



DEFENSE FINANCE AND ACCOUNTING SERVICE

CLEVELAND

1240 EAST NINTH STREET  
CLEVELAND, OH 44199



APR 16 2004

DFAS-A/CL

MEMORANDUM FOR HEADQUARTERS DEFENSE LOGISTICS AGENCY

SUBJECT: Military System (MILS) Migration to Extensible  
Markup Language (XML) Plan

Enclosed is the Defense Finance and Accounting Service (DFAS) plan for implementation of XML. This plan addresses all DFAS owned and impacted systems. No changes were required to any of the Military Pay or Civilian Pay Systems.

If you have any questions, or require additional information, please contact my project officer, Susan E. Scott, DFAS-AC/CL, 303-676-3340, or via email at [Susan.Scott@dfas.mil](mailto:Susan.Scott@dfas.mil).

L. J. Krushinski  
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cc:

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Defense Finance & Accounting Service (DFAS)  
Plan for Military System (MILS) Migration  
to  
Extensible Markup Language (XML)  
Unique Identification (UID)  
April 15, 2004

BACKGROUND

1. Deputy Secretary of Defense, DRID #48, *Adoption of Commercial EDI Standards for DoD Logistics Business Transactions*, December 9, 1998, directed that all new and planned business systems include the upgrade of approved commercial EDI standards. Toward this initiative, DFAS incorporated the standards into the following systems:
  - a. e-Biz
  - b. DEAMS (Defense Enterprise Accounting and Management System)
2. On December 22, 2003, the Under Secretary of Defense further directed that DoD Logistics posture all systems to use new and expanded information exchange capabilities. Accordingly, there are logistic and non-logistic systems that are directly impacted by this requirement. In addition, some systems will need to program for the unique identification (UID) requirement.

STRATEGY

1. DFAS will use the Defense Automated Addressing System Center (DAASC) to convert transactions from MILS to ANSI X12/XML and X12/XML to MILS. Some activities will be able to accept the X12/XML format and others will not. In order to accommodate all activities, DFAS will need the capability to use MILS and migrate to an X12/XML format gradually. A gradual process allows DFAS to accommodate their clients. DFAS realizes that using the MILS format is constraining and impedes the business for all logistic systems, but a gradual process would be beneficial and not impact all activities simultaneously.
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2. DFAS will modify all impacted migratory systems. Cost estimates associated with changing systems to be XML compliant follow. These are mostly unfunded requirements, which must compete with other approved initiatives. Scheduling of the XML programming will also be addressed. There are many on-going and competing program initiatives that are directed by the Office of the Secretary of Defense, the Office of Management and Budget, the U.S. Treasury, and the support of our client enhancements (Enterprise Resource Planning (ERP)). The final step is performance and testing.
3. These systems are migratory and will require modification to comply with the MILS migration to XML.
  - a. General Accounting & Finance System- Reengineered (GAFS-R)
  - b. Defense Industrial Financial Management System (DIFMS) -NIMMS (NAVAIR Integrated Material System), feeder to above (legacy, no successor named)
  - c. Standard Accounting, Budgeting and Reporting System (SABRS)
  - d. Standard Material Accounting System (SMAS)
  - e. Visual Interfund System Transaction Accountability (VISTA)
  - f. Defense Working Capital Fund Accounting System (DWAS)
  - g. Mechanization of Contract Administration Services (MOCAS)

System	Budget Fiscal Year	Cost Estimate	Time Estimate
GAFS-R	2007	\$440,000	8 months
DIFMS	2007	\$117,440	7 months
NIMMS	2007	\$433,940	37 months
SABRS	2005	\$500,000	6 months
SMAS	2007	\$500,000	18 months
VISTA	2007	\$658,724	7 months
DWAS	2007	\$275,400	6 months
MOCAS*	2007	\$1,736,348	36 months

\*Note: MOCAS will not begin MILS Migration programming until after the on-going Rehost (technical migration of the system to a Relational Database Management System) that is estimated to be completed within two years. This process must occur in unison with the Defense Contract Management Agency (DCMA) changes.

4. The time estimates reflected above include the new requirements analysis and programming. This time does not take into account competing scheduling delays caused by other programming projects that are already funded, prioritized, and on going.
5. The following systems are legacy. They are scheduled to be absorbed by a Department of Defense standard system, Enterprise Resource Planning initiative, or will be phased out as other enterprises absorb the workload. For these systems we have provided cost and time estimates to illustrate expenditures that will occur if our request for waiver is not approved. As DFAS is a fee for service organization, this cost is passed onto our clients. The approval of DFAS' request for a waiver will avoid this costly and time-consuming process. Efforts focused on changing legacy systems will further delay the implementation of new systems that will be XML compliant.

- a. Commodity Command Standard System- Finance (CCSS-F)
- b. Central Procurement Accounting System (CPAS)
- c. Defense Business Management System (DBMS)
- d. Departmental Cash Management System (DCMS)
- e. Defense Joint Accounting System (DJAS)
- f. Financial Inventory Accounting and Billing System (FIABS)
- g. Headquarters Accounting & Reporting System (HQARS)
- h. Interfund Billing System (IBS- ID A30)
- i. Standard Industrial Fund System (SIFS)
- j. Standard Operations and Maintenance Army & Research Development System (SOMARDS)
- k. Standard Finance System (STANFINS)
- l. Installation Supply Buffer (ISB)
- m. Cash management Control System (CMCS)
- n. Operational Data Store (ODS)

Legacy System Funding Estimates

<u>System</u>	<u>Cost Estimate</u>	<u>System to Absorb (if any)/Date</u>
CCSS-F	\$ 1,100,000	LMP/TBD
CPAS	\$ 1,500,000	GAFS-BL/BQ (R)/FY 05
DBMS	\$ 300,000	Not known/TBD
DCMS	\$ 145,000	DCAS/TBD
DJAS	\$ 171,315	GFEBs/TBD
FIABS	\$ 2,000,000	ERP/TBD
HQARS	\$ 34,058	DCAS/TBD
IBS	\$ 88,987	TBD
SIFS	\$ 100,000	LMP/TBD
SOMARDS	\$ 400,000	GFEBs/TBD
STANFINS/	\$ 600,000	GFEBs/TBD
ISB		MILSTRIP to SARSS/FY05
		MILSBILLS to ODS/FY05
CMCS	\$ 200,000	CEMIS/TBD
ODS	Budgeted	DCD/DCW/TBD

6. There are some systems that are not affected by the MILS Migration to XML; however, they require changes to accommodate the upcoming Unique Identification (UID) requirement.
- a. Financial Reporting System (FRS)- legacy (DCAS/FY 05)
  - b. Defense Cash Accountability System (DCAS)
  - c. Standard Accounting & Reporting System (STARS)

<u>System</u>	<u>Estimated Cost</u>
FRS	\$ 22,890.00
DCAS	\$ 50,000.00
STARS	\$1,000,058.00

7. The total estimated cost to modify all migratory systems to be XML compliant and to contain UID information is \$5,734,800. An additional \$6,639,360 would be needed for legacy systems. Unfunded requirements need Business Modernization Systems Integration (BMSI) funding approval in accordance with Public Laws 107-314 and 108-087. Additionally, the initiative needs Business Management Modernization Program (BMMP)/ACCT/FIN domain written approval pursuant to the Under Secretary of Defense memorandum of October 12, 2001.

## SUMMARY

DFAS is excited about the opportunities and possibilities presented with the use of XML. As soon as possible, all migratory and new development systems will incorporate XML and UID. According to the briefings our clients gave at the conference, their feeder systems will be compliant beginning in FY 07 and will come to fruition by FY 2010. DFAS plans to be ready to support these clients and will work closely to ensure all systems they provide data to are able to read and assimilate the information. In the interim, DFAS will submit a request for waiver. This waiver will enable DFAS to use the translator services of the DAASC until such time as all DFAS and client systems are XML/UID compliant.