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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**Fiscal Year (FY) FY 2007  
Budget Estimates  
February 2006**

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**AIR FORCE WORKING CAPITAL FUND  
FISCAL YEAR (FY) 2007 BUDGET ESTIMATES  
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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**SUMMARY**

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## **Air Force Working Capital Fund Fiscal Year (FY) 2007 Budget Estimate**

The FY 2007 Air Force Working Capital Funds (AFWCF) Budget Estimates reflect current execution plans and a number of Air Force initiatives to improve the efficiency and effectiveness of our activities while continuing to meet the needs of the warfighting forces. Successful WCF operations are essential to the Air Force's Global Engagement mission and operation of the Air Expeditionary Force. To this end, we have incorporated changes in business management practices to provide needed warfighter support at reasonable cost.

### **Activity Group Overview:**

The AFWCF conducts business in two primary areas: the Supply Management Activity Group (SMAG) and the Depot Maintenance Activity Group (DMAG). The Transportation Working Capital Fund (TWCF), for which the Air Force assumed cash oversight responsibility in FY 1998, is part of this submission, although the Air Force does not have day-to-day management responsibility for TWCF operations.

### **Air Force Core Competencies:**

The AFWCF activities support all the Air Force core competencies: *Air and Space Superiority, Global Attack, Precision Engagement, Rapid Global Mobility, Information Superiority and Agile Combat Support*. These core competencies are fundamental to the "Pathway to the 21<sup>st</sup> Century Air Force." The working capital funds provide key maintenance; transportation and support services and weapon system spare parts and supplies. The working capital funds are integral to the readiness and sustainability of our air and space assets and our ability to deploy forces around the globe and across any theater in support of the National Military Strategy. Maintenance depots provide the equipment, skills and repair services necessary to keep forces operating worldwide. Supply management activities procure and manage inventories of consumable and reparable spare parts required to keep all elements of the force structure mission ready. Transportation provides the worldwide mobility element of the global engagement vision. Directly or indirectly, working capital fund activities provide warfighters the key services needed to meet mission capability standards.

### **Air Force Initiatives:**

Lean Logistics and Purchasing Supply Chain Management initiatives are improving customer support and financial operating results by respectively, reducing shop flow days and ensuring spare parts are available when needed. As processes continue to be improved, customers will receive the benefit of receiving repaired weapon systems and spare parts at the right place, right time and lowest cost. We are

benchmarking against industry to capitalize on best practices used in the areas of repair processes, inventory management and cost control. Other acquisition reform efforts to streamline contracting, strengthen vendor relationships and expand the use of electronic interchanges are underway in all areas of material management.

In Depot Maintenance, a number of process changes are underway with the intent of reducing cost and improving performance. Standard process improvement tools; e.g., Six Sigma, and Lean Manufacturing, are under review. A centralized maintenance directorate has been established at each Air Logistics Center to maximize economies, and updated cost and requirements estimating models are under development. The Air Force increased the use of industrial engineers to update bills of material and create more efficient repair processes and increased the use of industrial prime vendor contracts to assure timely delivery of materials. In FY 2003, the transition of contract depot maintenance out of the working capital fund umbrella began and should be completed in FY 2006. This brings the user and provider of contract depot maintenance services closer together and removes the WCF from its current role as the 'middleman'. This action will allow the depot managers to dedicate their time and efforts to organic production. In addition, the Depot Maintenance Accounting and Production System (DMAPS) began implementation at the start of FY 2002 and implementation was completed in FY 2003. DMAPS provides more detailed and timely production cost information and moves DMAG closer to Chief Financial Officer (CFO) Act compliance.

The Air Force has formalized the use of functional and financial performance plans to assess business operations at both Air Force Materiel Command (AFMC) and Air Logistics Center (ALC) levels since FY 1997. Quarterly reviews by the Secretary of the Air Force and Chief of Staff of the Air Force continue to focus management attention on cost performance as well as the ALCs' ability to deliver parts and maintenance on time.

The Air Force continues to make improvements in our financial and reporting structures through close cooperation with the Office of the Secretary of Defense and the Defense Finance and Accounting Service. AFMC continues to analyze wholesale sales and backorder data on a more real time basis utilizing the Keystone decision support system. Keystone allows us to work closely with customers by having the same data at the same time, resulting in the ability to identify discrepancies between the accounting system and the logistics feeder systems from which data is supplied.

#### **Supply Management Activity Group (SMAG):**

The wholesale activity is committed to transformation initiatives to improve meeting customer demands and lowering cost. The Air Force's logistics transformation initiative is examining new ways of doing business and leveraging new technologies to support war fighter needs. We are committed to reducing the impact of parts obsolescence and material shortage problems associated with supporting aging aircraft

fleets. Currently, the number of parts that have no qualified manufacturing or repair source is expecting to increase over the next ten years. In addition there are increasing number of manufacturers not willing to continue providing production and/or repair of aging spare parts. The Air Force remains committed to re-engineer these parts for which no supplier exists and take proactive action to identify future obsolescence issues lead time away.

#### **Depot Maintenance Activity Group (DMAG):**

The Air Force has established a number of initiatives to ensure that the depots are poised to meet the mission of the warfighter by giving the customer the best product at the best price. These initiatives include formal training programs to develop multi-skilled "maintenance- ready" technicians and managers, benchmarking programs to identify industry leaders in various production processes, and the institutionalizing of lean principles within the workforce. By embedding these initiatives into the maintenance culture, reductions are being made in shop flow days and cost. For example, there have been significant reductions in shop flow days, 95 to 9, and cost by 33% for the F-15 central gearbox. In the Depot Maintenance Strategic Plan, the Air Force has dedicated \$150M for the recapitalization and modernization of the depots through Fiscal Year 2009. These funds will mainly be used to fund a backlog of facility and equipment projects that will help to develop 'world class' depots. DMAG's customers expect a certain level of support and the Air Force is committed to providing the appropriate tools to provide that support.

#### **Transportation Working Capital Funds (TWCF):**

USTRANSCOM, as the single manager of the Defense Transportation System (DTS), exercises combatant command and peacetime management over all common user aspects of the global mobility system. One of DoD's highest priority goals is to maintain a robust and responsive national DTS as a critical element of America's national security strategy of rapid power projection of a CONUS-based force. USTRANSCOM's ability to move sufficient numbers of U.S. forces and equipment enables us to defend vital national interests anywhere in the world at a moment's notice. Additionally, USTRANSCOM's efforts as the DoD Distribution Process Owner to improve joint logistics support continue to expand and produce results. A strong defense transportation capability gives credence to our alliance commitments by delivering economic and security assistance and when needed--military forces. The DTS--a partnership of military and commercial assets--enables us to accomplish these actions.

Over 80 percent of USTRANSCOM's cost base is directly associated with the contracts and materials required to meet this need. From FY 1994 to FY 2005, USTRANSCOM productivity initiatives/cost avoidance and organizational streamlining efforts have resulted in savings of over \$1.2B. These productivity and streamlining initiatives are designed to optimize efficiency, effectiveness and customer support

without degrading USTRANSCOM's core competencies and readiness posture. In addition, since USTRANSCOM's designation as DPO in 2003 through November 2005, the DPO has produced over \$638 million in savings and cost avoidance initiatives. These cost avoidances made scarce GWOT funding available to support the warfighter in theater.

### **Cash Management:**

End of Year FY 2005, Air Force Working Capital Fund's (AFWCF) cash balance was impacted by \$1,041M in transfers. The FY05 Appropriation's Act directed USTRANSCOM transfer \$967M to Air Force O&M. Also, OSD directed a \$155M transfer from DMAG to Army O&M. USTRANSCOM finished the year with a cash balance below expectations as a result of non-operational transfers of cash in accordance with Congressional direction. Cash balances in other AFWCF activity groups met expectations. The FY06 cash balance is expected to remain stable based on operational forecasts. FY07 cash balances will decline due to gains incurred in DMAG being returned to customers and USTRANSCOM's forecasted cash position.

### **Air Force Working Capital Fund Cash Including USTRANSCOM (Dollars in Millions)**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
BOP Cash Balance	1,703.8	1,038.6	1,042.4
Disbursements	25,235.8	27,364.6	25,726.2
Collections	25,611.6	26,746.2	25,178.4
Transfers*	(1,041.1)	622.2	44.1
EOP Cash Balance	1,038.6	1,042.4	538.7

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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**OPERATING BUDGET**

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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**SUPPLY MANAGEMENT  
ACTIVITY GROUP**

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**Air Force Working Capital Fund  
Fiscal Year (FY) 2007 Budget Estimates  
Supply Management Activity Group**

**Activity Group Overview**

The **Air Force Supply Management Activity Group** (SMAG) was incorporated into the Air Force Working Capital Fund effective 11 Dec 1996. The Supply Management Activity Group consists of four divisions: Wholesale Division Material Support, and Retail Division General Support, Medical-Dental, and the United States Air Force Academy.

**Supply Management Activity Group Mission Description**

The Supply Management Activity Group manages over 1.6 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. The Air Force Supply Management Activity Group is a critical component in the support of combat readiness for all customers -- procuring materiel and making repaired spares available for sale to authorized customers. As a part of the inventory, the Air Force maintains a War Reserve Material (WRM) Stockpile. The WRM provides initial war fighting capability until industrial production can sustain wartime demands.

The Air Force Supply Management Activity Group provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management and transportation. Inventories are an integral part of SMAG and are maintained by each of the divisions in support of customer requirements. An objective of the SMAG budget is to replenish inventories and provide supplies to customers in a timely manner within customer funding constraints, while maintaining fund solvency.

The Air Force Supply Management Activity Group generates revenue from sales of various supplies to a diverse customer base. Primary SMAG customers are Air Force Major Commands, Air Force Reserve, Air National Guard, Foreign Military Sales, Army, Navy and non-DoD activities, as well as other working capital activity groups, such as Depot Maintenance.

The Supply Management Activity Group is managed under a Chief Executive Officer structure. The AFMC Commander (AFMC/CC) is the Chief Executive Officer (CEO). The AFMC Director of Logistics (HQ AFMC/LG) serves as the Chief Operating Officer (COO), and the AFMC Director of Financial Management (HQ AFMC/FM) is the Chief Financial Officer (CFO).

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**Air Force Working Capital Fund  
Fiscal Year (FY) 2007 Budget Estimates  
Supply Management Activity Group**

**War Reserve Material (WRM)/ Direct Appropriation**

The purpose of Medical War Reserve Materiel is to provide medical supplies and equipment vital to support forces in combat for initial deployment and for the first 60 days of a contingency operation, and to provide basic force health protection to all deploying AF active, reserve, and guard personnel. Availability of this materiel ensures AF personnel can deploy as scheduled and that contingency operations can be conducted until re-supply lines are established and materiel is routinely received from the contiguous United States. The requirement funds the establishment and sustainment of 2,431 assemblages that are maintained in the Medical-Dental Division until required to provide direct support to the war fighter. Approximately 1/3 of the pharmaceuticals must be replaced annually because of very short shelf life or emergence of newer more effective items. Medical equipment requires constant upgrade to provide the maximum required capability possible, and new technology constantly allows for replacement of equipment with smaller, more proficient models which often drives a change in other supply requirements. In FY05, WRM received \$81.1, FY06 \$42.4, and FY07 projected to be \$44.1. FY05 is much higher than following years due to receiving no WRM in FY04. In FY 06, we also received \$.8 in Katrina Supplemental to recover lost materials due to Katrina.

Keeping pace with the speed of medical device technological advancement to ensure our warfighters have the best possible care provided when they go in harms way places a significant financial burden on our WRM resources. Medical assemblies are classified into 5 categories: Expeditionary Medical Support (EMEDS) assemblages, aero-medical evacuation sets, specialty care sets, AF Special Operations, and medical personal protection prophylaxis/antidotes. In FY05, 413 new assemblages are to be built in further support of Combatant Commander Operational Plan requirements; FY06 and FY07 will be 208 and 171 respectively. In each fiscal year, approximately seven Contingency Aero-Medical Staging Facilities (CSAF) will be built.

The Medical Dental Division finances contingency medical assets via a direct Congressional appropriation that enables procurement of medical War Reserve Material for the Air Force. The Surgeon General of the Air Force is responsible for programming and execution of funding to provide contingency health care in accordance with Combatant Commander Operational Plans.

**Division Overviews**

**Wholesale Activities**

The **Material Support Division** (MSD) manages over 130,000 depot level reparable (DLR) and consumable items for which the Air Force is the Inventory Control Point (ICP). The Air Force Materiel Command (AFMC) procures the inventory items, which

**Air Force Working Capital Fund  
Fiscal Year (FY) 2007 Budget Estimates  
Supply Management Activity Group**

are generally weapon system related. The Material Support Division provides cost visibility related to wholesale inventory control point operations (including cataloging and standardization) in support of the MSD. MSD also accumulates the costs for all overhead activities including: civilian and military labor, travel, training, supplies, expendable equipment, contractual services, capital asset depreciation for funding future capital investments; plus all reimbursable services provided by the Defense Logistics Agency (DLA), Defense Logistics Information Services (DLIS), Defense Finance and Accounting Service (DFAS), Defense Reutilization and Marketing Service (DRMS), Defense Information Systems Agency (DISA), and AF Operation and Maintenance - Base Operating Support. MSD maintains inventories to support all operations both in support of peacetime activities and Operation Iraqi Freedom. MSD also maintains ready deployable kits to be used for contingencies.

During the 1990's, MSD experienced certain funding, reliability and sustainability issues. Cost controls were implemented to lower MSD expenditures and additional funding was provided. This overall investment brought stability to the program. The AF persists with new initiatives to provide increasing aircraft support, improve mission capable rates, improved spare parts availability, and improved non-mission capable rates related to supply (TNMCS). These indicators continue to improve, a strong endorsement of a stable and improving program.

Further evidence of continued improvement within MSD is the Purchasing and Supply Chain Management (PSCM) Immersion Education underway at AFMC and all three Air Logistics Centers. The goal of the PSCM initiative is to integrate purchasing and supply chain management into a single end-to-end enterprise process culminating in reduced costs and increased materiel availability to the warfighter, correlating to the Air Force logistics transformation campaign, *e-Log21*.

#### **Retail Activities**

The **General Support Division** (GSD) manages over 1,465,733 different items, which are procured from DLA and GSA. GSD customers use the majority of items to support field and depot maintenance of aircraft, ground and airborne communication and electronic systems, as well as other sophisticated systems and equipment. The General Support Division also manages many items related to installation, maintenance, and administrative functions. Starting in FY05, GSD customers received a Congressional increase to their budget for Interceptor Body Armor that provides critical protection for our troops. This funding continues through FY07.

The Surgeon General of the Air Force is responsible for the overall management of the **Medical-Dental Division**. The AF assigned the central financial and material management functions to the Air Force Medical Logistics Office at Frederick, Maryland. The division manages 6,483 different items through 81 Medical Treatment Facilities (MTF) worldwide, of which 65 are in the CONUS. All supply and equipment

# Air Force Working Capital Fund Fiscal Year (FY) 2007 Budget Estimates Supply Management Activity Group

requirements generated by AF treatment facilities are procured through this division. The Medical-Dental Division also maintains a War Reserve Material requirement.

The **Air Force Academy Division** finances the purchase of uniforms and uniform accessories for sale to cadets in accordance with regulations of the Air Force Academy and related statutes. The customer base consists of approximately 4,150 cadets who receive distinctive uniforms procured from various manufacturing contractors located coast to coast.

## Analysis of Undelivered Orders

Dollars in Millions	FY03	FY04	FY05	FY06	FY07
Academy	\$0.3	\$0.0	\$0.1	\$0.0	\$0.0
Medical Dental	\$83.0	\$92.0	\$131.6	\$111.6	\$86.6
General Support Division	\$581.8	\$682.8	\$782.9	\$732.9	\$607.9
Total Retail	\$665.1	\$774.8	\$914.6	\$844.5	\$694.5
Material Support Division	\$4,930.1	\$4,334.9	\$4,288.9	\$4,268.9	\$4,248.9
Total Supply Management Activity Group	\$5,595.2	\$5,109.7	\$5,203.5	\$5,113.4	\$4,943.4
Flying Hours	2,379,588	2,273,398	2,232,364	2,240,364	2,245,398

The **Material Support Division** is improving forecasting buy and repair program requirements. Since FY03, this has allowed for a 13% decrease in undelivered orders. Undelivered orders are directly impacted by changes in customer requirements caused by the flying hour program. Increased capacity due to flying hour reductions has allowed for a slight decrease in undelivered orders thru FY04. However, undelivered orders have been reduced to a stabilized point where large decreases are no longer expected.

The **General Support Division** experienced growth in undelivered orders primarily due to requirements for Basic Expeditionary Airfield Resource (BEAR) kits and Individual Body Armor (IBA). Both these items are long-lead delivery with deliveries scheduled through the FYDP. Obligations in FY04 were \$94.4M and in FY05 were \$218.2M.

The **Medical Dental Division** has only 4-5 days worth of inventory on hand. It has an inventory turnover rate of 70-90 times per year with most items having a short delivery schedule. Undelivered order year-to-year increases are primarily due to customers purchasing late in the fiscal year. Half of the FY05 appropriation of \$81M for WRM was received late in the fiscal year. This is an unusual event as WRM is generally received early in a fiscal year to allow for faster deliveries of assets. This late obligation of funds caused a growth in the value of undelivered orders for the end of the year.

The **Air Force Academy Division** is fairly stable from one year to the next. Every item issue to cadets for reimbursement is seasonally scheduled and does not change

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**Air Force Working Capital Fund  
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Supply Management Activity Group**

significantly from one year to the next. Therefore, undelivered orders have no lasting effect on cash flow or inventory values.

**Revenue, Expenses and Items Managed**

The table below provides revenue and expenses for the total Supply Management Activity Group (includes other income – direct reimbursement).

(\$ Millions)	FY 2005	FY 2006	FY 2007
Revenue	\$ 9,385.4	\$ 9,984.8	\$ 9,989.8
Expenses	\$ 9,576.9	\$ 9,940.8	\$ 9,998.8
Operating Result	\$ (191.5)	\$ 44.0	\$ (9.0)
Net Operating Results	\$ (191.5)	\$ 44.0	\$ (9.0)
Accumulated Operating Results	\$ (35.0)	\$ 9.0	\$ -

**Military and Civilian End Strength**

Civilian and Military End Strength, Full Time Equivalents and Workyears reflect the Material Support Division only.

	FY2005	FY2006	FY2007
Civilian End Strength	2,603	2,525	2,532
Civilian Full Time Equivalents	2,481	2,503	2,529
Military End Strength	62	61	61
Military Workyears	62	61	61

**Customer Price Change (%)**

Division	FY 2005	FY 2006	FY 2007
Material Support	3.78%	5.74%	6.84%
General Support	-2.53%	1.81%	-2.74%
Medical-Dental	-2.04%	3.69%	2.45%
Academy	-0.02%	-3.65%	13.41%

**Stockage Effectiveness**

Stockage Effectiveness measures how often the supply system has available for immediate sale those items it intends to maintain at base and depot level supply locations.

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Division	FY 2005	FY 2006	FY 2007
Material Support	77%	77%	78%
General Support	87%	87%	87%
Medical-Dental	96%	96%	96%
Academy	97%	97%	97%

**Item Quantity Requirements**

Item	FY 2005	FY 2006	FY 2007
Number of Issues	5,769,081	6,369,895	6,378,140
Number of Receipts	5,773,737	4,627,162	4,705,558
Number of Requisitions	7,087,131	6,306,632	6,313,053
Contracts Executed (1,2)	23,757	20,645	20,358
Purchase Inflation (3)	2.0%	2.0%	2.1%
Items Managed	1,670,908	1,647,725	1,639,725

(1) Excludes Med/Dent information - AF Med Log system is unable to generate requested information.

(2) Excludes MSD - current contracting system cannot distinguish MSD funding if multiple fund citations used on a contract.

(3) Standard Inflation used.

SM1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
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February 2006

Working Version  
SMAG

FY 2005	Division	Peacetime Inventory	Net Customer Orders	Net Sales	Obligation Target			Commitment Target	Target Total
					Operating	Mobilization	Other		
Supply Management Activity Group									
ICP Retail Summary									
GSD		1,698,507	2,299,094	2,201,352	2,265,277	74,200	0.000	0.000	2,339,477
Med/Dent		11,268	1,033,118	931,765	956,081	81,100	0.000	0.000	1,037,181
Academy		4,636	8,770	8,770	7,837	0.000	0.000	0.000	7,837
Subtotal Retail		1,714,411	3,340,982	3,141,887	3,229,195	155,300	0.000	0.000	3,384,495
ICP Wholesale Summary									
MSD		20,541,490	6,071,623	6,041,361	6,182,760	87,805	33,982	0.000	6,304,547
Subtotal Wholesale		20,541,490	6,071,623	6,041,361	6,182,760	87,805	33,982	0.000	6,304,547
Component Total		22,255,901	9,412,605	9,183,248	9,411,955	243,105	33,982	0.000	9,689,042

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SM1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
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Working Version SMAG FY 2006									
Division	Peacetime Inventory	Net Customer Orders	Net Sales	Obligation Target			Commitment Target	Target Total	
				Operating	Mobilization	Other			Total
Supply Management Activity Group									
ICP Retail Summary									
GSD	1,620.122	2,148.536	2,295.543	2,281.138	13.000	0.000	2,294.138	0.000	2,294.138
Med/Dent	14.446	928.021	1,025.862	1,032.978	43.289	0.000	1,076.267	0.000	1,076.267
Academy	4.503	5.472	5.472	5.472	0.000	0.000	5.472	0.000	5.472
Subtotal Retail	1,639.071	3,082.029	3,326.877	3,319.588	56.289	0.000	3,375.877	0.000	3,375.877
ICP Wholesale Summary									
MSD	20,982.115	6,140.212	6,428.278	6,963.472	20.504	12.526	6,996.502	0.000	6,996.502
Subtotal Wholesale	20,982.115	6,140.212	6,428.278	6,963.472	20.504	12.526	6,996.502	0.000	6,996.502
Component Total	22,621.186	9,222.241	9,755.155	10,283.060	76.793	12.526	10,372.379	0.000	10,372.379

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SM1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
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Working Version SMAG FY 2007	Division	Peacetime Inventory	Net Customer Orders	Net Sales	Obligation Target			Commitment Target	Target Total
					Operating	Mobilization	Other		
Supply Management Activity Group									
ICP Retail Summary									
GSD		1,694.421	2,109.160	2,117.827	2,183.499	13.000	0.000	0.000	2,196.499
Med/Dent		20.009	1,100.754	1,086.673	1,106.130	44.054	0.000	0.000	1,150.184
Academy		3.897	6.066	6.066	5.459	0.000	0.000	0.000	5.459
Subtotal Retail		1,718.327	3,215.980	3,210.566	3,295.088	57.054	0.000	0.000	3,352.142
ICP Wholesale Summary									
MSD		21,431.918	6,502.338	6,532.418	7,194.706	23.273	11.749	0.000	7,229.728
Subtotal Wholesale		21,431.918	6,502.338	6,532.418	7,194.706	23.273	11.749	0.000	7,229.728
Component Total		23,150.245	9,718.318	9,742.984	10,489.794	80.327	11.749	0.000	10,581.870

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SM3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
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Working Version

Pentagon-MSD

FY 2005	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCRS Percent
A-10	17.941	13.456	31.397	0.622	136.676	168.695	11.0%
B-1B	43.665	25.031	68.696	1.823	218.938	289.457	11.8%
B-2	9.871	0.179	10.050	8.048	25.767	43.865	4.9%
B-52	39.761	6.460	46.221	8.655	92.659	147.535	9.9%
C-5	55.954	22.465	78.419	0.000	193.070	271.489	17.8%
C-130	48.233	3.809	52.042	0.000	243.013	295.055	12.3%
C-135	93.777	8.418	102.195	0.068	225.354	327.617	9.5%
C-141	0.078	0.010	0.088	0.000	9.380	9.468	11.4%
E-3	12.342	32.688	45.030	4.891	49.132	99.053	3.1%
E-4	0.000	0.000	0.000	0.000	0.208	0.208	12.4%
E-8	1.142	0.000	1.142	0.000	0.048	1.190	9.2%
F-4	2.040	0.698	2.738	0.000	7.216	9.954	0.0%
F-15	111.009	39.317	150.326	6.090	475.927	632.343	8.2%
F-16	62.793	25.190	87.983	10.044	234.976	333.003	11.6%
F100 Engines	359.790	111.649	471.439	0.000	517.494	988.933	0.0%
F110 Engines	110.532	59.505	170.037	0.000	189.741	359.778	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	1.074	0.003	1.077	0.000	0.192	1.269	0.0%
F-117	0.000	0.000	0.000	0.000	0.096	0.096	6.4%
H-1	2.576	0.009	2.585	0.000	4.158	6.743	8.2%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	3.209	0.873	4.082	0.000	45.042	49.124	15.5%
H-60	0.234	0.433	0.667	1.200	5.364	7.231	22.7%
Trainers	26.276	10.793	37.069	0.000	34.811	71.880	3.2%
Other Aircraft	2.091	4.060	6.151	0.000	24.775	30.926	0.0%
SOF	3.432	0.980	4.412	5.749	22.747	32.908	13.5%
Common	62.127	21.293	83.420	39.279	274.345	397.044	0.0%
Common EW	13.366	1.696	15.062	0.000	82.246	97.308	0.0%
Missiles	13.308	14.792	28.100	3.056	23.822	54.978	0.0%
Other	36.071	2.286	38.357	0.720	66.120	105.197	0.0%
NIMSC5	0.000	0.000	0.000	0.000	176.783	176.783	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 2	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Total	1,132.692	406.093	1,538.785	90.245	3,380.101	5,009.131	0.0%

SM3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon-MSD

FY 2006	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCRS Percent
A-10	19.057	12.865	31.922	1.865	158.646	192.433	11.3%
B-1B	58.169	14.977	73.146	13.726	245.098	331.970	12.3%
B-2	19.764	0.500	20.264	9.680	37.228	67.172	11.3%
B-52	71.486	7.311	78.797	3.424	102.326	184.547	13.2%
C-5	99.451	17.493	116.944	0.000	203.772	320.716	11.3%
C-130	55.607	4.961	60.568	0.000	252.259	312.828	12.3%
C-135	104.842	9.377	114.219	13.238	274.058	401.515	8.7%
C-141	0.034	0.011	0.045	0.000	2.312	2.357	11.3%
E-3	18.782	30.486	49.268	7.410	56.606	113.284	8.4%
E-4	0.000	0.000	0.000	0.000	0.200	0.200	116.0%
E-8	1.102	0.000	1.102	0.000	0.052	1.154	13.2%
F-4	1.293	0.637	1.930	0.000	7.652	9.582	0.0%
F-15	155.840	36.808	192.648	3.301	480.835	676.784	9.4%
F-16	47.437	24.990	72.427	19.810	256.746	348.984	13.2%
F100 Engines	437.999	137.162	575.161	0.000	598.757	1,173.919	0.0%
F110 Engines	148.123	68.042	216.165	0.000	258.865	475.030	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	0.056	0.003	0.059	0.000	0.157	0.216	13.2%
F-117	0.000	0.000	0.000	0.000	0.108	0.108	6.8%
H-1	1.708	0.002	1.711	0.000	4.658	6.368	13.2%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	1.296	1.011	2.308	0.000	41.372	43.680	13.2%
H-60	0.309	0.571	0.880	1.369	5.177	7.426	13.2%
Trainers	27.520	10.124	37.644	0.000	37.588	75.232	12.4%
Other Aircraft	2.233	3.064	5.297	0.000	28.965	34.262	10.4%
SOF	2.431	1.358	3.789	2.972	22.186	28.947	13.2%
Common	91.838	26.433	118.271	30.261	290.241	438.773	0.0%
Common EW	12.951	2.189	15.140	0.000	85.283	100.423	0.0%
Missiles	12.494	11.461	23.955	3.148	23.611	50.714	0.0%
Other	32.381	2.113	34.494	1.918	61.276	97.687	0.0%
NIMSC5	0.000	0.000	0.000	0.000	216.276	216.276	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 2	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Total	1,424.204	423.950	1,848.154	112.122	3,752.308	5,712.584	0.0%

SM3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon-MSD

FY 2007	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCRS Percent
A-10	20.581	13.896	34.477	2.813	161.307	198.597	13.5%
B-1B	62.822	16.175	78.998	8.077	249.470	336.544	14.4%
B-2	21.345	0.539	21.884	4.712	37.848	64.445	13.5%
B-52	77.206	7.895	85.101	0.000	104.154	189.255	15.3%
C-5	107.408	18.892	126.300	0.000	207.346	333.646	13.5%
C-130	60.056	5.357	65.414	0.000	256.784	322.197	14.4%
C-135	113.229	10.127	123.357	31.064	278.778	433.199	10.9%
C-141	0.037	0.013	0.049	0.000	2.355	2.405	13.4%
E-3	20.284	32.925	53.210	13.364	57.593	124.167	10.6%
E-4	0.000	0.000	0.000	0.000	0.203	0.203	12.7%
E-8	1.190	0.000	1.190	0.000	0.053	1.243	15.3%
F-4	1.397	0.687	2.084	0.000	7.774	9.858	0.0%
F-15	168.307	39.752	208.059	4.385	489.761	702.206	11.6%
F-16	51.231	26.989	78.220	25.438	261.120	364.779	15.3%
F100 Engines	473.038	148.136	621.174	0.000	608.768	1,229.942	0.0%
F110 Engines	159.973	73.485	233.458	0.000	263.263	496.721	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	0.060	0.004	0.064	0.000	0.160	0.224	15.3%
F-117	0.000	0.000	0.000	0.000	0.110	0.110	10.6%
H-1	1.845	0.003	1.847	0.000	4.740	6.588	15.3%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	1.400	1.092	2.492	0.000	42.111	44.603	15.3%
H-60	0.333	0.617	0.950	1.869	5.270	8.089	15.3%
Trainers	29.721	10.935	40.656	0.000	38.212	78.868	16.3%
Other Aircraft	2.412	3.309	5.721	0.000	29.444	35.165	12.5%
SOF	2.625	1.467	4.092	4.517	22.585	31.195	15.3%
Common	99.185	28.547	127.732	28.808	295.429	451.969	0.0%
Common EW	13.987	2.364	16.351	0.000	86.821	103.172	0.0%
Missiles	13.494	12.417	25.911	3.987	23.993	53.890	0.0%
Other	34.970	2.244	37.214	0.375	62.433	100.023	0.0%
NIMSC5	0.000	0.000	0.000	0.000	220.573	220.573	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 2	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
New WS Fund 3	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Total	1,538.138	457.867	1,996.005	129.409	3,818.462	5,943.876	0.0%

SM4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
SMAG

FY 2005	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	22,542.845	792.270	16,610.742	5,139.833
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount (Memo)	(2.036)	5.189	(7.110)	(0.116)
c. Inv Reclassified & Repriced	22,540.809	797.459	16,603.632	5,139.717
3. Receipts at MAC	4,949.428	206.594	4,202.752	540.082
4. Sales at Standard	12,678.111	214.538	10,268.081	2,195.492
5. Inventory Adjustments				
a. Capitalization + or (-)	2,996.188	44.194	2,244.246	707.748
b. Returns from Customers for Credit	3,420.663	49.366	2,596.995	772.302
c. Returns from Customers w/o Credit	(2,976.523)	(44.815)	(2,132.675)	(799.032)
d. Returns to Suppliers (-)	(411.800)	(4.541)	(376.815)	(30.445)
e. Transfers to Property Disposal (-)	(2,901.949)	(152.841)	(2,201.000)	(548.108)
f. Issues/Receipts w/o Reimbursement	619.082	36.398	437.402	145.282
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(34.037)	(12.830)	(15.088)	(6.118)
2. Discounts on Returns	(56.584)	(7.126)	(44.599)	(4.859)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	(0.838)	0.000	(0.838)	0.000
5. Assembly/Disassembly	(343.845)	(34.733)	(194.745)	(114.367)
6. Physical Inventory Adj	(318.773)	(16.085)	(214.896)	(87.792)
7. Accounting Adjustments	8,387.762	193.880	6,172.710	2,021.173
8. Shipment Discrepancies	(79.456)	4.229	(58.088)	(25.598)
9. Other Gains/Losses	(83.330)	(71.825)	104.376	(115.881)
10. Strata Transfers	0.000	0.000	0.000	0.000
11. Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other Adjustments - Total	7,470.900	55.509	5,748.832	1,666.558
h. Total Adjustments	8,216.562	(16.729)	6,318.985	1,914.306
6. Inventory EOP	23,028.687	772.786	16,857.288	5,398.613
7. Inventory EOP, Revalued (MAC, Discounted)	22,671.570	427.324	16,850.544	5,393.702
a. Economic Retention (Memo)	2,106.636	0.000	0.000	2,106.636
b. Contingency Retention (Memo)	2,770.225	0.000	0.000	2,770.225
c. Potential DOD Reutilization (Memo)	36.168	0.000	0.000	36.168
8. Inventory on Order Cost EOP (Memo)	956.974	35.876	870.196	50.902

SM4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
SMAG

FY 2006	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	23,028.687	772.786	16,857.288	5,398.613
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount (Memo)	(68.674)	(12.242)	(55.381)	(1.051)
c. Inv Reclassified & Repriced	22,960.013	760.544	16,801.907	5,397.562
3. Receipts at MAC	4,957.513	149.737	4,266.804	540.972
4. Sales at Standard	13,045.800	148.129	10,536.618	2,261.053
5. Inventory Adjustments				
a. Capitalization + or (-)	3,214.434	45.629	2,414.405	754.400
b. Returns from Customers for Credit	3,287.043	47.319	2,499.453	740.271
c. Returns from Customers w/o Credit	1,003.909	15.454	754.559	233.896
d. Returns to Suppliers (-)	(217.333)	(9.378)	(171.862)	(36.093)
e. Transfers to Property Disposal (-)	(2,591.934)	(65.932)	(1,939.876)	(586.126)
f. Issues/Receipts w/o Reimbursement	626.586	9.785	462.334	154.467
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(53.590)	(32.640)	(16.098)	(4.852)
2. Discounts on Returns	(52.662)	(6.225)	(41.366)	(5.071)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	(0.016)	0.000	(0.016)	0.000
5. Assembly/Disassembly	(260.191)	(38.652)	(118.560)	(102.979)
6. Physical Inventory Adj	(233.110)	(9.768)	(123.341)	(100.001)
7. Accounting Adjustments	4,071.762	140.969	2,921.890	1,008.903
8. Shipment Discrepancies	(95.009)	2.309	(69.887)	(27.431)
9. Other Gains/Losses	(117.238)	(27.831)	(39.469)	(49.938)
10. Strata Transfers	0.000	0.000	0.000	0.000
11. Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other Adjustments - Total	3,259.946	28.162	2,513.153	718.631
h. Total Adjustments	8,582.651	71.039	6,532.166	1,979.446
6. Inventory EOP	23,454.377	833.191	16,964.259	5,656.927
7. Inventory EOP, Revalued (MAC, Discounted)	23,121.192	484.893	16,986.783	5,649.516
a. Economic Retention (Memo)	2,151.824	0.000	0.000	2,151.824
b. Contingency Retention (Memo)	2,829.648	0.000	0.000	2,829.648
c. Potential DOD Reutilization (Memo)	36.944	0.000	0.000	36.944
8. Inventory on Order Cost EOP (Memo)	705.803	8.500	618.091	79.212

SM4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
SMAQ

FY 2007	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	23,454.377	833.191	16,964.259	5,656.927
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount (Memo)	(69.861)	(12.463)	(56.328)	(1.070)
c. Inv Reclassified & Repriced	23,384.516	820.728	16,907.931	5,655.857
3. Receipts at MAC	5,145.688	174.982	4,402.626	568.080
4. Sales at Standard	13,216.973	151.985	10,743.609	2,321.379
5. Inventory Adjustments				
a. Capitalization + or (-)	3,433.511	48.748	2,578.754	806.009
b. Returns from Customers for Credit	3,470.389	50.038	2,637.534	782.817
c. Returns from Customers w/o Credit	1,004.700	15.504	755.166	234.030
d. Returns to Suppliers (-)	(226.867)	(9.925)	(178.567)	(38.375)
e. Transfers to Property Disposal (-)	(2,759.907)	(72.076)	(2,061.819)	(626.012)
f. Issues/Receipts w/o Reimbursement	671.057	10.477	495.494	165.086
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(52.388)	(30.124)	(17.097)	(5.167)
2. Discounts on Returns	(54.588)	(6.352)	(42.842)	(5.394)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	(0.017)	0.000	(0.017)	0.000
5. Assembly/Disassembly	(245.279)	(41.291)	(149.755)	(54.223)
6. Physical Inventory Adj	(290.934)	(10.588)	(166.652)	(113.694)
7. Accounting Adjustments	4,122.131	145.599	2,985.143	991.389
8. Shipment Discrepancies	(102.664)	2.262	(75.600)	(29.326)
9. Other Gains/Losses	(238.846)	(52.713)	(81.865)	(104.268)
10. Strata Transfers	0.000	0.000	0.000	0.000
11. Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other Adjustments - Total	3,137.415	6.793	2,451.305	679.317
h. Total Adjustments	8,730.298	49.559	6,677.867	2,002.872
6. Inventory EOP	24,043.529	893.284	17,244.815	5,905.430
7. Inventory EOP, Revalued (MAC, Discounted)	23,648.622	540.663	17,202.553	5,905.406
a. Economic Retention (Memo)	2,197.982	0.000	0.000	2,197.982
b. Contingency Retention (Memo)	2,890.345	0.000	0.000	2,890.345
c. Potential DOD Reutilization (Memo)	37.737	0.000	0.000	37.737
8. Inventory on Order Cost EOP (Memo)	618.591	0.000	580.754	37.837

SM5B  
(Dollars in Millions)

Customer Price Change  
Air Force Working Capital Fund  
AF Supply Management Activity Group  
Retail

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon-Retail

	\$ FY 2007	FY 2007 Inflation
1. Net Sales @ Cost	3,115.881	
Repair Cost	0.053	0.00%
Buy Cost	3,115.828	0.00%
2. Less: Material Inflation Adjustment	72.599	
3. Revised Net Sales @ Cost	3,043.282	
Business Overhead Expenses	99.738	
Condemnations/Material Expense	0.000	
NOR (Cash Build)	(109.007)	
4. Surcharge Dollars	(9.269)	
5. Change to Customers		
a. Prev Year's Surcharge (%)		3.18%
b. This Year's Surcharge and Material Inflation Divided by Revised Net Sales at Cost		2.08%
c. Percent Change to Customer		(1.07%)

SM5B  
(Dollars in Millions)

Customer Price Change  
Air Force Working Capital Fund  
AF Supply Management Activity Group  
Wholesale

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon-MSD

	FY 2007	
	FY 2006 Inflation	\$ FY 2007
1. Net Sales @ Cost		4,073.449
Repair Cost	4.54%	3,439.349
Buy Cost	8.00%	634.100
2. Less: Material Inflation Adjustment		196.336
3. Revised Net Sales @ Cost		3,877.113
Business Overhead Expenses		1,314.930
Condemnations/Material Expense		1,147.992
NOR (Cash Build)		46.700
4. Surcharge Dollars		2,509.622
5. Change to Customers		
a. Prev Year's Surcharge (%)		58.92%
b. This Year's Surcharge and Material Inflation Divided by Revised Net Sales at Cost		69.793
c. Percent Change to Customer		6.84%

SM6  
(Dollars in Millions)

War Reserve Material Stockpile  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
SMAG

FY 2005

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	792.270	484.505	307.765
2. Price Change	5.189	5.189	0.000
3. Reclassification	0.000	0.000	0.000
4. Inventory Changes	404.403	117.446	286.957
a. Receipts @ std	211.145	189.091	22.054
(1). Purchases	206.594	181.835	24.759
(2). Returns from customers	4.551	7.256	(2.705)
b. Issues @ std	93.555	(19.828)	113.383
(1). Sales	214.538	74.200	140.338
(2). Returns to suppliers	(4.541)	(2.671)	(1.870)
(3). Disposals	(116.443)	(91.358)	(25.085)
c. Adjustments @ std	99.704	(51.816)	151.520
(1). Capitalizations	44.194	(0.928)	45.122
(2). Gains and losses	(71.825)	(32.359)	(39.466)
(3). Other	127.335	(18.529)	145.864
Inventory EOP	772.786	458.740	314.046

STOCKPILE COSTS

1. Storage	0.000
2. Management	0.000
3. Maintenance/Other	0.000
Total Cost	0.000

WRM BUDGET REQUEST

1. Obligations @ cost	155.300
a. Additional WRM Investment	81.100
b. Replen/Repair WRM -Reinvest	74.200
c. Stock Rotation/Obsolescence	0.000
d. Assemble/Disassemble	0.000
e. Other	0.000
Total Request	155.300

SM6  
(Dollars in Millions)

War Reserve Material Stockpile  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
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Working Version  
SMAG

FY 2006

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	772.786	458.740	314.046
2. Price Change	(12.242)	(12.242)	0.000
3. Reclassification	0.000	0.000	0.000
4. Inventory Changes	368.905	73.112	295.793
a. Receipts @ std	212.510	125.782	86.728
(1). Purchases	149.737	124.782	24.955
(2). Returns from customers	62.773	1.000	61.773
b. Issues @ std	82.604	(33.127)	115.731
(1). Sales	148.129	3.600	144.529
(2). Returns to suppliers	(9.378)	(7.380)	(1.998)
(3). Disposals	(56.147)	(29.347)	(26.800)
c. Adjustments @ std	73.791	(19.543)	93.334
(1). Capitalizations	45.629	(2.579)	48.208
(2). Gains and losses	(27.831)	14.335	(42.166)
(3). Other	55.993	(31.299)	87.292
Inventory EOP	833.191	512.410	320.781

STOCKPILE COSTS

1. Storage	0.000
2. Management	0.000
3. Maintenance/Other	0.000
Total Cost	0.000

WRM BUDGET REQUEST

1. Obligations @ cost	56.289
a. Additional WRM Investment	43.289
b. Replen/Repair WRM -Reinvest	13.000
c. Stock Rotation/Obsolescence	0.000
d. Assemble/Disassemble	0.000
e. Other	0.000
Total Request	56.289

SM6  
(Dollars in Millions)

War Reserve Material Stockpile  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
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SMAG

FY 2007

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	833.191	512.410	320.781
2. Price Change	(12.463)	(12.463)	0.000
3. Reclassification	0.000	0.000	0.000
4. Inventory Changes	376.526	72.875	303.651
a. Receipts @ std	240.524	149.197	91.327
(1). Purchases	174.982	148.147	26.835
(2). Returns from customers	65.542	1.050	64.492
b. Issues @ std	80.461	(37.156)	117.617
(1). Sales	151.985	3.600	148.385
(2). Returns to suppliers	(9.925)	(7.790)	(2.135)
(3). Disposals	(61.599)	(32.966)	(28.633)
c. Adjustments @ std	55.541	(39.166)	94.707
(1). Capitalizations	48.748	(2.758)	51.506
(2). Gains and losses	(52.713)	(7.663)	(45.050)
(3). Other	59.506	(28.745)	88.251
Inventory EOP	893.284	565.622	327.662

STOCKPILE COSTS

1. Storage	0.000
2. Management	0.000
3. Maintenance/Other	0.000
Total Cost	0.000

WRM BUDGET REQUEST

1. Obligations @ cost	57.054
a. Additional WRM Investment	44.054
b. Replen/Repair WRM -Reinvest	13.000
c. Stock Rotation/Obsolescence	0.000
d. Assemble/Disassemble	0.000
e. Other	0.000
Total Request	57.054

Fund11  
(Dollars in Millions)

Sources of Revenue  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version

SMAG

	FY 2005	FY 2006	FY 2007
<b>1. New Orders</b>			
<b>a. Orders From DOD Components:</b>			
(1) Air Force			
(a) Aircraft Procurement	15.915	31.854	34.257
(b) Missile Procurement	2.042	(0.153)	0.368
(c) Other Procurement	(0.358)	0.506	1.045
(d) Military Construction	0.000	0.000	0.000
(e) Operations & Maintenance - AF	6,031.749	5,849.933	6,029.759
(f) Military Personnel - AF	0.327	0.554	0.510
(g) Research & Development - AF	78.969	113.090	124.967
(h) Reserve Personnel - AF	5.228	3.849	4.995
(i) Operations & Maintenance - AFRES	389.800	396.150	415.469
(j) Operations & Maintenance - ANG	1,256.301	1,275.780	1,414.379
(k) Guard Personnel - ANG	10.594	(4.057)	2.963
(l) Family Housing	1.213	2.783	1.275
(m) Special Trust Funds	8.916	5.443	6.052
(n) Other Air Force	0.019	0.033	0.054
<b>Total Air Force</b>	<b>7,800.714</b>	<b>7,675.763</b>	<b>8,036.091</b>
(2) Army	50.667	39.651	49.493
(3) Navy	132.823	171.694	194.479
(4) MAP/Grant Aid	0.213	0.070	3.788
(5) Other DOD	1,658.091	1,385.870	1,616.387
<b>Total DOD excluding WCF</b>	<b>9,642.508</b>	<b>9,273.049</b>	<b>9,900.238</b>
<b>b. Orders From Other Fund Activity Groups</b>			
(1) Oth AF Supply Management Activity Groups	0.511	1.879	3.166
(2) Transportation Activity Group - TRANSCOM	349.496	432.075	418.634
(3) Depot Maintenance Activity Group	2,615.997	2,575.624	2,603.256
(4) Other WCF Activity Groups	0.189	0.031	0.004
(5) Commissary, Sur. Coll.	0.000	0.000	0.000
<b>Total Other Fund Activity Groups</b>	<b>2,966.193</b>	<b>3,009.609</b>	<b>3,025.060</b>
<b>c. Total DOD</b>	<b>12,608.702</b>	<b>12,282.658</b>	<b>12,925.297</b>
<b>d. Other Orders:</b>			
(1) Other Federal Agencies	8.335	11.479	12.393
(2) Non Federal Agencies	4.312	0.085	3.634
(3) FMS	211.920	215.062	247.383
<b>Total Other Orders</b>	<b>224.566</b>	<b>226.626</b>	<b>263.410</b>
<b>Total New Gross Orders</b>	<b>12,833.268</b>	<b>12,509.284</b>	<b>13,188.707</b>
<b>2. Carry-In Orders</b>	<b>892.885</b>	<b>1,122.242</b>	<b>589.328</b>
<b>3. Total Gross Orders</b>	<b>13,726.153</b>	<b>13,631.526</b>	<b>13,778.035</b>
<b>4. Revenue</b>	<b>12,603.911</b>	<b>13,042.198</b>	<b>13,213.373</b>
<b>5. End of Year W-I-P</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>6. Direct Contract Obligations</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>7. Non-DoD, BRAC, FMS and DWCF Orders</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

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Fund14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
SMAG

	FY 2005 CY Estimated Actual	FY 2006 BY1 Revised Request	FY 2007 BY2 Request
Revenue:			
Gross Revenue from Sales	12,603.911	13,042.200	13,213.373
Less Credit Returns	3,420.664	3,287.043	3,470.389
Net Revenue from Sales	9,183.248	9,755.157	9,742.984
Direct Reimbursables	202.138	229.680	246.766
Initial Spares Revenue	102.608	125.535	122.012
Readiness Spares Package Revenue	0.000	47.856	67.700
Other Direct Reimbursements Revenue	99.530	56.289	57.054
Total Net Revenue	9,385.386	9,984.837	9,989.750
Expense:			
Cost of Material Sold from Inventory	3,661.918	3,721.831	3,749.928
Cost of Material Repair	3,298.756	3,484.832	3,439.402
Subtotal Sales Material Expense	6,960.674	7,206.663	7,189.330
Condemnation Material Expense Recovery (CMER)	1,087.967	1,086.850	1,147.992
Cost of Direct Reimbursable Material	243.875	229.681	246.766
Initial Spares	99.109	125.535	122.012
Readiness Spares Package	87.805	20.504	23.273
Mobilization	0.000	0.000	0.000
Other Direct Reimbursements	56.961	83.642	101.481
Subtotal Material Expenses	8,292.516	8,523.194	8,584.088
Business Operations			
Military Personnel	4.913	4.662	4.620
Civilian Personnel	183.493	189.918	194.016
Travel & Transportation of People	3.975	7.074	7.207
Materials & Supplies	15.177	13.605	13.767
Equipment	0.000	0.000	0.000
Other WCF Purchases	515.019	419.937	408.391
Transportation of Things	110.762	96.722	97.659
Capital Investment Depreciation	50.066	65.500	64.100
Printing and Reproduction	3.275	5.442	5.174
Advisory and Assistance Services	0.619	0.632	0.644
Rent, Comm, Utilities and Misc Charges	43.886	43.545	43.935
Other Purchased Services	353.200	570.563	575.156
Subtotal Business Operations	1,284.386	1,417.600	1,414.668
Total Expenses	9,576.902	9,940.794	9,998.756
Operating Result	(191.517)	44.042	(9.007)
Less Capital Surcharge	0.000	0.000	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	0.000	0.000
Mobilization (NOR)	0.000	0.000	0.000
Other Adjustments (NOR)	0.000	0.000	0.000
Other Changes (NOR)	0.000	0.000	0.000
NET OPERATING RESULT (NOR)	(191.517)	44.042	(9.007)
Prior Year Adjustments (AOR)	0.000	0.000	0.000
Other Changes (AOR)	0.000	0.000	0.000
Plus Prior Year AOR	58.767	(35.036)	9.007
Accumulated Operating Result (AOR)	(132.750)	9.007	0.000
Non-Recoverable Adjustment (AOR)	(97.714)	0.000	0.000
Accumulated Operating Result for Budget Purposes	(35.036)	9.007	0.000

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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**DEPOT MAINTENANCE  
ACTIVITY GROUP**

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**AIR FORCE WORKING CAPITAL FUNDS  
DEPOT MAINTENANCE ACTIVITY GROUP (DMAG)  
Fiscal Year (FY) 2007 Budget Estimates  
February 2006**

**DMAG Mission Statement**

The Depot Maintenance Activity Group (DMAG) repairs systems and spare parts that ensure readiness in peacetime and provide sustainment to combat forces in wartime. In peacetime, the Air Force enhances readiness by efficiently and economically repairing, overhauling and modifying aircraft, engines, missiles, components and software to meet customer demands. The depots have unique skills and equipment required to support and overhaul both new, complex components as well as aging weapon systems. An extremely important facet of the depots is that during wartime or contingencies, the AF can surge repair operations and realign capacity to support the war-fighter's immediate needs.

Repair and overhaul are accomplished by both Air Force Materiel Command (AFMC) managed depots and contractor facilities. Depot Maintenance operates on the funds received from its customers through sales of its services. Contract DMAG program is being realigned under direct funding to provide a more direct relationship between customers and repair contractors. This initiative began by direct funding certain contracts in FY03. The current schedule is to complete the transition by the end of FY06.

**DMAG Mission Description**

Depot Maintenance provides capabilities that guarantees mission support of workload for combat forces. Organic Depot Maintenance ensures support of mission essential workloads and support of workloads that commercial sources cannot or will not perform. Contract Depot Maintenance supports non-mission essential workloads and mission essential workloads where the risk of non-support is low. This can include military workloads that have commercial derivatives, where there are multiple contract sources to perform the work, and where these sources have experienced few production disruptions.

Organic Depot Maintenance services include repair, overhaul and modification of aircraft, missiles, engines, engine modules and associated component items, exchangeable spare parts and other major end items. Other services include local manufacture, software maintenance, aircraft storage and reclamation, and support to base tenants. Organic depot maintenance sites include:

Ogden Air Logistics Center (OO-ALC), Ogden, UT  
Oklahoma City Air Logistics Center (OC-ALC), Oklahoma City, OK  
Warner Robins Air Logistics Center (WR-ALC), Warner Robins, GA  
Aerospace Maintenance and Regeneration Center (AMARC), Tucson, AZ

**DMAG Mission Organization**

The Depot Maintenance Activity Group (DMAG) is managed under a Chief Executive Officer structure. The AFMC Commander (AFMC/CC) is the Chief Executive Officer (CEO). The AFMC Director of Logistics (HQ AFMC/LG) serves as the Chief Operating Officer (COO) and the AFMC Director of Financial Management (HQ AFMC/FM) is the Chief Financial Officer (CFO). At the center level, the Center Commander (CC) has the responsibility (both operational and financial) for Depot Maintenance at that center. The Director of Maintenance (MA at OC-ALC, OO-ALC and WR-ALC) or the Center

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Executive Director (CD) at AMARC exercises The Center Chief Operating Officer (COO) responsibility). Day-to-day management of the financial portion of the DMAG is managed by the center Chief Financial Officer (CFO).

### **DMAG Customers, Products and Services**

Depot Maintenance provides support to a variety of customers that includes the AF Major Commands (including Air National Guard & Air Force Reserves), Supply Management Activity Group (SMAG), other government agencies and foreign countries. Scheduled overhaul for airframes and engines is provided based on a planned timetable or number of cycles for each weapon system. We also repair individual components routed from the field. Missiles and ground electronic systems are repaired through scheduled and unscheduled depot maintenance. Air Force depots provide an extensive software capability to develop or modify software used to operate weapon systems, as well as software designed for diagnostic purposes. The depots manufacture critical components required for parts not otherwise obtainable in a timely or cost effective manner. Finally, DMAG provides storage, regeneration and disposal of excess equipment for all the services at the Aerospace Maintenance and Regeneration Center at Davis-Monthan Air Force Base, Arizona.

### **DMAG Objectives**

There are two primary objectives of the DMAG.

- The first primary objective is to provide depot repair capability for fielded and emerging weapon systems.
- The second primary objective is to ensure the ability to rapidly respond to user requirements driven by contingency operations. To accomplish this, short and long term strategies must be developed to implement the depot maintenance strategic plan; strategies that provide the workload capacity and capability to meet depot maintenance: a) peacetime support; b) surge; and c) core requirements by the end of each fiscal year.

### **Outlook**

As the Air Force evolves through current Transformation initiatives, Depot Maintenance will remain a fundamental element of both readiness and sustainability by providing a cost effective rapid repair capability. The Depot Maintenance activity will: a) continue to provide a core Air Force depot capability to retain an in-house source of technical competence; b) continually seek new methods for efficient use of our resources such as partnering, government owned/contractor operated facilities, and contract field teams augmenting in-house operations; and c) continue to find innovative ways to decrease flow days for systems and components, increase parts availability to the repair line and control material costs through process reviews, adoption of commercial practices and engineered standards.

### **Financial Highlights**

<b>Total Customer Orders: (\$M)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Organic	5,017.7	5,165.2	4883.0
Contract	1,176.0	1,000.0	0.0
Total	6,193.7	6,165.2	4883.0

<b>Revenue and Expenses (\$M)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Revenue	6,406.9	6,346.7	5,455.2
- Cost of Goods Sold/Other*	6,338.8	6,349.4	5,653.5
= Net Operating Results	68.1	-2.7	-198.3
 Prior Year AOR	-80.4	-25.9	-28.6
+ Prior Year Gains/Losses	-13.6	0.0	0.0
= Revised Prior Year AOR	-94.0	-25.9	-28.6
+Other Changes (AOR)	0	0.0	0.0
+ Net Operating Result	68.1	-2.7	-198.2
= End of Year AOR		0.0	0.0
- Non-Recoverable Amounts	0.0	0.0	226.9
= End of Year AOR (Budget Purposes)	-25.9	-28.6	0.0

\*Other includes the un-depreciated value of equipment written off and extraordinary items consistent with the 1307 report. These amounts are identified on the Fund 14 "Other Adjustments (NOR)" line.

#### **Stabilized Sales Rates and Prices**

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Organic Composite Sales Rate	254.02	258.14	249.25
Rate Change	6.8%	1.6%	-3.44%
 Contract Customer Price Change	7.5%	7.5%	0.0%

The following list depicts the estimated changes from the FY06 organic composite rate to the FY07 composite rate.

#### **FY06 Composite Stabilized Sales Rate 258.14**

Price Growth	
Labor	1.93
Material	6.42
Business Operations	<u>0.73</u>
Total Price Growth	9.08

#### **FY07 Program Change**

Labor	-3.67
Material	-14.80
Business Operations	<u>.50</u>
Total Program Change	-17.97

#### **FY07 Proposed Composite Stabilized Sales Rate 249.25**

#### **FY07 Composite Rate Change - 3.44%**

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<b>Other</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Manpower Resources:			
Civilian End strengths	22,955	22,060	21,162
Civilian Workyears (w/o OT)	22,468	22,386	21,394
Overtime % (Direct)	10.6	11.7	13.9
Efficiency % (Direct)	93.0	93.0	91.9
Military End strengths	166	216	204
Military Workyears	159	264	253

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
<b>Direct Production Earned Hours Produced</b>	22,478	22,181	21,360

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
<b>Unit Cost (Organic Expense Rate)</b>	221.13	235.31	239.29

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
<b>Direct Appropriation: (\$M)</b>	0.0	0.0	0.0

<b>Capital Budget Program Authority: (\$M)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Equipment	49.7	176.9	155.0
ADPE & Telecom	7.5	6.7	7.5
Software Development	6.6	3.6	3.7
Minor Construction	5.7	5.0	8.4
<b>TOTAL</b>	<b>69.5</b>	<b>192.4</b>	<b>174.6</b>

<b>Cash: (\$M)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Disbursements	6,265.5	6,177.7	5,643.0
Collections	6,351.8	6,146.6	5,428.3
Change in Cash	86.3	-31.1	-214.7
Cash Balance	623.8	647.7	433.0

<b>Performance Indicators</b>	<b>Goal</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Net Operating Result (\$M)		68.1	-2.7	-198.3
Due Date Performance	95%	99.2%	95%	95%
Quality Defect Rate	.22	.22	.22	.22

### Summary of Changes

#### FY06PB to FY07PB for FY06

Unit Cost decreased 6.2% as result of spreading overhead over more Direct Production Earned Hours (+8.9%) and material cost have not materialized as projected.

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## **FY06 to FY07**

Reduction in the composite sales rate is a result of: returning previous years cash gains, material cost decreases and workforce shaping efforts. The main drivers in relation to revenue (-14.9%) and expenses (-11.7%) reductions are due to the removal of Contract DMAG out of the WCF in FY07. We are continuing to align workforce with workload changes resulting from the Future Total Force alignments in the AF strategic plan.

## **Current Emphasis:**

The FY07 rate change of -3.44% reflects our commitment to aggressively manage cost. We have made material costs reduction, but recognize there is variability in predicting cost. We want to minimize the composite sales rate increase to customers as much as possible, but not set it too low to fully recover costs. We believe the FY07 proposed rate is set to achieve both objectives. AF is committed to aggressively manage cost and improve customer support through lean events and Depot Maintenance Transformation.

Depot Maintenance Transformation projects and lean efforts have been realigned from appropriated funds to working capital fund. Projects will be accomplished using the Capital Purchase Program and lean efforts accomplished using operational authority. DMT projects and lean efforts are identified in Fund 9A and 9Bs and will be separately tracked and recorded for congressional interest. MILCON projects will continue to be accomplished with appropriated funding. The offset has been provided by realigning Expeditionary Combat Support System (ECSS) to general funds, which correctly aligns these efforts to the appropriated funding source.

Cash management continues to be a concern. In recent years cash transfers by various entities have altered the natural business process within a working capital fund. Cash has become the main focus of managing working capital funds in recent years and we have adjusted our budget to reflect this approach. We have made adjustments that allow us to return excess cash to our customer and achieve a zero Accumulative Operating Result (AOR).

Fund2  
(Dollars in Millions)  
Working Version  
Pentagon

Changes in Cost of Operations  
Air Force Working Capital Fund  
AF Depot Maintenance Activity Group  
DMAG - Pentagon

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

	FY05 to FY06	FY06 to FY07
Cost of Operations (Prev Yr)		
Organic (Prev Yr)	4,970.564	5,219.508
Contract (Prev Yr)	1,139.368	1,046.954
TOTAL (Prev Yr)	6,109.933	6,266.462
ANNUALIZATION		
Annualization of Civilian Pay	16.009	14.915
Annualization of Military Pay	0.100	0.082
TOTAL ANNUALIZATION	16.110	14.997
PRICE CHANGES		
Organic Civilian Pay Raises	30.277	22.437
Organic Military Pay Raises	0.305	0.329
Material Price Growth	104.019	141.204
Contractor Cost Growth	53.843	31.306
Contract Interservice Growth	0.107	3.902
Other Growth	14.049	14.551
TOTAL PRICE CHANGES	202.599	213.729
PRODUCTIVITY SAVINGS		
Organic Labor Savings	0.000	0.000
Material Savings	(10.700)	(1.680)
Organic Other Savings	0.000	5.500
Contract Savings	0.000	0.000
TOTAL PRODUCTIVITY SAVINGS	(10.700)	3.820
PROGRAM CHANGES		
Organic Labor Workload	(1.841)	(37.901)
Material Workload	150.213	(541.139)
BOS	23.965	1.519
Contractor Changes	(353.371)	(285.810)
TOTAL PROGRAM CHANGES	(181.034)	(863.330)
OTHER CHANGES		
Travel & Transportation	5.414	0.353
Organic Depreciation	2.104	9.283
Organic Facility Maintenance	11.325	(0.433)
Organic Utilities	(0.838)	0.178
Data Systems Development	(11.820)	0.503
Organic Other ADP	5.013	(2.415)
Organic Equip/Vehicle Rep & Maintenance	24.291	(3.678)
Miscellaneous	94.901	(3.676)
TOTAL OTHER CHANGES	130.389	0.115
TOTAL CHANGES	157.365	(630.669)
Cost of Operations (Current FY)		
Organic (Current Yr)	5,219.508	5,111.328
Contract (Current Yr)	1,046.954	524.867
TOTAL (Current Yr)	6,266.462	5,636.195

Fund11  
(Dollars in Millions)

Sources of Revenue  
Air Force Working Capital  
AF Depot Maintenance Activity Group  
DMAG - Pentagon

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon

	FY 2005	FY 2006	FY 2007
<b>1. DOD COMPONENTS</b>			
Aircraft Procurement	206.433	228.147	178.228
Missile Procurement	0.350	0.213	0.181
Other Procurement	0.020	65.333	0.000
MAJCOM O&M	2,195.589	2,154.607	1,366.644
ANG O&M	345.496	423.903	424.131
AFRES O&M	241.060	280.670	245.549
RDTE	37.094	97.996	34.521
AF Supply Mgmt Activity Group	2,727.226	2,523.314	2,234.738
Other AF Customers	67.660	33.067	39.305
Other	0.000	21.017	19.194
<b>DOD COMP TOTAL</b>	<b>5,820.928</b>	<b>5,828.267</b>	<b>4,542.491</b>
<b>2. ORDERS FROM OTHER FUNDS</b>			
Army	10.502	12.842	1.228
Navy	102.714	99.497	56.934
Marine Corps	2.034	1.521	0.533
TRANSCOM	188.099	156.110	212.162
Other DOD Customers	3.686	0.038	0.005
<b>OTHER FUNDS TOTAL</b>	<b>307.035</b>	<b>270.008</b>	<b>270.862</b>
<b>3. TOTAL DOD ORDERS</b>	<b>6,127.963</b>	<b>6,098.274</b>	<b>4,813.353</b>
<b>4. OTHER ORDERS</b>			
Other Federal Funds	28.967	13.116	10.961
Trust Funds (Non-Federal)	0.000	0.000	0.000
FMS (Non-Federal)	36.285	30.769	27.227
Other Non-Federal Funds	0.457	23.028	31.430
<b>Other Orders TOTAL</b>	<b>65.709</b>	<b>66.913</b>	<b>69.618</b>
<b>5. TOTAL NEW ORDERS</b>	<b>6,193.672</b>	<b>6,165.187</b>	<b>4,882.971</b>
<b>6. CARRY IN ORDERS</b>	<b>2,318.650</b>	<b>2,120.128</b>	<b>1,959.135</b>
<b>7. TOTAL GROSS ORDERS</b>	<b>8,512.322</b>	<b>8,285.315</b>	<b>6,842.106</b>
<b>8. TOTAL GROSS SALES</b>	<b>6,406.855</b>	<b>6,346.665</b>	<b>5,455.231</b>
<b>9. EOY WIP</b>	<b>244.416</b>	<b>163.420</b>	<b>148.140</b>
<b>10. NON-DOD, BRAC, FMS &amp; TWCF ORDERS</b>	<b>253.808</b>	<b>223.023</b>	<b>281.780</b>
<b>11. FUNDED CARRYOVER</b>	<b>1,607.243</b>	<b>1,552.207</b>	<b>956.956</b>

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**AIR FORCE WORKING CAPITAL FUNDS  
FY 2006/2007 PROGRAM AND BUDGET REVIEW (PBR)  
DEPOT MAINTENANCE ACTIVITY GROUP (DMAG)  
CARRYOVER RECONCILIATION**

<b>Fund 11A</b>		<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Gross Carry-in		2,318.650	2,120.128	1,959.135
WIP		470.011	244.416	163.420
1 Net Carry-in		1,848.639	1,875.712	1,795.715
2 Revenue (Billings)		6,406.857	6,346.665	5,455.231
3 New Orders		6,193.672	6,165.187	4,882.971
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal) and Inv Capital Rev		65.709	66.913	69.618
5 Orders for Carry-over Calculation		6,127.963	6,098.274	4,813.353
6 Weighted Composite Outlay Rate		66.75%	66.87%	66.49%
7 Carry-over Rate		33.25%	33.13%	33.51%
8 Allowable Carry-over		2,037.650	2,020.117	1,613.004
9 Unbilled Balance		2,105.465	1,938.650	1,386.875
10 Work-in-Process Carry-over		244.416	163.420	148.140
11 Actual Carry-over		1,861.049	1,775.230	1,238.735
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal) and Inv Capital Rev		16.427	16.728	17.405
12 Calculated Actual Carry-over		1,844.622	1,758.502	1,221.331
Excess Carryover (Negative number best)		(193.029)	(261.615)	(391.674)

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Fund14  
(Dollars in Millions)

Revenues and Expenses  
Air Force Working Capital Fund  
AF Depot Maintenance Activity Group  
DMAG - Pentagon

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon

	FY 2005	FY 2006	FY 2007
Revenue:			
Gross Sales	6,406.855	6,346.665	5,455.231
Operations	6,389.450	6,324.982	5,433.983
Capital Surcharge	0.000	0.000	0.000
Depreciation excl Maj Const	0.000	0.000	0.000
Major Construction Dep	17.405	21.683	21.248
Cash Surcharge	0.000	0.000	0.000
Other Income	0.000	0.000	0.000
Refunds/Discounts (-)	0.000	0.000	0.000
Total Income:	6,406.855	6,346.665	5,455.231
Expenses:			
Cost of Materials Sold from Inv	0.000	0.000	0.000
Salaries and Wages:			
Military Personnel Compensation & Benefits	12.515	12.142	11.994
Civilian Personnel Compensation & Benefits	1,618.407	1,664.209	1,664.219
Voluntary Separation Prog Incentive	0.579	0.000	0.000
Retirement Fund Offset-15%	0.000	0.000	0.000
Travel & Transportation of Personnel	14.304	20.272	21.570
Material & Supplies (For Internal Ops)	2,852.740	3,096.273	2,694.658
Equipment	0.000	0.000	0.000
Other Purchases from Revolving Funds	41.153	123.561	123.868
Transportation of Things	0.000	0.000	0.000
Depreciation - Capital	148.204	141.445	150.811
Printing and Reproduction	1.341	2.488	2.549
Advisory and Assistance Services	0.000	0.000	0.000
Rent, Commun, Utilities, & Misc. Charges	59.053	61.452	69.091
Other Purchased Services	1,361.636	1,144.619	897.435
Total Expenses	6,109.933	6,266.462	5,636.195
Work in Process, Beginning of Yr	470.011	244.416	163.420
Work in Process, End of Yr	244.416	163.420	148.140
Work in Process, Change	(225.595)	(80.996)	(15.281)
Operating Result	71.327	(0.792)	(196.245)
Less Capital Surcharge	0.000	(0.000)	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	(0.000)	0.000
Other Adjustments (NOR)	(3.269)	(1.990)	(1.987)
Prior Year Adjustments	(13.592)	(0.000)	0.000
Other Changes (AOR)	0.000	(0.000)	0.000
Prior Year AOR	(80.380)	(25.914)	(28.696)
Accumulated Operating Result	(25.914)	(28.696)	(226.928)
Non-Recoverable Adjustment (AOR)	0.000	0.000	(226.928)
Accumulated Operating Result for Bgt Purpose	(25.914)	(28.696)	0.000

Fund16  
(Dollars in Millions)

Materiel Inventory Data  
Air Force Working Capital Fund  
AF Depot Maintenance Activity Group  
DMAG - Pentagon

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version  
Pentagon

	FY 2005	FY 2006	FY 2007
1. Materiel Inventory BOP	376.800	483.480	471.432
2. A. BOP Reclass Changes	0.000	0.000	0.000
B. Adjust to Standard Prices	0.000	0.000	0.000
3. A. Price Changes	0.000	0.000	0.000
B. Inven Reclass & Repriced	376.800	483.480	471.432
4. Receipts From Comm Sources	350.000	325.000	0.000
5. Negotiated Purch From Cust	0.000	0.000	0.000
6. Gross Sales	243.320	337.048	69.107
7. Inventory Adjustments			
A. Capitalizations (Net) (+/-)	0.000	0.000	0.000
B. Returns to Suppliers (-)	0.000	0.000	0.000
C. Trnsfr To Prop Disposl (-)	0.000	0.000	0.000
D. Iss/Recpt W/O Reim (+/-)	0.000	0.000	0.000
E. Cust Retrns W/O Cred (+)	0.000	0.000	0.000
F. DLR Retrograde (+)	0.000	0.000	0.000
G. Other Inven Adj			
1. Other-Destructions (-)	0.000	0.000	0.000
2. Other-Disc on Returns	0.000	0.000	0.000
3. Other-Trade Ins (-)	0.000	0.000	0.000
4. Other-Loss From Disast (-)	0.000	0.000	0.000
5. Other-Assmbly/Disassmbly (+/-)	0.000	0.000	0.000
6. Other-Physical Inv Adj (+/-)	0.000	0.000	0.000
7. Other-Acctg Adj (+/-)	0.000	0.000	0.000
8. Other-Shipmnt Discrep (+/-)	0.000	0.000	0.000
9. Other-Other Gains/Loss (+/-)	0.000	0.000	0.000
10. Other-Strata Transfers (+/-)	0.000	0.000	0.000
11. Other-Strata Transf in Trans	0.000	0.000	0.000
12. Other - Total	0.000	0.000	0.000
H. Adj to Revised Valuation	0.000	0.000	0.000
I. Total Adjustments	0.000	0.000	0.000
8. Inventory - End of Period	483.480	471.432	402.325
A. Economic Retention (Memo)	0.000	0.000	0.000
B. Policy Retention (Memo)	0.000	0.000	0.000
C. Potential Excess (Memo)	0.000	0.000	0.000
D. Other (Memo)	0.000	0.000	0.000
9. Inventory On Order (EOP)	0.000	0.000	0.000

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DMAG Fund16

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# **AIR FORCE WORKING CAPITAL FUND**

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**U.S. AIR FORCE**

**UNITED STATES  
TRANSPORTATION  
COMMAND**

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**UNITED STATES TRANSPORTATION COMMAND**  
**TRANSPORTATION WORKING CAPITAL FUND**  
**BUDGET NARRATIVE ANALYSIS**

**BACKGROUND**

This submission provides justification for the United States Transportation Command (USTRANSCOM) Transportation Working Capital Fund (TWCF) budget. The Secretary of Defense has designated the Commander, United States Transportation Command (CDR USTRANSCOM) as the single Department of Defense (DoD) manager for the Defense Transportation System (DTS) in peace and war. As such, all common-user transportation assets are under the command authority of CDR USTRANSCOM, except for Service-unique or theater-assigned assets. In September 2003, the Secretary of Defense also designated CDR USTRANSCOM, as DoD's Distribution Process Owner (DPO), charged with improving the overall efficiency and interoperability of distribution related activities to include deployment, sustainment, and redeployment. USTRANSCOM submits the TWCF budget as a discrete subset of the Air Force Working Capital Fund budget submission. It reflects the cost authority needed to meet peacetime operations and the surge/readiness requirements to support the National Military Strategy. Capital funding supports the Department's In-Transit Visibility and Command and Control needs, facilitating continuous process improvement and modernization.

**COMPOSITION OF COMPONENT BUSINESS AREAS**

USTRANSCOM's mission is to provide air, land, and sea transportation for the DoD, both in time of peace and time of war. We accomplish our joint mission through three Component Commands—Air Mobility Command (AMC), Military Sealift Command (MSC), and Military Surface Deployment and Distribution Command (SDDC). This joint team of transportation components provides mobility forces and assets for a seamless transition from peace to war. A brief description of each Component follows:

AMC serves as the single DoD manager for the nation's airlift services and maintains the worldwide airlift system in a constant state of readiness. AMC's mission directly affects the readiness and sustainability of deployed forces throughout the world as well as the nation's ability to project forces quickly. Airlift capacity generated by the military airlift readiness training program and augmentation from commercial Civil Reserve Air Fleet carriers is used to satisfy requirements. AMC also manages Service-unique airlift assets for the Department of the Air Force.

MSC provides sealift support for the Department for both emergent and peacetime requirements. MSC obtains the majority of its sealift capacity through contracts and government owned/contract operated vessels. MSC also manages Service-unique sealift assets for the Department of the Navy.

SDDC is the single defense manager for traffic management, land transportation, common-user ocean terminals, and common-user intermodal container management during peacetime and war. SDDC manages surface freight movement, personal property shipment, and passenger traffic worldwide. SDDC also manages Service-unique assets for the Department of the Army.

USTRANSCOM's goal is to effectively and efficiently direct the mix of all transportation functions to provide a DTS ready to meet our nation's strategic mobility needs. The Deployment and Distribution Operations Center (DDOC) at USTRANSCOM enables us to centralize visibility of all transportation requirements within the DTS and improve overall efficiency and interoperability of distribution related activities: deployment, sustainment, and redeployment. The DDOC exercises command and control over the entire DTS and ensures efficient use of all assets allowing us to make optimum use of training opportunities while meeting customer requirements.

Our components provide the critical link to the Services' core competencies in organizing, training, and equipping forces. They provide lines of communication to the Services, ensuring assets are available when needed for the transition from peace to war. Our successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and Afloat Prepo—all requiring the team efforts of the Commander's Staff and our components.

### **BUDGET HIGHLIGHTS**

One of DoD's highest priority goals is to maintain a robust and responsive defense transportation and distribution system as a critical element of America's national security strategy for rapid power projection and sustainment. USTRANSCOM's ability to move and sustain sufficient numbers of U.S. forces, equipment and supplies, enables us to defend vital national interests anywhere in the world at a moment's notice. Additionally, USTRANSCOM's efforts as the DoD Distribution Process Owner to improve joint logistics support continue to expand and produce results. Working with the DoD, regional Combatant Commands, joint agencies, and the Services, USTRANSCOM is leading the collaborative effort to make joint logistics a reality – leveraging experience and using information technology to consolidate logistics requirements in real time, compress the decision cycle, and empower smarter decisions. USTRANSCOM is synchronizing the deployment, distribution, and sustainment of forces to achieve maximum efficiency and interoperability by eliminating duplication and nonstandard practices. Together with its national partners, USTRANSCOM is building a truly seamless, end-to-end defense logistics enterprise. Our support for the GWOT dominates the cost changes from FY 2005 to FY 2007. FY 2005 data are actual expenses while FY 2006 and FY 2007 contain GWOT assumptions as directed by budget policy.

## **ECONOMIES AND EFFICIENCIES**

Since the inception of the TWCF in 1994, USTRANSCOM productivity and cost avoidance initiatives and organizational streamlining efforts have resulted in savings of over \$1.2 billion. Over the past decade, USTRANSCOM has teamed with our components and their parent Services to commensurate with overall USTRANSCOM and DoD plans. Streamlining efforts are an important step toward achieving a leaner, more efficient DTS, while preserving warfighting capability.

**PRODUCTIVITY AND COST AVOIDANCE INITIATIVES:** Since we began tracking initiatives in FY 1994, USTRANSCOM has produced over \$1.0 billion in savings due to productivity and cost avoidance initiatives. These include:

- Initiating overhead cost reduction initiatives at SDDC
- Renegotiating ship contracts
- Reducing ship testing periods
- Devising fuel savings techniques for our ship charters
- Operating aircraft channels and utilizing aircraft more efficiently
- Scrubbing asset maintenance requirements to ensure only minimum required expenditures
- Implementing Strategic Distribution Management Initiative
- Revising flying hour models – using more simulation
- Phasing out unneeded commercial air capacity
- Replacing commercial capability with seat-pallet equipped C-17s
- Phasing out unneeded commercial air passenger capacity

USTRANSCOM continues to significantly reduce costs, while maintaining required DTS wartime readiness levels.

**STREAMLINING-SAVINGS INITIATIVES:** Since FY 1997, USTRANSCOM's budget has reflected over \$229 million in savings because of streamlining initiatives. These initiatives improved customer service, reduced costs, and resulted in operations that are more efficient. Initiatives include:

- Reengineering strategic airlift
- Eliminating redundancies between components
- Implementing base realignment and closure actions
- Rightsizing port infrastructure
- Consolidating command headquarters
- Streamlining organizational structures
- Implementing cost savings initiatives

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**DISTRIBUTION PROCESS OWNER (DPO) COST AVOIDANCE INITIATIVES:** Since USTRANSCOM's designation as DPO in 2003 through November 2005, the DPO has produced over \$638 million in savings and cost avoidance initiatives. These cost avoidances made scarce GWOT funding available to support the warfighter in theater. Initiatives include:

- Shifting transportation modes from air to sea and truck to rail
- Canceling redundant orders due to supply system interventions
- Identifying lost transportation equipment and returning to the supply system
- Canceling redundant refrigerated container contracts
- Comparing non-standard transportation mode rates prior to awarding contracts
- Creating an in-field repair capability for airlift pallets
- Opening of a Defense Distribution Center Depot in Kuwait

**PROGRAM ASSESSMENT RATING TOOL (PART) ASSESSMENT:** Over the course of 2005, OMB conducted an assessment of the DOD Air Transportation System-- the Air Mobility Command portion of the TWCF. OMB rated the program "moderately effective", the second-highest possible grade. This is an excellent achievement, considering only 15% of the 607 Federal Government programs assessed through 2004 received a higher grade.

OMB lauded the program for having a clear purpose and design; and for providing prompt, effective services to deployed forces. They recommended establishing improved measurements of timeliness and accuracy of cargo delivery. As Distribution Process Owner, USTRANSCOM is making tangible progress toward accurately assessing performance of the Air Transportation System.

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## COST

<b>COST (\$ In Millions)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Air Mobility Command	\$6,414	\$7,519	\$6,846
Military Sealift Command	\$1,174	\$1,191	\$1,095
Surface Deployment and Distribution Command	\$1,652	\$1,621	\$1,639
Defense Courier Service	\$11	\$12	\$12
Total	\$9,251	\$10,343	\$9,592

### **Major Cost Changes from FY 2005 to FY 2006 in the FY 2007 President's Budget:**

#### **Total USTRANSCOM:** Costs increased \$ 1,092 million

- + \$821 million – Pricing changes primarily fuel driven - including contract leases
- + \$553 million – C-17 maintenance costs transfer from Aircraft Procurement, Air Force appropriation
- ( \$255) million – Workload changes
- ( \$22) million – Container detention reduction
- ( \$5) million – Other

#### **Air Mobility Command:** Costs increased \$1,105 million

- + \$768 million – Pricing changes
- + \$553 million – C-17 maintenance costs transfer from Aircraft Procurement, Air Force appropriation
- + \$11 million – Other
- ( \$227) million – Workload changes

#### **Military Sealift Command:** Costs increased \$17 million

- + \$9 million – Pricing changes
- + \$8 million – Workload changes

#### **Surface Deployment and Distribution Command:** Costs decreased \$31 million

- + \$43 million – Pricing changes
- ( \$36) million – Workload changes
- ( \$22) million – Container detention reduction
- ( \$16) million – Other

#### **Defense Courier Division:** Costs increased \$1 million

- + \$1 million – Pricing changes

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**Major Cost Changes from FY 2006 to FY 2007 in the FY 2007 President's Budget:**

**Total USTRANSCOM:** Costs decreased \$751 million

(\$516) million – Decreased fuel rates  
(\$189) million – Decreased workload  
(\$74) million – Decreased depot maintenance and CLS rates  
(\$29) million – Reduced aircraft maintenance requirements  
(\$12) million – Container detention reduction  
(\$10) million – DPO and Distribution Systems Portfolio Manager Functions  
(\$2) million – Other  
+\$51 million – Pricing changes  
+\$30 million – Commercial charter sealift contract pricing

**Air Mobility Command:** Costs decreased \$673 million

(\$486) million – Decreased fuel rates  
(\$105) million – Decreased workload  
(\$74) million – Decreased depot maintenance and CLS rates  
(\$29) million – Reduced aircraft maintenance requirements  
(\$10) million – DPO and Distribution Systems Portfolio Manager Functions  
+\$30 million – Pricing changes  
+\$1 million – Other

**Military Sealift Command:** Costs decreased \$96 million

(\$84) million – Decreased workload  
(\$30) million – Decreased fuel rates  
+\$16 million – Commercial charter sealift contract pricing  
+\$2 million – Other

**Surface Deployment and Distribution Command:** Costs increased \$18 million

+\$35 million – Pricing changes  
(\$12) million – Container detention reduction  
(\$5) million – Other

**REVENUE**

<b>REVENUE (\$ In Millions)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Air Mobility Command – Rate Revenue	\$6,353	\$7,717	\$6,387
Air Mobility Command – Airlift Readiness Account*	\$0	\$0	\$0
Military Sealift Command	\$1,165	\$1,178	\$1,113
Surface Deployment and Distribution Command	\$1,658	\$1,610	\$1,774
Defense Courier Service	\$10	\$12	\$12
Total	\$9,186	\$10,517	\$9,286

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**REVENUE:** Revenue estimates are derived by using approved stabilized rates multiplied by various workload measures (i.e., flying hours, ton miles, passenger miles, ship days, measurement tons, vehicles). While workload can vary widely, prices established during the budget process generally remain fixed during the year of execution.

FY 2006 revenue estimates include the following adjustments to maintain Air Force Working Capital Fund liquidity:

(\$ in Millions)	FY 2006
Reverse FY 2006 President's budget rate return to customers	\$459.0
Increase revenue to finance the FY 2006 fuel increase (contract leases)	\$736.0
Cash for liquidity (partial payback for congressionally mandated transfer)	\$585.5
Total	\$1,780.5*

\* Funding for this rate increase is included in the Department's FY 2006 Emergency Supplemental for the Global War on Terrorism request.

Title IX of the FY2006 Defense Appropriations Act provided \$2.2 billion to the Defense Working Capital Fund for the increased price of fuel; USTRANSCOM's portion of this is \$524.8 million.

\*The ARA represents an additional source of funding to cover the gap between the Transportation Working Capital Fund's (TWCF) readiness-driven expenses and commercially competitive rate revenue. The Department is testing a new way to finance the ARA. Instead of budgeting a fixed amount, the Air Force will provide the resources necessary to maintain the solvency of the Air Force Working Capital Fund (AFWCF) whenever the fund balance falls below a targeted level.

#### **NET OPERATING RESULT/ACCUMULATED OPERATING RESULT (NOR/AOR)**

NOR/AOR (\$ In Millions)	FY05	FY06	FY07
Beginning AOR	(\$67)	(\$159)	(\$159)
Operating Result	(\$65)	\$174	(\$306)
Non-recoverables	(\$27)	(\$174)	\$0
Ending AOR	(\$159)	(\$159)	(\$465)

**FY06/FY07 NOR/AOR:** The FY 2006 NOR projection was a negative \$459 million in the FY 2006 President's Budget. The current FY 2006 estimate is a positive \$174 million. Current estimate includes a rate increase of \$1.8 billion in FY 2006, with funding addressed in the FY 2006 Supplemental for the Global War on Terror. In addition, we received \$524.8M from the Defense Appropriations Act for fuel price increases. These increases cover \$1.3 billion in increased FY06 fuel rates, along with cash shortfalls resulting from a \$967 million congressional cash cut in FY05.

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The FY 2007 NOR is negative \$306 million, resulting in a negative \$465 million ending AOR. This is due to the Department testing a new way to finance the Airlift Readiness Account requirement.

### **DISBURSEMENTS, COLLECTIONS, AND NET OUTLAYS**

<b>(\$ In Millions)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Disbursements	\$9,959	\$10,784	\$9,821
Collections	\$9,181	\$10,860	\$9,551
Net Outlays	\$778	(\$76)	\$270
Ending Cash Balance	(\$126)	(\$50)	(\$320)*
Minimum Cash	\$517	\$580	\$558

\*Air Force will provide the resources necessary to maintain the solvency of the Air Force Working Capital Fund (AFWCF) whenever the fund balance falls below a targeted level. The shortfall in FY 2007 NOR/AOR/cash will be addressed in the FY 2008 budget review.

### **UNIT COST**

<b>AIR MOBILITY COMMAND UNIT COST</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Channel Passenger (million passenger miles)	\$291,899	\$427,842	\$440,358
Channel Cargo (million ton miles)	\$1,562,588	\$2,172,082	\$2,034,556
SAAM/JCS (million ton miles)	\$1,005,523	\$1,284,392	\$1,170,702
Training (cost per flying hour)			
--- C-5	\$24,234	\$26,784	\$24,333
--- C-17	\$10,688	\$15,974	\$15,615

<b>MILITARY SEALIFT COMMAND UNIT COST</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Petroleum Tankership (ship days)	\$49,739	\$50,462	\$40,231
Surge Full Operating Status (FOS) (ship days)	\$59,156	\$76,527	\$82,969
Surge Reduced Operating Status (ROS) (ship days)	\$19,827	\$21,009	\$21,615
Army Afloat Prepo (ship days)	\$41,781	\$55,370	\$68,822
Air Force Afloat Prepo (ship days)	\$29,253	\$40,411	\$40,890
Defense Logistics Agency (DLA) Afloat Prepo (ship days)	\$38,082	\$48,493	\$42,603
Chartered Cargo (ship days)	\$47,819	\$52,343	\$54,165

<b>MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND UNIT COST</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Cargo Operations (measurement ton)	\$24.31	\$19.61	\$20.50
Global POV (vehicle)	\$3,018.30	\$3,330.43	\$3,375.36
Liner Ocean Transportation (measurement ton)	\$106.54	\$109.35	\$108.70
Chartered Cargo (ship days)	\$12,682.93	\$22,236.84	\$23,289.47

DEFENSE COURIER DIVISION UNIT COST	FY05	FY06	FY07
Cost per pound delivered	\$5.99	\$6.00	\$6.03

### WORKLOAD ASSUMPTIONS

Workload at USTRANSCOM consists of three things:

- (1) Readiness – training of airlift crews and maintaining the Nation's mobilization infrastructure for the purpose of adequate wartime surge capacity
- (2) Contingency Operations – emergent humanitarian, peacekeeping, and other operations ordered by the President of the United States that require transportation services
- (3) Recurring Peacetime Workload – the routine movement via air, land, and sea of our DoD and non-DoD customers' cargo and passengers

**Readiness:** In preparing to execute the requirements of the DoD Quadrennial Defense Review, USTRANSCOM assessed the strategic environment and appropriate role for its global mobility force pertaining to the new defense strategy. This effort continues as USTRANSCOM proactively supports Strategic Planning Guidance directed mobility studies related to the military's current, mid-term and future force structure, as well as Service transformation efforts. The attacks of 11 September 2001 confirmed the dangerous and uncertain nature of today's environment, conditions that will continue for the foreseeable future. United States military forces must be prepared to meet all potential threats this environment may pose. USTRANSCOM is meeting the threat with a reduced number of aircraft due to the retirement of 270 C-141s that will be replaced by 180 C-17s. This airlift baseline measure will also be the benchmark as the new defense strategy is assessed. However, we need further refinement of the airlift requirement in the ongoing Mobility Capabilities Study (MCS). A key aspect of the airlift modernization plan is the C-5 Reliability Enhancement and Re-engining Program. Surge sealift investment programs have proven to be sufficient with the completion of the Large Medium-Speed Roll-on/Roll-off Ships. The aging Fast Sealift Ships and Ready Reserve Force ships must be maintained, and in some cases improved, to remain at their required readiness levels to a projected 50 years. A recapitalization plan for those vessels will need to soon be developed to ensure the continued reliability, capacity, and capability of the strategic sealift fleets. While the past several years' enhancements to the support forces and reserve units have improved warfighting capabilities, the distance and the time requirements for deployment have increased overall lift demands as a result of the new strategy and Service transformation efforts. In addition to maintaining the current mobility force structure, new airlift and sealift technologies will be exploited to ensure the mobility force can meet customer needs and support combatant commanders on a global scale. At the same time,

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USTRANSCOM continues to be innovative in maintaining established relationships with commercial partners for both air and sealift to assure access to capability when and where needed. USTRANSCOM also ensures there is sufficient capability in the Guard and Reserve to augment mobility forces for contingency and wartime, as well as a robust infrastructure that ensures adequate throughput capability from an end-to-end perspective to support deployment and global distribution and sustainment.

**Contingency Operations:** Military Strategy requires DoD to be actively engaged throughout the world to minimize security risks to the United States. Specifically, the strategy cites peacekeeping operations, counter proliferation of weapons, humanitarian missions, and drug trafficking interdiction as the means to mitigate recurring security risks. Contingency operations in support of the Global War on Terrorism will continue to increase USTRANSCOM OPTEMPO. In some cases, contingency workload substitutes for normal workload. Transportation units are not conducting normal training but are engaged in real world operations. However, current efforts to combat terrorism far exceed normal training requirements. FY 2005 reflects actuals while FY 2006 and FY 2007 contain GWOT assumptions as directed by budget policy.

**Recurring Peacetime Workload:** Peacetime workload estimates are established based on current customer transportation projections. Customers provide the projections to USTRANSCOM via workload conferences, other correspondence, and historical trends, combined with analysis of future force structure.

<b>AIR MOBILITY COMMAND WORKLOAD</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Training Flying Hours C-5	5,938	5,640	4,800
Training Flying Hours C-17	27,500	31,860	33,335
Channel Passenger Miles	1,172.0	748.9	687.2
Channel Cargo Ton Miles	1,520.9	1,315.2	1,278.2
SAAM/JCS Ton Miles	3,091.1	2,837.8	2,801.2

<b>MILITARY SEALIFT COMMAND WORKLOAD</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Petroleum Tankership (ship days)	2,875	2,600	2,600
Surge FOS (ship days)	2,108	1,785	1,785
Surge ROS (ship days)	6,935	6,935	6,935
Army Afloat Prepo (ship days)	3,650	3,650	3,650
Air Force Afloat Prepo (ship days)	1,446	1,460	1,460
DLA Afloat Prepo (ship days)	730	730	730
Chartered Cargo (ship days)	6,786	6,146	6,146

<b>MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND WORKLOAD</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Cargo Operations (measurement ton)	13,100,000	16,000,000	16,000,000
Global POV (vehicle)	79,283	69,000	69,000
Liner Ocean Transportation (measurement ton)	8,200,000	8,000,000	8,000,000

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Chartered Cargo (ship days)	1025	1520	1520
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<b>DEFENSE COURIER DIVISION WORKLOAD</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Pounds Delivered (thousands)	1,835	2,000	2,000

### **CUSTOMER RATE CHANGES**

<b>AIR MOBILITY COMMAND RATE CHANGES</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Channel Passengers	10.3%	2.0%	2.1%
Channel Cargo	1.8%	2.0%	0.5%
SAAM/JCS	52.5%	-5.2%	5.2%
Training	-8.0%	38.0%	4.9%

<b>MILITARY SEALIFT COMMAND RATE CHANGES</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Petroleum Tankerships	35.3%	31.1%	-15.5%
Surge FOS	-2.0%	2.3%	12.6%
Surge ROS	-2.5%	-3.5%	15.4%
Army Afloat Prepo	5.7%	7.2%	11.4%
Air Force Afloat Prepo	-2.6%	9.3%	-17.8%
DLA Afloat Prepo	23.0%	-10.9%	26.6%
Chartered Cargo	-3.9%	-1.0%	13.1%

<b>MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND RATE CHANGES</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Cargo Operations	33.3%	-29.7%	-3.2%
Global POV	17.1%	-18.8%	3.7%
Liner Ocean Transportation	-10.4%	0.7%	20.6%
Chartered Cargo	7.3%	4.5%	25.3%

<b>DEFENSE COURIER DIVISION RATE CHANGES</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Pounds Delivered	17.1%	6.3%	2.1%

### **CAPITAL PURCHASE PROGRAM**

This budget enables USTRANSCOM to continue system upgrades to ensure readiness in the 21<sup>st</sup> century. Our Capital Purchase Program (CPP) includes investment in Automated Data Processing Equipment (ADPE) and telecommunications equipment, software development, minor construction, and equipment (other than ADPE and telecommunications). Defense Enterprise Accounting and Management System (DEAMS) and Global Decision Support System (GDSS) are two of our major software development efforts. In addition, USTRANSCOM is partnering with the Defense Logistics Agency on the Global Transportation Network (GTN)/Integrated Data Environment (IDE) convergence effort.

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<b>CAPITAL (\$ In Millions)</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
Equipment	\$0	\$10	\$6
ADPE and Telecom Equip	\$43	\$62	\$55
Software Development	\$107	\$117	\$121
Minor Construction	\$13	\$12	\$12
Total CPP	\$163	\$201	\$194

### **MANPOWER TRENDS**

USTRANSCOM's staffing is approximately 77% military and 23% civilian. Maintaining a ready airlift capability consumes 84% of the workforce. Military Sealift Command meets the majority of its requirements through commercial charter and port contracts; therefore, it is not manpower intensive. The efficient use of manpower in the components is integral to the national mobilization and strategic lift capability.

### **MILITARY END STRENGTH**

<b>MILITARY E/S</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
ARMY	214	225	226
NAVY	191	196	185
MARINE CORPS	15	15	15
AIR FORCE	13,684	14,026	14,368
TOTAL	14,104	14,462	14,794

### **CIVILIAN END STRENGTH**

<b>CIVILIAN E/S</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
U.S.D.H	3,620	3,821	3,843
F.N.D.H.	187	198	198
F.N.I.H	430	428	426
TOTAL	4,237	4,447	4,467

### **CIVILIAN FULL TIME EQUIVALENTS (FTEs)**

<b>CIVILIAN FTEs</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
U.S.D.H	3,524	3,759	3,805
F.N.D.H.	189	196	196
F.N.I.H	429	427	422
TOTAL	4,142	4,382	4,423

## PERFORMANCE MEASURES

### Air Mobility Command:

- **Number of Pallets - GOAL: 92%** (Percentage of pallet positions offered versus used on CONUS outbound channel cargo missions)
- **Pure Pallets – GOAL: 100%** (Quantity and percentage of aerial port-built pure pallets compliant with route plans)

### Military Sealift Command:

- **On-Time Pickup or Delivery - GOAL: 95%** (Percentage of shipments that meet required lift dates or delivery dates based on predetermined agreed upon lift and delivery requirements as established by the customer)
- **Ship Availability - GOAL: 95%** (Days against plan that ships are actually available to perform their intended function)

### Surface Deployment and Distribution Command:

- **Percent of Assured Access Agreements to Commercial Intermodal and Rail Services Secured (CONUS) - GOAL: 70%** (Gain CONUS assured access to sufficient rail capability; intermodal capacity, equipment, lift and terminal services; and commercial sealift. SDDC is establishing assured access agreements with intermodal and rail providers)
- **Percent of eligible carriers participating in Voluntary Intermodal Sealift Agreement program - GOAL: 100%** (Gain CONUS assured access to sufficient rail capability; intermodal capacity, equipment, lift and terminal services; and commercial sealift. SDDC is increasing the number of eligible carriers participating in Voluntary Intermodal Sealift Agreement)
- **Percent of Time Definite Deliveries met - GOAL: 99%** (Forward-looking traffic management that integrates end-to-end systems and provides In-Transit Visibility (ITV) capability allowing SDDC to consistently anticipate, analyze, and act to facilitate global transportation services)
- **Percent of Cargo Moving with ITV - GOAL: 100%** (Forward-looking traffic management that integrates end-to-end systems and provides ITV capability allowing SDDC to consistently anticipate, analyze, and act to facilitate global transportation services)

	FY05 to FY06	FY06 to FY07
Cost of Operations (Prev Yr)	9,251.2	10,342.8
FY 2006 Estimate in President's Budget:	8,702.8	
Pricing Adjustments:	1,411.5	(502.0)
a. FY 2006 Pay Raise	0.9	6.1
(1) Civilian Personnel	0.9	5.5
(2) Military Personnel	0.0	0.6
b. Annualization of Prior Year Pay Raises	0.0	2.6
(1) Civilian Personnel	0.0	2.4
(2) Military Personnel	0.0	0.2
c. Fuel Adjustments	1,318.6	(515.8)
d. Sealift Contract Price Adjustment	132.0	0.0
e. Decreased Depot Maintenance and CLS Rates	(26.3)	(74.1)
f. Flying Hour Pricing Adjustment	(21.2)	0.0
g. General Purchase Inflation	7.5	41.4
h. Commercial Charter Sealift contract Pricing Adjustment	0.0	29.9
i. Global POV Contract Price Adjustment	0.0	4.4
j. Stevedore Contract Price Adjustment	0.0	3.5
Productivity Initiatives & Other Efficiencies:	19.9	(19.3)
a. Commercial Augmentation - Fixed Buys	16.8	(21.5)
b. Civilian Manpower Adjustment	3.1	(0.4)
c. Reduction in VSIP Costs	0.0	0.0
d. Personnel Costs	0.0	2.3
e. Pay Raise Efficiencies	0.0	0.3
Program Changes:	208.6	(229.1)
a. Increased Workload	270.3	0.0
b. Defense Transportation Tracking System Transfer	3.4	0.0
c. Decreased Depot Maintenance Costs	(25.9)	0.0
d. Other	(15.6)	(20.6)
e. Container Detention Reduction	(12.0)	(12.0)
f. GWOT TDY Reservist Reduction	(11.6)	0.0
g. Decreased Workload	0.0	(167.8)
h. Reduced Aircraft Maintenance Requirements	0.0	(28.7)
FY2006 Current Estimate:	10,342.8	9,592.4

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Fund 11  
(Dollars in Millions)

Sources of Revenue  
Air Force Working Capital Fund  
United States Transportation Command

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

	FY 2005	FY 2006	FY 2007
<b>1. New Orders</b>			
<b>a. Orders from DOD Components</b>	<b>7,073.7</b>	<b>8,538.1</b>	<b>7,526.9</b>
Air Force	1,823.2	2,663.0	2,438.8
Military Personnel	181.9	174.0	177.6
Aircraft Procurement	0.2	0.2	0.2
Other Procurement	11.9	14.2	13.9
Operations and Maintenance	1,481.3	2,250.5	2,019.6
ANG, O&M	16.7	10.7	9.6
AFRES, O&M	89.3	154.4	155.6
RDT&E	1.5	2.2	1.9
Other	40.4	56.8	60.4
Army	3,778.4	4,238.4	3,645.5
Military Personnel	169.7	162.0	169.5
Other Procurement	1.5	1.7	1.9
AAFES	34.4	67.2	80.1
Operations and Maintenance	3,530.4	3,954.2	3,339.0
NG, O&M	3.5	5.7	5.1
RDT&E	9.8	13.7	15.6
Other	29.1	33.9	34.3
Navy	995.8	1,038.6	897.1
Military Personnel	62.9	60.3	63.1
NEXCOM	4.5	6.1	7.3
Operations and Maintenance	739.9	812.9	648.8
NDSF	160.8	131.2	148.4
Other	27.7	28.1	29.5
Marines	212.9	208.0	206.6
Military Personnel	35.7	39.8	40.8
Operations and Maintenance	173.9	164.0	161.1
Other	3.3	4.2	4.7
OSD	263.4	390.1	338.9
Operations and Maintenance	223.9	307.0	265.3
JCS	183.6	259.6	219.6
NSA	3.5	4.7	4.6
DIA	0.1	0.1	0.2
DMA	0.1	0.3	0.3
Other	36.4	42.1	40.4
DLA (Non-WCF)	0.2	0.2	0.2
Procurement	0.4	0.4	0.4
Other	39.1	82.7	73.2
<b>b. Orders from other Fund Activity groups</b>	<b>2,048.6</b>	<b>1,904.1</b>	<b>1,687.4</b>
DECA	27.6	34.7	39.0
DLA	1,576.5	1,682.9	1,487.2
Other	444.5	186.5	161.2

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Fund 11  
(Dollars in Millions)

Sources of Revenue  
Air Force Working Capital Fund  
United States Transportation Command

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

c. Total DOD	9,122.3	10,442.2	9,214.3
d. Other Orders	64.0	74.6	71.9
Other Federal Agencies	8.7	10.1	10.3
Trust Fund	11.2	14.6	13.8
Non Federal Agencies	25.0	21.0	21.6
Foreign Military Sales	19.1	28.9	26.2
Total New Orders	9,186.3	10,516.8	9,286.2
2. Carry-In Orders	0.0	0.0	0.0
3. Total Gross Orders	9,186.3	10,516.8	9,286.2
4. Funded Carry-over	0.0	0.0	0.0
5. Total Gross sales	9,186.3	10,516.8	9,286.2

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Fund 14  
(Dollars in Millions)

Revenue and Expenses  
air Force Working Capital Fund  
United States Transportation command

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

	FY 2005	FY 2006	FY 2007
<b>Revenue:</b>			
Gross Sales	9,186.3	9,992.0	9,286.2
Operations	8,968.4	9,766.9	9,045.9
Capital Surcharge	0.0	0.0	0.0
Depreciation excl Maj Const	0.0	0.0	0.0
Major Construction Dep	217.9	225.1	240.3
Cash Surcharge	0.0	0.0	0.0
Other Income	0.0	524.8	0.0
Refunds/Discounts (-)	0.0	0.0	0.0
Total Income:	9,186.3	10,516.8	9,286.2
<b>Expenses:</b>	0.0	0.0	0.0
Cost of Materials Sold from Inv	0.0	0.0	0.0
Salaries and Wages:	0.0	0.0	0.0
Military Personnel Compensation & Benefit	37.6	36.0	36.4
Civilian Personnel Compensation & Benefit	295.4	328.8	333.7
Voluntary Separation Prog Incentive	0.0	0.0	0.0
Retirement Fund Offset-15%	0.0	0.0	0.0
Travel & Transportation of Personnel	142.0	258.4	265.0
Material & Supplies (For Internal Ops)	1,343.6	2,068.3	1,935.9
Equipment	9.9	22.4	22.2
Other Purchases from Revolving Funds	418.4	343.6	202.6
Transportation of Things	19.7	18.8	19.2
Depreciation - Capital	217.9	225.1	240.3
Printing and Reproduction	0.7	0.7	0.7
Advisory and Assistance Services	42.8	47.0	28.1
Rent, Commun, Utilities, & Misc. Charges	45.7	52.6	52.6
Other Purchased Services	6,677.5	6,941.1	6,455.7
Total Expenses	9,251.2	10,342.8	9,592.4
Operating Result	(64.9)	174.0	(306.2)
Less Capital Surcharge	0.0	0.0	0.0
Plus Passthroughs or Other Approps (NOR)	0.0	0.0	0.0
Other Adjustments (NOR)	0.0	0.0	0.0
Net Operating Result	(64.9)	174.0	(306.2)
Prior Year Adjustments	0.0	0.0	0.0
Other Changes (AOR)	0.0	0.0	0.0
Prior Year AOR	(67.6)	(159.4)	(158.8)
Accumulated Operating Result	(132.5)	14.6	(465.0)
Non-Recoverable Adjustment (AOR)	(26.9)	(173.4)	0.0
Accumulated Operating Result for Bgt Purpo	(159.4)	(158.8)	(465.0)

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# **AIR FORCE WORKING CAPITAL FUND**



**U.S. AIR FORCE**

**CAPITAL BUDGET**

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Fund 9A  
(Dollars in Millions)

Capital Investment Summary  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version

Line Number	Item Description	FY 2005		FY 2006		FY 2007	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	EQUIPMENT	0	0.000	0	0.000	0	0.000
	Replacement	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	Productivity	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	New Mission	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	Environmental Compliance	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	ADPE & TELECOM	1	1.180	2	1.420	2	1.670
	*Over \$1,000,000	1	1.180	1	1.195	1	1.220
AFKS	AFKS	1	1.180	1	1.195	1	1.220
	*\$500,000 to \$999,999	0	0.000	1	0.225	1	0.450
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	SOFTWARE DEVELOPMENT	7	32.802	5	11.106	4	10.079
	Internally Developed	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	Externally Developed	7	32.802	5	11.106	4	10.079
	*Over \$1,000,000	6	32.602	4	10.867	4	10.079

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Fund 9A  
(Dollars in Millions)

Capital Investment Summary  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) 2007  
Budget Estimates  
February 2006

Working Version

Line Number	Item Description	FY 2005		FY 2006		FY 2007	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
ECSS	ECSS	1	18.200	0	0.000	0	0.000
AFKS	AFKS	1	3.570	1	3.290	1	3.730
FIABS	FIABS/ERP	1	4.459	0	0.000	0	0.000
KEYSTONE	KEYSTONE/ERP	1	0.550	1	1.172	1	1.162
PRPS	PRPS	1	2.683	1	2.685	1	2.687
CSWS	CSWS/DE	1	3.140	1	3.720	1	2.500
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	1	0.200	1	0.239	0	0.000
	MINOR CONSTRUCTION	0	0.000	0	0.000	0	0.000
	*\$500,000 to \$999,999	0	0.000	0	0.000	0	0.000
	*Under \$500,000	0	0.000	0	0.000	0	0.000
	TOTAL	8	33.982	7	12.526	6	11.749

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Supply Management Activity Group Capital Investment Justification  
(Dollars in Thousands)

Fiscal Year (FY) 2007  
Budget Estimate Submission  
February 2006

Department of the Airforce Supply Management	Line Number: AFKS			ADPE & Telecom Resources					
Element of Cost	FY 2005			FY 2006			FY 2007		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
AFKS	1	1,180.000	1,180.000	1	1,195.000	1,195.000	1	1,220.000	1,220.000
Narrative Justification									

Air Force Knowledge Services -AFKS (formerly Enterprise Data Warehouse -EDW)

**Description and Purpose:**

The Air Force Knowledge Services (AFKS) Program is a cross-functional program that encompasses the 23 combat support functions of the Global Combat Support System-Air Force (GCSS-AF). It will provide the data sharing and functional integration of data required by GCSS-AF in support of the AF War fighter. Through the use of modern query and data mining tools, the AFKS cross-functional data will be transformed into the information required by the war fighters and combat support personnel with access provided via the AF Portal. Gathering and storing enterprise wide data in a secure, reliable and consistent manner through web accessible portals, the AFKS will enable modern decision support tools to quickly provide clear and accurate decision support information. The Material Support Division (MSD) is the primary functional area with the largest requirement for AFKS and has the largest volume of data that will reside in AFKS. Other functional areas, like Headquarters Air Force, Installations & Logistics (HAF/IL), have identified their peculiar functional requirements and have provided funding for those AFKS requirements. To gain the maximum benefit from the AFKS, cross-functional data needs to be loaded into AFKS. Currently, maintenance data for aircraft, communications-electronics equipment, and engines, along with a wide spectrum of supply chain management data is being loaded and kept current. This covers selected Material Support Division (MSD) areas such as WSMIS (Weapon System Management Information System), D200 (Requirements Management System), MP&E (Maintenance Planning and Execution), and CSWS (Contractor Supported Weapon Systems). Remaining logistics and decision support data will be added in FY06/07/08. The entire combat support enterprise will be covered by the close of FY11. Six (6) additional UNIX servers are to be procured in FY06 and the purchase of an Hitachi Network Attached Storage (NAS) for 17TB storage with high availability to support 16 UNIX servers is planned in FY07.

**Current Deficiency and/or Problem:**

As AFKS development progresses we must purchase additional storage capacity to accommodate planned data systems feeds. The current Teradata storage box is near capacity and additional capacity is required to continue AFKS development.

**Economic Analysis:**

An approved economic analysis is on file.

**Program Completion:**

The entire combat support enterprise will be completed by the close of FY11.

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Supply Management Activity Group Capital Investment Justification  
(Dollars in Thousands)Fiscal Year (FY) 2007  
Budget Estimate Submission  
February 2006

Department of the Airforce Supply Management	Line Number: KEYSTONE			ADPE & Telecom Resources					
Element of Cost	FY 2005			FY 2006			FY 2007		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
KEYSTONE/HW	0	0.000	0.000	1	225.000	225.000	1	450.000	450.000
Narrative Justification									

## Keystone (H303) Decision Support System (DSS)

## Description and Purpose:

The Supply Working Capital Fund Decision Support System (DSS), Keystone (H303), evolved from the Unit Cost Analysis and Resource Tracking System (UCARTS) requirement to provide unit cost ratio information for the Air Force Working Capital Fund Material Support division (MSD). UCARTS was terminated in August 1997 because it did not meet program objectives. The Keystone (H303) DSS provides improved functionality previously identified for UCARTS, with additional capabilities for MSD and General Support Division (GSD) sales and costs down to Product Directorate, MAJCOM, weapon system and National Item Identification Number (NIIN) level. Keystone also has ad hoc analysis capability, allowing improved comparisons of estimates and actual costs, facilitating MSD and GSD budgeting and execution reporting capabilities.

## Current Deficiency and/or Problem:

In early FY04, a more robust production server was installed. This new server is anticipated to meet future user growth requirements for the next few years. Although implementation of the SAF/FM Data Warehousing initiative expected to satisfy any long term Keystone hardware needs in the out years, it is unlikely that Keystone application will fully migrate to the SAF/FM Data Warehouse prior to FY08/FY09 timeframe. This, coupled with anticipated increased user demand, stricter security requirements and planned inclusion of additional Air Force Working Capital Funds data, will require expanded data base server capability, increased data storage capacity and continuing security improvements to maintain and improve system performance specifications. A system hardware upgrade, to include replacement of the current production, test and web servers due to aging and expected system growth, is expected in the late FY07/early FY08 timeframe. Identification of the hardware procurement is in process.

## Impact:

Disapproval of this request will seriously jeopardize Keystone's ability to support an expanding customer base or take advantage of improved technology, eventually limiting user accessibility, degrading system response time and becoming non-compliant with system requirements, thus endangering Keystone's planned migration to the SAF/FM Data Warehouse.

## Economic Analysis:

An approved economic analysis is on file

## Program Completion:

Anticipated growth in data storage capacity and security requirements is projected through the budget years, as the anticipated move to the Air Force Knowledge Service architecture (the architecture for the SAF/FM Data Warehouse Initiative) will not occur prior to FY08.

Department of the Airforce Supply Management	Line Number: ECSS			Software Externally Developed				
Element of Cost	FY 2005			FY 2006			FY 2007	
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
ECSS	1	18,200.000	18,200.000	0	0.000	0.000	0	0.000
Narrative Justification								

## Expeditionary Combat Support System (ECSS/ERP)

## Description and Purpose:

The ECSS program will entail acquiring and implementing a core Commercial Off-The-Shelf (COTS) Enterprise Resource Planning (ERP) package and where performance goals dictate, selected COTS applications for specialized business value areas. ECSS will replace (500+) legacy logistics Information Technology (IT) systems. This will enable the Air Force to meet its Logistics mission while supporting LogEA transformation efforts. The ECSS ERP solution will integrate nearly all logistics chain business functions to provide a network-centric view of the logistics enterprise from Supplier to Customer. The ECSS will be fully compliant with architectural standards and guidelines at the Federal, Department of Defense (DoD), and AF levels. To take full advantage of the ERP's industry best logistics chain practices and processes, the ECSS will involve significant Business Process Reengineering (BPR), change management and training across the AF logistics domain.

## Current Deficiency and/or Problem:

The gradual deterioration in the AF warfighter's capability is the end result of numerous deficiencies, most of which relate to ineffective and inefficient business processes/practices, IT architectures, and integration plans/mechanisms. Additionally, the AF logistics environment had many disparate initiatives underway to address these concerns, but many of these initiatives did not share common goals or did not satisfy all of the bureau's and agency's strategic goals. Specifically, planning functions are currently decentralized, fragmented, inconsistent, reactive and are not coupled with execution activities; IT systems are fragmented and uncoordinated; business processes are executing without regard to functions or organizations; visibility of assets and maintenance capabilities are disjointed in varying degrees depending on the horizontal (commodities) or vertical (organizational echelons) tiers being considered; and supplier relationships and collaboration have been deficient and ineffective. These causal factors have rendered a logistics system that is not Customer focused.

## Impact: None

Economic Analysis: AOA/BCR is on file. The United States Air Force (USAF) is in compliance with Public Law 107-314, Section 1004, FY2003 DoD Authorization Act. (ADP system with a modernization cost of \$1M or more per year cannot obligate funds unless the Under Secretary of Defense (Comptroller) certifies that the system is developed and managed in accordance with the Department Business Management Modernization Plan (BMMP), and received proper certification from the Defense Business Management Modernization Committee (DMSMC).

## Program Completion:

Estimated program completion date is FY11. Starting FY06, Air Force logistics enterprise resource planning system - Expeditionary Combat Support System (ECSS) - is transferred from the Defense Working Capital Fund (DWCF) to the Appropriated Funds (RDT&E). The transfer is required since the Air Force intends to deploy this system across the spectrum of Air Force logistics activities - most of which are outside the DWCF.

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Department of the Airforce Supply Management	Line Number: AFKS			Software Externally Developed					
Element of Cost	FY 2005			FY 2006			FY 2007		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
AFKS	1	3,570.000	3,570.000	1	3,290.000	3,290.000	1	3,730.000	3,730.000
Narrative Justification									

Description and Purpose: Air Force Knowledge Services - AFKS (formerly Enterprise Data Warehouse EDW Software/ERP)

The Air Force Knowledge Services (AFKS) Program will bring together the full spectrum of Air Force combat support data to include maintenance, supply, transportation, finance, contracting, and planning. Through the use of modern query and data mining tools, the AFKS cross-functional data will be transformed into the information required by the war fighters. Gathering and storing enterprise wide data in a secure, reliable and consistent manner, through web accessible portals, the AFKS will enable modern decision support tools to quickly provide clear and accurate decision support information. This endeavor will significantly enhance the Air Force's ability to improve weapon system availability, asset visibility, operational readiness, contingency planning, and combat operations. The AFKS will continuously gather key data elements from selected Air Force systems, organize them, provide enhanced access and analytical query capabilities, and produce user-tailored reports. The AFKS will become an integral part of the Enterprise Resource Planning solution (ERP) within the FYDP. Two other key characteristics will be user single point of entry and significantly reduced response times. Starting in the last quarter of FY00, the initial segment of data, the Air Force's fleet wide historical maintenance provided by REMIS (Reliability and Maintainability Information System), was entered into the AFKS. That task was completed by the end of March 2001. The next increment drew pertinent data from all other aircraft and communication-electronics related maintenance systems by the end of FY01. Supply data has been folded in from selected Material Support Division (MSD) supply systems like SCS (Stock Control System), D043 (Master Item Identification Control System), D165 (MICAP data), PTAMS (Pipeline Tracking Analysis and Metrics System), and D200 (Requirements Management System). Other logistics and decision support data will be added in FY06/07/08. The entire combat support enterprise will be covered by the close of FY11. Targeted data is currently planned for the following Air Force domains: Strategic Planning and Budgeting; Human Resources Management, including Medical, Logistics, Technical Infrastructure, Acquisition/Procurement, Installation and Environment; and Accounting/Financial Management.

**Current Deficiency and/or Problem:**

Currently, the MSD community is using several systems with data mart capabilities throughout AFMC and the AF. However, existing data mart capabilities require the data be transferred multiple times and stored in many places, resulting in outdated and inaccurate data. By building AFKS, the MSD community will get a single decision support capability that will provide data from a single reliable and accurate source. This single data source will allow access faster access and increase the accuracy of available information.

**Impact:**

Failure to fund the AFKS will continue the practice of relying on closed, rigid, compartmentalized and non-integrated combat support data to underpin key decisions. Air Force Knowledge Services is the key aspect of Enterprise Integration, cross-functional visibility and an agile combat support information grid will be impossible without it. Timeliness of data will continue to lag the needs of commanders, accuracy will remain suspect and the relationships between such activities as supply, transportation, maintenance, and operations will remain clouded. The Air Force's ability to make combat support decisions will trail best practices proven within the commercial sector, fail to meet the intent of Joint Vision 2010/2020, and could place people and equipment at unnecessary risk.

**Economic Analysis:**

An approved economic analysis is on file. The United States Air Force (USAF) is in compliance with Public Law 107-314, Section 1004, FY2003 DoD Authorization Act. (ADP system with a modernization cost of \$1M or more per year cannot obligate funds unless the Under Secretary of Defense (Comptroller) certifies that the system is developed and managed in accordance with the Department Business Management Modernization Plan (BMMP), and received proper certification from the Defense Business Management Modernization Committee (DMSMC).

**Program Completion:**

The entire combat support enterprise will be covered by the close of FY11

000064

Supply Management Activity Group Capital Investment Justification  
(Dollars in Thousands)Fiscal Year (FY) 2007  
Budget Estimate Submission  
February 2006

Department of the Airforce Supply Management	Line Number: FIABS			Software Externally Developed				
Element of Cost	FY 2005			FY 2006			FY 2007	
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Total Cost
FIABS/ERP	1	4,459,000	4,459,000	0	0.000	0.000	0	0.000
Narrative Justification								

## Financial Inventory Accounting and Billing System (FIABS)/ERP

## Description and Purpose:

FIABS is used by wholesale and retail item managers, loan control officers, Air Logistics Centers, various logistics organizations such as procurement, and accounting and finance. It also provides data interface files to other systems. The capital investment for software addressed in this project entails the update of the existing FIABS.

**Current Deficiency and/or Problem:** FIABS users have identified the following Change System Requirement Document(CSRD) that are currently being considered for funding. These include SCR 1 which would correct the logic in FIABS to correctly post accounting transactions that are currently incorrectly posted in FIABS thereby making these transactions CFO compliant; SCR 3 and SCR 4 are to correct incomplete data being passed through an interface from the Distribution Standard System. If these SCRs are not implemented, inventory transaction errors will continue to be made by warehouse technicians, the status quo results in purchases account data being overstated and cost of repair accounts to be understated. Financial statements may be currently distorted by transactions that may have been processed multiple times. SCR 4 would develop a unique identifier for logistic transactions. SCR 5 would correct the D035A system which does not have the appropriate edits for determining the validity of D4S and D4M transactions.

## Program Completion:

System is continuously updated and evaluated for CFO compliance and interfaces with other accounting and logistics systems. Remaining funds are required for system integration efforts and enhancement of the accounting automated processes.

## Economic Analysis:

An approved economic analysis is on file. The United States Air Force (USAF) is in compliance with Public Law 107-314, Section 1004, FY2003 DoD Authorization Act. (ADP system with a modernization cost of \$1M or more per year cannot obligate funds unless the Under Secretary of Defense (Comptroller) certifies that the system is developed and managed in accordance with the Department Business Management Modernization Plan (BMMP), and received proper certification from the Defense Business Management Modernization Committee (DMSMC).

Department of the Airforce Supply Management	Line Number: KEYSTONE Software Externally Developed								
Element of Cost	FY 2005			FY 2006			FY 2007		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
KEYSTONE/ERP	1	550,000	550,000	1	1,172,000	1,172,000	1	1,162,000	1,162,000
Narrative Justification									

Supply Management Activity Group Capital Investment Justification  
(Dollars in Thousands)

Fiscal Year (FY) 2007  
Budget Estimate Submission  
February 2006

Department of the Airforce Supply Management	Line Number: PRPS			Software Externally Developed					
Element of Cost	FY 2005			FY 2006			FY 2007		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
PRPS	1	2,683.000	2,683.000	1	2,685.000	2,685.000	1	2,687.000	2,687.000
Narrative Justification									

Purchase Request Process System (PRPS)/ERP

**Description and Purpose:**

The Purchase Request Process System (PRPS) automates the front-end of the acquisition process and is used to bridge the requirement stage to acquisition competition screening, automated purchase request and attachments, delivery order notices and the contracting stage. PRPS provides the ground work for the Expeditionary Combat Support System (ECSS) solution. PRPS processing begins with the receipt of a validated buy requirement, and includes acquisition competition screening, automated purchase request and attachments, delivery order notices, and transmission to the buying activity.

These funds will be used to continue the ongoing modernization efforts of the Purchase Request Process System (D203). The work will move the system into Defense Information Infrastructure/Common Operating Environment (DII/COE) compliant open systems architecture. Additionally, the work will prepare the system for and move it into GCSS-AF in compliance. GCSS-AF and DII/COE will bring the system into a common operating environment. This in combination with on-line, real-time capability, will allow users from the entire Air Force to share data for analysis as well as conduct automated and interactive file maintenance actions, suspense tracking, and determine order status. The number of interfaces will be reduced and the systems will provide more timely and accurate information to decision makers.

**Current Deficiency and/or Problem:**

The current business process is a combination of manual processes and existing legacy systems. This system will automate the business process, eliminate outdated legacy systems, and allow for real-time capability, and paperless contracting. The current systems performing this process have old mainframe platforms, use outdated programming languages, are costly to maintain, do not have the required flexibility to support inter-operability and Air Expeditionary Force (AEF) requirements, and cannot function within the required GCSS-AF and DII/COE environment.

**Impact:**

Without these funds this system will not be able to move into a modern DII/COE architecture, nor will it provide a paperless acquisition system. The system must be modernized to provide the best support to the war fighter.

**Economic Analysis:**

A Business Case Analysis has been completed for this project and is on file. The United States Air Force (USAF) is in compliance with Public Law 107-314, Section 1004, FY2003 DoD Authorization Act. (ADP system with a modernization cost of \$1M or more per year cannot obligate funds unless the Under Secretary of Defense (Comptroller) certifies that the system is developed and managed in accordance with the Department Business Management Modernization Plan (BMMP), and received proper certification from the Defense Business Management Modernization Committee (DMSMC).

**Program Completion:**

Development of PRPS software will yield Initial Operational Capability (IOC) in the first quarter of FY07. Spiral 2 is scheduled to be released in later FY07 (estimate June 07), with Full Operational Capability in August 07.

190000

Supply Management Activity Group Capital Investment Justification  
(Dollars in Thousands)

Fiscal Year (FY) 2007  
Budget Estimate Submission  
February 2006

Department of the Airforce Supply Management	Line Number:			CSWS			Software Externally Developed				
	Element of Cost			FY 2005			FY 2006			FY 2007	
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost		
CSWS/DE	1	3,140.000	3,140.000	1	3,720.000	3,720.000	1	2,500.000	2,500.000		
Narrative Justification											

Contractor Supported Weapon Systems Data Exchange (CSWS DE) formerly RSSP

**DESCRIPTION AND PURPOSE:**

The Contractor Supported Weapon Systems (CSWS) program is the process the Air Force uses to bring initial spares into the inventory and to form a partnership with industry to manage initial spares more efficiently. The CSWS Data Exchange (DE) is the data bridge and automated web-based technological solution for contractor inventory control points (C-ICPs) and weapon system program office visibility of spares and parts usage data in a usable form during the acquisition cycle and the interim supply support period. The CSWS DE will pass spares data from the contractor to the government systems and provide necessary data to the C-ICPs to enhance asset visibility, provide the data necessary for the government, the C-ICPs, and the Regional Supply Squadrons, and the Combatant Commanders and their staffs to make informed decisions when laying in initial and follow-on spares and Agile Logistics in an open and shared systems architecture.

**CURRENT DEFICIENCY AND/OR PROBLEM:**

The data the CSWS DE provides is not collected nor tracked in any government systems today. The data is held in a myriad of contractor systems, which do not link to government systems. This data is unavailable for C-ICPs to properly implement the AF directed, Congress approved, Depot partnering initiative (wherein contractors have to share depot-level workload with the AF Logistics Centers (ALCs) to ensure an organic repair capability is maintained for wartime purposes. The AF Spares and Maintenance Partnering Initiative Team and the Material Management Users Group are defining specific interfaces the CSWS DE will have to establish to resolve the data passage problem. CSWS DE is GCSS-AF Level 1 compliant. It must maintain compatibility with GCSS-AF directives to make use of the Enterprise Service Bus and AFKS. Both these common functionalities are needed to enhance the contractor/AF system interfaces and the storage/retrieval of common data. The C-ICPs use a Government, third party manual process to update their item routing specifications and Item Manager/Equipment Specialist (IM/ES) data. An automated update capability is required. Since modifications to the CSWS DE are still in progress, Program Office costs are covered by both sustainment and development funds.

**IMPACT:**

Without Capital Development funding, the CSWS DE will not meet the Air Force (AF) requirements. The AF interfaces required to pass data and implement the Depot Partnering initiative will not be completed. C-ICPs will not be able to track their items through AF systems. Interfaces will remain system-to-system, vice using the efficient GCSS-AF Enterprise Service Bus. Sustainment costs will remain high. Item routing data and IM/ES updates will remain a manual process. Routing spares from the field to the proper depots, through the correct item managers, will be high risk. The sustainment budget will have to absorb the cost for all organic personnel supporting the program office rather than splitting the cost with development. This will reduce the sustainment capability.

**PROGRAM COMPLETION:**

The CSWS DE reached its Initial Operating Capability on 03 Sep 02. Several upgrades were incorporated through Mar 04. And, the system reached GCSS-AF Level 1 compliance in Nov 04. To reach a Full Operational Capability, the D-35A & C interfaces have to be implemented. Use of the GCSS-AF Enterprise Service Bus and the AFKS database are mandated requirements. The Depot Partnering initiative is a new requirement. C-ICPs need status data from the AF repair facilities to properly manage their sustainment contracts. The number of interfaces to satisfy the initiatives will determine the funding and schedule requirements. Program office management costs are shared between development and sustainment funding. The CSWS DE responds to new requirements levied by AF and the operational users.

**ECONOMIC ANALYSIS:**

An Economic Analysis, along with a Cost Benefit Analysis and Business Case Analysis was prepared for the CSWS effort and is on file. The Economic Analysis is being updated to reflect the changes identified for this 9B input. Likewise, a BEA Certification package has been prepared for the GSCC-AF and interface initiative efforts. Upon further definition, and Government (MMERB) approval of the requirements, the BEA will be updated and submitted. The United States Air Force (USAF) is in compliance with Public Law 107-314, Section 1004, FY2003 DoD Authorization Act. (ADP system with a modernization cost of \$1M or more per year cannot obligate funds unless the Under Secretary of Defense (Comptroller) certifies that the system is developed and managed in accordance with the Department Business Management Modernization Plan (BMMP), and received proper certification from the Defense Business Management Modernization Committee (DMSMC).

890000

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Department of the Airforce Supply Management	Line Number: ABACUS			Software Externally Developed				
Element of Cost	FY 2005			FY 2006			FY 2007	
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
ABAUCS/ERP	1	200.000	200.000	1	239.000	239.000	1	0.000
Narrative Justification								

Automated Budget Analysis/Centralized User System (ABACUS)/ERP

## DESCRIPTION AND PURPOSE:

ABACUS is an automation tool the Air Force uses to build the Air Force Working Capital Fund (AFWCF) budget submission. ABACUS 3x, the enhancement intended to be more responsive to changing Air Force Working Capital Funds (AFWCF) business practices was deployed March 2005. This new architect serves as a solid foundation, flexible for future enhancements to meet changes in the AFWCF budget process. ABACUS is a Chief Financial Officer (CFO) compliant, on-line help, centralized system used to submit and report the AFWCF budget requirements.

## CURRENT DEFICIENCY AND/OR PROBLEM:

Current ABACUS is used to create and assemble budgets in a uniform manner. Changes that occur at higher levels cannot be distributed properly to lower levels. Changes to AFWCF procedures are not easily incorporated due to current system architecture and operating environment. The proposed changes and enhancements to ABACUS will fix these shortfalls.

## Impact if not provided:

AFWCF Supply Management Activity Group (SMAG) will be unable to provide timely and accurate processing data. For customers, this will lead to major funding shortfalls and excesses in execution and will undermine their ability to reliably project future requirements. In addition, SMAG budget submission will be ineffective in identifying resource requirements, providing the information and tools necessary for management decision making, and providing a valid basis for program execution.

## Economic Analysis:

An approved economic analysis is on file.

## Estimated Completion Data:

Development will be completed in FY06. System sustainment phase will start with FY07

690000

Fund 9C  
(Dollars in Millions)

Capital Budget Execution  
Air Force Working Capital Fund  
AF Supply Management Activity Group

Fiscal Year (FY) FY 2007 Budget Estimates  
February 2006

<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/ Deficiency</u>	<u>Explanation</u>
Equipment - ADPE and TELECOM							
FY05	KEYSTONE	-0.150		0.150	0.000	0.150	OSD(C) approved funds reprogrammed to AFKS/EDW Software

000070

<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/ Deficiency</u>	<u>Explanation</u>
<b>Software Development (Externally)</b>							
<b>FY05</b>	ABACUS	-0.217	0.217	0.417	0.200	0.217	OSD(C) approved \$217K reprogramming funds to ECSS & carryover to FY06.
	ECSS	38.800	18.200	18.200	18.200	-	OSD(C) approved \$18.2M reprogramming to ECSS & carryover to FY06. OSD ( C ) withdraw the remaining \$20.6M from \$38.8M internal transfer. In FY06, ECSS will be funded with RDT&E (3600) funds.
	EDW / AFKS	0.400		3.170	3.570	(0.400)	OSD(C) approved reprogramming funds source: Keystone (Hardware & Software).
	FIABS	-4.536	8.995	8.995	4.459	4.536	OSD(C) approved reprogramming to ECSS & carryover \$4.536M to FY06. In addition, OSD(C) approved carryover \$4.459M to FY06 for FIABS, due to BMMP certification process.
	KEYSTONE	-0.250	0.334	1.134	0.550	0.584	250K reprogrammed to AFKS/EDW (Software). In addition, OSD(C) approved reprogramming \$334K to ECSS & carryover to FY06.
	RSSP/CSWS-DE		2.340	3.140	3.140	-	OSD(C) approved carryover \$2.340M to FY06. Revision of requirements to reach Full Operational Capability.
	Legacy Systems Modernization						
	MP&E	-6.251	6.251	6.251	0.000	6.251	OSD(C) approved reprogramming to ECSS & carryover \$6.251M to FY06.
	RMS	-9.719	9.719	9.719	0.000	9.719	OSD(C) approved reprogramming to ECSS & carryover \$9.719M to FY06.
	SCS	-17.318	17.318	17.318	0.000	17.318	OSD(C) approved reprogramming to ECSS & carryover \$17.318M to FY06.
	EXPRESS	-0.425	0.425	0.425	0.000	0.425	OSD(C) approved reprogramming to ECSS & carryover \$425K to FY06.
<b>FY06</b>	ABACUS	0.028		0.211	0.239	(0.028)	Additional requirements needed.
	ECSS			29.028	0.000	29.028	Starting FY06, ECSS will be funded with RDT&E (3600) funds. OSD ( C ) withdraw the \$29M from ECSS project. Remaining 28K reprogrammed to ABACUS.
<b>FY07</b>	Keystone	-0.049		1.211	1.162	0.049	Requirements not needed.
	ECSS			28.051	0.000	28.051	Starting FY06, ECSS will be funded with RDT&E (3600) funds. OSD ( C ) withdraw the \$28.1M from ECSS project.

000071

Fund 9A  
Dollars In Millions

Capital Investment Summary  
AF Depot Maintenance Activity Group  
DMAG Pentagon

Line Number	Item Description	FY 2005		FY 2006		FY 2007	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Weapon System Sustainment	1	13.919	1	19.000	1	49.801
	Test	1	4.858	1	42.600	1	27.081
	EQUIPMENT		18.777		61.600		76.882
	DEPOT MAINTENANCE TRANSFORMATION (DMT)		0.000	1	115.300	1	78.100
	ADPE & TELECOM	1	0.000	1	6.700	1	7.450
	SOFTWARE DEVELOPMENT	1	4.208	1	3.600	1	3.750
	MINOR CONSTRUCTION	1	4.859	1	5.000	1	8.445
	TOTAL	5	27.844	6	192.200	6	174.627

000072

Working Version

Department of the Airforce Depot Maintenance	Line Number: Weapon System Sustainment						Replacement		Activity Identification HQ AFMC - ALC			
Element of Cost	FY 2005			FY 2006			FY 2007					
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost			
Weapon System Sustainment	1	13.919	13.919	1	19,000.000	19,000.000	1	49,801.010	49,801.010			

**Narrative Justification:**

This capability (DoD 7000.14-R) represents an array of WSS capital equipment investment requirements that aligns with the Air Force's overall strategic objectives for sustaining depot facilities and equipment. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeable, or other Depot mission and are designed, scheduled, and installed in accordance with established Air Logistic or Aerospace Maintenance and Regeneration Center processes and priorities. WSS projects support the depot maintenance mission requirements to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. Each piece of equipment will contribute to improving inherent industrial processes, such as cleaning, coating, bonding, grinding, forming or similar industrial operation. The equipment when replaced, upgraded, integrated, or combined into depot industrial operations will improve efficiency and personnel safety, support hazardous waste minimization and pollution prevention efforts, enhance product quality and increase customer satisfaction in performing the Air Force maintenance mission. Time criticality of projects to accommodate new or emerging workload requirements and produce an acceptable end state is a critical factor in depot operations. As such, program and execution flexibility within this line is essential as equipment requirements may change throughout the year. Supporting documentation and project justification are certified and maintained on file by HQ AFMC, including; when appropriate, economic analyses (EA) in accordance with DoDI 7041.3, AFI 65-501 and AFMAN 65-506.

**Impact if not provided:**

would be unable to provide reliable, cost-effective and timely depot support services and products to operational forces around the world. Depots would be unable to accommodate new workload requirements and produce acceptable end state products. AFMC depot infrastructure would deteriorate and become unproductive. AFMC's ability to execute capital budgets in support of mission objectives would be severely hampered. Without these capital improvements, needed equipment replacement/upgrades will not be completed. These investments are key to ensuring AFMC depots remain competitive and provide combat mission support.

000073

Department of the Airforce Depot Maintenance	Line Number: Replacement Test						Activity Identification HQ AFMC - ALC					
	FY 2005			FY 2006			FY 2007					
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost			
Test	1	4,858	4,858	1	42,600.000	42,600.000	1	27,081.000	27,081.000			

**Narrative Justification:**

This capability (DoDI 7000.14-R) includes an array of Test equipment purchases that aligns with the Air Force's overall strategic objectives for sustaining depot facilities and equipment. Projects are test and inspection related equipment and are designed, scheduled, and installed in accordance with established Air Logistic or Aerospace Maintenance and Regeneration Center processes and priorities. Test equipment projects support the depot maintenance mission requirement to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. Each piece of equipment will contribute to improving inherent industrial processes, such as testing, and inspecting complex weapon system components, systems and sub-systems. The equipment when replaced, upgraded, integrated, or combined into depot industrial operations will improve efficiency and personnel safety, support hazardous waste minimization and pollution prevention efforts, enhance product quality and increase customer satisfaction in performing the Air Force maintenance mission. Time criticality of projects to accommodate new or emerging workload requirements and produce an acceptable end state is a critical factor in depot operations. As such, program and execution flexibility within this line is essential as equipment requirements may change throughout the year. Supporting documentation and project justification are certified and maintained on file by HQ AFMC, including; when appropriate, economic analyses (EA) in accordance with DoDI 7041.3, AFI 65-501 and AFMAN 65-506.

**Impact if not provided:**

The flexibility to provide equipment purchases to meet mission objectives would be severely hampered. The Air Force would not be as productive and the modernization of Depots would impact the ability to support DoD/AF and AFMC logistics strategic plans. Without these capital improvements, much needed equipment replacement and upgrades will not be made. The Depots modernization must have the upgraded infrastructure in place to operate and be able to support the Air Expeditionary Forces in the 21<sup>st</sup> Century vision. This is a key investment to allow our depots to remain competitive and most importantly to support the Agile Combat mission.

000074

## Working Version

Department of the Airforce Depot Maintenance	Line Number: ADPE & Telecom Resources ADPE						Activity Identification HQ AFMC - ALC					
Element of Cost	FY 2005			FY 2006			FY 2007					
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost			
ADPE	1	0.000	0.000	1	6,700.000	6,700.000	1	7,450.000	7,450.000			

## Narrative Justification

**Narrative Justification:**

This project is to upgrade the infrastructure necessary to support the Depot Maintenance Accounting and Production System (DMAPS), and the modernized depot maintenance legacy systems. The funds are linked to two programs, as they can not be separately identified. Both efforts will share the same infrastructure. All the fiber optics, computers, and equipment will be jointly used, making it impossible to locate the cost separately to each project. This effort is to upgrade the fiber optics, routers, and infrastructure items running to buildings that will implement an XP (operating system) network. Additionally, these funds will be used for personal computer upgrades and operating software. The benefit of this project is that it meets the desired goals of the Department of Defense (DoD) driving specific modernization directed for DoD logistics information. This is according to the logistics strategic plan from the Deputy Under Secretary of Defense (Logistics). To accomplish these goals, further definition has been provided by the defense information infrastructure (DII) master plan, dated 23 April 1997, and the DII shared data environment (SHADE) capstone document. The current infrastructure at the air logistics centers will not support these applications. The infrastructure upgrades are a multi-year project being phased through FY2011. The system so far included, \$16.386M in FY97, \$3.775M in FY98, \$12.479M in FY99, \$19.80M in FY00, \$9.49M in FY01, and \$12M in FY02. The total amount spent to date on ADPE is \$93.85M. Future funding plan includes \$6.7M in FY08, \$7.45M in FY09, \$7.45M in FY10, and \$7.45M in FY11. These funds are needed to ensure the projected infrastructure upgrades are accomplished to support DMAPS. They are coordinated with release of software for DMAPS and the legacy modernization efforts. An economic analysis is not available for this work. A waiver has been approved since this investment is necessary to support initiatives being directed by higher headquarters.

**Impact if not provided:** The Air Force would be unsuccessful in the implementation of DMAPS and the modernization of legacy systems that would impact the ability to support DoD logistics strategic plans. Without this improvement, much needed infrastructure improvements will not be made. The modernized software must have the upgraded infrastructure in place to operate. This is a key investment to allow our depots to remain competitive.

000075

Working Version

Department of the Airforce Depot Maintenance	Line Number: Software						Internally Developed						Activity Identification HQ AFMC - ALC		
	FY 2005			FY 2006			FY 2007								
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost						
Software	1	4,208	4,208	1	3,600,000	3,600,000	1	3,750,000	3,750,000						

**Narrative Justification:** The Depot Maintenance Accounting and Production System supports the multi-billion dollar organic depot maintenance functional area at the three Air Logistics Centers. Organic depot maintenance repairs systems and spare parts ensure readiness in peacetime and provide sustainment for combat forces in wartime. DMAPS provides better management information, and a standardized material and financial management system. To provide efficient cost for common systems across the Department of Defense, the DMAPS Program uses a suite of existing Government-Off-The-Shelf data systems, (also used by the Navy and Marine Corps) Defense Industrial Financial Management System, Naval Air Systems Command Industrial Material Management System, Automated Bill of Material, and Time and Attendance. To integrate these systems with the Legacy environment and eliminate over 200 interfaces, DMAPS includes the Air Force Materiel Command Integration Engine. Production deployment was completed during FY03 at all Air Logistics Centers, where over 22,000 employees use DMAPS to transact daily business. Finance deployment was completed in Oct 2003, when nine Legacy DM systems were shut down. Material deployment is now complete (FY04) while Tech Refresh is under way and will be completed by the end of FY04. With implementation of DMAPS, the Air Force has an integrated suite of systems for functional support to depot maintenance. The continued capital investment program supporting this quantum leap in capability provides for:

- Move closer to full compliance with the emerging, mandated architectural enhancements, such as the Global Combat Support System - Air Force and the Logistics Enterprise Architecture. This includes moving towards the use of the Air Force Knowledge Services (AFKS).
- Continue program leadership for program and acquisition management, program control, functional expertise (material, financial, production), configuration management, technical/engineering support, business management, and compliance. The above program profile includes inflation growth for this support.
- Pursue additional Legacy DM replacements, and reduced operating cost, by absorbing functionality within DMAPS.

**Impact if not provided:**

DMAPS Development/Implementation: Without the funding, DMAPS would not be able proceed with the mandated action to move toward GCSS-AF compliance nor would DMAPS be able pursue Air Force Portal access for all the capabilities. Also, without this funding the AFKS activities to make the DMAPS data available through AFKS through the rest of the enterprise would be delayed if not prohibited due to lack of funding for this effort. Depot Maintenance management will be adversely affected, (i.e., reduced ability to use actual labor hour accounting for product costing).

000076

Working Version

Department of the Airforce Depot Maintenance	Line Number: Minor Construction						Activity Identification HQ AFMC - ALC					
	FY 2005			FY 2006			FY 2007					
Element of Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost			
Minor Construction	1	4.859	4.859	1	5,000.000	5,000.000	1	8,445.000	8,445.000			

## Narrative Justification

**Narrative Justification:**

This category includes an array of minor construction projects that allows flexibility in adapting to new and changing workloads. Projects are small scale (costing between \$100,000 and \$750,000) and are designed, scheduled, and constructed in accordance with Air Logistic Centers' established priorities. These projects support the depot maintenance mission requirements, correct safety and health problems; improve productivity through quality of life improvement projects and support office and work space reorganizations. These projects also provide construction required to install needed mission essential equipment.

**Impact if not provided:**

The flexibility to provide minor construction to meet mission objectives would be severely hampered.

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Fiscal Year (FY) 2007 President's Budget (PB)  
Department of the Air Force  
Depot Maintenance (Dollars in Millions)

February 2006

Line Number	FY	Approved Project	PB	Approved Reprogramming	Internal Transfers	Carryover	Approved Project Cost	Current Project Cost	Asset / Deficient	Explanation
	05	<b>Equipment: \$1,000,000 and over - Total</b>	<b>46.102</b>	<b>0.000</b>	<b>-8.143</b>	<b>15.902</b>	<b>44.152</b>	<b>44.152</b>	<b>0.000</b>	
E02G01	05	F-16 Aircraft Avionics Digital T/S	3.773	0.000	-0.750	0.000	3.023	3.023	0.000	Reprogrammed in FY05
E05G23	05	Hydraulic Test Equip for GTE	1.500	0.000	-1.500	0.000	0.000	0.000	0.000	Reprogrammed in FY05
E05G25	05	Electrical Cable Test Set (ECTS)	2.200	0.000	-2.200	0.000	0.000	0.000	0.000	Reprogrammed in FY05
E05H08	05	Eddy Current Inspect System (ECIS)	1.900	0.000	0.000	0.000	1.900	1.900	0.000	
E02H58	05	AFATS Software/Hardware Upgrade	2.800	0.000	0.000	0.000	2.800	2.800	0.000	
E05H11	05	Compact Radome Range Equipment	5.700	0.000	-5.700	0.000	0.000	0.000	0.000	Reprogrammed in FY05
E05H10	05	Pacer Comet III Test Cell Auto System	9.000	0.000	0.000	0.000	9.000	9.000	0.000	
E05H16	05	Heat Treat Addition Cooling Water Sys., B3001	1.850	0.000	-1.850	0.000	0.000	0.000	0.000	Reprogrammed in FY05
E05L16	05	Upgrade Avionics Lab to ADCP	3.045	0.000	0.000	0.000	3.045	3.045	0.000	Plan reprogramming project to FY06 - reprioritization
E05L19	05	Upgrade Avionics Lab to PACS-45	3.045	0.000	0.000	0.000	3.045	3.045	0.000	
E05L17	05	HP3075 Series III Digital Test Sta	5.464	0.000	0.000	0.000	5.464	5.464	0.000	Plan reprogramming of \$5.1M; project cost decrease
E05L18	05	Antenna Ranges	4.500	0.000	-4.500	0.000	0.000	0.000	0.000	Reprogrammed in FY05
E06H01	05	Oxygen Regulator Stand	0.000	0.000	1.105	1.105	1.105	1.105	0.000	Reprogrammed in FY05
H4M2G2	05	Oxygen Regulator Stand Phase 2&3	0.000	0.000	2.298	2.298	2.298	2.298	0.000	Reprogrammed in FY05
H415G7	05	Large Electronic Beam Welder	0.000	0.000	1.400	1.400	1.400	1.400	0.000	Reprogrammed in FY05
G155G4	05	Paint Booth Equip (Down Draft)	0.400	0.000	1.204	1.604	1.604	1.604	0.000	Reprogrammed in FY05
H23PG2	05	Material & part Storage Retrieval System	0.925	0.000	0.350	1.275	1.275	1.275	0.000	reprogrammed in FY05
H2PPG2	05	B-52 Workstands	0.000	0.000	2.000	2.000	2.000	2.000	0.000	Reprogrammed in FY05
L48FG1	05	Wrap Around Tail Stands	0.000	0.000	0.000	1.500	1.500	1.500	0.000	
L45PG1	05	Machine Shop CNC	0.000	0.000	0.000	3.128	3.101	3.101	0.000	
G1110C	05	Replace Cadmium Line	0.000	0.000	0.000	1.592	1.592	1.592	0.000	
EF0000	05	<b>* \$500,000 to \$999,999.99</b>	<b>2.865</b>	<b>0.000</b>	<b>-0.365</b>	<b>2.000</b>	<b>2.500</b>	<b>2.500</b>	<b>0.000</b>	
G14G8	05	5 Axis Router Upgrade	0.780	0.000	-0.780	0.000	0.000	0.000	0.000	reprogrammed in FY05
EF5G39	05	CNC 2200 Watt Laser Center	0.850	0.000	-0.850	0.000	0.000	0.000	0.000	reprogrammed in FY05
EF5L20	05	ARC-164 - Replacement	0.735	0.000	-0.735	0.000	0.000	0.000	0.000	reprogrammed in FY05
E01G03	05	BRAT / MADTS Tester Program Ph 3 of 3	0.500	0.000	0.000	0.000	0.500	0.500	0.000	
	05	TCM Software Modification	0.000	0.000	0.000	0.000	0.000	0.000	0.000	Awaiting internal reprogramming
	05	F-15 Coolant Stand	0.000	0.000	0.700	0.700	0.700	0.700	0.000	reprogrammed in FY05
	05	Equipment Support Extension	0.000	0.000	0.500	0.500	0.500	0.500	0.000	Reprogrammed in FY05
	05	AMT Centrifuge Upgrade	0.000	0.000	0.800	0.800	0.800	0.800	0.000	reprogrammed in FY05
E99999	05	<b>* \$100,000 to \$499,999.99</b>	<b>3.090</b>	<b>0.000</b>	<b>0.123</b>	<b>0.875</b>	<b>3.213</b>	<b>3.213</b>	<b>0.000</b>	
G22G61	05	Rebuild Cylindrical Grinder	0.475	0.000	-0.475	0.000	0.000	0.000	0.000	Plan to re-program in FY05 to fund G22NG1
G155G0	05	Liquid Chromatography Mass	0.325	0.000	0.000	0.000	0.325	0.325	0.000	Plan to re-program in FY05 to fund G155M5 estimate of \$.730
G15HG7	05	Scanning Electron Microscope	0.290	0.000	-0.290	0.000	0.000	0.000	0.000	Plan to re-program in FY05 to fund G22NG1
G23DG1	05	C-130 Paint Booth Man Lifts	0.350	0.000	-0.350	0.000	0.000	0.000	0.000	Plan to re-program in FY05 to fund G412G1
G316G1	05	Waterjet Cutter Demilitarization Booth	0.270	0.000	-0.093	0.000	0.177	0.177	0.000	
H04JW1	05	CNC 4Axis Lathe	0.495	0.000	0.000	0.000	0.495	0.495	0.000	
	05	Jig Bore	0.310	0.000	-0.310	0.000	0.000	0.000	0.000	
	05	Hydraulic Test Stand (Valve Housing)	0.290	0.000	-0.290	0.000	0.000	0.000	0.000	Plan reprogramming
	05	Hone	0.285	0.000	-0.285	0.000	0.000	0.000	0.000	Plan reprogramming; project moved to FY06 as part of capability requirement
	05	Flexible Automatic Circuit Tester (FACT)	0.000	0.000	0.150	0.150	0.150	0.150	0.000	Reprogrammed in FY05
	05	Automatic Assembly Station	0.000	0.000	0.325	0.325	0.325	0.325	0.000	Reprogrammed in FY05
	05	Printing Wiring Board CNC Drill/Router	0.000	0.000	0.155	0.155	0.155	0.155	0.000	Reprogrammed in FY05
	05	Central Vacuum Sys Bldg 3705	0.000	0.000	0.245	0.245	0.245	0.245	0.000	Reprogrammed in FY05
	05	Trace Metals Analysis Sys (TMAS)	0.000	0.000	0.150	0.000	0.150	0.150	0.000	Reprogrammed in FY05
	05	Volatile Organic Compound AnL Sys (VOCAS)	0.000	0.000	0.140	0.000	0.140	0.140	0.000	Reprogrammed in FY05
	05	Aircraft Deicer Truck	0.000	0.000	0.250	0.000	0.250	0.250	0.000	Reprogrammed in FY05
	05	Computer Aided Electronic Design Sys	0.000	0.000	0.476	0.000	0.476	0.476	0.000	Reprogrammed in FY05
	05	CNC Mill (explosion proof)	0.000	0.000	0.325	0.000	0.325	0.325	0.000	Reprogrammed in FY05
	05	<b>ADPE &amp; Telecommunication Equipment</b>	<b>7.450</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>7.450</b>	<b>7.450</b>	<b>0.000</b>	
A96001	05	DMAPS/Legacy System Modernization	7.450	0.000	0.000	0.000	7.450	7.450	0.000	
	05	<b>Software Development (Internally)</b>	<b>6.600</b>	<b>0.000</b>	<b>0.000</b>	<b>4.208</b>	<b>6.600</b>	<b>6.600</b>	<b>0.000</b>	
S97002	05	DMAPS Development/Implementation	6.600	0.000	0.000	4.208	6.600	6.600	0.000	

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Fiscal Year (FY) 2007 President's Budget (PB)  
Department of the Air Force  
Depot Maintenance (Dollars in Millions)

February 2006

Line Number	FY	Approved Project	PB	Approved Reprogramming	Internal Transfers	Carryover	Approved Project Cost	Current Project Cost	Asset / Deficient	Explanation
M00000	05	Minor Construction	3.403	0.000	8.385	4.859	5.884	5.884	0.000	
G155M5	05	Construct Paint Facility	0.480	0.000	0.270	0.750	0.750	0.750	0.000	Plan to re-program in FY05 to fund estimate of \$.730
G134M1	05	Age Equipment Storage	0.480	0.000	-0.480	0.000	0.000	0.000	0.000	reprogrammed in FY05
G211C2	05	Upgrade Painting Capabilities 216	0.480	0.000	0.188	0.668	0.668	0.668	0.000	Plan to re-program in FY05 to fund estimate of \$.695, now equipment
L9M298	05	Const Mat'l Storage, C-130 (New Fac, B-120)	0.390	0.000	0.310	0.700	0.700	0.700	0.000	Plan reprogramming; project cost increase to 700K
	05	Construct WSSC Office	0.700	0.000	0.000	0.000	0.700	0.700	0.000	
H23DM1	05	B-52 Radome Range Facility	0.548	0.000	-0.548	0.000	0.000	0.000	0.000	reprogrammed in FY05
	05	Spraylat Storage Facility - Minor Construction	0.325	0.000	0.000	0.000	0.325	0.325	0.000	
G412M1	05	Add Extension Bldg 265	0.000	0.000	0.746	0.746	0.746	0.746	0.000	reprogrammed in FY05
		Add B50 Locker Room	0.000	0.000	0.000	0.495	0.495	0.495	0.000	
		Addition to Bldg 204	0.000	0.000	0.000	0.750	0.750	0.750	0.000	
		Ground Power Generator Test Facility Bldg 843X	0.000	0.000	0.000	0.750	0.750	0.750	0.000	
		Various	0.000	0.000	7.899	0.000	0.000	0.000	0.000	
05	TOTAL		69.510	0.000	0.000	27.844	69.799	69.799	0.000	

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Activity Group Capital Investment Summary  
Component: United States Transportation Command  
Activity Group: Transportation  
Date: February 2006  
(\$ in Millions)

Line Number	Item Description	FY 05		FY 06		FY 07	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
A.	Equipment						
A(1)	Replacement						
	Autonomous Landing Guidance - CMD		\$0.0		\$4.5		\$3.6
	Opportune Landing System - CMD		\$0.0		2.2		
	Tamping Machine - SDDC		\$0.0				
	Various Non-ADPE replacement items - AMC		\$0.2		\$2.4		\$2.4
	Various equipment for safety/operations - SDDC				\$1.0		\$0.0
A(2)	Productivity		\$0.0		\$0.0		\$0.0
A(3)	New Mission		\$0.0		\$0.0		\$0.0
A(4)	Environmental Compliance		\$0.0		\$0.0		\$0.0
	Subtotal		\$0.2		\$10.1		\$6.0
B.	ADPE & Telecomm						
	Agile Transportation, 21st Century (AT21) - CMD		\$0.0		\$0.7		\$0.0
	Automated Identification Technology (AIT) - SDDC		\$0.9		\$1.2		\$1.3
	Automated Trans Data (AUTOSTRAD) 2000 - SDDC		\$3.0		\$4.4		\$4.1
	Cargo and Billing System (CAB) - SDDC		\$0.0		\$0.1		\$0.0
	Consolidated Air Mobility Plan Sys (CAMPS) - AMC		\$0.2		\$1.8		\$0.2
	Defend Systems & Networks (IA) - CMD		\$0.3		\$0.3		\$0.3
	Def Enterprise Acctg & Mgmt Sys (DEAMS) - CMD		\$0.0		\$3.0		\$0.0
	Defense Personal Property System (DPS) - SDDC		\$0.9		\$0.1		\$0.0
	Global Air Trans Execution Sys (GATES) - AMC		\$2.0		\$4.5		\$0.2
	Global Decision Support System (GDSS) - AMC		\$5.1		\$1.5		\$0.0
	Global Surface Distribution Mgmt (GSDM) - SDDC		\$2.9		\$2.4		\$3.8
	Global Transportation Network (GTN) - CMD		\$1.4		\$1.9		\$0.1
	Global Trans Network 21 Century (GTN 21) - CMD		\$1.6		\$0.0		\$0.0
	Infostructure - CMD		\$12.2		\$14.2		\$16.8
	Integrated Command, Control, Comm (IC3) - MSC		\$1.2		\$2.0		\$1.8
	Int Computerized Deploy System (ICODES) - SDDC		\$0.0		\$0.2		\$0.2
	Intelligent Road/Rail Information Server (IRRIS) - SDDC		\$0.0		\$0.0		\$0.2
	Joint Mobility Control Group (JMCG) - CMD		\$0.0		\$0.0		\$0.0
	Local Area Network (USTRANSCOM LAN) - CMD		\$3.0		\$12.0		\$16.7
	Objective Wing Command Post (OWCP) - AMC		\$1.0		\$0.0		\$0.0
	Situational Awareness (IA) - CMD		\$0.0		\$0.1		\$0.0
	Theater Deployable Comm (TDC) - AMC		\$1.7		\$4.2		\$2.0
	Wing Local Area Network (Wing LAN) - AMC		\$5.0		\$6.9		\$6.2
	Worldwide Port Systems (WPS) - SDDC		\$0.6		\$0.5		\$0.7
	Subtotal		\$43.0		\$62.0		\$54.6
C.	Software Development (Internally Developed)						
	Subtotal		\$0.0		\$0.0		\$0.0
D.	Software Development (Externally Developed)						
	Advanced Computer Flight Plan (ACFP) - AMC		\$3.4		\$0.1		\$0.1
	Aerial Port of Debarkation (APOD) - CMD		\$0.2		\$0.0		\$0.0
	Agile Transportation, 21st Century (AT21) - CMD		\$0.0		\$8.2		\$8.9
	Airlift Svc Ind Funds Integ Comp Ser (ASIFICS) - AMC		\$0.7		\$0.0		\$0.0
	Analysis of Mobility Platform (AMP) - CMD		\$2.0		\$2.6		\$2.8
	Automated Identification Technology (AIT) - SDDC		\$1.0		\$1.5		\$1.4
	Automated Trans Data (AUTOSTRAD) 2000 - SDDC		\$2.0		\$2.6		\$2.5
	Cargo and Billing System (CAB) - SDDC		\$0.5		\$0.5		\$0.6

Activity Group Capital Investment Summary  
Component: United States Transportation Command  
Activity Group: Transportation  
Date: February 2006  
(\$ in Millions)

Line Number	Item Description	FY 05		FY 06		FY 07	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Commercial Ops Integ Sys (COINS) - AMC		\$0.3		\$0.0		\$0.0
	Consolidated Air Mobility Plan Sys (CAMPS) - AMC		\$5.1		\$1.8		\$3.1
	CONUS Freight Management (CFM) - SDDC		\$0.0		\$1.1		\$1.2
	Core Automated Maintenance Sys (CAMS) - AMC		\$2.9		\$2.9		\$3.0
	Corporate Data Solution (CDS) - CMD		\$1.0		\$5.7		\$8.1
	Corporate Environment (CE) - MSC		\$3.3		\$3.5		\$4.0
	Customs - CMD		\$0.8		\$1.2		\$0.5
	Def Sys/Prot Info/Sit Aware/Transfm,Enable (IA) - CMD		\$2.6		\$2.6		\$2.4
	Def Enterprise Acctg & Mgmt Sys (DEAMS) - CMD		\$0.0		\$6.1		\$9.2
	Defense Personal Property System (DPS) - SDDC		\$6.6		\$2.5		\$1.1
	E-Commerce/E-Data Interchange (EC/EDI) - MSC		\$0.5		\$0.5		\$0.5
	Financial Management System (FMS) - MSC		\$0.5		\$0.9		\$1.1
	Global Air Trans Exec Sys (GATES) - AMC		\$9.8		\$10.0		\$8.6
	Global Decision Support System (GDSS) - AMC		\$15.9		\$12.0		\$18.7
	Global Surface Distribution Mgmt (GSDM) - SDDC		\$1.3		\$1.0		\$1.3
	Global Trans Network 21st (GTN 21)/GTN - CMD		\$23.6		\$10.5		\$1.7
	Groups Operational Passenger Sys (GOPAX) - SDDC		\$0.5		\$0.4		\$0.0
	Infrastructure - CMD		\$0.7		\$4.1		\$7.5
	Integrated Booking Systems (IBS) - SDDC		\$2.0		\$2.5		\$2.8
	Integrated Command, Control, Comm (IC3) - MSC		\$2.0		\$1.4		\$3.0
	Int Computerized Deploy System (ICODES) - SDDC		\$0.3		\$0.3		\$0.3
	Intelligent Road/Rail Information Server (IRRIS) - SDDC		\$1.6		\$2.9		\$1.6
	Joint Flow & Analysis Sys for Trans (JFAST) - CMD		\$1.9		\$3.8		\$2.4
	Joint Mobility Control Group (JMCG) - CMD		\$0.9		\$1.5		\$0.2
	L-Band Satellite Communications (SATCOM) - AMC		\$0.0		\$0.3		\$0.6
	Local Area Network (USTRANSCOM LAN) - CMD		\$1.1		\$1.7		\$1.4
	Logbook - CMD		\$0.5		\$1.0		\$0.9
	Single Mobility System (SMS) - CMD		\$1.2		\$2.1		\$0.6
	System Integration - AMC		\$8.2		\$14.3		\$15.8
	Trans Financial Mgmt System (TFMS) - CMD		\$0.6		\$0.0		\$0.0
	Worldwide Port System (WPS) - SDDC		\$1.7		\$3.1		\$3.1
	Subtotal		\$107.2		\$117.2		\$121.0
E.	Minor Construction						
	Minor Construction - AMC		\$9.0		\$10.0		\$10.5
	Minor Construction-DCD		\$0.0		\$0.3		\$0.3
	Minor Construction - SDDC		\$3.6		\$1.1		\$1.0
	Subtotal		\$12.6		\$11.4		\$11.8
	Grand Total		\$163.0		\$200.7		\$193.4
	Total Capital Outlays	0	\$172.0	0	\$181.8	0	\$190.1
	Total Depreciation Expense	0	\$217.9	0	\$225.1	0	\$240.3

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Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Equipment - USTRANSCOM			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement			\$0.0			\$6,730.0			\$3,550.0
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$6,730.0			\$3,550.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$6,730.0			\$3,550.0
Narrative Justification:									

Description: Funds are used to support Base Procured Investment Equipment items for flightline maintenance. FY06 and FY07 funds are for Autonomous Landing Guidance (ALG) and Opportune Landing System (OLS).

Mission Benefits: Fully funded ALG provides the capability to enable zero-zero visibility approach and landing into marked airfields, thus providing fighter support in austere/anti-access environments. ALG supports the capability to rapidly deliver equipment and supplies to the war fighter. OLS develops a portable system that can identify landing zones from satellite imagery to determine the security of a landing site for arrival and through operations without use of a pre-coordinated survey or on-site, ground party analysis. OLS allows more efficient operations in forward areas as well as more effective combat utility in adverse weather and low visibility operations.

Economic Analysis: N/A

Impact: Lack of funding for ALG continues reliance on ground-based equipment and personnel. Lack of funding for OLS continues our dependency on Advance-Team Site Surveys/preps.

Software: N/A

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Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Equipment - USTRANSCOM			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement			\$0.0			\$6,730.0			\$3,550.0
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$6,730.0			\$3,550.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$6,730.0			\$3,550.0
Narrative Justification:									
<p>Description: Funds are used to support Base Procured Investment Equipment items for flightline maintenance. FY06 and FY07 funds are for Autonomous Landing Guidance (ALG) and Opportune Landing System (OLS).</p> <p>Mission Benefits: Fully funded ALG provides the capability to enable zero-zero visibility approach and landing into marked airfields, thus providing fighter support in austere/anti-access environments. ALG supports the capability to rapidly deliver equipment and supplies to the war fighter. OLS develops a portable system that can identify landing zones from satellite imagery to determine the security of a landing site for arrival and through operations without use of a pre-coordinated survey or on-site, ground party analysis. OLS allows more efficient operations in forward areas as well as more effective combat utility in adverse weather and low visibility operations.</p> <p>Economic Analysis: N/A</p> <p>Impact: Lack of funding for ALG continues reliance on ground-based equipment and personnel. Lack of funding for OLS continues our dependency on Advance-Team Site Surveys/preps.</p> <p>Software: N/A</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Materiel Handling and Equipment (MHE)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement			\$0.0			\$1,000.0			\$0.0
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$1,000.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$1,000.0			\$0.0
Narrative Justification:									

Description: The Military Ocean Terminal Sunny Point (MOTSU) is the premier Department of Defense (DoD) ammunition terminal and is considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders (CDRs) around the world. It is relied upon to maintain a high optempo consisting of ammunition resupply mission and preposition (prepo) operations.

Mission Benefits: Various types and categories of equipment are needed for operations and safety. Equipment is scheduled for periodic replacement as service lives are reached and equipment becomes uneconomical to repair.

\*NOTE: FY05 MHE execution (\$531K) was recorded correctly in SDDCs financial management system, but due to a system error, execution was erroneously reported on the Working Capital Fund Statement of Financial Position 1307 Report as Minor Construction.

In FY05 a tamping machine was purchased which was vital to the mission to meet Federal Rail Administration (FRA) standards. In FY06 various types of equipment for safety and operations will be purchased to meet safety standards and operational requirements.

Impact: Failure to fund will adversely impact SDDCs ability to meet safety standards and support the warfighters.

000084

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Equipment-AMC			D. Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement			\$221.0			\$2,400.0			\$2,400.0
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$221.0			\$2,400.0			\$2,400.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$221.0			\$2,400.0			\$2,400.0
Narrative Justification:									
<p>Description: Funds are used to support Base Procured Investment Equipment items for flight line maintenance.</p> <p>Mission Benefits: Funds allow for the procurement of one time purchases from the bases to replace/procure new equipment.</p> <p>Economic Analysis: Not applicable.</p> <p>Impact: Without these funds, would not be able to procure needed replacement items. These funds are normally required at the bases to support one-time requirements for equipment items that are becoming obsolete and logistically unsupportable. With a certified EA, it is verified that that these capital items meet the requirement as replacement items and result in improved efficiency and capability. Also, with the new regulation regarding decentralization of vehicles and support equipment being implemented, TWCF funding will be required to procure these items at TWCF bases.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Advanced Computer Flight Plan (ACFP)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$3,390.0			\$137.0			\$138.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$3,390.0			\$137.0			\$138.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$3,390.0			\$137.0			\$138.0
Narrative Justification:									
<p>Description: The Advanced Computer Flight Planning (ACFP) program supports the capability to rapidly produce the volume of flight plans required by the centralized flight planning and flight management functions within the Tanker Airlift Control Center (TACC). The program provides for automatic generation of routes based upon payload and time constraints. ACFP resides on Virtual Address Extension (VAX) Open Virtual Memory System (VMS) servers located at Scott AFB, IL. ACFP software is based upon a commercial off-the-shelf (COTS) flight planning engine. ACFP runs on both the non-classified Internet Protocol Network and on classified connection to the TACC. Analysis continues with support from the Electronic Systems Center (ESC) on future migration to the Joint Mission Planning System (JMPS).</p> <p>Mission Benefits: ACFP provides foundation flight planning capabilities for inclusion in the Air Force (AF) flight planning systems. It also reduces the risk of flight planning/management failure by running on modern hardware, operating systems, and databases. It provides common interface to all Headquarters Air Mobility Command (HQ AMC) Command and Control (C2) systems requiring flight plan generation.</p> <p>Economic Analysis: Sustainment Review was certified 20 Dec 05.</p> <p>Impact: Operational impact if not funded will be the potential failure of HQ AMCs and United States Transportation Commands (USTRANSCOMs) premiere flight planning system that provides wind-optimized routes of flight to the warfighter. Without this capability, the flight managers will not be able to centrally file/dispatch flight plans for the thousands of Mobility Air Force missions. Also, there will be an increased risk of information security threats to the system, as there are no software updates/patches being published for this antiquated operating system.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Aerial Port of Debarkation (APOD)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design			\$196.0			\$0.0			\$0.0
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$196.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$196.0			\$0.0			\$0.0
Narrative Justification:									

**Description:** Aerial Port of Debarkation (APOD) model is an analysis and decision support tool used to analyze an APOD or enroute airfield in order to maximize the throughput with the minimum amount of transportation enablers (forklifts, fuels trucks, etc.) for the United States Transportation Command (USTRANSCOM) peacetime and wartime missions.

**Mission Benefits:** This modeling and simulation system, along with the Analysis of Mobility Platform (AMP) and the Joint Flow and Analysis System for Transportation (JFAST), provides integrated, authoritative modeling, simulation, and analysis tools for effective and efficient warfighter power projection and sustainment planning, operations, and training.

**Economic Analysis:** Certified 20 Dec 05.

**Impact:** Without this investment, USTRANSCOM will be unable to provide a Modeling and Simulation environment of interoperable, collaborative models and execution systems capable of providing accurate and consistent answers at the required breadth and depth of the Defense Transportation System (DTS) problem space.

**Software:** N/A

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Agile Transportation for the 21st Century (AT21)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware						\$714.0			
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$714.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$0.0			\$8,252.0			\$8,860.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$8,252.0			\$8,860.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$8,966.0			\$8,860.0
Narrative Justification:									
<p>Description: Agile Transportation for the 21st Century (AT21) will optimize controlled transportation processes by employing advanced, globally networked tools and techniques in every echelon of the Defense Distribution Process (DDP). It incorporates three functional areas: process control, data visualization, and optimization. Advanced customer interfaces will amplify Commanders understanding of transportation bridge constraints and accelerate optimal development and execution of force deployment and sustainment requirements.</p> <p>Mission Benefits: AT21 will: (1) provide the capability to channel constrained requirements through a mode optimization tool that compiles and analyzes scheduling decision information (modal assets, weather, particular routing information, infrastructure data, etc.); (2) provide the capability to prudently allocate qualified movement requirements to sea or land transport in order to increase the availability of scarce airlift assets, reduce costs, and optimize mission critical movement requirements; and (3) provide the capability to synchronize and optimize many DDP functions through unit level execution. AT21 provides: (1) management of the DDP more effectively and efficiently in both peacetime and contingencies; (2) utilization optimization of transportation assets through knowledge-based mode selection and scheduling; (3) continuous visibility into asset management processes; (4) early customer notification of changes due to the dynamics of bottlenecks, missed transfers, and work-arounds; (5) reduced cost of DDP services by applying best commercial practices for asset management, cost assignment, and service commitment; (6) improved quality of DDP customer service (responsiveness, flexibility, and visibility); and (7) a feasible United States Transportation Command (USTRANSCOM) transportation schedule/plan to a supported Combatant Commander within four hours of receiving deployment requirements.</p> <p>Economic Analysis: A draft EA has been prepared. A draft Life Cycle Cost Estimate (LCCE) is being prepared to meet Milestone B requirements. Final LCCE will be completed by Milestone B.</p> <p>Impact: Inability to provide the mission benefits stated above resulting in inefficient operation of the DDP.</p> <p>Software: AT21 will utilize a schedule optimization software tool suite and a process control software tool suite.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Airlift Svc Industrial Funds Integ Comp Sys (ASIFICS)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$726.0			\$0.0			\$0.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$726.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$726.0			\$0.0			\$0.0
Narrative Justification:									
<p>Description: The Airlift Service Industrial Fund Integrated Computer System (ASIFICS) serves as a Headquarters, Air Mobility Command (HQ AMC) automated financial accounting system to enable AMC to support the financial requirements associated with cargo and passenger airlift during contingencies, peacetime operations and exercises. The present program provides for data collection, customer billing, accounts receivable, accounts payable and reports to AMCs diverse airlift and transportation customers. ASIFICS is an integrated information system that is menu-driven. The Department of Defenses (DODs) compliance and commercial standardization for ASIFICS by Joint Financial Management Improvement Plan, and the DOD Guide to Federal Requirements for Financial Management Systems (Bluebook) requires that the financial system be modernized to provide for effective control over system administration. In addition, the improvements should capture, maintain, and control reliable reporting and achieve an auditable statement of budgetary resources. The present system lacks the flexibility needed to support AMCs current and projected financial management requirements. ASIFICS will be replaced by Defense Enterprise Accounting and Management System (DEAMS) in FY07.</p> <p>Mission Benefits: The investment provides for a more efficient, lower cost operation, with increased functionality in the movement of passengers and cargo over worldwide routes served by either DOD aircraft under control of AMC, or commercial aircraft under contract to and scheduled by AMC. It also supports United States Transportation Commands (USTRANSCOMs) Strategic Plan by improving the transportation financial billing systems and financial visibility.</p> <p>Economic Analysis: Certified in February 2003.</p> <p>Impact: The failure to implement ASIFICS will result in continued plights with information assurance and decision makers will not have reliable information needed to make decisions. Consequently, agencies may be faced with the inability to identify and resolve complex data quality undertakings for HQ AMC systems, which could result in misrouting of cargo, inadequate airlift, and delayed billing.</p> <p>Software: N/A</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Analysis of Mobility Platform (AMP)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$2,000.0			\$2,606.0			\$2,769.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$2,000.0			\$2,606.0			\$2,769.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$2,000.0			\$2,606.0			\$2,769.0
Narrative Justification:									

Description: Analysis of Mobility Platform (AMP) is an end-to-end transportation modeling shell to which models are added to obtain an end-to-end simulation of the Defense Transportation System (DTS).  
Mission Benefits: This modeling and simulation system, along with the Aerial Port of Debarkation (APOD) Model and the Joint Flow and Analysis System for Transportation (JFAST), provides integrated, authoritative modeling, simulation, and analysis tools for effective and efficient warfighter power projection and sustainment planning, operations, and training.

Economic Analysis: Certified 9 Jan 06.

Impact: Without this investment, United States Transportation Command (USTRANSCOM) will be unable to provide a Modeling and Simulation environment of interoperable, collaborative models and execution systems capable of providing accurate and consistent answers at the required breadth and depth of the DTS problem space.

Software: N/A

060000

Activity Group Capital Investment Justification  
(\$ in Thousands)

A. Budget Submission  
FY 2007 PB

B. Component/Activity/Date  
Surface Deployment and Distribution Command/Transportation/February 2006

C. Line No. & Item Description  
Automatic Identification Technology (AIT)

D. Activity Identification  
SDDC

Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$902.0			\$1,162.0			\$1,294.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$902.0			\$1,162.0			\$1,294.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$976.0			\$1,478.0			\$1,401.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$976.0			\$1,478.0			\$1,401.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,878.0			\$2,640.0			\$2,695.0
Narrative Justification:									

Description: Automatic Identification Technology (AIT) is a suite of technologies that enables the automatic capture of source data rapidly and accurately and the transfer of data to Automated Information System (AIS) with little or no human intervention. This will enhance the ability to identify, track documents, redirect and control deploying forces, equipment, personnel and sustainment ammunition.

Mission Benefits: AIT will streamline the logistics process and enhance the Commanders war fighting capability by providing Intransit Visibility (ITV) of critical assets and personnel in the transportation pipeline. Military Surface Deployment and Distribution Command (SDDC) will maximize augmentation kits worldwide and only implement fixed AIT solutions at selected sites. AIT capability will be provided at continental United States (CONUS) ports supporting use of mobile AIT force projection platforms as well as outside continental United States (OCONUS) permanent or contingency ports used for reception of forces during contingencies. AIT will be procured, configured, installed, and integrated with other components of the Department of Defense (DOD) infrastructure and interface with automated information systems.

Economic Analysis: Life Cycle Cost Estimate (LCCE) certified 16 Nov 05.

Impact: SDDC is still instrumenting permanent Radio Frequency Identification (RFID) readers to identify strategic ports worldwide. Instrumentation is required to be able to read RFID tags in an automated format and feed content level data to a centralized database which is vital to provide Total Asset Visibility/In-transit Visibility (TAV/ITV) within the Defense Transportation System (DTS). RFID is a critical factor and enabler in both the deployment and distribution process. This funding is required to continue and complete our port instrumentation, including the sustainment of our existing infrastructure. Without funding SDDC will not be able to maintain RFID capability.

Software: Not applicable

000091

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Automated Transportation Data 2000 (AUTOSTRAD)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$2,976.0			\$4,414.0			\$4,067.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer			\$2,976.0			\$4,414.0			\$4,067.0
Subtotal			\$2,976.0			\$4,414.0			\$4,067.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$2,041.0			\$2,601.0			\$2,540.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$2,041.0			\$2,601.0			\$2,540.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$5,017.0			\$7,015.0			\$6,607.0
<p>Narrative Justification:</p> <p>Description: The Automated Transportation Data (AUTOSTRAD) 2000 initiative maintains Military Surface Deployment and Distribution Commands (SDDCs) automation architecture in an Open System Environment (OSE) infrastructure. While major automated information systems at SDDC are developed by project managers under full Department of Defense (DOD) life cycle/Major Acquisition Information Systems Review committee (MAISRC) procedures, the A2000 program provides the Information Mission Area (IMA) common-user utilities to support the SDDC population at large.</p> <p>Mission Benefits: The program supports approximately 2,100 individuals at 52 worldwide headquarters locations, 4 major subordinate commands and ports. It provides ongoing modernization of the underlying core of common-user utility functions such as: a common user open access data; mission systems; data access tools to allow the analytical staff access to all SDDC data and manipulate it as needed; optical storage commercial-off-the-shelf (COTS) automatic data processing (ADP) and numerous retrieval advantages; compact disc read only memory (CD ROM) to replace hard copy library stacks with electronic library services; CD ROM based electronic preparation and printing of forms; video teleconferencing and low cost video information (VI) COTS. A2000 provides Local Area Networks (LAN), communications backbone, communications infrastructure upgrades at ports and piers, radio replacements, web application to provide a common user interface to SDDCs broad customer base, and contract support for unique requirements.</p> <p>Economic Analysis: Life Cycle Cost Estimate (LCCE) certified 9 December 2005.</p> <p>Impact: The AUTOSTRAD project funds SDDCs network infrastructure worldwide as well as funds SDDCs internal administrative systems such as tasker tracking and Capability Request (CAPR) tracking; the Electronic Transportation Acquisition (ETA) single sign-on front end to all SDDCs Defense Transportation System (DTS) systems; the consolidated help desk that supports the SDDC systems, and the history database that stores all historical data for the SDDC systems. Critical infrastructure initiatives that would not be funded include the stand up of the 595th Transportation Group in Kuwait and network upgrades at the ports supported by the 597th, 598th, and 599th Transportation Groups.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Cargo and Billing System (CAB)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware						\$79.0			
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$79.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$518.0			\$528.0			\$593.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$518.0			\$528.0			\$593.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$518.0			\$607.0			\$593.0
<p><b>Narrative Justification:</b></p> <p><b>Description:</b> The Cargo and Billing System (CAB) provides support for miscellaneous expenses, civilian labor, cost reimbursable, collections, and disbursements. CAB also supports the conversion of transportation operational data into financial data. This financial data includes associating contractual line item rates to produce cost files, and Defense Transportation System (DTS) billing rates to produce sales files.</p> <p><b>Mission Benefits:</b> Provides functionality that enables editing of incoming transportation operational data, associated contracts, DTS rates to produce cost and sales files, and fulfill inquiry and reporting requirements as it pertains to all DTS ocean cargo movement and handling. CAB also provides the Transportation Financial Management System with the accounts payable and revenue data required to pay vendor invoices and generate customer billings. CAB supports the following business areas: Global Personally Owned Vehicles (GPC) - Port Handling (stevedore and related terminal services contracts) - Liner Ocean.</p> <p><b>Economic Analysis:</b> Certified 10 Dec 2004.</p> <p><b>Impact:</b> Military Surface Deployment and Distribution Command (SDDC) could not determine and apply the appropriate contract rates for Liner Ocean contracts, Port Handling (stevedore and related terminal services contracts), and GPC. Additionally, SDDC could not determine and apply the appropriate customer billing rates for the Liner Ocean, Port Handling and GPC business areas. CAB is crucial to the SDDCs accounts payable and revenue mission.</p> <p><b>Software:</b> Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Commercial Operations Integrated System (COINS)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$297.0			\$0.0			\$0.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$297.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$297.0			\$0.0			\$0.0
Narrative Justification:									
<p>Description: To augment Headquarters Air Mobility Commands (HQ AMCs) military airlift mission requirements, the Commercial Operations Integrated System (COINS) is used to prepare and execute contracting of commercial airlift services and commercial airlift accounting. This includes contract preparation for both the Transportation Working Capital Fund (TWCF) and non-TWCF funded commercial airlift. The HQ AMC-unique, multi-user, on-line information system supports contracting, budgeting, and analysis functions necessary for the management of the augmentation program. Additionally, it provides a tool for negotiating and establishing HQ AMC uniform negotiated rates and rules for commercial airlift. COINS provides the capability to examine the history of all contract actions and produce statistical data. Program in sustainment mode after FY05. COINS database and application both reside on a central server. The database is being redesigned to achieve compliance with the United States Transportation Command (USTRANSCOM) Logical Data Model.</p> <p>Mission Benefits: The COINS (web-based) program will be used by commercial air carriers to view airlift requests and then prepare/submit offers that satisfy those requests. COINS was originally only set up to handle contract actions internally within AMC. Requirements and corresponding offers were handled by e-mail, phone, or fax to and from the vendors which had to be manually entered into the system. COINS is more efficient, cuts down on the need for the government to enter carrier offer data into the system, and captures more information. COINS provides better customer service.</p> <p>Economic Analysis: Sustainment Review was certified 7 Dec 05.</p> <p>Impact: Critical Baseline Change Request (BCR) requirements on the legacy system and additional requirements for the COINS have impacted the schedule. Interruption of the software development will cause loss of continuity of the development and extensive delay in deployment. Failure to allocate sufficient funds will impact the completion of the migration effort to USTRANSCOM standards and to a web-based system. This will result in additional costs associated with competing the migration with reduced resources and at the same time maintain the legacy system. Lengthy delays could impact the legacy system due to reduced vendor support and software incompatibility problems. USTRANSCOMs mandate for Defense Information Infrastructure Common Operating Environment (DII/COE), architecture compliance, and data standardization will be severely delayed.</p> <p>Software: Oracle 9 Application Server.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Consolidated Air Mobility Planning Sys (CAMPS)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$229.0			\$1,766.0			\$241.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$229.0			\$1,766.0			\$241.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$5,116.0			\$1,787.0			\$3,093.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$5,116.0			\$1,787.0			\$3,093.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$5,345.0			\$3,553.0			\$3,334.0
Narrative Justification:									
<p>Description: Headquarters Air Mobility Command (HQ AMC) requires an Integrated Command and Control (C2) system for planning, analysis, and scheduling of mobility assets in peacetime, crisis, contingency, and wartime. Existing legacy C2 systems were stove-piped and did not meet today's requirements to efficiently and rapidly support AMC's Global Reach mission requirements. The Consolidated Air Mobility Planning System (CAMPS) will meet the requirements of HQ AMC and its worldwide customers, supporting HQ AMC at Unclassified, Secret, and Top Secret levels. It runs in a client/server environment on Windows NT/2000 clients (migrating to XP), and includes migration to a Common Operating Environment (COE)/Network-Centric Enterprise Services compliant corporate environment.</p> <p>Mission Benefits: CAMPS will provide AMC's mission planners and schedulers with the integrated, automated tools they require to analyze, plan, and schedule mobility missions to meet airlift and air refueling requirements. These tools will optimize the use of scarce Defense Transportation System (DTS) airlift assets by: reducing empty (or low) cargo weight missions; reducing the number of supplemental contract airlift required; providing timely and accurate contingency support through rapid and more efficient planning tools; improving asset tracking; and improving response to supported unified or combined command requirements. Additionally, this capability will be provided in a more secure, user-friendly, and integrated environment.</p> <p>Economic Analysis: Certified 9 Dec 04.</p> <p>Impact: Without CAMPS, USTRANSCOM and joint worldwide customers would be unable to input or submit airlift and air refueling requirements, and would lose visibility of those scheduled missions. The Command would experience a major loss of capability to efficiently plan and schedule complex airlift and air refueling missions to meet real-world mobility and contingency requirements. In addition, planners would be unable to integrate automated decision support tools into the dynamic planning and scheduling process. AMC would be unable to improve and standardize integration and information flow to other C2 systems, increasing the potential for loss of critical C2 data and the inefficient or ineffective use of scarce DTS mobility resources, and even more supplemental contract expenditures will be made. Also, CAMPS would be unable to achieve USTRANSCOM's architecture goals and hardware maintenance costs would increase due to continued use of outdated hardware platforms.</p> <p>Software: License fees are required for Oracle Database Management System (DBMS), Windows/Sun operating system support, Rational ClearQuest, CPLEX, and SQR report writer.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description CONUS Freight Management System (CFM)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development						\$1,106.0			\$1,162.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$1,106.0			\$1,162.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$1,106.0			\$1,162.0
Narrative Justification:									
<p>Description: Continental United States (CONUS) Freight Management (CFM) is a comprehensive freight management information system developed and managed by the Military Surface Deployment and Distribution Command (SDDC). CFM provides over 700 Department of Defense (DoD) approved shipping activities and contractors with a web-based suite of transportation business tools to support multi-modal DoD shipment planning and execution utilizing Commercial Transportation Services. CFM compliments DoDs tactical transportation systems by providing military Installation Transportation Officers (ITOs) with the ability to support unit deployment, sustainment and redeployment activities. CFM stores 25,000 carrier tenders of service and supports 1.5M freight shipments annually.</p> <p>Mission Benefits: CFM provides both cost efficient and effective means for ITOs to procure commercial carrier transportation services; provides ITOs with an automated tool to perform traffic management functions; provides more timely and accurate cost evaluation, carrier selection and rate quotation information. CFM also provides prepayment audit support of carrier freight bills to US Bank and Defense Finance and Accounting Service (DFAS); provides for an exchange of data with 17 DoD information systems for Bills of Lading via Electronic Data Interchange (EDI); provides shipment information of defense assets to facilitate in-transit visibility between origin and destination in support of readiness; and provides a centralized database consisting of Freight Tenders, Domestic Route Order Request, Bills of Lading shipment information, and Carrier Performance data accessible to all DOD users. CFM provides high-level data quality edits with instantaneous in the clear error messages, and utilizes Electronic Commerce and EDI standards. SDDCs Electronic Transportation Acquisition (ETA) web portal provides DoD transportation officials with a one-touch resource to access CFM for their transportation needs.</p> <p>Economic Analysis: Certified 14 December 2004.</p> <p>Impact: If not funded, CFM will be unable to improve the tools used by DOD transportation managers to monitor shipment planning, manage transportation risk, and influence freight mobility requirements that support Defense Transportation System (DTS) initiatives. CFM will be unable to continue to adopt relevant best practices derived from the business community, minimize waste and redundancy, and synchronize global distribution. CFM will not be able to support USTRANSCOMs strategic objective to optimize Joint Deployment and Distribution Enterprise processes to provide improved end-to-end joint deployment and distribution that enables warfighters to successfully project and sustain combat power.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Core Automated Maintenance Sys (CAMS)			D. Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design			\$200.0			\$0.0			\$2,997.0
C(2) System Development			\$500.0			\$500.0			
C(3) Deployment									
C(4) Mgt/Tech Support			\$2,145.0			\$2,367.0			
Subtotal			\$2,845.0			\$2,867.0			\$2,997.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$2,845.0			\$2,867.0			\$2,997.0
Narrative Justification:									
<p>Description: The Core Automated Maintenance System for Mobility (CAMS-FM/G081) is a maintenance system responsible for tracking all maintenance actions scheduled, in-progress, and completed. Connectivity is to 36 major stateside Air Mobility Command (AMC) wings and 13 enroute locations. CAMS-FM/G081 allows for faster and more accurate accomplishment of maintenance actions on the strategic airlift and tanker fleet.</p> <p>Mission Benefits: CAM-FM/G081 is HQ AMCs primary mission critical computer resource. It provides HQ AMC, the United States Transportation Command (USTRANSCOM), Tanker Airlift Control Center (TACC) and Air Force Leaders with worldwide visibility/availability of aircraft status and utilization data. The logistics command and control (C2) interface is with Command and Control Information Processing System (C2IPS), Global Decision Support System (GDSS), Mobility 2000, Global Transportation Network (GTN), and Reliability and Maintainability Management Information System (REMIS). It allows for faster and more accurate accomplishment of maintenance actions on the strategic airlift and tanker fleet. The capital investment funds are necessary to provide logistics infrastructure Local Area Network (LAN), client/server capability to move to an open environment, and to support Broker. Funds also provide for continued enhancements of maintenance capabilities such as reducing the weight of airlift and tanker aircraft by providing digital capabilities vice technical manuals, as well as purchase flight line/In Support of (ISO) wireless LAN/mobile terminals, remote access servers, bar-coding equipment, and graphical user interface software to enhance data entry into the system.</p> <p>Economic Analysis: Sustainment Review certified Jan 06.</p> <p>Impact: If not funded, there would be a loss of interface with GDSS, C2IPS, GTN, Standard Base Supply System (SBSS), REMIS, Comprehensive Engine Mgt System (CEMS), and Logistics Composite Module (LCOM). The capability to identify and allocate in-commission AMC aircraft by tapping one database would be lost. The aircraft availability increase (+8%) due to automated system use would be lost. The HQ USTRANSCOM, TACC, and mobility planners would not have central visibility of the status of AMCs worldwide fleet. The aircraft maintenance systems would not be logistically supportable. Finally, there would be no ability to implement the Department of Defense (DOD) directed joint Computer-Aided Acquisition and Logistics Support (CALS) which would impede integration with deploying Command and Control (C2) systems.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Corporate Data Solution (CDS)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment			\$1,026.7			\$5,656.0			\$8,133.0
C(4) Mgt/Tech Support									
Subtotal			\$1,026.7			\$5,656.0			\$8,133.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,026.7			\$5,656.0			\$8,133.0
Narrative Justification:									
<p><b>Description:</b> The Corporate Data Solution (CDS) will provide the command the ability to centrally manage Defense Transportation System (DTS) data. CDS begins the necessary work of establishing meaning, attributes, and value to the data used to manage the DTS. CDS will establish software system structures to capture existing data meanings, and follow meaning changes over time. CDS will also generate or aid in the generation of various subsets and summaries of select DTS data. CDS will focus on capturing information about data affecting the pilot United States Transportation Command (USTRANSCOM) Data Warehouse, select Operational Data Stores, and Extract, Transform, and Load (ETL) logic in place throughout the command. CDS principle responsibilities are the configuration management of the DTS, promulgation of effective infrastructure software and toolsets, data quality, and by extension, information assurance. The CDS principle goal is the standardization of the most important data used in the DTS.</p> <p><b>Mission Benefits:</b> CDS will increase the effectiveness of Information Technology (IT) development and mission capability of USTRANSCOM, while decreasing overall costs.</p> <p><b>Economic Analysis:</b> Economic analysis certified Dec 04.</p> <p><b>Impact:</b> If not funded, status quo information management and IT development will continue but will be cumbersome to manage, expensive to execute, and will hinder the commands ability to meet Department of Defense required data sharing capabilities.</p> <p><b>Software:</b> License fees are at Enterprise level, paid for by Infostructure.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2006				C. Line No. & Item Description Corporate Environment (CE)			D. Activity Identification MSC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$3,304.0			\$3,528.0			\$3,979.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$3,304.0			\$3,528.0			\$3,979.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$3,304.0			\$3,528.0			\$3,979.0
Narrative Justification:									

Description: Corporate Environment (CE) covers systems development, LAN (Local Area Network) requirements, data warehouse, and Continuity of Operations Plans (COOP).

- LAN reflects implementation of LAN at all offices, area commands, and headquarters.
- Data warehouse provides support for implementation of the Defense Transportation System (DTS.) It allows fast retrieval of data by users, managers, and staff.
- COOP provides back-up operating capability for Military Sealift Command (MSC) Corporate Data Center (MCDC) to be used in the event that actual MCDC becomes non-functional.

Mission Benefits: Unclassified LAN delivers information technology to end users desktop. No operational command within Department of Defense (DOD) can function properly without access to e-mail, office automation software tools, and other functionality delivered typically via a LAN. CE also allows connectivity and access to operational and administrative data to MSC worldwide sites.

Economic Analysis: Sustainment review certified 5 Jan 2006.

Impact: MSC will not have a common platform and access to corporate database.

Software: N/A

660000

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Customs			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$798.5			\$1,196.0			\$512.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$798.5			\$1,196.0			\$512.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$798.5			\$1,196.0			\$512.0
Narrative Justification:									
<p>Description: Customs ensures Department of Defense shipments move efficiently and expeditiously without unnecessary delays or additional costs imposed by customs/border clearance agencies, at home and abroad. Customs is applicable to passengers, cargo, major deployments/redeployments in conjunction with contingencies or exercises, shipments of personal property, and the assets on which these shipments are transported.</p> <p>Mission Benefits: 1) Accurate and complete documentation, 2) positive control and feedback on the status of customs/border clearance actions (shipment status, time required to gain clearance, delay reasons, and associated costs), 3) automated source and ad-hoc report generation capability for customs/border clearance-related metrics data plus in-transit visibility graphics, 4) capability to create customs/border documents electronically, 5) capability to populate customs documents with information from service/agency or vendor shipper systems when shipments are tendered, 6) capability to capture related shipping documents (commercial bills of lading, carrier manifests, etc.), 7) capability to transmit (prior to actual shipment arrival) customs packages to ports of debarkation, including host nation customs authorities, and 8) capability to submit forms electronically and/or to print out the packages and submit them manually.</p> <p>Economic Analysis: Certified 6 Jan 06.</p> <p>Impact: USTRANSCOM will be handicapped in meeting mission requirements to ensure creation of shipping and customs forms ahead of shipment movement.</p> <p>Software: N/A</p>									

000100

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Defend Systems & Networks - IA			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$256.0			\$306.0			\$312.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$256.0			\$306.0			\$312.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support			\$697.0			\$711.0			\$490.0
Subtotal			\$697.0			\$711.0			\$490.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$953.0			\$1,017.0			\$802.0
Narrative Justification:									
<p>Description: Supports Department of Defense Information Assurance Strategic Goal 2 (United States Transportation Command (USTRANSCOM) Priority #1): Defend Systems and Networks. Provides the tools, processes, and personnel to defend USTRANSCOM systems and networks by recognizing and responding to threats, vulnerabilities, and deficiencies. Implements tools necessary to safeguard USTRANSCOM networks. Develops network security capabilities to protect, defend, report, and analyze the security status of USTRANSCOM networks.</p> <p>Mission Benefits: Improves system and network security through implementation of Information Protection hardware and procedures (firewalls, proxy servers, antivirus, intrusion detection, vulnerability assessment, etc.) and daily operation of information security systems.</p> <p>Economic Analysis: Sustainment Review certified in Jan 06.</p> <p>Impact: Failure to provide and improve network security architectures increases the vulnerability of USTRANSCOM and Transportation Component Command networks to electronic attack resulting in the loss of critical command and control functions.</p> <p>Software: No license fees apply.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Protect Information - IA			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$8.6						
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$8.6			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support			\$100.0			\$102.0			\$153.0
Subtotal			\$100.0			\$102.0			\$153.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$108.6			\$102.0			\$153.0
Narrative Justification:									

Description: Supports Department of Defense Information Assurance Strategic Goal 1 (United States Transportation Command (USTRANSCOM) Priority #4): Protect Information. Provides the tools, processes, and personnel to safeguard data (as information) as it is being created, used, modified, stored, moved, and destroyed within USTRANSCOM. Implements tools to support cryptographic capabilities, identity and access management, and Public Key infrastructure/biometric infrastructures.

Mission Benefits: Improved security of USTRANSCOMs mission information as it is being utilized throughout the Defense Travel System (DTS).

Economic Analysis: Sustainment Review certified in Jan 06.

Impact: Failure to protect network information increases the vulnerability of USTRANSCOM and Transportation Component Command networks to electronic attack resulting in the loss of critical command and control functions.

Software: No license fees apply.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Situational Awareness/C2 - IA			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$31.8			\$102.0			\$0.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$31.8			\$102.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support			\$501.2			\$519.0			\$275.0
Subtotal			\$501.2			\$519.0			\$275.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$533.0			\$621.0			\$275.0
Narrative Justification:									

**Description:** Supports Department of Defense Information Assurance (IA) Strategic Goal 3 (United States Transportation Command (USTRANSCOM) Priority #3): Provides integrated Information Assurance Situational Awareness. Provides the situational awareness tools and processes to monitor and measure Command, Control, Communications and Control activities for network outages and vulnerabilities. Installs, operates, and refreshes Situational Awareness Information Technology systems for the monitoring of USTRANSCOM networks.

**Mission Benefits:** Provides improved integrated IA Situational Awareness/IA Command and Control through 24x7 monitoring and reporting capabilities. Situational awareness also provides a proactive approach to computer and network assessment and response to outages and/or vulnerabilities, while providing decision tools necessary for coordinated actions.

**Economic Analysis:** Sustainment Review certified in Jan 06.

**Impact:** Failure to provide and improve network security architectures increases the vulnerability of USTRANSCOM and Transportation Component Command networks to electronic attack resulting in loss of critical command and control functions.

**Software:** No license fees apply.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Transform and Enable IA Capabilities - IA			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support			\$1,250.0			\$1,275.0			\$1,454.0
Subtotal			\$1,250.0			\$1,275.0			\$1,454.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,250.0			\$1,275.0			\$1,454.0
Narrative Justification:									

**Description:** Supports Department of Defense Information Assurance (IA) Strategic Goal 4 (United States Transportation Command (USTRANSCOM) Priority #2): Transform and Enable Information Assurance Capabilities. Develops and transforms information assurance tools, processes, and network security architecture for USTRANSCOM. Ensures that IA is integrated and sustained throughout the lifecycle of all USTRANSCOM programs. Evaluates new systems to ensure USTRANSCOM security requirements are being met.

**Mission Benefits:** Transform and Enable Information Assurance Capabilities provides security engineering support for daily security operations, programs, and system/application security evaluations with USTRANSCOM.

**Economic Analysis:** Sustainment Review certified in Jan 06.

**Impact:** Failure to provide and improve network security architectures increases the vulnerability of USTRANSCOM and Transportation Component Command networks to electronic attack resulting in the loss of critical command and control functions.

**Software:** No license fees apply.

000104

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Defense Enterprise Accounting and Management System (DEAMS)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$0.0			\$3,000.0			\$0.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$3,000.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$0.0			\$4,541.7			\$1,849.4
C(3) Deployment									
C(4) Mgt/Tech Support			\$0.0			\$1,515.0			\$7,397.6
Subtotal			\$0.0			\$6,056.7			\$9,247.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$9,056.7			\$9,247.0
Narrative Justification:									

**Description:** United States Transportation Command (USTRANSCOM) is the lead in a joint Defense Finance and Accounting Service (DFAS) and United States Air Force (USAF) system that will design, develop, integrate, test, and implement the Defense Enterprise Accounting and Management System (DEAMS). DEAMS is the next step in modernizing USTRANSCOM's financial systems. DEAMS is a commercial-off-the-shelf (COTS) financial system capable of expanding to other major commands and possibly other services. DEAMS will include, but will not be limited to, the following core accounting functions: funds control, accounts payable, accounts receivable, general ledger, purchasing, cost management, revenue, expense, property, plant and equipment (PP&E), and billing. DEAMS will interface, to the maximum extent practicable, with other automated information systems (AISs) such as travel, payroll, disbursing, and non-core accounting support systems that trigger financial events.

**Mission Benefits:** DEAMS will provide accurate cost data allowing managers to make informed decisions that contribute to improved operating efficiency and reduced rates. DEAMS will provide accurate and timely billing of Accounts Receivable (AR), reduction in aged AR balances, and timely realization of collections. DEAMS will provide pre-validation of obligations prior to payment to eliminate unmatched disbursements and overpayments. DEAMS will capture cost of ownership at organizational levels to include: full cost of project, business line, and costs to support Activity Based Costing (ABC). DEAMS will integrate many separate financial management systems into a single automated system that contributes to an environment that quickly and easily reacts to changes in business processes. DEAMS will also drive transformation in business processes and operations, enabling managers to better support the warfighter.

**Economic Analysis:** Business Case Analysis was completed in May 03.

**Impact:** Existing legacy system data fields do not use standard accounting codes (SACs) and data fields are not standard. Therefore, USTRANSCOM remains unable to meet the Chief Financial Officers (CFO) Act of 1990 which requires an annual submission of fully auditable CFO reports using SACs. USTRANSCOM's statutory financial management responsibility effectiveness continues to be severely diminished without high-level visibility of financial data to make informed decisions.

**Software:** Estimated licensing fee for FY06 is \$15K, and for FY 07 is \$800K.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Defense Personal Property System (DPS)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$886.0			\$116.0			
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$886.0			\$116.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$6,592.0			\$2,554.0			\$1,077.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$6,592.0			\$2,554.0			\$1,077.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$7,478.0			\$2,670.0			\$1,077.0

**Narrative Justification:**

**Description:** The Defense Personal Property System (DPS) is a next generation, web-based, personal property shipment system which will replace the Transportation Operational Personal Property Standard System (TOPS). DPS provides military service members and Department of Defense (DOD) civilians with the ability to request shipment/storage of their personal property and provides a qualifications process of approving commercial transportation service providers (TSPs) to do business with DOD. TSPs will submit rates via the web for shipping personal effects. DOD transportation offices worldwide will manage the shipping/storage/process of personal property shipments. Military service members and DOD civilians will view, via the web, the latest information on their shipment(s). DPS also provides information in support of the payment to the TSP via USBANK, allows access to DOD Personal Property Consignment Information, and allows military service members and DoD civilians with an on-line process for filing claims for loss and/or damage. DPS exports information to external systems such as Financial Air Clearance Terminal System (FACTS), Worldwide Port System (WPS), TOPS, and General Services Administration (GSA) in a report form.

**Mission Benefits:** The Military Surface Deployment and Distribution Command (SDDC) manages the Department of Defense (DoD) \$1.8 billion Personal Property program and is responsible for moving over 600,000 shipments annually for the military services, DOD agencies, and the United States Coast Guard.

**Economic Analysis:** Certified 9 December 2004.

**Impact:** DPS development is planned in two phases: Initial Operational Capability (IOC) and Full Operational Capability (FOC). In November 2005, the assessment results of a non-advocate review by OSD recommended several key improvement areas to the DPS development process. The key recommendations were a complete restructure of the program management office, a change to the hosting environments (development, testing, and implementation) and a re-look of the contract vehicle. The FOC development and deployment plans are being re-evaluated based upon the OSD non-advocate review recommendations and a Microsoft Architectural Design Session. Without the funds to continue the DPS development and deployment through FOC, the legacy system TOPS will have to continue in operational status. The continuation of TOPS has the following adverse impacts: non-support of the Families First business rules, TOPS aging equipment, use of distributed databases, and the use of non-supported Oracle forms.

**Software:** Not applicable.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2006				C. Line No. & Item Description E-Commerce/E-Data Interchange (EC/EDI)			D. Activity Identification MSC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$503.0			\$528.0			\$539.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$503.0			\$528.0			\$539.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$503.0			\$528.0			\$539.0
Narrative Justification:									
<p>Description: E-Commerce/E-Data Interchange (EC/EDI) is part of Military Sealift Commands (MSC) Corporate Applications which includes support for systems integration, test implementation, documentation, and training as part of the MSC financial system. EC/EDI provides MSC with a centralized system to send and receive electronic business information. The center supports translation and transmission requirements via a traditional Value Added Network and the Internet. Data is encrypted using Microsoft Crypto Application Program Interface before being sent over the Internet. Session keys are used; therefore, no key management is required. Secure Socket Layer (SSL) channel encryption is also used. SSL is a method of encryption between a server and the client. Once a session is established, a session key is used to encrypt and decrypt data at both the client and the server. This protects data with a unique key that exists only for the current session.</p> <p>Mission Benefits: Allows MSC to implement and maintain mandated electronic invoicing and related commerce initiatives.</p> <p>Economic Analysis: Sustainment review certified 5 Jan 06.</p> <p>Impact: If not funded, MSC will not be in compliance with DOD eCommerce mandates.</p> <p>Software: N/A</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2006				C. Line No. & Item Description Financial Management System (FMS)			D. Activity Identification MSC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$481.0			\$841.0			\$1,067.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$481.0			\$841.0			\$1,067.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$481.0			\$841.0			\$1,067.0

**Narrative Justification:**

**Description:** Financial Management System (FMS) is part of Military Sealift Commands (MSC) Corporate Applications which includes support for systems integration, test implementation, documentation, and training as part of the MSC financial system. FMS is a DOD/DFAS migratory finance and accounting system that supports the mission of both USTRANSCOM and Navy. It contains General Ledger, Accounts Receivable, Accounts Payable, Purchasing, Project Billing, Project Costing, Inventory and Fixed Asset capability. FMS is consistent with statutory requirement of the Financial Integrity Act, Anti-Deficiency Act, and Chief Financial Officer (CFO) Act.

**Mission Benefits:** Allows MSC to be compliant with Chief Financial Officer (CFO) requirements. MSC personnel have access to current financial data affecting all MSC programs.

**Economic Analysis:** Sustainment review certified 21 Jan 05.

**Impact:** If not funded, MSC will not be in compliance with the CFO Act.

**Software:** N/A

000108

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Global Air Transportation Execution System (GATES)			D. Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$1,947.0			\$4,464.0			\$227.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$1,947.0			\$4,464.0			\$227.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$9,772.0			\$10,037.0			\$8,594.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$9,772.0			\$10,037.0			\$8,594.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$11,719.0			\$14,501.0			\$8,821.0
Narrative Justification:									

**Description:** The Global Air Transportation Execution System (GATES) directly supports Headquarters Air Mobility Commands (HQ AMCs) operations worldwide. HQ AMC, as the Department of Defense (DOD) single manager for airlift, requires timely and accurate information gathered from worldwide locations to plan, execute, and monitor multi-theater airlift. GATES provides the Tanker Airlift Control Center (TACC), HQ AMC, United States Transportation Command (USTRANSCOM) and other DOD government agencies with integrated functionality to deploy and sustain forces globally. GATES open environment is critical in achieving portability, reusability, and cost reductions for communications and computer systems.

**Mission Benefits:** GATES is a HQ AMC program developed to provide visibility of cargo and passenger assets moved by HQ AMC. It operates in an open system platform/environment utilizing Unix Servers and Windows Personal Computer (PC) workstations. Applications software is currently being updated to meet the Defense Transportation System (DTS) architecture requirements for GATES to remain in concert with the HQ AMC and USTRANSCOM Command, Control, Communications and Computer (C4) Systems Master Plan as a command and control enhancer.

**Economic Analysis:** Certified 19 Jan 06.

**Impact:** If not funded, there would be a direct impact on warfighter readiness. The mobility mission is supported by the Air Force aerial ports which utilize new software development each year. Hand-held terminal upgrades and fixes could not be done. In addition, migration to the USTRANSCOM Logical Data Model and other portal requirements supporting the TACC would not be accomplished. Requirements to develop Public Key Enabling (PKE) and Public Key Infrastructure (PKI) Certificates and Extensible Markup Language (XML) requirements for development would also be affected. There are other sister services (i.e. Navy) which require other system configurations to fit into their architecture. Billing modernization changes would have to be put on hold until the transition is complete. Changes to the Airlift Service Industrial Fund Integrated Computer System (ASIFICS) without corresponding changes in GATES would result in incorrect billing, or result in data not flowing appropriately.

**Software:** Alcatel; Movian; F-Secure; Sybase-licenses; BRIO; Rational; Storeedge; Togethersoft; NetIQ; TCC Radius; Planet; CE Fusion; Sun Software.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Global Decision Support System (GDSS)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$5,088.0			\$1,533.0			\$0.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$5,088.0			\$1,533.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$14,159.0			\$12,005.0			\$18,657.0
C(3) Deployment									
C(4) Mgt/Tech Support			\$1,754.0						
Subtotal			\$15,913.0			\$12,005.0			\$18,657.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$21,001.0			\$13,538.0			\$18,657.0

**Narrative Justification:**

**Description:** The Global Decision Support System (GDSS) is a modernization and integration initiative to improve Headquarters Air Mobility Command (HQ AMC) command and control (C2) capability. The goal for GDSS is to provide a common operational view of air mobility information tailored to the specific needs of headquarters force-level controllers, wing-level command post personnel, operational support users, and deployed theater users. HQ AMC, as the Air Force component command of the United States Transportation Command (USTRANSCOM) and the Tanker Airlift Control Center (TACC) (AMCs execution agency), utilizes the GDSS and its C2 system interfaces to provide global planning, scheduling, execution management, and monitoring of HQ AMC forces during peacetime and wartime operations. The global nature of HQ AMCs mission and its support requirements, coupled with providing USTRANSCOM adequate visibility of AMC activities, define HQ AMCs C2 requirements.

**Mission Benefits:** GDSS complies with the USTRANSCOM/HQ AMC enterprise architecture and logical data model development. This helps in future development and simplifies interfaces with other systems. The system reduces data integrity challenges caused by latency in transmission of data from Command and Control Information Processing System (C2IPS) to GDSS due to present reliance on text messaging data exchange. Better data integrity provides more accurate, dependable C2 data for decision makers, allowing better airlift and air refueling support to the warfighter. GDSS eliminates the inefficiency of separate stove-piped program management, development, and operations/support structures for each C2 program.

**Economic Analysis:** Certified Dec 05.

**Impact:** If not funded, there would be significant reduction in capability to perform basic flight scheduling, decision making, and flight following for HQ AMCs Tanker Airlift Control Center (TACC) and other customers listed above. There would be a loss of required cargo and intransit visibility interface. All other sites supported by GDSS would experience reduced capability to perform C2 of HQ AMC resources or access data, and the ability to identify and allocate HQ AMCs valuable resources will be significantly reduced.

**Software:** Software support maintenance license costs for FY05: \$385K

000110

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Global Surface Distribution Management (GSDM)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$2,914.0			\$2,351.0			\$3,808.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$2,914.0			\$2,351.0			\$3,808.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,252.0			\$967.0			\$1,319.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,252.0			\$967.0			\$1,319.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$4,166.0			\$3,318.0			\$5,127.0
Narrative Justification:									
<p>Description: The Global Surface Distribution Management (GSDM) program provides the facility, automated tools, and communications infrastructure to support the Military Surface Deployment and Distribution Command (SDDC) worldwide deployment and distribution mission in an austere environment. The Deployable Port Operations Center (DPOC) and Mobile Port Operations Center (MPOC) provide fully equipped, self-sustaining command and control port opening capability at surface locations where facilities for cargo documentation and processing, local long haul telecommunications, computer and office automation support are not available. A key focus of these deployable capabilities is to support reception, staging, onward movement, integration, sustainment, and redeployment of United States forces at military, common user and contingency seaports worldwide. They are designed to support a variety of scenarios: limited/small scale operations and full scale/sustained operations. They are totally self-sustaining and independent of any host nation/theater facilities and services. In addition, the operational systems and Automatic Identification Technology/Radio Frequency Identification (AIT/RFID) capability provide intransit visibility of sustainment cargo and unit equipment moving through the transportation pipeline.</p> <p>Mission Benefits: Supports SDDC worldwide deployment and distribution mission in an austere environment.</p> <p>Economic Analysis: Life Cycle Cost Estimate (LCCE) certified 18 Nov 05.</p> <p>Impact: The systems provided under the GSDM program are essential in providing port managers with the Command and Control (C2) capabilities to ensure Intransit Visibility (ITV) of sustainment cargo and unit equipment forward. Without this capability, units may arrive at the fight without the necessary equipment and no assurance of sustainment once in the theater of operations resulting in mission failure.</p> <p>Software: Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Global Transportation Network (GTN)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$1,438.5			\$1,893.0			\$154.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$1,438.5			\$1,893.0			\$154.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$0.0			\$1,190.0			\$615.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$1,190.0			\$615.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,438.5			\$3,083.0			\$769.0

**Narrative Justification:**

**Description:** The Global Transportation Network (GTN) is the United States Transportation Command (USTRANSCOM) solution to provide a central, integrated source of accurate and timely transportation information to Defense Transportation System (DTS) planners, decision makers, and users through the World Wide Web. GTN provides in-transit visibility and Command and Control (C2) decision support functions, and collects, integrates, and stores information from over 25 military and approximately 50 commercial systems that support the DTS mission. GTN provides the transportation module of Global Command and Control System (GCCS) and the transportation domain for GCCS. GTN provides near real-time visibility of global military movement of passengers, cargo, and patients during peacetime, wartime, and contingencies. GTN is the Department of Defense (DOD) authoritative source for in-transit visibility of unit and sustainment movement information. It provides C2 support to the commanders in the field, Services, and other agencies associated with the DTS.

**Mission Benefits:** GTN benefits accrue in both peacetime and during contingencies. Peacetime benefits include cost reduction and improved operational effectiveness. Areas of cost reduction include a lower level of lease/rental aircraft and a reduced level of communications required to track transportation status of cargo. Improved operational effectiveness includes a reduced level of reorder processing costs, which is related to eliminating the cause of many duplicate supply orders. Contingency benefits include improved operational effectiveness in the form of expanded capability of existing transportation assets.

**Economic Analysis:** Life cycle cost estimate certified 22 Jan 04.

**Impact:** Lack of funding will cause degradation to the program and severe impact to the warfighters ability to carryout its transportation mission.

**Software:** N/A

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Global Transportation Network for the 21st Century (GTN 21)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$1,602.0			\$0.0			\$0.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$1,602.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$19,247.0			\$9,316.0			\$1,123.0
C(3) Deployment									
C(4) Mgt/Tech Support			\$4,395.0						
Subtotal			\$23,642.0			\$9,316.0			\$1,123.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$25,244.0			\$9,316.0			\$1,123.0

**Narrative Justification:**

Description: The Global Transportation Network for the 21st Century (GTN 21) was to be the replacement system for the current operational Global Transportation Network (GTN) system. GTN is the United States Transportation Command (USTRANSCOM) primary tool to provide Intransit Visibility (ITV) to the air, land, and sea transportation for the Department of Defense (DOD), both in peacetime and wartime through its Transportation Component Commands (TCCs)--Air Mobility Command (AMC), Military Surface Deployment and Distribution Command (SDDC), and Military Sealift Command (MSC). In addition, GTN 21 was to integrate transportation information to support the Transportation Combatant Commander, Command and Control (C2) mission requirement for near real-time planning, directing, and controlling operations of assigned forces pursuant to global transportation management. Since USTRANSCOM recently was given additional mission responsibilities, the original transportation focus of GTN 21 no longer serves the strategic needs of USTRANSCOM in this evolving Distribution Process Owner (DPO) environment. The GTN 21 contract ended 19 August 2005 allowing the command to assess future requirements.

Mission Benefits: GTN 21 requirements still exist and the command now intends to reassess its requirements further and determine the appropriate future follow-on system to Global Transportation Network (GTN). Currently, USTRANSCOM is engaging in a partnership with Defense Logistics Agency (DLA) to streamline requirements across the department.

Economic Analysis: N/A

Impact: N/A

000113

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Groups Operational Passenger System (GOPAX)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$496.0			\$400.0			\$0.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$496.0			\$400.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$496.0			\$400.0			\$0.0

**Narrative Justification:**

**Description:** Groups Operational Passenger System (GOPAX) is a Military Surface Deployment and Distribution Command (SDDC) web enabled system that supports the Mobility Control Center, USTRANSCOM; Directorate of Operations, Headquarters - SDDC; and Directorate of Operations, Headquarters - Air Mobility Command (HQ AMC) in the arrangement and procurement of transportation support for Department of Defense (DoD) group passengers. An interface to the Global Transportation Network (GTN) provides intransit visibility. Movement information is used for monthly management reports as well as various inquiry reports. Statistical Collection of Passenger Travel Data (STATCO) is a subcomponent under GOPAX providing passenger travel data to measure the effectiveness of commercial passenger travel in addition to analysis of premium travel, trend, and cost analysis.

**Mission Benefits:** GOPAX reached Full Operating Capability (FOC) on 1 June 1992. Since then, GOPAX has supported the Mobility Control Center, USTRANSCOM, and HQ AMC, in the arrangement and procurement of transportation support for Department of Defense (DoD) group passengers. Over the year, GOPAX has supported multimodal transportation with over 150 participating commercial carriers and associations and all of the major installations across the country. GOPAX has supported the operation of large National Training Center movements, and continues to provide low cost, quality and safe transportation services to its customers. The STATCO redesign initiative will improve existing data reporting capabilities through database redesign and expansion of the current data sources.

**Economic Analysis:** Sustainment review certified 16 Dec 05.

**Impact:** Under Secretary of Defense Management Initiative Decision 919 directed USTRANSCOM to reconfigure/redesign the existing passenger database in support of premium class travel abuses. USTRANSCOM tasked SDDC to improve the existing data reporting capabilities by the redesign/development of data reporting capability. If not funded, this initiative will not be accomplished.

**Software:** Not applicable.

000114

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Infostructure			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$12,114.6			\$14,179.0			\$16,750.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$12,114.6			\$14,179.0			\$16,750.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$672.5			\$4,110.0			\$7,460.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$672.5			\$4,110.0			\$7,460.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$12,787.1			\$18,289.0			\$24,210.0
Narrative Justification:									

Description: Centrally procures Information Technology (IT) hardware, physically collocates applications and hardware, and logically consolidates certain software applications under United States Transportation Command (USTRANSCOM) purview. Associated efforts for testing/certification, Continuity of Operations Plan (COOP) fail-over for mission critical Defense Transportation System (DTS) systems, and infrastructure upgrades are also included. Develops IT solutions to rapidly meet gaps in distribution processes.

Mission Benefits: Reductions are anticipated resulting from collection of hardware to a Central Computing Facility and consolidation of applications on fewer numbers of hardware components. Reductions are also expected in cost of facilities as less and less space is required.

Economic Analysis: Certified 28 November 2005.

Impact: Without the Infostructure Program, costs for technology refresh of IT systems would be higher, COOP capability would not exist, and the ability to quickly decrease gaps in distribution process IT solutions would be diminished.

Software: No license fees apply.

000115

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Integrated Booking System (IBS)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,999.0			\$2,454.0			\$2,754.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,999.0			\$2,454.0			\$2,754.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,999.0			\$2,454.0			\$2,754.0
Narrative Justification:									
<p><b>Description:</b> The Integrated Booking System (IBS) is the lead execution system of the Defense Transportation System (DTS) for the global shipment of ocean cargo in support of all wars, major contingencies, and humanitarian relief operations where United States military forces are deployed. The IBS consists of the following modules: Carrier Analysis and Rate Evaluation II (Carell), Requirements Forecasting and Rate Evaluation (RF-RAM), IBS Prime (Unit Sustainment, and Cargo Management), Commercial Sealift Solutions (CSS), Ocean Carrier Interface (OCI), Web Vessel Schedule, One-Time Only, Direct Booking, and electronic Shipper System (eSS) Modules.</p> <p><b>Mission Benefits:</b> IBS provides automated tools to support carrier contract requirement definition, rate and service solicitations and evaluation; input vessel schedules; book unit and sustainment cargo; produce shipment documentation; provide cargo offering and status information; produce payment and billing information; and provide in-transit visibility (ITV) information.</p> <p><b>Economic Analysis:</b> Sustainment review certified 21 January 2005.</p> <p><b>Impact:</b> If funding is not received, maintenance, new software development, and independent verification and validation contracts supporting ocean contract management and sealift requirement processing will terminate. Without commercial contract support, IBS will no longer function.</p> <p><b>Software:</b> Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2006				C. Line No. & Item Description Integrated Command, Control, Communications (IC3)			D. Activity Identification MSC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$1,244.0			\$2,038.0			\$1,833.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$1,244.0			\$2,038.0			\$1,833.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,995.0			\$1,416.0			\$2,996.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,995.0			\$1,416.0			\$2,996.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$3,239.0			\$3,454.0			\$4,829.0
Narrative Justification:									
<p>Description: Integrated Command, Control, and Communications (IC3) is Military Sealift Commands (MSCs) migration program to integrate systems and business process from deliberate planning through execution in a common operating environment. IC3 will become an extension of the Global Command and Control System (GCCS) infrastructure allowing MSC to reduce redundancy in hardware, software, and communications while maintaining compatibility with Department of Defense (DOD), Department of the Navy (DON), and transformation migration initiatives. IC3 systems will interface with: United States Transportation Commands (USTRANSCOMs) Global Transformation Network (GTN) to provide ship schedules, Joint Mobility Command Group (JMCG) to provide information for decision making, and Joint Flow and Analysis System for Transformation (JFAST) for execution and deliberate planning. IC3 will interface with joint systems such as the Joint Planning and Execution System (JOPES) operating in GCCS for operations/exercise/contingency requirements and the Surface Deployment and Distribution Commands (SDDC) Worldwide Port System (WPS.).</p> <p>IC3 also provides support for mobile command and control for standardized communications and client server infrastructure for data warehouse requirements, standardization, and readiness.</p> <p>Mission Benefits: IC3 supports the readiness and operations of MSC and is MSCs single integration system in support of Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4SIR) for MSC Defense Transportation System (DTS) responsibilities. IC3 tracks all MSC assets for In-Transit Visibility (ITV) and feeds data to GTN in support of Total Asset Visibility (TAV).</p> <p>Economic Analysis: Sustainment Review certified 5 Jan 06.</p> <p>Impact: If not funded, MSC would not be able to continue tracking sealift assets and ITV would be halted. Migration to integrate systems and business processes also would be impacted.</p> <p>Software: N/A</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Integrated Computerized Deployment System (ICODES)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$0.0			\$200.0			\$200.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$200.0			\$200.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$352.0			\$274.0			\$287.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$352.0			\$274.0			\$287.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$352.0			\$474.0			\$487.0
Narrative Justification:									

**Description:** The Integrated Computerized Deployment System (ICODES) is a joint decision-support system developed to assist users with planning and executing the loading and stowage of military cargo aboard military and commercial ships, rail cars, and trucks. ICODES integrates multiple expert systems, knowledge bases, databases, and graphical user interfaces within a computer-based distributed cooperative operational environment.

**Mission Benefits:** ICODES enables users to track cargo movements from the fort through the port, onto the ship for stowage into the port of debarkation. ICODES enables the joint community to easily produce, exchange and interpret multi-modal cargo movements plans and reports in a single software application. ICODES further assists users by providing higher quality alternative solutions to complex loading and discharge problems.

**Economic Analysis:** Certified 18 Jan 06.

**Impact:** Funding reductions or eliminations will have an immediate affect on the ability of 2300 military and civilian Marine Cargo Specialists to create plans and execute deployment of military cargo from marshalling yards and onto ships, rail cars and trucks. This will dramatically increase costs, extend deployment times and seriously reduce data quality. Marine Cargo Specialists will have to create plans from scratch thereby increasing planning time by a factor of 20, and driving up the number of people required to create the plan from 1.5 to 5. Services will lose the ability to electronically exchange files using a common system. Department of Defense will lose the ability for services to exchange plans and communicate intent.

**Software:** Not applicable.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Intelligent Road/Rail Information Server (IRRIS)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									\$238.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$238.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,555.0			\$2,907.0			\$1,619.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,555.0			\$2,907.0			\$1,619.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,555.0			\$2,907.0			\$1,857.0
Narrative Justification:									
<p><b>Description:</b> The Intelligent Road/Rail Information Server (IRRIS) is a web-based tool that provides information on characteristics and readiness of commercial highway, rail, and port deployment infrastructure. IRRIS integrates detailed surface transportation infrastructure data, real-time visualization tools, and near real-time carrier tracking of shipments to enhance carrier performance monitoring and evaluation. The system provides the real-time ability to track surface shipments on an extremely accurate spatial data background for both the Continental United States and outside of the Continental United States (CONUS and OCONUS). IRRIS provides a single point of reference for worldwide surface shipment asset visibility/in-transit visibility and detailed transportation infrastructure information.</p> <p><b>Mission Benefits:</b> The overall mission area of IRRIS is to provide a single point of interface for worldwide spatial surface movement control, along with the detailed infrastructure information visually displayed supporting rapid deployment. IRRIS will become the front spatial presentation piece of the Global Transportation Network of the future, creating an environment to allow key government staff the real time and static information necessary for planning and executing to fulfill their mission.</p> <p><b>Economic Analysis:</b> Certified 14 Dec 04.</p> <p><b>Impact:</b> If not funded, the capability to support current worldwide deployments and natural disasters with the tracking of surface shipments will be significantly degraded. Additionally, SDDC will be unable to realize improvements in efficiencies and elimination of voids to the Department of Defense (DOD) emergency response process in accordance with DOD Distribution and Strategic Plan.</p> <p><b>Software:</b> Not Applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Joint Flow and Analysis System for Transportation (JFAST)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,871.0			\$3,847.0			\$2,396.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,871.0			\$3,847.0			\$2,396.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,871.0			\$3,847.0			\$2,396.0
Narrative Justification:									
<p>Description: The Joint Flow and Analysis System for Transportation (JFAST) is a multi-modal transportation feasibility model used to forecast transportation requirements, perform course of action analysis, and build delivery profiles of personnel and equipment for deliberate, contingency, and exercise planning activities.</p> <p>Mission Benefits: The JFAST, along with the Analysis of Mobility Platform (AMP) and the Aerial Port of Debarkation (APOD) models, provide integrated, authoritative modeling, simulation, and analysis tools for effective and efficient warfighter power projection and sustainment planning, operations, and training.</p> <p>Economic Analysis: Certified 5 Jan 06.</p> <p>Impact: Without this investment, the United States Transportation Command (USTRANSCOM) will be unable to provide a Modeling and Simulation environment of interoperable, collaborative models and execution systems capable of providing accurate and consistent answers at the required breadth and depth of the Defense Transportation System (DTS) problem space.</p> <p>Software: N/A</p>									

000120

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Joint Mobility Control Group (JMCG)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$0.0						
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$920.0			\$1,472.0			\$179.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$920.0			\$1,472.0			\$179.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$920.0			\$1,472.0			\$179.0
Narrative Justification:									

**Description:** Joint Mobility Control Group (JMCG) is the focal point for the development and implementation of new software tools to improve the efficiency of operations of the Deployment Distribution Operations Center (DDOC). JMCG provides tools to support command and control (C2) operations of the DDOC and the Transportation Component Commands (TCCs).

**Mission Benefits:** Through the use of various tools and capabilities, the JMCG provides: (1) Collaborative Tools (DCTS/IWS) - provides the technical infrastructure, development, and operational support for collaboration on missions supported by the United States Transportation Command (USTRANSCOM) and its TCCs. Collaborative Tools also provides commercial off-the-shelf (COTS) software for real time collaboration, audio conferencing, text chat, whiteboard, and application sharing; (2) Collaborative Transportation Flow Analysis (TransViz) - provides decision support tools for exception management in a collaborative environment. TransViz also provides shared visualizations that allow USTRANSCOM, its TCCs, the Component Commands (COCOMs), and the Services to collaboratively identify transportation bottlenecks and capacity shortfalls, and identify alternative courses of action to smooth the transportation flow; (3) Data Extraction, Analysis, and Visualization (COGOS) - Retrieves transportation data in preformatted and ad hoc formats. COGNOS also supports transportation analysis and decision making over extended period of time, runs scheduled reports, and provides custom movements information drill through reports and graphical visualization of data.

**Economic Analysis:** An Economic Analysis (EA) has not been performed for the JMCG, however, EAs have been completed for Collaborative Tools, Data Extraction, Analysis, and Visualization, and TransViz. Sustainment Review valid as of 19 Dec 05.

**Impact:** Inability to provide the mission benefits stated above resulting in inefficient operations of the Defense Transportation System.

**Software:** JMCG utilizes four major software suites: COGNOS, InfoWorkSpace (IWS), Transportation Visualizer, and the Defense Collaborative Tools Suite.

000121

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description L-Band Satellite Communications (SATCOM)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$0.0			\$0.0			\$0.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$0.0			\$236.0			\$646.0
C(3) Deployment									
C(4) Mgt/Tech Support			\$0.0			\$236.0			\$646.0
Subtotal			\$0.0			\$236.0			\$646.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$236.0			\$646.0

**Narrative Justification:**

**Description:** L-Band Satellite (SATCOM) system directly supports Headquarters Air Mobility Command (HQ AMCs) operations worldwide. HQ AMC, as the Department of Defense (DOD) single manager for **airlift**, requires timely and accurate information gathered from worldwide locations to plan, execute and monitor multi-theater airlift. L-Band SATCOM provides a data interface, using International Maritime Satellite (INMARSAT) Aero-C capability, between aircrews (C-5, KC-10), Tanker Airlift Control Center (TACC) and Tanker Airlift Control Elements (TALCE) with integrated functionality to deploy and sustain forces globally. Aircrews use an Air Force Mission Support System (AFMSS) laptop computer to send and receive e-mail like messages while airborne, including limited passenger and cargo manifest information. Also, automatic position report updates are sent to the Global Decision Support System (GDSS) for airlift Command and Control (C2) information.

**Mission Benefits:** L-Band SATCOM program was developed to provide Command and Control (C2) of cargo and passenger assets moved by HQ AMC. It operates in an open system platform/environment utilizing Unix Servers and AFMSS laptops. Applications software is currently being updated to meet the Defense Transportation System (DTS) architecture requirements for L-Band SATCOM to remain in concert with HQ AMC and United States Transportation Command (USTRANSCOM) Control, Communications and Computer (C4) Systems Master Plan as a command and control enhancer.

**Economic Analysis:** Life Cycle Cost Estimate certified Jan 06.

**Impact:** A reduction will degrade the entire system by limiting hardware purchases, software upgrades/corrections, and system support. The result would be excessive system degradation and downtime which would eliminate the system reliability from both TACC and aircrew perspectives. C2 connectivity will not move to the follow-on commercial SATCOM system projected for installation under the Global Air Traffic Management (GATM) program.

**Software:** F-Secure and Software.

000122

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Local Area Network (USTRANSCOM LAN)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$3,026.7			\$9,097.0			\$15,025.0
B(2) Computer Software									
B(3) Telecommunications						\$2,933.0			\$1,638.0
B(3) Other Computer			\$3,026.7			\$12,030.0			\$16,663.0
Subtotal			\$3,026.7			\$12,030.0			\$16,663.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,111.0			\$1,651.0			\$1,421.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,111.0			\$1,651.0			\$1,421.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$4,137.7			\$13,681.0			\$18,084.0
Narrative Justification:									
<p>Description: The United States Transportation Command Local Area Network (USTC LAN) is a critical command and control (C2) system supporting the United States Transportation Command (USTRANSCOM) Commander and his staff. It is comprised of ~ 3400 distinct personal computers, ~ 370 servers, numerous routers, a multitude of switches and the hardware and software infrastructure comprising the classified and unclassified LANs at USTRANSCOM.</p> <p>Mission Benefits: The USTRANSCOM Command and Control Information System (C2IS) is comprised of classified and unclassified LAN segments and Wide Area Network (WAN) connectivity with transportation component commands (TCCs). LAN improvements are designed to support increasing performance and bandwidth. LAN upgrades include enhancing fiber optic installation, completing the transition to Gigabit Ethernet (GIGE) infrastructure, diversity/redundant connection between USTRANSCOM LAN and Defense Information System Network (DISN) WAN. Upgrades to the Storage Area Network (SAN) are also planned and include adding diverse/replaceable storage media. Plans for Command Presentation Systems (CPS) and Video Teleconferencing (VTC) include sustainment and upgrade. In FY06 and FY07, funds are included for the Transportation Web-Based Budget Service-Redesign (TWBBS-R). For FY07, the majority of the total hardware budget is earmarked for supporting the network hardware refresh, which is done every 5 years.</p> <p>Economic Analysis: Sustainment Review certified Jan 06.</p> <p>Impact: USTRANSCOM and its components have not yet fully implemented integrated Automatic Data Processing (ADP) systems requiring data to be manually manipulated for use by many applications. The need exists to change the information flow from reliance on isolated systems to an integrated approach to providing Defense Transportation System (DTS) users a single electronic environment that promotes global information sharing. The net result must be a standard tool suite and for every user that facilitates the capability to effectively integrate the numerous DTS systems into an environment enabling information sharing to better support USTRANSCOM's mission needs. If not funded, the interruption of capabilities would lead to rapid degradation of Command and Control for all aspects of the DTS. Gaps in reporting data would immediately affect the Commanders decision cycle, crippling the ability of USTRANSCOM to accomplish its mission of managing Department of Defense transportation assets.</p> <p>Software: N/A</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Logbook			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$534.0			\$966.0			\$873.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$534.0			\$966.0			\$873.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$534.0			\$966.0			\$873.0
Narrative Justification:									
<p>Description: Logbook is an automated web-based information sharing tool developed to support United States Transportation Command (USTRANSCOM) operations. It is designed to manage time-critical data which flows through command centers and is the primary information sharing tool between USTRANSCOM and its components. Logbook provides an information sharing method that permits concurrent commentary and iterative work on linked tasks. Logbook provides information to team members simultaneously, thus facilitating individual and team decision making.</p> <p>Mission Benefits: Logbook is the primary record-copy Command and Control (C2) system within the Deployment Distribution Operations Center (DDOC) and between the DDOC and the Transportation Component Commands (TCCs). This includes contingency/exercise report generation and publication as well as automated information flow between DDOC shifts/positions and TCCs. Logbook replaces the green record books used for station logs with automated logs capable of archiving, speedy queries, and phone calls/emails with record-copy taskings and suspenses both within USTRANSCOM and to the TCCs.</p> <p>Economic Analysis: Sustainment Review was certified Dec 05.</p> <p>MilCon: N/A</p> <p>Impact: Without this tool, USTRANSCOMs operations hub would resort to several stubby pencil tools previously used. Without this collaborative tool, operators would spend several hours creating, coordinating and working tasks that now take just minutes; additionally, other tools that perform similar functions do not provide the speedy archival search/retrieval capability that Logbook gives its users.</p> <p>Software: License fees associated with software (Fairplay) development effort paid via SMS/ELB system administration contract funded with operating dollars.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Objective Wing Command Post (OWCP)			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$1,008.0			\$0.0			\$0.0
B(2) Computer Software			\$53.0			\$0.0			\$0.0
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$1,061.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,061.0			\$0.0			\$0.0

**Narrative Justification:**

**Description:** The Objective Wing Command Post (OWCP) modernizes, enhances, and standardizes Command, Control, Communications and Computer Systems (C4S) in Air Mobility Command (AMC) Command Posts (CP) and Air Mobility Control Centers (AMCC). These command and control units serve as the focal point for coordinating and controlling all actions required to prepare a Headquarters Air Mobility Command (HQ AMC) mission aircraft for departure, as well as maintenance, aerial port, and operational services for transient aircraft. The CP and AMCC support organizations are responsible for airlift of cargo and passengers (including the President and members of the cabinet), aerial refueling, and aeromedical evacuation. OWCP includes two sub programs: the Air Mobility Advanced Console System (AMACS) and Closed Circuit Flightline Video (CCFV). The AMACS provides replacement of existing nonstandard consoles with a computerized branch exchange and touch screen devices that interface units to radio lines.

**Mission Benefits:** The OWCP includes two-sub programs: the AMACS is the management/mission monitoring, maintenance coordination, and operational reporting in support of the AMC Global Reach Mission and the CCFV is a surveillance system with recording capability, to monitor flightline activities and provide security for loading of aircraft, and surveillance security while parked.

**Economic Analysis:** Sustainment Review certified 9 Dec 05.

**Impact:** OWCP will be completed in FY05. All bases will be supported by operating funding in FY06 and beyond.

**Software:** Not applicable.

000125

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Single Mobility System (SMS)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,229.0			\$2,115.0			\$645.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,229.0			\$2,115.0			\$645.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,229.0			\$2,115.0			\$645.0
Narrative Justification:									

**Description:** Single Mobility System (SMS) is a planning tool that provides visibility of requirements and scheduled missions. SMS provides visibility of Special Assignment Airlift Mission (SAAM), Channel, Operational Support Airlift (OSA), contingency, exercise, Guard and Reserve missions and visibility of short-term Air Refueling, Denton, Opportune, SAAM, and Guard/Reserve requirements. It provides visibility of ship schedules, booked and manifested cargo, and port data and provides many decision support tools, such as cost calculators, a port locator, and station workload. In a Secret Internet Protocol Router Network (SIPRNET) environment, SMS provides Time-Phased Force and Deployment Data (TPFDD) analysis and force closure tools.

**Mission Benefits:** SMS provides United States Transportation Command (USTRANSCOM) and its customers a quick, web-based means of accessing transportation information in a user-friendly format. By fusing data from various systems, users can quickly compare planned, scheduled, and actual movement information. This is a vast improvement over the alternative of logging into various other transportation systems and looking for data, or performing independent queries as needed against the data warehouse.

**Economic Analysis:** Sustainment Review certified Dec 05.

**MilCon:** N/A

**Impact:** Customers would be forced to query data from numerous transportation information systems to gather, compare, and report data as movements progress through the planning, scheduling and execution phases. Additionally, USTRANSCOM action officers would be forced back to "hunt and create" methods of building movement groupings, which are in turn tracked for feasibility analysis, tracking, and reporting.

**Software:** Fairplay software is shared by the Logbook and SMS programs and is paid for with operating funds.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Systems Integration			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design			\$2,568.0			\$7,000.0			\$15,775.0
C(2) System Development			\$5,423.0			\$7,338.0			
C(3) Deployment									
C(4) Mgt/Tech Support			\$210.0						
Subtotal			\$8,201.0			\$14,338.0			\$15,775.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$8,201.0			\$14,338.0			\$15,775.0

**Narrative Justification:**

**Description:** The Systems Integration Program funds development and maintenance of operational and systems architectures and long-range plans and documents technical architectures for a global Air Mobility Command, Control, Communications and Computer (C4) system to include Intransit Visibility (ITV). These activities guide future enterprises systems development and ensures interoperability with the United States Transportation Command (USTRANSCOM) Defense Transportation System (DTS), Air Force (AF) Command and Control Intelligence, Surveillance, and Reconnaissance (C2ISR), Department of Defense (DOD) systems, and other agencies. The program manages interfaces for Headquarters Air Mobility Commands (HQ AMCs), current and planned, Command and Control (C2), Intelligence, Transportation, Logistics and Financial system architectures. This includes HQ AMCs interfaces with the Global Transportation Network (GTN) and Theater Battle Management Core System (TBMCS). It funds analysis, design and development of the HQ AMC corporate data structure and baselines of current systems and reengineering, in accordance with HQ AMC and USTRANSCOM Enterprise Architecture and applicable standards (DOD, AF, etc). It funds an integrated architecture repository for the systems development life-cycle and interfaces performance metrics. The program plans for and transitions future technologies into C2 systems. It also leverages new technologies in communications (air and ground) and information systems to significantly enhance the ability of HQ AMC to plan, schedule, task and execute mobility forces worldwide. It is a comprehensive HQ AMC C2 enterprise architecture modernization and integration project to improve processes, systems and connectivity such as velocity and combat capability, and effectiveness.

**Mission Benefits:** Systems Integration provides enterprise-level plans and architecture to HQ AMC C2 and ITV systems allowing for cost avoidance through integrated and standardized practices. It provides better system interfaces and system design bringing more accurate and timely data to decision makers across HQ AMC, the Air Force, the DOD, and other federal agencies. This allows for better management of resources (air crews, aircraft, airspace, etc) reducing the total number of assets required to meet the warfighters mission.

**Economic Analysis:** Certified 24 Nov 04.

**Impact:** Non-integrated systems would deliver inaccurate and untimely information on the airlift and air refueling missions, jeopardizing communications for theater. HQ AMC risks not being interoperable with other Major Commands (MAJCOMS) in both the Air Force and DOD Data Standardization and Migration Programs. There would be no single roadmap for C2 integrating systems such as Global Decision Support System (GDSS), Consolidated Air Mobility Planning System (CAMPS), Advanced Computer Flight Plan (ACFP), and Global Air Transportation Execution System (GATES). Current C2 system deficiencies such as data corruption and lack of interoperability would remain.

**Software:** Not Applicable.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Theater Deployable Comm (TDC)			D. Activity Identification HQ AMC Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer			\$1,669.0			\$4,203.0			\$2,005.0
Subtotal			\$1,669.0			\$4,203.0			\$2,005.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$1,669.0			\$4,203.0			\$2,005.0
Narrative Justification:									
<p><b>Description:</b> The Theater Deployable Communications (TDC) is the Air Force standard deployable infrastructure package. Each package consists of a high capacity, tri-band Super High Frequency satellite terminal and classified/unclassified data and voice communications capabilities for up to 1200 end users. TDC provides reachback which enables vital in-transit visibility (ITV) systems from deployed aerial ports to the Tanker Airlift Control Center supporting Air Force and USTRANSCOM peacetime and wartime missions. TDC is a critical link in the Global Information Grid and enables all force modules of the Global Mobility Concept of Operations (CONOPS).</p> <p><b>Mission Benefits:</b> TDC is the direct response to meeting the stated mission need after Desert Storm. The primary purpose of TDC is to provide HQ AMC and United States Transportation Command (USTRANSCOM) with a complete, deployable, joint, interoperable, lightweight, modular, and high capacity data and voice messaging capability. TDC provides initial sustaining bare-base communication requirements. A major component of TDC is the Flyaway Tri-Band Satellite Terminal (FTSAT) AN/USC-60A, which provides access to both the military (X-band) and commercial bands (C and Ku-bands) as needed. Additionally, TDC requires Commercial-Off-the Shelf (COTS) and Non-Developmental Item (NDI) hardware and software for ease of integration, interoperability, and maintenance as stated in the deployable communications mission need and operational requirements document.</p> <p><b>Economic Analysis:</b> Certified 5 Jan 06.</p> <p><b>Impact:</b> Inability to maintain readiness for deployment of critical communications reachback and bare-base infrastructure. Equipment must be maintained in standard, interoperable configurations to be deployed rapidly when required. Equipment that is not refreshed and upgraded is no longer usable in a joint environment and becomes unsupportable. Untrained operators would lack adequate training to operate equipment. Unreliable communications equipment could result in mission failure.</p> <p><b>Software:</b> Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2006				C. Line No. & Item Description Transportation Financial Mgmt System (TFMS)			D. Activity Identification Command Staff		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$595.1			\$0.0			\$0.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$595.1			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$595.1			\$0.0			\$0.0
Narrative Justification:									
<p><b>Description:</b> The Transportation Financial Management System (TFMS) will provide a comprehensive set of integrated financial management tools for use by the United States Transportation Command (USTRANSCOM) Chief Financial Officer (CFO) to effectively monitor the financial health of the command. The proposed system will provide decision makers with the integrated data necessary to analyze and determine the financial efficiency of delivering transportation services. The capability to match revenue and cost for a selected transportation area will allow for more balanced, equitable rates, and ensure revenue generated is more closely aligned with the cost of operations. The project is designed to improve current accounting systems while developing an integrated management system for use by the Commander and CFO. As of 1 October 2005, TFMS will reside within the USTRANSCOM system, Defense Enterprise Accounting and Management System (DEAMS).</p> <p><b>Mission Benefits:</b> TFMS allows for an integrated and synergistic analysis of transportation financial data to improve the decision making process, and a better selection of the mode of transportation for warfighters.</p> <p><b>Economic Analysis:</b> Economic Viability certified 4 Mar 05.</p> <p><b>Impact:</b> USTRANSCOM will continue to use disparate financial systems failing to meet the shortcomings addressed in the Department of Defense (DOD) Inspector General report 98-205, Financial Management Practices in the Military Sealift Command, 15 September 1998, and the General Accounting Office report/National Security and International Affairs Division-006, Defense Transportation More Reliable Information Key to Manage Airlift Services More Efficiently, March 2000.</p> <p><b>Software:</b> No software license.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Wing Local Area Network (LAN)-AMC			D. Activity Identification HQ AMC, Scott AFB, IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$5,005.0			\$6,939.0			\$6,166.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$5,005.0			\$6,939.0			\$6,166.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$5,005.0			\$6,939.0			\$6,166.0
Narrative Justification:									

**Description:** The Wing Local Area Network (Wing LAN) provides programmed resources to give bases standardized capabilities for greater interoperability within the command and units. The program provides Headquarters Air Mobility Command (HQ AMC) users the ability to collect, retrieve, create, store, share, and present information electronically to improve personnel effectiveness and efficiency. Wing LAN is a command-wide desktop commuter-based electronic network designed to access both Command and Control (C2) information and office automation functions from one computer. It implements departmental (intra-building) Local Area Network (LANs) and office information system capabilities, provides centralized management of software resources, provides computer hardware (servers, and network interface hub equipment) and Network Operating System (NOS). The program also provides intra-building infrastructure, cabling, connectors, and ancillary equipment to complete network. Cross Flow Requirements: all systems and all commands/services and downward-directed systems such as Combat Information Transport System (CITS), Defense Management System (DMS), Global Command and Control (GCCS), Global Decision Support System (GDSS), Command and Control Information Processing System (C2IPS), etc. Wing LAN supports the electronic mail system for information flow within and outside the command.

**Mission Benefits:** Wing LAN provides access to C2 systems, other hosts, and other systems. It builds an enhanced, robust, standardized, and reliable command-wide network capability throughout all HQ AMC bases to support implementation of the Department of Defense (DOD), United States Transportation Command (USTRANSCOM), and Air Force (AF) downward-directed systems like CITS, DMS, GCCS, GDSS, C2IPS and Global Transportation Network (GTN). This includes intra-building networking infrastructure, servers/gateways, file servers, communication servers, initial technical training, installation, and installation support for unclassified, classified and Radio Frequency (RF) LAN connectivity. This program constantly reassesses the needs of the warfighter and obtains the necessary LAN infrastructure required to sustain current capabilities and implement new C2 systems. Wing LAN also constructs the common platform to improve collection, retrieval, creation, sharing, and reporting data electronically. It discourages units from piecing together LANS which result in disparate, non-standard systems to support the AMC airlift mission.

**Economic Analysis:** Life Cycle Cost Estimate certified Jan 06.

**Impact:** The Wing LAN program provides access to many vital information systems and services. Without it, users cannot access electronic mail, worldwide web file sharing, C2IPS, GCCS, DMS, and base level data processing applications.

**Software:** Not applicable

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Worldwide Port System (WPS)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware			\$627.0			\$528.0			\$680.0
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$627.0			\$528.0			\$680.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development			\$1,650.0			\$3,172.0			\$3,140.0
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$1,650.0			\$3,172.0			\$3,140.0
D. Minor Construction									
Subtotal			\$0.0			\$0.0			\$0.0
TOTAL			\$2,277.0			\$3,700.0			\$3,820.0
Narrative Justification: <p><b>Description:</b> Worldwide Port System (WPS) provides movement control support, and facilitates force deployment. WPS is an automated information system (AIS) initiative that meets Department of Defense (DoD) goals and requirements for water port management of common user cargo moving in the Defense Transportation System (DTS). WPS replaced four aging AIS systems that support ocean terminal management and cargo documentation missions.</p> <p><b>Mission Benefits:</b> WPS is essential to rapid force projection and effective intransit visibility of unit and sustainment cargo. This program provides movement control in support of the Army Power Projection Program (APPP) initiated as the result of lessons learned from Desert Shield/Storm and Congressionally mandated Mobility Requirements Study (MRS). WPS supports the Military Surface Deployment and Distribution Command (SDDC) ocean terminals; United States (US) Navy port activities; US Army Forces Command (USAR) Transportation Terminal Units; and active component Automated Cargo Documentation Detachments with worldwide warfighting support missions. Electronic Data Interchange (EDI) applications and Automated Identification Technology (AIT) are integrated in WPS to facilitate the cargo documentation process at the port.</p> <p><b>Economic Analysis:</b> Certified 6 December 2004.</p> <p><b>Impact:</b> Failure to provide capital software funds will preclude startup of the task to replace the 80 Card Column (CC) Transportation Control and Movement Data (TCMD) and manifest data sets with EDI 858B transaction sets and analysis for the implementation of Internet Protocol Version 6 (IPv6). Failure to provide capital hardware funds will preclude the technology upgrade replacement of aging WPS servers and peripherals.</p> <p><b>Software:</b> Not applicable.</p>									

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2006				C. Line No. & Item Description Minor Construction- AMC			D. Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction			\$8,985.0			\$10,000.0			\$10,500.0
Subtotal			\$8,985.0			\$10,000.0			\$10,500.0
TOTAL			\$8,985.0			\$10,000.0			\$10,500.0

**Narrative Justification:**

**Description:** Minor Construction (MC), funds all minor construction work over \$100K and less than \$750K to rebuild new facilities or construct additions to existing facilities that qualify for Transportation Working Capital Funds (TWCF) funding.

**Mission Benefits:** The Air Mobility Command (AMC) TWCF investment strategy is in line with the Department of Defense Transportation Vision for the Twenty-First Century. Its intent is to ensure sustainability and quality of life. One of the guiding principles requires us to invest in transportation programs, systems, and enhancements that support mobility requirements, asset visibility, and efficient transportation operations.

**Economic Analysis:** N/A

**Impact:** Funding cuts will impact our ability to support critical HQ AMC, 715 Air Mobility Operations Group (AMOG), and 721 AMOG requirements to enhance or improve mobility operations and provide adequate force protection through the construction of new facilities and additions in the Continental United States and en-route infrastructure. Reductions to this program will have a negative impact on our ability to provide seamless airlift from point of origin to destination, to provide quality customer service, and to bring our existing facilities up to AMC and Air Force standards. Many AMC TWCF facilities are old, inadequate facilities, far from meeting acceptable standards, especially at our en-route locations. Pavement requirements continue to grow for both new parking/loading/refueling areas and required improvements on deteriorating pavement resulting from heavy airlift use. Unfunded pavement requirements will result in limitations on AMCs ability to deliver passengers and cargo anywhere in the world. Passengers, troops, and valuable cargo and equipment will remain inadequately protected from terrorist threats. A multi-million dollar Mechanized Handling Equipment (MHE) and Aerospace Ground Equipment (AGE) inventory will continue to be exposed to the elements causing the expected life span of this high priced equipment (including our costly flagship 60K Tunnar loaders) to rapidly deteriorate and will remain inadequately protected from terrorist threats.

**Software:** Not Applicable.

Exhibit Fund-9B Activity Group Capital Investment Justification  
Minor Construction (Atch)

Project Category	QTY	FY05	QTY	FY06	QTY	FY07
A/C Ground Equip (AGE) Storage	1	539	2	900	2	950
Aerial Delivery System Facility	1	261	0	0	0	0
Aircraft Support Equip Storage Yards	1	207	0	0	1	300
Airfield Flood Lightning	0	0	1	250	0	0
Air Freight Terminals	3	1,653	2	1,250	1	750
Air Passenger Terminal	2	1,069	2	500	2	1,200
Air Frt/Pax Terminals	1	0	1	350	0	0
Aircraft Maint Control Office	1	521	1	640	1	700
Apron Parking	0	0	1	355	1	400
Command Posts	1	369	0	0	0	0
Covered MHE Storage	0	0	1	750	0	0
Cryogenics Facilities	0	0	0	0	0	0
Engine Maintenance	0	0	1	690	0	0
Forward Supply Location	1	495	2	930	2	960
General Purpose Maint Shops	2	719	0	0	1	684
Large Aircraft Maint Dock	1	324	0	0	1	450
Maintenance Hangars	0	0	0	0	1	700
Open Storage, Air Freight	1	584	0	0	1	700
Organizational Maint Shops	0	0	0	0	0	0
Rate Fluctuations/Change Orders/Design	75	1,220	75	1,500	75	1,406
Squadron Operations	0	0	0	0	1	600
Vehicle Maintenance Shops	1	575	3	1,630	1	700
Water Fire Pump Station	1	449	0	0	0	0
Weighing Scale	0	0	0	255	0	0
Total		\$8,985.0		\$10,000.0		\$10,500.0

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Defense Courier Division/Transportation/February 2006				C. Line No. & Item Description Minor Construction - DCD			D. Activity Identification DCD		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction	0	\$0.0	\$0.0	1	\$300.0	\$300.0	1	\$300.0	\$300.0
Subtotal			\$0.0			\$300.0			\$300.0
TOTAL			\$0.0			\$300.0			\$300.0
Narrative Justification:									

FY05 - Funds were not used to build a Sensitive Compartmental Information Facility at Frankfurt sub-station. Requirement eliminated.  
FY06 - Security Upgrades - Funds budgeted for emergency security upgrades for the 19 stations or 10 substations positioned around the world.  
FY07 - Security Upgrades - Funds budgeted for emergency security upgrades for the 19 stations or 10 substations positioned around the world.

Activity Group Capital Investment Justification (\$ in Thousands)							A. Budget Submission FY 2007 PB		
B. Component/Activity/Date Surface Deployment and Distribution Command/Transportation/February 2006				C. Line No. & Item Description Minor Construction (MC)			D. Activity Identification SDDC		
Element of Cost	FY05			FY06			FY07		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment									
A(1) Replacement									
A(2) Productivity									
A(3) New Mission									
A(4) Environmental Compliance									
Subtotal			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm									
B(1) Computer Hardware									
B(2) Computer Software									
B(3) Telecommunications									
B(3) Other Computer									
Subtotal			\$0.0			\$0.0			\$0.0
C. Software Development									
C(1) Planning/Design									
C(2) System Development									
C(3) Deployment									
C(4) Mgt/Tech Support									
Subtotal			\$0.0			\$0.0			\$0.0
D. Minor Construction			\$3,626.0			\$1,100.0			\$1,000.0
Subtotal			\$3,626.0			\$1,100.0			\$1,000.0
TOTAL			\$3,626.0			\$1,100.0			\$1,000.0

**Narrative Justification:**

Description: All Surface Deployment and Distribution Command (SDDC) Minor Construction projects are currently scheduled for Military Ocean Terminal Sunny Point (MOTSU). MOTSU is the premier Department of Defense ammunition terminal and is considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders around the world. It is relied upon to maintain a high OPTEMPO consisting of ammunition resupply missions preposition operations, and Foreign Military Sales operations.

\* NOTE: FY05 Minor Construction execution was overstated on the Working Capital Fund Statement of Financial Position 1307 Report by \$531K due to a system error that erroneously mapped Material Handling Equipment execution to Minor Construction execution.

FY05: Funds were used for 6 MOTSU projects and requirements to support relocation of 839th BN to Camp Darby. Projects include: night drop pad improvement/expansion (\$750K); intermodal transfer area (\$450K); security building expansion (\$650K); visitor center expansion (\$465K); truck pad building expansion (\$400K); fuel station upgrade to include an overhead canopy (\$150K) and Camp Darby (\$230K).

FY06/FY07 funds will be used for the following MOTSU projects:

FY06: Wharf barrier system visibility improvement (\$220K); utility shop building improvement (\$280K); rail operations addition to Building 43 (\$300K); and additional fuel station for locomotives (\$300K).

FY07: Install lightning protection system for intermodal transfer area bridge crane (\$685K) to comply with current safety regulations. The improvements will incorporate the latest safety features and increase productivity. Construction of an ammunition holding area at the center wharf back-up yard (\$315K) will provide an additional temporary ammunition holding area that meets all of the current safety regulations.

Impact: Project ensures continuous operations and support for the terminals important warfighting mission.

CAPITAL BUDGET EXECUTION  
Component: United States Transportation Command  
Activity Group: Transportation  
Date: February 2006  
(\$ in Millions)

FY	Approved Projects	FY06 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
05	<b>Equipment except ADPE &amp; Telecomm</b>	\$3.7	(\$3.5)	\$0.2	\$0.2	\$0.0	
05	Replacement Equipment - AMC	\$2.4	(\$2.2)	\$0.2	\$0.2	\$0.0	To higher priority requirements
05	Material Handling Equipment - SDDC	\$1.3	(\$1.3)	\$0.0	\$0.0	\$0.0	Reprog to MC and \$.5M execution reported in error as MC
05	<b>ADPE &amp; Telecomm</b>	\$58.1	(\$15.1)	\$43.0	\$43.0	\$0.0	
05	Automated Identification Tech (AIT) - SDDC	\$1.1	(\$0.2)	\$0.9	\$0.9	\$0.0	Actual FY05 execution
05	Automated Trans Data (AUTOSTRAD) - SDDC	\$4.2	(\$1.2)	\$3.0	\$3.0	\$0.0	Reprogram to DPS and actual FY05 execution
05	Cargo Billing System (CAB) - SDDC	\$0.2	(\$0.2)	\$0.0	\$0.0	\$0.0	Reprogram to GOPAX
05	Consolidatd Air Mobility Plan Sys(CAMPS) - AMC	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
05	Def Ent Acctg & Mgmt Sys (DEAMS) - CMD	\$3.8	(\$3.8)	\$0.0	\$0.0	\$0.0	Schedule delay - FY05 carryover
05	Def Personal Property System (DPS) - SDDC	\$0.9	\$0.0	\$0.9	\$0.9	\$0.0	
05	Def Systems & Networks - IA - CMD	\$0.4	(\$0.1)	\$0.3	\$0.3	\$0.0	Rounding
05	Global Air Transp Exec Sys (GATES) - AMC	\$2.9	(\$0.9)	\$2.0	\$2.0	\$0.0	Contract was awarded for less than estimated
05	Global Decision Support System (GDSS) - AMC	\$5.1	\$0.0	\$5.1	\$5.1	\$0.0	
05	Global Surface Dist Mgmt (GSDM) - SDDC	\$3.8	(\$0.9)	\$2.9	\$2.9	\$0.0	Reprogram to DPS and actual FY05 execution
05	Global Trans Network (GTN) - CMD	\$0.1	\$1.3	\$1.4	\$1.4	\$0.0	From various programs to sustain GTN
05	Global Trans Network 21st (GTN 21) - CMD	\$12.0	(\$10.4)	\$1.6	\$1.6	\$0.0	DPO FY05 carryover
05	Infostructure - CMD	\$8.1	\$4.1	\$12.2	\$12.2	\$0.0	Consolidate H/W buys & FY05 carryover
05	Integrated Command, Control, Comm (IC3) - MSC	\$2.2	(\$1.0)	\$1.2	\$1.2	\$0.0	
05	Joint Mobility Control Group (JMCg) - CMD	\$0.2	(\$0.2)	\$0.0	\$0.0	\$0.0	To GTN
05	Local Area Netwk (USTRANSCOM LAN) - CMD	\$2.3	\$0.7	\$3.0	\$3.0	\$0.0	From IA for Single Point of Failure
05	Objective Wing Command Post (OWCP) - AMC	\$1.1	(\$0.1)	\$1.0	\$1.0	\$0.0	Contract was awarded for less than estimated
05	Situational Awareness - IA - CMD	\$0.3	(\$0.3)	\$0.0	\$0.0	\$0.0	To LAN for Single Point of Failure
05	Theater Deployable Communication (TDC) - AMC	\$2.2	(\$0.5)	\$1.7	\$1.7	\$0.0	To Infostructure for hardware
05	Transform Enable IA Capabilities - CMD	\$1.3	(\$1.3)	\$0.0	\$0.0	\$0.0	To LAN and Infostructure
05	Wing Local Area Network (Wing LAN) - AMC	\$5.0	\$0.0	\$5.0	\$5.0	\$0.0	
05	Worldwide Port System (WPS) - SDDC	\$0.7	(\$0.1)	\$0.6	\$0.6	\$0.0	Actual FY05 execution
05	<b>Software Development</b>	\$147.9	(\$40.6)	\$107.2	\$107.2	\$0.0	
05	Advanced Computer Flight Plan (ACFP) - AMC	\$3.4	\$0.0	\$3.4	\$3.4	\$0.0	
05	Aerial Port of Debarkation (APOD) - CMD	\$0.0	\$0.2	\$0.2	\$0.2	\$0.0	From Customs to integrate AMP & APOD
05	Agile Transportation, 21st Century (AT 21) - CMD	\$4.6	(\$4.6)	\$0.0	\$0.0	\$0.0	FY05 carryover & to JMCg for TransViz
05	Arlft Svs Ind Fnds Int Comp Sys (ASIFICS) - AMC	\$0.9	(\$0.2)	\$0.7	\$0.7	\$0.0	\$0.2M not released due to DBSMC certification issue
05	Analysis of Mobility Platform (AMP) - CMD	\$0.0	\$2.0	\$2.0	\$2.0	\$0.0	Break out of TMS programs
05	Automated Identification Tech (AIT) - SDDC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
05	Automated Trans Data (AUTOSTRAD) - SDDC	\$2.3	(\$0.3)	\$2.0	\$2.0	\$0.0	Reprogram to DPS and actual FY05 execution
05	Cargo Billing System (CAB) - SDDC	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
05	Commercial Ops Integ Sys (COINS) - AMC	\$0.3	\$0.0	\$0.3	\$0.3	\$0.0	
05	Cons Air Mobility Plan Sys (CAMPS) - AMC	\$5.1	\$0.0	\$5.1	\$5.1	\$0.0	
05	Core Automated Maint Sys (CAMS) - AMC	\$2.8	\$0.1	\$2.9	\$2.9	\$0.0	Rounding
05	Corporate Applications (CA) - MSC	\$1.5	(\$1.5)	\$0.0	\$0.0	\$0.0	Ungrouped CA into EC/EDI and FMS
05	Corporate Data Solution (CDS) - CMD	\$1.4	(\$0.4)	\$1.0	\$1.0	\$0.0	FY05 carryover
05	Corporate Environment (CE) - MSC	\$3.7	(\$0.4)	\$3.3	\$3.3	\$0.0	
05	Customs Border Clearance - CMD	\$1.0	(\$0.2)	\$0.8	\$0.8	\$0.0	To APOD to integrate AMP & APOD

05	Defend Systems & Networks-IA - CMD	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
05	Defense Ent Acctg/Mgmt Sys (DEAMS) - CMD	\$11.2	(\$11.2)	\$0.0	\$0.0	\$0.0	Schedule delay - FY05 carryover
05	Defense Personal Property Sys (DPS) - SDDC	\$4.9	\$1.7	\$6.6	\$6.6	\$0.0	Increased software requirements due to program delay
05	E-Commerce/E-Data Interchange (EC/EDI)- MSC	\$0.0	\$0.5	\$0.5	\$0.5	\$0.0	From CA
05	Financial Management Sys (FMS) - MSC	\$0.0	\$0.5	\$0.5	\$0.5	\$0.0	From CA
05	Global Air Transp Exec Sys (GATES) - AMC	\$9.8	\$0.0	\$9.8	\$9.8	\$0.0	
05	Global Decision Support System (GDSS) - AMC	\$17.0	(\$1.1)	\$15.9	\$15.9	\$0.0	Contract not awarded due to contracting issues
05	Grp Operational Pass Sys (GOPAX) - SDDC	\$0.0	\$0.5	\$0.5	\$0.5	\$0.0	STATCO redesign
05	Global Surface Dist Manager (GSDM) - SDDC	\$1.5	(\$0.2)	\$1.3	\$1.3	\$0.0	Actual FY05 execution
05	Global Transp Network 21 (GTN 21) - CMD	\$41.4	(\$17.8)	\$23.6	\$23.6	\$0.0	DPO FY05 carryover & contract cancellation
05	Infostructure - CMD	\$1.6	(\$0.9)	\$0.7	\$0.7	\$0.0	FY05 actual expenses
05	Integrated Booking System (IBS) - SDDC	\$2.0	\$0.0	\$2.0	\$2.0	\$0.0	
05	Int Command, Control, & Comm (IC3) - MSC	\$2.6	(\$0.6)	\$2.0	\$2.0	\$0.0	Actual execution
05	Int Computerized Develop Sys (ICODES) - SDDC	\$0.4	(\$0.1)	\$0.3	\$0.3	\$0.0	Actual FY05 execution
05	Intelligent Road/Rail Info Server (IRRIS) - SDDC	\$2.4	(\$0.8)	\$1.6	\$1.6	\$0.0	Portfolio management reallocation - Infostructure H/W buy
05	Joint Flow Analysis Sys for Trans (JFAST) - CMD	\$0.0	\$1.9	\$1.9	\$1.9	\$0.0	Break out of TMS programs
05	Joint Mobility Control Group (JMCg) - CMD	\$0.3	\$0.6	\$0.9	\$0.9	\$0.0	From AT21 for TransViz
05	L-Band Satellite Comm (SATCOM) - AMC	\$0.6	(\$0.6)	\$0.0	\$0.0	\$0.0	To Infostructure for H/W buy down
05	Local Area Netwk (USTRANSCOM LAN) - CMD	\$1.1	\$0.0	\$1.1	\$1.1	\$0.0	
05	Logbook - CMD	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
05	Single Mobility System (SMS) - CMD	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	
05	Sit Aware/Transf/Enable IAp/Prot Info - IA-CMD	\$2.0	\$0.0	\$1.9	\$1.9	\$0.0	
05	Systems Integration - AMC	\$9.7	(\$1.5)	\$8.2	\$8.2	\$0.0	To Infostructure for H/W buy down
05	Trans Financial Mgmt Sys (TFMS) - CMD	\$1.7	(\$1.1)	\$0.6	\$0.6	\$0.0	Program delay - FY05 carryover
05	Trans Modeling & Simulation (TMS) - CMD	\$3.8	(\$3.8)	\$0.0	\$0.0	\$0.0	Broken out by program - AMP, APOD, & JFAST
05	Trans Operl Pers Prop Stnd Sys (TOPS) - SDDC	\$0.5	(\$0.5)	\$0.0	\$0.0	\$0.0	Portfolio management reallocation - Infostructure H/W buy
05	Worldwide Port System (WPS) - SDDC	\$2.5	(\$0.8)	\$1.7	\$1.7	\$0.0	Portfolio management reallocation - Infostructure H/W buy
05	<b>Minor Construction</b>	\$12.4	\$0.2	\$12.6	\$12.6	\$0.0	
05	Minor Construction - AMC	\$11.0	(\$2.0)	\$9.0	\$9.0	\$0.0	Reprogrammed to SDDC Minor Construction
05	Security Upgrades for DCD Stations	\$0.3	(\$0.3)	\$0.0	\$0.0	\$0.0	Funds not needed for security upgrades in FY05
05	Minor Construction - SDDC	\$1.1	\$2.5	\$3.6	\$3.6	\$0.0	From Equip and AMC and \$.5M execution overstated in error
05	<b>Total FY</b>	\$222.1	(\$59.0)	\$163.0	\$163.0	\$0.0	

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CAPITAL BUDGET EXECUTION  
Component: United States Transportation Command  
Activity Group: Transportation  
Date: February 2006  
(\$ in Millions)

FY	Approved Projects	FY06 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
06	<b>Equipment except ADPE &amp; Telecomm</b>	\$3.4	\$6.7	\$10.1	\$10.1	\$0.0	
06	Autonomous Landing Guidance (ALG) - CMD	\$0.0	\$4.5	\$4.5	\$4.5	\$0.0	
06	Material Handling Equipment - SDDC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
06	Opportune Landing System (OLS) - CMD	\$0.0	\$2.2	\$2.2	\$2.2	\$0.0	
06	Replacement Equipment - AMC	\$2.4	\$0.0	\$2.4	\$2.4	\$0.0	
06	<b>ADPE &amp; Telecomm</b>	\$58.4	\$3.6	\$62.0	\$62.0	\$0.0	
06	Agile Trans, 21st Century (AT 21) - CMD	\$0.0	\$0.7	\$0.7	\$0.7	\$0.0	Portfolio management reallocation
06	Automated Identification Tech (AIT) - SDDC	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	
06	Automated Trans Data (AUTOSTRAD) - SDDC	\$4.4	\$0.0	\$4.4	\$4.4	\$0.0	
06	Cargo and Billing System (CAB) - SDDC	\$0.1	\$0.0	\$0.1	\$0.1	\$0.0	
06	Cons Air Mobility Plan Sys (CAMPS) - AMC	\$0.2	\$1.6	\$1.8	\$1.8	\$0.0	To field worldwide Net-Centric compatibility
06	Def Ent Acctg/Mgmt Sys (DEAMS) - CMD	\$3.0	\$0.0	\$3.0	\$3.0	\$0.0	
06	Def Personal Property System (DPS) - SDDC	\$0.1	\$0.0	\$0.1	\$0.1	\$0.0	
06	Def Systems & Networks-IA - CMD	\$0.3	\$0.0	\$0.3	\$0.3	\$0.0	
06	Global Air Transp Exec Sys (GATES) - AMC	\$4.5	\$0.0	\$4.5	\$4.5	\$0.0	
06	Global Decision Support Sys (GDSS) - AMC	\$0.0	\$1.5	\$1.5	\$1.5	\$0.0	Increase is for new enclave at Hickam AFB
06	Global Surface Dist Mgmt (GSDM) - SDDC	\$2.4	\$0.0	\$2.4	\$2.4	\$0.0	
06	Global Trans Network (GTN) - CMD	\$0.0	\$1.9	\$1.9	\$1.9	\$0.0	Reallocated from GTN21 to sustain ops
06	Global Trans Network 21 (GTN 21) - CMD	\$1.6	(\$1.6)	\$0.0	\$0.0	\$0.0	Program cancelled-reallocated to GTN
06	Infostructure - CMD	\$14.6	(\$0.4)	\$14.2	\$14.2	\$0.0	Portfolio management reallocation
06	Int Command, Control, Comm (IC3) - MSC	\$2.0	\$0.0	\$2.0	\$2.0	\$0.0	
06	Int Computerized Develop Sys (ICODES) - SDDC	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
06	Local Area Netwk (USTRANSCOM LAN) - CMD	\$10.0	\$2.0	\$12.0	\$12.0	\$0.0	Portfolio management reallocation
06	Situational Awareness-IA - CMD	\$0.2	(\$0.1)	\$0.1	\$0.1	\$0.0	Information Assurance goal reallocation
06	Theater Deployable Comm (TDC) - AMC	\$4.2	\$0.0	\$4.2	\$4.2	\$0.0	
06	Transform/Enable IA Capabilities - CMD	\$2.0	(\$2.0)	\$0.0	\$0.0	\$0.0	Portfolio management reallocation
06	Wing Local Area Network (Wing LAN) - AMC	\$6.9	\$0.0	\$6.9	\$6.9	\$0.0	
06	Worldwide Port System (WPS) - SDDC	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
06	<b>Software Development</b>	\$121.3	(\$4.1)	\$117.2	\$117.2	\$0.0	
06	Advanced Computer Flight Plan (ACFP) - AMC	\$0.1	\$0.0	\$0.1	\$0.1	\$0.0	
06	Agile Trans, 21st Century (AT21) - CMD	\$3.1	\$5.1	\$8.2	\$8.2	\$0.0	From GTN21--program delayed from FY05
06	Analysis of Mobility Platform (AMP) - CMD	\$2.6	\$0.0	\$2.6	\$2.6	\$0.0	
06	Automated Ident Tech (AIT) - SDDC	\$1.5	\$0.0	\$1.5	\$1.5	\$0.0	
06	Automated Trans Data (AUTOSTRAD) - SDDC	\$2.6	\$0.0	\$2.6	\$2.6	\$0.0	
06	Cargo and Billing System (CAB) - SDDC	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
06	Cons Air Mobility Plan Sys (CAMPS) - AMC	\$2.8	(\$1.0)	\$1.8	\$1.8	\$0.0	Total rqmts not funded by portfolio managers
06	CONUS Freight Management (CFM) - SDDC	\$1.1	\$0.0	\$1.1	\$1.1	\$0.0	
06	Core Automated Maint Sys (CAMS) - AMC	\$2.9	\$0.0	\$2.9	\$2.9	\$0.0	
06	Corporate Applications (CA) - MSC	\$1.6	(\$1.6)	\$0.0	\$0.0	\$0.0	Ungrouped CA into EC/EDI and FMS
06	Corporate Data Solution (CDS) - CMD	\$3.3	\$2.4	\$5.7	\$5.7	\$0.0	From Information Assurance
06	Corporate Environment (CE) - MSC	\$3.5	\$0.0	\$3.5	\$3.5	\$0.0	
06	Customs Border Clearance - CMD	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	

06	Def Ent Acctg & Mgmt Sys (DEAMS) - CMD	\$4.0	\$2.1	\$6.1	\$6.1	\$0.0	Added TFMS in FY06 & FY07
06	Defend Sys & Networks - IA - CMD	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
06	Defense Personal Property Sys (DPS) - SDDC	\$1.4	\$1.1	\$2.5	\$2.5	\$0.0	DPS Phase III
06	E-Comm/E-Data Interchange (EC/EDI) - MSC	\$0.0	\$0.6	\$0.5	\$0.5	\$0.0	From CA
06	Financial Management Sys (FMS) - MSC	\$0.0	\$0.8	\$0.9	\$0.9	\$0.0	From CA
06	Global Air Transp Exec Sys (GATES) - AMC	\$10.0	\$0.0	\$10.0	\$10.0	\$0.0	
06	Global Decision Support Sys (GDSS) - AMC	\$15.6	(\$3.6)	\$12.0	\$12.0	\$0.0	Total rqmts not funded by portfolio managers
06	Global Surface Dist Mgmt (GSDM) - SDDC	\$0.9	\$0.1	\$1.0	\$1.0	\$0.0	Rounding
06	Global Trans Netwk 21st (GTN 21) - CMD	\$20.1	(\$10.8)	\$9.3	\$9.3	\$0.0	Program rebaselined
06	Global Transp Network (GTN) - CMD	\$0.0	\$1.2	\$1.2	\$1.2	\$0.0	BDSS funds moved from GTN
06	Group Operatl Passenger Sys (GOPAX) - SDDC	\$0.0	\$0.4	\$0.4	\$0.4	\$0.0	STATCO Redesign
06	Infostructure - CMD	\$1.5	\$2.6	\$4.1	\$4.1	\$0.0	From various programs for HW buys
06	Int Command, Control, & Comm (IC3) - MSC	\$2.4	(\$1.0)	\$1.4	\$1.4	\$0.0	Portfolio management reallocation
06	Int Computerized Develop Sys (ICODES) - SDDC	\$0.3	\$0.0	\$0.3	\$0.3	\$0.0	
06	Integrated Booking System (IBS) - SDDC	\$2.5	\$0.0	\$2.5	\$2.5	\$0.0	
06	Intelligent Road/Rail Infor Server (IRRIS) - SDDC	\$2.3	\$0.6	\$2.9	\$2.9	\$0.0	Portfolio management reallocation
06	Joint Flow Analysis Sys for Trans (JFAST) - CMD	\$2.9	\$0.9	\$3.8	\$3.8	\$0.0	From Infostructure for DESS
06	Joint Mobility Control Group (JMCG) - CMD	\$0.2	\$1.3	\$1.5	\$1.5	\$0.0	From AT21 for TransViz
06	L-Band Satellite Comm (SATCOM) - AMC	\$0.6	(\$0.3)	\$0.3	\$0.3	\$0.0	Portfolio managers funded other statutory rqmts
06	Local Area Netwk (USTRANSCOM LAN) - CMD	\$5.3	(\$3.6)	\$1.7	\$1.7	\$0.0	Portfolio management reallocation
06	Logbook - CMD	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
06	Protect Information - IA - CMD	\$0.1	\$0.0	\$0.1	\$0.1	\$0.0	
06	Single Mobility System (SMS) - CMD	\$1.3	\$0.8	\$2.1	\$2.1	\$0.0	Portfolio management reallocation
06	Situational Awareness - IA - CMD	\$0.0	\$0.5	\$0.5	\$0.5	\$0.0	Portfolio management reallocation
06	System Integration - AMC	\$14.3	\$0.0	\$14.3	\$14.3	\$0.0	
06	Trans Financial Mgmt Sys (TFMS) - CMD	\$2.9	(\$2.9)	\$0.0	\$0.0	\$0.0	TFMS moved to DEAMS, GTN, & LAN
06	Transform/Enable IA Capabilities -IA - CMD	\$1.0	\$0.3	\$1.3	\$1.3	\$0.0	Portfolio management reallocation
06	Worldwide Port System (WPS) - SDDC	\$3.2	(\$0.1)	\$3.1	\$3.1	\$0.0	Rounding
06	<b>Minor Construction</b>	\$11.4	\$0.0	\$11.4	\$11.4	\$0.0	
06	Minor Construction - AMC	\$10.0	\$0.0	\$10.0	\$10.0	\$0.0	
06	Minor Construction - SDDC	\$1.1	\$0.0	\$1.1	\$1.1	\$0.0	
06	Security Upgrades for DCD Stations - DCD	\$0.3	\$0.0	\$0.3	\$0.3	\$0.0	
06	<b>Total FY</b>	\$194.5	\$6.2	\$200.7	\$200.7	\$0.0	

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