



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON DC 20310-0103
15 APR 2004

SAAL-PA

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Automated Cost Estimating Integrated Tools (ACE-IT)

I endorse the use of standardized tools for cost estimating throughout the Army Acquisition community to achieve operating efficiencies.

With broad user input, the U.S. Army Cost and Economic Analysis Center worked with its counterparts in the Air Force and Navy to develop a user-friendly, PC-based cost-estimating model which provides the basic tools necessary for estimating and documenting life cycle costs and their associated budget requirements.

When ACE-IT is appropriately used, analysts can quickly react to estimating the budget impacts of alternative program schedules. The ACE-IT has gained wide user acceptance within the Department of the Defense, the Federal Government, and its contractors. The model is available to all Army personnel and Army support contractors and training is provided throughout the year.

I require the use of ACE-IT on all Acquisition Category (ACAT) I, and II programs. The ACAT II programs shall develop their cost estimates using ACE-IT by September 30, 2004. I advocate the use of ACE-IT for all other life cycle cost estimates to achieve operating efficiencies in the business management and cost analysis functional areas.

The ACE-IT may be obtained through the U.S. Cost and Economic Analysis Center, Mr. David Henningsen at commercial (703) 601-4163, DSN 329-4163, or e-mail: david.henningsen@hqda.army.mil.

Handwritten signature of Ernest J. Gregory in black ink.

Ernest J. Gregory
Acting Assistant Secretary of the Army
(Financial Management and Comptroller)

Handwritten signature of Claude M. Bolton, Jr. in black ink.

Claude M. Bolton, Jr.
Assistant Secretary of the Army
(Acquisition, Logistics and Technology)

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