Activity Group Capital Investment Summary
Defense Finance and Accounting Service
Financial Operations
April 2009
($ in Millions)

Line Number	Item Description	FY 2008 Quantity	FY 2008 Total Cost	FY 2009 Quantity	FY 2009 Total Cost	FY 2010 Quantity	FY 2010 Total Cost
	ADPE & Telecommunications Equipment		**16.1**		**14.5**		**12.2**
	Computer Hardware (Production)		16.1		14.5		12.2
	Computer Software (Operating System), Telecoms, Other Computer & Tele Supt Equip.						
	Software Development		**12.3**		**20.4**		**11.3**
	Internally Developed		6.7		4.6		1.4
	Externally Developed		5.6		15.8		9.9
	Minor Construction		**1.0**		**2.6**		**2.6**
	Replacement						
	Productivity						
	New Mission		1.0		2.6		2.6
	Environmental						
	TOTAL Capital Investment		**29.3**		**37.6**		**26.1**
	Total Capital Outlays		**43.3**		**36.9**		**33.9**
	Total Depreciation Expense		**82.2**		**73.2**		**71.9**

Exhibit Fund 9a Activity Group Capital Investment Summary

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)													A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				C. Line No. & Description ADP Equipment						D. Activity Identification DFAS Sites			
	FY 2008			FY 2009			FY 2010						
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	
Customer Service													
A. Call Recording			29			621			650				
B. Teleservices			-			253			253				
TOTAL Customer Service			29			874			903				

Narrative Justification:

A. Call Recording - Provides full-time recording for designated telephone circuits and quality evaluation functionality for the recorded calls. Funding will enhance customer service by minimizing errors and associated costs.

B. Teleservices – DFAS Cleveland site requires a technology update to the telecommunications private branch exchange (PBX) in order to meet future DFAS needs as the agency consolidates workload from closing sites.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)							A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations					
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009			C. Line No. & Description ADP Equipment			D. Activity Identification DFAS Sites						
	FY 2008			FY 2009			FY 2010					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Data Management												
A. Electronic Document Management			-			565			565			
B. Office Automation			-			2,588			-			
TOTAL Data Management			-			3,153			565			

Narrative Justification:

A. Electronic Document Management - EDM is a comprehensive business process improvement initiative designed to enhance automation of paper processes in accordance with Federal regulations. Funding will support software and hardware refresh of the server while undergoing BRAC and Business Transformation initiatives.

B. Office Automation –Equipment for Business Transformation Agency's (BTA) Business Intelligence (BI) MyMetrics and the purchase of a Disbursing Printing and Inserting Equipment.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)							A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations					
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				C. Line No. & Description ADP Equipment			D. Activity Identification DFAS Sites					
	FY 2008			FY 2009			FY 2010					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Infrastructure/Other												
A. Enterprise Local Area Network			6,678			9,600			8,879			
B. Security			2,962			924			1,890			
TOTAL Infrastructure/Other			9,640			10,524			10,769			

Narrative Justification:

A. Enterprise Local Area Network - ELAN is the digital communications infrastructure that connects all DFAS sites around the world. Funds will be used for encryption devices that protect DFAS internal communications, increased storage capacity to keep up with the 30% growth, and replacement of the HVAC units in the Indianapolis computer room.

B. Security – Continued protection of the DFAS communications and computing infrastructure from internal and external threats with automated monitoring and response, firewalls, switches, and encryption devices maintained by government and contracted expertise.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)							A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations					
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				C. Line No. & Description Software Dev / Mod			D. Activity Identification DFAS Sites					
	FY 2008			FY 2009			FY 2010					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Customer Service												
A. myPay			1,668			2,035			1,701			
TOTAL Customer Service			1,668			2,035			1,701			

Narrative Justification:

A. myPay - Web-based software application that provides government personnel with a convenient, high-quality, paperless business environment that safeguards personal information. myPay supports the capability to submit financial transactions and receive financial statements via the Government's electronic commerce. Funding will support the addition of new E-Payroll customers and implementation of legislative changes.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)							A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations					
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				C. Line No. & Description Software Dev / Mod			D. Activity Identification DFAS Sites					
	FY 2008			FY 2009			FY 2010					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Data Management												
A. E-Commerce/E-Data Interchange System			680			400			550			
B. Office Automation			3,140			1,400			400			
TOTAL Data Management			3,820			1,800			950			

Narrative Justification:

A. E-Commerce/E-Data Interchange System - Enable the entitlement and accounting systems to post all financial transactions electronically and within federal DoD requirements, i.e., commitments, obligations, accounts payable, invoices, and disbursements using industry Electronic Data Interchange (EDI) standards, American National Standards Institute (ANSI) X12 and Extensible Markup Language (XML). Funding supports Global Exchange mapping to all existing DFAS financial and accounting systems.

B. Office Automation – Funding will support software development for Contingency Operations Reporting and Analysis Service (CORAS) and MyMetrics project display.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)							A. Fiscal Year (FY) 2010 Budget Estimates: DFAS Financial Operations					
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				C. Line No. & Description Software Dev / Mod			D. Activity Identification DFAS Sites					
	FY 2008			FY 2009			FY 2010					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Financial Management												
A. Defense Debt Management System			-			685			-			
B. Deployed Disbursing System			1,295			1,803			500			
C. Business Enterprise Information Services			-			500			500			
D. Defense Retiree Annuitant Pay System			2,170			11,471			6,605			
E. Standard Disbursing Initiative			1,025			1,400			-			
F. Standard Accounting and Reporting System			500			500			500			
G. Computerized Accounts Payable System			-			258			-			
H. One Pay			-			-			500			
TOTAL Financial Management			6,463			16,617			8,605			

Narrative Justification:

A. Defense Debt Management System – Funding for two initiatives: The first will accommodate a two way interface between DDMS and the General Fund Enterprise Business System (GFEBS). The second will incorporate a disbursing module into the DDMS environment.

B. Deployed Disbursing System – DDS funds will support an interface with the Treasury's Stored Value Card System (SVC) as well as Marine Corps initiatives of Higher Headquarters reporting and oversight, monthly SF5515 reporting, and push/pull of interfacing files for the Marine Corps to remove human intervention. FY09 funding will include an interface with IPAC (inter-government payments) as well as continued changes for security issues.

C. Business Enterprise Information Service - Project includes development of Business Intelligence capability to support DFAS initiatives or those directed by Office of the Secretary of Defense. Development support is provided by DFAS Technical Services and the BEIS system office.

D. Defense Retired and Annuitant Pay System - DRAS is a pay entitlement system that establishes and maintains payment to approximately 2.5 million military retirees, former spouses, survivor beneficiaries and annuitant customers. Funds will be used for legislative and management initiatives. The balance of out-year funding will be used to support the DRAS Modernization initiative as it moves forward.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

Exhibit Fund-9b – DFAS Financial Management Software Dev / Mod (Capital): 2 of 2

Continued:

E. Standard Disbursing Initiative - SDI is the IT portion of the DFAS Disbursing High Performing Organization (DDHPO) initiative. Requested Capital funds will be used for modernization and enhancements to DFAS Corporate Database (DCD)/ DFAS Corporate Warehase (DCW) (BEIS) and Automated Disbursing System (ADS) required to implement the Disbursing HPO.

F. Standard Accounting and Reporting System – STARS is the principal general fund accounting system for the Department of the Navy (DON) and Financial Departmental Reporting/Major Command Reporting (STARSFDR/MCR). Capital funding will be used to modify and standardize critical processes within STARS to improve system processes and efficiencies and correct critical interfaces deficiencies required or establish new interfaces.

G. Computerized Accounts Payable System – Software for CAPS, a PC-based application providing a standard installation and business line-level vendor pay entitlement system.

H. One Pay – Software for the commercial vendor pay system used by the Armed Forces and other defense agencies that provides complete, accurate and timely payment of vendor invoices on behalf of DFAS customers.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

ACTIVITY GROUP CAPITAL INVESTMENT JUSTIFICATION ($ in Thousands)												
B. Component / Business Area / Date Defense Finance and Accounting Service April 2009				**C. Line No. & Description** Minor Construction			**A. Fiscal Year (FY) 2010 Budget Estimates:** DFAS Financial Operations **D. Activity Identification** DFAS Sites					
	FY 2008			**FY 2009**			**FY 2010**					
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
A. Minor Construction - Rome			209			-			1,475			
B. Minor Construction - Texarkana			168			175			-			
C. Minor Construction - Bratenahl			519			-			-			
D. Minor Construction - Columbus			78			-			-			
E. Minor Construction - Cleveland			-			1,400			-			
F. Minor Construction - Indianapolis			-			1,034			1100			
G. Minor Construction – Limestone												
TOTAL Infrastructure/Other			974			2,609			2,575			

Narrative Justification:

A. Rome: Funding for site force protection improvements such as blast resistant doors, fragment retention film for windows, and the installation of new air conditioning units.

B. Texarkana: FY2008 funding for site improvements for force protection and security. Facility located inside the perimeter fence of the Red River Army Depot and presented an opportunity for significant cost savings over improving force protection capabilities outside installation perimeter. FY2009 funds for site preparation to include parking lot lights, and to build a 50ft. corridor to connect new building to existing. FY2011 to install a barrier system with access control features including vehicle resistant drop arms to channel and control vehicle access to provide safety and security for employees.

C. Bratenahl: Plans to expand the existing computer room as a result of increased workload due to BRAC and Transformation - layout modification, raised flooring, GFE Power Distribution Unit (PDU), two air conditioning units, overhead wiring trays, door removal and dry-wall replacement, and fire sprinkler system installation.

D. Columbus: Plans to upgrade handicapped sliding doors at the entrance.

E. Cleveland: FY2009 funding for site force protection that will include constructing a block wall to separate offices from potential threats as a result of a Vulnerability Assessment, IAW FMR Vol. 2B, CH 9, Para. 090103C16b. Funding for FY2011 to construct new mailroom and renovate existing to come into UFC compliance.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

Exhibit Fund-9b – DFAS Minor Construction (Capital): 2 of 2

Continued:

F. Indianapolis: FY2009 funding to install a barrier system with access control features and vehicle resistant drop arms to provide safety and security for employees. FY2010 to build and pave a new truck receiving dock. FY2011 funds to construct and renovate mailroom to come into UFC compliance, and to construct a truck Sally Port and install new Hi-Security fencing to enclose vehicles being searched for explosives.

G. Limestone: Funding to replace current electrical parking lights with solar powered lights.

Exhibit Fund-9b – Activity Group Capital Purchase Justification

Fiscal Year (FY) 2010 Budget Estimates
Capital Budget Execution
Defense Finance and Accounting Service
April 2009

FY2008

CHANGES ON THE FY10 PRESIDENT'S BUDGET

(Dollars in Thousands)

FY	Initiative	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset / Deficiency	Explanation
Equipment – ADPE and TELECOM							
2008	Customer Service	-	1,952	1,952	1,331	621	FY07 Carryover; Decreased CRA requirements
2008	Financial Management	-	300	300	234	66	FY07 Carryover; Decreased GARNS requirements
2008	Data Management	565	1,390	1,955	1,127	828	FY07 Carryover; Decreased EDM & MyMetrics requirements
2008	Infrastructure / Other	10,170	4,025	14,195	13,401	794	FY07 ELAN Carryover; Reprogram from Financial Mgt (SW) for alarm requirements and an electronic security system; Decreased ELAN requirements
Software Development							
2008	Customer Service	2,480	(412)	2,068	1,668	400	Internal reprogram to Data Mgt (SW); Decreased MyPay requirements
2008	Data Management	1,030	3,050	4,080	3,820	260	Internal reprogram from Customer Service & Financial Mgt (SW) for OCO/CORAS MyMetrics and EC/EDI requirements; Decreased EDM requirements
2008	Infrastructure	-	280	280	-	280	
2008	Financial Management	23,650	(1,812)	21,843	6,763	15,080	FY07 Carryover CEPR, GARNS, SORS requirements removed; Internal reprogram to Data Mgt (SW) for OCO, reprogram to Infrastructure (ADPE) for alarm requirements and an electronic security system, and FM (SW) program reduction; Decreased and delayed DCPS, CAPS, DDMS, DIFMS, DRAS, DWAS, eBIZ, STARS, & SDI requirements
Minor Construction							
2008	Infrastructure / Other	1,110	-	1,100	974	126	Decreased program requirements ; Decreased requirements
	Total FY 2008	**39,000**	**8,733**	**47,733**	**29,318**	**18,455**	

Fiscal Year (FY) 2010 Budget Estimates
Capital Budget Execution
Defense Finance and Accounting Service
April 2009

FY2009

CHANGES ON THE FY10 PRESIDENT'S BUDGET

(Dollars in Thousands)

FY	Initiative	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset / Deficiency	Explanation
Equipment – ADPE and TELECOM							
2009	Customer Service	353	0	353	874	(521)	Increase in requirements for CRA.
2009	Data Management	825	0	825	3,153	(2,328)	Increase in requirements for EDM and Office Automation for a DFAS disbursing printer.
2009	Infrastructure / Other	10,524	0	10,524	10,524	0	
Software Development							
2009	Customer Service	2,480	0	2,480	2,035	445	Reduce requirements for MyPay.
2009	Data Management	1,000	0	1,000	1,800	(800)	Increase in requirements for CORAS and EC/EDI
2009	Financial Management	18,744	0	18,744	16,617	2,127	Reduce requirements for Financial Management due to DCPS, DMO, IAPS, DIFMS, One Pay, e-Biz, and DWAS. Increase in requirements for SDI and BEIS.
Minor Construction							
2009	Infrastructure / Other	2,859	0	2,859	2,609	250	Reduce requirements for Capital Minor Construction.
	Total FY 2009	**36,785**	**0**	**36,785**	**37,612**	**(827)**	

Fiscal Year (FY) 2010 Budget Estimates
Capital Budget Execution
Defense Finance and Accounting Service
April 2009

FY2010

CHANGES ON THE FY10 PRESIDENT'S BUDGET

(Dollars in Thousands)

FY	Initiative	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset / Deficiency	Explanation
Equipment – ADPE and TELECOM							
2010	Customer Service	903	0	903	903	0	
2010	Data Management	565	0	565	565	0	
2010	Infrastructure / Other	10,769	0	10,769	10,769	0	
Software Development							
2010	Customer Service	1,701	0	1,701	1,701	0	
2010	Data Management	950	0	950	950	0	
2010	Financial Management	8,605	0	8,605	8,605	0	
Minor Construction							
2010	Infrastructure / Other	2,575		2,575	2,575	0	
	Total FY 2010	**26,068**	**0**	**26,068**	**26,068**	**0**	

Activity Group Capital Investment Summary
Component: Defense Information Systems Agency
Activity Group: Computing Services
Date: May 2009
(Dollars in Millions)

	FY 2008 Quantity	FY 2008 Total Cost	FY 2009 Quantity	FY 2009 Total Cost	FY 2010 Quantity	FY 2010 Total Cost
Equipment Capabilities	**8**	**$14.840**	**10**	**$30.350**	**6**	**$14.940**
Replacement	**8**	**$14.840**	**10**	**$30.350**	**6**	**$14.940**
CE0300 Facilities Equipment	8	$14.840	10	$30.350	6	$14.940
ADPE & Telecom Equipment Capabilities	**17**	**$15.560**	**9**	**$8.500**	**11**	**$8.500**
Telecoms, Other Computer & Telecom Support Equip	**17**	**$15.560**	**8**	**$8.000**	**10**	**$8.000**
CE0100 Systems Management ADP	6	$4.471	0	$0.000	0	$0.000
CE0400 Communications	6	$3.600	6	$5.000	8	$7.000
CS0200 Server - Customer	2	$1.220	0	$0.000	0	$0.000
CX0100 Storage - Tech Refresh	3	$6.269	2	$3.000	2	$1.000
Computer Hardware Production	**0**	**$0.000**	**1**	**$0.500**	**1**	**$0.500**
CC0100 IBM Tech Refresh	0	$0.000	1	$0.500	1	$0.500
CC0200 IBM Customer	0	$0.000	0	$0.000	0	$0.000
Software Development	**0**	**$0.000**	**4**	**$7.400**	**2**	**$5.300**
Externally Developed	**0**	**$0.000**	**4**	**$7.400**	**2**	**$5.300**
CV0200 Software Development	0	$0.000	4	$7.400	2	$5.300
Minor Construction Capabilities	**2**	**$0.500**	**2**	**$0.750**	**1**	**$0.500**
New Mission	**2**	**$0.500**	**2**	**$0.750**	**1**	**$0.500**
CE0200 Minor Construction - Facilities	2	$0.500	2	$0.750	1	$0.500
Total Obligations	**27**	**$30.900**	**25**	**$47.000**	**20**	**$29.240**
Total Capital Outlays		**$23.559**		**$49.000**		**$31.240**
Total Depreciation Expense		**$52.800**		**$44.452**		**$33.454**

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CE0300 Non-ADPE Equipment						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Non - ADPE Equipment	8	$1,855.00	$14,840.00	10	$3,035.00	$30,350.00	6	$2,490.00	$14,940.00
Total	**8**	**$1,855.00**	**$14,840.00**	**10**	**$3,035.00**	**$30,350.00**	**6**	**$2,490.00**	**$14,940.00**

Narrative Justification:

Description and Purpose:

Upgrade/replace Uninterrupted Power Supply (UPS) equipment at Columbus, OH (installed 1991), Mechanicsburg, PA (installed 2001), and St. Louis, MO (installed in 1994) in FY 2009; at Dayton, OH (installed in 1996) and Oklahoma City, OK (installed 1994) in FY 2010; The existing systems will be at or past the end of their projected useful life and need an upgrade to provide sustained and clean conditioned power to the growing electrical demands of the more powerful Automated Data Processing (ADP) equipment. Note: Mechanicsburg and Dayton are swapped in FY 2010 from the FY 2009 President's Budget submission. This switch is required due to power load increases at Mechanicsburg dictating an immediate upgrade to the UPS system to support current and planned business over the next year. If Mechanicsburg's UPS upgrade is not accomplished in FY 2009, the site cannot assume additional ADP business or upgrade any existing servers.

Install facility security surveillance system equipment at Montgomery, AL and Oklahoma City, OK in FY 2010. This new equipment is to provide required high level security of these critical data center facilities. Other Defense Enterprise Computing Center's are already outfitted with required security equipment.

Upgrade/replace chillers, pumps and cooling towers at Montgomery, AL, Ogden, UT, San Antonio, TX in FY 2009. Existing systems are either at their full capacity for cooling the raised floor environment or beyond their projected useful life and require upgrades to maintain cooling capability for current and future ADP equipment. The Defense Enterprise Computing Center Pacific facility requires central air conditioning upgrades with air handlers for administrative areas to replace failing window air conditioning units that must be removed to accommodate new windows.

Raised floor equipment technical refresh to include Non-ADPE & Telecomm Equipment (Non - Automated Data Processing & Telecommunications Equipment), Power Distribution Units (PDUs) and Computer Room Air Conditioners (CRACs) at St. Louis, MO and DECC Europe in FY 2009 and at Dayton, OH in FY 2010. PDU and CRAC equipment are vital in providing critical power and cooling to the ADP systems. DECC Europe project includes CRAC equipment as well as UPS and

Current Deficiency and/or Problem:

Many of DISA's facilities are in need of cyclical upgrades to their infrastructures and equipment. These upgrades are necessary to ensure adequate reliability and redundancy to support ever-increasing customer workload. The acquisition time table for equipment design, manufacture and replacement is 18-30 months. To maintain operational capability, we must plan and invest now to ensure future viability.

Impact:

If these system and infrastructure investments/requirements are not funded, safety hazards and mission failure may result. Age-related infrastructure and equipment deficiencies can result in unplanned data center downtime. DISA's ability to provide redundancy to enable 24x7 operations for customers will be jeopardized. This will have a negative impact on DISA's operational capability, efficiency and future business.

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CE0400 Communications Equipment						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Communications Equipment	6	$600.00	$3,600.00	6	$833.33	$5,000.00	8	$875.00	$7,000.00
Total	**6**	**$600.00**	**$3,600.00**	**6**	**$833.33**	**$5,000.00**	**8**	**$875.00**	**$7,000.00**

Narrative Justification:

Description and Purpose:

DISA provides premiere data processing capability across all of DoD. As such Computing Services must maintain secure, highly available, and high speed network capabilities during a time when security hackers are becoming more aggressive. Computing Services manages, maintains and upgrades the Computing Services data center communication infrastructure across the Enterprise. In FY 2009-FY 2010, DISA will continue to add switches, routers, and other network devices to the existing infrastructure in order to support increased workload and to improve network security. Computing Services will also continue to upgrade/replace internal network environments at each of the Defense Enterprise Computing Centers over FY 2009 - FY 2010. Computing Services will continue to implement new network devices and proxy servers within the Demilitarized Zone/Information Assurance (DMZ/IA) Architecture to continue to mitigate risks associated with potentially vulnerable communications that could ultimately result in leakage of data. Network management tools will be installed to support remote management and strengthen network security by increasing situational awareness. This capital requirement will be used to replace unsupported switches and routers that are at the end of their lifecycle. These switches and routers are part of the core infrastructure and the Out of Band network (OOB).

DISA begins consolidating its legacy email servers and licenses and hosting this consolidation at two of its Defense Enterprise Computing Centers (DECCs) in FY 2009. For this requirement, Computing Services is upgrading various communications hardware equipment including switches, routers and other network devices. The FY 2010 column of this budget request includes funding for additional communications upgrades at up to four additional DECCs in the event that DISA is asked to host email for other DoD components.

Current Deficiency and/or Problem:

The next generation of Computing Services IA Architecture needs to be installed. It leverages the use of distributed enclaves so that all information flows are consolidated to maximize performance, security and availability. As existing and new customer workloads migrate to the OOB and production network, we will need to provide additional ports to accommodate the migration. Additionally, in order to secure customer systems, tools such as local firewalls and Network Access Control tools are necessary to maintain the security of the network.

We need to mitigate some of the security risks in the OOB network. Network Access Control tools and devices will provide the risk mitigation capability necessary to maintain the integrity of the network. These products will allow us to introduce enhanced security policies (e.g. Dynamic Host Configuration Protocol (DHRC) and Domain Name Server (DNS) services) and management (e.g. Internet Protocol Address Management (IMAM)) across the entire enterprise.

Impact:

If DISA is unable to procure and install tools and devices, Computing Services will be unable to support new workload. There will not be sufficient infrastructure to safeguard the network and ultimately protect the customer's data. The business area would not have an acceptable level of situational awareness in order to enable active computer network defense. In addition, this capability will alleviate network congestion and outages.

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CX0100 Storage - Tech Refresh						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Storage - Tech Refresh	3	$2,089.67	$6,269.00	2	$1,500.00	$3,000.00	2	$500.00	$1,000.00
Total	**3**	**$2,089.67**	**$6,269.00**	**2**	**$1,500.00**	**$3,000.00**	**2**	**$500.00**	**$1,000.00**

Narrative Justification:

Description and Purpose:

Storage for unclassified processing systems using server based operating systems is the fastest growing segment of the Computing Services infrastructure. The increasing deployment of online web based systems, the redeployment of mainframe systems to open systems, expanding requirements of existing systems and increasing requirements as a result of new regulatory requirments such as DoD 5015 are all factors contributing to the rapidly increasing demand for storage resources. Computing Services conservatively estimates that our current inventory of approximately 1500 Terabytes will grow at a rate of 15% to 25% per year. Supporting this growth will require the acquisition of new storage assets or the upgrading of existing assets. While Computing Services intends to address as many of these requirements via a capacity services approach, growth that can be met by upgrading existing resources falls outside the scope of the capacity services approach. Additionally for non-standard operating platforms, the capacity services approach will not cover these requirements. Capital funds are required to meet those special upgrades and unique operating requirements. There are also storage requirements for classified processing systems using server-based operating systems.

Increasing customer requirements being presented to Computing Services contain needs for a classified Secure Internet Protocol Router Network (SIPRNET) based component to be hosted on physically separate resources. Like the unclassified Non-Secure Internet Protocol Router Network (NIPRNET) resources, Computing Services conservatively estimates that the capacity requirements for these systems will need to grow at a rate of 15% to 25% a year. This estimated growth and technical refreshment represent approximately 20 disk arrays, 8 fiber channel switches and 7 tape libraries all of various capacities.

Current Deficiency and/or Problem:

Major customers such as Global Combat Support, Military Healthcare System, Defense Finance & Accounting Service, Electronic Business, etc. have stated additional workload requirements that require additional storage capacity and capabilities that exceed what current storage resources can accommodate. These growth requirements must be met by either upgrading existing storage systems or acquiring new systems. While a new projected on-demand capacity contract can address most of the new systems requirements, upgrading existing storage systems that still have technical or financial life is outside the scope of that contract approach. This request provides funds for upgrading those currently owned assets. Additionally, Computing Services supports customers who have deployed unique operating environments such as Teradata and Honeywell Bull. These environments are proprietary in nature and require storage assets from a limited or single source. These storage solutions, due to their proprietary nature also fall outside the scope of the capacity services contract approach. DISA has the responsibility of providing life cycle sustainment of these systems and their related storage resources. Sustainment means replacing or upgrading a portion of these resources on an annual basis to meet customers' service level agreements.

Existing DISA storage resources are either nearing the end of their useful life or require sufficient upgrades to meet customers' service level agreements. Existing DISA storage resources are either nearing the end of their useful life or require sufficient upgrades to meet these growth requirements.

Impact:

Failure to fund these projects means DISA would not be able to provide the storage capacity needed to meet its expected customer requirements. The requirements include new application system functionality, increased growth in data volumes and other regulatory or mission requirements, which translate into more storage capacity.

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CC0100 IBM Tech Refresh						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
IBM Tech Refresh	0	$0.00	$0.00	1	$500.00	$500.00	1	$500.00	$500.00
Total	**0**	**$0.00**	**$0.00**	**1**	**$500.00**	**$500.00**	**1**	**$500.00**	**$500.00**

Narrative Justification:

Description and Purpose:

Computing Services must replace and upgrade critical hardware infrastructure to continue to meet increasing customer data storage and disaster recovery (assured computing) needs. As the IBM (z/OS) compatible central processors become un-supported equipment by the vendor, they are upgraded or replaced in tandem with the channel support system. There is also a requirement to replace aging tape drive equipment, some of which is over 11 years old, during this budget cycle. Our capacity services contract will fund the replacement of the majority of central processor upgrades and replacements. However, it will not fund the associated channel support system (and tape subsystem) upgrades that will be required. The replacement mainframe equipment will comply with required DoD security requirements and provide for more efficient processing capabilities and reduced system maintenance. The new equipment will host information systems belonging to Air Force, Army, Defense Financial Account Services (DFAS), USMC and Navy customers.

The requested resources will be used to replace and upgrade the mainframe infrastructure of Defense Enterprise Computing Centers. Funding will be used to replace tape drives, upgrade consoles and communications equipment to provide assured computing capability, and convert channel technology from Enterprise System Connection (ESCON) to Fiber System Connection (FICON) for the tape subsystems.

Current Deficiency and/or Problem:

The existing equipment is aging and will no longer be supported by the vendor. The newer technology allows for faster processing which in turn prevents operational impacts in customer application processing times. To address the problem, we will upgrade our mainframe processors using our capacity services contract. However, the associated infrastructure upgrades will not be covered under that contract. Currently, our mainframe environment uses ECSON channel technology to move data between the processors and storage systems. The new processors support FICON technology. As a result, we will need to upgrade the channels within our processors to FICON channels to provide the FICON directors that connect the processors to storage peripherals. Our tape subsystems will also need to be upgraded or replaced to fully integrate with the new processors and channels.

The process of migrating to this new technology has already begun. In FY 2006 and FY 2007, capital projects were executed at Ogden, UT and Mechanicsburg, PA. FICON director-class switches and four (4) mainframes at Defense Enterprise Computing Center Ogden with FICON channel card upgrades. We are requesting funding in order to continue this technology migration in future fiscal years at Defense Enterprise Computing Center St. Louis.

Impact:

Without this capital investment, Computing Services would not be able to provide assured computing and the associated disaster recovery Continuity of Operations (COOP) capability. Without this funding, our IBM enterprise infrastructure will contain outdated and unsupported hardware. The resulting technology gap in our infrastructure will significantly degrade our assured computing capability. This will leave Computing Services' customers without a way to reconstitute applications and associated data in the event of an emergency.

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CV0200 Software Development						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Software Development	0	$0.00	$0.00	4	$1,850.00	$7,400.00	2	$2,650.00	$5,300.00
Total	**0**	**$0.00**	**$0.00**	**4**	**$1,850.00**	**$7,400.00**	**2**	**$2,650.00**	**$5,300.00**

Narrative Justification:

Description and Purpose:

The DISA mission, as an enterprise computing service provider, is to deliver world-class service at the lowest possible cost. To accomplish this, we require funding for strategic and tactical software initiatives, Customer Service Management (CSM) tools, and Enterprise Systems Management (ESM) infrastructure improvements in FY 2009 - FY 2010. The following paragraphs describe each of these initiatives.

Software – Strategic: Strategic solutions include technological advancements in both hardware and software. A change to the DISA infrastructure modifies the enterprise architecture and, therefore, requires changes to strategic technical solutions. Selected technical innovations will be designed to improve customer service, increase operations support, and decrease IT management costs. Obsolete technologies will be replaced with modern commercial off-the-shelf solutions. Strategic solutions will support the DISA Computing Services IT strategic vision by increasing management capabilities for both customer and internal workloads at each Defense Enterprise Computing Center, enhancing business service level capabilities and increasing responsiveness to Computing Services customers. Strategic software solutions will ensure the business strategy and IT investments of Computing Services are aligned.

Software-Tactical: Computing Services employs a variety of geographically dispersed mainframes and distributed computing systems. Standard Operating Environment (SOE) projects will eliminate functionally equivalent products, streamline the inventory and create the most efficient processing environment for the customer at the least possible cost.

The Customer Service Management (CSM) toolset consists of knowledge management, trouble management, reports management, and a web-based access control point. These tools provide technical support service to customers at the lowest possible cost, document, track, analyze, and manage problems throughout the enterprise. These tools provide a way to define, schedule and publish integrated management and customer reports from multiple sources. They also provide rules for the use of electronic messages (email) sent to the helpdesk. These email messages can be used to provide automatic, quick, and efficient answers to customers. These CSM tools give Computing Services the ability to meet customer service needs and to support future business requirements while maintaining the highest level of customer satisfaction.

Enterprise System Management (ESM) tools provide situational awareness and operational support to the Defense Enterprise Computing Centers. As workload increases at all sites, there is more reliance on automated managing and monitoring of the multitude of customer applications in both the unclassified and classified environments. Computing Services conservatively manages over 6,000 servers, communications devices and mainframe computers.

Current Deficiency and/or Problem:

Software – Strategic: The Office of the Technical Director at DISA is in the process of conducting strategic technical evaluations on enterprise architecture tools. Computing Services must invest in new hardware and software to more efficiently host and provide contingency alternatives for the environment. Based on the technical evaluation and the implementation cost, new products will be selected to meet organizational needs.

Software - Tactical: The SOE program office continues to conduct technical evaluations on mainframe and distributed software products throughout the enterprise. Based on both the technical evaluation and the implementation cost, a standard product will be selected for each functional area. Selected products will be implemented throughout the enterprise, allowing elimination of functionally equivalent software and the associated duplicative costs. Developing enterprise software standards benefits Computing Services in several areas: maintenance costs are reduced through economies of scale; a higher level of technical expertise is achieved when technicians can focus on a single product, increasing the quality of service provided to customers; technical complexity is reduced with fewer products to maintain across the enterprise and enterprise standards allow a higher degree of interoperability and flexibility. Functional areas targeted for standardization initiate in FY 2009-FY 2010. These areas include Information Technology Service Management (ITSM) and Automated Call Distribution.

Customer Service Management (CSM): IT capabilities are required to address collaboration and situational awareness requirements in the call center environment. Computing Services is moving to an Information Technology Infrastructure Library (ITIL) compliant process model for IT Service Management (ITSM); an ITIL compliant ITSM tool suite is required to fully realize the benefits of this process model. Also, the lack of a Computing Services standard Automated Call Distribution system (ACD) has long limited the Computing Services' ability to seamlessly integrate communications throughout the enterprise. Only basic integrated support capabilities have been provided for classified processing; rapidly growing classified requirements will demand the capabilities of the full core set of CSM tools to ensure appropriate support for critical DoD workload and maintain functional compatibility with the principles of Network Operations (NETOPS) and Net Centric Enterprise Services (NCES).

Enterprise System Management (ESM): In order to maintain network and system availability, tools that manage and monitor events that can affect that availability are required. ESM tools currently in use must be evaluated for suitability for upgrade or replacement. Computing Services must invest in new hardware and software to more efficiently host and provide contingency alternatives for the environment. Computing Services has engineered and implemented an initial operating capability to host the situational awareness and operational support tools. To monitor and manage this vast amount of computing capability, Computing Services must continue to implement and maintain system management tools as inventory increases and manpower is held at minimum levels.

Impact:

Strategic solutions will provide management tools for new technology streaming into the Computing Services environment. Without sufficient tools to address new technology, Computing Services will be unable to effectively manage the enterprise and unable to sustain the high quality of service currently provided to our customers. Strategic projects will also enhance the capabilities of current solutions to meet changing organizational needs. Tactical software projects will identify Computing Services functionally equivalent software and select one standard solution. As a result, (1) redundant software products will be removed from the inventory; (2) multiple annual maintenance/licensing costs will be eliminated; (3) only one set of administration and user skills will be required; (4) best-practice techniques will be shared among sites with like products. CSM system tools complement the service support mission of Computing Services.

Without these investments and with the current management tools and current staffing levels, Computing Services will not be able to effectively operate and manage the diverse and increasing number of systems. The volume of servers coming into the environment cannot be managed without ESM tools. Computing Services will be unable to support DISA initiatives to continue to increase and consolidate DoD processing into the robust and secure architecture of the Computing Services operating locations. Computing Services will be unable to realize the full benefits and efficiencies of current automation and process improvement initiatives in both the unclassified and classified Customer Service Management architectures.

Computing Services Group Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. Computing Services/May 2009	C. CE0200 Minor Construction Facilities						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Minor Construction Facilities	2	$250.00	$500.00	2	$375.00	$750.00	1	$500.00	$500.00
Total	**2**	**$250.00**	**$500.00**	**2**	**$375.00**	**$750.00**	**1**	**$500.00**	**$500.00**

Narrative Justification:

Description and Purpose:

Several facility enhancements, involving Computing Services sites, will take place between FY 2009 and FY 2010 1.) Install Building Automation system (BAS) controls in Defense Enterprise Computing Center San Antonio, TX in FY 2009 The BAS installation provides critically needed monitoring and control of data centers power and cooling infrastructure for the effective and efficient operation of the Automated Data Processing systems (ADP). 2) Install a second main electrical feed at Oklahoma City, OK in FY 2009 for required redundancy of power to the Defense Enterprise Computing Center. Electrical power feeders are required to provide needed reliable redundancy to support critical ADP power loads. 3) These enhancements involve upgrading/renovating Uninterrupted Power Supply (UPS) systems, generators, and raised floor areas. This budget line is requested in the event that any minor construction is required in the course of these projects.

Current Deficiency and/or Problem:

Various facilities are in need of upgrades and renovations in order to meet current standards. Several sites are in need of having design work and minor repairs completed.

Impact:

If these infrastructure investments are not funded, life-safety hazards will result. Age-related infrastructure and equipment deficiencies could result in unexpected system failures, placing site personnel at risk and potentially resulting in unnecessary data center downtime. DISA's ability to provide a reliable and safe 24/7/365 operational capability could be jeopardized.

Capital Budget Execution
Department of Defense Information Systems Agency
Activity Group: Computing Services
Date: May 2009
(Dollars in Millions)

Projects on the FY 2009 President's Budget

Fiscal Year	Approved Project	2009 PB	Reprogrammings	Approved Proj. Cost	Current Proj. Cost	Asset/Deficiency	Explanation
FY 2009	Non- ADPE/Facilities Equipment	30.600	(0.250)	30.350	30.350	(0.250)	Corrected capital category
	IBM - Tech Refresh	1.000	(0.500)	0.500	0.500	(0.500)	Reduced requirements in FY 2009
	Systems Management / ADP	7.900	(7.900)	0.000	0.000	(7.900)	Corrected capital category
	Communications Equipment	5.000	0.000	5.000	5.000	0.000	
	Server - Customer	1.000	(1.000)	0.000	0.000	(1.000)	No known requirements in FY 2009
	Storage - Tech Refresh	3.000	0.000	3.000	3.000	0.000	
	Software Development (Externally)	0.000	7.400	7.400	7.400	7.400	Corrected capital category
	Minor Construction - Facilities	0.500	0.250	0.750	0.750	0.250	Corrected capital category
	Total FY 2009	**49.000**			**47.000**		

Activity Group Capital Investment Summary
Defense Information Systems Agency
Activity Group: Telecommunications Services and Enterprise Acquisition Services
Date: May 2009
(Dollars in Millions)

	FY 2008 Quantity	FY 2008 Total Cost	FY 2009 Quantity	FY 2009 Total Cost	FY 2010 Quantity	FY 2010 Total Cost
Equipment Capabilities	**3**	**$3.421**	**0**	**$0.000**	**1**	**$0.400**
Replacement	**3**	**$3.421**	**0**	**$0.000**	**1**	**$0.400**
TR0016 EMSS Primary Gen/Tank/Swt Gear Rep	1	$1.407	0	$0.000	0	$0.000
TR0018 EMSS Earth Terminal Comm Subsystem	1	$1.607	0	$0.000	0	$0.000
TR0019 EMSS Ops Center HVAC Replacement	1	$0.407	0	$0.000	0	$0.000
TR0030 EMSS Gateway Environ. System (HVAC)	0	$0.000	0	$0.000	1	$0.400
ADPE & Telecom Equipment Capabilities	**6**	**$16.874**	**3**	**$14.059**	**4**	**$20.400**
Telecoms, Other Computer & Telecom Support Equip	**6**	**$16.874**	**3**	**$14.059**	**4**	**$20.400**
TO0028 LAN Infrastructure at Leased Facility	0	$0.000	1	$0.449	0	$0.000
TR0009 JHITS ASM DRM Switch Tech Refresh	1	$4.610	0	$0.000	0	$0.000
TR0010 JHITS Switch Expansion & Ancil Equip	1	$2.000	1	$2.000	1	$2.000
TR0022 EMSS RWIF Red Interworking Function	1	$4.600	0	$0.000	0	$0.000
TR0026 DISN SME-Portable Elec Dev	1	$1.246	0	$0.000	2	$0.600
TR0027 EMSS Access Control Sys. Replacement	1	$1.418	0	$0.000	0	$0.000
TR0031 EMSS Gateway Transformation	0	$0.000	0	$0.000	1	$17.800
TV0005 DISN DVS-II	1	$3.000	1	$11.610	0	$0.000
Software Development	**1**	**$1.279**	**1**	**$0.650**	**0**	**$0.000**
Externally Developed	**1**	**$1.279**	**1**	**$0.650**	**0**	**$0.000**
EE0004 DDOE Enhancements	1	$1.279	1	$0.650	0	$0.000
Minor Construction Capabilities	**2**	**$0.992**	**0**	**$0.000**	**0**	**$0.000**
Replacement	**2**	**$0.992**	**0**	**$0.000**	**0**	**$0.000**
TR0015 EMSS Building Electrical Distribution	1	$0.400	0	$0.000	0	$0.000
TR0019 Unspecified Minor Construction	1	$0.592	0	$0.000	0	$0.000
Total Obligations	**12**	**$22.566**	**4**	**$14.709**	**5**	**$20.800**
Total Capital Outlays		**$21.383**		**$39.884**		**$7.495**
Total Depreciation Expense		**$1.646**		**$7.908**		**$9.863**

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. TR0030 EMSS Gateway Environ. System (HVAC)						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Gateway Environment System (HVAC)	0	$0.00	$0.00	0	$0.00	$0.00	1	$400.00	$400.00
Total	**0**	**$0.00**	**$0.00**	**0**	**$0.00**	**$0.00**	**1**	**$400.00**	**$400.00**

Narrative Justification:

Description and Purpose:

Replace aging air conditioning (AC) units at the Enhance Mobile Satellite Service (EMSS) Gateway facility.

Current Deficiency and/or Problem:

Current heating, ventilation, and air conditioning (HVAC) units that provide cooling to critical communications equipment and the EMSS Operations Center are approaching end-of-life and are showing signs of malfunction. The EMSS Gateway is cooled by a number of separate HVAC units. The three HVAC systems providing cooling for the equipment were replaced using FY 2007 capital authority. The HVAC units cooling the EMSS Operations Center are being replaced using FY 2008 Capital Authority. This Capital request is to replace the remaining HVAC units approaching end-of-life. During the FY 2010 Budget Estimates Submission (BES) this project was improperly classified the Automatic Data Processing & Telecommunications Equipment (ADPE & Telecomm). We have reclassified this project in the Non- Automatic Data Processing Equipment & Telecommunications Equipment (Non ADPE & Telecomm).

Impact:

Without replacing all end-of-life HVAC systems, increasing temperatures will result in reduced performance and eventual equipment failures. The HVAC units are being incorporated into an overall lifecycle replacement/management plan for the EMSS Gateway.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. TO0028 LAN Infrastructure at Leased Facility						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
LAN Infrastructure at Leased Facility	0	$0.00	$0.00	1	$448.70	$448.70	0	$0.00	$0.00
Total	**0**	**$0.00**	**$0.00**	**1**	**$448.70**	**$448.70**	**0**	**$0.00**	**$0.00**

Narrative Justification:

Description and Purpose:

This request will provide for the purchase and installation of a Local Area Network (LAN) Automated Data Processing Equipment (ADPE) System Server, routers, ancillary cable/fiber, and associated telecommunications in a GSA leased facility within a 15 mile radius of Scott Air Force Base, IL. The processing equipment and cable/fiber will provide DISANet Red/Black Data Services, access to the World Wide On-Line System (WWOLS), and voice communications services to 125 DISA telecommunications specialists, "provisioners", who will be relocated from Building's 3189 and 1930 at Scott Air Force Base, IL due to severe overcrowding.

Current Deficiency and/or Problem:

The building to be leased through GSA will lack LAN ADPE and telecommunications infrastructure requirements to access DISANet Red/Black Data Services, WWOLS, and voice communications services.

Impact:

Should LAN ADPE and telecommunications requirements not be accommodated, there will be no way to access DISANet Red/Black Data Services, WWOLS, or voice communications services that will be required by the 125 provisioners.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. TR0010 JHITS Switch Expansion & Ancil Equip						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
Switch Expansion & Ancillary Equipment	1	$2,000.00	$2,000.00	1	$2,000.00	$2,000.00	1	$2,000.00	$2,000.00
Total	**1**	**$2,000.00**	$2,000.00	**1**	**$2,000.00**	**$2,000.00**	**1**	**$2,000.00**	**$2,000.00**

Narrative Justification:

Description and Purpose:

This budget line is required to ensure the availability of capital resources for Joint Hawaii Information Transfer System (JHITS) switch expansions and upgrades as needed on the Hawaii Island. JHITS switch expansions will be required to meet increasing customer demand in Hawaii as the military (most notably Army) moves personnel to the Pacific area. Funding is also needed for ancillary equipment to maintain operating systems and to provide a rapid replacement capability for mission critical equipment. Additionally, switch expansions are needed to provide additional telephone lines for Fort Shafter during FY 2009 in support of the US Army Pacific Signal Command (Theater). A Wahiawa JHITS switch expansion is also required in FY 2009/FY 2010 to support the Hawaii Regional Security Operations Center (HRSOC) relocation from Kunia Field Station to the Naval Computer and Telecommunications Area Master Station (NCTAMS) at Wahiawa.

Current Deficiency and/or Problem:

Limited line capacity exists for some JHITS switches, requiring hardware expansion to provide service to additional customers. Without switch hardware expansion, customers in Hawaii cannot obtain telephone service. The Schofield JHITS switch also has limited trunk/port capacity available to connect new communications systems being deployed to Hawaii that require Defense Switched Network (DSN) connectivity.

Impact:

Without capital funding to replace ancillary equipment for JHITS, serious DSN, Federal Technology Service (FTS), and local commercial telephone service degradation will occur for Hawaii DoD military and civilian agencies. Serious service degradation throughout the Pacific theater could occur if the JHITS DSN gateway switches fail as well. Without capital funding for switch expansions, the ability to accommodate an increasing customer base will be limited.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. TR0026 DISN SME-Portable Elec Dev						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
SME-PED	1	$1,246.00	$1,246.00	0	$0.00	$0.00	2	$300.00	$600.00
Total	**1**	**$1,246.00**	**$1,246.00**	**0**	**$0.00**	**$0.00**	**2**	**$300.00**	**$600.00**

Narrative Justification:

Description and Purpose:

This request is for the purchase and installation of the required hardware equipment and integral software to implement two Enterprise Solutions for Secure Mobile Environment - Portable Electronic Device (SME-PED). The two Enterprise Solution will operate in conjunction with the SME-PED Multi-Carrier Entry Point (MCEP).

Current Deficiency and/or Problem:

The current hardware configuration for SME-PED secure and unclassified mail service requires Services/Agencies to purchase two additional servers, a classified and unclassified version to provide the interface between the mobile SME-PED and the local mail account. The Joint Staff has asked DISA to do a proof of concept to determine a server configuration that would support a more cost effective enterprise solution. Capital authority for this effort is required for FY 2010.

Impact:

This solution could potentially save the Department of Defense the costs of providing individual servers at email enclaves as well as the cost of systems administrator personnel for the servers.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. EMSS Gateway						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
EMSS Gateway	0	$0.00	$0.00	0	$0.00	$0.00	1	$17,800.00	$17,800.00
Total	**0**	**$0.00**	**$0.00**	**0**	**$0.00**	**$0.00**	**1**	**$17,800.00**	**$17,800.00**

Narrative Justification:

Description and Purpose:

The Enhanced Mobile Satellite Services (EMSS) provides unique mobile satellite services in that all global EMSS traffic is down linked and processed at a single location. The user equipment and EMSS Gateway architecture, infrastructure, and equipment capabilities have been in service since the commencement of the program over a decade ago. In order to be operationally compatible with the emerging technology of the next generation satellite constellation "Iridium NEXT," the Gateway needs to undergo modifications. Funding is requested in support of these modifications to the Gateway.

Current Deficiency and/or Problem:

As Iridium Satellite, Limited Liability Company (LLC), transitions its commercial service to utilize the next generation satellite constellation "Iridium NEXT," the commercial gateway architecture will also change. In order for EMSS to take advantage of the new capabilities that "Iridium NEXT" will provide, and to ensure the government's continued ability to receive EMSS/Iridium traffic, the user equipment and EMSS Gateway require modifications to maintain a technical parallel to the commercial Iridium Gateway. Also requested in this budget line is funding for Remote Earth Terminals (ETs), compatible with "Iridium NEXT." Due to the current single point of failure at the primary Gateway location, the architecture of the Remote ETs place our customers at high risk in the event of a global outage, when a satellite becomes inoperative, or the EMSS Gateway Earth Terminals (ETs) are unavailable. In the event of a global outage or unavailability of the ETs, with additional Remote ETs, the EMSS Gateway will be able to receive EMSS/Iridium traffic at an alternative location reducing the chance of service interruption to our customers.

Impact:

If the EMSS Gateway is not transformed to remain compatible with the Iridium commercial gateway, EMSS will not be able to receive critical operational traffic or provide access to new services offered by "Iridium NEXT." Without upgrades to the DoD Gateway infrastructure, end user equipment, encryption devices, and implementation of a COOP capability, this vital US Government resource will not be able to meet future communications needs.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. TV0005 DISN DVS-II						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
DVS-II	1	$3,000.00	$3,000.00	1	$11,610.00	$11,610.00	0	$0.00	$0.00
Total	**1**	**$3,000.00**	**$3,000.00**	**1**	**$11,610.00**	**$11,610.00**	**0**	**$0.00**	**$0.00**

Narrative Justification:

Description and Purpose:

DISN Video Services (DVS) provides global unclassified and classified real-time, near-full motion video service that allows simultaneous video and voice communications between two or more dedicated or dial-up Video Teleconferencing Center (VTC) sites worldwide. Currently, DVS provides service to a total of more than 3,500 users through DISN Video Service-Global (DVS-G), which is contractor-owned and operated.

Current Deficiency and/or Problem:

Capital authority is being requested to complete engineering and equipment fixes as well as testing of the new video system. During initial testing of the video system, DISA uncovered several technical issues related to vendor software compatibility as well as system configuration delays. These issues must be resolved in order to achieve Full Operating Capability (FOC).

Impact:

Without additional capital authority, the new system will be unable to reach Full Operating Capability (FOC), causing continued extension of the current AT&T contract for the DVS-G legacy system.

Telecommunications Services/Enterprise Acquisition Services: Capital Investment Justification ($ in thousands)							A. FY 2010 Budget Estimates		
B. TSEAS/May 2009	C. EE0004 Software Development - Capability						D. Defense Information Systems Agency		
	FY 2008			FY 2009			FY 2010		
Element of Cost	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**	**Quantity**	**Unit Cost**	**Total Cost**
DDOE Enhancements	1	$1,279.00	$1,279.00	1	$650.00	$650.00	0	$0.00	$0.00
Total	**1**	**$1,279.00**	**$1,279.00**	**1**	**$650.00**	**$650.00**	**0**	**$0.00**	**$0.00**

Narrative Justification:

In FY 2009, $650K is needed to complete Phase III of changes to the DISA Direct Order Entry (DDOE) system in support of the NETWORX contract Combined Services offerings. The Department of Defense is required to order NETWORX services through DISA using the DDOE system.

Description and Purpose:

Capital authority is required to modify the DISA Direct Order Entry (DDOE) system to reflect the changes brought on by moving from the expiring FTS2001 to the NETWORX contract. The final phase of these changes must be completed in order for DISA's customers to order Wireless, Voice over Internet Protocol (VOIP), Internet Protocol (IP) Telephony, Internet Protocol Service (IPS), and Combined Services. The changes also provide for incorporation of NETWORX business rules into DISA's front-end ordering suite of tools known as DISA Direct. Work covers programming, testing, and data loads. Once the transition is complete the NETWORX services will be available to all customers to order.

Current Deficiency and/or Problem:

The DDOE system is used by DISA for efficient processing of all telecommunications services, to include those services provided on the NETWORX Contract. However, DDOE does not currently provide the capability to order NETWORX services.

Impact:

Existing FTS2001 services provided to customers will not be eligible for transition to the NETWORX contract, nor will new services be able to be ordered off of the FTS2001contract. Without the changes to DDOE described above, DISA will not be able to support requests for NETWORX services.

Capital Budget Execution
Department of Defense Information Systems Agency
Activity Group: Telecommunications Services/Enterprise Acquisition Services
Date: May 2009
($ in Millions)

Projects on the FY 2009 President's Budget

Fiscal Year	Approved Project	2009 PB	Reprogrammings	Approved Proj. Cost	Current Proj. Cost	Asset/Deficiency	Explanation
FY 2009	LAN Infrastructure at Lease Facility	0.000	0.449	0.449	0.449	0.449	New requirement
	HITS/JHITS Switch Expansion & Ancil Equip	2.000	0.000	2.000	2.000	0.000	
	DISN DVS - II	0.000	11.610	11.610	11.610	11.610	Additional resources required to complete
	Unspecified Minor Construction	0.600	(0.600)	0.000	0.000	(0.600)	No known requirements in FY 2009
	DDOE Enhancement	0.900	(0.250)	0.650	0.650	(0.250)	Decrease due to the completion of Phase II
	Total FY 2009	**3.500**			**14.709**		

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY CHAIN MANAGEMENT ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
ACTIVITY GROUP CAPITAL INVESTMENT SUMMARY
($ IN MILLIONS)

Line Number	Item Description/Capability	FY 2008		FY 2009		FY 2010	
				Quantity	Total Cost	Quantity	Total Cost
REP 200-01	Material Handling/Storage Space Utilization - Supply Non-Energy	4	1.6			1	0.6
REP 200-02	Material Handling/Storage Space Utilization - Distribution	10	16.7	17	17.2	6	7.9
NEW 200-03	Material Handling/Storage Space Utilization - Distribution					2	11.5
REP 200-04	Installation Security - Supply Non-Energy	1	0.0	3	1.7	5	4.1
REP 200-05	Installation Security - Distribution	3	1.3	6	2.4	2	1.5
REP 200-06	Material Disposal - DRMS	2	1.0			2	1.2
	TOTAL EQUIPMENT (Non ADP/T)	20	20.6	26	21.3	18	26.7
TEL 100	Telecommunications - Supply Non-Energy	6	6.2	3	1.4	8	12.0
TEL 200	Telecommunications - Distribution	5	4.8	1	6.8	1	6.0
PRD 100	Production Hardware - Supply Non-Energy	4	3.5	1	3.1	1	2.5
PRD 200	Production Hardware - DRMS			1	4.4		
	TOTAL EQUIPMENT (ADP/T)	15	14.6	6	15.6	10	20.5
SWD 200-01	Supply Chain Management - eProcurement		24.2		17.9		26.9
SWD 200-02	Supply Chain Management - Common Food Management System		19.7		21.3		14.9
SWD 200-03	Supply Chain Management - Enterprise Business System		17.6		18.2		17.4
SWD 200-04	Supply Chain Management - Defense Medical Logistics Standard System		2.6		2.5		2.4
SWD 200-05	Supply Chain Management - DoD EMALL				6.6		5.4
SWD 200-06	Supply Chain Management - Integrated Consumable Item Support						5.3
SWD 200-07	Supply Chain Management - Reautilization Business Integration		4.7		14.4		10.5
SWD 200-08	Supply Chain Management - CPARS and PPIRS						1.0
SWD 200-09	Supply Chain Management - CAMS-ME						1.0
SWD 300-01	Net-Centric Hubs - Fusion Center				4.5		3.8
SWD 300-02	Net-Centric Hubs - Integrated Data Environment		5.9		4.3		3.9
SWD 300-03	Net-Centric Hubs - Enterprise Operations Accounting System		6.8		6.5		
SWD 300-04	Net-Centric Hubs - Enterprise Business Software		3.6		1.2		3.4
SWD 300-05	Net-Centric Hubs - Asset Visibility		2.2		3.4		0.5
SWD 400-01	Master Data - Federal Logistics Information System		0.3		0.6		2.1
SWD 500-01	Distribution - Radio Frequency Identification		0.3		0.3		0.3
SWD 500-02	Distribution - Distribution Standard System		0.4		2.0		1.0
	TOTAL SOFTWARE DEVELOPMENT		88.2		103.7		99.9
REP 200-01	Minor Construction $100,000 - $750,000 (Supply Non-Energy)		5.5		2.5		4.5
REP 200-02	Minor Construction $100,000 - $750,000 (Distribution)		9.1		9.7		10.5
REP 200-03	Minor Construction $100,000 - $750,000 (DRMS)		2.2		2.1		2.1
	TOTAL MINOR CONSTRUCTION		16.8		14.2		17.2
	TOTAL AGENCY CAPITAL INVESTMENTS		140.2	32	154.9	28	164.3
	Capital Outlays (below threshold)		10.9		16.9		27.6
	Capital Outlays (above threshold)		182.9		126.8		91.5
	Total Capital Outlays		193.7		143.7		119.1
	Total Depreciation Expense		122.6		167.1		171.8

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-01 Material Handling/Storage Space Utilization - Replacement Supply Non-Energy	4	407.5	1,630				1	600	600			

Narrative Justification:

These investments are for material handling equipment, mobile material handling equipment, and miscellaneous warehouse equipment or systems. Replacement of equipment is for existing items that have reached or exceeded the useful life established for these categories. Based on guidance contained in various Department of Defense (DoD) governing polices, the Defense Logistics Agency (DLA) has established replacement and life expectancy/productivity enhancements standards for all categories of investment equipment. The standards are based on life expectancy with consideration given to condition, usage hours, and/or repair costs. DLA establishes age, utilization and repair standards based on industry information and experience in the absence of DoD acquisition and replacement criteria relative to unusual categories of equipment. The FY 2010 requirement is for a mini loader at Defense Supply Center Richmond (DSCR).

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-02 Material Handling/Storage Space Utilization - Replacement Distribution	10	1,668	16,685	17	1009.2	17,156	6	1,310.2	7,861			

Narrative Justification:

These investments are for material handling equipment, mobile material handling equipment, and miscellaneous warehouse equipment or systems. Replacement of equipment is for existing items that have reached or exceeded the useful life established for these categories. Based on guidance contained in various Department of Defense (DoD) governing polices, the Defense Logistics Agency (DLA) has established replacement and life expectancy/productivity enhancements standards for all categories of investment equipment. The standards are based on life expectancy with consideration given to condition, usage hours, and/or repair costs. DLA establishes age, utilization and repair standards based on industry information and experience in the absence of DoD acquisition and replacement criteria relative to unusual categories of equipment. Projects in FY 2010 include a Rough Terrain Container Handler, Cantilever Racks, Towline Systems, and Unitary Power Systems. Projects in FY 2011 include a Container Handler Forklift, Towline Systems, Sortation Systems, Mezzanine and Bin Systems, and a 75 Ton Bridge Crane.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
NEW 200-03 Material Handling/Storage Space Utilization – New Mission Distribution							2	5,750	11,500			

Narrative Justification:

These investments are for material handling equipment, mobile material handling equipment, and miscellaneous warehouse equipment or systems. Equipment supports new mission or productivity related projects for which DLA has established policies and procedures to ensure that the ultimate goals of providing cost savings in terms of reduced man-hours to complete mission oriented tasks, new systems or equipment to meet the requirements for attaining DLA strategic goals, and modification to enhance safety of the operators or environment are met. All productivity related projects normally provide a payback of not more than five years and savings to investment ratio of greater than one.

Projects in FY 2010 and FY 2011 include equipment for a new General Purpose Warehouse (GPW) at Distribution Depot San Joaquin (DDJC) and for the new Distribution Center at Distribution Depot Europe (DDDE). The proposed equipment for the GPW at DDJC will provide a high-rise narrow aisle pallet rack storage system, turret trucks, including batteries and chargers, a rail guidance system for material handling equipment and intra-depot transporter conveyors. The Distribution Center at DDDE will include various systems to support storage, material movement, packing, sorting, receiving and shipping. Installation of the new material handling equipment will lower overall material handling costs, reduce facility space requirements and decrease warehouse processing times.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-04 Installation Security Supply Non-Energy				3	612.5	1,740	5	822	4,110			

Narrative Justification:

This program involves providing installation security related items. Security items include portals, turnstiles, entrance card readers, intrusion detection devices, and fire emergency trucks. Equipment of this type will provide security of the items stored in the depots as well as safety and security for the DLA employees. This equipment is in accordance with security guidance provided by the Department of Defense and in order to rectify identified security deficiencies.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-05 Installation Security Distribution	3	432.6	1,298	6	399.5	2,397	2	738	1,476			

Narrative Justification:

This program involves providing installation security related items. Security items include Card Access Control Systems (CACS) for various buildings, a card access system, a closed circuit television system, and fire emergency trucks. Equipment of this type will provide security of the items stored in the depots as well as safety and security for the DLA employees. This equipment is in accordance with security guidance provided by the Department of Defense and in order to rectify identified security deficiencies. This equipment will provide depot security as well as safety and security for DDC employees.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Non-ADP Equipment - Replacement

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-06 Material Disposal –Replacement DRMS	2	485	970				2	600	1,200			

Narrative Justification:

This investment is for scrap handlers that has reached or exceeded the useful life established for this category. Based on guidance contained in various Department of Defense (DoD) governing polices, the Defense Logistics Agency (DLA) has established replacement and life expectancy standards for all categories of investment equipment. The standards are based on life expectancy- with consideration given to condition, usage hours, and/or repair costs. DLA establishes age, utilization and repair standards based on industry information and experience in the absence of DoD acquisition and replacement criteria relative to various categories of equipment.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
TEL 100 Telecommunications Equipment

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
TEL 100 Telecommunications Supply Non-Energy	6	1,040	6,245	3	354.7	1,364	8	1505.9	12,047			

Narrative Justification:

This investment for telecommunications equipment is in support of the Defense Supply Center Columbus (DSCC), Defense Supply Center Richmond (DSCR), Defense Logistics Information Service (DLIS), and the Defense Distribution Center (DDC). This equipment will ensure that data transmissions from voice to video are successful. Requirements include telephone switches, Local Area Network (LAN) upgrades, storage solutions, video teleconferencing hardware, and a trunked radio system.

In FY 2010 and FY 2011 DLA will also upgrade the Enterprise Telecommunications Network (ETN). This investment includes re-engineering and upgrading the Marconi ATM switch hardware and the Cisco switch hardware, re-engineering and upgrading the Nokia firewall hardware, and replacing the Infoblox DNS equipment currently existing on the ETN. The refresh equipment will replace end of life system hardware located at the CONUS hub sites and test environments. Upgrading the hardware to current industry standards ensures continued delivery of uninterrupted, high quality, and best value servicing to the DLA customer. DLA's ETN equipment acquisition and replacement strategy ensures that high quality equipment is purchased, configured, and deployed in a timely fashion to support the war fighter. Refreshing this hardware provides the continued performance and reliability demanded by the ETN. Deploying state-of-the-art network equipment ensures continued ETN support of DLA customers at all DLA worldwide locations.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
TEL 200 Telecommunications Equipment

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
TEL 200 Telecommunications Distribution	5	965.8	4,829	5	1,350	6,750	6	991.7	5,950			

Narrative Justification:

These investments for telecommunications equipment are in support of the Defense Distribution Center (DDC). DDC will upgrade LAN networks to include hardware and infrastructure cabling. Upgrades are planned for Defense Distribution Depots at San Diego, Norfolk, Sigonella, Hill AFB, Kuwait, Pearl Harbor, and the Defense Distribution Center HQ. As Radio Systems and Telephony Switching technologies/applications advance, a robust infrastructure and telecommunications system is required to provide reliable communications capabilities. The Radio Systems (Trunked & Conventional) and Telephone Switches owned by the DDC will be properly aligned with current operating baselines to allow users the mission critical voice applications required. Aging hardware and software will be regularly replaced within the telecommunications confinements of the cable plant, radio systems and telephony technologies.

The Radio Frequency mission, as specified in DoD 4140.1-R and Defense Reform Initiative Directive (DRID) 48, call for the ability to read 2D bar codes during the pick operation. The mission relies upon the perpetuation of serial number information throughout the supply chain; suppliers will mark this information on material in the form of 2D bar codes. This work is primarily supported by Radio Frequency equipment. Since the existing equipment cannot read 2D bar codes, the current systems must be replaced. The costs associated with replacing the systems are based on a one for one replacement of the existing end user equipment (hand held terminals and vehicle mounted terminals) as well as the number of access points (base stations) necessary to support this equipment.

Radio Frequency Identification (RFID) supports the overall goal of supply chain integration and logistics interoperability and allows for information exchange within and between internal and external business partners. The first phase of the RFID initiative included reading passive RFID tags at receiving locations CONUS and OCONUS, initially for new procurement and eventually for field returns. Site surveys were performed at seven OCONUS distribution centers with equipment installed at Pearl Harbor and Guam. Expansion into packing and shipping areas at the CONUS and OCONUS sites is planned for FY 2009 and beyond.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management – Non Energy Activity Group May 2009

C. Line Number & Item Description
PRD 100 Production Hardware

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
PRD 100 Production Hardware Supply Non-Energy	4	883	3,531	1	3,146	3,146	1	2,511	2,511			

Narrative Justification:

The Defense Automated Addressing System Center (DAASC) mission is to receive, validate, edit, route, transmit, and archive nearly all unclassified DoD logistic traffic. This mission is accomplished by a collection of systems that are support by four financial profiles; DBASE, DDATA, DGATE, and EBUS. The requirements identified not only provides the DAASC Enterprise Infrastructure, but also provides the necessary components needed for data exchange, storage, facility and security between the DAASC profile environments and DAASC's diverse external customer base. This infrastructure provides for numerous DAASC MAC-I applications such as the DAASC Routing Control System (DRCS), Service Oriented Messaging Architecture (SOMA), DAASC Micro Automated Routing System (DMARS), Global Exchange (GEX) E-Business Hub, and the identified COTS solution, WebMethods, that is being developed/installed as the replacement solution for GEX, and other mission critical MAC-II systems. .

The above mentioned DRCS and SOMA applications are identified for technical refreshment of existing servers that have outgrown their life cycle. These applications are responsible for performing a core, mission critical function, and directly services the vast MQ Series, File Transfer Protocol (FTP) and Simple Mail Transfer Protocol (SMTP) customer base. These applications process over 3.7 Billion logistics transactions per year. The DoD Electronic Business gateway at DAASC is a highly reliable "global community services" logistics processing application serving the entire DoD community to include DLA, US Air Force, US Army, US Marine Corps, US Navy, US Coast Guard, the Federal Sector, the Defense Contractor community, International Logistics Communications Systems (ILCS), Foreign Military Sales (FMS) countries, and all DoD logistics customers using DoD and commercial networks. The key component of the E-Business profile is the GEX E-Business Hub. The requirements above include the technical refreshment of the hardware components for GEX. DAASC has developed a business solution that would refresh all hardware that currently supports the capability and also purchase hardware to migrate several DAASC COTS functions to a single COTS solution, WebMethods

The impact of not replacing these hardware platforms will lead to degradation of services, leading to mission failure.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management – Non Energy Activity Group May 2009

C. Line Number & Item Description
PRD 200 Production Hardware

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
PRD 200 Production Hardware DRMS				1	4,376	4,376						

Narrative Justification:

Radio frequency equipment is required to support the reutilization mission. There are plans for forty-nine CONUS and OCONUS sites to receive equipment and infrastructure (printers, readers, etc.) configured to handle the Automated Information Technology needs of the DRMS inventory. The hardware will be configured to work with the Reutilization Business Integration (RBI) solution set which includes the Distribution Standard System (DSS), Enterprise Business System (EBS), and Integrated Data Environment (IDE).

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-01 Supply Chain Management eProcurement			24,170			17,892			26,853			

Narrative Justification:

eProcurement is a pre-planned post-FOC product improvement to the capabilities delivered with Enterprise Business System (EBS). eProcurement will replace the legacy DLA procurement capability with SAP functionality integrated with the existing ERP capabilities. The eProcurement initiative requires the underlying ERP infrastructure delivered with EBS to be upgraded to a higher version which will technically provide additional features required to integrate eProcurement seamlessly with the end-to-end system. Planned improvements include replacing legacy bolt-on procurement systems including DLA Pre and Post Award Contracting System (DPACS) with the SAP eProcurement module with integration activities starting in FY 2008.

SAP Procurement for the Public Sector (PPS) Commercial-off-the-Shelf (COTS) solution will be integrated into existing DLA EBS ERP COTS architecture as a replacement to DLA's legacy procurement systems. The program includes all associated support activities including program management, knowledge transfer & training, business process design and reengineering, technical design, configuration and development, testing, site readiness and transition activities, and post-deployment support and sustainment. The expected outcomes of the activity include: increase in service level, decrease in cycle time, increase in horizontal integration, increase in financial accountability, and an increase in business alignment to the warfighter. The impact of not funding would result in the need to continue support and maintenance of DPACS at approximately $10 million a year and maintain interfaces between DPACS and EBS as well as an additional $8 million/year in benefits related to EBS interface retirement, SPS/BOSS interface retirement, and functional savings resulting from increased contract visibility, automated invoice processing, post contract award efficiencies, and data storage efficiencies.

Funds in FY 2008 – FY 2011 will be used for product upgrade and integration of the SAP SRM module into the DLA Business Systems Modernization (BSM) architecture. This will include the design/build/test of necessary RICE objects, configuring the SAP SRM module to DLA specifications, change management and training of the user community. The Return-On-Investment (ROI) is 1.29 and the payback period is FY 2019.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-02 Supply Chain Management Common Food Management System (CFMS)			19,692			21,259			14,921			

Narrative Justification:

The Common Food Management System (CFMS), a DLA-financed and DLA-managed system, will replace the various military food management systems with a single retail system for the DoD. It will incorporate all food management functions performed by the Service legacy systems, in addition to the catalog, order, receipt, and management information currently provided by DLA wholesale systems. CFMS will utilize commercial off the shelf software, with some customization to address the special requirements of a system that must operate in peace and in war. CFMS will be the automation tool for total supply chain integration for Class I and will support DLA's role as Executive Agent. CFMS will extend the Enterprise Business System (EBS) functionality from DLA to the customer.

Moving to a DLA-financed single retail system for Class I will reduce system maintenance costs across the DoD and will assure that the Military Services continue ordering their garrison feeding from DLA. An economic analysis was conducted in 2004 to identify the full scope of the anticipated savings. The analysis showed at that time an ROI of 1.88 with an estimated payback in two years. The economic analysis is being updated to include additional benefits likely to be accrued from more efficient inventory management and financial compliance across the Military Services. This initiative satisfies the BMMP requirements and emerging information assurance and financial regulations such as the Standard Financial Information Structure (SFIS).

The FY 2008 funding supported the initial pilot deployment to the field of the CFMS system. In addition, funding was used to support the help desk during pilot deployment and to provide equipment to the sites. FY 2009 - FY 2011 funding is for full rate rollout of CFMS. This funding also includes help desk support and equipment. CFMS will be deployed to over 700 fixed location dining facilities for all Military Services worldwide and to nearly 300 Navy ships.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-03 Supply Chain Management Enterprise Business System (EBS)			17,605			18,200			17,440			

Narrative Justification:

The Enterprise Business System (EBS), DLA's Enterprise Resource Planning (ERP) platform, was developed and introduced into DLA operations with investment dollars managed through the Business Systems Modernization (BSM), Customer Relationship Management (CRM), Product Data Management Initiative (PDMI), Enterprise Operations Accounting System (EOAS), and eProcurement programs which are now part of the EBS process/systems integration framework. BSM established the core architecture for DLA's Enterprise Business System as the ERP platform for supply chain management of DLA's 5.2 million hardware and troop support items. EBS is the IT foundation that enables DLA to fully implement electronic business, web-based technologies, and an interoperable data environment. Quantitative benefits to be achieved as a result of the BSM program include improved demand forecasting and improved operational effectiveness and efficiencies.

The continuing sustainment of this effort includes modernization technology upgrades and capability improvements that are required to support future critical EBS initiatives and to extend the DLA enterprise into a post-BRAC environment. Included are upgrades for SAP Customer Support Management (formerly CRM) and Manugistics, and new SAP capabilities to replace DLA's Real Property Inventory (RPI) applications. In addition, capital investment funding will be used for functional System Change Requests (SCRs) that are at or above the capital threshold.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-04 Supply Chain Management Defense Medical Logistics Standard System (DMLSS) Wholesale			2,572			2,511			2,414			

Narrative Justification:

The Defense Medical Logistics Standard System-Wholesale (DMLSS-W) is an integrated system supporting the medical logistics needs of the Services and the Warfighter. While the program directly funds the business process improvements and Management Information System (MIS) enhancements at the Defense Supply Center Philadelphia (DSCP) Medical Directorate, the benefits and savings cascade throughout the entire DoD medical logistics supply chain. In FY 2008 - 2011 the DMLSS-W program will focus on software redesign improvements to enhance the overall effectiveness of DMLSS-W support to contingency operations by automating contingency sourcing to electronic ordering services, broadening contingency sourcing to include commercial product ordering, adding a medical products ordering interface with FEMA, and extending contingency sourcing to natural disaster requirements. DMLSS-W will develop an interface with Joint Biological Agent Identification and Diagnostic System (JBAIDS) for deployed unit re-supply and in-transit visibility, and a Financial Interface Requisition Master in support of EBS to extract current sales information from the Troop Support ODS and integrate with SAMMS-based sales data to achieve a 12-year continuous sales history. To expand order receiving, DMLSS-W will re-engineer software to add additional medical product lines and functions including medical assemblies, equipment accessory repair parts, associated items for medical equipment, and specialty product lines such as Reactive Skin Decontamination Lotions. An electronic ordering interface with the VA will further open medical products to support the increased VA patient load. Enhancements to software to meet the business pricing requirements include Prime Vendor Auto-load, Real Time Price Verification, reengineered Pricing Management tool, ACPOP Locked Items fair and reasonable price tracking, and Managed Care Pricing File as a replacement of the Average Wholesale Price to support the commercial practices evolving for the Medical's Pharmaceutical Tricare Mail Order Pharmacy program. Radio Frequency Identification (RFID) technology will be expanded to provide near-real time in-transit visibility, enhanced inventory management, and item level visibility. To support the Net-Centric environment and Service Oriented Architecture, the incremental re-architecture of the DMLSS-W suite of applications with a global view of the data and processes will be designed and developed. In addition, synchronized data will be integrated from the Product Data Bank (PDB), a major initiative with Health Affairs, into DMLSS-W applications. The Return on Investment for the DMLSS Program is almost 6 to 1. The benefits estimate is over $3.6 billion across the Department of Defense from FY 2002 through FY 2012. These savings were identified as part of the Milestone IIIC decision.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-05 Supply Chain Management DOD EMALL						6,600			5,405			

Narrative Justification:

The DOD EMALL is an advanced, web-based government procurement application designed much like commercial applications. The site provides a personalized experience where each user can initiate transactions right from their desktop. DOD EMALL allows users to search or browse for commercial and government off-the-shelf products and services through a single interface and then to purchase those products or services in an easy to use online format.

Requirements for the DOD EMALL are submitted to a Joint Requirements Board. This board is chaired by the OSD Supply Chain System Transformation (SCST) Division. Members include Defense Logistics Agency (DLA), Defense Information Systems Agency (DISA), Army, Navy, Air Force and Marine Corp representatives. The JRB evaluates requirements in terms of some general goals i.e., consolidation of DLA eCommerce websites, integration of GSA Advantage and DOD EMALL, enabling FMS commercial orders, utilizing PKI on the website, enabling our Suppliers to use RFID tagging for commercial orders, etc. Based on these and other guiding principles, the JRB decides which requirements will be addressed in future EMALL releases. Those requirements not selected will remain as open candidates for future Board selections and will be reprioritized as new or higher priority requirements emerge.

In FY 2010, EMALL will integrate with the Navy ERP. This change will allow the Navy Convergence ERP users to shop on DOD EMALL and route a shopping cart back through a workflow within the ERP to approve purchases and obligate funding. The capability will allow Navy users to purchase commercial items from all other Services and DLA greatly reducing their need to write commercial contracts and leveraging the use of Government Wide Contracts. In FY 2011, part 2 of Shopping Cart Optimization will be implemented. This includes extending the mathematical model to consider prices of functionally equivalent items in addition to the exact same items from different suppliers and creating a user interface with the necessary mathematical model that will allow users to experiment with the priorities of conflicting goals (e.g., price versus delivery versus small/large business) when optimizing their shopping carts.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-06 Supply Chain Management Integrated Consumable Item Support (ICIS)									5,315			

Narrative Justification:

The Integrated Consumable Item Support (ICIS) is the proposed IT system for the Medical Materiel Executive Agent (MMEA) to execute the DLA mission to manage the Medical Logistics Supply Chain. There will be a classified and unclassified version that consists of three major components -- Contingency Requirements Determination (RDT), Standardization Tool Set (STS) and Decision Support System. The FY 2010 and FY 2011 capital investment will develop the initial software to support the Executive Agent. In FY 2010, systems analysis, requirements definition, system design, and information assurance design and implementation will be initiated. These processes and programming will continue with the FY 2011 investment. The requirements determination capability developed will be to determine scenario dependent contingency requirements and enable consolidated forecasting and financing of the Services' surge and sustainment requirements for medical materiel. Product standardization will be enhanced for medical products that comprise a dynamic commercial commodity characterized by rapid technological innovation across the medical range of military operations from institutional to operational and contingency operations. Logistics managers will have the capability to make sound business and operational plans based on visibility of commercial product utilization patterns and performance measurement of the medical logistics supply chain settings. All of these capabilities will significantly enhance support of the Warfighter. The ICIS Business Case Analysis completed in March 2008 identified potential cost avoidances for the Services in the Medical Logistics Supply Chain of $124M over the effective life, FY 2012 – FY 2022.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-07 Supply Chain Management Reutilization Business Integration (RBI) (formerly RMP)			4,698			14,420			10,546			

Narrative Justification:

Reutilization Business Integration (RBI), formerly Reutilization Modernization Program (RMP), will integrate the Defense Reutilization and Marketing Service (DRMS) Automated Information System (DAISY) suite of applications with DLA Enterprise Business Systems. RBI will leverage existing GOTS/COTS within the current DLA Enterprise to include Enterprise Business System (EBS), Distribution Standard System (DSS), and Integrated Data Environment (IDE). The selected Information Technology (IT) portfolio solution will provide DRMS with the most efficient and flexible solution to manage the DRMS business area.

The DLA Distribution Standard System (DSS) will accommodate DRMS Receipt, Store, Issue and other disposition processes. System Change Requests (SCRs) are being developed from Joint Application Design (JAD) teams comprised of DRMS, Defense Distribution Center (DDC), Defense Logistics Information Service (DLIS), and associated DLA J-6 support organizations. DRMS Financial, Budget, Sales, and Procurement requirements will be satisfied by EBS. RBI will utilize the IDE to provide data to Service Agency systems. IDE provides access to master data sources improving data quality and timeliness.

FY 2008 funds included initial BPR and draft development of DSS SCRs (functional) and DRMS processes, and phase one of the EBS Statement of Objectives (SOO) Integration analysis to include analysis of the GAO findings. FY 2009 funds will include continued technical SCR documentation and development into the coding of DSS requirements. It will also cover the initial purchase of new barcode equipment for the DRMOs to be used in DSS. SCRs for IDE will be written and design will commence. FY 2009 will also cover the next phase of EBS requirements, developing new builds design or SCRs, depending on the outcome of the integration analysis phase, into blueprint and design. FY2010-2011 funds will continue SCR development/build/test/deploy activities for EBS, DSS and IDE.

An Economic Analysis Addendum was completed in FY 2008. Benefits are expected to begin accruing in FY 2008, with payback expected in FY 2011. Overall RBI program benefits, through FY 2020, are expected to be over $400M (in discounted dollars).

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-08 Supply Chain Management CPARS and PPIRS									1,020			

Narrative Justification:

The Contractor Performance Assessment and Reporting System (CPARS) and the Past Performance Information Retrieval System (PPIRS) are applications that receive and record reports and observations on contractor performance. They were developed and are supported by Naval Sea Logistics Center Detachment Portsmouth New Hampshire. Both are part of a functional portfolio that includes systems and applications that provide for management of the vendor and supplier community. In FY 2010 development activities for these systems is transitioning from the Business Transformation Agency (BTA) to DLA. Funding will be used for system functional enhancements.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
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Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-09 Supply Chain Management Capital Asset Management System – Materiel Evaluation (CAMS-ME)									1,000			

Narrative Justification:

The Capital Asset Management System – Materiel Evaluation (CAMS-ME) The Capital Asset Management System–Military Equipment (CAMS-ME) is the information technology system being developed to maintain and update military equipment valuation data. CAMS-ME is a DoD enterprise system that is built upon the SAP enterprise resource planning (ERP) software product. In FY 2010 development activities for this system is transitioning from the Business Transformation Agency (BTA) to DLA. Funding will be used for new system capabilities. .

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 300 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 300-01 Net-Centric Hubs Fusion Center						4,511			3,769			

Narrative Justification:

The end-state Fusion Center will provide continuous integrated situational awareness to the DLA Enterprise and mission partners in order to anticipate requirements, support decision making, monitor/influence the end-to-end supply chain, and provide agile support to the Warfighter. The objective of the Fusion Center is to combine people, process, and technology in a net-centric distributed environment where DLA and mission partner's operational and performance data will be integrated, analyzed, and presented as information for decision-making. The expected benefits of the Fusion Center are increased visibility of the supply chain pipeline, accurate and timely information, improved coordination/collaboration with partners and customers, and the automation of performance metrics that are currently manually intensive. The primary data source for the Fusion Center is the Enterprise Business System (EBS) and Integrated Data Environment (IDE). The Fusion Center will rely on EBS for supply chain management information. IDE will serve as the data sharing infrastructure to access additional DLA Enterprise and mission partner data that may be required by Fusion Center. IDE will also provide discovery services to make these combined data sources visible and understandable to developers of Fusion Center dashboards, Common Operating Pictures (COP) and end-to-end supply and distribution visibility applications.

A Rough Order of Magnitude (ROM) Business Case Analysis is in progress with an estimated completion date of September 2008. Productivity benefits through analyst operations and logistics operations are anticipated.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 300 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 300-02 Net-Centric Hubs Integrated Data Environment (IDE)			5,887			4,342			3,879			

Narrative Justification:
The end-state IDE will provide an environment that enables the extended DLA enterprise to execute practices, processes, applications, and decision support tools to achieve logistics interoperability and allow for information sharing within DLA and between internal and external DLA business partners. IDE will employ a COTS based information technology service-oriented architecture that will provide industry-proven logistics transaction processing, data sharing, and state-of-the-art central data brokering capabilities. The IDE objectives are to make logistics information visible, interoperable, and accessible for authorized users from a single point of entry; improve the quality of data/information through use of authoritative sources and coordinated application of business rules; incrementally modernize common information services that support DoD logistics operations (peacetime and contingency/wartime) and DLA and DoD transformation efforts. The expected benefits of the IDE include reduced time to implement new business processes, increased sharing of information using net-centric strategy principles to support discovery, ensure interoperability, and assure information security in accordance with DoD policies; reduction in cost through reuse of interfaces, elimination of unnecessary redundancies, and increased productivity from use of modern COTS development/integration tools; continued reliable, available and responsive support for data exchange needs among the Services, Agencies and commercial suppliers. In FY 2010 and FY 2011 funding will be used to expand the IDE data and information sharing services developed in FY 2006 through FY 2008 and planned for FY 2009 to support the needs of DLA and USTRANSCOM as the IDE/Global Transportation Network (GTN) Convergence (IGC) program commences. IGC will provide common integrated data services to assist development of applications that will give Combatant Commands, the Military Services/Agencies, DOD, and other Federal Agencies a cohesive solution to manage supply chain, distribution, and logistics information. IGC will provide a single point of systems data integration within and among DLA and USTRANSCOM and other systems; will ensure consistent access to common, authoritative logistics data, business rules, and will provide reliable information for DLA, USTRANSCOM, and their customers from a single enterprise service bus (IDE). IGC supports the Distribution Process Owner (DPO).
IDE has no cost savings, only cost avoidances. The combined IGC Life Cycle Cost Summary (Aug 2007) includes the results of the IDE Economic Analysis refresh completed in Jan 2007. Return on Investment (ROI) from the Summary is 3.04 and the payback year is 2011.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 300 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 300-03 Net-Centric Hubs Enterprise Operations Accounting System (EOAS)			6,780			6,500						

Narrative Justification:

The Enterprise Operations Accounting System (EOAS) will leverage the DLA Enterprise Business System (EBS) (software configuration, licenses and infrastructure) to deploy a common integrated system solution across all DLA activities and business areas. EOAS is an extension of EBS Enterprise Operational Accounting to Non-Supply business areas to capture and report timely and accurate financial management information and replace non-compliant legacy systems. The EOAS will facilitate the transformation of DLA financial management by providing a true enterprise-wide Enterprise Resource Planning (ERP) solution, with financial management functionality and data supported by a single Commercial-Off-The-Shelf (COTS) solution. The EOAS will provide an integrated system which is compliant with the Federal Financial Management Improvement Act (FFMIA) and the DoD Business Enterprise Architecture.

EOAS/EBS will completely replace DLA's use of the Defense Business Management System (DBMS), Defense Property Accountability System (DPAS), and Defense Working-Capital Accounting System (DWAS) while partially replacing the Base Operations Support System (BOSS) with a single COTS solution which incorporates best business practices. A single COTS solution ensures the use of standard business practices, including cost elements and standard general ledger, and strong internal controls ensuring the consistency and integrity of financial data. A single agency-wide COTS solution will ensure financial management information will be readily available to decision makers and for consolidation for financial reporting and analysis.
In FY 2007 DLA began a gap analysis between BSM functionality and any unique requirements of the DLA non-Inventory Control Point activities and business areas. Blueprinting and design began in FY 2007 and continued into FY 2008. The FY 2008 investment included blueprint/design, configuring, testing, and training for deployment. EOAS deployment will now be synchronized with the enterprise SAP upgrade. This decision will slip EOAS deployment one year. Deployment will consist of three rollouts in February, April, and June of FY 2009.

The Return-On-Investment (ROI) is 1.87 and Payback period is 7 years after initial development assuming a gradual phase-out of current systems.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 300 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 300-04 Net Centric Hubs DAASC Enterprise Software			3,610			1,199			3,425			

Narrative Justification:

The Defense Automated Addressing System Center (DAASC) mission is to receive, validate, edit, route, transmit, and archive nearly all unclassified DoD logistic traffic. This mission is accomplished by a collection of systems that are support by four financial profiles; DBASE, DDATA, DGATE, and EBUS. The requirements identified not only provides the DAASC Enterprise Infrastructure with the necessary software required for the platforms, but also provides the necessary software for components needed for data exchange, storage, facility and security between the DAASC profile environments and DAASC's diverse external customer base. This infrastructure provides for numerous DAASC MAC-I applications such as the DAASC Routing Control System (DRCS), Service Oriented Messaging Architecture (SOMA), DAASC Micro Automated Routing System (DMARS), Global Exchange (GEX) E-Business Hub, and the identified COTS solution, WebMethods, that is being developed/installed as the replacement solution for GEX, and other mission critical MAC-II systems.
The above mentioned DRCS and SOMA applications are identified for technical refreshment of existing software for servers which have outgrown their life cycle. These applications are responsible for performing a core, mission critical function, and directly service the vast MQ Series, File Transfer Protocol (FTP) and Simple Mail Transfer Protocol (SMTP) customer base. These applications process over 3.7 Billion logistics transactions per year. The DoD Electronic Business gateway at DAASC is a highly reliable "global community services" logistics processing application serving the entire DoD community to include DLA, US Air Force, US Army, US Marine Corps, US Navy, US Coast Guard, the Federal Sector, the Defense Contractor community, International Logistics Communications Systems (ILCS), Foreign Military Sales (FMS) countries, and all DoD logistics customers using DoD and commercial networks. The key component of the E-Business profile is the GEX E-Business Hub. The requirements above include the technical refreshment of the software for hardware components for GEX. DAASC has developed a business solution that would refresh all software for the hardware that currently supports the capability and also purchase the necessary software to migrate several DAASC COTS functions to a single COTS solution, WebMethods. By migrating to this single COTS solution, DAASC will save money associated with supporting multiple COTS solutions, including costs required to employee multi-skilled personnel. A migration to WebMethods allows DAASC to use the DLA standard method of routing information. The requirements identified also include the necessary software development professional support required to achieve success with the proposed business solutions. The impact of not purchasing the identified software development support and replacing the identified software will lead to inability to use hardware equipment, which will lead to degradation of services leading to mission failure.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 300 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 300-05 Net Centric Hubs Asset Visibility			2,169			3,400			500			

Narrative Justification:

Asset Visibility (AV) is a joint logistics capability that collects and fuses information from multiple DLA, TRANSCOM, and Military Service systems, providing Combatant Commands (COCOMs), Military Services, DLA, and Joint Task Forces with timely and accurate information including location, movement, status, and identity of units, personnel, equipment, and supplies. AV also provides vital logistics information to consuming systems managed by the Army, Navy, and DISA. AV is the Department's System of Record for asset visibility; however, whether users are interested in viewing inventory, requisition, or in-transit/in-theatre information at the detailed or summary level, the powerful data query and reporting capability built into the web-based AV application is designed to satisfy both needs, built using COTS tools. The Joint Staff J4 and DLA J3 are the AV functional sponsors.

Funding programmed is to support functional enhancements. In FY 2009, all of the low side operating environments for AV will be moved to a DISA DECC. AV will invest in a software technology refreshment, called Webmethods, that significantly improves system performance without adding new hardware. In FY 2010, a new cross reference capability between country and Geographic Combatant Command to DODAAC, RIC, POD, POE, and RFID Interrogator Station will be developed. Dashboard and additional mapping capabilities will also be developed. AV will provide Web Services and a portlet to the GCSS-J Family of Systems Portal. In FY 2011, the In Transit Visibility section will be redesigned for improved data quality and capabilities, expanded Passive Radio Frequency ID tag visibility capabilities will be developed, and a view of assets in the maintenance cycle will be added.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 400 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 400-01 Master Data Federal Logistics Information System Portfolio			314			575			2,075			

Narrative Justification:

The Federal Logistics Information System (FLIS) is identified as the authoritative source system to broadcast the logistics data for numerous processes that support DoD ERP implementations and many legacy systems. The Catalog Re-engineering System (CRS) was designed as a universal, catalog input and work-flow tool as a result of cataloging consolidation. CRS also performs Supply Support Request (SSR) processing for DLA managed items. In 2007, an Economic Analysis (EA) was conducted for FLIS as it had reached the end of its lifecycle. Due to the like/complimentary functionality between FLIS and CRS, the EA team analyzed merging the functionality of both systems into a single system. In order to reduce the footprint, enhance customer support and provide additional supply chain information, the EA team recommended that FLIS undergo incremental improvements to position for true transformation in approximately 2014. There have been twelve projects identified for incremental improvements to FLIS/CRS, in addition to the development and evolution of the Commercial Master Data File (ComMDF). The projects include, but are not limited to, a cataloger input tool, an enterprise work-flow tool, an enterprise collaboration tool and a reporting tool. The FLIS Portfolio Family of Systems Economic Analysis (dated March 14, 2008) supports the enhancements to FLIS/CRS and the development of ComMDF. Additional Business Case Analyses will be performed for each project to determine the best alternative and to define final cost savings/cost avoidance. The overall advantages of these projects are increased systems agility, flexibility in responding to customer requirements, decreased system footprint, elimination of duplicative processes/systems, and the enhanced ability to provide relevant data for sourcing, standardization, taxonomy development, and item descriptions. In addition, the FLIS Portfolio will now include RDE. This realignment supports the transformation of FLIS and integrates more of the DLA Integrated Data Environment (IDE) toolset for data sharing and transactional management. In FY 2011 the DLA IDE data sharing/transactional solution will be integrated into the FLIS Portfolio. This reduces the existing suite of tools required in DLA to support mission requirements, aligns FLIS with IDE and replaces GOTS and/or COTS solutions such as Oracle Application Server that are costly to sustain and not frequently used in DLA. This allows DLA a better opportunity to obtain Corporate licensing at a reduced price vice several individual solutions.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 500 Software Development Less Than $1.0

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 500-01 Distribution Radio Frequency Identification			274			306			312			

Narrative Justification:

Radio Frequency Identification (RFID) supports the overall goal of supply chain integration and logistics interoperability and allows for information exchange within and between internal and external business partners. The first phase of the RFID initiative is to read passive RFID tags at receipt locations, initially for new procurement and eventually for field returns. As the RFID function develops, it is anticipated to expand into picking, packing, storage, and shipping sections as well. Therefore additional funding for software has been requested for middleware that can provide data monitoring and management, device monitoring and management, and application development tools as well as for System Change Requests to develop modifications to DSS to support RFID functionality.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
SWD 500 Software Development $1.0 and Over

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 500-02 Distribution Distribution Standard System (DSS)			387			2,000			1,022			

Narrative Justification:

The Distribution Standard System (DSS) was considered Full Operational Capability (FOC) in FY 1998. DSS will continue to be enhanced through Business Process Improvements, expansion of the DLA Enterprise and System Change Requests (SCR's) generated by the Defense Distribution Centers, BRAC directives, Military Service and Commercial Partners for improvements to the Distribution Business Processes. These changes will provide more cost effective customer support by enhancing the core functional areas such as receiving, storage, pack and transportation as well as the support functional areas such as: Inventory, Total Package Fielding/Small Arms Serialization Program (TPF/SASP), Packing, Packaging, Preservation and Marking (PPP&M), Care Of Supplies In Storage (COSIS), Hazardous Material (HAZMAT), Equipment Control System (ECS) and Management Information System (MIS). In the latest releases, DSS has expanded its capabilities to meet the war fighters' needs in their theater of operations with enhancements to Theater Consolidation Shipping Point (TCSP) processes, incorporated portions of the Navy LCAV system to streamline the Material Processing Center (MPC) operations, developed and successfully tested a deployable DSS and developed interfaces/processes to support the partnering with USTRANSCOM in support of the Defense Transportation Coordination Initiative (DTCI). Radio Frequency Identification (RFID) and Wide Area Work Flow (WAWF) have been incorporated into specific functions within DSS to meet DOD's requirement to improve inventory accountability and the receipt acceptance process. Additionally, DSS is fully interoperable with all DOD systems that are compliant with DOD's standard DLSS and DLMS interfaces. DSS System Change Requests (SCR's) are created by DLA/DDC HQ to support Military Service and Enterprise ERP (Enterprise Resource Planning) of DSS interface requirements. This funding will support expanding DSS not only to new sites as required but also for ongoing DDC and DLA initiatives. Analysis of individual DSS SCRs shows a range of Return On Investment (ROI) from 0.33 to 11.1; the payback periods range from less than one month to three years.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
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Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Rep 200 Minor Construction

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-01 Minor Construction (Supply Non-Energy)			5,541			2,501			4,549			

Narrative Justification:

The minor construction investment for projects (costing between $100,000 and $750,000 each) will construct new, replace existing, or modify current facilities to enhance mission performance, increase the level of protection of the workforce, and the mission stock. These projects include:

1. Renovation and alteration of administrative facilities. An example is the conversion of a portion of a Pearl Harbor warehouse to administrative space to replace that in the buildings at Camp Smith, Hawaii which are scheduled for demolition.
2. Upgrades to utility systems to comply with environmental and fire protection standards. An example is the installation of a fire sprinkler system at the Defense Supply Center Richmond and perimeter lighting at Defense Supply Center Columbus.
3. Additional paving for road networks and personnel parking to comply with the new AT/FP standoff distances. An example is the expansion of the hardstand open storage area and relocation of truck route at t Defense Supply Center Columbus.
4. Incidental improvements associated with facilities repair projects.

All of these projects are required to allow existing missions to continue in safe, compliant and efficient facilities.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Rep 200 Minor Construction

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-02 Minor Construction (Distribution)			9,096			9,680			10,498			

Narrative Justification:

The minor construction investment for projects (costing between $100,000 and $750,000 each) will construct new, replace existing, or modify current facilities to enhance mission performance. These projects include:

1. Installing and improving fire protection and alarm systems.
2. Upgrading security facilities (gates, fences, lighting) to meet current Anti-Terrorism/Force Protection standards.
3. Adding paving for open storage, road networks and operational areas.
4. Altering facilities to accommodate mission changes, consolidation and stock repositioning
5. Improvements to utilities to enhance reliability.
6. Incidental improvements associated with facilities repair projects.
7. Replacement of existing facilities that cannot be economically repaired.

These investments will result in the recapitalization of the facilities necessary for the cost effective performance of the distribution mission.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Chain Management Activity Group May 2009

C. Line Number & Item Description
Rep 200 Minor Construction

D. Activity Identification

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200-03 Minor Construction (DRMS)			2,150			2,065			2,130			

Narrative Justification:

The minor construction investment for projects (costing between $100,000 and $750,000 each) will construct new, replace existing, or modify current facilities to enhance mission performance. These projects include:

1. Adding paving for open storage, road networks and operational areas.
2. Altering facilities to accommodate mission changes, consolidation, and relocation
3. Improvements to warehouse, administrative, and demilitarization facilities to increase employee safety and comfort
4. Replacement of facilities that cannot be economically repaired.
8. Incidental improvements associated with facilities repair projects

These investments will result in the recapitalization of the facilities necessary for the cost effective performance of the DRMS mission.

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY CHAIN MANAGEMENT ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
CAPITAL BUDGET EXECUTION
May 2009
(DOLLARS IN MILLIONS)

PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2008	Equipment except ADPE & TELCOM:	(0.7)	19.9	20.6	(0.7)	
	Material Handling/Storage Space Utilization - Supply Non-Energy	(0.9)	0.7	1.6	(0.9)	Two emergent requirements for testing equipment.
	Material Handling/Storage Space Utilization - Distribution	(0.2)	16.5	16.7	(0.2)	
	Installation Security - Supply Non-Energy	0.6	0.6	0.0	0.6	Project carried over to FY 2009.
	Installation Security - Distribution	(0.2)	1.1	1.3	(0.2)	Change order increases after intial award.
	Material Disposal - DRMS	0.0	1.0	1.0	0.0	
	Equipment - ADPE & TELCOM:	5.5	20.0	14.6	5.5	
	Telecommunications - Supply Non-Energy	1.2	7.4	6.2	1.2	Voice mail replacement for DSCR cancelled.
	Telecommunications - Distribution	2.2	7.0	4.8	2.2	Telecom upgrade for DDJC cancelled.
	Production Hardware - Supply Non-Energy	2.1	5.7	3.5	2.1	Hardware for IDE not required.
	Production Hardware - DRMS	0.0	0.0	0.0	0.0	
2008	Software Development:	5.1	93.3	88.2	5.1	
	Supply Chain Management - eProcurement	(0.0)	24.2	24.2	(0.0)	
	Supply Chain Management - Common Food Management Sys	0.0	19.7	19.7	0.0	
	Supply Chain Management - Enterprise Business System	(1.0)	16.6	17.6	(1.0)	Emergent requirment for SAP real estate module.
	Supply Chain Management - Defense Medical Log Standard Sys	0.0	2.6	2.6	0.0	
	Supply Chain Management - DoD EMALL	0.4	0.4	0.0	0.4	SCR's did not meet the capital threshold.
	Supply Chain Management - Reautilization Business Integration	6.3	11.0	4.7	6.3	Revised program execution strategy.
	Net Centric Hubs - Integrated Data Environment	0.0	5.9	5.9	0.0	
	Net Centric Hubs - Enterprise Operations Accounting System	(1.9)	4.8	6.8	(1.9)	Increase due to schedule extension
	Net Centric Hubs - DAASC Routing Control System	(0.8)	2.8	3.6	(0.8)	Software cost higher, hardware portion less.
	Net Centric Hubs - Asset Visibility	0.3	2.4	2.2	0.3	
	Master Data - Federal Logistics Information System	(0.0)	0.3	0.3	(0.0)	
	Master Data - Cataloging Re-Engineering System	0.3	0.3	0.0	0.3	SCR's did not meet the capital threshold.
	Distribution - Radio Frequency Identification	0.0	0.3	0.3	0.0	
	Distriubtion - Distribution Standard System	1.6	2.0	0.4	1.6	SCR's did not meet the capital threshold.
2008	Minor Construction:	(2.3)	14.5	16.8	(2.3)	
	Supply Non-Energy	(2.2)	3.4	5.5	(2.2)	Increase due to Europe relocation project.
	Distribution	(0.1)	9.0	9.1	(0.1)	
	DRMS	0.0	2.2	2.2	0.0	
	Total FY 2008	**7.5**	**147.7**	**140.2**	**7.5**	

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY CHAIN MANAGEMENT ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
CAPITAL BUDGET EXECUTION
May 2009
(DOLLARS IN MILLIONS)

PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2009	Equipment except ADPE & TELCOM:	(0.2)	21.0	21.3	(0.2)	
	Material Handling/Storage Space Utilization - Supply Non-Energy	0.3	0.3	0.0	0.3	Mail sorter cancelled.
	Material Handling/Storage Space Utilization - Distribution	1.2	18.3	17.2	1.2	One requirement cancelled.
	Installation Security - Supply Non-Energy	(0.5)	1.2	1.7	(0.5)	Emergent sercurity requirements
	Installation Security - Distribution	(1.2)	1.2	2.4	(1.2)	Emergent sercurity requirements
	Material Disposal - DRMS	0.0	0.0	0.0	0.0	
2009	Equipment - ADPE & TELCOM:	0.3	16.0	15.6	0.3	
	Telecommunications - Supply Non-Energy	0.0	1.4	1.4	0.0	
	Telecommunications - Distribution	(0.2)	6.6	6.8	(0.2)	Increased LAN requirement
	Production Hardware - Supply Non-Energy	3.3	6.4	3.1	3.3	IDE ADP requirement moved to software dev
	Production Hardware - DRMS	(2.8)	1.6	4.4	(2.8)	Emergent requirement
2009	Software Development:	(44.6)	59.2	103.7	(44.6)	
	Supply Chain Management - eProcurement	(14.7)	3.2	17.9	(14.7)	
	Supply Chain Management - Common Food Management Sys	(3.0)	18.3	21.3	(3.0)	Increase for new IA strategy
	Supply Chain Management - Enterprise Business System	(6.0)	12.2	18.2	(6.0)	Increase for SAP real property module
	Supply Chain Management - Defense Medical Log Standard Sys	0.0	2.5	2.5	0.0	
	Supply Chain Management - DoD EMALL	(5.0)	1.6	6.6	(5.0)	Development funding transferred from BTA
	Supply Chain Management - Reautilization Business Integration	(4.6)	9.8	14.4	(4.6)	Redefined program strategy
	Net Centric Hubs - Integrated Data Environment	(3.3)	1.0	4.3	(3.3)	Requirements changed from ADP to software dev
	Net Centric Hubs - Enterprise Operations Accounting System	(3.5)	3.0	6.5	(3.5)	Increase due to schedule extension
	Net Centric Hubs - DAASC Routing Control System	0.0	1.2	1.2	0.0	
	Net Centric Hubs - Asset Visibility	0.0	3.4	3.4	0.0	
	Net Centric Hubs - Fusion Center	(4.5)	0.0	4.5	(4.5)	Emergent requirment
	Master Data - Federal Logistics Information System	0.0	0.3	0.3	0.0	
	Master Data - Cataloging Re-Engineering System	0.0	0.3	0.3	0.0	
	Distribution - Radio Frequency Identification	0.0	0.3	0.3	0.0	
	Distriubtion - Distribution Standard System	0.0	2.0	2.0	0.0	
2009	Minor Construction:	(0.7)	13.5	14.2	(0.7)	
	Supply Non-Energy	0.0	2.5	2.5	0.0	
	Distribution	(0.7)	9.0	9.7	(0.7)	Emergent requirement
	DRMS	0.0	2.1	2.1	0.0	
	Total FY 2009	**(45.2)**	**109.7**	**154.9**	**(45.2)**	

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY MANAGEMENT - ENERGY ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
ACTIVITY GROUP CAPITAL INVESTMENT SUMMARY
($ IN MILLIONS)

Line Number	Item Description/Capability	FY 2008		FY 2009		FY 2010	
				Quantity	Total Cost	Quantity	Total Cost
NEW 200-01	Fuel Terminal Automation	2	1.9	5	9.2	6	18.7
NEW 200-02	Inventory Accuracy			1	1.0	1	3.0
REP 200-02	Inventory Accuracy	1	11.8	1	15.0	1	15.0
	TOTAL EQUIPMENT (Non ADP/T)	3	13.7	7	25.2	8	36.7
SWD 200	Supply Chain Management - BSM/BSM Energy Convergence		5.0		24.9		25.4
	TOTAL SOFTWARE DEVELOPMENT		5.0		24.9		25.4
REP/ENV 200	Minor Construction $100,000 - $750,000		30.4		35.0		44.0
	TOTAL MINOR CONSTRUCTION		30.4		35.0		44.0
	TOTAL AGENCY CAPITAL INVESTMENTS	3	49.1	7	85.1	8	106.2
	Total Capital Outlays		42.8		65.0		77.7
	Total Depreciation Expense		37.5		45.5		51.2

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management - Energy Activity Group May 2009

C. Line Number & Item Description
NEW 200 Non-ADP Equipment – New Mission

D. Activity Identification
DLA/DESC

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
NEW 200-01 Fuel Terminal Automation – New Mission	2	943	1,887	5	1,834.6	9,173	6	3,121.7	18,730			

Narrative Justification:

The Automated Fuel Handling Equipment allows large bulk fuel locations to monitor and control fuel operations from a central location on site via remote through an installed computer program. The fuel terminal automation projects will include automation of valves, fuel transfer pumps, tank gauging, fuel metering systems, and pipeline instrumentation. As the integral component of the Automated Fuel Handling Equipment (AFHE) system, the Supervisory Control and Data Acquisition (SCADA) systems will be installed in the computers at the Operations Control Center (OCC) optimally located in the base. The SCADA system will provide remote control of fuel transfer operations and alarms in response to abnormal conditions; enhanced capabilities for inventory control and accounting; enhanced leak detection capabilities; remote monitoring and data exchange. The AFHE system architecture will ensure connectivity to the existing Fuel Accounting System. The entire operations of the terminal, such as, receiving and issuing fuel will be controlled from the central OCC. The communication infrastructure and other devices required for the transfer of signals from the equipment to the OCC will also be provided. The primary cost benefit of these automation projects is the prevention of oil spills and avoiding costly cleanup expenses.

The following sites are planned for AFHE installation in FY 2009 – FY 2011:

FY 2009 - Defense Fuel Supply Point (DFSP) Manchester, WA; DFSP Craney Island, VA (AFHE relocation to facilitate MILCON).

FY 2010 - DFSP Naval Air Station, Whidbey, WA; DFSP San Pedro & Long Beach, CA; DFSP, Pearl Harbor, HI; Thule Air Force Base, Greenland

FY 2011 - DFSP Craney Island, VA; DFSP Yorktown, VA; DFSP Charleston, SC; Fleet Industrial Supply Center, Jacksonville, FL.

Due to changing operating scenarios and construction requirements, the order of installations may change and other sites may be substituted.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management - Energy Activity Group May 2009

C. Line Number & Item Description
NEW 200 Non-ADP Equipment-New Mission/Replacement

D. Activity Identification
DLA/DESC

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
NEW & REP 200-02 Inventory Accuracy New Mission and Replacement	1	11,836	11,836	1	16,000	16,000	1	18,000	18,000			

Narrative Justification:

There are more than 400 fuel terminals worldwide for which DLA is the DoD Executive agent. In all of these terminals there are various types of fuel tanks, each with Automated Tank Gauges (ATG). ATG systems are permanently installed in storage tanks to measure and monitor fuel levels. The devices efficiently provide information regarding the amount of product, temperature of the product, and amount of water in various types of fuel tanks. In addition, these gauges have connectivity to the Business Systems Modernization (BSM) Energy system, which will capture all the data with regard to fuel in the tank and maintain accurate inventory records. The various Service Stations in DoD facilities have equipment to capture the quantity of fuel dispensed and also have connectivity to the same BSM Energy system. A study was completed in 2005 that provided final recommendations with regards to the type and corresponding sites where ATG systems will be installed. The budgeted amount also includes design and review costs in conjunction with implementation. The primary cost benefit of this investment is accurate inventory records and fuel loss control procedures.

In addition, Temperature Compensating Meters (TCM) are required at fuel terminals to measure the exact amount of fuel received and issued after the required compensation for differences in temperature. The meters will be installed at various points in the fuel terminal to ensure that accurate charges for the fuel received and issued are recorded and that sufficient amounts of fuel are maintained and protected. The budgeted amount also includes design and review costs in connection with the installation of this equipment.

Activity Group Capital Investment Justification (Dollars in Thousands)										A. Budget Submission **Fiscal Year (FY) 2010** **Budget Estimates**		
B. Component/Activity Group/Date Defense Logistics Agency Supply Management - Energy Activity Group May 2009				C. Line Number & Item Description SWD 200 Software Development $1.0 and Over						D. Activity Identification DLA/DESC		
Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200 Supply Chain Management Enterprise Business System (EBS) Energy Convergence			5,000			24,899			25,437			

Narrative Justification:

To completely address the Energy supply chain, create a single DLA ERP for all of DLA's business lines, and meet the direction of the December 20033 OSD PDM to merge the fuel commodity with EBS, additional functions must be automated, converged, and standardized in the existing EBS. The Analysis of Alternatives was completed in May 2006 and concluded that converging BSM Energy with EBS through the implementation of SAP Oil and Gas is the preferred alternative and provides a positive Return on Investment (ROI). SAP will provide improved efficiencies which will enable the Defense Energy Support Center (DESC) to process the increased workload associated with the overall DoD energy mission. This converged solution will also provide an automated procurement solution for DESC which is currently fully manual. Milestone A was declared in March 2007 resulting in the start of the first of three phases to bring the converged solution to reality. Phase I, which began in FY 2007, will result in the two applicable SAP industry solutions, Oil and Gas and the EBS Public Sector, functioning together on a common ERP backbone. This phase will be complete in December 2008. For FY 2008, capital is required to begin Phase II which will technically merge SAP Oil and Gas and Public Sector, the Phase I deliverable, with the SAP Procurement application. Phase III, System Integration, will begin in FY 2009 and continue into FY 2010 and FY 2011. This phase will result in a fully integrated, coherent, single ERP for DLA in FY 2012 to include the automated procurement solution. The Systems Integration effort will assure all of DESC's supply chains to include all the non-petroleum supply chains are fully incorporated and properly configured in the ERP and that the three primary SAP applications all function as a single entity for all of DLA's supply chains.

An Economic Analysis (EA) was completed in May 2007. The ROI is 1.24. The EA shows that it is significantly more economical and effective than the existing legacy system. Benefits will include reduced inventory; reduced demurrage, transportation, facilities, and interest penalty costs; as well as savings from use of the same software suite for all of DLA and automate DESC functions that are stove-piped and fully manual.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management - Energy Activity Group May 2009

C. Line Number & Item Description
Minor Construction Capability - Replacement/Environmental

D. Activity Identification
DLA/DESC

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP & ENV 200 Minor Construction Replacement/Environmental			30,394			35,000			44,000			

Narrative Justification:

The minor construction investment for projects (costing between $100,000 and $750,000 each) will construct new, replace existing, or modify current facilities to enhance mission performance and increase the level of protection of the workforce and the mission stock. These projects include:

1. Upgrading fuel receipt, storage, pipeline, pumping, and filtration facilities.
2. Upgrades to utility systems for environmental compliance, energy efficiency, and fire protection standards.
3. Incidental improvements associated with facilities repair projects

The increase for minor construction capital is for execution of backlogged prior year projects, emerging requirements for aging petroleum infrastructures, and to match funding increases in operations and maintenance as many projects require both funding sources. Other contributing factors include inflation in construction material, labor, and transportation costs, dollar devaluation against foreign currencies mainly for OCONUS projects, and older facilities exceeding the 70% plant replacement value to repair.

Benefits include continued safe, compliant and efficient facility operations.

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY MANAGEMENT - ENERGY
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
CAPITAL BUDGET EXECUTION
May 2009
(DOLLARS IN MILLIONS)

PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2008	Equipment except ADPE & TELCOM:	2.6	16.4	13.7	2.6	
	ATG Equipment	0.7	12.5	11.8	0.7	One requirement reduced.
	Fuel Terminal Automation	2.0	3.9	1.9	2.0	DFSP Okinawa cancelled.
2008	Software Development:	(5.0)	0.0	5.0	-5.0	
	BSM/BSM Energy Convergence	(5.0)	0.0	5.0	(5.0)	
2008	Minor Construction:	(4.9)	25.5	30.4	(4.9)	Emergent requirements.
	Total FY 2008	**(7.3)**	**41.9**	**49.1**	**(7.3)**	

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
SUPPLY MANAGEMENT - ENERGY
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
CAPITAL BUDGET EXECUTION
May 2009
(DOLLARS IN MILLIONS)

PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2009	Equipment except ADPE & TELCOM:	(5.2)	19.9	25.2	(5.2)	
	Inventory Accuracy	(3.5)	12.5	16.0	(3.5)	Emergent requirements
	Fuel Terminal Automation	(1.7)	7.4	9.2	(1.7)	Emergent requirements
2009	Equipment - ADPE & TELCOM:	0.0	0.0	0.0	0.0	
2009	Software Development:	(15.1)	9.8	24.9	(15.1)	
	BSM/BSM Energy Convergence	(15.1)	9.8	24.9	(15.1)	Increase for Systems Integrator support.
2009	Minor Construction:	(10.5)	24.5	35.0	(10.5)	
	Total FY 2009	**(30.9)**	**54.2**	**85.1**	**(30.9)**	

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
DOCUMENT AUTOMATION AND PRODUCTION SERVICE ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
ACTIVITY GROUP CAPITAL INVESTMENT SUMMARY
($ IN MILLIONS)

Line Number	Item Description/Capability	FY 2008		FY 2009		FY 2010	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	EQUIPMENT (Non ADP/T)						
REP 100	Digitization			2	1.200	2	1.200
	TOTAL EQUIPMENT (Non ADP/T)			2	1.200	2	1.200
	EQUIPMENT (ADP/T)						
PRD 100	Production Hardware	0	0.000	1	1.329	1	1.329
	TOTAL EQUIPMENT (ADP/T)	0	0.000	1	1.329	1	1.329
	SOFTWARE DEVELOPMENT						
SWD 100	Net-Centric Hubs						
SWD 200	Net-Centric Hubs $1.0M and Over-Electronic Document Management		0.405		5.144		5.144
	TOTAL SOFTWARE DEVELOPMENT		0.405		5.144		5.144
	MINOR CONSTRUCTION						
REP 200	Minor Construction $100,000 - $750,000		0.000		0.300		0.300
	TOTAL MINOR CONSTRUCTION		0.000		0.300		0.300
	TOTAL AGENCY CAPITAL INVESTMENTS	0	0.405	3	7.973	3	7.973
	Capital Outlays (below threshold)		0.000		17.344		0.779
	Capital Outlays (above threshold)		2.389		4.736		4.736
	Total Capital Outlays		2.389		22.080		5.515
	Total Depreciation Expense		1.494		2.313		3.152

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Defense Automation and Production Service May 2009

C. Line Number & Item Description
REP 100 Replacement Non-ADP Equipment

D. Activity Identification
DLA/DAPS

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 100 Digitization				2	600	1,200	2	600	1,200			

Narrative Justification:

This investment for high speed duplicating equipment replaces existing equipment that has reached or exceeded the useful life established for these categories. Based on guidance contained in various Department of Defense (DoD) governing polices, the Defense Logistics Agency (DLA) has established replacement and life expectancy standards for all categories of investment equipment. The standards are based on life expectancy with consideration given to condition, usage hours, and/or repair costs. DLA establishes age, utilization and repair standards based on industry information and experience in the absence of DoD acquisition and replacement criteria relative to various categories of equipment.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Defense Automation and Production Service May 2009

C. Line Number & Item Description
PRD 100 Production ADP Equipment

D. Activity Identification
DLA/DAPS

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
PRD 100 Production Hardware	1	405	405	1	1,329	1,329	1	1,329	1,329			

Narrative Justification:

Electronic Document Management (EDM) is a transformational, capabilities-based capital planning initiative. It allows for the rapid acquisition of hardware, software and technical labor services for the deployment and implementation of various data management solutions for emergent customer requirements. EDM provides the customer with the ability to manage their content via electronic storage, workflow, web-based retrieval and certified records management. DAPS must be able to react quickly to emergent customer fact-of-life needs, usually within one year, or less. The FY 2009 – FY 2011 projection was developed based on the number, size and scope of projects DAPS has already installed, as well as, those anticipated. The equipment replacement strategy not only ensures the highest quality equipment is purchased to refresh the original equipment but also minimizes equipment related costs by taking advantage of discounts available for high quantity buys. Examples of the equipment generally required are database, archive and web servers, document scanners, workstations, uninterruptible power supplies, miscellaneous switches, cables, and connectors.

Activity Group Capital Investment Justification
(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Defense Automation and Production Service May 2009

C. Line Number & Item Description
SWD 200 Software Development $1.0 and Over

D. Activity Identification
DLA/DAPS

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200 Net-Centric Hubs Electronic Document Management						5,143			5,143			

Narrative Justification:

Electronic Document Management (EDM) is a transformational, capabilities-based capital planning initiative. It allows for the rapid acquisition of hardware, software and technical labor services for the deployment and implementation of various data management solutions for emergent customer requirements. EDM provides the customer with the ability to manage their content via electronic storage, workflow, web-based retrieval and certified records management. DAPS must be able to react quickly to emergent customer fact-of-life needs, usually within one year, or less. The FY 2009 – FY 2011 projection was developed based on the number, size and scope of projects DAPS has already installed, as well as, those anticipated. Software requirements are for COTS application software licenses and contract labor to perform integration, testing, and training.

Activity Group Capital Investment Justification

(Dollars in Thousands)

A. Budget Submission
Fiscal Year (FY) 2010
Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Defense Automation and Production Service May 2009

C. Line Number & Item Description
Rep 200 Minor Construction

D. Activity Identification
DLA/DAPS

Element of Cost	FY 2008			FY 2009			FY 2010					
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
REP 200 Minor Construction						300			300			

Narrative Justification:

The minor construction investment for projects (between $100,000 and $750,000) will construct new, replace existing, or modify current facilities to implement mission consolidations and allow for operational improvements. These projects consist of:

(1) Renovations and alterations of administrative facilities.

(2) Renovations and alterations to mission operational facilities such as printing, blueprint and microfilm facilities.

These investments will result in cost effective facilities to support the mission and will allow for the implementation of the High Performance Organization (HPO).

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
DEFENSE AUTOMATED PRINTING SERVICE ACTIVITY GROUP
FISCAL YEAR (FY) 2010 BUDGET ESTIMATES
CAPITAL BUDGET EXECUTION
May 2009
(DOLLARS IN MILLIONS)

PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2008	Equipment except ADPE & TELCOM:	2.400	2.400	0.000	2.400	
	High Speed Duplicating Equipment	2.400	2.400	0.000	2.400	Not economically beneficial to purchase.
	Equipment - ADPE & TELCOM	0.510	0.915	0.405	0.510	
	Electronic Document Management	0.510	0.915	0.405	0.510	Only one requirement funded.
2008	Software Development:	3.585	3.585	0.000	3.585	
	Electronic Document Management	3.585	3.585	0.000	3.585	Funds reprogrammed in support of other DLA software development program.
2008	Minor Construction:	0.300	0.300	0.000	0.300	
	Total FY 2008	**6.795**	**7.200**	**0.405**	**6.795**	

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PROJECTS ON THE FY 2009 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2009	Equipment except ADPE & TELCOM:	1.200	2.400	1.200	1.200	
	High Speed Duplicating Equipment	1.200	2.400	1.200	1.200	Quantity reduced by one.
	Equipment - ADPE & TELCOM	0.000	1.329	1.329	0.000	
	Electronic Document Management	0.000	1.329	1.329	0.000	
2009	Software Development:	(0.001)	5.143	5.144	(0.001)	
	Electronic Document Management	(0.001)	5.143	5.144	(0.001)	
2009	Minor Construction:	0.000	0.300	0.300	0.000	
	Total FY 2009	**1.199**	**9.172**	**7.973**	**1.199**	