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Budget Activity (BA) “BA-08”: Software and Digital Technology Pilot Program Frequently Asked Questions

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**Office of the Under Secretary of Defense for Acquisition and
Sustainment**

FREQUENTLY ASKED QUESTIONS

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WHAT INITIATED THE RDT&E BUDGET ACTIVITY (BA) “BA-08” SOFTWARE AND DIGITAL TECHNOLOGY PILOT PROGRAM?

Current law, regulations and policies (including those governing program funding and appropriations) treat software acquisition and development as a series of discrete, sequential steps; this approach is at odds with modern software, which is continuously updated to provide new functionality.

The pilot program stems from recommendations from numerous reports, studies, and DoD Programs, to address the disconnect between modern software development practices and the separation of Research, Development, Test & Evaluation (RDT&E), Procurement, and Operations & Maintenance appropriations. Most recently:

- Defense Innovation Board (DIB) Software Acquisitions and Practices (SWAP) study: Software is Never Done <https://innovation.defense.gov/software/> published in May 2019,
- Defense Science Board Design and Acquisition of Software for Defense Systems, https://dsb.cto.mil/reports/2010s/DSB_SWA_Report_FINALdelivered2-21-2018.pdf, published in February 29 17and
- Section 809 Panel, Streamlining and Codifying Acquisition Regulations (FY16 NDAA Sec 809) <https://discover.dtic.mil/section-809-panel/>, published in January 2019.

This initiative realigns funding from various appropriations for selected Software Pilot Programs to a new Software and Digital Technology Budget Activity (BA) “BA-08” in the Components’ respective Research, Development, Test & Evaluation (RDT&E) appropriations. It is not intended to be a silver bullet to solve the Department’s software challenges. Rather, the new funding mechanism aims to remove just one of many challenges program managers face when attempting to apply modern software development techniques and improve outcomes. Complementary software-focused reforms are being conducted across the Department as highlighted in the recent FY19 NDAA Sec 868 Report. Some initiatives include:

- Software Acquisition Pathway / Adaptive Acquisition Framework
- Agile Software Acquisition Pilots (iaw 2018 NDAA Secs. 873 and 874)
 - Sec. 873: Pilot program to use agile or iterative development methods to tailor major software-intensive warfighting systems and defense business systems (5-year pilot)
 - Sec. 874: Software development pilot program using agile best practices (1-year pilot)
- DoD Enterprise DevSecOps Reference Design
- Software Workforce Working Group
- DoD DevSecOps Community of Practice
- DoD Enterprise DevSecOps Services

WHY A BUDGET ACTIVITY UNDER RDT&E?

For the purposes of this pilot program, the Department proposed a new Budget Activity (BA) “BA-08” in existing RDT&E appropriations. All RDT&E, Procurement, and Operational & Maintenance (O&M) funding for the approved pilot programs, as applicable, is realigned to discrete Program Elements in BA-08 under each Component’s RDT&E Appropriation. This approach was taken because:

- It provides the ability to leverage the existing R-2a exhibit which provides transparency for development, procurement and sustainment efforts without the need to rapidly create a new exhibit that may or may not meet desired oversight requirements. This approach provides an opportunity for feedback on the exhibit format;
- A new appropriation would have severely hampered the ability to address minor funding shortfalls since the only programs available for Below Threshold Reprogramming (BTR) actions would be other pilot programs (9 pilot programs in FY21). By funding the new pilot program in RDT&E, a Component can address minor funding shortfalls through the Below Threshold Reprogramming (BTR) process within RDT&E appropriation, thus preventing the cannibalization of other BA-08 Pilots;
- Allows ability to understand full implications of change, mirroring best practices in modern software development to start small, test, learn and adjust as required, then scale.

Budget Activity BA-08 is not intended to be the long-term approach. It does however support a multiyear pilot that is able to collect data about the best way to address the identified problem: the disconnect between balancing multiple appropriations and the modern software development best practices that support continuous delivery of capability.

HOW DOES A CONTINUING RESOLUTION IMPACT PILOT PROGRAMS?

All of the pilots proposed for FY21 are on-going efforts. The Department’s policy is that on-going efforts that change Program Elements in RDT&E for administrative reasons are **not** new starts. A change to the Financial Management Regulation (FMR) to clarify this policy is pending.

The current pilots can continue receiving funding under a Continuing Resolution (CR). Pilots are not limited to the lesser of FY20 or FY21 funding under a CR. This is a common misconception of the law. For a given appropriation under the CR, components can elect to fund some Projects, Programs and Activities (PPA) and undertake no obligations in others, so long as it does not exceed the Budget Authority apportioned under the CR.

Future pilots are likely to be on-going efforts. However, there is no restriction against new efforts under BA-08. These efforts would be subject to new start rules.

WHAT PILOTS WERE PROPOSED FOR FY21?

Service	Program
Army	Defense Cyber Operations (DCO)
Navy	Maritime Tactical Command and Control (MTC2)
Navy	Risk Management Information (RMI)
Space Force	Space Command and Control (Space C2, aka Kobayashi Maru)
DHA	Joint Operational Medicine Information System (JOMIS)
DISA (DCSA as of 1 Oct 20)	National Background Investigation Service (NBIS)
DISA	Global Command and Control System-Joint (GCCS-J)
OSD	Acquisition Visibility
OSD	Algorithmic Warfare Cross Functional Team (AWCFT) / Project Maven

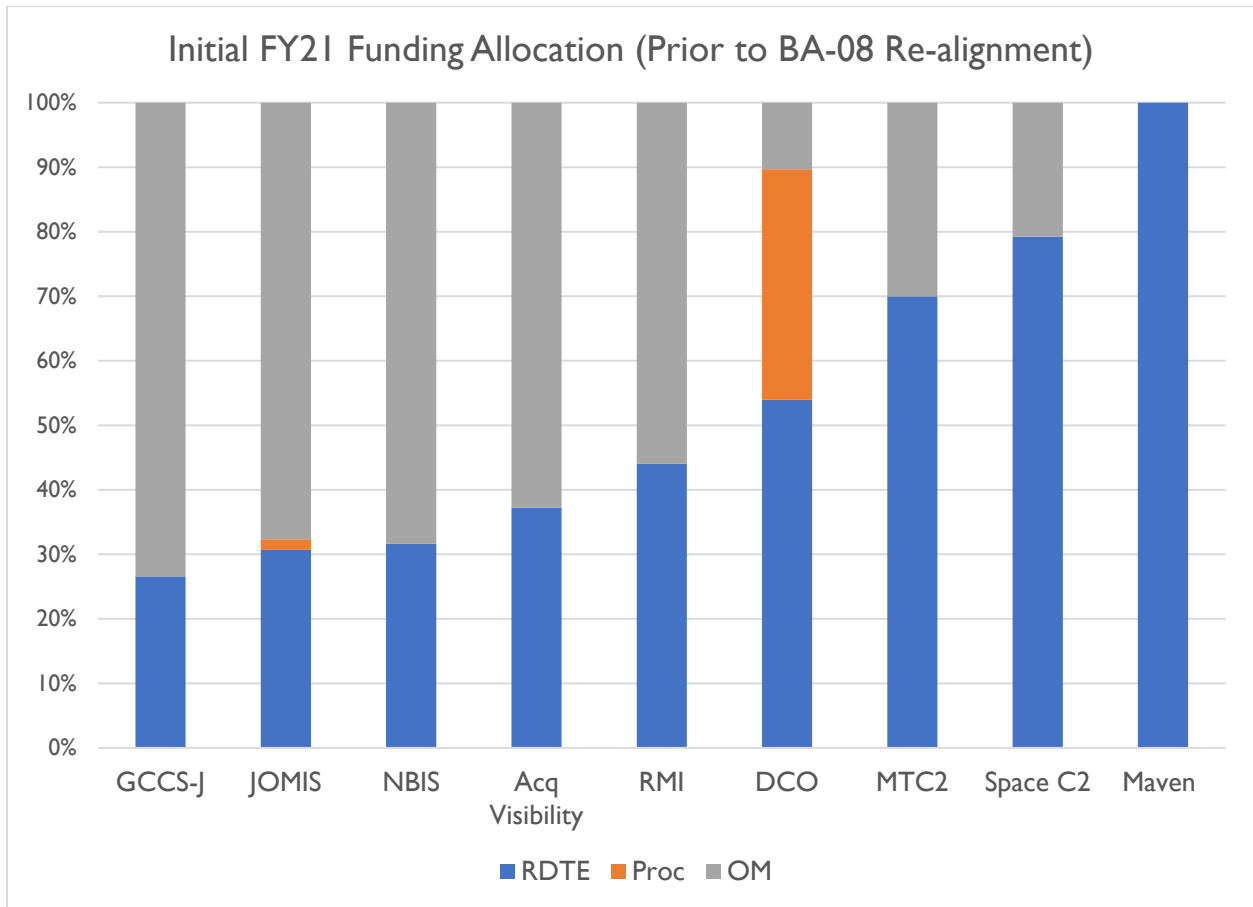
KEY: **FY18 NDAA Sec 874 ‘Software Development Pilot Program Using Agile Best Practices’**

FY21 PILOT PROGRAM DESCRIPTIONS.

1. (Army) Defensive Cyber Operations (DCO): DCO delivers software to proactively defend and enable the Army’s networks to operate unfettered from cyber threats.
2. (Navy) Maritime Tactical Command and Control (MTC2): MTC2 will deliver Battle Management Aids (BMAs) to dynamically plan, direct, monitor and assess maritime operations.
3. (Navy) Risk Management Information (RMI): RMI will synthesize incident reporting data into useful products for improving risk and safety conditions by consolidating existing legacy and core safety programs and risk management systems, applications, and data.
4. (Space Force) Space Command and Control (Space C2): Space C2 (aka Kobayashi Maru) provides military commanders the ability to make timely, strategic decisions; take tactical actions to meet mission goals; and counter threats to U.S. space assets.
5. (DHA) Joint Operational Medicine Information System (JOMIS): A portfolio of software efforts, JOMIS will combine data from multiple sources, providing a common operating picture and decision support for deployed medical forces.
6. (DCSA) National Background Investigation Services (NBIS): NBIS will automate many tasks that are currently done manually by researchers, field investigators and support personnel.
7. (DISA) Global Command and Control System-Joint (GCCS-J): GCCS-J fuses select C2 capabilities into a comprehensive, interoperable system by exchanging imagery, intelligence, status of forces and planning information.
8. (OUSD(A&S)) Acquisition Visibility: This software capability provides the Department the ability to establish and record cost, schedule and performance baselines for programs and makes the data available for data analytics and reporting.
9. (OUSD(I)): Algorithmic Warfare Cross Functional Team (AWCFT) Project Maven: Project Maven is the DoD’s pathfinder Artificial Intelligence effort, focusing on Intelligence, Surveillance & Reconnaissance (ISR) capabilities.

Each pilot requested a re-alignment of funding into BA-08 to support their specific Software and Digital Technology work in accordance with the interim Financial Management Regulation (FMR) guidance

located in additional documents/resources. The following chart shows the differing initial funding allocations. By using a set of programs with a wide variety of initial funding profiles, the pilot program aims to learn about the effect of the single appropriation for different types of programs.



HOW WAS THE PILOT INITIATED?

The pilot activity began in FY20 with initial interactions to establish data collection procedures, and to collect baseline data under the multiple appropriations.

Pending congressional approval, the implementation and execution of the pilot funding approach would occur with the enactment of the FY21 Appropriations Act for the nine (9) pilot programs into BA-08 under each Component's RDT&E Appropriation.

These initial pilots will continue in BA-08 beyond FY21, subject to decisions made during the Department's Planning, Programming, Budgeting and Execution (PPBE) process; and Congressional appropriations.

WHEN IS THE NEXT OPPORTUNITY FOR A PROGRAM TO BE INCLUDED IN BA-08?

The earliest that a **new (additional) programs** could be incorporated into the BA-08 pilot program is **FY22**.

The BA-08 pilot is a re-alignment of existing allocated funding across multiple appropriations to a single appropriation for Software and Digital Technology.

The current plan is that BA-08 will be a multi-year pilot program with the potential addition of programs in future years pending congressional approval – each year pilot programs will be approved through the PPBE process and eventual submission of the President’s Budget.

Programs wishing to be considered for future years should notify Ms. Victoria Cuff at <victoria.m.cuff.civ@mail.mil> and their Service POC listed in *How can a Program Be Included in BA-08*.

HOW CAN A PROGRAM BE INCLUDED IN BA-08?

For FY22+, programs should work with their Service to be considered. The Services then will work with OSD(A&S) to nominate additional programs as pilots, subject to congressional approval. For new pilot efforts, programs should POM as normal and additionally request re-alignment to BA-8 through their Services for FY22+. Please refer to the interim FMR guidance for clarification and guidance included in additional documents/references.

Service and 4th Estate Points of Contact (POCs):

Service / Component	Primary POC	Alternate POC
Air Force	Col Robert Dietrick <robert.a.dietrick.mil@us.af.mil> Office: SAF/AQI	Mr. Richard Robichaud <richard.robichaud.4@us.af.mil> Office: SAF/AQI
Army	Lt Col Paul Santamaria <paul.f.santamaria.mil@mail.mil> Office: HQDA/ASA/ALT	TBD
Navy / Marines	Ms. Julia Foxworth <julia.foxworth@navy.mil> Office: DASN/IWAR	Ms. Melissa Naroski-Merker <melissa.merker@navy.mil> Office: DASN/IWAR
Space Force	TBD	
4 th Estate	Mr. Paul Hullinger <paul.d.hullinger.civ@mail.mil>	TBD

WHAT ARE THE SELECTION CRITERIA FOR PROGRAMS TO BE INCORPORATED IN BA-08?

Programs will be selected based on an internal evaluation by their Service, followed by evaluation by Services, OUSD(A&S), Comptroller (OUSD(C)), and Service and Component Acquisition Executives. Evaluation criteria includes:

- Nominated programs have to be fully funded; this is not a get-well opportunity
- Nominated programs have demonstrated a moderate to high degree of success, leveraging criteria from Section 873/874 Agile Pilots (from FY18 NDAA). The criteria based on existing DoD programs and supported by an evaluation by the Core Team for Advanced Acquisition Programs (CTAAP), comprised of OSD and Federally Funded Research and Development Center (FFRDC) Support, encompasses: mission, program and acquisition strategy, organizational culture for Agile adoption, project and customer environment, system attributes, and technology environment
- Nominated programs can and should include both weapon systems and Defense Business Systems, to provide an adequate sample set
 - Nominated programs can be on-going programs or new starts
 - Nominated programs can be embedded software as defined in the Software Acquisition Pathway (i.e. software embedded in weapon systems and other military-unique hardware systems)
- Likelihood of benefit from the single appropriation

Additional factors may vary from year to year. For example, a factor likely to be important is the overall budget proposed to be re-allocated. These factors are fluid and dependent on overall Congressional support.

WHAT ARE THE REPORTING REQUIREMENTS ASSOCIATED WITH BA-08?

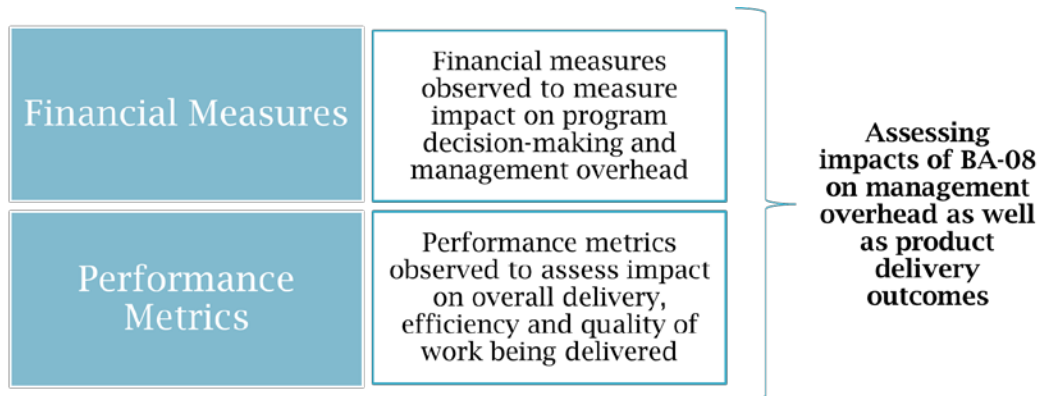
Each pilot program populates a pilot agreement, that will be reviewed annually or as required by the Pilot Program, that establishes primary POCs, documents proposed benefit of consolidation to a single appropriation, and cadence for interviews and metrics collection. Based on FY21 Pilot Programs, the cadence is typically monthly or bi-monthly. The intent is for simple and straightforward products.

Data collected will be consolidated and then provided as appropriate to DoD Leadership and Congress to support pilot status and recommendations.

The congressional defense committees may impose additional reporting requirements during their budget review.

WHAT METRICS ARE COLLECTED ON BA-08 PILOT PROGRAMS?

As a pilot effort, BA-08 Pilot Programs are asked to provide metrics to inform a permanent DoD recommendation. Metrics are collected based on the following categories:



To the maximum extent practicable, leverage existing data that is collected today for financial and program reporting. The performance metrics are aligned with proposed metrics under the Software Acquisition Pathway, as well as coordinated with DoD CIO and Service representatives leading digital modernization/agile/DevSecOps.

CAN FUNDING BE ADJUSTED FOR A SPECIFIC PILOT PROGRAM DURING EXECUTION UNDER BA-08?

Yes, pilot programs can execute RDT&E Below Threshold Reprogramming (BTR) actions to increase or decrease funding in accordance with Service BTR process and within FMR limits:

- (1) Increase: \$10 million or 20% of the appropriated amount whichever is *less*;
- (2) Decrease: \$10 million or 20 percent of the appropriated amount, whichever is less

https://comptroller.defense.gov/portals/45/documents/execution/reprogramming/reprogramming_overview.pdf

WHO CAN I CONTACT FOR MORE INFORMATION REGARDING BA-08?

- OSD Lead: Ms. Victoria Cuff; victoria.m.cuff.civ@mail.mil
- OSD Alternate: Mr. Sean Brady; sean.p.brady.civ@mail.mil
- Core Team for Advanced Software Acquisition Programs (CTAAP) Advisors:
 - Hassib Amiryar; hamiryar@mitre.org
 - Julie Cohen; jcohen@sei.cmu.edu
 - Forrest Shull; fjshull@sei.cmu.edu
 - Michael Spead; mspead@mitre.org