objective Memorandum (POM), or Budget Estimate Submission (BES) funding data, whichever is most recent. It is intended to be used as the basis for identifying funding changes that could result in acquisition program baseline breaches, Nunn-McCurdy unit cost breaches, or other changes.
2. This section shall also be provided with the regular DAES cycle submission from all DAES reporting programs.
3. THIS SECTION IS A DAES EXCEPTION REPORT (see 6.2.2, page 16-3, paragraph 2.f.); for the exception report requirement it is mandatory for only those programs that experience an APB breach based on the newly submitted POM or BES.

PROCEDURES:

1. This partial DAES report will consist of the Cover Sheet and DAES Section 8 (President's Budget, POM, or BES Funding Summaries) only. As appropriate, Section 6-2, Unit Cost information will be provided. For regular quarterly reporting this section is submitted with the rest of the regular DAES submission.
2. Total program acquisition costs must be provided. If not identified in the above funding documents, costs beyond the FYDP should be provided in keeping with the concept of total program reporting (see 5000.2R, 6.2.2). This projection will not necessarily equal the final quantity actually budgeted or procured.
3. Procurement appropriations in this section should include procurement cost total for all subsystem programs that are separately budgeted by the platform Program Managers (e.g., Command, Control, Communications, and Intelligence (C³I) electronics, ship electronics suites, strategic submarine weapon equipment, major training devices and simulators, or aircraft engine programs that are essentially subsystems to a platform(s). These subsystem programs should footnote the fact that they do not budget for these funds.
4. Should these profiles indicate an execution problem or requirements issues in meeting the Operational Requirements Document in the PM's opinion, the PM should address this fact within the funding assessment in DAES Section 3 or in DAES Section 1.

PREPARATION INSTRUCTIONS:

1. President's Budget Funding Summary. This submission will be transmitted through normal DAES channels the working day preceding the 15th calendar day after budget submission. (Note: Submission date would usually fall in late January.) This reporting schedule allows adequate time for DAES report preparation. Programs that would normally report to the USD(A&T) on the last working day of the month during which the budget is published may submit this exception report along with the regular DAES report submission on the last working day of that month (i.e. cover sheet and DAES Section 8 as well as a full DAES report cover sheet and DAES Sections 1 through 8).

- a. Funding TY \$M
 - (1) Enter by fiscal year for each appropriation the quantity to be procured and the then-year (TY) dollars.
 - (2) The construction quantity may be omitted when it is not appropriate.
 - (3) Enter program acquisition specific operation and maintenance (O&M) quantities, if applicable as part of the acquisition phase, and then-year dollars.
 - (4) Include procurement cost total for all subsystem programs that are separately budgeted by platform Program Managers. These subsystem programs should footnote the fact that they do not budget for these funds.
 - b. Funding BY \$M
 - (1) Enter by fiscal year for each appropriation the quantity to be procured and the base-year (BY) dollars.
 - (2) The construction quantity may be omitted when it is not appropriate.
 - (3) Enter program acquisition specific operation and maintenance (O&M) quantities, if applicable as part of the acquisition phase, and base-year dollars.
 - (4) Include procurement cost total for all subsystem programs that are separately budgeted by platform Program Managers. These subsystem programs should footnote the fact that they do not budget for these funds.
 - (5) Include a note which identifies the base year of the estimate. The base year should be the same as that used for the current acquisition program baseline.
2. POM Funding Summary. This submission will be transmitted through normal DAES channels the working day preceding the 15th calendar day after POM submission. (Note: Submission date usually falls in late May.) This reporting schedule allows adequate time for DAES report preparation. Programs which would normally report to the USD(A&T) on the last working day of the month during which the POM is published may submit this section along with the regular DAES report submission on the last working day of that month.
- a. Funding TY \$M (see paragraph 1.a, above)
 - b. Funding BY \$M (see paragraph 1.b, above.)
3. BES Funding Summary. This submission will be transmitted through normal DAES channels the working day preceding the 15th calendar day after the BES is published. (Note: Submission date usually falls in late September.) This reporting schedule allows adequate time for DAES report preparation. Programs which would normally report to the USD(A&T) on the last working day of the month during which the BES is published may submit this section along with the regular DAES report submission on the last working day of that month.
- a. Funding TY \$M (see Paragraph 1.a, above)

- b. Funding BY \$M (see Paragraph 1.b, above). (Should this profile indicate any execution problem or requirements issues in meeting the Operational Requirements Document in the PM's opinion, the PM should address this fact within the funding assessment in DAES Section 3 or in DAES Section 1.)

4. PM's Projection. This column should include the PM's current estimate as well as events or plans that are not "fact of life" but may change the program (e.g., contractor consolidation, early informal technical test results, POM projections, etc.). The PM may identify technical, schedule, funding and other concerns. No data or information entered in this column or narrative memo field is subject to any type of breach reporting. This latter point is made in keeping with the concept that the DAES is an internal DoD working level report providing early indications of potential or actual changes/risks in an some area for the program

Please Note: CARS Version 7.0 software may not have this column available. Therefore, the Program Managers are requested to note their projection in the memo field when it differs from the current estimate. The PM's Projection column should be available in CARS Version 8.0.

Attachment - 1

1. President's Budget, Program Objective Memorandum, Budget Estimate Submission Funding Summaries Format

**PRESIDENT'S BUDGET, PROGRAM OBJECTIVE MEMORANDUM, BUDGET ESTIMATE
SUBMISSION FUNDING ASSESSMENT SUMMARIES, DAES SECTION 8**

PROGRAM NAME

Prepared: MM/DD/YY

Class: [U]

1. President's Budget Funding Summary

a. Funding TY \$M

RDT&E

Fiscal Year	Quantity	Base-Year (19YY)	Then Year	PM's Projection
EACH YEAR	---	---	---	---
RDT&E total:	N/A	---	---	---

Procurement

Fiscal Year	Quantity	Base-Year (19YY)	Then Year	PM's Projection
EACH YEAR	QQ	---	---	---
Procurement total:	QQ	---	---	---

MILCON

Fiscal Year	Quantity	Base-Year (19YY)	Then Year	PM's Projection
EACH YEAR	---	---	---	---
MILCON total:	N/A	---	---	---

O&M

Fiscal Year	Quantity	Base-Year (19YY)	Then Year	PM's Projection
EACH YEAR	---	---	---	---
O&M total:	N/A	---	---	---

POM Funding Summary and BES Funding Summary:

For the POM and BES information would be provided as shown above, but on an exception basis. If there is a potential or actual APB breach caused by the POM or BES section 8 is completed and submitted along with section 5 and 6.2 (see DoD 5000.2R, 6.2.2.2).