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DATA ITEM DESCRIPTION			Form Approved OMB No. 0704-0188	
1. TITLE  Life Cycle Cost (LCC) and Independent Schedule Assessment (ISA) Report		2. IDENTIFICATION NUMBER  DI-FNCL-80448		
3. DESCRIPTION/PURPOSE 3.1 Provides the Government with Life Cycle Cost (LCC) and Independent Schedule Assessment (ISA) documentation for selected Work Breakdown Structure (WBS) elements of major weapon systems. The report is used to evaluate independent cost estimates generated for special studies and all life cycle acquisition phases. The report also depicts a risk assessment of the proposed schedule for each phase of the program.				
4. APPROVAL DATE (YYMMDD) 870930	5. OFFICE OF PRIMARY RESPONSIBILITY (OPR) F/AD/ACC	6a. DTIC APPLICABLE	6b. GIDEP APPLICABLE	
7. APPLICATION/INTERRELATIONSHIP 7.1 This data item description contains the format and content preparation instructions for the data product generated by the specific and discrete task requirement as delineated in the contract. 7.2 Air Force Regulation 173-11 requires an Independent Cost Analysis (ICA) be developed by an independent team using independent methodology for each system subject to Defense Acquisition Board (DAB) review or designated for a budget ICA. Air Force Systems Command Regulation 800-35 requires an Independent Schedule Assessment (ISA) as part of the DAB process. (Continued on Page 2)				
8. APPROVAL LIMITATION		9a. APPLICABLE FORMS		9b. AMSC NUMBER F4224
10. PREPARATION INSTRUCTIONS 10.1 <u>Reference Documents.</u> The applicable issue of the documents cited herein, including their approval dates and dates of any applicable amendments, notices, and reissues, shall be as specified in the contract.  10.2 <u>General.</u> The Life Cycle Cost and Independent Schedule Assessment Report shall include the following sections:  10.2.1 <u>Executive Summary.</u> The executive summary shall be limited to one page, briefly describing the program and stating the results and conclusions of the report.  10.2.2 <u>Table of Contents, List of Figures and List of Tables.</u>  10.2.3 <u>Introduction.</u> Brief description of the weapon system in terms of schedule phase, program requirements, etc.  10.2.4 <u>Groundrules and Assumptions.</u> This section shall describe key assumptions made in the costing of the system including quantities, schedule production rates, state of technology, program base year, inflation rates, hardware and software configuration and baseline used.  10.2.5 <u>Contract Work Breakdown Structure.</u> This section shall list the Contract Work Breakdown Structure (WBS) down to the level as specified  (Continued on Page 2)				
11. DISTRIBUTION STATEMENT  DISTRIBUTION STATEMENT A: Approved for public release; distribution is unlimited.				

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## 7. APPLICATION/INTERRELATIONSHIP (Cont'd)

7.3 This DID supersedes DI-F-30213.

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## 10. PREPARATION INSTRUCTIONS (Cont'd)

in the Statement of Work. If the WBS is not specified, the WBS used shall conform to the guidelines in MIL-STD 881 and DODI 5000.33.

10.2.6 Methodology. The methodology section shall include a discussion of the methods used to generate the cost estimate for each WBS element. Learning curve first unit cost, slopes and type of curve (unit or cumulative average) shall be stated along with backup information used to determine these parameters. This section shall make up the bulk of the report containing enough information to substantiate the entire estimate. Included shall be discussions of any analogies, why they are used, and how the actual costs were modified to fit the new components. If manhour buildups are used, discussions shall center on the rationale used for manloading levels.

10.2.7 Estimate Results. The estimate results section shall contain the contractor's cost estimate in base year dollars by the WBS listed in the assumption section. All costs should be fully burdened with overhead, G&A and fee in base year dollars. The costs shall be shown for all phases of the program, i.e., Validation, Full-Scale Engineering Development (FSED), Production, and Operations and Support (O&S) unless otherwise specified. Actual cost shall be used upon phase completion. In addition, a summary level time phased estimate shall be submitted for Research and Development (R&D) and production.

10.2.8 Schedule Assessment Results. The schedule assessment results section shall:

10.2.8.1 Address general schedule risk and identify the critical path. In addition, the assessment shall identify the specific pacing or critical schedule events and show program schedule variations to include low-, medium-, and high-risk schedules. As part of the above low-, medium-, and high-risk schedule identification and assessment, the schedule assessment shall evaluate alternate production rates, if applicable.

10.2.8.2 Provide substantiating data on the projected master integrated program schedule. This would include identifying the origin and derivation of the schedule estimate, methodology used to develop the schedule estimate, constraints influencing the estimate, and relevant history or experience that would provide indicators for future schedule expectations.

10.2.9 Conclusion. The conclusion section is for the contractor's cost analysis to communicate findings to the Government. This section shall mention cost of alternative designs, trade studies, pending engineering changes, and accuracy or confidence levels of the results section.

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10. PREPARATION INSTRUCTIONS (Cont'd)

10.2.10 Cost Track. This section shall be used to track changes from the previous reports generated on the same system. The track shall use the same WBS as the initial report and discuss the reason for each change. Categories of changes include changes in program due to design, updates of estimates, quantity changes, and schedule updates. Each change shall identify specifically what changed since the last report and why. An example would be an estimating change in learning curve slope from 90% to 92% based on actual data for the first several lots of this program.

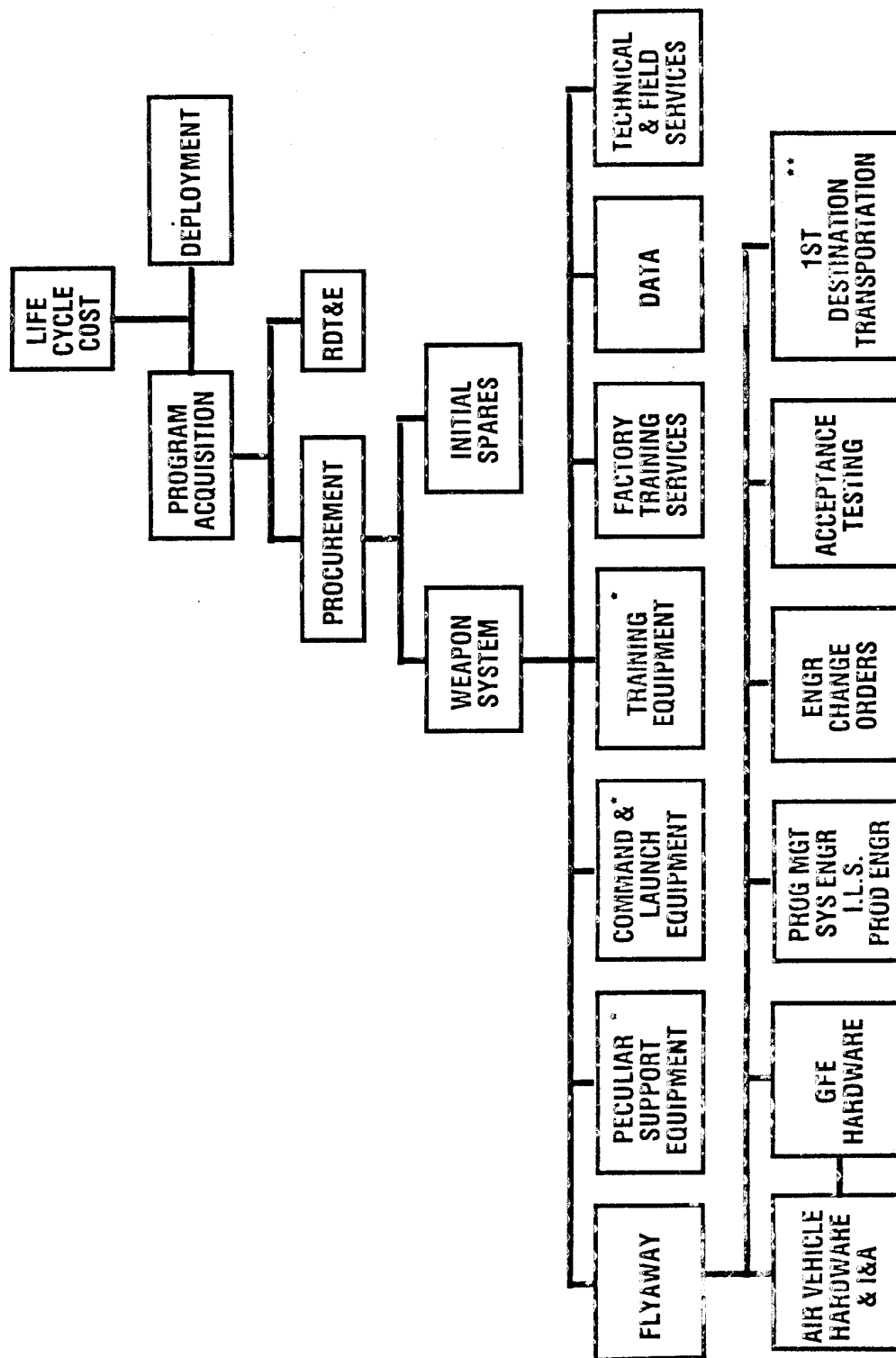
10.3 Breakout of LCC. A breakout of LCC is provided in Figure 1.

10.4 Security Classification. Report is to be unclassified where possible.

10.5 Format. Reports shall be of reproducible quality on either 8"x10 1/2" or 8 1/2"x11" bond paper. Foldouts shall be kept to a minimum, but are desired for schedule and funding spread diagrams where the larger size is needed for readability.

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## 10. PREPARATION INSTRUCTIONS (Cont'd)



\* INCLUDES DESIGN, TOOLING, TEST EQUIPMENT, HARDWARE FABRICATION, UNIT ACCEPTANCE, AND I&A.

\*\*INCLUDED UNLESS A SEPARATE BUDGET LINE ITEM.

FIGURE 1. LCC BREAKOUT