OSD CAPE Cost & Technical Focus Group

CSDR Efficiency Analysis

October 19, 2021

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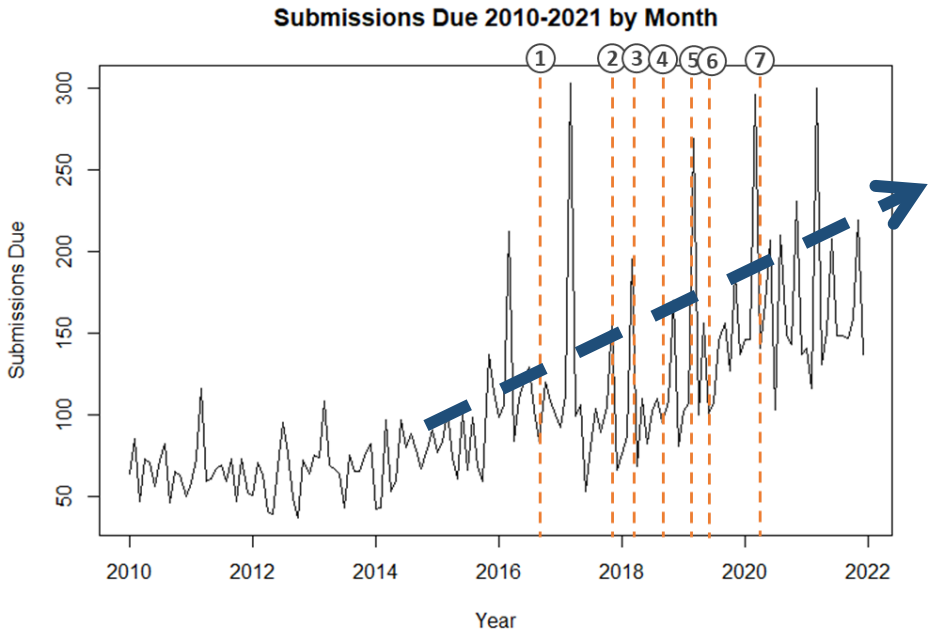
DoD is Collecting More Data!

DoD now has access to more data than they did five years ago, let alone a decade ago!

- In 2018, the DCARC mission extended to Non-ACAT I programs per the NDAA 2017 for any programs with Life Cycle Costs > $100M, now documented in the DoDI 5000.73 (March 2020)
- In addition to collecting data on more programs and contracts, the DoD now collects cost data at a more granular level (e.g., FlexFiles), as well as improved software data, technical data, and sustainment data
- The new reporting threshold, along with other policy updates, increased the amount of submissions due overtime (*shown in chart*) and increased the different types of reports due (*shown in backup*).
- Assuming a level forecast, the projected number of submissions due per year from **2022-2026 is 1,986**. That is **308** submissions **more** than the annual average from 2018-2021
- It is assumed that this increasing trend will continue as more programs and contracts meeting reporting thresholds are identified



Number of submissions due are based on current approved plans and the information available in the CSDR Submit-Review

Key Events

1	**Aug 2016**	Start of previous CADE contract
2	**Nov 2017**	Approval of FlexFile, SRDR, Tech Data, M&R DIDs
3	**Feb 2018**	CAPE Data Reporting Requirements in Accordance with FY17 NDAA Memo
4	**Aug 2018**	Implementation of Cost Data Reporting Requirements for MTA Programs
5	**Jan 2019**	Implementation of Cost Data Reporting Requirements for ACAT II Programs
6	**May 2019**	Implementation of FlexFiles
7	**Mar 2020**	New 5000.73 with new CSDR requirements and reporting thresholds

Core Tasks Remain Unchanged

RFP Identification – The DCARC processes should facilitate the identification of "future actions" for which a CSDR Plan is needed. RFPs should be identified before solicitation dates or decision points by Program Office, Service or DCARC personnel.

Planning Process

CSDR Plan Development – The key outputs of the planning process are the approved contract and subcontract CSDR plans that reflect the data requirements for each major acquisition effort. These CSDR plans document the WBS elements, specific CSDR formats, and reporting frequency.

Voting Process –CSDR plans are uploaded to CADE for approval by the CSDR plan approval authority within the timeframes detailed in the DoDM 5000.04.

Validation Process – Process submissions in accordance with the established routing sequence for review and approval, within the timeframes detailed in the DoDM 5000.04.

Compliance Process – Provide government stakeholders with report(s) detailing the late submissions and outstanding CSDR actions by program.

Outreach – Provide CSDR guidance to stakeholders and help facilitate the various CSDR processes. A more formal example of outreach is the CSDR Readiness Review (CSDR-RR).

Though different stakeholders can be responsible for different aspects of the processes depending on the Acquisition Pathway, **the DCARC should remain the center of excellence for all cost and technical data collection standards**

The Problem

How to cover expanded scope while still performing tasks effectively?

The **CSDR Efficiency Analysis** will explore cost-effective approaches to this problem and examine what cost-performance trades, risks, and near-term investment are needed.

Recommended approaches will fall under one of five categories:

- **People** – Add more DCARC analysts without changing processes, policy, or IT
- **Process** – Change existing processes or adding new processes.
- **Policy and Guidance** – Update existing policy, update existing guidance, or add new guidance.
- **IT** – Change IT to increase automation and effectiveness.
- **Some combination of People, Process, Policy, or IT** – Chances are low that one solution will solve all problems. Some combination of the potential solutions may be optimal.

Looking for feedback, help, and ideas from stakeholders.

What's Next?

Done

- **Sept 6 --** Complete draft with requirements, gaps, and potential solutions
- **Sept 8 --** Socialize ideas with service representatives (first of a few weekly meetings)

Doing

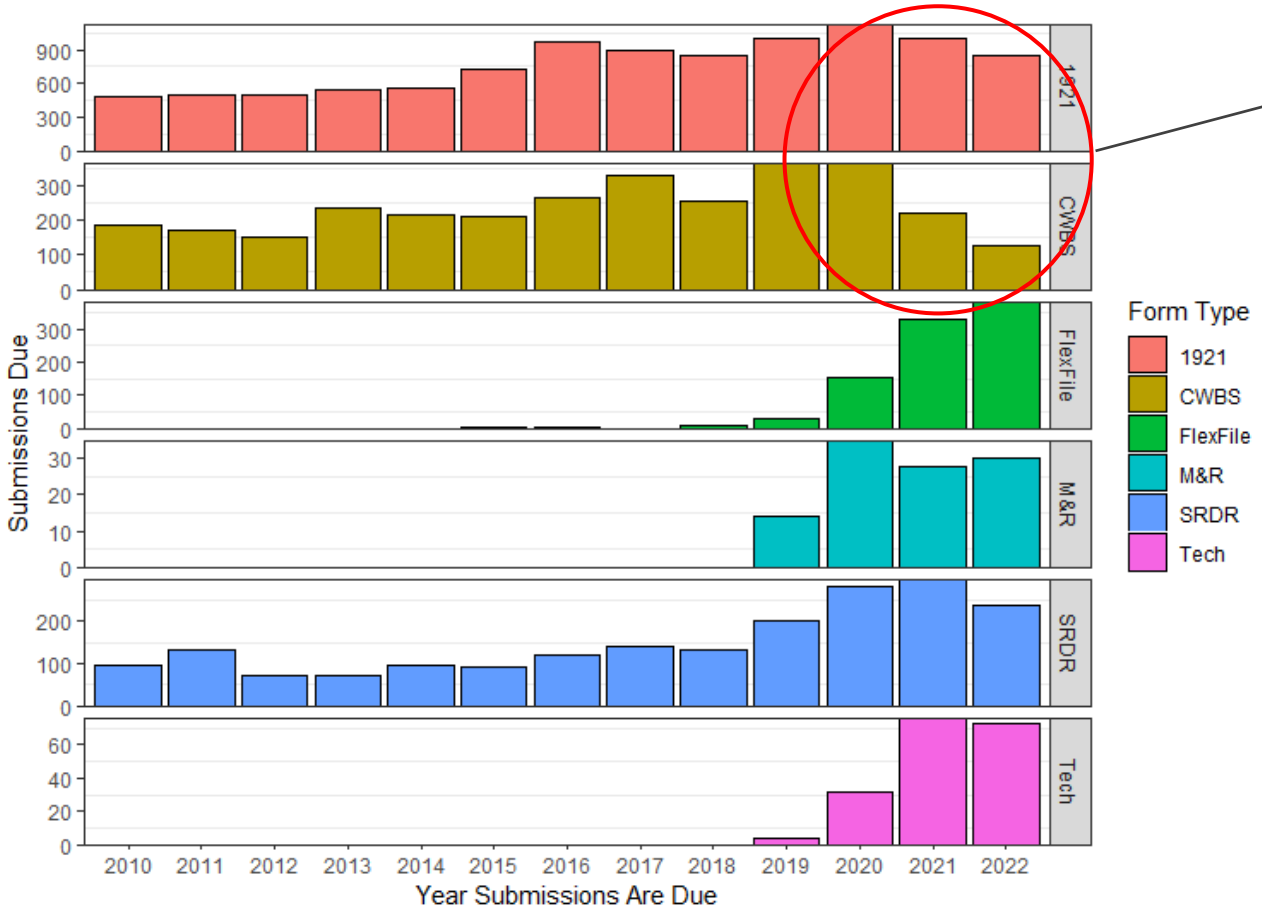
- **Sept 8 – Oct 29 --** **Collect feedback!!!**
- **Oct 19 – 20 --** Socialize with greater cost community during CADE Focus Group
- **Nov 5 --** Finalize Study Plan and Brief

We'll be back

- **Nov 5 – 19 --** Work with CADE IT
- **Nov 19 --** Make decision on which solutions to implement in the short term and which solutions to keep investigating
- **Nov 26 --** Develop schedule and start to execute/implement

Backup

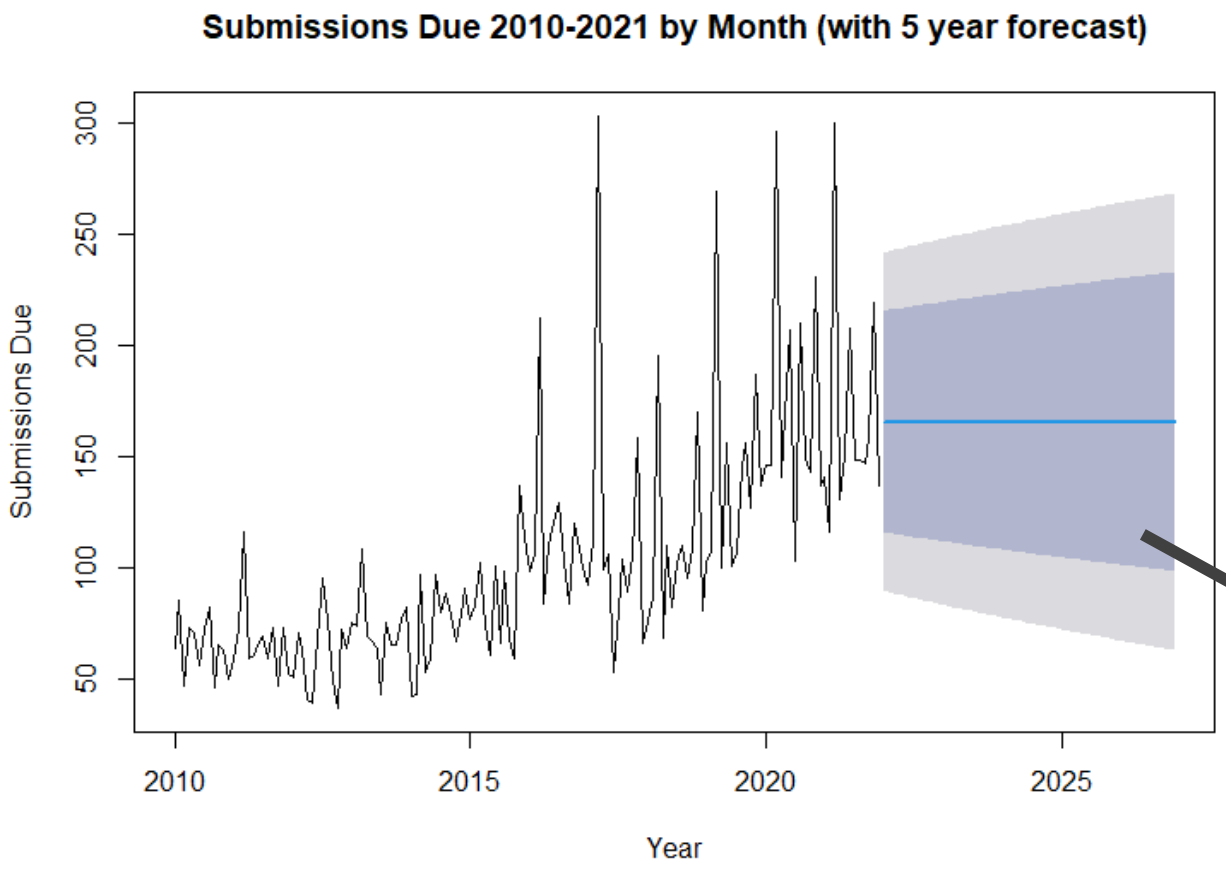
Submissions Due by Form Type



FlexFile means both FlexFiles and Quantity Data Reports

Make sense there is a dip due to the FlexFile requirements

Submissions Forecast



- Shaded area is five year forecast through 2026. Blue line, “Level Forecast”, assumes the average number of submissions does not increase. Blue shaded area is the 80% confidence interval (CI), and grey shaded area is the 95% CI.

- Forecast was generated using simple exponential smoothing on the time series data.
  - Represents a weighted average based on historical observations

Year	Level Forecast	Upper 80% CI	Upper 95% CI
2022	1,986	2,607	2,936
2023	1,986	2,653	3,006
2024	1,986	2,697	3,073
2025	1,986	2,734	3,135
2026	1,986	2,776	3,194