

UNCLASSIFIED

**Department of Defense
Fiscal Year (FY) 2014 President's Budget Submission**

April 2013



Defense Logistics Agency

Justification Book

Procurement, Defense-Wide

UNCLASSIFIED

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED

UNCLASSIFIED

Defense Logistics Agency • President's Budget Submission FY 2014 • Procurement

Table of Contents

Comptroller Exhibit P-1..... iii

Line Item Table of Contents (by Appropriation then Line Number)..... xi

Line Item Table of Contents (Alphabetically by Line Item Title)..... xiii

Acronyms..... xv

Exhibit P-40's..... 1

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED

UNCLASSIFIED

Defense-Wide
FY 2014 President's Budget
Exhibit P-1 FY 2014 President's Budget
Total Obligational Authority
(Dollars in Thousands)

21 Feb 2013

Appropriation -----	FY 2012 (Base & OCO) -----	FY 2013 Base Request with CR Adj* -----	FY 2013 OCO Request with CR Adj* -----	Emergency Disaster Relief Act of 2013 -----	FY 2013 Total Request with CR Adj* -----
Procurement, Defense-Wide	13,337	9,575			9,575
Total Defense-Wide	13,337	9,575			9,575

P-1C: FY 2014 President's Budget (Published Version), as of February 21, 2013 at 13:50:24

* Reflects the FY 2013 President's Budget with an undistributed adjustment to match the Annualized Continuing Resolution funding level by appropriation.

UNCLASSIFIED

UNCLASSIFIED

Defense-Wide
FY 2014 President's Budget
Exhibit P-1 FY 2014 President's Budget
Total Obligational Authority
(Dollars in Thousands)

21 Feb 2013

Appropriation -----	FY 2014 Base -----
Procurement, Defense-Wide	13,137
Total Defense-Wide	13,137

UNCLASSIFIED

Defense-Wide
FY 2014 President's Budget
Exhibit P-1 FY 2014 President's Budget
Total Obligational Authority
(Dollars in Thousands)

21 Feb 2013

Organization: Procurement, Defense-Wide -----	FY 2012 (Base & OCO) -----	FY 2013 Base Request with CR Adj* -----	FY 2013 OCO Request with CR Adj* -----	Emergency Disaster Relief Act of 2013 -----	FY 2013 Total Request with CR Adj* -----
Defense Logistics Agency, DLA	13,337	9,575			9,575
Total	13,337	9,575			9,575

P-1C: FY 2014 President's Budget (Published Version), as of February 21, 2013 at 13:50:24

* Reflects the FY 2013 President's Budget with an undistributed adjustment to match the Annualized Continuing Resolution funding level by appropriation.

UNCLASSIFIED

UNCLASSIFIED

Defense-Wide
 FY 2014 President's Budget
 Exhibit P-1 FY 2014 President's Budget
 Total Obligational Authority
 (Dollars in Thousands)

21 Feb 2013

Organization: Procurement, Defense-Wide	FY 2014
-----	Base
-----	-----
Defense Logistics Agency, DLA	13,137
Total	13,137

UNCLASSIFIED

Defense-Wide
 FY 2014 President's Budget
 Exhibit P-1 FY 2014 President's Budget
 Total Obligational Authority
 (Dollars in Thousands)

21 Feb 2013

Appropriation: Procurement, Defense-Wide

Budget Activity -----	FY 2012 (Base & OCO) -----	FY 2013 Base Request with CR Adj* -----	FY 2013 OCO Request with CR Adj* -----	Emergency Disaster Relief Act of 2013 -----	FY 2013 Total Request with CR Adj* -----
01. Major Equipment	13,337	9,575			9,575
Total Procurement, Defense-Wide	13,337	9,575			9,575

P-1C: FY 2014 President's Budget (Published Version), as of February 21, 2013 at 13:50:24

* Reflects the FY 2013 President's Budget with an undistributed adjustment to match the Annualized Continuing Resolution funding level by appropriation.

UNCLASSIFIED

UNCLASSIFIED

Defense-Wide
 FY 2014 President's Budget
 Exhibit P-1 FY 2014 President's Budget
 Total Obligational Authority
 (Dollars in Thousands)

21 Feb 2013

Appropriation: Procurement, Defense-Wide

Budget Activity -----	FY 2014 Base -----
01. Major Equipment	13,137
Total Procurement, Defense-Wide	13,137

UNCLASSIFIED

Defense-Wide
 FY 2014 President's Budget
 Exhibit P-1 FY 2014 President's Budget
 Total Obligational Authority
 (Dollars in Thousands)

21 Feb 2013

Appropriation: 0300D Procurement, Defense-Wide

Line No	Item Nomenclature	Ident Code	FY 2012 (Base & OCO) Quantity Cost	FY 2013 Base Request with CR Adj* Quantity Cost	FY 2013 OCO Request with CR Adj* Quantity Cost	Emergency Disaster Relief Act of 2013 Quantity Cost	FY 2013 Total Request with CR Adj* Quantity Cost	S e c
Budget Activity 01: Major Equipment								

Major Equipment, DLA								
17	Major Equipment	A	13,337	9,575			9,575	U
Total Major Equipment			13,337	9,575			9,575	
Total Procurement, Defense-Wide			13,337	9,575			9,575	

P-1C: FY 2014 President's Budget (Published Version), as of February 21, 2013 at 13:50:24

* Reflects the FY 2013 President's Budget with an undistributed adjustment to match the Annualized Continuing Resolution funding level by appropriation.

UNCLASSIFIED

UNCLASSIFIED

Defense-Wide
FY 2014 President's Budget
Exhibit P-1 FY 2014 President's Budget
Total Obligational Authority
(Dollars in Thousands)

21 Feb 2013

Appropriation: 0300D Procurement, Defense-Wide

Line		Ident	FY 2014	S
No	Item Nomenclature	Code	Base	e
----	-----	-----	Quantity	Cost
			-----	-----
Budget Activity 01: Major Equipment				

Major Equipment, DLA				
17	Major Equipment	A	13,137	U

Total Major Equipment			13,137	

Total Procurement, Defense-Wide			13,137	

UNCLASSIFIED

Defense Logistics Agency • President's Budget Submission FY 2014 • Procurement

Line Item Table of Contents (by Appropriation then Line Number)

Appropriation 0300D: Procurement, Defense-Wide

Line #	BA	BSA	Line Item Number	Line Item Title	Page
17	01	07	17	Major Equipment DLA.....	1

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED

UNCLASSIFIED

Defense Logistics Agency • President's Budget Submission FY 2014 • Procurement

Line Item Table of Contents (Alphabetically by Line Item Title)

Line Item Title	Line Item Number	Line #	BA	BSA	Page
Major Equipment DLA	17	17	01	07.....	1

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED

ACRONYM LISTING

DLA – Defense Logistics Agency
PCMV – Passenger Carrying Motor Vehicles
GSA – General Services Administration
COTS - Commercial Off the shelf
IT - Information Technology
VIPS – Virtual Interactive Processing System
DOD – Department of Defense
USMEPCOM – US Military Entrance Processing Command

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED

UNCLASSIFIED

Exhibit P-40, Budget Item Justification Sheet: PB 2014 Defense Logistics Agency **Date:** April 2013

Appropriation / Budget Activity / Budget Sub Activity:
0300D: Procurement, Defense-Wide / BA 01: Major Equipment / BSA 7: Major Equipment, DLA

P-1 Line Item Nomenclature:
17 - Major Equipment DLA

ID Code (A=Service Ready, B=Not Service Ready) : A **Program Elements for Code B Items:** **Other Related Program Elements:**

MDAP/MAIS Code(s):

Resource Summary	Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	To Complete	Total
Procurement Quantity (<i>Units in Each</i>)	33	34	33	30	-	30	29	29	29	29	Continuing	Continuing
Gross/Weapon System Cost (<i>\$ in Millions</i>)	4.819	13.337	9.575	13.137	-	13.137	11.949	11.438	7.452	6.972	Continuing	Continuing
Less PY Advance Procurement (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Net Procurement (P1) (<i>\$ in Millions</i>)	4.819	13.337	9.575	13.137	-	13.137	11.949	11.438	7.452	6.972	Continuing	Continuing
Plus CY Advance Procurement (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Total Obligation Authority (<i>\$ in Millions</i>)	4.819	13.337	9.575	13.137	-	13.137	11.949	11.438	7.452	6.972	Continuing	Continuing
<i>(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)</i>												
Initial Spares (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Flyaway Unit Cost (<i>Units in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Gross/Weapon System Unit Cost (<i>Units in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-

[#] FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012

^{##} The FY 2014 OCO Request will be submitted at a later date

Description:

Passenger Carrying Motor Vehicles (PCMV) replacement is required to support DLA's overseas logistics operations. DLA maintains field offices in Europe, the Middle East, and the Far East. While our policy is to lease General Services Administration (GSA) vehicles where they are available, GSA lease support is still limited or nonexistent at most locations. Replacement of Agency-owned and commercially leased PCMV's with owned PCMV's is required in cases when it is less expensive to own rather than commercially lease, and PCMV ownership is usually significantly less expensive than commercial leasing at overseas locations. PCMV replacement requirements continue to be driven by age compared to life expectancy, utilization factors, and condition.

OSD COOP Office - this program is reported in accordance with Title 10, United States Code, Section 119(a)(1) in the Special Access Program Annual Report to Congress.

Warstoppers is a one-time requirement as a result of the Omnibus 2012. \$1.8 million was reprogrammed from Operation and Maintenance, Defense-Wide, 12/12, to purchase equipment for the DLA Warstoppers Program. This program funds industrial preparedness measures for specific supply items and support critical industrial capability to support war readiness and sustainment requirements. Review of contract proposals revealed that the Operation and Maintenance threshold of \$250 thousand was exceeded.

USTRANSCOM procurement funds will be used to purchase software licenses for commercial-off-the-shelf (COTS) tool suites in support of transportation planning and execution activities for theater operations, i.e., Business Process Management Suite, Transportation Modeler and Transportation Management System. These funds will also be used to purchase hardware to support IT operations in a net-centric, cloud computing environment.

Virtual Interactive Processing System (VIPS), DOD Enterprise Systems Development & Demonstration, will modernize Department of Defense (DOD) military entrance processing. Compared to the current system, VIPS will be more responsive, more flexible, and faster at bringing capable and qualified people to meet Force Manning needs for routine and contingency operations. The US Military Entrance Processing Command (USMEPCOM) serves as a single entry point for determining the physical, aptitude, and past behavior qualifications of candidates for enlistment. VIPS enables pre-qualification of candidates without their traveling to Military Entrance Processing Stations.

UNCLASSIFIED

Exhibit P-40, Budget Item Justification Sheet: PB 2014 Defense Logistics Agency															Date: April 2013				
Appropriation / Budget Activity / Budget Sub Activity: 0300D: Procurement, Defense-Wide / BA 01: Major Equipment / BSA 7: Major Equipment, DLA										P-1 Line Item Nomenclature: 17 - Major Equipment DLA									
ID Code (A=Service Ready, B=Not Service Ready) : A					Program Elements for Code B Items:					Other Related Program Elements:									
MDAP/MAIS Code(s):																			

Item Schedule		ID CD	Prior Years			FY 2012			FY 2013			FY 2014 Base			FY 2014 OCO			FY 2014 Total		
Item Nomenclature*	Exhibits		Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)
1 - PCMV	P40A, P5A	A	0.030	15	0.452	0.031	15	0.460	0.031	15	0.470	0.031	11	0.343	-	-	-	0.031	11	0.343
2 - COOP Office	P40A, P5A	A	0.243	18	4.367	0.568	16	9.083	0.285	13	3.705	0.829	13	10.778	-	-	-	0.829	13	10.778
3 - USTRANSCOM (AT 21)	P40A, P5A	A	0.000	0	0.000	1.994	1	1.994	2.524	1	2.524	2.016	1	2.016	-	-	-	2.016	1	2.016
4 - Virtual Interactive Processing System (VIPS)	P40A	A	0.000	0	0.000	-	-	-	2.876	1	2.876	-	-	-	-	-	-	-	-	-
5 - Warstoppers Equipment	P40A, P5A	A	0.000	0	0.000	1.800	1	1.800	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross/Weapon System Cost					4.819			13.337			9.575			13.137			-			13.137

Item Schedule		ID CD	FY 2015			FY 2016			FY 2017			FY 2018			To Complete			Total		
Item Nomenclature*	Exhibits		Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)
1 - PCMV	P40A, P5A	A	0.032	15	0.477	0.031	15	0.468	0.029	15	0.442	0.030	15	0.455	Continuing			Continuing		
2 - COOP Office	P40A, P5A	A	0.669	13	8.703	0.634	13	8.246	0.341	13	4.432	0.298	13	3.870	Continuing			Continuing		
3 - USTRANSCOM (AT 21)	P40A, P5A	A	2.769	1	2.769	2.724	1	2.724	2.578	1	2.578	2.647	1	2.647	Continuing			Continuing		
4 - Virtual Interactive Processing System (VIPS)	P40A	A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.876	1	2.876
5 - Warstoppers Equipment	P40A, P5A	A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.800	1	1.800
Total Gross/Weapon System Cost					11.949			11.438			7.452			6.972	Continuing			Continuing		

*Item Nomenclature represents Item Number, DODIC, and Item Name for the P40A and P5; Name for the P18 and P23; Modification Number and Modification Title for the P3A; Item Number and Item Name for the P10.

Note: Totals in this Exhibit P-40 set may not be exact or add due to rounding.

Justification:

UNCLASSIFIED

Exhibit P-40A, Budget Item Justification For Aggregated Items: PB 2014 Defense Logistics Agency															Date: April 2013					
Appropriation / Budget Activity / Budget Sub Activity: 0300D: Procurement, Defense-Wide / BA 01: Major Equipment / BSA 7: Major Equipment, DLA							P-1 Line Item Nomenclature: 17 - Major Equipment DLA							Aggregated Item Name: 5 Items each under \$5M (PCMV, COOP, VIPS, AT 21, Warstoppers)						
Items († indicates the presence of a P-5A)	ID CD	MDAP/MAIS Code	All Prior Years			FY 2012			FY 2013			FY 2014 Base			FY 2014 OCO			FY 2014 Total		
			Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)
5 items under \$5M																				
† 1 - PCMV ⁽¹⁾	A		0.030	15	0.452	0.031	15	0.460	0.031	15	0.470	0.031	11	0.343	-	-	-	0.031	11	0.343
† 2 - COOP Office ⁽²⁾	A		0.243	18	4.367	0.568	16	9.083	0.285	13	3.705	0.829	13	10.778	-	-	-	0.829	13	10.778
† 3 - USTRANSCOM (AT 21) ⁽³⁾	A		0.000	0	0.000	1.994	1	1.994	2.524	1	2.524	2.016	1	2.016	-	-	-	2.016	1	2.016
4 - Virtual Interactive Processing System (VIPS) ⁽⁴⁾	A		0.000	0	0.000	-	-	-	2.876	1	2.876	-	-	-	-	-	-	-	-	-
† 5 - Warstoppers Equipment	A		0.000	0	0.000	1.800	1	1.800	-	-	-	-	-	-	-	-	-	-	-	-
Total					4.819			13.337			9.575			13.137			-			13.137

UNCLASSIFIED

Exhibit P-40A, Budget Item Justification For Aggregated Items: PB 2014 Defense Logistics Agency															Date: April 2013				
Appropriation / Budget Activity / Budget Sub Activity: 0300D: Procurement, Defense-Wide / BA 01: Major Equipment / BSA 7: Major Equipment, DLA								P-1 Line Item Nomenclature: 17 - Major Equipment DLA							Aggregated Item Name: 5 Items each under \$5M (PCMV, COOP, VIPS, AT 21, Warstoppers)				

Items († indicates the presence of a P-5A)	ID CD	MDAP/ MAIS Code	FY 2015			FY 2016			FY 2017			FY 2018			To Complete			Total Cost		
			Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ M)	Qty (Each)	Total Cost (\$ M)
5 items under \$5M																				
† 1 - PCMV ⁽¹⁾	A		0.032	15	0.477	0.031	15	0.468	0.029	15	0.442	0.030	15	0.455	Continuing			Continuing		
† 2 - COOP Office ⁽²⁾	A		0.669	13	8.703	0.634	13	8.246	0.341	13	4.432	0.298	13	3.870	Continuing			Continuing		
† 3 - USTRANSCOM (AT 21) ⁽³⁾	A		2.769	1	2.769	2.724	1	2.724	2.578	1	2.578	2.647	1	2.647	Continuing			Continuing		
4 - Virtual Interactive Processing System (VIPS) ⁽⁴⁾	A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.876	1	2.876	
† 5 - Warstoppers Equipment	A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.800	1	1.800	
Total			11.949			11.438			7.452			6.972			Continuing			Continuing		

Footnotes:

- (1) The procurement funds are for the purchase of replacement Passenger Carrying Motor Vehicles (PCMV) required to support DLA's overseas logistics operations.
- (2) This program is reported in accordance with Title 10, United States Code, Section 119(a)(1) in the Special Access Program Annual Report To Congress.
- (3) The procurement funds will be used to purchase software licenses for commercial-off-the-shelf (COTS) tool suites in support of transportation planning and execution activities for theater operations. These funds will also be used to purchase hardware to support IT operations in a net-centric, cloud computing environment.
- (4) The procurement funds are for the installation, licenses, and database conversion for VIPS. VIPS will modernize the Department of Defense (DoD) military entrance processing.

UNCLASSIFIED

Exhibit P-5A, Budget Procurement History and Planning: PB 2014 Defense Logistics Agency									Date: April 2013			
Appropriation / Budget Activity / Budget Sub Activity: 0300D: Procurement, Defense-Wide / BA 01: Major Equipment / BSA 7: Major Equipment, DLA				P-1 Line Item Nomenclature: 17 - Major Equipment DLA					Aggregated Item Name: 5 Items each under \$5M (PCMV, COOP, VIPS, AT 21, Warstoppers)			
Items	O C O	FY	Contractor and Location	Method/Type, or Funding Vehicle	Location of PCO	Award Date	Date of First Delivery	Qty (Each)	Unit Cost (\$ M)	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
5 items under \$5M												
PCMV		2013	Various / Various	MIPR	unknown	Jun 2013	Aug 2013	15	0.031	Y		
COOP Office		2013	Unknown / Unknown	MIPR	unknown	Apr 2013	Jul 2013	13	0.568	N		
USTRANSCOM (AT 21)		2014	Unknown / Unknown	TBD	Various	Mar 2014	Sep 2014	1	2.016	N		
Warstoppers Equipment		2012	Unknown / Unkown	TBD	Unknown	Apr 2013	Jun 2013	1	1.800	Y	Apr 2013	Apr 2013

Footnotes:

UNCLASSIFIED

THIS PAGE INTENTIONALLY LEFT BLANK

UNCLASSIFIED