

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



U.S. AIR FORCE

***Fiscal Year (FY) 2020
Budget Estimates
February 2019***

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**AIR FORCE WORKING CAPITAL FUND
FISCAL YEAR (FY) 2020
BUDGET ESTIMATES
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***AIR FORCE
WORKING CAPITAL FUND***



U.S. AIR FORCE

SUMMARY

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**Air Force Working Capital Fund
Budget Overview
Fiscal Year (FY) 2020 President's Budget (PB)**

Increasing lethality and improving readiness to prepare for the high-end fight is a primary objective of the Air Force's FY 2020 President's Budget (PB). The Air Force Working Capital Fund (AFWCF) contributes to Air Force readiness through the depots' skills to sustain the AF's organically maintained weapon systems and logistically managing the critical assets within the supply chain. As a world class organization, the AFWCF provides rapid response to customer needs on par with private sector defense firms with tremendous flexibility to meet surge requirements.

The FY 2020 AFWCF PB reflects current execution plans and Air Force initiatives, such as the Mission Capability goals of 80% for the F-16 weapon system. The AFWCF focuses on meeting readiness goals while continuing to improve the efficiency and cost-effectiveness of our activities. Agile and adaptive WCF operations are essential to the Air Force mission.

Activity Group Overview

The AFWCF conducts business in two primary areas: the Consolidated Sustainment Activity Group and the Supply Management Activity Group-Retail. 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, space, and cyber assets and our ability to deploy forces around the globe and across any theater in support of Overseas Contingency Operations (OCO) and National Defense Strategy interests. Maintenance depots provide the equipment, skills and repair services that keep forces operating worldwide. Supply Management activities procure and manage inventories of consumable and reparable spare parts that keep all elements of the force structure mission ready. USTRANSCOM is the single DoD manager for the Defense Transportation System (DTS) in peace and war. Directly or indirectly, working capital fund activities provide warfighters the key services needed to meet global 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. CSAG is managed under a Chief Executive Officer structure. The Air Force Material Command (AFMC) Commander (AFMC/CC) is the Chief Executive Officer (CEO). The AFMC Director of Logistics (HQ AFMC/A4) serves as the Chief Operating Officer (COO) and the AFMC Director of Financial Management (HQ AFMC/FM) is the Chief Financial Officer (CFO). The Air Force Sustainment Center (AFSC), one of the six centers within AFMC, directs the day-to-day operations of both CSAG divisions.

The activity operates with two divisions: Supply and Maintenance.

The CSAG Supply Division is responsible primarily for Air Force-managed, depot-level reparable spares and consumable spares unique to Air Force. The CSAG 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 CSAG Maintenance Division repairs weapon systems and spare parts to ensure readiness in peacetime and to provide sustainment for current Overseas Contingency Operations. The Air Force enhances readiness by efficiently and economically repairing, overhauling and modifying aircraft, engines, missiles, components, and software to meet customer demands. The CSAG Maintenance Division's depots have unique skills and equipment required to support and overhaul both new, complex components and aging weapon systems. In support of Contingency Operations, the depots can surge repairs and realign capacity to support the war fighter's immediate needs.

Supply Management Activity Group–Retail

The Supply Management Activity Group-Retail (SMAG-R) manages over 2.0 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. The Air Force SMAG-R is a critical component in the support of combat readiness by procuring materiel and selling spares to authorized retail customers. The activity operates with three divisions: General Support, Medical Dental, and the Air Force 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 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 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:

- 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.

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 OCO 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

AFSC continues to transform CSAG operations from effective to cost-effective. The Sustainment Center has leveraged best practices from industry, while remaining focused on warfighter support to create "The AFSC Way." The AFSC Way is based on a leadership model that emphasizes speed (productivity), safety, quality, and cost-effectiveness in every process and every work center across the enterprise to achieve "art of the possible" results. 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.

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.

To effectively comply with FIAR, the Air Force must have comprehensive, accurate, reliable, timely, and auditable financial data to provide dynamic decision support that improves warfighter readiness. Legacy AFWCF financial systems are unable to provide robust financial data, which increases systemic risk through deficiencies in internal control over financial reporting, non-standard/manual processes, and antiquated information technology. Currently the AFWCF is working towards a CSAG-M financial system to meet FIAR compliance. A CSAG-S system solution is in the early stages of defining the capabilities and requirements needed. The long term goal is a financial system(s)/processes to provide seamless financial information and successful financial management across the AFWCF Enterprise.

Direct Appropriations

In FY 2018, AFWCF received \$66.5 million in direct appropriation for Medical Dental WRM requirements. In FY 2019 Air Force received \$77.6 million in direct appropriation for Medical Dental WRM2. In FY 2020 Air Force requests a total of \$92.5 million in direct appropriations in support of Medical Dental WRM requirements and European Deterrence Initiative for emerging Expeditionary Medical Support requirements.

AFWCF Financial Summary

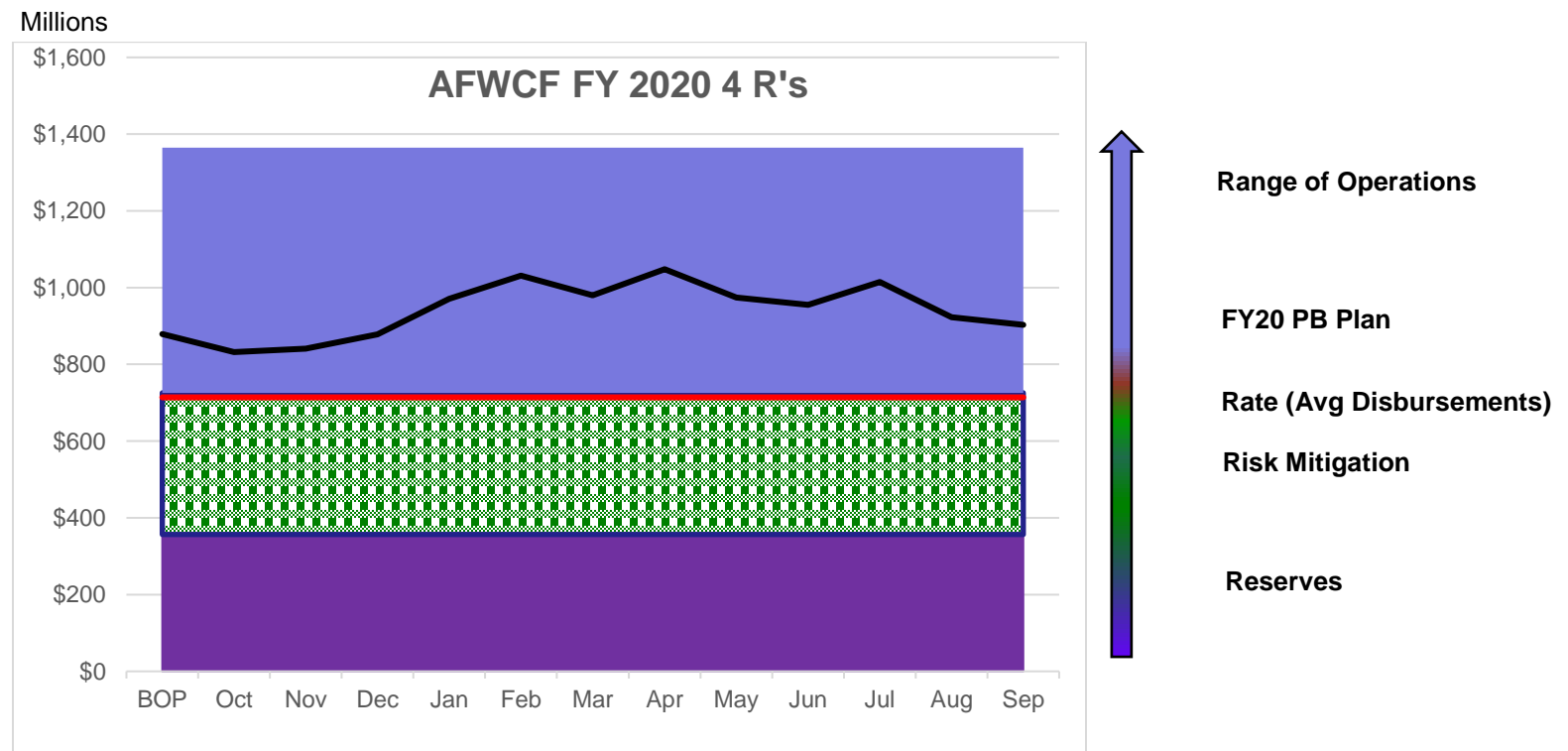
	FY2018	FY2019	FY2020
Total Revenue	\$23,670.0	\$25,054.9	\$26,536.9
Cost of Goods Sold	\$23,999.4	\$26,147.1	\$26,523.3
Adjustment for War Reserve Material NOR	\$(22.7)	\$(30.5)	\$(44.9)
Net Operating Result (NOR)	\$(352.1)	\$(1,122.7)	\$(31.3)
Accumulated Operating Result (AOR)¹	\$1,058.3	\$(64.4)	\$0.0
Civilian End Strength ²	31,522	34,458	35,077
Military End Strength	12,403	12,476	12,534
Civilian Workyears	31,133	34,073	35,187
Military Workyears	12,283	12,221	12,298
Capital Budget	\$257.2	\$295.1	\$317.2
Direct Appropriation (WRM)	\$66.5	\$77.6	\$92.5

1 Includes Non-Recoverable AOR Adjustments

2 Growth in FY 2019 end strength is primarily due to a methodology change.
New methodology links end strength and full time equivalents to the projected workload.

Cash Management

In FY2015 OSD devised a policy requiring WCF activities maintain positive cash balances throughout the year and an adequate ending balance to support continuing operations into the subsequent year. In determining required cash levels, activities document average disbursements and the expected range of cash volatility, adjusted to accommodate seasonality, known changes in the business environment, and the inherent risk associated with estimation error and unplanned events outside management's control. The AFWCF FY 2020 PB reflects this policy. The methodology for calculating cash requirements consists of four elemental components: rate, range, risk mitigation, and reserves (colloquially, the 4Rs).



AFWCF Overview - FY 2020 President's Budget

The **Rate of Disbursements** for the AFWCF FY 2020 PB is based on projected annual disbursements divided by the total number of weighted annual disbursements, yielding the average amount disbursed between collection cycles. The **Range of Operation** is the difference between the highest and lowest expected cash level based on budget assumptions and past experience. The AFWCF Range of Operations is based on 4 years of historical disbursements (FY 2015 – FY 2018). For example, in FY 2020 the projected Rate of Disbursement is \$714.2 million and the lower Range is \$725.7 million and the upper Range is \$1,364.5 million the difference between the two amount results in \$638.8 million, as the basic operating range.

Cash **Reserves** are funds held for known future cash outlay requirements. This element identifies cash on hand that must be kept for specific requirements that are not expected to disburse until subsequent fiscal years. For AFWCF, the first Reserve category is Accumulated Operating Results (gains) that are returned to customers through annual reduced rates in future fiscal years. The second Reserve supports unliquidated obligations of the Medical Dental Division's Direct Appropriation for War Readiness Material. The FY 2019 Unliquidated Appropriation amount for Medical-Dental War Reserve Material Program is \$51.5 million and for FY 2020 is \$52.6 million.

AFWCF **Risk Mitigation** addresses cash variability associated with unknown external variables and seasonal volatility (see Cash Volatility graph above). To accommodate for seasonal volatility we calculated one standard deviation from the mean of monthly cash ranges over four years (FY 2015 – FY2018). The standard deviation for this data is \$123.0 million. For FY 2020 Risk Mitigation, we applied three standard deviations from the mean, \$369.0 million, to minimize the risk associated with volatility and as indicated in graph on the previous page.

AF Blue & TWCF Cash Plans

AF Blue

(\$ Millions)	FY 2018	FY2019	FY 2020
BOP Cash Balance	\$1,862.7	\$1,446.0	\$879.0
Disbursements ¹	\$16,534.3	\$18,449.6	\$18,569.0
Collections ¹	\$16,110.1	\$17,805.0	\$18,500.4
Transfers In/Out	(\$59.0)	\$0.0	\$0.0
WRM	\$66.5	\$77.6	\$92.5
EOP Cash Balance	\$1,445.9	\$879.0	\$902.9
Lower Limit Cash Goal	\$1,086.2	\$631.3	\$725.7
Upper Limit Cash Goal	\$1,725.0	\$1,270.1	\$1,364.5

¹Does not include Transfers In/Out

²Numbers may not add due to rounding

In FY 2018, AF Blue cash decreased from \$1,862.7 million to \$1,445.9 million. The lower and upper limits for this period were \$1,086.2 million and \$1,725.0 million, respectively. The cash decreases primarily due to returning customer prior year gains earned in CSAG-Supply and CSAG-Maintenance.

In FY 2019, AF Blue cash decreases \$567.0 million throughout the fiscal year, ending with an \$879.0 million balance. The operating range for this period is \$631.3 million to \$1,270.1 million. The cash decreases primarily due to returning customer prior year gains earned in CSAG-Supply.

In FY 2020, AF Blue cash increases from \$879.0 million to \$902.9 million. The operating range is \$725.7 million to \$1,364.5 million. Cash balances also support the Treasury Department's daily cash reporting initiative, while remaining within the upper limit.

TWCF Cash

(\$ Millions)	FY 2018	FY2019	FY 2020
BOP Cash Balance	\$856.1	\$526.6	\$552.2
Disbursements	\$7,652.3	\$8,106.7	\$8,551.6
Collections	\$7,322.8	\$8,132.3	\$8,631.6
Net Transfers	\$0.0	\$0.0	\$0.0
Direct Appropriations	\$0.0	\$0.0	\$0.0
EOP Cash Balance	\$526.6	\$552.2	\$632.3
Lower Limit Cash Goal	\$726.8	\$549.1	\$582.2
Upper Limit Cash Goal	\$1,279.9	\$1,055.7	\$1,116.6

FY 2018 operating range was \$726.7 million to \$1,279.9 billion. FY 2018 beginning cash balance was \$856.1 million; ending balance was \$526.6 million. The decrease was primarily due to systematic interface and billing issues within one of the USTRANSCOM Enterprise Resource Planning (ERP) systems.

TWCF cash is projected to end in FY 2019 at \$552.2M, which is an increase of \$25.6 million from FY 2018 ending balance. The expected operating range is \$549.1 million to \$1,055.7 billion. Systemic interface and billing issues are expected to continue into FY 2019, anticipate remediation by end of Q2 FY 2019.

TWCF cash is projected to end in FY 2020 at \$632.3M, which is an increase of \$80.1 million from FY 2019 ending balance. The expected operating range is \$582.2 million to \$1,116.6 billion.

***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) 2020 President's Budget (PB)

The mission of the Consolidated Sustainment Activity Group (CSAG) is supply management of reparable and consumable items, and 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. CSAG Maintenance Division and Supply Division services are executed under the Air Force Sustainment Center (AFSC) within the Air Force Material Command (AFMC) structure described in the AFWCF Overview. With supply chain management and depot maintenance functions in one center, 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. It also preserves the viability of depot maintenance and the supply chain capabilities.

Maintenance Division

The CSAG Maintenance Division repairs weapon 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 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 and 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

Supply Division

The CSAG Supply Division is responsible primarily 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 CSAG 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 works to reduce the impact of Diminishing Manufacturing Sources and Material Shortages (DMSMS) and other obsolescence issues associated with aging aircraft fleets. Due to fleet age and antiquated technology they utilize, the number of parts without qualified manufacturing or repair source is expected to continue to be an issue. To address these DMSMS and other obsolescence issues, the CSAG Supply Division re-engineers parts which can no longer be produced or repaired. The CSAG Supply Division also proactively identifies parts for which availability is at risk due to DMSMS issues, taking appropriate action to minimize adverse impact to weapon system readiness.

CSAG Customer Base

Maintenance and Supply customers include Air Force Major Commands, Air National Guard, Air Force Reserve Command, 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 the Supply Division provides parts that the Maintenance Division uses in depot maintenance services. Continued focus on readiness is driving increased customer orders to both CSAG-M and CSAG-S. Some of the CSAG-M drivers are: F108 CFM Propulsion Upgrade Program (CPUP) engines, B-2 Software, A-10 Service Life Extension Program (SLEP), C-

130, and KC-135 aircraft workload. Increases in the parts to support the Flying Hour Program and in depot maintenance requirements directly result in higher CSAG-S customer orders. More details are located within each division's narrative.

CSAG Initiatives

Initiatives are ongoing within the CSAG-S to modernize processes. AFSC continues to evaluate supply chain processes to improve weapon system and equipment availability and to deliver customer support with increased velocity. Sustained emphasis is on cost control in order to provide the best value to the customer. Efforts continue to identify and resolve pricing and billing discrepancies, thus improving asset visibility to reduce requisition redundancies and expediting asset movement via the distribution pipeline. One example of supply chain efficiency initiatives is AFSC's Strategic Commodity Sourcing. Through this initiative, buy/repair contract vehicles and vendor sources are leveraged to optimize buying power of the Supply Management activities.

The Air Force is aggressively moving forward with required actions to achieve 80% mission capability rates in FY 2019 for critical aviation platforms. CSAG-S is an integral enabler to achieve this aggressive goal for the F-16. The supply chain is driving more parts to warehouse shelves at fielded units and increasing parts inventories to fill mission impacting backorders. As a result CSAG-S will increase spending in FY 2019 by an estimated \$270 million.

AFSC continues to more precisely define material requirements; "Accurate Supply Requirements" is a key component of cost-effective readiness. 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. More accurate forecasts ensure that limited manpower, equipment and consumable resources are more efficiently allocated in advance of execution, and therefore are more effectively utilized during execution year.

AFSC is also pursuing cost initiatives within the Maintenance Division to reduce cost, improve performance, and increase availability of weapon systems. AFSC's efforts contribute to Air Force readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG Maintenance Division seeks to provide continuous core Air Force depot capability to retain in-house sources of technical competence; to continue to refine methods which enable the more efficient use of resources such as partnering with private industry, employing government owned/contractor operated facilities and augmenting in-house operations; and to find

innovative ways to decrease flow days for systems and components, increase parts availability to the repair line, and control material costs through process reviews and adoption of commercial practices and engineering standards.

CSAG Financial and Performance Summary

Financial Performance (\$ Millions)	FY 2018	FY 2019	FY 2020
Total Revenue	\$11,927.8	\$13,251.0	\$13,752.8
Total Expenses (with Work In Progress)	\$12,350.9	\$13,689.2	\$13,711.2
Other Adjustments Affecting NOR and Other Changes	\$30.2	\$26.2	\$26.2
Net Operating Results	(\$402.0)	(\$411.9)	\$67.9
Non Recoverable Adjustments Impacting AOR	\$0.0	\$0.0	\$0.0
Accumulated Operating Results	\$344.0	(\$67.9)	\$0.0

In FY 2018, the \$30.2 million Other Adjustments Affecting NOR and Other Changes is the result of CSAG Maintenance non-recoverable depreciation from donated assets of \$30.2 million. CSAG Maintenance projects \$26.2 million non-recoverable depreciation in FY 2019 and FY 2020.

Overall, CSAG projects a \$0.0 AOR for FY 2020.

Cash (\$ Millions)	FY 2018	FY 2019	FY 2020
BOP Cash Balance	\$1,552.8	\$1,219.5	\$662.5
Disbursements ¹	\$12,285.6	\$13,697.7	\$13,716.5
Collections	\$12,011.9	\$13,140.7	\$13,731.0
Transfers In/Out	(\$59.0)	\$0.0	\$0.0
EOP Cash Balance	\$1,219.5	\$662.5	\$677.0
Lower Range	\$915.8	\$448.2	\$525.3
Upper Range	\$1,391.0	\$922.4	\$997.2

¹ Does not include Transfers In/Out

Stabilized Sales Rates and Prices	FY 2018	FY 2019	FY 2020
Maintenance Composite Sales Rate per hour	\$283.14	\$291.14	\$302.28
Maintenance Rate Change ⁽¹⁾	2.6%	2.9%	3.7%
Supply Unit Cost	1.220	1.202	1.143
Supply Customer Price Change ⁽²⁾	(8.3%)	2.6%	8.1%

⁽¹⁾ The 2.6% increase in FY 2018 is due to increased direct material costs for the B-52 and E-3 aircraft, and the F101 engines used on the B-1. The 2.9% increase in FY 2019 is required to effect the recovery of \$105 million prior year losses. The 3.7% increase in FY 2020 is required to effect the recovery of \$61 million prior year losses.

⁽²⁾ FY 2018 shows an 8.3% price reduction to effect a return of \$458 million prior year gains to customers. There is an additional prior year gains return of \$189 million in FY 2019 that resulted in a price increase of 2.6%. FY 2020 prices increased 8.1%, primarily driven by \$178.3 million Condemnation Material Expenses increase, and a positive \$111.4 million AOR/Cash recovery, offset by a \$71.2 million decrease to Repair Expenses.

CSAG Manpower Resources	FY 2018	FY 2019	FY 2020
Civilian End Strength ⁽¹⁾	27,777	30,035	30,583
Civilian Full Time Equivalents	27,774	29,754	30,753
Military End Strengths	268	212	202
Military Workyears	207	195	194

⁽¹⁾ Growth in FY 2019 end strength is primarily due to a methodology change. New methodology links end strength and full time equivalents to the projected workload.

Maintenance Direct Production Earned Hours Produced	FY 2018	FY 2019	FY 2020
(Hours in Thousands)	24,333	25,991	26,265

Workload projections are expressed in Direct Production Earned Hours (DPEHs). This table 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 2018	FY 2019	FY 2020
Due Date Performance ⁽¹⁾	85%	79%	85%	85%
Quality Defect Rate ⁽²⁾	0.22	0.21	0.22	0.22

(1) The Due Date Performance (DDP) metric measures percentage of aircraft returned to customers on or before the agreed delivery date. The FY 2018 actual DDP of 79% reflects a variety of rates at the Air Logistics Complexes. Hiring delays and parts supportability issues contributed to DDP impacts across the weapon systems identified below:

- a. Tinker AFB, OK: E-3 - 67%
- b. Hill AFB, UT: A-10 - 76%, F-16 - 78%, F-22 - 40%, T38 - 55%
- c. Robins AFB, GA: C-5 - 75%, C-130 - 54%, F-15 - 33%

(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.

Capital Investment Program Authority (\$ Millions)	FY 2018	FY 2019	FY 2020
Equipment – Weapon System Support/Test	\$139.6	\$154.4	\$170.3
ADPE & Telecom	\$12.7	\$11.8	\$1.4
Software Development	\$14.2	\$12.2	\$16.8
Minor Construction	\$4.1	\$1.3	\$11.1
Total	\$170.6	\$179.7	\$199.6

Maintenance 6% Capital Investment Plan (\$ Millions)	FY 2018	FY 2019	FY 2020
Required Investment	\$388.3	\$405.7	\$420.5
Total Investment Budgeted	\$401.5	\$884.7	\$762.9
Percent Invested	6.2%	13.1%	10.9%

Supply Customer Wait Time (CWT)	FY 2018	FY 2019	FY 2020
Actual Performance	6.3		
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.

Supply Stockage Effectiveness	FY 2018	FY 2019	FY 2020
Actual Performance	78%		
Objective	83%	83%	83%

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

Supply Undelivered Orders (\$ Millions)	FY 2018	FY 2019	FY 2020
Supply Division	5,306.5	5,359.5	5,313.1

Changes in undelivered orders are predominately due to adjustments in customer requirements, and inflation. Minimal impact on cash or inventory levels is expected as a result of changes in undelivered orders.

Supply Item Quantity Requirements	FY 2018	FY 2019	FY 2020
Number of Issues ⁽¹⁾	2,171,118	1,733,317	1,733,317
Number of Receipts ⁽¹⁾	2,453,786	1,824,928	1,824,928
Number of Requisitions ^(1,2)	409,227	372,610	372,610
Contracts Executed ⁽³⁾	2,095	2,044	2,044
Purchase Inflation	1.5%	1.2%	1.4%
Items Managed	69,160	71,107	71,107

(1) FY 2019 and FY 2020 issues, receipts, and requisitions are estimated based on historical averages.

(2) 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.

(3) 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.

CSAG - Maintenance Division

	FY2018 to FY2019	FY2019 to FY2020
Cost of Operations		
Organic BOP	6,856.229	7,474.906
Contract BOP	.000	.000
Cost of Operations	6,856.229	7,474.906
ANNUALIZATION		
Annualization of Civilian Pay	6.638	.000
Annualization of Military Pay	.087	.071
TOTAL ANNUALIZATION	6.725	.071
PRICE CHANGES		
Civilian Pay Raises	.000	.000
Military Pay Raises	.365	.330
Material Price Growth	109.650	176.054
Fuel Price Growth	.080	(.165)
Other Growth	13.921	16.433
TOTAL PRICE CHANGES	124.017	192.652
PRODUCTIVITY SAVINGS		
Civilian Labor Savings	.000	.000
Material/Supply Savings	.000	.000
Reinvestment/Rate Reduction	.000	.000
TOTAL PRODUCTIVITY SAVINGS	.000	.000
PROGRAM CHANGES		
Labor Workload	236.172	45.218
Material Workload	138.690	132.449
BOS	23.563	16.476
Contract Changes	.000	.000
TOTAL PROGRAM CHANGES	398.425	194.144

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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CSAG - Maintenance Division

	FY2018 to FY2019	FY2019 to FY2020
OTHER CHANGES		
Data Systems Support	.681	.067
Data Systems Development	(.070)	(.012)
Equipment Depreciation	.847	(1.582)
Minor Construction Depreciation	1.069	(.546)
Data System Depreciation	(.067)	(.080)
Travel & Transportation	1.262	(.664)
Communications	.899	(.043)
Utilities	(5.606)	(.429)
Equipment Rental	.431	(.145)
Printing & Equipment	.135	(.004)
Equip/Vehicle Rep & Maintenance	13.850	(4.994)
Custodial	.816	.029
Facility Maintenance	22.503	4.917
Training	1.297	(.041)
Environmental	.000	.000
Miscellaneous	39.336	(5.702)
TOTAL OTHER CHANGES	77.381	(9.229)
TOTAL CHANGES	606.548	377.638
Cost of Operations		
Organic EOP	7,462.777	7,852.544
Total Cost of Operations	7,474.906	7,850.241

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) 2020
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CSAG - Maintenance Division

	REVENUE (Maintenance, Repair, Overhaul)			BUDGETED CAPITAL (Modernization, Efficiency)		
	3 Year Average					
	<u>2015-2017</u>	<u>2016-2018</u>	<u>2017-2019</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>
Revenue						
Working Capital Fund	6,471.424	6,762.345	7,008.164			
Appropriations	.000	.000	.000			
Total Revenue	6,471.424	6,762.345	7,008.164			
WCF Depot Maintenance Capital Investment						
Facility Restoration & Modernization				52.832	70.900	67.400
Capital Investment Program				157.194	178.510	198.273
Other Equipment				.000	.000	.000
Processes/Productivity Enhancements ¹				5.990	.180	9.900
Appropriated Funding						
MILCON (3300) ²				.000	166.000	.000
Procurement Equipment (3010) ³				185.500	469.100	487.300
Operation & Maintenance				.000	.000	.000
Investment Total				401.516	884.690	762.873
Minimum 6% Investment Amount				388.285	405.741	420.490
Investment Over/(Under) Requirement				13.230	478.950	342.383

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

2. MILCON Requirements include: FY19: KC-46A Depot 2 Bay Depot Fuel Maintenance Hangar (\$85M) and 2 Bay Depot Maintenance Hangar (\$81M).

3. 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.

Primary supported airframes include

FY18: F-35 (\$33.17 million); KC-46A (\$22.27 million); C-130 (\$26.32 million); several other airframes at less than \$20 million each

FY19: F-15 (\$62.62 million); F-16 (\$32.61 million); KC-46A (\$21.05 million); several other airframes at less than \$20 million each

FY20: KC-46A (\$159.04 million); B-52 (\$51.62 million); F-15 (\$30.29 million); F-35 (\$22.8 million); several other airframes at less than \$20 million each

4. The CSAG Maintenance Division information above reflects the following Air Logistics Complex (ALC) investments:

(\$ millions)	FY2018	FY2019	FY2020
Oklahoma City ALC	144.803 (4.5%)	409.4 (12.5%)	292.3 (8.6%)
Ogden ALC	176.03 (10.7%)	170.8 (9.2%)	204.9 (10.5%)
Warner Robins ALC	80.63 (4.8%)	304.5 (18.5%)	265.8 (16%)

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
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CSAG

	FY2018	FY2019	FY2020
1. New Orders			
a. Orders From DOD Components:			
(1) Air Force			
(a) Aircraft Procurement	272.635	292.279	329.577
(b) Missile Procurement	12.452	6.592	4.345
(c) Other Procurement	.987	.679	.783
(d) Military Construction	.000	.000	.000
(e) Operations & Maintenance - AF (w/OCO)	4,223.696	4,635.388	4,726.955
(f) Operations & Maintenance - AFRC (w/OCO)	591.752	589.816	704.611
(g) Operations & Maintenance - ANG (w/OCO)	1,442.439	1,473.235	1,445.788
(h) Research & Development - AF	208.020	177.014	164.438
(i) Military Personnel - AF	.000	.000	.000
(j) Reserve Personnel - AF	.000	.000	.000
(k) Guard Personnel - ANG	.000	.000	.000
(l) Family Housing	.000	.000	.000
(m) Special Trust Funds	.000	.000	.000
(n) Other Air Force	.735	1.474	1.708
(o) Other	.000	.000	.000
Total Air Force	6,752.715	7,176.476	7,378.204
(2) Army	30.384	31.363	40.423
(3) Navy	298.549	311.120	357.895
(4) Marine Corps	3.437	1.616	1.687
(5) MAP/Grant Aid	.000	.000	.000
(6) Other DOD	273.997	280.322	309.264
Total DOD excluding WCF	7,359.083	7,800.897	8,087.474
b. Orders From Other Fund Activity Groups			
(1) AF Supply Mgmt Activity Group - Retail	78.516	88.015	85.885
(2) Transportation Activity Group - TRANSCOM	369.987	346.467	341.362
(3) Other WCF Activity Groups	.725	.746	.859
(4) Commissary, Sur. Coll.	.000	.000	.000
(5) AF CSAG - Supply (Supply Orders to Maintenance)	2,346.592	2,772.875	2,771.514
(6) AF CSAG - Maintenance (Maintenance Orders to Supply)	1,738.146	2,019.222	2,102.030
Total Other Fund Activity Groups	4,533.967	5,227.325	5,301.650
c. Other Internal to AF Consolidated Sustainment Activity Group			
(1) Internal Material Transfer Orders (Maintenance Orders to Supply)	.000	.000	.000
(2) Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
Total Internal AF Consolidated Sustainment Activity Group	.000	.000	.000

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
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CSAG

	FY2018	FY2019	FY2020
d. Grand Total DOD	11,893.050	13,028.221	13,389.124
e. Other Orders			
(1) Other Federal Agencies	11.634	8.126	10.541
(2) Non Federal Agencies	373.522	493.953	524.214
(3) FMS	251.568	197.298	242.386
Total Other Orders	636.724	699.378	777.140
Total New Gross Orders	12,529.774	13,727.599	14,166.264
Total New External Orders (Total New Gross Orders minus 1c. Total Internal AF CSAG)	12,529.774	13,727.599	14,166.264
2. Carry-In Orders	2,632.401	2,857.566	3,011.837
a. Carry-over Execution Adjustment	(175.381)	(74.281)	.000
3. Total Gross Orders	15,162.175	16,585.165	17,178.101
a. Less Internal Material Transfer Orders (Maintenance Orders to Supply)	.000	.000	.000
b. Less Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
Total External Gross Orders	15,162.175	16,585.165	17,178.101
4. Gross Revenue	12,129.228	13,499.047	14,018.660
5. End of Year W-I-P	4.859	4.859	4.859
6. Total Exclusion			
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)	163.115	215.377	214.380
Exclusion (Late Inducted Orders)	.000	.000	.000
Total Exclusion (sum of above exclusions)	163.115	215.377	214.380
7. Funded Carryover	2,689.593	2,791.601	2,940.202

Fund 11A
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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CSAG - Maintenance Division

External Orders	FY2018	FY2019	FY2020
Gross Carry-in	2,327.276	2,417.208	2,561.106
Adjustments to Carry-In During Execution	(175.381)	(74.281)	0.000
WIP	12.467	3.887	3.887
1 Net Carry-in	2,139.429	2,339.040	2,557.219
2 Revenue (Billings)	6,774.322	7,403.137	7,869.893
3 New Orders	7,039.635	7,621.316	8,004.722
4 Exclusion (FMS, BRAC, Other Federal Agencies, Non-Federal Agencies)	414.293	538.641	563.328
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)	414.293	538.641	563.328
5 Orders for Carry-over Calculation	6,625.342	7,082.675	7,441.393
6 Weighted Composite Outlay Rate (New Orders)	67.72%	68.28%	68.04%
7 Carry-over Rate (New Orders)	32.28%	31.72%	31.96%
Carry-over Rate (Prior Year Multi-Year Funds)	48.92%	49.90%	47.62%
Carry-over Rate (Prior Year Software)	6.20%	4.59%	2.36%
8 Allowable Carry-over (New Orders)	2,138.838	2,246.523	2,377.909
Allowable Carry-over (Prior Year Multi-Year Funds)	178.379	179.391	184.490
Allowable Carry-over (Prior Year Software)	21.786	18.367	8.166
Total Allowable Carry-over	2,339.003	2,444.282	2,570.564
9 Unbilled Balance	2,417.208	2,561.106	2,695.935
Exclusion Adjustment	0.000	0.000	0.000
Total Unbilled Balance	2,417.208	2,561.106	2,695.935
10 Work-in-Process Carry-over	3.887	3.887	4.859
11 Actual Carry-over	2,413.321	2,557.219	2,691.076
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)	163.115	215.377	214.380
Exclusion (Late Inducted Orders)	0.000	0.000	0.000
12 Calculated Actual Carry-over	2,250.206	2,341.842	2,476.696
Excess Carryover (Negative number best)	(88.797)	(102.440)	(93.868)

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

CSAG

	FY2018	FY2019	FY2020
Revenue:			
Income:			
Maintenance Division	6,774.322	7,403.137	7,869.893
Supply Division (Material Gross Sales)	5,354.906	6,095.910	6,148.767
Less Credit Returns	257.901	279.789	303.021
Total Income	11,871.327	13,219.258	13,715.639
Depreciation Offset (Major Construction)	.000	.000	.000
Other Revenue	56.514	31.718	37.209
Total Other Revenue	56.514	31.718	37.209
Total Revenue	11,927.841	13,250.976	13,752.848
Expenses:			
Maintenance Division			
Cost of Repair (Direct and POH Costs)			
Labor	2,310.500	2,514.783	2,557.742
Material	3,450.781	3,719.776	4,035.701
Depreciation	.000	.000	.000
Depreciation of Equipment, ADPE & Telecom, Minor Construction, and Software	140.428	142.622	141.230
Depreciation of Other Fixed Assets	.000	.000	.000
Subtotal Depreciation	140.428	142.622	141.230
Subtotal Labor, Material, and Depreciation	5,901.710	6,377.182	6,734.673
Remaining Direct and POH Costs	436.349	511.687	525.713
Total Cost of Repair (Direct and POH Costs)	6,338.059	6,888.868	7,260.385
Supply Division			
Cost of Material Sold	307.354	307.108	361.494
Cost of Material Repair	3,685.615	4,156.199	3,760.592
Condemnation Material Expense Recovery (CMER)	446.542	596.153	701.725
Other Expenses	26.022	31.718	37.209
Subtotal Material & Other Expenses	4,465.533	5,091.178	4,861.019
Operating Expenses			
Military Personnel	16.978	9.061	8.949
Civilian Personnel	379.461	442.548	449.680
Travel & Transportation of People	4.204	5.201	4.837

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

CSAG

	FY2018	FY2019	FY2020
Materials & Supplies	59.672	40.268	32.419
Equipment	38.534	45.759	42.077
Other WCF Purchases	272.704	262.848	234.428
Transportation of Things	88.387	95.652	87.059
Depreciation - Capital	13.450	11.992	9.266
Depreciation of Other Fixed Assets	26.702	26.245	26.245
Printing and Reproduction	.999	1.012	.929
Advisory and Assistance Services	37.543	42.751	38.371
Rent, Comm, Utilities and Misc Charges	87.934	97.754	88.098
Other Purchased Services	520.747	628.034	567.388
Total Operating Expenses	1,547.314	1,709.124	1,589.746
Total Expenses	12,350.906	13,689.171	13,711.150
Work in Process, Beginning of Year	13.997	4.859	4.859
Work in Process, End of Year	4.859	4.859	4.859
Work in Process, Change	(9.138)	.000	.000
Total Expenses Adjusted for Work in Process	12,360.044	13,689.171	13,711.150
Operating Results (Net Operating Results on 1307 - Line 11)	(432.203)	(438.195)	41.698
Less Capital Surcharge Reservation	.000	.000	.000
Plus Passthroughs or Other Approps (NOR)	.000	.000	.000
Other Adjustments Affecting NOR and Other Changes ¹	30.189	26.245	26.245
Net Operating Result (Recoverable NOR on 1307 - Line 13)	(402.014)	(411.949)	67.943
Prior Year Adjustments	.000	.000	.000
Other Changes Affecting AOR	.000	.000	.000
Prior Year AOR	746.020	344.006	(67.943)
Accumulated Operating Result	344.006	(67.943)	.000
Non-Recoverable Adjustment Impacting AOR	.000	.000	.000
Accumulated Operating Result for Budget Purposes	344.006	(67.943)	.000

1. In each FY the Other Adjustments Affecting NOR and Others Changes is the result of CSAG Maintenance non-recoverable depreciation from donated assets.

Fund 16
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
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CSAG - Maintenance Division

	FY2018	FY2019	FY2020
1. Material Inventory BOP	130.878	128.254	132.546
2. Purchases	3,198.836	3,467.157	3,784.371
A. Purchases to Support Customer Orders (+)	3,198.836	3,467.157	3,784.371
B. Purchase of long lead items in advance of customer orders (+)	.000	.000	.000
C. Other Purchases (+)	.000	.000	.000
3. Material Inventory Adjustments	(3,201.459)	(3,462.865)	(3,786.917)
A. Material Used in Maintenance (-)	(3,201.459)	(3,462.865)	(3,786.917)
B. Disposals, theft, losses due to damages (-)	.000	.000	.000
C. Other Reductions (-)	.000	.000	.000
4. Material Inventory EOP	128.254	132.546	130.000

SM-1
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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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
FY2018	5,232.238	5,097.005	6,218.193	.000	27.309	6,245.502	13.358	500.000	6,758.860
FY2019	5,826.494	5,816.122	6,991.479	.000	50.509	7,041.988	1.189	800.000	7,843.176
FY2020	5,858.521	5,845.746	6,681.648	.000	62.400	6,744.048	1.352	800.000	7,545.401

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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February 2019

CSAG - Supply Division

FY2018	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	20.625	45.617	66.242	0.000	164.094	38.417	202.511	268.753	4.0%
B-1B	111.704	1.457	113.161	1.477	235.112	121.073	356.185	470.824	8.0%
B-2	71.779	2.898	74.676	0.000	21.887	30.227	52.113	126.790	1.5%
B-52	45.542	.398	45.940	.451	125.108	13.151	138.259	184.649	5.9%
C-5	26.534	.429	26.963	0.000	96.648	13.093	109.741	136.704	4.3%
C-17	.189	0.000	.189	0.000	.717	.526	1.243	1.431	1.8%
C-130	58.473	2.735	61.208	0.000	134.706	108.136	242.841	304.049	2.6%
C-135	146.767	8.855	155.622	0.000	325.799	121.834	447.633	603.255	3.7%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	30.219	.223	30.442	0.000	61.943	20.351	82.294	112.736	4.8%
E-4	0.000	0.000	0.000	0.000	.547	.421	.968	.968	1.7%
E-8	2.908	0.000	2.908	0.000	12.849	.786	13.635	16.543	2.8%
F-4	0.000	0.000	0.000	0.000	.221	.006	.227	.227	0.0%
F-15	53.644	4.952	58.596	25.381	204.990	40.452	245.442	329.419	4.4%
F-16	80.519	30.775	111.294	0.000	286.634	33.638	320.272	431.566	5.5%
F100 Engines	71.864	13.199	85.063	0.000	290.916	43.372	334.288	419.350	0.0%
F110 Engines	13.296	0.000	13.296	0.000	20.816	128.093	148.908	162.205	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.4%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	37.2%
F-111	.006	0.000	.006	0.000	0.000	0.000	0.000	.006	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	9.337	.327	9.664	0.000	.665	32.041	32.706	42.370	2.3%
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	.451	.104	.555	0.000	.127	11.833	11.960	12.515	6.0%
Trainers	19.656	90.907	110.563	0.000	16.996	31.323	48.319	158.882	4.0%
Other Aircraft	2.617	.001	2.618	0.000	2.049	10.311	12.361	14.978	11.0%
SOF	.858	0.000	.858	0.000	3.162	84.536	87.698	88.556	3.9%
Common	88.073	8.279	96.352	0.000	175.200	87.584	262.783	359.135	0.0%
Common EW	35.722	4.527	40.249	0.000	29.904	62.361	92.265	132.514	0.0%
Missiles	2.381	7.117	9.498	0.000	35.523	15.685	51.208	60.706	0.0%
Other	10.085	.051	10.136	0.000	8.568	58.136	66.703	76.839	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	340.309	340.309	340.309	14.3%
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	156.940	0.000	156.940	156.940	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	23.366	0.000	23.366	23.366	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	239.249	239.249	239.249	0.0%
Total	903.248	222.850	1,126.098	27.309	2,435.486	1,686.942	4,122.427	5,275.834	10.7%

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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CSAG - Supply Division

FY2019	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	22.848	62.482	85.330	0.000	157.577	44.864	202.441	287.771	7.7%
B-1B	204.161	4.245	208.406	0.000	219.361	116.147	335.508	543.914	12.5%
B-2	383.968	1.493	385.462	5.000	18.875	47.857	66.732	457.193	9.5%
B-52	70.082	.772	70.854	3.312	146.350	12.456	158.807	232.973	8.9%
C-5	29.806	.464	30.271	0.000	89.905	7.373	97.278	127.548	9.1%
C-17	.909	0.000	.909	0.000	1.096	.573	1.668	2.577	3.1%
C-130	30.487	3.403	33.890	0.000	134.160	93.777	227.937	261.827	5.7%
C-135	132.333	10.132	142.464	2.264	368.783	122.397	491.180	635.908	6.7%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	20.452	.469	20.921	9.741	78.986	16.176	95.162	125.825	7.5%
E-4	0.000	0.000	0.000	0.000	.727	0.000	.727	.727	6.0%
E-8	9.864	0.000	9.864	0.000	13.260	.900	14.160	24.025	8.9%
F-4	.267	0.000	.267	0.000	0.000	0.000	0.000	.267	0.0%
F-15	49.982	9.416	59.398	7.427	268.170	32.421	300.591	367.416	7.7%
F-16	76.153	21.223	97.376	22.765	321.010	32.696	353.706	473.846	9.0%
F100 Engines	118.382	20.499	138.881	0.000	338.912	43.858	382.771	521.652	0.0%
F110 Engines	17.769	0.000	17.769	0.000	24.809	131.134	155.943	173.713	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.5%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	39.6%
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	12.883	.595	13.477	0.000	.365	29.060	29.425	42.902	5.1%
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	1.245	.844	2.089	0.000	.121	13.913	14.034	16.123	11.2%
Trainers	17.563	40.872	58.436	0.000	23.364	15.245	38.609	97.045	6.6%
Other Aircraft	1.726	.001	1.727	0.000	.090	4.938	5.028	6.755	11.1%
SOF	7.493	.093	7.586	0.000	.826	83.298	84.124	91.709	5.2%
Common	86.862	9.189	96.051	0.000	203.441	88.343	291.784	387.835	0.0%
Common EW	83.408	3.862	87.270	0.000	38.608	35.107	73.715	160.985	0.0%
Missiles	2.531	15.677	18.208	0.000	44.821	10.399	55.220	73.428	0.0%
Other	10.526	.036	10.562	0.000	14.121	40.271	54.392	64.954	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	273.338	273.338	273.338	16.8%
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	197.263	0.000	197.263	197.263	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	17.241	0.000	17.241	17.241	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	193.679	193.679	193.679	0.0%
Total	1,391.702	205.767	1,597.469	50.509	2,722.244	1,490.219	4,212.463	5,860.440	10.7%

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

CSAG - Supply Division

FY2020	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	23.742	32.886	56.628	0.000	157.929	43.155	201.084	257.712	5.8%
B-1B	65.053	2.778	67.831	0.000	217.225	125.038	342.263	410.094	10.2%
B-2	118.838	1.150	119.988	14.956	27.150	61.294	88.445	223.389	5.5%
B-52	44.846	1.342	46.187	2.890	152.669	13.902	166.571	215.648	7.4%
C-5	58.948	.598	59.546	0.000	95.895	12.671	108.567	168.113	6.7%
C-17	.099	0.000	.099	0.000	1.141	.594	1.735	1.834	2.5%
C-130	33.879	6.370	40.249	0.000	113.812	82.193	196.005	236.253	4.1%
C-135	149.918	11.452	161.371	2.309	405.295	128.181	533.476	697.155	5.2%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	23.126	.672	23.798	12.877	75.602	17.193	92.796	129.471	6.1%
E-4	.168	0.000	.168	0.000	.698	.003	.702	.870	3.9%
E-8	6.266	0.000	6.266	0.000	12.372	.682	13.054	19.320	5.8%
F-4	.008	0.000	.008	0.000	.011	0.000	.011	.019	0.0%
F-15	87.030	10.415	97.445	20.592	267.362	41.981	309.343	427.379	6.1%
F-16	75.952	30.307	106.258	8.776	317.436	35.653	353.089	468.123	7.3%
F100 Engines	148.428	28.920	177.348	0.000	398.692	47.602	446.294	623.642	0.0%
F110 Engines	17.601	0.000	17.601	0.000	23.799	116.163	139.962	157.563	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.9%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	38.4%
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	9.724	1.029	10.753	0.000	.419	33.678	34.096	44.849	3.7%
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	.876	.685	1.561	0.000	.119	15.276	15.395	16.956	8.6%
Trainers	18.370	36.516	54.886	0.000	24.766	24.610	49.376	104.262	5.3%
Other Aircraft	1.965	.001	1.966	0.000	.142	9.027	9.169	11.134	11.1%
SOF	4.016	.106	4.123	0.000	.962	82.460	83.422	87.544	4.5%
Common	79.722	7.981	87.703	0.000	207.554	101.484	309.039	396.742	0.0%
Common EW	73.774	4.922	78.697	0.000	34.325	43.562	77.886	156.583	0.0%
Missiles	.940	6.247	7.187	0.000	46.181	14.252	60.433	67.621	0.0%
Other	5.507	.027	5.535	0.000	11.770	46.230	58.001	63.535	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	275.475	275.475	275.475	15.6%
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	187.860	0.000	187.860	187.860	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	7.338	0.000	7.338	7.338	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	195.236	195.236	195.236	0.0%
Total	1,048.797	184.405	1,233.201	62.400	2,788.526	1,567.594	4,356.120	5,651.721	10.7%

SM-4
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

CSAG - Supply Division

FY2018	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	20,646.782	.000	16,104.490	4,542.292
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	628.068	.000	489.893	138.175
c. Inv Reclassified & Repriced	21,274.849	.000	16,594.383	4,680.467
3. Receipts at MAC	1,535.172	.000	1,197.434	337.738
4. Sales at Standard	3,739.439	.000	2,916.763	822.677
5. Inventory Adjustments				
a. Capitalization + or (-)	(10.253)	.000	(7.997)	(2.256)
b. Returns from Customers for Credit	.000	.000	.000	.000
c. Returns from Customers w/o Credit	3,117.730	.000	2,431.829	685.901
d. Returns to Suppliers (-)	(809.629)	.000	(631.510)	(178.118)
e. Transfers to Property Disposal (-)	(1,363.710)	.000	(1,063.694)	(300.016)
f. Issues/Receipts w/o Reimbursement	948.791	.000	740.057	208.734
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(17.387)	.000	(13.562)	(3.825)
2. Discounts on Returns	(1.317)	.000	(1.028)	(.290)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.047	.000	.037	.010
5. Assembly/Disassembly	(561.079)	.000	(437.641)	(123.437)
6. Physical Inventory Adj	246.576	.000	192.329	54.247
7. Accounting Adjustments	5,423.286	.000	4,230.163	1,193.123
8. Shipment Discrepancies	(57.576)	.000	(44.909)	(12.667)
9. Other Gains/Losses	255.485	.000	199.278	56.207
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	5,288.034	.000	4,124.667	1,163.368
h. Total Adjustments	7,170.964	.000	5,593.352	1,577.612
6. Inventory EOP	26,241.546	.000	20,468.406	5,773.140
7. Inventory EOP, Revalued (MAC, Discounted)	26,241.546	.000	20,468.406	5,773.140
a. Economic Retention (Memo)	1,121.942	.000	875.115	246.827
b. Contingency Retention (Memo)	3,002.456	.000	2,341.916	660.540
c. Potential DOD Reutilization (Memo)	1.102	.000	.859	.242
8. Inventory on Order Cost EOP (Memo)	5,306.470	.000	4,139.047	1,167.423

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) 2020
Budget Estimates
February 2019

CSAG - Supply Division

FY2019	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	26,241.546	.000	20,468.406	5,773.140
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(283.506)	.000	(221.135)	(62.371)
c. Inv Reclassified & Repriced	25,958.040	.000	20,247.271	5,710.769
3. Receipts at MAC	1,535.174	.000	1,197.436	337.738
4. Sales at Standard	3,602.432	.000	2,809.897	792.535
5. Inventory Adjustments				
a. Capitalization + or (-)	(2.060)	.000	(1.607)	(.453)
b. Returns from Customers for Credit	251.356	.000	196.058	55.298
c. Returns from Customers w/o Credit	3,798.121	.000	2,962.534	835.587
d. Returns to Suppliers (-)	(406.571)	.000	(317.125)	(89.446)
e. Transfers to Property Disposal (-)	(2,516.640)	.000	(1,962.979)	(553.661)
f. Issues/Receipts w/o Reimbursement	672.305	.000	524.398	147.907
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(27.396)	.000	(21.369)	(6.027)
2. Discounts on Returns	(220.525)	.000	(172.010)	(48.516)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(95.802)	.000	(74.726)	(21.076)
6. Physical Inventory Adj	(5.611)	.000	(4.376)	(1.234)
7. Accounting Adjustments	212.226	.000	165.536	46.690
8. Shipment Discrepancies	(34.666)	.000	(27.039)	(7.627)
9. Other Gains/Losses	627.271	.000	489.271	138.000
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	455.497	.000	355.287	100.209
h. Total Adjustments	2,252.008	.000	1,756.567	495.442
6. Inventory EOP	26,142.791	.000	20,391.377	5,751.414
7. Inventory EOP, Revalued (MAC, Discounted)	26,142.791	.000	20,391.377	5,751.414
a. Economic Retention (Memo)	1,133.161	.000	883.866	249.296
b. Contingency Retention (Memo)	3,032.481	.000	2,365.335	667.146
c. Potential DOD Reutilization (Memo)	1.113	.000	.868	.245
8. Inventory on Order Cost EOP (Memo)	5,359.535	.000	4,180.437	1,179.098

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) 2020
Budget Estimates
February 2019

CSAG - Supply Division

FY2020	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	26,142.791	.000	20,391.377	5,751.414
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(286.341)	.000	(223.346)	(62.995)
c. Inv Reclassified & Repriced	25,856.450	.000	20,168.031	5,688.419
3. Receipts at MAC	1,550.526	.000	1,209.410	341.116
4. Sales at Standard	3,634.137	.000	2,834.627	799.510
5. Inventory Adjustments				
a. Capitalization + or (-)	(2.081)	.000	(1.623)	(.458)
b. Returns from Customers for Credit	253.870	.000	198.018	55.851
c. Returns from Customers w/o Credit	3,836.102	.000	2,992.160	843.942
d. Returns to Suppliers (-)	(410.636)	.000	(320.296)	(90.340)
e. Transfers to Property Disposal (-)	(2,541.806)	.000	(1,982.609)	(559.197)
f. Issues/Receipts w/o Reimbursement	679.028	.000	529.642	149.386
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(27.670)	.000	(21.583)	(6.087)
2. Discounts on Returns	(222.731)	.000	(173.730)	(49.001)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(96.760)	.000	(75.473)	(21.287)
6. Physical Inventory Adj	(5.611)	.000	(4.376)	(1.234)
7. Accounting Adjustments	212.226	.000	165.536	46.690
8. Shipment Discrepancies	(35.013)	.000	(27.310)	(7.703)
9. Other Gains/Losses	627.271	.000	489.271	138.000
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	451.713	.000	352.336	99.377
h. Total Adjustments	2,266.190	.000	1,767.628	498.562
6. Inventory EOP	26,039.029	.000	20,310.442	5,728.586
7. Inventory EOP, Revalued (MAC, Discounted)	26,039.029	.000	20,310.442	5,728.586
a. Economic Retention (Memo)	1,144.493	.000	892.705	251.788
b. Contingency Retention (Memo)	3,062.805	.000	2,388.988	673.817
c. Potential DOD Reutilization (Memo)	1.124	.000	.877	.247
8. Inventory on Order Cost EOP (Memo)	5,413.130	.000	4,222.242	1,190.889

SM-4 CSAG - Supply Division

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***AIR FORCE
WORKING CAPITAL FUND***



U.S. AIR FORCE

SUPPLY MANAGEMENT ACTIVITY

GROUP – RETAIL

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**Supply Management Activity Group–Retail
Budget Overview
Fiscal Year (FY) 2020 Presidents Budget (PB)**

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-R manages 2.0 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other 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.

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

SMAG–Retail Budget Overview

contractors and 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 73 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

SMAG–Retail Budget Overview

even 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 Customer Base

SMAG-R generates revenue from sales of various supplies 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, non-DoD activities, and other working capital activities, such as Air Force Consolidated Sustainment Activity Group – Maintenance Division.

SMAG–Retail Financial and Performance Summary

The table on the next page provides revenue and expense data for the total SMAG-R. Revenue and expenses in FY 2018 reflect greater customer demand than FY 2017 and an AOR of \$79.3 million as a result of \$7.6 million gains (mostly in GSD) and \$71.8 million prior year AOR. Revenue and Expenses rise consistent with projected workload in FY 2019. The AOR decreases to \$26.1 million as a result of \$53.3 million projected NOR loss primarily in GSD. The FY 2020 revenue and expenses increased approximately 1.8% over FY 2019, consistent with the continued program workload and inflation recovery. Planned NOR losses of \$26.1 million, primarily in GSD result in an AOR of zero at the end of FY 2020.

The WRM direct appropriation received is included in the Total Revenue and Expenses balances in all fiscal years. Other Adjustments (WRM) are completed so Net Operating Results (NOR) reflects only results associated with the Operating Program, keeping War Reserve Material Program activity NOR neutral.

Revenue, Expenses and Net Operating Results

(\$ Millions)	FY 2018	FY 2019	FY 2020
Total Revenue	\$4,253.3	\$4,747.6	\$4,860.8
Total Expenses	\$4,192.9	\$4,744.2	\$4,815.7
Operating Results	\$60.4	\$3.4	\$45.1
Other Adjustments (WRM)	(\$52.9)	(\$56.7)	(\$71.1)
Net Operating Results	\$7.6	(\$53.3)	(\$26.1)
Non-Recoverable AOR Adjustment	\$0.0	\$0.0	\$0.0
Accumulated Operating Results	\$79.4	\$26.1	\$0.0

Cash Management

(\$ Millions)	FY 2018	FY 2019	FY 2020
BOP Cash Balance	\$307.9	\$223.9	\$214.0
Disbursements	\$4,248.6	\$4,751.8	\$4,852.4
Collections	\$4,164.6	\$4,741.9	\$4,861.8
Net Transfers	\$0.0	\$0.0	\$0.0
WRM	\$66.5	\$77.6	\$92.5
EOP Cash Balance	\$223.9	\$214.0	\$223.4
Lower Range Target	\$170.4	\$183.1	\$200.4
Upper Range Target	\$333.9	\$347.6	\$367.3

The SMAG-Retail end of year cash balances reflect a downward trend primarily in GSD. Collection cycles are projected to be 12 per year. The Cash balances for all three years are well within the lower and upper operating ranges.

Customer Price Change (%)

Division	FY 2018	FY 2019	FY 2020
General Support	6.0%	2.4%	2.87%
Medical-Dental	1.6%	3.7%	4.1%
Academy	2.3%	1.3%	10.0%
SMAG-Retail	4.8%	2.7%	3.2%

The FY 2020 customer price changes for SMAG-Retail divisions reflect material inflation and minimal overhead changes. GSD price change mitigated by return of prior year gains. Medical-Dental price increase reflects additional transportation cost and emerging Theater lead Agent for Medical Materiel (TLAMM) requirements. The Air Force Academy price increase recovers costs of the newly approved polo shirt in FY 2019 and the Operational Camouflage pattern (OCPs) uniform in FY 2020.

Analysis of Undelivered Orders

(\$ Millions)	FY 2018	FY 2019	FY 2020
<u>Peacetime</u>			
General Support Division	\$524.0	\$440.5	\$445.5
Medical-Dental Division	\$118.8	\$121.2	\$123.7
Academy Division	\$0.5	\$0.5	\$0.5
<u>WRM</u>			
Medical-Dental Division	\$71.1	\$72.5	\$73.9
Total SMAG-Retail	\$714.4	\$634.7	\$643.6

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 budget estimates. In FY 2018 GSD has improved since FY 2017, meeting this goal with 17.4%. FY 2019 shows further improvement with 13.8%, and FY 2020 is targeted to achieve 14.0%.

The Medical-Dental Division maintains only three - four 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.

Customer Wait Time

GSD Customer Wait Time (CWT)	FY 2018	FY 2019	FY 2020
Actual Performance	5.13		
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. There has been no change since the last time number was reported, which was for FY 2016. AF and DLA will continue to work together to find ways to improve supply performance and reduce constraints.

Supply Management Activity Group Retail

Item Quantity Requirements	FY 2018	FY 2019	FY 2020
Number of Issues	3,525,880	3,541,942	3,558,235
Number of Receipts	5,135,097	6,101,484	6,240,224
Number of Requisitions	7,273,003	7,438,084	7,561,584
Contracts Executed	12,526	12,916	13,237
Purchase Inflation	3.21%	3.21%	2.92%
Items Managed	1,981,295	1,986,331	1,987,800

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

	FY2018	FY2019	FY2020
1. New Orders			
a. Orders From DOD Components:			
(1) Air Force			
(a) Aircraft Procurement	3.167	2.351	1.524
(b) Missile Procurement	.000	.000	.000
(c) Other Procurement	.413	.651	.810
(d) Military Construction	.000	.000	.000
(e) Operations & Maintenance - AF	1,326.452	1,242.043	1,270.966
(f) Operations & Maintenance - AFRC	100.196	85.868	89.149
(g) Operations & Maintenance - ANG	208.196	202.623	221.854
(h) Research & Development - AF	23.080	22.108	22.769
(i) Military Personnel - AF	(.004)	.000	.000
(j) Reserve Personnel - AF	1.671	1.189	2.114
(k) Guard Personnel - ANG	.302	.581	.361
(l) Family Housing	.068	.063	.058
(m) Special Trust Funds	5.660	6.255	6.304
(n) Other Air Force	.059	.066	.065
Total Air Force	1,669.261	1,563.798	1,615.973
(2) Army	10.130	3.816	6.412
(3) Navy	1.927	8.610	8.209
(4) MAP Grant Aid	.000	.000	.000
(5) Other DOD	1,222.310	1,180.144	1,312.346
Total DOD excluding WCF	2,903.627	2,756.368	2,942.939
b. Orders From Other Fund Activity Groups			
(1) Other AF Supply Management Activity Groups	.078	.000	.000
(2) Transportation Activity Group - TRANSCOM	100.697	105.331	106.235
(3) Consolidated Sustainment Activity Group (Maintenance Div)	1,517.960	1,684.537	1,693.403
(4) Other WCF Activity Groups	.010	.003	.013
(5) Commissary, Sur. Coll.	.001	.001	.001
Total Other Fund Activity Groups	1,618.746	1,789.872	1,799.651
c. Grand Total DOD	4,522.379	4,546.240	4,742.590

Fund 11 Supply Management Activity Group - Retail

Supply Management Activity Group - Retail

	FY2018	FY2019	FY2020
d. Other Orders			
(1) Other Federal Agencies	2.335	2.232	2.559
(2) Non Federal Agencies	1.082	.494	.467
(3) FMS	3.656	3.991	4.041
Total Other Orders	7.072	6.717	7.067
Total New Gross Orders	4,529.451	4,552.957	4,749.658
2. Carry-In Orders (BOP)	909.506	1,218.442	1,038.688
3. Total Gross Orders	5,438.957	5,771.400	5,788.346
4. Carry-Out Orders (-) (EOP)	1,218.442	1,038.688	957.166
5. Gross Sales (-)	4,220.510	4,732.712	4,831.180
6. Credit Returns (-)	59.635	77.739	77.771
7. Net Sales	4,160.875	4,654.972	4,753.409

Fund 14	Revenue and Expenses Air Force Working Capital Fund	Fiscal Year (FY) 2020
(Dollars in Millions)	Supply Management Activity Group - Retail	Budget Estimates
Supply Management Activity Group - Retail		February 2019

	FY2018	FY2019	FY2020
Revenue:			
Gross Revenue from Sales	4,206.932	4,732.712	4,831.180
Less Credit Returns	59.635	77.739	77.771
Net Revenue from Sales	4,147.297	4,654.972	4,753.409
Other Revenue	24.774	15.000	14.911
Direct Appropriation	81.245	77.644	92.499
Total Net Revenue	4,253.317	4,747.616	4,860.819
Expense:			
Cost of Material Sold Operating Program	4,100.830	4,634.327	4,721.381
Cost of Material Sold WRM	11.061	15.000	15.000
Cost of Material Repair	.000	.000	.000
Subtotal Sales Material Expense	4,111.891	4,649.327	4,736.381
Inventory Losses / Obsolescence (Ops)	(11.463)	(15.397)	(15.982)
Inventory Losses / Obsolescence (WRM)	27.087	19.769	20.165
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
Subtotal Material Expenses	4,127.515	4,653.699	4,740.564
Business Operations			
Military Personnel	.000	.000	.000
Civilian Personnel	.000	.000	.000
Travel & Transportation of People	.011	.079	.082
Materials & Supplies	.000	.000	.000
Equipment	.000	.000	.000
Other WCF Purchases	27.375	33.162	32.695
Transportation of Things Operating Program	28.276	34.007	34.058
Transportation of Things WRM	1.429	1.143	1.186
Capital Investment Depreciation	.000	.000	.000
Printing and Reproduction	.000	.000	.000
Advisory and Assistance Services	.448	.444	.400
Rent, Comm, Utilities and Misc Charges	.831	.957	.996
Other Purchased Services	6.993	20.678	5.747
Subtotal Business Operations	65.362	90.470	75.164
Total Expenses	4,192.877	4,744.169	4,815.728

Fund 14 Supply Management Activity Group - Retail

Fund 14 (Dollars in Millions) Supply Management Activity Group - Retail	Revenue and Expenses Air Force Working Capital Fund Supply Management Activity Group - Retail		Fiscal Year (FY) 2020 Budget Estimates February 2019
	FY2018	FY2019	FY2020
Operating Result	60.439	3.447	45.092
Less Capital Surcharge	.000	.000	.000
Less Direct Appropriations	(81.245)	(77.644)	(92.499)
Plus Passthroughs or Other Approps (NOR)	.000	.000	.000
Adjustment for Mobilization / WRM NOR	28.380	20.912	21.351
Other Changes (NOR)	.000	.000	.000
NET OPERATING RESULT (NOR)	7.574	(53.285)	(26.056)
Prior Year Adjustments (AOR)	.000	.000	.000
Other Changes (AOR)	.000	.000	.000
Plus Prior Year AOR	71.767	79.341	26.057
Accumulated Operating Result (AOR)	79.341	26.057	.000
Non-Recoverable Adjustment (AOR)	.000	.000	.000
Accumulated Operating Result for Budget Purposes	79.341	26.057	.000

Fund 14 Supply Management Activity Group - Retail

SM-1
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

	Obligation Targets								
	Net Customer Orders	Net Sales	Operating	WRM Direct Appn ¹	Direct Reimbursables (Initial Spares)	Total Operating Obligations	Total Capital Obligations	Variability Target	Target Total
<u>FY2018</u>									
GSD	3,310.933	3,068.414	3,345.704	.000	.000	3,345.704	.000	.000	3,345.704
Med/Dent	1,153.779	1,087.362	1,146.082	75.026	.000	1,221.108	.000	.000	1,221.108
Academy	5.099	5.099	5.892	.000	.000	5.892	.000	.000	5.892
Total SMAG-Retail	4,469.811	4,160.875	4,497.678	75.026	.000	4,572.704	.000	400.000	4,972.704
<u>FY2019</u>									
GSD	3,365.078	3,451.169	3,486.940	.000	.000	3,486.940	.000	.000	3,486.940
Med/Dent	1,104.373	1,198.036	1,230.955	88.841	.000	1,319.796	.000	.000	1,319.796
Academy	5.767	5.767	5.759	.000	.000	5.759	.000	.000	5.759
Total SMAG-Retail	4,475.218	4,654.972	4,723.654	88.841	.000	4,812.495	.000	400.000	5,212.495
<u>FY2020</u>									
GSD	3,420.321	3,505.648	3,529.332	.000	.000	3,529.332	.000	.000	3,529.332
Med/Dent	1,245.211	1,241.406	1,259.671	107.499	.000	1,367.170	.000	.000	1,367.170
Academy	6.355	6.355	6.356	.000	.000	6.356	.000	.000	6.356
Total SMAG-Retail	4,671.887	4,753.409	4,795.359	107.499	.000	4,902.858	.000	400.000	5,302.858

1. 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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2018	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,519.509	666.964	1,332.428	520.117
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(19.382)	.763	(20.159)	.014
c. Inv Reclassified & Repriced	2,500.127	667.726	1,312.269	520.131
3. Receipts at MAC	4,329.899	86.887	4,243.012	.000
4. Sales at Standard	4,019.437	11.061	4,008.376	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	3.755	1.884	1.872	.000
b. Returns from Customers for Credit	.862	.000	.787	.075
c. Returns from Customers w/o Credit	440.207	.407	428.238	11.562
d. Returns to Suppliers (-)	(178.682)	(.325)	(178.356)	(.001)
e. Transfers to Property Disposal (-)	(1,017.585)	(8.100)	(1,008.433)	(1.052)
f. Issues/Receipts w/o Reimbursement	607.426	15.274	592.151	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(47.771)	(34.196)	(1.628)	(11.948)
2. Discounts on Returns	(1.153)	.000	(1.153)	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	(1.153)	.000	(1.153)	.000
5. Assembly/Disassembly	(.256)	(.795)	.533	.006
6. Physical Inventory Adj	10.148	(.068)	10.263	(.047)
7. Accounting Adjustments	(137.006)	(1.213)	(143.293)	7.500
8. Shipment Discrepancies	73.860	2.256	71.604	.000
9. Other Gains/Losses	(.001)	.009	.123	(.133)
10. Strata Transfers	.000	.668	(1.518)	.850
11. Strata Transfers in Transit	8.371	.364	8.123	(.116)
12. Other Adjustments - Total	(94.961)	(32.975)	(58.098)	(3.887)
h. Total Adjustments	(238.978)	(23.835)	(221.839)	6.697
6. Inventory EOP	2,571.611	719.717	1,325.066	526.828
7. Inventory EOP, Revalued (MAC, Discounted)	2,571.611	719.717	1,325.066	526.828
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	750.754	54.883	695.871	.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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2019	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,571.611	719.717	1,325.066	526.828
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(21.375)	.778	(22.170)	.018
c. Inv Reclassified & Repriced	2,550.236	720.495	1,302.896	526.846
3. Receipts at MAC	4,468.150	77.644	4,390.506	.000
4. Sales at Standard	4,528.285	20.262	4,508.022	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	11.757	2.072	9.685	.000
b. Returns from Customers for Credit	.942	.000	.866	.076
c. Returns from Customers w/o Credit	548.405	.448	536.165	11.793
d. Returns to Suppliers (-)	(213.811)	(.357)	(213.452)	(.001)
e. Transfers to Property Disposal (-)	(426.564)	(8.910)	(416.581)	(1.073)
f. Issues/Receipts w/o Reimbursement	364.746	16.802	347.945	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(50.562)	(37.616)	(1.759)	(11.187)
2. Discounts on Returns	(65.223)	.000	(65.223)	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(34.906)	(.875)	(34.037)	.006
6. Physical Inventory Adj	3.416	(.075)	3.539	(.048)
7. Accounting Adjustments	(74.538)	(1.334)	(80.704)	7.500
8. Shipment Discrepancies	35.125	2.482	32.643	.000
9. Other Gains/Losses	.010	.009	.135	(.135)
10. Strata Transfers	(.068)	.735	(1.670)	.867
11. Strata Transfers in Transit	9.218	.400	8.935	(.118)
12. Other Adjustments - Total	(177.529)	(36.273)	(138.141)	(3.115)
h. Total Adjustments	107.947	(26.219)	126.486	7.680
6. Inventory EOP	2,598.049	751.657	1,311.866	534.526
7. Inventory EOP, Revalued (MAC, Discounted)	2,598.049	751.657	1,311.866	534.526
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	671.811	55.981	615.831	.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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2020	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	2,598.049	751.657	1,311.866	534.526
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(21.358)	.786	(22.162)	.018
c. Inv Reclassified & Repriced	2,576.691	752.443	1,289.704	534.545
3. Receipts at MAC	4,526.776	92.499	4,434.277	.000
4. Sales at Standard	4,552.064	15.000	4,537.064	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	11.778	2.093	9.685	.000
b. Returns from Customers for Credit	.952	.000	.875	.077
c. Returns from Customers w/o Credit	549.569	.453	537.206	11.911
d. Returns to Suppliers (-)	(213.817)	(.361)	(213.455)	(.001)
e. Transfers to Property Disposal (-)	(428.665)	(8.999)	(418.583)	(1.083)
f. Issues/Receipts w/o Reimbursement	365.043	16.970	348.073	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(62.067)	(47.992)	(2.777)	(11.299)
2. Discounts on Returns	(65.223)	.000	(65.223)	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(34.914)	(.884)	(34.037)	.006
6. Physical Inventory Adj	3.414	(.076)	3.539	(.049)
7. Accounting Adjustments	(94.624)	(11.348)	(90.776)	7.500
8. Shipment Discrepancies	35.237	2.507	32.730	.000
9. Other Gains/Losses	.010	.010	.137	(.137)
10. Strata Transfers	(.069)	.742	(1.686)	.875
11. Strata Transfers in Transit	9.310	.404	9.025	(.119)
12. Other Adjustments - Total	(208.926)	(56.636)	(149.069)	(3.221)
h. Total Adjustments	75.934	(46.481)	114.732	7.682
6. Inventory EOP	2,627.338	783.461	1,301.650	542.227
7. Inventory EOP, Revalued (MAC, Discounted)	2,627.338	783.461	1,301.650	542.227
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	681.427	57.100	624.327	.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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2018

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	666.964	666.964	.000
2. Price Change	.763	.763	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	51.990	51.990	.000
a. Receipts @ std	87.294	87.294	.000
(1). Purchases	86.887	86.887	.000
(2). Returns from customers	.407	.407	.000
b. Issues @ std	(19.486)	(19.486)	.000
(1). Sales	(11.061)	(11.061)	.000
(2). Returns to suppliers	(.325)	(.325)	.000
(3). Disposals	(8.100)	(8.100)	.000
c. Adjustments @ std	(15.818)	(15.818)	.000
(1). Capitalizations	1.884	1.884	.000
(2). Gains and losses	15.274	15.274	.000
(3). Other	(32.975)	(32.975)	.000
Inventory EOP	719.717	719.717	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	66.462
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	8.564
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	75.026

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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2019

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	719.717	719.717	.000
2. Price Change	.778	.778	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	31.163	31.163	.000
a. Receipts @ std	78.092	78.092	.000
(1). Purchases	77.644	77.644	.000
(2). Returns from customers	.448	.448	.000
b. Issues @ std	(29.530)	(29.530)	.000
(1). Sales	(20.262)	(20.262)	.000
(2). Returns to suppliers	(.357)	(.357)	.000
(3). Disposals	(8.910)	(8.910)	.000
c. Adjustments @ std	(17.399)	(17.399)	.000
(1). Capitalizations	2.072	2.072	.000
(2). Gains and losses	16.802	16.802	.000
(3). Other	(36.273)	(36.273)	.000
Inventory EOP	751.657	751.657	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	77.644
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	11.197
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	88.841

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) 2020
Budget Estimates
February 2019

Supply Management Activity Group - Retail

FY2020

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	751.657	751.657	.000
2. Price Change	.786	.786	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	31.018	31.018	.000
a. Receipts @ std	92.952	92.952	.000
(1). Purchases	92.499	92.499	.000
(2). Returns from customers	.453	.453	.000
b. Issues @ std	(24.360)	(24.360)	.000
(1). Sales	(15.000)	(15.000)	.000
(2). Returns to suppliers	(.361)	(.361)	.000
(3). Disposals	(8.999)	(8.999)	.000
c. Adjustments @ std	(37.573)	(37.573)	.000
(1). Capitalizations	2.093	2.093	.000
(2). Gains and losses	16.970	16.970	.000
(3). Other	(56.636)	(56.636)	.000
Inventory EOP	783.461	783.461	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	92.499
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	15.000
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	107.499

SM-6 Supply Management Activity Group - Retail

***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) 2020 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 United States Transportation Command, Commander (USTRANSCOM CDR) 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 USTRANSCOM CDR, except for Service unique or theater assigned assets. USTRANSCOM Commander is also the DoD's Joint Deployment and Distribution Coordinator (JDDC), 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. We are developing the Transportation Management System (TMS) to seamlessly integrate planning and execution of global operations in order to enhance support to Combatant Commands, Services, and Strategic Partners with optimized transportation solutions. We will do this by providing them with total requirement visibility, predictable delivery performance, and cost informed options, while achieving Financial Improvement and Audit Remediation (FIAR) compliance.

Composition of Component Business Areas

USTRANSCOM's mission is to provide air, land, and sea transportation for the DoD with a primary focus on wartime readiness. Our \$8.0 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 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

TWCF Budget Analysis Overview

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.

Joint Enabling Capabilities Command meets 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 an 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 transportation enterprise.

Costs

COST (\$ IN MILLIONS)	FY 2018	FY 2019	FY 2020
AMC	4,873	5,310	5,491
SDDC	1,380	1,285	1,335
MSC	847	666	727
Defense Courier Division (DCD)	7	9	9
USTRANSCOM Command Staff	339	444	434
Total	\$7,446	\$7,714	\$7,996

FY 2019 in the FY 2019 PB - FY 2019 Current Estimate:

Total USTRANSCOM: Cost increased in FY 2019 by \$390 million, major changes are listed below:

- +\$414 million – Workload changes in CENTCOM Area of Operations
- +\$102 million – Pricing changes (Commercial Transportation, Fuel, General Purchase Inflation)
- +\$24 million – Increased ship maintenance
- (\$124) million – Decreased aircraft maintenance
- (\$26) million – Other

FY 2019 - FY 2020:

Total USTRANSCOM: Cost increased in FY 2020 by \$282 million, major changes are listed below:

- +\$99 million – Pricing changes (Commercial Transportation, Aircraft Maintenance, Depot Level Repairables, General Purchase Inflation, Fuel)
- +\$45 million – Increased ship maintenance
- +\$34 million – USTRANSCOM Sprint to the Cloud
- +\$31 million – Increased aircraft maintenance

- +\$28 million – USTRANSCOM Transportation Management System (TMS) development
- +\$27 million – Workload changes in CENTCOM Area of Operations
- +\$18 million – Other

Revenue

REVENUE (\$ IN MILLIONS)	FY 2018	FY 2019	FY 2020
AMC	5,074	4,893	5,321
SDDC	1,293	1,127	1,345
MSC	753	635	822
DCD	7	7	5
USTRANSCOM Command Staff	362	394	430
Total	\$7,489	\$7,056	\$7,923

Revenue: Revenue estimates are derived by using approved rates multiplied by various workload measures (i.e., flying hours, ton miles, passenger miles, ship days, measurement tons, and vehicles).

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 2020 revenue is based on known and anticipated orders, primarily from DoD, and where mutually advantageous, from non-DoD customers.

Disbursements, Collections, and Net Outlays

(\$ IN MILLIONS)	FY 2018	FY 2019	FY 2020
Disbursements	7,652	8,107	8,552
Collections	7,323	8,132	8,632
Net Outlays	-329	25	80
Ending Cash Balance	527	552	632
Cash Lower Boundary	727	549	582
Cash Upper Boundary	1,280	1056	1117

FY 2019 USTRANSCOM CASH: TWCF cash is projected to end in FY 2019 at \$552M, which is an increase of \$25 million from FY 2018 ending balance. The expected operating range is \$549 million to \$1,056 billion. Systemic interface and billing issues are expected to continue into FY 2019, anticipate remediation by end of Q2 FY 2019.

FY 2020 USTRANSCOM CASH: TWCF cash is projected to end in FY 2020 at \$632M, which is an increase of \$80 million from FY 2019 ending balance. The expected operating range is \$582 million to \$1,117 million.

Customer Rate Changes

AMC RATE CHANGES	FY 2019	FY 2020
Channel Passenger	1.8%	2.0%
Channel Cargo	1.8%	2.0%
SAAM/JETP	-8.0%	17.0%
Training	-15.1%	19.4%

MSC RATE CHANGES	FY 2019	FY 2020
Petroleum Tankerships	18.8%	8.0%
Surge ROS	6.6%	82.8%
Army Afloat Prepositioning	7.1%	28.0%
Air Force Afloat Prepositioning	22.2%	18.0%
Chartered Cargo	10.3%	-10.6%

SDDC RATE CHANGES	FY 2019	FY 2020
Port Operations	0.0%	38.0%
Defense Personal Property Program (DP3)	6.7%	29.8%
Liner Ocean Transportation	4.7%	17.3%

DCD RATE CHANGES	FY 2019	FY 2020
Pounds Delivered	-14.1%	-19.4%

Capital Investment Program (CIP)

This budget enables USTRANSCOM to continue system enhancements and upgrades to embrace its role as a global Combatant Command delivering national objectives in tomorrow's dynamic security environment. USTRANSCOM continues to challenge its assumptions, accurately forecast trends that will define the future operating environment, and develop the technologies and ideas that maintain our Nation's competitive advantage in transportation and logistics.

Our CIP includes investment in Equipment, Automated Data Processing Equipment (ADPE) and Telecommunications Equipment, Software Development, and Minor Construction. The CIP also enables the JDDC to rapidly produce or modify software/ADPE applications to meet emerging distribution portfolio requirements. Defense Personal Property System (DPS), Global Air Transportation Execution System (GATES), Integrated Multi-model Operations (IMMO), Transportation Financial Management System (TFMS), and Infrastructure 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. GATES funding is for technical refresh of servers and network components. IMMO funding will support the Transportation Management System (TMS) initiative by connecting Service and Agency logistic systems, and provide a common platform to integrate the Geographic Combatant Commands into the JDDE. With a global use of a standard product, the TMS provides comprehensive information for JDDE-related "Big Data" efforts, enables audit readiness, and improves USTRANSCOM's ability to develop global mobility solutions. USTRANSCOM is also transitioning to commercial cloud and the cost of shifting and lifting applications and big data to a cloud environment is captured within the Infrastructure Investment.

CIP (\$ IN MILLIONS)	FY 2018	FY 2019	FY 2020
Equipment	4.2	2.3	3.2
ADPE and Telecom Equip	3.3	28.2	42.8
Software Development	75.0	78.2	64.6
Minor Construction	4.2	6.7	7.0
Total	\$86.7	\$115.4	\$117.6

TWCF Budget Analysis Overview

Manpower Trends

USTRANSCOM's staffing is comprised of approximately 75 percent military and 25 percent civilian. Maintaining a ready airlift capability consumes approximately 84 percent of the workforce. MSC and SDDC meet the majority of their requirements through commercial 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*

	FY 2018	FY 2019	FY 2020
Army	203	220	215
Navy	153	157	155
Marine Corps	11	11	12
Air Force	11,768	11,876	11,950
Total Military End Strength	12,135	12,264	12,332
Total Military Workyears	12,076	12,026	12,104

*Includes AMC and DCD military end strengths/workyears which are funded by Military Personnel appropriation and not recovered in rates per FMR Volume 11B, Chapter 14

Civilian End Strength

	FY 2018	FY 2019	FY 2020
U.S. Direct Hire	3,212	3,832	3,903
Foreign National Direct Hire	256	287	287
Foreign National Indirect Hire	277	304	304
Total Civilian End Strength	3,745	4,423	4,494

Civilian Full-Time Equivalent

	FY 2018	FY 2019	FY 2020
U.S. Direct Hire	3,190	3,736	3,847
Foreign National Direct Hire	254	283	285
Foreign National Indirect Hire	275	300	302
Total Civilian FTEs	3,719	4,319	4,434

United States Transportation Command

	Expenses
FY2018 Estimated Actuals	\$7,446.5
FY2019 Estimate in President's Budget	\$7,323.6
Estimated Impact in FY2019 Actual FY2018 Experience	\$0.0
Pricing Adjustments:	\$101.9
a. FY2019 Pay Raises	\$3.1
(1) Civilian Personnel	\$0.4
(2) Military Personnel	\$2.7
b. Annualization of Prior Year Pay Raises	\$0.6
(1) Civilian Personnel	\$0.6
(2) Military Personnel	\$0.0
c. Fuel Pricing	\$169.8
d. General Purchase Inflation	\$6.0
e. Depot Level Repairables Changes	\$0.0
f. Commercial Transportation Pricing Changes	(\$77.6)
g. Aircraft Maintenance Price changes	\$0.0
Productivity Initiatives & Other Efficiencies:	\$0.0
a. Headquarters Reductions	\$0.0
Program Changes:	\$288.3
a. Aircraft Maintenance Changes	(\$124.2)
b. Other	(\$15.5)
c. Workload Changes	\$414.5
d. Ship Maintenance Changes	\$24.0
e. Container Detention changes	(\$10.5)
FY2019 Current Estimate	\$7,713.8

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

United States Transportation Command

	Expenses
FY2019 Current Estimate	\$7,713.8
Pricing Adjustments:	\$99.3
a. FY2020 Pay Raises	\$0.4
(1) Civilian Personnel	\$0.0
(2) Military Personnel	\$0.4
b. Annualization of Prior Year Pay Raises	\$0.5
(1) Civilian Personnel	\$0.3
(2) Military Personnel	\$0.2
c. General Purchase Inflation	\$13.9
d. Aircraft Maintenance Changes	\$21.6
e. Commercial Transportation Pricing Changes	\$64.6
f. Depot Level Repairables Changes	\$4.3
g. Fuel Pricing	(\$6.0)
Productivity Initiatives & Other Efficiencies:	\$0.0
a. Fuel Efficiencies due to Information Technology Initiatives	\$0.0
b. Fuel Efficiencies due to Policy	\$0.0
c. Cost Efficiencies	\$0.0
d. Headquarters Reductions	\$0.0
Program Changes:	\$183.3
a. Other	\$80.6
b. Aircraft Maintenance Changes	\$30.9
c. Workload Changes	\$27.3
d. Ship Maintenance Changes	\$44.5
FY2020 Estimate	\$7,996.4

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

United States Transportation Command

	FY2018	FY2019	FY2020
1. New Orders			
a. Orders From DOD Components:	6,222.9	6,105.7	6,845.5
Total Air Force	2,732.0	2,566.6	2,867.4
Military Personnel	112.6	126.4	141.2
Aircraft Procurement	.0	.0	.1
Missile Procurement	.0	.0	.0
Other Procurement	10.6	8.8	9.5
Operations & Maintenance	2,358.1	2,216.0	2,458.7
Operations & Maintenance - ANG	3.8	3.3	2.7
Operations and Maintenance - AFRES	215.0	180.8	221.2
RDT&E	5.9	4.6	5.4
Other	26.0	26.7	28.6
Army	2,104.2	2,187.0	2,425.1
Military Personnel	144.2	145.9	164.9
Aircraft Procurement	.0	.0	.0
Missile Procurement	.8	.6	.7
Other Procurement	6.7	5.5	5.8
AAFES	135.7	79.7	101.1
Operations and Maintenance	1,731.6	1,903.5	2,092.4
NG, O&M	39.6	21.7	25.7
Army Reserve	11.3	8.1	9.5
RDT&E	14.9	8.7	10.1
Other	19.4	13.3	14.9
Navy	550.2	582.9	701.9
Military Personnel	73.4	78.2	86.1
Aircraft Procurement	.2	.0	.0
NEXCOM	.0	.4	.4
Operations and Maintenance	272.6	305.4	325.8
NG, O&M	4.9	3.3	3.9
NDSF	181.3	183.1	271.8
RDT&E	3.3	2.9	3.3
Other	14.5	9.6	10.6
Marine Corps	243.3	272.2	289.1
Military Personnel	15.2	12.7	14.5

Fund 11 United States Transportation Command

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

United States Transportation Command

	FY2018	FY2019	FY2020
MCEX	.0	.0	.0
Operations and Maintenance	228.1	258.6	273.5
Other	.0	.9	1.1
OSD	593.2	497.0	562.0
Operations and Maintenance	508.4	435.6	491.3
JCS	104.0	152.3	160.8
SOCOM	323.7	240.1	281.4
Health Affairs	28.4	23.2	26.1
NSA	5.8	6.0	5.3
DIA	.0	.0	.0
DMA	.0	.0	.0
Other	41.4	9.3	12.4
DLA (Non-WCF)	.0	1.0	1.0
DTS-PMO	.0	.0	.0
DSCA	5.1	3.7	4.3
Procurement	.0	.9	1.1
Other	84.8	60.5	69.6
b. Orders From Other Fund Activity Groups	825.4	620.2	708.6
DECA	9.0	7.8	8.0
DLA	191.8	40.7	68.4
Other Orders	624.6	571.7	632.2
c. Total DOD	7,048.3	6,725.9	7,554.1
d. Other Orders	440.5	330.4	369.1
Other Federal Agencies	92.6	69.3	80.2
Trust Fund	2.5	1.8	2.1
Non Federal Agencies	126.4	124.2	131.9
Foreign Military Sales	219.0	135.1	154.9
Total New Orders	7,488.8	7,056.3	7,923.2
2. Carry-In Orders	.0	.0	.0
3. Total Gross Orders	7,488.8	7,056.3	7,923.2
4. Funded Carryover	.0	.0	.0
5. Total Gross Sales	7,488.8	7,056.3	7,923.2

Fund 11 United States Transportation Command

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

United States Transportation Command	FY2018	FY2019	FY2020
Revenue			
Gross Sales	7,488.8	7,056.3	7,923.2
Operations	7,461.0	6,975.9	7,848.6
Capital Surcharge	.0	.0	.0
Cash Surcharge	.0	.0	.0
Depreciation excluding Maj Const	27.8	80.4	74.6
Major Construction Depreciation	.0	.0	.0
Other Income	.0	.0	.0
Refunds/Discounts(-)	.0	.0	.0
Total Income:	7,488.8	7,056.3	7,923.2
Expenses:			
Salaries and Wages:			
Military Personnel Compensation & Benefits	41.2	43.1	42.9
Civilian Personnel Compensation & Benefits	376.1	434.5	442.7
Travel and Transportation of Personnel	81.3	82.2	79.8
Materials and Supplies (For internal operations)	1,122.0	1,230.1	1,231.1
Equipment	3.3	5.3	5.4
Other Purchases from Revolving Funds	196.4	224.5	189.0
Transportation of Things	4,025.8	3,716.5	3,801.6
Depreciation - Capital	27.8	80.4	74.6
Printing and Reproduction	.3	.5	.5
Advisory and Assistance Services	5.5	55.1	47.3
Rent, Comm, Utilities and Misc Charges	36.7	54.0	55.4
Other Purchased Services	1,530.1	1,787.6	2,026.1
Total Expenses	7,446.5	7,713.8	7,996.4
Operating Result	42.3	(657.5)	(73.2)
Less Capital Surcharge Reservation	.0	.0	.0
Plus Passthroughs of Other Appropriations affecting NOR/AOR	.0	.0	.0
Other Changes (NOR)	.0	.0	.0
Net Operating Result	42.3	(657.5)	(73.2)
Beginning AOR	583.4	635.0	(22.5)
Prior Year Adjustments	.0	.0	.0
Other Changes Affecting AOR	.0	.0	.0
Accumulated Operating Result	625.7	(22.5)	(95.7)
Non-Recoverable Adjustment Impacting AOR	9.3	.0	95.7
Accumulated Operating Result for Budget Purposes	635.0	(22.5)	.0

***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) 2020
Budget Estimates
February 2019

CSAG

Line Number	Item Description	FY2018		FY2019		FY2020	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	EQUIPMENT	49	139.562	54	154.411	55	170.329
	Maintenance Division	49	139.562	54	154.411	55	170.329
	Supply Division	0	0.000	0	0.000	0	0.000
	ADPE & TELECOM	9	12.722	9	11.799	1	1.415
	Maintenance Division	9	12.722	9	11.799	1	1.415
	Supply Division	0	0.000	0	0.000	0	0.000
	SOFTWARE DEVELOPMENT	2	14.208	2	12.170	2	16.782
	Maintenance Division	1	0.850	1	10.981	1	15.430
	Supply Division	1	13.358	1	1.189	1	1.352
	MINOR CONSTRUCTION	4	4.060	2	1.319	7	11.098
	Maintenance Division	4	4.060	2	1.319	7	11.098
	Supply Division	0	0.000	0	0.000	0	0.000
	TOTAL	64	170.552	67	179.699	65	199.625
	Capital Outlays (above threshold)		159.733		177.370		174.445
	Capital Outlays (below threshold)		0.000		0.000		0.000
	Total Capital Outlays		159.733		177.370		174.445
	Total Depreciation Expense		153.878		154.614		150.495

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

Department of the Air Force Depot Maintenance			Line No. & Item Description EQUIPMENT WSS				Activity Identification HQ AFMC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	1	70,622.8	70,622.8	1	87,881.6	87,881.6	1	106,250.2	106,250.2
Total	1	70,622.8	70,622.8	1	87,881.6	87,881.6	1	106,250.2	106,250.2
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 Complex 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 capability 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.									
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) 2020
 Budget Estimates
 February 2019

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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	1	68,939.0	68,939.0	1	66,529.6	66,529.6	0	64,079.3	64,079.3
Total	1	68,939.0	68,939.0	1	66,529.6	66,529.6	0	64,079.3	64,079.3
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 Complex 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.									
Impact									
<p>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.</p>									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

Department of the Air Force Depot Maintenance		Line No. & Item Description ADPE & TELECOM					Activity Identification HQ AFMC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	1	12,722.0	12,722.0	1	11,799.4	11,799.4	0	1,415.3	1,415.3
Total	1	12,722.0	12,722.0	1	11,799.4	11,799.4	0	1,415.3	1,415.3
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.									
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>									

Fund 9B
(Dollars in Thousands)

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

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Department of the Air Force Depot Maintenance			Line No. & Item Description SOFTWARE DEVELOPMENT				Activity Identification HQ AFMC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	1	850.1	850.1	1	10,981.0	10,981.0	1	15,430.0	15,430.0
Total	1	850.1	850.1	1	10,981.0	10,981.0	1	15,430.0	15,430.0
Narrative Justification:									
Description									
MRO Financials supports the Depot Maintenance mission ("Service Request to Resolution" end-to-end business process) by providing complete, accurate, reliable, timely, and integrated Air Force Working Capital Fund (AFWCF) Depot Maintenance financial information in accordance with (IAW) 10 United States Code (USC), section 2222.									
Economic Analysis									
Economic Analysis for MRO Financials completed and certified on 11 May 18.									
Impact									
Mission Benefits: MRO Financials will provide superior operational decision support by providing data in near real time for analysis, integrated end-to-end business transactions compliant with Federal accounting standards, the ability to add future business processes without software changes.									
Deliverables: An ERP business application that provides Depot Maintenance with subsidiary financial information IAW 10 USC 2222.									
Impact: Delivery of MRO Financials will eliminate the identified Data Integration Material Weakness and provides controls consistent with established Federal FM systems requirements, including Federal accounting standards, GAAP, and the USSGL at the transaction level.									

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

Fiscal Year (FY) 2020
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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	1	4,060.2	4,060.2	1	1,318.7	1,318.7	1	11,098.4	11,098.4
Total	1	4,060.2	4,060.2	1	1,318.7	1,318.7	1	11,098.4	11,098.4
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.									
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) 2020
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Fund 9B
 (Dollars in Thousands)

Department of the Air Force Supply Management			Line No. & Item Description ESCAPE				Activity Identification HQ AFMC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	1	13,357.6	13,357.6	1	1,188.5	1,188.5	1	1,352.4	1,352.4
Total	1	13,357.6	13,357.6	1	1,188.5	1,188.5	1	1,352.4	1,352.4
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), and Development License (via Service Contract).</p>									
Economic Analysis									
<p>An Economic Analysis was completed and is on file. The savings to investment ratio stands at 6.24 over the lifecycle. 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.</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 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 it 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) 2020
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CSAG - Maintenance Division

Major Category	Initial Request	Current Proj Cost	Approved Change	Explanation
Non-ADPE	175.201	139.562	-35.639	
ADPE and Telcom	9.184	12.722	3.538	
Software Development	0.000	0.850	0.850	
Minor Construction	5.893	4.060	-1.832	
Total FY2018	190.278	157.194	-33.083	
Non-ADPE	154.411	154.411	0.000	
ADPE and Telcom	11.799	11.799	0.000	
Software Development	10.981	10.981	0.000	
Minor Construction	1.319	1.319	0.000	
Total FY2019	178.510	178.510	0.000	
Non-ADPE	170.329	170.329	0.000	
ADPE and Telcom	1.415	1.415	0.000	
Software Development	15.430	15.430	0.000	
Minor Construction	11.098	11.098	0.000	
Total FY2020	198.273	198.273	0.000	

Fund 9C
(Dollars in Millions)

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

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CSAG - Supply Division

Major Category	Initial Request	Current Proj Cost	Approved Change	Explanation
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	13.300	13.358	0.058	
Minor Construction	0.000	0.000	0.000	
Total FY2018	13.300	13.358	0.058	
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	1.189	1.189	0.000	
Minor Construction	0.000	0.000	0.000	
Total FY2019	1.189	1.189	0.000	
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	0.000	1.352	1.352	
Minor Construction	0.000	0.000	0.000	
Total FY2020	0.000	1.352	1.352	

Fund 9A
(Dollars in Millions)

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

Fiscal Year (FY) 2020
Budget Estimates
February 2019

United States Transportation Command

Line Number	Item Description	FY2018		FY2019		FY2020	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
A.	Equipment						
	Equipment-AMC		0.3		0.5		0.5
	Equipment-SDDC		3.9		1.8		2.7
	Subtotal		4.1		2.3		3.2
B.	ADPE/Telecomm						
	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)		0.0		3.1		0.2
	Infostructure		0.0		9.9		13.2
	Local Area Network (USTRANSCOM LAN)		1.0		4.9		5.8
	Global Air Transportation Execution System (GATES)		1.3		0.0		15.7
	Objective Wing Command Post (OWCP)		1.1		1.0		0.0
	USTRANSCOM Distributive Enclave (USTC DE)		0.0		7.1		5.5
	Global Surface Distribution Management (GSDM)		0.0		0.7		0.7
	USTRANSCOM Centralized Enclave (USTC CE)		0.0		1.5		1.6
	Subtotal		3.3		28.2		42.8
C.	Software Development						
	Agile Trans for the 21st Century (AT21)		1.5		0.0		0.0
	Analysis of Mobility Platform (AMP)		3.3		3.1		3.2
	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)		3.0		3.3		2.0
	Corporate Data Solution (CDS)		0.5		0.0		0.0
Defense Personal Property System (DPS)		21.6		16.3		16.5	

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) 2020
Budget Estimates
February 2019

United States Transportation Command

Line Number	Item Description	FY2018		FY2019		FY2020	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Infostructure		0.0		2.5		0.0
	Joint Flow & Analysis Sys for Trans (JFAST)		2.2		2.4		2.4
	Local Area Network (USTRANSCOM LAN)		2.5		0.0		0.0
	Single Mobility System (SMS)		1.2		1.5		1.5
	Security Engineering		1.2		6.2		6.2
	Joint Mobility Control Group (JMCG-C4S)		0.1		0.0		0.0
	Integrated Multi-Modal Operations (IMMO)		0.0		9.4		9.5
	Consolidated Air Mobility Planning System (CAMPS)		6.9		8.6		4.8
	Global Air Transportation Execution System (GATES)		2.0		2.8		0.0
	Mobility Air Forces Flight Planning Service		10.5		7.7		0.0
	Mobility Enterprise Information Services (MEIS)		10.2		5.4		4.6
	Dynamic Mission Replanning (DMR)		1.0		0.0		0.0
	Rapid Enterprise Application Development (READ)		0.0		0.0		1.0
	Global Freight Management (GFM)		1.2		1.0		1.2
	Integrated Booking System (IBS)		5.0		4.8		5.1
	Transportation Financial Management System (TFMS)		1.1		3.5		6.5
	Subtotal		75.0		78.2		64.6
D.	Minor Construction						

Fund 9A
(Dollars in Millions)

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

Fiscal Year (FY) 2020
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February 2019

United States Transportation Command

Line Number	Item Description	FY2018		FY2019		FY2020	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Minor Construction-AMC		3.1		3.8		3.8
	Minor Construction-SDDC		1.1		2.9		3.2
	Subtotal		4.2		6.7		7.0
	GRAND TOTAL		86.6		115.4		117.6
	Capital Outlays (above threshold)		161.8		159.7		162.4
	Capital Outlays (below threshold)		0.0		0.0		0.0
	Total Capital Outlays		161.8		159.7		162.4
	Total Depreciation Expense		27.8		80.4		74.6

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	271.0	271.0	0	500.0	500.0	0	500.0	500.0
Total	0	271.0	271.0	0	500.0	500.0	0	500.0	500.0
Narrative Justification:									
Description									
Funds are used to support Base Procured Investment Equipment for flight line maintenance.									
Mission Benefits									
Funds allow for the procurement of one time purchases to replace/procure new equipment.									
Deliverables									
Will be based on requirements approved for replacement or procurement of new equipment.									
Economic Analysis									
Economic Analysis (EA) are completed for individual projects that qualify.									
Impact									
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.									
Software									
Not Applicable.									

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

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Fund 9B
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Equipment-SDDC				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	3,876.0	3,876.0	0	1,800.0	1,800.0	0	2,700.0	2,700.0
Total	0	3,876.0	3,876.0	0	1,800.0	1,800.0	0	2,700.0	2,700.0
Narrative Justification:									
Description									
The Military Ocean Terminal Sunny Point (MOTSU) is the premier Department of Defense (DOD) ammunition terminal and is considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders (CDRs) around the world. It is relied upon to maintain a high optempo consisting of ammunition resupply missions and Preposition Operations (prepo).									
Mission Benefits									
Various types and categories of equipment are needed for operations and safety. Equipment is scheduled for periodic replacement as service lives are reached and equipment becomes uneconomical to repair.									
Deliverables									
FY18: HARSCO Tamper, Low Profile Container Handler, Reachstacker, Utility Rail Tamper, Tie Crane, Hauler Container FY19: ReachStacker 50T, Tie Crane, Hauler Container FY20: Reachstacker 45T, Brush Cutter/Ballast Under Cutter, Hauler Container									
Economic Analysis									
Economic Analysis (EA) are completed for individual projects that qualify.									
Impact									
Failure to fund will adversely impact Surface Deployment and Distribution Commands (SDDCs) ability to meet safety standards and support the warfighters.									
Software									
N/A									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,487.0	1,487.0	0	0.0	0.0	0	0.0	0.0
Total	0	1,487.0	1,487.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
<p>The DoD distribution pipeline has bottlenecks, ineffectiveness, and inefficiencies that can be traced to stove-piped, inefficient business processes, and a lack of communication between process owners, coupled with systems communication and interoperability failures. The system lacks common operational views and shared knowledge, decision support and modeling tools, and asset visibility. 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 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 operations within the Strategic Deployment and Distribution Bridge.</p>									
Deliverables									
<p>FY18 - Documentation for the Capabilities developed under FY17 Task Area 3 of current contract; Software AG webMethods Perpetual Licenses; USTRANSCOM program plans and prepare for future move to an on demand infrastructure.</p>									

Fund 9B
(Dollars in Thousands)

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

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Economic Analysis
The AT21 EA, certified 22 June 2016, recommended the continuation of Alternative 2 AT21 System Development (NPV \$238.9M excluding civilian and military pay) over Alternative 1 Status Quo. This solution offers both significant operational benefits, as well as a positive Benefit Cost Ratio (BCR) of 3.5, presented in FY10 constant dollars (FY10\$). In addition, AT21 System Development is expected to breakeven in FY18 with \$737.4M in life-cycle benefits, presented in Present Value dollars (PV\$). The Status Quo alternative provided no benefits or ROI.
Impact
Mission benefits stated above result in optimized 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, uncoordinated 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, 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.
Software
AG webMethods Perpetual Licenses.

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	3,292.0	3,292.0	0	3,115.0	3,115.0	0	3,177.0	3,177.0
Total	0	3,292.0	3,292.0	0	3,115.0	3,115.0	0	3,177.0	3,177.0
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. AMP allows mobility analysts to provide multi-level detailed analyses to support Department of Defense (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. Capabilities include: (1) integration of a more fault-tolerant (robust) optimization network design and scheduling; (2) greater fidelity in the representation of the Joint Deployment Distribution Enterprise (JDDE) in support of DoD's analytic agenda and other programmatic analysis responsibilities; and (3) development of the capacity and ability to rapidly assess transportation courses of action in support of USTRANSCOM's operational applications.									
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. Modeling enhancements of Intermodal Operations, Ammunition Distribution, Inland Waterways Routing, Petroleum, Oil, and Lubricant (POL) terminals, and improved routing schedule will support DoD's analytic agenda for current and future programmatic studies. These modeling enhancements will provide greater insight and modeling detail in evaluating deployment and distribution resource requirements to support National Command Authority (NCA) planning initiatives. These benefits directly support the CCMDs, DIRMOBFOR, and mobility planners.									
Deliverables									
FY18 - Complete FOC of Increment IV to include Terminal Modeling, Airlift Scheduler (ETEM II Transition), and PAX Loading Algorithm; Increment V;Phase 1 Transition of ETEM IV; Optimization, System Programmatic Analysis, System Operational Application, and System Seaport & Airport Analysis. FY19 - Phase 2 of Transition of ETEM III and IV which includes operationalization, Dynamic Re-Planning, and Parallelization. FY20-Plan to achieve Increment V IOC for ETEM III; Begin development of Phase 1 Transition of ETEM V which improves user ability to conduct qualitative comparative analysis to better understand performance differences among multiple AMP runs.									
Economic Analysis									
The AMP EA, dated 4 Nov 2016, recommended the implementation of AMP Increment V, VI, and VII (NPV \$158,547.4K) over the Status Quo alternative. The decision to pursue Increment V, VI, and VII 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 V, VI, and VII 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.									
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. Without this investment, the integration of essential elements of analysis into a homogeneous, seamless, all-inclusive environment that ultimately represents the JDDE to the most effective and efficient level of fidelity possible is negatively impacted.									
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) 2020
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Fund 9B
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description USTRANSCOM Centralized Enclave (USTC CE)				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	1,487.0	1,487.0	0	1,646.0	1,646.0
Total	0	0.0	0.0	0	1,487.0	1,487.0	0	1,646.0	1,646.0
Narrative Justification:									
Description									
SDDC Common Computing Environment (SDDC-CCE) is a program to modernize and centralize system administration and configuration management support to the Surface Deployment and Distribution Command (SDDC) unclassified computing environment on a common architecture. SDDC CCE currently includes the integration of multiple SDDC systems into a multi-tiered architecture. SDDC CCE's role is expanding to include application level administration and configuration management and migration of all SDDC web-based applications to a common CCE architecture. On-going modernization has resulted in an optimized enterprise infrastructure of hardware, software, network, and telecommunications within the facilities at Head Quarters (HQ) SDDC, Scott AFB. The new enterprise architecture is based on a 3-tiered environment utilizing Unix, Solaris and Windows operating systems that includes a web layer, application layer and database layer. In addition, an EMC Storage Area Network (SAN) is utilized to manage storage. Electronic transportation management system is utilized to order, schedule, track, and pay for transportation of military goods.									
Mission Benefits									
The USTC CE provides the Infrastructure as a Service (IaaS) environment for command & control (C2) operations for the Military Surface Deployment and Distribution Command (SDDC) - Army, and Defense Transportation Systems (DTS).									
Deliverables									
FY19 and FY20 - Technology upgrade - Hardware Refresh									
Economic Analysis									
N/A									
Impact									
Components are currently 5-8 years old and without this refresh, maintenance coverage will not be available. Transportation systems relying on this infrastructure will be placed in jeopardy due to equipment failure that cannot be repaired.									
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) 2020
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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	6,903.0	6,903.0	0	8,553.0	8,553.0	0	4,834.0	4,834.0
Total	0	6,903.0	6,903.0	0	8,553.0	8,553.0	0	4,834.0	4,834.0
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 USTRANSCOM and 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									
FY18-Ongoing applications development for Increment 1 IOC consisting of Airlift Requirement, Airlift Planning, Barrelmaster (mission tasking), Iterative Planning, Enterprise Service Integration, and presentation (display). FY19-The use of an agile acquisition approach to continue FY18 deliverables. FY20-Final development of applications referenced in FY18 and FY19 to reach Initial Operating Capability (IOC). Focus on completion of application development for Increment 1 IOC.									
Economic Analysis									
The CAMPS Economic analysis, dated 18 April 2017, recommended to implement Alternative 2 CAMPS Modernization (NPV \$248,791,640) over Alternative 1 Status Quo Maintain CAMPS (NPV \$227,570,492) and Alternative 3, Government Off-the-Shelf (GOTS) Solution (JALIS) (NPV \$265,928,180). This solution offers significant non-monetary benefits, as well as a strong Return on Investment of 1.6, presented in Present Value dollars (PV\$). The program Economic Analysis is currently in the process of an update that will be accomplished prior to Milestone B.									
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									
No license fees are associated with this investment.									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	3,149.0	3,149.0	0	208.0	208.0
C. Software Development	0	3,002.0	3,002.0	0	3,259.0	3,259.0	0	1,987.0	1,987.0
Total	0	3,002.0	3,002.0	0	6,408.0	6,408.0	0	2,195.0	2,195.0
Narrative Justification:									
Description									
Common Computing Environment (CCE) provides the basic infrastructure consolidation environment to host USTRANSCOM and its Component's C2 Applications. CCE implementation fuses the number of physical servers, facilities, and support personnel, while improving computing utilization and facilitating on-demand provisioning for increased scalability. This environment includes the hardware requirements for USTRANSCOM systems and programs of record. Provides hardware and software licensing, operational resources, integration and sustainment activities for USTRANSCOM CCE.									
Mission Benefits									
Provides hardware and software licensing, operational resources, integration and sustainment activities for USTRANSCOM CCE. Provides common platform services, which improves security, provides access control and disaster recovery. Additionally, CCE provides opportunities to leverage a certified and accredited enterprise development and deployment environment responsive to dynamic customer/mission demands in an agile fashion. 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									
FY18 - Design/Build the Common Development Environment (CDE) v3.0 as a government-provided/secured software development environment for the Command's Enterprise; continue integration for AT21 software development; support design/integration efforts for the Command's "Sprint to the Cloud" effort; complete the wedMethods v9.7 software upgrade for the Distribute.mil platform. FY19 - Continue the "Sprint to the Cloud" effort by migrating the additional applications to the govCloud environment; evaluate/design the upgrade of distribute.mil to the next LifeRay software version; re-certification of three Enterprise ULAs with Oracle; support USTRANSCOM's migration to JIE's Joint Regional Security Stacks (JRSS). FY20 - Continue the "Sprint to the Cloud" efforts by migrating the remaining applications to the govCloud environment									
Economic Analysis									
Not applicable.									
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 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)

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	469.0	469.0	0	0.0	0.0	0	0.0	0.0
Total	0	469.0	469.0	0	0.0	0.0	0	0.0	0.0
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. The six (6) System, Project, Initiative, Functionality (SPIF) of CDS are: Data Quality, Data Architecture and Information Engineering, Reference Data Management, Enterprise Management, Knowledge Management, Enterprise Impact Analysis, and software engineering and development efforts.									
Mission Benefits									
CDS will increase the effectiveness of Information Technology (IT) mission capability of USTRANSCOM, while decreasing overall cost.									
Deliverables									
FY18 - Development of web services, interfaces, tables, structures, and other related functionality supporting the distribution of enterprise reference data from TRDM.									
Economic Analysis									
Not applicable.									
Impact									
If not funded, status quo information management and information availability 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									
No license fees are associates with this investment.									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	21,631.0	21,631.0	0	16,311.0	16,311.0	0	16,474.0	16,474.0
Total	0	21,631.0	21,631.0	0	16,311.0	16,311.0	0	16,474.0	16,474.0
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. DPS replaces the legacy Transportation Operational Personal Property Standard System (TOPS) which did not satisfy stakeholders' key needs. DPS Increment III Full Deployment is scheduled for FY19, but was re-planned in FY18 due to change in USTRANSCOM strategic direction, additional requirements, changes in Services' priorities, software defect repair, and security remediation. TOPS sunset was re-planned to FY23 and is dependent on implementation of Non-Temporary Storage (NTS) and Direct Procurement Method (DPM) capabilities in DPS, TOPS data migration, and system archiving. DPM originally planned for Increment III, was rescinded in FY17, and re-planned for Increment IV; final capability to sunset TOPS.</p>									
Mission Benefits									
<p>The DPS provides 24-hour access to TSPs, transportation offices, 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 personal property shipments for DOD and USCG customers. DPS implements the objectives/benefits of the Defense Personal Property Program (DP3) to include: full replacement value for damaged/lost household goods, an integrated information management system for household goods processes, and improved communications between the Service members, the TSPs, and the PPSOs. The DPS Increment III includes Non-Temporary Storage (NTS) which provides 60% of shipment type capabilities being processed in TOPS. The DPS Increment III also includes development of document management.</p>									
Deliverables									
<p>FY18: Implement NTS capability and emerging Services--prioritized System Change Request; Develop AAFES/NAF functionality; Design TSP 2-way interface in cloud; Implement COTS product upgrades/architecture improvements. FY19: Implement enhanced cyber security measures; MyMove prototype to develop the ability use Login.gov to authenticate users to increase security access Change Requests; continue to develop MyMove to demonstrate the ability to process a larger number of CONUS household goods; FY20: Continue to develop, test, and deploy capabilities for the MyMove production, to include user interface improvements needed to fully support all types of CONUS household moves; <u>develop, test, and deploy the capability required in MyMove to support a limited number of OCONUS household moves.</u></p>									
Economic Analysis									
<p>The DPS Economic Analysis, certified 7 Feb 17, recommended the continuation of Alternative 2 Develop DPS to include pursuing Increments IV and V (NPV with Benefits \$396.617M) over Alternative 1 Status Quo Maintain TOPS. The estimated average annual benefit from DPS is \$249.6M, for a total benefit (FY09-FY35) of \$8,873.1M. This solution offers significant non-monetary benefits, as well as a strong Return on Investment (ROI) of 8.3 and Benefit Cost Ratio (BCR) of 5.22, presented in Present Value dollars (PV\$).</p>									
Impact									
<p>The stakeholder's key needs would entail processing 100% of shipment types in DPS. The DPS Increment III NTS and DPM capabilities provides the remaining 10% of shipment type capabilities. The legacy TOPS does not satisfy stakeholders' key needs and will be sunset in FY23.</p>									
Software									
FY18 Software AG, \$1,082K (perpetual license)									

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

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Fund 9B
 (Dollars in Thousands)

Department of the Air Force Air Mobility Command			Line No. & Item Description USTRANSCOM Distributive Enclave (USTC DE)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	7,068.0	7,068.0	0	5,514.0	5,514.0
Total	0	0.0	0.0	0	7,068.0	7,068.0	0	5,514.0	5,514.0
Narrative Justification:									
Description									
The USTC DE provides the Infrastructure as a Service (IaaS) environment for Command & Control (C2) operations for the Mobility Air Force (MAF) and Defense Transportation Systems (DTS). HW funds will be used to support CAMPS Modernization. The infrastructure within the Distributed Enclave will provide capacity management and infrastructure services. The operational requirement is to deliver robust capabilities to MAF C2 forces using a net-centric environment, allowing access and information sharing throughout the SIPRNet and NIPRNet domains through the Cross Domain interfacing with the Mobility Enterprise Information Services (MEIS).									
Mission Benefits									
The USTC DE provides the Infrastructure as a Service (IaaS) environment for command & control (C2) operations for the Mobility Air Force (MAF) and Defense Transportation Systems (DTS). As the principal C2 enclave, the operational imperative is to deliver robust capabilities to MAF C2 forces using a net-centric environment, allowing access and information sharing throughout the SIPRNet and NIPRNet domains. The majority of the systems that reside within the DE are Risk Management Framework (RMF) systems and are National Security Systems.									
Deliverables									
FY18 thru FY20 - Supports hardware refresh and maintenance for CAMPS, GDSS, ACFP, MEIS, and Agile Applications capabilities. Provides Mobility Air Forces (MAF) Command and Control (C2) information for the Defense Transportation System (DTS) to combatant commanders throughout the full spectrum of military operations. As the MAF's principal C2 system, the operational imperative is to deliver robust capabilities to command and control MAF forces using a net-centric environment, allowing access and information sharing across classified and unclassified domains; Transition CAMPS Enclave hardware warranties.									
Economic Analysis									
An EA was completed by PEO-T/PC									
Impact									
Without the HW, the Enclave will be unable to support applications fielding.									
Software									
No license fees are associates with this investment.									

Activity Group Capital Investment Justification

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Fund 9B

Air Force Working Capital Fund

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Department of the Air Force Air Mobility Command			Line No. & Item Description Dynamic Mission Replanning (DMR)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,042.0	1,042.0	0	0.0	0.0	0	0.0	0.0
Total	0	1,042.0	1,042.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
Dynamic Mission Re-planning (DMR) is a transportation initiative designed to enhance the 618th Air Operations Center, Tanker Airlift Control Center's (618 AOC TACC) ability to re-plan strategic airlift missions. DMR enhances the effectiveness and efficiency of missions in the execution phase (24 hours prior to the mission's initial departure from home station through mission completion) by providing a capability to recognize and react to a potential problem or event, to automatically assess the significance of the event, recognize down line or associated mission impacts, and present the decision maker with weighted options based on a variety of relevant operational factors. DMR is envisioned to consist of a family of work-centered focused applications that provide 618 AOC TACC users an effective way of visualizing the myriad of factors that could result in a delay or deviation of a planned mission. A net-centric information sharing environment (envisioned as the future structure of the Mobility Enterprise Information Services (MEIS) will be used to support both DMR operational and what-if data sharing requirements.									
Mission Benefits									
DMR enhances re-planning process during execution, automatically identify and visualize multi-mission conflicts, identify Courses of Actions (COAs) and communicate updates to the field. Recognize and react to potential problems or events and improve on-time performance of airlift missions. The main benefit provided by DMR implementation is an increase in operational flexibility. This project is estimated to produce an initial 0.32 cost avoidance to investment ratio for the 10 year analysis presented. Fuel savings and transportation efficiencies are expected to provide a significant ROI, however analysis was not undertaken at initial concept and will not be completed until DMR operational metrics are available for comparison.									
Deliverables									
FY18-Multi-Aircrew; Multi-Aircraft; Multi-Airfield; Exceptions and Violations; Write back.									
Economic Analysis									
The DMR Economic Analysis, dated 02 September 2015, recommended the continuation of Alternative 2, Develop DMR (NPV \$89,789K) over Alternative 1, Status Quo.									
Impact									
If DMR funds are not received, degrades AMC ability to effectively replan aircraft missions. Current Re-Planning COA Development takes up to 2 hours and has no effective way of visualizing all mission execution factors with concern for potential waste of fuel, aircrew, and aircraft resources.									
Software									
No license fees are associated with this investment.									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	1,266.0	1,266.0	0	0.0	0.0	0	15,688.0	15,688.0
C. Software Development	0	2,043.0	2,043.0	0	2,843.0	2,843.0	0	0.0	0.0
Total	0	3,309.0	3,309.0	0	2,843.0	2,843.0	0	15,688.0	15,688.0
Narrative Justification:									
Description									
Global Air Transportation Execution System (GATES) is DoD's single port processing and manifesting system providing support for the global air and surface movement of personnel and cargo. Serving peacetime and contingency operations, GATES enables the DoD's ability to track the identity, status, and location of unit and non-unit assets by leveraging data provided by the services and commercial carriers in direct support of the Defense Courier Divisions, Military Surface Deployment and Distribution Command, and Air Mobility Command global missions. GATES enables USTRANSCOM ability to effectively and efficiently bill for cargo and passenger movement by providing functionality for Transportation Working Capital Fund (TWCF) accounting and billing. GATES interfaces with multiple data trading partners both internal and external to the DoD. GATES also generates standard and ad hoc reports, supports scheduling and forecasting, and provides message routing capabilities to all ports.									
Mission Benefits									
Global Air Transportation Execution System (GATES) is DoD's single port processing and manifesting system providing support for the global air and surface movement of personnel and cargo. Serving peacetime and contingency operations, GATES enables the DoD's ability to track the identity, status, and location of unit and non-unit assets by leveraging data provided by the services and commercial carriers in direct support of the Defense Courier Divisions, SDDC/G3 and AMC/A4T global missions. GATES enables USTRANSCOM ability to effectively and efficiently bill for cargo and passenger movement by providing functionality for Transportation Working Capital Fund (TWCF) accounting and billing. GATES interfaces with multiple data trading partners both internal and external to the DoD. GATES also generates standard and ad hoc reports, supports scheduling and forecasting, and provides message routing capabilities to all ports. Current modernization efforts are driven by Joint Task Force-Global Network Operation (JTF-GNO) compliance, DOD CIO & USTRANSCOM CIO mandates, port management business process re-engineering, and other LEAN initiatives.									
Deliverables									
FY18 - Support fact of life changes for GATES System Administration, Database Administration, Cyber Security, and Help Desk functionality; provide capability to manifest cargo and passengers, capture in-transit visibility (ITV), and enable TWCF billing for movement. FY19 - Continue changes for GATES System Administration, Database Administration, Cyber Security, and Help Desk functionality. FY20 - Technical Refresh.									
Economic Analysis									
Original Economic Analysis conducted in January 2009; revised Economic Analysis completed on 1 Oct 17.									
Impact									
If not funded, GATES would fail to comply with DoD CIO's mandate to promote cyber security by implementing a Consolidated Data Center (CDC) within a Joint Information Environment (JIE). There would also be a direct impact on warfighter readiness as GATES would be unable to provide Defense In Depth. The mobility mission is supported by the Air Force aerial ports which relies upon continuous software sustainment activities each year. In addition, migration to the USTRANSCOM Logical Data Model and other portal requirements supporting the Tanker Airlift Control Center (TACC) would not be accomplished.									
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) 2020
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Fund 9B
 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Global Freight Management (GFM)				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,229.0	1,229.0	0	1,026.0	1,026.0	0	1,248.0	1,248.0
Total	0	1,229.0	1,229.0	0	1,026.0	1,026.0	0	1,248.0	1,248.0
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). This service is also provided to external systems via the Rating and Ranking Web Service. GFM also provides a Spot Bid system for procurement of freight transportation services for Overweight or Over-dimensional 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 of less than 300 pounds) domestic and international 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 US Bank, via FACTS or Tracker Lite using Electronic Data Interchange, 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; Approved Carrier List; and Customer Added Value Suite (CAVS) and CAVS Downloads (carrier/industry tools). GFM provides the capability for TOs to monitor Carrier Performance at the installation and national level with the Carrier Performance Module (CPM). CPM also automates the issuance of letters of warning and automates the non-use capability for both HQ SDDC and the ITOs. GFM provides monthly training for DOD users and commercial carriers and on-line/HelpDesk assistance.</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>FY18 - Completion of GFM and code migration towards modernization architectural goals; Start the migration from Unidata to Oracle OS FY19 - Continue the migration from Unidata to Oracle operating system; Address based costing enhancement to GFM costing capability for consistency with commercial systems; Provide capability of GFM to cost shipments that cross bodies of water for DoD tender based movements; Migrate GFM to the Cloud; FY20 - Continue enhancements not completed in FY19 (potentially support of address based costing) and ensure operation is consistent with requirements; Move the GFM system from Sun/Solaris hardware and operating systems to x86/RedHat Linux operating system; Completion of X86 migration; Manage the operation of the contractor to consistently perform according to DoD regulations and policies</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									
No license fees are associates with this investment.									

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

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Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Global Surface Distribution Management (GSDM)				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	663.0	663.0	0	713.0	713.0
Total	0	0.0	0.0	0	663.0	663.0	0	713.0	713.0
Narrative Justification:									
Description									
Hand Held Terminal (HHT) capability provides Out Port personnel the capability to automatically scan bar code and Transportation Management Control Document (TCMD) information from items in transit, upload that information to transportation information systems, and thereby efficiently manage the movement and in-transit visibility (ITV) for those items.									
Mission Benefits									
The current HHT devices in use by port personnel lack state-of-the-art Information Assurance capabilities and will no longer be allowed to connect to NETCOM-owned networks beginning in FY19. A new HHT capability is therefore required that enables port personnel to continue to automatically scan and upload in-transit item and equipment information.									
Deliverables									
FY19-FY20 - Provide IT Support for HQ and Out Ports (network management, information assurance, help desk support, flag support); provide maintenance support for deployable communications capability (equipment and bandwidth); refresh end-of-life IT infrastructure equipment including computers, laptops, monitors, printers, routers, switches, servers, and IT peripherals; renew software and hardware maintenance support contracts that support HQ and Out Ports; provide technical support and maintenance support for HQ and Out Port Video teleconference capabilities. Develop and field a new Hand Held Terminal (HHT) capability for Out Ports									
Economic Analysis									
N/A									
Impact									
Without a new HHT capability, port personnel will be required to manually re-key information into transportation systems, thereby introducing duplication of effort (inefficiency) and data quality issues due to typographic errors or missing data fields. In turn, data quality issues potentially lead to lost ITV for critical in-transit items and equipment.									
Software									
No license fees are associated with this investment.									

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Infostructure				Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	0.0	0.0	0	9,912.0	9,912.0	0	13,239.0	13,239.0
C. Software Development	0	0.0	0.0	0	2,528.0	2,528.0	0	0.0	0.0
Total	0	0.0	0.0	0	12,440.0	12,440.0	0	13,239.0	13,239.0
Narrative Justification:									
Description									
Information Technology (IT) capital development to address enterprise gaps in in distribution and sustainment data. This single source solution will provide enterprise customers and stakeholders the capability to effectively and pro-actively manage 85% of the volume moving through the defense transportation system. The solution will collect, assemble, and publish analytical findings from over 35 enterprise business systems for accurate assessment and reporting of performance.									
Mission Benefits									
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.									
Deliverables									
Single source IT repository for distribution Analytics, with over 50 data elements from over 30 defense business systems. Delivered capability will be developed on a commercial cloud platform, accessible to enterprise stakeholders through secure login. The enterprise will have the instantaneous capability to answer 61 distribution questions required to effective management of an global network, seamlessly execute four critical processes, and maintain metrics monitoring time definite delivery standards of performance across all modes and COCOMs.									
Economic Analysis									
J8 calculated ROI is 47% with reduction of at least one DPO funded contract. Milestone A decision still pending, but ROI as stated is COA agnostic.									
Impact									
Without this capability, USTRANSCOM and enterprise stakeholders will not be postured to pro-actively monitor and assess distribution networks required for defense strategy 4+1.									
Software									
No license fees are associated with this investment.									

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

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Fund 9B
 (Dollars in Thousands)

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Integrated Multi-Modal Operations (IMMO)				Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	0.0	0.0	0	9,357.0	9,357.0	0	9,545.0	9,545.0
Total	0	0.0	0.0	0	9,357.0	9,357.0	0	9,545.0	9,545.0
Narrative Justification:									
Description									
<p>IMMO will standardize framework for booking movements (cargo and passengers) into the USTRANSCOM enterprise ensuring best value transportation solutions; linkages at nodal points; increased time reliability and customer confidence (i.e., negotiated rates on quantity cargo/passengers and improved transport services). It will integrate views of USTRANSCOM bookings with optimal delivery process target of FY18Q4. It will support a Common Movement Requirement structure, provide single integrated view of booking cost estimates and requisite information pertaining to the booked requirement to support onward movement, and upfront validation of customer funding (obligation) and authority to use Line of Accounting / Transportation Account Code at the point when services are requested. It will also provide a billing process enabling customers to reconcile a transportation requirement at final billing for services rendered, technologies to enable the transfer of movement requirement information across classification domains for continued processing and an architecture that enables business processes, user applications, and facilitates rapid business service delivery.</p>									
Mission Benefits									
<p>Multi-Modal operations have shown to meet Combatant Commander's cargo delivery needs using less expensive transportation solutions. The USTRANSCOM enterprise currently lacks an integrated enterprise business process and supporting IT to conduct multi-modal operations. USTRANSCOM OPORD 13-027 requires an integrated multi-modal operational process to maintain shipment data integrity through operational processes, synchronize integrated booking and scheduling of movements, centralize mode determination and type of transportation and provide end to end shipment data integrity. IMMO will: Integrate processes and activities associated with cargo and personnel movements, improve single or multi-modal operations overall, ensure financial auditability and traceability, and provide efficient and effective support to combatant commands and agencies. IMMO evolves the Command toward capability management and away from system centric IT investments.</p>									
Deliverables									
<p>FY19 - Engineering Support for Requirements Definition Packages / Capability Drops; data architecture support; Cloud/Enterprise Architecture analysis. FY20 - Production releases of IMMO environment; production release of Requirements Definition Packages / Capability Drops.</p>									
Economic Analysis									
<p>Completed on 24 Jan 2017, recommend Alternative 4 Commercial Transportation Management System (TMS) (NPV \$191,488).</p>									
Impact									
<p>Without IMMO, USTRANSCOM multi-modal operations will continue to be segregated, limiting unity of command/effort. There will be no seamless information sharing of planned, estimated and actual lift, nor will there be transparent view of cost and billing information.</p>									
Software									
<p>License Fees for the Transportation Management System (TMS), if selected, may exist.</p>									

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

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 (Dollars in Thousands)

Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Integrated Booking System (IBS)				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	4,984.0	4,984.0	0	4,753.0	4,753.0	0	5,105.0	5,105.0
Total	0	4,984.0	4,984.0	0	4,753.0	4,753.0	0	5,105.0	5,105.0
Narrative Justification:									
Description									
The Integrated Booking System (IBS) is the lead execution system of the Defense Transportation System (DTS) for the global shipment of ocean cargo in support of all wars, major contingencies and humanitarian relief operations where our military forces are deployed as well as sustainment of forces worldwide. The IBS consists of the following applications: Carrier Analysis and Rate Evaluation I-Headquarters (CARE HQ); Carrier Analysis and Rate Evaluation Headquarters Service Application (CARE SA), Requirements Forecasting and Rate Analysis Module (RF-RAM); Unit, Sustainment; One Time Only (OTO) Commercial Sealift Solutions (CSS); Ocean Carrier Interface (OCI); Vessel Schedule; electronic Shipper System (eSS); and Advanced Transportation Control and Movement Documentation (ATCMD). These applications 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; provide cargo offering and status information; produce payment 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 CONUS and OCONUS. IBS provides end-to-end distribution and visibility of Department of Defense (DOD) cargo from time of request to the 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 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. SDDC's Electronic Transportation Acquisition (ETA) web portal provides DOD transportation officials with a single sign-on capability to access IBS for their transportation needs.									
Deliverables									
FY18 - Capability to update and automatically re-price bookings and obligation records when a change to a booking has occurred; transform IBS into a agile suite of business services, replacing the legacy system applications with a process-model driven application which will significantly reduce time to deliver system change requests and expedite solutions to meet user requirements; implement new rates to support of the Universal Service Contract 8 (USC8) and Guantanamo Bay Cuba Contracts. The implementation of the ocean contracts supports SDDC's mission to provide global surface deployment and distribution services to meet the nation's objectives in peace and war; capability to automatically price break bulk cargo movements									
FY19 - Migrate IBS to the Cloud; continue FY18 efforts									
FY20 - Implementation of new contracts that supports Universal Service Contract 9 (USC9) and Guantanamo Bay Cuba (GMTO) Contracts supporting SDDC's mission to provide global surface deployment and distribution services to meet the nation's objectives; transform IBS into a agile suite of business services, replacing the legacy system applications with a process-model driven application which will significantly reduce time to deliver system change requests and expedite solutions to meet user requirements.									
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; nor 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. In addition, pricing and processing of electronic carrier feeds will no longer maintain valid information requiring manual payment intervention by SDDC booking offices.									
Software									
No license fees are associates with this investment.									

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

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Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Joint Flow & Analysis Sys for Trans (JFAST)				Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	2,164.0	2,164.0	0	2,351.0	2,351.0	0	2,396.0	2,396.0
Total	0	2,164.0	2,164.0	0	2,351.0	2,351.0	0	2,396.0	2,396.0
Narrative Justification:									
Description									
The JFAST Modernization effort is being accomplished as two increments. Increment II was completed mid-FY14; Increment III is being accomplished mid-FY14 thru FY18. Using the framework established, 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. JFAST was written in a computer language which is no longer supported for security thus making it no longer viable to sustain. This investment afforded 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. FY17 TWCF Capital funding will support the continuation of Increment III. As a result, the EA was revised to account for these changes in program cost, schedule, and capabilities. Additional capital required to convert to new Modernized JOPES interface and Schema (JFW).									
Mission Benefits									
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 in real-time, the transportation feasibility of unmoved deployment assets during execution, based on available resources. The modernized version will be web-accessible. JFAST also provides the sustainment generator to show what the sustainment flow would be to support the forces. Anticipated benefits include, but are not limited to: 1) enhance planning support for Agile Transportation for the 21st Century (AT21) requirements; 2) modernized, Multi-Mode Scheduler; 3) better collaboration using the same version of the program; 4) continued vendor support of the underlying software (.NET) Framework; and 5) improved scenario run times and user experience with the program.									
Deliverables									
FY18 - Modernization increment converting legacy Visual FoxPro to .NET Framework; begin the conversion of the JFAST/JOPES interface from JDNETS to Joint Planning and Execution (JPES) Framework (JFW) release 6; implement 2-Factor Authentication for privileged users. FY19 - Provide stand-alone version of Modernized JFAST; transition to SIPR cloud host; complete the conversion to fully web-enabled JFAST; complete transition to JFW and new interface to JOPES using Generic Schema; remove dependency of JFAST app on Microsoft Remote Desktop Services (RDS). FY20 - Provide enhancements to modernized JFAST to include changes to reports, modernized scheduler, and sustainment generator for the multi-nodal/multi-modal modeling algorithms.									
Economic Analysis									
The JFAST Increment III EA, updated 08 Aug 16 (Revision 3), addressed TWCF Capital funding from FY12 - FY17, and it confirmed the initial recommendation to implementation of JFAST Modernization with Enhancements (NPV \$47,665.3K) over the alternatives: JFAST Modernization without Enhancements (NPV \$39,626.9K) 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. The program is scheduled to proceed into full sustainment in the coming years, but is still working to close out all of the requirements for Inc III, which will involve another update (revision 4) to the EA. This update is currently scheduled for an 04 Aug 17 completion date and will account for any FY18 TWCF CAP associated with the FY18 JFAST requirements. Specifically, it will incorporate the latest program enhances and security provisions put under contract. For FY19 and FY20, the program does not currently have defined/approved requirements for these budget years.									
Impact									
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 (Visual FoxPro) 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 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.									
Software									
No license fees are associates with this investment.									

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	56.0	56.0	0	0.0	0.0	0	0.0	0.0
Total	0	56.0	56.0	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 FY18 - modernized the interface between JOPES and TransViz.									
Economic Analysis									
Certified on 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\$).									
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									
No license fees are associated with this investment.									

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

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Fund 9B
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Department of the Air Force USTRANSCOM Command Staff		Line No. & Item Description Local Area Network (USTRANSCOM LAN)					Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	962.0	962.0	0	4,887.0	4,887.0	0	5,776.0	5,776.0
C. Software Development	0	2,464.0	2,464.0	0	0.0	0.0	0	0.0	0.0
Total	0	3,426.0	3,426.0	0	4,887.0	4,887.0	0	5,776.0	5,776.0
Narrative Justification:									
Description									
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 ~ 6000 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.									
Mission Benefits									
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). USTRANSCOM LAN provides the critical backbone for the entire USTRANSCOM C2 capability. This critical infrastructure directly supports the 70+ C2 mission systems that are inherent with USTRANSCOM, providing a global picture for CCMDs on global logistical and patient movements.									
Deliverables									
FY18 - Deploy F5 load-balancers across the enterprise to enhance network functionality and reduce latency; Standup of Digital Diversity Initiative; Deployment of new Domain Controller Hardware. FY19 - Deploy NIPR Edge Redesign which will include purchase of Power over Ethernet Switches to accommodate transition from base VoIP to DISA's Enterprise VoIP; Deployment of ISE servers for network authentication. FY20 - End-of-Life replacement for the following products: 47 network switches, Riverbed appliances, ASR1001 router, and 148 Line Cards									
Economic Analysis									
N/A.									
Impact									
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. We would also lose the redundancy that we have built into the USTRANSCOM LAN to diminish any mission impact.									
Software									
No license fees are associates with this investment.									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	10,490.0	10,490.0	0	7,650.0	7,650.0	0	0.0	0.0
Total	0	10,490.0	10,490.0	0	7,650.0	7,650.0	0	0.0	0.0
Narrative Justification:									
Description									
<p>Mobility Air Force Flight Planning Service (MAFPS) replaces 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 and Performance Based Navigation routes in US, North Atlantic and European airspace beginning as early as FY16. Performs flight planning calculations for all AMC aircraft and missions as well as provides reporting and interface/displays and imports referential and temporal data required to create flight plans.</p>									
Deliverables									
<p>FY18-Conclude development of Release 1. FY19-Testing for MAFPS Release 2. Release 2 will provide additional operational capability to include automated standard departure, auto weather avoids, automatic destination alternate recommendations, economic fuel cost, preferred routings, flight plan validation (Eurocontrol).</p>									
Economic Analysis									
<p>Initial Business Case Analysis (BCA) completed August 2011. Economic Analysis updated BCA in March 2013. Last review completed in 2014.</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 and continue inefficient and labor intensive practices.</p>									
Software									
<p>Windows Server Datacenter (Enclave bill), RHEL for Datacenters (Enclave bill) JBoss EAP (Enclave bill), Oracle DBEE (USTC ULA), Oracle Partitioning (USTC ULA), Oracle Golden Gate (USTC ULA,) Oracle Veridata, Oracle RAC , RHEL for Physical.</p>									

Activity Group Capital Investment Justification

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Department of the Air Force Air Mobility Command			Line No. & Item Description Mobility Enterprise Information Services (MEIS)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	10,172.0	10,172.0	0	5,365.0	5,365.0	0	4,578.0	4,578.0
Total	0	10,172.0	10,172.0	0	5,365.0	5,365.0	0	4,578.0	4,578.0
Narrative Justification:									
Description									
<p>The MEIS is a combined United States Transportation Command (USTRANSCOM) and Air Mobility Command (AMC) initiative to provide Platform as a Service (PaaS) and data sharing services as an enabler of capabilities for new Mobility Air Force Command & Control (MAF C2) applications and the modernization of existing MAF C2 applications that support USTRANSCOM's global mission. The MEIS provides the functional air operations center (618th AOC – TACC) and Joint Deployment and Distribution Enterprise (JDDE) information, data, and status in a form defined by the appropriate AMC functional communities to enhance decision-making and planning processes of the Combatant Commanders, Combined Force Air Component Commander (CFACC), Joint Force Air Component Commander (JFACC), Director of Mobility Forces (DIRMOBFOR) and their staffs. The MEIS Program Charter articulates the strategies, approaches, processes, and standards that will be used to achieve the development goals and provides the departure point in establishing more detailed-level processes and procedures.</p>									
Mission Benefits									
<p>MEIS is USTRANSCOM and AMC's Service Oriented Architecture (SOA) solution which enhances data sharing and orchestrates event-driven activities supporting MAF missions being managed under USTRANSCOM. This solution provides the ability to manage obsolescence and reduce back-end IT costs. By providing a Platform as a Service (PaaS) capability within the USTRANSCOM Distributed Enclave, it provides flexibility without requiring cost intensive coding changes from each program since it provides infrastructure services to programs through an Application Programming Interface (API).</p>									
Deliverables									
<p>FY18 - Development of Utility Services; Domain Information Services include delivery of Cargo, NOTAMS, Flight Plan, and Mobility Requirements; focus is on completing the services for Initial Operating Capability (IOC). FY19 - Complete remaining requirements to complete Full Deployment (FD); software contract to provide enhancements. FY20 - Start of MEIS II development and AISS testing.</p>									
Economic Analysis									
<p>Certified on 29 July 2016, recommended the continuation of Alternative 2 MEIS 4.x (Commercial Off-the-Shelf w/Government Off-the-Shelf Integration) (NPV \$310,999).</p>									
Impact									
<p>If not funded, there would be significant delays in fielding new functional services planned for AMC's C2 Enterprise Systems as well as providing the foundation for services supporting command priorities such as MAFPS, DMR, GAM, JOPES and CAMPS Increment 1.</p>									
Software									
<p>No license fees are associates with this investment.</p>									

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

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 (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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	1,067.0	1,067.0	0	989.0	989.0	0	0.0	0.0
Total	0	1,067.0	1,067.0	0	989.0	989.0	0	0.0	0.0
Narrative Justification:									
Description									
Provides critical 24/7 C2 capabilities (direct radio communications and voice recording) between Air Mobility Command's Command Post operators and mobility air crews, as well as for emergency responders and key leaders on the base.									
Mission Benefits									
The benefits of funding critical 24/7 C2 capabilities for the AMC Command Posts at Hickam, Ramstein, and Rota is that it provides direct radio communications between Command Post operators and inbound/outbound mobility aircrews at each of these bases USTRANSCOM uses.									
Deliverables									
FY18 - Technical Refresh at Rota, Spain, and Hickam AFB Hawaii. FY19 - Complete the technical refresh at Rota, Spain and Hickam AFB, Hawaii.									
Economic Analysis									
N/A									
Impact									
Without this investment, USTRANSCOM air mobility operations will be impacted at Rota, Ramstein, and Hickam. Mobility aircrews will not have radio communications with Command Post operators at these sites, which will impact mission operations.									
Software									
N/A									

Activity Group Capital Investment Justification
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Department of the Air Force Air Mobility Command			Line No. & Item Description Rapid Enterprise Application Development (READ)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2018			FY2019			FY2020		
	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	1,040.0	1,040.0
Total	0	0.0	0.0	0	0.0	0.0	0	1,040.0	1,040.0
Narrative Justification:									
Description									
An umbrella acquisition program that provides overarching approval and compliance, enabling agile development, delivery, and operations of Mobility Air Force applications and applets in the MEIS environment.									
Mission Benefits									
Applications will reside on SOA infrastructure to eliminate outdated point-to-point systems allowing for updated technology and cost avoidance across the enterprise.									
Deliverables									
FY20 - Airfield analysis modernization; work center focused applications for Flight Management and Diplomatic Clearances; Airlift requirements execution management									
Economic Analysis									
EA will be completed prior to development starting for each applications/applets. This aligns with agile methodology.									
Impact									
If not funded, sustainment of outdated technology will continue to increase in other investments. The READ investment will, overtime, be more cost effective and able to react to real time changes at a more expedited rate.									
Software									
N/A									

Activity Group Capital Investment Justification
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Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Single Mobility System (SMS)				Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,227.0	1,227.0	0	1,486.0	1,486.0	0	1,516.0	1,516.0
Total	0	1,227.0	1,227.0	0	1,486.0	1,486.0	0	1,516.0	1,516.0
Narrative Justification:									
Description									
<p>SMS provides USTRANSCOM's Command and Control (C2) capability and augments the multi system environment currently used for assigning missions. Using 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.</p> <p>SMS improves the flow of mobility mission information from the transportation components to USTRANSCOM, aiding in the decision making process. Exposure of web services and the integrated sealift scheduling tool reduce the analytic burden on users created by having to manually synthesize data. The exposure of web services afford the operator user more readily available access to critical SMS applications; thereby, facilitating improved operations for mission accomplishment. The sealift scheduling tool improves the commands strategic decision making by integrating currently stove piped systems into a single application to improving data quality, timeliness and visibility of current status.</p>									
Mission Benefits									
<p>Sealift Scheduling: Through creation of a single integrated sealift scheduling and execution monitoring tool suite, TCC collaboration will provide the TCJ3 Fusion Center better awareness and visibility of sealift requirements/vessel activity. The integrated sealift scheduling process will provide situational awareness and understanding of requirements during the planning and execution to support the command's strategic decision making processes for sealift and multi-modal operations.</p> <p>Web Services: Users require the capability to employ common SMS applications to perform deployment and distribution planning and execution monitoring, multi-modal lookup to determine movement closure at the Transportation Control Network level and report generation. Exposure of web services will enable users to exploit existing SMS applications, improving efficiency of business operations through shared application information. These web services will provide data that is accessible, discoverable and usable to enhance strategic decision making.</p>									
Deliverables									
<p>FY18 - Integrate Workflow Manager into the SMS database and shared web services required to support the presentation layer. Capabilities to be supported include force movement management, multi-modal planning, and execution monitoring.</p> <p>FY19 - Integration for the near real-time visualization of USTRANSCOM global multi-modal mission sets in reference to relationship which impact mission accomplishment.</p> <p>FY20 - Integrated automated information discovery (AID) services with a user interface with permissions to make changes to the underlying ontology rules and taxonomy to provide diagnostic and predictive analysis of global USTRANSCOM multimodal mission execution.</p>									

Activity Group Capital Investment Justification
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Economic Analysis
The SMS EA, dated 18 January 2017, addressed TWCF Capital funding from FY18 - FY20. Alternative 5, "TGIS, AGI STK, NetOwl, Statistical Package for the Social Sciences" (NPV: \$67,247.6K, C/BR: \$384.3K) was selected over other courses of action: Status Quo (NPV: \$41,818K, C/BR: \$412.7K); Global Decision Support System (NPV: \$84,105.4K, C/BR: \$1,019.5K); Transportation Geospatial Information Service (NPV: \$47,275.8K, C/BR: \$465.3K; and Analytical Graphics, Inc Software Tool Kit (NPV: \$56,986.5K, C/BR: \$422.9K). Alternative 5 provided significantly greater non-monetary benefits to SMS over those offered by the other alternatives, to include: better user display capabilities, improved forecasting techniques, more accurate and timely displays, automated information discovery and notification services to name a few. As a result of these enhanced benefits, Alternative 5 had the best C/BR, despite being more expensive than some of the other alternatives, and was therefore selected based on that criteria.
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.
Software
No license fees are associated with this investment.

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Security Engineering				Activity Identification Command Staff		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,197.0	1,197.0	0	6,150.0	6,150.0	0	6,173.0	6,173.0
Total	0	1,197.0	1,197.0	0	6,150.0	6,150.0	0	6,173.0	6,173.0
Narrative Justification:									
Description									
CLASSIFIED									
Mission Benefits									
CLASSIFIED									
Deliverables									
CLASSIFIED									
Economic Analysis									
Impact									
CLASSIFIED									
Software									

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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Fund 9B
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Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Transportation Financial Management System (TFMS)				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	1,135.0	1,135.0	0	3,485.0	3,485.0	0	6,543.0	6,543.0
Total	0	1,135.0	1,135.0	0	3,485.0	3,485.0	0	6,543.0	6,543.0
Narrative Justification:									
Description									
<p>The Transportation Financial Management System (TFMS) is the financial management system solution in use by SDDC. TFMS is built on a Commercial-of-the-Self product, Oracle Enterprise Business Suite. All major lines of business utilize TFMS to conduct their business including the Ocean Liner, Port Operations, Traffic Management and Global POV Storage/DP3 contract. Increment II of TFMS modernization will acquire a reporting/data warehousing solution to replace Oracle Discoverer, develop interfaces with emerging and existing systems such as the Automated Disbursing System, G-Invoicing, and an Integrated Multi-Modal Transportation Management System; and upgrade the Oracle Enterprise Business Suite (EBS) software to a newer release. At a high level, this effort will involve acquiring and implementing a series of enhancements to TFMS in the form of a new or revised Oracle EBS reports, interfaces, configurations, extensions, or workflows (RICE-W).</p>									
Mission Benefits									
<p>The information is used for accounting, purchasing, ordering, receipting, invoice payment and financial management/reporting functions. The TFMS system interfaces with other systems such as payroll, travel, disbursing, and SDDC non-core accounting support systems. Interfaces also exist with information management and decision support systems at USTRANSCOM. TFMS improves cash management, controls over assets, and reduces time lag in obtaining financial information. TFMS allows SDDC and DFAS to track on a daily basis cash management and answer vendor payment issues and customer billing questions. TFMS modernization will extend the software's lifecycle, enhance reporting capabilities, and employ system interfaces that will improve auditability.</p>									
Deliverables									
<p>FY18-FY19 - Provide FIAR Compliance and modernization; implement enterprise reporting tool and data warehouse software; re-development of all existing enterprise financial reports, create new financial reports with FIAR compliance. Provide functional and technical sustainment which includes Financial Business application, TFMS Tier 2/3 Helpdesk support. Provide TFMS FIAR Compliance and modernization sustainment support. Migrate TFMS to the Cloud.</p> <p>FY20 - Continue FIAR Compliance and modernization; continue implementation of enterprise reporting tool and data warehouse; continue the re-development of all existing enterprise financial reports, create new financial reports with FIAR compliance.</p>									
Economic Analysis									
N/A									
Impact									
<p>If not funded, SDDC will lose software support for Oracle Discoverer and the EBS from the software vendor and will be non-compliant with Office of the Secretary of Defense (OSD) Comptroller's Department of Defense (DoD) Financial Management Strategy.</p>									
Software									
No license fees are associated with this investment.									

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	3,100.0	3,100.0	0	3,800.0	3,800.0	0	3,800.0	3,800.0
Total	0	3,100.0	3,100.0	0	3,800.0	3,800.0	0	3,800.0	3,800.0
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									
EA to be accomplished by project.									
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									
Not Applicable.									

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

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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	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0.08928571	0.0	0.0	0	0.0	0.0	0	0.0	0.0
C. Software Development	0.08928571	0.0	0.0	0	0.0	0.0	0	0.0	0.0
D. Minor Construction	0.01785714	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Total	0.19642857	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Narrative Justification:									
Description									
Defense Courier Station(s) (DCS) - Sensitive Compartmented Information Facility (SCIF) and security system upgrade as deemed necessary by DIA and during building renovations.									
Mission Benefits									
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.									
Deliverables									
FY17 - No emergency upgrades needed at any of the 18 DCS separate operating locations. FY18 - \$300K budgeted for emergency security upgrades required at any of the 18 DCS separate operating locations. FY19 - \$300K budgeted for emergency security upgrades required at any of the 18 DCS separate operating locations									
Economic Analysis									
Not applicable									
Impact									
Not applicable.									
Software									
Not applicable.									

Activity Group Capital Investment Justification
 Air Force Working Capital Fund
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Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Minor Construction-SDDC				Activity Identification SDDC		
Element of Cost	FY2018			FY2019			FY2020		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	1,100.0	1,100.0	0	2,900.0	2,900.0	0	3,200.0	3,200.0
Total	0	1,100.0	1,100.0	0	2,900.0	2,900.0	0	3,200.0	3,200.0
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									
FY18: Upgrade 600 Pads (601), Upgrade 600 Pads (602), Upgrade Solar Array; FY19: Construct 480' Communications Tower, Expand Paved Areas for MHE; Construct MOW Equipment Shed; Construct Equipment Shelter (Reclaim Yard) FY20: Upgrade Solar Array, Relocate Contractors' Row, Convert Bldg 18 to Equipment Preposition, SEAD Mission Operations Building (832nd)									
Economic Analysis									
Impact									
Projects ensure continuous operations and support for the terminals' important warfighting mission									
Software									
N/A									

Fund 9C
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Activity Group Capital Investment Justification
Air Force Working Capital Fund
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United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
18	A. Equipment	4.2	0.0	4.2	4.1	0.1	
18	Equipment-AMC	0.5	0.0	0.5	0.3	0.2	
18	Equipment-SDDC	3.7	0.0	3.7	3.9	(0.2)	
18	B. ADPE/Telecomm	27.5	(19.4)	8.1	3.3	4.8	
18	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	0.3	0.0	0.3	0.0	0.3	Requirements on hold due to Cloud Migration efforts.
18	Infostructure	3.1	(3.1)	0.0	0.0	0.0	
18	Int Data Environ/Global Trans Net Converg (IGC)	3.4	(3.4)	0.0	0.0	0.0	Delayed Tech Refresh due to Cloud and Big Data Initiatives.
18	Local Area Network (USTRANSCOM LAN)	1.1	(0.2)	1.0	1.0	0.0	
18	Integrated Multi-Modal Operations (IMMO)	0.5	(0.5)	0.0	0.0	0.0	Reprogrammed to DPS
18	Global Air Transportation Execution System (GATES)	0.0	1.3	1.3	1.3	0.0	Unscheduled Tech Refresh. Requirements are spread over two FYs.
18	Objective Wing Command Post (OWCP)	0.0	1.1	1.1	1.1	0.0	Unscheduled Tech Refresh. Requirements are spread over two FYs.
18	USTRANSCOM Distributive Enclave (USTC DE)	14.6	(14.6)	0.0	0.0	0.0	Reprogram to MAFPS for Release 2 development, OWCP and GATES for Tech Refresh
18	USTRANSCOM Centralized Enclave (USTC CE)	4.5	0.0	4.5	0.0	4.5	Requirements on hold due to migration to the Cloud
18	C. Software Development	74.6	5.5	80.1	75.0	5.1	
18	Agile Trans for the 21st Century (AT21)	1.9	0.0	1.9	1.5	0.5	Contract less than IGCE
18	Analysis of Mobility Platform (AMP)	3.4	0.0	3.4	3.3	0.1	Contract less than IGCE

Fund 9C
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Activity Group Capital Investment Justification
Air Force Working Capital Fund
Transportation Working Capital Fund (TWCF)

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United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
18	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	3.3	(0.3)	3.0	3.0	0.0	
18	Corporate Data Solution (CDS)	1.0	(0.5)	0.5	0.5	0.0	Program gave up Caps for Ops to meet FMR
18	Defense Personal Property System (DPS)	11.7	10.0	21.6	21.6	0.0	Increase for Prototype
18	Infostructure	0.5	0.0	0.5	0.0	0.5	Unexecuted DPO authority
18	Joint Flow & Analysis Sys for Trans (JFAST)	2.4	(0.2)	2.2	2.2	0.0	
18	Local Area Network (USTRANSCOM LAN)	0.0	2.5	2.5	2.5	0.0	
18	Single Mobility System (SMS)	1.3	0.0	1.3	1.2	0.1	
18	Security Engineering	1.2	0.0	1.2	1.2	(0.0)	
18	Joint Mobility Control Group (JMCG-C4S)	0.1	0.0	0.1	0.1	0.0	
18	Integrated Multi-Modal Operations (IMMO)	9.5	(9.5)	0.0	0.0	0.0	Reprogrammed to GATES
18	Consolidated Air Mobility Planning System (CAMPS)	6.9	0.0	6.9	6.9	0.0	Reprogram from GATES
18	Global Air Transportation Execution System (GATES)	3.7	(1.7)	2.0	2.0	0.0	Program gave up SW for HW
18	Mobility Air Forces Flight Planning Service	0.3	10.2	10.5	10.5	0.0	Reprogram from DE for Release 2 development
18	Mobility Enterprise Information Services (MEIS)	10.5	(0.4)	10.2	10.2	0.0	
18	Dynamic Mission Replanning (DMR)	4.3	0.7	5.0	1.0	3.9	Reprogram to DPS for Prototype; Return Caps for Ops per FMR

Fund 9C United States Transportation Command

Fund 9C
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Activity Group Capital Investment Justification
Air Force Working Capital Fund
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United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/Deficiency	Explanation
18	Global Freight Management (GFM)	1.2	(0.0)	1.2	1.2	0.0	
18	Integrated Booking System (IBS)	5.0	(0.0)	5.0	5.0	0.0	
18	Transportation Financial Management System (TFMS)	6.3	(5.2)	1.1	1.1	0.0	
18	D. Minor Construction	6.8	0.0	6.8	4.2	2.6	
18	Minor Construction-AMC	4.4	0.0	4.4	3.1	1.3	
18	Minor Construction-DCD	0.3	0.0	0.3	0.0	0.3	
18	Minor Construction-SDDC	2.1	0.0	2.1	1.1	1.0	
18	TOTAL FY	113.1	(13.9)	99.2	86.6	12.6	

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FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
19	A. Equipment	2.3	0.0	2.3	2.3	0.0	
19	Equipment-AMC	0.5	0.0	0.5	0.5	0.0	
19	Equipment-SDDC	1.8	0.0	1.8	1.8	0.0	
19	B. ADPE/Telecomm	26.1	8.6	34.7	28.2	6.5	
19	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	3.2	(0.0)	3.1	3.1	0.0	
19	Infostructure	2.2	7.7	9.9	9.9	0.0	
19	Local Area Network (USTRANSCOM LAN)	5.0	(0.1)	4.9	4.9	0.0	
19	Objective Wing Command Post (OWCP)	0.0	1.0	1.0	1.0	0.0	Complete the Tech Refresh
19	USTRANSCOM Distributive Enclave (USTC DE)	13.6	0.0	13.6	7.1	6.5	Tech Refresh on hold due to transition to the Cloud
19	Global Surface Distribution Management (GSDM)	0.7	(0.0)	0.7	0.7	0.0	
19	USTRANSCOM Centralized Enclave (USTC CE)	1.5	(0.0)	1.5	1.5	0.0	
19	C. Software Development	72.8	6.4	79.2	78.2	1.0	
19	Analysis of Mobility Platform (AMP)	3.2	(0.0)	3.1	3.1	0.0	Realigned to CCE
19	Distribution Process Owner (DPO) Secure Enclave (DSE)/Common Computing Environment (CCE)	2.8	0.5	3.3	3.3	0.0	Increase in MITRE cost
19	Defense Personal Property System (DPS)	16.6	(0.2)	16.3	16.3	0.0	Anticipate contract to be less than IGCE
19	Infostructure	5.2	(2.6)	2.5	2.5	0.0	Decrease in DPO Requirements

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FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/ Deficiency	Explanation
19	Joint Flow & Analysis Sys for Trans (JFAST)	2.4	(0.0)	2.4	2.4	0.0	
19	Single Mobility System (SMS)	1.6	(0.1)	1.5	1.5	0.0	
19	Security Engineering	6.2	0.0	6.2	6.2	0.0	
19	Integrated Multi-Modal Operations (IMMO)	7.4	1.9	9.4	9.4	0.0	
19	Consolidated Air Mobility Planning System (CAMPS)	8.7	(0.1)	8.6	8.6	0.0	Reprogram to MAFPS
19	Global Air Transportation Execution System (GATES)	3.8	0.0	3.8	2.8	1.0	Requirements on hold due to transition to the Cloud
19	Mobility Air Forces Flight Planning Service	0.0	7.7	7.7	7.7	0.0	Hanscom AFB Sys Engineering/Integration
19	Mobility Enterprise Information Services (MEIS)	5.4	(0.1)	5.4	5.4	0.0	Reprogram to MAFPS
19	Global Freight Management (GFM)	1.0	(0.0)	1.0	1.0	0.0	
19	Integrated Booking System (IBS)	5.1	(0.3)	4.8	4.8	0.0	
19	Transportation Financial Management System (TFMS)	3.5	(0.1)	3.5	3.5	0.0	
19	D. Minor Construction	6.7	0.0	6.7	6.7	0.0	
19	Minor Construction-AMC	3.8	0.0	3.8	3.8	0.0	
19	Minor Construction-SDDC	2.9	0.0	2.9	2.9	0.0	
19	TOTAL FY	107.9	15.0	122.9	115.4	7.5	

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