



2018 OSD CAPE CADE COST FOCUS GROUP

Meeting Date: Wednesday, June 27, 2018

Topic: FlexFile Initiative

Location: Lockheed Martin Global Vision Center
2121 Crystal Drive Arlington, VA 22202

Audio Connection: (703) 647-2275

Access Code: 999 256 720

Purpose: To promote discussion amongst key individuals within the community in order to gain insight into their views and experiences related to the OSD CAPE Initiatives. CAPE wanted to draw upon participants' attitudes, feelings, beliefs, experiences and reactions in a way that would not be feasible using other methods.

Meeting Minutes

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| Attendees: | <p>TOTAL ATTENDEES:</p> <p>Industry</p> <ul style="list-style-type: none"> • 115 <p>Government</p> <ul style="list-style-type: none"> • 61 <p>Dial – In</p> <ul style="list-style-type: none"> • 19 |
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| Topic: | <p><i>CADE Vision and Initiatives Overview</i> Fred Janicki, SES OSD CAPE Dave Lyons, OSD CAPE</p> |
| Discussion: | <ul style="list-style-type: none"> • Industry has expressed concerns in multiple venues on current CADE data initiatives: <ul style="list-style-type: none"> ○ Scope of data reporting has grown since initial FlexFile concept discussions ○ Too many new data items being implemented at once ○ Specific concerns on certain aspects of DIDs that drive effort/cost • The government is committed to ensuring we enable meaningful feedback and ensure we understand the cost and benefits of the data being requested before fully implementing any new data requirement. |



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| | <ul style="list-style-type: none"> • Baseline is approved DIDs - Government needs help from industry in the form of specific feedback (both data items and format) to consider revisions or alternate approaches • FlexFile initiative is main priority and government needs collaboration and feedback from industry in order to fully implement. • Desired end state is for government to have the ability to render cost data in government functional categories while receiving more detailed data already resident in industry's systems |
| Action Items | <ul style="list-style-type: none"> • Government requested assistance from industry over next 6 months to determine viability of any changes to the approved FlexFile/Quantity Report DIDs. |

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| Topic: | <i>FlexFile Creation Tool Demo</i> | Marc Stephenson, DCARC FlexFile Lead |
| Discussion: | <ul style="list-style-type: none"> • During this presentation, a business process flow chart was shown that outlines the FlexFile data collection process. The process outlines three distinct steps; Raw File (Contractor Language), Mapped File (Government Language according to DID), Ingested File (Computer Language according to file specs). • Based on industry feedback and concerns, the tool was developed to enable a user to convert a Mapped File to a CADE Ingested File, with little effort or burden. • The tool was demoed to show that this process can be completed. | |
| Action Items | <ul style="list-style-type: none"> • Government requested more pilots from industry in order to test whether or not mapped files can be successfully converted to the data model. | |

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| Topic: | <i>FlexFile Industry Panel Discussion</i> <i>Group Break-out Sessions</i> | Tom Carney, Lockheed Martin Jodi Miller, Northrop Grumman Justin Byrd, Raytheon Richard Morgan III, Boeing Liz Rainville, BAE Daron Fullwood, Moderator Fred Janicki, Facilitator All participants |
| Discussion: | Common Themes: <ul style="list-style-type: none"> • <i>Scope of Work</i> – Industry feels that FlexFiles were sold as a simple export from their accounting system, and has morphed into much more – tagging, additional forms, (SRDR MX, Quantity, Technical Data and Maintenance and Repair), allocation explanations, etc. • <i>Cost</i> – Industry stated that uncertainty costs money – want stability to set up accounting system before/at RFP, because changes after that are expensive. | |



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- *Trade Space* – depth of data vs. volume
- *Varying Analysts* – Industry works with different analysts – each analyst (PO, Industry, SCC, CAPE, etc.) has different preferences that need to be addressed, which leads to different requirements on the data.
- *Mapping* – Industry was also concerned that FlexFile goes to a lower level of indenture than 1921 reports, so mapping may be more burdensome, not less. Collaboration between Industry and Government is essential.
 - Government performing mapping does not eliminate errors – Industry is more familiar with how they bucket costs.
 - There was a discussion on whether or not the government is currently mapping to the right functional categories; and if the current standard categories are the correct ones. Further investigation needed.

FlexFile Reporting

- Legacy CSDR Reporting Data:
 - B-2 experience was 35-40 hours, but that changes were a low priority for their IT staff so difficult to implement.
 - Raytheon stated 2 weeks with novice analyst; 1 week with experienced analyst.
 - Lockheed Martin stated their experience varies because of the complexity of some of their programs (F-35, F-22), and their non-recurring to get systems set up is higher than other companies.
 - Boeing stated that they have no IT support for setting up schemas
- Reporting by work package or charge code can be challenging for industry to set-up and may be too low. Each business unit and company function differently.
- FlexFiles are easier for industry to implement on newer programs versus legacy programs so feedback differs across program portfolios.
- Industry gets nervous when different draft DIDs are on contract when the pilot is their contract deliverable.
- Perception from industry indicated difficulty keeping up with the requirements when the DID appears to change, creating a “moving target”.
- Success on one contract cannot be extrapolated to the entire company or DoD industrial base.
- “FlexFile pilot analysis/ ‘Stoplight chart’ shows initiative as successful.” – Fred Janicki
- Burdensome items for to report, based on industry feedback:
 - Standard Functional Categories
 - 12 Additional Fields (lack of definition and uncertainty makes it difficult to bid)
 - FAC can add an unstated requirement for additional columns and is not represented in the accounting system. EAC/FAC comes from EVM, and the actuals come from the accounting system



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| | <ul style="list-style-type: none">○ Unit/Lot/Sublot/First unit/Last Unit are hard but not impossible to retroactively determine. It's reasonable for new or future contracts.○ Allocations○ Time-Phasing○ Frequency of reporting○ Data Group C○ Work package/Charge Code level reporting○ Validation acceptance criteria |
| Action Items/ Recommendations | <ul style="list-style-type: none">● Further investigate 12 additional fields on FlexFile DID requirement; recommendation to either better define them, address after contract award, or removed altogether.● Develop and implement place FlexFile implementation training● Although some industry stakeholders expressed mapping may be burdensome in some instances, all stakeholders felt mapping is may be best done by industry – converting from the native file to the government standard functional categories – Industry has the insight into the data.● Demonstrate that the 1921-series documents can be recreated from the FlexFile.● Conduct more Post-Award Conferences that discuss CSDR reporting.● Assess if the government is mapping to the right functional categories.● Increase industry and government collaboration to continue dialogue and pilot so industry can influence the requirements.● Distribute the FlexFile Pilot Stoplight Chart to all Focus Group participants. |