

***UNITED STATES  
AIR FORCE  
WORKING CAPITAL FUND  
(Appropriation: 4930)***



**U.S. AIR FORCE**

***Fiscal Year (FY) 2016  
Budget Estimates  
February 2015***

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**AIR FORCE WORKING CAPITAL FUND  
FISCAL YEAR (FY) 2016  
BUDGET ESTIMATES  
TABLE OF CONTENTS**

<b>AFWCF SUMMARY.....</b>	<b>1</b>
<b>OPERATING BUDGET.....</b>	<b>13</b>
<b>CONSOLIDATED SUSTAINMENT ACTIVITY GROUP.....</b>	<b>15</b>
<b>SUPPLY MANAGEMENT ACTIVITY GROUP - RETAIL.....</b>	<b>47</b>
<b>TRANSPORTATION WORKING CAPITAL FUND .....</b>	<b>69</b>
<b>CAPITAL BUDGET.....</b>	<b>89</b>

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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) 2016 Budget Estimates**

The FY 2016 Air Force Working Capital Funds (AFWCF) Budget Estimates reflect current execution plans and Air Force initiatives to improve the efficiency and effectiveness of our activities while continuing to meet the needs of the war fighting forces. Successful WCF operations are essential to the Air Force mission. In order to continue as a world class operation, logistics and business processes are continuously improved to ensure war fighters receive the right item at the right place, right time, and lowest cost.

### **Activity Group Overview**

The AFWCF conducts business in two primary areas: the Consolidated Sustainment Activity Group (CSAG) and the Supply Management Activity Group-Retail (SMAG-R). The Transportation Working Capital Fund (TWCF), for which the Air Force assumed responsibility of cash oversight in FY 1998, is part of this submission. However, United States Transportation Command (USTRANSCOM), rather than the Air Force, has management responsibility for TWCF day-to-day operations.

### **Air Force Core Strategic Capabilities**

In support of Air Force core functions, the AFWCF activities provide maintenance services, weapon system parts, base and medical supplies, and transportation services. The working capital funds are integral to 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 Overseas Contingency Operations and National Military Strategy requirements. 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. USTRANSCOM 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 requirements.

## **Consolidated Sustainment Activity Group**

The mission of the Consolidated Sustainment Activity Group (CSAG) is supply management of reparable and consumable items, as well as maintenance services. The activity operates with two divisions: Maintenance and Supply.

The CSAG Supply Division is primarily responsible for Air Force-managed, depot-level reparable spares and consumable spares unique to Air Force. The Supply Division 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. The CSAG Supply Division is committed to implementing improvements that meet customer demands and decrease cost by examining new ways of doing business and leveraging new technologies to support war fighter needs. The Supply Division works to reduce the impact of Diminishing Manufacturing Sources and Material Shortages (DMSMS) and other obsolescence issues associated with aircraft fleets of 25.7 years average age. Due to fleet age, the number of parts with no qualified manufacturing or repair source is expected to increase over the next decade. Additionally, suppliers are increasingly unwilling or unable to produce new and/or repair aging spare parts. To address these DMSMS and other obsolescence issues, the Supply Division re-engineers parts which can no longer be produced or repaired. The Supply Division also identifies parts for which availability is at risk due to DMSMS issues, taking appropriate action to minimize adverse impact to weapon system readiness.

The CSAG Maintenance Division repairs systems and spare parts to ensure readiness in peacetime and to provide sustainment for current Overseas Contingency Operations (OCO). 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 Maintenance Division's depots have unique skills and equipment required to support and overhaul both new, complex components as well as aging weapon systems. During contingency operations, the Air Force depots can surge repairs and realign capacity to support the war fighter's immediate needs. Business initiatives are underway to reduce cost, improve performance, and increase availability of aircraft. These improvements are critical to the Maintenance Division remaining a fundamental element of both readiness and sustainability by providing a cost effective, rapid repair capability.

## **Supply Management Activity Group–Retail**

The Supply Management Activity Group-Retail (SMAG-R) manages over 1.8 million inventory items including weapon system consumable spare parts, medical-dental supplies and equipment, and other consumable supply items used in non-weapon system applications. The Air Force SMAG-R component provides critical support to combat readiness by procuring materiel and selling spares to authorized retail customers. The activity operates with three divisions: General Support, Medical Dental, and Academy. The Medical Dental Division inventory includes a War Reserve Materiel (WRM) Stockpile. WRM provides initial war fighting capability until re-supply lines can sustain wartime demands for medical and dental supplies and equipment.

The SMAG-R 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-R and are maintained by each of the divisions in support of customer requirements. The SMAG-R objective is to replenish inventories and provide supplies to customers in a timely manner within customer funding constraints, while maintaining fund solvency.

## **Transportation Working Capital Funds**

USTRANSCOM's mission is to provide air, land, and sea transportation for the Department of Defense (DOD) in time of peace and war, with a primary focus on wartime readiness. The \$6.2 billion TWCF budget provides synchronized transportation and sustainment, making it possible to project and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust and accuracy. The USTRANSCOM accomplishes its 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. USTRANSCOM is always ready to meet the strategic mobility needs of our nation. A brief description of the role of each component follows:

- Air Mobility Command provides airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking. They are the single manager for air mobility.
- Military Sealift Command supports our nation by delivering supplies and conducting specialized missions across the world's oceans.
- Surface Deployment and Distribution Command provides global surface deployment and distribution services to meet the nation's objectives.

USTRANSCOM 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. The surge from peacetime sustainment to a massive deployment of people and material in support of Overseas Contingency Operations is the most recent example of USTRANSCOM's ability to execute its mission.

Their successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning—all requiring the team efforts of the Commander's Staff and their components.

### **Air Force Initiatives**

The Enterprise Logistics Strategy (ELS) represents the collective thinking and commitment of a coalition of senior logistics leaders across the Air Force. This coalition recognized the need and opportunity to establish shared ownership of the Logistics enterprise to accelerate the pace of change and drive key initiatives to generate cost-effective readiness. The ELS outlines the mission, vision, and strategic priorities for navigating the way ahead.

- The vision for USAF Logistics in 2022 is: Leading ready affordable logistics in a Joint world
- The ELS identified three major strategic priorities: 1) Evolve logistics core competencies to fully support Joint doctrine; 2) posture logistics resources for the next fight; and, 3) deliver cost effective readiness through product support and operational logistics

ELS initiatives relating to the AFWCF include:

- Repair Network Integration seeks to eliminate redundancy by consolidating Centralized Repair Facilities and capitalizing on depot capabilities; currently working on Electronics & Environmental and Avionics
- Cost-effective Aircraft Availability applies analytics to move from art to science with a proposed three-level construct covering training, steady state, and peak
- Strategic Sourcing leverages opportunities through improvements on strategic contracts, alternative parts utilization, forecast accuracy, and increased competition
- Developing an improved understanding of the cost of Logistics to make effective, cost-conscious decisions relative to Logistics operations and priorities; and, to more effectually identify cause and effect relationships between Logistics funding, operational readiness, and materiel availability in Planning Programming Budgeting and Execution processes

Initiatives beyond ELS continue to positively impact AFWCF activities. The Air Force Sustainment Center (AFSC), headquartered at Tinker AFB OK, consists of three Depots, two Supply Chain Wings, and three Air Base Wings. The AFSC manages, plans, and executes sustainment-related activities, supply chain functions, and depot maintenance activities across the Air Force. The AFSC partners with the Air Force Life Cycle Management Center in weapon system support planning for weapon systems across the life cycle -- to include early in the acquisition cycle.

The AFSC has embarked on a groundbreaking effort to transform operations from effective to cost-effective. The Sustainment Center has leveraged best practices from industry, while keeping focused on warfighter support to create “The AFSC Way.” The AFSC Way is based on a shared leadership model that emphasizes speed (productivity), safety, quality, and cost effectiveness in every process and every work center across the enterprise in order to achieve “art of the possible” results despite declining budgets and fiscal uncertainty. The AFSC Way uses scientific methods based on the theory of constraints, critical path, and lean principles to drive continual process improvement to increase speed (productivity), eliminate waste, and remove constraints in critical processes.

Both Maintenance Division and Supply Division realized significant improvement in key operational metrics since the standup of AFSC in FY 2012. Improvements include:

- Increased Aircraft Production in FY 2013 and FY 2014 compared to FY 2012
- Decreased Backorders 18% in FY 2013 and 6% in FY 2014
- Decreased critical part shortages 19% in FY 2013 and 10% in FY 2014
- Decreased Depot Work Stoppages 13% in FY 2013 and 18% in FY 2014

Further, the Air Force formally builds functional and financial performance plans to assess AFWCF business operations at Air Force Materiel Command. Quarterly reviews with the Major Command Commanders focus attention on cost, performance, and the delivery of quality parts and maintenance on time.

Additionally, the Air Force is working to achieve Department of Defense Financial Improvement and Audit Readiness (FIAR) goals relative to the AFWCF. The Air Force continues to make improvements in financial and reporting structures through close cooperation with the Office of the Secretary of Defense and the Defense Finance and Accounting Service in efforts to achieve and sustain audit readiness. Financial reporting improvements achieved will help AFWCF attain unqualified assurance on the effectiveness of internal controls.

### **Direct Appropriations**

In FY 2014, AFWCF received a total of \$150.2 million in direct appropriations. Air Force received \$61.7 million for Medical Dental WRM requirements; and USTRANSCOM received Overseas Contingency Operations (OCO) funding for Transportation of Fallen Heroes, \$10.0 million, and for C-17 Engine Maintenance, \$78.5 million.

In FY 2015 AFWCF received \$66.7 million in direct appropriations. Air Force received \$61.7 million for Medical Dental WRM and USTRANSCOM received \$5.0 million OCO funding for Transportation of Fallen Heroes.

In FY 2016 AFWCF requests a total of \$65.4 million in direct appropriations. Air Force requests \$62.9 million for Medical Dental WRM; and USTRANSCOM requests \$2.5 million OCO funding for Transportation of Fallen Heroes.

### **Cash Management (Air Force WCF only)**

In FY 2014, AFWCF cash increased from the beginning of period balance of \$730.3 million to \$815.3 million by the end of FY 2014. The lower and upper limits for this period are \$564.2 million and \$851.9 million respectively. The cash balance reflects a congressionally approved reprogramming action totaling \$128.3 million from AFWCF to Air Force Military Personnel appropriation.

In FY 2015, AFWCF cash increases from the beginning of period balance of \$815.3 million to \$979.6 million. The lower and upper limits for this period are \$901.1 million and \$1,200.5 million respectively. These limits reflect preparation for the Treasury Department's Daily Cash Reporting initiative that was originally scheduled to begin October 2015.

Manual reports generated by Air Force and DFAS throughout FY 2013 and FY 2014 demonstrate high volatility in daily balances and highlight risk of insolvency. In FY 2015 AFWCF will test the effect an additional collection cycle will have on cash operations. The goal is to reduce day-to-day volatility to acceptable levels. Specifically, the Consolidated Sustainment Activity Group (CSAG) Maintenance Division will increase collections to three per month and CSAG Supply Division will collect twice monthly from the largest customer account, Active Air Force Operation and Maintenance. A decrease in cash volatility during the test period is expected; however, a level of volatility is projected to remain due to frequency and timing differences in disbursement and collection cycles. Additionally, these additional collection cycles will not minimize cash fluctuations related to seasonal variance.

In FY 2016, AFWCF cash decreases from the beginning of period balance of \$979.6 million to \$858.0 million. The lower and upper limits for this period are \$681.9 million and \$983.6 million respectively. The cash decrease is the result of returning gains from prior years to customers. This cash balance also supports the Treasury Department's daily cash reporting initiative originally scheduled for implementation in FY 2015.

## **Cash Management Transportation WCF**

FY 2015 President's Budget estimated cash for FY 2014 was \$485.9 million. The FY 2014 actual cash is \$713.9 million, an increase of \$228.0 million primarily due to one-time, non-operational revenue and decreased airlift and sealift costs.

The FY 2015 cash is \$830.0 million which is based on fully collecting Airlift Readiness Account funds or achieving similar cost savings recognized in FY 2014.

FY 2016 cash is \$604.6 million which is based on fully collecting Airlift Readiness Account funds in FY 2015 and in FY 2016.

**Air Force Working Capital Fund Cash**

(Dollars in Millions)

<b>Air Force "Blue" Working Capital Fund Cash (\$M)</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>BOP Cash Balance</b>	730.3	815.3	979.6
<b>Disbursements</b>	12,870.7	15,373.0	15,747.0
<b>Collections</b>	13,022.3	15,475.5	15,562.6
<b>Transfers (Net)</b>	(128.3)	.0	.0
<b>Direct Appropriations (War Reserve Material)</b>	61.7	61.7	62.9
<b>EOP Cash Balance</b>	815.3	979.6	858.0
<b>Lower Limits</b>	564.2	901.1	681.9
<b>Upper Limits</b>	851.9	1,200.5	983.6

<b>Transportation Working Capital Fund Cash (\$M)</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>BOP Cash Balance</b>	727.3	713.9	830.0
<b>Disbursements</b>	8,601.8	7,017.2	6,141.1
<b>Collections</b>	8,576.9	7,128.2	5,913.3
<b>Transfers (Net)</b>	(77.0)	.0	.0
<b>Direct Appropriations</b>			
OCO C -17 Contractor Logisitics Support	78.5	.0	.0
Fallen Heroes	10.0	5.0	2.5
<b>EOP Cash Balance</b>	713.9	830.0	604.6
<b>Lower Limits</b>	901.0	722.2	636.6
<b>Upper Limits</b>	1153.0	977.8	882.1

Air Force Working Capital Fund  
Total Fund Summary  
(Dollars in Millions)

	FY 2014	FY 2015	FY 2016
Total Revenue	21,788.5	22,499.1	21,853.1
Cost of Goods Sold	21,242.5	22,406.4	22,060.6
Net Operating Result Adjustments	(119.6)	(43.6)	(44.8)
Net Operating Result (NOR)	426.4	49.1	(252.3)
Accumulated Operating Result (AOR) <sup>1,2</sup>	668.1	284.5	(136.0)
Civilian End Strength	29,411	30,060	29,793
Military End Strength	12,518	12,574	12,322
Civilian Workyears	29,876	30,041	29,447
Military Workyears	11,304	11,259	11,036
Capital Budget	275.0	311.5	262.9
Direct Appropriation <sup>3</sup>	150.2	66.7	65.4

<sup>1</sup> Includes Non-Recoverable AOR

<sup>2</sup> The FY2016 \$136 million AOR loss is the result of TRANSCOM WCF recovering the Surface Deployment and Distribution Command's Transportation Operations loss over two years

<sup>3</sup> Includes Medical-Dental War Reserve Material, Transportation of Fallen Heroes and C-17 Engine Maintenance

***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***OPERATING BUDGET***

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**  
***CONSOLIDATED SUSTAINMENT***  
***ACTIVITY GROUP***

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## **Consolidated Sustainment Activity Group Fiscal Year (FY) 2016 Budget Estimates**

The Consolidated Sustainment Activity Group (CSAG) is an innovative approach to business in the U.S. Air Force Working Capital Fund (AFWCF). The CSAG reflects the combination of the Depot Maintenance Activity Group (DMAG) and the Material Support Division (MSD) from the Supply Management Activity Group into a single enterprise in FY 2009. This consolidation is structured to improve customer support by efficiently working as one entity and eliminate internal financial transactions between MSD and DMAG. However, beginning in FY 2014, the Maintenance Division resumed billing the Supply Division for repairs accomplished for Supply. In FY 2015, the Supply Division began billing the Maintenance Division for materials that Maintenance previously received without charge. These recent changes were implemented in support of Financial Improvement and Audit Readiness efforts and to ensure adequate available budgetary resources within the divisions.

The mission of CSAG is supply management of reparable and consumable items as well as maintenance services. Reparable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically.

### **Maintenance Division**

The Maintenance Division repairs systems and spare parts to ensure readiness in peacetime and to provide sustainment for current Overseas Contingency Operations (OCO). The division operates on funds received from its customers through sales of its services. In peacetime, the Air Force enhances readiness by efficiently and economically repairing, overhauling and modifying weapons systems and their components to meet customer demands. The Maintenance Division's depots have unique skills and equipment required to support and overhaul both new, complex components as well as aging weapon systems. During Contingency Operations, the Air Force depots can surge repairs and realign capacity to support the war fighter's immediate needs.

The CSAG Maintenance Division ensures support of mission essential workloads and support of workloads that commercial sources cannot or will not perform. The division's 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 maintenance sites include:

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

Business initiatives are underway to reduce cost, improve performance, and increase availability of aircraft. These improvements are critical to the Maintenance Division remaining a fundamental element of both readiness and sustainability by providing a cost effective, rapid repair capability.

## **Supply Division**

The Supply Division is primarily responsible for Air Force-managed, depot-level reparable spares and consumable spares unique to the Air Force. Reparable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically. In addition to management of these inventories, the Supply Division 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.

These CSAG Supply Division services are executed under the Air Force Sustainment Center (AFSC) described in the AFWCF Overview. With supply chain management and depot maintenance functions in one organization, the AFSC analyzes and develops sustainment-wide procedures, processes, and metrics with the ultimate goal of increasing availability, capability, and affordability. This construct supports one of the Air Force's distinctive capabilities, Agile Combat Support, providing greater ability to posture for additional workload and preserves the viability of depot maintenance and the supply chain.

## **CSAG Customer Base**

Maintenance and Supply customers include Air Force Major Commands (including Air National Guard & Air Force Reserves), the Army, the Navy, other WCF activities (i.e., Transportation Working Capital Fund), other government agencies, public-private partnerships, and foreign countries. The CSAG divisions also are customers of each other; Maintenance Division repairs parts for Supply Division, while that division provides parts the Maintenance Division uses in depot maintenance services.

## **CSAG Initiatives**

Initiatives continue within the CSAG-Supply Division to modernize processes. The AFSC is transforming supply chain processes to improve weapon system and equipment availability and to deliver customer support with increased velocity. Continued emphasis is on cost control in order to provide the best value to the customer and achieve Department of Defense efficiency initiative goals. Progress is being achieved and efforts continue identifying and resolving pricing and billing discrepancies; thus, improving asset visibility to reduce requisition redundancies, and expediting asset movement via the distribution pipeline.

Examples of Supply Chain efficiency initiatives, crossing the Future Years Defense Program (FYDP), include:

- Strategic Commodity Sourcing: Leveraging buy/repair contract vehicles and vendor sources to optimize buying power of the Supply Management activities.
- Right-Sizing Readiness Spares Package (RSP): Potential exists for AF to optimize RSP re-supply levels. RSP kits are needed to support the wartime activities specified in the Defense Planning Guidance (DPG) and the War and Mobilization Plan (WMP). Updates to modeling/planning assumptions for spares computations and Propulsion Enterprise Management lead to overall reductions of requirements, inventory, and transportation costs.
- CSAG-Supply Overhead: Standardizing and streamlining overhead functions.

Recently, AFSC also began an initiative to more precisely define material requirements. Termed “Accurate Supply Requirements”, it is a key, new effort to provide cost effective readiness to the enterprise. Fundamentally, variability in spares requirements can cause both under and over planning of resources, both of which eventually result in increased costs. Over-

planning will result in unused capacity with higher than necessary fixed costs. Under planning results in the need for expensive workarounds to ensure readiness goals are achieved. Specifically, this task seeks to improve the Demand Forecast Accuracy projections by 3.5%. More accurate forecasts ensure limited manpower, equipment, and consumable resources are more efficiently allocated in advance of execution and therefore more efficiently utilized during execution year.

The AFSC is also pursuing specific cost-cutting initiatives within the Maintenance Division. As a result, the Maintenance Division has achieved a composite sales rate reduction of 2.98% in FY 2015 and an additional reduction of 2.33% in FY 2016, delivering savings to AFWCF customers. Areas targeted include the following:

Material is the largest expense category for the Maintenance Division. The AFSC's engineering staff led several initiatives to review, scrub, and update Direct Material requirements. Each Complex's engineering team reviewed current testing processes; evaluated thresholds; analyzed repair versus replace options; and, examined reliability issues. As of fourth quarter FY 2014, the AFSC identified \$126.2 million in Direct Material reductions enabling AFSC to decrease the composite sales rate in FY 2016.

Additionally, all Maintenance Division overhead expense categories were highly scrutinized for possible reductions. Several cost categories were reduced from the FY 2015 President's Budget estimates. These categories include reimbursable non-pay reductions, utilities, service contracts, travel, training, and tech refreshment.

## CSAG Financial and Performance Summary

<b>Financial Performance (\$ Millions)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Revenue	9,822.1	11,781.7	11,893.7
Total Expenses (with Work In Progress)	9,350.2	11,780.4	11,949.0
Other Adjustments Affecting NOR to Include Pass-Throughs	(100.6)	25.1	25.1
Net Operating Results	371.3	26.4	(30.2)
Non Recoverable Adjustments Impacting Accumulated Operating Results	0.0	(299.8)	(104.1)
Accumulated Operating Results	407.7	134.3	0.0

With the establishment of CSAG in FY 2007, billing ceased between CSAG Maintenance and Supply. CSAG Maintenance and Supply utilized internal cash transfers to compensate each other in the interim while an Enterprise Resource Planning (ERP) solution capable of seamlessly reconciling interdivision transactions (revenue and expenses) was developed.

With the delay of an ERP solution and in support of Financial Improvement and Audit Readiness (FIAR) compliance goals, the billing between CSAG divisions has resumed (i.e., revenue/expense recognition). FY 2014 expenses and revenue now reflect CSAG Maintenance Division billing \$2.0 billion for repairs accomplished on behalf of CSAG Supply Division. In FY 2015 expenses and revenue increases are primarily due to Supply Division billing Maintenance Division \$1.7 billion for parts demanded in support of depot maintenance and repairs. While CSAG revenue increases with this change, external customers are not impacted.

FY 2015 and FY 2016 Non-Recoverable Adjustments Impacting AOR are required to achieve a zero AOR for budgetary purposes and to maintain sufficient cash levels in CSAG.

<b>Cash: (\$ Millions)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
BOP Cash Balance	497.6	631.5	727.7
Disbursements	9,317.2	11,590.3	11,956.9
Collections	9,579.5	11,686.5	11,883.3
Net Transfers	(128.3)	0.0	0.0
Change in Cash	134.0	96.1	(73.6)
Cash Balance	631.5	727.7	654.0
Lower Limit	415.4	686.9	516.4
Upper Limit	632.8	913.7	744.8

The FY 2014 Net Transfer reflects reprogramming \$128.3 million from CSAG Supply to the Air Force Military Personnel appropriation. Cash balances at the end of all three fiscal years fall within the lower and upper limits.

<b>Stabilized Sales Rates and Prices</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Maintenance Composite Sales Rate per hour	294.34	285.56	279.05
Maintenance Rate Change	4.06%	(2.98%)	(2.33%)
Supply Unit Cost	1.28	1.01	1.00
Supply Customer Price Change	3.80%	(1.15%)	(1.67%)

The formula used to compute the FY 2015 CSAG Supply Customer Price Change differed from prior years in compliance with draft Financial Management Regulation guidance. The FY 2015 Supply Customer Price Change was 5.99% using the traditional formula previously employed. For FY 2016 the Military Services were permitted to resume using the traditional method. The FY 2016 rate reflects the effects of a minimal increase in customer demand and a decrease in surcharge. Increased customer demand expands the base across which surcharge costs are recovered. Further, the surcharge was adjusted to return the division's FY 2014 \$258.4 million gain, improving AFWCF customer's buying power.

The CSAG Maintenance sales rate for FY 2016 reflects projected cost reductions in direct materials and overhead, as well as the return of the division's FY 2014 \$91.8 million gain, delivering savings to AFWCF customers.

<b>CSAG Manpower Resources:</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Civilian End Strength	25,540	25,691	25,653
Civilian Full Time Equivalents	25,917	25,758	25,384
Military End strengths	200	225	225
Military Workyears	172	185	182

<b>Capital Investment Program Authority</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>(\$Millions):</b>			
Equipment – Weapon System Support/Test	126.9	154.0	138.8
ADPE & Telecom	11.6	5.1	1.7
Software Development	2.1	7.4	19.7
Minor Construction	8.0	6.4	7.9
<b>Sub-Total</b>	<b>148.6</b>	<b>172.9</b>	<b>168.1</b>

<b>Maintenance Depot Six Percent Capital Investment Plan</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>(\$Millions):</b>			
Required Investment	255.1	243.8	279.0
Total Investment Budgeted	353.8	575.3	446.4
Percent Invested	8.3%	14.2%	9.6%

<b>Supply Mission Capable (MICAP) Hours*</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Actual Performance	699		
Objective	898	898	898

\*Hours in Thousands

Mission Capable (MICAP) Hours are the sum of hours a customer waits for a part that grounds an aircraft, piece of equipment, or vehicle. For every day during the month the requisition is unfilled, 24 hours are assigned to the requisition.

<b>Supply Customer Wait Time (CWT)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2015</b>
Actual Performance	5.7		
Objective	7.5	7.5	7.5

Customer Wait Time (CWT) is the average number of days accrued from the time a customer orders a spare part until the part is received.

<b>Supply Stockage Effectiveness</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Actual Performance	81.2		
Objective	83.0	83.0	83.0

Stockage Effectiveness measures how often the supply system has available for immediate sale those items required to be maintained at base and depot level supply locations.

### **Supply Undelivered Orders**

<b>Undelivered Orders (\$ Millions)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Supply Division	3,912.840	3,720.548	3,637.703

FY 2015 and FY 2016 decreased projections in undelivered orders are predominately due to adjustments in customer requirements and continuing transfers of consumable items from Supply Division to Defense Logistics Agency for management.

## Supply Item Quantity Requirements

Item	FY 2014	FY 2015	FY 2016
Number of Issues	1,722,792	1,566,378	1,566,378
Number of Receipts	1,610,201	1,469,469	1,469,469
Number of Requisitions <sup>(1)</sup>	498,860	459,643	459,643
Contracts Executed <sup>(2)</sup>	2,421	5,000	5,000
Purchase Inflation	3.00%	3.00%	3.00%
Items Managed	86,860	86,860	86,860

<sup>(1)</sup> Requisitions are lower than issues due to Supply requisitions containing quantities greater than one, while issues are counted per unit. For example, one requisition for a National Stock Number (NSN) may order a quantity greater than one. When the requisitioned NSNs are issued, each unit is counted as an individual issue.

<sup>(2)</sup> Contracts containing multiple fund citations have been omitted because the current contracting system cannot distinguish Supply funding under those conditions. The Contracts Executed amounts are for buy or repair actions for items managed in CSAG-Supply Division.

<sup>(3)</sup> FY 2015 and FY 2016 issues, receipts, and requisitions are estimated based on historical averages.

Maintenance Direct Production Earned Hours Produced	FY 2014	FY 2015	FY 2016
Hours in Thousands	21,337	21,765	21,769

Workload projections are expressed in Direct Production Earned Hours (DPEHs). The table above includes DPEHs produced with overtime. DPEH is an hour earned by a direct employee against an established work order in the performance of depot work on an end item.

### Maintenance Due Date Performance and Quality Defect Rate

	Goal	FY 2014	FY 2015	FY 2016
Due Date Performance <sup>(1)</sup>	95%	84%	95%	95%
Quality Defect Rate <sup>(2)</sup>	0.22	0.16	0.22	0.22

(1) The Due Date Performance metric measures percentage of aircraft returned to customers on or before the agreed delivery date. The FY 2014 Due Date Performance of 84% reflects a variety of issues including late inspections and evaluations and workload capacity loss due to the F-22 Depot Consolidation program ongoing at Ogden Air Logistics Complex (ALC). Other issues such as skills imbalances and manpower and facility constraints at both Warner Robins and Oklahoma City ALCs contributed to the lower than expected performance for this metric.

(2) The Quality Defect Rate measures the number of quality defects identified by the customer after the end item is returned to the customer, expressed in defects per aircraft. The FY 2014 Quality Defect Rate of 0.16 exceeded the goal of 0.22.

**CSAG - Maintenance Division**

	FY2014 to FY2015	FY2015 to FY2016
<b>Cost of Operations</b>		
Organic BOP	4,411.556	6,147.739
Contract BOP	.000	.000
<b>Cost of Operations</b>	<b>4,411.556</b>	<b>6,147.739</b>
<b>ANNUALIZATION</b>		
Annualization of Civilian Pay	2.874	2.894
Annualization of Military Pay	.025	.027
<b>TOTAL ANNUALIZATION</b>	<b>2.899</b>	<b>2.921</b>
<b>PRICE CHANGES</b>		
Civilian Pay Raises	15.851	21.083
Military Pay Raises	.099	.103
Material Price Growth	11.499	105.629
Fuel Price Growth	.521	(1.006)
Other Growth	10.156	13.349
<b>TOTAL PRICE CHANGES</b>	<b>38.127</b>	<b>139.158</b>
<b>PRODUCTIVITY SAVINGS</b>		
<b>TOTAL PRODUCTIVITY SAVINGS</b>	<b>.000</b>	<b>.000</b>
<b>PROGRAM CHANGES</b>		
Labor Workload	(12.773)	(22.157)
Material Workload *	1,611.162	(216.963)
BOS	5.443	(5.148)
Contract Changes	.000	.000
<b>TOTAL PROGRAM CHANGES</b>	<b>1,603.832</b>	<b>(244.268)</b>

\*Beginning in FY 2015, CSAG Supply Division resumed billing CSAG Maintenance Division for parts issued for depot maintenance and repairs. This change supports Financial Improvement and Audit Readiness efforts (FIAR) with no impact on customers.

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Maintenance Division**

	FY2014 to FY2015	FY2015 to FY2016
<b>OTHER CHANGES</b>		
Data Systems Support	2.200	(.771)
Data Systems Development	1.781	(.027)
Equipment Depreciation	6.934	9.591
Minor Construction Depreciation	(1.668)	.000
Data System Depreciation	(2.288)	(.030)
Travel & Transportation	2.117	(.191)
Communications	2.107	(.482)
Utilities	5.479	(2.022)
Equipment Rental	(.276)	(.109)
Printing & Equipment	.138	(.039)
Equip/Vehicle Rep & Maintenance	20.158	(1.266)
Custodial	1.054	(.080)
Facility Maintenance	18.489	.385
Training	3.012	(.066)
Environmental	.000	.000
Miscellaneous	32.087	(9.891)
<b>TOTAL OTHER CHANGES</b>	<b>91.324</b>	<b>(4.998)</b>
<b>TOTAL CHANGES</b>	<b>1,736.182</b>	<b>(107.187)</b>
<b>Cost of Operations</b>		
Organic EOP	6,147.739	6,040.552
<b>Total Cost of Operations</b>	<b>6,147.739</b>	<b>6,040.552</b>

Fund 6  
(Dollars in Millions)

Depot Maintenance Six Percent Capital Investment Plan  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Maintenance Division

	REVENUE (Maintenance, Repair, Overhaul) <u>3 Year Average</u>			BUDGETED CAPITAL (Modernization, Efficiency)		
	<u>2011-2013</u>	<u>2012-2014</u>	<u>2013-2015</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
	Revenue					
Working Capital Fund	4,251.737	4,063.832	4,649.511			
Appropriations	.000	.000	.000			
Total Revenue	4,251.737	4,063.832	4,649.511			
WCF Depot Maintenance Capital Investment						
Facility Restoration & Modernization <sup>1</sup>				56.390	65.000	66.100
Capital Investment Program <sup>2</sup>				146.762	165.899	147.473
Other Equipment				.000	.000	.000
Processes/Productivity Enhancements <sup>3</sup>				8.080	9.800	7.800
Appropriated Funding						
MILCON (3300)				.000	111.000	37.000
Procurement Equipment (3010) <sup>4</sup>				142.581	215.050	188.070
Operation & Maintenance				.000	.000	.000
Investment Total				353.813	566.749	446.443
Minimum 6% Investment Amount				255.104	243.830	278.971
Investment Over/Under Requirement				98.709	322.919	167.472

1. Per FY 2012 National Defense Authorization Act (NDAA), sustainment of facilities is not included in the 6% calculation and has been removed from the line previously named "Facility Sustainment, Restoration & Modernization."

2. The figure in the FY 2014 Budgeted Capital column for Capital Investment Program reflects funds obligated less Prior Year adjustments.

3. The Processes/Productivity Enhancements category addresses transitioning equipment/technology through prototyping, testing, demonstration, and production qualification to utilization in the depot production environment.

4. Efforts funded with Aircraft Procurement (3010) include: support equipment development, procurement, installation and validation; tooling manufacturing and modification; software licensing and testing; engineering support; test equipment; and repair manuals.

5. The CSAG Maintenance Division information above reflects the following Air Logistics Complex (ALC) investments:  
 Oklahoma City ALC: FY 2014 \$106.1 million (5.3%); FY 2015 \$255.4 million (13.1%); FY 2016 \$170.3 million (7.5%)  
 Ogden ALC: FY 2014 \$202.9 million (21.6%); FY 2015 \$237.3 million (25.8%); FY 2016 \$169.4 million (15.2%)  
 Warner Robins ALC: FY 2014 \$44.8 million (3.5%); FY 2015 \$74.0 million (6.2%); FY 2016 \$106.8 million (8.4%)

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG**

	FY2014	FY2015	FY2016
<b>1. New Orders</b>			
<b>a. Orders From DOD Components:</b>			
<b>(1) Air Force</b>			
(a) Aircraft Procurement	244.646	261.947	300.249
(b) Missile Procurement	14.474	.359	.402
(c) Other Procurement	.290	.000	.000
(d) Military Construction	.000	.000	.000
(e) Operations & Maintenance - AF (w/OCO)	4,542.097	4,209.544	4,020.100
(f) Operations & Maintenance - AFRC (w/OCO)	530.743	557.110	507.898
(g) Operations & Maintenance - ANG (w/OCO)	1,337.122	1,325.718	1,543.861
(h) Research & Development - AF	119.080	137.110	118.259
(i) Military Personnel - AF	.000	.000	.000
(j) Reserve Personnel - AF	.000	.000	.000
(k) Guard Personnel - ANG	.000	.003	.004
(l) Family Housing	.000	.000	.000
(m) Special Trust Funds	.000	.000	.000
(n) Other Air Force	1.186	.786	1.403
(o) Other	.000	.000	.000
<b>Total Air Force</b>	<b>6,789.639</b>	<b>6,492.576</b>	<b>6,492.176</b>
(2) Army	24.818	36.311	30.164
(3) Navy	280.197	209.132	211.401
(4) Marine Corps	1.304	1.854	1.823
(5) MAP/Grant Aid	.041	.000	.000
(6) Other DOD	312.180	299.038	334.398
<b>Total DOD excluding WCF</b>	<b>7,408.178</b>	<b>7,038.911</b>	<b>7,069.961</b>
<b>b. Orders From Other Fund Activity Groups</b>			
(1) AF Supply Mgmt Activity Group - Retail	69.292	72.782	78.055
(2) Transportation Activity Group - TRANSCOM	300.448	365.963	447.088
(3) Other WCF Activity Groups	74.993	81.985	112.487
(4) Commissary, Sur. Coll.	.000	.000	.000
(5) AF CSAG - Supply (Supply Orders to Maintenance)	2,334.275	1,913.647	1,988.786
(6) AF CSAG - Maintenance (Maintenance Orders to Supply)	.000	1,670.098	1,657.806
<b>Total Other Fund Activity Groups</b>	<b>2,779.008</b>	<b>4,104.474</b>	<b>4,284.222</b>
<b>c. Other Internal to AF Consolidated Sustainment Activity Group</b>			
(1) Internal Material Transfer Orders (Maintenance Orders to Supply)	1,556.731	.000	.000
(2) Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
<b>Total Internal AF Consolidated Sustainment Activity Group</b>	<b>1,556.731</b>	<b>.000</b>	<b>.000</b>

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG**

	FY2014	FY2015	FY2016
<b>d. Grand Total DOD</b>	<b>11,743.916</b>	<b>11,143.385</b>	<b>11,354.183</b>
<b>e. Other Orders</b>			
(1) Other Federal Agencies	40.772	1.628	15.487
(2) Non Federal Agencies	274.732	430.066	533.492
(3) FMS	274.963	248.202	222.810
<b>Total Other Orders</b>	<b>590.466</b>	<b>679.895</b>	<b>771.789</b>
<b>Total New Gross Orders</b>	<b>12,334.383</b>	<b>11,823.280</b>	<b>12,125.973</b>
<b>Total New External Orders (Total New Gross Orders minus 1c. Total Internal AF CSAG) *</b>	<b>10,777.652</b>	<b>11,823.280</b>	<b>12,125.973</b>
<b>2. Carry-In Orders</b>	<b>1,625.080</b>	<b>2,392.518</b>	<b>2,298.516</b>
a. Carry-over Execution Adjustment	(72.935)	29.748	.000
<b>3. Total Gross Orders</b>	<b>13,959.463</b>	<b>14,215.798</b>	<b>14,424.489</b>
a. Less Internal Material Transfer Orders (Maintenance Orders to Supply)	1,556.731	.000	.000
b. Less Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
<b>Total External Gross Orders</b>	<b>12,402.732</b>	<b>14,215.798</b>	<b>14,424.489</b>
<b>4. Gross Revenue</b>	<b>9,937.279</b>	<b>11,947.030</b>	<b>12,063.223</b>
<b>5. End of Year W-I-P</b>	<b>5.462</b>	<b>16.298</b>	<b>16.298</b>
<b>6. Total Exclusion</b>			
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)	139.898	293.636	283.239
Exclusion (Late Inducted Orders)	.000	.000	.000
<b>Total Exclusion (sum of above exclusions)</b>	<b>139.898</b>	<b>293.636</b>	<b>283.239</b>
<b>7. Funded Carryover</b>	<b>2,247.158</b>	<b>1,988.581</b>	<b>2,061.729</b>

\* In support of Financial Improvement and Audit Readiness (FIAR) compliance, the buyer/seller relationship between the CSAG divisions has been reinstated (i.e., revenue recognition). The large increase in Total New External Orders in FY 2014 is due primarily to CSAG Maintenance Division billing for repairs accomplished on behalf of CSAG Supply Division. The orders for these material repairs were reflected on line 1.c.(2) Internal Material Repair Orders (Supply Orders to Maintenance) in prior submissions and shifted to line 1.b.(5) AF CSAG-Supply (Supply Orders to Maintenance) for FY 2014, FY 2015 and FY 2016.

The increase in Total New External Orders from FY 2014 to FY 2015 is primarily due to CSAG Supply Division resuming billing to CSAG Maintenance Division for parts demanded for depot maintenance and repairs. The orders for parts are reflected on line 1.b.(6) AF CSAG-Maintenance (Maintenance Orders to Supply) in FY 2015 and FY 2016; they are reflected on line 1.c.(1) Internal Material Transfer Orders (Maintenance Orders to Supply) for FY 2014.

Fund 11A  
(Dollars in Millions)

Carryover Reconciliation  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Maintenance Division**

External Orders	FY2014	FY2015	FY2016
Gross Carry-in	1,513.815	2,270.001	2,136.482
Adjustments to Carry-In During Execution	(72.935)	29.748	0.000
WIP	17.092	0.674	16.298
1 Net Carry-in	1,423.788	2,299.075	2,120.184
2 Revenue (Billings)	5,569.353	6,100.573	6,043.934
3 New Orders	6,398.474	5,937.306	6,101.623
4 Exclusion (FMS, BRAC, Other Federal Agencies, Non-Federal Agencies)	385.398	534.603	596.119
Exclusion (Unplanned Orders, Inducted Late)	0.000	0.000	0.000
Exclusion Adjustment	0.000	0.000	0.000
Total Exclusion (FMS, BRAC, Other Federal Agencies, Non-Federal Agencies)	385.398	534.603	596.119
5 Orders for Carry-over Calculation	6,013.076	5,402.704	5,505.504
6 Weighted Composite Outlay Rate (New Orders)	64.30%	64.09%	68.78%
7 Carry-over Rate (New Orders)	35.70%	35.91%	31.22%
Carry-over Rate (Prior Year Multi-Year Funds)	68.00%	68.00%	68.00%
Carry-over Rate (Prior Year Software)	25.22%	24.26%	22.60%
8 Allowable Carry-over (New Orders)	2,146.617	1,940.057	1,718.674
Allowable Carry-over (Prior Year Multi-Year Funds)	118.189	110.274	104.999
Allowable Carry-over (Prior Year Software)	120.217	141.362	96.821
Total Allowable Carry-over	2,385.023	2,191.693	1,920.494
9 Unbilled Balance	2,270.001	2,136.482	2,194.171
Exclusion Adjustment	0.000	0.000	0.000
Total Unbilled Balance	2,270.001	2,136.482	2,194.171
10 Work-in-Process Carry-over	0.674	16.298	16.298
11 Actual Carry-over	2,269.327	2,120.184	2,177.873
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)	139.898	293.636	283.239
Exclusion (Late Inducted Orders)	0.000	0.000	0.000
12 Calculated Actual Carry-over	2,129.429	1,826.548	1,894.634
Excess Carryover (Negative number best)	(255.594)	(365.145)	(25.859)

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG**

	FY2014	FY2015	FY2016
<b>Revenue:</b>			
<b>Income:</b>			
Maintenance Division	5,569.353	6,100.573	6,043.934
Supply Division (Material Gross Sales)	4,367.926	5,846.457	6,019.289
Less Credit Returns	167.085	204.702	220.260
Total Income	9,770.194	11,742.328	11,842.963
Depreciation Offset (Major Construction)	.000	.000	.000
Other Revenue	51.885	39.380	50.694
Total Other Revenue	51.885	39.380	50.694
<b>Total Revenue</b>	<b>9,822.079</b>	<b>11,781.708</b>	<b>11,893.657</b>
<b>Expenses:</b>			
Maintenance Division			
Cost of Repair (Direct and POH Costs)			
Labor	1,911.289	1,898.756	1,898.738
Material	1,586.058	3,199.371	3,085.109
Depreciation	.000	.000	.000
Depreciation of Equipment, ADPE & Telecom, Minor Construction, and Software	123.721	129.306	138.779
Depreciation of Other Fixed Assets	.000	.000	.000
Subtotal Depreciation	123.721	129.306	138.779
Subtotal Labor, Material, and Depreciation	3,621.069	5,227.433	5,122.626
Remaining Direct and POH Costs	351.294	402.289	400.790
Total Cost of Repair (Direct and POH Costs)	3,972.362	5,629.722	5,523.416
Supply Division			
Cost of Material Sold	84.075	126.983	198.162
Cost of Material Repair	3,020.236	3,601.462	3,672.606
Condemnation Material Expense Recovery (CMER)	774.544	758.598	836.982
Other Expenses	65.087	39.380	50.694
Subtotal Material & Other Expenses	3,943.942	4,526.423	4,758.443
Operating Expenses			
Military Personnel	11.020	10.316	10.421
Civilian Personnel	368.701	403.874	408.661
Travel & Transportation of People	1.600	3.806	3.962

Fund 14 CSAG

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG**

	FY2014	FY2015	FY2016
Materials & Supplies	26.251	36.221	38.168
Equipment	30.729	44.647	45.032
Other WCF Purchases	328.723	362.696	376.084
Transportation of Things	34.933	48.979	49.959
Depreciation - Capital	50.667	15.601	14.828
Depreciation of Other Fixed Assets	27.694	25.111	25.140
Printing and Reproduction	.737	1.374	1.363
Advisory and Assistance Services	46.066	31.997	37.060
Rent, Comm, Utilities and Misc Charges	78.336	91.477	78.692
Other Purchased Services	416.744	559.003	577.797
Cost of Direct Reimbursable Material	.000	.000	.000
Initial Spares	47.725	39.380	50.694
Other Direct Reimbursements	.000	.000	.000
<b>Total Operating Expenses</b>	<b>1,422.201</b>	<b>1,635.103</b>	<b>1,667.168</b>
<b>Total Expenses</b>	<b>9,338.506</b>	<b>11,791.248</b>	<b>11,949.027</b>
Work in Process, Beginning of Year	17.125	5.462	16.298
Work in Process, End of Year	5.462	16.298	16.298
Work in Process, Change	(11.663)	10.837	.000
<b>Total Expenses Adjusted for Work in Process</b>	<b>9,350.168</b>	<b>11,780.411</b>	<b>11,949.027</b>
<b>Operating Results (Net Operating Results on 1307 - Line 11)</b>	<b>471.911</b>	<b>1.297</b>	<b>(55.370)</b>
Less Capital Surcharge Reservation	.000	.000	.000
Plus Passthroughs or Other Approps (NOR)	.000	.000	.000
Other Adjustments Affecting NOR and Other Changes*	(100.642)	25.111	25.140
<b>Net Operating Result (Recoverable NOR on 1307 - Line 13)</b>	<b>371.269</b>	<b>26.408</b>	<b>(30.230)</b>
Prior Year Adjustments	.000	.000	.000
Other Changes Affecting AOR	.000	.000	.000
Prior Year AOR	36.454	407.723	134.313
<b>Accumulated Operating Result</b>	<b>407.723</b>	<b>434.132</b>	<b>104.083</b>
Non-Recoverable Adjustment Impacting AOR**	.000	(299.819)	(104.083)
<b>Accumulated Operating Result for Budget Purposes</b>	<b>407.723</b>	<b>134.313</b>	<b>(.000)</b>

\* "Other Adjustments" include a FY 2014 (\$128.3 million) cash transfer to MILPERS from CSAG-Supply and an adjustment for CSAG-Maintenance's non-recoverable depreciation for donated assets in FY 2014 : \$27.7 million, FY 2015: \$25.1 million, and FY 2016: \$25.1 million.

\*\* The FY 2015 and FY 2016 Non-Recoverable Adjustments Impacting AOR are required to achieve a zero AOR for budgetary purposes and to maintain sufficient cash levels in CSAG.

Fund 16  
(Dollars in Millions)

Material Inventory Data  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Maintenance Division**

	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>1. Material Inventory BOP</b>	<b>116.034</b>	<b>118.325</b>	<b>118.325</b>
<b>2. A. BOP Reclassification Changes</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>B. Adjust to Standard Prices</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. A. Price Changes</b>	<b>2.291</b>	<b>.000</b>	<b>.000</b>
<b>B. Inventory Reclasp &amp; Repriced</b>	<b>118.325</b>	<b>118.325</b>	<b>118.325</b>
<b>4. Receipts from Commercial Sources</b>	<b>1,572.164</b>	<b>1,540.700</b>	<b>1,432.877</b>
<b>5. Negotiated Purchases from Customers</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>6. Gross Sales</b>	<b>1,572.164</b>	<b>1,540.700</b>	<b>1,432.877</b>
<b>7. Inventory Adjustments</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>8. Inventory - End of Period</b>	<b>118.325</b>	<b>118.325</b>	<b>118.325</b>
<b>A. Economic Retention (Memo)</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>B. Policy Retention (Memo)</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>C. Potential Excess (Memo)</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>D. Other (Memo)</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>9. Inventory On Order (EOP)</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>

SM-1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

	Obligation Targets								
	Net Customer Orders	Net Sales	Operating	WRM Direct Appn	Direct Reimbursables (Initial Spares)	Total Operating Obligations	Total Capital Obligations	Variability Target	Target Total
FY2014	4,212.093	4,200.840	5,126.640	.000	33.802	5,160.442	1.800	800.000	5,962.242
FY2015	5,681.272	5,641.755	5,669.325	.000	46.498	5,715.823	7.016	800.000	6,522.839
FY2016	5,804.090	5,799.029	5,801.684	.000	58.111	5,859.795	20.657	800.000	6,680.452

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2014	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	4.630	2.700	7.330	0.000	50.191	16.114	66.305	73.635	7.3%
B-1B	19.222	1.324	20.545	4.609	144.890	55.183	200.073	225.227	21.0%
B-2	26.826	3.953	30.779	0.000	16.116	31.535	47.651	78.430	14.8%
B-52	30.628	2.381	33.009	.076	115.027	14.887	129.914	163.000	12.5%
C-5	10.380	.711	11.091	0.000	93.419	16.735	110.154	121.245	8.7%
C-17	0.000	0.000	0.000	0.000	.615	1.017	1.632	1.632	3.8%
C-130	11.805	12.844	24.649	0.000	117.609	155.567	273.176	297.824	6.7%
C-135	74.121	6.935	81.056	5.228	382.104	97.599	479.703	565.987	8.6%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	4.060	.202	4.262	7.722	56.211	13.338	69.549	81.532	6.7%
E-4	0.000	0.000	0.000	0.000	.999	.114	1.113	1.113	1.5%
E-8	5.922	0.000	5.922	0.000	12.429	.929	13.357	19.280	9.3%
F-4	0.000	0.000	0.000	0.000	1.735	.073	1.808	1.808	0.0%
F-15	18.363	4.576	22.939	15.078	199.044	23.656	222.699	260.717	10.8%
F-16	81.760	44.351	126.111	1.089	251.583	25.699	277.282	404.482	10.9%
F100 Engines	197.740	58.757	256.497	0.000	402.055	42.646	444.701	701.198	0.0%
F110 Engines	8.406	2.193	10.599	0.000	86.821	1.024	87.845	98.444	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.0%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	1.477	0.000	1.477	0.000	.356	16.287	16.643	18.121	6.5%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	.002	.002	.002	0.0%
H-60	2.571	.250	2.821	0.000	.080	6.648	6.728	9.549	8.6%
Trainers	5.687	1.842	7.529	0.000	10.000	9.419	19.419	26.948	10.9%
Other Aircraft	7.085	.180	7.266	0.000	2.899	7.394	10.293	17.559	5.8%
SOF	.005	.076	.081	0.000	3.556	23.727	27.283	27.364	9.5%
Common	47.992	5.137	53.129	0.000	203.851	53.713	257.564	310.693	0.0%
Common EW	25.735	1.403	27.139	0.000	30.693	29.903	60.595	87.734	0.0%
Missiles	.777	.850	1.627	0.000	8.120	5.585	13.705	15.332	0.0%
Other	20.963	.056	21.019	0.000	10.274	33.495	43.769	64.788	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	332.582	332.582	332.582	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
JEIM	0.000	0.000	0.000	0.000	107.553	.545	108.098	108.098	0.0%
Local Manufacture Buy	0.000	.000	.000	0.000	12.313	0.000	12.313	12.313	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	.000	.000	0.000	0.000	90.646	90.646	90.646	0.0%
<b>Total</b>	<b>606.157</b>	<b>150.720</b>	<b>756.877</b>	<b>33.802</b>	<b>2,320.544</b>	<b>1,106.061</b>	<b>3,426.605</b>	<b>4,217.284</b>	<b>9.6%</b>

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2015	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	9.446	3.169	12.615	0.000	40.079	18.280	58.359	70.974	7.6%
B-1B	23.133	4.621	27.755	12.422	128.297	49.542	177.840	218.016	19.3%
B-2	51.640	2.788	54.428	.809	14.671	40.492	55.163	110.400	18.0%
B-52	60.255	.746	61.000	4.377	122.182	12.801	134.983	200.360	11.6%
C-5	30.081	1.812	31.894	0.000	86.601	18.621	105.222	137.115	9.5%
C-17	.033	0.000	.033	0.000	.281	.006	.288	.321	3.5%
C-130	15.226	13.395	28.621	5.096	120.345	105.693	226.037	259.754	6.7%
C-135	82.052	6.789	88.841	4.181	402.300	124.117	526.416	619.438	7.9%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	58.054	2.350	60.405	8.849	50.790	6.220	57.010	126.263	7.3%
E-4	0.000	0.000	0.000	0.000	.722	.081	.802	.802	1.5%
E-8	1.512	0.000	1.512	0.000	10.085	.787	10.872	12.384	8.6%
F-4	.237	.012	.249	0.000	1.604	.026	1.630	1.878	0.0%
F-15	33.224	2.427	35.651	10.674	186.316	32.536	218.851	265.177	11.1%
F-16	19.177	36.570	55.748	.090	292.198	28.480	320.677	376.515	10.8%
F100 Engines	152.916	63.680	216.596	0.000	528.768	57.393	586.161	802.757	0.0%
F110 Engines	11.427	2.362	13.789	0.000	84.392	1.754	86.145	99.935	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.9%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	.680	.198	.878	0.000	.292	14.123	14.415	15.292	6.5%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	6.509	.645	7.154	0.000	.224	11.969	12.193	19.347	8.6%
Trainers	3.091	1.998	5.089	0.000	9.568	12.089	21.657	26.746	12.4%
Other Aircraft	3.048	.483	3.531	0.000	2.509	10.480	12.989	16.519	6.4%
SOF	2.242	.795	3.036	0.000	3.659	41.906	45.565	48.601	8.9%
Common	40.725	7.925	48.650	0.000	193.225	63.669	256.894	305.544	0.0%
Common EW	4.702	1.046	5.748	0.000	27.252	16.304	43.555	49.304	0.0%
Missiles	2.826	7.763	10.589	0.000	8.444	6.562	15.006	25.595	0.0%
Other	23.326	.432	23.758	0.000	14.020	41.031	55.052	78.810	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	393.562	393.562	393.562	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
JEIM	0.000	0.000	0.000	0.000	134.675	0.000	134.675	134.675	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	21.540	0.000	21.540	21.540	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	18.592	108.628	127.220	127.220	0.0%
<b>Total</b>	<b>635.562</b>	<b>162.006</b>	<b>797.568</b>	<b>46.498</b>	<b>2,503.628</b>	<b>1,217.150</b>	<b>3,720.778</b>	<b>4,564.844</b>	<b>9.8%</b>

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2016	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	9.878	3.674	13.552	0.000	64.981	11.997	76.978	90.530	7.5%
B-1B	16.847	8.100	24.947	3.547	111.569	51.400	162.969	191.463	20.1%
B-2	26.574	1.997	28.571	.369	22.227	48.757	70.984	99.924	16.4%
B-52	36.903	2.477	39.380	5.722	149.009	13.600	162.609	207.711	12.0%
C-5	22.710	1.175	23.885	0.000	93.394	18.355	111.749	135.634	9.1%
C-17	.008	0.000	.008	0.000	.344	.011	.354	.363	3.7%
C-130	20.536	17.460	37.995	6.105	149.451	134.171	283.622	327.723	6.7%
C-135	123.752	5.957	129.708	11.629	454.061	114.689	568.750	710.087	8.2%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	22.233	1.099	23.331	17.583	59.607	6.379	65.986	106.900	7.0%
E-4	0.000	0.000	0.000	0.000	.888	.076	.965	.965	1.5%
E-8	2.689	0.000	2.689	0.000	12.752	.458	13.210	15.899	8.9%
F-4	.081	.005	.086	0.000	1.729	.018	1.747	1.833	0.0%
F-15	55.267	5.815	61.082	12.661	215.918	37.433	253.352	327.095	11.0%
F-16	29.048	28.323	57.371	.495	250.981	25.845	276.826	334.692	10.9%
F100 Engines	239.716	51.848	291.564	0.000	491.613	49.502	541.115	832.680	0.0%
F110 Engines	14.476	7.104	21.580	0.000	57.497	1.107	58.605	80.185	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.9%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-111	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	.370	.218	.589	0.000	.396	15.770	16.166	16.754	6.5%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	2.835	.410	3.244	0.000	.294	10.445	10.739	13.983	8.6%
Trainers	2.724	4.269	6.993	0.000	11.754	13.587	25.341	32.334	11.6%
Other Aircraft	3.272	.570	3.842	0.000	3.559	12.610	16.169	20.011	6.1%
SOF	1.756	.407	2.162	0.000	3.826	57.998	61.824	63.986	9.2%
Common	46.262	6.628	52.889	0.000	198.834	57.787	256.621	309.510	0.0%
Common EW	5.346	.967	6.312	0.000	31.109	16.845	47.955	54.267	0.0%
Missiles	1.426	2.709	4.135	0.000	11.152	8.095	19.248	23.383	0.0%
Other	16.525	.401	16.926	0.000	16.548	45.347	61.895	78.821	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	345.105	345.105	345.105	0.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
JEIM	0.000	0.000	0.000	0.000	143.775	0.000	143.775	143.775	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	23.008	0.000	23.008	23.008	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	0.000	105.518	105.518	105.518	0.0%
<b>Total</b>	<b>701.232</b>	<b>151.611</b>	<b>852.844</b>	<b>58.111</b>	<b>2,580.279</b>	<b>1,202.904</b>	<b>3,783.183</b>	<b>4,694.137</b>	<b>9.7%</b>

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2014	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	13,757.975	.000	10,798.148	2,959.826
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	8,949.448	.000	6,913.641	2,035.807
b. Price Change Amount (Memo)	(603.904)	.000	(471.045)	(132.859)
c. Inv Reclassified & Repriced	22,103.519	.000	17,240.745	4,862.774
3. Receipts at MAC	1,509.028	.000	1,177.042	331.986
4. Sales at Standard	660.668	.000	515.321	145.347
5. Inventory Adjustments				
a. Capitalization + or (-)	271.846	.000	212.040	59.806
b. Returns from Customers for Credit	263.319	.000	205.389	57.930
c. Returns from Customers w/o Credit	4,012.301	.000	3,129.594	882.706
d. Returns to Suppliers (-)	(274.310)	.000	(213.962)	(60.348)
e. Transfers to Property Disposal (-)	(3,364.170)	.000	(2,624.052)	(740.117)
f. Issues/Receipts w/o Reimbursement	(3,021.231)	.000	(2,356.560)	(664.671)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(15.342)	.000	(11.967)	(3.375)
2. Discounts on Returns	(162.803)	.000	(126.986)	(35.817)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	186.786	.000	145.693	41.093
6. Physical Inventory Adj	(55.297)	.000	(43.132)	(12.165)
7. Accounting Adjustments	355.188	.000	277.047	78.141
8. Shipment Discrepancies	(88.451)	.000	(68.992)	(19.459)
9. Other Gains/Losses	508.707	.000	396.791	111.916
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	728.788	.000	568.455	160.333
h. Total Adjustments	(1,383.457)	.000	(1,079.096)	(304.360)

SM-4 CSAG - Supply Division

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2014	Total	Mobil	Peacetime Operating	Peacetime Other
6. Inventory EOP	21,568.422	.000	16,823.369	4,745.053
7. Inventory EOP, Revalued (MAC, Discounted)	21,568.422	.000	16,823.369	4,745.053
a. Economic Retention (Memo)	2,722.396	.000	2,123.469	598.927
b. Contingency Retention (Memo)	2,059.467	.000	1,606.384	453.083
c. Potential DOD Reutilization (Memo)	33.378	.000	26.035	7.343
8. Inventory on Order Cost EOP (Memo)	3,912.840	.000	3,052.015	860.825

Data above includes an \$8.9 billion inventory adjustment (line 2.a.) to properly align with the DFAS 1307 financial report. The adjustment corrects the following issues:

1. AFWCF incorporated a \$7.1 billion reduction to the FY 2006 beginning of period inventory reported (from \$30.3 to 23.2 billion) due to the forthcoming write-off of in-transit inventory, an adjustment which was not reconciled with the DFAS 1307 financial report in future budget cycles.
2. Billing elimination between CSAG-Supply and CSAG-Maintenance, allowed by the creation of CSAG in FY 2008, resulted in unforeseen impacts to CSAG-Supply inventory valuation in FY 2008 - FY 2013. As of FY 2015, billing between the two divisions has resumed and is expected to result in improved financial auditability.

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2015	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	21,568.422	.000	16,823.369	4,745.053
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(624.415)	.000	(487.044)	(137.371)
c. Inv Reclassified & Repriced	20,944.007	.000	16,336.326	4,607.682
3. Receipts at MAC	1,516.551	.000	1,182.910	333.641
4. Sales at Standard	616.141	.000	480.590	135.551
5. Inventory Adjustments				
a. Capitalization + or (-)	314.961	.000	245.669	69.291
b. Returns from Customers for Credit	265.830	.000	207.348	58.483
c. Returns from Customers w/o Credit	4,078.787	.000	3,181.454	897.333
d. Returns to Suppliers (-)	(462.200)	.000	(360.516)	(101.684)
e. Transfers to Property Disposal (-)	(3,026.075)	.000	(2,360.338)	(665.736)
f. Issues/Receipts w/o Reimbursement	(2,758.081)	.000	(2,151.303)	(606.778)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(24.425)	.000	(19.052)	(5.374)
2. Discounts on Returns	(131.374)	.000	(102.472)	(28.902)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	224.603	.000	175.191	49.413
6. Physical Inventory Adj	(5.293)	.000	(4.128)	(1.164)
7. Accounting Adjustments	395.850	.000	308.763	87.087
8. Shipment Discrepancies	(2.836)	.000	(2.212)	(.624)
9. Other Gains/Losses	379.110	.000	295.706	83.404
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	835.635	.000	651.795	183.840
h. Total Adjustments	(751.143)	.000	(585.891)	(165.251)
6. Inventory EOP	21,093.275	.000	16,452.754	4,640.520
7. Inventory EOP, Revalued (MAC, Discounted)	21,093.275	.000	16,452.754	4,640.520
a. Economic Retention (Memo)	2,673.393	.000	2,085.246	588.146
b. Contingency Retention (Memo)	2,022.397	.000	1,577.470	444.927
c. Potential DOD Reutilization (Memo)	32.777	.000	25.566	7.211
8. Inventory on Order Cost EOP (Memo)	3,720.548	.000	2,902.027	818.520

SM-4 CSAG - Supply Division

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

CSAG - Supply Division

FY2016	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	21,093.275	.000	16,452.754	4,640.520
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(636.903)	.000	(496.785)	(140.119)
c. Inv Reclassified & Repriced	20,456.371	.000	15,955.970	4,500.402
3. Receipts at MAC	1,546.882	.000	1,206.568	340.314
4. Sales at Standard	628.463	.000	490.201	138.262
5. Inventory Adjustments				
a. Capitalization + or (-)	321.260	.000	250.583	70.677
b. Returns from Customers for Credit	271.147	.000	211.495	59.652
c. Returns from Customers w/o Credit	4,160.362	.000	3,245.083	915.280
d. Returns to Suppliers (-)	(471.443)	.000	(367.726)	(103.718)
e. Transfers to Property Disposal (-)	(3,086.596)	.000	(2,407.545)	(679.051)
f. Issues/Receipts w/o Reimbursement	(2,813.243)	.000	(2,194.329)	(618.913)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(24.914)	.000	(19.433)	(5.481)
2. Discounts on Returns	(134.002)	.000	(104.521)	(29.480)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	229.096	.000	178.694	50.401
6. Physical Inventory Adj	(5.399)	.000	(4.211)	(1.188)
7. Accounting Adjustments	403.767	.000	314.939	88.829
8. Shipment Discrepancies	(2.893)	.000	(2.257)	(.636)
9. Other Gains/Losses	386.692	.000	301.620	85.072
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	852.348	.000	664.831	187.517
h. Total Adjustments	(766.166)	.000	(597.609)	(168.556)
6. Inventory EOP	20,608.624	.000	16,074.727	4,533.897
7. Inventory EOP, Revalued (MAC, Discounted)	20,608.624	.000	16,074.727	4,533.897
a. Economic Retention (Memo)	2,619.925	.000	2,043.541	576.383
b. Contingency Retention (Memo)	1,981.949	.000	1,545.920	436.029
c. Potential DOD Reutilization (Memo)	32.122	.000	25.055	7.067
8. Inventory on Order Cost EOP (Memo)	3,637.703	.000	2,837.408	800.295

SM-4 CSAG - Supply Division

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Supply Division**

**FY2014**

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>2. Price Change</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Purchases	.000	.000	.000
(2). Returns from customers	.000	.000	.000
<b>b. Issues @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Sales	.000	(.000)	.000
(2). Returns to suppliers	.000	.000	.000
(3). Disposals	.000	.000	.000
<b>c. Adjustments @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Capitalizations	.000	.000	.000
(2). Gains and losses	.000	.000	.000
(3). Other	.000	.000	.000
<b>Inventory EOP</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>STOCKPILE COSTS</b>			
<b>1. Storage</b>	<b>.000</b>		
<b>2. Management</b>	<b>.000</b>		
<b>3. Maintenance/Other</b>	<b>.000</b>		
<b>Total Cost</b>	<b>.000</b>		
<b>WRM BUDGET REQUEST</b>			
<b>1. Obligations @ cost</b>	<b>.000</b>		
<b>a. Additional WRM Investment</b>	<b>.000</b>		
<b>b. Replen/Repair WRM -Reinvest</b>	<b>.000</b>		
<b>c. Stock Rotation/Obsolescence</b>	<b>.000</b>		
<b>d. Assemble/Disassemble</b>	<b>.000</b>		
<b>e. Other</b>	<b>.000</b>		
<b>Total Request</b>	<b>.000</b>		

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Supply Division**

**FY2015**

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>2. Price Change</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Purchases	.000	.000	.000
(2). Returns from customers	.000	.000	.000
<b>b. Issues @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Sales	.000	(.000)	.000
(2). Returns to suppliers	.000	.000	.000
(3). Disposals	.000	.000	.000
<b>c. Adjustments @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Capitalizations	.000	.000	.000
(2). Gains and losses	.000	.000	.000
(3). Other	.000	.000	.000
<b>Inventory EOP</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>STOCKPILE COSTS</b>			
<b>1. Storage</b>	<b>.000</b>		
<b>2. Management</b>	<b>.000</b>		
<b>3. Maintenance/Other</b>	<b>.000</b>		
<b>Total Cost</b>	<b>.000</b>		
<b>WRM BUDGET REQUEST</b>			
<b>1. Obligations @ cost</b>	<b>.000</b>		
a. Additional WRM Investment	.000		
b. Replen/Repair WRM -Reinvest	.000		
c. Stock Rotation/Obsolescence	.000		
d. Assemble/Disassemble	.000		
e. Other	.000		
<b>Total Request</b>	<b>.000</b>		

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Supply Division**

**FY2016**

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>2. Price Change</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Purchases	.000	.000	.000
(2). Returns from customers	.000	.000	.000
<b>b. Issues @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Sales	.000	(.000)	.000
(2). Returns to suppliers	.000	.000	.000
(3). Disposals	.000	.000	.000
<b>c. Adjustments @ std</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
(1). Capitalizations	.000	.000	.000
(2). Gains and losses	.000	.000	.000
(3). Other	.000	.000	.000
<b>Inventory EOP</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>STOCKPILE COSTS</b>			
<b>1. Storage</b>	<b>.000</b>		
<b>2. Management</b>	<b>.000</b>		
<b>3. Maintenance/Other</b>	<b>.000</b>		
<b>Total Cost</b>	<b>.000</b>		
<b>WRM BUDGET REQUEST</b>			
<b>1. Obligations @ cost</b>	<b>.000</b>		
<b>a. Additional WRM Investment</b>	<b>.000</b>		
<b>b. Replen/Repair WRM -Reinvest</b>	<b>.000</b>		
<b>c. Stock Rotation/Obsolescence</b>	<b>.000</b>		
<b>d. Assemble/Disassemble</b>	<b>.000</b>		
<b>e. Other</b>	<b>.000</b>		
<b>Total Request</b>	<b>.000</b>		

***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**  
***SUPPLY MANAGEMENT ACTIVITY***  
***GROUP RETAIL***

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## **Supply Management Activity Group–Retail Overview Fiscal Year (FY) 2016 Program Budget Estimates**

### **Activity Group Overview**

The Air Force Supply Management Activity Group–Retail (SMAG-R) is comprised of three divisions: General Support, Medical-Dental and the United States Air Force Academy.

### **SMAG–Retail Mission Description**

The Air Force SMAG-R manages 1.8 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. SMAG-R is a critical component in the support of combat readiness. It procures materiel and makes spares available to authorized customers. Within SMAG-R, the Medical-Dental Division inventory includes a War Reserve Material (WRM) Stockpile.

SMAG-R 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-R and are maintained by each of the divisions in support of customer requirements. The SMAG-R objective is to replenish inventories and provide supplies to customers in a timely manner within customer funding constraints, while maintaining fund solvency.

SMAG-R generates revenue from sales to a diverse customer base. Primary SMAG-R customers are Air Force Major Commands (including Air Force Reserve and Air National Guard), Foreign Military Sales, Army, Navy, Defense Health Program, and other working capital activity groups (i.e., Consolidated Sustainment Activity Group–Maintenance Division).

SMAG–Retail Budget Overview

## **Division Overviews**

The General Support Division (GSD) finances the Air Force retail inventory and issues requirements for all non-Air Force managed economic order quantity (EOQ) items other than those pertaining to peculiar medical, commissary, and fuels requirements. GSD items support installation, maintenance, administrative functions, field and depot maintenance of aircraft, ground and airborne communication and electronic systems, and other sophisticated systems and equipment. Also included is initial outfitting of individual clothing items issued to new recruits, organizational clothing items such as firemen's protective over garments, 'clean room' coveralls, air crew helmets, and chemical biological warfare protective over garments. This retail activity is accomplished at nearly 300 Air Force installations throughout the world.

The Air Force Academy Division finances the purchase of uniforms, uniform accessories and miscellaneous commodities required by USAF Academy cadets during their four-year stay at the Academy. The customer base consists of approximately 4000 cadets. The Air Academy Division procures both distinctive uniforms and accessories from various manufacturing contractors as well as regular Air Force uniforms purchased through the Defense Logistics Agency.

The Surgeon General of the Air Force is responsible for the overall management of the Medical-Dental Division (MDD) and manages items for 74 Medical Treatment Facilities (MTF) worldwide. The Surgeon General assigned central financial and material management functions to the Medical Logistics Division of the Air Force Medical Operations Agency (AFMOA), located at Fort Detrick, Maryland. Nearly 99% of all peacetime customer orders come from MTFs funded by the Defense Health Program appropriation. Peacetime inventory stock remains at 3-4 days with annual turn-over rates of over 200 times.

In addition to the peacetime program, MDD is responsible for purchasing and maintaining inventory/assets funded by the War Reserve Material (WRM) appropriation. The medical WRM inventory is owned by MDD until it is needed for war fighter deployment or contingency operations and it is then sold and revenue is collected for WRM replenishment. WRM inventory accounts for approximately 99% of total MDD inventory at any given time.

## **War Reserve Materiel (WRM) / Direct Appropriation**

The medical WRM provides supplies and equipment vital to support forces in the full range of military operations for the first 30 days of a contingency operation, and provides force health protection materiel to all deploying Air Force Active, Reserve, and Guard personnel. Availability of this materiel ensures Air Force personnel can deploy as scheduled and contingency operations can be conducted until re-supply lines are established and materiel is routinely received from the contiguous United States. A direct appropriation funds establishment and sustainment of 3,498 assemblages and Force Health Protection assets for 447 locations that are maintained in the MDD inventory until required for direct support of war fighters. Medical wartime assemblies/capabilities are classified into six support categories: Expeditionary Medical Support (EMEDS) assemblages, Aero-Medical Evacuation (AE) sets, Patient Staging, Specialty Care sets, AF Special Operations, Medical Support and Medical Personal Protection Prophylaxis/Antidotes.

Approximately one third of WRM pharmaceuticals must be replaced annually because of shelf life or emergence of newer, more effective treatments. Medical equipment requires constant upgrade to maintain the medical standard of care for required deployable capability. New technology allows for replacement of equipment with smaller, more proficient models which often drives a change in other supply requirements. The Air Force ensures airmen and joint war fighters have the best possible care provided when they go in harm's way by keeping pace with medical device technological advances; however, staying abreast of these rapid innovations places significant financial burden on medical WRM resources.

## SMAG–Retail Financial and Performance Summary

The table below provides revenue and expense data for the total SMAG-R. Revenue and expenses in FY 2014 reflect greater customer demand than FY 2013 and retention of \$95.5 million. The FY 2014 Non-Recoverable Accumulated Operating Results (AOR) Adjustment was required to prevent return of gains in future rates because cash was transferred out of GSD in FY 2012 (\$120 million to Air Force Operations and Maintenance) and in FY 2013 (\$33 million to Transportation WCF). The impact of those cash transfers on AOR was spread between FY 2013 and FY 2014 in the Statement of Operations. The FY 2015 AOR is adjusted \$130.3 million to maintain sufficient operating cash flow on a daily basis. Revenues and expenses in FY 2016 result in a Net Operating Result loss of \$61.3 million. A negative Non-Recoverable Adjustment of \$19.8M is taken to ensure cash remains relatively stable between FY 2015 and FY 2016.

The WRM direct appropriation received is included in the Total Revenue balance in all fiscal years and is included in Total Expense for FY 2014. Other Adjustments (WRM) are made so Net Operating Results (NOR) reflects only results associated with the Operating Program and War Reserve Material Program activity remains NOR neutral.

### Revenue, Expenses and Net Operating Results

Dollars in Millions	FY 2014	FY 2015	FY 2016
Total Revenue	\$3,611.1	\$3,837.9	\$3,733.5
Total Expenses	\$3,521.2	\$3,738.0	\$3,724.9
Operating Results	\$89.9	\$99.9	\$8.6
Other Adjustments (WRM)	(\$19.0)	(\$68.7)	(\$69.9)
Net Operating Results	\$70.9	\$31.2	(\$61.3)
Non-Recoverable AOR Adjustment	(\$95.5)	(\$130.3)	(\$19.8)
Accumulated Operating Results	\$180.1	\$81.1	\$0.0

### Cash Management

Dollars in Millions	FY 2014	FY 2015	FY 2016
BOP Cash Balance	\$230.3	\$182.8	\$249.5
Disbursements	\$3,552.1	\$3,784.1	\$3,790.1
Collections	\$3,442.8	\$3,789.1	\$3,679.3
Transfer Ins/Outs	\$0.0	\$0.0	\$0.0
WRM	\$61.7	\$61.7	\$62.8
EOP Cash Balance	\$182.8	\$249.5	\$201.5
Lower Limit Cash Goal	\$148.8	\$214.3	\$165.6
Upper Limit Cash Goal	\$219.1	\$286.8	\$238.8

The SMAG-Retail end of year cash balances for FY 2014, FY 2015 and FY 2016 are within the lower and upper limits.

### Customer Price Change (%)

Division	FY 2014	FY 2015	FY 2016
General Support	6.21%	0.72%	0.70%
Medical-Dental	6.35%	5.21%	3.80%
Academy	14.01%	-15.44%	1.64%

The FY 2016 customer price changes for all three SMAG-Retail divisions are minimal, reflecting material inflation and return of prior year gains. FY 2014 and FY 2015 customer price changes were established in previous budget submissions.

**Analysis of Undelivered Orders**

Dollars in Millions	FY 2014	FY 2015	FY 2016
Peacetime			
General Support Division	\$453.4	\$616.9	\$614.4
Medical-Dental Division	\$135.4	\$139.2	\$143.4
Academy Division	\$0.4	\$0.4	\$0.4
WRM			
Medical-Dental Division	\$51.20	\$52.70	\$54.30
Total SMAG-R	\$640.40	\$809.20	\$812.50

Undelivered Orders are orders/obligations incurred for which goods have not been delivered or services not performed. This amount includes orders for which advance payment has been made but for which delivery or performance has not yet occurred.

The GSD aims to limit undelivered orders to 25% of total obligations for inventory replenishment and that target is the basis for the FY 2015 and FY 2016 budget estimates. In FY 2014 GSD bettered the goal, achieving 19%.

The Medical-Dental Division maintains only 3 - 4 days' worth of inventory on hand. It experiences an annual inventory turnover rate of more than 200 times with most items having a short delivery schedule. Year-to-year increases in Undelivered Orders are primarily due to inflation of medical materials' prices for both the operational and WRM programs.

The Air Force Academy Division undelivered orders are fairly stable from one year to the next. Every item issued to cadets for reimbursement is seasonally scheduled and does not change significantly from one year to the next. Purchases and cadet orders are seasonally driven due to order lead times and a consistent schedule for incoming classes.

**Stockage Effectiveness**

Division	FY 2014	FY 2015	FY 2016
General Support	87%	90%	90%
Medical-Dental	87%	87%	87%
Academy	99%	99%	99%
SMAG-R	87%	89%	89%

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. All three divisions met or exceeded target in FY 2014.

**GSD Mission Capable (MICAP) Hours\***

	FY 2014	FY 2015	FY 2016
Actual Performance	877		
Objective	942	942	942

\*Hours in Thousands

Mission Incapable (MICAP) Hours are the sum of hours a customer waits for a part that grounds an aircraft, piece of equipment, or vehicle. For every day during the month the requisition is unfilled, 24 hours are assigned to the requisition.

**GSD Customer Wait Time**

	FY 2014	FY 2015	FY 2016
Actual Performance	7.0		
Objective	7.0	7.0	7.0

Customer Wait Time (CWT) is the average number of days accrued from the time a customer orders a spare part until the part is received.

**SMAG-R Item Quantity Requirements**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Number of Issues	5,007,352	5,157,213	5,264,991
Number of Receipts	5,670,900	5,902,963	5,787,121
Number of Requisitions	6,446,711	6,671,702	6,814,275
Contracts Executed	62,546	63,615	66,092
Purchase Inflation	2.93%	2.10%	3.94%
Items Managed	1,756,384	1,790,475	1,790,543

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

	FY2014	FY2015	FY2016
<b>1. New Orders</b>			
<b>a. Orders From DOD Components:</b>			
<b>(1) Air Force</b>			
(a) Aircraft Procurement	3.251	7.096	4.740
(b) Missile Procurement	.032	(.002)	.000
(c) Other Procurement	.284	1.909	1.725
(d) Military Construction	.000	.275	.000
(e) Operations & Maintenance - AF	935.100	1,007.387	1,031.033
(f) Operations & Maintenance - AFRC	60.707	68.456	73.103
(g) Operations & Maintenance - ANG	178.911	189.778	177.000
(h) Research & Development - AF	19.124	20.901	20.320
(i) Military Personnel - AF	.000	.000	.000
(j) Reserve Personnel - AF	2.603	1.722	2.413
(k) Guard Personnel - ANG	.760	1.861	1.355
(l) Family Housing	.321	.381	.519
(m) Special Trust Funds	5.498	5.835	5.137
(n) Other Air Force	.021	.028	.912
<b>Total Air Force</b>	<b>1,206.613</b>	<b>1,305.628</b>	<b>1,318.257</b>
(2) Army	5.222	1.310	1.997
(3) Navy	2.815	10.052	2.345
(4) MAP Grant Aid	.043	.408	.010
(5) Other DOD	1,107.643	1,185.757	1,253.912
<b>Total DOD excluding WCF</b>	<b>2,322.336</b>	<b>2,503.155</b>	<b>2,576.522</b>
<b>b. Orders From Other Fund Activity Groups</b>			
(1) Other AF Supply Management Activity Groups	.926	2.082	2.041
(2) Transportation Activity Group - TRANSCOM	74.510	100.250	96.416
(3) Consolidated Sustainment Activity Group (Maintenance Div)	1,262.449	1,123.343	1,054.852
(4) Other WCF Activity Groups	.003	.011	.011
(5) Commissary, Sur. Coll.	.007	.007	.004
<b>Total Other Fund Activity Groups</b>	<b>1,337.896</b>	<b>1,225.693</b>	<b>1,153.324</b>
<b>c. Grand Total DOD</b>	<b>3,660.231</b>	<b>3,728.848</b>	<b>3,729.846</b>

Fund 11 Supply Management Activity Group - Retail

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>d. Other Orders</b>			
<b>(1) Other Federal Agencies</b>	5.421	3.826	6.219
<b>(2) Non Federal Agencies</b>	.672	10.112	1.884
<b>(3) FMS</b>	8.911	3.883	2.485
<b>Total Other Orders</b>	<b>15.004</b>	<b>17.821</b>	<b>10.589</b>
<b>Total New Gross Orders</b>	<b>3,675.235</b>	<b>3,746.668</b>	<b>3,740.435</b>
<b>2. Carry-In Orders (BOP)</b>	<b>780.333</b>	<b>866.937</b>	<b>784.150</b>
<b>3. Total Gross Orders</b>	<b>4,455.568</b>	<b>4,613.606</b>	<b>4,524.585</b>
<b>4. Carry-Out Orders (-) (EOP)</b>	<b>866.937</b>	<b>784.150</b>	<b>798.870</b>
<b>5. Gross Sales (-)</b>	<b>3,588.631</b>	<b>3,829.455</b>	<b>3,725.716</b>
<b>6. Credit Returns (-)</b>	<b>52.287</b>	<b>60.274</b>	<b>62.101</b>
<b>7. Net Sales</b>	<b>3,536.344</b>	<b>3,769.182</b>	<b>3,663.615</b>

Fund 14  
(Dollars in Millions)

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

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

	FY2014	FY2015	FY2016
<b>Revenue:</b>			
Gross Revenue from Sales	3,588.631	3,829.455	3,725.716
Less Credit Returns	52.287	60.274	62.101
Net Revenue from Sales	3,536.344	3,769.182	3,663.615
Other Revenue	8.490	7.000	7.000
Direct Appropriation	66.294	61.717	62.898
<b>Total Net Revenue</b>	<b>3,611.128</b>	<b>3,837.899</b>	<b>3,733.513</b>
<b>Expense:</b>			
Cost of Material Sold Operating Program	3,425.005	3,658.830	3,646.852
Cost of Material Sold WRM	8.437	.000	.000
Cost of Material Repair	.000	.102	.104
Subtotal Sales Material Expense	3,433.442	3,658.932	3,646.956
Inventory Losses / Obsolescence	22.770	(7.000)	(9.000)
Cost of Direct Reimbursable Material	.000	.000	.000
Initial Spares	.000	.000	.000
Readiness Spares Package	.000	.000	.000
Mobilization	.000	.000	.000
Other Direct Reimbursements	.000	.000	.000
<b>Subtotal Material Expenses</b>	<b>3,456.212</b>	<b>3,651.932</b>	<b>3,637.956</b>
<b>Business Operations</b>			
Military Personnel	.000	.000	.000
Civilian Personnel	.000	.000	.000
Travel & Transportation of People	.000	.122	.124
Materials & Supplies	.000	.000	.000
Equipment	.000	.000	.000
Other WCF Purchases	15.660	35.702	36.416
Transportation of Things Operating Program	32.997	41.020	41.039
Transportation of Things WRM	.594	.000	.000
Capital Investment Depreciation	.000	.000	.000
Printing and Reproduction	.000	.000	.000
Advisory and Assistance Services	.743	.412	.420
Rent, Comm, Utilities and Misc Charges	.646	1.053	1.072
Other Purchased Services	14.358	7.724	7.873
<b>Subtotal Business Operations</b>	<b>64.998</b>	<b>86.033</b>	<b>86.944</b>
<b>Total Expenses</b>	<b>3,521.210</b>	<b>3,737.964</b>	<b>3,724.900</b>

Fund 14 Supply Management Activity Group - Retail

**Supply Management Activity Group - Retail**

	FY2014	FY2015	FY2016
<b>Operating Result</b>	<b>89.917</b>	<b>99.935</b>	<b>8.613</b>
Less Capital Surcharge	.000	.000	.000
Less Direct Appropriations	.000	(61.717)	(62.898)
Plus Passthroughs or Other Approps (NOR)	.000	.000	.000
Adjustment for Mobilization / WRM NOR	(18.977)	(7.000)	(7.000)
Other Changes (NOR)	.000	.000	.000
<b>NET OPERATING RESULT (NOR)</b>	<b>70.940</b>	<b>31.218</b>	<b>(61.285)</b>
Prior Year Adjustments (AOR)	.000	.000	.000
Other Changes (AOR)	.000	.000	.000
Plus Prior Year AOR	204.691	180.161	81.081
<b>Accumulated Operating Result (AOR)</b>	<b>275.631</b>	<b>211.379</b>	<b>19.796</b>
Non-Recoverable Adjustment (AOR)	(95.470)	(130.298)	(19.796)
<b>Accumulated Operating Result for Budget Purposes</b>	<b>180.161</b>	<b>81.081</b>	<b>(.000)</b>

The FY 2014 Non-Recoverable AOR Adjustment was taken to prevent return of gains in future rates because cash was transferred from the General Support Division in FY 2012 (\$120 million to Air Force Operation and Maintenance) and in FY 2013 (\$33 million to TWCF). The Non-Recoverable AOR Adjustment of these transactions was spread between FY 2013 and FY 2014. The FY 2015 and FY 2016 Non-Recoverable AOR Adjustments are required to maintain sufficient operating cash flow.

SM-1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Supply Management Activity Group - Retail

	Obligation Targets								
	Net Customer Orders	Net Sales	Operating	WRM Direct Appn	Direct Reimbursables (Initial Spares)	Total Operating Obligations	Total Capital Obligations	Variability Target	Target Total
<b><u>FY2014</u></b>									
GSD	2,557.658	2,520.767	2,373.432	.000	.000	2,373.432	.000	.000	2,373.432
Med/Dent	1,059.908	1,010.195	1,050.139	65.863	.000	1,116.002	.000	.000	1,116.002
Academy	5.382	5.382	4.945	.000	.000	4.945	.000	.000	4.945
Total SMAG-Retail	3,622.948	3,536.344	3,428.516	65.863	.000	3,494.379	.000	550.000	4,044.379
<b><u>FY2015</u></b>									
GSD	2,522.110	2,606.287	2,551.984	.000	.000	2,551.984	.000	.000	2,551.984
Med/Dent	1,158.412	1,157.022	1,186.735	68.951	.000	1,255.686	.000	.000	1,255.686
Academy	5.873	5.873	6.245	.000	.000	6.245	.000	.000	6.245
Total SMAG-Retail	3,686.395	3,769.182	3,744.964	68.951	.000	3,813.915	.000	550.000	4,363.915
<b><u>FY2016</u></b>									
GSD	2,509.474	2,509.474	2,542.568	.000	.000	2,542.568	.000	.000	2,542.568
Med/Dent	1,163.823	1,149.104	1,185.471	69.868	.000	1,255.339	.000	.000	1,255.339
Academy	5.037	5.037	5.861	.000	.000	5.861	.000	.000	5.861
Total SMAG-Retail	3,678.334	3,663.615	3,733.900	69.868	.000	3,803.768	.000	550.000	4,353.768

The WRM Direct Appropriation column above includes obligation targets for the direct appropriation, prior year direct appropriation carryover and replenish/repair WRM reinvestment (from WRM Sales). The SM-6 exhibit presents detail level data.

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Supply Management Activity Group - Retail

FY2014	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,407.908	555.682	1,390.065	462.161
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(106.324)	16.579	(122.759)	(.145)
c. Inv Reclassified & Repriced	2,301.583	572.261	1,267.306	462.017
3. Receipts at MAC	3,585.797	62.319	3,523.478	.000
4. Sales at Standard	3,405.305	8.437	3,396.867	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	(8.895)	(2.279)	(6.616)	.000
b. Returns from Customers for Credit	1.476	.000	1.476	.000
c. Returns from Customers w/o Credit	403.104	.176	402.928	.000
d. Returns to Suppliers (-)	(145.168)	(.291)	(144.816)	(.062)
e. Transfers to Property Disposal (-)	(1,307.259)	(9.081)	(1,294.413)	(3.764)
f. Issues/Receipts w/o Reimbursement	1,014.033	.000	1,014.033	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(41.969)	(30.749)	(11.177)	(.043)
2. Discounts on Returns	(27.205)	.000	(27.205)	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(10.028)	(2.645)	(7.383)	.000
6. Physical Inventory Adj	134.038	(.422)	118.271	16.188
7. Accounting Adjustments	(97.616)	(.025)	(97.591)	.000
8. Shipment Discrepancies	9.895	(7.585)	17.494	(.014)
9. Other Gains/Losses	(.492)	.000	.000	(.492)
10. Strata Transfers	(1.242)	(3.330)	(1.895)	3.983
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	(34.621)	(44.756)	(9.487)	19.622
h. Total Adjustments	(77.330)	(56.231)	(36.894)	15.795
6. Inventory EOP	2,404.746	569.911	1,357.022	477.812
7. Inventory EOP, Revalued (MAC, Discounted)	2,404.746	569.911	1,357.022	477.812
a. Economic Retention (Memo)	17.770	.000	.000	17.770
b. Contingency Retention (Memo)	354.709	.000	.000	354.709
c. Potential DOD Reutilization (Memo)	104.472	.000	.000	104.472
8. Inventory on Order Cost EOP (Memo)	640.408	51.170	589.238	.000

SM-4 Supply Management Activity Group - Retail

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Supply Management Activity Group - Retail

FY2015	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,404.746	569.911	1,357.022	477.812
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(47.750)	.000	(47.750)	.000
c. Inv Reclassified & Repriced	2,356.996	569.911	1,309.272	477.812
3. Receipts at MAC	3,744.279	61.717	3,682.562	.000
4. Sales at Standard	3,767.519	.000	3,767.519	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	.000	.000	.000	.000
b. Returns from Customers for Credit	68.621	.000	68.621	.000
c. Returns from Customers w/o Credit	406.731	.200	406.531	.000
d. Returns to Suppliers (-)	(173.480)	(.350)	(173.050)	(.080)
e. Transfers to Property Disposal (-)	(851.346)	(20.000)	(780.575)	(50.771)
f. Issues/Receipts w/o Reimbursement	450.159	.000	450.159	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(29.600)	(21.000)	(5.100)	(3.500)
2. Discounts on Returns	18.314	.000	18.314	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	18.291	.000	18.291	.000
6. Physical Inventory Adj	22.944	4.600	18.344	.000
7. Accounting Adjustments	18.314	.000	18.314	.000
8. Shipment Discrepancies	18.314	.000	18.314	.000
9. Other Gains/Losses	21.982	.000	18.314	3.668
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	88.559	(16.400)	104.791	.168
h. Total Adjustments	(10.756)	(36.550)	76.477	(50.683)
6. Inventory EOP	2,323.000	595.078	1,300.792	427.129
7. Inventory EOP, Revalued (MAC, Discounted)	2,323.000	595.078	1,300.792	427.129
a. Economic Retention (Memo)	26.132	.000	.000	26.132
b. Contingency Retention (Memo)	318.375	.000	.000	318.375
c. Potential DOD Reutilization (Memo)	50.771	.000	.000	50.771
8. Inventory on Order Cost EOP (Memo)	809.229	52.705	756.524	.000

SM-4 Supply Management Activity Group - Retail

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Supply Management Activity Group - Retail

FY2016	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,323.000	595.078	1,300.792	427.129
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(45.500)	.000	(45.500)	.000
c. Inv Reclassified & Repriced	2,277.500	595.078	1,255.292	427.129
3. Receipts at MAC	3,764.739	62.898	3,701.841	.000
4. Sales at Standard	3,755.443	.000	3,755.443	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	(.008)	.000	.000	(.008)
b. Returns from Customers for Credit	72.036	.000	72.036	.000
c. Returns from Customers w/o Credit	400.063	.230	399.833	.000
d. Returns to Suppliers (-)	(172.685)	(.250)	(172.320)	(.115)
e. Transfers to Property Disposal (-)	(839.171)	(22.000)	(788.685)	(28.486)
f. Issues/Receipts w/o Reimbursement	445.271	.000	445.271	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(21.650)	(21.650)	.000	.000
2. Discounts on Returns	17.243	.000	17.243	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	17.228	.000	17.228	.000
6. Physical Inventory Adj	21.943	4.700	17.243	.000
7. Accounting Adjustments	17.243	.000	17.243	.000
8. Shipment Discrepancies	17.243	.000	17.243	.000
9. Other Gains/Losses	(4.017)	.000	(7.307)	3.290
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	65.233	(16.950)	78.893	3.290
h. Total Adjustments	(29.261)	(38.970)	35.028	(25.319)
6. Inventory EOP	2,257.535	619.006	1,236.718	401.810
7. Inventory EOP, Revalued (MAC, Discounted)	2,257.535	619.006	1,236.718	401.810
a. Economic Retention (Memo)	26.132	.000	.000	26.132
b. Contingency Retention (Memo)	318.375	.000	.000	318.375
c. Potential DOD Reutilization (Memo)	25.386	.000	.000	25.386
8. Inventory on Order Cost EOP (Memo)	812.411	54.285	758.126	.000

SM-4 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

FY2014

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>555.682</b>	<b>555.682</b>	<b>.000</b>
<b>2. Price Change</b>	<b>16.579</b>	<b>16.579</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>(2.349)</b>	<b>(2.349)</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>62.495</b>	<b>62.495</b>	<b>.000</b>
<b>(1). Purchases</b>	<b>62.319</b>	<b>62.319</b>	<b>.000</b>
<b>(2). Returns from customers</b>	<b>.176</b>	<b>.176</b>	<b>.000</b>
<b>b. Issues @ std</b>	<b>(17.809)</b>	<b>(17.809)</b>	<b>.000</b>
<b>(1). Sales</b>	<b>(8.437)</b>	<b>(8.437)</b>	<b>.000</b>
<b>(2). Returns to suppliers</b>	<b>(.291)</b>	<b>(.291)</b>	<b>.000</b>
<b>(3). Disposals</b>	<b>(9.081)</b>	<b>(9.081)</b>	<b>.000</b>
<b>c. Adjustments @ std</b>	<b>(47.035)</b>	<b>(47.035)</b>	<b>.000</b>
<b>(1). Capitalizations</b>	<b>(2.279)</b>	<b>(2.279)</b>	<b>.000</b>
<b>(2). Gains and losses</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>(3). Other</b>	<b>(44.756)</b>	<b>(44.756)</b>	<b>.000</b>
<b>Inventory EOP</b>	<b>569.911</b>	<b>569.911</b>	<b>.000</b>

**STOCKPILE COSTS**

<b>1. Storage</b>	<b>.000</b>
<b>2. Management</b>	<b>.000</b>
<b>3. Maintenance/Other</b>	<b>.000</b>
<b>Total Cost</b>	<b>.000</b>

**WRM BUDGET REQUEST**

<b>1. Obligations @ cost</b>	
<b>a. Additional WRM Investment</b>	
<b>i. Current Year (Direct Appropriation)</b>	<b>61.731</b>
<b>ii. Prior Year</b>	<b>.000</b>
<b>b. Replen/Repair WRM -Reinvest (from WRM Sales)</b>	<b>4.132</b>
<b>c. Stock Rotation/Obsolescence</b>	<b>.000</b>
<b>d. Assemble/Disassemble</b>	<b>.000</b>
<b>e. Other</b>	<b>.000</b>
<b>Total Request</b>	<b>65.863</b>

SM-6 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

FY2015

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>569.911</b>	<b>569.911</b>	<b>.000</b>
<b>2. Price Change</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>25.167</b>	<b>25.167</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>61.917</b>	<b>61.917</b>	<b>.000</b>
<b>(1). Purchases</b>	<b>61.717</b>	<b>61.717</b>	<b>.000</b>
<b>(2). Returns from customers</b>	<b>.200</b>	<b>.200</b>	<b>.000</b>
<b>b. Issues @ std</b>	<b>(20.350)</b>	<b>(20.350)</b>	<b>.000</b>
<b>(1). Sales</b>	<b>.000</b>	<b>(.000)</b>	<b>.000</b>
<b>(2). Returns to suppliers</b>	<b>(.350)</b>	<b>(.350)</b>	<b>.000</b>
<b>(3). Disposals</b>	<b>(20.000)</b>	<b>(20.000)</b>	<b>.000</b>
<b>c. Adjustments @ std</b>	<b>(16.400)</b>	<b>(16.400)</b>	<b>.000</b>
<b>(1). Capitalizations</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>(2). Gains and losses</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>(3). Other</b>	<b>(16.400)</b>	<b>(16.400)</b>	<b>.000</b>
<b>Inventory EOP</b>	<b>595.078</b>	<b>595.078</b>	<b>.000</b>

**STOCKPILE COSTS**

<b>1. Storage</b>	<b>.000</b>
<b>2. Management</b>	<b>.000</b>
<b>3. Maintenance/Other</b>	<b>.000</b>
<b>Total Cost</b>	<b>.000</b>

**WRM BUDGET REQUEST**

<b>1. Obligations @ cost</b>	
<b>a. Additional WRM Investment</b>	
<b>i. Current Year (Direct Appropriation)</b>	<b>61.717</b>
<b>ii. Prior Year</b>	<b>.000</b>
<b>b. Replen/Repair WRM -Reinvest (from WRM Sales)</b>	<b>7.234</b>
<b>c. Stock Rotation/Obsolescence</b>	<b>.000</b>
<b>d. Assemble/Disassemble</b>	<b>.000</b>
<b>e. Other</b>	<b>.000</b>
<b>Total Request</b>	<b>68.951</b>

SM-6 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**Supply Management Activity Group - Retail**

FY2016

<b>STOCKPILE STATUS</b>	<b>Total</b>	<b>WRM Protected</b>	<b>WRM Other</b>
<b>1. Inventory BOP @ std</b>	<b>595.078</b>	<b>595.078</b>	<b>.000</b>
<b>2. Price Change</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>3. Reclassification</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>4. Inventory Changes</b>	<b>23.928</b>	<b>23.928</b>	<b>.000</b>
<b>a. Receipts @ std</b>	<b>63.128</b>	<b>63.128</b>	<b>.000</b>
(1). Purchases	62.898	62.898	.000
(2). Returns from customers	.230	.230	.000
<b>b. Issues @ std</b>	<b>(22.250)</b>	<b>(22.250)</b>	<b>.000</b>
(1). Sales	.000	(.000)	.000
(2). Returns to suppliers	(.250)	(.250)	.000
(3). Disposals	(22.000)	(22.000)	.000
<b>c. Adjustments @ std</b>	<b>(16.950)</b>	<b>(16.950)</b>	<b>.000</b>
(1). Capitalizations	.000	.000	.000
(2). Gains and losses	.000	.000	.000
(3). Other	(16.950)	(16.950)	.000
<b>Inventory EOP</b>	<b>619.006</b>	<b>619.006</b>	<b>.000</b>

**STOCKPILE COSTS**

1. Storage	.000
2. Management	.000
3. Maintenance/Other	.000
<b>Total Cost</b>	<b>.000</b>

**WRM BUDGET REQUEST**

<b>1. Obligations @ cost</b>	
<b>a. Additional WRM Investment</b>	
i. Current Year (Direct Appropriation)	62.868
ii. Prior Year	.000
<b>b. Replen/Repair WRM -Reinvest (from WRM Sales)</b>	<b>7.000</b>
<b>c. Stock Rotation/Obsolescence</b>	<b>.000</b>
<b>d. Assemble/Disassemble</b>	<b>.000</b>
<b>e. Other</b>	<b>.000</b>
<b>Total Request</b>	<b>69.868</b>

SM-6 Supply Management Activity Group - Retail

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***UNITED STATES***

***TRANSPORTATION COMMAND***

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**United States Transportation Command  
Transportation Working Capital Fund  
Fiscal Year (FY) 2016 Budget 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. Commander, USTRANSCOM is also the DoD's Distribution Process Owner (DPO), charged with coordinating and overseeing the DoD distribution system and developing and implementing distribution process improvements that enhance defense logistics and global supply chain management systems. USTRANSCOM submits the TWCF budget as a distinct subset of the Air Force Working Capital Fund (AFWCF) budget submission. It reflects the cost authority needed to meet peacetime operations, Overseas Contingency Operations (OCO), the surge/readiness requirements to support the National Military Strategy, and to synchronize deployment distribution planning and execution across DoD as the Global Distribution Synchronizer, USTRANSCOM's newest Unified Command Plan mission. 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 in time of peace and war, with a primary focus on wartime readiness. Our \$6 billion budget provides synchronized transportation and sustainment, making it possible to project and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust and accuracy. We accomplish our joint mission through our four Component Commands - Air Mobility Command (AMC), Military Sealift Command (MSC), Military Surface Deployment and Distribution Command (SDDC), and the Joint Enabling Capabilities Command (JECC). This joint team of transportation components provides mobility forces and assets for a seamless transition from peace to war. USTRANSCOM is always ready to meet the strategic mobility needs of our nation. A brief description of the role of each Component follows:

TWCF Budget Analysis Overview

Air Mobility Command provides airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking. They are the single manager for air mobility.

Military Sealift Command supports our nation by delivering supplies and conducting specialized missions across the world's oceans.

Surface Deployment and Distribution Command provides global surface deployment and distribution services to meet the nation's objectives.

Joint Enabling Capabilities Command meets joint task for commanders' requirements for a rapidly deployable, tailored team of experts in plans, operations, knowledge management, intelligence support, logistics, public affairs, and communications. The Joint Enabling Capabilities Command is not part of the Working Capital Fund.

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. The surge from peacetime sustainment to a massive deployment of people and material in support of OCO is the most recent example of our ability to execute our mission. Our successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning - all requiring the team efforts of the Commander's Staff and our components. Together with its components and national partners, USTRANSCOM is building a truly seamless, end-to-end defense logistics enterprise.

DPO Cost Avoidance Initiatives: For FY 2014, the DPO has validated over \$408 million in distribution and transportation cost avoidance initiatives. These efficiencies accrue to the DoD budget (primarily contingency supplementals) and allow the Services to purchase other high priority items. Initiatives include:

- Shifting transportation modes from air to sea and truck to rail
- Working with Combatant Commands to utilize the most efficient transportation modes
- Aggregation of cargo and passengers to use fewer aircraft
- Engaging Services early in deployment process to maximize use of sealift and multi-modal operations
- Improving container utilization on ocean liner missions
- Improving pallet and planeload utilization
- Rightsizing Theater Express

TWCF Budget Analysis Overview

- Tankering Fuel
- Combining Unit Line Number (ULN) movements to eliminate redeployment contingency missions

**Costs**

<b>COST (\$ IN MILLIONS)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
AMC	\$5,886	\$4,763	\$4,359
SDDC	\$1,810	\$1,457	\$1,316
MSC	\$667	\$659	\$703
Defense Courier Division (DCD)	\$8	\$9	\$9
<b>Total</b>	<b>\$8,371</b>	<b>\$6,888</b>	<b>\$6,387</b>

**FY 2015 in the FY 2015 PB - FY 2015 Current Estimate:**

Total USTRANSCOM: Cost decreased in FY 2015 by \$1,357 million, major changes are listed below:

- (\$1,160) million – Workload changes due to Afghanistan drawdown
- (\$123) million – Other (contracts, facility maintenance, supplies, travel)
- (\$76) million – Pricing changes
- (\$8) million – SDDC Headquarters reduction
- +\$10 million – Increased aircraft maintenance due to C-5 depot maintenance

**FY 2015 - FY 2016:**

Total USTRANSCOM: Cost decreased in FY 2016 by \$501 million, major changes are listed below:

- (\$255) million – Workload changes due to Afghanistan drawdown
- (\$111) million – Decreased Base Operating Support due to cost restructure
- (\$58) million – Decreased aircraft maintenance due to reduced C-17 flying hours

- (\$43) million – Pricing Changes
- (\$19) million – Other
- (\$15) million – AMC and SDDC Headquarters reduction

**Revenue**

<b>REVENUE (\$ IN MILLIONS)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
AMC	\$5,684	\$4,775	\$4,198
SDDC	\$1,870	\$1,497	\$1,422
MSC	\$793	\$604	\$598
DCD	\$8	\$4	\$8
<b>Total</b>	<b>\$8,355</b>	<b>\$6,880</b>	<b>\$6,226</b>

**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, and vehicles). While workload can vary widely, prices established during the budget process generally remain fixed during the year of execution.

Because USTRANSCOM’s airlift rates are set to compete with private sector rates, they do not cover the cost of the unique readiness requirements of military airlift operations. The FY 2016 revenue is based on known and anticipated orders, primarily from DoD, and where mutually advantageous, from non-DoD customers.

**Net Operating Result (NOR) / Accumulated Operating Result (AOR)**

<b>NOR/AOR (\$ IN MILLIONS)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
NOR	-\$16	-\$9	-\$161
Recoverable AOR	\$80	\$69	-\$136

**TOTAL FY 2015 USTRANSCOM OPERATING RESULT:** FY 2015 President’s Budget estimated operating result was a positive \$289 million. The current FY 2015 estimate is a negative \$9 million, a decrease of \$298 million.

- (\$478) million – Workload changes
- (\$10) million – Increased aircraft maintenance
- +\$106 million – Other cost decreases
- +\$76 million – Pricing changes
- +\$8 million – SDDC Headquarters reduction

**FY 2016 RECOVERABLE AOR:** The Recoverable AOR of a negative \$136 million is the result of recovering SDDC Liner Ocean Transportation Operations AOR over two years.

**Disbursements, Collections, and Net Outlays**

(\$ IN MILLIONS)	FY 2014	FY 2015	FY 2016
Disbursements	\$8,678	\$7,017	\$6,141
Collections	\$8,665	\$7,133	\$5,916
Net Outlays	\$13	(\$116)	\$225
Ending Cash Balance	\$714	\$830	\$605
Cash Floor	\$901	\$722	\$637
Cash Ceiling	\$1,153	\$978	\$882

**FY 2014 USTRANSCOM CASH:** FY 2015 President’s Budget estimated cash for FY 2014 was \$486 million. The FY 2014 actual cash is \$714 million, an increase of \$228 million primarily due to one-time, non-operational revenue and decreased airlift and sealift costs.

FY 2015 USTRANSCOM CASH: The FY 2015 cash is \$830 million which is based on fully collecting ARA or achieving similar cost savings recognized in FY 2014.

FY 2016 USTRANSCOM CASH: FY 2016 cash is \$605 million which is based on fully collecting ARA in both FY 2015 and FY 2016.

**Customer Rate Changes**

<b>AMC RATE CHANGES</b>	<b>FY 2015</b>	<b>FY 2016</b>
Channel Passenger	1.8%	2.0%
Channel Cargo	1.8%	2.0%
SAAM/JCS	12.8%	-0.3%
Training	31.9%	-2.6%

<b>MSC RATE CHANGES</b>	<b>FY 2015</b>	<b>FY 2016</b>
Petroleum Tankerships	28.6%	-13.6%
Surge ROS	7.7%	-1.4%
Army Afloat Prepositioning	-32.5%	5.5%
Air Force Afloat Prepositioning	-47.0%	30.9%
Chartered Cargo	-0.9%	-2.1%

<b>SDDC RATE CHANGES</b>	<b>FY 2015</b>	<b>FY 2016</b>
Port Operations	-22.3%	38.8%
Defense Personal Property Program (DP3)	2.8%	-3.8%
Liner Ocean Transportation	9.3%	1.9%

<b>DCD RATE CHANGES</b>	<b>FY 2015</b>	<b>FY 2016</b>
Pounds Delivered	-46.9%	88.4%

### **Capital Investment Program (CIP)**

This budget enables USTRANSCOM to continue system enhancements and upgrades to ensure readiness for the 21st century. USTRANSCOM revised our internal corporate governance process and operational requirements, reprioritized and rebased our entire IT budget within our strategic goals to reduce command costs and achieve funding goals. This results in an FY16 command net capital decrease of \$48 million and IT operating of \$11 million. The cumulative USTRANSCOM IT reduction is \$100 million from FY14-FY16.

Our CIP includes investment in Equipment, Automated Data Processing Equipment (ADPE) and Telecommunications Equipment, Software Development, and Minor Construction. The CIP also enables the DPO to rapidly produce or modify software/ADPE applications to meet emerging distribution portfolio requirements. The Distribution Portfolio Manager (DPFM) recommends capability-based decisions on whether to develop, combine, modify, or terminate DOD distribution related systems. Defense Personal Property System (DPS), Global Decision Support System (GDSS), Mobility Air Forces Flight Planning Services (MAFPS), and Automated Transportation for the 21<sup>st</sup> Century (AT21) are our major CIP transformational system efforts. DPS funding provides key functionality and usability needed for customers to have a more responsive, user-friendly experience while ensuring timely and accurate delivery of personal property shipments. GDSS is the Mobility Air Force's principal C2 system which delivers robust capabilities to command and control forces using a net-centric environment, allowing access and information sharing across classified and unclassified domains. AT21 will optimize end-to-end delivery of sustainment to maximize time-definite delivery at the lowest overall supply chain cost. To eliminate duplication and overlap in Information Technology system capability and ensure the greatest possible support to the warfighter, the DPO Executive Board directed Asset Visibility (AV) be migrated to the IGC program in 2014. USTRANSCOM is sustaining Asset Visibility (AV) within the IGC program starting in FY15 and bills the services for costs incurred relating to AV access. This is allowing a "one stop shop" for the warfighter when they are tracking their goods through the DTS.

This submission incorporates USTRANSCOM implementation of the Distribution Process Owner (DPO) Secure Enclave (DSE) /Common Computing Environment (CCE). DSE/CCE provides the basic infrastructure consolidation environment

TWCF Budget Analysis Overview

to host USTRANSCOM and Transportation Component Commands applications. This implementation fuses the number of physical servers, facilities, and support personnel, and improves computing utilization and increased cyber security.

**CIP**

<b>CIP (\$ IN MILLIONS)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Equipment	\$ .3	\$ 1.4	\$ 1.1
ADPE and Telecom Equip	\$ 18.2	\$ 26.5	\$ 11.6
Software Development	\$ 105.5	\$ 103.7	\$ 75.2
Minor Construction	\$ 2.4	\$ 6.9	\$ 6.9
<b>Total</b>	<b>\$ 126.4</b>	<b>\$ 138.5</b>	<b>\$ 94.8</b>

**Manpower Trends**

USTRANSCOM’s staffing is comprised of approximately 75 percent military and 25 percent civilian. Maintaining a ready airlift capability consumes approximately 86 percent of the workforce. MSC meets the majority of its requirements through commercial charter and port contracts; therefore, it is not DoD manpower intensive. The efficient use of manpower for our components is integral to the success of USTRANSCOM’s mission.

**Military End Strength and Workyears**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Army	224	236	228
Navy	171	175	175
Marine Corps	9	12	11
Air Force	11,914	11,926	11,683
<b>Total Military End Strength</b>	<b>12,318</b>	<b>12,349</b>	<b>12,097</b>
<b>Total Military Workyears</b>	<b>11,132</b>	<b>11,074</b>	<b>10,854</b>

**Civilian End Strength**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
U.S. Direct Hire	3,326	3,736	3,542
Foreign National Direct Hire	199	213	213
Foreign National Indirect Hire	346	420	385
<b>Total Civilian End Strength</b>	<b>3,871</b>	<b>4,369</b>	<b>4,140</b>

**Civilian Full-Time Equivalents**

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
U.S. Direct Hire	3,422	3,654	3,469
Foreign National Direct Hire	197	211	211
Foreign National Indirect Hire	340	418	383
<b>Total Civilian FTEs</b>	<b>3,959</b>	<b>4,283</b>	<b>4,063</b>

## Performance Measures

### Air Mobility Command:

- Channel Passenger Utilization – **FY 2014 GOAL: 57%; FY 2014 ACTUAL: 59%** - Percentage of capacity used versus capacity offered in the channel passenger business area
- Channel Cargo Utilization – **FY 2014 GOAL: 69%; FY 2014 ACTUAL: 66%** - Percentage of capacity used versus capacity offered in the channel cargo business area

### Military Sealift Command:

- On-Time Pickup or Delivery – **FY14 GOAL: 95%; FY 2014 ACTUAL: 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 – **FY14 GOAL: 95%; FY 2014 ACTUAL: 95%** - Days against plan that ships are actually available to perform their intended function.

### Surface Deployment and Distribution Command:

- Customer Satisfaction (Customer and Industry) – **FY14 GOAL: 75%; FY 2014 ACTUAL: 78%** - Measured with an annual survey. Percent of ratings of “strongly agree” or “agree”.
- Contract Compliance – **FY14 GOAL: 99%; FY 14 ACTUAL: 96%** - Measures Required Delivery Date (RDD) and Electronic Data Interchange (EDI) requirements for ocean, rail, and motor modes. Measures percent of shipments delivered on or before customer’s RDD and percent of shipments for which carrier submitted the required EDI transactions.
- Surface Movement (Unit Moves / Sustainment) – **FY14 GOAL: 97% Unit Moves, 85% Sustainment; FY 2014 ACTUAL: 97% Unit Moves, 85% Sustainment** - Unit Moves: Tracks percentage of shipments outgating (leaving)

TWCF Budget Analysis Overview

Port of Debarkation (POD) within 14 days of Latest Arrival Date (LAD). Sustainment: Determines if transporter segment meets lane-specific negotiated standard.

**Overseas Contingency Operations (OCO) Direct Appropriations**

<b>OCO (\$ IN MILLIONS)</b>	<b>FY 2015</b>	<b>FY 2016</b>
Transportation of Fallen Heroes	\$5.0	\$2.5

**Fallen Heroes** - The National Defense Authorization Act (NDAA) 2007, Section 562 requires the use of military or military contracted aircraft to transport Service members who die in a combat theater of operations from Dover Port Mortuary, Delaware to their final destination. Funds are needed to provide dedicated contract airlift.

**Impact if not funded:** If not funded, the dedicated commercial contract option will cease and operations will have to revert back to routine commercial airlift, thus not providing a dignified and direct service benefiting the family. This is in accordance with the NDAA 2007.

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**United States Transportation Command**

	<b>Expenses</b>
<b>FY2014 Estimated Actuals</b>	<b>\$8,371.1</b>
<b>FY2015 Estimate in President's Budget</b>	<b>\$8,244.6</b>
<b>Estimated Impact in FY2015 Actual FY2014 Experience</b>	<b>\$0.0</b>
<b>Pricing Adjustments:</b>	<b>(\$75.9)</b>
<b>a. FY2015 Pay Raises</b>	<b>(\$0.2)</b>
(1) Civilian Personnel	(\$0.2)
(2) Military Personnel	\$0.0
<b>b. Annualization of Prior Year Pay Raises</b>	<b>\$0.2</b>
(1) Civilian Personnel	\$0.2
(2) Military Personnel	\$0.0
<b>c. Fuel Pricing</b>	<b>\$25.4</b>
<b>d. General Purchase Inflation</b>	<b>(\$4.6)</b>
<b>e. Depot Level Repairables Changes</b>	<b>(\$9.5)</b>
<b>f. Commercial Transportation Pricing Changes</b>	<b>(\$87.2)</b>
<b>Productivity Initiatives &amp; Other Efficiencies:</b>	<b>(\$8.0)</b>
<b>a. Headquarters Reductions</b>	<b>(\$8.0)</b>
<b>Program Changes:</b>	<b>(\$1,272.7)</b>
<b>a. Aircraft Maintenance Changes</b>	<b>\$10.2</b>
<b>b. Other</b>	<b>(\$122.1)</b>
<b>c. Workload Changes</b>	<b>(\$1,160.8)</b>
<b>FY2015 Current Estimate</b>	<b>\$6,888.0</b>

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**United States Transportation Command**

	<b>Expenses</b>
<b>FY2015 Current Estimate</b>	<b>\$6,888.0</b>
<b>Pricing Adjustments:</b>	<b>(\$43.6)</b>
<b>a. FY2016 Pay Raises</b>	<b>\$5.0</b>
(1) Civilian Personnel	\$4.3
(2) Military Personnel	\$0.7
<b>b. Annualization of Prior Year Pay Raises</b>	<b>\$0.9</b>
(1) Civilian Personnel	\$0.8
(2) Military Personnel	\$0.1
<b>c. General Purchase Inflation</b>	<b>\$25.2</b>
<b>d. Aircraft Maintenance Changes</b>	<b>\$21.1</b>
<b>e. Commercial Transportation Pricing Changes</b>	<b>(\$12.9)</b>
<b>f. Depot Level Repairables Changes</b>	<b>\$3.0</b>
<b>g. Fuel Pricing</b>	<b>(\$85.9)</b>
<b>Productivity Initiatives &amp; Other Efficiencies:</b>	<b>(\$16.2)</b>
<b>a. Fuel Efficiencies due to Information Technology Initiatives</b>	<b>(\$0.5)</b>
<b>b. Fuel Efficiencies due to Policy</b>	<b>(\$0.6)</b>
<b>c. Cost Efficiencies</b>	<b>(\$0.9)</b>
<b>d. Headquarters Reductions</b>	<b>(\$14.2)</b>
<b>Program Changes:</b>	<b>(\$441.5)</b>
<b>a. Other</b>	<b>(\$17.1)</b>
<b>b. Aircraft Maintenance Changes</b>	<b>(\$57.8)</b>
<b>c. Base Operating Support Changes</b>	<b>(\$111.1)</b>
<b>d. Workload Changes</b>	<b>(\$255.5)</b>
<b>FY2016 Estimate</b>	<b>\$6,386.7</b>

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**United States Transportation Command**

	FY2014	FY2015	FY2016
<b>1. New Orders</b>			
<b>a. Orders From DOD Components:</b>	<b>7,563.6</b>	<b>6,405.7</b>	<b>5,699.7</b>
<b>Total Air Force</b>	<b>3,069.1</b>	<b>2,951.9</b>	<b>2,498.9</b>
<b>Military Personnel</b>	<b>163.5</b>	<b>154.2</b>	<b>148.5</b>
<b>Aircraft Procurement</b>	<b>.7</b>	<b>.2</b>	<b>.1</b>
<b>Missile Procurement</b>	<b>1.4</b>	<b>.6</b>	<b>.5</b>
<b>Other Procurement</b>	<b>13.9</b>	<b>7.2</b>	<b>7.1</b>
<b>Operations &amp; Maintenance</b>	<b>2,634.8</b>	<b>2,487.9</b>	<b>2,065.0</b>
<b>Operations &amp; Maintenance - ANG</b>	<b>13.7</b>	<b>12.4</b>	<b>12.3</b>
<b>Operations and Maintenance - AFRES</b>	<b>200.5</b>	<b>266.4</b>	<b>244.6</b>
<b>RDT&amp;E</b>	<b>3.9</b>	<b>2.6</b>	<b>2.4</b>
<b>Other</b>	<b>36.7</b>	<b>20.4</b>	<b>18.4</b>
<b>Army</b>	<b>2,994.3</b>	<b>2,385.6</b>	<b>2,200.3</b>
<b>Military Personnel</b>	<b>184.9</b>	<b>168.8</b>	<b>165.1</b>
<b>Aircraft Procurement</b>	<b>.2</b>	<b>.8</b>	<b>.8</b>
<b>Missile Procurement</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>
<b>Other Procurement</b>	<b>13.6</b>	<b>16.1</b>	<b>7.3</b>
<b>AAFES</b>	<b>147.6</b>	<b>108.6</b>	<b>83.9</b>
<b>Operations and Maintenance</b>	<b>2,616.6</b>	<b>2,073.5</b>	<b>1,929.0</b>
<b>NG, O&amp;M</b>	<b>4.5</b>	<b>2.2</b>	<b>1.7</b>
<b>Army Reserve</b>	<b>12.0</b>	<b>4.8</b>	<b>3.8</b>
<b>RDT&amp;E</b>	<b>7.0</b>	<b>5.4</b>	<b>4.2</b>
<b>Other</b>	<b>7.8</b>	<b>5.4</b>	<b>4.5</b>
<b>Navy</b>	<b>760.3</b>	<b>565.9</b>	<b>541.0</b>
<b>Military Personnel</b>	<b>102.6</b>	<b>136.9</b>	<b>141.4</b>
<b>Aircraft Procurement</b>	<b>27.1</b>	<b>.0</b>	<b>.0</b>
<b>NEXCOM</b>	<b>1.0</b>	<b>.9</b>	<b>.7</b>
<b>Operations and Maintenance</b>	<b>505.5</b>	<b>300.7</b>	<b>273.3</b>
<b>NG, O&amp;M</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>
<b>NDSF</b>	<b>109.7</b>	<b>124.6</b>	<b>123.0</b>
<b>RDT&amp;E</b>	<b>2.2</b>	<b>1.0</b>	<b>.9</b>
<b>Other</b>	<b>12.0</b>	<b>1.8</b>	<b>1.7</b>
<b>Marine Corps</b>	<b>213.9</b>	<b>184.6</b>	<b>148.7</b>
<b>Military Personnel</b>	<b>37.6</b>	<b>29.9</b>	<b>29.3</b>

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**United States Transportation Command**

	FY2014	FY2015	FY2016
<b>MCEX</b>	.0	.0	.0
<b>Operations and Maintenance</b>	175.7	154.4	119.1
<b>Other</b>	.7	.3	.3
<b>OSD</b>	526.0	317.7	310.8
<b>Operations and Maintenance</b>	513.4	308.8	303.3
<b>JCS</b>	68.5	153.2	150.0
<b>SOCOM</b>	379.6	106.7	103.5
<b>Health Affairs</b>	.0	.0	.0
<b>NSA</b>	3.7	1.6	3.3
<b>DIA</b>	.0	.1	.1
<b>DMA</b>	.0	.0	.0
<b>Other</b>	59.4	45.5	44.9
<b>DLA (Non-WCF)</b>	2.1	1.7	1.5
<b>DTS-PMO</b>	.0	.0	.0
<b>Procurement</b>	1.8	1.5	1.3
<b>Other</b>	10.8	7.4	6.2
<b>b. Orders From Other Fund Activity Groups</b>	589.6	365.5	430.7
<b>DECA</b>	12.4	9.8	6.7
<b>DLA</b>	233.1	216.4	184.0
<b>Other Orders</b>	344.1	139.3	240.0
<b>c. Total DOD</b>	8,153.2	6,771.2	6,130.4
<b>d. Other Orders</b>	202.1	108.3	95.5
<b>Other Federal Agencies</b>	12.0	8.9	8.6
<b>Trust Fund</b>	.0	.1	.1
<b>Non Federal Agencies</b>	72.4	43.4	40.2
<b>Foreign Military Sales</b>	117.6	55.9	46.6
<b>Total New Orders</b>	8,355.3	6,879.5	6,225.9
<b>2. Carry-In Orders</b>	.0	.0	.0
<b>3. Total Gross Orders</b>	8,355.3	6,879.5	6,225.9
<b>4. Funded Carryover</b>	.0	.0	.0
<b>5. Total Gross Sales</b>	8,355.3	6,879.5	6,225.9

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command	FY2014	FY2015	FY2016
<b>Revenue</b>			
Gross Sales	8,355.3	6,879.5	6,225.9
Operations	7,830.4	6,693.2	6,052.6
Capital Surcharge	.0	.0	.0
Cash Surcharge	327.5	.0	.0
Depreciation excluding Maj Const	197.4	186.3	173.3
Major Construction Depreciation	.0	.0	.0
Other Income	.0	.0	.0
Refunds/Discounts(-)	.0	.0	.0
<b>Total Income:</b>	<b>8,355.3</b>	<b>6,879.5</b>	<b>6,225.9</b>
<b>Expenses:</b>			
<b>Salaries and Wages:</b>			
Military Personnel Compensation & Benefits	43.3	41.6	42.3
Civilian Personnel Compensation & Benefits	361.2	393.9	384.3
Travel and Transportation of Personnel	81.1	80.2	74.1
Materials and Supplies (For internal operations)	1,903.7	1,501.7	1,325.2
Equipment	3.6	3.3	3.3
Other Purchases from Revolving Funds	125.1	203.4	201.2
Transportation of Things	3,960.3	2,932.5	2,684.3
Depreciation - Capital	197.4	186.3	173.4
Printing and Reproduction	.2	.4	.4
Advisory and Assistance Services	5.5	14.1	14.4
Rent, Comm, Utilities and Misc Charges	49.0	59.1	58.1
Other Purchased Services	1,640.7	1,471.5	1,425.7
<b>Total Expenses</b>	<b>8,371.1</b>	<b>6,888.0</b>	<b>6,386.7</b>
<b>Operating Result</b>	<b>(15.8)</b>	<b>(8.5)</b>	<b>(160.8)</b>
Less Capital Surcharge Reservation	.0	.0	.0
Plus Passthroughs of Other Appropriations affecting NOR/AOR	.0	.0	.0
Other Changes (NOR)	.0	.0	.0
<b>Net Operating Result</b>	<b>(15.8)</b>	<b>(8.5)</b>	<b>(160.8)</b>
Beginning AOR	(136.1)	80.2	69.1
Prior Year Adjustments	.0	.0	.0
Other Changes Affecting AOR	.0	.0	.0
<b>Accumulated Operating Result</b>	<b>(151.9)</b>	<b>71.7</b>	<b>(91.7)</b>
Non-Recoverable Adjustment Impacting AOR	232.1	(2.6)	(44.3)
<b>Accumulated Operating Result for Budget Purposes</b>	<b>80.2</b>	<b>69.1</b>	<b>(136.0)</b>

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**  
***CAPITAL BUDGET***

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Fund 9A  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG**

Line Number	Item Description	FY2014		FY2015		FY2016	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	<b>EQUIPMENT</b>	51	126.909	41	154.019	55	138.773
	Maintenance Division	51	126.909	41	154.019	55	138.773
	Supply Division	0	0.000	0	0.000	0	0.000
	<b>ADPE &amp; TELECOM</b>	13	11.568	3	5.136	1	1.666
	Maintenance Division	13	11.568	2	3.501	0	0.000
	Supply Division	0	0.000	1	1.635	1	1.666
	<b>SOFTWARE DEVELOPMENT</b>	2	2.057	3	7.381	5	19.741
	Maintenance Division	1	0.257	1	2.000	1	0.750
	Supply Division	1	1.800	2	5.381	4	18.991
	<b>MINOR CONSTRUCTION</b>	16	8.028	9	6.378	12	7.950
	Maintenance Division	16	8.028	9	6.378	12	7.950
	Supply Division	0	0.000	0	0.000	0	0.000
	<b>TOTAL</b>	<b>82</b>	<b>148.562</b>	<b>56</b>	<b>172.915</b>	<b>73</b>	<b>168.130</b>
	Capital Outlays (above threshold)		146.511		127.617		133.540
	Capital Outlays (below threshold)		0.000		0.000		0.000
	Total Capital Outlays		146.511		127.617		133.540
	Total Depreciation Expense		174.387		144.907		153.607

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Depot Maintenance			Line No. & Item Description EQUIPMENT WSS				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	1	92,146.5	92,146.5	1	110,094.0	110,094.0	1	65,130.0	65,130.0
Total	1	92,146.5	92,146.5	1	110,094.0	110,094.0	1	65,130.0	65,130.0
Narrative Justification:									
Description									
<p>This capability represents an array of capital equipment investment requirements that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeable, or Other Depot mission. WSS investments are designed, scheduled, and installed in accordance with established Air Logistics Complexes or Aerospace Maintenance and Regeneration Group processes and priorities. WSS projects support the maintenance mission requirements to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. The equipment, when replaced, upgraded, integrated, or combined into depot industrial operations, leads to efficiency and personnel safety; supports hazardous waste minimization and pollution prevention efforts; enhances product quality; and increases customer satisfaction in performing the Air Force mission. Time sensitivity of projects to accommodate new or emerging workload requirements and produce an acceptable end state is a critical factor in depot operations. As such, programming and execution in this capability is essential as equipment requirements may change. Documentation and project justification support are certified and maintained on file in accordance with the established guidance.</p>									
Economic Analysis									
An Economic Analysis was completed and is on file for all funded projects.									
Impact									
<p>Without the required equipment, AFMC 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. Depot infrastructure would deteriorate and become unproductive. The ability to execute capital budgets in support of mission objectives would be severely hampered. The aforementioned investments are critical to remaining competitive and provide combat mission support commensurate with changing combat environments.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Depot Maintenance			Line No. & Item Description EQUIPMENT TEST				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	1	34,762.3	34,762.3	1	43,925.1	43,925.1	1	73,643.0	73,643.0
Total	1	34,762.3	34,762.3	1	43,925.1	43,925.1	1	73,643.0	73,643.0
Narrative Justification:									
Description									
<p>This capability represents an array of capital equipment investment requirements that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeables, or Other Depot mission areas. Investments are designed, scheduled, and installed in accordance with established Air Logistics Complexes or Aerospace Maintenance and Regeneration Group processes and priorities that coincide with weapon system upgrades and requirements. Test and Inspection projects support the depot maintenance mission requirements to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. The equipment, when replaced, upgraded, integrated, or combined into depot industrial operations leads to efficiency improvements and personnel safety; supports hazardous waste minimization and pollution prevention efforts; enhances product quality; increases customer satisfaction in performing the Air Force mission; and allows for the in-depth troubleshooting of line replaceable units (LRU), shop replaceable units (SRU) and higher assembly carcasses. Time sensitivity 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 in this capability is essential to depot maintenance CORE workload as equipment requirements change and weapon systems upgrade. Documentation and project justification support are certified and maintained on file in accordance with the established guidance.</p>									
Economic Analysis									
An Economic Analysis was completed and is on file for all funded projects.									
Impact									
Without TEST capability investments, AFMC 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. Depot infrastructure would deteriorate and become unproductive. The ability to execute capital budgets in support mission objectives would be severely hampered. The aforementioned investments are critical to remaining competitive and providing combat mission support commensurate with changing combat environments.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Depot Maintenance			Line No. & Item Description ADPE & TELECOM				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	1	11,567.9	11,567.9	1	3,501.1	3,501.1	0	0.0	0.0
Total	1	11,567.9	11,567.9	1	3,501.1	3,501.1	0	0.0	0.0
Narrative Justification:									
Description									
<p>This capability represents an array of capital ADPE and Telecommunications investments that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects will upgrade the infrastructure required to maintain the depot maintenance systems and equipment. All upgrades are implemented within the Air Force's common infrastructure. Investments include upgrading fiber optics, routers, servers and other infrastructure items required to support the implementation of an efficient depot maintenance support structure. The aforementioned investments ensure commonality and replacement of equipment before failure, incompatibility or obsolescence due to age. Equipment replacements are in accordance with the Logistics Strategic Plan approved by the Deputy Under Secretary of Defense (Logistics).</p>									
Economic Analysis									
An Economic Analysis was completed and is on file for all funded projects.									
Impact									
<p>Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Depot Maintenance			Line No. & Item Description SOFTWARE DEVELOPMENT				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	1	256.9	256.9	1	2,000.0	2,000.0	1	750.0	750.0
Total	1	256.9	256.9	1	2,000.0	2,000.0	1	750.0	750.0
Narrative Justification:									
Description									
This capability provides for development and acquisition of both operating and application software that support depot maintenance operations. Software requirements include systems programs, application programs, commercial-off-the-shelf (COTS) software, independent subroutines, databases, equipment upgrades, Test Program Sets (TPS) and software documentation. System application software may be acquired through (1) the purchase of a COTS system; (2) the development of new applications through either internal development (in-house) or contractual effort; or (3) the modernization of existing software that significantly expands and/or enhances its existing capabilities.									
Economic Analysis									
An Economic Analysis was completed and is on file for all funded projects.									
Impact									
Planned software upgrades are critical to maintaining continuous visibility for asset management as well as real-time decisions regarding efficient and effective maintenance due to changing conditions not only from the field but from within the maintenance wings themselves. The changes made to existing systems will allow successful implementation of more efficient maintenance concepts in order to effectively utilize the Air Logistics Complexes' resources. Efficiencies critical for long-term success will not be realized if projects remain unfunded.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Depot Maintenance		Line No. & Item Description MINOR CONSTRUCTION					Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	1	8,028.0	8,028.0	1	6,378.4	6,378.4	1	7,950.0	7,950.0
Total	1	8,028.0	8,028.0	1	6,378.4	6,378.4	1	7,950.0	7,950.0
Narrative Justification:									
Description									
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 \$250,000 and \$1,000,000) and are designed, scheduled, and constructed in accordance with Air Logistic Complexes' established priorities. These projects support the depot maintenance, mission requirements, correct safety and health problems; improve productivity through quality of life improvement projects, improve depot flow days and support office and work space reorganizations. In addition, MC projects provide construction required to install needed mission essential equipment and capital investment equipment.									
Economic Analysis									
An Economic Analysis was completed and is on file for all funded projects.									
Impact									
If facilities are not properly maintained or modernized based upon required depot workload, there will be work stoppages along with safety and security issues which affects weapon system availability. The minor construction that is required for new equipment setup will not be in place, thus severely impacting the depots' ability to efficiently provide repair services and meet warfighter requirements.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Supply Management			Line No. & Item Description GCSS-AF DS				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	1	1,635.0	1,635.0	1	1,666.0	1,666.0
C. Software Development	1	1,800.0	1,800.0	1	5,056.0	5,056.0	1	5,152.0	5,152.0
<b>Total</b>	<b>1</b>	<b>1,800.0</b>	<b>1,800.0</b>	<b>2</b>	<b>6,691.0</b>	<b>6,691.0</b>	<b>2</b>	<b>6,818.0</b>	<b>6,818.0</b>
<b>Description</b>									
<p>Global Combat Support System – Air Force Data Services (GCSS-AF DS) integrates the full spectrum of AF combat support data, including maintenance, supply, transportation, finance, contracting, and planning. It will support warfighters by providing data sharing capabilities and functional data integration through modern query and data mining tools. These tools gather and store enterprise-wide data in a secure, reliable, and consistent manner through web accessible portals. GCSS-AF DS decision support tools will provide users with quick, clear, and accurate information. Cross-functional data maintained in GCSS-AF DS include maintenance data for aircraft, communications-electronics equipment, engines, and a wide spectrum of supply chain management data. The CSAG-Supply Division has the largest volume of data to reside in GCSS-AF DS. To date, supply data has been populated from selected supply systems including Stock Control System, Master Item Identification Control System, Mission Capable data, Weapon System Management Information System, Requirements Management System, and Contractor Supported Weapon Systems. GCSS-AF DS (ADPE/Telecommunication) hardware is on a five-year refresh cycle. To minimize risk to system platform and to ensure infrastructure is residing on the most current hardware, 20% of hardware is refreshed each year. This is a continuous requirement as long as GCSS-AF Data Services is operational. The requested funding will sustain current data warehousing hardware environment including AF business intelligence hardware servers. As GCSS-AF DS development progresses, storage capacity must be increased to accommodate current and new data feeds and to improve system performance. GCSS-AF DS (Software Development)-The requested funding is required to purchase active commercial software programs for infrastructure and mission capability as well as developing new capability within the GCSS-AF DS warehouse. Continuous software upgrades (purchasing updated versions or replacing obsolete versions) and development of new capability will be required for the entire life of GCSS-AF Data Services. Both GCSS-AF DS (ADPE/Telecom) and (Software Development) are exempt from NDAA Certification because they are National Security Systems (NSS) per Public Law 107-347 (USC Title 44, Section 3542) and Executive Order (EO) 13292.</p>									
<b>Economic Analysis</b>									
An economic Analysis is on file for GCSS-AF DS.									
<b>Impact</b>									
<p>GCSS-AF DS (ADPE/Telecom): If storage capacity/hardware updates are not increased, GCSS-AF DS development will detrimentally impact AF users' ability to query and mine data. Lacking additional capacity/upgrades, GCSS-AF DS will not be able to support the storage of the data feeds, mine data, and present accurate information to AF decision makers. Timeliness of data will continue to lag commanders' needs, accuracy will remain suspect and relationships between activities such as supply, maintenance, and operations will remain disconnected. GCSS-AF DS (ADPE/Telecom) is vital to successful enterprise-wide integration, cross-functional visibility, and agile combat support. GCSS-AF DS (Software Development) - Impact if not provided: Failure to fund GCSS-AF DS eliminates the ability to centralize data storage to provide a single source of data for decision making; will hamper the AF's ability to respond to commanders' needs; accuracy will be unreliable; and relationships between activities such as supply, maintenance, and operations will remain disconnected. GCSS-AF DS (Software Development) is vital to successful enterprise-wide integration, cross-functional visibility, and agile combat support.</p>									

Fund 9B  
(Dollars in Thousands)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Department of the Air Force Supply Management			Line No. & Item Description KDSS (Formerly Keystone)				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	1	325.0	325.0	0	0.0	0.0
Total	0	0.0	0.0	1	325.0	325.0	0	0.0	0.0
Narrative Justification:									
Description									
<p>The Keystone Decision Support System (KDSS) provides AFWCF sales and costs analysis capability and facilitates in-depth analysis of budgeted versus actual execution performance. FY2014 requirements decreased to \$0. System software enhancements are required to implement expansion of KDSS, as identified in the Keystone Strategic Roadmap. Identified expansion of Keystone's capabilities include additional analysis requirements, incorporating additional financial data from legacy systems, providing enhanced data analysis capabilities, and assuring compatibility with projected Defense Finance and Accounting Services data systems' conversions and mergers. Additional enhancements will provide more detailed weapon system cost analysis and reporting capabilities, more refined analysis of foreign military sales billing anomalies and greater visibility into tracking quantities and costs of AF materiel stored by DLA to determine erroneous DLA billings. There will be no FY2016 CIP requirement for KDSS.</p>									
Economic Analysis									
An Economic Analysis is complete and is on file.									
Impact									
Disapproval of this request will limit Keystone's performance parameters, and thus reduce the AF's capability to efficiently analyze execution performance and submit the Air Force Working Capital Fund budget, both of which is necessary to manage the AFWCF portfolio in a business-like manner.									

Fund 9B  
(Dollars in Thousands)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

Department of the Air Force Supply Management		Line No. & Item Description Requirements Management System (RMS)					Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	0.0	0.0	1	445.0	445.0
Total	0	0.0	0.0	0	0.0	0.0	1	445.0	445.0
Total	0	0.0	0.0	0	0.0	0.0	1	445.0	445.0
Narrative Justification:									
Description									
The Requirements Management System (RMS) establishes reporting for the subcategories of contingency retention required in DOD 4140.01 DoD Supply Chain Materiel Management Policy. The subcategories were designed to better communicate the reasons that the military services retain inventory beyond current requirements.									
Economic Analysis									
The savings would be in the "Other Cost Savings" category (recoverable cost savings benefits not related to status quo cost reductions). Savings will be realized through labor efficiencies versus the program. Estimated Cost Avoidance for stock numbers currently in contingency retention is estimated at \$74K in FY2016. Savings will continue to increase each year.									
Impact									
AF will continue to be out of compliance with DOD 4140.01 and lack the ability to report to Congress the inventory that we are currently retaining at required level of detail. NDAA Certification Status: Organizational Execution Plan (OEP) submitted 10 April 2014. CURRENT STATUS: Air Force remains non-compliant with DoDM 4140.01 until it implements these DoD-directed changes. This RMS system requirement is currently an unfunded requirement, therefore, the software changes/workload to be accomplished will be placed on contract only after AFMC/FM can provide sufficient funding to AFMC/A4 to support the RMS program office. The type of workload that will be required, include but are not limited to, the following: software development, changes and coding; creating and/or updating multiple IT system interfaces between Stock Control (D035) and RMS (D200); and updating RMS data tables to track assets and provide better asset visibility of Air Force-owned inventory. The purpose of the requirement is to support DoD Manual 4140.01, Volume 6, Enclosure 3, paragraph 5.f.(3).(b). This DoD manual mandates the Services to use Retention Categories and Codes for assets (National Stock Numbers, NSNs) owned by each Service/Agency. The Air Force was made aware of the impending DoD code changes in 2011, received approval to implement the system changes in 2012, but the RMS Program has not received funding to support this requirement estimated at \$445K. There are over 7,000 National Stock Numbers (NSNs) which represent assets that are currently being retained, on-hand, for possible future use by the Air Force but cannot be disposed of because of this anticipated usage. Reporting of these assets will appear as excess inventory or ready for disposal if they are not coded in accordance with DoD policy cited above. Air Force must provide accurate asset visibility, as well as asset accountability, of these 7,000 NSNs being retained in the Air Force inventory. Without CIP funding, Air Force will remain non-compliant with DoD policy.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Supply Management			Line No. & Item Description ATOS				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	0.0	0.0	1	1,580.0	1,580.0
Total	0	0.0	0.0	0	0.0	0.0	1	1,580.0	1,580.0
Narrative Justification:									
Description									
<p>Automated Tech Order System (ATOS): In FY2016, the technical refreshment shall migrate the current database to an Oracle Relational Database Management System (RDMS), preparing ATOS for further capability or system consolidation. Migration of datasets into an Oracle framework would make ATOS compliant with the USAF standards and ready for further modernization (i.e. readies the code for PLMi). By migrating to Oracle RDMS, ATOS can better implement USAF database standards to ensure consistency within the USAF in database utilization and security posture. Migration also avoids the expected increase in costs for maintenance and support for its current software architecture, OpenVMS. This effort also implements additional capability for the user (metric and ad-hoc reporting, work card procedures, and standalone composition). Enabling the metrics and ad-hoc reporting function would allow designated users at the site the ability to create custom reports to meet site needs and the ability to create ad hoc reports when required. Updating the work card interface will allow ATOS to simplify the user interface to edit work card documents in a manner consistent with Technical Manual Specifications and Standards (TMSS). The last piece of this technical refreshment is the implementation of standalone composition in ATOS, which permits the publishing organization more flexibility to support new customers. It also makes the integration of a Content Management System (CMS) easier and set the stage for a self-service model of publishing TMSS-compliant documents. These requirements are currently being vetted through the HQ Air Force Materiel Command (AFMC) Requirements Management process which includes the Logistics Investment Management Board (LITMB) and the Enterprise Logistics Investment Board (ELIB). These items will be included in the FY2016 NDAA Certification package.</p>									
Economic Analysis									
<p>The Economic Analysis is not yet complete. Requirement initially supports meeting AF policy compliance and enhancing ATOS to improve the acquisition process and improve productivity for organic TO publishing and sustainment. However, there will be cost savings realized with the AFMC current mapping and analysis activities for decommissioning and integrating TO systems. As AFMC consolidates as much functionality into as few systems as possible eliminating stove-piped and redundant systems, cost savings will be realized. An economic analysis required and will be completed prior to execution of funds.</p>									
Impact									
<p>If the ATOS DBMS is not migrated to an Oracle RDBMS, ATOS will not be positioned/aligned with other TO sustainment programs for integration with future consolidated TO System capabilities and ATOS will not be compliant with AF policy. If the ad-hoc and metrics reporting, the re-implementation of Work Cards, and standalone composition capabilities are not deployed, the user will not realize the promised production efficiency gains that these capabilities will deliver. FY2015 NDAA certification was approved; FY2016 NDAA certification package is being worked.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Supply Management			Line No. & Item Description FIABS				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
<p>The Financial Inventory Accounting and Billing System (FIABS) is used by wholesale and retail item managers, Supply Chain Management Groups, 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 system. Five separate AFAA audits and a full CFO Blue Book review have revealed a number of deficiencies in FIABS. These deficiencies are primarily as a result of postponed system modifications in anticipation of a FIABS migration to the Expeditionary Combat Support System (ECSS) Enterprise Resource Planning (ERP) tool. FIABS is now faced with the need to modernize in order to correct its deficiencies for FIAR Compliance. Full modernization is expected to cost \$15M. Modernization will be conducted over a 5 year period beginning FY2015, with initial year modifications costing \$6M. Modifications will include making FIABS compliant with Standard Financial Information Structure (SFIS) requirements, correcting General Ledgers within FIABS to properly comply with the Treasury Financial Manual (TFM), correcting the Journal Voucher process to prevent transactions from posting incorrectly, creating logic in FIABS to allow the system to process Advance Payments, adding logic to FIABS to assist with the debt management process by creating a file of delinquent accounts for electronic submission to the Debt Management Office (DMO), add functionality for FIABS to maintain Department of Defense Activity Address Code (DoDAAC) information, add functionality to prevent the creation of duplicate transactions, and add an application user interface that complies with the software application standards required by section 508 of the Rehabilitation Act.</p>									
Economic Analysis									
Impact									
<p>The major benefits of this effort will be FIAR compliance, CFO compliance and SFIS compliance. Subsequent to the FY2015 PB request, it was determined that all FIAR related changes will be centrally funded eliminating the need for these dollars.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Supply Management			Line No. & Item Description ESCAPE				Activity Identification HQ AFMC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	0.0	0.0	1	11,814.0	11,814.0
Total	0	0.0	0.0	0	0.0	0.0	1	11,814.0	11,814.0
Total	0	0.0	0.0	0	0.0	0.0	1	11,814.0	11,814.0
Narrative Justification:									
Description									
<p>The Enterprise Supply Chain Analysis, Planning and Execution (ESCAPE) initiative furthers the definition, design, acquisition, implementation and delivery of warfighter enterprise supply chain planning capabilities. The initiative supports DoD transformational goals by seeking to modernize legacy supply chain planning processes and systems under a single enterprise materiel solution. The primary (and near-exclusive) users of USAF planning capabilities are the Item Managers, Equipment Specialists and Production Specialists. Current Air Force supply chain planning systems lack the ability to efficiently support depot maintenance operations, effectively position assets across the enterprise, collaborate with suppliers, and optimize inventory efficiently due to the use of substandard legacy processes and do not integrate the core supply chain capabilities: Demand Planning, Inventory Planning (or optimization), Supply Planning, Exception Management and Analytics. The requested funds will support Development/Modernization expenditures related to: Solution Support (COTS Vendor Support), System Integrator, Hosting/Data Services/Analytics (Dev), Infrastructure Services, Infrastructure Services Non-Recurring Equipment (NRE), Development License (via Service Contract).</p>									
Economic Analysis									
<p>The ESCAPE investment provides an ROI ratio of 5.0 over its payback period of 2019 - 2028. This is accomplished through reduced sustainment costs and various inventory efficiencies such as improved forecasting; tighter collaboration between the AF supply community with depot maintenance and suppliers; improved bill of materials accuracy, more responsive planning; and near real time performance management. This ROI was conservatively estimated and is expected to improve as the solution is fully definitized.</p>									
Impact									
<p>If not funded, the AF will accept the current antiquated supply chain planning environment and fail to realize a robust ROI, lose a competitive advantage to onboard new workloads such as the F-35 Joint Strike Fighter, as well as prevent enabling future manpower efficiencies. ESCAPE provides a critical capability to enable other workstreams such as the Maintenance, Repair and Overhaul (MRO) capability initiative by providing a near real time source of prioritized repair requirements, and is a crucial step towards simplifying the AF supply chain's information system portfolio.</p>									

Fund 9C  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Maintenance Division**

<b>Major Category</b>	<b>Initial Request</b>	<b>Current Proj Cost</b>	<b>Approved Change</b>	<b>Explanation</b>
<b>Non-ADPE</b>	143.617	126.909	-16.708	
<b>ADPE and Telcom</b>	7.919	11.568	3.649	
<b>Software Development</b>	1.000	0.257	-0.743	
<b>Minor Construction</b>	9.896	8.028	-1.868	
<b>Total FY2014</b>	162.432	146.762	-15.670	
<b>Non-ADPE</b>	154.019	154.019	0.000	
<b>ADPE and Telcom</b>	3.501	3.501	0.000	
<b>Software Development</b>	2.000	2.000	0.000	
<b>Minor Construction</b>	6.378	6.378	0.000	
<b>Total FY2015</b>	165.899	165.899	0.000	
<b>Non-ADPE</b>	138.773	138.773	0.000	
<b>ADPE and Telcom</b>	0.000	0.000	0.000	
<b>Software Development</b>	0.750	0.750	0.000	
<b>Minor Construction</b>	7.950	7.950	0.000	
<b>Total FY2016</b>	147.473	147.473	0.000	

Fund 9C  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

**CSAG - Supply Division**

<b>Major Category</b>	<b><u>Initial Request</u></b>	<b><u>Current Proj Cost</u></b>	<b><u>Approved Change</u></b>	<b><u>Explanation</u></b>
<b>Non-ADPE</b>	0.000	0.000	0.000	
<b>ADPE and Telcom</b>	0.000	0.000	0.000	
<b>Software Development</b>	1.800	1.800	0.000	
<b>Minor Construction</b>	0.000	0.000	0.000	
<b>Total FY2014</b>	1.800	1.800	0.000	
<b>Non-ADPE</b>	0.000	0.000	0.000	
<b>ADPE and Telcom</b>	1.635	1.635	0.000	
<b>Software Development</b>	11.381	5.381	-6.000	
<b>Minor Construction</b>	0.000	0.000	0.000	
<b>Total FY2015</b>	13.016	7.016	-6.000	
<b>Non-ADPE</b>	0.000	0.000	0.000	
<b>ADPE and Telcom</b>	1.666	1.666	0.000	
<b>Software Development</b>	18.991	18.991	0.000	
<b>Minor Construction</b>	0.000	0.000	0.000	
<b>Total FY2016</b>	20.657	20.657	0.000	

Fund 9A  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

Line Number	Item Description	FY2014		FY2015		FY2016		
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	
A.	Equipment							
	Equipment-AMC		0.0		0.5		0.5	
	Equipment-SDDC		0.3		0.9		0.6	
	Subtotal		0.3		1.4		1.1	
B.	ADPE/Telecomm							
	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)		0.0		1.0		0.0	
	Information Assurance (IA)/Information Protection (IP) Operations		0.0		0.0		0.4	
	Infostructure		10.1		12.8		4.4	
	Local Area Network (USTRANSCOM LAN)		3.0		7.5		5.1	
	Global Air Transportation Execution System (GATES)		1.1		2.1		0.0	
	Global Decision Support System (GDSS)		2.4		0.7		0.9	
	Objective Wing Command Post (OWCP)		0.3		0.3		0.3	
	Wing Local Area Network (LAN)		1.0		2.1		0.5	
	Automated Transportation Data (AUTOSTRAD)		0.3		0.0		0.0	
	Subtotal		18.2		26.5		11.6	
	C.	Software Development						
		Agile Trans for the 21st Century (AT21)		9.9		11.4		8.2
Analysis of Mobility Platform (AMP)			2.8		2.5		2.5	
Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)			4.9		5.7		4.8	
Corporate Data Solution (CDS)			1.5		1.6		1.2	

Fund 9A United States Transportation Command

Fund 9A  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

Line Number	Item Description	FY2014		FY2015		FY2016	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Defense Personal Property System (DPS)		7.1		10.1		9.8
	Infostructure		0.0		1.3		1.4
	Joint Flow & Analysis Sys for Trans (JFAST)		5.6		4.3		3.7
	Local Area Network (USTRANSCOM LAN)		7.0		0.0		0.0
	Single Mobility System (SMS)		0.7		0.8		1.6
	Security Engineering		1.1		1.1		1.1
	Global Command and Control System (GCCS)		0.0		1.6		0.2
	Joint Mobility Control Group (JMCG-C4S)		0.4		0.0		0.0
	Consolidated Air Mobility Planning System (CAMPS)		0.3		0.0		0.0
	Core Automated Maintenance System (CAMS)		0.7		0.0		0.0
	Global Air Transportation Execution System (GATES)		3.2		0.0		0.0
	Global Decision Support System (GDSS)		27.9		21.8		18.0
	Mobility Air Forces Flight Planning Service		18.3		11.6		8.7
	System Integration		8.6		9.3		8.8
	Defense Enterprise Accounting and Management (DEAMS) System Component Billing System (DCBS)		0.6		0.8		0.0
	Core Enterprise Services (CES)		0.8		0.0		0.0
	Global Freight Management (GFM)		1.2		3.3		1.6

Fund 9A United States Transportation Command

Fund 9A  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

Line Number	Item Description	FY2014		FY2015		FY2016	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Integrated Booking System (IBS)		1.0		5.5		3.4
	Intelligent Road/Rail Information Server (IRRIS)		0.9		9.3		0.2
	Integrated Computerized Deploy Sys (ICODES)		0.0		1.2		0.0
	Enterprise Support Services Command (ESS C4S)		0.8		0.6		0.0
	Transportation Financial Management System-MTMC		0.1		0.0		0.0
	Subtotal		105.6		103.7		75.2
D.	Minor Construction						
	Minor Construction-AMC		0.8		4.5		4.5
	Minor Construction-DCD		0.0		0.3		0.3
	Minor Construction-SDDC		1.6		2.1		2.1
	Subtotal		2.4		6.9		6.9
	GRAND TOTAL		126.4		138.5		94.8
	Capital Outlays (above threshold)		116.4		78.9		63.9
	Capital Outlays (below threshold)		0.0		0.0		0.0
	Total Capital Outlays		116.4		78.9		63.9
	Total Depreciation Expense		197.4		186.3		173.4

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Equipment-AMC				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	0.0	0.0	0	500.0	500.0	0	500.0	500.0
Total	0	0.0	0.0	0	500.0	500.0	0	500.0	500.0
<b>Narrative Justification:</b>									
<b>Description</b>									
Funds are used to support Base Procured Investment Equipment for flight line maintenance.									
<b>Mission Benefits</b>									
Funds allow for the procurement of one time purchases to replace/procure new equipment.									
<b>Deliverables</b>									
Will be based on requirements approved for replacement or procurement of new equipment.									
<b>Economic Analysis</b>									
Economic Analysis (EA) are completed for individual projects that qualify.									
<b>Impact</b>									
Without these funds, wings would not be able to procure needed replacement items. These funds are required to support one-time requirements for equipment that is becoming obsolete and logistically unsupportable. With a certified EA, it is verified that these capital items meet requirements as a replacement item and result in improved efficiency and capability.									
<b>Software</b>									
Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Equipment-SDDC				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	285.0	285.0	0	920.0	920.0	0	610.0	610.0
Total	0	285.0	285.0	0	920.0	920.0	0	610.0	610.0
<b>Narrative Justification:</b>									
<b>Description</b>									
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 Operations (prepo).									
<b>Mission Benefits</b>									
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.									
<b>Deliverables</b>									
FY14: 596th - NORDCO Ballest Regulator (\$285) FY15: 596th - Fantuzzi Reachstacker 45T (\$920) FY16: 596th - NORDCO Tie Extractor (\$330), Grader "CAT" (\$280)									
<b>Economic Analysis</b>									
Economic Analysis (EA) are completed for individual projects that qualify.									
<b>Impact</b>									
Failure to fund will adversely impact Surface Deployment and Distribution Commands (SDDCs) ability to meet safety standards and support the warfighters.									
<b>Software</b>									
Not applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Agile Trans for the 21st Century (AT21)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	9,907.0	9,907.0	0	11,418.0	11,418.0	0	8,173.0	8,173.0
Total	0	9,907.0	9,907.0	0	11,418.0	11,418.0	0	8,173.0	8,173.0
Narrative Justification:									
Description									
<p>Agile Transportation for the 21st Century (AT21) is a program that inserts and adapts commercially available tools to provide integrated process control, optimization, and collaboration capabilities into the Distribution Process Owner (DPO) framework, significantly improving peacetime and wartime distribution and deployment operations for the combatant commands, Services, and other governmental entities in support of Department of Defense (DoD) Directive 5158.4 which gives Commander, USTRANSCOM the authority to meet the needs of combatant commands efficiently, effectively, and with fiscal restraint. At a high level, AT21: (1) Enhances business process control in the USTRANSCOM Deployment and Distribution Operations Center (DDOC)/Fusion Center and (2) Obtains and transitions commercially available transportation management system (TMS) technologies to support Defense distribution operations worldwide. By enhancing collaborative access to distribution and deployment-related information at all operational levels, AT21 optimizes deployment and logistics planning with improved efficiency of the distribution/deployment infrastructure.</p>									
Mission Benefits									
<p>AT21 provides improved time-definite delivery and best-value transportation solutions to fully support combatant commanders' movement requirements. Among the advantages to the warfighter of the capital investment include: (1) Effective communication of operational lift requirements data (2) Active, flexible lift schedules that accommodate dynamic re-tasking (3) Data-driven distribution plans that provide visibility of flow statistics, potential bottlenecks, contingency re-planning options, etc. (4) Automated planning processes that accelerate the definition of movement requirements (5) Improved planning outcomes through early collaborative decision-making (6) Avoidance of non-supportable courses of action (7) Personnel and cargo visibility across the strategic deployment bridge; and (8) Effective assimilation of Reception, Staging, Onward Movement and Integration (RSO&amp;I) operations within the Strategic Deployment and Distribution Bridge.</p>									
Deliverables									
FY14: Continuous Process Management capability, Optimization Capability; FY15 - FY16 Complete Process Management Capability and Optimization									
Economic Analysis									
<p>The AT21 EA, certified 14 Dec 10, recommended the continuation of Alternative 2 AT21 System Development (NPV \$439.3M) over Alternative 1 Status Quo. This solution offers both significant operational benefits, as well as a strong Return on Investment (ROI) of 3.74 and Benefit Cost Ratio (BCR) of 2.70, presented in FY10 constant dollars (FY10\$). In addition, AT21 System Development is expected to breakeven in FY17 with \$773.8M in life-cycle benefits, presented in Present Value dollars (PV\$). The Status Quo alternative provided no benefits or ROI.</p>									
Impact									
<p>Inability to provide the mission benefits stated above will result in inefficient operation of the Joint Deployment Distribution Enterprise (JDDE). Failure to fund this requirement will: (1) Result in the inability of USTRANSCOM, Transportation Component Command (TCC) and Geographic Combatant Command (GCC) decision-makers to access strategic movement information, resulting in inefficient use of available lift, un-coordinated use of ports and materiel, and duplication of effort; (2) Result in the inability of AT21 to fulfill the twelve operational outcomes in the Operational Concept Description (OCD); limit access to movement information in a timely and automated way resulting in world-wide logistics inefficiencies; (3) Will adversely affect the sustainment flow to the warfighter; and (4) Puts the nation's ability to conduct theater movement operations at risk.</p>									
Software									
No license fees funded with AT21 investment dollars.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Analysis of Mobility Platform (AMP)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	2,781.0	2,781.0	0	2,450.0	2,450.0	0	2,528.0	2,528.0
Total	0	2,781.0	2,781.0	0	2,450.0	2,450.0	0	2,528.0	2,528.0
Narrative Justification:									
Description									
AMP is an end-to-end modeling and simulation environment which supports joint collaborative programmatic analysis, planning execution analysis, experimental planning, execution analysis and peacetime operations. A primary focus of AMP is to support programmatic analysis. AMP allows mobility analysts to provide multi-level detailed analyses to support DOD mobility analytical studies. AMP serves as a platform to support futuristic programmatic studies and analyses such as mobility requirements studies and quadrennial defense reviews; it also has implications for component and Combatant Command (CCMD) planners and area of responsibility directors of mobility forces (DIRMOBFOR). The current shortcomings in the AMP modeling and simulation capabilities include a lack of efficient communication between models and heuristic based optimization.									
Mission Benefits									
This modeling and simulation federation provides integrated, authoritative modeling, simulation, stochastic optimization, and analysis tools for effective and efficient warfighter power projection and sustained long range planning. These benefits directly support the CCMDs, DIRMOBFOR, and mobility planners.									
Deliverables									
FY14 - Designed and development of large capabilities within AMP: Amphibious Operations including Joint Logistics Over-The-Shore (JLOTS) and Sea-basing Operations, and Modeling for Air Refueling, Aeromedical Evacuation, Tanker aircraft moving freight and cargo, and Home Defense Distribution. FY15 & 16 - AMP begins development of Increment IV, which consists of the Prototyping and Engineering Development to enhance the existing models within AMP. Specific enhancements include the modeling of Intermodal Operations; Ammunition Distribution; Inland Waterway Routing; Petroleum, Oil and Lubricant (POL) Terminals; integration with the Joint Staff's current warfight model. Increment IV enhancements and sustainment will be supported by Transportation Working Capital Funds (TWCF).									
Economic Analysis									
The AMP EA, dated 7 Jun 13, recommended the implementation of AMP Increment IV (NPV \$59,129K) over the Status Quo alternative (NPV \$26,604K). The decision to pursue Increment IV was based on the operational benefits that result from investment in new capabilities designed to provide USTRANSCOM and its component commands - Air Mobility Command (AMC), Military Sealift Command (MSC), and Surface Deployment and Distribution Command (SDDC) - a more accurate, realistic end-to-end transportation modeling and simulation system. Increment IV development will provide a system capable of analyzing intermodal operations, munitions distribution, inland waterway activity, and Petroleum, Oil, and Lubricants (POL) terminals. The investment in these enhancements ensures greater fidelity for programmatic analysis, planning, war-games, and exercise support to make certain decision makers have more realistic, relevant information when comparing alternatives. In addition, AMP is used to develop and justify budgetary inputs for Congress through its ability to analyze infrastructure requirements in a variety of scenarios; the more realistic modeling results expected from Increment IV will provide increased accuracy when responding to future budgetary inquiries.									
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 Defense Transportation System (DTS) problem space.									
Software									
No license fees are associated with this investment.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Automated Transportation Data (AUTOSTRAD)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	335.0	335.0	0	0.0	0.0	0	0.0	0.0
Total	0	335.0	335.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
AUTOSTRAD is not a system but rather a program that supports SDDC global connectivity by providing and maintaining SDDC network infrastructure, communications support, SDDC Out Port support; and Enterprise License Agreement support such as Cisco equipment maintenance. In turn, global connectivity enables SDDC to accomplish its mission in support of the Defense Transportation System and USTRANSCOM.									
Mission Benefits									
The AUTOSTRAD program supports approximately 2,400 individuals at 52 worldwide locations, five major subordinate commands, and ports. The program provides for operations, maintenance and life cycle HW replacement of Local Area Network (LAN)/Wide Area network (WAN) architecture components (including wireless), Information Assurance, Video Teleconference components, voice, and new communications technologies to keep SDDC globally connected across its operational user base. In addition, the program supports Out Port infrastructure capabilities for all LAN/WAN architecture components, network storage, disaster recovery, web service components, and any equipment and software supporting network operations.									
Deliverables									
FY14: Military Ocean Terminal Sunny Point (MOTSU) network infrastructure upgrade. FY15/16: N/A									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
IMPACT: With reduced funding, MOTSU would be required to operate using legacy and soon to be unsupported hardware – increasing the risk of system failure									
Software									
N/A									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	1,035.0	1,035.0	0	0.0	0.0
C. Software Development	0	4,947.0	4,947.0	0	5,715.0	5,715.0	0	4,787.0	4,787.0
Total	0	4,947.0	4,947.0	0	6,750.0	6,750.0	0	4,787.0	4,787.0
Narrative Justification:									
Description									
Joint Information Environment-Transportation (JIE-T)/Common Computing Environment (CCE) provides the basic infrastructure consolidation environment to host USTRANSCOM and Transcom Command Components (TCC) Command & Control (C2) Applications. This environment includes the hardware requirements for USTRANSCOM systems and programs of record.									
Mission Benefits									
Provides hardware and software licensing, operational resources, integration and sustainment activities for USTRANSCOM JIE-T/CCE. Provides common platform services, which improves security, provides access control and disaster recovery. Additionally, JIE-T/CCE provides opportunities to leverage a certified and accredited enterprise development and deployment environment responsive to dynamic customer/mission demands in an agile fashion. JIE-T/CCE implementation fuses the number of physical servers, facilities, and support personnel, while improving computing utilization and facilitating on-demand provisioning for increased scalability.									
Deliverables									
FY14-16: (1) Enterprise Application Services (EAS) includes front end development and customization of Commercial Off-The Shelf (COTS) and non-COTS products and hardware required for client side productions environment, (2) Cyber Systems Testing and Control Laboratory development and maintenance of the visualization layer and other front end work in a non-COTS environment to include web page and portlet development. (3) Support for the TCJ6-owned production and development environments including operating licenses, Enterprise backup service, Enterprise C&A, tier 3 engineering, & enterprise design engineering. (4) Portal framework development & sustainment. (5) Transition of the AT-21 framework from AQ to J6 to include O&M, engineering, and roadmap responsibilities in FY16.									
Economic Analysis									
Impact									
Failure to consolidate computing requirements within USTRANSCOM and component C2 applications will result in higher equipment costs and all costs associated with managing, housing, storing, repairing each stovepipe system hardware. Failure to consolidate our security boundary across the enterprise increases the complexity and efforts required to secure our information.									
Software									
All software required to operate and/or migrate programs of record into the DSE/CCE will be procured using funds from within this program. Possible software includes, but is not limited to, operating systems, database, and migration tools.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Consolidated Air Mobility Planning System (CAMPS)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	269.0	269.0	0	0.0	0.0	0	0.0	0.0
Total	0	269.0	269.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
Consolidated Air Mobility Planning System (CAMPS) is Headquarters' Air Mobility Command (HQ AMCs) Command and Control (C2) planning and scheduling system that provides mobility mission planners with an integrated view for airlift and air refueling requirements management, planning, and scheduling of AMC/Mobility Air Forces (MAF) air mobility resources to support peacetime, contingency, humanitarian, and wartime operations. CAMPS provides separate unclassified and classified requirements, planning and scheduling capabilities, and also provides advanced user capabilities for operational planning and allocation management. CAMPS provides a joint capability to gather and manage mobility requirements for Special Assignment Airlift Missions( SAAM), and inter-theatre airlift requirements. The capability is used extensively in Central Command (CENTCOM) AOR at this time. CAMPS will continue to maintain the system and upgrade as required following the requirements approved under the MAF C2 Framework Capabilities Document (CDD).									
Mission Benefits									
CAMPS provides HQ AMC's mission planners and schedulers with the integrated, automated tools they require to manage and prioritize mobility requirements and to analyze, plan, and schedule mobility missions to meet airlift 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, roving 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.									
Deliverables									
FY 14 Deliverable: Modernized the interface with the Joint Operational Planning and Execution System (JOPES). JOPES provides all ULN movement data to AMC through the CAMPS system. The JOPES program office is updating their interface capability to a Web Service. DOD (and DISA) have mandated that all systems connected to JOPES must modernize their interfaces to align with the modernization effort of JOPES. JOPES is critical to any contingency mission and provides Joint Movement Requirements (JMRs)to all services. As part of USTRANSCOM effort to create an enterprise wide solution to this effort the CAMPS program is developing a Web Service interface to align with the USTRANSCOM solution and meet the DOD requirement. This deliverable will help ensure that the capability of the command to support the Air Force Global Reach mission is maintained.									
Economic Analysis									
Certified May 2007.									
Impact									
Without CAMPS, United States Transportation Command (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. HQ AMC 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. HQ AMC would be unable to improve and standardize integration and information flow to other C2 systems. This would increase 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. Also, CAMPS would be unable to achieve USTRANSCOM's architecture goals and hardware maintenance costs would increase due to continued use of outdated hardware and software platforms.									
Software									
License fees are required for Oracle Database Management System (DBMS), Windows/Sun operating system support, Rational ClearQuest, SharePlex, and Structured Query Language (SQL) Report Writer.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Core Automated Maintenance System (CAMS)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	726.0	726.0	0	0.0	0.0	0	0.0	0.0
Total	0	726.0	726.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
<p>Core Automated Maintenance System For Mobility (CAMS-FM/G081) is the central common source of all unclassified maintenance data for mobility airlift aircraft. It accumulates, validates, processes, stores, and makes accessible to Air Force (AF) and Air Mobility Command (AMC) managers the data necessary to keep AMC assigned and aircraft combat-ready. G081 is a centrally managed On-Line Transactional Processing (OLTP) information system. The G081 system currently processes an average of 8 to 8.5 million on-line transactions per month on a mainframe computer in the Defense Information Systems Agency (DISA) Computing Services System Management Centers (SMCs) at Oklahoma City and Ogden. Worldwide logistics users connect to G081 at the Defense Enterprise Computer Center (DECC) via the NIPRNET from desktop PCs (thick-clients) and from thin-client devices utilizing Radio Frequency (RF) technology from the point-of-maintenance. AMC home and enroute base locations access the central OLTP system, providing worldwide visibility of aircraft status, location and availability of all AMC assigned and gained (Air National Guard and Air Force Reserve Center) airlift and tanker airlift. G081 centrally stores, in real time, all information at the DISA SMCs needed to support the AMC global mission of its aircraft.</p>									
Mission Benefits									
<p>CAMS-FM/G081 is HQ AMC's primary mission critical computer resource. It provides HQ AMC, the United States Transportation Command (USTRANSCOM), TACC and AF leaders with worldwide visibility of aircraft availability, status, capability, and utilization data. The logistics Command and Control (C2) interface is with C2 Information Processing System (C2IPS), Global Decision Support System (GDSS).</p>									
Deliverables									
<p>FY14: Funds are for new capability needed for the Operational Event Schedule and Maintenance Standard Data Integrity Process.</p>									
Economic Analysis									
<p>EA was certified 2 April 2009.</p>									
Impact									
<p>The Air Force has mandated the need to support a Common Operating Environment (COE) in order to support financial accountability of logistics assets. This includes the automation of aircraft scheduling events and an increased level of data edits to increased data integrity. This effort will support a more detailed capability to access and manage assets in a near real time with increased reliability of data in an automated environment. These requirements are needed to continue AMC's and AF's data modernization requirements and the cost reductions associated with maintaining data in a COE for Financial Improvement Audit Readiness (FIAR) requirements. Without this capability, AMC can't meet AF requirements and fail to support FIAR mandates by 2014 along with data collection efficiencies associated with these requirements.</p>									
Software									
<p>Not Applicable.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Military Sealift Command			Line No. & Item Description Core Enterprise Services (CES)				Activity Identification MSC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	797.0	797.0	0	0.0	0.0	0	0.0	0.0
Total	0	797.0	797.0	0	0.0	0.0	0	0.0	0.0
<b>Narrative Justification:</b>									
<b>Description</b>									
Military Sealift Command-Core Enterprise Services (MSC-CES) provides Data Warehousing Tools, Engineering, Enterprise Infrastructure Services, Enterprise Architecture, Information Assurance, Continuity of Operations (COOP), help desk services, Ashore operations, and video services. These services include: 1) Information Assurance including firewall monitoring, system certification and accreditation services for Federal Information Security Management Act (FISMA) compliance mission continuity planning; 2) Data Warehouse provides support for fast retrieval of data by users, managers, and staff; 3) 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; and 4) Enterprise Architecture ensures all MSC systems align with federal, DoD, Navy and USTRANSCOM policy.									
<b>Mission Benefits</b>									
MSC has a critical need to have a robust and reliable infrastructure to support its automated information systems and networks. These systems are key elements for decision makers at all levels and have become an essential part of the day-to-day operations. MSC-CES also allows connectivity and access to operational and administrative data to MSC worldwide sites.									
<b>Deliverables</b>									
Lifecycle refresh and upgrade of the IT infrastructure within the MSC Corporate Data Center and Data Warehousing to collect and report command wide performance metrics.									
<b>Economic Analysis</b>									
Life Cycle Cost Estimate: February 2009.									
<b>Impact</b>									
MSC will not have a common platform and access to corporate database.									
<b>Software</b>									
N/A									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Corporate Data Solution (CDS)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,528.0	1,528.0	0	1,642.0	1,642.0	0	1,158.0	1,158.0
Total	0	1,528.0	1,528.0	0	1,642.0	1,642.0	0	1,158.0	1,158.0
Narrative Justification:									
Description									
Corporate Data Solution (CDS) Program is responsible for providing data, information, knowledge, and engineering services in support of United States Transportation Command (USTRANSCOM) business processes. The program is focused on managing data in a net-centric environment as an enterprise asset by implementing properly engineered data exchanges, defining common vocabulary, federating metadata, and overseeing data quality initiatives. CDS projected for Full Operating Capability (FOC) in Fiscal Year 2017. Based on the outcome of the review, funding may require future adjustments.									
Mission Benefits									
CDS will increase the effectiveness of Information Technology (IT) development and mission capability of USTRANSCOM, while decreasing overall cost.									
Deliverables									
FY14-18 major deliverables will be to continue provided policies, procedures, advisory support, and mechanisms in support of the Command Data Architecture through Enterprise Architecture (EA) and Enterprise Data Office (EDO). Provide resources for implementation of engineered solutions and the Information Engineering Initiative through Enterprise Engineering (EE). Provide associated toolsets to measure, monitor, and report the quality of the Command data through Data Quality. Manage USTRANSCOM standard reference data through Transportation Reference Data Management (TRDM). Will continue to develop and intergrate the Corporate Services Vision (CSV) supporting the infrastructure and Services Oriented Architecture (SOA).									
Economic Analysis									
Economic analysis was certified in April 2009.									
Impact									
If not funded, status quo information management and information technology 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 (CSV, SOA, and JDDA-E).									
Software									
License fees are at Enterprise level, paid for by Infostructure and CDS.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Information Assurance (IA)/Information Protection (IP) Op				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	0.0	0.0	0	422.0	422.0
Total	0	0.0	0.0	0	0.0	0.0	0	422.0	422.0
Narrative Justification:									
Description									
IA/IP encompasses cyberspace operations defense capabilities providing people, operations, and technology that protect and defend USTRANSCOM information and information systems by ensuring their availability, integrity, authentication, confidentiality and non-repudiation.									
Mission Benefits									
Provide ability to recognize, react to, and respond to threats, vulnerabilities, and deficiencies in systems and networks.									
Deliverables									
FY16: Equipment necessary to increase the cyber security of USTRANSCOM mission systems. Includes equipment and personnel to implement the following capabilities: firewalls, proxy servers, antivirus, intrusion detection, vulnerability assessment, etc.									
Economic Analysis									
Life Cycle Cost Estimate (LCCE) received August 2007.									
Impact									
Failure to provide and improve network security architectures increases the vulnerability of USTRANSCOM and Transportation Component Command mission systems to cyber attacks resulting in the loss of critical command and control functions.									
Software									
No license fees apply.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Defense Enterprise Acct & Mgmt System (DEAMS)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Narrative Justification:									
Description									
Funding provides for Defense Enterprise Accounting and Management System (DEAMS) a joint USTRANSCOM, DFAS, and AF project to replace legacy systems using an enterprise architecture with Commercial-off-the-Shelf (COTS)-based financial accounting software (general ledger, accounts payable, accounts receivable, financial reporting, billing, etc.). Accurate, reliable, and timely financial information is a top priority of Congress, the Secretary of Defense (SECDEF), the Secretary of the Air Force. This can only be achieved through a modernization and integrated software solution accompanied by sound accounting processes proven through successful audits.									
Mission Benefits									
The three principle benefits are functionality, technology, and flexibility. Functionality provides accurate, timely, and compliant annual financial statements; allows common applications and an integrated database which comply with OMB approved "Core Financial System Requirements" (CFSR), improves time to process AF financial event transactions; facilitates access to the business events underlying the financial events to support auditability and analysis; utilizes standard processes and practices. Technology assures responsive and efficient processing, data analysis, and reporting; delivers timely, accurate and relevant information to decision maker; decreases point-to-point interfaces and system lifecycle costs; capitalizes on the Global Combat Support System - Air Force (GCSS-AF) Infrastructure Framework (IF); improves data accuracy, decreases operations and maintenance costs and increases information availability via a centralized Financial Management (FM) processing site. Flexibility enables agile response to legislative, OMB and DoD mandated FM policy and procedure changes; facilitates AF Smart Operations 21 (AFSO21) business process improvement initiatives; allows timely system enhancement and introduction of improved processes and performance improving technology; provides seamless interaction with FM feeder systems; transitions FM professionals from processing transactions to performing decision support analysis. The functionality, technology and flexibility provided by a successful material solution will be measured by improving cost accounting and reporting capabilities, resolving material weaknesses, reducing sustainment costs, and achieving the SECDEF directed clean audit opinion.									
Deliverables									
FY15-16 Complete Release 2 Deployment, Complete Release 3/4 - Major Upgrade to Oracle R12; and continue Release 5 AF CONUS Deployment.									
Economic Analysis									
The Economic Analysis (EA) dated 15 September 2008 identified a discount rate of 4.79%, with a net present value of \$50.19 and a benefit to cost ratio (BCR) of 1.10.									
Impact									
USTRANSCOM would not be able to leverage CFO/BEA/CFOC compliant COTS technologies currently available for financial accounting software, enhance audit capabilities, and automate processes - reducing accuracy, reliability, and timeliness of financial information to the Warfighter.									
Software									
Oracle									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force			Line No. & Item Description			Activity Identification			
Air Mobility Command			Defense Enterprise Accounting and Management (DEAMS) System Component Billing System (DCBS)			HQ AMC, Scott AFB IL			
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	644.4	644.4	0	811.0	811.0	0	0.0	0.0
Total	0	644.4	644.4	0	811.0	811.0	0	0.0	0.0
Narrative Justification:									
Description									
Distribution Component Billing System (DCBS) a subsidiary ledger of DEAMS supporting the following objectives: Processes transportation records into billable details, enabling AMC to support the financial requirements associated with cargo and passenger transportation services during war, contingencies and peacetime operations. It also increases the efficiency of HQ AMC financial processes in all modes of operation by providing the tools to rapidly assimilate and assess revenue data, update financial data files and expedite billing of service-based revenue. DCBS provides information via web-based Management Dashboard to enable quick Leadership review, command decision support and oversight of financial resources in operations. It also provides accurate AMC financial information through defined pre-validation and dispute processes. Based on the outcome of this review, funding may required future adjustments.									
Mission Benefits									
Migrating Cargo and Billing System (CAB) into DCBS will streamline the TWCF billing data feed, Financial Improvement and Audit Readiness (FIAR) compliance and ability to better manage TWCF cash balance.									
Deliverables									
FY14: Funds are for integration of SDDC's CAB into DCBS as required by USTC. FY15 Deliverables: Continue integration effort of SDDC's CAB into DCBS as required by USTC.									
Economic Analysis									
Completed by DEAMS.									
Impact									
Without the capital dollars to fund migration of SDDC into DCBS. USTC vision of one transportation billing system will not be realized and will require continued funding of SDDC's CAB/Transportation Financial Management System-Military (TFMS-M).									
Software									
DCBS uses ColdFusion Server 9.0, HBSS 4.5, Oracle Database- enterprise Edition 11g and Real Secure Server Senor 7.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Defense Personal Property System (DPS)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	7,114.0	7,114.0	0	10,096.0	10,096.0	0	9,764.0	9,764.0
Total	0	7,114.0	7,114.0	0	10,096.0	10,096.0	0	9,764.0	9,764.0
Narrative Justification:									
Description									
<p>Defense Personal Property System (DPS) is the fully integrated, centralized, and web-based system for the management of personal property shipments for the Department of Defense (DOD). DPS is the materiel solution to achieve the Defense Personal Property Program (DP3) objectives. The DPS customer-centric approach provides a more responsive, user-friendly experience while ensuring timely and accurate delivery of personal property shipments. It also provides direct customer feedback to identify and reward Transportation Service Providers (TSPs) that deliver quality service at reasonable rates. The DPS is responsible for all aspects of personal property shipment management, to include: qualification of TSPs to provide services, invoice management, shipment delivery, DOD/USCG customer counseling, shipment pick-up, Best Value, submission of TSP rates, quality assurance, and claims. DPS replaces the legacy Transportation Operational Personal Property Standard System (TOPS) which did not satisfy stakeholders' key needs.</p>									
Mission Benefits									
<p>The DPS provides 24-hour access to Transportation Service Providers (TSPs), Personal Property Shipping Offices (PPSOs), Service members, and the Services to input and retrieve data supporting the entire movement process from pick-up to delivery of household goods. Annually, the DPS is used to process approximately 500,000 - 600,000 personal property shipments for DOD and USCG customers.</p> <p>DPS implements the objectives/benefits of the Defense Personal Property Program (DP3) to include: Full replacement value for damaged/lost household goods. Adequate payment is a number one relocation concern. An integrated information management system for household goods processes: Improved communications between member/employees, the transportation service provider, and the military personal property office. Direct communications enables quick response to changes in member/employee situations and allows for more direct deliveries, thereby reducing damages and storage costs. The DPS Increment III includes Non-Temporary Storage (NTS), Intra-Country Moves (iCM), and Direct Procurement Method (DPM) which will provide 100% of shipment type capabilities being processed in DPS. The DPS Increment III completion will enable sunset of the legacy TOPS.</p>									
Deliverables									
<p>FY14 - New contract: Conduct requirements analysis and design for Non-Temporary Storage (NTS) capability. Conduct requirements analysis, design, and implement technology upgrades and architecture improvements. FY15 - Implement Non-Temporary Storage (NTS) capability. Implement rate filing, user management, and access control architecture improvements. Implement new functionality for document imaging and user role matrix capabilities. FY16 - Implement Intra-Country Moves (iCM) capability. Implement claims re-design and Air Force Exchange Service/Non-Appropriated Funds functionality.</p>									
Economic Analysis									
<p>The DPS Economic Analysis, certified 10 Oct 2012, recommended the continuation of Alternative 2 Develop DPS (NPV with Benefits \$2,936.386M) over Alternative 1 Status Quo Maintain TOPS. This solution offers significant non-monetary benefits, as well as a strong Return on Investment (ROI) of 8.90 and Benefit Cost Ratio (BCR) of 5.22, presented in Present Value dollars (PV\$).</p>									
Impact									
<p>Inability to process 100% of shipment types in DPS. The DPS Increment III provides remaining 10% of shipment type capabilities. Inability to sunset the legacy TOPS. TOPS does not satisfy stakeholders' key needs.</p>									
Software									
<p>DPS versions 1.7 through 4.0 are projected through FY18.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force			Line No. & Item Description				Activity Identification		
Surface Deployment and Distribution Center			Enterprise Support Services Command (ESS C4S)				SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	799.0	799.0	0	555.0	555.0	0	0.0	0.0
Total	0	799.0	799.0	0	555.0	555.0	0	0.0	0.0
Narrative Justification:									
Description									
Enterprise Support Services (ESS-C4S) is a Headquarters Military Surface Deployment and Distribution Command's (SDDC) umbrella program that is responsible for effectively integrating programs, automated systems, infrastructure and operations to ensure interoperability with the Defense Transportation Systems (DTS) and commercial partners to enhance USTRANSCOM's (USTC) Joint Distribution and Deployment mission. ESS provides enterprise architecture, change/configuration management, data management, information assurance, Identify Access Management (IdAM), private cloud computing, and consolidated helpdesk support for the operations and maintenance of the surface transportation systems.									
Mission Benefits									
USTC MAC II/III consolidated data center (private cloud) computing environment (CCE): Improved cyber posture of USTRANSCOM assets. Joint Container Management Capability (JCMC): Develop a single point of visibility and integration to manage all containers used worldwide to manage government, leased, and commercial containers globally throughout their lifecycle within DoD, thus allowing a container to be treated as a lift asset.									
Deliverables									
FY14: Expose JCMC container asset management and container detention management through web service, consume container data feeds from Research & Development project. FY15: Expand current Nonsecure Internet Protocol Router (NIPR) Enterprise Identity and Access Management (ETA) to Secured Internet Protocol Router (SIPR) network. FY16: N/A									
Economic Analysis									
Not Applicable.									
Impact									
Lack of funding will delay expansion of ETA solution to the SIPR. This will require programs that have both a NIPR and SIPR instance to maintain separate code base to support multiple user access solution.									
Software									
Not Applicable									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Military Sealift Command			Line No. & Item Description Financial Management System (FMS)				Activity Identification MSC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Narrative Justification:									
Description									
<p>MSC Financial Management System (MSC-FMS) is a fully integrated finance and accounting system that replaced non-compliant legacy systems in FY 2000. The new system is Joint Financial Improvement Program (JFMIP) certified, meets numerous Federal Financial Management System requirements, and is Chief Financial Officer (CFO) capable. This system is based on Oracle Federal Financials and includes a Federalized General Ledger utilizing the United States Standard General Ledger (USGL) at the detailed transaction level along with federalized modules for Accounts Receivable, Accounts Payable and Purchasing. In addition, Oracle commercial modules supporting project costing, project billing, inventory and fixed assets were implemented. For internal reporting and presentation of decision making information, the system also includes a financial data mart. As a subordinate command to US Fleet Forces and a component command of USTRANSCOM, MSC has financial reporting requirements to both commands. MSC-FMS acts as an independent financial system that will feed MSC general ledger entries directly to DEAMS and the DEAMS general ledger once DEAMS is operational.</p>									
Mission Benefits									
<p>The four principle benefits are compliance, functionality, technology and flexibility which provides MSC with a compliant, integrated system measured by improved accounting processes and reporting capabilities, resolved audit/financial weaknesses, reduced sustainment costs and means for future compliance. Compliance ensures that the system is configured to meet Department of Defense (DoD), Department of the Navy (DoN), and CFO act requirements; including security/audit readiness and Federal Financial reporting requirements. Functionality provides accurate, timely, and compliant financial statements, trial balances and Federally required reporting; allows for an integrated database with data shared across the command; improves time to process MSC financial/budgetary transactions; facilitates auditability and analysis across business processes. Technology provides secure, responsive and efficient processing, data analysis and flexible, drill-down reporting; delivers real-time, accurate information to decision makers; provides MSC with technology that passes all security compliance requirements; decreases custom interfaces and reduces system lifecycle costs; builds upon the MSC enterprise architecture; improves automation and accuracy of data, including error handling; decreases operations/maintenance costs. Flexibility provides agile response to Office of Management and Budget (OMB) (Standard Financial Information Structure (SFIS), Joint Financial Improvement Program (JFMIP), etc) and DoD mandated financial policy and procedure changes; offers scalability for business process improvement initiatives; allows for timely system enhancements and improved processes; allows for system performance improvements; provides automated/seamless integration to other systems (SPS, BPS, DTS, WAWF, etc), including error handling/processing; ability to absorb processes from MSC that will allow for decommissioning of legacy applications, saving operations/maintenance costs. Specific benefits provided by capital funding include:</p> <ul style="list-style-type: none"> <li>- Oracle Release 12: Upgrades the current MSC-FMS application suite to Oracle Release 12 to maintain system support and IT/ financial compliance. It will also enhance the ability of the technology stack to preserve its technical architecture and vendor supportability.</li> <li>- Subsistence and Quarters (S&amp;Q) Payments Interface - Allows payment of payroll for approximately 9000 civilian mariners following decommissioning of UPCS (MSC's current mariner pay system).</li> <li>- General Ledger Interface to the Defense Enterprise Accounting and Management System (DEAMS) - Provides monthly financial results to DEAMS for consolidation and financial reporting.</li> <li>- Navy Data Center Migration – MSC must comply with Navy directives to move systems to a dedicated Navy data center - IS Portal Interface Implementation (Corrective Maintenance Logistical System (CMLS) Interface) - Allow for ship purchase transactions to be transmitted to purchasing module following ship logistics systems upgrade</li> <li>- Budget Replacement System – Replaces legacy independent budgeting system, reduces IT footprint and maintains capability to develop MSC billing rates for Navy and TRANSCOM working capital funds</li> <li>-Central Contract Registration (CCR) Interface – Allow for vendor information to be entered directly into FMS following retirement of Standard Procurement System.</li> </ul>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Military Sealift Command	Line No. & Item Description Financial Management System (FMS)	Activity Identification MSC
<b>Description (continued)</b>		
<b>Deliverables</b>		
<p>Oracle Release 12: The projects are designed to enhance the ability of the technology stack to preserve its technical architecture and vendor supportability. The projects will provide sound and active support contracts for the financial management software, as well as provide incremental capabilities which are facilitated by the vendor (Oracle) when patching the software in order to achieve an upgrade of the product. General Ledger Interface to the Defense Enterprise Accounting and Management System (DEAMS) - Meet USTRANSCOM's requirement to send MSC's monthly financial results to DEAMS for consolidation and financial reporting. The interface of monthly financial results to DEAMS meets USTRANSCOM's requirement for financial data from MSC while allowing MSC to continue to use FMS to record Navy and USTRANSCOM financial data. FY14 Budget Replacement System – Prototype will be going on concurrently with FMS R12 Technical Upgrade with development continuing and piloting for full budget cycle.</p> <p>General Ledger Interface to the Defense Enterprise Accounting and Management System (DEAMS) - Meet USTRANSCOM's requirement to send MSC's monthly financial results to DEAMS for consolidation and financial reporting. The interface of monthly financial results to DEAMS meets USTRANSCOM's requirement for financial data from MSC while allowing MSC to continue to use FMS to record Navy and USTRANSCOM financial data.</p>		
<b>Economic Analysis</b>		
Economic analysis certified 2013. Majority of efforts reflect modifications due to mandates and compliance.		
<b>Impact</b>		
<p>MSC-FMS must undergo certain modernization and enhancement efforts in order to maintain system IT and financial compliance, integration with DOD and USG systems, allow for MSC's unique operating model, leverage compliant Commercial Off-The-Shelf (COTS) technologies and provide mission capabilities to the command. Without funding MSC-FMS would NOT: be CFO Act compliant (USSGL, JFMIP, SFIS), meet audit readiness criteria, meet security compliance, be able to pay or distribute W2s/LES to civilian mariners, make payments to vendors, meet Federal reporting mandates (consolidations/financial results), or meet DoD/DON system mandates. Impacts to specific efforts from a lack of funding include:</p> <ul style="list-style-type: none"> <li>- Non-compliant system. MSC would be forced to decommission the MSC-FMS system and unable to provide the capabilities described above</li> <li>- Increased support costs - MSC would be forced to attempt to maintain security and system maintenance through custom support agreements with vendors that far exceed current budgeted levels if even possible</li> <li>- SFIS compliance - R12 is required for FMS to meet SFIS configuration requirements directed by OSD-DCMO</li> <li>- Unable to pay Civilian Mariner staff following UCPS decommissioning in 2014</li> <li>- Would necessitate the creation of multiple manual processes and likely require hiring of additional government and contractor staff</li> <li>- Increased error rates from manual processes and inaccurate data on personal costs for reporting and decision making.</li> <li>- Requirement for manual reporting of MSC financial data to USTRANSCOM</li> <li>- Reduction in the timeliness and accuracy of financial data being reported</li> <li>- Unable to ensure data being sent from MSC conforms to accounting mandates</li> <li>- Unable to ensure all data elements are contained in MSC financial statement sent to USTRANSCOM</li> <li>- Unable to be supported on current hardware or infrastructure without datacenter migration</li> <li>- Unable to decommission and reduce footprint of separate budget preparation system and increase accuracy of budget submissions for NWCF/TWCF</li> <li>- Unable to replace automated vendor information transmission with the replacement of the SPS system.</li> </ul>		
<b>Software</b>		
Oracle COTS Products (ebusiness suite, Federal Financials, commercial modules, Hyperion).		

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Global Air Transportation Execution System (GATES)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	1,113.7	1,113.7	0	2,130.0	2,130.0	0	0.0	0.0
C. Software Development	0	3,175.0	3,175.0	0	0.0	0.0	0	0.0	0.0
<b>Total</b>	<b>0</b>	<b>4,288.7</b>	<b>4,288.7</b>	<b>0</b>	<b>2,130.0</b>	<b>2,130.0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
<b>Narrative Justification:</b>									
<b>Description</b>									
Global Air Transportation Execution System (GATES) is DoD's port processing and manifesting system for the global air and surface movement of personnel and materiel. Serving peacetime and contingency operations, GATES support includes processing and tracking cargo and passenger information to speed their timely arrival and know their location at all times (i.e., In-Transit Visibility (ITV)). GATES also aids DoD's capability to bill for cargo and passenger movement. It is a financial feeder system providing manifest information to the Distribution Component Billing System (DCBS), a billing system belonging to the Air Force. GATES also feeds the Cargo and Billing System (CAB), a billing system belonging to the Military Surface Deployment and Distribution Command (SDDC). GATES surface port function will include capability formerly provided by the SDDC Worldwide Port System (WPS). WPS was designed to support the water port operations of DoD by providing cargo management, documentation, and accountability to water port and regional commanders while providing ITV to higher echelons. An effective Command and Control (C2) tool, GATES promotes more effective resource management. The system interfaces with multiple data engines both internal and external to the DoD. It generates standard and ad hoc reports, supports scheduling and forecasting, and provides message routing capabilities to all ports.									
<b>Mission Benefits</b>									
GATES is a Headquarters Air Mobility Command (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 a combination of Unix Servers and Windows based 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 United States Transportation Command (USTRANSCOM) Command, Control, Communications and Computer (C4) Systems Master Plan as a command and control enhancer.									
<b>Deliverables</b>									
FY14 and FY15 Capital Hardware is for the procurement of specialized equipment at world-wide aerial and surface ports. The equipment for FY14 includes 78 RGATES servers supporting the GATES 64-Bit upgrade requirement and 5 Parent Site servers supporting equipment lifecycle management for End of life/End of Support (EOL/EOS) servers currently in operation. FY15 equipment purchase will complete the equipment lifecycle management for the remaining operational EOL/EOS servers. GATES also received an additional \$2.2M for the TOC approved GATES Cost Reduction Initiative (Sybase to Oracle Migration) which is projected to save the portfolio approximately \$0.5M annually beginning in FY17.									
<b>Economic Analysis</b>									
Economic analysis completed in January 2009.									
<b>Impact</b>									
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 Tanker Airlift Control Center (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.									
<b>Software</b>									
Alcatel, BRIO, CE Fusion, Hyperion, Movian, NetIQ, Oracle, Planet, TCC Radius, Rational, Reflections Secure IT, StoreEdge, Sybase,TogetherSoft.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Global Command and Control System (GCCS)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	1,583.0	1,583.0	0	204.0	204.0
Total	0	0.0	0.0	0	1,583.0	1,583.0	0	204.0	204.0
Narrative Justification:									
Description									
Modernization of GCCS-J Joint Operational Planning and Execution System (JOPES) is managed by JS/J3, JS/J6 and DISA and planned for FY14-17. USTRANSCOM has six automated interfaces with JOPES through the JOPES Data Network Service (JDNETS) which must be transitioned to exchange data with Joint Planning and Execution Services (JPES) Framework (JFW). JFW will implement DoD CIO mandates for the Joint Information Environment (JIE) using service oriented architecture principles and Identity and Access Management (IdAM), using Attributes Based Access Controls (ABAC). Transition of USTRANSCOM system interfaces must be achieved no later than FY16 to enable DISA's modernization of back-end JOPES and front-end applications while the DoD continues to perform its force projection mission.									
Mission Benefits									
Ensures ability of USTRANSCOM to continue performing force projection mission tasks while DISA is modernizing JOPES.									
Deliverables									
FY15-16: Transition six USTRANSCOM system interfaces (AT21, IGC, SMS, CAMPS, JFAST, TransViz) from JDNETS to JFW and replace the IGC-JOPES Scheduling and Movement Interface (SMINT) interface with a unit move data service and Ozone widget.									
Economic Analysis									
Impact									
Failure of USTRANSCOM to migrate its system interfaces with JOPES to JFW will impede DISA's ability to modernize JOPES following Joint Staff direction.									
Software									
All software developed is required for employment of services supporting changes of systems interfaces and new security protocols.									

**Activity Group Capital Investment Justification**  
**Air Force Working Capital Fund**  
**Transportation Working Capital Fund (TWCF)**

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Global Decision Support System (GDSS)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	2,422.1	2,422.1	0	690.0	690.0	0	884.0	884.0
C. Software Development	0	27,944.5	27,944.5	0	21,799.0	21,799.0	0	18,038.0	18,038.0
<b>Total</b>	<b>0</b>	<b>30,366.6</b>	<b>30,366.6</b>	<b>0</b>	<b>22,489.0</b>	<b>22,489.0</b>	<b>0</b>	<b>18,922.0</b>	<b>18,922.0</b>
<b>Narrative Justification:</b>									
<b>Description</b>									
<p>Global Decision Support System (GDSS) a United States Transportation Command (USTRANSCOM) funded system providing Mobility Air Forces (MAF) Command and Control (C2) information to combatant commanders throughout the full spectrum of military operations. GDSS provides capabilities to MAFC2 forces using a net-centric environment, allowing access and information sharing across classified and unclassified domains that interoperates with Air Force/Army/Joint C2 systems. GDSS offers capability for C2 elements to accomplish continuous collaborative planning to task or redirect airborne MAF aircraft while coordinating associated mission, aircrew, and logistics requirement changes through the appropriate Civil Aviation Authority, MAF, Combat Air Forces, and Civil Reserve Air Fleet C2 fixed and mobile elements. GDSS provides a critical part of the capability towards meeting the MAF goal of near-real-time 100% Total Asset Visibility (TAV) and In-Transit Visibility. The Mobility Enterprise Information Services (MEIS) environment provides information and application services exposing AMC's C2/TAV info to external/internal consumers to enhance data sharing and orchestrate event-driven activities in direct support of the DoD Net-Centric Data Strategy. MEIS uses common business functions, improves data integrity, cyber protection and incident response, and operational agility through rapid change deployments. Aviation Operations Risk Management (AvORM) enables risk prediction and mitigation providing aircrews, planners, schedulers, mission execution personnel and senior leaders automated tools to reduce and eliminate current manual and reactive risk assessment processes. As technology insertion to GDSS, the investment is developing the following three functionalities: 1) Dynamic Mission Replanning (DMR), using cognitive rescheduling technology, as demonstrated in Advanced Concept Technology Demonstrations, will permit resource manipulation in near real-time; 2) Global Aircrew Management (GAM) providing an automated capability within GDSS to improve its ability to track, task, manage, and report aircrew assignments; and 3) Global Aircrew Scheduling (GAS) providing GDSS interoperability with the crew scheduling system, Graduate Training Integrated Management System (GTIMS), through the MEIS. The integration of crew scheduling and C2 mission information will provide a unified sight view of aircrew resource status, availability and rapid mediation of impacts of changes to crews or missions.</p> <p align="right">Pending Air Force investigation, USTRANSCOM and Air Mobility Command are establishing requirements documentation to separate DMR, GAS, GAM, and MEIS as separate Program of Records and possible funding splits (Appropriated/TWCF) during the FY17 PBR cycle. Estimated costs for each program for FY15 are: GAS - 4,865K, GAM - 7,014K, DMR - 6,640K, MEIS - 1,554K, GDSS CORE - 0K; and FY16 are: GAS - 4,334K, GAM - 6,680K, DMR - 5,278K, MEIS - 1,099K and GDSS CORE - 0K.</p>									
<b>Mission Benefits</b>									
GDSS complies with the USTRANSCOM/Headquarters Air Mobility Command (HQ AMC) enterprise architecture and logical data model development. This enables future development and simplifies interfaces with other systems. The system reduces data integrity challenges caused by latency in transmission of data from between legacy systems to GDSS due to present reliance on text messaging data exchange. Improved data integrity provides more accurate, dependable C2 data for decision makers, allowing more efficient and/or effective airlift to the warfighter.									
<b>Deliverables</b>									
FY14: Developed/fielded GDSS versions 3.0, 3.0.1, 3.0.2, 3.0.3, and 3.0.4 supporting migration to Web service. Develop/field Mobility Enterprise Information System (MEIS) versions 3.3.1 and 3.3.3. Develop/field DMR Single-Mission Timeline Display, GAM Mission Crew Collaboration, and GAS-MEIS Data Exchange. Develop DMR Multi-mission Timeline Display, GAM Graphical Situational Tool, and GAS Integration of Systems. Develop/field GAM Mission Crew Collaboration. FY15: Planned investment is to continue to resolve software problem reports and downward-directed software modifications for GDSS, and MEIS under operations and sustainment. Continue to revise DMR and GAM functionality delivered in iterative sprints packages in increments. Continue enterprise version of GAS by creating updating architecture and begin internal and external system changes. FY16: Planned investment is to continue with GDSS software updates releases while transitioning selected functionality to applications-based modules in 2 major and 3 minor releases. Continue to revise DMR and GAM functionality, delivered in iterative sprints packaged in increments. Continue enterprise version of GAS, updating architecture, internal/external systems changes.									
<b>Economic Analysis</b>									
Economic Analysis: Certified May 2007. EA was submitted Mar 09; DMR EA completed May 2010, GAS/GAM completed June 2010, and GDSS EA submitted May 2011.									
<b>Impact</b>									
Impact: If not funded, the USTRANSCOM and Air Mobility Command efforts to modernize critical functions would be delayed while forcing sustainment of obsolete legacy systems. There would be significant reduction in capability to perform basic flight scheduling, flight following, MAF resource and facilities allocation, and decision making for HQ AMC's 618th Air Operations Center, and other customers listed above. There would be loss of required total asset visibility interface. All other sites supported worldwide by GDSS would experience reduced capability to perform MAF resources, C2, and/or a reduced ability to MAF-related data. Reduced DMR funding will force operators to continue to manually determine complicated interrelationships between missions and increase risk for effective and efficient AMC mission completion. Without GAM funding, the ability to minimize mission delays due to crew management will continue. Similarly, GAS delays will result in the continued inability to rapidly determine actual crew availability and qualifications causing missions delays and impacts to velocity and precision.									
<b>Software</b>									
Software: Microsoft Enterprise Server and Visual Basic, Oracle, PHP, and Shareplex.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Global Freight Management (GFM)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,200.0	1,200.0	0	3,338.0	3,338.0	0	1,648.0	1,648.0
Total	0	1,200.0	1,200.0	0	3,338.0	3,338.0	0	1,648.0	1,648.0
Narrative Justification:									
Description									
<p>Global Freight Management (GFM) provides DOD Installation Transportation Officers (ITOs) with an electronic commerce capability for the procurement of commercial freight transportation services and provides a real time data feed to war fighters. GFM provides a centralized automated freight rating, costing, and routing system (Rating and Ranking). GFM also provides a Spot Bid system for procurement of freight transportation services for Overweight or Overdimensional shipments as well as other unique or one-time-only shipments. GFM also supports an automated interface for existing DOD contracts with Small Package (shipments 150 pounds or less) domestic and international (shipments 300 pounds or less) express carriers. The GFM system supplies more timely and accurate routing information to shippers and substantially improves the ability of SDDC to support DOD shipping. The GFM interface with Syncada, via Financial and Air Clearance Transportation System (FACTS), streamlines the DOD transportation financial payment process. GFM also provides DoD shippers with: Tender Entry On the Web (tender storage and management); DoD Bill of Lading repository and Bill of Lading View; Rate Quote (costing of voluntary tender moves without creating an actual shipment transaction); Site Configuration (for TOs/ITOs to set up their location information); Discrepancy Information System/Transportation Discrepancy Report (DIS/TDR); Transportation Facilities Guide (TFG); Approved Carrier List; In-transit Visibility (ITV) Carrier Reports; GFM Training Simulator and Tutorials; Customer Added Value Suite (CAVS); and CAVS Downloads (carrier/industry tools). GFM interfaces with Customs and generates Shippers Export Declaration for International shipments requiring border clearance. Serve as the primary carrier tool for Freight Carrier Registration (FCRP) as starting point for carriers seeking DoD approval. Provide carrier tools and carriers/management reports. Provide monthly training for DoD users and commercial carriers.</p>									
Mission Benefits									
<p>GFM provides DOD-approved shipping activities and contractors with a cost effective and efficient suite of web-based transportation business tools to support multi-modal DOD shipment planning and execution utilizing commercial transportation services. GFM complements DOD tactical transportation systems by providing military ITOs with the ability to support unit deployment, sustainment and redeployment activities. GFM is used at each of the Army's power projection and power support platforms.</p>									
Deliverables									
<p>FY14: Provide four web services: Rate Quotation, Spot Bid, TFG, and DIS, also provide these capabilities to other systems via the SDDC Enterprise Service Bus eliminating the need for the TOs to switch between systems. These efforts will also eliminate the need to duplicate these capabilities elsewhere in the Enterprise. FY15: Support the transition from tender based carrier solicitation to Federal Acquisition Regulation (FAR) based contract carrier rates providing a more stable and predictable transportation availability and predictability. Secure the GFM system through elimination of direct database access through WYSE terminal emulators and provide an updated database maintenance capability. FY16: Develop/enhance system capabilities to improve operation processes, deliver information fidelity across the distribution environment, and deliver IT system capability to facilitate better coordination and synchronization of operations.</p>									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
<p>If not funded, GFM will be unable to support United States Transportation Command's 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. It will prevent GFM from continuing to adopt relevant best practices derived from the business community, minimize waste and redundancy, and synchronize global distribution. GFM will be unable to improve automation tools used by transportation managers to monitor shipment planning, manage transportation risk, and influence freight mobility requirements that support Defense Transportation System initiatives.</p>									
Software									
Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Global Surface Distribution Management (GSDM)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Narrative Justification:									
Description									
<p>The Global Surface Distribution Management (GSDM) program provides the requisite capabilities (facility, HVAC, power, communications) to support SDDC port management operations anywhere in the world. Communications capabilities include NIPR, SIPR, voice, secure voice, and secure/non-secure VTC. Primary requirements driver for these deployable capabilities are in direct support of the Deployable Port Management Teams (DPM-T), Joint Task Force Port-Opening (JTF-PO) Aerial Port of Debarkation/Seaport of Debarkation (APOD/SPOD) missions, and SDDC Brigade/Battalion port operation support for reception, staging, onward movement, integration, sustainment, and redeployment of United States forces at military, common user, and contingency seaports worldwide. Platforms can support distribution missions in both limited to completely austere environments. The Deployable Port Operations Center (DPOC), Mobile Port Operations Center (MPOC), Small Port Operations Communications Kit (SPOCK), and Brigade Standard Communications Package (BSCP) provide a range of fully equipped, self-sustaining, command and control port management capability at surface locations where facilities for cargo documentation and processing, long haul telecommunications, and computer and office automation support are not available.</p>									
Mission Benefits									
Supports SDDC worldwide deployment and distribution mission in an austere environment and communication options in a port management mission set.									
Deliverables									
FY13: Completed Next-Generation Deployable Port Operations Center (DPOC) purchase and integration. Create the Brigade Standard Communications Package to implement at the five Brigades, and provide tailorable port management communication packages to the Deployable Port Management Teams (DPM-T)									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
The systems provided under the GSDM program are essential in providing port managers with the Command and Control (C2) capabilities to ensure In transit Visibility (ITV) of sustainment cargo and unit equipment moving forward.									
Software									
Not applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Infostructure				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	10,078.0	10,078.0	0	12,774.0	12,774.0	0	4,401.0	4,401.0
C. Software Development	0	0.0	0.0	0	1,300.0	1,300.0	0	1,400.0	1,400.0
<b>Total</b>	<b>0</b>	<b>10,078.0</b>	<b>10,078.0</b>	<b>0</b>	<b>14,074.0</b>	<b>14,074.0</b>	<b>0</b>	<b>5,801.0</b>	<b>5,801.0</b>
<b>Narrative Justification:</b>									
<b>Description</b>									
Information Technology (IT) hardware for selected Command and Control programs. This consolidation of buys provides savings and allows United States Transportation Command purview for system refresh. Associated efforts for testing/certification, Continuity of Operations Plan (COOP) fail-over for mission critical defense transportation systems, and infrastructure upgrades are also included.									
<b>Mission Benefits</b>									
Footprint reduced from co-location of hardware in Central Computing Facilities and consolidation on fewer hardware components. Central procurement activity ensures funds are properly expensed supplying adequate/correct hardware for C2 systems within the program.									
<b>Deliverables</b>									
FY14 Deliverables - Infostructure programs providing hardware refresh/rollouts to AMP, Single Mobility System (SMS), Consolidated Air Mobility Planning System (CAMPS), Global Air Transportation Execution System (GATES), JFAST, and SDDC Enterprise Support Services (ESS). FY15-FY16 Deliverables: SMS, Commercial Operations Integrated System (COINS), AMP, CAMPS, GATES, GDSS, IRRIS, SDDC ESS.									
<b>Economic Analysis</b>									
Certified April 2009.									
<b>Impact</b>									
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.									
<b>Software</b>									
No license fees apply.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Integrated Computerized Deploy Sys (ICODES)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	1,220.0	1,220.0	0	0.0	0.0
Total	0	0.0	0.0	0	1,220.0	1,220.0	0	0.0	0.0
Narrative Justification:									
Description									
Funding provides for the Integrated Computerized Deployment System (ICODES) a joint decision-support system developed to assist users with the staging and load-planning requirements for multiple military and commercial modes of transportation. ICODES incorporates intelligent tools for staging, conveyance load-planning and multi-modal planning designed and implemented in compliance with the principles of a service-oriented architecture and operating within a collaborative environment. ICODES enables users to plan and track cargo stowage for air, ocean, rail, and truck in a single system that affords the capability of one time entry of the data. It enables the joint community to easily create, exchange and interpret cargo movement plans through a single software application. Other features assist users by providing high quality alternative solutions to complex load planning problems. ICODES integrates multiple knowledge-based expert systems, data storage, and a graphical user interface within a distributed and collaborative operational environment providing global services to the operating forces.									
Mission Benefits									
ICODES enables users to track cargo stowage for air, ocean, rail, and truck in a single system that affords the capability of one time entry of the data. It enables the joint community to easily create, exchange and interpret cargo movement plans through a single software application. Other features assist users by providing high quality alternative solutions to complex load planning problems.									
Deliverables									
FY14: Analyze and develop a software solution that provides Government purpose rights for all source code. FY15: Analyze and develop a software solution that provided Government purpose rights for all source code. FY16: N/A									
Economic Analysis									
Economic Analysis: Certified 15 Jun 10.									
Impact									
If not funded, operating costs will continue to rise unchallenged and the ICODES contract will be restricted to sole provider for services.									
Software									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Int Data Environ/Global Trans Net Converg (IGC)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Narrative Justification:									
Description									
<p>IGC is the DOD system of record for In-transit Visibility (ITV) and for Asset Visibility (AV). The enabling ITV capabilities leverage real time supply data generated by the Services and within Defense Logistics Agency (DLA), then consolidate and create that data - as well as historical data - available to the user. The enabling AV capabilities provide global visibility of assets in all classes of supply which is organized by categories: In-Process, In-Storage, In-Transit, Total Asset Visibility, and Reference Data. Utilizing IGC, USTRANSCOM optimizes the effectiveness and efficiency of the Department of Defense (DOD) logistics pipeline in support of the users, Military Services, Combatant Commands (COCOM), and Joint Task Forces (JTF).</p>									
Mission Benefits									
<p>IGC supports the USTRANSCOM Corporate Services Vision (CSV) as part of the USTRANSCOM enterprise architecture which is transforming existing processes and Information Technology (IT) environment to a more agile and independent way of doing business that enhances the Distribution Process Owner's (DPO) ability to provide enterprise-wide capabilities to precisely, reliably, and efficiently deliver people, equipment, materiel, and distribution information visibility in support of the warfighter. IGC provides the Enterprise Data Warehouse which will be the foundational data layer to fulfill the vision. IGC is developing Standardized Web Services as part of its Service Oriented Architecture (SOA) architecture to support the AT21 program.</p>									
Deliverables									
<p>FY13: Completed Technical Refresh of the Teradata Hardware. Teradata is the platform IGC uses to provide the Enterprise Warehouse Capability.</p>									
Economic Analysis									
<p>Economic Analysis completed in May 2007. Economic Analysis Update completed Oct 2011.</p>									
Impact									
<p>N/A</p>									
Software									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Integrated Booking System (IBS)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,000.0	1,000.0	0	5,512.0	5,512.0	0	3,432.0	3,432.0
Total	0	1,000.0	1,000.0	0	5,512.0	5,512.0	0	3,432.0	3,432.0
Narrative Justification:									
Description									
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 our military forces are deployed as well as sustainment of forces worldwide. The IBS consists of the following modules: Carrier Analysis and Rate Evaluation II (CARE II), Requirements Forecasting and Rate Analysis Module (RF-RAM), Unit, Sustainment, Commercial Sealift Solutions (CSS), Ocean Carrier Interface (OCI), Web Vessel Schedule, electronic Shipper System (eSS), and Advanced Transportation Control and Movement Documentation (ATCMD). These modules provide automated tools to: support carrier contract requirement definition, rate and service solicitations and evaluation, capture vessel schedules, book unit and sustainment cargo, produce shipment documentation, and provide cargo offering and status information.									
Mission Benefits									
IBS supports Military Surface Deployment and Distribution Command's (SDDC) global surface deployment command & control and distribution mission by providing automated tools to support rapid, effective and efficient projections of power both at home and abroad. IBS provides end-to-end distribution and visibility of Department of Defense (DOD) cargo from time of request for payment to the ocean carrier for services provided. IBS ensures the most cost effective routing of cargo is utilized while ensuring the war fighter receives his cargo on time and cargo preference laws are met. In addition, IBS provides tools for carrier contract requirement definition, rate and service solicitations and evaluation, capture vessel schedules, book unit and sustainment cargo, produce shipment documentation, provide cargo offering and event status information, and produce payment and billing information. IBS provides high-level data quality edits with instantaneous in-the-clear error messages, and utilizes Electronic Commerce and Electronic Data Interchange (EDI) standards. SDDCs Electronic Transportation Acquisition web portal provides DOD transportation officials with a single sign-on capability to access IBS for their transportation needs.									
Deliverables									
FY14: Capability to allow for automated booking and pricing of cargo movement utilizing the Universal Services Contract 7 Option 2, Regional Domestic Contract 6, Guantanamo Bay (GTMO), and Ascension/Antigua. Capability to assist the bookers in making the decision on which carrier to book to based on a Best Value Ocean Carrier (BVOC) booking algorithm to avoid congestion and cargo backlog at specific locations along the supply /shipping routes. Capability to capture the Rate ID thru the Booking process to Payment for pricing/payment reconciliation; Build new Interface with TFMS for providing the order, obligation and cargo booking changes. FY15: Capability to allow for automated booking and pricing of cargo movement under the Universal Services Contract 8, Regional Domestic Contract 6 -Option1, GTMO Option 1, and Ascension/Antigua Contract, build a new interface with the Pipeline Asset Tool Booking Reconciliation Tool for the purpose of receiving booking update, expose ocean contracts rates through web service. FY16: Capability to allow for automated booking and pricing of cargo movement under the Universal Services Contract 8 Option 1, Regional Domestic Contract 6 Option 2, GTMO 2, and Ascension/Antigua Contract; implement database, table and data consolidation throughout the suite of IBS applications.									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
If not funded, IBS will be unable to support United States Transportation Command's and SDDC's mission to provide efficient and cost effective projection of forces and provide improved end-to-end joint deployment and distribution. Specifically, 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 not be able to function and DOD ocean cargo movement would not be supported by an automated system									
Software									
N/A									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Intelligent Road/Rail Information Server (IRRIS)				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	895.0	895.0	0	9,257.0	9,257.0	0	208.0	208.0
Total	0	895.0	895.0	0	9,257.0	9,257.0	0	208.0	208.0
Narrative Justification:									
Description									
Intelligent Road/Rail Information Server (IRRIS) a Geospatial Information System (GIS) mapping and situational awareness system which provides geospatial infrastructure data, services, analysis capabilities, integrated mission management functionality and detailed transportation infrastructure information.									
Mission Benefits									
IRRIS provides worldwide geospatial visualization and analysis capabilities along with the detailed infrastructure information visually displayed supporting planning, analysis, and mission management activities. IRRIS mapping engine is an industry standard GIS tool set that supports all Defense and Intelligence content description, cartographic, data format standards and provides spatial analysis, data analysis and capability interoperability with other DOD systems. IRRIS is providing geospatial visualization services, geospatial data services and geospatial data discovery and collaboration services for USTRANSCOM, creating an environment to allow key government staff the real time and static information necessary for planning and executing to fulfill their mission.									
Deliverables									
FY14: Provided a common enterprise solution to allow GIS analyst to collaborate on product creation and dissemination (one authoritative source); provide a common tool set for GIS products to be catalogued, and made available for analysts and operators' use; improved ITV/TAV safety and security of shipments and overall reliability of information with an improved DTTS Emergency Notifier (DEN). Provided drillable satellite imagery of the actual truck/trailer position with first responder contact information hovering over with the same capability for stationary and overdue notifications. Benefactors of these services include Transportation Engineering Agency (TEA) GIS analysts, J2 Critical Infrastructure Program (CIP) and J3 GIS operations analysts. FY15: The current IRRIS contract will expire on 31 Mar 2016. USTRANSCOM and SDDC TEA will proceed with a competitive acquisition process that meets the requirements of the Competition In Contracting Act (CICA). Market research indicates vendor capabilities and technology have significantly advanced since the IRRIS system was originally fielded. This research, done in the normal course of periodic review, shows that while the mission need is the same there is no compelling requirement to further rely on a Gannet Fleming Inc. solution. USTRANSCOM Acquisition concludes that sole source exception to CICA is no longer appropriate, and now has a different acquisition strategy. The vision is for a solution with no operational changes or enhancements to the business processes this Defense Business System (DBS) supports, but through a statutorily compliant competitive acquisition process provides a replaced capability with appropriate Government Purpose Rights. Current IRRIS and EGIS capabilities will be sustained through the reacquisition. FY16: Enhance and further refine a map viewer service for greatest accessibility across the enterprise. The Java map viewer will be hosted in IRRIS and feed to requiring programs. Create and host a solution for exchanging GIS data and map services and provide the services from a central point which is accessible to both internal and external customers. Create and provide a solution for a registry of GIS services and other useful GIS information available to the enterprise. Complete the technical refresh of the IRRIS program.									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
If not funded, the capability to support current worldwide deployments and natural disasters with the tracking of surface shipments will be significantly degraded. Additionally, Surface Deployment and Distribution Command (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									
Software									
Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Joint Flow & Analysis Sys for Trans (JFAST)				Activity Identification Command Staff		
	FY2014			FY2015			FY2016		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	5,613.0	5,613.0	0	4,256.0	4,256.0	0	3,692.0	3,692.0
Total	0	5,613.0	5,613.0	0	4,256.0	4,256.0	0	3,692.0	3,692.0
<b>Narrative Justification:</b>									
<b>Description</b>									
Funding provides for a stand-alone application used to quickly analyze transportation flows to provide a number of relevant outputs (time in theater, sustainment required, alternate route impacts, etc.) This information is vitally important to Combatant Commands that make critical decisions about deployment operations and future movements to efficiently and effectively phase military operations. The JFAST Modernization effort is accomplished as two increments. Increment II consists of making the program web accessible, the start of migrating unsupported code to vendor-supported software, and addressing new requirements/enhancements; Using the framework established by Increment II, Increment III includes a system redesign to support Corporate Services Vision (CSV) requirements, completion of remaining code conversion, produce a fully web-enabled application, and address additional new requirements/enhancements. The standalone version of JFAST was written in a computer language which is no longer supported for security thus making it no longer viable to sustain.									
<b>Mission Benefits</b>									
The Joint Operational Planners at the Combatant Commands and Joint Headquarters are the primary users of JFAST and the benefactors of the modernized interface. JFAST is the system used to assess transportation feasibility of the war plans, deployment plans, and retrograde plans. JFAST assesses and reassesses in real-time, the transportation feasibility of unmoved deployment assets during execution, based on available resources. The modernized version (Increment III) will be web-accessible. Anticipated benefits include, but are not limited to: enhance planning support for Agile Transportation for the 21st Century (AT21) requirements; modernized, Multi-Mode Scheduler; better collaboration as everyone will be using the same version of the program; continued vendor support of the underlying software (.NET) Framework; and improved scenario run times and user experience with the program.									
<b>Deliverables</b>									
Code migration from Visual FoxPro to .NET Framework. This is necessary as vendor support for Visual FoxPro is ceasing. Begin cutover to .NET Framework from the legacy system modules. New Development in the following areas: logging; exception handling and error messaging; informational messaging, system and application configuration; application globalization and localization; data journalizing; and a modern scheduler. FY15/16 - Complete code migration from Visual FoxPro, to .NET Framework. New Development in Sealift and Airlift Estimators, Modern Scheduler Enhancements for special categories, and Checklists and C-Day handling. Dynamic loading capability for aircraft and ship configuration loading and process cargo handling through the intermediate location (ILOC).									
<b>Economic Analysis</b>									
The JFAST EA, dated 26 Nov 13, recommended the implementation of JFAST Modernization with Enhancements (NPV \$42,268.1K) over alternatives JFAST Modernization without Enhancements (NPV \$36,294.2K) and Status Quo (which was deemed a nonviable solution). The decision to pursue JFAST Modernization with Enhancements was based on the operational benefits that result from investment in enhancements designed to provide JFAST users with increased capability to rapidly assess transportation plans with greater levels of fidelity. This investment affords USTRANSCOM and those COCOMs that use the JFAST system with improved realism when analyzing Crisis Action Plans (CAPs), Operations Plans (OPLANs), Concept Plans (CONPLANS) with Time Phased Force Deployment Data (TPFDD), Courses of Action (COAs), what-if scenarios, and exercise plans.									
<b>Impact</b>									
Without JFAST Modernization, continuation of JFAST as a viable system is in jeopardy, due to anticipated cessation of support in FY15 for the current language (VisualFoxPro) by the vendor, Microsoft. Without modernization the system would have to be shut down because the software vulnerabilities would not be assessed. The war planning process would revert to an iterative, manpower intensive and time consuming process affecting DoD force agility. Increment II laid the groundwork for increment III. Increment III completes the code re-write into a language that can be used, maintained and built upon for the foreseeable future and is approximately 20% complete. Without JFAST modernization there would be no way to quickly model and certify war plans, deployment plans and retrograde plans for transportation feasibility.									
<b>Software</b>									
No software licenses will be purchased with capital dollars.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Joint Mobility Control Group (JMCG-C4S)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	449.0	449.0	0	0.0	0.0	0	0.0	0.0
Total	0	449.0	449.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
JMCG consists of the Transportation Visualizer (TransViz) which is an analysis tool that provides graphic visualization of Joint Operation Planning and Execution System (JOPES) data in support of distribution strategic planning, crisis action planning, as well as theater-level planning. The interface between JOPES and TransViz is being updated in preparation for future JOPES modernization. The Capital funds are being used exclusively to transition from JDNETS to an enterprise web service, Joint Planning Execution System (JPES) Frame Work (JFW).									
Mission Benefits									
It facilitates manipulation of unit line numbers (ULNs) to define and redefine sequencing to ensure both transportation feasibility and port life-support capability; collaboration among Combatant Commanders (CCMD's), their component commands, supporting commanders, United States Transportation Command (USTRANSCOM), and its components to quickly agree on proposed changes in support of making movement decisions. It provides an action officer the ability to identify trends, problems and opportunities to improve movement options for requirements.									
Deliverables									
The FY14 work is to modernize the interface between JOPES and TransViz.									
Economic Analysis									
The most recent TransViz Economic Analysis (EA), dated 12 Jul 12, provided program results rather than a comparison of alternatives. As reported in the EA, TransViz is expected to provide Life Cycle Cost (LCC) Benefits of \$99.649M (PV\$), a Benefit-Cost Ratio of 2.97 (PV\$), and a Return on Investment (ROI) of 3.95 (PV\$) over the period of analysis, FY03 - FY20. While the FY14 TWCF Capital funding was not included in the EA, it is essential that the \$450K investment is made in order to continue to reap the type of cost benefits described in the FY12 EA. The FY14 TWCF Capital funding was, however, included in the TransViz JOPES Modernization Independent Government Cost Estimate (IGCE), dated 22 Apr 14. This funding will be invested to update the TransViz-JOPES interface, which is essential to ensuring the interface continues to operate following the modernization of JOPES. Without this investment, the program would not be able to support mission requirements as the existing interface is not compatible with modernized JOPES. This would impact the expected cost benefits described in the EA since TransViz would lose functionality. Further, the decision to pursue this development activity was based on the expected operational benefits, which include continued support to USTRANSCOM CCMDs, who rely on the the graphic visualization of JOPES data to support strategic planning, crisis action planning, and theater-level planning.									
Impact									
Without this investment, United States Transportation Command (USTRANSCOM) will be unable to ensure both transportation feasibility and port life-support capability for the supported CCMD's.									
Software									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Local Area Network (USTRANSCOM LAN)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	2,983.0	2,983.0	0	7,475.0	7,475.0	0	5,050.0	5,050.0
C. Software Development	0	6,950.0	6,950.0	0	0.0	0.0	0	0.0	0.0
Total	0	9,933.0	9,933.0	0	7,475.0	7,475.0	0	5,050.0	5,050.0
Narrative Justification:									
Description									
<p>USTRANSCOM Local Area Network (LAN) a critical system supporting the Command and Control (C2) communications of the USTRANSCOM Commander and his staff. It is comprised of ~ 5000 distinct personal computers, numerous servers and routers, a multitude of switches, and the hardware and software infrastructure comprising the classified and unclassified LANs at the USTRANSCOM command site on Scott AFB, IL. This program supports the following activities: Upgrade of network infrastructure to support increasing bandwidth, service, systems and reliability requirements. Server upgrades, network router and switch upgrades, cable installation, network component upgrades, and wide area network connectivity with component commands. Upgrade of standard server Commercial-off-the-Shelf (COTS) products. Provides worldwide Joint Deployment and Distribution Environment (JDDE) theater-centric Command, Control, Communications and Computers (C4) infrastructure baseline assessments, engineering and documentation. Provides hardware and system installation support. Provides studio and portable Video Teleconferencing (VTC) technical upgrade support. Provides Audio Visual (AV) presentation system technical upgrade support. Based on the outcome of the review, funding may require future adjustments.</p>									
Mission Benefits									
<p>The USTRANSCOM networks are comprised of classified and unclassified Local Area Network (LAN) segments and Wide Area Network (WAN) connectivity with transportation component commands (TCCs). LAN improvements are designed to support increasing performance and bandwidth.</p>									
Deliverables									
<p>FY14-15: Historical estimates and technical planning for expected hardware refreshes and upgrades. FY16: Historical estimates and technical planning for expected hardware refreshes and upgrades of switches and routers that will support components, secure, operate, maintain, troubleshoot and diagnose network problems on USTRANSCOM's classified and unclassified networks, the out-of-band connectivity, CPE, CDE, the VTC network, J2 connectivity and JECC networks for FY16. Also, LAN will provide desktop support for OIS clients and IAVM and patch management of all UOIS clients and servers that will include print servers, file servers, root domain controllers and child domain controllers in FY16.</p>									
Economic Analysis									
<p>Life Cycle Cost Estimate (LCCE) certified March 2007.</p>									
Impact									
<p>The interruption of capabilities would lead to rapid degradation of Command and Control for all aspects of the JDDE. 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>									
Software									
N/A									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Mission Index Flying (MIF)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Narrative Justification:									
Description									
<p>The Mission Index Flying (MIF) is a cost index optimization software that will allow aircraft operators to minimize operating costs without using on board flight management system. It allows for in-flight changes to compute best vertical profile, speed and power settings to minimize fuel burn rates. Phase two is the MIF Advanced Computer Flight Plan (ACFP) which will take all of the proprietary algorithms available in the MIF system and make them available to the flight planning system, ACFP. This will allow for four dimensional optimized flight plans that will exactly match the in-flight MIF capabilities the aircraft will possess, resulting in even greater savings.</p>									
Mission Benefits									
<p>MIF will allow C-17 and C-5 aircrews to make in-flight adjustments to optimize fuel consumption as well as other flying cost objectives. Pilots will be able to enter data into MIF which will then indicate flying parameters (speed and altitude) to most economically achieve these objectives. Parameters include optimal match numbers, altitude, and descent profiles within safe operating thresholds. MIF helps aircrew fly within optimal parameters, yet is flexible enough to allow aircrew to make necessary adjustments to enable mission success. The MIF-Overlay will enable flight plans to integrate using existing flight planning system such as ACFP and will enable earlier fuel consumption optimization during the planning phases prior to execution. This will enable better utilization of planned data enhancing cost savings.</p>									
Deliverables									
FY13: Continuation of Overlay Integration effort.									
Economic Analysis									
<p>In a Business Case Analysis performed by USAF FM Center of Excellence, 1 Oct 2009, it was determined that implementation of MIF results in an ROI of 1936.2% (based on jet fuel @ \$2.13/gal, present price \$2.78/gal) with payback occurring in the first year of implementation.</p>									
Impact									
MIF/MIF Overlay was funded in FY13 and this is last year for capital at this time.									
Software									
MIF Software.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Mobility Air Forces Flight Planning Service				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	18,254.4	18,254.4	0	11,641.0	11,641.0	0	8,656.0	8,656.0
Total	0	18,254.4	18,254.4	0	11,641.0	11,641.0	0	8,656.0	8,656.0
Narrative Justification:									
Description									
<p>Funding enables Mobility Air Force Flight Planning Service (MAFPS) to replace the existing Mobility Air Force (MAF) flight planning system Advanced Computer Flight Plan (ACFP), which has lost pace with the technical and operational environments. ACFP was directed to stop development in 2003 pending Joint Mission Planning System (JMPS) fielding of a mission planning system to include Tanker/ Airlift/ Special Mission (TASM) flight planning functionality. Cancellation of TASM module from the greater JMPS program has driven an immediate need to find the best solution for a maintainable MAF flight planning system to include applicable Doctrine, Organization, Training, Material, Leadership, Personnel, Facilities (DOTMLPF) attributes. Current MAF flight planning activities are inefficient, ineffective, and labor intensive. This impairs or prohibits the MAF use of modernized international civilian airspace and air traffic control systems which provide fuel efficiencies and mission velocity.</p>									
Mission Benefits									
<p>Incorporates new airspace designs and preferred/required routing referential data automatically. Provides future capability to allow MAF missions to continue flying above Flight Level (FL)250 in US, North Atlantic and European airspace beginning as early as FY15. Performs flight planning calculations for all AMC aircraft and missions as well as provide reporting and interface/displays and import referential and temporal data required to create flight plans. Benefits the Joint Deployment and Distribution Enterprise (JDDE) Joint Capability Area (JCA) attributes of Reliability, Velocity, Precision, Economy and Capacity.</p>									
Deliverables									
<p>FY14: Effort focused on software development to include Preliminary Design and Critical Design Review. FY15-FY16: Efforts will focus on software development along with AMC/A6 developed services/framework to enter government/operational testing required to support MAFPS Milestone C decision.</p>									
Economic Analysis									
<p>Initial Business Case Analysis (BCA) completed August 2011. BCA updated March 2013. Annual review for 2014 is being performed.</p>									
Impact									
<p>If not funded, the costs to operate MAF missions will increase as airspace routes become unavailable or less advantageous due to declining competitiveness of AMC flight planning system vice current and emerging commercial flight planning systems. AMC will be unable to access preferred air space routes.</p>									
Software									
<p>C#, Java, JBoss EAP v6.1, Apache Tomcat v7.0.21, Oracle 11gR2, Java EE 6</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Objective Wing Command Post (OWCP)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	306.6	306.6	0	305.0	305.0	0	321.0	321.0
Total	0	306.6	306.6	0	305.0	305.0	0	321.0	321.0
<b>Narrative Justification:</b>									
<b>Description</b>									
Objective Wing Command Post (OWCP) is a program providing modernization and standardization of Air Mobility Command (AMC) Command Posts by installing the Air Mobility Advanced Console System (AMACS) and digital recorders.									
<b>Mission Benefits</b>									
OWCP includes the installation of a standard console system to provide touch screen capability supporting phone patch (radio/phone), conference capability, voice recording capability (safety of flight), mass notification, hotlines, and management of communications systems from a single console. System provides the management/mission monitoring, maintenance coordination, and operational reporting in support of the AMC Global Reach Mission with recording capability, to monitor flight line activities and provide security.									
<b>Deliverables</b>									
FY14: Funds used to support the One base One Command Post direction from SAF. FY15: Funds will address upgrade of system in the PACAF theater (Elmendorf). FY16: Funds will address upgrade of Yokota.									
<b>Economic Analysis</b>									
Economic Analysis completed April 2009.									
<b>Impact</b>									
Impact: AMACS equipment would not be upgraded to support mission requirements identified in AFI 10-207 AMC Sup 1 and ensure JITC certification to allow connection to the Global Grid network.									
<b>Software</b>									
Software: Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Single Mobility System (SMS)				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	748.0	748.0	0	776.0	776.0	0	1,561.0	1,561.0
Total	0	748.0	748.0	0	776.0	776.0	0	1,561.0	1,561.0
Narrative Justification:									
Description									
<p>Funding provides for SMS the primary system used to view requirements, plan missions, and track execution. It provides the user with information from such systems as: Air Mobility Command (AMC) Global Decision Support System (GDSS) and Consolidated Air Mobility Planning System (CAMPS); the Air National Guard (ANG) Management Utility (ANGMU); the Integrated Data Environment (IDE)/Global Transportation Network (GTN) Convergence (IGC); the Joint Operations Planning and Execution System (JOPES); and numerous other feeder systems. USTRANSCOM requires Information Technology (IT) services and related support to sustain SMS operations. Users require the capability to use common SMS applications inside of an Enterprise Portal (GCCS-J and/or Distribute.mil). This will allow users to utilize the existing SMS applications from their portal account and will save the users time from having to conduct their business in several different applications. Current enterprise portals do not have the ability to share applications. This project will enable SMS capabilities/applications among multiple enterprise portals. Based on the outcome of the review, funding may require future adjustments.</p>									
Mission Benefits									
<p>The SMS provides USTRANSCOM's Command and Control (C2) capability and augments the multi-system environment currently used for assigning mobility missions. Utilizing its automated C2 system interfaces, SMS significantly reduces the amount of offline interface required between C2 agencies and broadens the range of information available to users as decision makers. SMS improves the flow of mobility mission information from the TCCs to USTRANSCOM, aiding in the decision making process.</p>									
Deliverables									
<p>The FY14-FY16 CAP for SMS is to provide application services from SMS to an enterprise portal. SMS will create these application services which feed an enterprise portal (Distribute.mil, GCCS-J, etc.). SMS applications are being exposed to enterprise portals to reduce the duplication of applications which mimic the SMS functionality.</p>									
Economic Analysis									
<p>FY14 - FY16 TWCF Capital funding was included in the Single Mobility System (SMS) Contract Re-compete Independent Government Cost Estimate (IGCE), dated 12 April 2013. This funding will be invested to enable other USTRANSCOM enterprise systems and portals to access SMS functional capabilities through web services. The decision to pursue this development activity was based on the expected operational benefits, which include reducing redundancy, enhancing the user experience, and providing more efficient methods of utilizing the existing features of SMS. By allowing access to SMS data/application services, it ensures those other systems and portals can avoid investing dollars to replicate existing capabilities (i.e., Air &amp; Sea Cost Calculator, Force Movement Tracker, World Wide Mission Monitor, Sand Charts, ICAO Workload, ULN Monitor, etc...) by directly accessing those features through web service which also provides a user interface in addition to the data.</p>									
Impact									
<p>Without this investment, United States Transportation Command (USTRANSCOM) will not be able to provide application services to the enterprise causing the enterprise to create duplicative capabilities.</p>									
Software									
<p>No software licenses will be purchased with capital dollars.</p>									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description System Integration				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	8,589.5	8,589.5	0	9,257.0	9,257.0	0	8,772.0	8,772.0
Total	0	8,589.5	8,589.5	0	9,257.0	9,257.0	0	8,772.0	8,772.0
Narrative Justification:									
Description									
<p>System Integration, a programmatic funding line to provide funds for Headquarters Air Mobility Command/Communication's Directorate (HQ AMC/A6's) architecture and integration support to global AMC Command, Control, Communications and Computer (C4) systems. These efforts guide future enterprise systems development and ensure interoperability with the Defense Transportation Systems (DTS), Air Force and Department of Defense (DoD) systems enhancing the Joint Deployment and Distribution Enterprise (JDDE). Provides the engineering and design of net-centric solutions that conform to DoD guidance; funds the development and maintenance of operational, systems, and technical architecture views at the enterprise, system, and process levels. Provides the analysis, design and development of the AMC corporate data and service, including the Mobility Enterprise Information System (MEIS), which insures data quality, exposes data in the form of services, and enables rapid application development using Rich Internet Applications (RIA) for work-centered business tools, standardization as well as interface management. This includes AMC Command and Control (C2) system interfaces with Integrated Data Environment/Global Transportation Network (GTN) and Theater Battle Management Core Systems (TBMCS). Key data integration tools include the data dictionary, data models, business rules, and the Interface Design Document (IDD) manager. This enables the Command's data quality and metrics program that supports the 618th Air and Space Operations Center (Tanker and Airlift Control Center (TACC)) and Intransit/Visibility (ITV) fusion cell. This allows architecture planning efforts, such as analysis of enterprise requirements, C2 modeling and simulation, and transition of future technologies into AMC C2 systems.</p>									
Mission Benefits									
<p>Systems Integration program enables AMC to meet the DOD net-centric and interoperability key performance parameters and architecture-related mandated to architecture-related mandates for the Clinger-Cohen Act of 1996. 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, AF, DOD, and other federal agencies. This allows for better management of resources (e.g., aircrews, aircraft, airspace) to maximize the movement of cargo and personnel.</p>									
Deliverables									
<p>FY14: Produced architecture and data to support version and document updates and DoD Information Assurance Certification and Accreditation Process (DIACAP) documents for AMC C2 and ITV business systems. Updated MAF C2 enclave infrastructure modernization plan. Evolve MEIS architecture to include analytical services and support. Delivered strategic roadmaps for data, infrastructure and capability assurance for AMC operations. Delivered infrastructure to support DMR, GAM and GAS projects and enterprise application development. The applications will incorporate business rule engine technology to generate automated courses of action using enterprise business rules and real time data. This data is absolutely essential to the successful development of the automated tools which are required by our operators to improve the efficiency and effectiveness of their decisions in a time and resource constrained environment. Delivered data, architecture designs and services for fuel efficiency initiatives. Design and prototype technologies to support mobile/rich internet applications. FY15: Deliverables: Produce architecture and data to support version and document updates for DIACAP for AMC and ITV business systems. Perform infrastructure modernization for MAF C2 enclave infrastructure. Evolve MEIS and Enterprise Application Architecture Framework to support DMR, GAM and GAS, and other enterprise application development efforts. Deliver strategic roadmaps for data, infrastructure and capability assurance for AMC operations. Deliver infrastructure to support DMR, GAM and GAS projects and enterprise application development. Continue to support Joint Information Environment- Transportation (JIE-T). Key Projects: AT21 Data Requirements, AOC Weapon System, MAFPS Services, Cross-Domain Guard Replacement, JOPES Modernization, and OPORD. FY16 Deliverables: Continue evolution to JIE as directed by DOD. Migrate Program of Record to EAF as identified in the AMC Enterprise Integration Strategy.</p>									
Economic Analysis									
Economic Analysis: Estimated certification is 2014.									
Impact									
<p>Impact: Non-integrated systems would deliver inaccurate and untimely information on the airlift missions, jeopardizing communications for theater. HQ AMC risks not being interoperable with other Major Commands (MAJCOMS) in both the AF &amp; 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), &amp; Global Air Transportation Execution System (GATES). Current C2 System deficiencies, such as data corruption &amp; lack of interoperability would remain.</p>									
Software									
Software: Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Security Engineering				Activity Identification Command Staff		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,076.0	1,076.0	0	1,114.0	1,114.0	0	1,136.0	1,136.0
Total	0	1,076.0	1,076.0	0	1,114.0	1,114.0	0	1,136.0	1,136.0
Narrative Justification:									
Description									
Security Engineering encompasses cyberspace operations defense capabilities providing people, operations, and technology that protect and defend USTRANSCOM information and information systems by ensuring their availability, integrity, authentication, confidentiality and non-repudiation.									
Mission Benefits									
Ensure that Information Assurance (IA) is integrated and sustained throughout the lifecycle of all DOD programs. Improve the quality of strategic decision making and cyber security governance. Expedite the development and delivery of dynamic IA capabilities through innovation. Enable efficient information sharing and collaboration across traditional boundaries.									
Deliverables									
FY14-FY16: Security engineering support for development of enterprise security standards; deployment of new cyber security capabilities; security evaluations of systems/applications; and program development.									
Economic Analysis									
Life Cycle Cost Estimate (LCCE) received August 2007.									
Impact									
Failure to provide and improve network security architectures increases the vulnerability of United States Transportation Command (USTRANSCOM) and Transportation Component Command mission systems to cyber attack resulting in the loss of critical command and control functions.									
Software									
No license fees apply									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Transportation Financial Management System-MTMC			Activity Identification SDDC			
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	146.0	146.0	0	0.0	0.0	0	0.0	0.0
Total	0	146.0	146.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
TFMS-M is Surface Deployment and Distribution Center (SDDC'S) accounting system; an Oracle Federal Financials Commercial Off-the-Shelf (COTS) application. The COTS includes the core accounting functions of federal admin (budgets), accounts payable, accounts receivable, fixed assets, general ledger, project accounting, purchasing and financial reporting.									
Mission Benefits									
TFMS-M will become Financial Improvement Audit Readiness (FIAR) compliant.									
Deliverables									
This development will be used to make legacy systems FIAR compliant. Since the Deputy Chief Management Officer (DCMO) did not certify, these funds will be programmed during execution year. The remainder of the FY14 funds were carried over to FY15. TFMS will be subsumed by DEAMS.									
Economic Analysis									
Impact									
Software									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Wing Local Area Network (LAN)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	994.7	994.7	0	2,075.0	2,075.0	0	529.0	529.0
Total	0	994.7	994.7	0	2,075.0	2,075.0	0	529.0	529.0
Narrative Justification:									
Description									
Wing Local Area Network (Wing LAN) is Headquarters Air Mobility Command's (HQ AMC) comprehensive plan to implement Local Area Network (LAN) used to access Command and Control (C2) systems including Transportation Working Capital Funds (TWCF) facilities and enroutes. Command-wide hardware includes; intra-building infrastructure and cabling, routers, bridges, repeaters, servers, and technical training (no Personal Computers (PCs)). Based on the outcome of the review, funding may require future adjustments.									
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 Defense Message System (DMS), and Global Decision Support System (GDSS). The Combat Information Transport System (CITS) and Cyber Infrastructure Planning System (CIPS) are the tools of record for submission and validation of all AMC requirements. This includes intra-building networking infrastructure, servers/gateways, file servers, communications 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 HQ AMC airlift mission.									
Deliverables									
FY14: Validated requirements needed to implement Local and Wide-Area Networks (LAN/WAN) components for AMC bases and enroutes. Provided secure and non-secure data/voice/ video infrastructure upgrades where needed within buildings (including Internet Protocol v6 capable equipment). Extended and implemented Voice over Internet Protocol (VoIP) solution to AMC bases. Provided network infrastructure capabilities and technology refresh for capability sustainment. FY15: Continue to validate requirements to provide hardware upgrades to intra-building infrastructure. FY16: Continue to validate requirements to provide hardware upgrades to intra-building infrastructure									
Economic Analysis									
Economic Analysis: Economic analysis completed April 2009.									
Impact									
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, and base level data processing applications.									
Software									
Software: Not Applicable.									

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description Minor Construction-AMC				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	780.9	780.9	0	4,500.0	4,500.0	0	4,500.0	4,500.0
Total	0	780.9	780.9	0	4,500.0	4,500.0	0	4,500.0	4,500.0
Narrative Justification:									
Description									
Minor Construction (MC), funds all minor construction work to rebuild new facilities or construct additions to existing facilities that qualify for Transportation Working Capital Funds (TWCF).									
Mission Benefits									
The Headquarters Air Mobility Command (HQ AMC) TWCF investment strategy is in line with the Department of Defense (DoD) Transportation Vision for the Twenty-First Century. It's 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, assets visibility, and efficient transportation operations.									
Deliverables									
MC Attachment provides projects listed by year.									
Economic Analysis									
Economic Analysis: EA to be done by projects.									
Impact									
Impact: Funding cuts will impact our ability to support critical HQ AMC, 515 Air Mobility Operations Wing (AMOW), and 521 AMOW 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 (CONUS) 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 HQ AMC and Air Force standards. Many 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 AMC's ability to deliver passengers and cargo anywhere in the world. Passengers, troops, and valuable cargo and equipment will remain inadequately protected from terrorist threats.									
Software									
Software: Not Applicable.									

Fund 9B  
(Dollars in Thousands)

Activity Group Capital Investment Justification  
Working Capital Fund  
Transportation Working Capital Fund

Fiscal Year (FY) 2016  
January 2015

PROJECT CATEGORY	QTY	FY14	QTY	FY15	QTY	FY16
Minor Construction (Atch) - AMC						
FY16 PB						
A/C Ground Equip (AGE) Storage	0	0.0	0	0.0	0	0.0
Aerial Delivery System Facility	0	0.0	0	0.0	0	0.0
Aircraft Support Equip Storage Yards	0	0.0	0	0.0	1	700.0
Airfield Flood Lighting	0	0.0	0	0.0	0	0.0
Air Freight Terminals	0	0.0	0	0.0	2	1,175.0
Air Passenger Terminal	0	0.0	3	2,070.0	0	0.0
Air Frt/Pax Terminals	0	0.0	0	0.0	0	0.0
Aircraft Maint Control Office	0	0.0	0	0	0	0.0
Apron Parking	0	0.0	0	0.0	0	0.0
Blast Deflectors	0	0.0	0	0.0	0	0.0
Command Posts	0	0.0	0	0.0	0	0.0
Covered MHE Storage	0	0.0	0	0.0	0	0.0
Cryogenics Facilities	0	0.0	0	0.0	0	0.0
Engine Maintenance	0	0.0	0	0.0	0	0.0
Fleet Services	0	0.0	1	655.6	0	0.0
Warehouse Storage	0	0.0	0	0.0	0	0.0
Forward Supply Locations	0	0.0	0	0.0	0	0.0
Fuel Hydrants	0	0.0	0	0.0	0	0.0
General Purpose Maint Shops	0	0.0	1	670.0	0	0.0
Large Aircraft Maint Dock	0	0.0	0	0.0	0	0.0
Maintenance Hangars	2	524.8	0	0.0	2	1,010.0
Pad Aircraft Wash Rack	0	0.0	0	0.0	0	0.0
Open Storage, Air Freight	0	0.0	0	0.0	0	0.0
Organizational Maint Shops	0	0.0	0	0.0	0	0.0
Rate Fluctuations/Change Orders/Design	6	256.1	10	1,104.4	3	359.0
TCJ8 Withhold	0	0.0	0	0.0	0	0.0
Staging/Storage Yards	0	0.0	0	0.0	1	650.0
Squadron Operations	0	0.0	0	0.0	0	0.0
Test Cells	0	0.0	0	0.0	0	0.0
Vehicle Maintenance Shops	0	0.0	0	0.0	0	0.0
Water Fire Pump Station	0	0.0	0	0.0	1	606.0
Weighing Scale	0	0.0	0	0.0	0	0.0
TOTAL		780.9		4,500.0		4,500.0

Fund 9B, TWCF

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Defense Courier Division			Line No. & Item Description Minor Construction-DCD				Activity Identification DCD		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	0.0	0.0	0	300.0	300.0	0	300.0	300.0
Total	0	0.0	0.0	0	300.0	300.0	0	300.0	300.0
<b>Narrative Justification:</b>									
<b>Description</b>									
Defense Courier Station(s) (DCS) - Sensitive Compartmented Information Facility (SCIF) and security system upgrade as deemed necessary by DIA and during building renovations.									
<b>Mission Benefits</b>									
Every courier station must maintain a Sensitive Compartmented Information Facility (SCIF) accredited by Defense Intelligence Agency (DIA). Construction must be in compliance with Director of Central Intelligence Directive (DCID) 6/9. If facilities are found in non-compliance during DIA inspections, immediate repairs are required.									
<b>Deliverables</b>									
Deliverables: FY14 - No emergency upgrades required at any of the 17 DCS separate operating locations. FY15 - \$300K for emergency security upgrades required at any of the 18 DCS separate operating locations. FY16 - \$300K for emergency security upgrades required at any of the 18 DCS separate operating locations									
<b>Economic Analysis</b>									
N/A									
<b>Impact</b>									
Stations will lose their accreditation and be required to relocate to a different SCIF that is accredited									
<b>Software</b>									

Fund 9B  
 (Dollars in Thousands)

Activity Group Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2015  
 Budget Estimates  
 March 2014

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

Project Category	QTY	FY13	QTY	FY14	QTY	FY15
Minor Construction - Emergency Security Upgrades to SCIFs	18	0	18	900	18	700
Total	18	0	18	900	18	700

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9B  
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Center			Line No. & Item Description Minor Construction-SDDC				Activity Identification SDDC		
Element of Cost	FY2014			FY2015			FY2016		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	1,587.0	1,587.0	0	2,100.0	2,100.0	0	2,100.0	2,100.0
Total	0	1,587.0	1,587.0	0	2,100.0	2,100.0	0	2,100.0	2,100.0
Narrative Justification:									
Description									
Most 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 pre-position operations, and Foreign Military Sales operations.									
Mission Benefits									
Deliverables									
FY14: Energy Monitoring and Control System Upgrades (\$250), Construct Equipment Shelter (Vicinity Center Wharf ) (\$600), Construct Connector Rd (Class yard to North Rail Holding Yard) (\$750)									
FY15: Construct Connector Rd (Fire Break 45) (\$750), Construct Equipment Shelter (Vicinity Reclaim Yard) (\$750), Construct Canopy at MIJACK Wash Rack (\$300), Expand Fire Station Training Room (\$300)									
FY16: Fire Training Tower Improvements (\$750), Relocate Contractor Row (\$750), Construct Equipment Shelter (Vicinity 400 Pads), (\$600									
Economic Analysis									
Impact									
Projects ensure continuous operations and support for the terminals important warfighting mission.									
Software									
Not Applicable									

Fund 9C  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
14	<b>A. Equipment</b>	2.7	(2.5)	0.3	0.3	0.0	
14	Equipment-AMC	2.4	(2.4)	0.0	0.0	0.0	No requirements received from AMC Wings
14	Equipment-SDDC	0.3	(0.1)	0.3	0.3	0.0	
14	<b>B. ADPE/Telecomm</b>	38.0	(19.7)	18.2	18.2	0.0	
14	Agile Trans for the 21st Century (AT21)	1.1	(1.1)	0.0	0.0	0.0	
14	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	0.8	(0.8)	0.0	0.0	0.0	
14	Infostructure	13.8	(3.7)	10.1	10.1	0.0	
14	Local Area Network (USTRANSCOM LAN)	10.6	(7.6)	3.0	3.0	0.0	
14	Global Air Transportation Execution System (GATES)	2.6	(1.5)	1.1	1.1	0.0	Decrease due as \$1.0M reprogrammed to SW; additional funds of \$0.4M were withdrawn by TCJ8 for higher priority item
14	Global Decision Support System (GDSS)	2.4	(0.0)	2.4	2.4	0.0	
14	Objective Wing Command Post (OWCP)	0.6	(0.3)	0.3	0.3	0.0	Funds of \$0.3M were returned as not required for contract modification
14	Wing Local Area Network (LAN)	2.0	(1.0)	1.0	1.0	0.0	Funds of \$1.0M were returned as not required
14	Automated Transportation Data (AUTOSTRAD)	0.9	(0.5)	0.3	0.3	0.0	
14	Global Surface Distribution Management (GSDM)	3.1	(3.1)	0.0	0.0	0.0	
14	<b>C. Software Development</b>	125.4	(17.9)	107.5	105.6	2.0	
14	Agile Trans for the 21st Century (AT21)	14.1	(4.0)	10.2	9.9	0.3	

Fund 9C  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/Deficiency	Explanation
14	Analysis of Mobility Platform (AMP)	1.5	1.3	2.8	2.8	0.0	
14	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	9.1	(4.1)	4.9	4.9	0.0	
14	Corporate Data Solution (CDS)	1.8	(0.3)	1.5	1.5	0.0	
14	Defense Enterprise Acct & Mgmt System (DEAMS)	3.8	(3.8)	0.0	0.0	0.0	
14	Defense Personal Property System (DPS)	7.2	(0.1)	7.1	7.1	0.0	
14	Infostructure	0.5	(0.5)	0.0	0.0	0.0	
14	Joint Flow & Analysis Sys for Trans (JFAST)	4.9	0.7	5.6	5.6	0.0	
14	Local Area Network (USTRANSCOM LAN)	0.0	7.0	7.0	7.0	0.0	
14	Single Mobility System (SMS)	0.8	(0.0)	0.7	0.7	0.0	
14	Security Engineering	1.1	(0.0)	1.1	1.1	0.0	
14	Joint Mobility Control Group (JMCG-C4S)	0.0	0.4	0.4	0.4	0.0	
14	Consolidated Air Mobility Planning System (CAMPS)	0.0	0.3	0.3	0.3	0.0	Funds reprogrammed by TCJ8 to support Joint Operation Planning and Execution (JOPES) modernization
14	Core Automated Maintenance System (CAMS)	0.7	0.0	0.7	0.7	0.0	
14	Global Air Transportation Execution System (GATES)	0.0	3.2	3.2	3.2	0.0	Funds of \$1.0M reprogrammed from HW to SW and USTC reprogrammed \$2.2M to support Sybase to Oracle conversion
14	Global Decision Support System (GDSS)	33.1	(5.1)	27.9	27.9	0.0	Funds of \$4.1M approved for Capital Carryover; \$1.1M was returned

Fund 9C United States Transportation Command

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9C  
 (Dollars in Millions)

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
14	Mobility Air Forces Flight Planning Service	25.2	(6.9)	18.3	18.3	0.0	Funds of \$5.0M returned; \$1.5M not executed; \$0.3M approved for FY14 C/O
14	System Integration	11.3	(2.7)	8.6	8.6	0.0	Funds reprogrammed \$0.8M from SW to Operating for requirement & FY14
14	Defense Enterprise Accounting and Management (DEAMS) System Component Billing System (DCBS)	0.8	(0.2)	0.6	0.6	0.0	Funds of \$0.2M returned back to Sub MAM as not required.
14	Core Enterprise Services (CES)	0.8	0.0	0.8	0.8	0.0	
14	Financial Management System (FMS)	0.5	0.0	0.5	0.0	0.5	
14	Global Freight Management (GFM)	1.8	(0.6)	1.2	1.2	0.0	
14	Integrated Booking System (IBS)	3.1	(2.1)	1.0	1.0	0.0	
14	Intelligent Road/Rail Information Server (IRRIS)	0.9	0.0	0.9	0.9	0.0	
14	Integrated Computerized Deploy Sys (ICODES)	0.0	1.3	1.3	0.0	1.3	
14	Enterprise Support Services Command (ESS C4S)	2.6	(1.8)	0.8	0.8	0.0	
14	Transportation Financial Management System-MTMC	0.0	0.0	0.0	0.1	(0.1)	
14	D. Minor Construction	10.9	(8.2)	2.7	2.4	0.3	
14	Minor Construction-AMC	9.0	(8.2)	0.8	0.8	0.0	\$8.2M returned due to minimal requirements received
14	Minor Construction-DCD	0.3	0.0	0.3	0.0	0.3	emergency funds not needed
14	Minor Construction-SDDC	1.6	0.0	1.6	1.6	0.0	
14	<b>TOTAL FY</b>	<b>177.1</b>	<b>(48.3)</b>	<b>128.7</b>	<b>126.4</b>	<b>2.3</b>	

Activity Group Capital Investment Justification  
 Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
 Budget Estimates  
 February 2015

Fund 9C  
 (Dollars in Millions)

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
15	A. Equipment	3.3	(1.9)	1.4	1.4	0.0	
15	Equipment-AMC	2.4	(1.9)	0.5	0.5	0.0	FY16 PBR Mark-07 directed a cut to Equipment
15	Equipment-SDDC	0.9	0.0	0.9	0.9	0.0	
15	B. ADPE/Telecomm	34.3	(7.8)	26.5	26.5	0.0	
15	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	1.0	(0.0)	1.0	1.0	0.0	
15	Infostructure	12.8	0.0	12.8	12.8	0.0	
15	Local Area Network (USTRANSCOM LAN)	10.4	(2.9)	7.5	7.5	0.0	
15	Global Air Transportation Execution System (GATES)	2.1	0.0	2.1	2.1	0.0	
15	Global Decision Support System (GDSS)	5.0	(4.3)	0.7	0.7	0.0	Decrease due to HW correction and reduced requirements approved by Sub-MAM/MAM
15	Objective Wing Command Post (OWCP)	0.6	(0.3)	0.3	0.3	0.0	Command Post requirements were reduced by Sub-MAM/MAM
15	Wing Local Area Network (LAN)	2.1	0.0	2.1	2.1	0.0	
15	Intelligent Road/Rail Information Server (IRRIS)	0.3	(0.3)	0.0	0.0	0.0	
15	C. Software Development	82.4	21.4	103.7	103.7	0.0	
15	Agile Trans for the 21st Century (AT21)	11.4	0.0	11.4	11.4	0.0	
15	Analysis of Mobility Platform (AMP)	2.4	0.0	2.5	2.5	0.0	
15	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	5.2	0.5	5.7	5.7	0.0	

Fund 9C  
(Dollars in Millions)

Activity Group Capital Investment Justification  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2016  
Budget Estimates  
February 2015

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
15	Corporate Data Solution (CDS)	2.4	(0.7)	1.6	1.6	0.0	
15	Defense Personal Property System (DPS)	0.0	10.1	10.1	10.1	0.0	
15	Infostructure	0.0	1.3	1.3	1.3	0.0	
15	Joint Flow & Analysis Sys for Trans (JFAST)	3.1	1.2	4.3	4.3	0.0	
15	Single Mobility System (SMS)	0.7	0.1	0.8	0.8	0.0	
15	Security Engineering	1.1	(0.0)	1.1	1.1	0.0	
15	Global Command and Control System (GCCS)	0.0	1.6	1.6	1.6	0.0	
15	Global Decision Support System (GDSS)	19.5	2.3	21.8	21.8	0.0	Increase is due as HW funds reprogrammed to SW by Sub-MAM/MAM
15	Mobility Air Forces Flight Planning Service	13.7	(2.1)	11.6	11.6	0.0	Flight Planning SW requirements were reduced by Sub-MAM/MAM
15	System Integration	12.2	(2.9)	9.3	9.3	0.0	SI architectural requirements were reduced by Sub-MAM/MAM
15	Defense Enterprise Accounting and Management (DEAMS) System Component Billing System (DCBS)	0.8	0.0	0.8	0.8	0.0	
15	Global Freight Management (GFM)	3.3	0.0	3.3	3.3	0.0	
15	Integrated Booking System (IBS)	5.5	0.0	5.5	5.5	0.0	
15	Intelligent Road/Rail Information Server (IRRIS)	1.0	8.3	9.3	9.3	0.0	
15	Integrated Computerized Deploy Sys (ICODES)	0.0	1.2	1.2	1.2	0.0	

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15	Enterprise Support Services Command (ESS C4S)	0.0	0.6	0.6	0.6	0.0	
15	D. Minor Construction	11.4	(4.5)	6.9	6.9	0.0	
15	Minor Construction-AMC	9.0	(4.5)	4.5	4.5	0.0	FY16 PBR Mark-07 directed a cut to Minor Construction
15	Minor Construction-DCD	0.3	0.0	0.3	0.3	0.0	
15	Minor Construction-SDDC	2.1	0.0	2.1	2.1	0.0	
15	TOTAL FY	131.4	7.2	138.5	138.5	0.0	