
AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

**Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003**

**AIR FORCE WORKING CAPITAL FUND
FISCAL YEAR (FY) 2004/FY 2005 BIENNIAL BUDGET ESTIMATES
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AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

SUMMARY

Air Force Working Capital Fund Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates

The FY 2004 - 2005 Air Force Working Capital Funds (AFWCF) Biennial Budget Estimates reflect current execution plans and a number of Air Force initiatives to improve the efficiency and effectiveness of our activities while continuing to meet the needs of the warfighting forces. Successful WCF operations are essential to the Air Force's Global Engagement mission and operation of the Air Expeditionary Force. To this end, we have incorporated changes in business management practices and some known impacts of base closures into the submission.

Activity Group Overview:

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

Air Force Core Competencies:

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

Air Force Initiatives:

Agile Logistics paid dividends for both the business activities and for our customers. We've reduced pipeline times, improved repair processes and reduced primary operating inventory with the development of time definite deliveries through

improved ordering and shipping procedures. Changes in inventory retention policy and initiatives on managing insurance levels will improve our inventory status. Other acquisition reform efforts to streamline contracting, strengthen vendor relationships and expand the use of electronic interchanges are underway in all areas of material management.

In Depot Maintenance, a number of process changes are underway with the intent of reducing cost and improving performance. Standard process improvement tools, e.g. Six Sigma, and Lean Manufacturing, are under review, a return to a centralized maintenance directorate at each Air Logistics Center to maximize economies has been initiated, and updated cost and requirements estimating models are under development. We have also increased our use of industrial engineers to update bills of material and create more efficient repair processes and increased our use of industrial prime vendor contracts to assure timely delivery of materials. Also, in FY03, we will begin transitioning our contract depot maintenance contracts out from under the working capital fund umbrella and return them to direct appropriated funding. This is intended to bring the user and provider of contract depot maintenance services closer together and remove the WCF from its current role of 'middleman'. This will allow our ALC managers to dedicate their time and efforts to organic production. In addition, the Depot Maintenance Accounting and Production System (DMAPS) began implementation at the start of FY 2002. DMAPS will provide more detailed and timely production cost information and move DMAG closer to Chief Financial Officer Act compliance.

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

The Air Force continues to make improvements in our financial and reporting structures through close cooperation with the Office of the Secretary of Defense and the Defense Finance and Accounting Service. We are working on revisions to simplify depot level repair accounting and move to a more accurate historical inventory valuation methodology. AFMC continues to analyze wholesale sales and backorder data on a more real time basis utilizing the Keystone database. The Keystone database allows us to work closely with customers by having the same data at the same time, and it provides automatic identification of discrepancies between the accounting system and the logistics feeder systems from which data is supplied.

Base Realignment and Closure and Public-Private Competition

The San Antonio ALC (SA-ALC) realignment and Sacramento ALC (SM-ALC) closure occurred during FY01. All workloads from those two Centers have transitioned to our three remaining depots and our contractor sources of repair. We experienced

considerable turbulence throughout the transition process as personnel moved within the depot structure and new hires were brought on to replace those who chose not to relocate. The training necessary for both new and seasoned employees to begin accomplishing 'new' workloads was significant. Productivity was clearly affected by the transition, yet we are optimistic that FY03 will see renewed efficiency and customer support.

Supply Management Activity Group (SMAG):

Projected sales estimates reflect changes in operational tempo, business concepts, supply availability, and additional focus on filling backorders.

For FY03, our wholesale division implemented a flat-rate surcharge to reduce the item price volatility from year-to-year. We will continue to focus on filling backorders and improving our performance factors. In addition we will continue to aggressively pursue reducing the impact of our growing parts obsolescence problem associated with aging aircraft support within the Air Force. Currently, nearly 11,000 of our electronic warfare components (about 19%) have no qualified manufacturing or repair source and this number is expected to grow to over 38,000 parts over the next ten years. In addition, other aircraft components, particularly those used on older weapon systems, are also negatively affected by a dearth of manufacturers willing to continue their production and /or repair. The Air Force remains committed to re-engineer these parts for which no suppliers exist and to take a proactive look at parts for which support appears to be disappearing.

Depot Maintenance Activity Group (DMAG):

Depot maintenance continues to see higher material cost driven by the costs of engine parts and higher consumption. In addition, costs associated with the C/KC-135 are higher than expected due to programmed depot maintenance package growth, the ongoing modernization/modification program, aging airframes, and extensive corrosion. Specific areas of the KC-135 have been so impacted by the corrosive effects of aging that in FY04, we will begin wholesale replacement of KC-135 struts as continued repair is no longer a viable option. C-5 competed workload costs have also grown as unexpected critical repair requirements were discovered during programmed depot maintenance. The cumulative effect of these types of cost and workscope changes has been four years of double digit sales rate growth within depot maintenance. While cost control continues to be a focus within the depots, some level of growth associated with the increasing age of our aircraft fleet will not be mitigated until older airframes are retired and the next generation of Air Force aircraft enters operation.

The Air Force has established a Depot Maintenance Reengineering and Transformation Team (DMRT) comprised of eight multi-functional teams to address the health of the depots in terms of workload management, financial management, workforce, materiel support, infrastructure, information technology, organization and metrics. The DMRT team directors briefed the root cause analyses and solutions

developed by these teams to the Secretary of the Air Force and the Chief of Staff of the Air Force for their approval and support in November 2001. Implementation teams are currently at work making sure that the changes approved by the Air Force leadership are instilled and operational as quickly as possible so that benefits may start accruing. The level of commitment expressed by our senior leaders for the goals of the DMRT indicate the collective desire of the Air Force to improve depot maintenance operations and customer support. Commensurate with the goals of the DMRT, the Air Force supported important initiatives and investments in the Air Force FY04 Program Objective Memorandum. These initiatives include formal training programs to develop "maintenance ready" technicians and managers, benchmarking programs to identify industry leaders in various production processes, and personnel related actions to attract and retain critically needed engineers within our depots. Finally, in support of our Depot Maintenance Strategic Plan, the Air Force has dedicated \$150M for the recapitalization of our depots throughout the FYDP. These funds will mainly be used to fund a backlog of facility and equipment projects that will help us develop 'world class' depots. Our customers expect a certain level of support and the Air Force is committed to providing the appropriate tools to provide that support.

Information Services Activity Group (ISAG):

The Air Force Information Services Activity Group (AFISAG) continues to upgrade their processes in order to remain competitive and offer the best possible services to the Air Force and their other customers. The use of the Software Engineering Institute/Capability Maturity Model certification helps to insure the level of competence is comparable to the private industry.

The workforce is being re-structured to optimize the capabilities and capacity of the organization. The AFISAG is striving to achieve the proper proportion of the workforce with the skills needed to fill the customer demand for orders with in-house labor efforts. The use of overhires is another method to allow positions to be filled ahead of the vacancy thus insuring access of direct labor personnel to accomplish user requested programs. This will allow AFISAG to lower their rates due to the increased direct labor hours. These overhires also cover the voids left by the military positions that are deployed or diverted for security reasons. The ISAG has the highest percent of military employees of any of the activity groups within the Air Force, 53% of our direct workforce is military.

In FY02 we changed our accounting system from the Industrial Fund Accounting System (IFAS) to the Defense Working Capital Fund Accounting System (DWAS). This project came in on time and under budget and has been functioning throughout the fiscal year to provide CFO compliant information.

In FY04, the Integrated Digital Environment (IDE) personnel and personnel related to contracting systems workload become capitalized in the ISAG. There are 39 civilian and 5 military authorizations associated with this transfer. The personnel and workload

is transferring because the workload is Central Design Activity work and belongs in the ISAG.

Transportation Working Capital Funds (TWCF):

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

Over 80 percent of USTRANSCOM's cost base is directly associated with the contracts and materials required to meet this need. From FY 1994 to FY 2005, USTRANSCOM productivity initiatives/cost avoidance and organizational streamlining efforts have resulted in savings of over \$1.3B. These productivity and streamlining initiatives are designed to optimize efficiency, effectiveness and customer support without degrading USTRANSCOM's core competencies and readiness posture.

Cash Management:

Our cash on hand at the end of FY 2002 was \$1,323.3 million, which was considerably higher than our FY03PB projected ending balance of \$810M. USTRANSCOM finished the year with a cash balance well above expectations as a result of robust operations in support of the global war on terrorism. Cash balances in other AFWCF activity groups fell at, or below, expectations. Each activity group has taken the appropriate steps to either return profits (and cash) through reduced rates in FY04 or include cash surcharges in FY04 rates to restore operating cash to recommended levels. For FY04, OUSD(C) recommends a cash level of \$756 - \$989 million (7 - 10 days of operating cash). We expect to slightly exceed this target in FY04 and we will reassess our cash position as we develop our FY05 Amended Budget Submission to ensure that our cash balances are sufficient only to meet our operating needs. Our budget request does not plan for any advance billing in FY 2003 through FY 2005.

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

	FY 2002	FY 2003	FY 2004	FY 2005
BOP Cash Balance	\$ 918.5	\$ 1,323.3	\$ 1,290.0	\$ 1,103.1
Disbursements	\$ (21,515.1)	\$ (22,468.9)	\$ (20,633.2)	\$ (21,881.5)
Collections	\$ 21,832.5	\$ 22,542.9	\$ 20,346.1	\$ 22,102.2
Transfers	\$ 87.3	\$ -107.3	\$ 100.3	\$ 31.8
EOP Cash Balance	\$ 1,323.3	\$ 1,290.0	\$ 1,103.1	\$ 1,355.6

AFWCF Total Summary - Financial Highlights

Air Force Working Capital Fund

Fiscal Year (FY) 2004/FY 2005

AFWCF Total Summary
(Dollars in Millions)

Consolidation

Biennial Budget Estimates

February 2003

	2002 AC	2003 AP	2004 R	2005 R
Cost of Goods Sold	19,885.0	20,110.9	18,799.6	19,976.5
Net Operating Results	1,166.4	(127.9)	(143.9)	406.3
Accumulated Operating Results	1,050.8	895.6	681.7	856.6
Civilian End Strength	29,505	29,355	29,810	29,333
Military End Strength	14,311	15,744	16,370	16,235
Civilian Workyears	29,268	29,400	29,743	29,362
Military Workyears	14,016	15,082	15,699	15,539
Capital Budget Program Authority	398.2	381.6	423.3	395.0

Revenues and Expenses
Air Force Working Capital Fund

Fiscal Year (FY) 2004/FY 2005

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(Dollars in Millions)

Consolidation

Biennial Budget Estimates

February 2003

	2002 AC	2003 AP	2004 R	2005 R
Revenue:				
Gross Sales	24,820.192	24,161.442	23,139.656	25,150.064
Operations	24,009.030	23,762.276	22,855.690	24,857.005
Capital Surcharge	0.000	0.000	0.000	0.000
Depreciation exc Maj Const	198.300	198.200	197.300	204.700
Major Construction Dep	15.862	16.666	16.666	18.359
Cash Surcharge	50.000	75.000	70.000	70.000
Other Income	848.520	826.978	272.987	248.753
Refunds/Discounts	2,820.902	2,911.025	3,265.802	3,495.494
Total Income:	22,300.810	21,968.095	20,146.841	21,903.323
Expenses:				
Cost of Materiel Sold from Inv	7,136.934	7,753.291	8,077.543	8,885.935
Mobilization	29.786	23.956	31.051	31.760
Full Cost Recovery	0.000	0.000	0.000	0.000
Lean Logistics	0.000	0.000	0.000	0.000
Inventory Gains/Losses	(36.230)	(24.818)	0.000	0.000
Inventory Maintenance	0.000	0.000	0.000	0.000
Salaries and Wages:				
Military Personnel Compensation & Benefits	99.345	100.353	89.931	91.527
Civilian Personnel Compensation & Benefits	1,852.674	1,883.251	1,963.157	1,991.877
Travel & Transportation of Personnel	220.859	141.493	117.361	121.015
Materials & Supplies (For internal Operations)	3,623.702	3,624.792	3,771.256	4,160.752
Equipment	67.208	78.788	94.114	106.743
Other Purchases from Revolving Funds	1,082.957	1,450.674	1,434.470	1,528.180
Transportation of Things	225.988	102.751	103.900	106.473
Depreciation - Capital	336.942	394.535	405.332	416.234
Printing and Reproduction	5.837	8.988	9.331	9.185
Advisory and Assistance Services	70.470	71.372	72.937	74.136
Rent, Communication, Utilities, & Misc. Charges	80.711	82.140	96.594	102.708
Other Purchased Services	6,276.418	5,195.230	3,398.851	3,398.389
Other Expenses	297.269	729.813	266.512	243.241
Total Expenses	21,370.870	21,616.609	19,932.340	21,268.155
Change in Work in Process	202.055	(338.067)	(383.301)	(258.595)
Operating Result	1,131.995	13.419	(168.800)	376.573
Less Capital Surcharge Reservation	0.000	0.000	(37.690)	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	0.111	68.527	0.000
Other Adjustments (NOR)	34.437	(141.421)	(5.970)	29.770
Mobilization	29.786	23.956	31.051	31.760
Other Changes	4.651	(165.377)	(37.021)	(1.990)
Net Operating Result (Calculation)	1,166.432	(127.891)	(143.933)	406.343
Net Operating Result (1307 Report)	1,674.971	(127.891)	(143.933)	406.343
Prior Year Adjustments	20.470	0.000	0.000	0.000
Other Changes (AOR)	0.338	(2.254)	(0.005)	0.000
Prior Year AOR	(136.449)	1,050.791	895.646	681.708
Accumulated Operating Result	1,559.330	920.646	751.708	1,088.051
Non-Recoverable Adjustment (AOR)	508.539	25.000	70.000	231.486
Accumulated Operating Result for Bdgt Purposes	1,050.791	895.646	681.708	856.565

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AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

OPERATING BUDGET

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**Air Force Working Capital Fund
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates
Supply Management Activity Group**

Activity Group Overview

The Air Force Supply Management Activity Group (SMAG) was incorporated into the Air Force Working Capital Fund effective 11 Dec 1996. During Fiscal Year 2001, the Supply Management Activity Group consisted of five diverse wholesale and retail divisions: Material Support, General Support, Medical-Dental, Fuels, and United States Air Force Academy. Effective with the Beginning of Fiscal Year 2002, the Fuels Division transferred to the Defense Energy Support Center (DESC) as directed by DoD.

The Supply Management Activity Group manages over 1.7 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. The Air Force Supply Management Activity Group is an equal partner in the support of combat readiness for all customers by procuring critical material and making repair parts available for sale to authorized customers.

The Air Force Supply Management Activity Group generates revenue from sales of various supplies to a variety of customers. The primary customers are Air Force Operations and Maintenance, Air Force Reserve, Air National Guard, Foreign Military Sales, Army, Navy and other non-DoD activities, as well as other working capital funds, such as Depot Maintenance.

Division Overviews

Wholesale Activities

The Material Support Division (MSD) manages over 126,000 depot level reparable (DLR) and consumable items for which the Air Force is the Inventory Control Point (ICP). The Air Force Materiel Command procures the inventory items and all inventory items are generally weapon system related. The Supply Management Activity Group provides cost visibility related to wholesale inventory control point operations (including cataloging and standardization) in support of the MSD. MSD accumulates the costs for civilian and military labor, travel, supplies, expendable equipment, and contractual services. Additionally, this division recovers capital asset depreciation for funding future capital investments. Also, MSD accumulates the expenses for reimbursable services provided by the Defense Logistics Agency (DLA), Defense Logistics Information Services (DLIS), Defense Finance and Accounting Service (DFAS), Defense Reutilization and Marketing Service (DRMS), Defense Information Systems Agency (DISA), and AF Operation and Maintenance - Base Operating Support.

Increased deployments since 1990, aging aircraft, problems in funding spares through most of the 1990s, and low retention of maintenance technicians in recent years have combined and caused a drop in Air Force mission capable (MC) rates from 79.2% in FY 1994 to a low of 72.7% in FY2001. Improved funding and depot surge activity has provided increase aircraft support during FY02 providing us the ability to improve the mission capable rate to 75.7% for FY02. In addition to MC rates improving, we have also have improved spare parts availability, improving our non-mission capable rates relating to supply (NMCS) from a low 14.3% in FY00 to 11.7% in FY02. These efforts were primarily funding based, including the FY99 Bowwave funding (381 Million) which allowed the Air Force to purchase much needed engine components, Kosovo reconstitution funding, and an Air Force decision to provide funding to replace condemned spares.

Retail Activities

The **General Support Division** (GSD) finances the Air Force retail inventory and issue requirements for all non-Air Force managed items other than those pertaining to medical requirements. The GSD customers use the majority of items to support field and depot maintenance of aircraft, ground and airborne communication and electronic systems, as well as other sophisticated systems and equipment. The General Support Division also manages many items related to installation, maintenance, and administrative functions. For fiscal year 2004, the number of different items managed by General Support Division is over 1,502,453.

The Surgeon General of the Air Force is responsible for the overall management of the **Medical-Dental Division**. The AF assigned the central financial and material management functions to the Air Force Medical Logistics Office at Frederick, Maryland. The division manages 3,270 different items through 91 outlets, of which 69 are in the CONUS. The Medical-Dental Division has a War Reserve Material requirement for prepositioned medical supplies and equipment vital to support forces in combat pending resupply. It reduces the demand for high priority transportation and ensures a rapid go-to-war capability.

The **Air Force Academy Division** finances the purchase of uniforms and uniform accessories for sale to cadets in accordance with regulations of the Air Force Academy and related statutes. The customer base consists of over 4,000 cadets who receive distinctive uniforms procured from various manufacturing contractors located coast to coast.

Revenue, Expenses and Items Managed

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

(\$ Millions)	FY2002	FY2003	FY2004	FY2005
Revenue	\$ 8,596.4	\$ 9,665.9	\$ 9,826.5	\$ 10,592.3
Expenses	8,420.8	9,597.0	9,593.6	10436.2
Operating Result	175.6	68.8	232.9	156.1
Net Operating Results	204.6	88.8	264.0	187.9
Accumulated Operating Results	\$ 316.0	\$ 404.7	\$ 668.7	\$ 856.6

Military and Civilian End Strength

Civilian and Military End Strength, Full Time Equivalents and Workyears are only applicable to the Material Support and Fuels Divisions.

	FY2002	FY2003	FY 2004	FY 2005
Civilian End Strength	2,225	2,188	2,490	2,501
Civilian Full Time Equivalents	2,174	2,190	2,462	2,496
Military End Strength	60	60	60	60
Military Workyears	60	60	60	60

Customer Price Change (%)

Division	FY 2002	FY 2003	FY 2004	FY 2005
Material Support	10.60	10.3	18.27	10.28
General Support	2.90	3.09	10.76	3.15
Medical-Dental	1.04	2.20	-2.03	-0.24
Academy	0.41	2.92	1.74	2.03

Stockage Effectiveness

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

Division	FY 2002	FY 2003	FY 2004	FY 2005
Material Support	73%	74%	75%	77%
General Support	87%	87%	87%	87%
Medical-Dental	94%	95%	95%	95%
Academy	97%	97%	97%	97%

Item Quantity Requirements

Item	FY 2002	FY 2003	FY 2004
Number of Issues (1)	5,833,052	5,948,424	5,966,224
Number of Receipts (1)	2,909,728	2,982,005	2,995,482
Number of Requisitions (1)	2,806,584	2,871,855	2,885,591
Contracts Executed (1,2)	7,384	6,892	6,515
Purchase Inflation (3)	0.9%	1.1%	1.5%
Supply Material Availability			
MSD	72.9%	74.4%	75.4%
GSD	87.0%	87.0%	87.0%
Med /Dent	94.0%	95.0%	95.0%
ACADEMY	97.0%	97.0%	97.0%

Note:

- (1) Excludes Med/Dent information - AF Med Log system is unable to generate requested information. Will be included when Defense Medical Logistical Standard System (DMLSS) to be deployed defense wide in FY06.
- (2) Excludes MSD - current contracting system cannot distinguish MSD funding if multiple fund citations used on a contract.
- (3) Standard Inflation used

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

Fiscal Year (FY) 2004/FY 2005
 Biennial Budget Estimates
 February 2003

SM1
 (Dollars in Millions)

2002 AC DIVISION	NET		COST TARGETS				TOTAL	COMMITMENT TARGET	TARGET TOTAL
	PEACETIME INVENTORY	CUSTOMER ORDERS	NET SALES	OPERATING	MOBILIZATION	OTHER			
Supply Management Activity Group									
ICP Retail Summary									
GSD	1,370.802	2,148.004	2,116.916	2,205.480	0.000	0.000	2,205.480	564.025	2,769.505
Med/Dent	28.245	900.891	825.784	762.450	29.786	0.000	792.236	190.565	982.801
Academy	3.401	5.100	5.100	5.100	0.000	0.000	5.100	1.300	6.400
Subtotal	1,402.448	3,053.995	2,947.800	2,973.030	29.786	0.000	3,002.816	755.890	3,758.706
ICP Wholesale Summary									
MSD	24,180.562	5,296.841	5,347.119	5,173.970	0.000	798.115	5,972.085	1,293.493	7,265.578
Subtotal	24,180.562	5,296.841	5,347.119	5,173.970	0.000	798.115	5,972.085	1,293.493	7,265.578
Component Total	25,583.010	8,350.836	8,294.919	8,147.000	29.786	798.115	8,974.901	2,049.383	11,024.284

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

Fiscal Year (FY) 2004/FY 2005
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SM1
 (Dollars in Millions)

2003 AP DIVISION	NET		COST TARGETS				TOTAL	COMMITMENT TARGET	TARGET TOTAL
	PEACETIME INVENTORY	CUSTOMER ORDERS	NET SALES	OPERATING	MOBILIZATION	OTHER			
Supply Management Activity Group									
ICP Retail Summary									
GSD	1,318.842	2,037.185	2,088.079	2,088.079	0.000	0.000	2,088.079	555.647	2,643.726
Med/Dent	19.673	937.934	932.957	932.957	23.956	0.000	956.913	215.298	1,172.211
Academy	3.320	5.200	5.200	5.200	0.000	0.000	5.200	1.300	6.500
Subtotal	1,341.835	2,980.319	3,026.236	3,026.236	23.956	0.000	3,050.192	772.245	3,822.437
ICP Wholesale Summary									
MSD	24,586.356	6,024.760	5,921.948	6,568.911	0.000	309.322	6,878.233	1,642.228	8,520.461
Subtotal	24,586.356	6,024.760	5,921.948	6,568.911	0.000	309.322	6,878.233	1,642.228	8,520.461
Component Total	25,928.191	9,005.079	8,948.184	9,595.147	23.956	309.322	9,928.425	2,414.473	12,342.898

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

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

SM1
(Dollars in Millions)

2004 R DIVISION	NET		COST TARGETS				TOTAL	COMMITMENT TARGET	TARGET TOTAL
	PEACETIME INVENTORY	CUSTOMER ORDERS	NET SALES	OPERATING	MOBILIZATION	OTHER			
Supply Management Activity Group									
ICP Retail Summary									
GSD	1,105.208	2,363.745	2,379.022	2,379.022	0.000	0.000	2,379.022	631.096	3,010.118
Med/Dent	21.281	812.430	785.321	785.321	31.051	0.000	816.372	181.228	997.600
Academy	3.205	5.400	5.400	5.400	0.000	0.000	5.400	1.350	6.750
Subtotal	1,129.694	3,181.575	3,169.743	3,169.743	31.051	0.000	3,200.794	813.674	4,014.468
ICP Wholesale Summary									
MSD	25,039.891	6,440.893	6,390.388	6,266.623	0.000	381.511	6,648.134	1,566.656	8,214.790
Subtotal	25,039.891	6,440.893	6,390.388	6,266.623	0.000	381.511	6,648.134	1,566.656	8,214.790
Component Total	26,169.585	9,622.468	9,560.131	9,436.366	31.051	381.511	9,848.928	2,380.330	12,229.258

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

Fiscal Year (FY) 2004/FY 2005
 Biennial Budget Estimates
 February 2003

SM1
 (Dollars in Millions)

2005 R DIVISION	NET		COST TARGETS					COMMITMENT TARGET	TARGET TOTAL
	PEACETIME INVENTORY	CUSTOMER ORDERS	NET SALES	OPERATING	MOBILIZATION	OTHER	TOTAL		
Supply Management Activity Group									
ICP Retail Summary									
GSD	913.451	2,372.093	2,384.486	2,384.466	0.000	0.000	2,384.466	632.984	3,017.450
Med/Dent	19.221	908.961	865.615	865.615	31.760	0.000	897.375	199.757	1,097.132
Academy	3.124	5.400	5.400	5.400	0.000	0.000	5.400	1.350	6.750
Subtotal	935.796	3,286.454	3,255.501	3,255.481	31.760	0.000	3,287.241	834.091	4,121.332
ICP Wholesale Summary									
MSD	25,517.296	7,131.920	7,088.139	6,857.309	0.000	315.714	7,173.023	1,714.327	8,887.350
Subtotal	25,517.296	7,131.920	7,088.139	6,857.309	0.000	315.714	7,173.023	1,714.327	8,887.350
Component Total	26,453.092	10,418.374	10,343.640	10,112.790	31.760	315.714	10,460.264	2,548.418	13,008.682

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

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

SM-3B
(Dollars in Millions)

2002	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCSR¹
A-10	12.846	4.996	17.842	0.288	88.355	106.485	12.9%
B-1B	40.249	15.652	55.901	9.470	156.416	221.787	21.1%
B-2	23.993	9.331	33.324	6.458	26.310	66.092	5.6%
B-52	30.447	11.841	42.288	1.783	67.642	111.713	10.7%
C-5	110.951	43.148	154.099	0.000	202.403	356.502	17.5%
C-130	38.180	14.848	53.028	1.837	188.791	243.656	13.0%
C-135	32.921	12.803	45.724	25.161	153.832	224.717	9.8%
C-141	0.535	0.208	0.743	0.000	25.263	26.006	14.0%
E-3	29.362	11.418	40.780	6.324	60.687	107.791	9.4%
E-4	0.000	0.000	0.000	0.000	0.138	0.138	11.7%
E-8	0.000	0.000	0.000	0.000	0.000	0.000	4.9%
F-4	0.740	0.288	1.028	0.000	8.576	9.604	0.0%
F-15	129.653	50.420	180.073	7.320	326.248	513.641	9.6%
F-16	42.903	16.685	59.588	50.148	191.404	301.140	12.0%
F100 ENGINES	278.382	108.260	386.642	0.000	566.763	953.405	
F110 ENGINES	88.742	34.511	123.253	0.000	164.903	288.156	
F-22	0.000	0.000	0.000	0.000	0.000	0.000	
F-111	0.013	0.005	0.018	0.000	0.231	0.249	0.0%
F-117	0.006	0.002	0.008	0.000	0.049	0.057	4.1%
H-1	0.893	0.347	1.240	0.000	3.716	4.956	0.0%
H-53	8.945	3.479	12.424	0.000	32.442	44.866	11.0%
H-60	0.575	0.223	0.798	0.000	3.810	4.608	17.5%
TRAINERS	19.987	7.773	27.760	0.000	26.966	54.726	4.1%
OTHER A/C	4.738	1.843	6.581	3.569	5.826	15.976	5.5%
SOF	1.689	0.657	2.346	0.000	14.247	16.593	10.2%
COMMON	31.558	12.272	43.830	0.098	260.168	304.096	
COMMON EW	11.211	4.360	15.571	0.769	63.594	79.934	
MISSILES	13.948	5.424	19.372	0.775	22.439	42.586	
OTHER	0.000	0.000	0.000	0.000	67.726	67.726	
NIMSC5	0.000	0.000	0.000	0.000	122.748	122.748	
TOTAL	953.468	370.793	1,324.261	114.000	2,728.945	4,167.206	

¹NMCSR - Not Mission Capable Supply Rate is the percentage of time a weapons system is down for parts. Assuming no other factors impact aircraft availability, then the aircraft availability is computed 1 minus NMCSR. NMCSR is computed only for weapon systems. NMCSR is not computed for weapon system parts; such as engines.

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

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

SM-3B
(Dollars in Millions)

2003	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCSR¹
A-10	30.767	11.965	42.732	0.519	134.142	177.393	12.9%
B-1B	54.577	21.224	75.801	8.028	145.991	229.820	21.1%
B-2	38.901	15.128	54.029	2.000	40.654	96.683	5.6%
B-52	56.915	22.134	79.049	0.000	75.948	154.997	10.7%
C-5	132.914	51.689	184.603	0.000	203.170	387.773	17.5%
C-130	75.288	29.278	104.566	1.953	203.909	310.428	13.0%
C-135	69.714	27.111	96.825	19.752	193.368	309.945	9.8%
C-141	1.977	0.769	2.746	0.000	19.484	22.230	14.0%
E-3	27.700	10.772	38.472	6.570	47.124	92.166	9.4%
E-4	0.059	0.023	0.082	0.000	0.115	0.197	11.5%
E-8	0.000	0.000	0.000	0.000	0.000	0.000	4.9%
F-4	2.001	0.778	2.779	0.000	4.138	6.917	4.2%
F-15	194.388	75.596	269.984	5.265	349.506	624.755	9.6%
F-16	100.104	38.930	139.034	28.567	230.854	398.455	12.0%
F100 ENGINES	405.541	157.710	563.251	0.000	669.479	1,232.730	
F110 ENGINES	161.039	62.626	223.665	0.000	143.046	366.711	
F-22	0.000	0.000	0.000	0.000	0.000	0.000	
F-111	0.842	0.328	1.170	0.000	0.248	1.418	0.0%
F-117	0.011	0.004	0.015	0.000	0.036	0.051	4.1%
H-1	0.664	0.258	0.922	0.000	3.967	4.889	0.0%
H-53	16.981	6.604	23.585	0.000	35.682	59.267	13.6%
H-60	1.701	0.662	2.363	0.000	2.851	5.214	23.3%
TRAINERS	31.604	12.290	43.894	0.000	34.809	78.703	4.1%
OTHER A/C	3.719	1.446	5.165	4.110	4.690	13.965	5.5%
SOF	9.068	3.527	12.595	0.000	18.686	31.281	10.3%
COMMON	113.958	44.317	158.275	0.000	284.771	443.046	
COMMON EW	15.030	5.845	20.875	0.823	61.572	83.270	
MISSILES	42.468	16.515	58.983	0.348	24.915	84.246	
OTHER	78.897	30.682	109.579	16.981	165.804	292.364	
NIMSC5	0.000	0.000	0.000	0.000	154.793	154.793	
TOTAL	1,666.828	648.211	2,315.039	94.916	3,253.752	5,663.707	

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

2004	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCSR ¹
A-10	22.348	8.691	31.039	1.209	145.454	177.702	14.3%
B-1B	40.858	15.889	56.747	41.190	160.064	258.001	22.4%
B-2	43.778	17.025	60.803	2.000	47.083	109.886	6.4%
B-52	42.862	16.669	59.531	2.607	85.729	147.867	11.8%
C-5	104.055	40.466	144.521	0.000	227.050	371.571	18.7%
C-130	61.243	23.817	85.060	1.953	223.812	310.825	14.3%
C-135	76.886	29.900	106.786	18.611	242.068	367.465	10.6%
C-141	0.649	0.252	0.901	0.000	15.108	16.009	15.5%
E-3	26.690	10.379	37.069	6.405	39.345	82.819	10.1%
E-4	0.000	0.000	0.000	0.000	0.121	0.121	11.0%
E-8	0.000	0.000	0.000	0.000	0.000	0.000	4.9%
F-4	0.624	0.242	0.866	0.000	4.793	5.659	5.6%
F-15	129.772	50.467	180.239	14.404	377.394	572.037	10.7%
F-16	51.921	20.192	72.113	43.794	276.303	392.210	13.1%
F100 ENGINES	303.439	118.004	421.443	0.000	612.234	1,033.677	
F110 ENGINES	136.781	53.192	189.973	0.000	160.697	350.670	
F-22	0.000	0.000	0.000	0.000	0.000	0.000	
F-111	0.000	0.000	0.000	0.000	0.260	0.260	0.0%
F-117	0.007	0.003	0.010	0.000	0.057	0.067	4.9%
H-1	2.717	1.056	3.773	0.000	5.640	9.413	0.0%
H-53	9.730	3.784	13.514	0.000	37.581	51.095	12.7%
H-60	1.265	0.492	1.757	0.000	3.344	5.101	26.8%
TRAINERS	23.316	9.067	32.383	0.000	32.209	64.592	5.0%
OTHER A/C	1.857	0.722	2.579	1.518	5.745	9.842	6.0%
SOF	7.363	2.863	10.226	0.000	20.539	30.765	11.4%
COMMON	83.850	32.608	116.458	0.000	313.170	429.628	
COMMON EW	11.462	4.458	15.920	0.000	68.946	84.866	
MISSILES	21.642	8.416	30.058	14.114	22.465	66.637	
OTHER	44.277	17.219	61.496	2.242	175.564	239.302	
NIMSC5	0.000	0.000	0.000	0.000	154.063	154.063	
TOTAL	1,249.391	485.874	1,735.265	150.047	3,456.838	5,342.150	

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

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

SM-3B
(Dollars in Millions)

2005	Rep Buy	Con Buy	Total Buy	Initial Spares	Repair	Total	NMCSR¹
A-10	22.683	8.821	31.504	4.403	173.183	209.090	14.9%
B-1B	39.035	15.180	54.215	4.156	196.106	254.477	23.2%
B-2	44.829	17.433	62.262	2.000	63.652	127.914	6.9%
B-52	43.759	17.018	60.777	2.958	94.890	158.625	12.3%
C-5	106.068	41.248	147.316	0.000	283.715	431.031	19.4%
C-130	62.182	24.182	86.364	1.953	254.596	342.913	14.9%
C-135	78.594	30.565	109.159	10.937	308.370	428.466	11.5%
C-141	0.663	0.258	0.921	0.000	10.255	11.176	16.1%
E-3	27.122	10.548	37.670	9.567	52.574	99.811	10.8%
E-4	0.000	0.000	0.000	0.000	0.148	0.148	7.9%
E-8	0.000	0.000	0.000	0.000	0.000	0.000	6.9%
F-4	0.629	0.244	0.873	0.000	6.060	6.933	0.0%
F-15	132.142	51.388	183.530	6.521	414.366	604.417	11.2%
F-16	53.080	20.642	73.722	16.749	317.689	408.160	13.7%
F100 ENGINES	310.520	120.758	431.278	0.000	721.942	1,153.220	
F110 ENGINES	140.085	54.477	194.562	0.000	184.971	379.533	
F-22	0.000	0.000	0.0	0.000	0.000	0.000	
F-111	0.000	0.000	0.000	0.000	0.305	0.305	0.0%
F-117	0.000	0.000	0.000	0.000	0.045	0.045	4.9%
H-1	2.744	1.067	3.811	0.000	6.146	9.957	0.0%
H-53	8.693	3.380	12.073	0.000	32.222	44.295	3.1%
H-60	0.600	0.233	0.833	0.000	3.673	4.506	4.6%
TRAINERS	23.875	9.285	33.160	0.000	33.330	66.490	5.0%
OTHER A/C	1.902	0.739	2.641	0.987	6.837	10.465	6.3%
SOF	4.805	1.869	6.674	0.000	22.814	29.488	11.9%
COMMON	78.853	30.665	109.518	0.000	362.623	472.141	
COMMON EW	11.511	4.476	15.987	0.000	83.975	99.962	
MISSILES	22.144	8.611	30.755	5.573	26.781	63.109	
OTHER	41.380	16.092	57.472	2.328	189.872	249.672	
NIMSC5	0.000	0.000	0.000	0.000	138.917	138.917	
TOTAL	1,257.895	489.182	1,747.077	68.132	3,990.057	5,805.266	

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

Fiscal Year (FY) 2004/FY 2005

SM4
(Dollars in Millions)

Biennial Budget Estimates
February 2003

2002 AC	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	26,502.298	1,213.060	20,446.783	4,842.455
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount	(70.972)	(3.381)	(66.138)	(1.453)
c. Inventory Reclassified and Repriced	26,431.326	1,209.679	20,380.645	4,841.002
3. Receipts at Standard	4,165.670	125.473	3,768.131	272.066
4. Gross Sales w/ Surcharge	11,098.360	197.189	9,373.206	1,527.965
5. Inventory Adjustments				
a. Capitalizations + or (-)	162.297	22.348	136.969	2.980
b. Returns from Customers for Credit +	2,809.601	65.615	2,235.552	508.434
c. Returns from Customers w/o Credit	15,392.734	378.034	12,050.251	2,964.449
d. Returns to Suppliers (-)	(122.075)	(3.144)	(21.139)	(97.792)
e. Transfers to Property Disposal (-)	(1,044.233)	(118.598)	(489.432)	(436.203)
f. Issues/Receipts w/o Reimbursement	(431.704)	(9.254)	(265.058)	(157.392)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(8.872)	(3.538)	(3.398)	(1.936)
2. Discounts on Returns	(40.983)	(0.357)	(11.411)	(29.215)
3. Trade-ins	(7.615)	(4.264)	(1.072)	(2.279)
4. Loss from Disaster	0.017	0.000	0.013	0.004
5. Assembly/Disassembly	(13,482.154)	(332.015)	(10,579.295)	(2,570.844)
6. Physical Inventory Adj	(163.597)	(3.067)	(128.499)	(32.031)
7. Accounting Adjustments	5,529.890	202.641	4,045.430	1,281.819
8. Shipment Discrepancies	26.651	2.777	(12.724)	36.598
9. Other Gains/Losses	(1,266.890)	(66.893)	(949.498)	(250.499)
10. Strata Transfers	(0.454)	0.000	(0.454)	0.000
11. Strata Transfers in Transit	0.009	0.000	0.009	0.000
12. Other Adjustments - Total	(9,413.998)	(204.716)	(7,640.899)	(1,568.383)
h. Total Inventory Adjustments	7,352.622	130.285	6,006.244	1,216.093
6. Inventory EOP	26,851.258	1,268.248	20,781.814	4,801.196
7. Inventory EOP, Revalued (LAC, Discounted)	26,851.258	1,268.248	20,781.814	4,801.196
a. Economic Retention (Memo)	3,065.728	0.000	0.000	3,065.728
b. Contingency Retention (Memo)	1,412.188	0.000	0.000	1,412.188
c. Potential DOD Reutilization (Memo)	314.242	0.000	0.000	314.242
8. Inventory on Order at Cost EOP (Memo)	4,008.051	95.013	3,205.086	707.952

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

Fiscal Year (FY) 2004/FY 2005

SM4 Biennial Budget Estimates
(Dollars in Millions) February 2003

2003 AP	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	26,851.258	1,268.248	20,781.814	4,801.196
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount	360.485	2.797	278.234	79.454
c. Inventory Reclassified and Repriced	27,211.743	1,271.045	21,060.048	4,880.650
3. Receipts at Standard	4,631.399	175.443	4,154.608	301.348
4. Gross Sales w/ Surcharge	11,847.609	213.946	9,975.852	1,657.811
5. Inventory Adjustments				
a. Capitalizations + or (-)	16.745	3.237	13.541	(0.033)
b. Returns from Customers for Credit +	2,911.025	68.228	2,314.119	528.678
c. Returns from Customers w/o Credit	15,633.900	384.228	12,253.386	2,996.286
d. Returns to Suppliers (-)	(132.309)	(2.811)	(18.078)	(111.420)
e. Transfers to Property Disposal (-)	(713.689)	(66.176)	(359.805)	(287.708)
f. Issues/Receipts w/o Reimbursement	(457.876)	(9.731)	(279.547)	(168.598)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(5.115)	(1.553)	(2.832)	(0.730)
2. Discounts on Returns	(43.121)	(0.363)	(11.579)	(31.179)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	0.017	0.000	0.014	0.003
5. Assembly/Disassembly	(13,710.500)	(337.027)	(10,758.914)	(2,614.559)
6. Physical Inventory Adj	(170.255)	(3.915)	(133.580)	(32.760)
7. Accounting Adjustments	5,287.987	130.278	3,849.550	1,308.159
8. Shipment Discrepancies	(14.452)	(0.265)	(51.426)	37.239
9. Other Gains/Losses	(1,274.860)	(1.879)	(1,006.528)	(266.453)
10. Strata Transfers	(0.051)	0.000	(0.051)	0.000
11. Strata Transfers in Transit	0.010	0.000	0.010	0.000
12. Other Adjustments - Total	(9,930.340)	(214.724)	(8,115.336)	(1,600.280)
h. Total Inventory Adjustments	7,327.456	162.251	5,808.280	1,356.925
6. Inventory EOP	27,322.989	1,394.793	21,047.084	4,881.112
7. Inventory EOP, Revalued (LAC, Discounted)	27,322.989	1,394.793	21,047.084	4,881.112
a. Economic Retention (Memo)	3,131.180	0.000	0.000	3,131.180
b. Contingency Retention (Memo)	1,448.885	0.000	0.000	1,448.885
c. Potential DOD Reutilization (Memo)	293.177	0.000	0.000	293.177
8. Inventory on Order at Cost EOP (Memo)	4,308.086	102.419	3,449.043	756.624

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

Fiscal Year (FY) 2004/FY 2005

SM4 Biennial Budget Estimates
(Dollars in Millions) February 2003

2004 R	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	27,322.989	1,394.793	21,047.084	4,881.112
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount	361.928	(1.339)	282.583	80.684
c. Inventory Reclassified and Repriced	27,684.917	1,393.454	21,329.667	4,961.796
3. Receipts at Standard	4,629.974	163.845	4,152.740	313.389
4. Gross Sales w/ Surcharge	12,820.170	233.952	10,773.386	1,812.832
5. Inventory Adjustments				
a. Capitalizations + or (-)	21.549	4.296	17.286	(0.033)
b. Returns from Customers for Credit +	3,265.802	76.707	2,594.713	594.382
c. Returns from Customers w/o Credit	15,905.271	390.759	12,467.269	3,047.243
d. Returns to Suppliers (-)	(135.530)	(2.422)	(19.687)	(113.421)
e. Transfers to Property Disposal (-)	(719.063)	(57.175)	(372.684)	(289.204)
f. Issues/Receipts w/o Reimbursement	(462.572)	(9.896)	(281.338)	(171.338)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(4.427)	(0.803)	(2.881)	(0.743)
2. Discounts on Returns	(43.882)	(0.369)	(11.776)	(31.737)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	0.018	0.000	0.014	0.004
5. Assembly/Disassembly	(13,942.346)	(341.706)	(10,939.284)	(2,661.356)
6. Physical Inventory Adj	(172.121)	(2.981)	(135.823)	(33.317)
7. Accounting Adjustments	5,725.048	139.537	4,204.221	1,381.290
8. Shipment Discrepancies	(14.233)	0.280	(51.042)	36.529
9. Other Gains/Losses	(1,261.309)	(32.290)	(961.254)	(267.765)
10. Strata Transfers	(0.050)	0.000	(0.050)	0.000
11. Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other Adjustments - Total	(9,713.302)	(238.332)	(7,897.875)	(1,577.095)
h. Total Inventory Adjustments	8,162.155	163.937	6,507.684	1,490.534
6. Inventory EOP	27,656.876	1,487.284	21,216.705	4,952.887
7. Inventory EOP, Revalued (LAC, Discounted)	27,656.876	1,487.284	21,216.705	4,952.887
a. Economic Retention (Memo)	3,254.858	0.000	0.000	3,254.858
b. Contingency Retention (Memo)	1,536.802	0.000	0.000	1,536.802
c. Potential DOD Reutilization (Memo)	103.117	0.000	0.000	103.117
8. Inventory on Order at Cost EOP (Memo)	4,852.614	111.262	3,900.752	840.600

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

Fiscal Year (FY) 2004/FY 2005

SM4 Biennial Budget Estimates
(Dollars in Millions) February 2003

2005 R	Total	Mobil	Peacetime Operating	Peacetime Other
1. Inventory BOP	27,656.876	1,487.284	21,216.705	4,952.887
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	0.000	0.000	0.000	0.000
b. Price Change Amount	368.632	(1.358)	287.818	82.172
c. Inventory Reclassified and Repriced	28,025.508	1,485.926	21,504.523	5,035.059
3. Receipts at Standard	4,952.243	104.037	4,498.877	349.329
4. Gross Sales w/ Surcharge	13,838.780	256.719	11,592.815	1,989.246
5. Inventory Adjustments				
a. Capitalizations + or (-)	19.857	3.355	16.536	(0.034)
b. Returns from Customers for Credit +	3,495.494	82.305	2,775.432	637.757
c. Returns from Customers w/o Credit	16,170.010	397.402	12,673.543	3,099.065
d. Returns to Suppliers (-)	(142.291)	(5.034)	(21.801)	(115.456)
e. Transfers to Property Disposal (-)	(739.549)	(39.544)	(409.281)	(290.724)
f. Issues/Receipts w/o Reimbursement	(473.702)	(10.064)	(289.262)	(174.376)
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(14.239)	(10.555)	(2.928)	(0.756)
2. Discounts on Returns	(44.658)	(0.376)	(11.976)	(32.306)
3. Trade-ins	0.000	0.000	0.000	0.000
4. Loss from Disaster	0.017	0.000	0.014	0.003
5. Assembly/Disassembly	(14,185.665)	(355.133)	(11,126.322)	(2,704.210)
6. Physical Inventory Adj	(176.079)	(4.048)	(138.147)	(33.884)
7. Accounting Adjustments	6,249.950	152.855	4,627.980	1,469.115
8. Shipment Discrepancies	(14.942)	(0.274)	(51.895)	37.227
9. Other Gains/Losses	(1,355.253)	(69.369)	(1,010.858)	(275.026)
10. Strata Transfers	(0.085)	0.000	(0.085)	0.000
11. Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other Adjustments - Total	(9,540.954)	(286.900)	(7,714.217)	(1,539.837)
h. Total Inventory Adjustments	8,788.865	141.520	7,030.950	1,616.395
6. Inventory EOP	27,927.836	1,474.764	21,441.535	5,011.537
7. Inventory EOP, Revalued (LAC, Discounted)	27,927.836	1,474.764	21,441.535	5,011.537
a. Economic Retention (Memo)	3,316.914	0.000	0.000	3,316.914
b. Contingency Retention (Memo)	1,566.102	0.000	0.000	1,566.102
c. Potential DOD Reutilization (Memo)	105.083	0.000	0.000	105.083
8. Inventory on Order at Cost EOP (Memo)	5,690.638	121.325	4,645.274	924.039

**FY 2002 War Reserve Material (WRM) Stockpile
Air Force Supply Management Activity Group (SMAG)
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates**

(Dollars in millions)

STOCKPILE STATUS			
	Total	WRM Protected	WRM Other
1. Inventory BOP @ Std	1,213.060	610.880	602.180
2. Price Change	-3.381	-3.381	0.000
3. Reclassification	1,209.679	607.499	602.180
4. Inventory Changes			
a. Receipts @ Std			
(1). Purchases	125.473	95.870	29.603
(2). Returns from customers	65.844	0.229	65.615
b. Issues @ Std			
(1). Sales	-197.189	0.000	-197.189
(2). Returns to suppliers	-3.144	-2.494	-0.650
(3.) Disposals	-128.166	-107.982	-20.184
c. Adjustments @ Std			
(1). Capitalizations	22.348	22.388	-0.040
(2). Gains and losses	6.705	40.401	-33.696
(3). Other	166.699	2.330	164.369
5. Inventory EOP	1,268.249	658.241	610.008
STOCKPILE COSTS			
1. Storage	0	0	
2. Management	0	0	
3. Maintenance/Other	0	0	
Total Cost	0	0	
WRM BUDGET REQUEST			
1. Obligations @ Cost	29.786	29.786	
a. Additional WRM	0.000	0.000	
b. Replen WRM	29.786	29.786	
c. Repair WRM	0.000	0.000	
d. Assemble/Disassemble	0.000	0.000	
e. Other			
Total Request	29.786	29.786	

**FY 2003 War Reserve Material (WRM) Stockpile
Air Force Supply Management Activity Group (SMAG)
Fiscal Year (FY) 2004/2005 Biennial Budget Estimates**

(Dollars in millions)

STOCKPILE STATUS			
	Total	WRM Protected	WRM Other
1. Inventory BOP @ Std	1,268.249	658.241	610.008
2. Price Change	2.797	(7.573)	10.370
3. Reclassification	1,271.046	650.668	620.378
4. Inventory Changes			
a. Receipts @ Std			
(1). Purchases	175.443	136.495	38.948
(2). Returns from customers	68.228	0.000	68.228
b. Issues @ Std			
(1). Sales	(213.946)	0.000	(213.946)
(2). Returns to suppliers	(2.811)	(2.150)	(0.661)
(3). Disposals	(75.906)	(55.379)	(20.527)
c. Adjustments @ Std			
(1). Capitalizations	3.237	3.278	(0.041)
(2). Gains and losses	3.292	37.561	(34.269)
(3). Other	166.211	4.077	162.134
5. Inventory EOP	1,394.794	774.550	620.244
STOCKPILE COSTS			
1. Storage	0	0	
2. Management	0	0	
3. Maintenance/Other	0	0	
Total Cost	0	0	
WRM BUDGET REQUEST			
1. Obligations @ Cost	23.956	23.956	
a. Additional WRM	0.000	0.000	
b. Replen WRM	23.956	23.956	
c. Repair WRM	0.000	0.000	
d. Assemble/Disassemble	0.000	0.000	
e. Other			
Total Request	23.956	23.956	

**FY 2004 War Reserve Material (WRM) Stockpile
Air Force Supply Management Activity Group (SMAG)
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates**

(Dollars in millions)

STOCKPILE STATUS			
	Total	WRM Protected	WRM Other
1. Inventory BOP @ Std	1,394.794	774.550	620.244
2. Price Change	(1.339)	(11.883)	10.544
3. Reclassification	1,393.455	762.667	630.788
4. Inventory Changes			
a. Receipts @ Std			
(1). Purchases	163.845	123.115	40.730
(2). Returns from customers	76.707	0.000	76.707
b. Issues @ Std			
(1). Sales	(233.952)	0.000	(233.952)
(2). Returns to suppliers	(2.422)	(1.750)	(0.672)
(3). Disposals	(67.071)	(46.195)	(20.876)
c. Adjustments @ Std			
(1). Capitalizations	4.296	4.337	(0.041)
(2). Gains and losses	(25.577)	9.275	(34.852)
(3). Other	178.004	4.151	173.853
5. Inventory EOP	1,487.285	855.600	631.685
STOCKPILE COSTS			
1. Storage	0	0	
2. Management	0	0	
3. Maintenance/Other	0	0	
Total Cost	0	0	
WRM BUDGET REQUEST			
1. Obligations @ Cost	31.051	31.051	
a. Additional WRM	0.000	0.000	
b. Replen WRM	31.051	31.051	
c. Repair WRM	0.000	0.000	
d. Assemble/Disassemble	0.000	0.000	
e. Other			
Total Request	31.051	31.051	

**FY 2005 War Reserve Material (WRM) Stockpile
Air Force Supply Management Activity Group (SMAG)
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates**

(Dollars in millions)

STOCKPILE STATUS			
	Total	WRM Protected	WRM Other
1. Inventory BOP @ Std	1,487.285	855.600	631.685
2. Price Change	(1.358)	(12.097)	10.739
3. Reclassification	1,485.927	843.503	642.424
4. Inventory Changes			
a. Receipts @ Std			
(1). Purchases	104.037	58.664	45.373
(2). Returns from customers	82.305	0.000	82.305
b. Issues @ Std			
(1). Sales	(256.719)	0.000	(256.719)
(2). Returns to suppliers	(5.034)	(4.350)	(0.684)
(3). Disposals	(49.608)	(28.377)	(21.231)
c. Adjustments @ Std			
(1). Capitalizations	3.355	3.397	(0.042)
(2). Gains and losses	(81.469)	(46.025)	(35.444)
(3). Other	191.971	4.225	187.746
5. Inventory EOP	1,474.765	831.037	643.728
STOCKPILE COSTS			
1. Storage	0	0	
2. Management	0	0	
3. Maintenance/Other	0	0	
Total Cost	0	0	
WRM BUDGET REQUEST			
1. Obligations @ Cost	31.760	31.760	
a. Additional WRM	0.000	0.000	
b. Replen WRM	31.760	31.760	
c. Repair WRM	0.000	0.000	
d. Assemble/Disassemble	0.000	0.000	
e. Other			
Total Request	31.760	31.760	

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

Fiscal Year (FY) 2004/FY 2005

FUND11

Biennial Budget Estimates

(Dollars in Millions)

February 2003

	2002 AC	2003 AP	2004 R	2005 R
1. New Orders (Gross)				
a. Orders From DOD Components:				
(1) Air Force				
(a) Aircraft Procurement	26.373	24.964	22.505	43.281
(b) Missile Procurement	1.596	2.984	2.105	5.131
(c) Other Procurement	(1.812)	2.832	4.547	6.044
(d) Military Construction - AF	0.000	0.000	0.000	0.000
(e) Operations & Maintenance - AF	4,883.895	5,546.324	5,852.204	5,956.844
(f) Military Personnel - AF	14.783	18.466	46.124	50.220
(g) Research and Development - AF	114.344	84.875	133.077	135.512
(h) Reserve Personnel - AF	5.055	2.212	5.957	6.551
(i) Operations & Maintenance - AFRES	321.403	371.715	403.113	405.425
(j) Operations & Maintenance - ANG	1,424.878	1,478.228	1,582.650	1,607.090
(k) Guard Personnel - ANG	13.343	5.511	14.170	15.489
(l) Family Housing	4.150	12.809	26.386	28.751
(m) Special Trust Funds	5.166	5.234	5.448	5.468
(n) Other Air Force	0.027	0.914	0.534	1.459
Total Air Force	6,813.201	7,557.068	8,098.820	8,267.265
(2) Army	23.831	19.779	18.563	32.754
(3) Navy	158.306	92.602	89.375	127.362
(4) MAP/Grant Aid	0.656	0.098	0.199	0.225
(5) Other DOD	1,198.252	1,225.919	1,126.620	1,346.997
Total DOD excluding WCF	8,194.246	8,895.466	9,333.577	9,774.603
b. Orders From Other Fund Activity Groups				
(1) Oth AF Supply Management Activity Groups	3.527	19.202	21.180	30.322
(2) Transportation Activity Group - TRANSCOM	479.464	368.560	416.643	600.608
(3) Depot Maintenance Activity Group	2,195.626	2,468.899	2,968.399	3,226.876
(4) Other WCF Activity Groups	0.000	0.011	0.015	0.015
(5) Commissary, Sur. Coll.	0.000	0.000	0.000	0.000
Total Other Fund Activity Groups	2,678.617	2,856.672	3,406.237	3,857.821
c. Total DOD	10,872.863	11,752.138	12,739.814	13,632.424
d. Other Orders:				
(1) Other Federal Agencies	8.368	11.637	17.915	22.205
(2) Non Federal Agencies	2.514	5.711	9.152	9.773
(3) FMS	276.693	146.618	121.389	249.466
Total	287.575	163.966	148.456	281.444
Total New Gross Orders	11,160.438	11,916.104	12,888.270	13,913.868
2. Carry-In Orders	1,084.340	1,140.257	1,197.152	1,259.489
3. Total Gross Orders (New + Carry-in Orders)	12,244.778	13,056.361	14,085.422	15,173.357
4. Change to Backlog	55.917	56.895	62.337	74.759
5. Total Gross Sales	11,104.521	11,859.209	12,825.933	13,839.109
6. Less Credit Returns	2,809.602	2,911.025	3,265.802	3,495.494
7. Total Net Sales	8,294.919	8,948.184	9,560.131	10,343.615

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

Fiscal Year (FY) 2004/FY 2005

FUND14
(Dollars in Millions)

Biennial Budget Estimates

February 2003

	2002 AC	2003 AP	2004 R	2005 R
Revenue:				
Gross Sales	11,104.521	11,859.209	12,825.933	13,839.109
Operations	11,104.521	11,859.209	12,825.933	13,839.109
Capital Surcharge	0.000	0.000	0.000	0.000
Depreciation exc Maj Const	0.000	0.000	0.000	0.000
Major Construction Dep	0.000	0.000	0.000	0.000
Other Income	301.520	717.678	266.387	248.653
Refunds/Discounts/Credit Returns (-)	2,809.602	2,911.025	3,265.802	3,495.494
Total Income:	8,596.439	9,665.862	9,826.518	10,592.268
Expenses:				
Cost of Materiel Sold from Inv	7,136.934	7,753.291	8,077.543	8,885.935
STD Cost of Materiel	3,273.314	3,380.714	3,378.775	3,556.797
Exchg Cost of Materiel	2,961.331	3,185.436	3,457.315	3,946.172
Condemnations @ Carcass	902.289	1,187.141	1,241.453	1,382.966
Mobilization	29.786	23.956	31.051	31.760
Full Cost Recovery	0.000	0.000	0.000	0.000
Lean Logistics	0.000	0.000	0.000	0.000
Inventory Gains/Losses	(36.230)	(24.818)	0.000	0.000
Inventory Maintenance	0.000	0.000	0.000	0.000
Salaries and Wages:				
Military Personnel Compensation & Benefits	4.592	4.216	4.360	4.508
Civilian Personnel Compensation & Benefits	136.277	145.254	169.661	176.885
Travel & Transportation of Personnel	3.469	6.041	6.819	6.962
Materials & Supplies (For internal Operations)	13.727	7.553	14.339	13.252
Equipment	0.000	0.000	0.000	0.000
Other Purchases from Revolving Funds	588.008	806.253	841.468	881.205
Transportation of Things	204.508	85.518	85.471	86.740
Depreciation - Capital	37.896	52.799	58.166	62.833
Printing and Reproduction	3.559	5.354	5.655	5.473
Advisory and Assistance Services	0.000	0.000	0.000	0.000
Rent, Communication, Utilities, & Misc. Charges	0.020	0.250	5.959	5.757
Other Purchased Services	0.975	1.562	26.591	31.620
Other Expenses	297.269	729.813	266.512	243.241
Total Expenses	8,420.790	9,597.042	9,593.595	10,436.171
Operating Result	175.649	68.820	232.923	156.097
Less Capital Surcharge Reservation	0.000	0.000	0.000	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	0.111	0.337	0.000
Other Adjustments (NOR)	28.941	19.866	30.714	31.760
Mobilization	29.786	23.956	31.051	31.760
Other Changes	(0.845)	(4.090)	(0.337)	0.000
Net Operating Result (Calculation)	204.590	88.797	263.974	187.857
Net Operating Result (1307 Report)	713.939	88.797	263.974	187.857
Other Changes (AOR)	0.338	(0.030)	(0.005)	0.000
Prior Year AOR	111.044	315.972	404.739	668.708
Accumulated Operating Result	825.321	404.739	668.708	856.565
Non-Recoverable Adjustment (AOR)	509.349	0.000	0.000	0.000
Accumulated Operating Result for Bdgt Purposes	315.972	404.739	668.708	856.565

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**Air Force Working Capital Funds
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates
Depot Maintenance Activity Group (DMAG)**

DMAG Mission Statement

The Depot Maintenance Activity Group repairs systems and spare parts that ensure readiness in peacetime and provide sustainment to combat forces in wartime. In peacetime, we enhance readiness by efficiently and economically repairing, overhauling and modifying aircraft, engines, missiles, components and software to meet customer demands. The depots have unique skills and equipment required to support and overhaul both new, complex components as well as aging weapon systems. During wartime or contingencies, we surge repair operations and realign capacity to support the warfighter's immediate needs. This is an extremely important facet of the depots.

Repair and overhaul are accomplished by both Air Force Material Command (AFMC) depot and contract operations. Depot Maintenance operates on the funds received from its customers through sales of its services. We are currently in the process of realigning the Contract DMAG program to provide a more direct relationship between customers and repair contractors. This initiative will begin by direct funding contracts beginning in FY 2003 with transition of all contracts by the end of FY 2004.

DMAG Customers, Products and Services

Depot Maintenance provides support to a variety of customers. Our single largest customer is the Supply Management Activity Group (SMAG) which generates approximately 45 percent of our revenue. The Major Commands, including the Air National Guard and Air Force Reserves, generate approximately 41 percent of our revenue. The balance of our work comes from other services, other government agencies and foreign countries.

We provide scheduled overhaul for airframes and engines based on a planned timetable or number of cycles for each weapon system. We also repair individual components routed from the field. Missiles and ground electronic systems are repaired through scheduled and unscheduled depot maintenance. AFMC depots provide an extensive capability to develop or modify software used to operate weapon systems, as well as software designed for diagnostic purposes. Our depots manufacture critical components required for parts not otherwise obtainable in a timely or cost effective manner from the private sector. Finally, we provide storage, regeneration and disposal of excess equipment for all the services at the Aerospace Maintenance and Regeneration Center at Davis-Monthan Air Force Base, Arizona.

DMAG Objectives

There are two primary objectives of the DMAG. The first is to provide organic and contract depot repair capability for fielded and emerging weapon systems. Several objectives toward meeting this goal are listed below.

Meet end item delivery commitments 90% of the time by the end of FY 2005, commensurate with the adjusted Aircraft Maintenance Repair (AMREP) date.

Meet depot level reparable due date performance commitments 90% of the time by the end of FY 2005 commensurate with the published shop flow days provided to the customer.

Ensure technically compliant operations across all product lines.

Ensure new and existing weapon systems/technologies are considered during the biennial core assessment and facility improvements are included in the Program Objective Memorandum to support a viable organic core capability in the future.

Leverage the core competencies of government and private industry through pursuit of partnerships based on ability to meet performance requirements at the best value to the Air Force.

Manage depot operations each year to ensure Net Operating Result (NOR) goals are met or exceeded.

Drive accepted quality defect rates to .03 per exchangeable item and according to individually established Model Design (MD) and Type Model (TM) defect rates.

The second primary objective of the DMAG is to ensure the ability to rapidly respond to user requirements driven by contingency operations. To accomplish this we will develop short term and long term strategies to implement the depot maintenance strategic plan; strategies that provide the workload capacity and capability to meet depot maintenance: a) peacetime support; b) surge; and c) core requirements by the end of FY 2005.

Outlook

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

DMAG Mission Description

Depot Maintenance provides the capability, organic and contract, that guarantees mission support of workload for combat forces. Our organic Depot Maintenance ensures support of mission essential workloads and support of workloads that commercial sources cannot or will not perform. Our contract Depot Maintenance supports non-mission essential workloads and mission essential workloads where the risk of non-support is low. This can include military workloads that have commercial derivatives, where there are multiple contract

sources to perform the work, and where these sources have experienced few production disruptions. Contract Depot Maintenance workloads are being transitioned from DMAG to direct cite of customer funds. This transition begins in FY 2003 and will be complete in FY 2004, with only residual contract workload being worked through Contract DMAG after FY 2004.

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

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

DMAG Mission Organization

The Depot Maintenance Activity Group (DMAG) is managed under a Chief Executive Officer structure. The AFMC Commander (AFMC/CC) is the Chief Executive Officer (CEO). The AFMC Director of Logistics (HQ AFMC/LG) serves as the Chief Operating Officer (COO) and the AFMC Director of Financial Management (HQ AFMC/FM) is the Chief Financial Officer (CFO). At the center level, the Center Commander (CC) has the responsibility (both operational and financial) for Depot Maintenance at that center. The Center Chief Operating Officer (COO) responsibility is exercised by the Director of Maintenance (MA at OC-ALC, OO-ALC and WR-ALC) or the Center Executive Director (CD) at AMARC). Day-to-day management of the financial portion of the DMAG is managed by the center Chief Financial Officer (CFO) while the depot maintenance managers (DMMs) manage the production.

Financial Highlights

Total Customer Orders: (\$M)	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Organic	\$4,314	\$4,440	\$4,942	\$5,349
Contract*	<u>\$2,696</u>	<u>\$ 744</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	\$7,010	\$5,184	\$4,942	\$5,349
Revenue and Expenses (\$M)	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Revenue	6,746.5	6,015.3	5,734.7	5,917.2
- Cost of Goods Sold/Other**	<u>6,473.8</u>	<u>6,040.7</u>	<u>5,623.4</u>	<u>5,685.7</u>
= Net Operating Results	272.7	(25.4)	111.3	231.5
Prior Year AOR	(253.1)	9.1	(41.3)	0.0
+ Prior Year Gains/Losses	<u>(10.5)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
= Revised Prior Year AOR	(263.6)	9.1	(41.3)	0.0
+ Net Operating Results	<u>272.7</u>	<u>(25.4)</u>	<u>111.3</u>	<u>231.5</u>
= End of Year AOR	9.1	(16.3)	70.0	231.5
- Non-Recoverable Amounts	<u>0.0</u>	<u>25.0</u>	<u>70.0</u>	<u>231.5</u>
= End of Year AOR (Budget Purposes)	9.1	(41.3)	0.0	0.0

The transition of contract DMAG to direct cite of customer funds is responsible for the decrease in FY 2003 expenses and revenue. This is partially offset, however, by increasing material inflation and depreciation in FY 2003. Further reductions in FY 2004 are again attributable to the remaining contract DMAG customer orders transitioning to direct cite. Increasing material inflation and usage and several approved initiatives such as special salary rates, benchmarking, and Depot Maintenance Reengineering and Transformation (DMRT) largely offsets this decrease.

* In order to meet directed revenue levels for Contract and close the program out in FY 2005, anticipated customer funding in FY 2003 was reduced in order to achieve this plan. Estimated customer workload (mostly non-SMAG) could be approximately \$500M higher than the \$744M above depending on how the transition really occurs.

** Other includes the undepreciated value of equipment written off and extraordinary items consistent with our official accounting report, the AR/M 1307. It also includes an FY 2004 capital surcharge cost (\$37.7M) as well as an identified Navy cost disconnect (\$34.7M).

Stabilized Sales Rates and Prices

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Organic Composite Sales Rate	157.73	199.66	237.84	260.16
Rate Change		26.6%	19.1%	9.4%
Contract Customer Price Change	2.0%	4.5%	7.5%	NA

The following list depicts the estimated changes from the FY 2003 organic composite rate to the FY 2004 composite rate.

FY 2003 Stabilized Rate	\$199.66
Price Growth (includes material price growth)	17.61
Direct Labor	-0.56
Direct Material	2.76
Direct Other	-0.04
Overhead Labor	-0.48
Overhead Material	0.03
Overhead Other	-0.42
FY 2004 Initiatives	9.88
Cash Reservation	3.36
Carry-In Loss	6.04
Total Impact	\$38.18
FY 2004 Proposed Stabilized Rate	\$237.84
FY 2004 Composite Rate Change	19.1%

Other	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Manpower Resources:				
Civilian Endstrengths	21,889	21,972	22,128	21,649
Civilian Workyears (w/o OT)	21,728	21,898	21,966	21,546
Overtime (Direct)	13.8%	9.4%	9.6%	9.3%
Efficiency (Direct)	93.8%	90.1%	90.8%	91.1%
Military Endstrengths	210	221	213	213
Military Workyears	297	237	238	235
Direct Production Standard Hours Produced	23,189	22,083	22,136	21,647

Decreases in workload for FY 2003 drive the reduction in manpower and production hours. While only small workload changes for approved FY 2004 initiatives are responsible for the slight FY 2004 increases.

Unit Cost (Organic Expense Rate)	173.33	193.05	221.12	243.65
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The increase in the FY 2003, FY 2004 and FY 2005 unit cost is being driven by higher material prices from suppliers as well as the impact of inflation. Also contributing to the increase to the FY 2004 rate is the incorporation of approved FY 2004 initiatives to fund customer requirements and restore cost baselines to appropriate levels.

Direct Appropriation: (\$M)	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
	3.1	0.0	0.0	0.0

The direct appropriation in FY 2002 was a result of Congressional action to assist the Services with unanticipated utility costs.

Capital Budget Program Authority: (\$M)	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Equipment	53.1	43.2	91.2	51.2
ADPE & Telecom	12.0	11.0	8.9	7.5
Software Development	64.9	49.9	59.8	62.3
Minor Construction	2.2	3.1	2.3	1.5
Adjustment for prior year cost increases	<u>7.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	139.8	107.2	162.2	122.5

The decrease in FY 2003 is attributed to a decrease in Capital depreciation revenue that is used to finance the capital program. In FY 2004 as part of the Air Force Depot Recapitalization program, a capital surcharge (\$37.7M) was added to depreciation revenue to include these projects in the DMAG Capital Purchase Program.

Cash: (\$M)	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Collections	6,411.7	5,997.9	5,817.1	5,873.2
Disbursements	<u>6,684.0</u>	<u>6,107.9</u>	<u>5,716.9</u>	<u>5,810.2</u>
Change in Cash	-272.3	-110.0	+100.2	+63.0

All advance billing (\$5.4M) is projected to be worked off by the end of FY 2003. FY 2004 will then be clear to collect the \$70M cash surcharge included in rates.

Performance Indicators:	<u>Goal</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Net Operating Result (\$M)	\$0.0	273	(25)	111	231
Due Date Performance	90.0%	81.0%	80.0%	85.0%	90.0%
Quality Defect Rate	.21	.22	.21	.21	.21

Net Available:

The FY 2004 budget includes a new metric for measuring the target amount of workload carryover at the industrial-type activities in the Defense Working Capital Fund. Carryover is the amount of work funded but not yet performed by the end of the fiscal year at the industrial-type activities such as aircraft depots, shipyards or ordnance activities.

In FY 2001, the Congress directed the General Accounting Office (GAO) to study the carryover formula. The GAO recommended the Department of Defense determine an analytically based carryover formula to replace the “3- month, less exclusions” standard. The revised methodology provides a metric that is tailored to the workload of each business area and provides visibility into the elements of carryover so that performance can be measured and analyzed.

Specifically, to measure the expected performance for each business area, the revised methodology uses the outlay rates of the various customer appropriations to develop a unique business area target. The new methodology excludes work-in-process and some other orders, such as non-DoD customers, from the carryover amount. The new metric holds Working Capital Fund Activities to the same standard as work performed by all providers—whether private or public, and supports budget analysis rather than just performance against an arbitrary target.

The workload carryover target for Air Force Depot Maintenance business area is \$1.6 billion in FY 2004, or 25 percent. This amount and percentage is the same or lower than general fund outlay rates. After exclusions, the budgeted carryover is \$1.3 billion, or 19 percent. The table below shows the target and amount of funding that is budgeted for workload carryover.

Funding Summary (\$M):	<u>FY 2002</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2004</u>
	<u>Actual</u>	<u>Target</u>	<u>Target</u>	<u>Budget</u>	<u>Target</u>
Air Force Depots	2,080	2,167	1,774	1,265	1,637

Carryover is declining as contract DMAG transitions to direct cite and is no longer included in Working Capital Fund net available calculations.

Other Highlights:

INITIATIVES: Several initiatives were approved in the FY 2004/2005 budget: correction of cost baselines which have historically been understated, special salary rates for engineers, a new E-3 labor standard, KC-135 engine strut replacement, C-130 advanced paint coating/engine shield overhaul, benchmarking for comparison to external standards, and DMRT initiatives (maintenance technical and orientation training, infrastructure team, IT master plan funding, and associated costs for the predictive budget model and contract DMAG transition). The expected results from these initiatives equate to improved readiness

and support to the warfighter, reduction in execution year financial losses, and improved processes.

Current Issues:

1. MATERIAL EXPENSES. We experienced increased organic material costs in FY 2002, and have estimated higher costs in FY 2003, FY 2004 and FY 2005 to more accurately account for recent factors. The material increases for FY 2003 through FY 2005 are due to price growth, increased usage/consumption and increased workload. First, while consumable material price growth has remained at 5% for all budgeted years, prices for reparable items purchased from the Material Support Division have increased substantially. Prices for these items are increasing 12% in FY 2003, 21.5% in FY 2004, and 11.5% in FY 2005. Moreover, while increased usage/consumption has been hard to quantify in some cases, our aging aircraft fleets are definitely requiring more repairs. Specifically, we have seen occurrence and replacement factor increases on many items including the following: rotors, valves, fuel controls, compressors, seals, impellers, and shafts. In order to assist with material expense analyses, AFMC has formed a Depot Maintenance Material IPT to research and identify material variances by price, production/volume, and usage. The team has developed a spreadsheet pilot program that classifies the variances according to the three drivers, and plans to convert the spreadsheet program into a database query that will allow the analysis of large volumes of data. Finally, we've budgeted for new workloads for such programs as the AN/APG-68 Radar Programmable Signal Processor (PSP), KC135 strut replacement, and additional gas turbine engines for the generator workload.

2. UNION GRIEVANCE OVER ENVIRONMENT DIFFERENTIAL PAY. The American Federation of Government Employees (AFGE) Local 1627 is grieving the Air Force's failure and/or refusal to pay environmental differential pay to the union's bargaining unit employees as a result of asbestos exposure at Kelly AFB since March 1975. There are approximately 6,200 employees that this might impact. On 11 Feb 2000, an arbitrator issued a decision limiting the amount of differential pay to six years under the Back Pay program.

An initial decision was presented by the arbitrator. It appears that both sides are unhappy with the arbitration (initial) decision and both have or will be filing appeals. The amount finalized in the initial settlement (pre appeals) is \$10M (cost of back pay) of which 89% would apply to depot maintenance and the other 11% would be O&M. However, there is an issue of accruing interest until this is finalized which amounts to roughly \$1M per year. This appeals process is expected to last anywhere from 4-12 months before a final decision is rendered. Potential timing and cost of any settlement is difficult to estimate or predict and, as such, is not included in this budget.

3. DEPOT MAINTENANCE RE-ENGINEERING AND TRANSFORMATION (DMRT). In July 2001, AFMC/CC and DCS AF/IL co-sponsored the DMRT initiative to improve both depot maintenance support to the warfighter and depot financial performance. After many efforts to improve depot maintenance, AF leadership determined that a strategic integrated approach was needed. Approximately 40 major issues identified from across the AF were aligned into eight Focus Areas. Review of the major issues is complete and implementation of solution sets has begun. The eight Focus Areas are Workload, Financial, Workforce, Material Support, Infrastructure, Information Technology, Organizational Structure, and Metrics.

Workload:

This Focus Area Team will oversee the development of a Corporate Strategy, using best organic and commercial practices as a benchmark. This will establish a consistent, standardized approach to depot maintenance process improvements and increase the throughput, agility and responsiveness of depot maintenance functions. This team will implement standard process improvement (PI) strategy and standardized shop floor metrics that relate to the customer and shop floor.

Financial Management:

The Financial Management Focus Team will directly address several key financial issues affecting depot maintenance including: 1) transition of the carryover standard to a management tool for efficiently sizing depot workload by type, 2) realign financing for contract depot maintenance from Working Capital Fund (WCF) to appropriated funding, 3) use of statistical methods to develop a predictive model that will more accurately predict depot workload requirements and costs, 4) elimination of intra-fund inefficiencies/costs while optimizing support via combined wholesale supply and depot maintenance functions and processes, 5) institutionalization of WCF programming processes to ensure appropriate corporate action on WCF needs, 6) revision of the quarterly surcharge requirement, and 7) formalization of a customer/provider forum to clarify, standardize, and enforce financial and logistics processes across depot maintenance organizations.

Organizational Structure:

The Organizational Structure team led an initiative to centralize all depot maintenance repair functions into a single directorate in an effort to clarify lines of accountability, responsibility and authority. Implementation of the new organizational structure began 1 Oct 2002.

Workforce:

The Workforce Focus Area Team is addressing the training and acquisition of depot maintenance personnel. The emphasis of this team is on training and developing maintenance technicians and leaders.

Infrastructure:

The initiatives of this Focus Area Team are aimed at the overall mission of infrastructure: to provide well maintained, environmentally compliant, efficiently configured, and properly equipped facilities to support assigned workloads.

Information Technology:

The Information Technology Focus Area Team is focused on integrating, managing and optimizing information technology (IT) across depot maintenance. While validating IT issues and performing root cause analysis, the IT Focus Team identified three major issues: the lack of a fully supported integrated strategy, the lack of a user-oriented IT systems that enhanced depot productivity, and the failure of systems to meet current user needs.

Metrics:

The Metric Support Focus Team is establishing a set of warfighter focused metrics which are balanced and related to strategic objectives.

Material Support: The Material Support Focus Area Team examined the issues related to depot maintenance material requirements and their relationship with organizations such as DLA and the Supply Management Mission Area. Issues included the variability and unpredictability of requirements, current stock levels, AF policies, and the policies effecting the total acquisition cycle.

4. DEPOT RECAPITALIZATION. The Air Force depot maintenance strategy and master plan reflect the essential requirement for the Air Force to maintain a ready and controlled source of organic technical competence to ensure an effective and timely response to national defense contingencies and emergency requirements. The strategic plan considers the challenges facing the Air Force and provides future direction for Air Logistics Center depot maintenance operations. Given the importance of depot maintenance to the national defense, the Air Force has formulated a vision to provide Agile Combat Support to the warfighter. The vision is to ensure Air Force weapon systems and equipment are safe and ready to operate across the whole spectrum of operations, from training to major theater wars. Focused support to the warfighter through seamless, integrated use of both Air Force “world class” organic depots and the private sector industrial base is the method by which the Air Force achieves that vision. The depot maintenance strategy implements this vision and leverages the core competencies of both the public and private industrial and technology sectors. Partnering with the private sector to ensure capabilities which complement Air Force organic depot maintenance is key to the plan. Responsive, warfighter-identified, performance specifications ensure conformance with the Defense Planning Guidance.

The Air Force’s depot maintenance strategy and master plan provide a roadmap to ensure the continuing viability of the three organic depots. The master plan postures Air Force depots to support new weapon system technologies, as well as aging systems. The strategy and master plan incorporate new and innovative product support approaches such as performance based logistics initiatives and continuous technology insertion. Implementation of the strategy requires an increase to the overall level of investment by approximately \$150M a year over the next several years. The investment for the depot recapitalization is included in several different budget exhibits, including procurement, operations and maintenance and MILCON exhibits. The Air Force is committed to maintain a ready and responsive “world class” organic depot infrastructure with technologically advanced facilities and equipment and a highly qualified workforce.

5. BASELINE CORRECTION. This budget submission takes extraordinary effort to program and budget realistic depot maintenance costs and correct baselines. These actions are designed to prevent further execution year losses.

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

Fiscal Year (FY) 2004/FY 2005

Biennial Budget Estimates

FUND2
(Dollars in Millions)

February 2003

FY02 TO FY03 FY03 TO FY04 FY04 TO FY05

	FY02 TO FY03	FY03 TO FY04	FY04 TO FY05
Cost of Operations			
Organic	4,019.342	4,263.168	4,894.690
Contract	2,649.989	1,437.472	271.001
TOTAL	6,669.331	5,700.640	5,165.691
ANNUALIZATION			
Annualization of Civilian Pay	15.048	10.777	7.547
Annualization of Military Pay	0.111	0.117	0.048
TOTAL ANNUALIZATION	15.159	10.894	7.595
PRICE CHANGES			
Organic Civilian Pay Raises	25.602	18.510	31.187
Organic Military Pay Raises	0.457	0.197	0.327
Material Price Growth	236.495	356.211	249.711
Contractor Cost Growth	27.887	54.417	8.259
Contract Interservice Growth	1.428	1.957	0.000
Other Growth	3.608	7.206	8.229
TOTAL PRICE CHANGES	295.477	438.498	297.713
PRODUCTIVITY SAVINGS			
Organic Labor Savings	0.000	0.000	0.000
Material Savings	0.000	0.000	0.000
Organic Other Savings	0.000	0.000	0.000
Contract Savings	0.000	0.000	0.000
TOTAL PRODUCTIVITY SAVINGS	0.000	0.000	0.000
PROGRAM CHANGES			
Organic Labor Workload	(29.329)	26.657	(35.902)
Material Workload	(295.909)	(5.037)	91.174
BOS	5.409	6.337	0.317
Contractor Changes	(1,014.519)	(955.553)	(116.432)
TOTAL PROGRAM CHANGES	(1,334.348)	(927.596)	(60.843)
OTHER CHANGES			
Travel & Transportation	3.138	(1.719)	0.888
Organic Depreciation	29.029	5.457	(1.327)
Organic Facility Maintenance	10.038	31.246	(1.459)
Organic Utilities	0.178	0.021	0.745
Data Systems Development	(1.072)	14.872	(1.537)
Organic Other ADP	19.234	6.018	0.096
Organic Equip/Vehicle Rep & Maintenance	3.867	0.104	4.873
Miscellaneous	(6.745)	(112.745)	12.659
TOTAL OTHER CHANGES	57.667	(56.746)	14.938
TOTAL CHANGES	(966.045)	(534.950)	259.403
Cost of Operations			
Organic	4,263.168	4,894.690	5,274.314
Contract	1,437.472	271.001	150.780
TOTAL	5,700.640	5,165.691	5,425.094

Sources of Revenue
Air Force Working Capital Fund
AF Depot Maintenance Activity Group

Fiscal Year (FY) 2004/FY 2005

FUND11
(Dollars in Millions)

Biennial Budget Estimates

February 2003

	2002	2003	2004	2005
1. DOD COMPONENTS				
Aircraft Procurement	170.671	104.597	95.256	100.854
Missile Procurement	0.239	7.565	7.493	8.015
Other Procurement	0.000	0.000	0.000	0.000
MAJCOM O&M	2,232.842	1,326.053	1,373.842	1,305.901
ANG O&M	433.263	496.599	385.943	399.653
AFRES O&M	187.662	291.466	189.601	193.598
RDTE	29.980	15.981	15.613	15.155
AF Supply Mgmt Act Group	2,933.510	2,319.634	2,392.704	2,839.404
Other AF Customers	40.095	41.221	55.571	40.678
Other	594.585	123.500	0.000	0.000
TOTAL	6,622.847	4,726.616	4,516.023	4,903.258
2. ORDERS FROM OTHER FUND				
Army	1.510	0.400	0.475	0.467
Navy	179.828	203.177	208.900	224.612
Marine Corps	1.194	0.000	0.000	0.000
TRANSCOM	109.463	164.295	156.007	154.989
Other DOD Customers	19.081	2.855	2.908	3.353
TOTAL	311.076	370.727	368.290	383.421
3. TOTAL DOD ORDERS	6,933.923	5,097.343	4,884.313	5,286.679
4. OTHER ORDERS				
Other Federal Funds	8.234	38.011	37.164	48.825
Trust Funds (Non-Federal)	0.000	0.000	0.000	0.000
FMS (Non-Federal)	65.200	38.260	13.991	11.630
Other Non-Federal Funds	1.941	10.430	6.609	1.756
TOTAL	75.375	86.701	57.764	62.211
5. TOTAL NEW ORDERS	7,009.298	5,184.044	4,942.077	5,348.890
6. CARRY IN ORDERS	3,085.413	3,364.052	2,549.429	1,841.691
7. TOTAL GROSS ORDERS	10,094.711	8,548.096	7,491.506	7,190.581
8. TOTAL GROSS SALES	6,746.517	6,015.333	5,666.481	5,917.165
9. EOY WIP	1,297.953	959.886	576.585	317.990
10. NON-DOD, BRAC, FMS & TWCF ORDERS&CONTR LIAI	184.838	250.996	213.771	217.200

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

Fiscal Year (FY) 2004/FY 2005

Biennial Budget Estimates

FUND14

(Dollars in Millions)

February 2003

	2002	2003	2004	2005
Revenue:				
Gross Sales	6,746.517	6,015.333	5,666.481	5,917.165
Operations	6,183.655	5,864.367	5,579.815	5,828.806
Capital Surcharge	0.000	0.000	0.000	0.000
Depreciation excl Maj Const	0.000	0.000	0.000	0.000
Major Construction Dep	15.862	16.666	16.666	18.359
Cash Surcharge	0.000	25.000	70.000	70.000
Other Income	547.000	109.300	0.000	0.000
Refunds/Discounts (-)	0.000	0.000	0.000	0.000
Total Income:	6,746.517	6,015.333	5,666.481	5,917.165
Expenses:				
Cost of Materiel Sold from Inv	0.000	0.000	0.000	0.000
Salaries and Wages:				
Military Personnel Compensation & Benefits	12.101	12.399	12.069	12.377
Civilian Personnel Compensation & Benefits	1,362.504	1,373.841	1,427.217	1,430.020
Voluntary Separation Prog. Incentive	0.000	0.200	2.700	2.700
Reduction in Force	0.000	0.000	0.000	0.000
Retirement Fund Offset - 15%	0.000	0.054	0.766	0.862
Retirement Fund Offset - \$80	0.000	0.000	0.000	0.000
Travel & Transportation of Personnel	16.376	20.334	18.746	19.605
Materials & Supplies (For Internal Operations)	2,548.266	2,488.852	2,840.027	3,180.912
Equipment	0.000	0.000	0.000	0.000
Other Purchases from Revolving Funds	175.265	189.730	93.193	91.446
Transportation of Things	0.000	0.000	0.000	0.000
Depreciation - Capital	94.768	135.987	141.145	139.333
Printing and Reproduction	1.338	2.423	2.465	2.501
Advisory and Assistance Services	0.000	0.000	0.000	0.000
Rent, Communication, Utilities, & Misc Charges	44.724	45.373	46.527	52.843
Other Purchased Services	2,413.989	1,431.447	580.836	492.495
Total Expenses	6,669.331	5,700.640	5,165.691	5,425.094
Work in Process, Beginning of Year	1,095.898	1,297.953	959.886	576.585
Work in Process, End of Year	1,297.953	959.886	576.585	317.990
Work in Process, Change	202.055	(338.067)	(383.301)	(258.595)
Operating Result	279.241	(23.374)	117.489	233.476
Less Capital Surchg Reservation	0.000	0.000	(37.690)	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	0.000	68.190	0.000
Other Adjustments (NOR)	(6.504)	(1.987)	(36.684)	(1.990)
Net Operating Result (Calculation)	272.737	(25.361)	111.305	231.486
Net Operating Result (1307 Report)	272.737	(25.361)	111.305	231.486
Prior Year Adjustments	(10.530)	0.000	0.000	0.000
Other Changes (AOR)	0.000	0.000	0.000	0.000
Prior Year AOR	(253.151)	9.056	(41.305)	0.000
Accumulated Operating Result	9.056	(16.305)	70.000	231.486
Non-Recoverable Adjustment (AOR)	0.000	25.000	70.000	231.486
Accumulated Operating Result for Bdgt Purposes	9.056	(41.305)	0.000	0.000

Material Inventory Data
Air Force Working Capital Fund
AF Depot Maintenance Activity Group

Fiscal Year (FY) 2004/FY 2005

FUND16
(Dollars in Millions)

Biennial Budget Estimates

February 2003

	2002	2003	2004	2005
1. Materiel Inventory BOP	479.653	656.401	377.463	172.884
2. A. BOP Reclassification Changes	0.000	0.000	0.000	0.000
B. Adjust To Standard Price	0.000	0.000	0.000	0.000
3. A. Price Changes	0.000	0.000	0.000	0.000
B. Inventory Reclass & Repriced	479.653	656.401	377.463	172.884
4. Receipts From Commercial Sources	558.198	15.637	3.715	0.000
5. Negotiated Purchases From Customers	0.000	0.000	0.000	0.000
6. Gross Sales	381.450	165.658	43.503	33.492
7. Inventory Adjustments				
A. Capitalizations (Net)(+/-)	0.000	0.000	0.000	0.000
B. Returns To suppliers (-)	0.000	(128.917)	(164.791)	(129.421)
C. Transfer To Prop Disposal (-)	0.000	0.000	0.000	0.000
D. Issues/Receipts W/O Reimbrsmnt (+/-)	0.000	0.000	0.000	0.000
E. Customer Returns W/O Credit(+)	0.000	0.000	0.000	0.000
F. DLR Retrograde (+)	0.000	0.000	0.000	0.000
G. Other Inventory Adjustments				
1. Other-Destructions (-)	0.000	0.000	0.000	0.000
2. Other-Discounts on Returns	0.000	0.000	0.000	0.000
3. Other-Trade Ins (-)	0.000	0.000	0.000	0.000
4. Other-Loss From Disaster (-)	0.000	0.000	0.000	0.000
5. Other-Assembly/Disassembly (+/-)	0.000	0.000	0.000	0.000
6. Other-Physical Inventory Adj (+/-)	0.000	0.000	0.000	0.000
7. Other-Accounting Adjustments (+/-)	0.000	0.000	0.000	0.000
8. Other-Shipment Discrepancies (+/-)	0.000	0.000	0.000	0.000
9. Other-Other Gains/Losses (+/-)	0.000	0.000	0.000	0.000
10. Other-Strata Transfers (+/-)	0.000	0.000	0.000	0.000
11. Other-Strata Transfers in Transit	0.000	0.000	0.000	0.000
12. Other-Total	0.000	0.000	0.000	0.000
H. Adjustments to Revised Valuation	0.000	0.000	0.000	0.000
I. Total Adjustments	0.000	(128.917)	(164.791)	(129.421)
8. Inventory-End of Period	656.401	377.463	172.884	9.971
A. Economic Retention (Memo)	0.000	0.000	0.000	0.000
B. Policy Retention (Memo)	0.000	0.000	0.000	0.000
C. Potential Excess (Memo)	0.000	0.000	0.000	0.000
D. Other (Memo)	0.000	0.000	0.000	0.000
9. Inventory On Order (EOP)	0.000	0.000	0.000	0.000

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**Air Force Working Capital Fund
Information Services Activity Group (ISAG)
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates**

The Information Services Activity Group was established, effective 1 October 1995 (FY96), under the authority of Section 2208 of Title 10, United States Code. Operations of the group are conducted in accordance with applicable Department of Defense (DoD) policies and regulations.

Functional Description:

There are two Air Force activities acting as one Central Design Activity (CDA) under the command of the HQ Air Force Materiel Command, Wright-Patterson Air Force Base (AFB), Ohio through Electronic Systems Center (ESC) at Hanscom AFB, MA. The two activities are the Materiel Systems Group (MSG) located at Wright-Patterson AFB, OH and the Standard Systems Group (SSG) located at Maxwell AFB – Gunter Annex, AL.

The ISAG is authorized and provides, through the CDAs, the following information services activities: (1) Development and operational sustainment of automated information and communications systems on existing hardware and software platforms for Air Force Materiel Command level logistics support systems and Air Force base level standard support systems. This includes a 24-hour by 7-day field user help desk for field users to call for hardware and software systems support; (2) Automated information and communications systems requirements analysis, system design, development, testing, integration, implementation support, and documentation services on mainframe, mid-tier and personal computer hardware/software platforms for Air Force and DoD customers using the Software Engineering Institute Capability Maturity Model processes; (3) And other authorized information system services or products through the acquisition and operation of the Commercial Information Technology Product Area Directorate (CIT-PAD) commodity contracts for the Department of the Air Force and other agencies of the DoD. The CIT-PAD portion of the ISAG is operated through the collection of a surcharge on the orders submitted by the users of the contracts or blanket purchase authority. This service provides the customers with the opportunity to stay abreast of the latest information technology for personal computers and network hardware and services. While our primary mission of

providing CDA services is based on service level agreements (SLAs) with known customers and on the sale of direct billable hours, the CIT-PAD business area provides goods and services (e.g., personal computers, local area network hardware and services including installations worldwide) to many thousands of individual customers across the Air Force and DOD. The nature of this business cannot be supported by SLAs and the recovery of costs through the sale of direct billable hours. Instead, the surcharge rate is established by dividing total CIT-PAD program office expenses (the cost of managing the programs and administering the contracts) by anticipated sales off the contracts. Prior year profits and losses are also incorporated as adjustments to the surcharge rate to obtain the ISAG goal of zero AOR.

The Group may furnish these products or services to agencies of other departments or instrumentalities of the U.S. Government and to private parties and other agencies, as authorized by law. The services are authorized to be provided by organic or contract sources.

In FY04, the Integrated Digital Environment (IDE) personnel and personnel related to contracting systems workload (hereafter referred to as PI) become capitalized in the ISAG. There are 39 civilian and 5 military authorizations associated with this transfer. The personnel and workload is transferring because the workload is Central Design Activity work and belongs in the ISAG.

HQ Management:

HQ management costs in FY02 and out provides for employees who directly support the ISAG management and their associated travel and supplies. It also includes the Air Force Materiel Command Enterprise Intranet, Oracle software licenses and ABACUS database expenses.

Performance Indicators:

The ISAG manages to both financial and non-financial performance indicators. The financial indicators are revenue, cost of goods sold, net operating result, collections, disbursements, and change in cash. The Industrial Fund Accounting Systems (IFAS) was replaced by the Defense Working Capital Fund Accounting System (DWAS) in FY02 as the source of data points for monthly performance metrics. The actual data is compared to the annual operating budget plan. An explanation of the variances (plus/minus) and a get-well date is provided on a monthly basis to the

ISAG Chief Operating Officer (COO) (HQ AFMC/DR) and the ISAG Chief Financial Officer (CFO) (HQ AFMC/FM). The financial performance indicators are reported to SAF/FM and AF/SC/IL on a quarterly basis. The non-financial indicators are the number of releases scheduled/made, the number of category one and two deficiency reports open/closed, earned value measurement of programs/projects.

Productivity:

The ISAG is working to improve its productivity in two ways. First, as civilian overhires are being brought on board to stem the loss of military personnel (due to reduced entitlements and increased contingency operations support), there has been a directed focus on filling direct positions as opposed to overhead. Second, re-skilling efforts are underway to ensure we have the right skill mix to meet our customer requirements and this also allows us to re-classify overhead positions to direct. While these efforts have resulted in an increase of 60 direct hours per workyear in FY02 and over 90 direct hours per workyear in FY03 and out, these increases are still not as great as predicted in the FY03 PB, where we were overly optimistic in our ability to shift G&A positions to direct.

Financial:

This budget is structured to separate rate-based expenses (organic exhibits) from the cost reimbursable and CIT-PAD expenses (contract exhibits) so that an accurate rate is developed per direct labor hour. Cost reimbursable expenses include direct contract costs and extraordinary mission unique expenses (e.g., travel, supplies, equipment) that are charged dollar for dollar to the customer. The CITPAD expenses are recovered based on a percent of the sale price.

Financial Highlights

Customer Orders:

(\$ in Millions)

	FY02	FY03	FY04	FY05
Organic	\$147.9	\$156.7	\$184.9	\$182.9
Contract	<u>478.0</u>	<u>433.6</u>	<u>513.5</u>	<u>481.1</u>
Total	\$625.9	\$590.3	\$698.4	\$664.0

Revenue and Expenses:

(\$ in Millions)

	FY02	FY03	FY04	FY05
Revenue	\$629.6	\$608.0	\$641.4	\$675.3
Cost of Goods Sold	632.6	613.2	631.3	675.3
Net Operating Results	(3.0)	(5.2)	10.1	0.0
Total Other Adjust	0.0	(2.3)	0.0	0.0
Accumulated Operating Result	(2.6)	(10.1)	0.0	0.0

Stabilized Sales Rates and Prices:

	FY02	FY03	FY04	FY05
Organic Composite Sales Rate	\$64.78	\$70.94	\$77.10	\$73.15
Rate Change	6.4%	9.5%	8.7%	.1%
CITPAD Surcharge	1.22%	1.54%	1.10%	1.30%

The following list depicts the changes from the FY03 organic composite rate to the FY04 composite rate.

FY03 Composite Sales Rate	\$70.94
- FY02/03 losses	3.34
- Standard Inflation	1.87
- Workyear changes	0.98
- Depreciation/other	0.92
- PIW & IDE Cost in WCF	1.88
- PIW & IDE Hrs in WCF	-3.24
- Other Direct labor Hrs change	.41
FY04 Composite Sales Rate	\$77.10

Other Highlights

	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Direct Labor Hours (Hours in Millions)	2.294	2.320	2.430	2.438
Manpower Resources				
Civilian Endstrength	1,109	1,056	1,089	1,089
Civilian Workyears (w/o OT)	1,128	1,172	1,221	1,221
Military Endstrength	862	1,138	1,139	1,139
Military Workyears (w/o OT)	839	817	809	804
Capital Budget	\$7.851	\$10.396	\$10.641	\$8.402

Changes from Previous Submission

Additional equipment purchases for our customers under the contract side is the major driver in the revenue and expense difference in FY 2002 from the original President's Budget.

Direct labor hours are lower and project civilian workyears are higher due to overhires in the current submission when compared to the FY 2003 Amended President's Budget. Insufficient manning to produce the budgeted hours has encouraged an aggressive overhire plan to alleviate this problem and try to keep the rate low. The rate increases because we were overly optimistic concerning direct labor hour productivity increases in the FY03 rate build. Increased demands on our military workforce for contingency operations and force protection have further aggravated the situation, making the need for overhires even greater to meet customer requirements. Replacing our declining military workforce with civilians, however, costs more since our outstanding enlisted workforce is costed at protocol civilian equivalencies.

FY02 - FY03

The increase in personnel costs is due to the overhire program explained above. Travel increases over the prior year with the lifting of the restraint that was put on it to help finance other needs and represent a more normal rate. Finally, the other expenses show an overall decrease as extraordinary expenses for programs are

completed and other programs have been completed or requirements have been reduced as in the Defense Security Service program. Several categories under the "other" label will show increases and decreases that have occurred with the installation of a new accounting program and the follow-on coding changes that occur with a new system.

FY03 - FY04

The increase in personnel cost include an additional program group being capitalized, the IDE transfer as mentioned above. The increased travel is to cover extraordinary requirements for Air Force Systems Networking- Unclassified, Cargo Movement Operations System, and Logistics Integration programs. The increase in equipment is for the extraordinary requirements for Global Combat Support System-Defense Infrastructure. Other miscellaneous expenses decrease as requirements decrease or completion of requirements as for Combat Ammunition System (CAS).

Changes in Cost of Operations
Air Force Working Capital Fund
AF Information Services Activity Group

Fiscal Year (FY) 2004/FY 2005

Biennial Budget Estimates

FUND2
(Dollars in Millions)

February 2003

	FY02 TO FY03	FY03 TO FY04	FY04 TO FY05
COST OF OPERATIONS	632.549	613.227	631.354
PRICE CHANGES			
Military Pay	1.902	0.988	1.111
Civilian Pay	3.236	2.250	3.109
Supply Price Growth	0.558	1.046	1.194
Contractor Cost	3.260	5.568	5.633
Other	0.207	0.545	0.568
TOTAL PRICE CHANGES	9.163	10.397	11.615
PRODUCTIVITY CHANGES			
Civilian Labor	0.000	0.000	0.000
Military Labor	0.000	0.000	0.000
Supply Savings	0.000	0.000	0.000
Travel Cost Savings	0.000	0.000	0.000
Contract Cost Savings	0.000	0.000	0.000
Other	0.000	0.000	0.000
TOTAL PRODUCTIVITY CHANGES	0.000	0.000	0.000
PROGRAM CHANGES			
BOS	2.603	(0.513)	0.364
Other	(31.088)	8.243	31.957
TOTAL PROGRAM CHANGES	(28.485)	7.730	32.321
OTHER CHANGES	0.000	0.000	0.000
COST OF OPERATIONS	613.227	631.354	675.290

Sources of Revenue
Air Force Working Capital Fund
AF Information Services Activity Group

Fiscal Year (FY) 2004/FY 2005

FUND11
(Dollars in Millions)

Biennial Budget Estimates

February 2003

	2002	2003	2004	2005
1. DOD COMPONENTS				
Aircraft Procurement	0.000	0.000	0.000	0.000
Missile Procurement	0.000	0.000	0.000	0.000
Other Procurement	33.538	35.337	45.180	48.949
MAJCOM O&M	203.005	223.734	258.939	249.146
ANG O&M	3.017	0.000	0.000	0.000
AFRES O&M	0.000	0.000	0.000	0.000
RDTE	48.183	86.083	81.803	55.028
AMC	0.000	0.000	0.000	0.000
Other AF Customers	113.723	35.742	80.342	70.077
TOTAL	401.466	380.896	466.264	423.200
2. ORDERS FROM OTHER FUND				
AF Supply Mgmt Act Group	123.305	129.545	145.972	155.257
AF Depot Maint Act Group	33.358	56.159	61.940	59.483
Army	0.037	0.004	0.000	0.000
Navy	0.134	0.208	0.000	0.000
Marine Corps	2.261	2.722	3.005	2.954
TRANSCOM	0.000	0.000	0.000	0.000
Other DOD Customers	65.331	20.732	21.255	23.085
TOTAL	224.426	209.370	232.172	240.779
3. TOTAL DOD ORDERS	625.892	590.266	698.436	663.979
4. OTHER ORDERS				
Other Federal Funds	0.000	0.000	0.000	0.000
Trust Funds (Non-Federal)	0.000	0.000	0.000	0.000
FMS (Non-Federal)	0.000	0.000	0.000	0.000
Other Non-Federal Funds	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000
5. TOTAL NEW ORDERS	625.892	590.266	698.436	663.979
6. CARRY IN ORDERS	208.969	205.307	187.573	244.567
7. TOTAL GROSS ORDERS	834.861	795.573	886.009	908.546
8. FUNDED CARRYOVER	205.307	187.573	244.567	233.256
9. TOTAL GROSS SALES	629.554	608.000	641.442	675.290

Revenues and Expenses
Air Force Working Capital Fund
AF Information Services Activity Group

Fiscal Year (FY) 2004/FY 2005

FUND14

Biennial Budget Estimates

(Dollars in Millions)

February 2003

TOTAL	2002	2003	2004	2005
Revenue:				
Gross Sales	629.554	608.000	641.442	675.290
Operations	629.554	608.000	641.442	675.290
Capital Surcharge	0.000	0.000	0.000	0.000
Depreciation exc Maj Const	0.000	0.000	0.000	0.000
Major Construction Dep	0.000	0.000	0.000	0.000
Other Income	0.000	0.000	0.000	0.000
Refunds/Discounts (-)	0.000	0.000	0.000	0.000
Total Income:	629.554	608.000	641.442	675.290
Expenses:				
Cost of Materiel Sold from Inv	0.000	0.000	0.000	0.000
Salaries and Wages:				
Military Personnel Compensation & Benefit	36.252	36.938	36.402	36.642
Civilian Personnel Compensation & Benefit	93.493	98.902	101.913	105.710
Travel & Transportation of Personnel	4.914	7.018	8.296	7.448
Materials & Supplies (For internal Operation	7.909	3.687	3.690	3.688
Equipment	61.908	66.088	76.014	94.843
Other Purchases from Revolving Funds	2.384	2.291	2.309	2.329
Transportation of Things	0.080	0.033	0.029	0.033
Depreciation - Capital	5.978	7.549	8.721	9.368
Printing and Reproduction	0.040	0.011	0.011	0.011
Advisory and Assistance Services	53.370	54.972	55.837	56.736
Rent, Communication, Utilities, & Misc. Cha	0.167	0.017	0.008	0.008
Other Purchased Services	366.054	335.721	338.124	358.474
Total Expenses	632.549	613.227	631.354	675.290
Work in Process, Beginning of Year	0.000	0.000	0.000	0.000
Work in Process, End of Year	0.000	0.000	0.000	0.000
Work in Process, Change	0.000	0.000	0.000	0.000
Operating Result	(2.995)	(5.227)	10.088	0.000
Less Capital Surcharge Reservation	0.000	0.000	0.000	0.000
Plus Passthroughs or Other Approps (NOR)	0.000	0.000	0.000	0.000
Other Adjustments (NOR)	0.000	0.000	0.000	0.000
Net Operating Result (Calculation)	(2.995)	(5.227)	10.088	0.000
Net Operating Result (1307 Report)	(3.805)	(5.227)	10.088	0.000
Prior Year Adjustments	0.000	0.000	0.000	0.000
Other Changes (AOR)	0.000	(2.224)	0.000	0.000
Prior Year AOR	0.358	(2.637)	(10.088)	0.000
Accumulated Operating Result	(3.447)	(10.088)	0.000	0.000
Non-Recoverable Adjustment (AOR)	(0.810)	0.000	0.000	0.000
Accumulated Operating Result for Bdgt Purp	(2.637)	(10.088)	0.000	0.000

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UNITED STATES TRANSPORTATION COMMAND
TRANSPORTATION WORKING CAPITAL FUND
BUDGET NARRATIVE ANALYSIS

BACKGROUND

This President's Budget Submission provides justification for the United States Transportation Command Transportation Working Capital Fund budget. The Secretary of Defense has designated the Commander, United States Transportation Command as the single Department of Defense manager for the Defense Transportation System. As such, all common-user transportation assets are under the command authority of the CDR USTRANSCOM, except for Service-unique or theater-assigned assets. USTRANSCOM submits the Transportation Working Capital Fund budget as a discrete subset of the Air Force Working Capital Fund budget submission. It reflects the cost authority needed to meet peacetime operations and the surge/readiness requirements to support the National Military Strategy. Requested capital funding supports the Department's In-Transit Visibility and Command and Control needs, facilitating continuous process improvement and modernization.

COMPOSITION OF COMPONENT BUSINESS AREAS

USTRANSCOM's mission is to provide air, land, and sea transportation for the DOD, both in times of peace and war. The command's primary focus is wartime readiness. USTRANSCOM accomplishes a joint mission through three component commands—Air Mobility Command, Military Sealift Command, and Military Traffic Management Command. This joint team of transportation components provides mobility forces and assets for a seamless transition from peace to war. USTRANSCOM ensures this network is capable of rapidly transitioning from peacetime to contingency and wartime operations, and is always ready to meet the strategic mobility needs of the nation. In addition, USTRANSCOM forces operate worldwide in direct support of U.S. humanitarian and military operations, demonstrating Defense Transportation System readiness daily. A brief description of the role of each component follows:

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

Defense Courier Service is a joint agency assigned to USTRANSCOM's airlift component. Defense Courier Service maintains a global network of courier stations and is the DOD agent for secure custody/rapid transfer of highly classified/sensitive national security materials.

Military Sealift Command provides sealift support for the Department for both emergent and peacetime requirements. Military Sealift Command supports four of the Command's major programs—Chartered Cargo, Petroleum Tankerships, Strategic Surge (Large Medium Speed Roll-on/Roll-off vessels and Fast Sealift Ships), and the Non-Navy Afloat Prepositioning Force. MSC obtains the majority of its sealift capacity through MSC controlled contracted vessels and operating contracts. MSC also manages Service-unique sealift assets for the Department of the Navy.

Military Traffic Management Command is the single defense manager for traffic management, land transportation, common-user ocean terminals, and common-user intermodal container management during peacetime and war. As transportation manager, Military Traffic Management Command manages freight movement, personal property shipment, and passenger traffic worldwide. As a transportation operator, Military Traffic Management Command operates and manages common-user water terminals throughout the world and monitors movements through all terminals. Military Traffic Management Command also has responsibility for intermodal surface transportation referred to in the budget as Liner Ocean Transportation. In addition, Military Traffic Management Command manages Service-unique assets for the Department of the Army.

USTRANSCOM's centralized headquarters and three components ensure the ability to support the warfighting commanders. Components provide lines of communication to the Services, ensuring assets are available when needed for the transition from peace to war. This was clearly demonstrated in the wake of the 11 September 2001 terrorist attacks on the United States, as USTRANSCOM surged from peacetime sustainment to a massive deployment of people and material in support of the global war on terrorism. 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 headquarters and components. The components also provide the critical link to the Services' core competencies in organizing, training, and equipping forces. USTRANSCOM is inextricably linked to Service training, operations tempo, personnel tempo, maintenance, acquisition, logistics, and support policies and procedures—all key enablers in providing ready forces and capabilities.

USTRANSCOM's goal is to effectively and efficiently direct the mix of all transportation functions to provide a Defense Transportation System ready to meet the nation's strategic mobility needs. The USTRANSCOM Joint Mobility Control Group allows centralized visibility of all transportation requirements within the Defense Transportation System. The Joint Mobility Control Group exercises command and control over the entire Defense Transportation System, ensuring efficient use of all assets and optimum use of training opportunities, while meeting customer requirements.

BUDGET HIGHLIGHTS

One of DOD's highest priority goals is to maintain a robust and responsive Defense Transportation System as a critical element of America's national security strategy for rapid power projection. USTRANSCOM's ability to move sufficient numbers of U.S. forces, equipment and supplies, enables the defense of vital national interests anywhere in the world at a moment's notice. A strong defense transportation capability gives credence to alliance commitments by delivering economic and security assistance, and when needed, military forces. The Defense Transportation System—a partnership of military and commercial assets—is key in accomplishing these actions. USTRANSCOM's support for Operations ENDURING FREEDOM and NOBLE EAGLE dominate the cost changes from FY03 to FY04. FY03 reflects projected results based on FY02 sustainment patterns, while FY04/05 have no Operations ENDURING FREEDOM assumptions as directed by budget policy. The following budget highlights discuss USTRANSCOM's various initiatives and budget changes.

ECONOMIES AND EFFICIENCIES

Since the inception of the Transportation Working Capital Fund in 1992, USTRANSCOM productivity and cost avoidance initiatives and organizational streamlining efforts have resulted in savings of over \$1.3 billion. In cooperation with the Services, USTRANSCOM has made significant progress in streamlining the components. As a Unified Command, USTRANSCOM does not have the authority to direct organizational change within the components. That is a Service authority granted under Title 10. However, over the past decade, the Services have downsized Transportation Component Commands commensurate with overall DOD plans. Streamlining efforts are an important step toward achieving a leaner, more efficient Defense Transportation System, while preserving warfighting capability. Following is an outline of FY94 - FY05 productivity and cost avoidance initiatives and organizational streamlining savings.

PRODUCTIVITY AND COST AVOIDANCE INITIATIVES: Since its inception as a revolving fund activity in FY94, USTRANSCOM has produced over \$1.1 billion in savings due to productivity and cost avoidance initiatives. These include:

- Initiating cost reduction initiatives at Military Traffic Management Command
- Renegotiating ship contracts
- Reducing ship testing periods
- Devising fuel savings techniques for our ship charters
- Operating aircraft channels and utilizing aircraft more efficiently
- Scrubbing asset maintenance requirements to ensure only the minimum required expenditures
- Implementing Strategic Distribution Management Initiative
- Revising flying hour models
- Phasing out DC 8 Combis and fixed buys
- Replacing commercial capability with seat-pallet equipped C-17s
- Phasing out commercial cargo fixed-buy (guaranteed business)

USTRANSCOM continues to significantly reduce costs, while maintaining required Defense Transportation System wartime readiness levels.

STREAMLINING-SAVINGS INITIATIVES: From FY97 to FY05, USTRANSCOM's budget has reflected over \$235 million in savings as a result of streamlining initiatives. These initiatives were designed to improve customer service, reduce costs, and operate more efficiently. As the single manager for defense transportation, USTRANSCOM has aggressively pursued numerous reengineering initiatives. These actions have resulted in a more efficient organization to support peacetime responsibilities, while preserving go-to-war readiness capability and effectiveness. Initiatives include:

- Reengineering strategic airlift
- Eliminating redundancies between components
- Implementing Base Realignment and Closure actions
- Reducing port infrastructure
- Consolidating command headquarters
- Streamlining organizational structures
- Renegotiating contracts
- Implementing cost savings initiatives

(NOTE: Narratives for all following tables reflect changes from FY03 – FY04)

COST

COST (\$ IN MILLIONS)	FY02	FY03	FY04	FY05
Air Mobility Command	\$4,004	\$4,228	\$3,136	\$3,299
Military Sealift Command	\$722	\$663	\$647	\$674
Military Traffic Management Command	\$901	\$796	\$740	\$748
Defense Courier Service	\$21	\$20	\$11	\$11
USTRANSCOM	\$0	-\$1	\$8	\$0
Total	\$5,648	\$5,706	\$4,542	\$4,732

Air Mobility Command: Cost decreased in FY04 by \$1.092 billion

Major cost changes

- +\$197 million - Inflation
- +\$42 million - C-17 bed-down at McGuire AFB and Contractor Logistics Support costs for 13 new C-17s
- +\$6 million - General & administrative costs provided by Air Mobility Command bases
- +\$5 million - Increased civilian full-time equivalents
- (\$811) million - Commercial charters reduced, mainly due to ENDURING FREEDOM workload in FY03 but not in FY04
- (\$500) million - Flying hour and aircraft maintenance costs reduced mainly due to ENDURING FREEDOM workload in FY03 but not in FY04
- (\$31) million - Phase-out of DC-8 combi charters and commercial fixed buy

Military Sealift Command: Cost decreased in FY04 by \$16 million

Major cost changes

- +\$13 million - Surge Large Medium Speed Roll-on/Roll-off deliveries
- +\$7 million - Fuel prices
- +\$3 million - Defense Finance and Accounting Service cost
- (\$22) million - Reduced number of Prepo ships
- (\$17) million - T-5 buyout

Military Traffic Management Command: Cost decreased in FY04 by \$56 million

Major cost changes

- +\$14 million - Inflation (Liner, Global Privately Owned Vehicle, and stevedore contract price changes) and pay raise
- +\$2 million - Defense Finance and Accounting Service
- +\$1 million - Other Changes
- (\$61) million - Direct Booking Initiative
- (\$10) million - Streamlining labor
- (\$2) million - Voluntary Separation Incentive Program

Defense Courier Service: Cost decreased in FY04 by \$9 million due to realignment of Military Personnel costs from the TWCF to the Military Personnel Appropriation.

REVENUE

REVENUE (\$ IN MILLIONS)	FY02	FY03	FY04	FY05
Air Mobility Command	\$4,611	\$4,185	\$2,668	\$3,299
Military Sealift Command	\$796	\$737	\$596	\$674
Military Traffic Management Command	\$904	\$738	\$731	\$735
Defense Courier Service	\$17	\$19	\$10	\$11
USTRANSCOM	\$0	\$0	\$7	\$0
Total	\$6,328	\$5,679	\$4,012	\$4,719

REVENUE: Billing rates are adjusted each year for Military Traffic Management Command, Military Sealift Command, Defense Courier Service and part of Air Mobility Command to generate enough revenue to cover business costs. Revenue is a function of cost changes plus Accumulated Operating Result factors required from last year's budget and this submission. The following section discusses Accumulated Operating Results. The Air Force subsidizes Air Mobility Command rates with the Airlift Readiness Account because rates are established based on benchmarking with commercial carriers. The Airlift Readiness Account covers the difference between revenue from customer rates and the total required revenue to break even. Narrative following the table discusses financial results.

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

NOR/AOR (\$ IN MILLIONS)	FY02	FY03	FY04	FY05
Beginning AOR	\$5	\$728	\$542	\$13
Operating Result	\$680	(\$27)	(\$529)	(\$13)
Other Adjustments	\$43	(\$159)	\$0	\$0
NOR	\$723	(\$186)	(\$529)	(\$13)
Ending AOR	\$728	\$542	\$13	\$0

FY03 OPERATING RESULT: FY03 operating result was estimated at a positive \$52 million in the FY03 President's Budget. The current FY03 estimate is a negative \$27 million, a decrease of \$79 million.

Air Mobility Command: FY03 operating result was estimated at a positive \$36 million in the FY03 President's Budget. The current FY03 estimate is a negative \$44 million, a decrease of \$80 million.

Major Operating Result changes

- +\$239 million - Increased Special Assignment Airlift Mission/Joint Chief of Staff workload
- +\$115 million - Reduced variable cost per flying hour (depot level repairables/fuel/supplies)
- +\$5 million - Increased training flying hours
- (\$182) million - Reduced Airlift Readiness Account funding due to high ENDURING FREEDOM workload
- (\$120) million - Increased channel cargo commercial augmentation
- (\$116) million - Congressional Airlift Readiness Account funding reduction
- (\$21) million - Increased depot maintenance requirements

Military Sealift Command: FY03 operating result was estimated at a positive \$93 million in the FY03 President's Budget. The current FY03 estimate is a positive \$74 million, a decrease of \$19 million.

Major Operating Result changes

- +\$2 million - Reduced Defense Finance and Accounting Service costs
- (\$21) million - Redelivery of two Prepo ships

Military Traffic Management Command: FY03 operating result was estimated at a negative \$77 million in the FY03 President's Budget. The current FY03 estimate is a negative \$58 million, an increase of \$19 million.

Major Operating Result Changes

- +\$6 million - Increased Liner workload
- +\$5 million - Streamlining labor savings
- +\$4 million - Decreased Automated Data Processing Equipment maintenance/contract cost
- +\$4 million - Decreased facility maintenance costs

FY04 OPERATING RESULT: FY04 operating result brings USTRANSCOM to zero Accumulated Operating Result by FY04 IAW Working Capital Fund policy with the exception of the Military Traffic Management Command. The budget includes cost recovery for the Cargo Operations, Liner Ocean Transportation, and Global POV Business Areas over FY04 and FY05. Fifty percent of the FY04 Cargo Operations, Liner Ocean Transportation, and Global POV gains are budgeted for FY04 and fifty percent are budgeted for FY05.

DISBURSEMENTS, COLLECTIONS, AND NET OUTLAYS

(\$ IN MILLIONS)	FY02	FY03	FY04	FY05
Disbursements	\$5,762	\$5,923	\$4,746	\$5,005
Collections	\$6,260	\$5,923	\$4,190	\$4,980
Net Outlays	(\$498)	\$0	\$556	\$25

Net Outlay Changes: FY04

- Net Outlays of \$556 million
- (\$527) million - Budgeted Accumulated Operating Result adjustments
 - (\$29) million - Miscellaneous

UNIT COST

Select unit costs are identified below.

AIR MOBILITY COMMAND UNIT COST	FY02	FY03	FY04	FY05
Channel Passenger (million passenger miles)	\$238,663	\$296,562	\$261,714	\$252,661
Channel Cargo (million ton miles)	\$1,473,134	\$1,701,372	\$2,212,505	\$2,393,948
SAAM/JCS (million ton miles)	\$523,921	\$681,963	\$809,698	\$832,650
Training C-17 (cost per flying hour)	\$10,389	\$7,818	\$9,077	\$9,200

MILITARY SEALIFT COMMAND UNIT COST	FY 02	FY 03	FY 04	FY 05
Petroleum Tankership Ship Days	\$40,073	\$48,821	\$36,134	\$42,770
Surge Reduced Operating Status (ROS) Ship Days	\$22,106	\$18,262	\$20,334	\$21,947
Army Afloat Prepo Ship Days	\$37,463	\$40,991	\$46,015	\$46,210
Chartered Cargo Ship Days	\$28,975	\$31,466	\$28,657	\$28,214

MILITARY TRAFFIC MANAGEMENT COMMAND UNIT COST	FY02	FY03	FY04	FY05
Global POV	\$3,172.00	\$3,085.00	\$3,112.00	\$3,165.00
Liner Ocean Transportation	\$79.15	\$61.59	\$49.59	\$49.69

DEFENSE COURIER SERVICE UNIT COST	FY02	FY03	FY04	FY05
Cost per 1,000 pounds delivered	\$7,009	\$5,638	\$5,550	\$5,650

WORKLOAD ASSUMPTIONS

Workload at USTRANSCOM means three things:

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

Readiness: In preparing to execute the requirements of the DOD Quadrennial Defense Review, USTRANSCOM assessed the strategic environment and appropriate role for its global mobility force pertaining to the new defense strategy. This effort continues as USTRANSCOM proactively supports Defense Planning Guidance directed studies in mobility analyses related to the military's current, mid-term and future force structure, as well as Service transformation efforts. The attacks of 11 September 2001 confirmed the dangerous and uncertain nature of today's environment, conditions that will continue for the foreseeable future. U. S. military forces must be prepared to meet all potential threats this environment may pose. USTRANSCOM is challenged in meeting the threat with low mission capable rates for the C-5 fleet and reduced number of aircraft due to the retirement of 270 C-141s that will be replaced by fewer C-17s. The solution is to meet the strategic airlift minimum moderate risk requirement of 54.5 MTM per day, which is the basis for programming efforts. This airlift baseline measure will also be the benchmark as the new defense strategy is assessed. A key aspect of the airlift modernization plan is the C-5 Reliability Enhancement and Re-engining Program. Surge sealift investment programs have proven to be sufficient and are at full capacity with the completion of the Large Medium-Speed Roll-on/Roll-off Ships program. Fast Sealift Ships and Ready Reserve Force must also be maintained to ensure they remain at their required readiness levels. However, while the past several years' enhancements to the support forces and reserve units have improved warfighting capabilities, the distance and the time requirements for deployment have increased overall lift demands as a result of the new strategy and Service transformation efforts. In addition to maintaining the current mobility force structure, new airlift and sealift technologies will be exploited to ensure the mobility force can meet customer needs and support combatant commanders on a global scale. At the same time, USTRANSCOM continues to be innovative in maintaining established relationships with commercial partners for both air and sealift to assure access to capability when and where needed. USTRANSCOM also ensures there is sufficient capability in the Guard and Reserve to augment mobility forces for contingency and wartime, as well as a robust infrastructure that ensures adequate throughput capability from an end-to-end perspective to support deployment and global distribution and sustainment.

Contingency Operations: Military Strategy requires DOD to be actively engaged throughout the world to minimize security risks to the United States. Specifically, the strategy cites peacekeeping operations, counter proliferation of weapons, humanitarian missions, and drug trafficking interdiction as the means to mitigate recurring security risks. Added to these taskings are the new "War on Terrorism" requirements that came about after 11 September 2001. All of these operations require USTRANSCOM services; therefore, extremely high operations tempo is expected to continue into the future. In some cases, contingency workload substitutes for normal workload in that units transported are not conducting normal training but are engaged in real world operations. However, current efforts to combat terrorism far exceed normal training requirements. Based on current guidance, no assumptions for unplanned contingency workload, cost, or revenue in the

budget years (FY04-05) are reflected. However, ongoing planned workload such as SOUTHERN WATCH and JOINT FORGE are reflected.

Recurring Peacetime Workload: Peacetime workload estimates are established based on current customer transportation projections. Customers provide the projections to USTRANSCOM via workload conferences, other correspondence, and historical trends, combined with analysis of future force structure. Major FY04 workload changes are outlined below.

AIR MOBILITY COMMAND WORKLOAD	FY02	FY03	FY04	FY05
Training Flying Hours C-17	17,303	36,703	42,245	45,268
Channel Cargo Ton Miles	901.9	845.7	549.0	546.9
SAAM/JCS Ton Miles	3,845.4	2,858.3	1,166.3	1,163.8

C-17 flying hours

Increases due to addition of 13 C-17s to fleet

Channel cargo workload

Decreases due to high ENDURING FREEDOM workload in FY03; ENDURING FREEDOM sustainment not budgeted in FY04/05 per budget guidance

Special Assignment Airlift Mission/Joint Chiefs of Staff Exercises workload

Decreases due to high ENDURING FREEDOM sustainment workload in FY03; ENDURING FREEDOM sustainment not budgeted in FY04/05 per budget guidance

MILITARY SEALIFT COMMAND WORKLOAD	FY02	FY03	FY04	FY05
Petroleum Tankership Ship Days	3,843	2,503	2,928	2,628
Army Afloat Prepo Ship Days	5,365	4,745	4,392	4,380
DLA Afloat Prepo Ship Days	1,095	1,095	732	730

POL Tankership days

Increase due to more requirements from Defense Energy Support Center

Army Afloat Prepo days

Decrease due to fewer ships

DLA Afloat Prepo days

Decreases due to fewer ships

DEFENSE COURIER SERVICE WORKLOAD	FY02	FY03	FY04	FY05
Pounds Delivered (thousands)	3,010	3,600	2,000	2,000

Pounds Delivered

Decreases due to loss of Department of State material

CUSTOMER RATE CHANGES

AIR MOBILITY COMMAND RATE CHANGES	FY02	FY03	FY04	FY05
Channel Passengers	6.0%	10.7%	1.7%	1.8%
Channel Cargo	7.2%	11.0%	1.7%	1.8%
SAAM/JCS	-3.8%	0.4%	-1.3%	5.7%
Training	9.6%	-1.9%	2.7%	3.8%

- Channel passenger and channel cargo rates increase with standard inflation
- Special Assignment Airlift Mission and Joint Chief of Staff rate decreases primarily attributable to lower depot level repairable costs and reduced into-plane fuel rates
- Training rate increases due to higher contractor logistics support rates per engine cycle

MILITARY SEALIFT COMMAND RATE CHANGES	FY02	FY03	FY04	FY05
Chartered Cargo	-4.4%	37.4%	-42.7%	33.4%
Petroleum Tankerships	14.4%	13.4%	-50.8%	54.0%
Surge FOS	45.6%	-8.7%	-5.4%	-5.3%
Surge ROS	45.6%	-8.7%	-9.6%	6.1%
Army Afloat Prepositioning	14.5%	11.7%	8.2%	-1.5%
Air Force Afloat Prepositioning	14.5%	11.7%	-2.9%	2.4%
DLA Afloat Prepositioning	14.5%	11.7%	-28.4%	22.5%

- Decrease in Chartered Cargo rates due to elimination of cash surcharge, Maritime Administration refund in FY02, and less shoreside support
- Decrease in Petroleum Tankership rates due to elimination of cash surcharge, return of FY02 profit, and T-5 buyout
- Decrease in Surge Full Operating Status rates due to elimination of cash surcharge and return of FY02 profit

- Decrease in Surge Reduced Operating Status rates due to elimination of cash surcharge and the unexpected FY02 revenue adjustment from Navy
- Increase in Army Afloat Prepositioning rates due to increase in overhauls and reduced workload offset by elimination of cash surcharge and Maritime Administration refund in FY02
- Decrease in Air Force Afloat Prepositioning rates due to elimination of cash surcharge and Maritime Administration refund in FY02
- Decrease in Defense Logistics Agency Afloat Prepositioning rates due to elimination of cash surcharge, fewer ships, and Maritime Administration refund in FY02

MILITARY TRAFFIC MANAGEMENT COMMAND RATE CHANGES	FY02	FY03	FY04	FY05
Cargo Operations	-40.0%	-38.3%	20.0%	23.9%
Global POV	-7.0%	-14.7%	15.6%	13.0%
Liner Ocean Transportation	-1.4%	-8.4%	-2.6%	-7.6%

- Cargo Operations rate increase due to a cost recovery for the Cargo Operations business area over FY04 and FY05. Fifty percent of the FY04 Cargo Operations recoverable amount is budgeted for FY04 and fifty percent is budgeted for FY05.
- Global POV rate increase due to a cost recovery for the Global POV business area over FY04 and FY05. Fifty percent of the FY04 Global POV recoverable amount is budgeted for FY04 and fifty percent is budgeted for FY05.
- Liner Ocean Transportation rate decrease due to a return of profits for the Liner business area over FY04 and FY05. Fifty percent of the FY04 Liner profit is budgeted for FY04 and fifty percent is budgeted for FY05.

DEFENSE COURIER SERVICE RATE CHANGES	FY02	FY03	FY04	FY05
Pounds Delivered	-22%	-4.4%	-.4%	3.7%

CAPITAL PURCHASE PROGRAM

USTRANSCOM's major systems under development and modernization are interim migratory systems. This budget enables the continued upgrade to ensure continued readiness in the 21st century. The Capital Purchase Program includes investment in automated data processing equipment and telecommunications equipment, software development, minor construction, and equipment (other than automated data processing equipment and telecommunications). Global Transportation Network is one of the major system efforts. The budget contains capital funding for its replacement – Global Transportation Network 21. Global Transportation Network 21 development began in FY02.

CAPITAL (\$M)	FY02	FY03	FY04	FY05
Equipment	\$5.3	\$7.6	\$4.5	\$3.7
ADPE and Telecom Equip	\$47.5	\$51.0	\$47.4	\$68.3
Software Development	\$125.0	\$132.7	\$132.2	\$125.1
Minor Construction	\$10.2	\$12.3	\$12.9	\$12.4
Total CPP	\$188.0	\$203.6	\$197.0	\$209.5

FY04 Decrease: Decrease in INFOSTRUCTURE hardware due to fluctuating purchases from year to year as hardware requirements change plus completion of Global Air Transportation Execution System hardware upgrades in FY03.

MANPOWER TRENDS

USTRANSCOM's staffing is approximately 78 percent military and 22 percent civilian. Maintaining a ready airlift capability consumes 85 percent of the workforce. Military Sealift Command meets the majority of its requirements through commercial charter and port contracts; therefore, it is not manpower intensive. Military Traffic Management's Command budget reflects manpower reductions due to organizational streamlining and the transfer of the Defense Travel System Project Management Office to Defense Finance and Accounting Service. The efficient use of manpower in the components is integral to the national mobilization and strategic lift capability.

MILITARY END STRENGTH AND WORKYEARS

	FY02	FY03	FY04	FY05
Army	236	247	245	245
Navy	212	205	204	204
Marine Corps	23	17	16	16
Air Force	12,708	13,856	14,493	14,358
Total Military End Strength	13,179	14,325	14,958	14,823
Total Military Workyears	12,820	13,968	14,592	14,440

FY03 - FY04 Military End Strength Changes:

- Increase in Air Force end strength due primarily to manpower requirements associated with Air Mobility Command's C-17 ramp up and some C-5 adjustments due to increased maintenance requirements associated with the aging weapon system
- Decreases in Army, Air Force, Navy and Marine Corps end strength at USTRANSCOM HQ due to Defense Reform Initiative reductions

Military Workyears: Workyear levels are computed using a three-year rolling average in accordance with budget guidance.

CIVILIAN END STRENGTH

	FY02	FY03	FY04	FY05
U.S. Direct Hire	3,528	3,506	3,467	3,458
Foreign National Direct Hire	278	197	202	202
Foreign National Indirect Hire	441	436	434	434
Total Civilian	4,247	4,139	4,103	4,094

CIVILIAN FULL-TIME EQUIVALENTS

	FY02	FY03	FY04	FY05
U.S. Direct Hire	3,576	3,508	3,458	3,464
Foreign National Direct Hire	218	197	202	202
Foreign National Indirect Hire	447	436	434	434
Total Civilian	4,241	4,141	4,094	4,100

FY03 - FY04 Civilian End Strength/Full-Time Equivalents Changes:

- Increases at Air Mobility Command due to the Tanker Airlift Control Center's Mobility 2000 Initiative and C-17 adjustments
- Decreases at Military Traffic Management Command due to command and control consolidation savings at group and battalion levels and the transfer of the Defense Travel System Project Management Office to Defense Finance and Accounting beginning in FY03
- Decreases at Military Sealift Command due to the USNS Kaiser going off-line

PERFORMANCE MEASURES

Air Mobility Command:

- Number of Pallets - Percentage of pallet positions offered versus used on CONUS outbound channel cargo missions
GOAL: 92%
- On-Time Commercial Mission - Percentage of time channel passenger commercial missions are within 20 minutes of scheduled departure
GOAL: 94%
- Flight Crew Readiness - Percentage of assigned crews qualified to fly primary missions
GOAL: 90%

Military Sealift Command:

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

Military Traffic Management Command:

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

Changes in the Costs of Operation
Component: United States Transportation Command/Activity Group: Transportation
Date: February 2003
(Dollars in Millions)

	Expenses
FY 2002 Actual:	\$5,648.2
FY 2003 Estimate in President's Budget:	\$4,393.2
Estimated Impact in FY 2003 of Actual FY 2002 Experience:	
Pricing Adjustments:	(\$3.9)
a. FY 2003 Pay Raise	\$1.1
(1) Civilian Personnel	\$1.0
(2) Military Personnel	\$0.1
b. Annualization of Prior Year Pay Raises	\$0.6
(1) Civilian Personnel	\$0.6
(2) Military Personnel	\$0.0
c. Commercial Augmentation Rate Increase	\$35.2
d. DLR/Consumable Price Decrease	(\$13.1)
e. Depot Maintenance Pricing Adjustment	(\$14.7)
f. Fuel	(\$5.8)
g. Sealift Contract Price Change	(\$7.2)
h. Global POV Contract Price Change	\$0.2
i. Stevedore Contract Price Change	(\$0.2)
Productivity Initiatives & Other Efficiencies:	(\$23.9)
a. Mobility 2000	\$0.3
b. Flying Hour Model Revisions	(\$2.9)
c. Commercial Aug - DC8 Combis	(\$16.0)
d. Organizational Streamlining	(\$5.3)
e. Non-Add: Patriot Express "Y" Class Rates = (\$1.6M)	
f. Non-Add: Frequency Channel Cargo Reductions = \$5.2M	
g. Non-Add: Standard Rate per Mile = (\$19.8M)	
Program Changes:	\$1,340.3
a. Airlift Workload and Other Changes	\$1,380.2
b. Operation Enduring Freedom/Noble Eagle (Travel)	\$7.3
c. Increased Depot Maintenance Costs	\$22.3
d. Sealift Workload Changes	(\$2.8)
e. Global POV Long-term Storage	\$3.5
f. Direct Booking Initiative	(\$45.0)
g. Travel/Transportation	(\$5.7)
h. ADPE Maintenance and Operations	(\$3.6)
i. MRM #15 Requirement	\$2.0
j. Global Transportation Network	\$6.5
k. Depreciation	(\$11.9)
l. Other	(\$12.5)
FY2003 Current Estimate:	\$5,705.7

Changes in the Costs of Operation
Component: United States Transportation Command/Activity Group: Transportation
Date: February 2003
(Dollars in Millions)

	Expenses
FY2003 Current Estimate:	\$5,705.7
Pricing Adjustments:	\$231.1
a. FY 2004 Pay Raise	\$5.2
(1) Civilian Personnel	\$4.0
(2) Military Personnel	\$1.2
b. Annualization of Prior Year Pay Raises	\$2.3
(1) Civilian Personnel	\$2.0
(2) Military Personnel	\$0.3
c. Contractor Logistics Support (CLS) Price Change	\$40.6
d. Fuel	\$47.6
e. Commercial/Military Augmentation Rate Increase	\$31.4
f. Depot Maintenance	\$48.9
g. Depot Level Reparables (DLRs)	\$20.0
h. Global POV Contract Price Change	\$3.5
i. Sealift Contract Price Change	\$8.2
j. Stevedore Contract Price Change	\$0.9
k. General Purchase Inflation	\$22.5
Productivity Initiatives & Other Efficiencies:	(\$43.5)
a. Organizational Streamlining	(\$9.8)
b. Flying Hour Model Revisions (Organic)	(\$2.6)
c. Commercial Aug - DC 8 Combis & Fixed Buys	(\$31.1)
d. Non-Add: Frequency Channel Cargo Reductions = (\$0.2M)	
e. Non-Add: Patriott Express "Y" Class Rates = (\$16.0M)	
Program Changes:	(\$1,351.6)
a. Airlift Workload and Other Changes	(\$1,276.3)
b. C-17 bed-down at McGuire AFB	\$11.3
c. Aircraft Maintenance	(\$1.2)
d. Increased Civilian FTEs	\$5.0
e. Sealift Workload Changes	(\$36.4)
f. Direct Booking Initiative	(\$61.0)
g. MRM #15 Requirement	\$0.5
h. Realign Military Personnel Costs Back to Mil Pers Appropriation	(\$9.6)
i. Global Transportation Network (GTN)/GTN 21	(\$4.1)
j. Research, Development, Test, and Evaluation	\$18.0
k. Depreciation	(\$1.0)
l. Other	\$3.2
FY 2004 Estimate:	\$4,541.7

Activity Group Analysis
Component/Activity Group: United States Transportation Command
SOURCE OF NEW ORDERS AND REVENUE
(Dollars in Millions)
Program: Total

	FY 2002	FY 2003	FY 2004	FY 2005
1. New Orders				
a. Orders from DOD Components	5,566.0	5,009.7	3,542.5	4,221.5
Air Force	2,523.4	2,284.6	1,632.7	2,230.5
Military Personnel	155.8	160.0	147.5	151.3
Aircraft Procurement	0.2	0.1	0.0	0.0
Missile Procurement	0.1	0.1	0.0	0.0
Other Procurement	15.1	14.1	7.3	7.4
Operations and Maintenance	2,137.1	1,889.1	1,265.9	1,847.6
ANG, O&M	10.5	8.5	5.8	6.2
AFRES, O&M	139.4	144.3	161.3	172.5
RDT&E	4.8	3.8	1.5	1.5
Other	60.4	64.6	43.4	44.0
Army:	1,563.8	1,569.1	1,009.3	1,025.4
Military Personnel	196.3	194.4	175.5	196.7
Other Procurement	0.7	4.9	0.5	0.8
AAFES	87.6	68.3	51.5	45.2
Operations and Maintenance	1,237.5	1,265.5	761.2	762.2
NG, O&M	12.0	9.4	3.5	3.5
RDT&E	12.4	10.0	6.0	5.5
Other	17.3	16.6	11.1	11.5
Navy:	910.7	576.6	450.2	475.5
Military Personnel	166.5	146.0	103.7	110.1
NEXCOM	25.6	15.0	12.3	9.8
Operations and Maintenance	245.4	408.2	328.3	349.7
Other	473.2	7.4	5.9	5.9
Marines:	119.0	100.4	71.3	76.3
Military Personnel	70.7	61.5	41.0	42.2
MCEX	1.9	0.5	1.0	0.9
Operations and Maintenance	46.4	38.4	29.3	33.2
OSD:	449.1	479.0	379.0	413.8
Operations & Maintenance:	237.6	298.2	286.1	319.3
JCS	206.9	255.1	260.7	283.8
NSA	3.9	3.1	4.6	4.7
DIA	0.2	0.1	0.3	0.3
DMA	0.1	0.0	0.1	0.1
Other	26.5	2.9	2.9	3.2
DLA (Non-WCF)	0.0	37.0	17.5	27.2
Other	211.5	180.8	92.9	94.5
b. Orders from other Fund Activity groups	676.0	599.7	430.9	453.6
DECA	39.7	55.1	36.4	37.1
DLA	388.8	360.0	265.6	262.6
Other	247.5	184.6	128.9	153.9
c. Total DoD	6,242.0	5,609.4	3,973.4	4,675.1
d. Other Orders:	86.3	69.5	39.0	43.5
Other Federal Agencies	13.0	14.3	11.0	13.6
Trust Fund	11.4	10.4	5.1	5.2
Non Federal Agencies	22.5	12.8	9.3	9.6
Foreign Military Sales	39.4	32.0	13.6	15.1
Total New Orders	6,328.3	5,678.9	4,012.4	4,718.6
2. Carry-In Orders	0.0	0.0	0.0	0.0
3. Total Gross Orders	6,328.3	5,678.9	4,012.4	4,718.6
4. Funded Carry-over	0.0	0.0	0.0	0.0
5. Total Gross Sales	6,328.3	5,678.9	4,012.4	4,718.6

Transportation Working Capital Fund
Component: United States Transportation Command/Activity Group: Transportation
Revenue and Expenses
(Dollars in Millions)

	FY 2002	FY 2003	FY 2004	FY 2005
Revenue				
Gross Sales	\$6,339.6	\$5,678.9	\$4,005.8	\$4,718.5
Operations	\$6,091.3	\$5,430.7	\$3,808.5	\$4,513.8
Capital Surcharge	\$0.0	\$0.0	\$0.0	\$0.0
Cash Surcharge	\$50.0	\$50.0	\$0.0	\$0.0
Depreciation excluding Maj Const	\$198.3	\$198.2	\$197.3	\$204.7
Major Construction Depreciation	\$0.0	\$0.0	\$0.0	\$0.0
Other Income	\$0.0	\$0.0	\$6.6	\$0.1
Refunds/Discounts(-)	(\$11.3)	\$0.0	\$0.0	\$0.0
 Total Income:	 \$6,328.3	 \$5,678.9	 \$4,012.4	 \$4,718.6
Expenses:				
Salaries and Wages:				
Military Personnel Compensation & Benefits	\$46.4	\$46.8	\$37.1	\$38.0
Civilian Personnel Compensation & Benefits	\$260.4	\$265.0	\$260.9	\$275.7
Travel and Transportation of Personnel	\$196.1	\$108.1	\$83.5	\$87.0
Materials and Supplies (For internal operations)	\$1,053.8	\$1,124.7	\$913.2	\$962.9
Equipment	\$5.3	\$12.7	\$18.1	\$11.9
Other Purchases from Revolving Funds	\$317.3	\$452.4	\$497.5	\$553.2
Transportation of Things	\$21.4	\$17.2	\$18.4	\$19.7
Depreciation - Capital	\$198.3	\$198.2	\$197.3	\$204.7
Printing and Reproduction	\$0.9	\$1.2	\$1.2	\$1.2
Advisory and Assistance Services	\$17.1	\$16.4	\$17.1	\$17.4
Rent, Communications, Utilities, and Misc Charges	\$35.8	\$36.5	\$44.1	\$44.1
Other Purchased Services	\$3,495.4	\$3,426.5	\$2,453.3	\$2,515.8
 Total Expenses	 \$5,648.2	 \$5,705.7	 \$4,541.7	 \$4,731.6
 Operating Result	 \$680.1	 (\$26.8)	 (\$529.3)	 (\$13.0)
Less Capital Surcharge Reservation	\$0.0	\$0.0	\$0.0	\$0.0
Plus Passthroughs of Other Appropriations affecting NOR/AOR	\$0.0	\$0.0	\$0.0	\$0.0
 Other Changes Affecting NOR	 \$12.0	 (\$159.3)	 \$0.0	 \$0.0
 Net Operating Result	 \$692.1	 (\$186.1)	 (\$529.3)	 (\$13.0)
Beginning AOR	\$5.3	\$728.4	\$542.3	\$13.0
Prior Year Adjustments	\$31.0	\$0.0	\$0.0	\$0.0
Other Changes Affecting AOR (Specify)	\$0.0	\$0.0	\$0.0	\$0.0
	\$0.0	\$0.0	\$0.0	\$0.0
	\$0.0	\$0.0	\$0.0	\$0.0
 Accumulated Operating Result	 \$728.4	 \$542.3	 \$13.0	 \$0.0
Non-Recoverable Adjustment Impacting AOR (Specify)	\$0.0	\$0.0	\$0.0	\$0.0
Accumulated Operating Results for Budget Purposes	\$728.4	\$542.3	\$13.0	\$0.0

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AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

CAPITAL BUDGET

FUND 9A
(Dollars in Millions)

Capital Budget Summary
Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division

Fiscal Year (FY) 2004/FY2005
Biennial Budget Estimates
February 2003

Item Description	FY 2002		FY 2003		FY 2004		FY 2005	
	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
ADPE & TELECON	3	6.910	3	8.280	2	1.455	2	1.330
Enterprise Data Warehouse Hardware	1	2.310	1	3.465	1	1.155	1	1.180
Keystone Hardware	1	0.100	1	0.165	1	0.300	1	0.150
Material Management System Hardware	1	4.500	1	4.650	0	0.000	0	0.000
SOFTWARE DEVELOPMENT	11	55.586	11	52.126	10	52.009	10	53.252
Externally Developed	11	55.586	11	52.126	10	52.009	10	53.252
Automated Budget Analysis/Centralized User System (ABACUS)	1	3.389	1	1.969	1	1.360	1	0.417
Enterprise Data Warehouse (EDW)	1	5.100	1	7.690	1	3.085	1	3.170
EXPRESS (D0878X)	1	0.425	1	1.125	1	1.000	1	0.425
Financial Inventory Accounting and Billing System (FIABS)	1	6.155	1	1.000	1	3.196	1	8.995
Inventory Valuation	1	3.200	1	1.580	0	0.000	0	0.000
Keystone	1	1.752	1	3.571	1	1.936	1	2.420
Maintenance Planning and Execution (MP&E)	1	2.750	1	4.800	1	6.842	1	6.251
Purchase Request Process System (PRPS)	1	3.275	1	2.275	1	2.680	1	2.683
Requirements Management System (RMS)	1	6.665	1	7.436	1	12.231	1	9.673
Reformed Supply Support Program (RSSP)	1	4.075	1	1.880	1	1.800	1	1.900
Stock Control System(SCS)	1	18.800	1	18.800	1	17.879	1	17.318
Total	14	62.496	14	60.406	12	53.464	12	54.582

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: EDW HW
Item Description: HQAF00013
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	2.310	2.310	1	3.465	3.465	1	1.155	1.155	1	1.180	1.180

Item Justification/Impact if Not Provided:

Enterprise Data Warehouse (EDW)

Description and Purpose:

The Enterprise Data Warehouse (EDW) Program is a cross-functional program that encompasses the 23 combat support functions of the Global Combat Support System (GCSS-AF). It will provide the data sharing and functional integration of data required by GCSS-AF in support of the AF Warfighter. Through the use of modern query and data mining tools, the EDW cross-functional data will be transformed into the information required by the war fighters and combat support personnel, accessible via the AF Portal. Gathering and storing enterprise wide data in a secure, reliable and consistent manner, through web accessible portals, the EDW will enable modern decision support tools to quickly provide clear and accurate decision support information. The Material Support Division (MSD) is the primary functional area with the largest requirement for EDW and has the largest volume of data that will reside in EDW. Other functional areas like Maintenance (AF/ILM) have identified their peculiar functional requirements and have provided funding for those EDW requirements. To gain the maximum benefit from an EDW, cross-functional data needs to be loaded into EDW. Currently, REMIS (Reliability and Maintainability Information System) historical aircraft maintenance, comm.-electronics, engine, and airlift data is loaded. The next group of functions; supply chain management, asset visibility, cataloging, mission capable parts, requirements determination, and item management data is being loaded. The aircraft Mission Design Series (MDS) phase (Increment III) will take two years for the initial loading of data and developing the initial capability. This endeavor will significantly enhance the Air Force's ability to improve weapon system availability, asset visibility, operational readiness, contingency planning, and combat operations. Supply data from selected Materiel Support Division (MSD) supply systems like REMIS, SCS (Stock Control System), D043 (Master Item Identification Control System), D165 (MICAP data), WSMIS (Weapon System Management Information System), and D200 (Requirements Data Bank) will be folded into EDW by the end of FY03 followed by other logistics and decision support data in FY04/05. The entire combat support enterprise will be covered by the close of FY07.

Current Deficiency and/or Problem:

As EDW development progresses we must purchase additional storage capacity to accomodate planned data systems feeds. The current Teredata storage box is near capacity and additional capacity is urgently required to continue EDW development.

Economic Analysis:

An approved economic analysis is on file.

Program Completion:

The entire combat support enterprise will be completed by the close of FY07.

Point Of Contact:

Tina Vasquez, MSG/MAE, DSN 787-5077 (X6299)

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: KeystoneHW
Item Description: HQAFMC0001
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.100	0.100	1	0.165	0.165	1	0.300	0.300	1	0.150	0.150

Item Justification/Impact if Not Provided:

Keystone (H303) Decision Support System (DSS)

Description and Purpose:

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

Current Deficiency and/or Problem:

Increased user demand and stricter security requirements will require expanded server capacity and continuing security improvements to maintain system performance specifications. Required hardware upgrades would include processor and memory expansions/upgrades, additional disk drives, replacement of failed hardware components as required, plus planned replacement of the production, test and web servers due to aging and expected system growth.

Impact:

Disapproval of this request will not permit growth of Keystone to include additional Air Force Working Capital Fund financial data, such as Depot Maintenance and General Support Division information, or take advantage of improved technology, eventually limiting user accessibility, degrading system response time and becoming non-compliant with system security requirements.

Economic Analysis:

An economic analysis, accomplished May 02, is available.

Program Completion:

Hardware purchased with any FY funds will be delivered within eight weeks of purchase request initiation and generally be installed within that FY.

Point of Contact:

Rick Iacobucci, HQ AFMC/FMRS, DSN 787-4615

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: MMSHW
Item Description: JLSC001
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	4.500	4.500	1	4.650	4.650	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

Material Management System

Description and Purpose:

These funds will be used to continue the ongoing modernization efforts of the depot material management infrastructure. Management infrastructure consists of facilities (buildings), fiber and cabling that goes to the buildings, routers, personal computers, and servers. This work is necessary to support the modernization of the legacy data systems architecture required by Defense Information Infrastructure/Common Operating Environment (DII/COE). Additionally, the work is required for the data systems, such as Requirement Management System (RMS), Purchase Request Process System (PRPS), and Maintenance Planning and Execution (MP&E), to move into Global Combat Support System (GCSS) AF in compliance with USAF/IL direction. GCSS-AF and DII-COE will bring all the systems into a common operating environment. This with the combination of on-line, real-time capability, will allow users from the entire Air Force to share data for analysis as well as conduct automated and interactive file maintenance actions, suspense tracking, and determine order status. The number of interfaces will be reduced and the systems will provide more timely and accurate information to decision makers.

Current Deficiency and/or Problem:

The current infrastructure does not support the DII/COE or GCSS-AF requirements. Without this investment, we will not be able to meet USAF/IL direction.

Impact:

Without these funds, the systems infrastructure will not be adequate to support the modernized data systems now being developed. The modernized data systems that these funds will be supporting are the material management data system that are being modernized to improve their business processes and to be compliant with directives such as GCSS-AF, DII-COE, Enterprise Data Warehouse (EDW), web-enablement, etc. Items that will be purchased include: upgraded servers, personal computers and printers, upgraded cabling to go into the facilities, upgraded switching hardware for the Centers to be able to run modernized material management (technical refresh accomplished) data systems. AF/IL directed GCSS-AF will not be able to fully operate at the ALCs without these upgrades.

Economic Analysis:

An economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of ADPE using FY02 funds will be completed in FY02. Delivery of ADPE using FY03 funds will be completed in FY03

Point of Contact:

Carolyn Cunningham, HQ AFMC/LGNM, DSN 674-0131

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: ABACUSSW

Item Description: HQSAF0012

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	3.389	3.389	1	1.969	1.969	1	1.360	1.360	1	0.417	0.417

Item Justification/Impact if Not Provided:

Automated Budget Analysis/Centralized User System (ABACUS)

Description and Purpose:

This capital purchase request reflects the costs estimated for a software contractor to develop an enhanced budget system. This enhanced system is intended to be more responsive to changing Air Force Working Capital Funds (AFWCF) business practices. The major enhancement that ABACUS will undergo at this time is to rebuild ABACUS on an Air Force and DoD compliant system architecture. This new architecture will serve as a solid foundation, flexible for future enhancements to meet changes in the AFWCF budget process. The enhancements will be web-based, data focused with archiving and export features, and auditing capability. The development of the enhanced ABACUS occurs over several years beginning in FY02.

Current Deficiency and/or Problem:

The current ABACUS is used to create and assemble budgets in a uniform manner for approximately six months out of the year. The remaining time ABACUS is not used. There is no database to store historical data which could be used to analyze trends. Changes that occur at higher levels cannot be distributed properly to lower levels. Changes to AFWCF procedures are not easily incorporated due to current system architecture and operating environment. Budget submissions are sent by File Transfer Protocol, which is a tedious process. The proposed changes to ABACUS will fix these shortfalls.

Impact:

An enhanced ABACUS will allow more time for analysis, because historical data will be available within ABACUS. Time will be saved by allowing budgets to be developed in ABACUS. Files can be transferred easily from lower to higher levels.

Estimated Completion Date:

FY05

Economic Analysis:

An approved economic analysis is on file.

POC: Tim Wilson, HQ AFMC/LGND DSN 787-7367
Denette Marshall, HQ AFMC/FMRS, DSN 787-4626.

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: EDW

Item Description: HQAF00012

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	5.100	5.100	1	7.690	7.690	1	3.085	3.085	1	3.170	3.170

Item Justification/Impact if Not Provided:

Enterprise Data Warehouse (EDW) Software

Description and Purpose:

The Enterprise Data Warehouse (EDW) Program will bring together the full spectrum of Air Force combat support data to include maintenance, supply, transportation, finance, contracting, and planning. Through the use of modern query and data mining tools, the EDW cross-functional data will be transformed into the information required by the war fighters. Gathering and storing enterprise wide data in a secure, reliable and consistent manner, through web accessible portals, the EDW will enable modern decision support tools to quickly provide clear and accurate decision support information. This endeavor will significantly enhance the Air Force's ability to improve weapon system availability, asset visibility, operational readiness, contingency planning, and combat operations. The EDW will continuously gather key data elements from selected Air Force systems, organize them, provide enhanced access and analytical query capabilities, and produce user-tailored reports. Two other key characteristics will be user single point of entry and significantly reduced response times. Starting in the last quarter of FY00, the initial segment, the Air Force's fleet wide historical maintenance provided by REMIS (Reliability and Maintainability Information System), was entered into the EDW by the end of March 2001. The next segment drew pertinent data from all other aircraft and communication-electronics related maintenance systems by the end of FY01. Supply data from selected Material Support Division (MSD) supply systems like REMIS, SCS (Stock Control System), D043 (Master Item Identification Control System), D165 (MICAP data), PTAMS (Pipeline Tracking Analysis and Metrics System), and D200 (Requirements Data Bank) is being folded into the enterprise warehouse and should be completed by the end of FY03, followed by other logistics and decision support data in FY04/05. The entire combat support enterprise will be covered by the close of FY07. Targeted data is currently planned for the following domains: maintenance, supply, ammunition, medical, transportation, civil engineering, finance, accounting, cost management, logistics plans, contracting, requirements determination, sustaining engineering, decision support, PPBS, communications, services, and security.

Current Deficiency and/or Problem:

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

Impact:

Failure to fund the Enterprise Data Warehouse will continue the practice of relying on closed, rigid, compartmentalized and non-integrated combat support data to underpin key decisions. Timeliness of data will continue to lag the needs of commanders, accuracy will remain suspect and the relationships between such activities as supply, transportation, maintenance, and operations will remain clouded. The Air Force's ability to make combat support decisions will trail best proven business practices, not meet the intent of Joint Vision 2010/2020, and could place people and equipment at unnecessary risk.

Economic Analysis:

An approved economic analysis in on file.

Program Completion:

The entire combat support enterprise will be covered by the close of FY07.

Point Of Contact:

Tina Vasquez, MSG/MAE, DSN 787-5077 (X6299)

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: EXPRESS (DO878X)

Item Description: OC7LG8

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.425	0.425	1	1.125	1.125	1	1.000	1.000	1	0.425	0.425

Item Justification/Impact if Not Provided:

Execution and Prioritization of Repairs Support Systems (EXPRESS) DO87X

Description and Purpose:

An automated tool to support the Depot Repair Enhancement Program (DREP), performs the following functions: a. Prioritization of Aircraft Repairables (PARs); b. EXPRESS Prioritization Processor (EPP); c. Supportability Module. EXPRESS provides a single integrated priority list of all repair requirements at an ALC, determines the ability of existing resources to support repair actions, and provides the data and the mechanism to move items into repair. The source of repair/supply uses a mathematical model in PARs to prioritize repair and distribute assets to the users from the source of the consolidated serviceable inventory (CSI). PARs takes into account base flying activity, asset position, and the corporately established aircraft availability goals. EPP sets priorities for the repair of items which are not addressed in PARs and combines all priorities into a single integrated list for each repair shop. Assets which do not have aircraft availability goals are prioritized using a "deepest hole" logic to try to fill the most critical need. EPP also provides the prioritized list to the Distribution Module, which identifies prepositioning actions for serviceable parts as they come out of repair.

The Supportability Module takes the prioritized repair list from the EPP and determines whether the required items can be repaired based on four evaluation criteria: a. Carcass availability; b. Repair parts availability; c. Repair funds availability; d. Repair resources availability. Items which meet all of these criteria are entered onto the D035K Express Table for transfer to the shop. Items which fail one or more of these criteria are identified to SHOP PRO, where workload managers can resolve supportability constraints.

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

Current Deficiency and/or Problem:

The current systems performing this process do not meet the DII/COE or GCSS-AF requirements. Without this investment, we will not be able to meet USAF/IL direction. Additionally, current systems do not allow for on-time, real-time capability.

Impact:

Without these funds this system will not be able to move into a modern DII/COE architecture nor will the system be GCSS-AF compliant. The system must be modernized to provide the best support to the field.

Economic Analysis:

An approved economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of software using FY02 funds will be completed in FY03. Delivery of software using FY03 funds will be completed in FY04.

Point of Contact:

Carolyn Cunningham. HQ AFMC/LGNM. DSN 674-0131

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: FIABSSW
Item Description: HQAFMC00013
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	6.155	6.155	1	1.000	1.000	1	3.196	3.196	1	8.995	8.995

Item Justification/Impact if Not Provided:

Financial Inventory Accounting and Billing System (FIABS)

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

Current Deficiency and/or Problem:

The current FIABS is inflexible, hosts rigid applications, is expensive and slow to incorporate changes. It has reached the point where poor data quality and the lack of standardization inhibit the ability to share reliable data. The update will comply with DOD and Air Force directives to provide commanders with near real-time information. The update will be accompanied by better documentation which is important to understanding/validating data. Simplified accounting will clean up the existing process, making data review less cumbersome. In July 01, OSD mandated the use of Moving Average Cost (MAC) for historical inventory valuation.

Impact:

The major benefits of this effort are upgrades to the current antiquated legacy system and improved business area management. The updated FIABS will incorporate the valuation of inventory using Moving Average Cost as directed in the Jul 01 OSD policy. The updated system will reduce the number of transactions passed between systems, eliminate data redundancy, streamline accounting procedures and processes, and move edits to upfront shared processes. This will allow errors to be caught as the transactions process through the logistic systems so they are rejected at the source of entry. Management visibility will be increased by the use of statistical modeling and analytical sampling such as metrics.

Audit trails will exist that document the entire processing of each transaction. This will include all updates to user maintainable tables as well as including program and process training capabilities to meet CFO requirements. Original transactions will not be altered and the original transaction will be marked as audited and new transactions will take their place. Other benefits include the evolution of the current business systems baseline to an integrated functional and interoperable technical environment maximizing the use of standardized data and data repositories to support all logistics business functions, management and operating levels.

The modernization effort, beginning in FY04, will convert FIABS from a batch system to a web-based environment. The web-based system will allow the data to be housed on one database and updated continuously. Additionally, modernization will incorporate the ability of real time processing. There will be a ramping up phase in FY04 with the effort of requirements analysis and beginning the design effort. In FY05, the program will be in full development where the design, coding, and unit testing will be performed.

Program Completion:

Projected completion is: Phase I, 30 September 2003

Projected completion is: Phase II, 30 September 2007

Economic Analysis:

An approved economic analysis is on file.

Point of Contact:

Denette Marshal, HQ AFMC/FMRS, DSN 787-4626

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: Inventory Val

Item Description: MSD0001A

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	3.200	3.200	1	1.580	1.580	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

Inventory Valuation Software

Description and Purpose:

The Chief Financial (CFO) Act of 1990 requires DOD to produce accurate, complete, timely, and consistent financial information for management. The requirement is to produce auditable financial statements with the ultimate goal of an unqualified audit opinion. Federal accounting standards require inventories to be valued based on historical costs. Valuation is of particular importance to capture the cost of operations in the DOD working capital funds, which in turn is critical to the profit and loss, and cash position as reported in AF Financial Statements.

Current Deficiency and/or Problem:

With the current system, senior AF financial managers have difficulty getting timely, credible information and meeting statutory requirements for producing CFO Act compliant and auditable financial statements. A major reason is the Air Force Supply Management Business Area general ledger system, Financial Inventory Accounting and Billing System (FIABS), does not capture the information needed to report historical costs. Further, FIABS was designed using a collection of legacy data processing systems intended for logistical information, not accounting data. This capital investment for software for Inventory Valuation will improve transaction integrity and data edits to ensure one time entry of data.

Impact:

This inventory valuation software will allow for recording transactions that will meet the standards required by the Generally Accepted Accounting Principles (GAAP), be simpler, and provide much needed financial information for senior financial managers. Recording financial transactions that adhere to GAAP standards will facilitate attaining an unqualified audit opinion of financial statements to meet the requirements of the CFO Act.

Program Completion:

Projected completion: Phase I, 30 September 2003

Economic Analysis:

An approved economic analysis is on file.

Point of Contact:

Pam Henson, HQ AFMC/FM PMO, DSN 787-4394

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: KeystoneSW
Item Description: HQAFMC0011

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	1.752	1.752	1	3.571	3.571	1	1.936	1.936	1	2.420	2.420

Item Justification/Impact if Not Provided:

Keystone (H303) Decision Support System (DSS)

Description and Purpose:

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

Current Deficiency and/or Problem:

This request is for system software enhancements required to implement expansion of the Keystone DSS, as identified in the Keystone Strategic Roadmap. Identified expansion of Keystone's capabilities include additional MSD analysis requirements, expected interfaces with the Enterprise Data Warehouse, incorporation of General Support Division and Depot Maintenance financial data into the Keystone data base from legacy systems and assuring Keystone compatibility with projected DFAS data systems conversions and mergers.

Impact:

Disapproval of this request will limit Keystone's capability to meet identified user requirements in providing budget analysts, inventory managers and Supply Chain Management personnel an effective and efficient means for reviewing their program's MSD sales and cost data and allow them to manage their programs more effectively.

Program Completion:

Enhancements initiated with FY02 or FY03 funding generally will be completed within six months of project initiation. Most FY02 enhancements were initiated in the third and fourth quarters, with completion in FY03. Examples of completed enhancements include providing weekly MSD revenue and expense data visibility. Examples of enhancements initiated in FY02 to be completed in FY03 include implementation of how users will view data within Keystone through a new, more robust front end tool, providing visibility of Moving Cost Average information, providing more detailed visibility of MSD overhead data through a new data feed and providing greater General Ledger Account detail to the MSD cash reporting/forecasting model. Examples of enhancements expected to be completed in FY03 include a capability to breakout MSD sales by MAJCOM, capture MSD inventory data at other services/agencies and provide an MSD and GSD Cash Flow Information Sheet (CFIS) to assist in execution reporting."

Economic Analysis:

An economic analysis, accomplished Jul 02, is available.

Point of Contact:

Rick Iacobucci, HQ AFMC/FMRS, DSN 787-4615

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: MP&E

Item Description: JLSC02C

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	2.750	2.750	1	4.800	4.800	1	6.842	6.842	1	6.251	6.251

Item Justification/Impact if Not Provided:

Maintenance Planning and Execution (MP&E)

Description and Purpose:

MP&E provides Repair Program Managers with a standard system for performing the actions of planning for the maintenance of reparable items. The application provides a common system for controlling and tracking funds used for maintenance; negotiating maintenance costs and schedules; and providing management of maintenance programs.

The first phase of MP&E was successfully deployed in FY00. These funds will be used to continue the development and deployment of additional MP&E capabilities. Some of the work that was previously scheduled was delayed due to the reprogramming of MP&E funds to the Stock Control System (SCS) program. Therefore, the MP&E program is scheduled to accomplish that workload in FY04 and FY05. The work will move the system towards a Defense Information Infrastructure/Common Operating Environment (DII/COE) compliant open systems architecture. Additionally, continued modernization planning towards DII/COE and bringing the system into an open systems environment under the Global Command Support Systems - Air Force (GCSS-AF) Integration Framework ensures compliance with USAF/IL direction. Componentization efforts will also move MP&E towards integration into a single logistics system, improving data quality and business processes, reducing number of system interfaces, eliminating software redundancy and identifying reuse opportunities, and reducing system sustainment costs. This on-line, real-time capability will allow Air Force users the ability to share data for analysis as well as provide enhanced reporting/query capabilities, access to current/future maintenance requirements, and repair program historical data resulting in more timely and accurate information to decision makers.

Current Deficiency and/or Problem:

The current systems performing this process do not meet the DII/COE or GCSS-AF requirements. Without this investment we will not be able to meet USAF/IL direction. Additionally, current systems do not allow for on-time, real-time capability.

Impact:

Without these funds this system will not be able to move into a modern DII/COE architecture nor will the system be GCSS-AF compliant. The system must be modernized to provide the best support to the field.

Economic Analysis:

An economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of software using FY02 funds will be completed in FY03.

Delivery of software using FY03 funds will be completed in FY04.

Point of Contact:

Keith Ferguson, HQ AFMC/LGNM, DSN 674-0125

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: PRPS (D203)
Item Description: JLSC02D
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	3.275	3.275	1	2.275	2.275	1	2.680	2.680	1	2.683	2.683

Item Justification/Impact if Not Provided:

Purchase Request Process System (PRPS)

Description and Purpose:

The PRPS automates the front end of the acquisition process and is used to bridge the requirement stage to acquisition competition screening, automated purchase request and attachments, delivery order notices and the contracting stage. PRPS processing begins with the receipt of a validated buy requirement, and includes acquisition competition screening, automated purchase request and attachments, delivery order notices and transmission to the buying activity.

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

Current Deficiency and/or Problem:

The current systems performing this process do not meet the DII/COE or GCSS-AF requirements. Without this investment we will not be able to meet USAF/IL direction. Additionally, current systems do not allow for on-time, real time capability and do not allow for paperless contracting.

Impact:

Without these funds this system will not be able to move into a modern GCSS-AF integration framework and DII/COE architecture as directed by higher HQ nor will it provide a paperless acquisition system.

Economic Analysis:

An economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of software using FY02 funds will be completed in FY03.
Delivery of software using FY03 funds will be completed in FY04.

Point of Contact:

Donna Dow, HQ AFMC/LGNM, DSN 674-0132

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
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FUND9B
(Dollars in Millions)

Item Name: RMS

Item Description: JLSC02A

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	6.665	6.665	1	7.436	7.436	1	12.231	12.231	1	9.673	9.673

Item Justification/Impact if Not Provided:

Requirements Management Systems (RMS)

Description and Purpose:

This system comprises a set of major logistics processes and models integrated by a large relational database. This system automates and integrates the Air Force materiel requirements determination processes which compute procurement, termination and repair requirements for spares, repair parts, and major equipment items. It uses a planning period of 38 quarters and recomputes quarterly. The relational database is the repository of detailed information showing the indentured application of every individual part of each particular aircraft type of end item. Within this structure the system holds the historical and planning data needed to support computation of quantities for buy, termination and repair. The data includes: past and projected weapon system operating programs, future readiness goals, maintenance and modification schedules, item failure rates, and condemnations. Dataquery, modeling, and management report generation are on-line.

These funds will be used to continue the ongoing modernization efforts of the Requirements Management System (RMS). Continued modernization planning towards Defense Information Infrastructure/Common Operating Environment (DII/COE) and bringing the RMS into an open systems environment under the Global Command Support Systems - Air Force (GCSS-AF) Integration Framework ensures compliance with USAF/IL direction. Componentization efforts will also move RMS towards integration into a single logistics system, improving data quality and business processes, reducing number of system interfaces, eliminating software redundancy and identifying reuse opportunities, and reducing system sustainment costs. This on-line, real-time capability will allow Air Force users the ability to share data for analysis; improve computation of universal requirements and simulation capability; provide on-line historical data; and improve projections of factors, requirements, and status information resulting in more timely and accurate information to decision makers. The GCSS-AF and DII/COE development work will be conducted during the FY03-04 time period with the two largest computational system components being worked in FY04. Further development work will continue to be implemented beyond FY04 in order to accomplish GCSS-AF and DII/COE mandates.

Current Deficiency and/or Problem:

The current systems performing this process do not meet the DII/COE or GCSS-AF requirements. Without this investment we will not be able to meet USAF/IL direction. Additionally, current systems do not allow for on-time, real time capability.

Impact:

Without these funds this system will not be able to move into a modern DII/COE architecture nor will the system be GCSS-AF compliant. The system must be modernized to provide the best support to the field.

Economic Analysis:

An economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of Block 3 SRRB Changes using FY02 funds will be completed in FY03. Delivery of Block 4 SRRB changes using FY03 funds will be completed in FY04.

Point of Contact:

Margie Osterhus, HQ AFMC/LGNM, DSN 787-5485

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: RSSP
Item Description: SM99001

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	4.075	4.075	1	1.880	1.880	1	1.800	1.800	1	1.900	1.900

Item Justification/Impact if Not Provided:

Reformed Supply Support Program (RSSP)

Description and Purpose: The Reformed Supply Support Program (RSSP) is the process the Air Force will use to bring initial spares into the inventory and to form a partnership with industry to manage initial spares more efficiently. The RSSP Data Exchange (D375) is the technological solution for weapon system Program Offices to gain visibility of spares and parts usage data during the acquisition cycle and the interim supply support period. The Data Exchange (D375) will feed spares data from the contractor to the government systems (e.g., computation models, retail tracking systems, wholesale tracking systems and packaging and transportation systems) to enhance asset visibility, provide the data necessary for the government to make informed decisions when laying in initial and follow-on spares and Agile Logistics in an open systems architecture. The data that the RSSP Data Exchange (D375) will provide is not collected and tracked in any government systems today. The data is held in a myriad of contractor systems which do not link to government systems precluding informed decisions when laying in initial and follow-on spares.

Current Deficiency and/or Problem:

The data that the RSSP Data Exchange will provide is not collected and tracked in any government systems today. The data is held in a myriad of contractor systems which do not link to government systems. This situation precludes informed decisions and demand based forecasting of future requirements when laying in initial and follow-on spares. Once deployed, the RSSP Data Exchange will have to be upgraded to the latest GCSS-AF version of software requirements, and the Data Exchange will have to migrate to the GCSS-AF infrastructure to meet Level 4 compliance by FY07. Funds requested in FY04 and FY05 support this migration.

Impact:

HQ AFMC, AF/IL and SAF/AQ have endorsed this process for immediate implementation. Without Capital Development funding, the RSSP Data Exchange will not meet planned FOC by FY03, only limited functionality will be implemented. We will not be able to provide a common point of reference for spare asset visibility and analysis, nor a linking to government systems, the government will lose sight of sparing activities as contractors continue to maintain the Air Force system for an extended period. Also the government will be hampered in procuring the right spares, in the right amount, and at the right time.

Program Completion:

Current effort is planned for completion in three increments: Build 1 D035T capability was declared operational 03 Sep 02. Build 2 (D200A/N) capability in Mar 03, and FOC functionality in Jun 03. Remaining upgrades and requirements to migrate to the GCSS-AF Infrastructure are to be addressed in FY04-09. RSSP DE is GCSS-AF v2.0 compliant. By FOC, the GCSS-AF will be on v4.X. We will have to upgrade the system to meet the then current version as well as migrate the capability to the GCSS-AF Infrastructure. Further, as the system continues to be used in the field, new requirements will be levied by the users. These will be treated as CSRDs, SPRs, or DRs. The magnitude of the changes will determine the type of funding required to implement the requirements.

Economic Analysis:

An Economic Analysis has been completed, approved for this project and is on file.

Point of Contact:

Leeanne Stephenson, SMC Det 11/CWSBM, DSN 834-2575 or
John Zawila, MSG/ILSR, DSN 986-0507

Capital Budget Input Report

Air Force Working Capital Fund
Supply Management Activity Group
MSD - AFMC

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: SCS

Item Description: JLSC02F

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	18.800	18.800	1	18.800	18.800	1	17.879	17.879	1	17.318	17.318

Item Justification/Impact if Not Provided:

Stock Control Systems (SCS)

Description and Purpose:

SCS is the core of asset management. SCS is used by both the Air Force and Marine Corps (AF as executive agent) to maintain visibility of wholesale supply assets (serviceable, unserviceable, reparable carcasses, intransit to repair, in work, intransit from repair); process requisitions and issue materiel; provide customer status; control allocation/release of assets, and provide Joint Total Asset Visibility (JTAV) capability for inter-service lateral redistribution and procurement offset transactions. Air Force uses SCS to maintain visibility of MSD assets at base/depot supply, to redistribute excess MSD assets from bases/depot supply to fill backorders, to track assets intransit between bases and intransit to Air Logistics centers and to improve customer support through prepositioning of backorders for immediate shipment from the receiving line. SCS provides real-time MSD asset balances, requisition status and item management data to customers world-wide via SCS Web capability. As a key financial feeder system, SCS impacts the MSD general ledger accounts and achievement of Air Force Chief Financial Officer (CFO) compliance. SCS maintains aggregation accounts, controls/issues Government Furnished Materiel (GFM) to contractors, and processes shipments to disposal.

These funds will be used to continue the ongoing modernization efforts of the Stock Control System (SCS). The work will improve/re-engineer various business processes such as those impacting issue effectiveness and pipeline time, improve the visibility and management of MSD items, directly contribute to Air Force's achievement of CFO compliance, and move SCS into a Defense Information Infrastructure (DII)/Common Operating Environment (COE) compliant open systems architecture/Global Combat Support System (GCSS) AF configuration, thereby allowing more effective sharing of logistics information/improved functional integration within the AF and DoD. This effort will allow SCS to comply with direction given by HQ USAF/IL.

GCSS-AF and DII/COE will bring all the systems into a common operating environment. This with the combination of on-line, real-time capability, will allow users from the entire Air Force to share data for analysis as well as conduct automated and interactive file maintenance actions, suspense tracking, and determine order status. The number of interfaces will be reduced and the systems will provide more timely and accurate information to decision makers.

Current Deficiency and/or Problem:

The current systems performing this process are not fully CFO compliant and do not meet the DII/COE or GCSS-AF requirements. Without this investment we will not be able to meet USAF/IL direction.

Impact:

Without these funds this system will not be able to become fully CFO compliant, to move into a modern DII/COE architecture or to be GCSS-AF compliant. The system must be modernized to provide the most effective visibility/management of MSD assets and to provide superior support to the warfighter.

Economic Analysis:

An economic analysis has been completed for this project and is on file with HQ AFMC/FMRS.

Program Completion:

Delivery of software using FY02 funds will be completed in FY03

Delivery of software using FY03 funds will be completed in FY04

Point of Contact:

JoAnn Tudor, HQ AFMC/LGNM, DSN 674-0160

Fund 9C
(Dollars in Million)

**Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division
Capital Budget Execution**

**FY 2004/FY2005
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February 2003**

<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/Deficiency</u>	<u>Explanation</u>
Equipment - Except ADPE and TELECOM							
Equipment - ADPE and TELECOM							
FY02	KEYSTONE			0.100	0.100		
	MMS ADPE Equipment			4.500	4.500		
	Inventory Valuation			0.410	0.000	0.410	Requirement deleted
	EDW			2.310	2.310		
FY03	KEYSTONE			0.165	0.165		
	MMS ADPE Equipment			4.650	4.650		
	Inventory Valuation			0.200	0.000	0.200	Requirement deleted
	EDW			3.465	3.465		
FY04	KEYSTONE				0.300		
	EDW				1.155		
FY05	KEYSTONE				0.150		
	EDW				1.180		

**Fund 9C
(Dollars in Million)**

**Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division
Capital Budget Execution**

**FY 2004/FY2005
Biennial Budget Estimates
February 2003**

<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/ Deficiency</u>	<u>Explanation</u>
Software Development							
FY02	ABACUS		1.432	1.957	3.389		The carryover is necessary because we had to refine the functional description prior to beginning development
	KEYSTONE		0.312	1.440	1.752		Funds transferred from FY01 were software (.189) Hardware (.123). Hardware approved for conversion to software and execution as software in FY02.
	RSSP	0.650		3.425	4.075		
	FIABS			6.155	6.155		
	EDW			5.100	5.100		
	Inventory Valuation			3.200	3.200		
	Legacy Systems Modernization			34.967	31.915		
	SCS	9.435		9.365	18.800		
	PRPS			3.275	3.275		
	EXPRESS			0.425	0.425		
	PCMS	-4.223		6.625	0.000	2.402	Program cancelled (3.573 transferred to SCS; 650K transferred to RSSP)
	MP&E	-5.862		8.612	2.750		5.862 transferred to SCS.
	RMS			6.665	6.665		

Fund 9C
(Dollars in Million)

Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division
Capital Budget Execution

FY 2004/FY2005
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<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/Deficiency</u>	<u>Explanation</u>
FY03	ABACUS			1.969	1.969		
	KEYSTONE			3.571	3.571		
	RSSP			1.880	1.880		
	FIABS			1.000	1.000		
	EDW			7.690	7.690		
	Inventory Valuation			1.580	1.580		
	Legacy Systems Modernization			42.011	34.436		
	SCS			18.800	18.800		
	PRPS			2.275	2.275		
	EXPRESS			1.125	1.125		
	PCMS			7.575	0.000	7.575	Program cancelled.
	MP&E			4.800	4.800		
	RMS			7.436	7.436		

Fund 9C
(Dollars in Million)

Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division
Capital Budget Execution

FY 2004/FY2005
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<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/ Deficiency</u>	<u>Explanation</u>
FY04	ABACUS				1.360		
	KEYSTONE				1.936		
	RSSP				1.800		
	FIABS				3.196		
	EDW				3.085		
	Legacy Systems Modernization				40.632		
	SCS				17.879		
	PRPS				2.680		
	EXPRESS				1.000		
	MP&E				6.842		
	RMS				12.231		

Fund 9C
(Dollars in Million)

Air Force Working Capital Fund
Supply Management Activity Group
Material Support Division
Capital Budget Execution

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<u>FY</u>	<u>Approved Project</u>	<u>Internal Transfers</u>	<u>Carryover</u>	<u>Approved Project Cost</u>	<u>Current Project Cost</u>	<u>Asset/Deficiency</u>	<u>Explanation</u>
FY05	ABACUS				0.417		
	KEYSTONE				2.420		
	RSSP				1.900		
	FIABS				8.995		
	EDW				3.170		
	Legacy Systems Modernization				36.350		
	SCS				17.318		
	PRPS				2.683		
	EXPRESS				0.425		
	MP&E				6.251		
	RMS				9.673		

Fiscal Year (FY)2004/FY2005 Biennial Budget Estimates
Department of the Air Force
Depot Maintenance
February 2003
(Dollars in Millions)

Line Number	Item Description		FY 02		FY 03		FY 04		FY 05	
			Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
* \$1,000,000 and over										
E99G02	F-16 Microwave Test Stands Upgrade	R	2	1.2	0	0.0	1	0.6	0	0.0
E99H01	VXI Rehost	R	0	0.0	0	0.0	1	4.5	0	0.0
E99L03	Intermediate Freq/Video/Micro T/S	P	1	3.5	0	0.0	0	0.0	0	0.0
E01H02	Plasma Spray Systems	R	5	2.1	0	0.0	0	0.0	0	0.0
E02G01	F-16 Aircraft Avionics Digital T/S	R	1	6.4	3	1.1	1	4.1	0	0.0
E02G02	Fire Cont RADAR Antenna	R	2	1.6	0	0.0	2	2.3	0	0.0
E02G12	F110 Engine Run/Mount Kit	P	1	1.2	0	0.0	0	0.0	0	0.0
E02G13	Fuel Control T/S Replacement	R	1	5.9	0	0.0	0	0.0	0	0.0
E02G24	Nickle Tank Line (Pretreat)	R	2	1.2	0	0.0	0	0.0	0	0.0
E02G36	BRAT Tester Software	P	1	1.5	0	0.0	0	0.0	0	0.0
E01G03	Benchtop R/A Tester	R	2	1.1	0	0.0	0	0.0	0	0.0
E02G44	15 X 45 Autoclave	R	1	1.2	0	0.0	0	0.0	0	0.0
E02G55	GATS Refurbishment	R	1	2.4	0	0.0	0	0.0	0	0.0
E02H03	Automatic Shot Peening Systems	R	3	1.4	0	0.0	0	0.0	0	0.0
E02H38	CNC Universal Grinder - TCR Shop	R	2	1.1	0	0.0	2	1.5	0	0.0
E02H40	Case FPI Line Restoration	R	1	1.5	0	0.0	0	0.0	0	0.0
E02H46	C/KC-135 Circuit Analyzer	R	2	1.0	0	0.0	0	0.0	0	0.0
E02H58	AFATS Rehost Test Stands	P	1	2.1	0	0.0	0	0.0	0	0.0
E02L06	Electro Optical Work Center	R	1	1.7	1	1.5	0	0.0	0	0.0
E02L39	Benchtop Reconfigurable Auto Tester	R	1	1.6	1	3.5	0	0.0	1	6.5
E02L49	6861 Test Station	P	1	2.8	0	0.0	0	0.0	0	0.0
E05L11	TEWS Intermediate Test Equip	R	0	0.0	0	0.0	0	0.0	1	2.9

Fiscal Year (FY)2004/FY2005 Biennial Budget Estimates
Department of the Air Force
Depot Maintenance
February 2003
(Dollars in Millions)

Line Number	Item Description		FY 02		FY 03		FY 04		FY 05	
			Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
E03G02	IOE Hydraulic/Pneudraulic MILCON	P	0	0.0	1	3.6	0	0.0	0	0.0
E03G06	FACT Electrical Interconnecting	R	0	0.0	2	2.1	0	0.0	0	0.0
E03G10	High Prec Machine Center Jig Borer	R	0	0.0	1	2.0	0	0.0	0	0.0
E03G13	BRAT Tester replace Gen Rad	R	0	0.0	1	1.5	0	0.0	0	0.0
E03G27	Penetrate Line (Pretreat)	R	0	0.0	3	1.5	0	0.0	0	0.0
E03G09	Bake, Fill & Evacuate Test Stand	R	0	0.0	2	1.0	0	0.0	0	0.0
E03H01	IOE Depot Plating Shop MILCON	R	0	0.0	1	7.7	0	0.0	0	0.0
E03H03	MFC Test Stand Upgrade,B3108	P	0	0.0	6	1.6	0	0.0	0	0.0
E03L15	Test Set, Stores Management	R	0	0.0	1	1.3	0	0.0	0	0.0
E03L16	Building 49 Paint Booth Insert	P	0	0.0	1	5.7	0	0.0	0	0.0
E03L34	Automated Plastic Media Blast	E	0	0.0	1	1.3	0	0.0	0	0.0
E04G02	Cadmium Plating Line	R	0	0.0	0	0.0	1	1.0	0	0.0
E04G10	Auto Inspect Blast Depaint	P	0	0.0	0	0.0	1	1.5	0	0.0
E04G13	Transforming AF Components Surface Restoration Process	R	0	0.0	0	0.0	1	13.0	0	0.0
E04H03	CNC Universal Grinder Gearbox Shop	R	0	0.0	0	0.0	2	1.0	2	1.1
E04H04	Case Shop CNC Vertical Turret Lathe	R	0	0.0	0	0.0	2	2.2	0	0.0
E04H05	Machine Shop Modernization	R	0	0.0	0	0.0	2	1.1	0	0.0
E04H07	Decimal Test & Repair Systems	P	0	0.0	0	0.0	1	3.3	0	0.0
E04H10	C-5 BRAT Sets	P	0	0.0	0	0.0	2	1.2	0	0.0
E04H17	Tinker AFB Bldg. 3001 Transformation (IOE)	R	0	0.0	0	0.0	1	8.0	0	0.0
E04H18	Technology Upgrades to Suport B-2 Test Program Sets	R	0	0.0	0	0.0	1	6.5	0	0.0
E04L02	APG-63(V)1 Radar Lab Upgrade	R	0	0.0	0	0.0	1	4.2	0	0.0
E04L03	Radar Module Test Station	P	0	0.0	0	0.0	1	2.8	0	0.0

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Department of the Air Force
Depot Maintenance
February 2003
(Dollars in Millions)

Line Number	Item Description		FY 02		FY 03		FY 04		FY 05	
			Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
E04L08	Replacement of the A-10 IATS	P	0	0.0	0	0.0	2	2.3	0	0.0
E04L10	F-15 Analog Avionics Dept T/S	P	0	0.0	0	0.0	1	1.9	0	0.0
E04L15	Modern Aircraft Paint Technologies (IOE)	R	0	0.0	0	0.0	1	7.0	0	0.0
E04L16	Modern Aircraft De-Paint Technologies (IOE)	R	0	0.0	0	0.0	1	8.0	0	0.0
E04L17	Transforming Airborne Electronics Phase 1	R	0	0.0	0	0.0	1	5.0	0	0.0
E05G01	Gap Bed Grinder (Norton)	P	0	0.0	0	0.0	0	0.0	1	1.0
E05G04	Digital Tester replacing DATSA	R	0	0.0	0	0.0	0	0.0	1	1.3
E05G07	Replace Westinghouse w/ Digital T/S	R	0	0.0	0	0.0	0	0.0	1	1.8
E05G16	Stabalator Control Actuator Test Stand	R	0	0.0	0	0.0	0	0.0	1	1.0
E05G19	Low Voltage Test Stands	R	0	0.0	0	0.0	0	0.0	1	1.4
E05G23	Hydraulic Test Equip for GTE	R	0	0.0	0	0.0	0	0.0	5	1.5
E05H01	6 Axis Router / Ultrasonic Cutter	R	0	0.0	0	0.0	0	0.0	1	2.7
E05H02	GE Software/Hardware Upgrade	R	0	0.0	0	0.0	0	0.0	2	10.6
E05H05	Gen Shop Universal Grinder	R	0	0.0	0	0.0	0	0.0	3	1.2
E05H07	CNC Vertical Turret Lathe for Frames	R	0	0.0	0	0.0	0	0.0	2	1.6
E05L01	AN/ALM-205(A/B) Analog Module	R	0	0.0	0	0.0	0	0.0	6	1.4
E05L15	Horizontal Maching Center	P	0	0.0	0	0.0	0	0.0	1	1.5
E05L16	Upgrade Avionics Lab to ADCP	R	0	0.0	0	0.0	0	0.0	1	3.0
	Equipment Over \$1M Subtotal		20	42.5	14	35.4	22	83.0	16	40.5
EF0000	* \$500,000 to \$999,999.99		8	5.8	5	3.1	6	3.8	9	5.9
E99999	* \$100,000 to \$499,999.99		16	4.8	17	4.7	8	2.8	17	4.8

Fiscal Year (FY)2004/FY2005 Biennial Budget Estimates
Department of the Air Force
Depot Maintenance
February 2003
(Dollars in Millions)

Line Number	Item Description	FY 02		FY 03		FY 04		FY 05	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	ADPE & Telecommunication Equipment								
A96001	DMAP/Legacy System Modernization	1	12.0	1	11.0	1	8.9	1	7.5
	ADPE & Telecom Subtotal	1	12.0	1	11.0	1	8.9	1	7.5
	Software Development (Internally)								
S96001	ABACUS	1	2.0	1	2.0	1	1.4	1	0.4
S97001	Legacy System Technical Refresh	1	24.9	1	19.3	1	54.6	1	55.1
S97002	DMAPS Development/Implementation	1	38.0	1	28.6	1	6.8	1	6.8
	Software Development Subtotal	3	64.9	3	49.9	3	62.8	3	62.3
M00000	Minor Construction	5	2.2	8	3.1	2	0.9	3	1.5
P00001	Prior Year Adjustment	19	7.6	0	0.0	0	0.0	0	0.0
	TOTAL	72	139.8	48	107.2	42	162.2	49	122.5

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: A96001 DMAPS/Legacy System Modernization		Hardware		Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
DMAPS/Legacy System Modernization			1	12000	12000	1	11000	11000	1	8900	8900	1	7500	7500

Narrative Justification

This project is to upgrade the infrastructure necessary to support depot maintenance accounting and production system (DMAPS) and the modernized depot maintenance legacy systems. The funds are linked to both programs, as they can not be separately identified. Both efforts will share the same infrastructure. All the fiber optics, computers, and equipment will be jointly used, making it impossible to allocate the cost separately to each project. This effort is to upgrade the fiber optics, routers, and infrastructure items running to buildings that will implement the XP (operating system) network. Additionally, these funds will be used for personal computer upgrades and operating software. The benefit of this project is that it meets the desired goals of the Department of Defense (DoD) driving specific modernization directed for DoD logistics information. This is according to the logistics strategic plan from the Deputy Under Secretary of Defense (Logistics). To accomplish these goals, further definition has been provided by the defense information infrastructure (DII) master plan, dated 23 Apr 1997, and the DII shared data environment (SHADE) capstone document. The current infrastructure at the air logistics centers will not support these applications. The infrastructure upgrades are being phased between FY2000 and FY2009. They are coordinated with release of software for DMAPS and the legacy modernization efforts. A waiver has been approved since this investment is necessary to support direction from higher headquarters.

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

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF0000 Equipment from \$500,000 to \$999,999				Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Equipment from \$500,000 to \$999,999			8		5818	5		3112	6		3841	9		5932

Narrative Justification

See the EF0000 series of numbers for individual justification.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E99999 Equipment from \$100,000 to \$499,999				Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Equipment from \$100,000 to \$499,999			16		4861	17		4672	8		2743	17		4800

Narrative Justification

This category includes a vast array of equipment required to support depot maintenance industrial processes. Equipment included is essential to the AFMC depot maintenance activities at OC-ALC, OO-ALC, WR-ALC, and AMARC for ongoing efforts to maintain and modernize their existing organic industrial base, save taxpayer dollars through increased productivity, and support customer requirements. Each piece of equipment will contribute to improving inherent industrial processes, such as testing, inspecting, cleaning, coating, bonding, grinding, forming or some other industrial operation. The equipment when replaced, upgraded, integrated, or combined into their industrial operation will improve efficiency and personnel safety, support hazardous waste minimization and pollution prevention efforts enhance product quality and increase customer satisfaction in performing the depot maintenance mission. Examples include hydraulic test, grinding machines, boring machines, lathes, tube benders, grinders, heat-treating equipment, parts cleaning equipment, non-destructive inspection equipment, avionics/electronic automatic test equipment, circuit card repair equipment, plating/cleaning equipment, coordinate measuring equipment, laboratory analysis equipment and other industrial plant equipment. Economic analyses (EA) for individual projects within this funding threshold are submitted, certified, and maintained on file locally. Note, FY02 total cost of \$4861 was rounded down to \$4.8M for Fund9a & 9c Exhibits.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: S96001 Software Automated Budget Analysis/Centralized User System (ABACUS)				Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Automated Budget Analysis/ Centralized User System (ABACUS)			1	2000	2000	1	2000	2000	1	1390	1390	1	417	417

Narrative Justification

Depot Maintenance Activity Group (DMAG) budget and price development system supports the automated budget analysis/centralized user system (ABACUS) development effort. Major changes affecting the DMAG, such as the decentralization of customer funding, implementation of defense working capital fund (DWCF), stock funding of depot level repairables (DLR), etc., have rendered obsolete systems used within the Air Force to build budget submissions and develop customer prices; therefore, ABACUS was developed and implemented. Recognizing that a total re-engineering of these systems was required, HQ USAF, SAF, and HQ AFMC initiated a comprehensive integrated computer-aided manufacturing definition (IDEF) process and developed the architecture for the re-engineered process and data requirements of the future. To ensure the successful implementation and performance of their streamlined and flexible process, it is necessary to implement a suite of automated DMAG tools. These tools will be used by DMAG personnel at the Pentagon, HQ AFMC, and the air logistics centers to build budgets, set prices, report performance, respond to ad hoc request for information, and to exchange information. The development of the enhanced ABACUS will occur over several years beginning in FY02. An economic analysis is on file. FY01 funded the development of the Functional Description which will be provided to potential developers to allow them to bid on the development.

Impact if not provided: DMAG will be unable to provide timely and accurate processing data. For customers, this will lead to major funding shortfalls and excesses in execution and will undermine their ability to reliably project future requirements. In addition, DMAG's budget submissions will be ineffective in identifying resource requirements, providing the information and tools necessary for management decision making, and providing a valid basis for program execution. Ineffective pricing and budgeting using the current process will result in ineffective management within a \$5.1 billion per year Air Force program.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: S97001 Software Legacy System Technical Refresh				Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Legacy System Technical Refresh			1	24900	24900	1	19300	19300	1	54610	54610	1	55083	55083

Narrative Justification

The Air Force Materiel Command (AFMC) is in the process of modernizing/replacing their current depot maintenance legacy systems. The technical refresh of G004L, G046A, G337 will separate data from the host application, standardize the data and place those data elements into a shared data environment (Data Depot/Warehouse) that is DII/COE compliant. This migration will place the data into one logical data base with unique applications designed to support the depot maintenance business processes accessing it. The deployments of the modernized systems began in FY2000 with the deployment of H117R. G005M was deployed in FY2002. Deployments of legacy modernization work currently underway are projected to be complete in FY2006. This is a slippage of one year due to the reprogramming of \$14.6M of legacy system funds to DMAPS in FY03. The data separation, standardization, and data warehousing efforts of these legacy modernization efforts will have laid the groundwork for replacement by OTS/COTS/DMAPS and MRP II. MRP II/MRO will be fully implemented by the end of FY2007. The savings to investment ratio is in excess of 1.2 for this entire effort. An updated economic analysis is on file.

Impact if not provided: Due to the requested reprogramming of Legacy Systems funds, \$14.6M to DMAPS in FY03, the remaining \$19.3M in Legacy Systems funds must be received to continue MRP II/MRO implementation and the technical refresh of depot maintenance legacy systems. If funds are not received, the implementation of MRP II/MRO and the legacy system technical refresh programs will stop. AFMC systems will remain antiquated and unable to support the depot maintenance processes of the future.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: S97002 DMAPS Development/ Implementation		Software		Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
DMAPS Development/Implementation			1	38000	38000	1	28600	28600	1	6800	6800	1	6800	6800

Narrative Justification

Depot Maintenance Accounting and Production System (DMAPS) is soon to be an Air Force success story by providing better management information, a standardized material and financial management system, and compliance with Chief Financial Officer (CFO) legislation and Cost Accounting Standards (CAS). Program authority for DMAPS was provided by a memorandum of understanding between Defense Finance and Accounting Service (DFAS), Navy, and Air Force for Conducting a Business Process Review (BPR) of Defense Industrial Financial Management System (DIFMS) to the Air Force Depots, 14 May 1997. As a result of the BPR, Assistant Secretary of the Air Force, Financial Management and Comptroller (SAF/FM), tasked HQ AFMC/LG to develop and deploy DMAPS. The Director of DFAS and SAF/FM approved software design and development. Subsequently, in January 1998, SAF/FM approved the implementation of the DMAPS components to the three Air Logistics Centers. A waiver to the economic analysis requirement has been approved since this investment is necessary to support direction from higher Headquarters. DMAPS is being implemented in two phases. Phase I has been deployed at the Ogden and Warner-Robins Air Logistics Centers. Deployment of Phase I at Oklahoma City Air Logistics Center is underway, with full operational capability planned for Aug 02. Phase II is being deployed at Ogden Air Logistics Center, and is scheduled for full operational capability in October 2002. Testing of Phase II is underway at Warner-Robins Air Logistics Center, scheduled for full operational capability in Apr 03. Full operational capability for Oklahoma City Air Logistics Center, the last site, is scheduled for Oct 03. We expected to achieve full operational capability in by the beginning of FY2004. Due to the complexity of Phase II test, transition and implementation, this schedule reflects a slip of 4 months which requires additional funding of \$14.6M in FY03. The complexity involved integration of processing for 40 legacy systems with the DMAPS suite comprising the Air Force Materiel Command Integration Engine (AFMCIE), Automated Bill of Material (ABOM) system, Naval Air Systems Command Industrial Material Management System (NIMMS) and DIFMS. Therefore, we request authority to reprogram \$14.6M in FY03 funding from DMAG legacy systems to the DMAPS CPP program. CPP funding for DMAPS in the POM for FY04-09, (\$6.8M per year), will be used for continued system upgrades and improvements to make DMAPS more compatible with GCSS-AF.

Impact if not provided: AFMC will not complete DMAPS deployment and achieve full operational capability at all sites. This will require maintaining legacy systems scheduled to be shut down in FY04 with an operational cost of \$2.3M annually. This will also result in lack of a common approach across the Air Logistics Centers for financial and material business processes. Lack of common approach will increase support costs from our supporting agencies, DFAS and Defense Information Services Agency. This diverse operational environment will also complicate implementation of Defense standard architecture and reduce the ability to take advantage of logistics transformation initiatives as well as other improvements, such as Activity Based Costing and Management (ABC/M). DMAG

will continue to be non-compliant with CFO legislation and CAS. DMAG management will be adversely affected, such as reduced ability to use actual labor hour accounting for product costing.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: M00000 Minor Construction				Activity Identification AFMC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Minor Construction			5		2164	8		3070	2		925	3		1500

Narrative Justification

This category includes an array of minor construction projects that allows flexibility in adapting to new and changing workloads. Projects are small scale (costing between \$100,000 and \$500,000) and are designed, scheduled, and constructed in accordance with air logistics center (ALC) and AMARC established priorities. These projects support the depot maintenance mission requirements, correct safety and health problems, consolidate work areas as a result of downsizing efforts, and improve productivity through quality of life improvement projects and office/work space reorganizations. Typical projects could include modifications of load-bearing walls, changing work category codes within designated areas, construct various types of rooms for production efforts, or adding square footage to an existing building.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF3A04 Replacement A/C Reclamation & PPF IOE				Activity Identification AMARC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
A/C Reclamation & PPF IOE						1	506	506						

Narrative Justification

The purpose of this project is to purchase and install the Initial Outfitting Equipment (IOE) for the functional processing of the Aircraft Reclamation and Parts Processing Facility MILCON. The approved and funded (\$6.8M) MILCON will support the spare parts reclamation requirement for aircraft in active flying units, foreign military sales, and parts pulled for emergency replacement for combat aircraft. Equipment items will include conveyers, racks and shelving, and dock levelers. Equipment is necessary for the facility to function as intended. Benefit is an increase in efficiency. A cost benefit analysis was prepared by and is on file at AMARC/FMA (DSN 228-8526) and reflects a projected savings to investment ratio of 1.4 for the project. This project slipped from the FY2002 under \$500K program due to additional time allowed for contractor completion. Increased cost reflects the most current data available. The equipment will be purchased in FY03 and be available for installation November 2003.

Impact if not provided: End result would be that the aircraft and parts reclamation personnel would continue to work in a substandard, inefficient and deteriorated facility while the approved MILCON project will not be able to be completed and made ready for occupancy/use without these items.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E01H02 Plasma Spray Systems		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Plasma Spray Systems			5	423	2115									

Narrative Justification

The purpose of this multi-year project is to replace fifteen (total) manual and semi-automated plasma spray systems. The phasing in of this equipment will minimize any impact to production flow. This project replaced ten units in FY2001 and will replace five units in FY2003. The existing system consists of several different models and series. The new systems will consist of a single model type that provides the needed configuration control to reduce process errors. The plasma spray process is used to apply coatings tailored to specific jet engine parts on every type of jet engine repaired at OC-ALC. The coatings provide dimensional restoration, thermal barrier costing protection and additional wear resistance. Configuration to a single model to eliminate multiple operator interfaces will eliminate errors identified to a Class A mishap. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 0.8 with a payback period of 10.8 years. Due to this low ratio, a vital mission memo was submitted by OC-ALC and retained on file in HQ AFMC/LGPE. The FY02 SIR decreased because the system improved with implementation of the first phase. Phase 1 of this project was installed and in production as of July 2002. Phase 2 installation of the remaining five units has been additional segment to prevent negative impacts to production. These five units will be ready for installed and in production as follows: 2 in Jan 03, 2 in Feb 03 and 1 in Mar 03.

Impact if not provided: Continued risk associated with errors and process variations that affect the quality of the parts produced. These errors, if undetected, could result in another Class A mishap. This equipment is used on jet engine parts for the F-15, F-16, B-1B, KC-135R, E-6A, C-135, B-52, C-141 and E-3---all of which are essential to the mission readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02H03 Automatic Shot Peening Systems		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Automatic Shot Peening Systems			3	461	1383									

Narrative Justification

The purpose of this multi-year project is to replace five (total) manual shot peening systems with automatic systems. The FY2002 project will replace three units at \$1.4M and the second phase will replace two units planned in the budget out years. Shot peening is used to induce compressive stresses via the impact of tiny steel shot on the metal surface. Lance peening is used to relieve the internal component stresses on the inner dovetail cavity on the F110 fan stage disks or to repair fretted surfaces in the dovetail slots. The manual equipment is not capable of meeting the technical order or International Organization for Standardization (ISO) 9002 certification, which requires the use of computer-numerically-controlled (CNC) equipment. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The SIR for this project is 0.3, however, there is no other method of performing this function and the simulation model reflects a 50% reduction in flow-time. It also shows that this replacement will provide adequate capacity for increased workload. A vital mission memo was submitted by OC-ALC and is retained on file in HQ AFMC/LGPE. This equipment will be delivered in February 2003 and operational in March 2003.

Impact if not provided: OC-ALC will be unable to comply with Aerospace Material Specification 2432, referenced by ISO 9002 requirements and the technical order 2J-F110-3-6. These directives and changes to process mandate the use of CNC equipment. Failure to acquire this equipment will impact OC-ALC's capability to perform the shot peening process in accordance with the weapon systems stress tolerances. The weapon systems supported are the B-1B, F-16A/B/C/D, KC-135, F-14D, B-52, and E-3. Delay in performing this process has potential for grounding aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2H34 Replacement Rotor Fluorescent Penetrant Line Restoration				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Rotor Fluorescent Penetrant Line Restoration			1	900	900									

Narrative Justification

This project will restore the Rotor Fluorescent Penetrant Line for critical rotating engine parts such as disks, spacers, and air seals to like-new condition. This is the only system of its type that can process parts up to 1000 pounds. Inspection is required on all engine components to identify defects prior to performing repairs. Over ninety percent of all engine components utilize this inspection process. This project was planned for \$412K, however, the lines are being used on two shifts and this has accelerated the rate of deterioration. Each breakdown incident causes more damage to already-aged and worn components, thus driving an increase to the cost of restoration. The risk of line stoppage has also increased. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The present economic analysis reflects a savings to investment ratio of 1.39 with a payback of 6.06 years. The equipment was production ready in July 2002.

Impact if not provided: This equipment is used to inspect rotating engine components for the engines used in the E-3, C-135, C-141, B-52, F-14, B-1B, F-15, F-16 and B-2 weapon systems. It is vital to the mission of the Air Force that these engine components be inspected and repaired in a timely and efficient manner.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02H38 CNC Universal Grinders TCR Shop		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
CNC Universal Grinders TCR Shop			2	534	1068				2	726	1452			

Narrative Justification

This project involves buying four new CNC Universal Grinders and turning in 2 conventional Universal Grinders used in the Turbine Compressor and Rotor (TCR) Repair Section Shop to support the TF33, F110, F101 and F100 engine workload. The grinder is capable of grinding inside and outside diameters, surfaces and contours on rotating components of the jet engine to its original specification. The distance between centers on two of the grinders is 40” and the other grinder has a 72” distance. The larger machine is necessary to handle the F100 power shaft. The new CNC machines will enable us to increase capability and are expected to reduce production time. This will reduce our overtime requirements. The use of these machines will support the repair of jet engine components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A Aircraft. This shop machines components in the gearbox of the jet engine. Elements considered are reduction in overtime, reliability of grinders and decrease in recycle cost associated to reworks caused by the inability to meet required tolerances. New grinders will not only reduce cost but also reduce the machining time by an estimated 20%. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.60 with a payback period of 5.40 years. The equipment will be fully operational September 2006.

Impact if not provided: Due to the age of existing equipment, it is very difficult to get replacement parts. As such, it is more difficult to get them repaired, which increases downtime and reduces production. The impact is lower quality, higher overtime usage, longer downtimes, potential work stoppages, and an inability to meet required specifications and tolerances. The failure to fund new machine tools in a timely manner will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02H40 Replacement Case Fluorescent Penetrant				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Case Fluorescent Penetrant			1	1500	1500									

Narrative Justification

The purpose of this project is to provide restoration and partial replacement of the fluorescent penetrant inspection (FPI) line, which is the only capability to process large parts such as engine cases and ducts. The fluorescent penetrant line, project E9905, procured in FY2000 provided for the replacement of a complete system in building 3221. The proposed project will involve replacing the overhead chain, power and free trolleys, stop switches, track switches and anti-backups. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The restoration is required because of safety concerns. OC-ALC has several fluorescent penetrant lines located in different buildings and supporting various workloads. The lines have different requirements for different workloads supported. This equipment was installed and production ready in August 2002. The increase in usage in the past year (two-shift operation) has escalated deterioration and more hard breakdowns are experienced. The economic analysis reflects a savings to investment ratio of 0.57 with a payback period of 15.38 years. Due to this low ratio, a vital mission memo was submitted by OC-ALC and on file with HQ AFMC/LGPE.

Impact if not provided: The overhead system has been determined to be worn out-of-limits and must be replaced. If the overhead chain should break, it will destroy the rest of the FPI line and could cause serious injury or loss of life to personnel working under the overhead chain and carriers. The inspections are performed on the E-3, C-135, B-52, F-14, B-1B, F-15, F-16, and B-2 weapon systems. All of these weapon systems play a vital role in the mission readiness of the Air Force.

Activity Group Capital Investment Justification (\$ in Thousands)							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2H43 Replacement Circuit Analyzer for E-3				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Circuit Analyzer for E-3			1	505	505									

Narrative Justification

The purpose of this project is to purchase circuit analyzers that are used to perform operational checks on all aircraft electrical systems and circuits added or disturbed during programmed depot maintenance (PDM) in accordance with E-3 aircraft work specifications. The project will provide the capability to perform thousands of multiple and sequential computed diagnostic tests simultaneously. They generate reports and graphics about the conditions, locations and the problems discovered. The benefits of this project are an increase in efficiency, the supports of new technology, replacement parts are available, and it can be upgraded to meet future requirements. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.0 for the project. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is retained on file in HQ AFMC/LGPE. This project slipped from the FY 2001 under \$500K program. The equipment will be installed and production ready in May 2003.

Impact if not provided: Increased failure of test equipment, costly workarounds, risk of damaging very high cost internal aircraft systems, and delays in the repair of E-3 electrical systems and related sub systems. Complete failure of this test equipment would require workers to perform hand checks providing less accurate results. Borrowing existing units from other weapon systems is not feasible, since are all in need of replacement. Sharing analyzers causes delays and work stoppages on multiple weapon systems due to workload increases. The E-3 is the aircraft used by AWACS and is very vital to the successful mission of the Air Force due to its unique radar and surveillance capabilities.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02H46 C/KC-135 Circuit Analyzer		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
C/KC-135 Circuit Analyzer			2	505	1010									

Narrative Justification

The purpose of this project is to purchase circuit analyzers that are used to perform operational checks on all aircraft electrical systems and circuits added or disturbed during programmed depot maintenance (PDM) in accordance with FY1999 C/KC-135 aircraft work specifications. The project will provide the capability to perform thousands of multiple and sequential computed diagnostic tests simultaneously. They generate reports and graphics about the conditions, locations and the problems discovered. The benefits are an increase in efficiency, supports new technology, replacement parts are available, and it can be upgraded to meet future requirements. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.0 for the project. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is retained on file in HQ AFMC/LGPE. The equipment was installed and production ready in November 2002.

Impact if not provided: Increased failure of test equipment, costly workarounds, risk of damaging very high cost internal aircraft systems, and delays in the C/KC-135 PDM schedule. Complete failure of this test equipment would require workers to perform hand checks providing less accurate results. Borrowing existing units from other weapon systems is not feasible, since are all in need of replacement. Sharing analyzers causes delays and work stoppages on multiple weapon systems due to workload increases.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2H47 Replacement Circuit Analyzer for B-52				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Circuit Analyzer for B-52			1	505	505									

Narrative Justification

The purpose of this project is to purchase circuit analyzers that are used to perform operational checks on all aircraft electrical systems and circuits added or disturbed during programmed depot maintenance (PDM) in accordance with B-52 aircraft work specifications. The project will provide the capability to perform thousands of multiple and sequential computed diagnostic tests simultaneously. They generate reports and graphics about the conditions, locations and the problems discovered. Benefits are an increase in efficiency, supports new technology, replacement parts are available, and it can be upgraded to meet future requirements. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.0 for the project. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is retained on file in HQ AFMC/LGPE. This project slipped from the FY 2001 under \$500K program. The equipment will be installed and production ready in May 2004.

Impact if not provided: Increased failure of test equipment, costly workarounds, risk of damaging very high cost internal aircraft systems, and delays in the repair of B-52 electrical systems and related sub systems. Complete failure of this test equipment would require workers to perform hand checks providing less accurate results. Borrowing existing units from other weapon systems is not feasible, since are all in need of replacement. Sharing analyzers causes delays and work stoppages on multiple weapon systems due to workload increases.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03H01 IOE Depot Plating Shop MILCON			Replacement	Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
IOE Depot Plating Shop MILCON						1	7700	7700						

Narrative Justification

The purpose of this project is to replace plating equipment including process tanks, ventilation, environmental control equipment, electrical equipment, instrumentation and controls, lighting, pumps, piping, and corrosion resistant coatings for support structures. Deficiencies in the current plating shop processes will be corrected with modernization of the design concept, application of corrosion resistant materials, and installation of best available control technology. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 5.61 with a payback of 4.8 years. This equipment will be installed and production ready in October 2005.

Impact if not provided: Accelerating deterioration of the plating shop environment, systems malfunction, personnel safety and health risks, soil and ground water contamination occurrences, increasing cost for cleanup and remedial maintenance, interruption of the operation, and a delay in the delivery of parts. Regulatory action could result in the issuance of a Notice of Violation and fines assessed against the base. The failure to replace this equipment will impact the capability to perform borazon (nickel plating) and alodine (chrome plating) of large engine components for the B-1B, F-16, F-14, KC-135, E-6, B-2, U-2, F-111, C-135, B-52, C-141, E-3A, E-8 and E-15 weapon systems. This includes the F110-414 and TF33-414 jet engines.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF3H14 GE Fan Rotor Axiam		Productivity		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
GE Fan Rotor Axiam						1	589	589						

Narrative Justification

This project will improve the process used to repair fan rotors for the engines used on the F-16, B-1B, B-2 and F-14 weapon systems. The current process is performed in two semi-manual stages. The rotor gauge stacking system will provide a more efficient and reliable automated system to analyze and repair engine fan rotor assemblies. The reduction in production time and increased accuracy of repair will enable the continued repair of current and future workloads. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The project has a savings to investment ratio of 2.63 and a payback period of 3.19 years. This equipment will be fully operational by September 2003.

Impact if not provided: Continued increase in production time due to reworks. The use of equipment that does not provide the precision required to repair engine components impacts the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03H03 Main Fuel Control (MFC) Test Stand Upgrade		Productivity		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Main Fuel Control (MFC) Test Stand Upgrade						6	267	1602						

Narrative Justification

This project will provide upgrade of six MFC test stands supporting the B1, B52, KC135, C141, E3, F14, F15, and F16 weapon systems. Current testing is accomplished on older, manual main fuel control test equipment (test stands). The current test equipment has exceeded its economic life and is becoming unreliable and unsupportable. The refurbishment will replace gauges and install current commercial-off-the-shelf software. The software controls a set of gauges used to calibrate the main fuel controls for engines. This upgrade will improve the accuracy of gauges used to calibrate the main fuel controls for referenced weapon systems. The use of newer and more accurate test equipment will reduce maintenance and calibration time. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501, and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.27 with a payback period of 6.9 years. This equipment will be fully operational in July 2003.

Impact if not provided: The age and maintenance records of the existing test stands carry the potential for total failure. The existing test stands are experiencing an excessive amount of failures attributable to multiple maintenance issues. This would impact the Air Force Mission with the risk of grounding weapon systems until bridge contracts are negotiated.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E99H01 VXI Rehost		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
VXI Rehost									1	4500	4500			

Narrative Justification

This project, when complete, will provide for the replacement of all obsolete depot automatic test station for avionics (DATSA) in support of the B-1B to include the re-host of software programs to the more state-of-the-art equipment. The purpose of this project is to re-host digital shop replaceable unit (SRU) test programs sets (TPS) onto previously purchased VXI testers, thereby replacing the obsolete test station used to repair cards from the DATSA. This is a phased project that began in FY1999 (\$4,383). The project will continue until complete. The completion date has been adjusted several times due to funding constraints. The FY2001 (\$4,196) effort re-hosted digital circuit cards. The final phase will be completion of digital circuit card re-host and re-host of analog/hybrid circuit cards. The software (TPS) development and re-hosting of the TPS is identified as one system. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.0 for FY 1999, 0.9 for FY 2001 and 1.52 for FY 2004 with a payback period of 5.9 years. The FY99 phase 1 was completed in September 2001, phase 2 will be complete in early September 2003, and the final phase will be complete in September 2006. Savings will begin at the completion of each phase in accordance with the original plan.

Impact if not provided: DATSA obsolescence will continue to worsen each year leading to increased breakdown rates, reduction in the availability of spare parts, increase in repair costs and DATSA downtime per breakdown. If the obsolete DATSA is not replaced, the eventual result will be the loss of B-1B SRU repair capability. Additionally, OC-ALC would experience degradation of shop efficiency, increasing resource control center (RCC) costs, decreasing repair volume and quality. The timely and accurate repair of these parts is vital to the mission readiness of the B-1B weapon system.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates						
(\$ in Thousands)													
Department of the Air Force Depot Maintenance February 2003			Line Number: E04H03 CNC Universal Grinders Gearbox Shop		Replacement		Activity Identification OC-ALC						
Element of Cost			FY2002		FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
CNC Universal Grinders Gearbox Shop								2	519	1038	2	530	1060

Narrative Justification

This is a multi-year project, so two grinders will be purchased each year. The grinders will be used in the Gear Box shop to support the TF33, F100, F110 and F101 gearbox workload. Both internal and external grinding is required in this unit. The grinders are capable of grinding a rebuilt shaft/bearing to its original specification. A CNC grinder can reduce current recycle cost and increase production by reduction grinding time. These grinders are capable of achieving the tolerances and finishes that the part specifications require. These machines will replace conventional grinders with virtually the same work capacity, but cannot perform the required task. These machines will support the repair of jet engines components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A Aircraft. This shop machines components in the gearbox of the jet engine. Elements considered are reduction in overtime, reliability of machine tools and decrease in recycle cost associated to reworks caused by the inability to meet required tolerances. New grinders will not only reduce cost but also reduce the grinding time; therefore, we are able to reduce our need to carry 3 machines in inventory to two machines. An economic analysis (EA) was and certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 2.75 and payback period of 3.17 years. This project is expected to be installed and savings to begin in September 2005 and October 2006 for the second purchase.

Impact if not provided: There will be a continued decline in supportability and production effectiveness, an increase in recycle cost and an increase in production cost due to the current machines inability to meet required tolerances. By turning in 3 low production machines and replacing them with 2 new CNC machines, we should not only be able to grind to specified tolerances but reduce the grind time. Failure to fund new grinders in a timely manner will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04H04 Case Shop CNC Vertical Turret Lathes			Replacement	Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Case Shop CNC Vertical Turret Lathes (VTL's)									2	1116	2232			

Narrative Justification

These four VTL's will be used in the Case Repair Section to support the TF33, F110, F101 and F100 engine cases shrouds and supports workload. A CNC VTL can reduce current recycle cost and increase production by reduction machining time and also achieve better tolerances and finishes than the part specifications require. These machines will replace conventional VTL's machining features as inside and outside diameters, surfaces but perform additional contours to original specification and meet the required task that old machine cannot perform. These machines will support the repair of Jet Engine components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A Aircraft. Elements considered are reduction in overtime, reliability of machine tools, and a decrease in recycle costs associated to reworks caused by the inability to meet required tolerances. New VTL's will not only reduce cost but also reduce the machining time by an estimated 20%. An economic analysis (EA) was and certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.68 with a payback period of 5.05 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: There will be a continued decline in supportability and production effectiveness, also an increase in recycle cost and production cost due to the current machines' inability to meet required tolerances. Due to the age of these VTL's, parts and serviceability are becoming hard to achieve and will result in a line stoppage issue, which would result in MICAP condition. Failure to fund new VTL's will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04H05 Machine Shop Modernization		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Machine Shop Modernization									2	531	1062			

Narrative Justification

This will allow replacement of critical, obsolete machining and grinding equipment with new, state-of-the-art computerized numeric controlled (CNC) machine tools. These machine tools support the TF33, F110, F101 and F100 engine workload. The machine shop workload is currently being performed by outdated, conventional equipment that makes it extremely difficult to meet required specifications and tolerances. The equipment projected for purchase is capable of machining jet engine components to their original specification, thus achieving the tolerances and finishes that the part specifications require. This machine will support the repair of jet engine components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A aircraft. The components are engine cases, compressors and turbines. Elements considered are reduction in overtime, reliability of machine tools and a decrease in recycle costs associated to reworks caused by the machine inability to meet required tolerances. New machine tools will not only reduce this cost but also reduce the machining time by an estimated 25%. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 2.70 and payback period of 2.94 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: There will be a continued decline in supportability and production effectiveness and an increase in recycle costs and production costs due to the current machines' inability to meet required tolerances. Due to the age of this equipment, parts supportability and serviceability is becoming hard to achieve. There is the possibility line-stoppages will occur, which would result in a MICAP condition. The machining workload for engine repair is estimated at 850,000 hours annually. Failure to fund new machine tools in a timely manner will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force			Line Number: E04H07			Productivity	Activity Identification							
Depot Maintenance			Decimal Test and Repair			Systems	OC-ALC							
February 2003														
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Decimal Test and Repair Systems									1	3250	3250			

Narrative Justification:

The Augmenter Fan Temperature Control Integrated Test System (AFTCITS) is obsolete and becoming unsupportable. The upgrade to the Depot Decimal Test and Repair Systems (DDTRS) will provide automated calibration capability increasing production time and capacity. This project will provide the upgrade of Depot Decimal Test and Repair Systems (DDTRS) to increase capability for a future re-host of workload from the AFTCITS. These test stands are used to test and repair the augmenter fan temperature control, engine monitoring system processor, engine monitoring system computer, and central integrated test system processor of the F110, F100, F129, F101, F118 engines. The AFTCITS was designed and built in the 1980's and has exceeded its economic life. The existing test stand requires its own air conditioning unit, which occupies an enormous amount of facility space and has a high kilowatt usage. Obsolescence issues have already dictated a number of equipment modifications. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 0.27 with a payback period of 31.75 years. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is on file with HQ AFMC/LGPE. The equipment will be production ready in May 2005.

Impact if not provided: The weapon systems supported is the F-16. The ability to produce engine controls will be impacted with the age and old technology of the present equipment. The new equipment will require less space and maintenance while adding automated calibration and expanded production capabilities. Funding this project will have a positive impact on the mission readiness of the Air Force. Upgrading the DDTRS for a workload re-host from the obsolete AFTCITS will lessen the possibility of a production line stoppage. The workload supported by this equipment is considered core.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04H10 C-5 Bench Top Reconfigurable Test Set (BRAT)				Productivity Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
C-5 Bench Top Reconfigurable Test Set (BRAT)									2	600	1200			

Narrative Justification

OC-ALC Aircraft Management Directorate Production Branch, Tanker Branch, Engine Control Unit has determined the need to replace one Bench Top Reconfigurable Test Sets (BRAT) in support of the C-5 Autopilot workload, and purchase a second test set to support the C-5 Go-Around Attitude Subsystem (GAAS)/Stallimeter workload. The existing test set is becoming non-supportable for repair parts and replacement is needed in order to eliminate equipment downtime and subsequent backorders. Supportability of the antiquated test set necessitates replacement with BRAT configured to run the C-5 Autopilot workload. The current C-5 GAAS/Stallimeter workload consists of 31 sub-assemblies. This workload has exceeded the capability of the one dedicated test set. Continual inability to meet existing workload schedules will result in excessive backlog of various C-5 electronic sub-assemblies. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 1.55 with a payback period of 5.65 years. The equipment will be production ready in October 2004.

Impact if not provided: The equipment supports repair of the C-5 weapon system electronic systems. The new equipment will eliminate downtime experienced due to non-availability of parts to support the obsolete equipment. This has a direct impact on the mission readiness of the Air Force by eliminating MICAP conditions.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4H11 Replacement Horizontal Boring Machine				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Horizontal Boring Machine								1	513	513				

Narrative Justification

The purpose of this project is to replace the horizontal boring machine in the repair shop used to repair engine augments parts, supports and shrouds for the F100, F101, F110, and TF33 engines. The machine is capable of machining inside and outside diameters, surfaces and contours on these components of the jet engines to its original specification. A new machine can reduce current recycle cost and increase production by the reduction in machining time, and is capable of achieving the tighter tolerances and finishes that the part specifications require. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.36 with a payback period of 10.47 years. The equipment will be fully operational by March 2005.

Impact if not provided: The obsolescence of the equipment provides the potential for a work stoppage. This would result in a MICAP (mission capability) condition. The inability to perform the needed repairs to these engine components would have a direct impact on the readiness of the Air Force. The weapon systems supported are the F-15, F-16, B1-B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B2-A.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Depart of the Air Force Depot Maintenance Sep 2002			Line Number: E04H17 Replacement Tinker AFB Bldg. 3001 Transformation (IOE)				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Tinker AFB Bldg. 3001 Transformation (IOE)									1	8000	8000			

Narrative Justification:

This project provides the initial outfitting equipment for phase 1 of a multi-phased effort to transform Bldg. 3001 into a world-class, state-of-the-art facility to support engine, KC-135 aircraft, and aircraft related core capabilities. This project replaces aged and obsolete equipment in support of engine repair processes, and transforms the aging structure and utilities infrastructure to industry standards that support lean process flow changes and rearrangement of industrial plant equipment within Bldg. 3001. The project infuses new technology that revitalizes the existing shop area in Bldg. 3001 to provide an efficient and effective use of the existing workspace to meet the current and future workload in supporting TF33, F101, F108, F110, F100, F100-229, F119 jet engines. This effort is expected to reduce process flow times by 25% and work in progress by 50% through implementation of lean concepts. The equipment is used in support of 3.29M hours of engine core capability and AF core capability requirements for tanker aircraft and aircraft related components. There is an on-going architectural and engineering study for the current facility assessment and renovation requirements definition that will further clarify needed investments and savings benefits. All phases will be implemented based on critical need as defined in the study. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. This equipment should be installed and production ready in June 2006.

Impact if not funded:

The intended purpose and benefits of the multi-phased facility renovation would be lost. Using obsolete technology and equipment in a renovated facility would result in a continued decline in supportability and production effectiveness, increase in recycle cost and production cost due to inability to meet required tolerances. Due to the age of existing equipment, parts and serviceability are becoming hard to achieve that result in a line stoppage and increase MICAP conditions. Failure to fund new equipment capability in a timely manner will result in the inability to perform engine and aircraft repairs in an approved MILCON facility project and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Depart of the Air Force Depot Maintenance Sep 2002			Line Number: E04H18 Replacement Technology Upgrades to Support B-2 Test Program Sets				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Technology Upgrades to Support B-2 Test Program Sets									1	6500	6500			

Narrative Justification:

This project provides new technology and Test Program Set (TPS) equipment capabilities for the B-2 Spirit Bomber. This equipment provides the technological foundation for B-2 TPS software maintenance supporting core capabilities for Global Strike Task Force requirements. The equipment will provide a capability to help alleviate an 800K hour core shortfall in software, reduced costs and flowtimes, enhanced TPS development, expedite TPS changes, and allows for maintenance partnerships with industry. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. This equipment should be installed and production ready in FY2006.

Impact if not funded:

The limiting factor for this project is the diminishing private sector support of these TPSs. AF operational needs for supporting the Global Strike Task Force could see degraded readiness and operational mission requirements for the fleet. Flowtimes and repair costs may increase for the B-2 software platforms.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05H01 6 Axis Routing/Ultrasonic Cutting Machine			Replacement	Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
6 Axis Routing/Ultrasonic Cutting Machine											1	2701	2701	

Narrative Justification

This project will purchase a programmable six-axis routing/ultrasonic cutting machine. The machine will be utilized to repair the flight control tabs for C-135 and E-3 weapon systems. Currently, corrosion on the interior of flight control tabs leads to high condemnation rates, shortage of assets and limited repair capability. This equipment will provide full capability on repair of end items to support these weapon systems. It will eliminate the need to replace heavily damaged assets with new ones. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 19.20 with a payback period of 0.46 years. The short payback of less than one year demonstrates the extreme benefit to be derived by purchase of this equipment. The equipment will be fully operational by August 2006.

Impact if not provided: Continued increase of MICAP conditions. At one point in FY02 there were thirty MICAPs on C-135 flight control tabs. This exhibits a tremendous potential impact on the mission readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05H02 GE Software/Hardware Upgrade				Replacement			Activity Identification OC-ALC				
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
GE Software/Hardware Upgrade											2	5295	10590	

Narrative Justification

This project involves adapting automated test systems for capability to functionally test Air Force, Navy, and Foreign Military fuel accessories which are currently tested on high-risk, older, manual systems in Building 3108. The fuel accessories are components that control fuel regulation on weapon system airframes and engines. The project will replace the Electrical Interface Units (EIU) with a newer unit. This device controls electrical items on the end item like valves, feedback positions, PLA, energizes and de-energizes solenoids, and performs electrical checks. The project would also replace the Variable Speed Drive Control (VSDC) with newer controls necessary because of obsolescence and increasing costs. Another upgrade involved with this project is to use and install commercial off the shelf software. The weapon systems supported include the B1, B52, C130, C135, C141, E3, F4, F14, F15 and F16. A high-risk exists to the flying status of numerous weapon systems if the manual testing systems in B3108 continue to break down. It is only a matter of time until a non-repairable, catastrophic failure occurs. The old systems have already exceeded their life expectancy and are experiencing an excessive amount of failures attributable to multiple maintenance issues. Supportability due to obsolete parts (motors and test instrumentation) and technology demands immediate and decisive action to preclude grounding multiple aircraft. The EIU's and VSDC are becoming obsolete and are increasingly difficult to replace. Costs are increasing exponentially due to the age of hardware and the decreasing list of vendors. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.90 with a payback period of 4.6 years. This project is expected to be installed and savings to begin in February 2006.

Impact if not provided: Risk of grounding the weapon systems listed while emergency bridge contracts are negotiated. The combination of loss of revenue and contract costs to the industrial base will exceed the cost of this planned corrective action. A potential loss of PMA workload and its programmed revenue will continue to exist.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5H03 Internal Grinder		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Internal Grinder											1	524	524	

Narrative Justification

The internal grinder will be used to support grinding shafts and internal diameter in support of F100, F110 and TF33 components. The current grinder is difficult to maintain in full operational status. Recycle costs associated with having to rework the same part to the machine and the ability to machine parts within tolerance has increased. The new grinder will achieve tighter tolerance and decrease processing time. This machine will support the repair of jet engines components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A aircraft. This shop machines cases and many other turbine and compressor components of the jet engine. Elements considered are reduction in overtime, reliability of machine tools and decrease in recycle cost associated to reworks caused by the inability to meet required tolerances. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.4 and payback period of 6.4 years. This project is expected to be installed and savings to begin in March 2006.

Impact if not provided: There will be a continued decline in supportability and production effectiveness, and also an increase in recycle cost and production cost due to the current machines' inability to meet required tolerances. Due to the age of these machines parts and serviceability are becoming hard to achieve supportable and will result in a line stoppage issue will occur, which would result in MICAP condition. Failure to fund new machine tools in a timely manner will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5H04 Replacement Vertical Universal Grinder General Shop				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Vertical Universal Grinder General Shop											1	794	794	

Narrative Justification

The Vertical Universal Grinder will be used for high precision machining in support of F100 engine items. Due to the age of existing equipment, it is difficult to get replacement parts. For this reason it is harder to get them repaired, which increases downtime and reduces production. Most of the machine tools in the shop are over 40 years old. We can no longer hold the necessary tolerances with this equipment. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.1 and payback period of 7.7 years. This project is expected to be installed and savings to begin in March 2006.

Impact if not provided: Failure to fund the replacement of machine tools will result in the inability to repair jet engine components. The impact is lower quality, higher overtime usage, longer downtimes, potential work stoppages, and inability to meet required specifications and tolerances.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05H05 Gen Shop Universal Grinder				Replacement			Activity Identification OC-ALC				
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Gen Shop Universal Grinder											3	406	1218	

Narrative Justification

Universal Grinders will be used in support of grinding shafts and internal diameter in support of F100, F110 and TF33 components. The current grinder is difficult to maintain in full operational status. Recycle cost associated with having to rework the same part to the machine and an inability to machine it to within tolerances has increased. The new grinder will achieve tighter tolerance and decrease processing time. These machines will support the repair of jet engine components that are used on F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A, and B-2A Aircraft. This shop machines cases and many other turbine and compressor components of the jet engine. Elements considered are reduction in overtime, reliability of machine tools and decrease in recycle cost associated to reworks caused by the inability to meet required tolerances. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 0.85 and payback period of 10.3 years. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is on file with HQ AFMC/LGPE. This project is expected to be installed and savings to begin in September 2006.

Impact if not provided: There will be a continued decline in supportability and production effectiveness, and also an increase in recycle cost and production cost due to the current machines' inability to meet required tolerances. Due to the age of these machines, parts and serviceability are becoming hard to achieve. This will result in a line stoppage issue, which would result in MICAP condition. Failure to fund new machine tools in a timely manner will result in the inability to perform these repairs and jeopardize the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05H07 Replacement Vertical Turret Lathes for Frames				Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Vertical Turret Lathes for Frames											2	796	1592	

Narrative Justification

This project will replace two conventional machines used in the Case Repair shop with two computer numerically controlled vertical turret lathes for repair of frames. This is a one for one replacement providing state-of-the art equipment that will hold and produce tolerances required by technical orders. These specifications cannot be met with existing equipment, thus causing rework of parts and delays in completing repair of supported weapon systems frames. The equipment is used to support the weapon system engine frame used on the F-15, F-16, B-1B, F-16A/B/C/D, F-14D, KC-135, E-6A and B-2A weapon systems. These machines will achieve specified tolerances for inside and outside diameters of components to be repaired; as well as, many other contours for other components. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 0.93 with a payback period of 9.0 years. Due to this low ratio, a vital mission memo was submitted by OC-ALC and is on file with HQ AFMC/LGPE. This equipment will be fully operational by October 2006.

Impact if not provided: Continued use of obsolete equipment will result in a decline in supportability, an increase in cost and possible Mission Capability (MICAP) conditions. The potential for MICAP conditions has an adverse impact on the readiness of the Air Force.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4H06 CNC Vertical Grinder		Replacement		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
CNC Vertical Grinder								1	778	778				

Narrative Justification

This project will replace an existing manual vertical grinding machine which is 30 years old and has far exceeded its useful life. The existing grinding machine will be used to grind F100 Front and Rear Case and Duct Sets. The current operation on the manual-grinding machine runs 4.5 hours per part. By replacing the manual grinding machine with a CNC grinding machine, the process time per part will be reduced to 1.75 hours per part, eliminating the requirement for one of two shifts on this machine, and providing sufficient capacity for surge conditions. This machine will support the F100 engine (F-15, F-16), and may also support the F101 engine (B-1B) and the F110 engine (F-16A/B/C/D). Significant reduction of the process time for these parts on this machine results in reduction of labor hours required to repair the part, reduction of one personnel equivalent in the RCC, reduction of process flow time for these parts, and provides sufficient surge capacity on one machine to prevent a requirement for a second machine to meet workload requirements during surge conditions. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.01 with a payback period of 8.4 years. This project is expected to be installed and savings to begin in December 2004.

Impact if not provided: Labor savings and process cost reductions will not be realized, and additional equipment will be required to be available in the shop for potential surge workload requirements.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02H58 AFATS Rehost Test Stands		Productivity		Activity Identification OC-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
AFATS Rehost Test Stands			1	2053	2053									

Narrative Justification

The purpose of this project is to refurbish and adapt test systems for capability to functionally test Air Force, Navy, and Foreign Military fuel accessories currently tested on high-risk, obsolete systems. The fuel accessories are components that control fuel regulation on weapon system airframes and engines. The testing of these systems is performed for conditional, diagnostics, and acceptance conditions that are critical to flight safety. The systems in use are obsolete and difficult to maintain. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 5.77 with a payback period of 4.8 years. The project will be complete and fully operational by 15 December 2003.

Impact if not provided: This is CORE workload critical to the readiness of the Air Force. The equipment is obsolete. Replacement parts may take four or more weeks to manufacture and cannibalization is the current primary method of maintaining capability. Total failure will require temporary bridge contracts. This could cause the grounding of weapon systems. The weapon systems supported are the B1, B52, C130, C135, C141, CH3C, CH53, E3, F4, F14, F15, F16 and T37.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G12 F110 Engine Run / Mount Kit		Productivity		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
F110 Engine Run / Mount Kit			1	1215	1215									

Narrative Justification

The purpose of this project is to provide the equipment needed to conduct F110-GE-100 and F110-GE-129 engine-run tests in the building 33 engine test cell. The run kit consists of a fuel tank, support rails, a test cap, and cables. It enables the test cell control room to be configured with the instrumentation to be able to functionally test the GE110-100/129 engines. This equipment is essential to supporting OO-ALC's F-16 programmed depot maintenance engine workload requirements. The GE 110 run kit allows inspection of the engine outside the plane, which allows for testing of operational thrust as well as checking for leaks or other exterior defects. This process is required for improvement in the production of the engine workload and the safety of pilots and aircraft. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 2.2 with a payback period of 4.1 years. This project is expected to be installed and savings to begin in March 2003.

Impact if not provided: This equipment is critical to supporting OO-ALC's F-16 PDM engine workload requirements. The GE110 engine run kit allows inspection of the engine while removed from the aircraft. This allows for testing of operational thrust as well as checking for leaks or other exterior defects. All minimum test run requirements such as core/compressor run-in, engine acceptance, secondary functional check, acceleration and deceleration check, idle functional check, wartime contingency trim and the full gamut of tests designed for engine acceptability require the use of this equipment. The kit configures the engine to the test stand and the control room with the instruments for the operational checks required per the technical orders. Without this run kit it will be impossible to use the AF 32 T-9 test facility to its fullest capacity. The ability to meet customer expectations for timely aircraft delivery will be hindered. Continuing with current practice of on-airframe engine operational checks on the flight line, which is the last F-16 aircraft depot-level repair milestone, provides inadequate time to correct defects prior to the aircraft/missile maintenance report (AMREP) delivery date. Without this production improvement, it will be impossible to install the engine in the test cell thrust bed to test the engines completely. The present workaround that has the user using a tenant-owned run kit causes non-mission capable incidents, because their workload goes into the test cell ahead of our workload. Approximately 142 out of 305 F-16s for maintenance possess F110-GE-100/129 engines.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G13 Fuel Control T/S Replacement		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Fuel Control T/S Replacement			1	5883	5883									

Narrative Justification

The purpose of this project is to replace all fuel control test stands located in building 252. These test stands are used for testing the fuel control units associated with the auxiliary power gas turbine engines and jet fuel starters. Current test stands range in age from 15 years to 30 years and are unable to support the required workload variety and quantity for test performance resulting in fuel control end item defects and premature field failures. In addition, test stands are incapable of testing multiple fuel controls due to test stand functional limitations and unique setup requirements, which prevent redundancy of test capability between test stands. Maintenance and repair actions at OO-ALC are limited by the absence of accurate and or complete test stand schematics and technical data. The economic analysis of this project demonstrates that \$3,238,943 would be saved in direct labor repair costs and parts over a ten-year period. An economic analysis (EA) was certified that this project meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 2.0 with a payback period of 4.3 years. This project is expected to be installed and savings to begin in April 2003.

Impact if not provided: The center will be unable to support the required workload variety and quantity for test performance resulting in fuel control end item defects and premature field failures. Without a reliable source of testing, full production workload requirements associated with any of the fuel control units cannot be accomplished. Workloads cannot be negotiated or scheduled with any confidence of meeting production obligations. Backorders and MICAPs will increase and production requirements

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G01 F-16 Aircraft Avionics Digital Test Stands		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
F-16 Aircraft Avionics Digital Test Stands			1	6392	6392	3	367	1101	1	4115	4115			

Narrative Justification

The purpose of this multi-year project is to replace the existing digital automatic test equipment (ATE) and test program sets (TPS). The digital ATE is used to test digital voltages, patterns, sequences, and other peculiar test capabilities such as digital word simulation for the shop replacement units (SRU) that are removed from F-16, F-15, C-141, F-4, and B-1B aircraft. The proposed project is a multi-year program (FY2002, 2 units along with ATEs, TPS', and SRUs will be replaced for \$6.4M, FY2003, 1 unit will be replaced ~ \$1.1M, FY2004, 3 units will be replaced along with ATEs for \$4.1M, FY2006, 6 units will be replaced with remaining needed SRUs, TPS', and ATEs for \$23.4M) that will provide 12 units at \$2.5 million each. The TPAs, SRUs, and ITAs are the additional \$5M cost, totaling \$35 million. Current test stations (e.g. H3500, H2600, TI-960, HP-ATS-D01, HP-ATS-E56, DATSA, GenRad, and PK-1000) supporting the digital workloads are obsolete and extremely difficult to support. The digital test stands are down for repairs frequently, and are becoming increasingly non-supportable because of existing hardware components and subsequent operational software impacts. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 2.1 with a payback period of 2.3 years. Presently there are 3 test stands being used and depreciated from this phased project. As the equipment is upgraded, a savings will result and will increase as the upgrade nears completion in May 2004. The final portion of this project will be completed approximately June 2006.

Impact if not provided: The current digital test stand capability has become marginal due to increasing non-supportability of existing hardware components and subsequent operational software impacts. As the spares pipeline becomes exhausted, the SRUs tested by the obsolete equipment will reflect higher non-mission capable incidents and eventually the F-16, F-15, C-141, F-4 and B-1 aircraft will become non-supportable.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2G17 Safety Control Switch Test Console		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Safety Control Switch Test Console			1	712	712									

Narrative Justification

The purpose of this project is to functionally test and fault isolate the safety control switch and is a systems-critical component of the Minuteman and Peacekeeper launch facilities. The existing switch is 1960's vintage and is no longer supportable. Replacement parts are no longer procurable (80% obsolescence) and the internal wiring has become so brittle that attempts to perform maintenance has put the test set down for long periods of time. The switch will require depot support through the year 2020 due to the life extension of the Minuteman Intercontinental Ballistic Missile (ICBM). An economic analysis (EA) was certified to meet the criteria of a certifiable EA as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.2 with a payback period of 1.3 years. This project was installed and savings began in Jan 2003.

Impact if not provided: Failure to support the above project will impact the depot's capability to certify and test the safety control switch. This condition would result in missiles going off alert. The present safety control switch t/s recently quit and is out of commission. The Peacekeeper and Minuteman Missiles are a major source of protection for the United States. Without the safety control switch test console, the nation is without major protection.

Activity Group Capital Investment Justification (\$ in Thousands)							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G24 Nickel Tank Line (Pretreat)		Replacement		Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Nickel Tank Line (Pretreat)	2	600	1200									

Narrative Justification

The purpose of this project is to continue a work effort from the nickel tank & vent system funded in FY00. New flooring requirements have been identified and the tanks must now be purchased. This project slipped from the FY2001 under \$500K program due to cost increases. This phase will replace two tank rows each which comprise the nickel plating line. The existing structure and equipment is 30 years old and has exceeded its useful life. The tanks are deteriorating, creating safety and environmental problems. The tank support structure is severely corroded to the point of failure. Replacing the nickel line will ensure continued service and minimize the risks to employees and the environment. The new plating line will recycle more rinse water, resulting in less waste going to the industrial waste treatment plant. Safety has placed a Risk Assessment Code (RAC) C1 on this project which states that this project is hazardous to personnel, and requires replacement. The division chief is required to brief this project monthly, and has taken responsibility in writing to provide for a waiver from the RAC C1. The waiver ends FY02. The new nickel line will employ the latest technologies and streamline the process reducing rework by reducing the time spent moving from one solution tank to the next, thereby minimizing part contamination. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.5 with a payback period of 1.0 years. Due to this low ratio, a vital mission memo was submitted by OO-ALC and retained on file in HQ AFMC/LGPE. This project is expected to be installed and savings to begin in November 2003.

Impact if not provided: Failure of the support structure of the existing tanks may result in injury or death, and definitely will result in a hazardous environmental situation due to the chemicals that will be released.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2G29 Vertical Turret Lathe		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Vertical Turret Lathe			1	850	850									

Narrative Justification

The purpose of this project is to replace the old vertical turret lathe with a new computer-numerically-controlled (CNC) vertical turret lathe. The existing vertical turret lathe purchased in CY1987 is being used to remove corrosion from the bearing bores in the aircraft landing gears. The equipment is used for all F-15, F-16, C-130, C-5 and KC-135 aircraft during depot overhaul. The machine was manufactured in Italy, and parts and service are not available from any known source. It currently has intermittent problems that require time and attention to service several undiagnosed problems and intermittent faults that have made the machine inoperable for long periods of time. The most serious problem is the gear train, which has damaged components and is rapidly degrading, affecting equipment and mission supportability. The machine operates 1600 hours per year. If the machine is lost, wheels can be repaired using a manual machine, but that will take about 2.5 times longer to repair. This will increase repair costs by 2400 hours at \$30 per hour, or \$72,000 per year. The new machine can also do some secondary operations with no additional labor. That will save an additional 600 hours times \$30 per hour, or \$18,000 per year. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.8 with a payback period of 0.9 years. Due to this low ratio, a vital mission memo was submitted and retained on file in HQ AFMC/LGPE. This project is expected to be installed and savings to begin in May 2003.

Impact if not provided: When the current machine gear train components fail totally, the machine will be inoperable. Mission incapability will lead to increased labor costs, workload slippages and potential loss of aircraft and personnel due to inadequate parts being used on the aircraft. Aircraft affected are the F-15, F-16, B-1B, A-10, and C-130.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G02 Replacement Fire Control Radar Antenna (Phase 2 of 2)				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Fire Control Radar Antenna (Phase 2 of 2)			2	802	1604				2	1163	2326			

Narrative Justification

The F-16 avionics intermediate shop (AIS) uses the FCRATS to test and calibrate antennas as part of the repair process. A replacement effort is required to continue providing a test capability for antennas through the projected program life expectancy, FY 2020. This effort is the second of two phases to replace or refurbish the FCRATS ranges, the second phase consisting of the remaining 2 ea. FCRATS, support automatic test equipment (ATE), and rehosting test program sets (TPS's) on the respective stations. This investment supports a surge rate of 174% and 503K hours of core workload. It also supports the capability to meet future core programs. The AIS was originally provided 4 ea. of the FCRATS to satisfy workload requirements. Parts obsolescence, insufficient spares resulting in cannibalization, and reduced mean time between failures (MTBF) as the equipment ages have reduced availability to the present situation of 1 ea. operable FCRATS. Each of the systems and the support ATE needs to be refurbished or replaced, with the TPS's rehosted. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.2 with a payback period of 7.9 years. This project is expected to be installed and savings to begin in April 2005.

Impact if not funded: Antenna backlogs waiting testing will grow, MICAP's will increase, and the repair facility will continue working overtime. The F-16 Aircraft becomes non-supportable and non-mission capable by June 2003 when the remaining systems are projected to fail, become unsupportable.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G36 BRAT Tester Software		Productivity		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
BRAT Tester Software			1	1512	1512									

Narrative Justification

The purpose of this project is to replace the software required for the test sets that repair circuit cards and power supplies for Shop Repair Units (SRU's). These SRU's comprise the bulk of four Line Repairable Units (LRU's) that are critical to F-15 aircraft. The multi-function avionics digital test set (MADTS) testers are 1970's vintage, so the software has never been upgraded. It has become imperative that the software be upgraded to continue to test the circuit cards used in the new block engines of the F-15 Aircraft. Included in the three testers, one is not operational and is used as a source of parts to keep the other two testers operating. Many component parts are not available. The testers fail frequently and require extensive effort to make repairs. The yearly direct labor cost to maintain the stands per year is \$93,048. There are 2025 hours of production backlogged and waiting because of test stand breakdowns due to software problems of the embedded software. These three test stations are the only testers capable of testing this F-15 workload. There aren't any contracting sources capable of doing this workload. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 2.1 with a payback period of 1.0 years. This project is expected to be installed and savings to begin in March 2003.

Impact if not provided: The cost of operation will increase until the test stands eventually fail and can't be repaired and the mission incapable awaiting parts (MICAP) will stack up resulting in the F-15 aircraft being grounded.

Activity Group Capital Investment Justification (\$ in Thousands)							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
Department of the Air Force Depot Maintenance February 2003			Line Number: E99G02 F-16 Microwave Test Station Upgrade			Replacement	Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
F-16 Microwave Test Station Upgrade	2	600	1200				1	610	610			

Narrative Justification

The purpose of this project is to provide replacement microwave depot test stations (MDTS) to test F-16 microwave shop replacement units (SRU) and avionics intermediate shop (AIS) tray replacement units (TRU). The proposed project will provide an upgraded capability to test, diagnose/troubleshoot, and retest to verify they were correctly diagnosed and repaired. The microwave test stations have been a multi-year project since work began on them in FY1999 due to service life end because of obsolescence/parts non-availability for all the MDTS configurations. The cost in FY2001 was \$4.346K and rounded to \$4,400K in this document to report the correct summary total. Pursuing this MDTS sustainment effort will upgrade the previous configurations to one common, sustainable configuration to the CY2020, thus allowing retention of existing test program sets (TPS) while improving our repair support capability because of improved station reliability/maintainability. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 1.4 for FY2002 with a payback period of 6.9 years and savings to investment ratio of 1.4 for FY 2004 with a payback period of 6.9 years.

Impact if not provided: The failure to incorporate safety features within test stations to eliminate and reduce potential shock could result in catastrophic equipment failure and serious injury/loss of life. The current test stations are down for repairs 50% of the time for long periods, due to the unavailability of replacement parts, and result in adverse mission capable and supportability impacts of critical components of F-16 and B-1B aircraft. Without the critical components serviced by these test stations, these aircraft will become non-supportable.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G44 15 X 45 Autoclave		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
15 X 45 Autoclave			1	1240	1240									

Narrative Justification

The purpose of this project is to replace an existing 15 x 45 autoclave that is over 20 years old. The proposed project will replace worn out equipment that has damaged cooling coils, faulty thermocouples and pressure transducers in the autoclave vessel (approximately 30% are operational). The existing heating and cooling coils are a composite of copper and stainless steel. At operating cooks above 450 degrees F, the expansion coefficients of the dissimilar metals allow glycol to leak into the atmosphere during the venting and cooling segments. The sheetmetal lining is damaged and the insulation has deteriorated to a point so that the exterior vessel temperature exceeds the OSHA maximum temperature of 140 degrees F. The blower motor resistance of the field coils is three times the rating plate on the motor. The modification will increase the temperature of the autoclave 200 degrees with the purchase of new stainless steel heating and cooling coils, and also change out the existing cooling system to an air/water vapor cooling method during the high cooks. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.8 with a payback period of 13.4 years. Due to this low SIR, a vital mission memo has been submitted by OO-ALC and retained on file in HQ AFMC/LGPE. This project was installed and savings began in December 2002.

Impact if not provided: Due to increase of composite workload over the next five years, the existing 15 x 45 autoclave cannot handle the increase in workload or the future temperature requirements of the new advanced composites. This will impact the repair of weapons system component items and support of workloads where temperature and pressure characteristics are required for repair of those items. Without these repaired items, non-mission capable rates could increase on the F-4, F-5, F-16, C-5, C-130, KC-135, and projected F-117, F-22, B-2, and C-17 weapon system supported.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2G53 Hydraulic System		Replacement		Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Hydraulic System	6	156	936									

Narrative Justification

The purpose of this project is to replace six self-contained hydraulic test stands. It takes four hours per day to service six test stands. The test stands test and sample hydraulic fluid. Sampling will be reduced from six to one sample by using a common manifold. Currently this area is on a hearing conservation program. Approximately 45 employees are affected due to the noise hazards involved. If the system is replaced all the employees will be taken off the program. These test stands are old and cannot keep up with the demand rate placed on them. As of 11 Feb 00, three test stands are operational; the other three require extensive work in parts and man-hours. The shop produces 90 different control numbers a year and uses \$5,943 of direct labor per month to set the different control numbers to be repaired. The new test stands will require much less time because the stands are set to do many different end items. An economic analysis (EA) was certified that this EA meets the criteria listed as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 2.3 with a payback period of 5.8 years. Three of the Hydraulics test stands are presently installed in the 1800 zone of the hydraulics division. The other three test stations will be installed in Bldg 503, as part of the new hydraulic transformation. Three were installed and savings will begin in February 2003 with the remaining three to be installed and savings will begin in April 2003.

Impact if not provided: The cost to replace hydraulic fluid, direct labor to filter and set up for different workloads will increase, and the test stands will break eventually becoming unrepairable. The cost of the hearing conservation program will continue. Savings of \$145,355 will be lost. The most critical impact is the slowdown caused in delivery of the aircraft to the customer. This will affect the full range of aircraft from F-15 to C-5.

Activity Group Capital Investment Justification (\$ in Thousands)							FY2004 OSD/OMB Submission					
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2G61 A-10 Fixtures		Productivity		Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
A-10 Fixtures	5	173	865									

Narrative Justification

The purpose of this project is to procure five new Rotatable Wing Fixtures, P/N 160J611311-1, for the A-10 Hog-up. The A-10 Aircraft rotatable wing fixtures are used to hold the A-10 wing while it is being repaired. The fixture allows the wing to be rotated and worked on both sides at one time. This allows the wing to be kept in alignment while rivets and bolts are replaced. The ailerons are also checked and repaired at this time and fastening them to the wing requires that top and bottom of the wing be in exact alignment. Since the A-10 Wing is unique in size and shape in that instead of having a right and left wing, the A-10 wing is one piece. Several cracks have been found in the wing. Procurement funding and budgeting was difficult to obtain due to other AF resource constraints. Without the wing fixtures the A-10 Aircraft could have been grounded and this was a must pay to support the A-10 mission. A vital mission memo has been submitted by OO-ALC and retained on file in HQ AFMC/LGPE. The completion date for this project is approximately October 2003.

Impact if not funded: Loss of production and readiness to meet the A-10 schedule for A-10 aircraft throughput. A-10 Aircraft would be grounded waiting for repairs to the wing.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: E02G55 GATS Refurbishment		Replacement		Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
GATS Refurbishment	1	2443	2443									

Narrative Justification

The purpose of this project is to fund the replacement of the Generic Automatic Test Systems (GATS) that are deteriorating at an alarming rate in FY02. One station (of 4) is down and will not be serviceable until upgraded. Of the other stations, one is at 100% operational, one is 75% operational (and can still certify end items), and the remaining is 25% operational (and incapable of certifying end items). Present capability is 50% for production, and forcing overtime for existing work and causing 50% of the workload to be contracted out to meet production. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.1 with a payback period of 0.1 years. Due to this low ratio, a vital mission memo was submitted by OO-ALC and is retained on file in HQ AFMC/LGPE. This project slipped from FY01 to FY03 and is expected to be installed and savings to begin in November 2004.

Impact if not funded: Without the upgrade, more work will be contracted out potentially affecting our compliance with 50/50 (public law on contracting out). More non-mission capable items due to the stations being incapable of certifying end items and with continued deterioration the equipment becomes less capable of doing the work.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G02 IOE Hydraulic/Pneudraulic MILCON		Productivity		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
IOE Hydraulic/Pneudraulic MILCON						1	3550	3550						

Narrative Justification

The purpose of the project is to provide needed equipment for the Hydraulic/Pneudraulic MILCON. The equipment is currently supporting the test requirements of all weapon systems, which presently have no work around or backup capability. OO-ALC has been designated TRC for the Hydraulic Workload. Because of the amount of work being accomplished at Ogden it has become a necessity to consolidate the hydraulics workload into one location. The new addition to Building 503 will provide better throughput of workload, using less man-hours, and using equipment in a much more efficient manner. This will allow Ogden to perform work on the weapon systems to keep aircraft flying. Hydraulics is not worked in the most efficient manner because the age of the equipment being replaced or procured is 30 years old or more. Three shifts are working to prevent the growing MICAP list from burgeoning. Because the hydraulic shop affects every aircraft in the Air Force inventory, it is imperative that the MILCON and IOE are allowed to be completed this year to ensure MICAP's are kept at a minimum and in time, completely eliminated. An economic analysis (EA) was certified that this EA meets criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 3.4 with a payback period of 1.5 years. This project will be completed in May 2004.

Impact if not provided: Without the addition to building 503, MICAP's will continue to increase and more aircraft will be grounded.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G06 FACT Electrical Interconnecting		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
FACT Electrical Interconnecting						2	1050	2100						

Narrative Justification

The purpose of this project is to provide a replacement capability for the existing FACT II F4100 Test Sets. These test sets test and fault isolate chassis for multiple weapons systems as part of the repair process. The existing FACT II test sets are experiencing excessive down time because of hardware obsolescence/parts non-availability. A sustainment effort to upgrade the previous configuration is required to sustain a test/repair capability through the projected program life expectancy, the year 2020. This sustainment effort will allow us to retain our existing test capability while improving our repair support capability because of improved station reliability/maintainability. Also, the new equipment is equipped with power saving modes to conserve energy. The FACT II F4100 stations are obsolete and extremely difficult to support. The hardware, including the DEC computer and serial printers, are 80-90% non-supportable with existing hardware and subsequent operational software impacts. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 2.0 with a payback period of 4.4 years. This project will be completed in July 2004.

Impact if not provided: The A-10, B-52, C-5A, C-141, F-4 and F-16 aircraft become non-supportable and non-mission capable by 2003.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G09 Replacement Bake, Fill & Evacuate Test Stand				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Bake, Fill & Evacuate Test Stand						2	524	1048						

Narrative Justification

The purpose of this project is to purchase bake/fill and evacuate (BFE) test stands used in support of the dual mode/radar transmitter workloads for the F-16 and B-1 aircraft. This project provides a BFE test stand capability for the AN/APT-68 dual mode transmitter, the AN/APQ-164 radar transmitter, and the AN/APQ-164 radar transmitter units. The units are placed under vacuum, baked to remove moisture induced from ambient air, and refilled with sulfur hexafluoride to prevent arcing under normal high voltage operating conditions. The same process is also used for the AN/APG-66 pressure vessel assembly, which requires the same process. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.5 with a payback period of 5.7 years. This project is expected to be installed and savings to begin in January 2006.

Impact if not provided: The depot repair shop will continue to experience workflow problems. The current capability cannot adequately support all three workloads due to the time required for the bake, fill and evacuate process. This is resulting in additional non-mission capable units for the F-16 and B-1B programs. The shop is building a backlog of end items requiring the BFE process. Additional shifts and overtime have helped to reduce the backlog. However, contributing to the workflow problems and end item backlog growth is downtime of the one remaining serviceable station for periodic maintenance. The shop cannot satisfy present peacetime requirements, and there is no wartime surge capability with the stations in their present condition.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G10 High Precision Machine Center Jig Borer				Replacement	Activity Identification OO-ALC						
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
High Precision Machine Center Jig Borer						1	2000	2000						

Narrative Justification

The purpose of this project is to purchase a borer used to repair and modify gearboxes and housings used for all weapons systems and ground support equipment within DOD. Three of the four jig boring machines currently in use are very old and do not hold the tolerances required for machining many of the parts. One of the machines was damaged during the move to Ogden and had to be welded after it was positioned in place at Hill Air Force Base. The capability of this machine is unknown at this time but it is presumed that it is not a reliable machine. The new machine will replace one of these old machines and will be capable of producing at a faster rate than the old machines. This will lead to savings on machine time throughputs. This new machine has a 3-D touch probe that alleviates dialing in each hold or bore which also saves time and is more cost efficient. In addition, there are safety features on the new equipment that protect the operator from flying objects and other hazards. Moreover, the new equipment has front accessibility to perform ordinary maintenance and is equipped with power saving modes to conserve energy. With this new machine the tolerances of these parts could be maintained with more accuracy in less time. The bottom line goal of this project is to have less equipment to maintain and better capability. An economic analysis (EA) certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 1.0 with a payback period of 2.1 years. This project is expected to be complete in May 2004.

Impact if not provided: Backlogs will grow and cost of doing business will rise, capabilities will diminish, forcing customers to seek other sources of supply. Older equipment consumes more energy to operate, does not have the latest safety features. As the bridge contracts that are now in place begin to expire, many of these assets will become high priority work stoppage and MICAP requirements as well as surge support during critical times.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G13 Replacement BRAT Tester Replace Gen Rad				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
BRAT Tester Replace Gen Rad						1	1450	1450						

Narrative Justification

The purpose of this project is to replace the existing testers that were not replaced in FY02 with Teledyne Test Stations. This project is to re-host the moderate volume Gen Rad workload. The GenRad test stations are over 30 years old and are no longer functioning. These test stations support the Shop Repairable Units (SRU) for A-10 Central Air Data Computer (CADC). The original testers were replaced due to antiquated equipment and are not able to be supported by the original equipment manufacturer (OEM). The TPS/ITA's have a moderate volume workload and are needed to support the A-10 aircraft. Current workload uses two stations that have never functioned in the two and half years since the workload relocation from McClellan AFB. Being the only station for repairs, we are forced to try and maintain it until all phases have been completed. Funds for parts and labor to get stations operational well exceed \$350k to date, another \$234,722 for PMEL and repair contracts, and shop costs of \$130,267 for TIS hardware and software engineering support. It is impossible to calibrate according to Air Force calibration procedures. Additionally, in trying to repair the test stations there are often safety hazards (electric shock) due to some of the electric wiring being frayed or bare. These frayed/bare wires are due to the age (30 yrs) and excessive maintenance over the life of the test station. Maintenance savings alone would be \$121k/year (including repair contracts, PMEL and shop repair cost). A new tester would be fully supportable and easily upgradeable in order to keep up with modern technology. Expected downtime using new tester is 2% or less. Present downtime using existing Gen Rad tester is 100%. An economic analysis (EA) certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.5 with a payback period of 6.8 years. This project is expected to be complete in July 2004.

Impact if not provided: The station cannot be considered operational at this time and, being the only SRU repair shop, there is no alternative repair source. Currently we have to cannibalize units to meet MICAP incidents, which only can continue for a finite period of time. If we cannot repair the circuit cards within this unit in a timely manner the A-10 mission could be seriously affected to include grounding of aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: E03G27 Replacement Penetrant Line (Pretreat)				Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Penetrant Line (Pretreat)				3	500	1500						

Narrative Justification

The purpose of this project is to replace penetrant inspection and temper etches process tank lines. The existing structure and equipment are 30 years old and have exceeded their useful life. The tanks have deteriorated due to the chemicals in them and are creating safety and environmental problems. The tank ventilation flows frequently test below the requirements of the American Conference of Government Industrial Hygienists (ACGIH). The tank support structure and flooring is severely corroded to the point that failure is a very real and serious concern. An economic analysis (EA) certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.3 with a payback period of 0.3 years. Due to this low ratio, a vital mission memo was submitted by OO-ALC and retained on file in HQ AFMC/LGPE. This project is expected to be complete in July 2004.

Impact if not provided: Failure of the support structure may result in injury or death and definitely will result in a hazardous environmental situation due to the chemicals that will be released. If the penetrant inspection and temper etch lines are not replaced we can expect frequent work stoppages due to equipment breakdowns. Old Industrial Waste Treatment Plant (IWTP) lines to recycle rinse water are corroded, resulting in less waste going to the IWTP, and more escaping into the ground endangering employees as well as the water supply for the cities outside the base. In the event of a major failure, we may be subject to fines, imprisonment or closure of the plating shop.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04G02 Cadmium Plating Line		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Cadmium Plating Line (Replacement)									1	1000	1000			

Narrative Justification

Replace cadmium plating line, Building 505. Project includes replacing tanks, tank ancillary equipment, exhaust hoods, overhead monorails, and modifying crane trolleys. This investment supports a surge rate of 175%, 655K hours of core workload, and various job-routed core plus workload. It also supports the capability to meet future core programs. The existing cadmium plating equipment is nearly 30 years old and has exceeded its useful life. The tanks are deteriorating, creating safety and environmental problems. Tank ventilation flows frequently test below the requirements of the American Conference of Government Industrial Hygienists (ACGIH). Replacing the process line will ensure continued service and minimize the risks to our employees and the environment. The new lines will recycle more rinse water, resulting in less waste going to the Industrial Waste Treatment Plant (IWTP). The calculated cost savings can vary widely depending on which set of assumptions is used. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 0.50 with a payback period of 17.5 years. This is a low ratio, but must be done due to environmental regulation and there is no other source to do the workload. Due to this low ratio, a vital mission memo was submitted by OO-ALC and retained on file in HQ AFMC/LGPE. This project is expected to be complete in May 2005.

Impact if not funded: The chemical shop has been given an eight year period in which to have all tank lines repaired. If this is not accomplished a Title V condition will be placed against the chemical shop and the state of Utah will close down the chemical shop. The tank lines for the most part have been functioning for thirty years and have leaked to the extent that the flooring must also be replaced for safety of personnel as well as the tanks. If the cadmium line is not replaced, we can expect frequent work stoppages due to equipment breakdowns. We will not be able to realize increased efficiencies by recycling rinse water. Finally, we will continue to put the environment at risk due to failure of a major component. In the event of a major failure, we will be subject to fines, imprisonment, or closure of the plating shop.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: E04G10 Productivity Auto Inspect Blast Depaint				Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Auto Inspect Blast Depaint							1	1450	1450			

Narrative Justification

This project includes the procurement and installation of an integrated component material handling system, holding fixtures, a dry media blast booth, and an automated nozzle position and control system for implementation of an automated off airframe component Dry Media Blast (DMB) system. This will include a blast booth; all associated DMB process equipment, all required fixtures, material handling systems, and an automated blast nozzle/ surface profile inspection tool manipulator system. This investment supports the wartime tasking rates of 59% (F-16), 72% (A-10), and 72% (C-130). It also supports over 700K hours of core workload and approximately 1M hours of core plus workload, and supports the capability to meet future core programs. The large number of off airframe components depainted requires OO-ALC to transport and process them at several different manual DMB facilities. Process requirements make the DMB process tedious and difficult for manual operators to accomplish, and is resulting in damage and the associated rework to thin skinned and other sensitive components due to lack of control. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.2 with a payback period of 9.6 years. This project is expected to be installed and savings to begin in June 2005 if funding is available in FY 2004.

Impact if not funded: Without this project, we will have to continue using the Robotic Paint Stripping Cell (RPSC) and manually blast the off airframe component workload. This will prevent us from fully utilizing the RPSC for full airframes and will result in damage and the associated rework cost when thin skinned and other sensitive components are damaged due to the variability of the manual process.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4G11 K400 Test Console Upgrade			Productivity			Activity Identification OO-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
K400 Test Console Upgrade									3	200	600			

Narrative Justification

The purpose of this project is to upgrade the current K400 test console to provide the means to functionally test aircraft air-cooled airborne electrical generators under load. The test console currently supports the majority of the airborne generators in the government inventory. The consoles were built in the early 1970's and, due to their age, a number of the electronic subassembly are becoming difficult to support and in some cases obsolete and no longer supportable. This has resulted in a considerable amount of downtime. To reduce the amount of downtime, the manufacturer of the K400 test console has recommended an upgrade to the electronic subassembly and processors assemblies utilizing today's technology. This will provide a supportable and maintainable system into the foreseeable future. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.1 with a payback period of 7.4 years. This project is expected to be complete in March 2005.

Impact if not provided: Failure to support the above project will impact the depot's capability to test the airborne generators, which will result in generator MICAP's and downed aircraft. Airborne generators provide power for aircraft and, without the generator, planes will not be able to start, much less fly. All generators must be tested under load and cannot be tested in the aircraft prior to testing on the K400 test stand. Backlogs will continue to be a cost of doing business, causing supportability problems for the aircraft and the customer.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Dept of the Air Force Depot Maintenance Sep 2002			Line Number: E04G13 Transforming AF Components Surface Restoration Process				Replacement	Activity Identification OO-ALC						
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Transforming AF Components Surface Restoration Process									1	13000	13000			

Narrative Justification:

This project will transform antiquated hydraulics, landing gear, auxiliary GTE (gas turbine engine), aircraft secondary power group repair capabilities into a world class Air Force Component Surfaces Restoration Process. This project is a phased implementation to replace archaic equipment to meet and exceed industrial benchmark standards based on industry counterparts, e.g., BF Goodrich and Heroux, and introduces state-of-the-art repair processes. The investment is anticipated to return to the AF a 30% improvement in uptime through faster throughput, 25% better quality in overall components surfaces, 20% improvement in shortened response time to mission requirements, 15% lower condemnation rates, 60% reduced rework to surfaces, and 30% reduced flow days and overall capacity. Some results will be realized within eighteen months as new equipment and protocols are initiated. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. An economic analysis for this effort reflects a projected savings to investment ratio of 4.4 for the overall project. This equipment should be installed and production ready in FY2006.

Impact if not funded:

Items will continue to be repaired using obsolete equipment and outdated processes that consumes more energy and produces more scrap due to inability to maintain process tolerances. Backlogs will grow, cost of doing business will increase, and capabilities will diminish. Older equipment does not have the latest safety features and places workers at greater risk of injury.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G01 Gap Bed Grinder (Norton)		Productivity		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Gap Bed Grinder (Norton)											1	1000	1000	

Narrative Justification

The purpose of this project is to rebuild one of five Norton Gap Bed Grinders. This grinder is worn out and is difficult to keep running. The manufacturer no longer supports this equipment with parts due to obsolescence. Twenty percent of the work done in this area would be lost if the grinder becomes inoperable. The parts supported by the grinder are the aircraft landing gear components used on the B-1B, B-52, C-5A, C-130, E-3A, F-15, F-16, KC-135 and miscellaneous long hydraulic parts. Currently \$9,595 a year is being spent to repair these machines and \$39,000 in overtime to meet production requirements. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.6 with a payback period of 6.8 years. This project is expected to be complete in March 2006.

Impact if not provided: This grinder will continue to break down and eventually not be repairable. Also, the repair costs of \$9,595 will increase. The shop is currently preparing to go to a three shifts operation. All five grinders are old and need replacement. Due to the high cost of new grinders, rebuilds are being accomplished one at a time.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5G02 Environment High Velocity Oxygen Fuel (HVOF)				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
High Velocity Oxygen Fuel (HVOF)											1	594	594	

Narrative Justification

The purpose of this project is to provide capability for HVOF line-of -sight coatings (tungsten-carbide cobalt) on large landing gear components in place of hexavalent chrome plated coatings. This project provides for a complete HVOF thermal spray system to apply engineering coating to large size landing gear components. The HVOF system is comprised of a number of components and subsystems including: acoustical enclosure, ventilation system, dust collection system, water cooler, spray lathe (part rotation), process manipulation (robot and controller), oxygen and fuel supply systems and HVOF process equipment (control console, spray gun and powder feeders). The main justification for this project is to meet stringent environmental and health regulations (EPA and OSHA) expected to be put in place on the future use of hexavalent chrome for plating. The resultant cost savings associated with HVOF is inconclusive at this time. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 7.5 with a payback period of 1.1 years. This project is expected to be complete in March 2006.

Impact if not provided: If this project is not provided all large components will continue to be chrome plated as at present. The existing and planned HVOF thermal spray cells (#1 and #2) will be capable of processing parts weighing up to 1000 pounds, 96 inches long and with a maximum swing radius of 32 inches. This project is for components larger than these sizes. This project will also support large size Navy landing gear components.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G04 Digital Tester to Replace DATSA			Replacement			Activity Identification OO-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Digital Tester to Replace DATSA											1	1250	1250	

Narrative Justification

Currently the depot is using two test stands that are antiquated and obsolete. The test stands arrived from SM-ALC in May 1999. The depot was able to get one up and running, with the other being non-repairable. As of January 2001, the test set that was running is no longer running and awaiting determination of repair possibility. Existing test stands from the depot automatic test station for avionics (DATSA) are antiquated test equipment that has been in use for twenty years. Some are no longer manufactured and they are almost impossible to calibrate according to Air Force calibration procedures. When current stands are down, we are forced to work or cross train on systems that have less priority. This means moving the workload into another work area in the division and it that takes time away from the other work area. The new digital tester is needed to replace the DATSA from SM-ALC, because we are experiencing work stoppages and backlog build-up in both areas. Overtime savings would be \$39,144.60 per year due to down machines. Maintenance saving would be \$48,752.68 per year (includes shop and PMEL maintenance). Also savings in reduction of direct labor cost of \$38,101.24 per year (\$94.31 direct labor rate per item X 404 items per year). This system also allows us a building block approach for expansion and modification. If this project is not funded it will jeopardizes our ability to produce assets. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 1.2 with a payback period of 7.1 years. This project is expected to be complete in March 2006.

Impact if not provided: Inability to support these systems in the future could result in the grounding of aircraft, severely impacting mission requirements.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G19 Replacement Low Voltage Test Stands				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Low Voltage Test Stands											1	1355	1355	

Narrative Justification

The purpose of this project is to procure two low voltage test stands. The current test stands are obsolete and antiquated. This long-term fix for repair will benefit multiple weapons systems. The current test stations are 20 years old. Some of the rack mounted test equipment that is incorporated in the test station can no longer be calibrated and is no longer manufactured. Other spare parts are equally antiquated and are no longer manufactured. Due to the age of the equipment being tested, and the age of the test station, excess hours are being spent to keep it operational. Also due to the age and design of the test stations, procedures to test various assets are very lengthy and tedious. A highly visible radar asset, the "floating deck pulser" is but one of the many assets that utilize this tester. The acquisition of these test stands allows us a building block approach for expansion and modification. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.0 with a payback period of 0.3 years. This project is expected to be complete in March 2006.

Impact if not provided: Could jeopardize E3 AWACS (Airborne Warning and Control System) missions by not supporting the ability to produce assets in a timely manner. Many of the low voltage and radar assets utilize this test stand in the repair process.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G07 Replacement Replace Westinghouse with Digital T/S				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Replace Westinghouse w/Dig T/S											1	1845	1845	

Narrative Justification

The purpose of this project is to refurbish two Westinghouse 1650 test stations. The two existing stands came from McClellan and are non-operable. Furthermore, this is antiquated equipment and some of the parts cannot be manufactured. They are impossible to calibrate according to AF calibration procedures. The E3A Generator Control Unit (GCU) is not being tested at present due to inoperable equipment. Upgrades to these testers would allow us to support these workloads through the life span of the weapon system. A new test platform would be fully supportable and allow us to expand and keep pace with rapidly changing technology. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected saving to investment ratio of 1.3 with a payback period of 1.3 years. This project is expected to be complete in October 2006.

Impact if not provided: Failure to fund would jeopardize the transmitters. Additionally, our inability to support these systems in the future could result in the grounding of aircraft, severely impacting mission requirements. This would affect the B-1, E3 and F-16 weapon systems.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5G10 15 x 45 AUTOCLAVE w/400 Cryogenic Nitrogen Sys		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
15 x 45 AUTOCLAVE w/400 Cryogenic Nitrogen Sys											1	870	870	

Narrative Justification

The original project scope was to rebuild the 15 X 45 autoclave back to the original equipment manufactured (OEM) specification. This is necessary to bring the autoclave vessel in compliance with the recent changes to the National Boiler Codes, National Electric Codes and the National Plumbing Codes. Due to loss of funding in FY02 the project (E02G44) was de-scoped to focus on installing the minimal thermocouple, vacuum feeds, and control system requirements for the vessel rebuild and to purchase a smaller cryogenic system. The interconnection of the vessel into the building utility distribution system was eliminated from the main contract and placed as an option in the contract in case fallout funds or FY03 funding was available. The parts LAR is manufacturing for the B-2 are over \$1 million each. The loss of one part due to the loss of a primary system without a backup system in place will pay for the funds request. For this reason the following capabilities must still be accomplished for a planned rebuild. Replace the existing 192 thermocouples to the autoclave with 192 new state-of-the-art thermocouples. Replace the existing 48 vacuum stations in the autoclave with 48 new vacuum stations. Fund the installation dual computer control system to replace the existing dual computer control system. Purchase and install a new cooling tower. Fund the interconnection of the plumbing and electrical feeds to the autoclave project that will provide backup utility feeds to the autoclave in case of primary system failure during the cure. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 0.8 with a payback period of 13.4 years. Due to this low SIR, a vital mission memo has been submitted by OO-ALC and retained on file in HQ AFMC/LGPE. This project is expected to be complete in March 2006.

Impact if not provided: Funds obtained in FY 02 allowed the autoclave to be repaired and provided an autoclave that will enhance the repair capabilities for the aircraft workload, but they will not bring the autoclave system back to the OEM specifications. Elimination of the backup systems from the original project is only a stopgap method until funds are obtained to finish this project. If this project is not fully funded aircraft will have to be grounded. Overtime shifts will increase and the possibility of contracting out the workload will cost more than simple repair of the autoclave.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G16 Replacement F-15 Actuator Hyd Test Stand Stabalator Actuator				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
F-15 Actuator Hyd Test Stand											1	1000	1000	

Narrative Justification

The two hydraulic test stands are configured to test only one hydraulic component (F-15 Stabalator Control Actuator). With the upgraded test stand, we will have the capability to test all F-15 hydraulic components of weapon systems other than F-15, thereby allowing the Hydraulic Production Section to level high priority workloads in surge situations. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.9 with a payback period of 4.6 years. This project is expected to be complete in February 2006.

Impact if not provided: The hydraulic F-15 STS stabalator actuator has the capability to work several other workloads beside the F-15 weapons system workload. This increased capability the actuator t/s will give more accurate testing of hydraulic component parts for the aircraft in a timelier manner. Without the actuator test stand, the F-15 aircraft and others will continue to be grounded awaiting MICAP's.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05G23 Replacement Hydraulic Test Equipment for GTE				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Hydraulic Test Equipment for GTE											5	300	1500	

Narrative Justification

This project involves procuring five new automatic test stands to replace six aging manual test stands received from SA-ALC during the BRAC workload realignment. Four of these stands are variants of the Hydraulic Component Test stand (HCT), and are used to test a variety of oil pumps, oil accessories and oil coolers under flow and pressure conditions. The four HCT stands date from the early 60's with the others being only slightly newer. Age, frequent breakdowns, parts difficult to locate, 40-year old technology, and high maintenance costs are prime factors for replacing this equipment. This investment supports a surge rate of 148% and 257K hours of core competition workload. The workload at San Antonio was 11,250 hours per year—our new projection is 20,000 hours per year. It also supports the capability to meet future core programs. Parts replacement costs will drop from \$100,000 to \$25,000 per year. Also, the new automated test stands will produce work 10% to 15% more efficiently. The increased efficiency will save the shop 1600 production hours a year. The value of the cost savings is \$220,744 per year. Automation and modernization should enhance production by reducing flow time and should pay for itself in reduced maintenance costs and downtime. Less equipment down time will reduce the overtime required to produce end items by 1600 hours per year. Repair time required to fix the test stands will be reduced from 2000 to 400 hours a year. Overall this replacement would save some 3200 man-hours of work time and some \$75,000 in maintenance costs. This should pay for itself in less than 10 years. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.4 with a payback period of 8.0 years. This project is expected to be complete in August 2006.

Impact if not funded: Loss of production and time lost due to equipment down waiting for repairs.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF3G41 Planetary Grinder		Replacement		Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Planetary Grinder						1	650	650						

Narrative Justification

The purpose of this project is to rebuild this planetary grinder driven by the preventative maintenance program, (#1313) and to add the latest controls to duplicate the previous planetary grinder rebuilt by Defense Supply Center Richmond (DSCR). This planetary grinder has experienced increased maintenance costs and longer and more frequent downtime. It has become increasingly more difficult to hold critical tolerances, finishes, and concentricity and traverse rates. The traverse rate is inconsistent and lends to the degradation in quality of the aircraft landing gear components. This grinder is used to support the C-5A Main Inner and Outer Cylinder, C-5A Nose Outer and Piston Axle, B-52 Main Inner Cylinder, B-1 Main Outer Cylinder and future C17 workloads. This grinder is unique because it can grind the inside diameter without rotating the part. This is the preferred method for parts that are too large to rotate on other grinders or of an offset configuration that would cause balancing and vibration problems. When the other planetary grinder breaks down, we will have no support for the aforementioned aircraft components. This will seriously impact our negotiation requirements. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.0 with a payback period of 1.1 years. This project is expected to be complete in May 2004.

Impact if not funded: Loss of production and readiness to meet our goals. Complete dilapidation of support for the C-5A Main Inner and Outer Cylinder, C-5A Nose Outer and Piston Axle, B-52 Main Inner Cylinder, B-1 Main Outer Cylinder and future C17 workloads.

Activity Group Capital Investment Justification (\$ in Thousands)							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
Department of the Air Force Depot Maintenance February 2003			Line Number: EF3G42 Replacement IOE Aircraft Repair Hangar				Activity Identification OO-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
IOE Aircraft Repair Hangar						1	648	648						

Narrative Justification

The purpose of this project is to fund the IOE equipment for Depot Aircraft Hangar MILCON project phase 1a and phase 1b. The IOE is programmed to be funded with the Long Term Strategy funding. The following describes the IOE: install a 3500 pounds/ inch (PSI) aircraft hydraulic system, including a 270K cooling system in the depot hangar for testing aircraft hydraulics while the aircraft is in dock. System should be flexible enough to accommodate any of the current assigned aircraft (A-10, C-130, or F-16). Install air compressors and a shop air (125 PSI) system to allow use of hand tools for up to 160 people per shift. The installed cooling air will allow aircraft avionics to be tested without starting aircraft engines. Install a 400 Hz aircraft power system. Procure two hydraulic cranes for disassembly and installation of flight controls and tail assemblies. Current method of work in two hangars is with built-in hydraulic, power, cooling and shop air systems. To do the same thing in the depot hangar, we would need at least thirty-two pieces of aerospace ground equipment (AGE). An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 4.78 with a payback period of 5.5 years. This project is expected to be complete in January 2004.

Impact if not funded: The ability to repair the A-10, C-130, and F-16 weapon systems would be lost. Also, MILCON funding would be lost.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: E01G03 Benchtop R/A Tester		Replacement		Activity Identification OO-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Benchtop Reconfigurable Automatic Tester	2	542	1084									

Narrative Justification

The purpose of this multi-phase project is to purchase benchtop reconfigurable automatic testers (BRAT) and rehost the test program sets from the multifunction avionics test set (MADTS) to the BRAT tester (FY01~\$3.5M). The MADTS is the automatic test and operational platform that enables repair of nearly fifty circuit cards, supplies power to shop repair units (SRU) which comprise the bulk of four line repairable units (LRU), and is critical to F-15 aircraft flight. The MADTS was designed in the early 1970s and the first tester was delivered to SM-ALC about 1975. There are only three MADTS testers. One tester is not operational and is used as a source of parts to keep the other two testers operating. Many of the component parts for these are not commercially available. The testers fail frequently and require extensive efforts to make repairs. The yearly direct labor cost to maintain the stands is \$93,048. At last estimate, there were 2025 hours of production backlogged and waiting because of test stand breakdowns. These three test stations are the only testers capable of testing the F-15 workload, and no contractual sources capable of doing this workload exist. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 1.03 with a payback period of 5.8 years. The \$3M was required the first year to cover the cost of technical orders, blueprints, and documentation required for the tester. Subsequent costs are for the hardware and software required to make each tester functional. The two BRAT testers are scheduled to be installed and operational in August 2003.

Impact if not provided: The cost of operations will continue to increase until the test stands eventually fail and cannot be repaired. At that point non-mission capable incidents will stack up and the F-15 aircraft may be grounded.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E99L03 Intermediate Freq/ Video/Micro		Productivity			Activity Identification WR-ALC						
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Intermediate Freq/Video/Micro			1	3482	3482									

Narrative Justification

The purpose of this project is to replace original 1970's technology and equipment with state-of-the-art instrumentation, providing greater reliability, capability, and flexibility. This project is currently budgeted for FY00 – FY02 to rehost new instrument consoles for automatic test stations. The F-15 aircraft and the APG-63 multi-mode radar systems were extensively modified and upgraded. However, the depot support equipment was not simultaneously upgraded for continued sustainment. This automatic test equipment is required for final testing of the multi-mode radar on F-15 and F-16 aircraft to technical order specifications. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501, and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 15.4 with a payback period of 10.0 years. The savings on this project will begin the year this equipment is installed and functional, which is anticipated to be September 2004.

Impact if not provided: Without adequate funding to upgrade the stations, the repair and testing capability of the multi-mode radar shop replaceable units will be lost and the F-15 will be grounded. Current projections estimate over 80% of the instrumentation will no longer be supportable by CY2002 and grounding of aircraft will result if no action is taken.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: E02L39 Replacement Benchtop Reconfigurable Automatic Testers (BRAT)				Activity Identification WR-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Benchtop Reconfigurable Automatic Testers (BRAT)	1	1582	1582	1	3500	3500				1	6500	6500

Narrative Justification

The project objective is to replace nine antiquated, manual/semi-automatic testers with eight BRATs in FY02-FY03, and FY05. The current test stations are becoming increasingly difficult to support. Parts shortages and reliability hamper production. Currently, the E-3 AWACS is undergoing a tremendous change with upgraded avionics. In order to provide continued parts support and production, the maintenance equipment must also be upgraded. Additionally, new improvement programs are in process with future programs on the horizon. To meet these challenges, the test equipment required to support these programs must be upgraded to be compatible. New test software was delivered to the E-3 depot maintenance shop, but in many cases cannot be utilized because of the lack of appropriate BRAT equipment. In addition, the present manual/semi-automatic testers are 18-20 years old and in many cases, unsupportable. The long-term benefits greatly out-weigh the short-term investment as shown in the economic analysis. The economic analysis reflects a projected savings to investment ratio of 1.3 with a payback period of 8.0 years. This project is expected to be installed and savings to begin in December 2005.

Impact if not provided: There are four types of problems dealing with the current testers within the E-3 shop: 1) The aging testers, 2) test program set (TPS) development, 3) current workload demands, and 4) overflow workload temporarily repaired by contractors. Currently, flow times are increasing and significant overtime is being used just to maintain demand. If failure occurs that involves one of the unsupportable parts, and cannibalization is not possible from another tester, the result will be a catastrophic event that will shut down our capability to repair specific E-3 assets.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02L06 Replacement Electro Optical Work Center (EOWC)				Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Electro Optical Work Center (EOWC)			1	1748	1748	1	1503	1503						

Narrative Justification

The object of this project is to replace the LANTIRN EOWC tester with a new generation Electro Optical Test Station. The LANTIRN EOWC is an early 1980's technology tester designed and built specifically for depot level repair and testing of the LANTIRN ROLL and Nose Section Equipment Support Assembly. Lockheed Martin (LM) (then Martin Marietta) built two EOWCs, one for the WR-ALC LANTIRN depot, the other for the Israeli Air Force for support of their LANTIRN pods. The testers Generic Bus Interface Cards have begun to exhibit tendencies towards more frequent failures as their age increases. LM is the only demonstrated source of repair for the GBICs. LM has indicated a limited supply of parts and an increased repair cost and repair cycle time. In addition to the GBICs, the Reliability and Maintainability Study performed by DME and ARINC cited fifty obsolete Test Replaceable Units in the EOWC. These items will also become increasingly difficult and expensive to maintain. The equipment is utilized to support electronic attack pod maintenance for F-15E, F-16C/D, and F-14 aircraft. There is a projected savings to investment ratio of 1.1 with a payback period of 9.0 years. This project is expected to be installed and savings to begin in September 2004.

Impact if not Provided: Loss of the EOWC tester in the LANTIRN depot will result in a decreased Mission Capable rate for the using wings. A decrease in available EW pods for training and contingency operations will also increase the workload of the field units. Units will surge to overtime to maintain as many MC pods as possible, and aircraft configuration changes will also drive maintenance into additional workload due to frequent moving of pods to accommodate the flying schedule. The ROLL and NSESA are consistently in the top 3 LYP MICAPS. By replacing the EOWC the available resources could be used to support the Laser Stations while the ROLL and NSESA would be supported by a new generation of technology that would be supportable for the life of the LANTIRN system. Based on the current level of support for the TRUs contained in the EOWC, the life expectancy of the EOWC is not predicted past 2005.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E02L49 6861 Test Station		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
6861 Test Station			1	2754	2754									

Narrative Justification

The project objective is to update the existing capability of the 6861 Test Station currently in use by WR-ALC. The 6861 Test Station supports the F-15 program, which should remain in service through the year 2020. The 6861 is 1960's technology and requires considerable maintenance and constrains the shop from meeting their production requirements. This project involves rehosting 24 Test Program Sets (TPSs) to a new WesTest-2000 Test Station. This project provides an economical solution to the existing problems of the 6861 Test Station. This project has a projected savings to investment ratio of 1.46 with a payback period of 7.0 years. The savings on this project will begin the year this equipment is installed and functional, which is anticipated to be September 2003.

Impact if not provided:

Currently, WR-ALC/LYPEE has 24 different NSN's which are tested on the 6861 Test Station in support of the F-15 program. During the last two years, the workload for the 6861 Test Station was 5965 hours, which equals \$792,331 (5965 hours x \$132.83/hour). The 6861 also has the capability to test 284 other units in support of the F-15 program, which could become part of the LYPEE workload in the future. Given the current condition of the 6861, it will be unsupported and inoperable by the end of the year 2003. If the 6861 Test Station capability is not replaced the current workload and any future workloads will be lost. Loss of test station capability will equate to grounded F-15 aircraft due to a lack of serviceable spares.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03L15 Test Set, Stores Management				Replacement		Activity Identification WR-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Test Set, Stores Management						1	1302	1302						

Narrative Justification

The purpose of this project is to replace test sets used for fault isolation and functional testing of weapons delivery system on all models of F-15 aircraft in Programmed Depot Maintenance (PDM). Existing test sets are in at least three different configurations. All are not capable of testing all facets of F-15E aircraft and others have exceeded their economic life. They are prone to failure, resulting in delay in completion of PDM and necessitating use of overtime to mitigate backlog. Since the functional checks are among the final operations in PDM, catching up is very hard to do. The condition will significantly worsen in FY 2003 as we begin PDM on F-15E Conformal Fuel Tanks (CFT). This work will extend the test time by 50% on all E models. Also, repair costs are growing. Failure or faulty operation may result in severe hazard. If the fire control system is not accurately calibrated during depot maintenance. The weapons may be fired inadvertently. This tester supports all variants of the F-15. Despite the lack of identifiable economic savings and payback, the mission is highly in need of replacing the existing test sets. A savings to investment ratio of 0.39 is projected for this project with a payback period of 10.0 years. Due to this low ratio, a vital mission memo was submitted by WR-ALC and is on file at HQ AFMC/LGPE. This project is expected to be installed and fully operational by September 2003.

Impact if not provided: Possible unintentional firing of weapons after return to flying status. Cost of maintenance and lost time due to equipment malfunction will continue to increase.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03L16 Building 49 Paint Booth Insert		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Building 49 Paint Booth Insert						1	5714	5714						

Narrative Justification

The purpose of this project is to install a paint booth in Hangar 49. Over the next ten years the C-130 Production Division is projected to perform corrosion control work on an annual average of 59 C-130 and C-141 aircraft in-house and an additional 23 aircraft will be diverted to a contractor due to throughput limitations at WR-ALC. Acquisition of a third corrosion control facility will allow the C-130 Production Division to bring the 23 contract aircraft in-house. Reducing the need for contract painting will also reduce costs and flow days associated with transporting planes already on Robins AFB to the contractor. The ability to dedicate hangars to specific segments of the paint/depaint process will result in increased aircraft paint quality by eliminating the potential for baking soda contamination in paint jobs. This project has a projected savings to investment ratio of 1.4 with a payback period of 7.0 years. This project is expected to be installed and savings to begin in July 2005.

Impact if not provided: The government will continue sending aircraft to the contractor for painting forgoing an opportunity to reduce costs and flow days. Scheduling conflicts with the current workload may result in the requirement to paint aircraft in the depaint facility risking baking soda contamination. This requirement supports the C-130 program.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E03L34 Automated Plastic Media Blast (PMB) System				Environmental Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Automated Plastic Media Blast (PMB) System						1	1295	1295						

Narrative Justification

This project is in support of WR-ALC goal of reducing hazardous waste stream and the reduction of use of harsh chemicals to strip paint and sealant from aircraft components worked in the shops. Building 191 is being converted from a storage facility to a paint and sealant automated blast process facility in support of a Pollution Prevention (P2) Project. It will require a Fanuc Robot, multi-stage air compressor, dryer, filter, monitoring system, hoses, breathing air source, wiring upgrade, installation of the equipment listed, and other miscellaneous support items. Status Quo is not a good solution because it will continue to produce environmental hazardous waste and air pollution. A projected savings to investment ratio of 3.49 was computed for this project with a payback period of 3.0 years. Purchase of an Automated Plastic Media Blast System provides source reduction, recycle media, removal of operating personnel from harsh chemicals and vapors, and provides a faster throughput of aircraft components. This project is expected to be installed and savings to begin in September 2004.

Impact if not provided: If the project is not implemented center goals of hazardous waste reduction and reduction of harsh chemicals used by personnel will continue to not be met. This project supports: F-15, C-130, C-141, C-5, and H-53 Weapon Systems.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF3L37 Replacement Replace AN/ALM-200A Test Station				Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Replace AN/ALM-200A Test Station						1	710	710						

Narrative Justification

This proposal is for the purchase of one HP-3070 test station to allow WR-ALC the capability to continue the support of the B-52 Countermeasures System, ALQ-155. The AN/ALM-200A supports the SRU repair for the SP and Receiver of the B-52 program, which should remain in service through the year 2020. WR-ALC production shop had to use spare Line Replaceable Units (LRU) Signal Processors to fill demands for serviceable Shop Replaceable Units (SRUs), because the AN/ALM-200A test station has been inoperable since April 2001. The AN/ALM-200A test station is the circuit card level tester for the ALQ-155 Signal Processor and Receiver, Radio. Without SRU organic repair capabilities, production efforts on the Signal Processor require the robbing of Signal Processor circuit cards from spare units and this supply has been exhausted. There is currently no maintenance contract support for the AN/ALM-200A. No second source of repair for the Signal Processor has been found to date and only a limited production capability exists until the new Test Station is installed. Rehosting of all 7 TPSs from the AN/ALM-200A to the HP-3070 by WR-ALC is scheduled for completion by June 2003. Therefore, the HP-3070 is the only station to consider for the replacement of the AN/ALM-200A. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.13 with a payback period of 3.0 years. This project is expected to be installed and savings to begin in June 2003.

Impact if not provided: The increased demand on the Signal Processor LRU has exhausted all spares as of December 2002 and production of this LRU will end without using workarounds. Without support of this Signal Processor LRU, the entire B-52 ALQ-155 Countermeasures System would fail. This requirement supports the B-52 ALQ-155 Countermeasures System.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04L02 APG-63(V)1 Radar Lab Upgrade				Replacement	Activity Identification WR-ALC						
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
APG-63(V)1 Radar Lab Upgrade									1	4180	4180			

Narrative Justification

The F-15C/D fleet is being retrofitted with the APG-63(V)1 radar. WR-ALC/LYSF currently performs updates to the APG-63 and APG-70 Operational Flight Programs (OFP). By upgrading the existing radar lab to incorporate the APG-63(V)1, LYSF can assume this workload from the contractor, Raytheon Systems, Inc. Economies of scale will be realized by having all F-15 radar OFP work performed at one site since manpower can be shared among the various workloads. Raytheon Systems, Inc. currently performs the APG-63(V)1 OFP workload at an annualized cost of approximately \$5M. By sharing resources among three different OFP workloads, WR-ALC/LYSF can perform the same workload for approximately \$1.0M/year. By moving the APG-63(V)1 OFP workload from the contractor to organic, the 50/50 position will also be improved. A projected savings to investment ratio of 1.43 has been computed for this project with a payback period of 9.0 years. This project is expected to be installed and savings to begin in June 2005. The project will start in FY04 and the remaining portion of the project is on the long term strategy list.

Impact if not provided: The contractor will continue to perform the workload, resulting in the government overpaying for this product. Additionally, economies of scale as well as improving the 50/50 posture will be overlooked. The proposed upgrade is for F-15 OFP.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04L03 Radar Module Test Station		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Radar Module Test Station									1	2841	2841			

Narrative Justification

This project is to purchase an additional Radar Module Test Station and the associated Test Program Sets to maintain and repair the seven Shop Replaceable Units having the heaviest workload within the APG-63 and APG-70 Radar Systems. These systems are used to support the F-15 Aircraft and APQ-180 Radar System used on the C-130 Gunship. Placing the seven Shop Replaceable Units (SRU) with the heaviest workload on the new Radar Module Test Station will relieve the current pressure on the existing two Radar Module Test Stations, extend their life, and improve production of Shop Repairable Units to support the customer. Additionally, this tester supports the core workload for F-15 APG-63 & APG-70 radar systems and the C-130 Gunship APQ-180 radar system. A projected savings to investment ratio of 3.12 has been computed for this project with a payback period of 3.0 years. This project is expected to be installed and savings to begin in October 2004.

Impact if not provided: The two existing Radar Module Test Stations are not meeting customer demands for SRUs within the APG-63 and APG-70 Radar Systems. The LRU's directly support the F-15 Aircraft and the C-130 Gunship. The Radar Production Section is currently utilizing the two existing Radar Module Test Stations in conjunction with supplemental contracts obtained by the F-15 System Program Office to maintain and repair SRUs supporting the APG-63, APG-70, and APQ-180 Radar Systems. This is not a viable alternative due to the core workload designation for the electronic systems. This workload must be maintained and supported by in-house Air Force resources. The production shop is working overtime in an attempt to meet the demands for the SRUs. The original equipment manufacture discontinued production of the electronic subassemblies. Replacement parts required to maintain the test stations in a serviceable condition are becoming increasingly difficult, if not impossible, to obtain from any source of supply. Failure to fund the project will result in increased overtime to meet the customer's demands. Lack of funding will negatively impact the USAF aircraft war readiness ability and impact the mission capability rates.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4L06 Slave Rate Gyro Calibration		Replacement		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Slave Rate Gyro Calibration									2	325	650			

Narrative Justification

This project is for the procurement of new N-1 Slave Rate Gyro Computer- Aided instrument consoles for the Gyro ATE Integrated Test System (GATEITS). This project will upgrade a portion of this 1980's technology system, and result in greater reliability, capability, and flexibility and will ensure replacement parts are readily available. The automatic test stations are required for final testing of navigational gyroscopes to technical order specifications. The Slave Rate Calibration process is unique to the slave rate gyro family. Specifically, the N-1 Slave Rate Gyros are repaired and calibrated at WR-ALC. Slave rate gyros are typically (though not exclusively) used on larger aircraft to augment the compass system. For example, on the C-130, the compass gyro is designed to calculate the difference in north as it is referenced from flight verses north as it is referenced from the ground. This is the Earth Rate Correction Factor. This same gyro; however, because of design requirements, cannot correct itself for changes in calculation due to roll-axis movement. A slaving rate gyro must supply that information. The dual component navigational compasses actually stem from the mechanical application of the famous theory of relativity. The slaving rate gyro uses the one motor spin axis and a bank of switches to sense roll movement. This system supports the F-5, T-38, C-130, C-141, KC-135 and other aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.4 and the discount payback period is 3.0 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained. Furthermore, bottlenecks, backlogs, possible work stoppages and/or missed schedules will become highly likely. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft due to safety of flight restrictions.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4L07 SBU Vertical Gyro Calibration		Replacement		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
SBU Vertical Gyro Calibration								2	325	650				

Narrative Justification

This project is for the procurement of new SBU Vertical Gyro Computer-Aided instrument consoles for the Gyro Automated Test Equipment Integrated test System (GATEITS). This will replace a part of the original early 1980's technology equipment, resulting in greater reliability, capability, and flexibility. Additionally, replacement parts will be readily available for the customer. The automatic test stations are required for final testing of navigational gyroscopes to technical order specifications. This system supports the F-5, T-38, C-130, C-141, KC-135 and others. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.0 and the discount payback period is 3.0 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained. Furthermore, bottlenecks and backlogs, possible work stoppages and/or missed schedules will become highly likely. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft due to safety of flight.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04L08 Replacement of the A-10 IATS		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Replacement of the A-10 Integrated Avionics Test Station								2	1147	2294				

Narrative Justification

The project objective is to maintain the capability to repair the A-10 and KC-135 avionics components by replacing the existing capability of the A-10 Intermediate Automated Test Station (IATS), Enhanced Improved Augmented Bit Tester and Northrop Automated Intermediate Test Stations currently in use by the avionics shop. These test stations, which support the A-10 and KC-135 programs, are fast becoming obsolete and unsupported. The A-10 and KC-135 aircraft are expected remain in service beyond the year 2020. The A-10 IATS, ENH Improved Aug Bit and the Northrop AIS Test Stations are used to support the A-10 and KC-135 programs, which are scheduled to last another 20 years. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501, and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 4.90 with a payback period of 5.0 years for the purchase of two WesTest 2000 Test Stations and the rehost of 8 TPSs. This project is expected to be installed and savings to begin in October 2005.

Impact if not provided: If this capability is not replaced, the production shop will be unable to support the A-10 and KC-135 programs. Given the current condition of the A-10 IATS, they will become unsupported and inoperable by FY 2006.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: EF4L09 Replacement K-Family Gyro Calibration				Activity Identification WR-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
K-Family Gyro Calibration							2	325	650			

Narrative Justification

This project is for the procurement of two new K-Family Gyro Computer-Aided instrument consoles for the Gyro ATE Integrated Test System (GATEITS) and will replace a part of this 1980's technology equipment. This will result in greater reliability, capability, and flexibility. Furthermore, replacement parts will be readily available in support of the customer. The automatic test stations are required for final testing of navigational gyroscopes to technical order specifications. Several K gyros exist and some are repaired and calibrated at WR-ALC. The K gyro is a "vertical" gyro. In a navigation system, it is responsible for keeping track of the real horizon of the aircraft. This is the dip or rise in the nose of the airplane. Significant internal components, motors, and synchro windings are required to insure that the K-Family gyro does not lose track of the horizon due to aircraft movement. The K-Family gyros use two motor spin axis and several pairs of electrical synchros to keep track of the actual horizon. This system supports the F-5, T-38, C-130, C-141, KC-135 and other aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 2.57 and the discount payback period is 4.0 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained, and bottlenecks and backlogs and possible work stoppages or missed schedules will result. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E04L10 F-15 Analog Avionics Depot T/S Upgrade			Productivity			Activity Identification WR-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
F-15 Analog Avionics Depot T/S Upgrade									1	1910	1910			

Narrative Justification

This project is to obtain a contract with Honeywell to upgrade one F-15 Analog ADTS and purchase a F-15 Software Development Station. The upgrade will migrate an aging and obsolete operating system to a PC based system. The upgraded F-15 Analog ADTS will be used by the F-15 Radar Production Section to maintain/repair Shop Replaceable Units (SRUs) for the APG-63 and APG-70 Radar Systems in support of the F-15 Aircraft. The new F-15 Software Development Station will be used by LYPFD and Software Engineering (LYST) to maintain/support the Test Program Sets for the F-15 Analog ADTS. The existing F-15 Analog ADTS is being used 24 hours per day, seven days per week to support the current workload. There is no time on the existing test station to support surge workload requirements due to current continuous operation. The existing F-15 Analog ADTS is over 30 years old and the electronic units contained within the test station are continuing to deteriorate making it extremely difficult to repair and maintain it in a serviceable condition. The original equipment manufacturers (OEMs) have discontinued production of the test station and its associated electronic subassemblies several years ago. The non-availability of the replacement parts to maintain the test station will result in increased production downtime. The upgrade of the obsolete subassemblies within the F-15 Analog ADTS will extend its life for at least 10 more years and insure support for the SRUs within the APQ-63 and APQ-70 Radar Systems to support the F-15 aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.45 with a payback period of 3.0 years. This project is expected to be installed and savings to begin in September 2005.

Impact If Not Funded: Failure to fund the upgrade of the F-15 Analog ADTS will result in increased maintenance on the test station and decrease the available production time to meet production schedules in the maintenance/repair of the SRU. The production shop is already working three shifts per day, seven days per week, therefore overtime cannot be increased to gain additional production time. The lack of funding will negatively impact the USAF aircraft war readiness ability and impact the mission capability rates.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Dept of the Air Force Depot Maintenance February 2003			Line Number: E04L15 Modern Aircraft Paint Technologies (IOE)				Replacement		Activity Identification WR-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Modern Aircraft Paint Technologies (IOE)									1	7000	7000			

Narrative Justification:

This project provides the initial operating equipment (IOE) required to transform out-dated paint capability to state-of-the-art technology for application of corrosion resistant coatings. The equipment required include such items as telescoping man-lifts, a chemical distribution system, a respiratory air system, a paint gun cleaning system and a fall protection system. This equipment replaces a current capability that is used in a 35-year-old joint use facility and will be installed into a new dedicated paint technology facility to accommodate a C-5, C-17, and smaller airframes overhauled at Robins AFB for top quality paint application. The equipment supports 2.3M hours of core/core-plus programmed depot maintenance aircraft workloads and will provide for improve quality, allow application of high gloss coatings, eliminate bottlenecks, decrease aircraft depot flow times, add a flexible capability for existing and future aircraft corrosion control requirements, and alleviates need to contract a portion of aircraft paint workload. This transformation project implements the best practices identified and studies performed with the AF Corrosion Control office, AFRL, and industry to identify the best process technology and coatings for use on aircraft. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. An economic analysis for this effort reflects a projected savings to investment ratio for the project is 2.8 and payback period is 9 years. This equipment should be installed and production ready in June 2005.

Impact if not funded:

Lack of the proposed IOE for the paint hangar would render an approved MILCON facility ineffective for its intended purpose and benefits of constructing the facility would be lost. This would prevent the timely completion of paint workloads on supported aircraft and may force paint workloads to be contracted at alternative locations, at higher sales rates and increased throughput times. Operating commands will continue to experience time delays in return of mission ready aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Depart of the Air Force Depot Maintenance February 2003			Line Number: E04L16 Replacement Modern Aircraft De-Paint Technologies (IOE)				Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Modern Aircraft De-Paint Technologies (IOE)									1	8000	8000			

Narrative Justification:

This project provides the initial operating equipment (IOE) that transforms out-dated de-paint capability to state-of-the-art technologies for removal of corrosion resistant coatings. The equipment required includes such items as telescoping man-lifts, a media distribution system, a respiratory air system, and a fall protection system. This equipment replaces a current capability that is used in a 35-year-old joint use facility and will be installed into a new dedicated de-paint technology facility to accommodate a C-5, C-17, and smaller airframes overhauled at Robins AFB for paint removal. The equipment supports 2.3M hours of core/core-plus programmed depot maintenance aircraft workloads and will provide the facility with an industry-accepted “dry” de-paint process known as plastic media blast (PMB) – the preferred de-paint process for our large aircraft, eliminate bottlenecks, decrease aircraft depot flow times, add a flexible capability for existing and future aircraft corrosion control requirements, and alleviates need to contract a portion of aircraft de-paint workload. This transformation project is to support the Congressional insert of the Corrosion Control De-paint Facility (MILCON) in FY03 and implements the best practices identified in studies performed with the AF Corrosion Control office, AFRL, and industry to identify the best process technology and coatings for use on aircraft. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. An economic analysis for this effort reflects a projected savings to investment ratio for the project is 2.9 and the payback period is 8.3 years. This equipment should be installed and production ready in June 2004.

Impact if not funded:

Lack of the proposed IOE for the de-paint hangar would render an approved MILCON facility ineffective for its intended purpose and benefits of constructing the facility would be lost. This would prevent the timely completion of de-paint workloads on supported aircraft and may force de-paint workloads to be contracted at alternative locations, at higher sales rates and increased throughput times. Operating commands will continue to experience time delays in return of mission ready aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Depart of the Air Force Depot Maintenance February 2003			Line Number: E04L17 Transforming Airborne Electronics Phase 1				Replacement		Activity Identification WR-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Transforming Airborne Electronics Phase 1									1	5000	5000			

Narrative Justification:

This investment provides state-of-the-art technology to modernize and improve aircraft avionics repair capability required to support F-15 and B1-B core requirement by transforming our testers from outdated technology to new generation technology. It provides a technology upgrade to the existing systems to provide automated testing capability across multiple components and a process to reduce development costs associated with operational flight program (OFP) and manufacture of circuit assemblies. The modernization is required to replace outdated 1970s/1980s technology that is fast becoming obsolete and unsupportable with new computer-controlled microwave test generators, laser test station capability, and other test station enhancements in avionics repair of components and OFP development. The expected benefits include a reduction in flow days/processing time resulting from time savings generated by highly repeatable test conditions and minimal setups. Contract workload can be returned to organic depot to offset the core deficit. This project is an approved Depot Transformation project and was moved from the Budget Program (BP) 19 appropriations account to the Working Capital Fund. An economic analysis for this effort reflects an individual equipment items yield paybacks from 5 to 9 years. This equipment should be installed and production ready in June 2005.

Impact if not funded:

As the equipment and workload continues to age and the equipment becomes non-supportable, the ability to test for possible failures that can avionics and software components to fail becomes difficult and impossible. Failure to test for these variables correctly may result in an inability to accomplish workloads and result in fewer serviceable components available to support mission requirements.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05L01 AN/ALM-205(A/B) Analog Module		Replacement		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
AN/ALM-205(A/B) Analog Module											6	225	1350	

Narrative Justification

This project is to purchase six new AN/ALM-205C Analog Module Test Sets, replacing six of the 13 existing AN/ALM-205(A/B) Analog Module Test Sets. Seven of the existing AN/ALM-205(A/B) Analog Module Test Sets will continue to be utilized in conjunction with the AN/ALM205Cs to repair and test Shop Replacement Units (SRUs) within the Radar and Countermeasures Sets. These are used to support the F-15 Aircraft, and rehosting approximately 30 of the 151 Test Program Sets (TPSs) to the AN/ALM-205C Analog Module Test Sets. The selected TPSs will support SRUs having the heaviest workload or TPSs that have technical problems associated with production which can be resolved by placing them on the AN/ALM-205C Analog Module Test Sets. The electronic subassemblies within the six AN/ALM-205(A/B) removed from the inventory will be used to maintain, repair, and extend the life of the seven AN/ALM-205(A/B) Analog Module Test Sets remaining in the inventory. This project supports F-15 radar warning and countermeasures sets core workload. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.29 and discount payback in 8.0 years. This project is expected to be installed and savings to begin in December 2006.

Impact If Not Funded: The existing 13 AN/ALM-205(A/B) Analog Module Test Sets are not meeting demands for SRUs from the customers to support the F-15 Radar Warning and Countermeasures Sets. The test sets are 15 to 20 years old and employ 1970's technology. The manufacturer discontinued production and replacement parts for the test sets are virtually impossible to obtain or fabricate from any source of supply. As the test sets continue to age, the demand for replacement parts will become greater and it will become impossible to obtain the required parts. The non-availability of the replacement parts to maintain the test sets will continue to cause increasing production downtime. The production shop is already working overtime attempting to meet the demands for SRUs. It is time to replace at least six of the test sets with the latest state-of-the-art technology. The lack of funding will negatively impact the F-15 aircraft platforms and overall war readiness for the USAF aircraft. It will also negatively impact F-15 mission capability rates. Equipment down time can be extensive as OEM has discontinued replacement parts for repairs. Production down times will continue to increase until test sets are replaced.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5L05 Digital Manual Calibration Upgrade		Replacement		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Digital Manual Calibration Upgrade											2	375	750	

Narrative Justification

This project is for the procurement of a Digital Manual Calibration Upgrade for the Gyro ATE Integrated test System (GATEITS). This will replace a part of the original early 1980's technology equipment, resulting in greater reliability, capability, and flexibility. Furthermore, it will ensure replacement parts will be readily available. The automatic test stations are required for final testing of navigational gyroscopes to T.O. specifications. This system supports the F-5, F-15, T-38, C-130, C-141, KC-135 and other aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.0 and the discount payback period is 2.0 years. This project is expected to be installed and savings to begin in September 2006.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained, and bottlenecks and backlogs and possible work stoppages or missed schedules will result. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5L07 MD-1 Computer-Aided Calibration				Productivity		Activity Identification WR-ALC					
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
MD-1 Computer-Aided Calibration											2	350	700	

Narrative Justification

This project is for the procurement of new MD-1 Computer-Aided instrument consoles for the Gyro ATE Integrated Test System (GATEITS). This will replace a part of the original early 1980's technology equipment, resulting in greater reliability, capability, and flexibility. Furthermore, it will ensure replacement parts will be readily available. The automatic test stations are required for final testing of navigational gyroscopes to technical order specifications. This system supports the F-5, T-38, C-130, C-141, KC-135 and other aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.0 and the discount payback period is 4.0 years. This project is expected to be installed and savings to begin in September 2006.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained, and bottlenecks and backlogs and possible work stoppages or missed schedules will result. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5L08 Indicator Computer-Aided Calibration				Replacement			Activity Identification WR-ALC				
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Indicator Computer-Aided Calibration											2	250	500	

Narrative Justification

This project is for the procurement of new Indicator Computer-Aided instrument consoles for the Gyro Automated Test Equipment Integrated Test System (GATEITS). This will replace part of the original early 1980s technology equipment. The replacements will have the latest state-of-the-art instrumentation. This will result in greater reliability, capability, and flexibility, while ensuring replacement parts will be readily available. The automatic test stations are required for final testing of navigational gyroscopes to technical order specifications. The equipment supports the F-15, T-38, C-130, C-141, KC-135 and other aircraft. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 2.76 and a discount payback period of 3.0 years. The savings on this project will begin the year this equipment is installed and functional, which is anticipated to be September 2006.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained, and bottlenecks and backlogs and possible work stoppages or missed schedules will result. The serious detrimental effect on gyroscope production would have the potential of grounding aircraft and missiles of several DoD branches because of a lack of navigational gyroscopes. This project is vital for the accomplishment of the Air Force Mission.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05L11 TEWS Intermediate Test Equipment (TITE)				Replacement			Activity Identification WR-ALC				
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
TEWS Intermediate Test Equipment (TITE)											1	2853	2853	

Narrative Justification

This project is to replace one each obsolete, non-supported TEWS (Tactical Electronic Warfare System) Intermediate Test Equipment (TITE) with one each TEWS Intermediate Support System (TISS) Power Supply Tester. The new TISS Power Supply Tester will replace the original 1950's technology equipment with the latest state-of-the-art technology's reliability, supportability, maintainability, capability and flexibility. The TITE has basically been converted no more than a "Shop Aid" to troubleshoot and repair power supplies. This automatic test equipment is required for final testing of the power supplies within the Radar Warning Sets and the Countermeasures Sets to support the F-15 Aircraft in accordance with Air Force technical order specifications. An economic analysis (EA) was certified that this EA meets the criteria outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.3 with a payback period of 9.0 years. This project is expected to be installed and savings to begin in December 2006.

Impact if not provided: Without funding to replace the station, the repair and test capability of the power supplies within the Radar Warning Sets and Countermeasure Sets to support the F-15 Aircraft will continue to be hampered. The power supply repair shop will continue to work overtime while the backlog of in-shop power supplies, requiring repair, will continue to increase.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05L15 Horizontal Machining Center		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Horizontal Machining Center											1	1520	1520	

Narrative Justification

This project is for the procurement of a new 5-Axis, Horizontal CNC Machining Center. It will be utilized in the manufacture of aircraft components and is capable of performing precision milling and boring operations in full 5-axis operations. Due to the intricate geometry of the design of many aircraft structural components, manufacture must be accomplished on 5-axis computer numeric controlled (CNC) milling machines. Currently, aircraft (C-130, C-141, C-5, and F-15) components are produced on older 5-axis CNC machines. The original manufacturer of some of these machines is no longer in business. Replacement parts are no longer available. Repair costs for these machines are excessive and the machines are down for repair a disproportionate amount of time. This new machine tool is designed to operate at much higher spindle speeds, thereby reducing the actual production time per part. New equipment is required in order to expedite the component manufacture process and reduce downtime for the affected aircraft by providing a more reliable source for 5-axis machining. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-506. The EA is on file and reflects a projected savings to investment ratio of 2.90 with a payback period of 6.0 years. The saving on this project will begin the year this equipment is installed and functional, which is anticipated to be December 2005.

Impact if not provided: Mission readiness of weapon systems (C-130, C-141, C-5, and F-15) will deteriorate. As these weapon systems age, increasing numbers of these complex structural components require replacement. Component manufacturing cost will increase and aircraft availability will decrease. Aircraft will continue to be grounded awaiting replacement parts. The purchase of this new CNC milling machine will reduce maintenance costs and allow the capability of continuing to support customers with a quick component manufacture time.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: E05L16 Replacement Upgrade Avionics Lab to ADCP				Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Upgrade Avionics Lab to ADCP											1	3000	3000	

Narrative Justification

This project is needed because the F-15E fleet is being retrofitted with the Advanced Display Core Processor (ADCP). WR-ALC/LYSF currently performs updates to the other avionics subsystems on the F-15E. By upgrading the existing avionics lab to match this retrofitted configuration, LYSF will then be able to support this workload organically, as opposed to continuing contractor support. Economies of scale will be realized by having all F-15E OFP work performed at one site. Boeing, Inc. is currently developing the ADCP subsystem for a total cost of \$81M. When the F-15E is retrofitted with ADCP, it is anticipated that the OFP will cost \$3,000,000 annually, based on extrapolations from the current cost to perform the F-15E VHSIC Central Computer OFP. By sharing resources among three different OFP workloads, WR-ALC/LYSF can perform the same workload for approximately \$1.5M/year. The proposed upgrade is for F-15 OFP. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 3.37 with a payback period of 4.0 years. This project is expected to be installed and savings to begin in December 2005.

Impact if not Provided: The contractor will continue to perform the workload, resulting in the government overpaying for this product.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5L02 Digital Test Station		Replacement		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Digital Test Station											1	700	700	

Narrative Justification

This project is for the procurement of a Digital Test Station for the Gyro ATE Integrated test System (GATEITS). This will replace a part of the original early 1980's technology equipment. This will result in greater reliability, capability, and flexibility and replacement parts will be readily available. The automatic test stations are required for final testing of navigational gyroscopes to T.O. specifications. This system supports the F-5, F-15, T-38, C-130, C-141, KC135 and others. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 4.24 with a payback period of 2.0 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained. Bottlenecks, backlogs, and possible work stoppages or missed schedules will result.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates					
(\$ in Thousands)												
Department of the Air Force Depot Maintenance February 2003			Line Number: EF5L06 Indicator ATE		Replacement		Activity Identification WR-ALC					
Element of Cost	FY2002			FY2003			FY2004			FY2005		
	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Indicator ATE										1	500	500

Narrative Justification

This project is for the procurement of an Indicator ATE for the Gyro ATE Integrated test System (GATEITS). This will replace a part of the original early 1980's technology equipment. This will result in greater reliability, capability, and flexibility. In addition, replacement parts will be readily available. The automatic test stations are required for final testing of navigational gyroscopes to T.O. specifications. This system supports the F-5, F-15, T-38, C-130, C-141, KC135 and others. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 2.78 with a payback period of 3.1 years. This project is expected to be installed and savings to begin in September 2005.

Impact if not provided: The mission readiness posture will continue to deteriorate unless the requested updated instrument consoles are obtained. Bottlenecks, backlogs, and possible work stoppages or missed schedules will result.

Activity Group Capital Investment Justification							Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates							
(\$ in Thousands)														
Department of the Air Force Depot Maintenance February 2003			Line Number: EF2L18 Bay 4 Work Stands		Productivity		Activity Identification WR-ALC							
Element of Cost			FY2002			FY2003			FY2004			FY2005		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Bay 4 Work Stands			1	544	544									

Narrative Justification

This project is for the procurement of Bay 4 Work Stands. Existing B1-/B4 stands and ladders must be used in and around the aircraft and Robots to access the aircraft surface for manual depaint and do not provide adequate fall protection to satisfy minimum safety requirements or efficiency concerns. Production must have these work stands to manually blast the aircraft in the Robotic Bay safely. This system supports the F-15, all models. An economic analysis (EA) was certified that this EA meets the criteria as outlined in DoDI 7041.3, AFI 65-501 and AFMAN 65-605. The EA is on file and reflects a projected savings to investment ratio of 1.7 with a payback period of 14 years. This project was installed and savings to began in August 2002.

Impact if not provided: If equipment is not funded continued use of additional overtime to meet yearly F-15 depaint workload requirements in safe work conditions will be required due to the use of manual depaint Bay 3 and relocate of the aircraft. This causes a schedule delay on the incoming side that must be man loaded with bodies and overtime to get back on schedule.

Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates
 Department of the Air Force
 Depot Maintenance
 February 2003
 (Dollars in Millions)

FY	Approved Project	Reprogrammed	Approved		Current		Asset / Deficient	Explanation
			Project Cost	Project Cost	Project Cost	Project Cost		
2	Benchtop R/A Tester	1.4 Benchtop R/A Tester	0.0	1.4	1.1	0.3	Procurement cost was lower than estimated.	
2	Plasma Spray Systems	2.1 Plasma Spray Systems	0.0	2.1	2.1	0.0		
2	F-16 Aircraft Avionics Digital T/S	9.0 F-16 Aircraft Avionics Digital T/S	(2.8)	6.2	6.4	(0.2)	This multi-year project changed due to impact other current year price adjustment.	
2	Fire Cont RADAR Antenna	2.1 Fire Cont RADAR Antenna	(0.2)	1.9	1.6	0.3	Procurement cost was lower than estimated.	
2	F110 Engine Run/Mount Kit	1.2 F110 Engine Run/Mount Kit	0.0	1.2	1.2	0.0		
2	Fuel Control T/S Replacement	5.9 Fuel Control T/S Replacement	0.0	5.9	5.9	0.0		
2	Nickle Tank Line (Pretreat)	1.2 Nickle Tank Line (Pretreat)	0.0	1.2	1.2	0.0		
2	BRAT Tester Software	1.2 BRAT Tester Software	0.0	1.2	1.5	(0.3)	Procurement cost was higher than estimated.	
2	15 X 45 Autoclave	2.0 15 X 45 Autoclave	(0.9)	1.1	1.2	(0.1)	Revised scope to support the C-130 Man-lifts.	
2		0.0 GATS Refurbishment	2.4	2.4	2.4	0.0		
2	Automatic Shot Peening Systems	1.4 Automatic Shot Peening Systems	0.0	1.4	1.4	0.0		
2	CNC Universal Grinder - TCR Shop	1.5 CNC Universal Grinder - TCR Shop	(0.2)	1.3	1.1	0.2	Procurement cost was lower than estimated.	
2	Case FPI Line Restoration	1.5 Case FPI Line Restoration	0.0	1.5	1.5	0.0		
2	C/KC-135 Circuit Analyzer	1.0 C/KC-135 Circuit Analyzer	0.0	1.0	1.0	0.0		
2		0.0 AFATS Rehost Test Stands	1.2	1.2	2.1	(0.9)	Procurement cost was higher than estimated.	
2	Electro Optical Work Center	1.7 Electro Optical Work Center	0.0	1.7	1.7	0.0		
2	Benchtop Reconfigurable Auto Tester	1.5 Benchtop Reconfigurable Auto Tester	0.0	1.5	1.6	(0.1)	Price increase due to GSA Schedule increase.	

Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates
 Department of the Air Force
 Depot Maintenance
 February 2003
 (Dollars in Millions)

FY	Approved Project	Reprogrammed	Approved		Current	Asset /	Explanation
			Project Cost	Project Cost	Project Cost	Deficient	
2	6861 Test Station	2.8 6861 Test Station	0.0	2.8	2.8	0.0	
2	F-16 Microwave Test Stands Upgrade	1.2 F-16 Microwave Test Stands Upgrade	0.0	1.2	1.2	0.0	
2	VXI Rehost	1.3	(1.3)	0.0	0.0	0.0	Reprogrammed to fund prior year shortfalls to
2	Intermediate Freq/Video/Micro T/S	5.3 Intermediate Freq/Video/Micro T/S	(1.8)	3.5	3.5	0.0	Decrease due to higher priority for the FY00 AADTS,
2	5 Axis CNC Horizontal Center	1.9	(1.9)	0.0	0.0	0.0	Reprogrammed to fund prior year shortfalls to complete equipment installation and current year urgent needs driven by current world conditions.
2	5 Axis CNC Universal Machine Center	1.7	(1.7)	0.0	0.0	0.0	Reprogrammed to fund prior year shortfalls to complete equipment installation and current year urgent needs driven by current world conditions.
2	* \$500,000 to \$999,999.99	5.2 * \$500,000 to \$999,999.99	0.3	5.5	5.8	(0.3)	Adjusted to meet requirements.
2	* \$100,000 to \$499,999.99	6.5 * \$100,000 to \$499,999.99	(0.7)	5.8	4.8	1.0	Adjusted to meet requirements.
2	ABACUS	2.0 DMAPG Budget & Price Development	0.0	2.0	2.0	0.0	
2	DMAP/Legacy System Modernization	12.0 DMAP/Legacy System Modernization	0.0	12.0	12.0	0.0	
2	Legacy System Technical Refresh	24.9 Legacy System Technical Refresh	0.0	24.9	24.9	0.0	

Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates
 Department of the Air Force
 Depot Maintenance
 February 2003
 (Dollars in Millions)

FY	Approved Project	Reprogrammed		Approved	Current	Asset /	Explanation	
				Project Cost	Project Cost	Deficient		
2	DMAPS Development/Implementation	38.0	DMAPS Development/Implementation	0.0	38.0	38.0	0.0	
2	Minor Construction	2.3	Minor Construction	0.0	2.3	2.2	0.1	Adjusted to meet requirements.
2		0.0	Additional past cost increases	7.5	7.6	7.6	0.0	Adjusted to meet requirements.
	Total			139.8	139.8	(0.0)		

Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates
 Department of the Air Force
 Depot Maintenance
 February 2003
 (Dollars in Millions)

FY	Approved Project	Reprogrammed	Approved		Current		Asset / Deficient	Explanation
			Project Cost	Project Cost	Project Cost	Project Cost		
3	F-16 Aircraft Avionics Digital T/S	1.1 F-16 Aircraft Avionics Digital T/S	0.0	1.1	1.1	0.0		
3	Electro Optical Work Center	1.5 Electro Optical Work Center	0.0	1.5	1.5	0.0		
3	Benchtop Reconfigurable Auto Tester	3.5 Benchtop Reconfigurable Auto Tester	0.0	3.5	3.5	0.0		
3	IOE Hydraulic/Pneudraulic MILCON	3.6 IOE Hydraulic/Pneudraulic MILCON	0.0	3.6	3.6	0.0		
3	FACT Electrical Interconnecting	2.1 FACT Electrical Interconnecting	0.0	2.1	2.1	0.0		
3		0.0 Bake, Fill & Evacuate Test Stand	0.0	0.0	1.0	(1.0)	Requirement reprioritized into the program.	
3	High Prec Machine Center Jig Borer	2.0 High Prec Machine Center Jig Borer	0.0	2.0	2.0	0.0		
3	BRAT Tester replace Gen Rad	1.5 BRAT Tester replace Gen Rad	0.0	1.5	1.5	0.0		
3	Penetrate Line (Pretreat)	1.5 Penetrate Line (Pretreat)	0.0	1.5	1.5	0.0		
3	IOE Depot Plating Shop MILCON	7.7 IOE Depot Plating Shop MILCON	0.0	7.7	7.7	0.0		
3		0.0 MFC Test Stand Upgrade,B3108	0.0	0.0	1.6	(1.6)	New requirement base on long term strategy.	
3	Test Set, Stores Management	1.3 Test Set, Stores Management	0.0	1.3	1.3	0.0		
3	Building 49 Paint Booth Insert	5.6 Building 49 Paint Booth Insert	0.0	5.6	5.7	(0.1)	Increase due to inflation.	
3		0.0 Automated Plastic Media Blast	0.0	0.0	1.3	(1.3)	New requirement base on long term strategy.	
3	IOE Multi-System Paint Hanger	6.8	0.0	6.8	0.0	6.8	Changed to long term strategy	

Fiscal Year (FY) 2004/FY2005 Biennial Budget Estimates
 Department of the Air Force
 Depot Maintenance
 February 2003
 (Dollars in Millions)

FY	Approved Project	Reprogrammed	Approved		Current	Asset /	Explanation
			Project Cost	Project Cost	Project Cost	Deficient	
3	C-5 Tail Stands	2.1	0.0	2.1	0.0	2.1	Not needed in FY03 due to Paint Hanger Slippage
3	Equipment from \$500K to \$999K	3.8 * \$100,000 to \$499,999.99	0.0	3.8	3.1	0.7	Adjusted to meet requirements.
3	Equipment from \$100K to \$499K	0.9 * \$500,000 to \$999,999.99	0.0	0.9	4.7	(3.8)	Adjusted to meet requirements.
3	DMAP/Legacy System Modernization	11.0 DMAP/Legacy System Modernization	0.0	11.0	11.0	0.0	
3	ABACUS	2.0 ABACUS	0.0	2.0	2.0	0.0	
3	Legacy System Modernization	33.9 Legacy System Modernization	0.0	33.9	19.3	14.6	
3	DMAPS Development/Implementation	14.0 DMAPS Development/Implementation	0.0	14.0	28.6	(14.6)	
3	Minor Construction	1.3 Minor Construction	0.0	1.3	3.1	(1.8)	Adjusted to meet requirements.
	Total			107.2	107.2	0.0	

Capital Budget Summary

Air Force Working Capital Fund
AF Information Services Activity Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9A
(Dollars in Millions)

Item Description	FY 2002		FY 2003		FY 2004		FY 2005	
	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
EQUIPMENT	1	0.074	2	1.504	6	1.832	4	0.483
Replacement	1	0.074	2	1.504	3	1.303	3	0.475
Cust Supt Enhance	0	0.000	0	0.000	1	0.075	1	0.100
Data/Video Equip	0	0.000	1	0.052	0	0.000	0	0.000
LAN Upgrade Equip.	1	0.074	0	0.000	1	0.075	1	0.075
System Furniture	0	0.000	1	1.452	1	1.153	1	0.300
New Mission	0	0.000	0	0.000	3	0.529	1	0.008
GCSS Pro Platform	0	0.000	0	0.000	1	0.001	0	0.000
ITAC Infrastruct	0	0.000	0	0.000	1	0.008	1	0.008
UPS	0	0.000	0	0.000	1	0.520	0	0.000
ADPE & TELECOM	13	4.942	13	3.867	8	4.141	7	4.575
Big Iron 8000	1	0.180	0	0.000	0	0.000	0	0.000
Cust Supp Enhance	1	0.078	1	0.470	0	0.000	0	0.000
Data/Video ADPE	0	0.000	1	0.180	0	0.000	0	0.000
Emerging Technolog	0	0.000	1	0.104	1	0.040	1	0.040
Enhancemen MSG CWE	0	0.000	1	0.030	1	0.390	1	0.420
Enterprise Applica	0	0.000	1	0.132	1	0.124	1	0.300
Enterprise Cube	0	0.000	1	0.020	1	0.290	0	0.000
Enterprise Storage	0	0.000	0	0.000	0	0.000	1	1.064
GCSS Proto Platfor	1	0.230	1	0.141	1	0.124	0	0.000
Handheld Solutions	1	0.061	0	0.000	0	0.000	0	0.000
IT Solutions Aware	1	0.295	0	0.000	0	0.000	0	0.000
ITAC Infrastructur	1	0.606	1	0.633	1	0.650	1	0.650
LAN Upgrade	1	0.605	1	0.902	1	1.194	1	1.194
MSG Pyhsical Infr	1	0.248	1	0.248	0	0.000	0	0.000
SAN	1	0.351	1	0.102	0	0.000	0	0.000
Software Dev Tool	1	0.020	0	0.000	0	0.000	0	0.000
SWT Test Tools	1	0.279	0	0.000	0	0.000	0	0.000
Test Env Upgrade	1	0.955	1	0.517	0	0.000	0	0.000
Test Lab Inf Upgd	0	0.000	0	0.000	1	1.329	1	0.907
VTC Conf Upgrade	1	1.034	1	0.388	0	0.000	0	0.000
SOFTWARE DEVELOPMENT	10	2.716	12	4.350	13	4.668	7	3.344
Externally Developed	10	2.716	12	4.350	13	4.668	7	3.344
Customer Supp Enha	1	0.053	0	0.000	1	0.034	0	0.000
Emerging Technolo	0	0.000	1	0.028	1	0.100	1	0.100
Enhanceme MSG CWE	0	0.000	1	0.836	1	0.910	1	0.980

Capital Budget Summary

Air Force Working Capital Fund
AF Information Services Activity Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
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FUND9A
(Dollars in Millions)

Item Description	FY 2002		FY 2003		FY 2004		FY 2005	
	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
SOFTWARE DEVELOPMENT	10	2.716	12	4.350	13	4.668	7	3.344
Externally Developed	10	2.716	12	4.350	13	4.668	7	3.344
Enterprise Applic	0	0.000	1	0.045	1	0.100	1	0.804
Enterprise Cub	0	0.000	1	0.594	1	0.290	1	0.034
Enterprise Data St	0	0.000	0	0.000	1	0.234	0	0.000
FM Toolkit	1	0.360	1	0.450	1	0.290	0	0.000
GCSS Prot Platform	1	0.025	1	0.026	1	0.020	0	0.000
Handheld Solution	1	0.076	0	0.000	0	0.000	0	0.000
ITAC Infrastructu	1	0.479	1	0.275	1	0.200	1	0.200
LAN Upgrade SW	1	0.111	1	0.879	1	0.707	1	0.632
MSG Physical Infra	1	0.140	1	0.102	0	0.000	0	0.000
OS and OA Software	0	0.000	0	0.000	1	0.814	0	0.000
SANs	1	0.030	1	0.015	0	0.000	0	0.000
Software Dev Tool	1	0.942	1	0.600	1	0.764	1	0.594
Spectrum	1	0.500	1	0.500	1	0.205	0	0.000
MINOR CONSTRUCTION	1	0.119	3	0.675	0	0.000	0	0.000
Bldg 856 Generator	0	0.000	1	0.343	0	0.000	0	0.000
Bldg 888 Addition	0	0.000	1	0.156	0	0.000	0	0.000
VTC Conf Room	1	0.119	1	0.176	0	0.000	0	0.000
Total	25	7.851	30	10.396	27	10.641	18	8.402

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: Big Iron 8000
Item Description: Big Iron 8000
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.180	0.180	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Big Iron 8000 Router and Uplink

The MSG is experiencing connectivity problems and has future requirements for increased bandwidth across the MSG enterprise. Failures are occurring and will continue in the following areas of impact inclusive to Bldg 280, 281, 262, and 266 to the 88th Com connectivity.

2. Current deficiency/problem and how it is solved:

The MSG has a requirement for infrastructure failure corrections and bandwidth improvements to connect development and production servers. Due to AFMC mandated server consolidation; the MSG requires increased network bandwidth. The upgrade will give the MSG the capability to support future projects such as rapid prototype development. The completion of this project will increase MSG's marketability and competitiveness by making the MSG poised to accept future enterprise solutions.

3. Alternative considered: Status Quo
Purchase Big Iron 8000

4. Impact if not acquired: Continuing with insufficient network capability to handle the network workload will lead to continual network failures and insufficient resources to consolidate servers and the inability to support MSG special projects.

5. Regulatory implication: Memorandum from Secretary of Air Force, for Air Force Information Technology Revolution, dtd 03 Jan. 01.

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 6.10.

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Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: Emerging Technolo
Item Description: Emerging Technologies

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.028	0.028	1	0.100	0.100	1	0.100	0.100

Item Justification/Impact if Not Provided:

1. Description and Purpose: Emerging Technologies (Rapid Prototype) Acquiring sufficient IT hardware and software will allow the MSG to grow the new business areas of Team I.- Rapid Prototyping Capability, Team II -AFMC Portal Development, and Team III-Handheld Wireless Technologies. The requested technology tools will enable the Emerging Technologies Team to more efficiently transform customer requirements into useable prototyped system models. This project was included in the FY03 reprogramming request that was approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved: To help facilitate this organizational transformation the MSG must be knowledgeable in leading edge technology. The recently established MSG Handheld Wireless projects, the portal technology efforts within the AFMC/CT office, and the Rapid Prototyping (RP) capabilities are evidence of the transforming MSG mission. The success of these recently established business areas are crucial to MSG's transforming mission. The MSG lacks adequate leading edge technology tools to be in a position to grow the newly established business areas of wireless technology, portal development, and rapid prototyping.

3. Alternatives considered: Status Quo - The MSG currently has an agreement with Cambridge Executive Workshops (CEW), in Cambridge, MA for building rapid prototypes (IT solutions) for MSG customers.

Alternative 1 - Acquire technical tools identified in this package to help make the Emerging Technology Team a viable force for helping transform the MSG into the leading DoD IT Acquisition Organization.

4. Impact if not acquired: The MSG could lose the coveted position of being the leader for rapidly providing IT solutions to the DoD customer community. There is a possibility that the DoD customer base would look directly to Industry for IT solutions rather than bringing them to the MSG for consideration.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 1.93.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: Emerging Technolog
Item Description: Emerging Technologies
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.104	0.104	1	0.040	0.040	1	0.040	0.040

Item Justification/Impact if Not Provided:

1. Description and Purpose: Emerging Technologies (Rapid Prototype) Acquiring sufficient IT hardware and software will allow the MSG to grow the new business areas of Team I.- Rapid Prototyping Capability, Team II -AFMC Portal Development, and Team III-Handheld Wireless Technologies. The requested technology tools will enable the Emerging Technologies Team to more efficiently transform customer requirements into useable prototyped system models. This project was included in the FY03 reprogramming request that was approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved: To help facilitate this organizational transformation the MSG must be knowledgeable in leading edge technology. The recently established MSG Handheld Wireless projects, the portal technology efforts within the AFMC/CT office, and the Rapid Prototyping (RP) capabilities are evidence of the transforming MSG mission. The success of these recently established business areas are crucial to MSG's transforming mission. The MSG lacks adequate leading edge technology tools to be in a position to grow the newly established business areas of wireless technology, portal development, and rapid prototyping.

3. Alternatives considered: Status Quo - The MSG currently has an agreement with Cambridge Executive Workshops (CEW), in Cambridge, MA for building rapid prototypes (IT solutions) for MSG customers.

Alternative 1 - Acquire technical tools identified in this package to help make the Emerging Technology Team a viable force for helping transform the MSG into the leading DoD IT Acquisition Organization.

4. Impact if not acquired:

The MSG could lose the coveted position of being the leader for rapidly providing IT solutions to the DoD customer community. There is a possibility that the DoD customer base would look directly to Industry for IT solutions rather than bringing them to the MSG for consideration.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 1.93.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: Enhanceme MSG CWE

Item Description: Enhancements to MSG CWE

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.836	0.836	1	0.910	0.910	1	0.980	0.980

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enhancements to MSG's Collaborative Work Environment (CWE) The MSG has developed and is implementing the CWE in response to AFMC/Chief Information Officer's Life-cycle Information Software Solutions Plus (LISS+) Requirements Specification, based in part, on the Livelink web application product by Open Text Corp. To fully exploit this capability, additional Livelink and third party add-on modules must be acquired, installed, and trained. Additionally, system infrastructure improvements are recommended for increased availability and reliability. This project was included in the FY03 reprogramming request that was approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problems and how it is solved: Upgrade CWE capabilities by establishing synchronous collaboration tools and other system enhancements for more effective use of the environment.

3. Alternative considerations: Alternative 1-Maintain 72% of application of requirement & 13 % of user space requirement

Alternative 2 - Grow capability to accommodate 65% of users and 85% of application requirements

4. Impact if not acquired: If additional funds are not provided to enable a Command, Control, Communications, Computers and Intelligence Support Plan (C4ISP) to be developed, thorough security testing to be completed, and spiral development of additional modules to the current baseline, the CWE will not be able to operate on the AF network. The MSG will lose the opportunity to receive benefit from a web-enabled tool that meets the LISS Plus requirements for implementation within the MSG, any ability to recover G&A investments already invested, the opportunity to market the CWE to other customers within the AF, and the ability to remain on the leading edge of technology with COTS products.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 5.53.

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Information Services Activity Group
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FUND9B
(Dollars in Millions)

Item Name: Enhancemen MSG CWE
Item Description: Enhancements to MSG CWE
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.030	0.030	1	0.390	0.390	1	0.420	0.420

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enhancements to MSG's Collaborative Work Environment (CWE) The MSG has developed and is implementing the CWE in response to AFMC/Chief Information Officer's Life-cycle Information Software Solutions Plus (LISS+) Requirements Specification, based in part, on the Livelink web application product by Open Text Corp. To fully exploit this capability, additional Livelink and third party add-on modules must be acquired, installed, and trained. Additionally, system infrastructure improvements are recommended for increased availability and reliability. This project was included in the FY03 reprogramming request that was approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problems and how it is solved: Upgrade CWE capabilities by establishing synchronous collaboration tools and other system enhancements for more effective use of the environment.

3. Alternative considerations: Alternative 1-Maintain 72% of application of requirement & 13 % of user space requirement
Alternative 2 - Grow capability to accommodate 65% of users and 85% of application requirements

4. Impact if not acquired: If additional funds are not provided to enable a Command, Control, Communications, Computers and Intelligence Support Plan (C4ISP) to be developed, thorough security testing to be completed, and spiral development of additional modules to the current baseline, the CWE will not be able to operate on the AF network. The MSG will loose the opportunity to receive benefit from a web-enabled tool that meets the LISS Plus requirements for implementation with in the MSG, any ability to recover G&A investments already invested, the opportunity to market the CWE to other customers with in the AF, and the ability to remain on the leading edge of technology with COTS products.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 5.53.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: Enterprise Applic
Item Description: Enterprise Application Tools & Solutions
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.045	0.045	1	0.100	0.100	1	0.804	0.804

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Application Tools and Solutions Support MSG's mission is primarily providing software development services but plans to move toward becoming the Air Force Trusted Agent for recommending and acquiring comprehensive and integrated IT solutions - a mission designed to serve the transforming Air Force IT solutions market. This project was included in the FY03 reprogramming request that was approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problems: MSG needs to have a set of integrated products and services that support MSG are multiple business functions. It also includes having the appropriate expertise available to help efficiently apply, maintain, and manage technology to meet business objectives.

3. Alternative considerations:

Alternative #1: Procure resources (hardware, software tools and services) for the MSG to increase its capability to test, evaluate and manage IT tools and solutions.

Alternative #2: Outsourcing, solely use consultants to accomplish MSG's evaluations and recommendations of IT tools and solutions for its customers.

4. Impact if not acquired: If MSG does not continually update its Enterprise Application Tools & Solutions Support it will not be competitive in the marketplace for IT solutions. It will have a negative impact on MSG's ability to accomplish its mission and support its customer's needs.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 1.97.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: Enterprise Applica
Item Description: Enterprise Application Tools & Solutions
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.132	0.132	1	0.124	0.124	1	0.300	0.300

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Application Tools and Solutions Support MSG's mission is primarily providing software development services but plans to move toward becoming the Air Force Trusted Agent for recommending and acquiring comprehensive and integrated IT solutions - a mission designed to serve the transforming Air Force IT solutions market. This project was included in the FY03 reprogramming request that was approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problems: MSG needs to have a set of integrated products and services that support MSG are multiple business functions. It also includes having the appropriate expertise available to help efficiently apply, maintain, and manage technology to meet business objectives.

3. Alternative considerations:

Alternative #1: Procure resources (hardware, software tools and services) for the MSG to increase its capability to test, evaluate and manage IT tools and solutions.

Alternative #2: Outsourcing, solely use consultants to accomplish MSG's evaluations and recommendations of IT tools and solutions for its customers.

4. Impact if not acquired: If MSG does not continually update its Enterprise Application Tools & Solutions Support it will not be competitive in the marketplace for IT solutions. It will have a negative impact on MSG's ability to accomplish its mission and support its customer's needs.

5. Regulatory implications: N/A

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 1.97.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
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FUND9B
(Dollars in Millions)

Item Name: Enterprise Cub

Item Description: Enterprise Cube (e-Cube)

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.594	0.594	1	0.290	0.290	1	0.034	0.034

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Cube

The e-Cube is a relational database management system (RDMS) that will act as a data mall for MSG business data. The e-Cube will allow an enterprise view to be taken of all MSG business information and provide a controlled environment for calculations and analysis prior to reporting the results across the enterprise. The e-Cube will also be web-enabled to allow for convenient input and report extraction capabilities. This project was included in the FY03 reprogramming request that was approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problems and how is it solved: Business information across the MSG (financial, human resources, programmatic, contracting) is not easily accessible or readily available in a central location to all MSG resources. There are a great number of multiple files in various locations that have data that can be consolidated into a central repository with user views available to everyone within the MSG.

3. Alternative considerations: Alternative #1: Oracle RDMS with associated application programs (primarily "Financial Analyzer") to support centralized collection, analysis, and reporting facilities for management of MSG operational data.

Alternative #2: Hyperion RDMS: Provides same/similar capability as the Oracle suite but license fees are approximately double the cost.

4. Impact is not acquired: Continuation of a non-integrated, manually intensive information-processing environment where labor costs and job satisfaction are less than optimal.

5. Regulatory implication: N/A

6. EA is on file at HQ MSG/FMC.

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Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

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FUND9B
(Dollars in Millions)

Item Name: Enterprise Cube
Item Description: Enterprise Cube (e-Cube)
Capital Category: ADPE & Telecomm

2002 AC			2003 AP			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.020	0.020	1	0.290	0.290	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Cube

The e-Cube is a relational database management system (RDMS) that will act as a data mall for MSG business data. The e-Cube will allow an enterprise view to be taken of all MSG business information and provide a controlled environment for calculations and analysis prior to reporting the results across the enterprise. The e-Cube will also be web-enabled to allow for convenient input and report extraction capabilities. This project was included in the FY03 reprogramming request that was approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problems and how is it solved: Business information across the MSG (financial, human resources, programmatic, contracting) is not easily accessible or readily available in a central location to all MSG resources. There are a great number of multiple files in various locations that have data that can be consolidated into a central repository with user views available to everyone within the MSG.

3. Alternative considerations: Alternative #1: Oracle RDMS with associated application programs (primarily "Financial Analyzer") to support centralized collection, analysis, and reporting facilities for management of MSG operational data.

Alternative #2: Hyperion RDMS: Provides same/similar capability as the Oracle suite but license fees are approximately double the cost.

4. Impact is not acquired: Continuation of a non-integrated, manually intensive information-processing environment where labor costs and job satisfaction are less than optimal.

5. Regulatory implication: N/A

6. EA is on file at HQ MSG/FMC.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: Enterprise Data St

Item Description: Enterprise Data Storage Solutions

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.234	0.234	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Data Storage Solution.

The functional requirement for a central data platform that acts to phase out the current MSG storage area network solution after the life cycle of the storage area network has passed.
Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

The MSG has warranty and compatibility issues with hardware beyond the three-year limit for support from the manufacturer, EMC. Also at issue is protection and meeting the data resourced for MSG future productivity as data requirements out grow the storage area network solution that the MSG is currently using. To solve these issues in FY04 and FY05 the MSG will begin the configuration that is needed for acquiring a start module to be put in place for use by the MSG and its customer base.

3. Alternatives considered: Status Quo, Alternative1, Alternative 2

4. Impact if not acquired:

There will be warranty issues as well as parts, compatibility, and server data usage restrictions.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefit Cost Ratio (BIR) is 11.98.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
Biennial Budget Estimates
February 2003

FUND9B
(Dollars in Millions)

Item Name: Enterprise Storage
Item Description: Enterprise Data Storage Solution
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	0	0.000	0.000	1	1.064	1.064

Item Justification/Impact if Not Provided:

1. Description and Purpose: Enterprise Data Storage Solution.

The functional requirement for a central data platform that acts to phase out the current MSG storage area network solution after the life cycle of the storage area network has passed.
Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

The MSG has warranty and compatibility issues with hardware beyond the three-year limit for support from the manufacturer, EMC. Also at issue is protection and meeting the data resourced for MSG future productivity as data requirements out grow the storage area network solution that the MSG is currently using. To solve these issues in FY04 and FY05 the MSG will begin the configuration that is needed for acquiring a start module to be put in place for use by the MSG and its customer base.

3. Alternatives considered: Status Quo, Alternative 1, Alternative 2

4. Impact if not acquired:

There will be warranty issues as well as parts, compatibility, and server data usage restrictions.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefit Cost Ratio (BIR) is 11.98.

Capital Budget Input Report

Air Force Working Capital Fund
Information Services Activity Group
Materiel Systems Group

Fiscal Year (FY) 2004/FY 2005
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FUND9B
(Dollars in Millions)

Item Name: GCSS Pro Platform
Item Description: GCSS Prototype Platform
Capital Category: Equipment (New Mission)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.001	0.001	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Global Combat Support System (GCSS) Prototype Platform

During FY 2001 the MSG bought and installed two GCSS prototyping platforms, specifically a GCSS-AF Integrated Framework (IF) hosted on Windows NT operating systems and another hosted on Sun Solaris operating systems. Their purpose is to test and evaluate how new technology and COTS products and processes integrate with the GCSS-AF IF.

Note - this is the equipment portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved:

Although the MSG's IFs are operational as is, they require additional hardware and software to become fully functional as originally intended. Without the additional hardware and software, the MSG risks having GCSS projects becoming more expensive, being cancelled, delayed or run elsewhere. To solve this situation the MSG needs to enhance the Information Technology Application Center's (ITAC's) lab versions of GCSS IF to better meet customer needs.

3. Alternative considered: Status Quo

Purchase GCSS Prototype Platform

4. Impact if not acquired:

The MSG will assume a secondary GCSS-AF role and lose a high-visibility means to attract business. The MSG will lose a valuable means to evaluate IF related software before it is acquired. If the MSG continues GCSS-IF projects without the upgrades, the projects will have additional costs, scheduling conflicts and delays. If the USAF fields an HP-UX-based IF production system and the MSG has no lab version, customers will go elsewhere for HP-UX-based IF prototyping and product evaluations.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.23.

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Item Name: GCSS Prot Platform
Item Description: GCSS Prototype Platform
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.025	0.025	1	0.026	0.026	1	0.020	0.020	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Global Combat Support System (GCSS) Prototype Platform

During FY 2001 the MSG bought and installed two GCSS prototyping platforms, specifically a GCSS-AF Integrated Framework (IF) hosted on Windows NT operating systems and another hosted on Sun Solaris operating systems. Their purpose is to test and evaluate how new technology and COTS products and processes integrate with the GCSS-AF IF. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the software portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved:

Although the MSG's IFs are operational as is, they require additional hardware and software to become fully functional as originally intended. Without the additional hardware and software, the MSG risks having GCSS projects becoming more expensive, being cancelled, delayed or run elsewhere. To solve this situation the MSG needs to enhance the Information Technology ApplicationCenter's (ITAC's) lab versions of GCSS IF to better meet customer needs.

3. Alternative considered: Status Quo

Purchase GCSS Prototype Platform

4. Impact if not acquired:

The MSG will assume a secondary GCSS-AF role and lose a high-visibility means to attract business. The MSG will lose a valuable means to evaluate IF-related software before it is acquired. If the MSG continues GCSS-IF projects without the upgrades, the projects will have additional costs, scheduling conflicts and delays. If the USAF fields an HP-UX-based IF production system and the MSG has no lab version, customers will go elsewhere for HP-UX-based IF prototyping and product evaluations.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.23.

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FUND9B
(Dollars in Millions)

Item Name: GCSS Proto Platfor
Item Description: GCSS Prototype Platform
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.230	0.230	1	0.141	0.141	1	0.124	0.124	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Global Combat Support System (GCSS) Prototype Platform

During FY 2001 the MSG bought and installed two GCSS prototyping platforms, specifically a GCSS-AF Integrated Framework (IF) hosted on Windows NT operating systems and another hosted on Sun Solaris operating systems. Their purpose is to test and evaluate how new technology and COTS products and processes integrate with the GCSS-AF IF. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the hardware portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved:

Although the MSG's IFs are operational as is, they require additional hardware and software to become fully functional as originally intended. Without the additional hardware and software, the MSG risks having GCSS projects becoming more expensive, being cancelled, delayed or run elsewhere. To solve this situation the MSG needs to enhance the Information Technology Application Center's (ITAC's) lab versions of GCSS IF to better meet customer needs.

3. Alternative considered: Status Quo

Purchase GCSS Prototype Platform

4. Impact if not acquired:

The MSG will assume a secondary GCSS-AF role and lose a high-visibility means to attract business. The MSG will lose a valuable means to evaluate IF?related software before it is acquired. If the MSG continues GCSS-IF projects without the upgrades, the projects will have additional costs, scheduling conflicts and delays. If the USAF fields an HP-UX-based IF production system and the MSG has no lab version, customers will go elsewhere for HP-UX-based IF prototyping and product evaluations.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefit to Cost Ratio (BIR) is 2.23.

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Item Name: Handheld Solution
Item Description: Handheld Solutions Insertions Initiative
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.076	0.076	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Emerging Technologies

Provide customers with a rapid prototype (proof of concept) and business case analysis within 15 working days. Gather customer requirements, identify business problem, determine who customer is and who user is, and be able to provide samples of similar business problems we have solved before. Rapid prototyping will allow the MSG to quickly incorporate emerging technologies into MSG IT solutions. This project was included in the FY02 reprogramming request that was approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

Currently we don't have a process/method of rapidly providing customers with a "proof of concept" product to help provide structure to their vision. Customers have to wait several months at times before they are provided the first version of what the requirements specify. This process allows customers to work side-by-side with the application developers as the prototype evolves.

3. Alternatives considered: Status Quo

Purchase Handheld Solutions Insertions Initiative

4. Impact if not acquired:

The MSG will not become the IT solutions provider of choice. It must move forward as industry moves forward with spiral evolutionary development methodologies in order to become competitive in providing IT solutions. Rapid Prototyping is the first step in turning emerging technologies into IT solutions.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC.

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Item Name: Handheld Solutions
Item Description: Handheld Solutions Insertions Initiative
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.061	0.061	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Emerging Technologies

Provide customers with a rapid prototype (proof of concept) and business case analysis within 15 working days. Gather customer requirements, identify business problem, determine who customer is and who user is, and be able to provide samples of similar business problems we have solved before. Rapid prototyping will allow the MSG to quickly incorporate emerging technologies into MSG IT solutions. This project was included in the FY02 reprogramming request that was approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

Currently we don't have a process/method of rapidly providing customers with a "proof of concept" product to help provide structure to their vision. Customers have to wait several months at times before they are provided the first version of what the requirements specify. This process allows customers to work side-by-side with the application developers as the prototype evolves.

3. Alternatives considered: Status Quo

Purchase Handheld Solutions Insertions Initiative

4. Impact if not acquired:

The MSG will not become the IT solutions provider of choice. It must move forward as industry moves forward with spiral evolutionary development methodologies in order to become competitive in providing IT solutions. Rapid Prototyping is the first step in turning emerging technologies into IT solutions.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC.

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FUND9B
(Dollars in Millions)

Item Name: IT Solutions Aware
Item Description: IT Solutions Awareness Initiative Infrast
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.295	0.295	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

- Description and Purpose:** Information Technology Solutions Awareness Initiative. Procure state-of-the-art video capture/display and production equipment in order to support the MSG's need to increase/enhance awareness of services offered to customers and enhance in-house projects. The production equipment will be used to produce MSG corporate videos detailing services offered, showcase the Information Technology Application Center (ITAC) and Enterprise Tools Solutions, the Learning Resource Center capabilities, spotlight success stories, highlight the Computer Accommodation Program's capabilities, enhance general education and training, demo palm pilot applications and videos to be used in educating/training program managers on "selling the MSG" when meeting with customers.
This project was included in the FY02 reprogramming request that was approved.
- Current deficiency/problem and how it is solved:** The MSG needs the ability to increase awareness of IT Solutions and MSG's services to customers, potential customers and potential employees. Additionally, MSG needs the ability to enhance projects, compile historical references, and enhance in-house education and training. MSG is not currently projecting the high-tech, state-of-the-art image necessary to provide customers with the sense that we ARE on the cutting edge in providing IT solutions for them.
- Alternative considerations:**
Alternative 1 - Video Production Equipment/Video Wall-Purchase
Alternative 2 - Contracted Services and Video Wall purchase
- Impact if not acquired:** MSG will continue doing business as usual, using the current booth for trade shows and demonstrating new technology through small screen laptops. It will be difficult to showcase the ITAC as a vital, successful lab for testing solutions and new capabilities and to market the LRC as the place to go for education and training needs
- Regulatory implications:** N/A
- EA is on file at HQ MSG/FMC.** The economic analysis Benefits to Costs Ratio (BIR) is 1.51.

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FUND9B
(Dollars in Millions)

Item Name: ITAC Infrastruct
Item Description: ITAC Infrastructure
Capital Category: Equipment (New Mission)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.008	0.008	1	0.008	0.008

Item Justification/Impact if Not Provided:

1. Description and Purpose: Information Technology Application Center (ITAC) Infrastructure

The ITAC project is a state-of-the-art lab environment with hardware and software resources necessary to test new and emerging technologies and how they will benefit the MSG, AFMC, and the Air Force.

Note - this is the equipment portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved

Some of the ITAC Lab equipment is currently outdated and cannot support the ongoing and future projects of the lab and needs to be updated / replaced to stay current with new technologies. This initiative ensures the ITAC will have the latest up-to-date technology necessary to test and evaluate user requirements.

3. Alternatives considered: Status Quo

Purchase ITAC Infrastructure

4. Impact if not acquired:

If upgrades, maintenance, hardware, software and Non-ADPE equipment are not acquired, the MSG will likely have scheduling conflicts and delays with ITAC projects. Also, MSG will not be competitive in the marketplace for IT solutions testing and its customers will find other organizations to provide these abilities to them.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.08.

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FUND9B
(Dollars in Millions)

Item Name: ITAC Infrastructu

Item Description: ITAC Infrastructure

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.479	0.479	1	0.275	0.275	1	0.200	0.200	1	0.200	0.200

Item Justification/Impact if Not Provided:

1. Description and Purpose: Information Technology Application Center (ITAC) Infrastructure

The ITAC project is a state-of-the-art lab environment with hardware and software resources necessary to test new and emerging technologies and how they will benefit the MSG, AFMC, and the Air Force. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the software portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved

Some of the ITAC Lab equipment is currently outdated and cannot support the ongoing and future projects of the lab and needs to be updated / replaced to stay current with new technologies. This initiative ensures the ITAC will have the latest up-to-date technology necessary to test and evaluate user requirements.

3. Alternatives considered: Status Quo

Purchase ITAC Infrastructure

4. Impact if not acquired:

If upgrades, maintenance, hardware, software and Non-ADPE equipment are not acquired, the MSG will likely have scheduling conflicts and delays with ITAC projects. Also, MSG will not be competitive in the marketplace for IT solutions testing and its customers will find other organizations to provide these abilities to them.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.08.

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Item Name: ITAC Infrastructur
Item Description: ITAC Infrastructure
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.606	0.606	1	0.633	0.633	1	0.650	0.650	1	0.650	0.650

Item Justification/Impact if Not Provided:

1. Description and Purpose: Information Technology Application Center (ITAC) Infrastructure

The ITAC project is a state-of-the-art lab environment with hardware and software resources necessary to test new and emerging technologies and how they will benefit the MSG, AFMC, and the Air Force. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the hardware portion of the hardware/software/equipment requirement for this project.

2. Current deficiency/problem and how it is solved

Some of the ITAC Lab equipment is currently outdated and cannot support the ongoing and future projects of the lab and needs to be updated / replaced to stay current with new technologies. This initiative ensures the ITAC will have the latest up-to-date technology necessary to test and evaluate user requirements.

3. Alternatives considered: Status Quo

Purchase ITAC Infrastructure

4. Impact if not acquired:

If upgrades, maintenance, hardware, software and Non-ADPE equipment are not acquired, the MSG will likely have scheduling conflicts and delays with ITAC projects. Also, MSG will not be competitive in the marketplace for IT solutions testing and its customers will find other organizations to provide these abilities to them.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.08

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FUND9B
(Dollars in Millions)

Item Name: MSG Physical Infra

Item Description: MSG Physical Infrastructure

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.140	0.140	1	0.102	0.102	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: MSG Physical Infrastructure

To maintain MSG Physical Infrastructure the current projects and future projects for Structured Query Language (SQL) and server web requirements for MSG productivity. The process is to replace the server and SQL server software requirements. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

The problem is to maintain current projects and future projects for SQL and server web requirements for MSG productivity. One-third of the network hardware is out of warranty and no longer serviceable. When a server goes down there is no longer a hardware to replace it. This project enhances the MSG's performance by keeping its technology current, its hardware operational, and its software licensing legal.

3. Alternatives considered: Status Quo or Purchase

4. Impact if not acquired: If this is not funded, we would not be able to replace the equipment nor maintain our software licenses. There are no replacement hardware/software licenses available. The MSG would not be able to respond quickly to rapid prototype development.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio is 3.38.

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FUND9B
(Dollars in Millions)

Item Name: MSG Pyhsical Infr
Item Description: MSG Physical Infrastructure
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.248	0.248	1	0.248	0.248	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: MSG Physical Infrastructure

To maintain MSG Physical Infrastructure the current projects and future projects for Structured Query Language (SQL) and server web requirements for MSG productivity. The process is to replace the server and SQL server software requirements. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved

The problem is to maintain current projects and future projects for SQL and server web requirements for MSG productivity. One-third of the network hardware is out of warranty and no longer serviceable. When a server goes down there is no longer a hardware to replace it. This project enhances the MSG's performance by keeping its technology current, its hardware operational, and its software licensing legal.

3. Alternatives Considered: Status Quo or Purchase

4. Impact if not acquired: If this is not funded, we would not be able to replace the equipment nor maintain our software licenses. There are no replacement hardware/software licenses available. The MSG would not be able to respond quickly to rapid prototype development.

5. Regulatory implications: Memorandum from Secretary of Air Force, for Air Force Information Technology Revolution dtd 03 Jan 01.

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 3.38.

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FUND9B
(Dollars in Millions)

Item Name: OS and OA Software
Item Description: Operating Software (OS) & Office Automat
Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.814	0.814	0	0.000	0.000

Item Justification/Impact if Not Provided:

- Description and Purpose:** Operating Software (OS) and Office Automation (OA) Software Replacement Requirements
The purpose of this requirement is to replace the current MSG operating software and office automation software. These requirements are for interoffice compatibility and interoperability with compliancy to DISA mandates.
- Current deficiency/problem and how it is solved:**
The MSG inter-organization data exchange and security requirements must be compatible and secure to the software applications. This is to prevent possible vulnerability issues with either the sending, viewing, or operation of original data creation. Secure Microsoft Windows XP Professional and Microsoft Office XP Premium.
- Alternatives considered:** Status Quo or Purchase
- Impact if not acquired:**
The AFMC as well as other Commands have significant impact when exchanging documents and/or data, and the remote possibility of security penetration or backdoor access to data.
- Regulatory implications:** None
- EA is on file at HQ MSG/FMC.**

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FUND9B
(Dollars in Millions)

Item Name: SAN
Item Description: Storage Area Network
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.351	0.351	1	0.102	0.102	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Storage Area Network (SAN) server.

A Storage Area Network (SAN) is a high-speed subnet that establishes a direct connection between various storage resources and servers. One can think of a SAN as an extended and shared storage bus. SANs liberate storage devices, so they are not on any one particular server bus, and attaches them directly on the network via network processors. The result is a SAN architecture that makes all storage devices accessible to all servers within the network. This sharing of components is an alternative to expensive investments in additional equipment and eliminates the bottleneck between the server and the storage. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the hardware portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

Current local area network servers are reaching maximum capacity to handle web traffic, shared storage drives, and store email. This server will provide a centralized storage area network for shared drives, which will provide a collaborative working environment and decrease the need for sending files via email. This will result in less traffic and storage on email servers (making them faster and more efficient) and centralizing storage of completed tasks (providing for easy access and historical purposes).

3. Alternatives considered: Status Quo

Purchase SAN Server

4. Impact if not acquired: Continuing with insufficient SAN capacity to handle the MSG network workload will lead to performance degradation. The impact on user access time will increase (estimated degradation of folder access time to 700 users will be ten (10) minutes per day).

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.10.

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FUND9B
(Dollars in Millions)

Item Name: SANs

Item Description: Storage Area Network

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.030	0.030	1	0.015	0.015	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Storage Area Network (SAN) server.

A Storage Area Network (SAN) is a high-speed subnet that establishes a direct connection between various storage resources and servers. One can think of a SAN as an extended and shared storage bus. SANs liberate storage devices, so they are not on any one particular server bus, and attaches them directly on the network via network processors. The result is a SAN architecture that makes all storage devices accessible to all servers within the network. This sharing of components is an alternative to expensive investments in additional equipment and eliminates the bottleneck between the server and the storage. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the software portion of the hardware/software requirement for this project.

2. Current deficiency/problem and how it is solved:

Current local area network servers are reaching maximum capacity to handle web traffic, shared storage drives, and store email. This server will provide a centralized storage area network for shared drives, which will provide a collaborative working environment and decrease the need for sending files via email. This will result in less traffic and storage on email servers (making them faster and more efficient) and centralizing storage of completed tasks (providing for easy access and historical purposes).

3. Alternatives considered: Status Quo

Purchase SAN Server

4. Impact if not acquired: Continuing with insufficient SAN capacity to handle the MSG network workload will lead to performance degradation. The impact on user access time will increase (estimated degradation of folder access time to 700 users will be ten (10) minutes per day).

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC. The economic analysis Benefits to Cost Ratio (BIR) is 2.10.

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FUND9B
(Dollars in Millions)

Item Name: Spectrum

Item Description: Spectrum

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.500	0.500	1	0.500	0.500	1	0.205	0.205	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Spectrum System Development Architecture (SSDA) The current need is to continue to develop a more robust web-enabled tool set and reusable code for the technical refresh developers to use, which will enable our tech refresh customers to achieve DOD mandates for their systems. Criteria for meeting the Defense Information Infrastructure (DII) Common Operating Environment (COE) mandate can be found in the DII COE Integration and Runtime Specification (I&RTS) document version 4.0 dated October 1999. The criteria for web-based technology and information are based on access guidelines developed by the Web Accessibility Initiative of the World Wide Web Consortium. Many of these provisions ensure access for people with vision impairments who rely on various assertive products to access computer-based information, such as screen readers, which translate what's on a computer screen into automated audible output, and refreshable Braille displays.

2. Current deficiency/problems: Some legacy information systems hosted in a mainframe environment are currently being technically refreshed with cutting edge technologies in the Materiel Systems Group (MSG) and have been mandated to become WEB enabled, as well as comply with mandates such as the Defense Information Infrastructure (DII) Common Operating Environment (COE), GCSS-AF and Section 508. The MSG DII-COE Mandates document provides directive and guidance.

3. Alternative considerations:

Alternative #1: Stop any further Spectrum reusable code/services development; however, that would affect the four programs currently using the SSDA.

Alternative #2: Continue to perform the Spectrum development using Capital Investment dollars to complete the tech refresh projects that are on board for web-ennoblement. JAVA and Power builder code is to be used for this development.

4. Impact if not acquired: If Spectrum is not funded; the technical refresh systems currently being developed with this tool will have cost, schedule and performance impacts. The Logistics customer will incur cost increases, schedule slippages and potential renegotiation of contracts.

Regulatory implication: N/A

EA is on file at HQ MSG/FMC. The economic analysis Benefits to Costs Ratio (BIR) is 2.11.

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FUND9B
(Dollars in Millions)

Item Name: VTC Conf Room
Item Description: VTC Conference Room Upgrade
Capital Category: Minor Construction

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.119	0.119	1	0.176	0.176	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: VTC Conference Room Upgrade

In order for video teleconference meeting to be effective, sound quality, picture quality, and necessary lighting are needed. This project will replace obsolete VTC equipment, as well as provide construction to reduce noise intrusion from HVAC units, change wall colors to increase light luminance for VTC cameras, and add sound absorption panels to prevent echoing and overall poor sound quality during VTCs. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the minor construction portion of the hardware/minor construction requirement for this project.

2. Current deficiency/problem and how it is solved:

VTC rooms currently have noise intrusion from HVAC units and surrounding offices, poor lighting and color coordination for the cameras, and poor sound quality. In addition, mismatched equipment is incompatible, causing continuous connection problems. All equipment is, on average, three years old, obsolete, and no longer under warranty, which could incur high maintenance costs. This will upgrade MSG conference rooms in order to correct to take care of these problems.

3. Alternatives considered: Status Quo, Alternative 1

Purchase VTC Conference Room Upgrade

4. Impact if not acquired:

All of the MSG VTC equipment will be out of warranty. Some replacement hardware is not available. Available replacement equipment is extremely costly.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC.

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FUND9B
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Item Name: VTC Conf Upgrade
Item Description: VTC Conference Room Upgrade
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	1.034	1.034	1	0.388	0.388	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: VTC Conference Room Upgrade

In order for video teleconference meeting to be effective, sound quality, picture quality, and necessary lighting are needed. This project will replace obsolete VTC equipment, as well as provide construction to reduce noise intrusion from HVAC units, change wall colors to increase light luminance for VTC cameras, and add sound absorption panels to prevent echoing and overall poor sound quality during VTCs. This project was included in the FY02 and FY03 reprogramming requests that were approved.

Note - this is the hardware portion of the hardware/minor construction requirement for this project.

2. Current deficiency/problem and how it is solved:

VTC rooms currently have noise intrusion from HVAC units and surrounding offices, poor lighting and color coordination for the cameras, and poor sound quality. In addition, mismatched equipment is incompatible, causing continuous connection problems. All equipment is, on average, three years old, obsolete, and no longer under warranty, which could incur high maintenance costs. This will upgrade MSG conference rooms in order to correct to take care of these problems.

3. Alternatives considered: Status Quo, Alternative 1

Purchase VTC Conference Room Upgrade

4. Impact if not acquired:

All of the MSG VTC equipment will be out of warranty. Some replacement hardware is not available. Available replacement equipment is extremely costly.

5. Regulatory implications: None

6. EA is on file at HQ MSG/FMC.

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Information Services Activity Group
Standard Systems Group

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FUND9B
(Dollars in Millions)

Item Name: Bldg 856 Generator
Item Description: Building 856 Generator
Capital Category: Minor Construction

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.343	0.343	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: BUILDING 856 GENERATOR

Category: Minor Construction. SSG requires back-up power for Phase III of Bldg 856.

2. Current Deficiency/problem and how it is solved: The SSG Certification Network Test Center, which supports the Air Force Network Test Center, is located in building 856, Phase III. If power is lost to this facility, SSG is not able to perform the Network Risk Assessments required or issue certificates of net worthiness for new systems. This prevents the systems from being placed in operation. The SSG also loses the capability of distributing software to its customers. Additionally, Phase III houses Software Engineering, Configuration Management, Release Control and the Contracting SPO. There are over 350 personnel in Phase III who would be at a complete work stoppage if power is lost. Solution: SSG should purchase and permanently install a 750 KW generator for Phase III, Bldg 856. Upon loss of power, work will continue in Phase III of Bldg. 856 after a short 10-second interruption of service.

3. Alternatives considered:

- A. Status Quo
- B. Lease Generator
- C. Purchase Generator

4. Impact if not acquired:

Lost Productivity: The lack of available back-up power will lead to lost productivity in the event of a power outage.

Work Environment: The environment in the office is a primary Quality of Life element. Loss of power, which in turn creates a loss in HVAC, will negatively impact the work environment.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Bldg 888 Addition
Item Description: Bldg 888 Addition (Chiller)
Capital Category: Minor Construction

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.156	0.156	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Bldg 888 Addition (Chiller)

Category: Minor Construction. SSG needs to place Bldg 888 on its own chiller to provide occupants a reliable source for their cooling requirements.

2. Current Deficiency/problem and how it is solved: The existing chilled water lines providing water to building 888 are old and have failed three times in the past three years. Training has recently been set up in this building and brings in personnel from all AF locations. The Heating Ventilation Air Conditioning system must be reliable in order not to impact scheduling of classes. This is especially significant due to TDY travelers attending classes at this location. Solution: An addition should be constructed for Bldg. 888 to house the new chiller system.

3. Alternatives considered:

- A. Status Quo
- B. Construct Addition to Bldg 888

4. Impact if not acquired:

Lost Productivity: The SSG workforce must maintain a high level of productivity to remain competitive with private industry. The lack of proper protection for the new chiller equipment will lead to equipment failure and loss of HVAC. This HVAC loss will, in turn greatly impact worker productivity.

Security: Securing the new chiller equipment within the building structure decreases the possibility of sabotage, vandalism, and mower damage. Without the building addition, the HVAC system is more vulnerable.

Work Environment: The environment in the office is a primary Quality of Life element. Loss of power, which in turn creates a loss in HVAC, will negatively impact the work environment.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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Item Name: Cust Supp Enhance
Item Description: Customer Support Enhancement
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.078	0.078	1	0.470	0.470	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: CUSTOMER SUPPORT ENHANCEMENT

Category: ADPE. Provides for the replacement and upgrade of hardware for the Customer Support Division (CSD). NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: The CSD provides "help desk" services for virtually all SSG programs servicing thousands of users worldwide. To accomplish this, they maintain trouble call databases, REMEDY problem management software, Enterprise Interactive Center (EIC) phone systems. The current hardware/software suite is old and technologically limited. The EIC phone system has maxed out all circuits which means no new business can be adopted. Additionally, the reporting and data sharing capability is extremely limited making it difficult to satisfy tracking, reporting and analysis. Solution: Upgrade CSD hardware/software with current technology.

3. Alternatives considered:

- A. Retain the status quo, which is to continue to use current equipment.
- B. Purchase new
- C. Provide a partial upgrade of hardware/software
- D. Lease equipment

4. Impact if not acquired: If not acquired, the CSD would not be able to take on new business because their EIC call system is maxed out with no new circuits available. Reporting and analysis capabilities will continue to be limited impairing the ability to support management and higher headquarters reporting requirements. Reports will have to be generated from divergent databases and provided in hardcopy. Spatial mapping of system status will not be accomplished hampering the management of the AF network. Customer satisfaction will decline due to the limited expansion capability and longer wait times. Customers will have to satisfy themselves with the current reporting capabilities. Additionally, the new Air Force Portal project, with a potential user base of 1.2 million users who may hit the web-based Portal multiple times a day, poses a potentially huge call volume into the Field Assistance Building (FAB) as the system is implemented

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Cust Supt Enhance
Item Description: Customer Support Enhancement
Capital Category: Equipment (Replacement)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.075	0.075	1	0.100	0.100

Item Justification/Impact if Not Provided:

1. Description and Purpose: CUSTOMER SUPPORT ENHANCEMENT

Category: Non-ADPE. Provides for the replacement and upgrade of equipment for the Customer Support Division (CSD). NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: The CSD provides "help desk" services for virtually all SSG programs servicing thousands of users worldwide. To accomplish this, they maintain trouble call databases, REMEDY problem management software, Enterprise Interactive Center (EIC) phone systems. The current hardware/software suite is old and technologically limited. The EIC phone system has maxed out all circuits which means no new business can be adopted. Additionally, the reporting and data sharing capability is extremely limited making it difficult to satisfy tracking, reporting and analysis. Solution: Upgrade CSD hardware, software, and equipment with current technology.

3. Alternatives considered:

- A. Retain the status quo, which is to continue to use current equipment.
- B. Purchase new
- C. Provide a partial upgrade of hardware/software
- D. Lease equipment

4. Impact if not acquired: If not acquired, the CSD would not be able to take on new business because their EIC call system is maxed out with no new circuits available. Reporting and analysis capabilities will continue to be limited impairing the ability to support management and higher headquarters reporting requirements. Reports will have to be generated from divergent databases and provided in hardcopy. Spatial mapping of system status will not be accomplished hampering the management of the AF network. Customer satisfaction will decline due to the limited expansion capability and longer wait times. Customers will have to satisfy themselves with the current reporting capabilities. Additionally, the new Air Force Portal project, with a potential user base of 1.2 million users who may hit the web-based Portal multiple times a day, poses a potentially huge call volume into the Field Assistance Building (FAB) as the system is implemented

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Customer Supp Enha

Item Description: Customer Support Enhancement

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.053	0.053	0	0.000	0.000	1	0.034	0.034	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: CUSTOMER SUPPORT ENHANCEMENT

Category: Software Development (Externally developed). Provides for the replacement and upgrade of software for the Customer Support Division (CSD). NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: The CSD provides "help desk" services for virtually all SSG programs servicing thousands of users worldwide. To accomplish this, they maintain trouble call databases, REMEDY problem management software, Enterprise Interactive Center (EIC) phone systems. The current hardware/software suite is old and technologically limited. The EIC phone system has maxed out all circuits which means no new business can be adopted. Additionally, the reporting and data sharing capability is extremely limited making it difficult to satisfy tracking, reporting and analysis. Solution: Upgrade CSD hardware/software with current technology.

3. Alternatives considered:

- A. Retain the status quo, which is to continue to use current equipment.
- B. Purchase new
- C. Provide a partial upgrade of hardware/software
- D. Lease equipment

4. Impact if not acquired: If not acquired, the CSD would not be able to take on new business because their EIC call system is maxed out with no new circuits available. Reporting and analysis capabilities will continue to be limited impairing the ability to support management and higher headquarters reporting requirements. Reports will have to be generated from divergent databases and provided in hardcopy. Spatial mapping of system status will not be accomplished hampering the management of the AF network. Customer satisfaction will decline due to the limited expansion capability and longer wait times. Customers will have to satisfy themselves with the current reporting capabilities. Additionally, the new Air Force Portal project, with a potential user base of 1.2 million users who may hit the web-based Portal multiple times a day, poses a potentially huge call volume into the Field Assistance Building (FAB) as the system is implemented

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Data/Video ADPE
Item Description: VTC Conf Rm Upgrade
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.180	0.180	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Data/Video System Category: Equipment. The purpose of this program is to provide standardized, technologically competent, and centrally managed data/video systems for SSG.
2. Current Deficiency/Problem and How It Is Solved: The SSG currently has minimum "centrally managed" Data/Video systems. This has become a problem with standization of such systems across the organization resulting in a degradation of customer support. This capability will allow the organization to design, develop and deliver standard centrally managed systems to provide real-time sharing/collaboration of data and information.
3. Alternatives Considered:
 - a. Status Quo
 - b. Purchase
4. Impact If Not Acquired: The organization will not have functional Data/Video capabilities to support the customer needs, hampering the communication between SSG, customers, and users.
5. Regulatory Implications - (Local, State, and/or Federal): None
6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Data/Video Equip
Item Description: VTC Conf Rm Upgrade
Capital Category: Equipment (Replacement)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	0.052	0.052	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: Data/Video System Category: Equipment. The purpose of this program is to provide standardized, technologically competent, and centrally managed data/video systems for SSG.
2. Current Deficiency/Problem and How It Is Solved: The SSG currently has minimum "centrally managed" Data/Video systems. This has become a problem with standization of such systems across the organization resulting in a degradation of customer support. This capability will allow the organization to design, develop and deliver standard centrally managed systems to provide real-time sharing/collaboration of data and information.
3. Alternatives Considered:
 - a. Status Quo
 - b. Purchase
4. Impact If Not Acquired: The organization will not have functional Data/Video capabilities to support the customer needs, hampering the communication between SSG, customers, and users.
5. Regulatory Implications - (Local, State, and/or Federal): None
6. EA is on file at HQ SSG/FMA

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FUND9B
(Dollars in Millions)

Item Name: FM Toolkit

Item Description: JLIMS/RCDB/DWAS PLANNING/DATAMART

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.360	0.360	1	0.450	0.450	1	0.290	0.290	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: FM Toolkit Defense Working Capital Accounting System (DWAS) Planning Module and DATA Mart. Category: Software. The purpose is to develop a DATA Mart stand-alone system with multi-ability interface capabilities. DATA Mart will provide accurate and timely financial reporting. Resource Control Database is being replaced by the DWAS planning Module to perform budget formulation. Management reports must be obtained through several different systems requiring extensive effort. Implementation of the "tool kit" approach would result in several improvements. Financial systems integration to accommodate report generation through an On-Line Analytical Processing (OLAP) concept will result in more efficient retrieval and manipulation of financial data.

2. Current Deficiency/problem and how it is solved. Currently several systems and subsystems collect accounting records, budget information , labor distribution and payroll data required for financial reporting. These systems are not integrated

3. Alternatives considered:

A. Status Quo

B. Develop/Purchase Financial Tools

4. . Financial managers must constantly crosscheck data between databases. This takes considerable time and detracts significantly from the primary mission of financial analysis. Confusion persists for program managers and program office personnel when data sources do not always agree. Additionally , financial reports errors are more likely without an integrated system.

5. Regulatory implications - (local, state, and/or federal): Chief Financial Officers (CFO) Act 1990.

6. EA is on file at HQ SSG/FMA. This program combines separate line item submissions under one project and one EA. Previous submissions were: DWAS, Joint Labor Interface Management System (JLIMS), Resource Control Database (RCDB).

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FUND9B
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Item Name: LAN Upgrade
Item Description: LAN Upgrade
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.605	0.605	1	0.902	0.902	1	1.194	1.194	1	1.194	1.194

Item Justification/Impact if Not Provided:

1. Description and Purpose: LAN UPGRADE. Category: ADPE & Telecomm. The Standard Systems Group is responsible for implementing and maintaining Classified and Unclassified Local Area Network Communications. HQ SSG has requirements for fast resolution of network addresses for internal and external customers, and high-speed throughput of messages and data into and out of the HQ SSG network customer information repositories. NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: HQ Standard Systems Group has identified the following areas requiring implementation, replacement and/or upgrade: Communications Infrastructure, Electronic Document Management System (EDMS), Super Servers, and Network Security Hardware. Solution: HQ Standard Systems Group should procure, implement, replace and/or upgrade the following areas: Communications Infrastructure, FY 03 and FY 04, EDMS, FY03 and FY 04, Super Servers/V-LAN/Virtual Private Network (VPN), FY 03 and FY04, and Network Security Hardware, FY 03 and FY 04.

C. Alternatives considered:

- A. Status Quo
- B. Leasing
- C. Purchase

4. Impact if not acquired: If additional funding is not approved for this effort, the capabilities offered by the Local Area Network will not be deliverable to the customer, or, capabilities may be available at a degraded rate. This degraded performance will lessen Standard System Group's ability to provide mission essential support to our customer base. Additionally, HQ SSG would fail to be in compliance with DoD, AF and AFMC directives concerning network management/security, software license control, records management, operationalizing and professionalizing the network. Not upgrading and maintaining technological parity would hinder internal and external communications as well as reduce efficiency. Because of the SSG's mission, technological parity is an essential component of daily business operations.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA. This program combines separate previous line item submissions under one project and one EA. Previous line items included are: Storage Area Networks, Super Servers/V-LAN/VPN, Network Security HW, and Communications Infrastructure,

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FUND9B
(Dollars in Millions)

Item Name: LAN Upgrade Equip.
Item Description: LAN Upgrade
Capital Category: Equipment (Replacement)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.074	0.074	0	0.000	0.000	1	0.075	0.075	1	0.075	0.075

Item Justification/Impact if Not Provided:

1. Description and Purpose: LAN UPGRADE Category: Non-ADPE Equipment. SSG has programmed to provide for a scalable LAN upgrade that improves information management capability, increases bandwidth, data throughput, and improve storage area network (SAN). NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: HQ SSG must comply with AF, and AFMC initiatives concerning network management /security, software license control, records management and operationalizing and professionalizing the network. SSG hosts most of the systems it develops and operates on its LAN, the system requires constant infusion of technology to ensure state-of-art reliability and availability. The LAN cannot provide the network environment essential to SSG to perform its mission if it must continually rely on aging equipment. The SSG operating environment is highly customer oriented and we must be able to support and utilize technological advances whenever possible.

3. Alternatives considered:

- A. Status Quo
- B. Purchase

4. Impact if not acquired: Without this Alternative the LAN productivity will decline as aging technology increases in maintenance and cease to function. SSG develops and maintains combat support information systems for the Air Force and Department of Defense (DOD) components. The operation of a significant number of standard information systems used at all active and reserve Air Force bases and DOD agencies worldwide would be detrimental to SSG's mission.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: LAN Upgrade SW

Item Description: LAN Upgrade

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.111	0.111	1	0.879	0.879	1	0.707	0.707	1	0.632	0.632

Item Justification/Impact if Not Provided:

1. Description and Purpose: LAN UPGRADE, Category: Software. The Standard Systems Group is responsible for implementing and maintaining Classified and Unclassified Local Area Network Communications. HQ SSG has requirements for fast resolution of network addresses for internal and external customers, high-speed throughput of messages and data into and out of the HQ SSG network customer information repositories, standardized desktop software technology, document management, and enterprise management. NOTE: This project contains elements of Software Development, ADPE and Non-ADPE.

2. Current Deficiency/problem and how it is solved: HQ Standard Systems Group has identified the following areas requiring implementation, replacement and/or upgrade: Communciations Infrastructure, Network Security Software, Electronic Data Management System (EDMS), Corporate Enterprise PC Software, and Standard Server Software. Solution: HQ Standard Systems Group should procure, implement, replace and/or upgrade the following areas: Network Security Software, FY 03 AND FY 04; EDMS, FY 03. AND FY 04; Storage Area Network (SAN), FY 03, FY04 AND FY 05;Standard/Super Server Software FY 03 and FY04.

3. Alternatives considered:

- A. Status Quo
- B. Leasing
- C. Purchase

4. Impact if not acquired: Without the supporting software, this portion of the Network upgrade will be inoperable and the capabilities offered by the Local Area Network will not be deliverable to the customer or, capabilities may be available at a degraded rate. This degraded performance will lessen Standard System Group's ability to provide mission essential support to our customer base.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Software Dev Tool
Item Description: Software Development Tools

Capital Category: Software Development (Externally developed)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.942	0.942	1	0.600	0.600	1	0.764	0.764	1	0.594	0.594

Item Justification/Impact if Not Provided:

1. Description and Purpose: SOFTWARE DEVELOPMENT TOOLS

Category: Software. In order to provide standardization throughout the Software Factory, the purchase of commercial off-the-shelf software (COTS) tools is necessary. Additionally, by centralizing the use of these software development tools, money would be saved in software licensing and training for individual use. NOTE: This project contains elements of Software Development and ADPE.

2. Current Deficiency/problem and how it is solved: A major problem area in today's Information Technology (IT) industry is the use of heterogeneous mixtures of models of computation. Much time and money is lost when each component/system being designed has to be completed by different entities. This area could be used for a broad range of applications including real-time systems and hardware/software so the designer can focus on the problem and not the tools. In addition, configuration management in the Software Factory is not standardized and results in manual performance reporting. Solution: Purchase standard set of software tools

3. Alternatives considered: SOFTWARE DEVELOPMENT TOOLS is a part of the standard suite of software described under the Software Tools EA.

A. Status Quo

B. Purchase Standard set of Software tools

4. Impact if not acquired: Without the identified capital investment, the Software Factory will fall behind in advanced technology capabilities, which in turn inhibits our ability to acquire and retain software development efforts throughout the Air Force and DoD. We will not be able to support current ongoing efforts using state-of-the-art technology, nor support AIS's that depend on continuous software upgrades and customer support to sustain them. This will jeopardize our competitive Central Design Activity position and impact incoming revenue needed to sustain operations. Without this purchase, software development costs will increase due to the need to support many non-standardized software tool sets. Funding will have to increase for current projects and delivery times will be negatively impacted. Without standardization, the Software Factory cannot effectively train software developers in standard tool sets. As a result, this will prevent the Software Development Division from establishing a versatile pool of knowledgeable and skilled manpower. These tools will also allow for a streamlined training approach establishing a work force with higher competency levels. If not acquired, the development environment, could potentially lose approximately \$25M in new business opportunities annually.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA. Encompasses previous line items under one project and EA. Projects combined include: Development Environments and Compilers, Configuration Management/Modernization and the Management Information Systems (MIS) Upgrade.

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Standard Systems Group

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FUND9B
(Dollars in Millions)

Item Name: Software Dev Tool
Item Description: Software Development Tools
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.020	0.020	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: SOFTWARE DEVELOPMENT TOOLS

Category: ADPE. In order to provide standardization throughout the Software Factory, the purchase of commercial off-the-shelf software (COTS) tools is necessary. Additionally, by centralizing the use of these software development tools, money would be saved in software licensing and training for individual use. NOTE: This project contains elements of Software Development and ADPE.

2. Current Deficiency/problem and how it is solved: A major problem area in today's Information Technology (IT) industry is the use of heterogeneous mixtures of models of computation. Much time and money is lost when each component/system being designed has to be completed by different entities. This area could be used for a broad range of applications including real-time systems and hardware/software so the designer can focus on the problem and not the tools. In addition, configuration management in the Software Factory is not standardized and results in manual performance reporting. Solution: Purchase standard set of software tools

3. Alternatives considered: SOFTWARE DEVELOPMENT TOOLS is a part of the standard suite of software and ADPE described under the Software Tools EA.

A. Status Quo

B. Purchase Standard set of Software tools

4. Impact if not acquired: Without the identified capital investment, the Software Factory will fall behind in advanced technology capabilities, which in turn inhibits our ability to acquire and retain software development efforts throughout the Air Force and DoD. We will not be able to support current ongoing efforts using state-of-the-art technology, nor support AIS's that depend on continuous software upgrades and customer support to sustain them. This will jeopardize our competitive Central Design Activity position and impact incoming revenue needed to sustain operations. Without this purchase, software development costs will increase due to the need to support many non-standardized software tool sets. Funding will have to increase for current projects and delivery times will be negatively impacted. Without standardization, the Software Factory cannot effectively train software developers in standard tool sets. As a result, this will prevent the Software Development Division from establishing a versatile pool of knowledgeable and skilled manpower. These tools will also allow for a streamlined training approach establishing a work force with higher competency levels. If not acquired, the development environment, could potentially lose approximately \$25M in new business opportunities annually.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA. Encompasses previous line items under one project and EA. Projects combined include: Development Environments and Compilers, Configuration Management/Modernization and the Management Information Systems (MIS) Upgrade.

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FUND9B
(Dollars in Millions)

Item Name: SWT Test Tools

Item Description: SWT Test Tools

Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.279	0.279	0	0.000	0.000	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: SWT TEST TOOLS. Category: ADPE & Telecom. The Test and Evaluation Division is responsible for testing all Automated Information Systems (AIS) acquired, developed, and maintained by HQ SSG. The need to produce quality systems quicker, better, cheaper, and completely integrated requires the use of effective automated tools. The concept is to use computers to drive the design, development and test processes thus saving time, reducing costs and ensuring quality.

2. Current Deficiency/problem and how it is solved: SSG currently has a few quality software tools in use, however these computers must be upgraded and replaced to keep pace with technology. The current inventory does not provide some capabilities and too few of others. This requirement will accommodate the migration towards the Global Combat Support System Air Force Integration Framework, as well as allow testing of clustering technology when coupling newer HP platforms. Solution: Take a pro-active approach to the overall Systems Engineering Process (SEP) and equip the SW staff with the test tools necessary to maintain and enhance our competitive edge in developing, maintaining and supporting the needs of the war fighter.

3. Alternatives considered:

A. Status Quo

B. Purchase ADPE Tools (Tool Purchase)

4. Impact if not acquired: If not acquired, the mission and capabilities of the Software Factory will continue to erode. As the SEP process is matured, it is vital that we nurture the advancement of automated capabilities. Without these tools, functions will continue to be performed manually causing the organization to fall behind other development activities that have faster and leaner development cycles. The risk of losing business opportunities in the future would be high.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: System Furniture
Item Description: System Furniture
Capital Category: Equipment (Replacement)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	1	1.452	1.452	1	1.153	1.153	1	0.300	0.300

Item Justification/Impact if Not Provided:

1. Description and Purpose: SYSTEM FURNITURE

Category: Non-ADPE. The Civil Engineering Branch continually replaces all Systems Furniture, within SSG facilities, that is 12 years old or older. HQ SSG is in the final year of a furniture replace plan. The existing furniture is 15 years old and has reached the end of its useful life.

2. Current Deficiency/problem and how it is solved: HQ SSG is in the process of programming a new facility. The facility would house communications programs such as customer service functions for all AF standard software systems, AF Network Operations Center, AF Defense Messaging System, and the AF E-Mail Portal initiative. By FY03, the furniture in Building 856, Phase II will be 14 years old and will have reached the end of its useful life. Solution: Purchase furniture. In FY04, approx 225 workstations, office and conference room furniture, and seating will be required to adequately utilize the MILCON facility. FY04 replacement of furniture in Building 868.

3. Alternatives considered:

- A. Three Year Furniture Lease
- B. Five Year Furniture Lease
- C. Furniture Purchase

4. Impact if not acquired: Furniture is worn and becomes easily broken after it's useful life. This will result in reduced productivity and quality of work environment. This could also result in injury to personnel and other government property. If furniture is not in place in the new mission facility, the facility would not be useable for mission requirements and result in mission stoppage of these critical AF programs. FY03 requirement is a companion project to a pending MILCON insert. If the MILCON project is not approved, then the systems furniture is not needed.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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Item Name: Test Env Upgrade
Item Description: Test Environment Upgrade
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
1	0.955	0.955	1	0.517	0.517	0	0.000	0.000	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: TEST ENVIRONMENT UPGRADE (Communications Environment Test Laboratory (CETL), Server & Micro Labs, GCSS AF Framework) Category: ADPE. The Test and Evaluation Division is responsible for testing all Automated Information Systems (AIS) acquired, developed, and maintained by HQ SSG. This project provides for the upgrade of the test environment. Cutting edge technology is required so that testing of new programs both commercial and AF developed can be conducted. It is also critical that emerging technologies be incorporated into the test environment so they can be evaluated for inclusion in and compatibility with the AF standards.

2. Current Deficiency/problem and how it is solved:

Current Server lab equipment used to evaluate HP systems is quickly becoming insufficient to meet current requirements. 25 percent of HP systems evaluated by SWT are evaluated in an unisolated, unsanitized, and undedicated environment. Over 50 percent of the PCs in the Micro lab are four years old or older which is well beyond the three-year life cycle for PCs. Currently, the test facility, CETL, is behind in communication technology fielded throughout DoD. The CETL does not have the ability to test emerging enterprise technology prior to fielding. This would prevent the completion of the primary objective, the detection of Automated Information Systems (AIS)/network infrastructure problems before being introduced to the field.

Solution: Purchase new equipment to upgrade the Server lab, Micro lab and CETL providing a controlled, configurable, and observable test environment.

3. Alternatives considered:

A. Status Quo

B. Purchase the Server lab, Micro lab and CETL equipment.

4. Impact if not acquired: Existing resources are quickly becoming insufficient to support current and known future requirements. SWT will be unable to support testing of additional server or Micro client systems. These hardware and software upgrades will keep the lab current with the technology fielded throughout the Air Force, ensure AIS's are tested in an environment, which emulates the operational environment, and identify any possible implementation problems before negative impacts to operational bases worldwide. Additionally, SSG would be unable to meet the following goals, as stated in the SSG CONOPS:

(1) Maintain a development cycle time of 12 mths or less for new starts and major modifications.

(2) Provide complete life cycle support to include systems integration.

If the CETL lab does not receive upgrades to keep pace with technology, HQ SSG will be unable to maintain a development cycle time of 12 months or less for new starts and major modifications

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: Test Lab Inf Upgd
Item Description: Test Lab Inf Upgd
Capital Category: ADPE & Telecomm

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	1.329	1.329	1	0.907	0.907

Item Justification/Impact if Not Provided:

1. Description and Purpose: TEST LABS INFRASTRUCTURE: Category: ADPE. The Test and Evaluation Division (SWT) is responsible for testing and releasing all Automated Information Systems (AIS) acquired, developed, and maintained by HQ SSG. SWT has been the sole independent testing agency supporting the modernization efforts of all supported AISs. Test activities are performed in a controlled lab environment, emulating the field environment as closely as possible. These systems must be dedicated to and under the complete control of the evaluators to ensure testing is conducted in a controlled environment. Additionally, these systems are released to SWC for configuration management and distributed to users worldwide. Also, it is known that AISs will eventually migrate to the GCSS-AF Integrated Framework (IF), but in the interim SWT must be able to continue supporting all the various platforms. In the long term, SWT must provide a corporate AIS test environment capable of housing current and future AISs.

2. Current Deficiency/problem and how it is solved:

Current lab equipment used to evaluate server systems is rapidly becoming insufficient to meet current and future requirements. Below are several areas where the labs require improvements in order to maintain a corporate AIS test environment sufficient to meet future customer needs.

3. Alternatives considered:

A. Status Quo

B. Purchase the Server lab equipment.

4. Impact if not acquired: Existing resources are quickly becoming insufficient to support current and known future requirements. Firewall Upgrade: As the Air Force and DISA upgrades firewalls at all bases, the test labs must be able to emulate the field environment as close as possible to perform AIS testing. Integrated Framework Server Environment: The initial install of Integrated Framework test environment was focused on the basic system and two AISs that were scheduled to migrate to the IF. As more AISs migrate to the IF environment, additional servers must be available to support AIS testing. Enterprise Server Environment: As the AIS developers continue to modernize their server environment, the test lab must follow suite to ensure accurate testing. These modernization efforts include increased storage for larger databases and additional server processing capability. Some modernization efforts involve a change in platform between Sun and Hewlett Packard operating systems in preparation for IF migration. Storage Area Network (SAN): The current operational IF utilizes SAN technology for mass storage and backup capability. The SWT test lab does not have the capability to provide mass storage and backups for testing the IF or multiple AISs but needs this capability.

5. Regulatory implications - (local, state, and/or federal): None

6. EA is on file at HQ SSG/FMA.

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FUND9B
(Dollars in Millions)

Item Name: UPS
Item Description: UPS NEW BLDG
Capital Category: Equipment (New Mission)

2002 AC			2003 AF			2004 R			2005 R		
Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost	Item Quantity	Item Cost	Total Cost
0	0.000	0.000	0	0.000	0.000	1	0.520	0.520	0	0.000	0.000

Item Justification/Impact if Not Provided:

1. Description and Purpose: UPS for a NEW BLDG The occupants of this new facility, including the Field Assistance Branch and the AF Network Operation Center. MILCON rules mandate that the uninterruptible power source (UPS) be user-funded.
Category: Equipment.

2. Current Deficiency/problem and how it is solved: SSG has programmed and is anticipating execution of MILCON project to construct the Integrated Operational Support Facility in FY04. The occupants of this new facility, including the Field Assistance Branch and the AF Network Operation Center, require uninterruptible power supply (UPS) back-up for mission accomplishment and presently housed in a DISA facility and provides 100% UPS back-up capability. As with furniture, MILCON rules mandate that the UPS be user-funded.

3. Alternave Considered:
A. Do nothing.
B. Purchase/Install UPS.

4. Impact if not acquired: Lost productivity : the need to back-up data often and the requirement to recover that data, as well as reboot numerous computer systems, because of the potential and the occurence of sporadic power outages greatly impact productivity. Having the assurance and availability of reliable back-up power provided by the UPS greatly enhances productivity. If the UPS is not in place in the new mission facility, may cause delays or worse result in mission stoppage of critical AF programs due to loss of data caused by sporadic power outages . If the MILCON project is not approved then the UPS is not needed.

5. Regulatory implications - (local, state, and/or federal) None

6. EA is on file at HQ SSG/FMA.

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ADPE & Telecom							
02	LAN Upgrade HW	0.000	0.605	1.018	0.605	(0.413)	Requirements change and price decreases.
02	Test Environment Upgrade	0.000	0.955	0.665	0.955	0.290	Requirements change
02	Customer Support Enhancement	0.000	0.078	0.650	0.078	(0.572)	Requirements change.
02	SWT Test Tools	0.000	0.279	0.000	0.279	0.279	Requirements change in difference category
02	SW Development Tools	0.000	0.020	0.000	0.020	0.020	Requirements change
02	Enterprise Infrastructure Platform	0.230	(0.230)	0.000	0.000	0.000	Requirements change
02	CGSS Prototype Platform	0.000	0.230	0.230	0.230	0.000	Requirements change
02	MSG VTCN Hub, Switch, Lan Upgrade	0.260	(0.260)	0.000	0.000	0.000	Requirements change
02	VTC Conf Room Upgrade	0.000	1.048	1.048	1.034	0.014	Requirements change
02	Network Servers	1.375	(1.375)	0.000	0.000	0.000	Requirements change
02	Big Iron 8000	0.000	0.189	0.189	0.180	0.009	Requirements change
02	Project Central 2000	0.000	0.056	0.056	0.000	0.056	CANCELED/ updated HW was available
02	Storage Area Network	0.000	0.384	0.384	0.351	0.033	Requirements change
02	MSG Physical Infrastructure	0.000	0.248	0.248	0.248	0.000	Requirements change
02	Virtual Office	0.235	(0.235)	0.000	0.000	0.000	Requirements change
02	Handheld Solutions Insertions Initiative	0.000	0.062	0.062	0.061	0.001	Requirements change
02	ITAC Infrastructure	0.000	0.607	0.607	0.606	0.001	Requirements change
02	IT Solutions Awareness Initiative Infrastructure	0.000	0.182	0.182	0.295	(0.113)	Requirements change/HW NOT included in Reprogramming
	Total	2.100	2.843	5.339	4.942	(0.395)	
Software Development							
02	FM Toolkit	0.000	0.360	0.450	0.360	(0.090)	Requirements change
02	LAN Upgrade SW	0.000	0.111	0.769	0.111	(0.183)	Requirements change and price decreases.
02	Cust Support Enhancement	0.000	0.053	0.000	0.053	0.053	Requirement change and category
02	SWT Test Tools	0.000	0.000	0.130	0.000	(0.130)	Require change moved to ADPE category
02	SW Development Tools	0.000	0.942	0.600	0.942	0.342	Requirements change
02	SW Development Tools	1.775	(1.775)	0.000	0.000	0.000	Requirements change
02	CGSS Prototype Platform	0.000	0.026	0.026	0.025	0.001	Requirements change
02	Project Central 2000	0.000	0.223	0.223	0.000	0.223	CANCELED/ updated SW was available
02	Storage Area Network	0.000	0.030	0.030	0.030	0.000	Requirements change
02	MSG Physical Infrastructure	0.000	0.145	0.145	0.140	0.005	Requirements change
02	Handheld Solutions Insertions Initiative	0.000	0.076	0.076	0.076	0.000	Requirements change
02	Spectrum	0.500	0.000	0.500	0.500	0.000	Requirements change
02	ITAC Infrastructure	0.000	0.250	0.250	0.479	(0.229)	Requirements change
	Total	2.275	0.441	3.199	2.716	(0.008)	
Non-ADPE & Telecom							
02	System Furniture (MILCON Companion)	0.000	0.000	1.108	0.000	(1.108)	Requirement moved to FY03
02	LAN Upgrade	0.000	0.074	0.512	0.074	(0.438)	Requirement change does not include UPS
02	Integrated Ops Supt UPS (MILCON Companion)	0.000	0.000	0.000	0.000	0.000	Requirement moved to FY04
	Total	0.000	0.074	1.620	0.074	(1.546)	
Minor Construction							
02	VTC Conf Room Upgrade	0.000	0.119	0.119	0.119	0.000	
	Total	0.000	0.119	0.119	0.119	0.000	
	FY02 Total	4.375	3.477	10.277	7.851	(1.949)	

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ADPE & Telecom						
03	LAN Upgrade HW	0.000	0.000	0.902	0.901	(0.001) Requirements change and price increase
03	Customer Support Enhancement	0.000	(0.180)	0.650	0.000	(0.650) Requirement changed category
03	Test Environment Upgrade	0.000	0.000	0.517	0.563	0.046 Requirements change and price increase
03	VTC/Conference Room Upgrade	0.000	0.180	0.180	0.180	0.000 New Requirement
03	SWT Test Tool	0.000	0.000	0.000	0.905	0.905 Requirement changed category
03	Enterprise Infrastructure Platform	0.265	(0.265)	0.000	0.000	0.000 Requirements change
03	GCSS Prototype Platform	0.000	0.141	0.141	0.141	0.000 Requirements change
03	MSG VTCN Hub, Switch, Lan Upgrade	0.140	(0.140)	0.000	0.000	0.000 Requirements change
03	VTC Conf Room Upgrade	0.000	0.388	0.388	0.388	0.000 New Requirement
03	Network Servers	1.538	(1.538)	0.000	0.000	0.000 Requirements change
03	Storage Area Network	0.000	0.102	0.102	0.102	0.000 Requirements change
03	MSG Physical Infrastructure	0.000	0.248	0.248	0.248	0.000 New Requirement
03	Virtual Office	0.272	(0.272)	0.000	0.000	0.000 Requirements change
03	Emerging Technologies	0.000	0.104	0.104	0.104	0.000 New Requirement
03	ITAC Infrastructure	0.000	0.633	0.633	0.633	0.000 Requirements change
03	Collaborative Work Environment	0.000	0.030	0.030	0.030	0.000 New Requirement
03	Enterprise Cube	0.000	0.020	0.020	0.020	0.000 New Requirement
03	Enterprise Application Tools	0.000	0.132	0.132	0.132	0.000 New Requirement
	Total	2.215	(0.417)	4.047	4.347	0.300
Software Development						
03	FM Toolkit	0.000	0.000	0.450	0.290	(0.160) Requirements change
03	LAN Upgrade SW	0.000	0.000	0.879	0.632	(0.247) Requirements change
03	SW Development Tools	0.000	0.000	0.600	0.929	0.329 Requirements change
03	Customer Support Enhancement	0.000	0.000	0.000	0.143	0.143 Requirements change
03	Spectrum	0.500	0.000	0.500	0.500	0.000
03	SW Development Tools	0.820	(0.820)	0.000	0.000	0.000 Requirements change
03	SW GCCS-AF Requirement	0.510	(0.510)	0.000	0.000	0.000 Requirements change
03	GCSS Prototype Platform	0.000	0.026	0.026	0.026	0.000 New Requirement
03	Storage Area Network	0.000	0.015	0.015	0.015	0.000 New Requirement
03	MSG Physical Infrastructure	0.000	0.102	0.102	0.102	0.000 New Requirement
03	Emerging Technologies	0.000	0.028	0.028	0.028	0.000 New Requirement
03	ITAC Infrastructure	0.000	0.275	0.275	0.275	0.000 New Requirement
03	Collaborative Work Environment	0.000	0.836	0.836	0.836	0.000 New Requirement
03	Enterprise Cube	0.000	0.594	0.594	0.594	0.000 New Requirement
03	Enterprise Application Tools	0.000	0.045	0.045	0.045	0.000 New Requirement
	Total	1.830	0.591	4.350	4.415	0.065
Non-ADPE & Telecom						
03	Systems Furniture	0.000	0.000	1.452	1.108	(0.344) Requirements change
03	LAN Upgrade Equip.	0.000	(0.052)	0.000	0.000	(0.052) Requirements change
03	VTC/Conference Room Upgrade	0.000	0.052	0.052	0.020	0.020 New requirement
03	Customer Support Enhancement	0.000	0.000	0.000	0.042	0.042 Requirements change
03	Old AQ Area Renovation	0.350	(0.350)	0.000	0.000	0.000 Project moving to FY05
	Total	0.350	(0.350)	1.504	1.170	(0.334)
Minor Construction						
03	Bldg. 888 Addition (Chiller)	0.000	0.000	0.156	0.156	0.000
03	Bldg. 856 Generator	0.000	0.000	0.343	0.343	0.000
03	VTC Conf Room Upgrade	0.000	0.176	0.176	0.176	0.000 New Requirement
	Total	0.000	0.176	0.675	0.675	0.000
	FY03 Total	4.395	0.000	10.576	10.607	0.031

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ADPE & Telecom							
04	LAN Upgrade HW	0.000	0.000	0.000	1.194	1.194	
04	Customer Support Enhancement	0.000	0.000	0.000	0.000	0.000	
04	Test Labs Infrastructure Support		0.000	0.000	1.329	1.329	
04	ITAC Infrastructure	0.650	0.000	0.650	0.650	0.000	
04	GCSS Prototype Platform	0.124	0.000	0.124	0.124	0.000	
04	Enterprise Applicaion Tools & Solutions Support	0.124	0.000	0.124	0.124	0.000	
04	Emerging Technologies	0.040	0.000	0.040	0.040	0.000	
04	Enhancements to Collaborative Work Effort (CWE)	0.390	0.000	0.390	0.390	0.000	
04	Enterprise Cube (e-Cube)	0.290	0.000	0.290	0.290	0.000	
	Total	1.618	0.000	1.618	4.141	2.523	
Software Development							
04	FM Toolkit	0.000	0.000	0.000	0.290	0.290	
04	LAN Upgrade SW	0.000	0.000	0.000	0.707	0.707	
04	SW Development Tools	0.000	0.000	0.000	0.764	0.764	
04	Customer Support Enhancement	0.000	0.000	0.000	0.034	0.034	
04	Operating Software and Office Automation	0.814	0.000	0.814	0.814	0.000	
04	Enterprise Data Storage Solutions	0.234	0.000	0.234	0.234	0.000	
04	Spectrum	0.205	0.000	0.205	0.205	0.000	
04	ITAC Infrastructure	0.200	0.000	0.200	0.200	0.000	
04	GCSS Prototype Platform	0.020	0.000	0.020	0.020	0.000	
04	Enterprise Cube (e-Cube)	0.290	0.000	0.290	0.290	0.000	
04	Enterprise Application Tools & Solutions Support	0.100	0.000	0.100	0.100	0.000	
04	Emerging Technologies	0.100	0.000	0.100	0.100	0.000	
04	Enhancements to Collaborative Work Effort (CWE)	0.910	0.000	0.910	0.910	0.000	
	Total	2.873	0.000	2.873	4.668	1.795	
Non-ADPE & Telecom							
04	Systems Furniture	0.000	0.000	0.000	1.153	1.153	
04	LAN Upgrade Equip.	0.000	0.000	0.000	0.075	0.075	
04	UPS	0.000	0.000	0.000	0.520	0.520	
04	Customer Support Enhancement	0.000	0.000	0.000	0.075	0.075	
04	ITAC Infrastructure	0.008	0.000	0.008	0.008	0.000	
04	GCSS Prototype Platform	0.001	0.000	0.001	0.001	0.000	
	Total	0.009	0.000	0.009	1.832	1.823	
	FY04 Total			4.500	10.641	6.141	

Air Force Working Capital Fund
Information Services Activity Group
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates

<u>FY</u>	<u>Approved Project</u>	<u>Reprogs</u>	<u>Approved Proj Cost</u>	<u>Current Proj Cost</u>	<u>Asset/ Deficiency</u>	<u>Explanation</u>
ADPE & Telecom						
05	LAN Upgrade HW	0.000	0.000	0.000	1.194	1.194
05	Test Labs Infrastructure Support	0.000	0.000	0.000	0.907	0.907
05	Emerging Technologies	0.040	0.000	0.040	0.040	0.000
05	Enhancements to Collaborative Work Effort (CWE)	0.420	0.000	0.420	0.420	0.000
05	Enterprise Data Storage Solution	1.064	0.000	1.064	1.064	0.000
05	ITAC Infrastructure	0.650	0.000	0.650	0.650	0.000
05	Enterprise Application Tools & Solutions Support	0.300	0.000	0.300	0.300	0.000
	Total	2.474	0.000	2.474	4.575	2.101
Software Development						
05	LAN Upgrade SW	0.000	0.000	0.000	0.632	0.632
05	SW Development Tools	0.000	0.000	0.000	0.594	0.594
05	Emerging Technologies	0.100	0.000	0.100	0.100	0.000
05	Enhancements to Collaborative Work Effort (CWE)	0.980	0.000	0.980	0.980	0.000
05	ITAC Infrastructure	0.200	0.000	0.200	0.200	0.000
05	Enterprise Cube (e-Cube)	0.034	0.000	0.034	0.034	0.000
05	Enterprise Application Tools & Solutions Support	0.804	0.000	0.804	0.804	0.000
	Total	2.118	0.000	2.118	3.344	1.226
Non-ADPE & Telecom						
05	Systems Furniture	0.000	0.000	0.000	0.300	0.300
05	LAN Upgrade Equip.	0.000	0.000	0.000	0.075	0.075
05	Customer Support Enhancement	0.000	0.000	0.000	0.100	0.100
05	ITAC Infrastructure	0.008	0.000	0.008	0.008	0.000
	Total	0.008	0.000	0.008	0.483	0.475
Minor Construction						
	Total	0.000	0.000	0.000	0.000	0.000
	FY05 Total	4.600	0.000	4.600	8.402	3.802

Activity Group Capital Investment Summary
Component: United States Transportation Command
Activity Group: Transportation
Date: February 2003
(\$ in Millions)

Line Number	Item Description	FY 02		FY 03		FY 04		FY 05	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
A.	Equipment								
A(1)	Replacement								
	Mechanized storage system - AMC		\$0.0		\$2.3		\$2.4		\$2.4
	Bridge Crane - MTMC			1	\$3.5				
	Truck Forklift - MTMC	2	\$1.2						
	Rough Terrain Container Handler (RTCH) - MTMC	6	\$3.8		\$0.5		\$0.5		\$0.5
	50 Ton Crane Truck - MTMC	1	\$0.3						
	Auxiliary Power Equipment - MTMC						\$0.2		
	Air Conditioning Filtration Equipment - MTMC						\$0.3		
	Road Maintenance Equipment - MTMC			2	\$0.3				
	Fire Trucks - MTMC			2	\$0.5				
	Railroad Maintenance Equipment - MTMC			3	\$0.5				
	All other Materiel Handling Equipment - MTMC						\$0.3		\$0.8
A(2)	Productivity	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
A(3)	New Mission - HQ	0	\$0.0	0	\$0.0	0	\$0.8	0	\$0.0
A(4)	Environmental Compliance	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
	Subtotal		\$5.3		\$7.6		\$4.5		\$3.7
B.	ADPE & Telecomm								
	Automated Information Technology (AIT) - AMC		\$3.8		\$1.9		\$4.2		\$4.1
	Automated Identification Technology (AIT) - MTMC		\$1.0		\$1.0		\$1.0		\$1.0
	Autostrad 2000 (A2000)		\$2.8		\$4.9		\$4.8		\$3.9
	Command & Control Info Processing System (C2IPS)		\$0.8		\$0.0		\$0.0		\$0.0
	Consolidated Air Mobility Planning System (CAMPS)		\$0.2		\$0.2		\$0.2		\$0.2
	CONUS Freight Management (CFM)		\$0.8		\$0.5		\$0.4		\$1.5
	Core Automated Maintenance System (CAMS)		\$1.6		\$1.6		\$1.6		\$1.7
	Corporate Data Solution (CDS)		\$0.0		\$0.0		\$0.0		\$11.2
	Defend the Computing Environment		\$0.2		\$0.3		\$0.3		\$0.3
	Defend the Network Infrastructure		\$0.5		\$0.7		\$0.7		\$0.8
	Customs Border Clearance		\$0.0		\$0.0		\$0.1		\$0.1
	Electronic Records Management System (ERMS)		\$0.0		\$0.1		\$0.1		\$0.1
	Global Air Transportation Execution System (GATES)		\$2.1		\$6.1		\$2.5		\$2.9
	Global Command and Control System (GCCS)		\$0.0		\$0.7		\$1.1		\$1.5
	Global Decision Support System (GDSS)		\$4.9		\$2.1		\$4.3		\$4.1
	Global Transportation Network (GTN)		\$0.0		\$0.1		\$0.3		\$0.1
	Global Transportation Network (GTN) 21		\$1.3		\$4.0		\$2.9		\$1.3
	Infostructure - HQ		\$3.5		\$4.2		\$2.2		\$7.3
	Infostructure - MTMC		\$1.1		\$0.0		\$0.0		\$0.0
	Integrated Command, Control, and Comm (IC3)		\$2.0		\$0.3		\$1.1		\$2.5
	Integrated Command Environment (ICE)		\$1.2		\$0.2		\$0.7		\$1.6
	Intransit Visibility (ITV)		\$2.0		\$2.2		\$1.7		\$2.0
	L-Band Satellite Communication (SATCOM)		\$0.7		\$0.7		\$1.0		\$0.7
	Local Area Network (LAN) - HQ		\$2.9		\$0.6		\$3.9		\$4.6
	Objective Wing Command Post (OWCP)		\$1.3		\$1.9		\$0.7		\$1.1
	Supporting Infrastructures		\$0.0		\$0.2		\$0.0		\$0.3
	System Integration		\$1.7		\$1.8		\$0.7		\$1.0
	Theater Deployable Comm (TDC)		\$6.6		\$8.1		\$3.9		\$4.2
	Trans Operational Pers Prop Standard Sys (TOPPS)		\$1.0		\$0.5		\$0.5		\$1.0
	Wing Local Area Network (LAN) - AMC		\$3.0		\$4.6		\$4.7		\$5.9
	Worldwide Port System (WPS)		\$0.5		\$1.5		\$1.8		\$1.3

	Subtotal		\$47.5		\$51.0		\$47.4		\$68.3
C.	Software Development (Internally Developed)								
	Automated Identification Technology (AIT) - MTMC		\$1.0		\$1.0		\$1.0		\$1.0
	Autostrad 2000 (A2000)		\$1.8		\$1.5		\$2.1		\$2.3
	Cargo and Billing System (CAB)		\$1.2		\$0.8		\$0.5		\$0.5
	CONUS Freight Management (CFM)		\$6.6		\$7.7		\$3.1		\$3.2
	Integrated Command, Control, and Comm (IC3)		\$2.1		\$1.7		\$2.1		\$3.0
	Integrated Command Environment (ICE)		\$4.1		\$4.2		\$4.8		\$4.8
	Intransit Visibility (ITV)		\$10.5		\$8.9		\$9.0		\$9.0
	Trans Financial Mgmt System (TFMS) - MTMC		\$4.0		\$0.0		\$0.0		\$0.0
	Trans Operational Pers Prop Standard Sys (TOPPS)		\$2.8		\$2.0		\$2.0		\$2.1
	Worldwide Port System (WPS)		\$5.7		\$5.5		\$3.0		\$3.0
	Subtotal		\$39.8		\$33.3		\$27.6		\$28.9
D.	Software Development (Externally Developed)								
	Advanced Computer Flight Plan (ACFP)		\$2.6		\$1.4		\$2.4		\$3.0
	Advanced Shipping Notice (ASN)		\$2.4		\$0.9		\$2.6		\$4.0
	Airlift Svc Industrial Funds Integ Comp Sys (ASIFICS)		\$0.0		\$1.8		\$0.6		\$0.9
	Automated Information Technology (AIT) - AMC		\$2.3		\$1.0		\$1.0		\$1.0
	Business Decision Support System (BDSS)		\$1.8		\$1.5		\$2.1		\$2.1
	Command, Control, Comm and Compt Sys (C4S)		\$0.0		\$1.2		\$1.6		\$0.2
	Commercial Operations Integrated System (COINS)		\$1.0		\$0.3		\$0.3		\$0.3
	Consolidated Air Mobility Planning System (CAMPS)		\$3.9		\$3.6		\$3.7		\$5.1
	Core Automated Maintenance System (CAMS)		\$1.0		\$1.1		\$1.1		\$1.2
	Corporate Data Solution (CDS)		\$0.0		\$0.0		\$0.0		\$2.1
	Defend the Computing Environment		\$0.9		\$0.7		\$0.7		\$0.7
	Defend the Network Infrastructure		\$0.4		\$0.7		\$0.7		\$0.7
	Defense Trans Reg ((DTR)/ Customs Border Clearance		\$0.7		\$0.7		\$0.9		\$1.0
	Global Air Transportation Execution System (GATES)		\$5.4		\$7.2		\$6.3		\$7.0
	Global Command and Control System (GCCS)		\$0.6		\$0.6		\$0.6		\$0.6
	Global Decision Support System (GDSS)		\$14.8		\$15.1		\$13.5		\$14.6
	Global Transportation Network (GTN)		\$11.5		\$5.2		\$0.0		\$0.0
	Global Transportation Network (GTN) 21		\$16.0		\$35.8		\$47.8		\$30.4
	Infostructure		\$1.9		\$0.0		\$0.0		\$0.0
	Joint Mobility Control Group (JMCG)		\$1.2		\$1.1		\$1.1		\$2.4
	L-Band Satellite Communication (SATCOM)		\$0.5		\$0.6		\$0.5		\$0.6
	Local Area Network (LAN) - HQ		\$0.2		\$1.1		\$1.1		\$1.1
	Logbook		\$0.8		\$0.5		\$0.5		\$0.5
	Single Mobility System (SMS)		\$1.0		\$1.0		\$0.5		\$0.5
	Supporting Infostructures		\$0.0		\$0.2		\$0.6		\$0.7
	System Integration		\$12.4		\$10.6		\$8.6		\$9.4
	Transportation Airlift Billing System (TABs)		\$0.0		\$0.0		\$0.2		\$0.2
	Transportation Financial Mgn System (TFMS)		\$1.9		\$1.9		\$1.9		\$2.1
	Transportation Modeling and Simulation (TMS)		\$0.0		\$3.6		\$3.7		\$3.8
	Subtotal		\$85.2		\$99.4		\$104.6		\$96.2
E.	Minor Construction								
	\$100,000 TO \$749,999.99 AMC		\$9.2		\$11.0		\$11.0		\$11.0
	\$100,000 to 749,999.99 - DCS	1	\$0.2	1	\$0.5	2	\$0.8	1	\$0.3
	\$100,000 TO \$749,999.99 - MTMC		\$0.8		\$0.8		\$1.1		\$1.1
	Subtotal		\$10.2		\$12.3		\$12.9		\$12.4
	Grand Total		\$188.0		\$203.6		\$197.0		\$209.5
	Total Capital Outlays	0	\$199.7	0	\$202.4	0	\$213.8	0	\$216.8
	Total Depreciation Expense	0	\$198.3	0	\$198.2	0	\$197.3	0	\$204.7

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003						C. Line No. & Item Description Equipment - AMC			D. Activity Identification Headquarters AMC, Scott AFB IL			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement			\$24.0			\$2,300.0			\$2,400.0			\$2,400.0
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$24.0			\$2,300.0			\$2,400.0			\$2,400.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$24.0			\$2,300.0			\$2,400.0			\$2,400.0
Narrative Justification:												
Equipment replacement funds are used to support Base Procured Investment Equipment (BPIE) items for flightline maintenance.												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description EQUIPMENT MTMC			D. Activity Identification MTMC - MATERIEL HANDLING EQUIPMENT (MHE)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement			\$5,256.0			\$5,300.0			\$1,300.0			\$1,300.0
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$5,256.0			\$5,300.0			\$1,300.0			\$1,300.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$5,256.0			\$5,300.0			\$1,300.0			\$1,300.0
Narrative Justification:												
<p>FY02 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 US (CONUS) power projection platform supporting war fighting Commanders around the world. It is relied upon to maintain a high optempo consisting of ammunition resupply missions, and preposition operations. The terminal is authorized two bridge cranes which are track mounted. These cranes are responsible for the timely and efficient transfer of containers from rail to truck chassis and their subsequent delivery shipside for loading. If the cranes are not replaced in the near future, the strategic impact will be Military Ocean Terminal, Sunny Point (MOTSU)'s inability to meet the war fight CINC required delivery date, especially in time of crisis or war. Terminal throughput capability is directly affected by these cranes. One was refurbished in FY 02 (\$1.4M) and one crane will be replaced in FY03 (\$3.5M). Increased optempo has also resulted in the requirement to procure six 25 tons Rough Terrain Container Handlers (\$168K) and Container Handler (\$115K). Cargo Railroad tracks are a key component of the terminal infrastructure. Over 100 miles of track needs to be maintained to Federal Rail Administration standards. Track maintenance equipment is over 11 years old and downtime is increasing due to the non availability of repair parts. Tie Inserter (\$224K), Ballast Regulator (\$174K), and Spike gauger (\$240K) need replacement to prevent operational track closures. An emergency Generator is needed for our Pacific Division (\$171K).</p> <p>FY 03 As stated in FY02 discussion, the Military Ocean Terminal Sunny Point (MOTSU) is vital to CONUS power projection in support of war fighting CINCs. The Bridge Crane (\$3.5M) is the procurement action mentioned in FY02. These cranes are responsible for the timely and efficient transfer of containers from rail to truck chassis and their subsequent delivery shipside for loading. Terminal needs to replace a multipurpose fire truck (\$500K). Vehicle is 11 years old. Multipurpose fire truck is used extensively to meet the unique fire needs of Sunny Point because of its versatility. One the of the most utilized pieces of heavy equipment needing replacement is the grader (\$100K). It plays a key role in maintenance of over 50 miles of unimproved roads used for force protection and operational readiness. It is also used for land management to maintain 100 miles of road ditches minimizing flooding. A front end loader (\$220K) is needed to maintain unpaved roads, load or move dirt, maintain drainage of railroad track areas, and keep fire lanes open. During the 1999 hurricanes (3), front end loaders were vital to terminal hurricane recovery efforts. Additionally, vast amounts of lumber are discharged from vessels making movement by front end loader essential to the operation of our reclaim yard. A new 50 Ton Truck Mounted crane (\$300K) is needed to lift derailed railroad cars and locomotives. This mobile crane is also used to lift other extra heavy objects at the terminal.</p> <p>FY04/05 Materiel Handling Equipment in support of the terminal mission are included in these amounts. Road maintenance, railroad maintenance, and fire fighting equipment are required. Routine equipment replacement plan includes annual (\$500K) replacement of a Rough Terrain Container Handler (RTCH). Ft. Eustis Operations Center needs upgraded air filtration equipment and additional power support equipment.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB				
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description Equipment - HQ			D. Activity Identification HQ				
Element of Cost	FY02			FY03			FY04			FY05			
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	
A. Equipment													
A(1) Replacement													
A(2) Productivity													
A(3) New Mission												\$750.0	
A(4) Environmental Compliance													
Subtotal			\$0.0			\$0.0						\$750.0	\$0.0
B. ADPE/Telecomm													
B(1) Computer Hardware													
B(2) Computer Software													
B(3) Telecommunications													
B(3) Other Computer													
Subtotal			\$0.0			\$0.0						\$0.0	\$0.0
C. Software Development													
C(1) Planning/Design													
C(2) System Development													
C(3) Deployment													
C(4) Mgt/Tech Support													
Subtotal			\$0.0			\$0.0						\$0.0	\$0.0
D. Minor Construction													
Subtotal			\$0.0			\$0.0						\$0.0	\$0.0
TOTAL			\$0.0			\$0.0						\$750.0	\$0.0
Narrative Justification:													
<p>The Access Control System (ACS) is a computer driven network of card swipes and sensors that provides controlled entry to classified areas, surveillance of sensitive areas, and warns if any security protocol is violated. Two concerns drive the need to upgrade computer hardware and associated Commercial Off The Shelf (COTS) software: (1) current system saturation/unreliability and (2) required compatibility with Department of Defense's (DoD's) new Common Access Card (CAC) program. Without an upgraded ACS, current system will fail and USTRANSCOM will require a 24-hour guard force to continue business -- an expensive alternative.</p>													

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Advanced Computer Flight Plan (ACFP)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$2,406.0			\$1,400.0			\$2,380.0			\$2,946.0
C(3) Deployment			\$240.0									
C(4) Mgt/Tech Support												
Subtotal			\$2,646.0			\$1,400.0			\$2,380.0			\$2,946.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$2,646.0			\$1,400.0			\$2,380.0			\$2,946.0
Narrative Justification:												
<p>Program Description:</p> <ul style="list-style-type: none"> - Air Mobility Command's (AMC) Command and Control (C2) program to generate wind optimized flight plans for the United States Air Force (USAF). Provides cost avoidance of \$3M yearly in aircraft fuel costs. - Aircrews and flight planners access system world-wide through the Local User Interface (LUI) software installed on Personal Computers (PCs) or laptops. Users access is through the Non-classified Internet Protocol Routing Network (NIPRNET) or dial-up via a modem. - Provides aircrews and flight planners with optimized flight plans that take into account winds, temperature, aircraft drag, established airways, air refueling tracks, and avoid areas. <p>Requirements:</p> <p>Purchase new hardware to support AMC contingency requirement for flight plan generation. Modernize existing flight planning software to support previously identified requirements for airlift support. Initial Operating capability (IOC): FY97/3 (software and hardware) Full Operational Capability (FOC): FY02/3 (software and hardware) Life-cycle Costs: \$58.65M through FY2020.</p> <p>Date Cost Analysis: Jun 97</p> <p>Cross-Flow Requirements -- Interfaces:</p> <ul style="list-style-type: none"> - Provides information to: C-17 mission computer, Air Force Mission Support System (AFMSS), Combined Mating and Ranging Planning System (CMARPS), Combat Flight Planning System (CFPS), and Meteorological Automated Information System (MAIS). - Receives information from: Air Force Weather Agency's Global Area Database (GADB), National Imagery & Mapping Agency (NIMA), Digital Aeronautical Flight Information File (DAFIF), Combined Mating and Ranging Planning System (CMARPS), Combat Flight Planning System (CFPS), and Major Automated Information System (MAIS). <p>Impact If Not Funded:</p> <p>Delays in operational missions as crews wait for flight plans to be processed. Current validated requirement is for 250 flight plans per hour; current hardware provides only 125 per hour.</p> <ul style="list-style-type: none"> - Significant delays in development of flight plans for AMC missions during contingency operations. Hardware maintenance costs will escalate due to continued use of obsolete computer hardware. Current equipment will be over five years old -- Unable to comply with SecDef Year 2000 testing and fixing direction. Delay in migrating the software to open systems architecture, increasing operating costs due to proprietary platforms. - Cannot become Defense Information Infrastructure Common Operating Environment (DII COE) compliant. - Efforts to provide new three dimensional model optimization flight plan will be significantly delayed; new model will further reduce fuel expenses. 												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description B(1), C(2) ASN			D. Activity Identification HQ			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design			\$2,391.0			\$890.0			\$2,590.0			\$4,037.0
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$2,391.0			\$890.0			\$2,590.0			\$4,037.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$2,391.0			\$890.0			\$2,590.0			\$4,037.0
Narrative Justification:												
<p>The Advance Shipping Notice (ASN) objective is to develop the capability to accurately project the arrival of cargo at Air Mobility Command operated Continental United States (CONUS) Aerial Ports of Embarkation (APOE) 96 or more hours in advance. ASN's capability will create the necessary tools to improve the airlift scheduling process and thereby facilitate a reduction in port hold times (and increasing Defense Transportation System (DTS) velocity) by one to two days.</p> <p>ASN Capital Sunk Costs: \$2,957 ASN Capital Programmed Costs: Software Dev \$17.734M Hardware \$0 ASN Total Cost: Software Dev \$17.734M Hardware \$0</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Airlift Service Industrial Fund Integrated Computer System - ASIFICS					D. Activity Identification Headquarters AMC, Scott AFB, IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$0.0			\$1,836.0			\$596.0			\$924.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$1,836.0			\$596.0			\$924.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$1,836.0			\$596.0			\$924.0
Narrative Justification:												
<p>ASIFICS serves as AMC's automated financial accounting system to enable AMC to support the financial requirements associated with cargo and passenger airlift, contingencies, peacetime operations and exercises. The present ASIFICS provides for data collection, customer billing, accounts receivable, accounts payable and reports to AMC's diverse airlift and transportation customers. ASIFICS is a highly enormous and integrated information system that is menu-driven. This system presently requires use of antiquated methods for accomplishing systems modifications and upgrades needed to meet the changing Air Force Transportation Working Capital Fund (TWCF) requirements.</p> <p>Initial Operating Capability (IOC)/Full Operational Capability (FOC): IOC - DEC 1990 & FOC - DEC 1993</p> <p>Life-cycle Costs: This level of funding is intended to acquire appropriate capital investments for system enhancements with acquisition cost expended in FY 03; and funds projected to operate that system over a six-year life cycle (FY 04-09). The overarching goal of this project is to take all steps to provide the timely acquisition & availability of the ASIFICS system, including Commercial Off The Shelf (COTS) hardware and support services for modernization.</p> <p>Date Cost Analysis: The cost estimates are the development costs for the ASIFICS Technical Solution as of March 02. Currently, Economic and Cost Analyses are being completed and will be used as a decision-making tool by the senior members in determining which program is most feasible. Technology is the major force enabling DoD and its agencies to achieve the desired financial improvement targets in the financial directorate.</p> <p>Impact If Not Funded: Some AMC reimbursable mission activities would be reduced to manual manipulation, loss of adequate controls, possible duplication, and could open the door to an Anti Deficiency Act. HQ AMC/Financial Management (FM) requirements for automated accounting processes will be limited, thereby causing an increase in the overall loss of TWCF revenue. In addition, other transportation systems would not receive critical financial and aircraft data.</p> <p>Funding Impact Statement: FY06 - 09 Capital investments are critical for modernization. Decreased funding will further delay the need to modernize the billing system and become Chief Financial Officer (CFO) compliant. Any decrease in funding will impact the workload and the level of revenue.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description AMC - AIT					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$3,850.0			\$1,950.0			\$4,158.0			\$4,083.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$3,850.0			\$1,950.0			\$4,158.0			\$4,083.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$2,253.0			\$950.0			\$970.0			\$970.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$2,253.0			\$950.0			\$970.0			\$970.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$6,103.0			\$2,900.0			\$5,128.0			\$5,053.0
Narrative Justification:												
<p>The Air Mobility Command (AMC) Automated Information Technology (AIT) program seeks to integrate automatic identification technology into AMC port business processes to support force readiness, provide In-Transit Visibility (ITV), and meet the goals of the Department of Defense (DoD) Concept of Operations (CONOP), United States Transportation Command (USTRANSCOM) AIT plan and AMC AIT plan. The AIT program will work closely with the Global Air Transportation Execution System (GATES) to directly support AMCs mobility operations worldwide. AMC, as the DoD single manager for airlift, requires timely and accurate information gathered from worldwide locations to plan, execute and monitor multi-theater airlift. AIT will provide information to the Tanker Airlift Control Center, HQ AMC, and USTRANSCOM with integrated functionality to deploy and sustain forces globally. Migration to an IT environment is a step in achieving real time (near real time) ITV.</p> <p>GATES is the AMC program to develop an integrated, open, transportation system providing visibility of cargo and passenger assets moved by AMC. It will migrate and modernize HQ AMC transportation systems from the proprietary Honeywell/Wang mainframes to an open system platform/environment. Applications software will be developed based on capturing AMCs transportation business processes and integrate complete systems requirements. GATES is in concert with AMC Command, Control, Communications and Computers (C4) Systems Master Plan to achieve an open systems, integrated command architecture by adopting standard protocols, software development standards, interfaces, Commercial-Off-The-Shelf (COTS) software, and Government Off-The-Shelf (GOTS) software in a cost effective manner.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description AIT-MTMC			D. Activity Identification MTMC			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$1,000.0			\$1,000.0			\$1,000.0			\$1,000.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,000.0			\$1,000.0			\$1,000.0			\$1,000.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,000.0			\$1,000.0			\$1,000.0			\$1,000.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,000.0			\$1,000.0			\$1,000.0			\$1,000.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$2,000.0			\$2,000.0			\$2,000.0			\$2,000.0
Narrative Justification:												
<p>Automatic Identification Technology (AIT) is a suite of technologies that enables the automatic capture of source data rapidly and accurately and transfer the data to automated information systems (AIS) with little or no human intervention. This will enhance the ability to identify, track document, redirect, and control deploying and redeploying forces, equipment, personnel and sustainment ammunition. AIT will streamline the logistics process and enhance the Commander's war fighting capability by providing In transit Visibility (ITV) of critical assets and personnel in the transportation pipeline. MTMC will maximize augmentation kits worldwide and only implement fixed AIT solutions at selected sites. AIT capability will be provided at continental United States (CONUS) ports supporting use of mobile AIT force projection platforms as well as outside continental United States (OCONUS) permanent or contingency ports used for reception of forces during contingencies. AIT procured, configured, and installed will be integrated with other components of the Department of Defense (DoD) infrastructure and interface with automated information systems.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description AUTOSTRAD 2000				D. Activity Identification MTMC		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$2,779.0			\$4,900.0			\$4,800.0			\$3,900.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$2,779.0			\$4,900.0			\$4,800.0			\$3,900.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,800.0			\$1,500.0			\$2,100.0			\$2,300.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,800.0			\$1,500.0			\$2,100.0			\$2,300.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$4,579.0			\$6,400.0			\$6,900.0			\$6,200.0
Narrative Justification:												
<p>The Automated Transportation Data (Autostrad) 2000 initiative maintains Military Traffic Management Command's (MTMC's) automation architecture in an Open Systems Environment (OSE) infrastructure. While major automated information systems at MTMC are developed by project managers under full DoD life cycle/ Major Acquisition Information Systems Review Committee (MAISRC) procedures, the A2000 program provides the Information Mission Area (IMA) common-user utilities to support the MTMC population at large. The program supports approximately 2100 individuals at 52 locations worldwide-headquarters, 4 major subordinate commands and ports. It provides on-going modernization of the underlying core of common-user utility functions such as: a common user open access data; mission systems; data access tools to allow the analytical staff access to all MTMC data and manipulate it as needed; optical storage commercial off the shelf (COTS) automatic data processing (ADP) and offers numerous retrieval advantages; compact disc read only memory (CD ROM)s to replace hard copy library stacks with electronic library services; CD ROM based electronic preparation and printing of forms; video conferencing and low cost video information (VI) COTS. A2000 provides Local Area Networks (LAN), communications backbone, communications infrastructure upgraded at ports and piers, radio replacements, Web application to provide a common user interface to MTMC's broad customer based and contract support for unique requirements.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003					C. Line No. & Item Description B(1), C(2) BDSS					D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,834.0			\$1,518.0			\$2,140.0			\$2,090.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,834.0			\$1,518.0			\$2,140.0			\$2,090.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,834.0			\$1,518.0			\$2,140.0			\$2,090.0
Narrative Justification:												
<p>Business Decision Support System (BDSS) will provide transportation managers the tools to monitor the overall performance of the Defense Transportation System (DTS). BDSS will employ state-of-the-art data warehousing technologies to integrate historical operational and financial data from a variety of sources. BDSS will use data mining tools to facilitate data queries and reports. It will incorporate statistical analysis and operations research tools to facilitate profiling and benchmarking activities. The development of BDSS is critical to provide Commander, U.S. Transportation Command (USTRANSCOM) trend analysis in support of the USTRANSCOM mission. Global Transportation Network (GTN) cannot support this requirement because it does not produce aggregated reports nor does it contain financial data. BDSS will integrate both financial and operational data from an intermodal perspective, providing the Commander the capability to conduct the true intermodal analysis necessary to ensure the efficient operation of the DTS. Funding will involve: contractor assistance to define requirements, draft operational requirements document, draft concept of operation, build data cubes, construct the data platform, and identify appropriate optimization tools.</p> <p>BDSS SUNK COSTS: \$3,920K BDSS CAPITAL PROGRAMMED COSTS: \$15,197K BDSS TOTAL COSTS: \$19,117K</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description CAB			D. Activity Identification MTMC - CARGO AND BILLING SYSTEM (CAB)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,200.0			\$800.0			\$500.0			\$500.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,200.0			\$800.0			\$500.0			\$500.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,200.0			\$800.0			\$500.0			\$500.0
Narrative Justification:												
<p>Cargo and Billing System (CAB) - formerly Defense Joint Accounting System (DJAS). Provides support for Military Traffic Management Command's (MTMC's) non-core financial business functions. Provides functionality that will enable editing of incoming transportation operational data, associate contract, and Defense Travel System (DTS) rates to produce cost and sales files, fulfill inquiry and reporting requirements as it pertains to all DTS ocean cargo movement and handling. Supports Transportation Financial Management System (TFMS) requirements.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description C4S			D. Activity Identification HQ			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design						\$762.0			\$1,135.0			\$200.0
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support						\$426.0			\$434.0			
Subtotal			\$0.0			\$1,188.0			\$1,569.0			\$200.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$1,188.0			\$1,569.0			\$200.0
Narrative Justification:												
<p>Headquarters US Transportation Command (HQ USTRANSCOM) Command, Control, Communications and Computer Systems (C4S) is comprised of program management, development and acquisition support that crosses all developmental programs within USTRANSCOM Chief Information Officer (CIO). This allows for more economical support by consolidating efforts rather than each individual program incurring similar costs. Funding will provide the planning and design support for the implementation of BMC Patrol a pro-active software tool showing system availability; development of Communication Security (COMSEC) policy and information assurance.</p> <p>Sunk Costs: \$0 Program Costs: \$2.957M S/W Total Costs: \$2.957M S/W</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Command & Control Info Processing Systems (C2IPS)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$780.0			\$0.0			\$0.0			\$0.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$780.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$780.0			\$0.0			\$0.0			\$0.0
Narrative Justification:												
<p>Program Description:</p> <ul style="list-style-type: none"> - Provides critical, wing and unit-level Command and Control (C2) information to Air Mobility Command (AMC) wing and unit commanders and decision makers. - Centralized "electronic grease board" capability for C2 of AMC active duty, Air Force Reserves (AFRES), and Air National Guard (ANG) airlift, air refueling wings/squadrons and other mobility, fixed, and deployable field units worldwide. - Supports Air Mobility execution, tracking and analysis for both fixed and deployed sites. Supports peacetime, wartime, contingency and humanitarian air mobility requirements. <p>Initial Operating Capability (IOC): June 1992 (software and hardware) System of Record (SOR): FY03 (software and hardware).</p> <ul style="list-style-type: none"> - C2IPS is to interoperate with the Theater Battle Management Core Systems (TBMCS) in accordance with the TBMCS Program Management Document. - Migration to an AMC corporate environment will be in accordance with the AMC Command, Control, Communications and Computer (C4) Master Plan. - Analysis dependent on future migration planning and development within the Theater Battle Management program. <p>Life-cycle Costs: \$57,086,000. --Total Life Cycle Cost estimated at \$523M</p> <p>Date of Cost Analysis: Apr 1996</p> <p>Cross Flow Requirements -- Interfaces: G0-81, also known as Core Automated Maintenance System (CAMS), Contingency Theater Automated Planning System (CTAPS), Theater Battle Management Core Systems (TBMCS), Satellite Communications (SATCOM), Global Decision Support System (GDSS), Global Air Transportation System (GATES), and Unit Level Planning and Scheduling (ULPS).</p> <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - Inability at wing and unit to efficiently manage airlift and aerial refueling resources. <ul style="list-style-type: none"> -- No real-time visibility of schedules, arrivals, departures, and summary level load information. -- Inability of wings and units to access dynamic communications networks that utilize Defense Data Network (DDN), Automatic Digital Network (AUTODIN), High Frequency (HF) radio, Ultra High Frequency (UHF) satellite, and wire line communications. <ul style="list-style-type: none"> --- Networks provide the critical communications connectivity needed during contingencies. 												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Commercial Ops Integrated System (COINS)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$985.0			\$285.0			\$291.0			\$297.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$985.0			\$285.0			\$291.0			\$297.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$985.0			\$285.0			\$291.0			\$297.0
Narrative Justification:												
<p>Project Description:</p> <ul style="list-style-type: none"> - Air Mobility Command (AMC) unique, multi-user, online information system supporting contracting commercial airlift to augment Air Mobility Command (AMC)'s airlift <ul style="list-style-type: none"> -- Primary activities include: requirements entry, contractual document generation, payment accounting, and report generation -- Contractual documents include contracts, purchase orders, delivery orders, modifications, and contract line items -- Payments executed and tracked against invoices from contractors -- Provides capability to examine history of all contract actions and produce statistical data - Initial Operating Capability/Full Operating Capability (IOC/FOC): Software - June 1995/2000, Hardware - June 1995/1999 <p>Life Cycle Cost:</p> <ul style="list-style-type: none"> - Total Development Life-cycle Costs: \$1,369,500. <ul style="list-style-type: none"> -- Software development costs included in Future Year Defense Plan (FYDP) due to reengineering efforts. Funding is increased in FY2000 to start software modifications necessary to run on upgraded equipment planned in FY2000. - Economic Cost Analysis completed in 1996. <p>Interfaces:</p> <ul style="list-style-type: none"> - Provides a batch transmission interface with the Procurement Management Reporting System (PMRS) at Wright-Patterson Air Force Base (AFB). <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - Serious system degradation: <ul style="list-style-type: none"> -- Loss of contractor support would cripple efforts to implement mandated changes. -- Inability to implement constantly changing Federal Acquisition Regulations (FAR) would have major implications. -- Inability to implement substantial new requirements will render the system ineffective. 												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Consolidated Air Mobility Planning System (CAMPS)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$216.0			\$221.0			\$226.0			\$230.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$216.0			\$221.0			\$226.0			\$230.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$3,864.0			\$3,577.0			\$3,757.0			\$5,106.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$3,864.0			\$3,577.0			\$3,757.0			\$5,106.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$4,080.0			\$3,798.0			\$3,983.0			\$5,336.0
Narrative Justification:												
<p>Program Description: - Air Mobility Command (AMC)'s primary Command and Control (C2) system for integrated planning, analysis, and scheduling of mobility assets in peacetime, crisis, contingency, and wartime.</p> <ul style="list-style-type: none"> - Provides AMC's planners and schedulers with the automated tools necessary to analyze, plan and schedule these requirements. - AMC Deployment Analysis System (ADANS) and Combined Mating and Ranging Planning System (CMARPS) which run on a Local Area Network (LAN) of SUN file servers and workstations in a client/server environment. - CAMPS migration system will run in a Windows New Technology (NT) client/server environment. Includes workstations and file servers operating on each of the separate command and control (C2) LANs at Headquarters AMC. - Includes funding for software development/migration to a Defense Information Infrastructure-Common Operating Environment (DII-COE) compliant corporate environment, and for hardware procurement to improve technological efficiency and system performance. <p>Initial Operating Capability (IOC): Apr 1999 (CAMPS software and hardware) Migration Completion Date (MCD): 2001 (CAMPS software and hardware) Life-Cycle Cost of Software Development Effort: \$41,689,000 (total of FY86-97 costs) (Note: ADANS is one of two legacy AMC C2 systems being migrated to CAMPS.). Date of Cost Analysis: CAMPS FY98-07 Economic Analysis, Apr 97</p> <p>Cross flow requirements -- Interfaces: Global Command and Control System (GCCS) for Time Phased Force Deployment Data (TPFDD) requirements and resulting mobility schedules. Global Transportation Network (GTN) for Special Assignment Airlift Mission (SAAM) requests and status. AMCs primary execution C2 system, the Global Decision Support System (GDSS), for airlift schedules, air refueling events and track information, airfield information, and mission delay information. AMCs Global Air Transportation Execution System (GATES) for airlift channel requirements. Theater Battle Management Core Systems (TBMCS) for developing air refueling requirements.</p> <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - USTRANSCOM and joint customers will lose visibility of airlift missions scheduled to meet joint requirements. - AMC unable to maintain and improve complex airlift planning to meet changing USTRANSCOM/AMC requirements. - Loss of capability to efficiently plan and schedule airlift missions to meet real-world requirements. Unable to integrate automated decision support tools into planning and scheduling process. - Unable to improve integration with and information flow to both joint and AMC C2 systems, increasing potential for loss of critical C2 data between systems. 												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description CFM			D. Activity Identification MTMC - CONUS FREIGHT MGMT SYSTEM (CFM)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$800.0			\$500.0			\$400.0			\$1,500.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$800.0			\$500.0			\$400.0			\$1,500.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$6,648.0			\$7,650.0			\$3,150.0			\$3,150.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$6,648.0			\$7,650.0			\$3,150.0			\$3,150.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$7,448.0			\$8,150.0			\$3,550.0			\$4,650.0
Narrative Justification:												
<p>CONUS Freight Management (CFM) is a comprehensive freight management information system developed and managed by the Military Traffic Management Command (MTMC). It supports the MTMC mission by providing the traffic management system for DoD commercial freight transportation services. This complex mission involves over 800 shippers, 19000 carrier tenders of service, and 2.3 million freight shipments annually. The principle purposes of CFM are to: provide prepayment audit support of carrier freight bills submitted to the Defense Finance and Accounting Service for payment; interface capabilities for 17 standard Department of Defense (DoD) information systems for Bills of Lading and Transportation Discrepancy Reporting via Electronic Data Interchange; provide shipment information on Defense assets to include intransit visibility date between origin and destination in support of readiness; and provide an up to date centralized database of commercial carrier tenders of service accessible to all DoD users. The system is embarking on a revised operating concept that will significantly improve CFM's ability to meet its users technology enhancements. The electronic transportation acquisition (ETA) web portal provides DoD transportation officials a one touch resource for acquiring, tracking, receiving, purchasing, and reconciling all transportation services. The system will provide high level data quality edits with instantaneous in the clear error messages and the ability to determine total costs of shipment prior to shipment pickup by the carrier. It will utilize Electronic Commerce (EC) and Electronic Data Interchange (EDI) standards.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003						C. Line No. & Item Description Core Automated Maintenance System (CAMS/GO81)			D. Activity Identification Headquarters AMC, Scott AFB IL			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$500.0			\$500.0			\$500.0			\$500.0
B(2) Computer Software			\$24.0			\$24.0			\$24.0			\$24.0
B(3) Telecommunications			\$1,093.0			\$1,090.0			\$1,126.0			\$1,142.0
B(3) Other Computer												
Subtotal			\$1,617.0			\$1,614.0			\$1,650.0			\$1,666.0
C. Software Development												
C(1) Planning/Design			\$500.0			\$500.0			\$500.0			\$500.0
C(2) System Development												
C(3) Deployment			\$200.0			\$200.0			\$200.0			\$300.0
C(4) Mgt/Tech Support			\$323.0			\$416.0			\$437.0			\$379.0
Subtotal			\$1,023.0			\$1,116.0			\$1,137.0			\$1,179.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$2,640.0			\$2,730.0			\$2,787.0			\$2,845.0
Narrative Justification:												
<p>Project Description:</p> <ul style="list-style-type: none"> - Maintenance system responsible for tracking all maintenance actions scheduled, in-progress, and completed. <ul style="list-style-type: none"> -- Connectivity to 36 major stateside Air Mobility Command (AMC) wings and 13 enroute locations -- Resides on a central database at Tinker Air Force Base (AFB). -- The Defense Megacenter-Oklahoma City provides mainframe computer support on a fee-for-service basis - Allows for faster and more accurate accomplishment of maintenance actions on the strategic airlift and tanker fleet <ul style="list-style-type: none"> -- Increase in aircraft availability - per a 1989 study - an 8% increase for stateside alone - Capital investment funds are necessary to provide Logistics Infrastructure Local Area Network (LAN), client/server capability, movement to an open environment and provides support Broker. Continued enhancement of maintenance capabilities such as reducing the weight of airlift and tanker aircraft by providing digital capabilities vice technical manuals as well as purchase flight line/In Support Of (ISO) wireless LAN/mobile terminals, remote access servers, bar-coding equipment, and graphical user interface software to enhance data entry into the system <p>Hardware/Software Initial Operating Capability (IOC): FY1998 Full Operational Capability (FOC): FY2004 Software Development Life-cycle Costs: \$10,331,900 Economic Analysis Approved/Signed: 11 Apr 96</p> <p>Interfaces:</p> <ul style="list-style-type: none"> - Global Decision Support System (GDSS), Command and Control Information Processing System (C2IPS), Global Transportation Network (GTN), Standard Base Supply System (SBSS), Reliability and Maintainability Management Information System (REMIS), Comprehensive Engine Management System (CEMS), and Logistic Composite Module (LCOM) <p>Impact if Not Funded:</p> <ul style="list-style-type: none"> - Capability to identify and allocate in-commission AMC aircraft by tapping one database will be lost <ul style="list-style-type: none"> -- Aircraft availability increase (+8%) due to automated system use would be lost -- United States Transportation Command (USTRANSCOM), Tanker Airlift Control Center (TACC), and mobility planners will not have central visibility of the status of AMC's worldwide fleet - Aircraft maintenance systems will not be logistically supportable - Will not be able to implement Department of Defense (DoD) directed joint Computer-Aided Acquisition and Logistics Support (CALs) which would impede integration with deploying Command and Control (C2) systems 												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description Corporate Data Solution (CDS)			D. Activity Identification HQ			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												\$11,159.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$11,159.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												\$2,055.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$2,055.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$0.0			\$0.0			\$13,214.0
Narrative Justification:												
<p>The Corporate Data Solution (CDS) will provide the command the ability to centrally manage Defense Transportation System (DTS) data. Data currently resides in a non-integrated, ill-defined information system built to support tactical level processes. The CDS will establish an enterprise level repository containing business rules, data definitions, and reference domain values. The major components of the CDS will be a Centralized Metadata Repository and a related repository of Extensible Markup Language (XML) objects. The CDS will focus on capturing information about data affecting the pilot US TRANSPORTATION COMMAND (TRANSCOM) Data Warehouse, select Operational Data Stores, and Extract, Transform, and Load (ETL) logic in place throughout the command. CDS principle responsibilities are software configuration management, promulgation of effective infrastructure software and toolsets, data quality, and information assurance. The CDS principle goal is the standardization of the most important data used in the DTS.</p> <p>Sunk Costs: \$0 Program Costs: S/W \$7.235M H/W \$3.8192M Total Costs: S/W \$7.235M H/W \$3.8192M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003					C. Line No. & Item Description Defend the Computing Environment					D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$183.0			\$315.0			\$315.0			\$331.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$183.0			\$315.0			\$315.0			\$331.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support			\$750.0			\$690.0			\$690.0			\$690.0
Subtotal			\$750.0			\$690.0			\$690.0			\$690.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$933.0			\$1,005.0			\$1,005.0			\$1,021.0
Narrative Justification:												
<p>Narrative Justification. Defend the Computing Environment funds are for security engineering support to systems development/configuration changes and for security capabilities which protect the computing environment, such as virus protection, configuration management, auditing, etc. In order to have a strong security posture within the command, security must be built into US Transportation Command (USTRANSCOM) systems from the ground up. In addition, security must be retrofitted into legacy systems that continue to fulfill an operational need. Consideration must be made for the computing environment within which current systems exist and the anticipated computing environment into which new systems will be fielded. The primary beneficiary of this initiative is Global Transportation Network (GTN). Emphasis is on the GTN feeder systems operated by the Transportation Component Commands. Failure to implement system/computing environment security will expose critical data populating GTN to hostile, offensive information attack leading to the corruption and possible destruction of the GTN database.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description Defend Network Infrastructure			D. Activity Identification HQ			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$526.0			\$735.0			\$735.0			\$774.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$526.0			\$735.0			\$735.0			\$774.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support			\$400.0			\$690.0			\$690.0			\$690.0
Subtotal			\$400.0			\$690.0			\$690.0			\$690.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$926.0			\$1,425.0			\$1,425.0			\$1,464.0
Narrative Justification:												
<p>Narrative Justification. Defend the Network Infrastructure funds are for the development and fielding of a comprehensive, command-wide network security architecture (hardware, software, analysis tools, personnel, etc.) to protect, defend, report and analyze the security status of the commands networks. This architecture will extend current US Transportation Command (USTRANSCOM) network security capabilities out to our Transportation Component Commands and provide the Commander a true, command-wide status of security activities across the Defense Transportation System (DTS). This network security capability will be operationally focused and process oriented to include the following capabilities: monitoring and measuring Command, Control, Communications and Computers (C4) activities, identifying and prioritizing threats, defending against attack, coordinating responses to attack, and applying lessons learned both through procedural/process changes and technology enhancements.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003					C. Line No. & Item Description C(2) Customs Border Clearance					D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware									\$150.0			\$150.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$150.0			\$150.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$700.0			\$707.0			\$900.0			\$1,000.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$700.0			\$707.0			\$900.0			\$1,000.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$700.0			\$707.0			\$1,050.0			\$1,150.0
Narrative Justification:												
<p>The Customs Process Automation Program (CPA) will develop a methodology, functional process, and supporting technical infrastructure to automate Defense Transportation Regulation (DTR) shipping documents, commercial bills of lading, and related customs and border clearance documents. These documents must then be distributed in an electronic environment on a near real-time basis to offices throughout the DTR, its corporate business partners, and civil customer/border clearance authorities, both in the US and abroad. The project seeks to populate these electronic forms with integrated information currently available in several existing Department of Defense (DoD) Transportation systems, including the Transportation Coordinators Automated Information Management System II (TC-AIMS II), the Global Transportation Network (GTN), the Global Air Transportation Execution System (GATES), the Worldwide Port System (WPS), the CONUS Freight Management System (CFM), the Cargo Management Operations Systems (CMOS) and the Distribution Standard System (DSS). If this software development effort is not complete, DTR shipments will continue to be frustrated unnecessarily, incurring significant costs and severely impacting the readiness of our war fighting commands. Funding will involve development of a concept of operations, integrating data from the systems identified, developing electronic shipping documents, commercial bills of lading and customs/border clearance forms in United Nations/Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT), extensible Markup Language (EML), or some other format and means to distribute them electronically to all who need them over the World Wide Web (WWW) or Non-secure Internet Protocol Routing Network (NIPERNET).</p> <p>CAPITAL SUNK COSTS: Software Development \$0 Hardware \$0 CAPITAL PROGRAMMED COSTS: Software Development \$4,174 K Hardware \$1,120K TOTAL COSTS: Software Development \$4,174K Hardware \$1,120K</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Electronic Records Management System (ERMS)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware						\$100.0			\$100.0			\$100.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$100.0			\$100.0			\$100.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$100.0			\$100.0			\$100.0
Narrative Justification:												
<p>Project Description: Electronic Records Management System (ERMS)</p> <ul style="list-style-type: none"> - Provides a standardized Department of Defense (DoD) directed unclassified Electronic Records Management System (ERMS) for Air Mobility Command (AMC) enroute support units. <ul style="list-style-type: none"> -- Defense Information System Agency (DISA) certified commercial off-the-shelf software meeting standards in accordance with DoD 5015.2-STD. -- Install hardware and software. -- Stores active records on base at the Air Force Network Control Center and inactive records at a Defense Mega Center. - Provides critical management of records in the electronic environment in support of the Paperwork Reduction Act. - Provides information world-wide to support AMC war fighting capability. - Complies with DoD requirements to implement an Electronic Records Management System by Year 2003. <p>Initial Operating Capability: FY 03/1 Full Operating Capability: FY 03/4</p> <p>Supports Air Force (AF) Mission Need Statement (USAF) 005-97, 14 Oct 98; Headquarters Air Force Communication Agency (AFCA) Operational Requirements Document, 10 May 99; Baseline Requirements Analysis, April 97; Economical Analysis, April 98 and Implementation Plan, 6 Jul 99; DoD Strategic Plan 2003, 28 Jul 95; Joint Vision 2010, Information Superiority (page 18); USAF Communication and Information Strategic Plan Task 5, Manage Information (Vol II, Page 48, AMC Strategic Plan 2000, 2k, Deficiency 98134) and United States Transportation Command (USTRANSCOM) Strategic Plan Goals and Objectives 4.2 and 4.5</p> <p>Interfaces: Defense Message System Workflow (Electronic Coordination) Records Information Management Systems All Command, Control, Communications and Computer (C4) and Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) systems that create official government records</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Global Air Transportation Execution System (GATES)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$2,089.0			\$6,092.0			\$2,524.0			\$2,902.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$2,089.0			\$6,092.0			\$2,524.0			\$2,902.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$5,310.0			\$7,110.0			\$6,300.0			\$7,000.0
C(3) Deployment												
C(4) Mgt/Tech Support			\$125.0			\$125.0			\$0.0			\$0.0
Subtotal			\$5,435.0			\$7,235.0			\$6,300.0			\$7,000.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$7,524.0			\$13,327.0			\$8,824.0			\$9,902.0
Narrative Justification:												
<p>Global Air Transportation Execution System (GATES) directly supports Air Mobility Commands (AMC's) mobility operations worldwide. AMC, as the Department of Defense (DoD) single manager for airlift, requires timely and accurate information gathered from worldwide locations to plan, execute and monitor multi-theater airlift. GATES provides the Tanker Airlift Control Center, Headquarters Air Mobility Command (HQ AMC), and United States Transportation Command (USTRANSCOM) with integrated functionality to deploy and sustain forces globally. GATES open environment is critical in achieving portability, reusability, and cost reductions for communications and computer systems.</p> <p>GATES provides visibility of cargo and passenger assets moved by AMC. It operates in an open system platform/environment - utilizing UNIX Servers and Windows Personal Computer (PC) workstations. Applications software is currently being updated to meet the Defense Transportation System (DTS) architecture requirements for GATES to remain in concert with the AMC and USTRANSCOM Command, Control, Communications and Computer (C4) Systems Master Plan.</p> <p>Initial Operating Capability (IOC): Nov 97 Full Operating Capability (FOC): Jun 99 Software Development Life-cycle Costs: \$56,052,260 Economic Analysis Completed: 22 Mar 96</p> <p>Interfaces: Conus Freight Management (CFM), Defense Finance and Accounting System (DFAS), Airlift Service Industrial Fund Integrated Computer System (ASIFICS), Command and Control Information Processing System (C2IPS), Global Transportation Network (GTN), Transportation Coordinated-Automated Information Management System (TC-AIMS II), Cargo Movement Operations System (CMOS), Global Decision Support System (GDSS), Commercial Reservation System (CRS), Worldwide Port System (WPS), Transportation Operational Personal Property Standard System (TOPS), etc.</p> <p>Impact If Not Funded: Insufficient funding for this program will force HQ AMC to continue to depend on the current closed, expensive, proprietary transportation systems environment. AMC and Tanker Airlift Component Commander (TACC) customers will continue to be denied the improved data quality, data standardization, and in transit visibility essential for C2 efficiency and decision making. Lack of funding will prevent AMC compliance with DoD 3-year migration mandate and delay AMC's transportation systems from properly implementing applications that support the Common Operating Environment (COE). An increase in long term maintenance costs by delaying implementation of an integrated architecture with supporting increased functionality will occur.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description GCCS			D. Activity Identification HQ			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware						\$700.0			\$1,105.0			\$1,515.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$700.0			\$1,105.0			\$1,515.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$600.0			\$588.0			\$600.0			\$600.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$600.0			\$588.0			\$600.0			\$600.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$600.0			\$1,288.0			\$1,705.0			\$2,115.0
Narrative Justification:												
<p>Narrative Justification: Global Command and Control System (GCCS) is a top-down directed program from Office of Secretary of Defense (OSD), managed by the Joint Staff J3/J6. To continue providing support for the Commander, United States Transportation Command's command and control mission and to integrate the transportation functions into GCCS, it will be necessary to continue to upgrade the hardware/software architecture of GCCS for US Transportation Command (USTRANSCOM). FY03 and FY07 budget includes the life-cycle replacement for the GCCS server suite equipment. This life-cycle replacement complies with the USTRANSCOM approved 4 year life-cycle replacement policy. Replacement of older hardware, as well as, future upgrades of software to keep current with the GCCS program, is necessary in order to provide efficient and timely service to the Commander, U.S. Transportation Command and the Component Commanders.</p> <p>Capital Sunk Costs: Hardware: 5.452M Software: 1.29M Capital Program Costs: Hardware: 8.814M Software: 11.910M Total Costs: Hardware: 8.819M Software: 13.21M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Global Decision Support System (GDSS)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$4,915.0			\$2,075.0			\$4,275.0			\$4,075.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$4,915.0			\$2,075.0			\$4,275.0			\$4,075.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$13,924.0			\$14,230.0			\$12,577.0			\$12,870.0
C(3) Deployment												
C(4) Mgt/Tech Support			\$855.0			\$855.0			\$875.0			\$1,754.0
Subtotal			\$14,779.0			\$15,085.0			\$13,452.0			\$14,624.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$19,694.0			\$17,160.0			\$17,727.0			\$18,699.0
Narrative Justification:												
<p>Program Description:</p> <ul style="list-style-type: none"> - Headquarters Air Mobility Command's (HQ AMC's) primary, force-level Command and Control (C2) system with 20 developmental, test, and operational GDSS host computers fielded providing C2 information to lower echelons via interface with the AMC C2 Information Processing System (C2IPS) <ul style="list-style-type: none"> -- Disseminates aircraft schedules, tracks aircraft departures and arrivals, provides flight following functions, and provides automated tools to aid decision making process. -- Customers include the AMC Tanker Airlift Control Center (TACC), Alternate Tanker Airlift Control Center (ATACC), Air National Guard Readiness Center (ANGRC), Air Force Reserve (AFRES) Headquarters, Air Force Special Operations Command (AFSOC), Air Combat Command (ACC), Pacific Air Forces (PACAF), United States Air Forces Europe (USAFE), and three thousand mobility customers at over 60 worldwide locations. -- Provides automated interface tying critical in transit visibility, time phased force deployment requirements, planning, scheduling, mission planning, mission execution, and joint systems into a cohesive C2 system. Initial Operating Capability (IOC): FY89 System of Record (SOR): 4th Qtr FY04 Life-cycle Cost: (FY97-FY06) is \$124,198,000 --Total Development Life-cycle Costs is \$51,838,000 Software development costs included in Future Year Defense Plan (FYDP) due to increasing requests for external interfaces requiring development efforts. Date of Cost Analysis: Oct 95 (FY96 Economic Analysis) - AMC system interfaces: <ul style="list-style-type: none"> -- Command & Control Information Processing System (C2IPS), AMC Deployment Analysis System (ADANS), Combine Mating and Ranging Planning System (CMARPS), Broker, Aerial Port Automated C2 System (APACCS), Global Aerial Transportation Execution System (GATES), Automated Computer Flight Planning (ACFP), Airfield Suitability Visual Display System (ASVDS), LBAND Satellite Communication. - Other system interfaces: <ul style="list-style-type: none"> -- Air National Guard Management Utility (ANGMU), Air Weather Network, ARINC Data Network Service (ADNS), Air Terminal C2 System (ATCCS), Defense Data Network (DDN), Global Transportation Network (GTN), Global Command and Control System (GCCS), Contingency Operations Mobility Planning System (COMPES), Forward Supply System (FSS), Table Management Distribution System (TMDS), and the USTRANSCOM LOGBOOK. - Projected system interfaces: <ul style="list-style-type: none"> -- AMC Corporate Database (ACDB), Secret Global Transportation Network (GTN), TRANSCOM Regulating and C2 Evacuation System (TRAC2ES), TRANSCOM single mobility system. 												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description GTN				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software						\$154.0			\$250.0			\$125.0
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$154.0			\$250.0			\$125.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$11,524.0			\$5,250.0						
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$11,524.0			\$5,250.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$11,524.0			\$5,404.0			\$250.0			\$125.0
Narrative Justification:												
<p>The Global Transportation Network (GTN) is U.S. Transportation Command (USTRANSCOM) solution to provide a central, integrated source of accurate and timely transportation information to Defense Transportation System (DTS) planners, decision makers, and users through the World Wide Web. GTN provides in-transit visibility and Command and Control (C2) decision support functions, and collects, integrates and stores information from over 25 military and approximately 50 commercial systems that support the DTS mission. GTN provides the transportation module and domain of Global Command and Control System (GCCS). GTN provides near real time visibility of global and multimode military movement of passengers, cargo, and patients during peacetime, wartime, and contingencies. GTN is DoD's authoritative source for in-transit visibility of unit and sustainment movement information. Provides Command and Control support to the Commanders, Services, and other agencies associated with the DTS. USTRANSCOM has come to the realization that GTN needs significant rework and technology refresh. On 26 Sep 02, the contract was awarded for GTN 21, which is the follow-up development to GTN; plan is for minimal additional system development on the current GTN system. Funding requirements identified in FY02 and FY03 will allow for the prime contractor overhead support functions (Program Management, Systems Engineering, contracting and budgeting) and award fee based upon performance of projects already funded and under development. Sustainment of the current system is required until Initial Operational Capability (IOC) of GTN 21 is reached. Included in FY02 are Analyses of Mobility Platform (AMP) and Joint Flow and Analyses System for Transportation(JFAST). AMP program for FY02 is \$2.2M. JFAST program for FY02 is \$1.65M.</p> <p>GTN Capital Sunk Costs: Software Dev \$182.815M Hardware \$20.759M GTN Capital Program Costs: Software Dev \$ 13.033M Hardware \$.529M GTN Total Costs: Software Dev \$195.848M Hardware \$21.288M AMP Capital Sunk Costs: Software Dev \$ 8.5M Hardware \$0 Capital Program Costs: Software Dev \$ 16.6M Hardware \$0 Total Costs: Software Dev \$ 25.1M Hardware \$0 JFAST Capital Sunk Costs: Software Dev \$ 5.713M Hardware \$0 Programmed Costs: Software Dev \$ 13.290M Hardware \$0 Total Costs: Software Dev \$ 19.003 M Hardware \$0</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description Infostructure				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$3,509.0			\$4,182.0			\$2,187.0			\$7,315.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$3,509.0			\$4,182.0			\$2,187.0			\$7,315.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,941.0									
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,941.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$5,450.0			\$4,182.0			\$2,187.0			\$7,315.0
Narrative Justification:												
Narrative Justification: INFOSTRUCTURE at HQ												
<p>The US Transportation Command (USTRANSCOM) Infostructure program will provide the majority of the computing environment as defined by the Enterprise Architecture to include:</p> <ul style="list-style-type: none"> - Implementing standard analytical and display tools that provide information based on mission capabilities - Migrating existing ways of managing data from information supporting separate applications/systems to a corporate approach that treats information as a resource to facilitate our total information needs. <p>Executing the Commander, U. S. Transportation Command responsibilities requires robust information systems. In this environment, there is a compelling need for a standardized architecture that takes advantage of the economies of scale in both software and hardware. Hardware funds are required to purchase hardware and servers for Web access and robust data base capability. Continued support is required to maintain a functional and operational system.</p> <p>Sunk Costs: Hardware \$5.609M Software: \$2.389M Programmed Costs: \$44.231M Software: \$0M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003					C. Line No. & Item Description Infostructure - MTMC					D. Activity Identification MTMC		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$1,080.0			\$0.0			\$0.0			\$0.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,080.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$0.0									
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,080.0			\$0.0			\$0.0			\$0.0
Narrative Justification:												
Narrative Justification: INFOSTRUCTURE at MTMC												
<p>The U.S. Transportation Command (USTRANSCOM) Infostructure program will provide the majority of the computing environment as defined by the Enterprise Architecture to include:</p> <ul style="list-style-type: none"> - Implementing standard analytical and display tools that provide information based on mission capabilities - Migrating existing ways of managing data from information supporting separate applications/systems to a corporate approach that treats information as a resource to facilitate our total information needs. <p>Executing the Commander, United States Transportation responsibilities requires robust information systems. In this environment, there is a compelling need for a standardized architecture that takes advantage of the economies of scale in both software and hardware. Hardware funds are required to purchase hardware and servers for Web access and robust data base capability. Continued support is required to maintain a functional and operational system.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description GTN 21				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$1,300.0			\$4,000.0			\$2,900.0			\$1,300.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,300.0			\$4,000.0			\$2,900.0			\$1,300.0
C. Software Development												
C(1) Planning/Design			\$2,150.0			\$1,750.0			\$1,600.0			\$1,200.0
C(2) System Development			\$11,816.0			\$31,918.0			\$44,004.0			\$26,938.0
C(3) Deployment												
C(4) Mgt/Tech Support			\$2,062.0			\$2,132.0			\$2,196.0			\$2,262.0
Subtotal			\$16,028.0			\$35,800.0			\$47,800.0			\$30,400.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$17,328.0			\$39,800.0			\$50,700.0			\$31,700.0
Narrative Justification:												
<p>The Global Transportation Network for the 21st Century (GTN 21) is the replacement system for the current operational GTN system which is the primary tool to provide In transit Visibility (ITV) to the air, land, and sea transportation for the Department of Defense (DOD) both in time of peace and in time of war through its Transportation Component Commands (TCCs): Air Mobility Command (AMC), Military Traffic Management Command (MTMC), and Military Sealift Command (MSC) In addition, GTN 21 will integrate transportation information to support the Commander, United States Transportation Command and Control (C2) mission requirement for near real-time planning, directing, and controlling operations of assigned forces pursuant to global transportation management. The current GTN is becoming unsupported, is experiencing technical obsolescence and does not fully satisfy validated operational requirements. The GTN 21 design will use best commercial practices to ensure flexibility to adapt to future changing technology. GTN 21 will provide a web-based computer and communications infrastructure serving approximately 6,500 users from a central server location at Scott AFB, IL. It will also present deployment-related data from both DOD and commercial systems to provide schedule, position, and transportation status data for cargo shipments and military personnel. As information is updated in over 20 independent military and commercial transportation tracking systems, relevant data will be automatically transmitted to GTN 21, and processed and presented to users. GTN 21 will receive, correlate, and organize the data to present a unified consistent view of cargo and passenger movement. GTN 21 will include a classified subsystem that stores and processes sensitive information which will be available to cleared users. GTN 21 is an ACAT 1AC program. The Milestone Decision Authority (MDA) is Deputy Program Executive Officer for Command and Control and Combat Support. On 15 Aug 02, the MDA approved the GTN 21 program, and on 26 Sep 02, a prime contractor was selected to develop and deliver GTN 21.</p> <p>Capital Sunk Costs: Software Dev \$0 Hardware \$0M Capital Program Costs: Software Dev \$203.476M Hardware \$26.400M Total Costs: Software Dev \$203.476M Hardware \$26.400M.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2003					C. Line No. & Item Description IC3					D. Activity Identification MSC		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$2,031.0			\$253.0			\$1,109.0			\$2,450.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$2,031.0			\$253.0			\$1,109.0			\$2,450.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$2,050.0			\$1,665.0			\$2,046.0			\$3,060.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$2,050.0			\$1,665.0			\$2,046.0			\$3,060.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$4,081.0			\$1,918.0			\$3,155.0			\$5,510.0
Narrative Justification:												
<p>Integrated Command, Control and Communication (IC3) Project is Military Sealift Command (MSC)'s migration program to integrate systems and business process from deliberate planning through execution in a common operating environment. IC3 will become an extension of the Global Command and Control System (GCCS) infrastructure allowing MSC to reduce redundancy in hardware, software, and communications while maintaining compatibility with Department of Defense, Department of the Navy, and Transportation migration initiatives. IC3 systems will interface with USTRANSCOM Global Transportation Network (GTN) to provide ship schedules; JMCG (Joint Mobility Command Group) to provide information for decision making; and Joint Flow and Analysis System for Transportation (JFAST) to provide and execution and deliberate planning. IC3 also will interface with joint systems such as Joint Operation Planning and Execution System (JOPES) operating in GCCS for operations/exercise contingency requirements and Military Traffic Management Command (MTMC)'s WPS (Worldwide Port System) or ITV (In Transit Visibility) data. Hardware: FY 2002 \$439K; FY 2004 \$750K; FY 2005 \$750K. Software: FY 2002 \$1,420K; FY 2003 \$1,200K; FY 2004 \$1,334K; FY 2005 \$1,580K</p> <p>Mobile Communications: Provides support for mobile command and control for standard communications. Hardware: FY 2002 \$1,342K; FY 2003 \$253K; FY 2004 \$359K; FY 2005 \$1,450K Software: FY 2002 \$300K; FY 2003 \$465K; FY 2004 \$712K; FY 2005 \$980K</p> <p>Electronic Commerce/Electronic Data Interchange (EC/EDI) provide a client server infrastructure that support data repositories and data warehouse requirements, standardization and readiness. Hardware: FY 2002 \$250K; FY 2005 \$250K Software: FY 2002 \$330K; FY 2005 \$500K</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Sealift Command/Transportation/February 2003				C. Line No. & Item Description ICE						D. Activity Identification MSC		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$1,192.0			\$206.0			\$714.0			\$1,650.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,192.0			\$206.0			\$714.0			\$1,650.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$4,130.0			\$4,243.0			\$4,793.0			\$4,767.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$4,130.0			\$4,243.0			\$4,793.0			\$4,767.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$5,322.0			\$4,449.0			\$5,507.0			\$6,417.0
Narrative Justification:												
<p>Integrated Command Environment (ICE) Systems Development: Includes support for systems integration, test, implementation, documentation, and training. Some of the systems involved include: FMS (Financial Management System), Transportation Financial Management Systems (TFMS) the USTRANSCOM financial management information system, and Integrated Acquisition Management System (IAMS) MSC's implementation of Department of Defense (DOD)'s Standard Procurement System (SPS). Software: FY 2002 \$1,245; FY 2003 \$1,201; FY 2004 \$980K; FY 2005 \$990K</p> <p>Local Area Network (LAN): LAN provides equipment and software to implement LANs at all offices, area commands, and headquarters. Software includes such items as Windows, Oracle, Logbook, and Global Transportation Network (GTN.) Equipment includes servers, routers, micros, Asynchronous Transfer Module (ATM) switches, printers, etc. Hardware: FY 2002 \$1,192K; FY 2003 \$206K; FY 2004 364K; FY 2005 \$1,650K Software: FY 2003 \$42K; FY 2004 \$350K; FY 2005 \$923K</p> <p>Data Warehouse: Provides support for implementation of the Defense Transportation System (DTS). This technology will apply online analysis software to the data supporting DTS involves the use of drill down graphic display techniques to data structure for direct fast retrieval and data mining by users, managers, and staff. Software: FY 2002 \$2,885K; FY 2003 \$3,000K; FY 2004 \$2,963K; FY 2005 \$2,604K</p> <p>Continuity of Operations Plan (COOP): COOP site provides redundant operating capability for MSC Corporate Data Center (MCDC) systems. This back-up site is used in case the actual MCDC becomes non-functional either in part or in whole. The COOP site is critical as it allows MSC to meet various DOD defined directives. Hardware: FY 2004 \$350K Software: FY 2004 \$500K; FY 2005 \$250K</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description ITV			D. Activity Identification MTMC - INTRANSIT VISIBILITY PROGRAM (ITV)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software			\$1,993.0			\$2,221.0			\$1,712.0			\$2,018.0
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,993.0			\$2,221.0			\$1,712.0			\$2,018.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$10,463.0			\$8,906.0			\$8,976.0			\$9,046.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$10,463.0			\$8,906.0			\$8,976.0			\$9,046.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$12,456.0			\$11,127.0			\$10,688.0			\$11,064.0
Narrative Justification:												
<p>The In transit Visibility (ITV) Program funds initiatives such as development of new automated capabilities designed to support ITV, establishes interfaces between MTMC and a variety of Department of Defense (DoD), Service, United States Transportation Command (USTRANSCOM) and its components, and commercial carrier industry systems transitions legacy systems to standard integrated migration systems; developments of enhancements to satisfy new requirements; inserts new technology such as Automated Information Technology (AIT) and Electronic Data Interchange (EDI) to improve and expand on transit visibility reporting; supports USTRANSCOM, DoD, and Department of Army (DA) data standardization and functional business process improvement objectives; and systems integration activities at various operating echelons. Specific initiatives are; 1) the Integrated Booking System (IBS), which replaces four inefficient obsolete systems. IBS will provide a standard traffic management baseline to support booking operations worldwide; 2) the Integrated Computerized Deployment System (ICODES) ship storage planning capability and integration to WPS; 3) the Assets Management System (AMS) for the management of DoD leased container and rail assets; 4) integration of AIT enables automatic capture of source data rapidly and accurately and transfer to Automated Information Systems (AIS)s; 5) the Deployable Port Operations (DPOC)/ Mobile Port Operation Center (MPOC) which is a highly mobile deployable, self-sustaining, and flexible configuration that provides the capability to respond quickly to a variety of tactical scenarios during contingencies anywhere in the world. NOTE: Costs of the following subsystems: Asset Management System (AMS), ICODES, IBS, ITV.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003					C. Line No. & Item Description JMCG					D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,229.0			\$1,056.0			\$1,070.0			\$2,385.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,229.0			\$1,056.0			\$1,070.0			\$2,385.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,229.0			\$1,056.0			\$1,070.0			\$2,385.0
Narrative Justification:												
<p>Narrative Justification: Joint Mobility Control Group (JMCG) is the organizational structure for reporting and tasking all transportation requirements within Department of Defense. The JMCG is the operational arm of US Transportation Command (USTRANSCOM)'s command and control architecture. System development funds are required for software development work on collaborative planning tools and Integrated Customer Support (ICS). Collaborative planning uses a groupware application that provides support to the JMCG's reengineering goals and provides the JMCG the required flexibility in C2 functionality and in intra-command center communications. The current tool is Info Workspace. The budget funds for migration to the DoD standard tool when identified. Collaborative planning Full Operational Capability (FOC) is FY03. ICS is a project intended to satisfy the JMCG requirements to migrate to an integrated and timely customer relations management process as stipulated in Strategic Objective 3.6. ICS funds are required to develop a single assistance. ICS will also provide staff access to decision-ready information supporting responsive transportation services. ICS automates and integrates the movement requirement process, provides transportation courses of action between USTRANSCOM and the customer, and captures customer interactions and creates customer profiles.</p> <p>Sunk Costs: Hardware: \$3.851M Software: \$3.686M Programmed Costs: Hardware: \$0.0M Software: \$9.789M Total Costs: Hardware: \$3.851M Software: \$13.475M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description L-Band SATCOM					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$700.0			\$700.0			\$1,000.0			\$700.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$700.0			\$700.0			\$1,000.0			\$700.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$552.0			\$580.0			\$492.0			\$604.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$552.0			\$580.0			\$492.0			\$604.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,252.0			\$1,280.0			\$1,492.0			\$1,304.0
Narrative Justification:												
<p>Project Description:</p> <ul style="list-style-type: none"> - Satellite Communication (SATCOM) (Inmarsat Aero-C) interfaces between airborne aircraft and the Tanker Airlift Control Center (TACC), also extends to the Tanker Airlift Control Element (TALCE) <ul style="list-style-type: none"> -- Laptop computer used to send and receive email-like messages in the aircraft, including passenger and cargo manifest information -- Automatic position reporting updates to Global Decision Support System (GDSS) for airlift Command and Control (C2) information -- Satisfies Air Mobility Master Plan deficiencies for airborne Command and Control (C2) and communications connectivity Initial Operating Capability (IOC) Feb 97, Full Operational Capability (FOC) FY98 - Ground-based SATCOM (Inmarsat M-Phone) interface between "non L-Band equipped" aircraft and the TACC, also extends to the TALCEs <ul style="list-style-type: none"> -- SATCOM phone and laptop computer used to send and receive email-like messages prior to departure and/or after arrival including passenger and cargo manifest information -- Partially satisfies Remote In-Transit Visibility (RITV) deficiency connectivity <p>IOC: FY00 FOC: FY01 Economic Analysis: FY02</p> <ul style="list-style-type: none"> - Future connectivity to wings and command posts for airlift C2 information - Funds are for transition to the Global Air Traffic Management (GATM) architecture and incorporate High Frequency (HF) data link capabilities <ul style="list-style-type: none"> -- GATM provides the connectivity and aircraft upgrades to allow Air Mobility Command (AMC) aircraft to fly in the commercial oceanic tracks. Any excess GATM capability will be used for C2. The current system design allows switching to the new system. The current funding allows AMC to make use of the extra aircraft status information available through GATM and to make use of the HF data link capability. <p>Interfaces:</p> <ul style="list-style-type: none"> - TACC Operations Cells (via Email) and Global Decision Support System (GDSS), to update Global Transportation Network (GTN) - Provides aircraft position reports for passenger and cargo manifest reports per United States Transportation Command (USTRANSCOM) direction. <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - Program already minimally funded. Any reduction in funding will seriously degrade the entire system by limiting hardware purchases, software upgrades/corrections, and system support. <ul style="list-style-type: none"> -- The result would be excessive system degradation and down time which would eliminate the systems reliability from both TACC and aircrew perspectives. - C2 connectivity will not move to the follow-on commercial SATCOM system projected for installation under the GATM program. 												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description LAN-HQ				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$2,941.0			\$594.0			\$3,894.0			\$4,625.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$2,941.0			\$594.0			\$3,894.0			\$4,625.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$230.0			\$1,074.0			\$1,092.0			\$1,112.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$230.0			\$1,074.0			\$1,092.0			\$1,112.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$3,171.0			\$1,668.0			\$4,986.0			\$5,737.0
Narrative Justification:												
<p>Narrative Justification: The US Transportation Command (USTRANSCOM) Command and Control Information System (C2IS) is comprised of classified and unclassified Local Area Network (LAN) segments and Wide Area Network (WAN) connectivity with component commands (TCCs). LAN improvements are designed to support increasing performance and bandwidth. LAN upgrades include fiber optic installation, transition from Asynchronous Transfer Mode (ATM) to Gigabit Ethernet (GIGE) infrastructure, diversity/redundant connection between USTRANSCOM LAN and Defense Information System Network (DISN) WAN. Upgrades to the Storage Area Network (SAN) are include adding diverse/replaceable storage media. Plans for Command Presentation Systems (CPS) and Video Teleconferencing (VTC) include sustainment and upgrade. Computer server infrastructure upgrades replace outdated/unsupported hardware and establishes minimum requirements to meet USTRANSCOM Enterprise Architecture. The current Defense Transportation System (DTS) Theater LAN assessment project evaluates both unclassified and classified LANs but needs to be expanded to ensure successful implementation of proposed enhancements. This assessment also involves engineering to assess theater centric baseline for Command, Control, Communication and Computers (C4) systems available at worldwide DTS sites.</p> <p>Capital Sunk Costs: Hardware \$6.453M Software: \$3.940M Capital Programmed Costs: Hardware: \$37.635M Software: \$8.170M Total Costs (Sunk + Programmed): Hardware: \$44.088M Software: \$12.110M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description Logbook				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support			\$787.0			\$508.0			\$525.0			\$535.0
Subtotal			\$787.0			\$508.0			\$525.0			\$535.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$787.0			\$508.0			\$525.0			\$535.0
Narrative Justification:												
<p>Narrative Justification: Logbook is an automated web-based information sharing tool developed to support the Command Center Operations for the Joint Mobility Command Group (JMCG). It is designed to manage time critical data which flows through command centers and is the primary information sharing tool for the JMCG. Logbook provides an information sharing method that permits concurrent commentary and repeated work on linked tasks. Logbook provides information to team members simultaneously, thus facilitating individual and team decision making. Logbook achieved Full Operational Capability (FOC) in 2002. FY03 provides engineering support for minor enhancements to existing functionality.</p> <p>Sunk Costs: Hardware: 0 Software: .927M Programmed Costs: Hardware: 0 Software \$4.397M Total Costs: Hardware: 0 Software \$5.324M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Objective Wing Command Post (OWCP)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications			\$1,273.0			\$1,779.0			\$608.0			\$1,008.0
B(3) Other Computer			\$0.0			\$117.0			\$117.0			\$117.0
Subtotal			\$1,273.0			\$1,896.0			\$725.0			\$1,125.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,273.0			\$1,896.0			\$725.0			\$1,125.0
Narrative Justification:												
<p>Project Description: The Objective Wing Command Post (OWCP) modernizes, enhances, and standardizes Command, Control, Communications and Computer Systems (C4S) in Air Mobility Command (AMC) Command Posts (CP) and Air Mobility Control Centers (AMCC). These command and control units serve as the focal point for coordinating and controlling all actions required to prepare an AMC mission aircraft for departure, as well as maintenance, aerial port, and operational services for transient aircraft. The CP/AMCC support organizations responsible for airlift of cargo and passengers (including the President and members of the cabinet), aerial refueling, and aero medical evaluation. The management/mission monitoring, maintenance coordination, and operational reporting in support of the AMC Global Reach Mission. The units they support are responsible for airlift of troops, cargo, and passengers (including the President and members of the Cabinet), as well as aerial refueling and aero medical evacuation. OWCP includes two sub programs: the Air Mobility Advanced Console System (AMACS) and Closed Circuit Flight line Video (CCFV). The AMACS provides replacement of existing nonstandard consoles with a Siemens computerized branch exchange and touch screen devices that interface units to radio lines. The CCFV is a surveillance system, with recording capability, to monitor flight line activities.</p> <p>FY 02 funds provide: AMACS at Oscan Air Base (AB), Rota Naval Air Station (NAS) Diego Garcia, and Aviano AB; and CCFV at Fairchild Air Force Base (AFB), Lajes Field and Grand Forks AFB. Console and Digital Recorder upgrades at Osan, Aviano, and Incirlik.</p> <p>FY 03 funds provide: AMACS at Incirlik AB, and CCFV at Incirlik AB.</p> <p>FY 04 funds provide: CCFV at Rota NAS.</p> <p>FY 05 funds provide: AMACS and CCFV at Spangdahiem AB.</p> <p>OWCP C4 Initiatives Initial Operating Capability (IOC): FY94 Full Operational Capability (FOC): FY05; Cost Analysis: Completed September 1997</p> <p>Interfaces: Standard interfaces are used to connect the following radio lines to the telephone consoles: High Frequency (HF), Very High Frequency (VHF), Ultra High Frequency (UHF), telephone consoles include High Frequency (HF), Very High Frequency (VHF), Ultra High Frequency (UHF), UHF Satellite Communications (SATCOM), and Land Mobile Radios (LMRs). A digital voice recorder is provided with the AMACS installation.</p> <p>Impact If Not Funded: Failure to fully fund this program will result in non-standard, inadequate capabilities at AMCs CP/AMCC. Non-standard system degrade the CP/AMCC ability to support in-transit visibility requirements and AMCs Global Reach mission.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description SMS				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$995.0			\$983.0			\$500.0			\$500.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$995.0			\$983.0			\$500.0			\$500.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$995.0			\$983.0			\$500.0			\$500.0
Narrative Justification:												
Narrative Justification: The Single Mobility System (SMS) provides visibility of air and sea mission requirements and provides the capability to better match those requirements with available assets. SMS provides users of the Defense Transportation System with multiple tools for tracking air and sea missions through planning and execution. It also provides reporting for CONUS land-based munitions movements and correlates passenger and cargo manifests with deployment/redeployment and unit levels and helps bridge the gaps between existing systems. Continued development of the application is required to support USTRANSCOMs command and control architecture.												
Capital Sunk Costs: Hardware: \$.10M Software: \$2.9529M												
Capital Program Costs: Hardware: \$.45M Software: \$8.9830M												
Total Costs Hardware: \$.55M Software: \$10.9359M												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003							C. Line No. & Item Description Support Infrastructures			D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware						\$162.0						\$270.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$162.0			\$0.0			\$270.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development						\$203.0			\$644.0			\$656.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$203.0			\$644.0			\$656.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$365.0			\$644.0			\$926.0
Narrative Justification:												
Narrative Justification: Information Assurance (IA) Supporting infrastructures funds are for the development and fielding of a comprehensive, command-wide Service Assurance Infrastructure and the design and deployment of USTRANSCOM components supporting Public Key Infrastructure (PKI), Common Access Card (CAC) and Biometrics. The Service Assurance infrastructure will provide the centralized system components required to provide near real-time alerting of customer service level breaches resulting in reduced requirement for customers to report system failures.												
Capital Sunk Costs: Hardware 0M Software 0M												
Capital Program Costs: Hardware 2.6M Software 5.0M												
Total Costs: Hardware 2.6M Software 5.0M												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description System Integration					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$1,675.0			\$1,783.0			\$650.0			\$1,031.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,675.0			\$1,783.0			\$650.0			\$1,031.0
C. Software Development												
C(1) Planning/Design			\$5,000.0			\$4,850.0			\$3,894.0			\$7,050.0
C(2) System Development			\$7,147.0			\$5,543.0			\$4,478.0			\$2,144.0
C(3) Deployment			\$250.0			\$250.0			\$250.0			\$250.0
C(4) Mgt/Tech Support												
Subtotal			\$12,397.0			\$10,643.0			\$8,622.0			\$9,444.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$14,072.0			\$12,426.0			\$9,272.0			\$10,475.0
Narrative Justification:												
<p>Program Description: The Systems Integration Program funds development and maintenance of operational and systems architectures and long-range plans and documents technical architectures for a global Air Mobility Command, Control, Communications and Computer (C4) system. These activities guide future enterprise systems development and ensure interoperability with United States Transportation Command (USTRANSCOM) Defense Transportation System (DTS), Air Force (AF), Command and Control Intelligence, Surveillance, and Reconnaissance (C2ISR) and Department of Defense (DoD) systems. Funds definition and management of interfaces for Air Mobility Commands (AMCs) current and planned Command and Control (C2), Intel, Transportation, Logistics and Financial systems. This includes AMCs interfaces with the Global Transportation Network (GTN) and Theater Battle Management Core System (TBMCS). It funds analysis, designs and development of the AMC corporate data structure; baselines of current systems and reengineering in accordance with AMC and USTRANSCOM Enterprise Architectures and applicable standards (DoD, AF, etc). Funds provide an integrated architecture repository for the systems development life-cycle and interface performance metrics. It plans for the transition of future technologies into C2 systems. Leverages new technologies in communications (air and ground) and information systems to significantly enhance the ability of AMC to plan, schedule, task and execute Mobility forces worldwide. It is a comprehensive AMC C2 enterprise architecture modernization and integration project to improve processes, systems and connectivity. It will improve velocity and throughput; combat capability and effectiveness, and enhance safety.</p> <p>Initial Operating Capability (IOC): Varies by sub-project. Economic Analysis (EA) Completed: 1996 Lifecycle Cost (FY96-FY07): \$149,657,272. Impact if not funded: Non-integrated systems will deliver inaccurate and untimely information on the airlift and air refueling missions, jeopardizing communications for theater; AMC risks not being interoperable with other Major Commands (MAJCOMS) in both the Air Force and Department of Defense (DoD) Data Standardization and Migration Programs; no single roadmap for C2 integrating systems Global Decision Support System (GDSS) / Command & Control, Information Processing System (C2IPS) /Consolidated Air Mobility Planning System (CAMPS)/Advanced Computer Flight Plan (ACFP)/Global Air transportation Execution System (GATES); current C2 System deficiencies remain: data corruption and lack of interoperability; halt efforts to meet SECDEF Oct 93 directive to Migrate/Standardize DOD Automated Information Systems (AIS).</p> <p>Impact if not funded: Mission delays - not ready for near-term future international flying environment; reduced velocity/throughput; degraded force deployment closure times; Reduced Commander-in-Chief In-Transit Visibility (CINC ITV) situational awareness; Safety compromised; crew workload increased in a more complex flying environment; and no cost avoidance (29 Mar 99 EA) of \$20M/yr (fully implemented).</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Transportation Airlift Billing System (TABS)					D. Activity Identification Headquarters AMC, Scott AFB, IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$0.0			\$0.0			\$200.0			\$200.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$200.0			\$200.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$0.0			\$200.0			\$200.0
Narrative Justification:												
<p>Project Description: Transportation Airlift Billing System (TABS) will provide for data collection, customer billing, accounts receivable, and reports to airlift customers. It is a comprehensive information management system that supports accounting, budgeting and analysis function necessary for the financial management of the entire HQ Air Mobility Command (AMC). It will provide for a better integrated and relational information system for decision making, improved cost control, and improved reporting and accounting systems for cargo, passenger airlift, contingencies and frequency channels, exercise and training.</p> <p>Impact If Not Funded: Some reimbursable mission activities would be reduced to manual manipulation, loss of adequate internal controls, possible duplication, and an increase in errors and potential Anti-Deficiency Act violation. HQ AMC requirements for automated accounting processes will be limited; thereby causing an increase in the overall loss of TWCF revenue that would impact the processing of nearly \$3.3 billion transactions per annum.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Theater Deployable Comm (TDC)					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware						\$4,400.0						
B(2) Computer Software												
B(3) Telecommunications						\$2,000.0			\$2,000.0			
B(3) Other Computer			\$6,593.0			\$1,720.0			\$1,890.0			\$4,190.0
Subtotal			\$6,593.0			\$8,120.0			\$3,890.0			\$4,190.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$6,593.0			\$8,120.0			\$3,890.0			\$4,190.0
Narrative Justification:												
<p>Project Description:</p> <ul style="list-style-type: none"> - System composed of a high capacity tri-band Satellite Communications (SATCOM) Lightweight Multiband Satellite Terminal Integrated Communications Access Package <ul style="list-style-type: none"> -- Joint, interoperable, lightweight, modular, high capacity, and deployable -- Consists of data, voice, and message communications capabilities - Reduces size, and reliance on shortfall sustainment communications capabilities <ul style="list-style-type: none"> -- Reduces demand on airlift for initial communications by two-thirds -- Provides more efficient scalable initial capability - Provides connectivity back to the Tanker Airlift Control Center (TACC) and United States Transportation Command (USTRANSCOM) - Supports Global Reach Laydown initiative and USTRANSCOM Strategic Plan FY98-17 - Integrated Commercial Off the Shelf (COTS) Technology - Initial Operating Capability (IOC): FY98 Full Operational Capability (FOC): FY05 - Cost Analysis completed Dec 99 <p>Interfaces:</p> <ul style="list-style-type: none"> - All Department of Defense (DoD) systems adhering to commercial networking standards (Integrated Services Digital Network (ISDN), Ethernet, serial) - Supports Global Transportation Network (GTN), Global Command and Control System (GCCS), Command and Control Information Processing System (C2IPS), Global Decision Support System (GDSS), Core Automated Maintenance System (CAMS), Joint Deployable Intel Support System (JDISS) <ul style="list-style-type: none"> -- Connectivity provided to Defense Information Systems Network (DISN), Defense Data Network (DDN), Automatic Digital Network (AUTODIN), Military Network (MILNET), Defense Integrated Secure Network 1 (DISNET). Provides communications with ACC and any co-located Army or Navy unit (TDC is the Air Force (AF) deployed network and communications infrastructure) <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - Contingency communications elements will not be able to provide initial base deployable communications (TDC-New capability) <ul style="list-style-type: none"> -- No base level communication support and very limited C2 communication support available to AMC deployed forces at bare base or austere stage, enroute, or off-load locations within the first 30 days of a deployment - Sustaining communication equipment shortfall will continue to tax limited airlift capabilities; tactical comm equipment will continue to experience problems with limited military satellite availability. 												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003						C. Line No. & Item Description TFMS				D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$1,878.0			\$1,919.0			\$1,945.0			\$2,083.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$1,878.0			\$1,919.0			\$1,945.0			\$2,083.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$1,878.0			\$1,919.0			\$1,945.0			\$2,083.0
Narrative Justification:												
<p>Transportation Financial Management System (TFMS) is a system that will provide a comprehensive set of financial management tools required for the Chief Financial Officer (CFO) to effectively monitor the financial health of the Command's financial resources. The proposed system will provide integrated data to decision makers to analyze and determine the financial efficiency of delivering transportation services. Matching revenue and cost for a selected transportation area will allow for more balanced, equitable rates, and promote revenue generation more closely aligned with the cost of operations. The system will be designed to incorporate a combination of commercial off-the-shelf (COTS) and government off-the-shelf (GOTS) technologies, and will be interoperable with Defense Finance and Accounting Service (DFAS) and Defense Transportation System (DTS) systems.</p> <p>Capital Sunk Costs: Software: \$1.0298M. Programmed Costs: Software: \$16.361M Hardware: \$.0M Total Costs: Software: \$17.3908M Hardware: \$.0M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003					C. Line No. & Item Description TFMS-M					D. Activity Identification MTMC - TRANSPORTN FINANCIAL MGT SYS (TFMS-M)		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software			\$0.0			\$0.0			\$0.0			\$0.0
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$3,995.0			\$0.0			\$0.0			\$0.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$3,995.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$3,995.0			\$0.0			\$0.0			\$0.0
Narrative Justification:												
<p>Transportation Financial Management System (TFMS) - Military Traffic Management Command (MTMC) implements Oracle Federal Financial Modules (OFF) as listed below:</p> <ul style="list-style-type: none"> Accounts Receivable - improves accuracy of bills and management reports Accounts Payable - improves ability to link payments to obligations Projects - tracks project costs, generates bill data and provides bill data to Accounts Receivable module Purchasing - adds discipline to the purchase process and provides data to Accounts Payable module General Ledger - provides accurate data for official financial reports <p>OFF modules are integrated, ensuring accurate processing of accounting data and eliminates out-of-balance conditions between subsidiary and general ledger. OFF is currently approved by the Joint Financial Management Improvement Program (JFMIP) office.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date USTRANSCOM HQ/Transportation/February 2003							C. Line No. & Item Description TMS			D. Activity Identification HQ		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$0.0			\$3,586.0			\$3,650.0			\$3,845.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$3,586.0			\$3,650.0			\$3,845.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$0.0			\$3,586.0			\$3,650.0			\$3,845.0
Narrative Justification:												
<p>Transportation Modeling and Simulation (TMS) description: The Analysis Mobility Platform (AMP) is an end to end transportation modeling shell to which models are added to obtain an end to end simulation of the Defense Transportation System (DTS) for both peace and war. AMP allows users to rapidly set-up, tailor, and extend transportation and logistics models to support programmatic analysis; war games and exercises; and execution and deliberate planning functions. AMP is the architecture that will allow all US Transportation Command (USTRANSCOM) approved models and simulations to share common data and interface dynamically in order to help accomplish and optimize USTRANSCOM's peacetime and wartime missions. AMP will link models used to analyze peacetime and contingency operations with GTN to obtain Plan Versus Actual (PVA) analysis.</p> <p>Joint Flow and Analysis System for Transportation (JFAST) is a modeling and simulation program that is integrated into the AMP modeling environment and produces the deliberate planning, crisis action planning, and transportation feasibility analysis functions for USTRANSCOM, the Unified Commands, and the National Command Authority (NCA). JFAST is the system of choice for deliberate planning and is used at over 80 sites worldwide.</p> <p>Aerial Port of Debarkation (APOD) is a model to analyze enroute airfield in order to maximize the throughput for the minimum amount of transportation enablers (forklifts, fuel trucks, material handling equipment, airport infrastructure and personnel) for USTRANSCOMs peacetime and wartime missions. The APOD model will be integrated into the AMP modeling environment to enhance the detail of the end to end depiction of the DTS in order to optimize the efficient use of the commercial and DOD transportation assets. APOD funding begins in FY05.</p> <p>SUNK COSTS: Hardware: \$0 Software: \$16.7M PROGRAMMED COSTS: Hardware \$0M Software \$23.7M TOTAL COSTS: Hardware \$0M Software \$40.4M</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description TOPPS			D. Activity Identification MTMC - TRANS OP PERS PROPERTY SYS (TOPS)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software			\$1,040.0			\$500.0			\$500.0			\$1,000.0
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$1,040.0			\$500.0			\$500.0			\$1,000.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$2,827.0			\$2,000.0			\$2,000.0			\$2,100.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$2,827.0			\$2,000.0			\$2,000.0			\$2,100.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$3,867.0			\$2,500.0			\$2,500.0			\$3,100.0
Narrative Justification:												
<p>Transportation Operational Personal Property Standard System (TOPPS) is a multi-service system chartered by the Office of the Secretary of Defense (OSD). TOPPS will automate and standardize personal property shipment and storage functions at both continental US (CONUS) and Outside Continental US (OCONUS) intallation level. Development is required to provide necessary automated implementation of the Personal Property Movement and Storage Program worldwide. The TOPPS system is being developed in a modular phased approach and is fielded in the same manner. Proof of concept was successfully demonstrated and Initial Operational Capability (IOC) achieved in February 1989. Currently, development of required baseline functional capabilities is 89% complete. Phase I and Phase II deployment to DoD and Coast Guard CONUS and OCONUS have been completed. TOPPS hardware modernization upgrade is ongoing. Additional development will be required to support new business process re-engineering initiatives, changes in policies, and procedures of the DoD Personal Property Movement and Storage Program, the General Officer Steering Committee (GOSC), system interfaces meeting Electronic Data Interchange (EDI) requirements and future responses to Engineering Change Proposal Software (ECP-S) that support the system need to the user community. TOPPS complies with requirements of DoDs Technical Architecture for Information Systems (TAFIM). TOPPS approved baseline was completed FY01 and was approved by the General Steering Committee (GOSC) in January 2000. TOPPS is approved Chief Information Management (CIM) migration system.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003						C. Line No. & Item Description Wing Local Area Network (LAN)			D. Activity Identification Headquarters AMC, Scott AFB IL			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$2,953.0			\$4,570.0			\$4,629.0			\$5,915.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer						\$26.0			\$26.0			
Subtotal			\$2,953.0			\$4,596.0			\$4,655.0			\$5,915.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$2,953.0			\$4,596.0			\$4,655.0			\$5,915.0
Narrative Justification:												
<p>Wing Local Area Network (LAN) Program Description:</p> <ul style="list-style-type: none"> - Provides programmed resources to give bases standardized capabilities <ul style="list-style-type: none"> -- Provides greater interoperability within the command and units - Provides all Air Mobility Command (AMC) users the ability to collect, retrieve, create, store, share, and present information electronically <ul style="list-style-type: none"> -- Improve personnel effectiveness and efficiency - Command-wide desktop computer based electronic network designed to access both Command and Control (C2) information and office automation functions from one computer <ul style="list-style-type: none"> -- Implements departmental (intra-building) Local Area Networks (LANs) and office information system capabilities -- Provides centralized management of software resources -- Real-time information transfer/sharing capability - Provides computer hardware (servers, and network interface hub equipment), and network operating system (NOS) - Provides intra-building infrastructure, cabling, connectors, and ancillary equipment to complete network <p>Cost analysis: Completed August 1996</p> <p>Cross Flow Requirements:</p> <ul style="list-style-type: none"> - All systems and all commands/services <ul style="list-style-type: none"> -- Downward directed systems such as Combat Information Transport System (CITS), Defense Management System (DMS), Global Command and Control System (GCSS), Global Combat Support systems (GCSS) Global Decision Support System (GDSS), Command and Control Information Processing System (C2IPS). -- Supports the electronic mail system for information flow within and outside the command. <p>Impact If Not Funded:</p> <ul style="list-style-type: none"> - Wing LAN provides access to many vital information systems and services. Without it, users cannot access electronic mail, world wide web file sharing, Command and Control Information Processing System (C2IPS), Global Combat Support Systems (GCSS), Defense Messaging System (DMS), and base level data processing applications. 												

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003						C. Line No. & Item Description WPS			D. Activity Identification MTMC - WORLD WIDE PORT SYSTEM (WPS)			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware			\$500.0			\$1,500.0			\$1,800.0			\$1,250.0
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$500.0			\$1,500.0			\$1,800.0			\$1,250.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development			\$5,705.0			\$5,505.0			\$3,005.0			\$3,005.0
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$5,705.0			\$5,505.0			\$3,005.0			\$3,005.0
D. Minor Construction												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
TOTAL			\$6,205.0			\$7,005.0			\$4,805.0			\$4,255.0
Narrative Justification:												
<p>Worldwide Port System (WPS) provides movement control support, and facilitates force development. WPS is an automated information system (AIS) initiative that meets DoD goals and requirements for water port management of common user cargo moving in the Defense Transportation System (DTS). WPS will replace four aging AIS that support ocean terminal management and cargo documentation missions. WPS is essential to rapid force projection and effective intransit visibility of unit and sustainment cargo. This program provides movement control in support of the Army Strategic Mobility Program (ASMP) initiated as the result of lessons learned from Desert Shield/Storm and Congressionally mandated Mobility Requirements Study (MRS). When fully fielded, WPS will support MTMC ocean terminals, US Navy port activities and US Army Forces Command (US Army Reserve Transportation Terminal Units and active component Automated Cargo Documentation Detachments) with worldwide war fighting support missions. Electronic Data Interchange (EDI) applications and Automatic Identification Technology (AIT) device will be integrated into WPS and will facilitate the cargo documentation process as the port.</p>												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Air Mobility Command/Transportation/February 2003					C. Line No. & Item Description Minor Construction-AMC					D. Activity Identification Headquarters AMC, Scott AFB IL		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction			\$9,201.0			\$11,000.0			\$11,000.0			\$11,000.0
Subtotal			\$9,201.0			\$11,000.0			\$11,000.0			\$11,000.0
TOTAL			\$9,201.0			\$11,000.0			\$11,000.0			\$11,000.0
Narrative Justification:												
<p>The increased funding in the out-years will ensure necessary facilities are constructed and available for TWCF units and operations. This baseline funding is necessary to construct additional apron parking, freight and equipment storage, blast deflectors and maintenance space. At the start of FY00, Air Mobility Command (AMC)/Vice Commander (CV) directed mandatory anti-terrorism/force protection (AT/FP) be installed in all AMC passenger terminals. While our baseline for MC is approximately \$6.0M, we have to incorporate these emerging requirements within our program. Currently there is over \$4.5M in facility project requirements identified at 5 overseas terminals to meet the first phase of this initiative. We are developing requirements for the remaining en-route and CONUS locations as force protection requirements continually evolve. After force protection initiatives for all passenger terminals are complete, the next AMC AT/FP priority is targeted at freight terminals. Next in line are contract air terminal operations, and finally Naval Air Station airlift operations areas. Aircraft generation equipment (AGE) is also included in this facility initiative. AMC has a minimum of \$6.0M in MHE and AGE covered storage to construct. These facilities will help preserve many of our 770 pieces of material handling equipment, a \$336M investment, including the flagship of our airlift material handling fleet of Tunner loaders. The "covered storage" initiative to protect our equipment is a priority directed by the AMC/CC. This is work over and above what is identified in the facility investment strategy. Additional funds are also needed to complete new pavement work. Much of the pavement we use to operate heavy airlift was never intended for this type aircraft. The concentration of aircraft in one third of the enroute locations we used in the past has taxed existing ramp/parking space. Overall, AMCs pavements are deteriorated and are currently limiting aircraft operations at several locations. Parking spaces and freight storage also need to be increased. The AMC TWCF investment strategy is in line with the Department of Defense Transportation Vision for the Twenty-first Century. Its intent is to ensure sustainability and quality of life.</p> <p>IMPACT IF NOT FUNDED</p> <p>- Funding cuts will impact our ability to support critical AMC/CC, wing commander, 615 AMSG/CC, and 621 AMSG/CC requirements to enhance or improve mobility operations and provide adequate force protection through the construction of new facilities and additions in the CONUS and en-route infrastructure. Projects that go unfunded are pushed further to the out-years creating facility shortfalls we cannot recover from, unless MC funding is increased. Funding cuts will have a negative impact on our ability to provide seamless airlift from point of origin to destination, quality customer service, and bring our existing facilities up to AMC and Air Force standards. Many AMC TWCF facilities are old, inadequate facilities far from meeting acceptable standards, especially at our en-route locations. Pavement requirements continue to grow for both new parking/loading/refueling areas and pavements deteriorating from heavy airlift use. Unfunded pavement requirements will result in limitations on AMC's ability to deliver passengers and cargo world-wide. Passengers, troops, and valuable cargo/equipment will remain inadequately protected from terrorist threats. A multi-million dollar MHE and AGE equipment inventory will continue to be exposed to the elements causing the life span of this high priced equipment to rapidly deteriorate.</p>												

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

FY 2004 / 05 PB

Air Mobility Command/Transportation/February 2003	QTY	FY02	QTY	FY03	QTY	FY04	QTY	FY05
A/C Ground Equipment (AGE) Storage	2	653	2	955	3	1,352	2	960
Aerial Delivery System	0	0	1	465	0	0	0	0
Airfield Lighting	1	353	0	0	2	541	1	326
Air Frt/Pax Terminals	4	756	4	1,725	1	215	1	215
Apron Parking	2	392	3	956	3	1,243	3	1,243
Blast Deflectors	1	357	0	0	1	457	1	477
Command Posts	0	0	1	314	2	365	1	256
Fleet Services	1	480	2	516	1	463	0	0
Fuel Hydrants	0	0	0	0	0	0	0	0
General Purpose Maintenance Shops	1	325	1	251	2	585	2	865
Maintenance Hangars	2	723	3	1,252	3	819	2	915
Oil Water Separator - Wash Rack	1	255	0	0	1	236	0	0
Organizational Maintenance Shops	1	321	1	174	1	247	1	315
Rate Fluctuations/Change Orders/Design	75	1,500	75	1,500	75	1,500	75	1,500
Staging/Storage Yards	1	152	0	0	0	0	2	685
Test Cells	0	0	0	0	0	0	1	367
Vehicle Maintenance Shops	1	125	1	153	2	325	1	350
Weighing Scale	0	0	0	0	1	126	0	0
Squadron Operations	2	615	0	0	1	452	1	452
Engine Maintenance	1	115	1	476	1	465	1	465
Covered MHE Storage	5	1,553	5	1,907	2	956	2	956
Air Freight Terminals	2	526	1	356	2	653	2	653
Total		9,201		11,000		11,000		11,000

Activity Group Capital Investment Justification (\$ in Thousands)									A. Budget Submission FY 2004 / 05 PB			
B. Component/Activity/Date Defense Courier Service/Transportation/February 2003						C. Line No. & Item Description Minor Construction - DCS			D. Activity Identification			
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction	1	\$173.0	\$173.0	1	\$500.0	\$500.0	2	\$750.0	\$750.0	1	\$300.0	\$300.0
Subtotal			\$173.0			\$500.0			\$750.0			\$300.0
TOTAL			\$173.0			\$500.0			\$750.0			\$300.0
Narrative Justification:												
FY02- Defense Courier Service (DCSS)-OFFUTT: Building addition to include restroom and conference/training room to meet operational requirements.												
FY03- DCSS-HONOLULU: Building expansion for additional storage area, new superintendents office, and separate men and women restrooms.												
FY04- DCSS-BAHRAIN: Expand current facility by 600 Square feet of administrative space for 5 couriers.												
FY04-DCSS-RHEIN MAIN: Build DCS Substation at Frankfurt, required as a result of the closure of DCSS Rhein Main.												
FY05-DCSS-TRAVIS: Expansion of facility administrative area, will allow for 5 additional personnel due to change of operation.												

Activity Group Capital Investment Justification (\$ in Thousands)										A. Budget Submission FY 2004 / 05 PB		
B. Component/Activity/Date Military Traffic Management Command/Transportation/February 2003					C. Line No. & Item Description Minor Construction- MTMC					D. Activity Identification MTMC - MINOR CONSTRUCTION (MC)		
Element of Cost	FY02			FY03			FY04			FY05		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment												
A(1) Replacement												
A(2) Productivity												
A(3) New Mission												
A(4) Environmental Compliance												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
B. ADPE/Telecomm												
B(1) Computer Hardware												
B(2) Computer Software												
B(3) Telecommunications												
B(3) Other Computer												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
C. Software Development												
C(1) Planning/Design												
C(2) System Development												
C(3) Deployment												
C(4) Mgt/Tech Support												
Subtotal			\$0.0			\$0.0			\$0.0			\$0.0
D. Minor Construction			\$800.0			\$800.0			\$1,100.0			\$1,100.0
Subtotal			\$800.0			\$800.0			\$1,100.0			\$1,100.0
TOTAL			\$800.0			\$800.0			\$1,100.0			\$1,100.0
Narrative Justification:												
<p>FY02 Additional lighting is needed to provide five foot-candles of light for the North and South Wharf Hardstands at Military Ocean Terminal, Sunny Point (MOTSU) allowing for execution of nighttime operations in support of the War fighting Commander, especially in time of crisis or war. Light poles must be installed at the outer edges of the paved areas to provide clearance for operations (loading/unloading of various vehicles). The 110 foot poles will be installed with mechanical devices to lower/raise luminaries for maintenance and protection during adverse weather situations, such as hurricanes. North Wharf Hardstand and South Wharf Hardstand were purchased at \$260K each. In addition, Sunny Point improved a railroad crossing (\$280K) which is used multiple times daily to insure the safety of terminal traffic and local school buses. Improvements will ensure terminal is protecting the safety of general public and our business users.</p> <p>FY03 The MOTSU is the premier Department of Defense (DoD) ammunition terminal and is considered a vital part of the strategic CONUS power projection platform in support of war fighting Commanders around the world. It is relied upon to maintain a high OPTEMPO consisting of ammunition resupply missions, preposition operations, and Foreign Military Sales (FMS) operations. In FY03, improvements to the Series 200 container storage areas (\$495K) at the terminal are scheduled. Improvements are designed to increase the safety and usability of these ammunition container storage areas. Increased optempo of the MTMC Operations Center at Ft. Eustis, VA resulting from the events of 11 Sep 2001, have increased the requirement for Auxiliary Power Equipment (\$305K) to insure uninterrupted support of operations worldwide.</p> <p>FY04 MOTSU South Wharf requires improved Navigation Aids (\$250K) because of the location of Wharf. MTMC reorganization has placed additional facility requirements on Sunny Point. The 597th Transportation Group HQ has been established at the terminal. Group HQ will be housed in the old Supply Building Number 22 which will require \$450K improvements to be serviceable. Finally, building 12 will require auxiliary power support (\$350K). Ensure continuous operations and support for the terminals important war fighting mission.</p> <p>FY05 MOTSU needs to improve the night drop pads for containers (\$400K). These pads are important to our trucking contractors who service the terminal by insuring them minimal delay in delivery of cargo. Pads will incorporate the latest in ammunition safety features insuring a longer future useful life. Finally, MOTSU needs a boat dock (\$625K) to moor security vessels and fire boats. 11 Sep 01 events have placed additional importance on terminal water security and increased OPTEMPO increases the need for readily available waterborne fire equipment. Dock will service both needs.</p>												

CAPITAL BUDGET EXECUTION
Component: United States Transportation Command
Activity Group: Transportation
Date: February 2003
(\$ in Millions)

FY	Approved Projects	FY03 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
02	Equipment except ADPE & Telecomm	\$7.5	(\$2.2)	\$5.3	\$5.3	\$0.0	
02	Equipment - AMC	\$2.2	(\$2.2)	\$0.0	\$0.0	\$0.0	Reprogrammed to TDC H/W
02	Materiel Handling Equipment - MTMC	\$5.3	\$0.0	\$5.3	\$5.3	\$0.0	
02	ADPE & Telecomm	\$57.7	(\$10.2)	\$47.5	\$47.5	\$0.0	
02	Automated Information Technology (AIT) - AMC	\$3.9	(\$0.1)	\$3.8	\$3.8	\$0.0	Reprogrammed to ACFP S/W
02	Automated Information Tech (AIT) - MTMC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	Autostrad 2000 (A2000)	\$2.8	\$0.0	\$2.8	\$2.8	\$0.0	
02	Command & Control Info Proc Sys (C2IPS)	\$0.8	\$0.0	\$0.8	\$0.8	\$0.0	
02	Consolidated Air Mobility Planning Sys (CAMPS)	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
02	CONUS Freight Management (CFM)	\$0.8	\$0.0	\$0.8	\$0.8	\$0.0	
02	Core Automated Maintenance System (CAMS)	\$1.6	\$0.0	\$1.6	\$1.6	\$0.0	
02	Defend the Computing Environment	\$0.3	(\$0.1)	\$0.2	\$0.2	\$0.0	Reprogrammed to GATES H/W
02	Defend the Network Infrastructure	\$0.7	(\$0.2)	\$0.5	\$0.5	\$0.0	Reprogrammed to GATES H/W
02	Global Air Trans Execution System (GATES)	\$1.8	\$0.3	\$2.1	\$2.1	\$0.0	Reprogrammed from TFMS, Defend Network Infra and Defend Comp Envr
02	Global Decision Support System (GDSS)	\$7.2	(\$2.3)	\$4.9	\$4.9	\$0.0	Reprogrammed to GDSS S/W
02	Global Transportation Network (GTN) 21	\$7.8	(\$6.5)	\$1.3	\$1.3	\$0.0	Decrease due to slip of contract award
02	Infostructure - HQ	\$6.1	(\$2.6)	\$3.5	\$3.5	\$0.0	Reprogrammed to MTMC ITV/MEDSSand GTN S/W
02	Infostructure - MTMC	\$0.0	\$1.1	\$1.1	\$1.1	\$0.0	Reprogrammed from INFOSTRUCTURE - HQ
02	Integrated Command, Control, and Comm (IC3)	\$2.0	\$0.0	\$2.0	\$2.0	\$0.0	
02	Integrated Command Environment (ICE)	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	
02	Intransit Visibility (ITV)	\$2.0	\$0.0	\$2.0	\$2.0	\$0.0	
02	L-Band Satellite Communication (SATCOM)	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
02	Local Area Network (LAN) - HQ	\$2.8	\$0.1	\$2.9	\$2.9	\$0.0	Reprogram from ASN to support Operation Deep Freeze
02	Objective Wing Command Post (OWCP)	\$2.6	(\$1.3)	\$1.3	\$1.3	\$0.0	Reprogrammed to ACFP S/W and .9 Carryover
02	System Integration	\$1.7	\$0.0	\$1.7	\$1.7	\$0.0	
02	Theater Deployable Comm (TDC)	\$5.2	\$1.4	\$6.6	\$6.6	\$0.0	Reprogrammed from Equipment
02	Trans Oper Pers Prop Standard Sys (TOPPS)	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	Wing Local Area Network (LAN) - AMC	\$3.0	\$0.0	\$3.0	\$3.0	\$0.0	
02	Worldwide Port System (WPS)	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
02	Software Development	\$124.6	\$0.4	\$125.0	\$125.0	\$0.0	
02	Advanced Computer Flight Plan (ACFP)	\$2.0	\$0.6	\$2.6	\$2.6	\$0.0	Reprogrammed from OWCP H/W
02	Advance Shipping Notice (ASN)	\$2.6	(\$0.2)	\$2.4	\$2.4	\$0.0	Reprogrammed to LAN to support Operation Deep Freeze
02	Automated Information Technology (AIT) - AMC	\$2.3	\$0.0	\$2.3	\$2.3	\$0.0	
02	Automatic Information Tech (AIT) - MTMC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	Autostrad 2000 (A2000)	\$1.8	\$0.0	\$1.8	\$1.8	\$0.0	
02	Business Decision Support System (BDSS)	\$2.1	(\$0.3)	\$1.8	\$1.8	\$0.0	Reprogrammed to GTN S/W

CAPITAL BUDGET EXECUTION
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FY	Approved Projects	FY03 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
02	Cargo and Billing System (CAB)	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	
02	Commercial Operations Integrated Sys (COINS)	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	Consolidated Air Mobility Planning Sys (CAMPS)	\$3.9	\$0.0	\$3.9	\$3.9	\$0.0	
02	CONUS Freight Management (CFM)	\$6.7	(\$0.1)	\$6.6	\$6.6	\$0.0	Rounding
02	Core Automated Maintenance System (CAMS)	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	Defend the Computing Environment	\$0.7	\$0.2	\$0.9	\$0.9	\$0.0	Reprogrammed from Defend Comp Envr H/W
02	Defend the Network Infrastructure	\$0.4	\$0.0	\$0.4	\$0.4	\$0.0	
02	Customs Border Clearance	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
02	Global Air Trans Execution System (GATES)	\$5.4	\$0.0	\$5.4	\$5.4	\$0.0	
02	Global Command and Control System (GCCS)	\$0.6	\$0.0	\$0.6	\$0.6	\$0.0	
02	Global Decision Support System (GDSS)	\$12.7	\$2.1	\$14.8	\$14.8	\$0.0	Reprogrammed from GDSS H/W
02	Global Transportation Network (GTN)	\$10.5	\$1.0	\$11.5	\$11.5	\$0.0	Reprogrammed from INFOSTRUCTURE
02	Global Transportation Network (GTN) 21	\$17.3	(\$1.3)	\$16.0	\$16.0	\$0.0	Reprogrammed to GTN S/W
02	Infostructure	\$2.4	(\$0.5)	\$1.9	\$1.9	\$0.0	Reprogrammed to GTN S/W
02	Integrated Command, Control, and Comm (IC3)	\$2.1	\$0.0	\$2.1	\$2.1	\$0.0	
02	Integrated Command Environment (ICE)	\$4.1	\$0.0	\$4.1	\$4.1	\$0.0	
02	Intransit Visibility (ITV)	\$9.0	\$1.5	\$10.5	\$10.5	\$0.0	Funds transferred from WPS S/W
02	Joint Mobility Control Group (JMCG)	\$1.2	\$0.0	\$1.2	\$1.2	\$0.0	
02	L-Band Satellite Communication (SATCOM)	\$0.6	(\$0.1)	\$0.5	\$0.5	\$0.0	Rounding
02	Local Area Network (LAN) - HQ	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
02	Logbook	\$0.8	\$0.0	\$0.8	\$0.8	\$0.0	
02	Single Mobility System	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
02	System Integration	\$12.4	\$0.0	\$12.4	\$12.4	\$0.0	
02	Transportation Financial Mgmt Sys (TFMS)-HQ	\$3.4	(\$1.5)	\$1.9	\$1.9	\$0.0	Reprogrammed to TFMS S/W and Carryover Authority
02	Trans Financial Mgmt Sys (TFMS) - MTMC	\$4.0	\$0.0	\$4.0	\$4.0	\$0.0	
02	Trans Oper Pers Prop Standard Sys (TOPPS)	\$2.8	\$0.0	\$2.8	\$2.8	\$0.0	
02	Worldwide Port System (WPS)	\$6.7	(\$1.0)	\$5.7	\$5.7	\$0.0	Reprogrammed to ITV S/W
02	Minor Construction	\$10.4	(\$0.2)	\$10.2	\$10.2	\$0.0	
02	Minor Construction - AMC	\$9.1	\$0.1	\$9.2	\$9.2	\$0.0	Reprogrammed from GDSS H/W
02	Minor Construction - MTMC	\$0.8	\$0.0	\$0.8	\$0.8	\$0.0	
02	Minor Construction - DCS	\$0.5	(\$0.3)	\$0.2	\$0.2	\$0.0	Actual contract was awarded for less than estimated
02	Total FY	\$200.2	(\$12.2)	\$188.0	\$188.0	\$0.0	

CAPITAL BUDGET EXECUTION
Component: United States Transportation Command
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(\$ in Millions)

FY	Approved Projects	FY03 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
03	Equipment except ADPE & Telecomm	\$7.6	\$0.0	\$7.6	\$7.6	\$0.0	
03	Equipment - AMC	\$2.3	\$0.0	\$2.3	\$2.3	\$0.0	
03	Materiel Handling Equipment - MTMC	\$5.3	\$0.0	\$5.3	\$5.3	\$0.0	
03	ADPE & Telecomm	\$52.2	(\$1.2)	\$51.0	\$51.0	\$0.0	
03	Automated Information Tech (AIT) - AMC	\$2.9	(\$1.0)	\$1.9	\$1.9	\$0.0	Decrease in requirements for L-Band Scanners
03	Automated Information Tech (AIT) - MTMC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
03	Autostrad 2000 (A2000)	\$4.4	\$0.5	\$4.9	\$4.9	\$0.0	Transfer from WPS
03	Consolidated Air Mobility Planning Sys (CAMPS)	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
03	CONUS Freight Management (CFM)	\$1.5	(\$1.0)	\$0.5	\$0.5	\$0.0	Transfer to Infostructure
03	Core Automated Maintenance System (CAMS)	\$1.6	\$0.0	\$1.6	\$1.6	\$0.0	
03	Defend the Computing Environment	\$0.4	(\$0.1)	\$0.3	\$0.3	\$0.0	CPRP Adjustment
03	Defend the Network Infrastructure	\$0.9	(\$0.2)	\$0.7	\$0.7	\$0.0	CPRP Adjustment
03	Electronic Records Management Sys (ERMS)	\$0.1	\$0.0	\$0.1	\$0.1	\$0.0	
03	Global Air Trans Execution System (GATES)	\$2.6	\$3.5	\$6.1	\$6.1	\$0.0	Reprogramming Actions to fund alternate site
03	Global Command and Control System (GCCS)	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
03	Global Decision Support System (GDSS)	\$5.9	(\$3.8)	\$2.1	\$2.1	\$0.0	Reprogramming Actions to Software
03	Global Transportation Network (GTN)	\$0.0	\$0.1	\$0.1	\$0.1	\$0.0	Transfer from GTN S/W
03	Global Transportation Network (GTN) 21	\$4.0	\$0.0	\$4.0	\$4.0	\$0.0	
03	Infostructure	\$0.0	\$4.2	\$4.2	\$4.2	\$0.0	Consolidation of H/W for mass buys
03	Integrated Command, Control, and Comm (IC3)	\$0.3	\$0.0	\$0.2	\$0.2	\$0.0	
03	Integrated Command Environment (ICE)	\$0.2	\$0.0	\$0.3	\$0.3	\$0.0	
03	Intransit Visibility (ITV)	\$3.6	(\$1.4)	\$2.2	\$2.2	\$0.0	Transfer to Infostructure
03	Joint Mobility Control Group (JMCG)	\$0.2	(\$0.2)	\$0.0	\$0.0	\$0.0	CPRP Adjustment
03	L-Band Satellite Communication (SATCOM)	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
03	Local Area Network (LAN) - HQ	\$0.6	\$0.0	\$0.6	\$0.6	\$0.0	
03	Objective Wing Command Post (OWCP)	\$1.9	\$0.0	\$1.9	\$1.9	\$0.0	
03	Single Mobility System (SMS)	\$0.3	(\$0.3)	\$0.0	\$0.0	\$0.0	CPRP Adjustment
03	Supporting Infrastructure	\$0.0	\$0.2	\$0.2	\$0.2	\$0.0	Initial H/W
03	System Integration	\$2.3	(\$0.5)	\$1.8	\$1.8	\$0.0	Redistribution for Mobility 2000 (M2K)
03	Theater Deployable Comm (TDC)	\$8.1	\$0.0	\$8.1	\$8.1	\$0.0	
03	Trans Oper Pers Prop Standard Sys (TOPPS)	\$1.0	(\$0.5)	\$0.5	\$0.5	\$0.0	Funding delay for personal property study
03	Wing Local Area Network (LAN)	\$4.8	(\$0.2)	\$4.6	\$4.6	\$0.0	Reprogrammed for higher priorities
03	Worldwide Port System (WPS)	\$2.0	(\$0.5)	\$1.5	\$1.5	\$0.0	Transfer to A2000/AUTOSTRAD
03	Software Development	\$129.6	\$3.1	\$132.7	\$132.7	\$0.0	
03	Advance Shipping Notice (ASN)	\$2.7	(\$1.8)	\$0.9	\$0.9	\$0.0	Retrograde functionality deleted
03	Advanced Computer Flight Plan (ACFP)	\$1.4	\$0.0	\$1.4	\$1.4	\$0.0	

CAPITAL BUDGET EXECUTION
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FY	Approved Projects	FY03 PB Amount	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ Deficiency	Explanation
03	Alft Svc Indust Fund Integ Comp Sys (ASIFICS)	\$0.0	\$1.8	\$1.8	\$1.8	\$0.0	Directed by Mark 17/18
03	Automated Information Tech (AIT) - AMC	\$0.9	\$0.1	\$1.0	\$1.0	\$0.0	Rounding
03	Automated Information Tech (AIT) - MTMC	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
03	Autostrad 2000 (A2000)	\$1.5	\$0.0	\$1.5	\$1.5	\$0.0	
03	Business Decision Support System (BDSS)	\$2.0	(\$0.5)	\$1.5	\$1.5	\$0.0	Transfer to BDSS operating and GATES
03	Cargo and Billing System (CAB)	\$0.5	\$0.3	\$0.8	\$0.8	\$0.0	Directed by PBD 410
03	Cmd, Control, Comm, Computers Sys (C4S)	\$0.0	\$1.2	\$1.2	\$1.2	\$0.0	Transfer from Infostructure
03	Commercial Operations Integrated Sys (COINS)	\$0.3	\$0.0	\$0.3	\$0.3	\$0.0	
03	Consolidated Air Mobility Planning Sys (CAMPS)	\$3.6	\$0.0	\$3.6	\$3.6	\$0.0	
03	CONUS Freight Management (CFM)	\$7.7	\$0.0	\$7.7	\$7.7	\$0.0	
03	Core Automated Maintenance System (CAMS)	\$1.1	\$0.0	\$1.1	\$1.1	\$0.0	
03	Defend the Computing Environment	\$0.5	\$0.2	\$0.7	\$0.7	\$0.0	CPRP Adjustment
03	Defend the Network Infrastructure	\$0.5	\$0.2	\$0.7	\$0.7	\$0.0	CPRP Adjustment
03	Defense Trans Reg (DTR)/Customs Border Clear	\$0.7	\$0.0	\$0.7	\$0.7	\$0.0	
03	Global Air Trans Execution System (GATES)	\$5.4	\$1.8	\$7.2	\$7.2	\$0.0	CPRP approved increase for alternative site
03	Global Command and Control System (GCCS)	\$0.6	\$0.0	\$0.6	\$0.6	\$0.0	
03	Global Decision Support System (GDSS)	\$12.0	\$3.1	\$15.1	\$15.1	\$0.0	Reprogramming Actions from Hardware
03	Global Transportation Network (GTN)	\$6.0	(\$0.8)	\$5.2	\$5.2	\$0.0	Transfer to GATES and GTN H./W
03	Global Transportation Network (GTN) 21	\$35.8	\$0.0	\$35.8	\$35.8	\$0.0	
03	Infostructure	\$2.5	(\$2.5)	\$0.0	\$0.0	\$0.0	Transfer to LAN and C4S
03	Integrated Command, Control, and Comm (IC3)	\$4.2	\$0.0	\$4.2	\$4.2	\$0.0	
03	Integrated Command Environment (ICE)	\$1.7	\$0.0	\$1.7	\$1.7	\$0.0	
03	Intransit Visibility (ITV)	\$9.1	(\$0.2)	\$8.9	\$8.9	\$0.0	Funding returned to decrease requirements
03	Joint Mobility Control Group (JMCG)	\$1.1	\$0.0	\$1.1	\$1.1	\$0.0	
03	L-Band Satellite Communications (SATCOM)	\$0.6	\$0.0	\$0.6	\$0.6	\$0.0	
03	Local Area Network (LAN) - HQ	\$0.2	\$0.9	\$1.1	\$1.1	\$0.0	Transfer from Infostructure
03	Logbook	\$0.7	(\$0.2)	\$0.5	\$0.5	\$0.0	CPRP Adjustment
03	Single Mobility System (SMS)	\$0.6	\$0.4	\$1.0	\$1.0	\$0.0	CPRP Adjustment
03	Supporting Infrastructure	\$0.0	\$0.2	\$0.2	\$0.2	\$0.0	Initial S/W
03	System Integration	\$11.0	(\$0.4)	\$10.6	\$10.6	\$0.0	Redistribution for M2K
03	Transportation Airlift Billing System (TABS)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
03	Trans Financial Management Sys (TFMS) - HQ	\$2.0	(\$0.1)	\$1.9	\$1.9	\$0.0	Transfer to GATES
03	Trans Financial Mgmt Sys (TFMS) - MTMC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
03	Transportation Modeling and Simulation (TMS)	\$3.7	(\$0.1)	\$3.6	\$3.6	\$0.0	CPRP Adjustment
03	Trans Oper Pers Prop Standard Sys (TOPPS)	\$2.5	(\$0.5)	\$2.0	\$2.0	\$0.0	Funding delay for personal property study
03	Worldwide Port System (WPS)	\$5.5	\$0.0	\$5.5	\$5.5	\$0.0	
03	Minor Construction	\$12.3	\$0.0	\$12.3	\$12.3	\$0.0	
03	Minor Construction - AMC	\$11.0	\$0.0	\$11.0	\$11.0	\$0.0	