

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



U.S. AIR FORCE

*Fiscal Year (FY) 2025
Budget Estimates
January 2024*

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**AIR FORCE WORKING CAPITAL FUND
FISCAL YEAR (FY) 2025
BUDGET ESTIMATES
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AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

SUMMARY

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**Air Force Working Capital Fund
Budget Overview
Fiscal Year (FY) 2025 President's Budget (PB)**

Increasing lethality and improving readiness to prepare for the high-end fight is a primary objective of the Air Force's FY 2025 President's Budget (PB). The Air Force Working Capital Fund (AFWCF) contributes to Air Force readiness through the depots' skills to sustain the AF's organically maintained weapon systems and logically manage the supply chain's critical assets. As a world-class organization, the AFWCF responds rapidly to customer needs on par with private sector defense firms with tremendous flexibility to meet surge requirements.

AFWCF Blue is the portion of the working capital fund the AF manages (see below in Activity Group Overview for additional details), therefore does not include Transportation Working Capital Fund (TWCF). AFWCF Blue Cash ended FY 2023 at \$1,088.6 million and FY 2024 and FY 2025 are expected to build cash and remain within the upper and lower cash limits, ending FY 2025 with \$1,730.8 million.

Activity Group Overview

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

Air Force Core Strategic Capabilities

In support of Air Force core functions, the AFWCF activities provide maintenance services, weapon system parts, base and medical supplies, and transportation services. The working capital funds are integral to the readiness and sustainability of our air, space, and cyber assets and our ability to deploy forces worldwide and across any theater to support overseas operations and National Defense Strategy interests. Maintenance depots provide equipment, skills, and repair services that keep forces operating worldwide. Supply Management activities procure and manage inventories of consumable and repairable spare parts that support all the force structure mission-ready. USTRANSCOM is the single DoD manager for the Defense Transportation System (DTS) in peace and war. Working capital fund activities, directly and indirectly, provide warfighters the critical services needed to meet global mission capability requirements.

Consolidated Sustainment Activity Group

The Consolidated Sustainment Activity Group (CSAG) mission is supply management of repairable and consumable items and maintenance services. CSAG is managed under a Chief Executive Officer structure. The Air Force Material Command (AFMC) Commander (AFMC/CC) is the Chief Executive Officer (CEO). The AFMC Director of Logistics (HQ AFMC/A4) serves as the Chief Operating Officer (COO), and the AFMC Director of Financial Management (HQ AFMC/FM) is the Chief Financial Officer (CFO). The Air Force Sustainment Center (AFSC), one of the six centers within AFMC, directs both CSAG divisions' day-to-day operations. The activity operates with two divisions: Maintenance and Supply.

Maintenance Division

The CSAG-M repairs weapon systems and spare parts to ensure readiness in peacetime and to provide sustainment for overseas operations. The division enhances readiness by efficiently and economically repairing, overhauling, and modifying aircraft, engines, missiles, components and software to meet customer demands. The CSAG-M depots have unique skills and equipment required to support and overhaul both new, complex components and aging weapon systems. During contingencies, the depots can surge repair operations and realign capacity to support the war fighter's immediate needs.

CSAG-M remains a fundamental element of both readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M repair and overhaul capabilities are accomplished by one of the six centers within the Air Force Materiel Command (AFMC), the Air Force Sustainment Center (AFSC) and its Air Logistics Complex (ALC) depots. The division operates on funds received from its customers through sales of its services.

Supply Division

The CSAG Supply Division is responsible primarily for Air Force-managed, depot-level repairable spares and consumable spares unique to the Air Force. Repairable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically. In addition to management of these inventories, the CSAG Supply Division provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation.

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

Supply Management Activity Group–Retail

The Supply Management Activity Group-Retail (SMAG-R) manages approximately 2.0 million inventory items, including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. The Air Force SMAG-R is a critical component in combat readiness by procuring materiel and makes spares available to authorized retail customers. The activity operates with three divisions: General Support, Medical Dental, and the Air Force Academy. The Medical Dental Division inventory includes a War Reserve Materiel (WRM) Stockpile. WRM provides initial warfighting capability until re-supply lines sustain wartime demands for medical and dental supplies and equipment.

The SMAG-R provides a wide range of logistics support services, including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation. Inventories are an integral part of SMAG-R and are maintained by each of the divisions supporting customer requirements. The SMAG-R objective is to replenish stocks and provide supplies to customers on time within customer funding constraints while maintaining fund solvency.

Transportation Working Capital Funds

USTRANSCOM's mission includes providing air, land, and sea transportation for the DoD with a primary focus on wartime readiness. USTRANSCOM's \$9.6 billion budget provides synchronized transportation and sustainment, making it possible to project and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust and accuracy. The assigned Unified Command Plan tasks are executed through three component commands (U.S. Army's Military Surface Deployment and Distribution Command (SDDC), U.S. Navy's Military Sealift Command (MSC), and U.S. Air Force's Air Mobility Command (AMC)) and one major subordinate command (Joint Enabling Capabilities Command (JECC)). This joint team of transportation components provides mobility forces and assets for a seamless transition from peace to war. USTRANSCOM is always ready to meet the strategic mobility needs of the nation. A brief description of the role of each Transportation Component Command follows:

AMC is the single manager for air mobility by providing airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking.

MSC supports the nation by providing marine transportation to satisfy DoD sealift requirements, which includes delivering supplies and conducting specialized missions across the world's oceans.

SDDC provides global surface deployment and distribution services to meet the nation's objectives.

USTRANSCOM's Component Commands provide the critical link to the Services' core competencies in organizing, training, and equipping forces. They provide lines of communication to the Services, ensuring assets are available when needed for the transition from peace to war. The surge from peacetime sustainment to a massive deployment of people and material in support of Overseas Operations is an example of USTRANSCOM's ability to execute the mission. USTRANSCOM's successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning - all requiring the team efforts of the Commander's Staff and the components. Together with its components and national partners, USTRANSCOM is building a truly seamless, end-to-end defense transportation enterprise.

Air Force Initiatives

AFSC continues to evaluate supply chain and maintenance processes to improve weapon system and equipment availability and to deliver customer support with increased velocity. Sustained emphasis is on cost control in order to provide the best value to the customer.

AFSC is pursuing alternative manufacturing technologies, additive manufacturing, establishing a reverse engineering and manufacturing framework to rapidly solve availability issues derived from DMSMS, supply chain risk, and obsolescence challenges. They are modernizing spares requirements planning to optimize inventory, and a multitude of other initiatives aimed at streamlining the supply chain process.

AFSC's Maintenance efforts are contributing to Air Force readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M seeks to provide continuous core Air Force depot capability to retain in-house sources of technical competence; to continue to refine methods which enable the more efficient use of resources such as partnering with private industry, employing government owned/contractor operated facilities and augmenting in-house operations; and to find innovative ways to decrease flow days for systems and components, increase parts availability to the repair line, and control material costs through process reviews and adoption of commercial practices and engineering standards.

Direct Appropriations

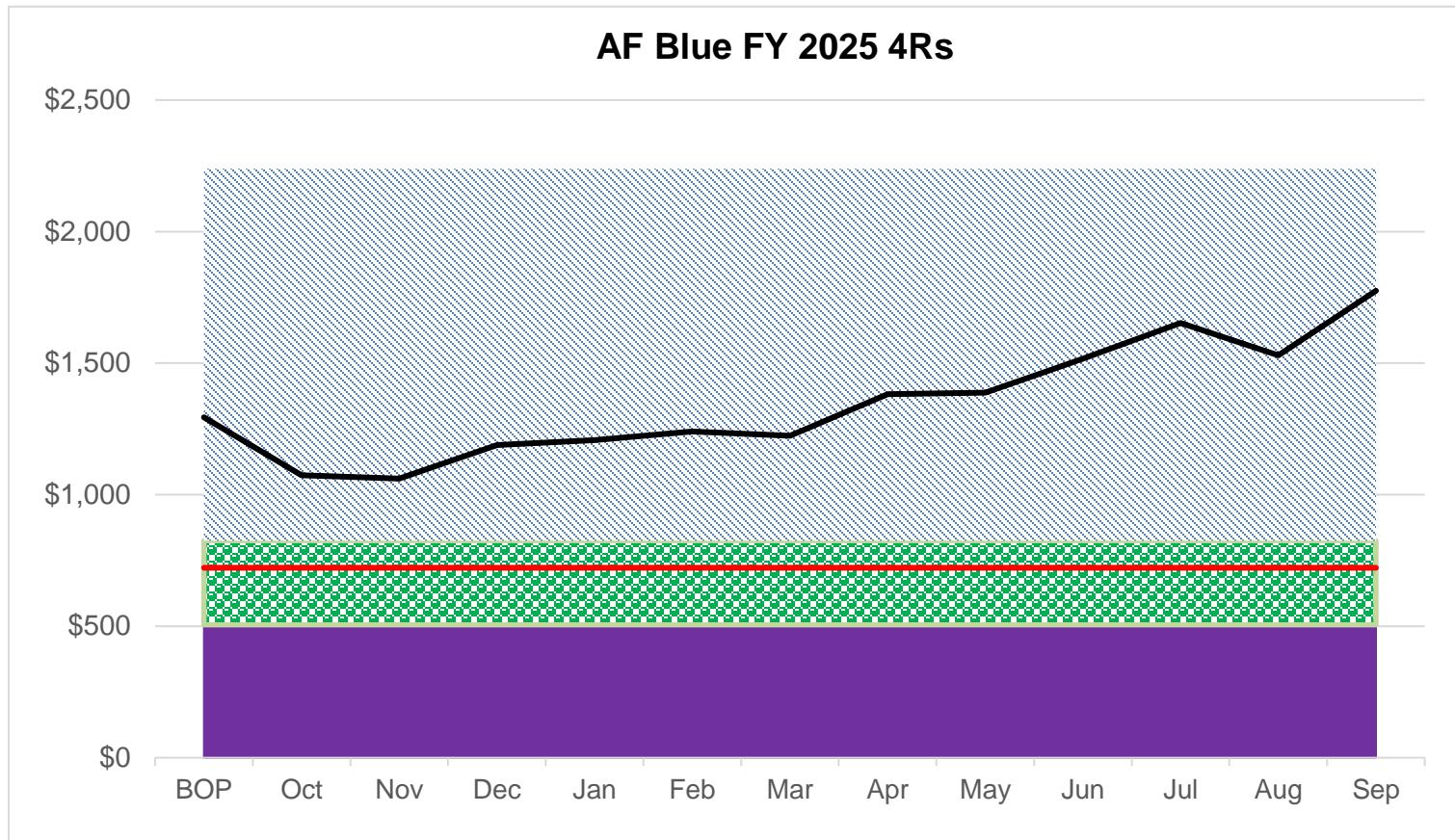
In FY 2023, AFWCF received \$80.4 million in direct appropriation for Medical Dental WRM requirements. In FY 2024 Air Force requested \$83.6 million and in FY 2025 Air Force requests a total of \$86.9 million in direct appropriations supporting Medical Dental WRM requirements.

AFWCF Financial Summary

(Dollars in Millions)	FY 2023	FY 2024	FY 2025
Total Revenue	28,239.2	29,176.6	30,704.1
Cost of Goods Sold	27,950.4	29,494.7	30,083.2
Net Operating Result Adjustments	5.0	(46.6)	2.0
Net Operating Result (NOR)	293.8	(364.7)	622.9
Accumulated Operating Result (AOR)	546.0	73.1	547.8
Civilian End Strength	33,848	34,735	35,110
Military End Strength	12,472	12,705	12,846
Civilian Workyears	32,839	32,973	33,579
Military Workyears	12,388	12,885	13,037
Capital Budget	281.2	312.6	359.5
Direct Appropriation ¹	80.4	80.4	86.9

¹ A full-year FY 2024 appropriation for this account was not enacted at the time the budget was prepared, therefore, the budget assumes the account is operating under the Further Continuing Appropriations and Other Extensions, 2024 (Public Law 118-22). The amounts included for FY 2024 reflect the annualized level provided by the continuing resolution.

Cash Management



The 4Rs

The methodology for calculating cash requirements consists of four elements: rate, range of operations, risk mitigation, and reserves (all of which are colloquially known the 4Rs in the AFWCF).

4Rs Graph Key	
FY 2025 PB Plan	
Rate (Avg Disbursements)	
Range of Operations	
Risk Mitigation	
Reserves	

The **Rate of Disbursements** for the AFWCF Blue FY 2025 PB was determined by dividing the total disbursements by the number of expected collection cycles for each division. The AF Blue collection cycles is a weighted average of all divisions rounded to nearest whole number. The weighting is based on the total disbursements.

The **Range of Operations** is the difference between the lowest and highest planned monthly cash estimate plus one-half of the rate of disbursement at the sub-activity group level. The AF Blue range is the sum of the sub-activity groups range. In FY 2025, the projected rate of disbursement is \$733.2 million, and the lower range is \$825.1 million. The upper range is \$2,239.3 million. The difference between the two ranges results in \$1,414.2 million as the basic operating range.

AFWCF Blue **Risk** mitigation addresses cash variability associated with unknown external variables and both day-to-day and seasonal volatility inherent to AFWCF operations. Historically customer demand is depressed during the first five months of the Fiscal Year, negatively impacting cash balances. This demand is further exacerbated by external stressors such as continuing resolution authority. This cyclical phenomenon occurs annually during the beginning of the fiscal year and poses risk of insolvency if limits are set too conservatively. During the last four to five months of the fiscal year customer demand and revenues typically increase to their highest levels. Risk mitigation is critical to AFWCF operations because it buffers low cash during the first five months of the next fiscal year. To mitigate seasonal volatility, we calculated the standard deviation from the mean for four years of historical disbursements data (FY 2020 – FY 2023). One standard deviation for this data is \$106.6 million. In a normal distribution 68 percent of all data values lie within one deviation. The standard deviation value used for FY 2025 is based on three standard deviations and encompasses 99 percent of all data values minimizing the execution year risk. The reason three standard deviations were used for FY2025 is to ensure the cash lower limit is sufficient to pay average amount disbursed per collection cycle. This will result in a corresponding decrease in cash. Therefore, three standard deviations or \$319.8 million is factored in for operational volatility to mitigate risk of insolvency to the fund.

Cash **Reserves** are held for cash balances that will be paid out in future cycles and late in the current cycle. The first category is Accumulated Operating Results (AOR) returned/recovered to or from customers through annual rates. The second reserve supports unliquidated obligations of the MDD's direct appropriation for WRM. No AOR return is held. The AOR retention for FY 2025 is \$454.1 million, and is comprised primarily of GSD, CSAG-S and CSAG-M. The unliquidated appropriation amount for MDD WRM program is \$51.1 million.

AFWCF Blue Cash Plan

(\$ Millions)	FY 2023	FY 2024	FY 2025
BOP Cash Balance	\$1,332.1	\$1,088.6	\$1,249.7
Disbursements ¹	\$18,750.9	\$20,283.7	\$20,529.7
Collections ¹	\$18,427.1	\$20,361.2	\$20,923.9
Transfers In/Out	\$0.0	\$0.0	\$0.0
WRM	\$80.4	\$83.6	\$86.9
EOP Cash Balance	\$1,088.6	\$1,249.7	\$1,730.8
Lower Limit Cash Goal	\$997.5	\$825.8	\$825.1
Upper Limit Cash Goal	\$2,614.2	\$1,720.0	\$2,239.3

¹ Includes WRM, does not include Transfers In/Out

FY 2023, AFWCF Blue cash ends the year with \$243.5 million less than the BOP but falls within limits for this period and will support the Treasury Department's daily cash reporting initiative and division level analysis. CSAG-M reduced cash during the year, partially offset by SMAG-R increases in cash.

FY 2024, AFWCF Blue cash plan increases by \$161.1 million by EOP and will be within the operating limits throughout the fiscal year and will support the Treasury Department's daily cash reporting initiative and division level analysis. CSAG-M has a planned increase to cash during the year, partially offset by CSAG-S and SMAG-R reduction in cash as rates return funds to customers.

FY 2025, AFWCF Blue cash plan increases by \$481.1 million during the year and will be within the operating limits throughout the year and will support the Treasury Department's daily cash reporting initiative and division level analysis. SMAG-R continue to return profits, countered by CSAG-M's plan to increase cash. Limits support the wide range of divisional level programs.

TWCF Cash Plan

(\$ Millions)	FY 2023	FY 2024	FY 2025
BOP Cash Balance	\$346.0	\$692.0	\$197.0
Disbursements	\$9,637.0	\$9,037.0	\$9,521.0
Collections	\$9,982.0	\$8,543.0	\$9,534.0
Net Outlays	(\$346.0)	\$494.0	(\$13.0)
EOP Cash Balance	\$692.0	\$197.0	\$210.0
Lower Limit Cash Goal	\$1,046.0	\$1,041.0	\$1,074.0
Upper Limit Cash Goal	\$1,786.0	\$1,736.0	\$1,806.0

FY 2023 USTRANSCOM CASH: FY 2023 cash increased from \$346.0 million to \$692.0 million due to increased collection rate. The cash position includes collection of FY23 ARA \$1,449 million requirement. Ending cash balance is below the lower boundaries by \$354.0 million.

FY 2024 USTRANSCOM CASH: The FY 2024 cash is projected to decrease from \$692.0 million to \$197.0 million. USTRANSCOM cash balance is \$844.0 million below the cash lower boundary. USTRANSCOM continues to work with OSD(C) to solidify long term TWCF solvency and stabilize rates to mitigate impacts on Services.

FY 2025 USTRANSCOM CASH: The FY 2025 cash is projected to increase from \$197.0 million to \$210.0 million. USTRANSCOM cash balance is \$864.0 million below the cash lower boundary. USTRANSCOM continues to work with OSD(C) to solidify long term TWCF solvency and stabilize rates to mitigate impacts on Services.

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AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

OPERATING BUDGET

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**AIR FORCE
WORKING CAPITAL FUND**



U.S. AIR FORCE

**CONSOLIDATED SUSTAINMENT
ACTIVITY GROUP**

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**Consolidated Sustainment Activity Group
Budget Overview
Fiscal Year (FY) 2025 President's Budget (PB)**

The mission of the Consolidated Sustainment Activity Group (CSAG) is supply management of repairable and consumable items, and maintenance services. Repairable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically. CSAG Maintenance Division (CSAG-M) and Supply Division (CSAG-S) services are executed under the Air Force Sustainment Center (AFSC) within the Air Force Materiel Command (AFMC) structure described in the Air Force Working Capital Fund (AFWCF) Overview. With supply chain management and depot maintenance functions in one center, AFSC analyzes and develops sustainment-wide procedures, processes, and metrics with the ultimate goal of increasing availability, capability, and affordability. This construct supports one of the Air Force's distinctive capabilities, Agile Combat Support, providing greater ability to posture for additional workload. It also preserves the viability of depot maintenance and the supply chain capabilities.

Maintenance Division

The CSAG-M repairs weapon systems and spare parts to ensure readiness in peacetime and to provide sustainment for overseas operations. The division enhances readiness by efficiently and economically repairing, overhauling, and modifying aircraft, engines, missiles, components, and software to meet customer demands. The CSAG-M depots have unique skills and equipment required to support and overhaul both new, complex components and aging weapon systems. During contingencies, the depots can surge repair operations and realign capacity to support the war fighter's immediate needs.

CSAG-M remains a fundamental element of both readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M repair and overhaul capabilities are accomplished by one of the six centers within the AFMC, AFSC and its Air Logistics Complex (ALC) depots. The division operates on funds received from its customers through sales of its services.

Organic maintenance sites include:

Ogden Air Logistics Complex (OO-ALC), Ogden, Utah
Oklahoma City Air Logistics Complex (OC-ALC), Oklahoma City, Oklahoma
Warner Robins Air Logistics Complex (WR-ALC), Warner Robins, Georgia

Supply Division

CSAG-S is responsible primarily for Air Force-managed, depot-level repairable spares and consumable spares unique to the Air Force. Repairable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically. In addition to management of these inventories, CSAG-S provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation.

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

CSAG Customer Base

Maintenance and Supply customers include Air Force Major Commands, Air National Guard, Air Force Reserve Command, the Army, the Navy, other WCF activities (i.e., Transportation Working Capital Fund), other government agencies, public-private partnerships, and foreign countries. The CSAG divisions also are customers of each other; Maintenance Division repairs parts for Supply Division while the Supply Division provides parts that the Maintenance Division uses in depot maintenance services. Continued focus on readiness drives customer orders to both CSAG-M and CSAG-S.

CSAG Initiatives

Individual processes are being modernized within CSAG. AFSC continues to evaluate supply chain and maintenance processes to improve weapon system and equipment availability and to deliver customer support with increased velocity. Continual emphasis is on cost control in order to provide the best value to the customer.

AFSC strives to precisely define material requirements with respect to aging aircraft. Numerous problems exist with aging aircraft, such as first-time failures, loss of suppliers, Diminishing Manufacturing Source and Material Shortages (DMSMS), etc. To combat the aforementioned DMSMS issues and other supply chain challenges, the Air Force is fostering senior leader engagement through multiple forums:

- Expanding collaborative forecasting efforts through enhanced deep dive efforts
- Expanding market research and source development capabilities,
- Continually engaging with Defense Logistics Agency (DLA) and Air Force Contracting to streamline the purchase instrument process,
- Participating in DMSMS working groups charged with identifying critical obsolescence issues.
- Placing greater focus on current and proposed future technology trends
- Continuous monitoring for obsolescence/end of life alerts and strategically placed obsolescence mitigation opportunities

AFSC is pursuing alternative manufacturing technologies, additive manufacturing and establishment of a reverse engineering and manufacturing framework to rapidly solve availability issues derived from DMSMS, supply chain risk and obsolescence challenges. It is modernizing spares requirements planning to optimize inventory and implementing a multitude of other initiatives aimed at streamlining the supply chain process.

AFSC's Maintenance efforts are contributing to Air Force readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M seeks to provide continuous core Air Force depot capability to retain in-house sources of technical competence; to continue to refine methods which enable the more efficient use of resources such as partnering with private industry, employing government owned/contractor operated facilities and augmenting in-house operations; and to find

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

CSAG Financial and Performance Summary

Financial Performance (\$M)	FY 2023	FY 2024	FY 2025
Total Revenue	\$13,893.8	\$15,647.9	\$15,873.5
Total Expenses (with Work In Progress)	\$13,996.1	\$15,464.7	\$15,250.4
Other Adjustments Affecting NOR and Other Changes	\$33.1	\$12.1	\$12.1
Net Operating Results	\$(102.3)	\$183.1	\$623.3
Non Recoverable Adjustments Impacting AOR	\$0.0	\$0.0	\$0.0
Accumulated Operating Results	\$(302.3)	\$(215.2)	\$271.9

Overall, CSAG projects a \$271.9M AOR for FY 2025.

Cash (\$M)	FY 2023	FY 2024	FY 2025
BOP Cash Balance	\$862.9	\$290.6	\$554.8
Disbursements	\$14,393.5	\$15,197.6	\$15,224.2
Collections	\$13,821.2	\$15,461.7	\$15,815.6
Transfers In/Out	\$0.0	\$0.0	\$0.0
EOP Cash Balance	\$290.6	\$554.8	\$1,146.2
Lower Range	\$403.0	\$170.9	\$266.0
Upper Range	\$1,512.2	\$816.3	\$1,323.4

Stabilized Sales Rates and Prices	FY 2023	FY 2024	FY 2025
Maintenance Composite Sales Rate per hour	339.5	381.1	425.5
Maintenance Rate Change	4.4%	10.9%	11.6%
Supply Unit Cost Ratio	1.1	1.0	1.1
Price Change to Customer	5.7%	7.6%	13.4%

CSAG Manpower Resources	FY 2023	FY 2024	FY 2025
Civilian End Strength	29,750	30,137	30,389
Civilian Full Time Equivalents	28,784	28,375	28,858
Military End Strengths	194	183	180
Military Workyears	110	151	154

Maintenance Direct Production Earned Hours Produced	FY 2023	FY 2024	FY 2025
(Hours in Thousands)	24,413	25,661	23,774

Workload projections are expressed in Direct Production Earned Hours (DPEHs). This table includes DPEHs produced with overtime.

DPEH is an hour earned by a direct employee against an established work order in the performance of depot work on an end item.

Due Date Performance (DDP) and Quality Defect Rate	Goal	FY 2023	FY 2024	FY 2025
Due Date Performance ¹	85%	68%		
Quality Defect Rate ²	0.20	0.22		

¹Through Oct 23, FYTD, AFSC DDP came in at 68% with the main drivers being unplanned over and above workload causing excessive WIP and shortage of trained personnel, and parts/material supportability issues.

²The Quality Defect Rate measures number of quality defects identified by the customer after the end-item is returned to the customer, expressed in defects per aircraft.

Capital Budget Program Authority (\$M)	FY 2023	FY 2024	FY 2025
Equipment	\$169.6	\$214.1	\$259.9
ADPE & Telecom	\$0.8	\$0.7	\$3.5
Software Development	\$26.5	\$46.5	\$27.1
Minor Construction	\$26.6	\$0	\$23.6
Total	\$223.5	\$261.3	\$314.1

Maintenance Minimum Capital Investment Plan (\$M)	FY 2023	FY 2024	FY 2025
Required Investment	\$436.0	\$652.7	\$705.3
Total Investment Budgeted	\$560.9	\$923.8	\$988.7
Percent Invested	7.7%	11.3%	11.2%

Supply Customer Wait Time (CWT)	FY 2023	FY 2024	FY 2025
Actual Performance	21.9		
Objective	15.0	15.0	15.0

Customer Wait Time (CWT) is the average number of days accrued from the time a customer orders a spare part until the part is received. The input above is for budget code 8 items only.

Supply Stockage Effectiveness	FY 2023	FY 2024	FY 2025
Actual Performance	85.2%		
Objective	83%	83%	83%

Stockage Effectiveness measures how often the supply system has available for immediate sale those items required at base and depot level supply locations. The input above is for budget code 8 items only.

Supply Undelivered Orders (\$M)	FY 2023	FY 2024	FY 2025
Supply Division	5,518.3	5,628.7	5,741.3

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

Supply Item Quantity Requirements	FY 2023	FY 2024	FY 2025
Number of Issues	1,531,366	1,536,333	1,495,692
Number of Receipts	1,754,801	1,712,815	1,641,568
Number of Requisitions ¹	363,021	388,333	423,378
Contracts Executed ²	929	1,059	851
Purchase Inflation	2.0%	7.0%	7.0%
Items Managed	75,084	96,904	111,004

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

⁽²⁾ FY24 and 25 values estimated based on historical data.

⁽³⁾ FY24 and FY25 issues, receipts and requisitions are estimated based on historical averages

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Maintenance Division

	FY2023 to FY2024	FY2024 to FY2025
Cost of Operations		
Organic BOP	8,137.477	8,818.877
Contract BOP	.000	.000
Cost of Operations	8,137.477	8,818.877
ANNUALIZATION		
Annualization of Civilian Pay	.000	.000
Annualization of Military Pay	(0.000)	.000
TOTAL ANNUALIZATION	(0.000)	.000
PRICE CHANGES		
Civilian Pay Raises	135.704	75.818
Military Pay Raises	.743	.347
Material Price Growth	352.424	462.280
Fuel Price Growth	.657	1.561
Other Growth	25.071	27.162
TOTAL PRICE CHANGES	514.599	567.168
PRODUCTIVITY SAVINGS		
Civilian Labor Savings	.000	.000
Material/Supply Savings	.000	.000
Reinvestment/Rate Reduction	.000	.000
TOTAL PRODUCTIVITY SAVINGS	.000	.000
PROGRAM CHANGES		
Labor Workload	173.249	56.716
Material Workload	(48.843)	(565.822)
BOS	1.367	2.153
Contract Changes	.000	.000
TOTAL PROGRAM CHANGES	125.773	(506.952)

Fund 2 CSAG - Maintenance Division

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Maintenance Division

	FY2023 to FY2024	FY2024 to FY2025
OTHER CHANGES		
Data Systems Support	(1.127)	.116
Data Systems Development	(.135)	.003
Equipment Depreciation	16.598	(3.743)
Minor Construction Depreciation	1.035	.158
Data System Depreciation	1.160	1.290
Travel & Transportation	(1.794)	.245
Communications	(.285)	(.005)
Utilities	(5.218)	(1.348)
Equipment Rental	.009	1.484
Printing & Equipment	.075	.003
Equip/Vehicle Rep & Maintenance	7.785	29.819
Custodial	.944	(.460)
Facility Maintenance	34.378	30.564
Training	1.938	.702
Environmental	.000	.000
Miscellaneous	(17.275)	8.756
TOTAL OTHER CHANGES	38.085	67.583
TOTAL CHANGES	678.458	127.799
Cost of Operations		
Organic EOP	8,815.934	8,946.676
Total Cost of Operations	8,818.877	8,945.106

CSAG - Maintenance Division

	REVENUE (Maintenance, Repair, Overhaul) <u>3 Year Average</u>			BUDGETED CAPITAL (Modernization, Efficiency)		
	<u>2020-2022</u>	<u>2021-2023</u>	<u>2022-2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
Revenue						
Working Capital Fund	7,266.365	8,158.637	8,815.866			
Appropriations	.000	.000	.000			
Total Revenue	7,266.365	8,158.637	8,815.866			
WCF Depot Maintenance Capital Investment						
Facility Restoration & Modernization				103.990	108.825	257.035
Facility Sustainment				.000	86.150	22.721
Capital Investment Program				223.543	261.309	299.090
Other Equipment				.000	.000	.000
Processes/Productivity Enhancements ¹				17.640	21.800	41.823
Appropriated Funding						
MILCON (3300) ²				112.750	379.300	234.000
RDT&E (3600)				18.300	.000	.000
Procurement Equipment (3010) ³				84.710	66.420	134.020
Operation & Maintenance				.000	.000	.000
Investment Total				560.933	923.803	988.689
Minimum Investment				435.982	652.691	705.269
Investment Over/(Under) Requirement				124.951	271.112	283.420

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

2. MILCON Requirements include:

FY24: KC-46A 3-Bay Depot Maintenance Hangar Increment 3 (\$78.0M); KC-46A 3 Bay Pavements (\$27.0M), KC-46A 2 Bay Depot Maintenance Hangar (\$76.0M), KC-46A 2 Bay Maintenance Hangar Pavements, Engine Run-up Pads (\$7.3), KC-46A Corrosion Control Hangar/Airfield Paving (\$109.0), F-35 T7A East Campus Infrastructure (\$82.0), Total FY24 Projected MILCON: \$379.3M
 FY25: T-7A Depot Maintenance Complex (\$234M OO-ALC)

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

Primary supported airframes include:

FY24: KC-46 (\$56.7M at OC & OO-ALC); T-38 (\$1.13 at OC-ALC), C-130J (\$4.31 at WR-ALC) Total FY24 Projected Procurement: \$66.4M
 FY25: KC-46 (\$101M at OC, OO, & WR-ALC); C-130J (\$7.2M at WR-ALC); T-7A (\$26M at OO-ALC) Total FY25 Projected Procurement: \$134.0M

4. CIP includes investments for MRO development for FM at \$64.8M for FY24, Total FY24 CIP Authority \$261.3M, FY25 Total Authority is \$299.1M

5. RDT&E includes investments for Emerging Technology and the Digital Depot. FY24 Emerging Technology consists of \$5.35M at OC-ALC, \$6.73M at OO-ALC, and \$1.62M at WR-ALC. FY24 Digital Depot includes \$8.1M across the enterprise.

6. FY23 NDAA requires 8% investment and inclusion of Facilities Sustainment beginning in FY24. FY24 FSR&M Total investment of \$183M includes \$94.8M for Facilities Sustainment and \$88.2M for Facilities Restoration and Modernization.

Breakdowns of procurement investments at each ALC are as follows:

\$M	FY24	FY25
OC-ALC	\$44.2	\$40.7
OO-ALC	\$17.9	\$31.4
WR-ALC	\$4.3	\$61.8

Fund 11
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

	FY2023	FY2024	FY2025
1. New Orders			
a. Orders From DOD Components:			
(1) Air Force			
(a) Aircraft Procurement	372.912	415.877	458.242
(b) Missile Procurement	1.008	.519	.309
(c) Other Procurement	1.422	.116	(.001)
(d) Military Construction	.000	.000	.000
(e) Operations & Maintenance - AF	5,049.905	5,852.463	6,096.002
(f) Operations & Maintenance - USSF	44.502	33.142	43.056
(g) Operations & Maintenance - AFRC	738.910	973.248	912.825
(h) Operations & Maintenance - ANG	1,503.190	1,424.460	1,456.165
(i) Research & Development - AF	337.175	357.324	441.206
(j) Military Personnel - AF	.000	.000	.000
(k) Reserve Personnel - AF	.000	.000	.000
(l) Guard Personnel - ANG	.000	.000	.000
(m) Family Housing	.000	.000	.000
(n) Special Trust Funds	.000	.000	.000
(o) Other Air Force	4.024	3.084	5.998
(p) Other	.000	.000	.000
Total Air Force	8,053.049	9,060.233	9,413.803
(2) Army	23.472	7.905	62.506
(3) Navy	282.654	252.805	332.883
(4) Marine Corps	7.178	6.901	8.838
(5) MAP/Grant Aid	.000	.000	.000
(6) Other DOD	358.483	339.558	389.373
Total DOD excluding WCF	8,724.836	9,667.402	10,207.404
b. Orders From Other Fund Activity Groups			
(1) AF Supply Mgmt Activity Group - Retail	77.441	99.176	115.341
(2) Transportation Activity Group - TRANSCOM	452.182	395.352	571.003
(3) Other WCF Activity Groups	1.179	.369	1.448
(4) Commissary, Sur. Coll.	.000	.000	.000
(5) AF CSAG - Supply (Supply Orders to Maintenance)	2,327.625	2,583.412	2,872.523
(6) AF CSAG - Maintenance (Maintenance Orders to Supply)	1,688.130	2,228.000	1,995.403
Total Other Fund Activity Groups	4,546.558	5,306.308	5,555.717
c. Other Internal to AF Consolidated Sustainment Activity Group			
(1) Internal Material Transfer Orders (Maintenance Orders to Supply)	.000	.000	.000
(2) Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
Total Internal AF Consolidated Sustainment Activity Group	.000	.000	.000

Fund 11
(Dollars in Millions)

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

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	FY2023	FY2024	FY2025
d. Grand Total DOD	13,271.394	14,973.711	15,763.121
e. Other Orders			
(1) Other Federal Agencies	23.636	14.711	37.032
(2) Non Federal Agencies	445.597	593.829	662.955
(3) FMS	299.713	190.248	319.083
Total Other Orders	768.946	798.788	1,019.070
Total New Gross Orders	14,040.339	15,772.499	16,782.191
Total New External Orders (Total New Gross Orders minus 1c. Total Internal AF CSAG)	14,040.339	15,772.499	16,782.191
2. Carry-In Orders			
a. Carry-over Execution Adjustment	4,419.547	4,829.014	5,159.714
	(77.492)	25.125	(100.812)
3. Total Gross Orders			
a. Less Internal Material Transfer Orders (Maintenance Orders to Supply)	18,459.886	20,601.513	21,941.905
b. Less Internal Material Repair Orders (Supply Orders to Maintenance)	.000	.000	.000
Total External Gross Orders	18,459.886	20,601.513	21,941.905
4. Gross Revenue	13,553.380	15,466.924	15,798.533
5. End of Year W-I-P	10.375	10.375	10.375
6. Total Exclusion			
Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)	.000	.000	.000
Exclusion (Late Inducted Orders)	.000	.000	.000
Total Exclusion (sum of above exclusions)	.000	.000	.000
7. Funded Carryover	4,818.639	5,149.339	6,032.185

Fund 11A METRIC
(Dollars in Millions)

Carry-over Reconciliation
Air Force Working Capital Fund
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Maintenance Division

	FY2023	FY2024	FY2025
SECTION 1			
1. Total New Orders	8,371.555	8,988.689	10,230.382
2. Net Carry-in Orders	3,196.112	3,693.980	3,682.810
3. Total Gross Orders (Lines 1 + 2)	11,567.666	12,682.669	13,913.192
4. Revenue	7,898.811	8,899.047	9,493.389
5. Carry-over (Line 3 - Line 4)	3,668.855	3,783.622	4,419.803
6. Workload Completed per Month (Line 4 ÷ 12)	658.234	741.587	791.116
7. Months of Carry-over (Line 5 ÷ Line 6)	5.6	5.1	5.6
SECTION 2	FY2023	FY2024	FY2025
OC-ALC			
Carry-over	1,293.177	1,388.323	2,034.345
Months of Carry-over	4.0	3.9	5.4
OO-ALC			
Carry-over	1,291.409	1,379.882	1,463.239
Months of Carry-over	6.7	6.1	6.0
WR-ALC			
Carry-over	1,084.269	1,015.417	922.218
Months of Carry-over	7.4	6.4	5.3
Balance to Financial Statement	0.000	0.000	0.000
SECTION 3 Carry-over Appropriations	FY2023	FY2024	FY2025
Carry-over by Appropriation			
1. Operation and Maintenance	2,234.816	2,332.812	2,605.960
a. Army	0.998	0.798	0.895
b. Navy	120.185	106.637	93.506
c. Marine Corps	4.974	3.475	4.539
d. Air Force	2,108.659	2,221.901	2,507.020
2. Procurement	235.697	208.192	235.579
3. Research and Development	139.690	149.407	194.661
4. Other DoD	67.833	57.174	80.220
5. Non DoD	0.000	0.000	0.000
6. No-Year Appropriation	1,404.530	1,449.748	1,668.709
CHECK			
CARRY-OVER (Section 1 - Section 2)	0.000	0.000	0.000
CARRY-OVER (Section 1 - Section 3)	(413.711)	(413.711)	(365.327)
Note: Checks should = 0 (zero)			

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
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CSAG

	FY2023	FY2024	FY2025
Revenue:			
Income:			
Maintenance Division	7,898.811	8,899.047	9,493.389
Supply Division (Material Gross Sales)	5,971.733	6,831.391	6,589.229
Less Credit Returns	317.164	263.514	284.085
Capital Investment Recovery	.000	.000	.000
Total Income	13,553.380	15,466.924	15,798.533
Depreciation Offset (Major Construction)	.000	.000	.000
Other Revenue	340.454	180.926	75.000
Total Other Revenue	340.454	180.926	75.000
Total Revenue	13,893.834	15,647.850	15,873.533
Expenses:			
Maintenance Division			
Cost of Repair (Direct and POH Costs)			
Labor	2,808.537	3,030.414	3,150.697
Material	4,060.417	4,353.742	4,247.766
Depreciation	.000	.000	.000
Depreciation of Equipment, ADPE & Telecom, Minor Construction, and Software	130.669	148.692	146.478
Depreciation of Other Fixed Assets	.000	.000	.000
Capital Investment Recovery	.000	.000	.000
Subtotal Depreciation	130.669	148.692	146.478
Subtotal Labor, Material, and Depreciation	6,999.623	7,532.847	7,544.941
Remaining Direct and POH Costs	548.277	574.792	640.203
Total Cost of Repair (Direct and POH Costs)	7,547.900	8,107.639	8,185.143
Supply Division			
Cost of Material Sold	250.202	416.655	278.170
Cost of Material Repair	3,735.120	3,939.762	3,802.375
Condemnation Material Expense Recovery (CMER)	556.900	773.789	619.153
Inventory Retention	113.186	190.000	260.000
Other Expenses	37.178	16.294	.000
Subtotal Material & Other Expenses	4,692.587	5,336.500	4,959.698
Operating Expenses			
Military Personnel	14.334	14.364	14.255
Civilian Personnel	565.001	704.672	724.691
Travel & Transportation of People	5.982	6.640	6.683

Fund 14 CSAG

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

	FY2023	FY2024	FY2025
Materials & Supplies	38.175	48.478	52.590
Equipment	63.152	72.168	82.151
Other WCF Purchases	245.301	311.704	318.954
Transportation of Things	79.163	80.793	81.500
Depreciation - Capital	11.990	12.760	12.678
Depreciation of Other Fixed Assets	33.108	12.091	12.091
Capital Investment Recovery	.000	.000	.000
Printing and Reproduction	.535	.364	.383
Advisory and Assistance Services	70.364	61.300	59.649
Rent, Comm, Utilities and Misc Charges	125.421	124.560	124.903
Other Purchased Services	502.199	570.677	614.881
Total Operating Expenses	1,754.723	2,020.571	2,105.409
Total Expenses	13,995.209	15,464.710	15,250.250
Work in Process, Beginning of Year	11.272	10.375	10.375
Work in Process, End of Year	10.375	10.375	10.375
Work in Process, Change	(.897)	.000	.000
Total Expenses Adjusted for Work in Process	13,996.106	15,464.710	15,250.250
Operating Results (Net Operating Results on 1307 - Line 11)	(102.272)	183.139	623.283
Less Capital Surcharge Reservation	(72.250)	(108.176)	(148.253)
Plus Passthroughs or Other Approps (NOR)	.000	.000	.000
Other Adjustments Affecting NOR and Other Changes ¹	33.108	12.091	12.091
Net Operating Result (Recoverable NOR on 1307 - Line 13)	(141.414)	87.054	487.121
Prior Year Adjustments	.000	.000	.000
Other Changes Affecting AOR	.000	.000	.000
Prior Year AOR	(160.858)	(302.272)	(215.218)
Accumulated Operating Result	(302.272)	(215.218)	271.904
Non-Recoverable Adjustment Impacting AOR	.000	.000	.000
Accumulated Operating Result for Budget Purposes	(302.272)	(215.218)	271.904

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

Fund 15
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

FY2023 PRODUCT	Barrels	\$ Per Barrel	TOTAL
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	174.72	0.000
JP-8	0.115082	173.46	19.962
Total for Direct Aviation POL	0.115082	173.46	19.962
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	174.72	0.000
JP-8	0.051726	173.46	8.972
Total for Indirect Aviation POL	0.051726	173.46	8.972
Ground POL			
MG Leaded	0.000000	179.76	0.000
MG Unleaded	0.005441	169.68	0.923
Diesel	0.005925	176.40	1.045
Total for Indirect Ground POL	0.011366	173.18	1.968
Ground POL			
MG Leaded	0.000000	179.76	0.000
MG Unleaded	0.000152	169.68	0.026
Diesel	0.000052	176.40	0.009
Total for Indirect Ground POL	0.000203	171.39	0.035
SubTotal POL	0.178378	173.44	30.938
Special Fuels			
JP-10	0.001369	241.50	0.331
Total for Indirect Special Fuels	0.001369	241.50	0.331
Total	0.179747		31.269

Fund 15
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

FY2024 PRODUCT	Barrels	\$ Per Barrel	TOTAL
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	149.10	0.000
JP-8	0.135491	147.84	20.031
Total for Direct Aviation POL	0.135491	147.84	20.031
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	149.10	0.000
JP-8	0.059342	147.84	8.773
Total for Indirect Aviation POL	0.059342	147.84	8.773
Ground POL			
MG Leaded	0.000000	153.30	0.000
MG Unleaded	0.005476	144.48	0.791
Diesel	0.008075	150.78	1.218
Total for Indirect Ground POL	0.013551	148.23	2.009
Ground POL			
MG Leaded	0.000000	153.30	0.000
MG Unleaded	0.000286	144.48	0.041
Diesel	0.000043	150.78	0.006
Total for Indirect Ground POL	0.000329	145.30	0.048
SubTotal POL	0.208713	147.86	30.861
Special Fuels			
JP-10	0.001745	205.80	0.359
Total for Indirect Special Fuels	0.059342	147.84	8.773
Total	0.210458		31.220

Fund 15
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

FY2025 PRODUCT	Barrels	\$ Per Barrel	TOTAL
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	147.00	0.000
JP-8	0.139415	145.74	20.318
Total for Direct Aviation POL	0.139415	145.74	20.318
Aviation POL			
JP-4	0.000000	0.00	0.000
JP-5	0.000000	147.00	0.000
JP-8	0.063441	145.74	9.246
Total for Indirect Aviation POL	0.063441	145.74	9.246
Ground POL			
MG Leaded	0.000000	151.20	0.000
MG Unleaded	0.005859	142.38	0.834
Diesel	0.008615	148.68	1.281
Total for Indirect Ground POL	0.014474	146.13	2.115
Ground POL			
MG Leaded	0.000000	151.20	0.000
MG Unleaded	0.000311	142.38	0.044
Diesel	0.000043	148.68	0.006
Total for Indirect Ground POL	0.000355	143.15	0.051
SubTotal POL	0.217686	145.76	31.730
Special Fuels			
JP-10	0.001917	202.86	0.389
Total for Indirect Special Fuels	0.001917	202.86	0.389
Total	0.219603		32.119

Fund 16
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Maintenance Division

	FY2023	FY2024	FY2025
1. Material Inventory BOP	129.800	129.800	129.800
2. Purchases	3,794.789	4,081.418	3,964.836
A. Purchases to Support Customer Orders (+)	3,794.789	4,081.418	3,964.836
B. Purchase of long lead items in advance of customer orders (+)	.000	.000	.000
C. Other Purchases (+)	.000	.000	.000
3. Material Inventory Adjustments	(3,794.789)	(4,081.418)	(3,964.836)
A. Material Used in Maintenance (-)	(3,794.789)	(4,081.418)	(3,964.836)
B. Disposals, theft, losses due to damages (-)	.000	.000	.000
C. Other Reductions (-)	.000	.000	.000
4. Material Inventory EOP	129.800	129.800	129.800

SM-1
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

	Obligation Targets								
	Net Customer Orders	Net Sales	Operating	Direct Appn	Direct Reimbursables <i>(Initial Spares)</i>	Total Operating Obligations	Total Capital Obligations	Variability Target	
FY2023	5,668.785	5,654.569	6,291.748	.000	.000	6,291.748	.000	800.000	7,091.748
FY2024	6,783.810	6,567.877	6,884.865	.000	.000	6,884.865	.000	800.000	7,684.865
FY2025	6,551.809	6,305.143	6,624.618	.000	.000	6,624.618	15.000	800.000	7,439.618

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2023	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	91.120	8.541	99.661	0.000	201.810	148.410	350.221	449.882	6.5%
B-1B	6.742	.087	6.829	0.000	74.921	42.604	117.525	124.354	6.2%
B-2	397.455	2.722	400.178	0.000	15.019	57.913	72.932	473.109	2.9%
B-52	10.041	.420	10.461	0.000	182.407	57.580	239.987	250.448	6.2%
C-5	22.751	.602	23.353	0.000	90.812	12.039	102.851	126.204	7.0%
C-17	.716	0.000	.716	0.000	.758	1.036	1.794	2.510	11.7%
C-130	18.744	.498	19.242	0.000	81.551	21.038	102.589	121.831	3.3%
C-135	158.153	.566	158.720	0.000	337.160	230.031	567.191	725.910	4.3%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
C-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	1.819	.147	1.966	0.000	63.367	4.512	67.879	69.845	6.7%
E-4	0.000	0.000	0.000	0.000	1.090	.386	1.476	1.476	1.1%
E-8	.084	0.000	.084	0.000	.095	4.584	4.678	4.763	2.9%
F-4	.006	0.000	.006	0.000	0.000	0.000	0.000	.006	0.0%
F-15	10.602	.232	10.834	0.000	198.676	18.677	217.352	228.187	7.5%
F-16	70.885	5.355	76.240	0.000	227.133	48.928	276.061	352.301	5.5%
F100 Engines	28.868	18.643	47.510	0.000	199.563	26.107	225.671	273.181	0.0%
F110 Engines	6.803	0.000	6.803	0.000	13.696	108.076	121.772	128.575	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.9%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	23.7%
F-411	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	9.557	.006	9.563	0.000	.514	43.718	44.232	53.796	1.9%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	.085	0.000	.085	0.000	.137	17.471	17.608	17.693	3.1%
KC-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Trainers	72.645	10.995	83.640	0.000	22.377	47.426	69.803	153.442	8.0%
Other Aircraft	.741	0.000	.741	0.000	.525	5.244	5.768	6.509	3.0%
RQ-4	1.114	0.000	1.114	0.000	0.000	51.085	51.085	52.198	6.9%
SOF	.000	0.000	.000	0.000	1.698	112.856	114.554	114.555	5.3%
Common	20.665	3.406	24.072	0.000	206.827	80.063	286.890	310.962	0.0%
Common EW	20.442	2.661	23.103	0.000	24.191	47.007	71.197	94.300	0.0%
FMS/FDT	1.637	2.494	4.131	0.000	0.000	0.000	0.000	4.131	0.0%
Missiles	.960	.209	1.169	0.000	21.800	3.223	25.023	26.192	0.0%
Other	1.675	.026	1.701	0.000	12.942	100.770	113.711	115.412	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	73.831	73.831	73.831	0.0%
NIMSC5-CV-22	0.000	0.000	0.000	0.000	0.000	263.606	263.606	263.606	5.2%
New WS Fund 1	.000	0.000	.000	0.000	0.000	0.000	0.000	.000	0.0%
Inventory Augmentation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	113.186	0.000	113.186	113.186	0.0%
JEIM	0.000	0.000	0.000	0.000	35.773	0.000	35.773	35.773	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	13.017	0.000	13.017	13.017	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	0.000	326.360	326.360	326.360	0.0%
Total	954.309	57.612	1,011.921	0.000	2,141.044	1,954.581	4,095.625	5,107.546	0.0%

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2024	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	27.900	3.423	31.323	0.000	231.824	38.208	270.032	301.355	6.0%
B-1B	73.223	.448	73.671	0.000	111.478	30.999	142.478	216.149	2.7%
B-2	479.208	3.548	482.756	0.000	21.292	22.124	43.416	526.172	7.2%
B-52	51.803	.693	52.496	0.000	265.987	44.704	310.691	363.187	7.2%
C-5	29.993	2.813	32.806	0.000	140.146	11.333	151.480	184.285	7.0%
C-17	.316	0.000	.316	0.000	2.268	.690	2.958	3.273	5.1%
C-130	60.406	1.301	61.707	0.000	86.980	19.778	106.758	168.465	3.5%
C-135	133.122	2.511	135.633	0.000	390.897	110.353	501.251	636.884	3.9%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
C-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	16.697	.941	17.638	0.000	84.593	5.319	89.912	107.550	5.8%
E-4	.137	0.000	.137	0.000	1.955	.258	2.213	2.350	0.5%
E-8	.199	0.000	.199	0.000	.042	1.957	1.999	2.198	0.0%
F-4	.003	0.000	.003	0.000	0.000	0.000	0.000	.003	0.0%
F-15	85.550	.433	85.983	0.000	226.449	11.432	237.881	323.864	6.9%
F-16	63.471	5.661	69.132	0.000	313.154	27.753	340.907	410.039	7.1%
F100 Engines	22.159	16.681	38.840	0.000	282.991	23.408	306.399	345.239	0.0%
F110 Engines	50.263	0.000	50.263	0.000	12.327	88.956	101.283	151.545	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.8%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.2%
F-411	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	8.251	.005	8.255	0.000	.569	21.770	22.339	30.594	1.9%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	7.743	0.000	7.743	0.000	.169	7.355	7.524	15.267	3.1%
KC-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.0%
Trainers	34.577	20.139	54.716	0.000	27.337	38.673	66.010	120.726	8.6%
Other Aircraft	10.313	.004	10.317	0.000	.960	6.677	7.637	17.955	3.6%
RQ-4	16.364	0.000	16.364	0.000	0.000	49.628	49.628	65.992	6.9%
SOF	.370	0.000	.370	0.000	1.952	80.346	82.298	82.668	8.6%
Common	35.844	7.416	43.260	0.000	258.370	154.395	412.765	456.025	0.0%
Common EW	8.656	3.990	12.646	0.000	31.894	19.771	51.665	64.311	0.0%
FMS/FDT	1.832	2.839	4.671	0.000	0.000	0.000	0.000	4.671	0.0%
Missiles	10.564	6.622	17.185	0.000	27.265	3.767	31.032	48.218	0.0%
Other	6.642	.048	6.690	0.000	15.149	52.247	67.397	74.087	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	52.805	52.805	52.805	0.0%
NIMSC5-CV-22	0.000	0.000	0.000	0.000	0.000	187.219	187.219	187.219	3.8%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Inventory Augmentation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	190.000	0.000	190.000	190.000	0.0%
JEIM	0.000	0.000	0.000	0.000	42.705	0.000	42.705	42.705	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	8.835	0.000	8.835	8.835	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	0.000	295.244	295.244	295.244	0.0%
Total	1,235.605	79.516	1,315.121	0.000	2,777.590	1,407.168	4,184.758	5,499.879	0.0%

SM-3B
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2025	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	18.623	5.928	24.552	0.000	226.486	31.167	257.653	282.205	5.5%
B-1B	129.750	1.031	130.782	0.000	119.454	34.910	154.363	285.145	2.0%
B-2	86.354	4.272	90.625	0.000	25.401	26.068	51.469	142.094	3.9%
B-52	48.999	.935	49.934	0.000	278.124	43.385	321.509	371.443	6.7%
C-5	25.116	8.137	33.254	0.000	172.849	10.759	183.607	216.861	7.0%
C-17	.402	0.000	.402	0.000	2.079	.658	2.737	3.139	4.1%
C-130	39.493	1.587	41.080	0.000	98.338	21.293	119.631	160.711	3.0%
C-135	177.981	4.633	182.614	0.000	422.209	109.206	531.415	714.028	8.7%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
C-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	10.933	.867	11.800	0.000	100.525	7.037	107.562	119.362	6.3%
E-4	.651	0.000	.651	0.000	2.078	.241	2.318	2.970	0.7%
E-8	.249	0.000	.249	0.000	.032	2.301	2.333	2.583	0.0%
F-4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-15	69.096	.386	69.482	0.000	190.413	11.041	201.454	270.936	7.1%
F-16	87.203	8.542	95.745	0.000	334.217	27.395	361.612	457.357	5.8%
F100 Engines	34.782	25.726	60.508	0.000	275.112	20.281	295.393	355.901	0.0%
F110 Engines	19.127	0.000	19.127	0.000	13.529	94.773	108.302	127.429	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.3%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	26.9%
F-411	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	9.985	.004	9.989	0.000	.594	18.592	19.186	29.175	2.6%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	.033	0.000	.033	0.000	.171	8.046	8.217	8.251	3.1%
KC-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Trainers	48.755	.680	49.434	0.000	28.941	33.640	62.581	112.015	9.5%
Other Aircraft	3.229	0.000	3.229	0.000	.677	11.324	12.001	15.230	7.1%
RQ-4	24.325	0.000	24.325	0.000	0.000	49.616	49.616	73.941	6.9%
SOF	52.454	.082	52.535	0.000	2.039	82.534	84.573	137.108	3.0%
Common	51.924	12.193	64.117	0.000	282.866	54.392	337.259	401.376	0.0%
Common EW	18.394	7.845	26.239	0.000	32.330	20.280	52.610	78.849	0.0%
FMS/FDT	1.832	2.884	4.716	0.000	0.000	0.000	0.000	4.716	0.0%
Missiles	.705	1.734	2.439	0.000	28.099	3.525	31.624	34.063	0.0%
Other	16.242	.196	16.439	0.000	16.141	54.320	70.461	86.900	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	59.259	59.259	59.259	0.0%
NIMSC5-CV-22	0.000	0.000	0.000	0.000	0.000	222.925	222.925	222.925	4.0%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Inventory Augmentation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	100.000	0.000	100.000	100.000	0.0%
JEIM	0.000	0.000	0.000	0.000	57.755	0.000	57.755	57.755	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	9.285	0.000	9.285	9.285	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	0.000	271.743	271.743	271.743	0.0%
Total	976.638	87.662	1,064.300	0.000	2,819.743	1,330.710	4,150.453	5,214.753	0.0%

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2023	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	24,740.871	17,282.110	.000	7,458.760
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(147.434)	(114.999)	.000	(32.435)
c. Inv Reclassified & Repriced	24,593.437	17,167.112	.000	7,426.325
3. Receipts at MAC	1,475.491	1,150.883	.000	324.608
4. Sales at Standard	2,613.275	2,038.354	.000	574.920
5. Inventory Adjustments				
a. Capitalization + or (-)	(35.177)	(27.438)	.000	(7.739)
b. Returns from Customers for Credit	.000	.000	.000	.000
c. Returns from Customers w/o Credit	2,665.582	2,174.398	.000	491.184
d. Returns to Suppliers (-)	(621.503)	(484.772)	.000	(136.731)
e. Transfers to Property Disposal (-)	(869.112)	(677.908)	.000	(191.205)
f. Issues/Receipts w/o Reimbursement	162.005	126.364	.000	35.641
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(11.702)	(9.128)	.000	(2.574)
2. Discounts on Returns	(.190)	(.148)	.000	(.042)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(526.619)	(410.763)	.000	(115.856)
6. Physical Inventory Adj	323.433	252.278	.000	71.155
7. Accounting Adjustments	595.913	464.812	.000	131.101
8. Shipment Discrepancies	160.164	124.928	.000	35.236
9. Other Gains/Losses	218.175	170.177	.000	47.999
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	759.174	592.156	.000	167.018
h. Total Adjustments	2,060.969	1,702.800	.000	358.169
6. Inventory EOP	25,516.623	17,982.441	.000	7,534.182
7. Inventory EOP, Revalued (MAC, Discounted)	25,516.623	17,982.441	.000	7,534.182
a. Economic Retention (Memo)	4,975.434	3,880.839	.000	1,094.595
b. Contingency Retention (Memo)	2,955.470	2,305.267	.000	650.203
c. Potential DOD Reutilization (Memo)	3,149.095	2,456.294	.000	692.801
8. Inventory on Order Cost EOP (Memo)	11,079.999	8,642.399	.000	2,437.600

SM-4 CSAG - Supply Division

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2024	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	25,516.623	17,982.441	.000	7,534.182
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(320.271)	(249.811)	.000	(70.460)
c. Inv Reclassified & Repriced	25,196.352	17,732.629	.000	7,463.722
3. Receipts at MAC	1,317.065	1,027.310	.000	289.754
4. Sales at Standard	2,568.458	2,003.397	.000	565.061
5. Inventory Adjustments				
a. Capitalization + or (-)	31.494	24.565	.000	6.929
b. Returns from Customers for Credit	.000	.000	.000	.000
c. Returns from Customers w/o Credit	2,842.417	2,217.085	.000	625.332
d. Returns to Suppliers (-)	(699.793)	(545.838)	.000	(153.954)
e. Transfers to Property Disposal (-)	(1,036.076)	(808.139)	.000	(227.937)
f. Issues/Receipts w/o Reimbursement	280.966	219.153	.000	61.812
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(36.430)	(28.416)	.000	(8.015)
2. Discounts on Returns	(.144)	(.112)	.000	(.032)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	(.352)	(.274)	.000	(.077)
5. Assembly/Disassembly	(437.324)	(341.113)	.000	(96.211)
6. Physical Inventory Adj	.000	.000	.000	.000
7. Accounting Adjustments	.000	.000	.000	.000
8. Shipment Discrepancies	.000	.000	.000	.000
9. Other Gains/Losses	.000	.000	.000	.000
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	(474.250)	(369.915)	.000	(104.335)
h. Total Adjustments	944.758	736.912	.000	207.847
6. Inventory EOP	24,889.717	17,493.454	.000	7,396.263
7. Inventory EOP, Revalued (MAC, Discounted)	24,889.717	17,493.454	.000	7,396.263
a. Economic Retention (Memo)	5,323.714	4,152.497	.000	1,171.217
b. Contingency Retention (Memo)	3,162.353	2,466.635	.000	695.718
c. Potential DOD Reutilization (Memo)	3,369.532	2,628.235	.000	741.297
8. Inventory on Order Cost EOP (Memo)	10,969.199	8,555.975	.000	2,413.224

SM-4 CSAG - Supply Division

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2025	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	24,889.717	17,493.454	.000	7,396.263
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(342.690)	(267.298)	.000	(75.392)
c. Inv Reclassified & Repriced	24,547.027	17,226.156	.000	7,320.871
3. Receipts at MAC	1,409.259	1,099.222	.000	310.037
4. Sales at Standard	2,748.250	2,143.635	.000	604.615
5. Inventory Adjustments				
a. Capitalization + or (-)	33.699	26.285	.000	7.414
b. Returns from Customers for Credit	.000	.000	.000	.000
c. Returns from Customers w/o Credit	3,041.386	2,372.281	.000	669.105
d. Returns to Suppliers (-)	(748.778)	(584.047)	.000	(164.731)
e. Transfers to Property Disposal (-)	(1,108.601)	(864.709)	.000	(243.892)
f. Issues/Receipts w/o Reimbursement	300.634	234.494	.000	66.139
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(38.980)	(30.405)	.000	(8.576)
2. Discounts on Returns	(.154)	(.120)	.000	(.034)
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	(.376)	(.293)	.000	(.083)
5. Assembly/Disassembly	(467.937)	(364.991)	.000	(102.946)
6. Physical Inventory Adj	.000	.000	.000	.000
7. Accounting Adjustments	.000	.000	.000	.000
8. Shipment Discrepancies	.000	.000	.000	.000
9. Other Gains/Losses	.000	.000	.000	.000
10. Strata Transfers	.000	.000	.000	.000
11. Strata Transfers in Transit	.000	.000	.000	.000
12. Other Adjustments - Total	(507.448)	(395.809)	.000	(111.639)
h. Total Adjustments	1,010.891	788.495	.000	222.396
6. Inventory EOP	24,218.927	16,970.238	.000	7,248.689
7. Inventory EOP, Revalued (MAC, Discounted)	24,218.927	16,970.238	.000	7,248.689
a. Economic Retention (Memo)	5,696.374	4,443.172	.000	1,253.202
b. Contingency Retention (Memo)	3,383.718	2,639.300	.000	744.418
c. Potential DOD Reutilization (Memo)	.000	.000	.000	.000
8. Inventory on Order Cost EOP (Memo)	.000	.000	.000	.000

SM-4 CSAG - Supply Division

**AIR FORCE
WORKING CAPITAL FUND**



U.S. AIR FORCE

**SUPPLY MANAGEMENT ACTIVITY
GROUP – RETAIL**

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**Supply Management Activity Group - Retail
Budget Overview
Fiscal Year (FY) 2025 President's Budget (PB)**

The Air Force Supply Management Activity Group–Retail (SMAG-R) is comprised of three divisions: General Support Division (GSD), Medical-Dental Division (MDD), and the United States Air Force Academy (USAFA). SMAG-R manages ~2.0 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other items used in non-weapon system applications. SMAG-R is a critical component in the support of combat readiness. It procures materiel and makes spares available to authorized customers. Within SMAG-R, MDD inventory includes a War Reserve Material (WRM) Stockpile.

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

Division Overviews

GSD finances the Air Force retail inventory and issues requirements for all non-Air Force managed economic order quantity (EOQ) items other than those pertaining to peculiar medical, commissary, and fuels requirements. GSD items support installation, maintenance, administrative functions, field and depot maintenance of aircraft, ground and airborne communication and electronic systems, and other sophisticated systems and equipment. Also included is initial outfitting of individual clothing items issued to new recruits, organizational clothing items such as firemen's protective over garments, 'clean room' coveralls, air crew helmets, and chemical biological warfare protective over garments. This retail activity is accomplished at 233 Air Force installations throughout the world.

USAFA finances the purchase of uniforms, uniform accessories, and miscellaneous commodities required by USAFA cadets during their four-year stay at the Academy. The customer base consists of approximately 4,000 cadets. USAFA

procures both distinctive uniforms and accessories from various manufacturing contractors and regular Air Force uniforms purchased through the Defense Logistics Agency.

The Surgeon General of the Air Force is responsible for the overall management of MDD. Nearly all peacetime customer orders come from Military Treatment Facilities (MTFs) funded by the Defense Health Program (DHP) appropriation.

In addition to the peacetime program, MDD is also responsible for purchasing and maintaining the inventory/assets funded by WRM appropriation. The medical WRM inventory is owned by MDD until it is needed for war fighter deployment or contingency operations, and it is then sold to the AF line and funds are collected. WRM inventory accounts for approximately 96% of total MDD inventory at any given time.

WRM / Direct Appropriation

MDD's WRM provides supplies and equipment vital to support forces in the full range of military operations for the first 30 days of a contingency operation and provides force health protection materiel to all deploying Air Force Active, Reserve, and Guard personnel. Availability of this materiel ensures Air Force personnel can deploy as scheduled and the contingency operations can be conducted until re-supply lines are established and materiel is routinely received from the contiguous United States. A direct appropriation funds the establishment and sustainment of over 3,300 assemblages and Force Health Protection assets for 255 locations that are maintained in MDD until required to provide direct support to the war fighters.

Approximately one third of WRM pharmaceuticals must be replaced annually because of shelf life or emergence of newer, more effective treatments. Sustainment costs to replace expiring materiel will continue to increase due to additional Unit Type Codes (UTCs) fielded into the WRM inventory, increased number of consumable items with expiration dates and manufacturers reducing the shelf life as new products enter the market. Medical equipment requires constant upgrade to maintain the medical standard of care for required deployable capability. New technology allows for replacement of equipment with smaller, more proficient models which often drives a change in other supply requirements. Periodic modernization of WRM ensures clinical and operational relevance of the UTC based on changes in clinical practice guidelines, medical technology, threat and operational environment and operational maneuver concepts.

SMAG-R Retail Customer Base

SMAG-R generates revenue from sales of various supplies to a diverse customer base. Primary SMAG-R customers are Air Force Major Commands (including Air Force Reserve and Air National Guard), Foreign Military Sales, Army, Navy, Defense Health Program, non-DoD activities, and other working capital activities, such as Air Force Consolidated Sustainment Activity Group—Maintenance Division.

SMAG-Retail Financial and Performance Summary

The table on the next page provides revenue and expense data for the SMAG-R division. Revenue and expenses in FY 2023 reflect an Accumulated Operating Result (AOR) of \$769.3 million and primarily due to GSD. Expenses increase primarily driven by GSD projected workload in FY 2024 and FY 2025 in Flying Hour Program (FHP) and increasing inflation factors. Revenue increase is consistent with increasing price change and customer requirements. Expense and Revenue changes for USAFA and MDD are stable and in line with current customer requirements and historical data. SMAG-R AOR declines by \$24.8 million in FY 2024 and by \$108.1 million in FY 2025 as GSD returns profits ending with a deferred AOR of \$636.4 million. The deferred AOR reduces insolvency risk in GSD and the AFWCF overall and allows the program to preserve cash.

Projected FY 2024 Unit Cost Rate (UCR) for SMAG-R is 1.01, and FY 2025 UCR is 1.02, slightly above normal 1.0 goals due to GSD deferred AOR.

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

Revenue, Expenses and Net Operating Results

(\$ Millions)	FY 2023	FY 2024	FY 2025
Total Revenue	\$4,524.1	\$5,053.3	\$5,181.0
Total Expenses	\$4,387.7	\$5,019.4	\$5,279.1
Operating Results	\$136.3	\$33.9	(\$98.1)
Other Adjustments (WRM)	\$62.0	\$23.5	\$75.4
Net Operating Results	\$108.2	(\$24.9)	(\$108.1)
Non-Recoverable AOR Adjustment	\$0.0	\$0.0	\$0.0
Accumulated Operating Results	\$769.3	\$744.5	\$636.4

Cash Management

(\$ Millions)	FY 2023	FY 2024	FY 2025
Disbursements	\$4,315.4	\$5,086.1	\$5,305.5
Collections	\$4,606.0	\$4,899.4	\$5,108.3
Net Transfers	\$0.0	\$0.0	\$0.0
WRM	\$80.4	\$83.6	\$86.9
EOP Cash Balance	\$842.4	\$739.3	\$629.0
Lower Range Target	\$594.6	\$654.9	\$559.1
Upper Range Target	\$1,102.1	\$903.8	\$915.9

The FY 2023 SMAG-R ending cash balance increased as collections from the Depots were received. FY 2024 and FY 2025 decreases primarily driven by GSD returning profits through negative NOR. The lower operating range is driven by the GSD deferred AOR.

Percent Price Change to Customer by Division	FY 2023	FY 2024	FY 2025
SMAG-Retail ¹	6.67%	8.91%	7.12%
General Support Division	7.04%	9.91%	7.76%
Medical-Dental	5.78%	5.56%	4.82%
Air Force Academy	2.02%	7.06%	2.17%

From FY 2024 to FY 2025, total SMAG-R customer price change decreases due to reduced inflation factors.

¹ The SMAG-R Customer Price Change is a weighted average of the SMAG-R divisions.

Fund 11 (Dollars in Millions)	Source of New Orders and Revenue Air Force Working Capital Fund Supply Management Activity Group - Retail	Fiscal Year (FY) 2025 Budget Estimates February 2024
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Supply Management Activity Group - Retail

	FY2023	FY2024	FY2025
1. New Orders			
a. Orders From DOD Components:			
(1) Air Force			
(a) Aircraft Procurement	2.962	(3.991)	1.067
(b) Missile Procurement	.002	.001	.001
(c) Other Procurement	.146	.146	.140
(d) Military Construction	.000	.000	.000
(e) Operations & Maintenance - AF	1,234.429	1,503.276	1,741.836
(f) Operations & Maintenance - USSF	4.479	8.512	11.166
(g) Operations & Maintenance - AFRC	111.113	160.136	102.914
(h) Operations & Maintenance - ANG	284.972	328.947	334.444
(i) Research & Development - AF	23.545	18.426	19.015
(j) Military Personnel - AF	.000	.000	.000
(k) Reserve Personnel - AF	1.594	5.241	5.471
(l) Guard Personnel - ANG	.207	.710	.035
(m) Family Housing	.003	.044	.046
(n) Special Trust Funds	6.552	8.402	9.578
(o) Other Air Force	(1.441)	.572	.481
Total Air Force	1,668.562	2,030.418	2,226.195
(2) Army	14.269	5.632	10.378
(3) Navy	1.735	2.081	1.321
(4) MAP Grant Aid	.000	.042	(.038)
(5) Other DOD	993.191	1,182.126	1,138.394
Total DOD excluding WCF	2,677.756	3,220.300	3,376.250
b. Orders From Other Fund Activity Groups			
(1) Other AF Supply Management Activity Groups	.037	(.002)	.001
(2) Transportation Activity Group - TRANSCOM	122.314	98.843	99.101
(3) Consolidated Sustainment Activity Group (Maintenance Div)	1,652.469	1,612.281	1,686.458
(4) Other WCF Activity Groups	.012	.742	.693
(5) Commissary, Sur. Coll.	.000	.000	.000
Total Other Fund Activity Groups	1,774.831	1,711.863	1,786.253
c. Grand Total DOD	4,452.587	4,932.163	5,162.504

Fund 11 Supply Management Activity Group - Retail

Source of New Orders and Revenue
 Fund 11
 Air Force Working Capital Fund
 (Dollars in Millions) Supply Management Activity Group - Retail

Fiscal Year (FY) 2025
 Budget Estimates
 February 2024

Supply Management Activity Group - Retail

	FY2023	FY2024	FY2025
d. Other Orders			
(1) Other Federal Agencies	1.661	2.098	2.225
(2) Non Federal Agencies	.190	.222	.186
(3) FMS	4.072	3.759	3.105
Total Other Orders	5.923	6.079	5.516
Total New Orders	4,458.510	4,938.242	5,168.020
2. Carry-In Orders (BOP Backorders)	1,134.610	1,176.576	1,160.130
3. Total Gross Orders	5,593.120	6,114.818	6,328.150
4. Carry-Out Orders (-) (EOP Backorders)	1,176.576	1,160.130	1,249.046
5. Gross Sales (-)	4,501.261	5,040.041	5,171.742
6. Credit Returns (-)	84.711	85.354	92.638
7. Net Sales	4,416.551	4,954.688	5,079.104

Fund 14 (Dollars in Millions)	Supply Management Activity Group - Retail	Revenue and Expenses	Fiscal Year (FY) 2025	
		Air Force Working Capital Fund	Budget Estimates	
		Supply Management Activity Group - Retail	February 2024	
		FY2023	FY2024	FY2025
Revenue:				
Gross Revenue from Sales		4,501.261	5,040.041	5,171.742
Less Credit Returns		84.711	85.354	92.638
Net Revenue from Sales		4,416.551	4,954.688	5,079.104
Other Revenue		16.130	15.000	15.000
Direct Appropriation		91.383	83.587	86.874
Total Net Revenue		4,524.064	5,053.275	5,180.978
Expense:				
Cost of Material Sold Operating Program		4,257.801	4,910.760	5,096.777
Cost of Material Sold WRM		16.349	15.000	15.000
Cost of Material Repair		.000	.000	.000
Subtotal Sales Material Expense		4,274.150	4,925.760	5,111.777
Inventory Losses / Obsolescence (Ops)		(7.108)	(15.449)	5.000
Inventory Losses / Obsolescence (WRM)		61.968	23.477	75.390
Cost of Direct Reimbursable Material		.000	.000	.000
Initial Spares		.000	.000	.000
Readiness Spares Package		.000	.000	.000
Mobilization		.000	.000	.000
Other Direct Reimbursements		.000	.000	.000
Subtotal Material Expenses		4,329.011	4,933.788	5,192.166
Business Operations				
Military Personnel		.000	.000	.000
Civilian Personnel		.000	.000	.000
Travel & Transportation of People		.004	.084	.084
Materials & Supplies		.000	.000	.000
Equipment		.000	.000	.000
Other WCF Purchases		28.801	35.465	37.145
Transportation of Things Operating Program		19.801	30.517	29.562
Transportation of Things WRM		1.101	1.382	1.436
Capital Investment Depreciation		.000	.000	.000
Printing and Reproduction		.000	.000	.000
Advisory and Assistance Services		.362	.447	.456
Rent, Comm, Utilities and Misc Charges		.163	1.252	1.275
Other Purchased Services		8.495	16.468	16.930
Subtotal Business Operations		58.725	85.616	86.888
Total Expenses		4,387.736	5,019.404	5,279.055

Fund 14 Supply Management Activity Group - Retail

Fund 14 (Dollars in Millions)	Supply Management Activity Group - Retail	Revenue and Expenses	Fiscal Year (FY) 2025
		Air Force Working Capital Fund	Budget Estimates
		Supply Management Activity Group - Retail	February 2024
		FY2023	FY2024
			FY2025
Operating Result		136.328	33.871
Less Capital Surcharge		.000	.000
Less Direct Appropriations		(91.383)	(83.587)
Plus Passthroughs or Other Approps (NOR)		.000	.000
Adjustment for Mobilization / WRM NOR		63.288	24.859
Other Changes (NOR)		.000	.000
NET OPERATING RESULT (NOR)		108.233	(24.856)
Prior Year Adjustments (AOR)		.000	.000
Other Changes (AOR)		.000	.000
Plus Prior Year AOR		661.112	769.345
Accumulated Operating Result (AOR)		769.345	744.488
Non-Recoverable Adjustment (AOR)		.000	.000
Accumulated Operating Result for Budget Purposes		769.345	744.488
			636.363

Fund 14 Supply Management Activity Group - Retail

SM-1
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail

	Net Customer Orders	Net Sales	Operating	Obligation Targets			Total Capital Obligations	Variability Target	Target Total
				WRM Direct Appn ¹	Direct Reimbursables (<i>Initial Spares</i>)	Total Operating Obligations			
<u>FY2023</u>									
GSD	3,436.294	3,368.504	3,308.127	.000	.000	3,308.127	.000	400.000	3,708.127
Med/Dent	1,015.662	1,041.493	1,036.087	84.644	.000	1,120.731	.000	.000	1,120.731
Academy	6.554	6.554	5.451	.000	.000	5.451	.000	.000	5.451
Total SMAG-Retail	4,458.510	4,416.551	4,349.664	84.644	.000	4,434.308	.000	400.000	4,834.308
<u>FY2024</u>									
GSD	3,730.883	3,743.965	3,784.753	.000	.000	3,784.753	.000	400.000	4,184.753
Med/Dent	1,198.964	1,202.326	1,204.239	106.417	.000	1,310.656	.000	.000	1,310.656
Academy	8.396	8.396	6.001	.000	.000	6.001	.000	.000	6.001
Total SMAG-Retail	4,938.242	4,954.688	4,994.994	106.417	.000	5,101.411	.000	400.000	5,501.411
<u>FY2025</u>									
GSD	4,006.846	3,915.181	4,029.464	.000	.000	4,029.464	.000	400.000	4,429.464
Med/Dent	1,151.586	1,154.336	1,145.369	101.874	.000	1,247.243	.000	.000	1,247.243
Academy	9.587	9.587	7.396	.000	.000	7.396	.000	.000	7.396
Total SMAG-Retail	5,168.020	5,079.104	5,182.229	101.874	.000	5,284.103	.000	400.000	5,684.103

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

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail

FY2023	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	2,881.767	2,025.007	854.437	2.323
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(46.473)	(46.537)	.000	.064
c. Inv Reclassified & Repriced	2,835.294	1,978.470	854.437	2.387
3. Receipts at MAC	4,315.847	4,222.430	93.417	(.000)
4. Sales at Standard	4,079.466	4,063.118	16.349	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	13.615	11.252	2.363	.000
b. Returns from Customers for Credit	.771	.759	.000	.012
c. Returns from Customers w/o Credit	491.675	477.667	.256	13.751
d. Returns to Suppliers (-)	(83.330)	(83.262)	(.054)	(.014)
e. Transfers to Property Disposal (-)	(986.641)	(972.149)	(14.111)	(.381)
f. Issues/Receipts w/o Reimbursement	(113.404)	(118.029)	4.626	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(63.001)	(1.413)	(46.031)	(15.556)
2. Discounts on Returns	(7.537)	(7.537)	.000	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(16.852)	(13.054)	(3.797)	.000
6. Physical Inventory Adj	665.373	668.348	(2.962)	(.013)
7. Accounting Adjustments	37.799	35.799	1.997	.004
8. Shipment Discrepancies	14.717	14.391	.326	.000
9. Other Gains/Losses	(.000)	(.424)	.000	.424
10. Strata Transfers	(.000)	(.144)	.071	.074
11. Strata Transfers in Transit	50.236	43.001	7.159	.076
12. Other Adjustments - Total	680.735	738.965	(43.236)	(14.993)
h. Total Adjustments	3.421	55.203	(50.157)	(1.625)
6. Inventory EOP	3,075.095	2,192.985	881.349	.761
7. Inventory EOP, Revalued (MAC, Discounted)	3,075.095	2,192.985	881.349	.761
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	561.978	508.494	53.484	.000

SM-4 Supply Management Activity Group - Retail

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail

FY2024	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	3,075.095	2,192.985	881.349	.761
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(52.766)	(52.778)	.000	.012
c. Inv Reclassified & Repriced	3,022.330	2,140.207	881.349	.774
3. Receipts at MAC	4,997.595	4,899.008	98.587	.000
4. Sales at Standard	4,691.864	4,676.864	15.000	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	11.730	10.026	1.703	.000
b. Returns from Customers for Credit	1.482	1.387	.000	.095
c. Returns from Customers w/o Credit	484.986	464.618	.162	20.207
d. Returns to Suppliers (-)	(135.694)	(135.432)	(.137)	(.126)
e. Transfers to Property Disposal (-)	(937.976)	(915.216)	(22.320)	(.440)
f. Issues/Receipts w/o Reimbursement	(110.578)	(114.644)	4.066	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(64.842)	(5.835)	(38.751)	(20.256)
2. Discounts on Returns	(7.278)	(7.278)	.000	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(21.281)	(20.065)	(1.197)	(.019)
6. Physical Inventory Adj	573.301	574.807	(1.515)	.009
7. Accounting Adjustments	(15.939)	14.295	(30.237)	.003
8. Shipment Discrepancies	30.658	29.456	1.202	.000
9. Other Gains/Losses	(.208)	(.440)	(.182)	.414
10. Strata Transfers	.000	(.503)	.467	.036
11. Strata Transfers in Transit	10.159	2.364	7.310	.486
12. Other Adjustments - Total	504.571	586.801	(62.903)	(19.328)
h. Total Adjustments	(181.480)	(102.459)	(79.428)	.408
6. Inventory EOP	3,146.581	2,259.891	885.508	1.182
7. Inventory EOP, Revalued (MAC, Discounted)	3,146.581	2,259.891	885.508	1.182
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	594.963	531.108	63.855	.000

SM-4 Supply Management Activity Group - Retail

SM-4

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail

FY2025	Total	Demand Based	Mobil	Non-Demand Based
1. Inventory BOP	3,146.581	2,259.891	885.508	1.182
2. BOP Inventory Adjustments				
a. Reclassification Change (Memo)	.000	.000	.000	.000
b. Price Change Amount (Memo)	(50.768)	(50.768)	.000	.000
c. Inv Reclassified & Repriced	3,095.813	2,209.124	885.508	1.182
3. Receipts at MAC	5,188.687	5,101.813	86.874	.000
4. Sales at Standard	4,882.803	4,867.803	15.000	.000
5. Inventory Adjustments				
a. Capitalization + or (-)	11.261	10.027	1.235	.000
b. Returns from Customers for Credit	.523	.518	.000	.005
c. Returns from Customers w/o Credit	470.016	459.906	.189	9.921
d. Returns to Suppliers (-)	(135.529)	(135.517)	(.006)	(.006)
e. Transfers to Property Disposal (-)	(926.403)	(915.184)	(10.957)	(.262)
f. Issues/Receipts w/o Reimbursement	(118.418)	(122.127)	3.709	.000
g. Other Adjustments				
1. Destruct, Shrink, Deteriorations, etc.	(56.048)	(.966)	(43.732)	(11.349)
2. Discounts on Returns	(7.278)	(7.278)	.000	.000
3. Trade-ins	.000	.000	.000	.000
4. Loss from Disaster	.000	.000	.000	.000
5. Assembly/Disassembly	(23.820)	(20.078)	(3.742)	.000
6. Physical Inventory Adj	548.657	550.944	(2.273)	(.014)
7. Accounting Adjustments	39.957	31.020	8.935	.002
8. Shipment Discrepancies	23.494	23.526	(.032)	.000
9. Other Gains/Losses	(.000)	(.123)	(.000)	.123
10. Strata Transfers	.000	(.141)	.037	.104
11. Strata Transfers in Transit	(4.428)	.034	(4.967)	.506
12. Other Adjustments - Total	520.535	576.938	(45.775)	(10.628)
h. Total Adjustments	(178.014)	(125.439)	(51.605)	(.970)
6. Inventory EOP	3,223.684	2,317.696	905.776	.212
7. Inventory EOP, Revalued (MAC, Discounted)	3,223.684	2,317.696	905.776	.212
a. Economic Retention (Memo)	18.800	.000	.000	18.800
b. Contingency Retention (Memo)	395.527	.000	.000	395.527
c. Potential DOD Reutilization (Memo)	116.821	.000	.000	116.821
8. Inventory on Order Cost EOP (Memo)	585.106	518.066	67.040	.000

SM-4 Supply Management Activity Group - Retail

SM-6

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail**FY2023**

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	854.437	854.437	.000
2. Price Change	.000	.000	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	26.912	26.912	.000
a. Receipts @ std	93.674	93.674	.000
(1). Purchases	93.417	93.417	.000
(2). Returns from customers	.256	.256	.000
b. Issues @ std	(30.513)	(30.513)	.000
(1). Sales	(16.349)	(16.349)	.000
(2). Returns to suppliers	(.054)	(.054)	.000
(3). Disposals	(14.111)	(14.111)	.000
c. Adjustments @ std	(36.248)	(36.248)	.000
(1). Capitalizations	2.363	2.363	.000
(2). Gains and losses	4.626	4.626	.000
(3). Other	(43.236)	(43.236)	.000
Inventory EOP	881.349	881.349	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	80.448
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	4.196
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	84.644

SM-6

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail**FY2024**

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	881.349	881.349	.000
2. Price Change	.000	.000	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	4.159	4.159	.000
a. Receipts @ std	98.749	98.749	.000
(1). Purchases	98.587	98.587	.000
(2). Returns from customers	.162	.162	.000
b. Issues @ std	(37.457)	(37.457)	.000
(1). Sales	(15.000)	(15.000)	.000
(2). Returns to suppliers	(.137)	(.137)	.000
(3). Disposals	(22.320)	(22.320)	.000
c. Adjustments @ std	(57.133)	(57.133)	.000
(1). Capitalizations	1.703	1.703	.000
(2). Gains and losses	4.066	4.066	.000
(3). Other	(62.903)	(62.903)	.000
Inventory EOP	885.508	885.508	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	83.587
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	22.830
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	106.417

SM-6

(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail**FY2025**

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	885.508	885.508	.000
2. Price Change	.000	.000	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	20.269	20.269	.000
a. Receipts @ std	87.063	87.063	.000
(1). Purchases	86.874	86.874	.000
(2). Returns from customers	.189	.189	.000
b. Issues @ std	(25.963)	(25.963)	.000
(1). Sales	(15.000)	(15.000)	.000
(2). Returns to suppliers	(.006)	(.006)	.000
(3). Disposals	(10.957)	(10.957)	.000
c. Adjustments @ std	(40.831)	(40.831)	.000
(1). Capitalizations	1.235	1.235	.000
(2). Gains and losses	3.709	3.709	.000
(3). Other	(45.775)	(45.775)	.000
Inventory EOP	905.776	905.776	.000

STOCKPILE COSTS

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

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	86.874
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	15.000
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	101.874

**AIR FORCE
WORKING CAPITAL FUND**



**U.S. AIR FORCE
UNITED STATES
TRANSPORTATION COMMAND**

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**United States Transportation Command
Transportation Working Capital Fund
Fiscal Year (FY) 2025 Budget Analysis**

Background

This submission provides justification for the United States Transportation Command (USTRANSCOM) Transportation Working Capital Fund (TWCF) budget. USTRANSCOM submits the TWCF budget as a distinct subset of the Air Force Working Capital Fund (AFWCF) budget submission. It reflects the cost authority needed to meet USTRANSCOM's Unified Command Plan (UCP) mission. With global responsibilities and capabilities that transcend air, land, and sea, USTRANSCOM is uniquely postured to fulfill six specific responsibilities within the current UCP that include: 1) the Mobility Joint Force Provider, 2) the Department of Defense (DoD's) Single Manager for Transportation, 3) the Joint Deployment and Distribution Coordinator (JDDC) for the Joint Deployment and Distribution Enterprise (JDDE), 4) the DoD's Single Manager for Patient Movement, 5) the provider for Joint Enabling Capabilities via the Joint Enabling Capabilities Command (JECC) (JECC is not part of the Working Capital Fund), and 6) the DoD's Single Manager for Global Bulk Fuel Management and Delivery.

USTRANSCOM and the broader JDDE are designed to project and sustain combat power at a time and place of the Nation's choosing. The success of DoD's power projection capability is contingent on three critical elements of USTRANSCOM's organizational warfighting framework: (1) Global Mobility Posture, the foundation of power projection; (2) Global Mobility Capacity, the conveyances and platforms that move troops, supplies, fuel, and equipment through global transportation networks; and (3) Global Command, Control, and Integration, the exercise of authority and direction to plan, coordinate, synchronize, and control operations at echelon.

From day-to-day operations through wartime mobilization, commercial nodes, rail infrastructure, trucks, aviation, and sealift capabilities are integral to USTRANSCOM's ability to respond and scale to need. The National Defense Strategy (NDS) details the Department's path forward into a decisive decade – from helping to protect the American people, to promoting global security, to seizing new strategic opportunities, and realizing and defending our democratic values.

The Nation relies on USTRANSCOM to project an immediate and decisive force when needed and continues to adapt to the most complex security environment in recent history. USTRANSCOM provides our Nation's leaders with various options while presenting multiple offensive alternatives to thwart potential adversarial activities.

Composition of Component Business Areas

USTRANSCOM's mission includes providing air, land, and sea transportation for the DoD with a primary focus on wartime readiness. Our \$9.6 billion budget provides synchronized transportation and sustainment, making it possible to project and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust and accuracy. Our assigned UCP tasks are executed through three component commands U.S. Army's Military Surface Deployment and Distribution Command (SDDC), U.S. Navy's Military Sealift Command (MSC), and U.S. Air Force's Air Mobility Command (AMC) and one major subordinate command (JECC). This joint team of transportation components provides mobility forces and assets for a seamless transition from peace to war. USTRANSCOM is always ready to meet the strategic mobility needs of our nation. A brief description of the role of each Transportation Component Command follows:

AMC is the single manager for air mobility by providing strategic airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking.

MSC supports our nation by providing maritime transportation to satisfy DoD sealift requirements, which includes delivering supplies and conducting specialized missions across the world's oceans.

SDDC provides global surface deployment and distribution services to meet the nation's objectives.

Our Component Commands provide the critical link to the Services' core competencies in organizing, training, and equipping forces. They provide lines of communication to the Services, ensuring assets are available when needed for the transition from peace to war. The surge from peacetime sustainment to a massive deployment of people and material in support of overseas operations is an example of our ability to execute our mission. Our successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning. Together with its components and national partners, USTRANSCOM is building a truly seamless, end-to-end defense transportation enterprise.

Despite concerted efforts to improve financial transparency and reporting, USTRANSCOM has received six audit disclaimers of opinion. During fiscal year 2023, USTRANSCOM conducted an end to end review of TWCF and accounting operations to understand issues impacting remediation efforts. This analysis lead to a revised audit strategy across USTRANSCOM and the components.

Global Bulk Fuel Management and Delivery (GBFMD) - Section 352, FY2022, National Defense Authorization Act (NDAA) designated USTRANSCOM as the element responsible for bulk fuel management and delivery of the (DoD) on a global basis, beginning on 1 February 2023 and costs are incorporated in this submission.

USTRANSCOM is committed to improving the relocation process for military members and families. In support of the DoD reform initiative, USTRANSCOM transitioned the Defense Personal Property Program (DP3) to a centralized acquisition approach with a single move manager. By transitioning to a single move manager, Global Household Goods Contract (GHC) fundamentally restructures DoD's relationship with the household goods moving industry to deliver the quality that service members, DoD employees, and their families deserve, and the accountability that Congress demanded.

Capital funding continues to support system enhancements and upgrades to embrace USTRANSCOM's role as a global Combatant Command delivering national objectives in tomorrow's dynamic security environment. USTRANSCOM challenges its assumptions, accurately forecasts trends that will define the future operating environment and develops the technologies and ideas that maintain our Nation's competitive advantage in transportation and logistics. Cyber resiliency and digital modernization initiatives will remain a top priority for the command. We continue to modernize our IT systems by not only taking advantage of cloud computing services but also through advancing our ability to manage data as a strategic asset to advance decision making at all levels.

Costs

COST (\$ IN MILLIONS)	FY 2023	FY 2024	FY 2025
AMC	\$6,658	\$6,142	\$6,438
SDDC	\$1,223	\$1,200	\$1,286
MSC	\$1,166	\$1,059	\$1,171
DCD	\$8	\$8	\$9
USTRANSCOM Command Staff	\$513	\$602	\$651
Total*	\$9,567	\$9,011	\$9,554

*May not total due to rounding

FY 2024 changes from the FY 2024 PB to the FY 2025 PB:

Total USTRANSCOM: Cost increased in FY 2024 by \$271 million, major changes are listed below:

- +\$256 million – Pricing changes (commercial transportation, fuel, aircraft maintenance, general inflation, and pay)
- +\$108 million – Customer workload changes
- +\$33 million – Other
- +\$12 million – Global Bulk Fuel Management & Delivery
- \$138 million – Aircraft/Ship maintenance requirements

Changes from FY 2024 to FY 2025:

Total USTRANSCOM: Cost increased in FY 2025 by \$543 million, major changes are listed below:

- +\$353 million – Customer workload changes
- +\$69 million – IT (Cloud & Security)
- +\$65 million – Contested Logistics (Lessons Learned Program)*
- +\$32 million – Aircraft maintenance requirements
- +\$24 million – Global Bulk Fuel Management & Delivery*
- +\$18 million – Pricing changes (commercial transportation, fuel, aircraft maintenance, general inflation, and pay)
- +\$18 million – Audit Support
- +\$7 million – Ship maintenance requirements
- \$2 million – Facility maintenance (Military Ocean Terminal-Sunny Point and AMC ramps, terminals, & hangars)
- \$41 million – Other

*Includes FY23 execution costs not included in FY24PB

Revenue

REVENUE (\$ IN MILLIONS)	FY 2023	FY 2024*	FY 2025
AMC	\$6,989	\$5,898	\$6,500
SDDC	\$1,068	\$974	\$1,286
MSC	\$1,214	\$1,118	\$1,171
DCD	\$6	\$7	\$9
USTRANSCOM Command Staff	\$544	\$479	\$684
Total*	\$9,821	\$8,476	\$9,650

*May not total due to rounding

Revenue: Revenue estimates include rate revenue, reimbursable revenue, Airlift Readiness Account, and Service Level Bills. They are determined as follows:

- Rate revenue: Derived by using approved rates multiplied by various workload measures (i.e., flying hours, ton miles, tons, passengers, ship days, measurement tons, vehicles, etc.). In most cases, TWCF rates recoup budgeted costs and beginning Accumulated Operating Results (AOR), consistent with standard Working Capital Fund guidelines.
- Reimbursable revenue: Includes commercial airlift and sealift charters purchased by customers (charged based on recovery of contract costs).
- Airlift Readiness Account (ARA): As directed in the DoD FMR, AMC's channel airlift rates are set to compete with private sector rates and do not cover the cost of the unique readiness requirements of military airlift operations. The ARA recoups the difference between channel system operating costs and benchmarked rate revenue, plus/minus prior year channel losses/gains. Starting in FY 2024, charter rates are established to recover 100% of the cost of military charters and no longer impacts the ARA.
- Service Level Bills (SLB): Port Readiness, Traffic Management and Global Bulk Fuel Management and Delivery.
- Transactional Bill: Defense Personal Property Program (DP3).

Disbursements, Collections, and Net Outlays

(\$ IN MILLIONS)	FY 2023	FY 2024	FY 2025
Disbursements	\$9,637	\$9,037	\$9,521
Collections	\$9,982	\$8,543	\$9,534
Net Outlays*	(\$346)	\$494	(\$13)
Ending Cash Balance*	\$692	\$197	\$210
Cash Lower Boundary	\$1,046	\$1,041	\$1,074
Cash Upper Boundary	\$1,786	\$1,736	\$1,806

*May not total due to rounding

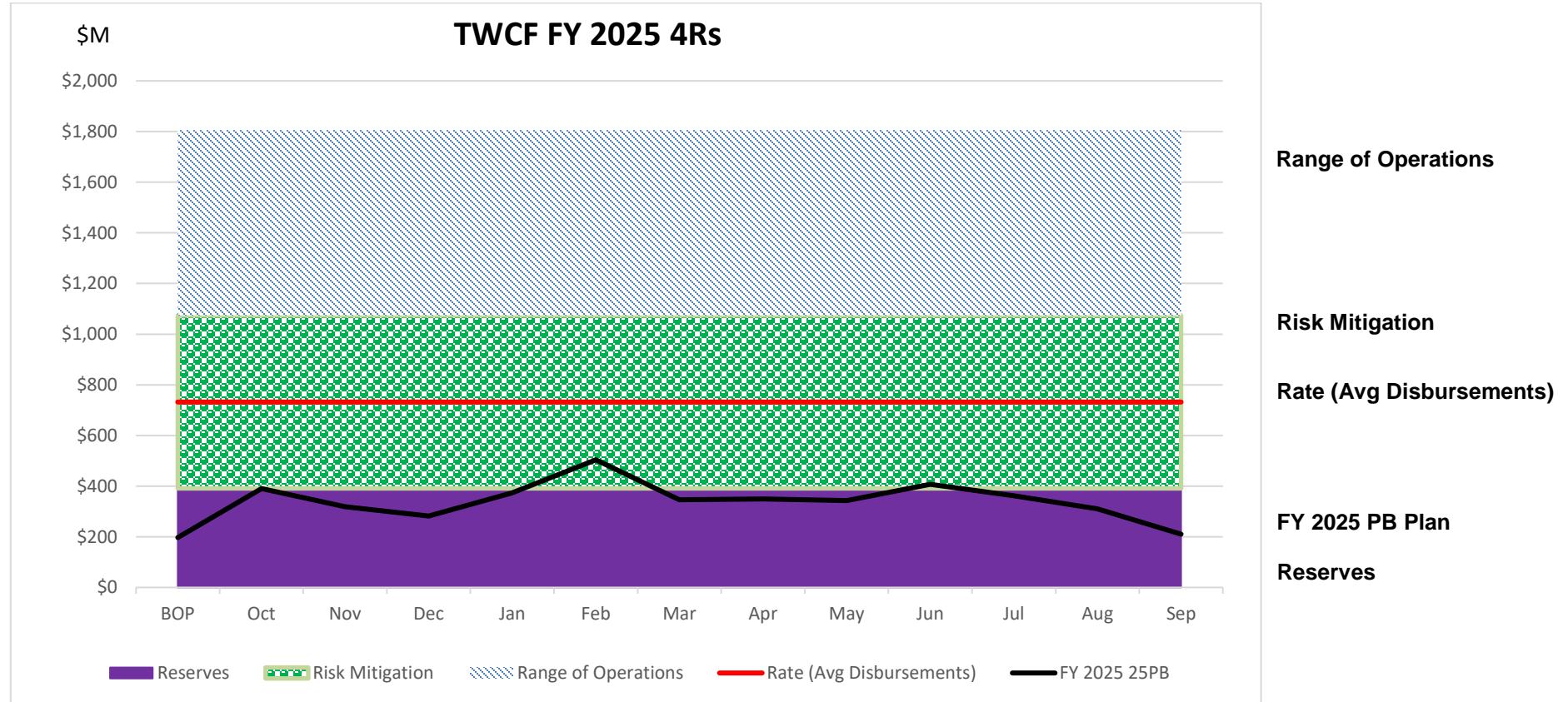
FY 2023 USTRANSCOM CASH: FY 2023 cash increased from \$346 million to \$692 million due to increased collection rate. The cash position includes collection of FY23 ARA \$1,449 million requirement. Ending cash balance is below the lower boundaries by \$354 million.

FY 2024 USTRANSCOM CASH: The FY 2024 cash is projected to decrease from \$692 million to \$197 million. USTRANSCOM cash balance is \$844 million below the cash lower boundary. USTRANSCOM continues to work with OSD(C) to solidify long term TWCF solvency and stabilize rates to mitigate impacts on Services.

FY 2025 USTRANSCOM CASH: The FY 2025 cash is projected to increase from \$197 million to \$210 million. USTRANSCOM cash balance is \$864 million below the cash lower boundary. USTRANSCOM continues to work with OSD(C) to solidify long term TWCF solvency and stabilize rates to mitigate impacts on Services.

Cash Management

The methodology for calculating cash requirements consists of four elements: rate, range, risk mitigation, and reserves (colloquially, the 4Rs).



FY 2025 **Rate of Disbursements** is the TWCF's average amount disbursed per collection cycle. **Range of Operations** is the highest and lowest expected cash level with \$732 million as the basic operating range. **Risk Mitigation** includes Contingency/Humanitarian Operations, current events, potential emerging "operational threats", and support of initial unplanned operations until collections begin. Cash **Reserves** include Liability Reserves (cost of possible contract termination and carrier bankruptcy) and Continuity of Combatant Command (COCOM) Operations (Continuing Resolution Authority, government shutdown, sequestration).

Summary of Cash Flows

FY 2023 had \$346 million cash flow. The balance sheet A/R activity decreased \$144 million, A/P decrease \$14 million, and offset from a positive \$255 million NOR.

FY 2024 projects a negative \$494 million cash flow. The balance sheet A/R activity increases \$141 million, A/P increases \$176 million, and offset from a negative \$535 million NOR.

FY 2025 projects a positive \$13 million cash flow. The balance sheet A/R activity increases \$143 million, A/P increases \$3 million, and offset from a positive \$98 million NOR.

Customer Rate Changes

AMC RATE CHANGES	FY 2025
Channel Passenger	+34.1%
Channel Cargo	+2.1%
SAAM/JETP	+17.1%
Training	+2.2%

MSC RATE CHANGES	FY 2025
Petroleum Tanker ships	-6.3%
Army Afloat Prepositioning	+8.5%
Air Force Afloat Prepositioning	+82.3%
Chartered Cargo	+6.4%

SDDC RATE CHANGES	FY 2025
Port Operations	+5.7%
Liner Ocean Transportation	+36.9%

DCD RATE CHANGES	FY 2025
Pounds Delivered	+44.0%

Capital Investment Program (CIP)

The CIP budget enables USTRANSCOM to build, adapt and maintain the Equipment, Automated Data Processing Equipment (ADPE), Telecommunications Equipment, Software Development, and Minor Construction required to conduct globally integrated mobility operations, lead the broader Joint Deployment and Distribution Enterprise (JDDE), and provide enabling capabilities to project and sustain the Joint Force in support of national objectives.

USTRANSCOM continues to challenge assumptions, accurately forecast trends that will define the future operating environment and develop the technologies to maintain our Nation's competitive advantage in transportation and logistics. Current efforts include Consolidate Air Mobility Planning System (CAMPSS), Defense Personal Property System (DPS), and Integrated Booking System (IBS).

- CAMPSS continues the agile acquisition approach to ongoing development and modernization of Airlift Requirements, Airlift Planning, Barrel Master, Iterative Planning, Enterprise Service Integration, and Mission Scheduling Service.
- DPS continues to define, develop, test, and deploy capabilities using agile software methodology for the MilMove prototype. Work continues as this program demonstrates the effectiveness and efficiency of a significant number of CONUS household moves.
- IBS continues to transform into an agile suite of business services replacing the legacy system. The development includes migrating to the cloud with a process-model driven application. This will significantly reduce time to deliver system change requests and expedite solutions to meet user requirements, while also implementing new rates to support the Universal Service Contract 9 (USC9) and Guantanamo Bay, Cuba Contracts.
- Multiple programs are transitioning to a cloud environment and include the cost of shifting applications and big data to a cloud environment.

CIP (\$ IN MILLIONS)	FY 2023	FY 2024	FY 2025
Equipment	\$1.6	\$1.3	\$0.5
ADPE and Telecom Equip	\$7.5	\$4.1	\$2.1
Software Development	\$38.7	\$40.0	\$32.4
Minor Construction	\$9.9	\$5.9	\$10.5
Total	\$57.7	\$51.3	\$45.5

*May not total due to rounding

Manpower Trends

USTRANSCOM's staffing is comprised of approximately 73 percent military and 27 percent civilian. The efficient use of manpower for our components is integral to the success of USTRANSCOM's mission.

Military End Strength and Workyears*

	FY 2023	FY 2024	FY 2025
Army	216	203	206
Navy	155	157	156
Marine Corps	12	12	11
Air Force	11,895	12,150	12,293
Total Military End Strength	12,278	12,522	12,666
Total Military Work-years	12,278	12,734	12,883

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

Civilian End Strength

	FY 2023	FY 2024	FY 2025
U.S. Direct Hire	3,546	4,007	4,133
Foreign National Direct Hire	273	287	285
Foreign National Indirect Hire	279	304	303
Total Civilian End Strength	4,098	4,598	4,721

Civilian Full-Time Equivalents

	FY 2023	FY 2024	FY 2025
U.S. Direct Hire	3,503	4,007	4,133
Foreign National Direct Hire	273	287	285
Foreign National Indirect Hire	279	304	303
Total Civilian FTEs	4,055	4,598	4,721

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

	Expenses
FY2023 Estimated Actuals	\$9,566.7
FY2024 Estimate in President's Budget	\$8,740.0
Estimated Impact in FY2024 Actual	
FY2023 Experience	\$0.0
Pricing Adjustments:	\$255.9
a. FY2024 Pay Raises	\$7.1
(1) Civilian Personnel	\$5.4
(2) Military Personnel	\$1.7
b. Annualization of Prior Year Pay Raises	\$0.0
(1) Civilian Personnel	\$0.0
(2) Military Personnel	\$0.0
c. Fuel Pricing	\$0.0
d. General Purchase Inflation	\$22.6
e. Depot Level Repairables Changes	\$17.3
f. Commercial Transportation Pricing Changes	\$50.1
g. Aircraft Maintenance Price Changes	\$158.8
h. Other Price Changes	\$0.0
Productivity Initiatives & Other Efficiencies:	\$0.0
a. Headquarters Reductions	\$0.0
Program Changes:	\$14.7
a. Aircraft Maintenance Changes	(\$138.2)
b. Other	\$49.1
c. Workload Changes	\$108.4
d. Ship Maintenance Changes	\$0.0
e. Container Detention changes	\$0.0
f. Facility Maintenance	(\$4.6)
g. Command Initiatives	\$0.0
FY2024 Current Estimate	\$9,010.6

Fund 2 United States Transportation Command

Fund 2
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

	Expenses
FY2024 Current Estimate	\$9,010.6
Pricing Adjustments:	
a. FY2025 Pay Raises	\$18.1
(1) Civilian Personnel	\$10.2
(2) Military Personnel	\$8.9
b. Annualization of Prior Year Pay Raises	\$1.3
(1) Civilian Personnel	\$4.7
(2) Military Personnel	\$4.6
c. General Purchase Inflation	\$0.1
d. Aircraft Maintenance Changes	\$19.8
e. Commercial Transportation Pricing Changes	\$33.8
f. Depot Level Repairables Changes	(\$46.8)
g. Fuel Pricing	(\$38.4)
h. Other Price Changes	\$34.8
	\$0.0
Productivity Initiatives & Other Efficiencies:	
a. Fuel Efficiencies due to Information Technology Initiatives	\$0.0
b. Fuel Efficiencies due to Policy	\$0.0
c. Cost Efficiencies	\$0.0
d. Headquarters Reductions	\$0.0
Program Changes:	
a. Other	\$525.2
b. Aircraft Maintenance Changes	\$13.9
c. Workload Changes	\$32.0
d. Ship Maintenance Changes	\$353.2
e. Facility Maintenance	\$7.4
f. Command Initiatives	(\$1.6)
	\$120.3
FY2025 Estimate	\$9,553.9

Fund 2 United States Transportation Command

Fund 11 (Dollars in Millions)	Source of New Orders and Revenue Air Force Working Capital Fund Transportation Working Capital Fund (TWCF)	Fiscal Year (FY) 2025 Budget Estimates February 2024
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United States Transportation Command

	FY2023	FY2024	FY2025
1. New Orders			
a. Orders From DOD Components:	8,510.7	7,282.2	8,066.8
Total Air Force	4,441.8	3,838.1	4,271.1
Military Personnel	108.7	95.0	129.4
Aircraft Procurement	.8	.1	.4
Missile Procurement	.0	.0	.0
Other Procurement	13.3	12.4	14.1
Operations & Maintenance	4,024.1	3,371.8	3,754.8
Operations & Maintenance - ANG	3.5	3.5	3.8
Operations and Maintenance - AFRES	274.6	339.5	350.0
RDT&E	15.2	14.8	16.9
Other	1.6	1.0	1.7
Army	2,318.9	1,954.9	2,190.9
Military Personnel	92.6	79.5	112.0
Aircraft Procurement	1.3	1.3	1.5
Missile Procurement	1.4	1.3	1.5
Other Procurement	7.1	7.2	10.0
AAFES	35.9	52.6	61.7
Operations and Maintenance	2,112.8	1,754.6	1,932.5
NG, O&M	14.7	14.3	17.0
Army Reserve	11.2	10.3	12.0
RDT&E	22.7	18.7	24.6
Other	19.2	15.1	18.1
Navy	947.2	763.8	798.1
Military Personnel	80.0	68.2	96.6
Aircraft Procurement	.3	.0	.0
NEXCOM	.0	.0	.0
Operations and Maintenance	746.9	570.8	640.1
NG, O&M	.0	.0	.0
NDSF	73.5	74.9	4.1
RDT&E	.3	.0	.0
Other	46.2	49.9	57.3

Fund 11 United States Transportation Command

Fund 11 (Dollars in Millions)	Source of New Orders and Revenue Air Force Working Capital Fund Transportation Working Capital Fund (TWCF)	Fiscal Year (FY) 2025 Budget Estimates February 2024
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United States Transportation Command

	FY2023	FY2024	FY2025
Marine Corps	226.9	166.0	188.7
Military Personnel	16.9	15.4	21.3
MCEX	.0	.0	.0
Operations and Maintenance	209.3	150.5	166.4
Other	.7	.1	1.0
Coast Guard	2.1	1.6	3.3
Military Personnel	2.1	1.6	3.3
Space Force	11.0	10.8	12.4
Military Personnel	.0	.0	.0
Operations and Maintenance	5.8	5.3	6.2
Procurement	.8	.8	.9
RDT&E	4.4	4.7	5.3
OSD	562.8	547.0	602.3
Operations and Maintenance	525.8	511.5	561.0
JCS	33.3	59.3	47.6
SOCOM	473.2	423.5	482.0
Health Affairs	.0	.0	.0
NSA	2.5	3.0	3.8
DIA	.0	.0	.0
DMA	.0	.0	.0
Other	16.7	18.8	17.3
DLA (Non-WCF)	.1	6.9	10.3
DTS-PMO	.0	.0	.0
DSCA	.0	.0	.0
Procurement	.2	.3	.1
Other	36.8	35.2	41.2
b. Orders From Other Fund Activity Groups	993.4	927.0	1,240.8
DECA	4.5	4.2	4.9
DLA	520.0	497.6	686.2
Other Orders	468.9	425.2	549.7

Fund 11 United States Transportation Command

Fund 11 (Dollars in Millions)	Source of New Orders and Revenue Air Force Working Capital Fund Transportation Working Capital Fund (TWCF)	Fiscal Year (FY) 2025 Budget Estimates February 2024
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United States Transportation Command

	FY2023	FY2024	FY2025
c. Total DOD	9,504.1	8,209.2	9,307.6
d. Other Orders	317.2	266.3	342.0
Other Federal Agencies	39.6	37.4	43.5
Trust Fund	.0	.0	.0
Non Federal Agencies	39.1	36.6	45.1
Foreign Military Sales	238.5	192.3	253.4
Total New Orders	9,821.3	8,475.5	9,649.6
2. Carry-In Orders	.0	.0	.0
3. Total Gross Orders	9,821.3	8,475.5	9,649.6
4. Funded Carryover	.0	.0	.0
5. Total Gross Sales	9,821.3	8,475.5	9,649.6

Fund 11 United States Transportation Command

Fund 14
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

	FY2023	FY2024	FY2025
Revenue			
Gross Sales	9,821.3	8,475.5	9,649.6
Operations	9,789.6	8,425.1	9,590.1
Capital Surcharge	.0	.0	.0
Cash Surcharge	.0	.0	.0
Depreciation excluding Maj Const	31.7	50.4	59.5
Major Construction Depreciation	.0	.0	.0
Other Income	.0	.0	.0
Refunds/Discounts(-)	.0	.0	.0
Total Income:	9,821.3	8,475.5	9,649.6
Expenses:			
Salaries and Wages:			
Military Personnel Compensation & Benefits	49.9	50.5	49.0
Civilian Personnel Compensation & Benefits	492.1	544.2	577.4
Travel and Transportation of Personnel	96.1	94.4	92.0
Materials and Supplies (For internal operations)	1,557.1	1,514.3	1,353.7
Equipment	7.0	5.5	6.5
Other Purchases from Revolving Funds	306.2	541.3	579.2
Transportation of Things	4,505.4	3,745.3	4,178.5
Depreciation - Capital	31.7	50.5	59.5
Printing and Reproduction	.0	.0	.0
Advisory and Assistance Services	67.6	80.0	80.4
Rent, Comm, Utilities and Misc Charges	45.9	54.6	55.8
Other Purchased Services	2,407.7	2,330.0	2,521.9
Total Expenses	9,566.7	9,010.6	9,553.9
Operating Result			
Less Capital Surcharge Reservation	.0	.0	.0
Plus Passthroughs of Other Appropriations affecting NOR/AOR	.0	.0	.0
Other Changes (NOR)	.1	.0	.0
Net Operating Result	254.6	(535.1)	95.7
Beginning AOR	(175.8)	78.9	(456.2)
Prior Year Adjustments	.0	.0	.0
Other Changes Affecting AOR	.0	.0	.0
Accumulated Operating Result	78.9	(456.2)	(360.5)
Non-Recoverable Adjustment Impacting AOR	.0	.0	.0
Accumulated Operating Result for Budget Purposes	78.9	(456.2)	(360.5)

Fund 15
(Dollars in Millions)

Fuel Data
Air Force Working Capital Fund
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY2023	PROCURED FROM DESC			PROCURED BY SERVICE			FY25 PB
	PRODUCT	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)
DIRECT FUEL DATA							
MOGAS: Unleaded (Direct)	0.0122	173.04	2.1	0.0006	173.04	0.1	
JP-5	0.1295	168.28	21.8	0.0000	0.00	0.0	
JP-8	5.6305	167.02	940.4	0.0000	0.00	0.0	
JP-8 NF Fuel (EEIC 693)	0.0000	0.00	0.0	0.0000	0.00	0.0	
Distillates	0.8368	167.86	140.4	0.0000	0.00	0.0	
Diesel (Generic)	0.0018	163.52	0.3	0.0000	0.00	0.0	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.5119	189.70	97.1	
Bunker (Marine)	0.0315	171.22	5.4	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2704	126.28	34.2	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.1661	204.68	34.0	
TOTAL	6.9127		1144.6	0.6786		131.2	1275.8
COMMERCIAL AUG FUEL DATA							
JP-8	2.1135	167.02	353.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	1.9826	189.70	376.1	
TOTAL	2.1135		353.0	1.9826		376.1	729.1
MILITARY AUG FUEL DATA							
JP-8	1.7962	167.02	300.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.2362	189.70	44.8	
TOTAL	1.7962		300.0	0.2362		44.8	344.8
TOTAL FUEL DATA							
MOGAS: Unleaded	0.0122	173.04	2.1	0.0006	173.04	0.1	
JP-5	0.1295	168.28	21.8	0.0000	0.00	0.0	
JP-8	9.5402	167.02	1593.4	0.0000	0.00	0.0	
Distillates	0.8368	167.86	140.4	0.0000	0.00	0.0	
Diesel (Generic)	0.0018	163.52	0.3	0.0000	0.00	0.0	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	2.7307	189.70	518.0	
Bunker (Marine)	0.0315	171.22	5.4	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2704	126.28	34.2	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.1661	204.68	34.0	
TOTAL	10.8224		1797.6	2.8974		552.1	2349.7

Fund 15
(Dollars in Millions)

Fuel Data
Air Force Working Capital Fund
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY2024	PROCURED FROM DESC			PROCURED BY SERVICE			FY25 PB
	PRODUCT	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)
DIRECT FUEL DATA							
MOGAS: Unleaded (Direct)	0.0169	153.30	2.6	0.0007	153.30	0.1	
JP-5	0.1362	149.10	20.3	0.0000	0.00	0.0	
JP-8	5.9375	147.84	877.8	0.0000	0.00	0.0	
JP-8 NF Fuel (EEIC 693)	0.0000	0.00	0.0	0.0000	0.00	0.0	
Distillates	0.7143	148.68	106.2	0.0000	0.00	0.0	
Diesel (Generic)	0.0055	144.48	0.8	0.0007	144.48	0.1	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.6595	168.00	110.8	
Bunker (Marine)	0.0283	152.04	4.3	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2444	111.72	27.3	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.0784	181.02	14.2	
TOTAL	7.0831		1039.3	0.7393		125.2	1164.5
COMMERCIAL AUG FUEL DATA							
JP-8	1.9541	147.84	288.9	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	1.6833	168.00	282.8	
TOTAL	1.9541		288.9	1.6833		282.8	571.7
MILITARY AUG FUEL DATA							
JP-8	1.5388	147.84	227.5	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.2024	168.00	34.0	
TOTAL	1.5388		227.5	0.2024		34.0	261.5
TOTAL FUEL DATA							
MOGAS: Unleaded	0.0169	153.30	2.6	0.0007	153.30	0.1	
JP-5	0.1362	149.10	20.3	0.0000	0.00	0.0	
JP-8	9.4304	147.84	1394.2	0.0000	0.00	0.0	
Distillates	0.7143	148.68	106.2	0.0000	0.00	0.0	
Diesel (Generic)	0.0055	144.48	0.8	0.0007	144.48	0.1	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	2.5452	168.00	427.6	
Bunker (Marine)	0.0283	152.04	4.3	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2444	111.72	27.3	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.0784	181.02	14.2	
TOTAL	10.5760		1555.7	2.6250		442.0	1997.7

Fund 15
(Dollars in Millions)

Fuel Data
Air Force Working Capital Fund
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY2025	PROCURED FROM DESC			PROCURED BY SERVICE			FY25 PB
	PRODUCT	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)	BARRELS (millions)	COST PER BARREL (\$)	EXTENDED PRICE (\$ millions)
DIRECT FUEL DATA							
MOGAS: Unleaded (Direct)	0.0165	157.92	2.6	0.0006	157.92	0.1	
JP-5	0.1203	153.72	18.5	0.0000	0.00	0.0	
JP-8	5.2335	152.46	797.9	0.0000	0.00	0.0	
JP-8 NF Fuel (EEIC 693)	0.0000	0.00	0.0	0.0000	0.00	0.0	
Distillates	0.8030	153.30	123.1	0.0000	0.00	0.0	
Diesel (Generic)	0.0067	149.10	1.0	0.0007	149.10	0.1	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.5777	173.46	100.2	
Bunker (Marine)	0.0236	156.66	3.7	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2059	151.08	23.7	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.0702	186.48	13.1	
TOTAL	6.4095		970.5	0.6492		113.5	1084.0
COMMERCIAL AUG FUEL DATA							
JP-8	2.2471	152.46	342.6	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	2.1930	173.46	380.4	
TOTAL	2.2471		342.6	2.1930		380.4	723.0
MILITARY AUG FUEL DATA							
JP-8	1.7244	152.46	262.9	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	0.2260	173.46	39.2	
TOTAL	1.7244		262.9	0.2260		39.2	302.1
TOTAL FUEL DATA							
MOGAS: Unleaded	0.0165	157.92	2.6	0.0006	157.92	0.1	
JP-5	0.1203	153.72	18.5	0.0000	0.00	0.0	
JP-8	9.2050	152.46	1403.4	0.0000	0.00	0.0	
Distillates	0.8030	153.30	123.1	0.0000	0.00	0.0	
Diesel (Generic)	0.0067	149.10	1.0	0.0007	149.10	0.1	
Residuals	0.0000	0.00	0.0	0.0000	0.00	0.0	
Into Plane Jet Fuel	0.0000	0.00	0.0	2.9967	173.46	519.8	
Bunker (Marine)	0.0236	156.66	3.7	0.0000	0.00	0.0	
Bunker (Intermediate)	0.2059	151.08	23.7	0.0000	0.00	0.0	
Local Purchase Jet Fuel	0.0000	0.00	0.0	0.0702	178.35	13.1	
TOTAL	10.3810		1576.0	3.0682		533.1	2109.1

AIR FORCE WORKING CAPITAL FUND



U.S. AIR FORCE

CAPITAL BUDGET

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Fund 9A
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG

Line Number	Item Description	FY2023		FY2024		FY2025	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	EQUIPMENT	40	169.611	38	214.158	34	259.900
	Maintenance Division	40	169.611	38	214.158	34	259.900
	Supply Division	0	0.000	0	0.000	0	0.000
	ADPE & TELECOM	1	0.800	1	0.674	1	3.500
	Maintenance Division	1	0.800	1	0.674	1	3.500
	Supply Division	0	0.000	0	0.000	0	0.000
	SOFTWARE DEVELOPMENT	2	26.514	3	46.477	4	27.120
	Maintenance Division	2	26.514	3	46.477	3	12.120
	Supply Division	0	0.000	0	0.000	1	15.000
	MINOR CONSTRUCTION	8	26.618	10	0.000	1	23.570
	Maintenance Division	8	26.618	10	0.000	1	23.570
	Supply Division	0	0.000	0	0.000	0	0.000
	TOTAL	51	223.543	52	261.309	40	314.090
	Capital Outlays (above threshold)		194.775		231.022		273.469
	Capital Outlays (below threshold)		0.000		0.000		0.000
	Total Capital Outlays		194.775		231.022		273.469
	Total Depreciation Expense		214.909		269.628		307.409

Fund 9A CSAG

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Depot Maintenance			Line No. & Item Description EQUIPMENT.					Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025			
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	
A. Equipment	1	169,611.1	169,611.1	1	214,157.8	214,157.8	0	259,899.7	259,899.7	
Total	1	169,611.1	169,611.1	1	214,157.8	214,157.8	0	259,899.7	259,899.7	

Narrative Justification:

Description

This capability represents an array of capital equipment investment requirements that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeable, or Other Depot mission. WSS investments are designed, scheduled, and installed in accordance with established Air Logistics Complex or Aerospace Maintenance and Regeneration Group processes and priorities. WSS projects support the maintenance mission requirements to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. The equipment, when replaced, upgraded, integrated, or combined into depot industrial operations, leads to efficiency and personnel safety; supports hazardous waste minimization and pollution prevention efforts; enhances product quality; and increases customer satisfaction in performing the Air Force mission. Time sensitivity of projects to accommodate new or emerging workload capability and produce an acceptable end state is a critical factor in depot operations. As such, programming and execution in this capability is essential as equipment requirements may change. Documentation and project justification support are certified and maintained on file in accordance with the established guidance. \$6M has been allocated for Temporary Fabric Hangars (WSS) to accompany the ramp expansion to support the B-52 re-engine efforts.

Economic Analysis

An Economic Analysis was completed and is on file. EA Waiver has been obtained for the Ramp Expansion (Minor Con) and Temporary Fabric Hangars (WSS).

Impact

Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Depot Maintenance		Line No. & Item Description ADPE & TELECOM					Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	1	799.9	799.9	1	674.0	674.0	1	3,500.0	3,500.0
Total	1	799.9	799.9	1	674.0	674.0	1	3,500.0	3,500.0

Narrative Justification:

Description

This capability represents an array of capital ADPE and Telecommunications investments that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects will upgrade the infrastructure required to maintain the depot maintenance systems and equipment. All upgrades are implemented within the Air Force's common infrastructure. Investments include upgrading fiber optics, routers, servers and other infrastructure items required to support the implementation of an efficient depot maintenance support structure. The aforementioned investments ensure commonality and replacement of equipment before failure, incompatibility or obsolescence due to age. Equipment replacements are in accordance with the logistics strategic plan approved by the Deputy Under Secretary of Defense (Logistics).

Economic Analysis

An Economic Analysis was completed and is on file.

Impact

Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Depot Maintenance			Line No. & Item Description SOFTWARE DEVELOPMENT				Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	1	26,514.2	26,514.2	1	46,477.2	46,477.2	1	12,120.0	12,120.0
Total	1	26,514.2	26,514.2	1	46,477.2	46,477.2	1	12,120.0	12,120.0

Narrative Justification:

Description

This capability provides for development and acquisition of both operating and application software that support depot maintenance operations. Software requirements include systems programs, application programs, commercial-off-the-shelf (COTS) software, independent subroutines, databases, equipment upgrades, Test Program Sets (TPS) and software documentation. System application software may be acquired through (1) the purchase of a COTS system; (2) the development of new applications through either internal development (in-house) or contractual effort; or (3) the modernization of existing software that significantly expands and/or enhances its existing capabilities. In FY2024, increase of \$35M for MROi development budget controls have been realigned from Research, Development, Test & Evaluation (RDT&E) Program Element (PE) 0708055F Project 675329 to Department of Air Force (DAF) Working Capital Fund (WCF) Capital Investment Program (CIP).

Economic Analysis

Economic Analysis for MRO Financials completed and certified on 11 May 18.

Impact

Planned software upgrades are critical to maintaining continuous visibility for asset management as well as real-time decisions regarding efficient and effective maintenance due to changing conditions not only from the field but from within the maintenance wings themselves. The changes made to existing systems will allow successful implementation of more efficient maintenance concepts in order to effectively utilize the Air Logistics Complexes' resources. Efficiencies critical for long-term success will not be realized if projects remain unfunded.

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Depot Maintenance		Line No. & Item Description MINOR CONSTRUCTION					Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	1	26,618.1	26,618.1	1	0.0	0.0	0	23,570.0	23,570.0
Total	1	26,618.1	26,618.1	1	0.0	0.0	0	23,570.0	23,570.0

Narrative Justification:

Description

This category includes an array of minor construction projects that allows flexibility in adapting to new and changing workloads. Projects are smaller in scale (costing between \$250,000 and \$6,000,000) and are designed, scheduled, and constructed in accordance with Air Logistic Complexes' established priorities. These projects support the depot maintenance, mission requirements, correct safety and health problems; improve productivity through quality of life improvement projects, improve depot flow days and support office and work space reorganizations. In addition, MC projects provide construction required to install needed mission essential equipment and capital investment equipment. \$5M of Minor Construction has been allocated for the concrete Ramp Expansion to accompany the Temporary Fabric Hangars (WSS) to support the B-52 re-engine efforts.

Economic Analysis

An Economic Analysis was completed and is on file. EA waiver was obtained for the Ramp Expansion (MC) and temporary Fabric Hangars (WSS).

Impact

If facilities are not properly maintained or modernized based upon required depot workload, there will be work stoppages along with safety and security issues which affects weapon system availability. The minor construction that is required for new equipment setup will not be in place, thus severely impacting the depots' ability to efficiently provide repair services and meet warfighter requirements. The B-52 fleet will undergo a major modernization effort in conjunction with PDM starting in FY25 requiring additional dock space at OC-ALC. Current dock and ramp constraints are inadequate to support B-52 modernization efforts stressing the need for an expansion of the Ramp (Minor Construction) and the procurement of temporary Fabric Hangars (WSS).

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Supply Management			Line No. & Item Description Maintenance, Repair, and Overhaul - Supply (MRO-S)					Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025			
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	
C. Software Development	0	0.0	0.0	0	0.0	0.0	1	15,000.0	15,000.0	
Total	0	0.0	0.0	0	0.0	0.0	1	15,000.0	15,000.0	

Narrative Justification:

Description

This capability provides for development and acquisition of both operating and application software that supports Fixed Asset and Supply capabilities as related to the "Acquire to Retire" and "Plan to Stock" business processes, respectively, associated with Maintenance, Repair, and Overhaul – Supply (MRO-S) depot operations. Software requirements include systems programs, application programs, Commercial-Off-The-Shelf (COTS) software, independent subroutines, databases, equipment upgrades, Test Program Sets (TPS) and software documentation. System application software may be acquired through: (1) the purchase of a COTS system; (2) the development of new applications through either internal development (in-house) or contractual effort; or (3) the modernization of existing software that significantly expands and/or enhances its existing capabilities. Fixed Asset and Supply capabilities are related to the "Acquire to Retire" and "Plan to Stock" business processes, respectively, associated with MRO-S.

Economic Analysis

This requirement has been formally waived by HQ AFMC/FM based on previous higher level authority approval of this effort as well as related efforts in accordance with DoD FMR Volume 2b, Chapter 9, Section 1.5.14.9.

Impact

Planned software upgrades are critical to maintaining continuous visibility for supply management as well as real-time decisions regarding efficient and effective supply chain management due to changing conditions not only from the field but from within the supply wings themselves. The changes made to existing systems will allow successful implementation of more efficient maintenance concepts to effectively utilize the Air Logistics Complexes' resources. Efficiencies critical for long-term success will not be realized if projects remain unfunded.

Fund 9C (Dollars in Millions)	Activity Group Capital Investment Justification Air Force Working Capital Fund Consolidated Sustainment Activity Group (CSAG)	Fiscal Year (FY) 2025 Budget Estimates February 2024
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CSAG - Maintenance Division

Major Category	Initial Request	Current Proj Cost	Approved Change Explanation
Non-ADPE	169.940	169.611	-0.329
ADPE and Telcom	0.741	0.800	0.059
Software Development	22.447	26.514	4.067
Minor Construction	31.636	26.618	-5.018
 Total FY2023	 224.764	 223.543	 -1.221
Non-ADPE	214.158	214.158	0.000
ADPE and Telcom	0.674	0.674	0.000
Software Development	46.477	46.477	0.000
Minor Construction	0.000	0.000	0.000
 Total FY2024	 261.309	 261.309	 0.000
Non-ADPE	259.900	259.900	0.000
ADPE and Telcom	3.500	3.500	0.000
Software Development	12.120	12.120	0.000
Minor Construction	23.570	23.570	0.000
 Total FY2025	 299.090	 299.090	 0.000

Fund 9C CSAG - Maintenance Division

Fund 9C
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

Major Category	Initial Request	Current Proj Cost	Approved Change	Explanation
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	0.000	0.000	0.000	
Minor Construction	0.000	0.000	0.000	
Total FY2023	0.000	0.000	0.000	
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	0.000	0.000	0.000	
Minor Construction	0.000	0.000	0.000	
Total FY2024	0.000	0.000	0.000	
Non-ADPE	0.000	0.000	0.000	
ADPE and Telcom	0.000	0.000	0.000	
Software Development	15.000	15.000	0.000	
Minor Construction	0.000	0.000	0.000	
Total FY2025	15.000	15.000	0.000	

Fund 9A
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

Line Number	Item Description	FY2023		FY2024		FY2025	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
A.	Equipment						
	Equipment-AMC		0.4		0.5		0.5
	Equipment-SDDC		1.2		0.8		0.0
	Subtotal		1.6		1.3		0.5
B.	ADPE/Telecomm						
	Local Area Network (USTRANSCOM LAN)		2.8		0.0		2.1
	USTRANSCOM Distributive Enclave (USTC DE)		4.7		4.1		0.0
	Subtotal		7.5		4.1		2.1
C.	Software Development						
	Analysis of Mobility Platform (AMP)		9.0		7.5		7.2
	Defense Personal Property System (DPS)		14.0		14.9		15.7
	Global Air Transportation Execution System (GATES).		0.9		0.0		0.0
	Consolidated Air Mobility Planning System (CAMPSS)		9.5		9.7		2.1
	Global Freight Management (GFM)		0.3		0.0		0.0
	Integrated Booking System (IBS)		4.7		4.8		4.9
	Transportation Financial Management System (TFMS)		0.4		3.1		2.5
	Subtotal		38.7		40.0		32.4
	GRAND TOTAL		57.7		51.3		45.5

Fund 9A United States Transportation Command

Fund 9A
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

Line Number	Item Description	FY2023		FY2024		FY2025	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	Capital Outlays (above threshold)		44.1		54.6		49.3
	Capital Outlays (below threshold)		0.0		0.0		0.0
	Total Capital Outlays		44.1		54.6		49.3
	Total Depreciation Expense		31.7		50.5		59.5

Fund 9A United States Transportation Command

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Air Mobility Command			Line No. & Item Description Equipment-AMC				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	412.0	412.0	0	500.0	500.0	0	500.0	500.0
Total	0	412.0	412.0	0	500.0	500.0	0	500.0	500.0

Narrative Justification:

Description

Funds are used to support Base Procured Investment Equipment for flight line maintenance.

Mission Benefits

Funds allow for the procurement of one time purchases to replace/procure new equipment.

Deliverables

Will be based on requirements approved for replacement or procurement of new equipment.

Economic Analysis

Economic Analysis (EA) or Cost Analysis (CA) are completed for individual projects that qualify.

Impact

Without these funds, wings would not be able to procure needed replacement items. These funds are required to support one-time requirements for equipment that is becoming obsolete and logically unsupportable. With a certified EA, it is verified that these capital items meet requirements as a replacement item and result in improved efficiency and capability.

Software

Not Applicable

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Surface Deployment and Distribution Command			Line No. & Item Description Equipment-SDDC				Activity Identification SDDC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
A. Equipment	0	1,216.0	1,216.0	0	840.0	840.0	0	0.0	0.0
Total	0	1,216.0	1,216.0	0	840.0	840.0	0	0.0	0.0

Narrative Justification:

Description

Surface Deployment and Distribution Command (SDDC) Equipment for installations where SDDC has direct operations oversight. These installations are considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting commanders around the world. The installations that SDDC has direct operations oversight are relied upon to maintain a high OPTEMPO consisting of general cargo movements, ammunition resupply missions, pre-position operations and Foreign Military Sales operations.

Mission Benefits

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

Deliverables

Equipment ensures the safe, secure and sustainable network of interconnected operational support systems which enhance SDDC operations and cargo throughput capabilities regardless of contingency; now and into the future. SDDC's equipment is programmed in accordance with the lifecycle replacement schedule.

Economic Analysis

Economic Analysis (EA) are completed for individual projects that qualify.

Impact

Failure to fund will adversely impact Surface Deployment and Distribution Commands (SDDCs) ability to meet safety standards and support the warfighters.

Software

Not Applicable.

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force USTRANSCOM Command Staff		Line No. & Item Description Analysis of Mobility Platform (AMP)					Activity Identification Command Staff		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	8,954.0	8,954.0	0	7,486.0	7,486.0	0	7,200.0	7,200.0
Total	0	8,954.0	8,954.0	0	7,486.0	7,486.0	0	7,200.0	7,200.0
Narrative Justification:									
Description									
AMP is an end-to-end modeling and simulation environment which supports joint collaborative programmatic analysis, planning execution analysis, experimental planning, execution analysis and peacetime operations. It allows mobility analysts to provide multi-level detailed analyses to support DoD mobility analytical studies. AMP serves as a platform to support futuristic programmatic studies and analyses such as mobility requirements studies and quadrennial defense reviews; it also has implications for component and Combatant Command planners and area of responsibility Directors of Mobility Forces. The current shortcomings in the AMP modeling and simulation capabilities include a lack of efficient communication between models and heuristic based optimization. Air Refueling Model supports the AMP's ability to provide realistic scenarios to evaluate Operational Plans and to gauge risk to the mission due to gaps or seams in logistics support. The primary purpose of ARM is to model the impact of Air Refueling operations in the context of large, programmatic scenarios to determine the number of tankers required to support defense planning scenarios and impact of tanker operations.									
Mission Benefits									
This modeling and simulation federation provides integrated, authoritative modeling, simulation, stochastic optimization, and analysis tools for effective and efficient warfighter power projection and sustained long range planning. Modeling enhancements of Intermodal Operations, Ammunition Distribution, Inland Waterways Routing, Petroleum, Oil, and Lubricant (POL) terminals, and improved routing schedule will support DoD's analytic agenda for current and future programmatic studies. These modeling enhancements will provide greater insight and modeling detail in evaluating deployment and distribution resource requirements to support National Command Authority (NCA) planning initiatives. These benefits directly support the combatant commands, director of mobility forces, and mobility planners. Increased fidelity of the programmatic analysis modeling capability providing highly reliable and detailed decision-support information to enable senior departmental leadership in making informed decisions for mobility and distribution capabilities in supporting the national military strategy.									
Deliverables									
Sustainment of current capabilities along with Design and Development of new capabilities as referenced in current year PWS									
Economic Analysis									
TCJ8-PC-262-001-Addendum 1 Signed 5 Oct 2017. Economic Analysis will be updated with Addendum 2 to incorporate changes since last update. An addendum for Airlift 2.0 was completed dated April 2016.									
Impact									
Without this investment, United States Transportation Command (USTRANSCOM) will be unable to provide a Modeling and Simulation environment of interoperable, collaborative models and execution systems capable of providing accurate and consistent answers at the required breadth and depth of the Defense Transportation System (DTS) problem space. Without this investment, the integration of essential elements of analysis into a homogeneous, seamless, all-inclusive environment that ultimately represents the JDDE to the most effective and efficient level of fidelity possible is negatively impacted.									
Software									
No license fees are associated with this investment.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Air Mobility Command			Line No. & Item Description Consolidated Air Mobility Planning System (CAMPs)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	9,488.0	9,488.0	0	9,718.0	9,718.0	0	2,092.0	2,092.0
Total	0	9,488.0	9,488.0	0	9,718.0	9,718.0	0	2,092.0	2,092.0
Narrative Justification:									
Description									
Consolidated Air Mobility Planning System (CAMPs) is Headquarters' Air Mobility Command (HQ AMCs) Command and Control (C2) planning and scheduling system that provides mobility mission planners with an integrated view for airlift and air refueling requirements management, planning, and scheduling of AMC/Mobility Air Forces (MAF) air mobility resources to support peacetime, contingency, humanitarian, and wartime operations. CAMPs provides separate unclassified and classified requirements, planning and scheduling capabilities, and also provides advanced user capabilities for operational planning and allocation management. CAMPs provides a joint capability to gather and manage mobility requirements for Special Assignment Airlift Missions (SAAM), and intra-theater and channel requirements. The capability is used extensively in Central Command (CENTCOM) area of responsibility at this time. CAMPs will continue to maintain the system and upgrade as required following the requirements approved under the MAF C2 Framework Capabilities Document (CDD).									
Mission Benefits									
CAMPs provides USTRANSCOM & HQ AMC's mission planners and schedulers with integrated, automated tools they require to manage and prioritize mobility requirements and to analyze, plan, and schedule mobility missions to meet airlift requirements. These tools will optimize the use of scarce Defense Transportation System airlift assets by: reducing empty or low cargo weight missions, reducing the number of supplemental contract airlift required, providing timely and accurate contingency support through rapid and efficient planning tools, roving asset tracking, and improving response to supported unified or combined command requirements. This capability will be provided in a more secure, user-friendly, and integrated environment. Allow users to optimize airlift planning and Air Refueling and publish mission schedules to achieve efficient and effective operations across given timeframes.									
Deliverables									
Eliminate manual processes									
Improve cognitive interfaces									
Improve collaboration									
Improve data and process integration - directly impacts optimization Airlift and A/R									
Economic Analysis									
CAMPs EA dated 27 Oct 2017 recommended COA 2 Modernization (NPV \$246K) over COA 1 Status Quo (NPV \$252K) or COA 3 GOTS (JALIS-NPV \$267K).									
Impact									
Major loss to plan/schedule airlift and refueling mission to meet real-world mobility and contingency requirements.									
Software									
No license fees are associated with this investment.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Defense Personal Property System (DPS)				Activity Identification Command Staff		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	13,999.0	13,999.0	0	14,887.0	14,887.0	0	15,729.0	15,729.0
Total	0	13,999.0	13,999.0	0	14,887.0	14,887.0	0	15,729.0	15,729.0

Narrative Justification:

Description

Development of MilMove is critical to transitioning capability to the optimal environment to lessen sustainment costs of the current infrastructure. MILMOVE provides 24-hour access connecting service members and civilians to their TSP and transportation office as they are moving their house hold goods in accordance with their permanent change of station orders. MilMove is the key government system supporting the Global Household Goods Contract (GHC) by interfacing and passing key data to the GHC system. MilMove help on-board military members and the invoicing processes led USTRANSCOM to continue the MilMove prototype into the GHC prime's system while also generating the task order for government approval to authorize the GHC prime to perform the HHGs move. The MilMove system will support the GHC prime's invoicing by generating an invoicing request based on the services provided with supporting documentation for the Third Party Payment System to pay the GHC prime.

Mission Benefits

Multi year development time and transition to increment 4 is essential to ensure uninterrupted support of permanent change of station moves in all DoD components.

Deliverables

Contract deliverables include all software, release documentation, and system and security documents to be delivered at the completion of each sprint (software release).

Economic Analysis

The DPS Economic Analysis, certified July 2018, recommended the continued development of a personal property prototype (Alternative 2). This alternative is less expensive than the Status Quo of continuing to maintain and develop the current legacy DPS Increment 3 system because Increment 4 provides significantly more qualitative benefits in customer support, scalability, security, compliance, and productivity improvements leading to the most favorable cost to benefit ratio.

Impact

Delay sunset of Inc. 3, which increases overall costs and risks of system failure and disruption of permanent change of station support.

Software

No Capital licensing fees

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Air Mobility Command			Line No. & Item Description USTRANSCOM Distributive Enclave (USTC DE)				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	4,686.0	4,686.0	0	4,096.0	4,096.0	0	0.0	0.0
Total	0	4,686.0	4,686.0	0	4,096.0	4,096.0	0	0.0	0.0
Narrative Justification:									
Description									
The USTC Distributive Enclave (DE) provides the Infrastructure (IaaS) environment for Command and Control operations for Mobility Air Force (MAF) for Defense Transportation System (DTS). Hardware funds will be used to support CAMPS modernization. The Infrastructure within the Distributed Enclave will provide capability management and infrastructure services. The operational requirement is to deliver robust capability to MAF C2 forces using a net-centric environment allowing access and information sharing throughout the SIPRNet and NIPRNet domains through Cross Domain interfacing with Mobility Enterprise Information Services (MEIS).									
Mission Benefits									
The USTC DE provides the Infrastructure as a Service (IaaS) environment for Command and Control (C2) operation for the Mobility Air Force (MAF) and Defense Transportation System (DTS). As the principal enclave, the operational imperative is to deliver robust capabilities to MAF C2 forces using a net-centric environment, allowing access and information sharing throughout the SIPRNet and NIPRNet domains. The majority of the systems that resides within the DE are Risk management Framework (RMF) systems and are National Security Systems									
Deliverables									
FY23-FY24 - Supports Hardware refresh and maintenance for CAMPS, Flight Planning GDSS, MEIS and Agile Applications.									
Economic Analysis									
Economic Analysis (EA) was completed by PEO-T/PC.									
Impact									
Without these HW funds, the Enclave will be unable to support the applications fieldings.									
Software									
No licenses are associated with this investment.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Global Air Transportation Execution System (GATES)				Activity Identification Command Staff		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	932.0	932.0	0	0.0	0.0	0	0.0	0.0
Total	0	932.0	932.0	0	0.0	0.0	0	0.0	0.0

Narrative Justification:

Description

Global Air Transportation Execution System (GATES) is DoD's single port processing and manifesting system providing support for the global air and surface movement of personnel and cargo. Serving peacetime and contingency operations, GATES enables the DoD's ability to track the identity, status, and location of unit and non-unit assets by leveraging data provided by the services and commercial carriers in direct support of the Defense Courier Divisions, Military Surface Deployment and Distribution Command, and Air Mobility Command global missions. GATES enables USTRANSCOM ability to bill for cargo and passenger movement. GATES interfaces with multiple data trading partners both internal and external to DoD. GATES generates standard and ad hoc reports, supports scheduling and forecasting, and provides message routing capabilities to all ports.

Mission Benefits

Enhance GATES passenger applications, sub-applications, activities as a single window application and introduction of mobile services to allow passenger notifications.

Deliverables

GATES Passenger Application, Sub-Applications, and Activities as a single window application and introduction of mobile services to allow passenger notifications

Economic Analysis

Original Economic Analysis conducted in January 2009; revised Economic Analysis completed on 1 Oct 17

Impact

Unable to move forward with IMPOSE (APoF) requirements and will result in major lose of capability in support of increased capabilities for users

Software

No license fees are associated with this investment

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Surface Deployment and Distribution Command		Line No. & Item Description Integrated Booking System (IBS)					Activity Identification SDDC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	4,660.0	4,660.0	0	4,773.0	4,773.0	0	4,874.0	4,874.0
Total	0	4,660.0	4,660.0	0	4,773.0	4,773.0	0	4,874.0	4,874.0
Narrative Justification:									
Description									
IBS is the lead execution system of the Defense Transportation System (DTS) for the global movement of deploying forces and sustainment ocean cargo. The IBS consists of the following applications: Carrier Analysis and Rate Evaluation Headquarters (CARE HQ), Carrier Analysis and Rate Evaluation Service Application (CARE SA), Requirements Forecasting and Rate Evaluation (RF-RAM), UNIT, Sustainment (SUS), Commercial Sealift Solutions (CSS), Ocean Carrier Interface (OCI), One-Time-Only (OTO), Advance Transportation Control and Movement Document (ATCMD) and Electronic Shipper System (ESS) IBS-T: Vessel Schedule (VS), Fleet Management (FM), Port Point Of Contact (PPOC), Reference Data (RD). These applications provide automated tool support for the following: carrier contract requirement definition, rate and service solicitations, and evaluation; input vessel schedules; booking unit and sustainment cargo; produce shipment documentation; provide cargo offering and status information; provide payment information and provide In Transit Visibility (ITV) information.									
Mission Benefits									
IBS supports Military Surface Deployment and Distribution Command's (SDDC) global surface deployment command & control and distribution mission by providing automated tools to support rapid, effective and efficient projections of power CONUS and OCONUS. IBS provides end-to-end distribution and visibility of DOD cargo from time of request until payment to the ocean carrier for services provided. IBS ensures the most cost effective routing of cargo is utilized while ensuring the war fighter receives his cargo on time and cargo preference laws are met. IBS provides tools for carrier contract requirement definition; rate and service solicitations and evaluation; capture vessel schedules; book unit and sustainment cargo; produce shipment documentation; provide cargo offering and event status information; and produce payment information. IBS provides high-level data quality edits with instantaneous in-the-clear error messages and utilizes Electronic Commerce and Electronic Data Interchange standards. SDDC's Transportation Enhanced Access Management Service web portal provides DOD transportation officials with a single sign-on capability to access IBS for their transportation needs.									
Deliverables									
Support cargo booking in the payment process and meet the Financial Improvement and Audit Readiness; Decompose booking capabilities into decoupled information and application services to support Enterprise re-use; Implementation of Ocean transportation contracts and contractual obligations to support the Universal Service Contract 9 and Guantanamo Bay Cuba contracts.									
Economic Analysis									
Certified 15 Jun 10.									
Impact									
If not funded, IBS will be unable to support United States Transportation Command's and SDDC's mission to provide efficient and cost effective projection of forces; nor provide improved end-to-end joint deployment and distribution. Specifically, maintenance, new software development and sealift requirement processing will terminate. Without commercial contract support, IBS will not be able to function and DOD ocean cargo movement would not be supported by an automated system. In addition, pricing and processing of electronic carrier feeds will no longer maintain valid information requiring manual payment intervention by SDDC booking offices.									
Software									
No license fees are associates with this investment.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force USTRANSCOM Command Staff			Line No. & Item Description Local Area Network (USTRANSCOM LAN)				Activity Identification Command Staff		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
B. ADPE/Telecomm	0	2,820.0	2,820.0	0	0.0	0.0	0	2,140.0	2,140.0
Total	0	2,820.0	2,820.0	0	0.0	0.0	0	2,140.0	2,140.0
Narrative Justification:									
Description									
USTRANSCOM Local Area Network (LAN) a critical system supporting the Command and Control (C2) communications of the USTRANSCOM Commander and staff. It is comprised of ~ 6000 distinct personal computers, numerous servers and routers, a multitude of switches, and the hardware and software infrastructure comprising the classified and unclassified LANs at the USTRANSCOM command site on Scott AFB, IL. This program supports the following activities: Upgrade of network infrastructure to support increasing bandwidth, service, systems and reliability requirements. Server upgrades, network router and switch upgrades, cable installation, network component upgrades, and wide area network connectivity with component commands. Upgrade of standard server Commercial-off-the-Shelf (COTS) products. Provides worldwide Joint Deployment and Distribution Environment (JDDE) theater-centric Command, Control, Communications and Computers (C4) infrastructure baseline assessments, engineering and documentation. Provides hardware and system installation support. Provides studio and portable Video Teleconferencing (VTC) technical upgrade support. Provides Audio Visual (AV) presentation system technical upgrade support. Based on the outcome of the review, funding may require future adjustments.									
Mission Benefits									
The USTRANSCOM networks are comprised of classified and unclassified Local Area Network (LAN) segments and Wide Area Network (WAN) connectivity with transportation component commands (TCCs). USTRANSCOM LAN provides the critical backbone for the entire USTRANSCOM C2 capability. This critical infrastructure directly supports the 70+ C2 mission systems that are inherent with USTRANSCOM, providing a global picture for CCMDs on global logistical and patient movements.									
Deliverables									
End-of-Life technical refresh that includes Secret Internet Protocol Router Network switches, Adaptive Security Appliance Virtual Private Network (VPN) devices that combined firewall, antivirus, intrusion prevention, and VPN capabilities; Upgrade USTRANSCOM Wireless Fidelity (WiFi) infrastructure; Renewal of network infrastructure hardware maintenance that includes upgrading the Joint Enabling Capability Command infrastructure and Enterprise Voice over Internet Protocol (ECVOIP); Network support to 5500 workstations, 3 computing sites and 30 communications room; Backbone switching of the TC-CENET; Classified routing, VPN devices, OOB networks to securely transmit information.									
Economic Analysis									
N/A.									
Impact									
The interruption of capabilities would lead to rapid degradation of Command and Control for all aspects of the JDDE. Gaps in reporting data would immediately affect the Commanders decision cycle, crippling the ability of USTRANSCOM to accomplish its mission of managing Department of Defense transportation assets. We would also lose the redundancy that we have built into the USTRANSCOM LAN to diminish any mission impact.									
Software									
No license fees are associates with this investment.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Surface Deployment and Distribution Command		Line No. & Item Description Transportation Financial Management System (TFMS)					Activity Identification SDDC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
C. Software Development	0	370.0	370.0	0	3,140.0	3,140.0	0	2,457.0	2,457.0
Total	0	370.0	370.0	0	3,140.0	3,140.0	0	2,457.0	2,457.0
Narrative Justification:									
Description	TFMS must comply with the Office of the Under Secretary of Defense Comptroller (OUSD C) directive to become operational with the US Department of the Treasury, Bureau of the Fiscal Service G-Invoicing solution for Intragovernmental (IGT) General Terms and Conditions (GT&C) Buy/Sell transactions, Direct Treasury Disbursing, and Procure to Pay (P2P) handshake standardization.								
Mission Benefits	The G-Invoicing platform provides a streamlined capability for processing and approving the GT&C, Order, Performance, and Funds Settlement tasks that occur as part of the IGT Buy/Sell lifecycle. The G-Invoicing solution supports standardized interagency agreement and transaction exchanges between the Requesting/Ordering (Buyer) and the Servicing/Performing (Seller) Agencies. Federal Intragovernmental Data Standards (FIDS) are utilized for conducting all IGT Buy/Sell actions. The Department of Defense's (DoD's) Business Enterprise Architecture (BEA) establishes a blueprint for the Department's business processes, data exchanges, and systems with the intent to maximize efficiency and interoperability throughout the processes. One of these processes, called Procure-to-Pay (P2P), details the steps to procure items, starting with a defined requirement, through contracting and vendor payment. Implementation of the P2P Handshakes will allow data traceability for procurement actions, to include tracking of funding and execution data; reduce or eliminate unmatched financial transactions within the DoD enterprise; ensure that committed funds are sufficient for, and traceable to, the specific line items within an award; support DoD Financial Improvement and Audit Readiness goals; and create efficiencies within the P2P environment. Transitioning to a single, Federal shared service solution under Treasury to perform all disbursement and collection will assist DoD in achieving auditability and sustainability for federal agencies Fund Balance With Treasury (FBWT).								
Deliverables	Automation of G-Invoicing Servicing Agency capabilities and migration of existing orders into the G-Invoicing platform to meet mandated requirements; implementation of G-Invoicing Servicing Agency functionality for TFMS Ocean and Port Handling Lines of Business (TAC); integration of required data exchanges to meet OUSD directives; and utilization of the appropriate P2P PRDS and PDS standard handshakes to send and receive data exchanges with the Contract Order Writing System for Purchase Request and Commitment, Pre-Award Funds Validation, Procurement Award, Procurement Modification, and Procurement Close Out Notification data exchanges.								
Economic Analysis	N/A								
Impact	TFMS will fail to comply with OUSD mandates and DoD Financial Management (FM) Functional Strategy.								
Software	N/A								

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Air Mobility Command			Line No. & Item Description Minor Construction-AMC				Activity Identification HQ AMC, Scott AFB IL		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	7,614.0	7,614.0	0	4,900.0	4,900.0	0	4,500.0	4,500.0
Total	0	7,614.0	7,614.0	0	4,900.0	4,900.0	0	4,500.0	4,500.0
Narrative Justification:									
Description									
MC funds all construction work to rebuild new facilities or construct addition to the existing facilities for TWCF facilities.									
Mission Benefits									
The Headquarters Air Mobility Command (HQ AMC) TWCF investment strategy is in line with the Department of Defense (DoD) Transportation Vision for the Twenty-First Century. It's intent is to ensure sustainability and quality of life. One of the guiding principles requires us to invest in transportation programs, systems, and enhancements that support mobility requirements, assets visibility, and efficient transportation operations.									
Deliverables									
Deliverables will depend on the projects approved after EA/CA completed.									
Economic Analysis									
EA or CA is accomplished by projects approved.									
Impact									
Without funds, it will impact our ability to support requirements to enhance or improve mobility operations.									
Software									
Not Applicable.									

Fund 9B
(Dollars in Thousands)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Department of the Air Force Surface Deployment and Distribution Command		Line No. & Item Description Minor Construction-SDDC					Activity Identification SDDC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	0	2,244.0	2,244.0	0	973.0	973.0	0	5,960.0	5,960.0
Total	0	2,244.0	2,244.0	0	973.0	973.0	0	5,960.0	5,960.0

Narrative Justification:

Description

Surface Deployment and Distribution Command (SDDC) Minor Construction projects are scheduled for installations where SDDC has direct operations oversight. These installations are considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders around the world. The installations that SDDC has direct operations oversight are relied upon to maintain a high OPTEMPO consisting of general cargo movements, ammunition resupply missions, pre-position operations and Foreign Military Sales operations.

Mission Benefits

Capital Projects are needed to ensure SDDC Brigades/Battalions achieve mission resilience and excellence by providing modern and efficient facilities for delivering general cargo, arms, ammunitions, and explosives to the warfighter. Projects will ensure the installation facilities and infrastructures are flexible, safe and sustainable. Ensure ready and resilient infrastructure capable of safely delivering current and future DoD cargo and ammunition transshipment requirements.

Deliverables

Projects ensure the safe, secure and sustainable network of interconnected operational support systems which enhance SDDC operations and cargo throughput capabilities regardless of contingency; now and into the future. To include adequate space and traffic flow for large material handling equipment to safely maneuver, mission support to enable rail cargo capabilities and security/monitoring to operational areas for operational oversight.

Economic Analysis

N/A

Impact

Projects ensure continuous operations and support for the terminals' important warfighting mission

Software

Not Applicable.

Fund 9C
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/Deficiency	Explanation
23	A. Equipment	1.7	0.0	1.7	1.6	0.1	
23	Equipment-AMC	0.5	0.0	0.5	0.4	0.1	
23	Equipment-SDDC	1.2	0.0	1.2	1.2	(0.0)	
23	B. ADPE/Telecomm	6.4	0.0	6.4	7.5	(1.1)	
23	Local Area Network (USTRANSCOM LAN)	2.1	0.0	2.1	2.8	(0.7)	
23	USTRANSCOM Distributive Enclave (USTC DE)	4.2	0.0	4.2	4.7	(0.4)	
23	C. Software Development	42.5	0.0	42.5	38.7	3.8	
23	Analysis of Mobility Platform (AMP)	9.3	0.0	9.3	9.0	0.4	
23	Defense Personal Property System (DPS)	14.5	0.0	14.5	14.0	0.5	
23	Global Air Transportation Execution System (GATES).	1.0	0.0	1.0	0.9	0.1	
23	Consolidated Air Mobility Planning System (CAMPS)	9.2	0.0	9.2	9.5	(0.3)	
23	Global Freight Management (GFM)	2.0	0.0	2.0	0.3	1.7	Delayed execution of requirement
23	Integrated Booking System (IBS)	4.8	0.0	4.8	4.7	0.2	
23	Transportation Financial Management System (TFMS)	1.6	0.0	1.6	0.4	1.2	Delayed execution of requirement
23	D. Minor Construction	14.3	0.0	14.3	9.9	4.4	
23	Minor Construction-AMC	7.9	0.0	7.9	7.6	0.3	

Fund 9C United States Transportation Command

Fund 9C
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/Deficiency	Explanation
23	Minor Construction-SDDC	6.4	0.0	6.4	2.2	4.2	Delayed execution of planned requirement
23	TOTAL FY	64.8	0.0	64.8	57.7	7.1	

Fund 9C United States Transportation Command

Fund 9C
(Dollars in Millions)

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

Fiscal Year (FY) 2025
Budget Estimates
February 2024

United States Transportation Command

FY	Item Description	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost (Est)	Asset/Deficiency	Explanation
24	A. Equipment	1.3	0.0	1.3	1.3	(0.0)	
24	Equipment-AMC	0.5	0.0	0.5	0.5	0.0	
24	Equipment-SDDC	0.8	0.0	0.8	0.8	(0.0)	
24	B. ADPE/Telecomm	10.1	0.0	10.1	4.1	6.0	
24	Local Area Network (USTRANSCOM LAN)	2.2	0.0	2.2	0.0	2.2	Requirement change resulted in funds determination change from capital to operation & maintenance
24	USTRANSCOM Distributive Enclave (USTC DE)	7.9	0.0	7.9	4.1	3.8	Investment cost reduced due to planned shutdown
24	618 Air Operations Center (618AOC)	0.0	0.0	0.0	0.0	0.0	
24	C. Software Development	30.6	0.0	30.6	40.0	(9.5)	
24	Analysis of Mobility Platform (AMP)	7.7	0.0	7.7	7.5	0.2	
24	Defense Personal Property System (DPS)	12.0	0.0	12.0	14.9	(2.9)	Cost increases due to inflation and increased need to more specialized labor categories in contracts
24	Consolidated Air Mobility Planning System (CAMPSS)	3.8	0.0	3.8	9.7	(5.9)	Cost increases due to inflation and increased need to more specialized labor categories in contracts
24	Integrated Booking System (IBS)	4.9	0.0	4.9	4.8	0.2	
24	Transportation Financial Management System (TFMS)	2.1	0.0	2.1	3.1	(1.1)	Cost increases due to inflation and increased need to more specialized labor categories in contracts
24	D. Minor Construction	5.9	0.0	5.9	5.9	(0.0)	
24	Minor Construction-AMC	4.9	0.0	4.9	4.9	0.0	
24	Minor Construction-SDDC	1.0	0.0	1.0	1.0	(0.0)	
24	TOTAL FY	47.8	0.0	47.8	51.3	(3.5)	

Fund 9C United States Transportation Command

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