



Wide Area Workflow Strategic Plan

March 22, 2007

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1 Preface

The Business Transformation Agency (BTA), Transformation Priority and Requirements (TP&R) reviewed the current scope of Wide Area Workflow (WAWF) and the business enterprise priorities within the Enterprise Transition Plan (ETP) to identify the strategic goals and objectives for the application going forward. Input from the Principle Staff Assistants (PSAs) was included in the plan.

2 Strategic Intent

WAWF provides the Department of Defense (DoD) and the warfighter insight into the supply chain for goods/services received. WAWF currently supports the payment process to include miscellaneous payments, information sharing, asset visibility and tracking, property management and limited financial accounting. Future plans will facilitate business intelligence, military equipment valuation, and property disposition. WAWF improves accuracy, timeliness and integrity of data exchanged; provides the authoritative source for invoice, receipt, and acceptance data, and eliminates errors associated with human data transcription.

2.1 Executive Summary

WAWF is the enterprise solution for electronic submission, acceptance and processing of invoices and receiving reports, and matching them with contract to authorize payment. The application provides real-time web-based processing of invoices and receiving reports, captures Item Unique Identifiers (IUID), Radio Frequency Identifiers (RFID), and property data to include Government Furnished Property (GFP) information. It provides direct electronic feeds to payment, logistics and Enterprise Resource Planning (ERP) systems.

Future functionality will include standard transaction processing, construction invoicing and acceptance, transportation data visibility, enhanced property transfer capability, and full Defense Management Logistics Standards (DLMS) and Standard Financial Information Structure (SFIS) compliance. The enhanced construction process will include Real Property Inventory Requirement (RPIR) compliance and Real Property Unique Identification (RPUID) capture and approval.

2.2 Background

Traditionally, the DoD acquisition process has been paper-based, labor intensive, and heavily dependent upon manual and repetitive data inputs from multiple functional communities. The DoD Paperless Contracting initiative was created in response to the DoD Comptroller's Management Reform Memorandum #2 of 21 May 1997 -- Moving to a Paper-free Contracting Process.¹ The Department of Defense (DoD) Wide Area Workflow (WAWF) began as a Paperless Contracting prototype application to eliminate paper from the Receipt/Acceptance and Invoice/Payment process of the DoD contracting life cycle.

WAWF was later transferred to the Joint Electronic Commerce Program Office (JECPO) in January 1998, which was established to facilitate the transition to electronic commerce, which cuts overhead and contracting costs, eliminates middlemen, and makes DoD more customer-friendly to businesses large and small -- many of which had previously found it difficult and expensive to do business with the Department. JECPO had a charter of accelerating the use of electronic commerce within the Department. It brought

¹ Management Reform Memorandum #2 of 21 May 1997 -- Moving to a Paper-free Contracting Process



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together experts from DoD's business and technology arenas to build a strategic partnership in electronic commerce.²

Management Initiative Decision (MID) 905³ terminated the JECPO and transferred responsibility to the Defense Information Systems Agency (DISA) to realign and accelerate the development and fielding of selected tools and applications that supported the DoD transformation vision and the President's Management Agenda for electronic government, which stresses the benefits of "improving information-technology management, simplifying business processes, and unifying information flows across lines of business."⁴

On July 29, 2003, Office of the Secretary of Defense (OSD) for Acquisition, Technology and Logistics (AT&L) issued the Unique Identification (UID) Policy Memo⁵ requiring the modification of WAWF to include the capability to capture Unique Item Identifiers (UIIs) from the DoD vendor community, expanding the scope of the application beyond the financial and acquisition communities to include logistics.

On October 7, 2005, the Deputy Secretary of Defense, Mr. Gordon England, announced the establishment of the Defense Business Transformation Agency (BTA) in order to provide Defense-wide business transformation.⁶ On October 1, 2006, WAWF was transferred to the Business Transformation Agency.

Since that date the BTA has facilitated the requirements development and begun design on standard transaction processing. The BTA also provided an analysis of the outstanding requirements for WAWF, identifying those that facilitate the implementation of DoD defined business enterprise priorities. These priorities were then used by the WAWF Joint Requirements Board to re-prioritize requirements for upcoming releases.

2.3 Vision

"Wide Area Workflow (WAWF) provides the Department and its suppliers the single point of entry to generate, capture, and process invoice, acceptance, and payment related documentation and data to support DoD asset visibility, tracking, and payment processes. It provides the nexus of information related to acceptance of goods and services in support of the DoD supply chain."

2.4 The Value Proposition

WAWF provides DoD and the warfighter insight into the supply chain for goods and services received, and significantly reduces processing costs and interest penalties throughout the process. It supports DoD asset visibility, tracking, and payment processes. It improves accuracy, timeliness and integrity of data exchanged; and eliminates errors associated with human data transcription.

² U.S. Department of Defense Office of the Assistant Secretary of Defense (Public Affairs) News Release No. 523-98 October 09, 1998

³ Management Initiative Decision (MID) 905, Net-centric Business Transformation and e-Government, dated December 20, 2002.

⁴ See *The President's Management Agenda*, FY 2002, S/N 041-001-00568-4, section 4

⁵ DoD Deputy Under Secretary of Defense for Acquisition Technology and Logistics Memorandum; Subject: Unique Identification (UID) Policy Memo, dated 29 July 2003; http://www.acq.osd.mil/dpap/UID/uid_signed_policy_memo_2003.07.29.pdf

⁶ DoD Deputy Secretary of Defense Memorandum; Subject: Memorandum announcing the establishment of the Business Transformation Agency, dated October 7, 2005; http://www.dod.mil/dbt/products/BTA_memo.pdf



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2.5 Principles

2.5.1 Integration

The use of one single dataset for each business process step will streamline WAWF and eliminate the need to maintain numerous interface designs. Standards integration will enable the functionality to be built once, and allow any new system requiring WAWF data to utilize the existing data sets and “plug and play.” DLMS compliance will facilitate integration with logistics systems based on enterprise defined format and procedures.

2.5.2 Data

The standard data sets will include shipment, acceptance/approval, invoice, inspection, property transfer and certification transactions. Making a standard data set available at each point in the process will facilitate interoperability with the DoD and external systems, such as vendors and other government agencies.

2.6 Goals and Objectives

Wide Area workflow provides numerous enterprise benefits. The following goals and objectives can be achieved once full deployment of the application is realized.

- The DoD has one face to the vendor for submission of Invoices, Shipment Notices, IUID and RFID data.
- Suppliers have a single methodology for submitting Invoices, Shipment Notices, IUID and RFID data for unclassified FAR-based contracts.
- The DoD has the ability for enterprise level decision making through aggregation of receipt and acceptance data.
- DoD has the capability to post accounts payable in accordance with Generally Accepted Accounting Principles (GAAP) until the full capability is available in the target ERP environment.
- Data is captured from, and stored by, the authoritative source to reduce human error and processing cycle time.
- DoD achieves a reduction in interest penalties paid to vendors due to late payments, in accordance with the Prompt Payment Act ⁷.
- DoD has ability to capitalize on maximum prompt payment discounts offered by the vendor community.
- Components receive a reduction from DFAS manual transaction processing rates.

2.7 Strategic Outcomes

- **Common Supplier Engagement (CSE)** is the alignment and integration of the policies, processes, data, technology and people to provide a consistent experience for suppliers and DoD stakeholders to ensure reliable and accurate delivery of acceptable goods and services to support the warfighter.⁸

⁷ 5 CFR 1315: Prompt Payment; Formerly OMB Circular A-125 Federal Register: September 29, 1999 (Volume 64, Number 188)

⁸ See U.S. Department of Defense Enterprise Transition Plan, 28 September, 2006; vol. 1, p 24



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WAWF provides a consistent experience for DoD contractors to submit payment requests and obtain processing status.

- **Material Visibility (MV)** is defined as the ability to locate and account for materiel assets throughout their lifecycle and provide transaction visibility across logistics systems in support of the joint warfighting mission.⁹ Item Unique Identification (IUID) is a Department of Defense program that will enable easy access to information about DoD possessions that will make acquisition, repair, and deployment of items faster and more efficient. WAWF provides the capability for DoD suppliers to submit IUID data in a consistent manner. WAWF also supports the DoD commitment to the implementation of Radio Frequency Identification (RFID) technology by providing supplies a consistent manner to submit tag identification in association with the shipped materiel. The DoD is investing in a passive RFID infrastructure which will provide visibility of material at various points during transportation and at receiving locations based upon the ability to correlate the tag read with a shipment transaction, including the supplier's ASN.
- **Financial Visibility (FV)** means having immediate access to accurate and reliable financial information (planning, programming, budgeting, accounting and cost information) in support of financial accountability and efficient and effective decision making throughout the Department in support of the missions of the warfighter.¹⁰ WAWF provides key financial data for contractor payment processing.
- **Real Property Accountability (RPA)** provides the warfighter and Core Business Missions access to near real time secure, accurate and reliable information on real property assets, and environment, safety, and occupational health sustainability.¹¹ WAWF will provide the capability for allocation of cost between Real Property unique identifiers (RPUIDs) for purposes of computing construction in-progress.

2.8 Impediments/Challenges

2.8.1 Deployment Issues

- Issues

WAWF deployment is highly contingent on an appropriate organizational structure and the necessary Department of Defense Activity Address Codes (DoDAAC) attributed to these organizations. Within WAWF, in order for users to register, a Group Administration Manager (GAM) hierarchy must first be established. This hierarchy is essentially an organizational structure by DoDAAC. The approval authority for user registration requires the higher level GAM to be an active WAWF user in order to approve user activation for a lower level in the organizational structure. Therefore, WAWF requires a top down approach for deployment. This causes lower level offices with potential WAWF users to wait until the entire structure is developed and set up in the system. Ordinarily, the majority of WAWF users reside in the lowest levels of the hierarchy, so deployment of WAWF is greatly slowed while lower level users wait for the structure to be properly defined. Because of time constraints, or lack of a pre-established organizational hierarchy, many new sites are set up as level one within the GAM structure. This may facilitate faster access into the system; however, it results in erroneous organizational relationships and added complication when trying to properly deploy new groups of users.

Deployment efforts to date are decentralized across the Department. Each component defines the roles and responsibilities for deployment efforts within their component. There is no Department-wide documented policy or guidance that defines the roles and responsibilities for services and agencies deploying WAWF.

⁹ See U.S. Department of Defense Enterprise Transition Plan, 28 September, 2006; vol. 1, p 29

¹⁰ See U.S. Department of Defense Enterprise Transition Plan, 28 September, 2006; vol. 1, p 39

¹¹ See U.S. Department of Defense Enterprise Transition Plan, 28 September, 2006; vol. 1, p 34



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➤ Actions

BTA in conjunction with the OSD Principle Staff Assistants are in the process of developing a charter that defines the roles and responsibilities for each organization for those systems included in the portfolio of systems designed to satisfy the Common Supplier Engagement priority. Once developed, the charter will be formally coordinated with component Chief Information Officers and other Steering Groups/Councils as appropriate, for example, Commercial Pay Council, UID Council etc, for approval.

In addition, OSD DPAP Purchase Card PMO has developed an initial capability to associate authority to organization. OSD DPAP and BTA are investigating the feasibility of expanding this capability across the enterprise systems using the organization UID and associating DoDAACs based on the role or authority the DoDAAC represents.

2.8.2 Policy Issues

➤ Issues

The current Defense Federal Acquisition Regulation Supplement (DFARS) mandates submissions of electronic invoices directly to entitlement systems via WAWF, Web Invoicing System (WInS), or Electronic Data Interchange (EDI).¹² There are three issues with this clause. First, it allows for too many options for data submission directly to DoD entitlement systems. Eliminating the option to submit invoices directly to entitlement systems via WInS and EDI would enable the Department to migrate all unclassified FAR-based payments to WAWF and realize the benefits of integrated invoicing and acceptance data capability available in WAWF, but not in WInS. This option would also continue to allow suppliers to submit invoices via one of the electronic forms that WAWF accepts; EDI, Secure File Transfer Protocol, and Worldwide Web input. Also, DoD maintains numerous EDI implementation guides based on system specific requirements. Eliminating the EDI option would standardize guidance to the WAWF formats and reduce these maintenance costs. Second, the clause does not mandate the electronic submission of receiving reports. Receiving Reports make up approximately 120,000 transactions a year for DCMA alone, which could be going through WAWF if the proper policy was in place. Third, the DFARS pertains to payments against a contract with a private entity. It is not applicable to non-contractual payments, payments to individuals or payments to other government organizations or agencies. Therefore, additional policy should be issued which mandates the electronic payment of miscellaneous payments.

➤ Actions

Defense Contract Management Agency (DCMA), with OSD Defense Procurement Acquisition Policy (DPAP) support, is in the process of coordinating a change that would preclude WInS and EDI as options. The Defense Acquisition Regulation Council voted to draft the DFARS change to become effective on October 1, 2007.

BTA has an action to work with OSD DPAP to generate a policy memorandum for coordination with the stakeholders to reinforce the existing DFAR clause 246.370 Material inspection and receiving report, which states: “(a) Use the clause at 252.246-7000, Material Inspection and Receiving Report, in solicitations and contracts when there will be separate and distinct deliverables, even if the deliverables are not separately priced.”¹³

In subsequent research, BTA has determined that in order to require submission of the receiving report, if the contract contains the Fast Pay Clause 52.213-1, to obtain RFID and IUID from the vendor upon

¹² DFARS SUBPART 252.232-7003 Electronic Submission of Payment Requests, (Revised December 19, 2006)

¹³ DFARS SUBPART 246.3--CONTRACT CLAUSES (Revised January 15, 1999) 246.370 Material inspection and receiving report.



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shipment we will need to initiate a DFAR change to update Appendix F-102 which states: “If the contract contains the clause at FAR52.213-1, Fast Payment Procedure, the contractor may elect not to prepare a DD Form 250.”¹⁴

OSD DPAP has organized a cross-functional working group to identify standard operating procedures as well as system implementation guidance for miscellaneous payments. The outcome of the working group will be a Miscellaneous Payment Guidebook which will be referenced in the DoD Financial Management Regulation (FMR) and the Business Enterprise Architecture (BEA) Laws Regulation and Policies (LRP.)

2.8.3 Help Desk Support Issues

➤ Issues

In the past, the WAWF Help Desk has had difficulties managing the high volume of incoming calls. In the spring of 2006, Ogden received some additional funding which enabled them to increase headcount. This resulted in a decrease in abandoned calls by about 10%, and talk time has decreased by more than 3 minutes. In addition, the average response time decreased from almost 6 minutes in January, to 1.5 minutes in May. This progress has remained consistent, as the average wait time from April through September of 2006 is 1 minute and 32 seconds. Additionally, the abandonment rate has continued to decrease, from 31% in January, to 10.4% in May, to 7.5% in September. A good indicator that continuous improvement is being achieved is that while the abandonment rate has continued to drop, the amount of offered calls has increased by about 5% from May to September. All of this progress is a step in the right direction; however the help desk is still behind the Gartner Industry Average statistics for abandonment, talk time and caller wait times. Additionally, there is a significant underlying issue that the Help Desk technicians cannot respond to enterprise or component specific functional questions.

➤ Actions

BTA conducted a review of the Service Level Agreement (SLA) with DISA and found that no service levels were agreed to with regards to the help desk or the industry statistics in question. The Program Office has the action to develop a strategy for addressing issues with level of service, and enterprise or component specific functional question resolution.

2.8.4 WAWF Support of an IUID Management Strategy

➤ Issues

The current Wide Area Workflow (WAWF) data structure cannot accommodate entry of unique numbers associated to materiel in quantities that exceed the CLIN quantity, limiting the DoD's visibility of the items in that shipment. Enabling WAWF to provide this capability will allow DoD systems to obtain all the unique numbers in a vendor shipment and enable the association of those unique numbers with additional business information to improve visibility. This requirement remains consistent with the DoD's plan to migrate towards an IUID management strategy in the supply chain and use RFID/IUID parent child relationships to automatically receive shipments and record unique numbers in the receiving system.

➤ Actions

BTA will complete a WAWF Enterprise Change Proposal Form to reflect the requirements of IUID programs (UID/RFID) and outline the necessary changes to WAWF.

¹⁴ DFARS Appendix F - Material Inspection and Receiving Report (Revised November 01, 2001), part F-201



3 Current Environment and Transition Approach

3.1 Policy Issuances

3.1.1 *Defense Federal Acquisition Regulation Supplement (DFARS)*

Contractors must submit payment requests using one of the following electronic forms:

- 1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA).
- 2) Web Invoicing System (WInS).
- 3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.¹²

As aforementioned, The Defense Acquisition Regulation Council voted to draft a DFAR change to eliminate WInS and EDI as options, effective on October 1, 2007.

3.1.2 *Department of Defense Policy Memorandum*

WAWF is required to capture IUID and RFID data from the vendor.

RFID data capture through the Advance Shipment Notice (ASN): The current acceptable method for ASN submission is through Wide Area Workflow (WAWF). The RFID mandate requires that all vendors who are contractually obligated to affix passive RFID tags to material must also send an ASN via WAWF.¹⁵ WAWF will forward all ASNs with RFID content to the Defense Automatic Addressing System (DAAS) for storage and retrieval under passive RFID facilitated materiel visibility initiatives. Components shall incorporate provisions for processing the ASN RFID content at the ship-to location to support automated receipt processing.

IUID data capture through WAWF: Vendors can submit invoices and receiving reports electronically into WAWF using existing Electronic Commerce methods. Choices include Web interactive forms and electronic submission from Vendor automated systems. Utilization of the WAWF Receiving Report (RR) and the WAWF Combo to capture the IUID data is annotated in the enhanced Vendor guides. Direct submission is defined as the process of submitting IUID data outside of the WAWF process. It should be used to provide IUID data to the IUID registry only when WAWF is not available.²

3.2 Current Process State

Vendors have the ability to submit data to WAWF through Electronic Data Interchange (EDI), in a prescribed format via Secure File Transfer Protocol (SFTP) or via web entry.

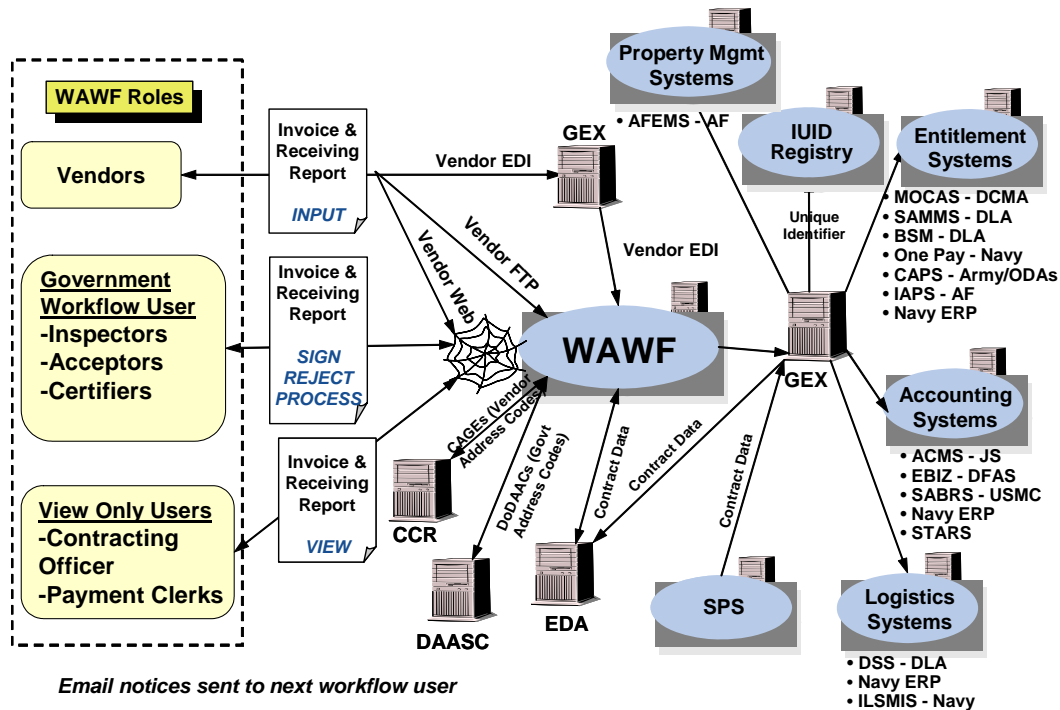
Vendor access is controlled through validation of the Contractor and Government Entity (CAGE) code to the authoritative source, the Central Contractor Registry. Department of Defense access is controlled through validation of the DoDAAC to its authoritative source in Defense Activity Address System Columbus (DAASC). Contract data is pre-populated from Electronic Document Access (EDA) with more detailed Contract Line Item (CLIN) data available from the Standard Procurement System (SPS) and Business Systems Modernization (BSM) systems.

¹⁵ DoD Deputy Under Secretary of Defense for Acquisition Technology and Logistics Memorandum; Subject: Radio Frequency Identification (RFID) Policy, dated July 30,2004;
http://www.acq.osd.mil/log/rfid/advance_shipment_ntc.htm



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WAWF currently passes data to five legacy entitlement systems, four legacy accounting systems, two legacy supply systems, two ERP systems, one property system and the IUID registry. The current data is extracted from WAWF as specifically required for the receiving system.



3.3 Transition Approach

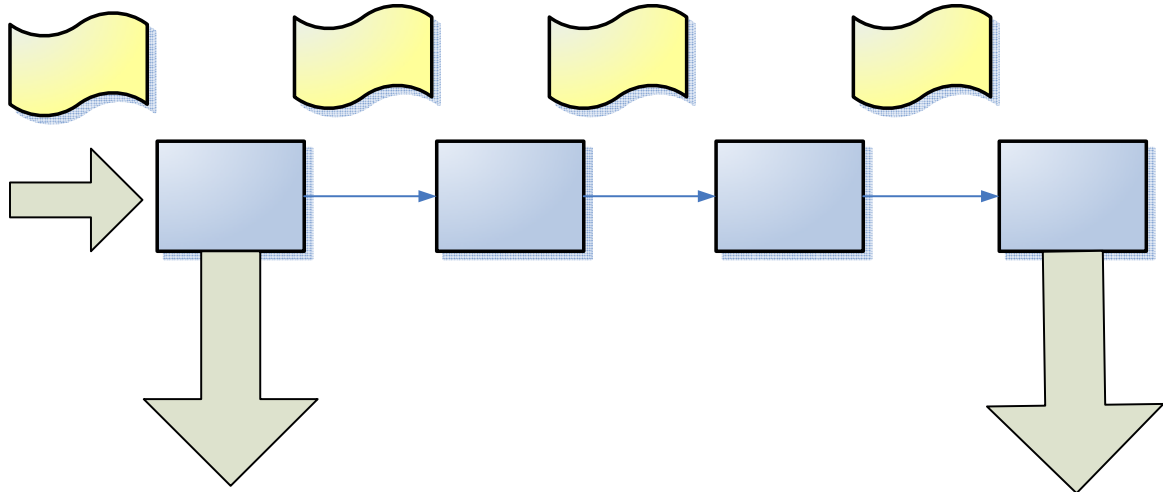
3.3.1 Internal vice External Acceptance

Wide Area Workflow will be the conduit to receive invoice and shipment data from the vendors and pass it to the component systems, providing a single entry point to the Department for the vendor community.

In the interim environment all systems currently performing invoicing and acceptance functions must determine if they will transition to using the acceptance capability within WAWF and whether they need that data transmitted to their system and at what process step. The following depicts the process steps at which standard data will be available from WAWF under the internal acceptance model. In addition, if pack data is supplied subsequent to shipment data then systems have the option of receiving shipment data after the pack data is received.



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Evidence of Goods Tendered and Services Rendered

The elements that comprise the standard data sets are included in the appendices to this document as follows:

- Appendix A: Standard Shipment Data
- Appendix B: Standard Acceptance / Approval Data
- Appendix C: External Acceptance Required Data
- Appendix D: Standard Invoice Data
- Appendix E: External Approval Required Data
- Appendix F: Standard Contract Data

Systems have the option of receiving invoice and/or shipment data from WAWF and continue to perform acceptance/approval functions externally within their system and return acceptance/approval data to WAWF for enterprise-level aggregation to facilitate DoD level management decision-making. Therefore, component systems will be expected to provide acceptance evidence back to WAWF. This option is depicted as external acceptance below:

Systems will have to determine if they intend to do external acceptance by box or external acceptance by shipment. See sections 5.4.7 and 5.4.8 for definitions, respectively.

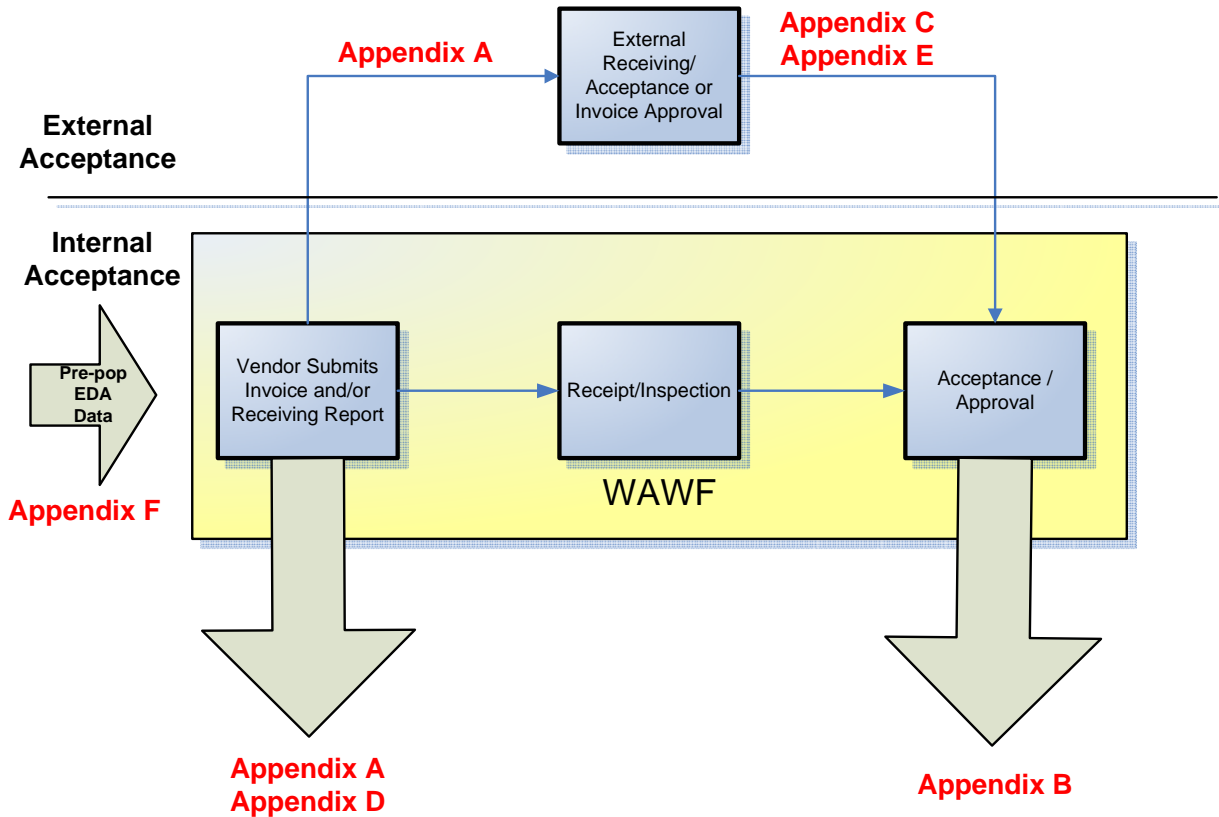
In order to select external acceptance a system must be able to ensure the authentication, non-repudiation and encryption/decryption using Public Key Infrastructure (PKI) technology of acceptance data to the specific individual associated with the electronic signature who performed the official acceptance on behalf of the DoD.

Appendix F

Acknowledgment
of Goods
Tendered
and Services Rendered

Evidence of Goods Tendered
and Services Rendered





4 Future Environment and Implementation Plan

4.1 Objective State

In the target environment, the component ERP systems are expected to have an integrated solution for logistics and financial transactions resulting from the business events that occur when the vendor provides shipment and/or invoice data. Therefore, Wide Area Workflow will be the conduit to receive that data from the vendors and publish it for use in the Global Information Grid for use by the component systems, providing a single entry point to Department for the vendor community.

WAWF will aggregate enterprise-level acceptance data for association facilitating DoD level management decision making. Therefore, component systems will be expected to publish acceptance evidence for WAWF use. In addition, the component systems will provide a capability for Corporate General Ledger posting and financial reporting vice using the interim accounting data feeds available in the current WAWF solution.

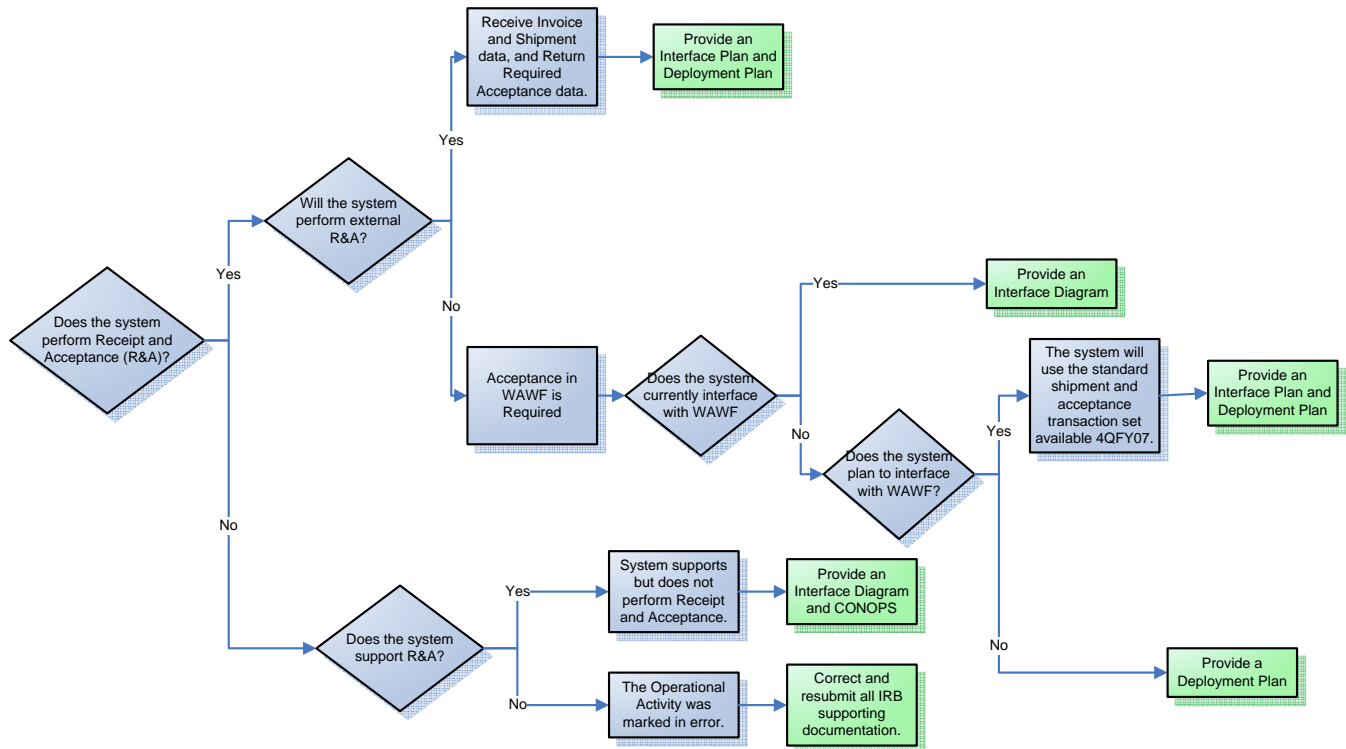
The target systems are expected to be in compliance with the process and data exchanges identified in the Business Enterprise Architecture.



4.2 Implementation Scenarios

4.2.1 Systems

WAWF is depicted in the Business Enterprise Architecture. The investment review process dictates that any system performing receipt and acceptance functions for unclassified Federal Acquisition Regulation (FAR)-based contracts/orders must provide a plan for WAWF integration in order to obtain investment certification by the Weapon System Lifecycle Management / Materiel Supply and Service Management (WSLM/MSSM) Investment Review Board (IRB). The following depicts the various options for WAWF integration and the documentation requirements depending on the option chosen.



4.2.2 Data

Migration from system specific interface requirements to standard transaction processing with WAWF is underway. Standard transaction processing will facilitate interoperability with the DoD systems. The use of one single dataset for each business process step will streamline WAWF and eliminate the need to maintain numerous interface requirements. This requirement will enable the functionality to be built once, and allow any new system requiring WAWF data to utilize the existing data sets and “plug and play.”

WAWF will transition to standard shipment, acceptance and accounting update data in August of 2007. The data available upon shipment, the data available upon acceptance and the data required for resubmission upon acceptance for DoD data aggregation and vendor update is included as Attachments 1 (ECP 464 Appendix A), Attachment 2 (ECP 464 Appendix B) and Attachment 3 (ECP 464 Appendix C), respectively.



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Efforts are currently underway to define standard invoice and standard property transfer data and once complete will be submitted for scheduling through the WAWF requirements process. Future efforts will address standard inspection and certification as needed.

The Department will transition to include detailed CLIN data from other contract writing systems that can produce conformed contracts.

4.2.3 Interfaces

GEX has the capability to translate sending and/or receiving systems user defined files, Extensible Markup Language (XML) or EDI. It is the responsibility of the receiving system to provide the desired data format layout for translation and mediation. DLMS formats are available in X12 EDI and Core Component Type (CCT)-based XML schemas are under development for maximum interoperability across the Department.¹⁶

4.2.4 Integration

If the component plan includes providing contract data pre-population through EDA, a determination will need to be made as to the end to end testing requirements. It is the responsibility of the receiving system to identify the source systems that will provide contract data to EDA for WAWF pre-population, if applicable.

4.3 Implementation Tasks

4.3.1 Objective

An instruction manual is currently under development to identify how to access the data through the Global Exchange Service (GEX) which will be made available at the point of shipment and/or acceptance within the Wide Area Work Flow (WAWF) system in August of 2007. The information will provide the capability for additional systems to obtain shipment and/or acceptance data outside of a WAWF release.

4.3.2 Task Listing:

The following tasks are required to complete implementation of the future state. Action on these tasks will be led by TP&R, with the support of the Program Office.

- Determine which option for acceptance
 - Internal vice external
 - If external then “by box” or “by shipment”
- Define the process step at which data is required
 - Shipment, acceptance and/or “pack later”
- Determine data routing needs (Issue By, Admin By, Pay, Ship To, Inspect By or Accept at Other DoDAAC)
- Complete the WAWF Enterprise Change Proposal Form
- Complete Memorandum of Agreement between the component and WAWF PMO
- Coordinate on testing and release schedule
- Perform testing procedures
- Implement in Production

4.3.3 Metrics

With the implementation of WAWF release 3.0.12, most components will have the ability to reach full operating capability in WAWF. This document establishes a new enterprise goal for processing electronic invoices to satisfy the President's Management Agenda. The goal for the WAWF program is to have 75%

¹⁶ DoD Directive 8190.1, “DoD Logistics Use of Electronic Data Interchange EDI Standards, dated May 5, 2000



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of all DoD invoices processed electronically by 31 December 2007. Once approved by affected stakeholders, this goal will be added to the ETP. In addition, components will continue to track the existing metric defined as the percentage of WAWF eligible invoices actually processed through WAWF for payment.

4.3.4 Resources

Throughout the implementation and testing process the component will be required to provide necessary resources to answer developer's questions, review requirement and design documentation, provide sample data, test data files in proper format for testing and perform testing procedures. The memorandum of agreement between the WAWF PMO and the component will specifically include the component commitment to provide the necessary resources to perform these functions in order to ensure timely monthly releases of new system maps within the GEX.

4.3.5 Accountable Parties

The step by step procedures will include a process whereby the component CIO or designee approves the distribution of the requested data to each given system, thereby ensuring appropriate tiered accountability for data management and access control. The component shall designate the specific individual with the authority to release a new map into production.

5 Governance

5.1 Governance Principles and Committees

5.1.1 Tiered Accountability for Execution

The DoD's approach to business transformation relies on accountability at multiple tiers of the organization. Responsibilities are aligned with the decentralized management structure of the Department so that accountability for the planning and execution of systems modernization between the DoD enterprise and the Components have been clearly defined.

At the DoD level, program offices for funded systems and initiatives will implement and manage their respective solutions to achieve near-term objectives, termed Business Enterprise Priorities. Execution will be tracked through performance metrics that quantify and qualify progress. Progress will also be assessed through defined checkpoints such as Defense Business Systems Management Committee (DBSMC) and IRB reviews as well as critical milestones within the Department's institutionalized acquisition management processes.

Component-level business transformation is the responsibility of the respective Component leadership; however, their efforts are overseen by DoD-level governance through IRBs. Components are accountable to the DBSMC to provide program oversight, status reports, portfolio management of respective systems, and pre-certification of systems at the local level.¹⁷

5.1.2 Defense Business Systems Management Committee (DBSMC)

The DBSMC was chartered by the DoD in February 2005 to oversee transformation in the Business Mission Area (BMA) and to ensure that it meets the needs and priorities of the warfighter. The DBSMC is the senior-most governing body overseeing BMA transformation and it convenes under the personal direction of the Deputy Secretary of Defense to review capability requirements, set/reassess business priorities, and monitor progress to plan. The DBSMC reviews and approves the Business Enterprise Architecture (BEA) and the Enterprise Transition Plan (ETP).

¹⁷ Business Transformation Website: http://www.dod.mil/dbt/facts_governance.html



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The DBSMC recommends policies and procedures required to integrate DoD business transformation and attain cross-Department, end-to-end interoperability of business systems and processes. An important part of the DBSMC oversight includes ongoing review and approval of common DoD-wide standards and interfaces that Components must use to achieve interoperability. The DBSMC approves investment decisions and continually monitors schedule and milestone completeness, costs and resources, performance metrics, and risks.¹⁶

5.1.3 Investment Review Boards (IRB)

Each Certification Authority (CA) is required to establish and charter an IRB to provide investment review of its business systems. Each IRB will assess modernization investments relative to their impact on end-to-end business process improvements that support Warfighter needs. IRB membership includes representatives from the Components, combatant Commands, and the Joint Chiefs of Staff.¹⁸

5.1.4 Principal Staff Assistants

The Under Secretaries of Defense, also referred to as PSAs, support the DBSMC in the top-level management of enterprise business IT investments associated with improving the Core Business Missions (CBMs) of Human Resources Management, Weapon System Lifecycle Management, Materiel Supply and Service Management, Real Property and Installations Lifecycle Management, and Financial Management.

Each PSA serves as the CA accountable to obligate funds for business system investments. Leading their respective IRBs, the CAs review, approve, and oversee the planning, design, acquisition, deployment, operation, maintenance, and modernization of specific business systems. All Components are represented in the IRBs.¹⁶

5.2 Governing Documentation

5.2.1 Business Enterprise Architecture

The BEA is the enterprise architecture for the DoD business information infrastructure and includes activities, processes, data, data standards, business rules, operating requirements, and information exchanges. The BEA was built using a set of integrated DoD Architecture Framework (DoDAF) products, including Operational, System, Technical and All View products. The BEA defines, from a technical perspective, the Department's business transformation priorities, the business capabilities and business capability improvements required to support those priorities, and the related combinations of systems and initiatives that enable these capability improvements. The major milestones for the systems and initiatives that are critical to achieving the transformation priorities are outlined in the ETP and the systems are represented in the BEA. The ETP and the BEA are integrated and cross referenced at the appropriate intersections. Both the BEA and the ETP are scheduled to be released every six months.

In September 2005, BEA 3.0 was delivered. This release of the Department's business enterprise architecture significantly re-vamped previous releases and serves as the foundation from which future BEA releases, to include 3.1 and 4.0, were or will be built upon. BEA 3.0 and beyond were developed under the DoD tiered accountability concept reflecting the Business Enterprise Priorities within the Core Business Missions. Through this concept, a DoD Component is responsible for defining an enterprise architecture associated with their own tier of responsibility, while complying with the policy and the BEA at the DoD Enterprise level. Within the DoD Business Mission Area, the BEA and Component Enterprise Architectures provide required guidance as part of a federated approach. Additionally, the BEA is federated with the Federal Enterprise Architecture (FEA) and other external architectures. Subsequent releases of the BEA will continue to use a federated approach to define and enforce the seams or interfaces between each

¹⁸ Business Transformation Website:

http://www.dod.mil/dbt/products/architecture/BEA_3_1_March_2006/iwp/definitions2_term_400030.htm



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tier, thus ensuring interoperability and information flow to support decision making at the appropriate level.¹⁶

5.2.2 Enterprise Transition Plan

The ETP is designed to guide and track transformation of the DoD BMA by:

- Describing what DoD is trying to achieve and how we will know when we get there;
- Providing milestones to realize Business Capabilities;
- Identifying tangible benefits for each investment; and
- Establishing a Program Baseline against which to measure progress and support program management discipline.

The ETP addresses the six Business Enterprise Priorities at the DoD Enterprise level and contains transformation plans for the three Military Departments and three of the Defense Agencies/COCOMs. Within each Business Enterprise Priority, programs have been designated to provide specific solutions. As these programs mature, they will address incomplete milestones, resource needs, and metrics. In addition, these programs will determine specific termination dates for migrating systems.

The ETP gives the Department a comprehensive management tool for business modernization, with measurable plans, schedules, and budgets. The ETP is guided by a focused and adaptable Business Enterprise Architecture.

The ETP is an important lever in driving fundamental business change. As a transformational tool, the ETP is helping to build a culture of continuous improvement as it enables defense business managers and teams to stay focused on achieving business priorities and to be dissatisfied and impatient with the current level of performance.¹⁶

5.2.3 Real Property Inventory Requirements (RPIR)

The Real Property Inventory Requirements initiative is focused on making consistent real property data (fiscal, physical, legal, environmental and geospatial) available across the enterprise through development of an integrated real property inventory where data is maintained by the authoritative source.¹⁹

5.2.4 Federal Acquisition Regulation (FAR)

The FAR was established to codify uniform policies for acquisition of supplies and services by executive agencies. It is issued and maintained jointly, pursuant to the OFPP Reauthorization Act, under the statutory authorities granted to the Secretary of Defense, Administrator of General Services and the Administrator, National Aeronautics and Space Administration. Statutory authorities to issue and revise the FAR have been delegated to the Procurement Executives in DOD, GSA and NASA.²⁰

5.2.5 Defense Federal Acquisition Regulation Supplement (DFARS)

The DFARS is the specific acquisition regulation issued by the DoD that governs all transactions with the DoD. The DFARS is a supplement to the Federal Acquisition Regulations (FAR).

5.2.6 Financial Management Regulation (FMR)

The Financial Management Regulation (FMR) governs financial management by establishing and enforcing requirements, principles, standards, systems, procedures, and practices necessary to comply with financial

¹⁹ Department of Defense, Business *Enterprise Architecture 4.0*. "Integrated Dictionary (AV-2)," September 15, 2006.

²⁰ Code of Federal Regulations at 48 CFR Chapter 1.



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management statutory and regulatory requirements applicable to the Department of Defense. It directs financial management requirements, systems, and functions for all appropriated, non-appropriated, working capital, revolving, and trust fund activities. In addition, it directs statutory and regulatory financial reporting requirements.²¹

5.2.7 Prompt Payment Act

An act to provide for the prompt payment of business accounts by certain public sector and other purchasers of goods and services, and for related purposes.

The Prompt Payment Final Rule (formerly OMB Circular A-125, "Prompt Payment") requires Executive departments and agencies to pay commercial obligations within certain time periods and to pay interest penalties when payments are late.²²

6 Definitions

6.1 Asset Identification

6.1.1 Radio Frequency Identifier (RFID)

RFID is a family of technologies, within the collective suite of Automatic Identification Technology (AIT) applications. RFID is a transformational technology and will play a vital role in achieving the DoD vision for implementing knowledge-enabled logistic support to the warfighter through fully automated visibility and management of assets.¹⁸

6.1.2 Item Unique Identification (IUID)

IUID provides for marking personal property items with a machine-readable Unique Item Identifier (UII), which is a set of globally unique data elements. This UII information is used to ensure accurate acquisition, repair, and deployment of items is efficient and effective. The UID of items is accomplished by marking items with a permanent 2-dimensional matrix that is encoded with the data elements necessary to construct a unique and unambiguous Unique Item Identifier.

IUID is required for all personal property items that are associated to products when any one or more of the following is true:

- Unit Acquisition cost is \$5,000 or more;
- Items with a Unit Acquisition Cost below \$5,000 when it is a DoD Serially Managed, Mission Essential, or Controlled item;
- Item with a Unit Acquisition Cost below \$5,000, as determined by the Requiring Activity (e.g., Maintenance and Repair);
- Regardless of value, any DoD Serially Managed subassembly, component or part embedded with an item, and the "Parent" item which it is embedded.

Valuation applies to all items delivered to DoD, to include deliveries under T&M contracts.¹⁸

6.1.3 Real Property Unique Identification (RPUID)

²¹ VOLUME 1: GENERAL FINANCIAL MANAGEMENT INFORMATION, SYSTEMS AND REQUIREMENTS (August 2003)

²² 5 CFR 1315: Prompt Payment; Formerly OMB Circular A-125 Federal Register: September 29, 1999 (Volume 64, Number 188)



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The Real Property Unique Identifier (RPUID) designator distinguishes one real property asset from another. The RPUID is a non-intelligent code used to permanently and uniquely identify a real property asset.¹⁸

6.2 Shipment, Invoice and Acceptance Documentation

6.2.1 *Advance Shipment Notice*

The Advance Shipment Notice transaction set is used to indicate that goods have been shipped. It lists the contents of a shipment of goods as well as additional information relating to the shipment, such as order information, product description, physical characteristics, type of packaging, marking, carrier information, and configuration of goods within the transportation equipment. The transaction set enables the sender to describe the contents and configuration of a shipment in various levels of detail and provides an ordered flexibility to convey information. The sender of this transaction is the organization responsible for detailing and communicating the contents of a shipment, or shipments, to one or more receivers of the transaction set.¹⁸

6.2.2 *Invoice for Goods*

A collection of data submitted by a supplier requesting payment from DoD for goods tendered. It describes an amount due for the acquisition of tangible goods as billable events, which includes the pricing including freight, the cash discount terms, the date of the billing, the payment due date, and the amount of the money owed to the supplier for an acquisition.¹⁸

6.2.3 *Invoice for Services*

A collection of data submitted by a supplier requesting payment from DoD for services rendered. It describes an amount due for the acquisition of services as billable events, which includes the pricing, the cash discount terms, the date of the billing, the payment due date, and the amount of the money owed to the supplier for an acquisition.¹⁸

6.2.4 *Certified Invoice Investment Payment Request*

A certified invoice investment payment request is the record, approved by a designated official, detailing investment payment request.¹⁸

6.2.5 *Certified Invoice*

A certified invoice is the information from a supplier that has been confirmed to comply with the terms and conditions of the contract that will allow a payment to be made.¹⁸

6.2.6 *Acceptance Evidence*

Documentation of the act of assuming ownership of legal title and accountability of goods tendered and services rendered, excluding Real Property Placed in Service Notification. This serves as proof that the deliverables received or services rendered have been provided fulfilling specified terms and conditions against the previously agreed upon agreement, contract, and/or intra-governmental order between the supplier and the buyer. It also must include information necessary for Asset Valuation (e.g., capitalize vs. expense determinations).¹⁸

6.2.7 *External Acceptance by Box*

This enables acceptance to be sent in real time, and corrections or cancellations can be made up until the point where the acceptance transaction is received back to WAWF. This method is the preferred method



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for the target environment, as the BEA will reflect this as the standard acceptance model for the target environment.²³

6.2.8 External Acceptance by Shipment

The standard shipment data will be sent to the external system and the external system will return one standard acceptance transaction for the full shipment regardless of accumulation of multiple receipts within the external system. Corrections or cancellations will be locked when WAWF sends transaction to the GEX en route to external system. This method is acceptable to facilitate the interim environment, but long term environment requirement is captured in the acceptance by box option.²¹

6.2.9 Final Acceptance

The final acceptance process includes the act of an authorized representative assuming ownership and accountability of existing identified goods tendered or approved specific services rendered. This includes final review and signing of documentation that triggers final payment, asset accountability, inventory record updates, etc.

For intra-governmental orders, acceptance is deemed to occur constructively, unless otherwise denoted in the order, on the 7th calendar day after the government buyer receives delivery of supplies or performance of services in accordance with the terms and conditions of the order, unless there is a disagreement over quantity, quality, or compliance with other terms and conditions of the order. The trading partners may specify a longer period for constructive acceptance in the solicitation and resulting order, if required, but must document in the file the justification for extending the constructive acceptance period beyond 7 days. Constructive acceptance for intra-governmental orders will trigger the payment process.

The definition of constructive acceptance should not be interpreted to conflict with established/existing FAR or FMR definitions or other regulatory guidance. This definition is strictly to apply to intra-governmental reimbursable transactions only, and occurs after initial acceptance by the government.¹⁸

7 Business Rules

7.1 Investment Review Process

As aforementioned, any system performing receipt and acceptance functions for unclassified FAR-based contracts/orders must provide a plan for WAWF integration in order to obtain investment certification by the IRB.

System certification is required per the National Defense Authorization Act for Defense business systems: architecture, accountability, and modernization:

- (a) Conditions for Obligation of Funds for Defense Business System Modernization- Effective October 1, 2005, funds appropriated to the Department of Defense may not be obligated for a defense business system modernization that will have a total cost in excess of \$1,000,000 unless--
 - (1) the approval authority designated for the defense business system certifies to the Defense Business Systems Management Committee established by section 186 of this title that the defense business system modernization--
 - (A) is in compliance with the enterprise architecture developed under subsection (c);
 - (B) is necessary to achieve a critical national security capability or address a critical requirement in an area such as safety or security; or

²³ Wide Area Workflow Engineering Change Proposal #464



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- (C) is necessary to prevent a significant adverse effect on a project that is needed to achieve an essential capability, taking into consideration the alternative solutions for preventing such adverse effect; and
- (2) the certification by the approval authority is approved by the Defense Business Systems Management Committee.

(b) OBLIGATION OF FUNDS IN VIOLATION OF REQUIREMENTS- The obligation of Department of Defense funds for a business system modernization in excess of the amount specified in subsection (a) that has not been certified and approved in accordance with such subsection is a violation of section 1341(a)(1)(A) of title 31.²⁴

Each system must submit to the WSLM/MSSM IRB, via its Pre-Certification Authorities PCA, NLT 120 days from the date of the signed DBSMC memo, an assessment as to whether the system performs acceptance activities for unclassified Federal Acquisition Regulation (FAR)-based contracts/orders.

1. If the system does perform acceptance activities, the system must submit to the IRB its plan and implementation dates for either:
 - a. Migrating acceptance functions to WAWF with the option of receiving acceptance data and or accounting data*
 - b. Interfacing with WAWF to receive shipment data and return acceptance information.
2. If the system does not perform acceptance activities, the system must assert in the assessment that the system either:
 - a. Supports receipt and acceptance activities, but does not perform receipt and acceptance activities
 - b. Does not perform or support receipt and acceptance activities and was marked in error
3. Deployment Plans, Interface Plans, and Support Function Plans will be submitted if applicable based on scope of acceptance activities documented in 1 and 2.

7.2 Public Key Infrastructure Requirement for External Acceptance

In order to select external acceptance a system must be able to ensure the authentication, non-repudiation and encryption/decryption using Public Key Infrastructure technology of acceptance data to the specific individual associated with the electronic signature who performed the official acceptance on behalf of the DoD.

8 Glossary

Acronym	Description
ACMS	Automated Contract Management System
AF	Air Force
AFEMS	Air Force Equipment Management System
ANSI	American National Standards Institute
ASN	Advanced Shipment Notice
AT&L	Acquisition, Technology and Logistics
BEA	Business Enterprise Architecture
BSM	Business Systems Modernization
BTA	Business Transformation Agency
CA	Certification Authority

²⁴ “National Defense Authorization Act for Fiscal Year 2007”; Sec. 2222. (dated April 6, 2006)



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Acronym	Description
CAGE	Contractor and Government Entity
CAPS	Computerized Accounts Payable System
CBM	Core Business Mission
CCR	Central Contractor Registry
CFR	Code of Federal Regulation
CIO	Chief Information Officer
CLIN	Contract Line Item Number
CSE	Common Supplier Engagement
DAASC	Defense Activity Addressing System - Columbus
DBSMC	Defense Business Systems Management Committee
DCMA	Defense Contract Management Agency
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Service
DISA	Defense Information Systems Agency
DLA	Defense Logistics Agency
DLMS	Defense Logistics Management Standards
DoD	Department of Defense
DODAAC	Department of Defense Activity Address Code
DPAP	Defense Procurement and Acquisition Policy
DSS	Defense Supply System
EBIZ	Electronic Business System
EDA	Electronic Document Access
EDI	Electronic Data Interchange
ERP	Enterprise Resource Planning
ETP	Enterprise Transition Plan
FAR	Federal Acquisition Regulation
FMR	Financial Management Regulation
FTP	File Transfer Protocol
FV	Financial Visibility
GAAP	Generally Accepted Accounting Principles
GAM	Group Administrator
GEX	Global Exchange Service
GFP	Government Furnished Property
IAPS	Integrated Accounts Payable System
ILSMIS	Industrial Logistics Support Management Information System
IRB	Investment Review Board
IUID	Item Unique Identifier
JECPO	Joint Electronic Program Office
JS	Joint Staff
LRP	Laws, Regulations and Policies
MID	Management Initiative Decision
MOCAS	Mechanization of Contract Administration Services Materiel Supply and Service Management (Core Business Mission)
MSSM	Materiel Supply and Service Management (Core Business Mission)
MV	Materiel Visibility
NLT	Not Later Than
ODA	Other Defense Agencies
OMB	Office of Management and Budget



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Acronym	Description
OSD	Office of the Secretary of Defense
PCA	Pre-Certification Authorities
PKI	Public Key Infrastructure
PSA	Principle Staff Assistants
RFID	Radio Frequency Identifier
RPA	Real Property Accountability
RPIR	Real Property Inventory Requirements
RPUID	Real Property Unique Identifier
SABRS	Standard Accounting, Budgeting and Reporting System
SAMMS	Standard Automated Materiel Management System
SFIS	Standard Financial Information Structure
SFTP	Secure File Transfer Protocol
SLA	Service Level Agreement
SPS	Standard Procurement System
STARS	Standard Accounting and Reporting System
TP&R	Transformation Priorities and Requirements
UID	Unique Identification
UII	Unique Item Identifiers
USMC	United States Marine Corps
WAWF	Wide Area Workflow
WInS	Web Invoicing System
WSLM	Weapon System Lifecycle Management (Core Business Mission)
XML	Extensible Markup Language

