

Business Case: Capital Asset Summary

Part I: Summary Information and Justification (All Capital Assets)

Section A: Overview & General Information

Date Investment First Submitted: 2017-11-16
Date of Last Change to Activities: 2021-06-29
Investment Auto Submission Date:
Date of Last Investment Detail Update: 2021-06-29
Date of Last Business Case Update: 2021-06-29
Date of Last Revision: 2021-06-29

Agency: 007 - Department of Defense--Military Programs **Bureau:** 17 - Navy, Marine Corps

1. Name of this Investment: Navy Electronic Procurement System

2. Unique Investment Identifier (Ull): 007-000005841

Section B: Investment Detail

- Provide at least one Agency Strategic objective code ([A-11 Section 230](#)) and/or Agency Priority Goal code ([A-11 Section 250](#)) that this investment aligns to on performance.gov. If this investment aligns to more than one Agency strategic objective code and/or Agency Priority goal code list all that apply. If your agency does not report to performance.gov please use "0". This is required for Agency IT Portfolio Summary Part 1 and Part 2 Investments, not for Part 3 Investments.**

Agency Strategic Objective(s):

007SO18269: Enhance information technology and cybersecurity capabilities

007SO18275: Undergo audit, and improve the quality of budgetary and financial information that is most valuable in managing the DoD

Agency Priority Goal(s):

- Briefly describe the investment's return on investment, including benefits internal and external to the government and outcomes achieved or planned.**
ePS is the procurement and enhancement of a Commercial Off-The-Shelf (COTS) Contracting Writing System (CWS). The expectation of these enhancements is to enable the retirement of all legacy systems to include SPS, ITIMP, SeaPort-e, and PRISM. This alternative will incorporate an open-source ESB that provides an insulating interfacing capability for the CWS as well as integration, maintenance, and implementation efficiency within the DON environment. Based on the 2016 Economic Analysis, The ePS solution showed annual savings of \$24.19M per year during sustainment and the cumulative benefits exceeded the investment costs in FY29. An updated ROI assessment was conducted in October 2020. The ROI, calculated as the NPV (\$349.1M) divided by ePS investment cost (\$71.4M), is 489%. Over this time period \$144M has been spent on ePS since the programs inception. Once fielded,

approximately \$150B will be obligated through the ePS annually. In sustainment, the ePS system costs 2/100th of a cent for every dollar obligated. In addition to being more cost efficient, the ePS is the preferred alternative because: -- It has a centralized enterprise capability that will reduce operating costs and increase efficiencies -- Its data centricity will reduce training costs and eliminate work redundancies -- The new financial systems interfaces for audit-ready E2E procurement will eliminate manual entry of financial data; reducing data errors and enable a more efficient use of manpower -- Utilizing DoD data standards will increase data consistency, auditability, and data sharing across organizations -- The use of Electronic Contract Files will reduce space and paper needs while improving access to historical data The result of a successful ePS implementation will be a contracting process workforce well informed and completely empowered to writing accurate and timely contracts in support of the warfighter, including management of the data flows into and out of the deal making space..

3. **If this investment will result in the elimination or the reduction of another major or non-major investment(s), please complete the following:**

Table I.B.1 Affected Investment Information	
Investment UII	To Be Status
007-000008181	to be eliminated
007-000001034	to be eliminated
007-000001794	to be eliminated
007-000001270	to be eliminated

4. **Does the Investment currently include an intra- or inter-Agency shared service (common, shared, or centralized solution)?:**
NO
5. **Does the Investment plan to include an Intra- or Inter-Agency shared service that it does not currently include (common, shared, or centralized solution)?:**
NO
6. **If systems contained in this Investment collect data from the public, please identify the OMB Control Numbers which authorize that data collection as per the Paperwork Reduction Act. Use [Reginfo](#) at the following link to identify information collection requests and OMB control numbers. Agencies can work with their Records Officers to determine the applicability.**
7. **Provide the name of the Investment-level project manager:**
Kevin Allen

8. **Select the qualification/experience level of the Investment-level project manager (select one):**

1 - FAC-P/PM(DAWIA-3)- Senior

Section C: Life Cycle Costs

1. Provide the total estimated life cycle costs for the investment in millions. Note: Do not enter information in the grey cells as these will be calculated.

Table I.C.1 Life Cycle Costs				
	PY-1 & Prior	PY 2021	CY 2022	BY 2023
Planning Costs:	0	\$26.341000	\$33.004000	\$32.286000
DME (Excluding Planning) Costs:	0	0	\$1.989000	\$1.982000
DME (Including Planning) Govt. FTEs:	\$0.001000	\$2.537000	\$4.168000	\$4.319000
Sub-Total DME (including Internal Labor (Govt. FTE)):	\$0.001000	\$28.878000	\$39.161000	\$38.587000
O & M Costs:	0	\$0.713000	\$1.605000	\$1.343000
O & M Internal Labor (Govt. FTE):	0	0	0	0
Sub-Total O & M Costs (Including Internal Labor (Govt. FTE)):	0	\$0.713000	\$1.605000	\$1.343000
Total Cost (Including Internal Labor (Govt. FTE)):	\$0.001000	\$29.591000	\$40.766000	\$39.930000
Total Cost Internal Labor (Govt. FTE) costs:	\$0.001000	\$2.537000	\$4.168000	\$4.319000
# of FTE rep by costs:	1	20	20	20
Total change from prior year final President's Budget (\$)		\$-25.922000	\$-11.004000	
Total change from prior year final President's Budget		-46.70%	-21.26%	

Table I.C.1 Life Cycle Costs

	PY-1 & Prior	PY 2021	CY 2022	BY 2023
(%)				

2.
 - a. In which year did or will this investment begin? (specify year - e.g., PY-1= 2019)
2013
 - b. In which year will this investment reach the end of its estimated useful life? (specify year - e.g., FY+5 = 2027)
2032
3. Compare the funding levels for PY and CY to the final FY 2022 President's Budget for those same years. Briefly explain any significant changes. When making comparisons, ensure that you compare same-year-to-same-year (e.g., the FY20 level for 2020 versus the FY21 level for 2020):

FY2019 funding levels reflect the award of the system integrator contract and Limited Deployment activities. FY2020 funding levels reflect increased resources associated with Limited Deployment activities. FY2021 funding levels reflect work on activities associated with the completion of Limited Deployment and begin Release 1 planning. FY2022 funding levels reflect work on activities associated with Release 1.

Business Case Detail: Performance Measurement Report

Section A1: General Information

1. **Name of this Investment:** NAVY ELECTRONIC PROCUREMENT SYSTEM
2. **Unique Investment Identifier (UII):** 007-000005841

Section C1: Projects Table

Projects Table C.1

Unique Project ID	Project Name	Project Goal	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)	Software Project?
P5841-101	Delivery of Navy ePs	The ePS will provide the DON with standardized, comprehensive E2E contract management (i.e., sourcing) of services, supplies, and construction.	11/01/2017	04/30/2022	\$553.8	

Section C2: Project Activities

- Provide all non-agile project activities for projects in Table C.1 that started in a previous FY (PY and earlier) and that have not been completed by the beginning of the CY, as well as activities that are scheduled to start in the current FY and BY.

Project Activity Table C.2.1

Unique Project ID	Activity Name	Activity Description	Structure ID	Planned Start Date	Projected Start Date	Actual Start Date	Planned Completion Date	Projected Completion Date	Actual Completion Date	Planned Total Costs	Projected Total Costs	Actual Total Costs
P5841-101	Evaluation	Contract evaluation	P5841-101.PA 5841-101	2017-11-01	2017-10-01	2018-01-02	2018-08-31	2019-03-27	2019-03-27	17.682000	20.870000	18.632000
P5841-101	Limited Deployment	Full functionality to a limited user base	P5841-101.PA 5841-102	2018-12-01	2019-03-27	2019-03-27	2020-05-31	2021-06-21		54.628000	63.604000	0.000000
P5841-101	Release 1	Full functionality to a 50% user base	P5841-101.PA 5841-103	2019-10-01	2021-05-01		2021-05-31	2023-11-01		68.740000	76.342000	0.000000
P5841-101	Release 2	Full functionality to 50% user base	P5841-101.PA 5841-104	2021-04-01	2022-08-01		2022-04-30	2024-11-01		55.690000	55.960000	0.000000

Section D: Operational Data

- Provide the date and results of the last Operational Analysis (for operational and mixed life cycle systems/Investments):

1. **Date of Analysis:**
2. **Analysis Results:**
3. **Analysis Conclusion:** continue as is

2. **Report a minimum of 5 metrics using the following table to provide metrics and actual results for each individual metric:**

Metrics Definitions and Actual Results Table D.2 / D.3										
Metric ID	Metric Description	Unit of Measure	Performance Measurement Category Mapping	Agency Baseline Capability	2020 Target	2021 Target	Measurement Condition	Reporting Frequency	Agency Strategic Objective / Agency Priority Goal	Is Metric Retired?
29399	Operational Availability: Availability is measured by uptime divided by uptime + [scheduled downtime + unscheduled downtime]	Percent	2 - Strategic and Business Results	0.000000	0.950000	0.950000	Over target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
					Metric ID	Actual Result ID	Actual Result	Date of Actual Result	Comment	
NONE										
29398	Reliability: Mean Time Between Failure (MTBF) is measured by Total Operating Time/Number of Failures	Time, Hours	2 - Strategic and Business Results	0.000000	720.000000	720.000000	Over target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
					Metric ID	Actual Result ID	Actual Result	Date of Actual	Comment	

Metrics Definitions and Actual Results Table D.2 / D.3

Metric ID	Metric Description	Unit of Measure	Performance Measurement Category Mapping	Agency Baseline Capability	2020 Target	2021 Target	Measurement Condition	Reporting Frequency	Agency Strategic Objective / Agency Priority Goal	Is Metric Retired?
								Result		

NONE

29397	Data Restoration: The ability of the system to provide restoral capability from a catastrophic loss to include corruption, destruction, loss and compromise of the Navy ePS components and data disruptions from the system.	Time, Hours	2 - Strategic and Business Results	0.000000	24.000000	24.000000	Under target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
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Metric ID	Actual Result ID	Actual Result	Date of Actual Result	Comment
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NONE

29396	The ability of the system to provide timely transactional and query process results to the user	Time	2 - Strategic and Business Results	0.000000	0.950000	0.950000	Over target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
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Metric ID	Actual Result ID	Actual Result	Date of Actual Result	Comment
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NONE

29395	Percent of contract actions which are successfully distributed to EDA upon	Percent	2 - Strategic and Business Results	0.000000	0.950000	0.950000	Over target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
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Metrics Definitions and Actual Results Table D.2 / D.3

Metric ID	Metric Description	Unit of Measure	Performance Measurement Category Mapping	Agency Baseline Capability	2020 Target	2021 Target	Measurement Condition	Reporting Frequency	Agency Strategic Objective / Agency Priority Goal	Is Metric Retired?
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execution (i.e.,
KO signature).

Metric ID	Actual Result ID	Actual Result	Date of Actual Result	Comment
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NONE

29394	Obligation Data Transmission: Percent of contract actions finalized in Navy ePS that transmit obligation data electronically to the appropriate financial management system	Percent	1 - Customer Satisfaction (Process Results)	0.000000	0.900000	0.900000	Over target	Monthly	007SO18269 : Enhance information technology and cybersecurity capabilities	No
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Metric ID	Actual Result ID	Actual Result	Date of Actual Result	Comment
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NONE