



## DON IT umbrella program

### The Umbrella Program meets the objectives and requirements for the FORCEnet architecture.

We are just 17, if you know what I mean! That's right; the Department of the Navy Information Technology (DON IT) Umbrella Program celebrates 17 years of bringing substantial cost avoidance savings for DON and Department of Defense (DoD) customers.

It was June 1988 when the Assistant Secretary of the Navy for Financial Management chartered the establishment of the Umbrella Program. In his chartering letter, he delineated the benefits of using a Department-wide acquisition strategy with "umbrella contracts" to reduce procurement time and costs, achieve substantial discounts and promote cost-effective standardization.

These historic joint service contracts successfully brought desktop computing to Navy users. But since that time the number of Navy IT acquisitions has grown exponentially — and increased in complexity — as the DON systematically continues to improve automated business and operational processes, and build a standardized, flexible architecture for tactical and non-tactical operations.

The Umbrella Program's business strategies are compatible with the FORCEnet Functional Concept. Supporting the warfighter must include the business elements of logistics and shore infrastructure. Agile business operations require robust knowledge management and information. Net-centric operations include forward and home-based support, and that's where the Umbrella Program shines at serving DON and DoD customers. Further, the Umbrella Program meets the objectives and requirements for the FORCEnet architecture by offering standards-compliant tools.

As a key component of the DoD Enterprise Software Initiative (ESI), the Umbrella Program fulfills the Navy's duties as the Executive Agent for Office Automation Tools and Enterprise Resource Planning (ERP) software. This includes the entire Microsoft product line, Section 508 tools, Adobe software, Common Access Card (CAC) middleware and ERP software by PeopleSoft and SAP. Oracle ERP software is available on the Army's Oracle Enterprise Software Agreement.

The IT Umbrella Program serves as a storefront for Defense customers through the Information Technology Electronic Commerce Direct (ITEC-Direct) online catalog at <http://www.itec-direct.navy.mil/>. Purchases can be made via the Government Purchase Card.

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Since 1988, the Umbrella Program has supported all DON technology initiatives in conjunction with DoD initiatives, policies and procedures. These include providing:

- DoD Enterprise Software Initiative (ESI) support for enterprise-wide licensing of COTS software and ESI COTS System Integration agreements. DoD is using the ESI as a strategy to implement SmartBUY, the federal-wide licensing initiative. The ESI continues to work closely with the SmartBUY Program Management Office to provide best value pricing to customers.
- IT-21 desktops and software to the fleet via program office requirements.
- Consolidation of personal computer (PC) purchases and a common desktop for the fleet.
- Predecessor acquisition efforts to the Navy Marine Corps Intranet (NMCI) and the outside of the continental U.S. Base Level Information Infrastructure (OCONUS BLII) – now ONE-NET.

"Since the inception of the Umbrella Program, we have required and provided hardware and software that is compliant with commercial, open architecture standards and military standards where applicable, for example, the Government Open Systems Interconnection Profile (GOSIP), DoD Common Operating Environment (COE), Joint Technical Architecture (JTA), the IEEE, etc., to meet the interoperability requirements of the Navy and DoD," said Barbara Johnson, DON IT Umbrella Program Manager.

"Our acquisition solutions offer fleet customers who are not NMCI-ready, a bridge to a myriad of IT products and services until NMCI is there for the fleet," said Johnson.

"We work closely with the Assistant Secretary of Defense for Networks and Information Integration organization, or NII/CIO, working on the Global Information Grid (GIG) architecture, policies and guidance, along with our peer organizations within the Army and Air Force. We strive to incorporate joint visions into our acquisition strategies. In addition, we are working with the Department of the Navy Chief Information Officer (DON CIO) and the Functional Area Managers (FAMs) within the Navy to provide acquisition strategies for standard software requirements," said Johnson.

Through the years the Umbrella mission has remained the same, but by using best practices guidance, team members are able to buy smarter, ensure a positive return on investment, reduce procurement times and cost, promote standardization and interoperability, and mitigate the risks associated with government acquisition. The team reviews requirements, and seeks to serve the

# Umbrella Program Turns 17!

## *Navy's duties as ESI Executive Agent for Office Automation and Resource Planning*

majority of customers by establishing acquisition vehicles that meet enterprise requirements.

But even the smallest programs can reap the cost savings of a volume buy, according to Johnson. With our nation fighting a global war on terror, now more than ever, it is vital to save precious resources to support the Navy's warfighting mission.

"Savings vary, but are in a range of 2 (minimum) to 60 percent off GSA Schedule pricing. Some of the DoD ESI vehicles have discounts above 75 percent. This can be significant savings. So if you are talking about database software or Microsoft products, etc., the discounts are in the high range. When we put a vehicle in place, we try to think of the small agency, which may have only 10 to 20 employees so that it can receive a similar (at least minimum) discount as an agency placing large orders. Of course, if you are talking about large purchases — \$100,000 and up — these customers will get a substantially bigger discount, but small agencies (small orders) will at least get the minimum discount," said Johnson.

By working jointly with the Army, Air Force and other ESI members, the Umbrella team is able to aggregate requirements and achieves greater discounts in partnering with industry. The program also avoids duplication of effort within DoD and allows the team to concentrate on its assigned area of expertise.

The Umbrella Program team is made up of acquisition professionals from several organizations: SSC San Diego, SSC Charleston, Naval Inventory Control Point (NAVICP) Mechanicsburg, Naval Air Systems Command (NAVAIR) Patuxent River and the Naval Undersea Warfare Center (NUWC) Newport.

"The work we are accomplishing within the Navy and the wider scope of DoD and the federal government is both compatible and cohesive with current Navy initiatives and facilitates the net-centric goals of these initiatives as well as others undertaken within DoD," said Johnson.

Standards-based ordering vehicles, technical support for products through the life of the contract, integrated logistics support (ILS), e.g., software asset management, license transferability, extended warranty periods, customer support help desks, spare parts and OCONUS support are all truly some of the best value features for Umbrella contracts customers.

**For more information about the DON IT Umbrella Program, go to page 45 or the Umbrella Web site at <http://www.it-umbrella.navy.mil/>.**

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## **Department of Defense Enterprise Software Initiative**

The Enterprise Software Initiative (ESI) is a joint project designed to implement a true software enterprise management process within the Department of Defense (DoD). By pooling commercial software requirements and presenting a single negotiating position to leading software vendors, ESI provides pricing advantages not otherwise available to individual services and agencies. The ESI is expanding efforts to include "selected services" and information technology (IT) hardware.

The DoD implements the SmartBUY federal-wide licensing initiative through the ESI. The ESI works closely with the SmartBUY Program Management Office with respect to pricing models used by industry for preferred terms and conditions, software asset management and reporting mechanisms, and to aggregate DoD requirements into volume purchases when applicable to obtain optimal pricing.

Twenty-three software best practices have been identified and adopted by the ESI Working Group, leading toward a DoD-wide business process for acquiring, distributing and managing enterprise software. The ESI vision is "Point and Click IT Shopping at the Lowest Cost" using the Internet. The ESI can use the Defense Working Capital Fund (DWCF) to provide "up-front money" for initial wholesale software buys. This funding process assures maximum leverage of DoD's combined buying power, producing large software discounts.

The ESI was incorporated into the Defense Federal Acquisition Regulation Supplement (DFARS) Section 208.74 on Oct. 25, 2002, and DoD Instruction 5000.2 in May 2003. This guidance describes the procedures required for contracting officials in DoD departments and agencies to use when purchasing software and related services through the ESI agreements.

Agreement negotiations and retail contracting actions are performed by IT acquisition and contracting professionals within participating DoD Services and agencies, as ESI Software Product Managers (SPM). For more information visit the ESI Home Page: <http://www.don-imit.navy.mil/esi/>.

ESI is extending Software Asset Management to the DoD Component level, and establishing a Virtual Information Technology Marketplace (VITM) for online purchasing. Go to the VITM Web site at <http://www.vitm.gov/> for more information.

**ESI Working Group Co-Chairs**

**Jim Clausen**

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