

## Defense Agencies Initiative (DAI)



### Legend

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| <p>CAAF - Court of Appeals for the Armed Forces<br/>         CMO - Chief Management Officer<br/>         DAI - Defense Agencies Initiative<br/>         DARPA - Defense Advanced Research Projects Agency<br/>         DAU - Defense Acquisition University<br/>         DCAA - Defense Contract Audit Agency<br/>         DCMA - Defense Contract Management Agency<br/>         DCMO - Deputy Chief Management Officer<br/>         DCSA - Defense Counterintelligence and Security Agency<br/>         DDS - Defense Digital Service<br/>         DECA - Defense Commissaries Agency<br/>         DFAS - Defense Finance and Accounting Service<br/>         DHA - Defense Health Agency<br/>         DHRA - Defense Human Resources Activity<br/>         DISA - Defense Information Systems Agency<br/>         DMA - Defense Media Activity<br/>         DMEA - Defense Microelectronics Activity<br/>         DODEA - Department of Defense Education Activity<br/>         DODIG - Department of Defense Inspector General</p> | <p>DOT&amp;E/CCM - Director, Operational Test &amp; Evaluation including Center for Countermeasures (CCM)<br/>         DPAA - Defense Prisoner of War/Missing In Action Accounting Agency<br/>         DSCA - Defense Security Cooperation Agency<br/>         DTIC - Defense Technical Information Center<br/>         DTRA - Defense Threat Reduction Agency<br/>         DTRMC - Defense Test Resource Management Center<br/>         DTSA - Defense Technology Security Administration<br/>         JCS - Joint Chiefs of Staff<br/>         MDA - Missile Defense Agency<br/>         NDU - National Defense University<br/>         OEA - Office of Economic Adjustment<br/>         OMC - Office of Military Commissions<br/>         OSD - Office of the Secretary of Defense<br/>         PFFA - Pentagon Force Protection Agency<br/>         Site R - Raven Rock Mountain Complex<br/>         USU - Uniformed Services University of the Health Sciences<br/>         WHS - Washington Headquarters Services</p> |
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### Executive Summary

- The Joint Interoperability Test Command (JITC) conducted an operational assessment (OA) of Defense Agencies Initiative (DAI) Increment 3 Release 1 from April 8 through May 31, 2019.
  - During the OA, JITC evaluated new and existing capabilities implemented by DAI-equipped defense agencies, DOD field activities, and other defense organizations (collectively referred to here as Agencies).
  - JITC also evaluated new functionality for Defense Information Systems Agency (DISA), an agency that recently migrated to using DAI.
- DAI is operationally effective. The system successfully completed 100 percent of all critical tasks within 5 business process areas throughout all operational testing.
- DAI is operationally suitable. Overall system availability was high; however, usability ranged from marginal to not acceptable.
  - DAI exceeded system availability requirements with 99 percent system availability.
  - Help desk metrics indicate the DAI system is sustainable. However, most Agencies provide additional funding to sustain Tier 1 (local) help desk support, functional

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and system training, and support for new capability development.

- Based on previous testing and the remediation of all but one open finding, DAI is survivable against a cyber threat having limited to moderate capabilities.

## System

- DAI is an integrated financial management solution that provides a real-time, web-based system of integrated business processes used by defense financial managers, program managers, auditors, and the Defense Finance and Accounting Service. The DAI core functionality is based on commercially available enterprise resource planning solutions.
- DAI subsumes many systems and standardizes business processes for multiple DOD Agencies. It modernizes these business processes by streamlining management capabilities to address financial reporting material weaknesses, and support financial statement auditability.
- DISA provides facilities, network infrastructure, and the hardware operating system for DAI servers at DISA data centers.
- Agencies employ DAI worldwide and across a variety of operational environments via a web portal using each Agency's existing information system infrastructure.
- The DAI program is delivering capability incrementally:
  - The DAI Program Management Office (PMO) has begun development and fielding of Increment 3 to provide

additional capabilities to existing Agencies and to add DISA, the Defense Commissary Agency, and potentially other Agencies from FY18 through FY23. DISA went live with Time and Labor capabilities in June 2018 as part of Increment 3 Release 0.1, and increased the DAI user base to 45,725 users at 1,834 locations worldwide.

- Increment 3 Release 1.0 was fielded in October 2018 and completed DISA's migration to using DAI for General Funds Accounting.
- DAI supports financial management requirements in the Federal Financial Management Improvement Act and DOD Business Enterprise Architecture, and is a key tool for helping DOD Agencies have their financial statements validated as ready for audit.

## Mission

Financial Managers in defense agencies use DAI to transform their budget, finance, and accounting operations to achieve accurate and reliable financial information in support of financial accountability and effective and efficient decision-making.

## Major Contractors

- CACI – Arlington, Virginia
- International Business Machines – Armonk, New York
- Northrop Grumman – Falls Church, Virginia
- Amyx, Inc. – Reston, Virginia

## Activity

- On October 3, 2017, the USD(AT&L) issued a Full Deployment Decision for DAI Increment 2 and a development Authority to Proceed for DAI Increment 3.
- On September 26, 2018, the USD(A&S) issued an Acquisition Decision Memorandum delegating Milestone Decision Authority to the Defense Logistics Agency (DLA) for DAI Increment 3 and all future program increments.
- The DAI PMO conducted three developmental test events of DAI Increment 3 Release 2 in FY19:
  - Development integration test from April 18 through June 11, 2019
  - System integration test from June 24 through July 26, 2019
  - User acceptance test from August 12 through September 13, 2019
- In coordination with DISA, the DAI PMO conducted its annual Continuity of Operations (COOP) exercise from January 7 – 11, 2019.
- From April 8 through May 31, 2019, JITC conducted an OA of DAI Increment 3 Release 1 in accordance with a DOT&E-approved test plan. Interoperability Certification data were collected from November 2018 through May 2019, and JITC issued the Joint Interoperability Certification for DAI Increment 3 Release 1 on August 30, 2019.
- From January 14 – 29, 2019, JITC and the DISA Red Team conducted a Cooperative Vulnerability and Penetration

Assessment (CVPA) to verify that actions taken by the DAI PMO successfully corrected open findings from Increment 2 FOT&E.

- From May 13 – 17, 2019, JITC and the DISA Red Team conducted an Adversarial Assessment (AA) to determine the cyber survivability of the DAI.
- DOT&E published its DAI Increment 3 Release 1 OA report in November 2019.

## Assessment

- DAI is operationally effective and continues to provide significant improvements compared to previous T&E events.
  - During the Increment 3 Release 1 OA, DAI successfully completed 242 of 242 observed tasks (100 percent).
- DAI is operationally suitable. Auditability, reliability, availability, maintainability, and sustainability of the help desk support were all acceptable. However, System Usability Scale scores continue to show marginal to low acceptance of the system.
  - DAI exceeded system availability requirements with 99 percent system availability. DAI also exceeded the performance requirements for other reliability, availability, and maintainability measures during the OA.

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- The DAI PMO has a goal of one 27-hour maintenance period completed during one weekend per month. Achieving that goal would better support worldwide operations and improve weekend operations during peak periods, especially during the critical closeout period near the end of the fiscal year.
- In spite of the improvements in the DAI system, users continue to give the program a marginal System Usability Scale score. Agency users with more experience scored DAI higher. Frequent user comments on DAI functionality related to system slowness and difficulty of entering data and generating DAI reports, queries, and search requests.
- The DAI concept of operations for help desk support places the Tier 1 (local) support burden on the using agency, with the DAI PMO only providing dedicated higher tier support. Most Agencies provide additional funding to obtain additional manning for local help desk support, training, and support for new capability development. This support concept masks the true cost of DAI sustainment for the DOD enterprise.
- The DAI Help Desk processed 7,509 service requests between November 1, 2018, and May 3, 2019, with the number of open tickets decreasing from 738 to 312 during that period.
- DAI is survivable against a cyber threat having limited to moderate capabilities.
- During the CVPA, JITC and the DISA Red Team verified that the DAI PMO had corrected all but one open finding from pervious testing.
- Net Defenders from Agencies using DAI successfully detected and reacted to the AA activities during Increment 3 Release 1 testing.
- Based on the results of FY19 COOP exercises and previous test events, DOT&E and JITC assessed the DAI COOP capability as meeting requirements. Although the PMO met established requirements for recovery of the system, their service provider (DISA) did not meet agreed upon Service-level agreements for some critical services.

## Recommendations

- The DAI PMO should:
  1. Improve system performance to reduce response times, month-end report generation times, and unexpected errors.
  2. Work with DISA to ensure it is prepared to meet Service-level agreements for recovery times.
  3. In conjunction with JITC, measure system responsiveness during operational testing to quantify the latency problems identified through user survey responses during Increment 2 and 3 (Release 1) testing.
- The full list of recommendations is available in the November 2019 DOT&E DAI OA report.

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