DEFENSE-WIDE WORKING CAPITAL FUND
DEFENSE-WIDE FY 2000 BUDGET ESTIMATES

DEFENSE-WIDE SUMMARY

Defense Agencies will operate ten activity groups within the Defense-Wide Working Capital Fund during FY 2000. The Defense Logistics Agency (DLA) will operate five activity groups; the Defense Finance and Accounting Service (DFAS) and the Defense Information Systems Agency (DISA) will each operate two; and the Defense Security Service (DSS) will operate one.

Changes to activity group structure during FY 1999 occur with the cessation of activities by the Joint Logistics Systems Center and the inception of the DSS activity group. The U.S. Transportation Command activity group, previously included in the Defense-wide aggregation, is now included under the Air Force. The Defense Commissary Agency, formerly a part of the Defense-Wide Working Capital Fund, became a separate DWCF fund in FY 1999.

DFAS was formed in January 1991 from the Military Services finance and accounting functions to improve financial accounting support to DoD-wide activities and to reduce costs by adapting standard policies, procedures, forms, data, and systems; streamlining and consolidating operations; and eliminating redundancies.

DISA was reorganized in 1991 from the former Defense Communications Agency. Its responsibilities include obtaining common telecommunication and information services for command and control and providing assistance in other communication support to meet customer needs.

DLA, formed in the early 1960s, operates the Distribution Depot, Reutilization and Marketing, Information Service, Supply Management, and Defense Automated Printing activity groups. Distribution Depots receive, store, and ship inventory. Reutilization and Marketing functions include the reutilization of excess and surplus property and the donation, sale, or disposal of surplus DoD personal property. Supply Management conducts the procurement, inventory management, and technical operations functions for consumable defense inventory. The DLA Information Services activity group performs central design agency functions. The Defense Automated Printing Service provides printing services to customers.

DEFENSE-WIDE WORKING CAPITAL FUND
DEFENSE-WIDE FY 2000 BUDGET ESTIMATES

DEFENSE-WIDE SUMMARY

DSS, formerly known as the Defense Investigative Service, was formed in 1972. The mission of DSS is to administer the Personnel Security Investigations (PSI) program and the National Industrial Security Program (NISP) for the Department. The mission of the PSI program is to conduct background investigations on individuals assigned to or affiliated with the Defense Department. The purpose of the NISP program is to ensure that private industry, while performing government contracts, properly safeguards classified information in its possession.

DEFENSE-WIDE WORKING CAPITAL FUND
SUMMARY
REVENUE AND EXPENSES
(Dollars In Millions)

	FY 1998	FY 1999	FY 2000
Revenue:			
Gross Sales	19,035.8	18,910.7	18,377.3
Operations	18,721.4	18,495.4	17,941.3
Capital Surcharge	0.0	0.0	0.0
Depreciation excluding Major Construction	314.4	415.3	436.0
Major Construction Depreciation			
Other Income	471.4	928.5	893.7
Refunds/Discounts (-)			
Total Income	**19,507.2**	**19,839.2**	**19,271.0**
Expenses:			
Cost of Materiel Sold from Inventory	9,076.3	8,922.5	9,187.6
Materiel-Related	176.5	265.5	240.4
Salaries and Wages:			
Military Personnel Compensation & Benefits	97.4	93.8	89.0
Civilian Personnel Compensation & Benefits	2,713.3	2,869.4	2,804.6
Travel & Transportation of Personnel	65.7	74.1	72.1
Materials & Supplies (For Internal Oper)	116.4	116.6	108.8
Equipment	50.6	47.5	45.1
Other Purchases from Revolving Funds	991.1	1,244.1	1,079.4
Transportation of Things	805.9	969.4	904.5
Major Maintenance & Repair	210.5	187.9	199.4
Depreciation - Capital	330.0	429.5	452.2
Printing & Reproduction	190.7	192.8	188.0
Advisory and Assistance Services	100.8	136.4	121.2
Rent, Communication, Utilities, & Misc.	1,191.1	1,370.7	1,360.8
Other Purchased Services	2,313.6	2,535.3	2,525.5
Total Expenses	**18,429.9**	**19,455.5**	**19,378.6**
Operating Result	**1,077.3**	**383.7**	**(107.6)**
Less Capital Surcharge Reservation	0.0	0.0	0.0
Plus Passthroughs or Other Approp Affecting NOR	0.0	0.0	0.0
Other Adjustments Affecting NOR	54.9	46.0	(7.3)
Net Operating Result (NOR)	**1,132.2**	**429.7**	**(114.9)**
Prior Year Adjustments	**3.6**	**0.0**	**0.0**
Other Changes Affecting AOR	(395.4)	(637.2)	(127.7)
Prior Year AOR	(334.0)	413.9	206.4
Accumulated Operating Result (AOR)	**406.4**	**206.4**	**(36.2)**
Non-Recoverable Adjustments Impacting AOR	7.6	0.0	0.0
Accumulated Operating Results for Budget Purposes	**414.0**	**206.4**	**(36.2)**

ACTIVITY GROUP ANALYSIS
DEFENSE-WIDE WORKING CAPITAL FUND - TOTAL
SOURCE OF NEW ORDERS AND REVENUE
(Dollars in Millions)

	FY 1998	FY 1999	FY 2000
1. New Orders:			
a. Orders from DoD Components			
Army	3,565.4	3,709.8	3,781.7
Navy	4,701.5	4,680.7	4,334.4
Air Force	5,298.5	5,243.1	4,746.3
Marine Corps	405.4	426.5	429.0
Other	1,020.4	845.2	820.0
b. Orders from Other Fund Activity Groups	2,871.0	3,091.2	3,101.6
c. Total DoD	17,862.2	17,996.5	17,213.0
d. Other Orders:			
Other Federal Agencies	576.3	552.2	516.4
Trust Fund	592.5	592.5	625.7
Non Federal Agencies	72.3	68.1	81.4
Foreign Military Sales	1.0	0.9	0.8
2. Carry-In Orders	1,571.9	1,343.0	1,351.2
3. Total Gross Orders	20,675.2	20,552.3	19,787.7
4. Funded Carry Over	1,340.9	1,351.2	1,330.4
5. DRMS Sales Proceeds	161.6	149.8	267.0
6. Total Gross Sales	19,495.9	19,350.9	18,724.3

DEFENSE-WIDE WORKING CAPITAL FUND
FY 2000/2001 BIENNIAL BUDGET ESTIMATES
OVERVIEW

DEFENSE LOGISTICS AGENCY

The Defense Logistics Agency (DLA) is a Combat Support Agency responsible for providing the Military Services with a broad range of logistics support. Responsibilities include the acquisition, storage, and distribution of most of the Department of Defense's spare parts and other consumable items, contract administration services, reutilization and marketing of excess military property, and operation of the Defense National Stockpile. DLA directly contributes to the warfighting readiness and sustainability of U.S. forces, literally "around the clock - around the world".

Most of these responsibilities are carried out by activity groups operating within the Defense-Wide Working Capital Fund. The DLA portion of the Fund consists of five activity groups:

- Supply Management
- Distribution Depots
- Reutilization and Marketing
- Defense Automated Printing Service
- Information Services

This submission reflects our commitment to reduce infrastructure costs while supporting the warfighter through continued implementation and use of business process reengineering, competitive sourcing, acquisition reform, and emerging technology. Specifically, this submission addresses:

- Actions to Reduce Infrastructure Costs in both Distribution and Defense Reutilization and Marketing Activity Groups via Public-Private competitions
- Full-time equivalent reductions of more than 26 percent from FY 1998 through FY 2001
- A proposed financial merger of the Defense Reutilization and Marketing Service and the Defense National Stockpile Center to provide a synergy that benefits both business activities

Detailed highlights by activity group follow:

Supply Management Activity Group

The Defense Logistics Agency (DLA) Supply Management Activity Group incorporates those activities, programs, and costs related to materiel management. These activities include the acquisition, inventory management, and distribution of approximately four million consumable items used by the Military Services (MILSVCs) and other Federal Agencies. Under the Consumable Item Transfer (CIT) program, the MILSVCs transferred management of approximately 912,000 consumable items between FY 1991 and FY 1999. This resulted in DLA managing 93 percent of all consumable items within the Department of Defense. Annually, DLA receives more than 20 million requisitions or 85 percent of all DoD orders.

Currently, the DLA Supply Management Activity Group consists of five Inventory Control Points (ICPs) and a small number of supporting activities, including the Defense Logistics Information Service (DLIS). Materiel management is organized around eight broad commodity groupings: Clothing & Textiles, Medical, Subsistence, General, Industrial, Construction, Electronics, and Fuel.

During the budget period, the four Non-Energy ICPs will complete a major physical and materiel management reorganization. Concurrent with Base Realignment and Closure (BRAC) 1993 and BRAC 1995 decisions, DLA changed the strategy of assigning Federal Supply Class (FSC) management responsibilities. The new strategy involves creating two Weapons Systems Support activities and one Troop and General Support activity.

Based on the March 1997 decision by DUSD(Logistics), DLA has begun implementing the centralization of cataloging functions at Defense Logistics Information Service (DLIS). DLIS is resourced through Service Level Billings (SLB) to each DoD Supply Management Activity Group (Army, Navy, Air Force and DLA). Effective FY 2000, DLA proposes a change in the method of allocating SLB in order to recognize the workload-customer relationship.

The historical performance indicator is Supply Availability or Fill Rate. The DoD fill rate goal is 85 percent of which DLA exceeded in FY 1998 with a fill rate of 87.5 percent. This trend is expected to continue in FY 1999 and FY 2000 with projections of 87.5 percent in FY 1999 and 87.3 percent in FY 2000.

DLA is refining a performance indicator that measures logistics response time (LRT) or the number of days that it takes to fill a customer's requisition. DLA ICPs are committed to consistent reporting of LRT through the DoD Logistics Measurement Analysis Report System (LMARS) and in achieving less than 1-day processing time for immediate issues. The DoD Logistics Strategic Plan established a goal of reducing the average age of backorder items to 30 days by FY 2002. This performance target, as well as the supply availability target, can only be attained by a mixture of adjusting overall materiel replacement rates and targeted investment as well as improving administrative processes.

In the Non-Energy area, gross sales describes the primary workload measure. Sales are affected by customer needs (force structure and operating tempo) and workload increase from the transfer of consumable item management from the MILSVCs to DLA. There is an increase of $300 million in sales between FY 1999 and FY 2000 primarily driven by the balance of CIT.

In the fuels area, the workload estimates reflect requirements provided to the Defense Energy Support Center (DESC) by the MILSVCs and other authorized customers.

DLA develops and DoD approves the change in customer rates for the non-energy segment of the activity group. These changes are primarily driven by inflation and the basic costs incurred to deliver the products to the customers relative to the sales volume. These costs include inflation on items bought for resale, the production costs needed to buy, store, and ship the materiel (production costs), and the supporting overhead costs. DLA's FY 2000 customer price change is +4.7 percent. DLA uses commercial buying practices and management initiatives to minimize DLA prices, improve quality, and increase customer satisfaction such as: direct vendor deliveries, expansion of electronic commerce and electronic data interchange, and total asset visibility.

Unlike non-energy, fuel rates are established by the Office of Management and Budget (OMB) with input from the Departments of Defense, Energy, Treasury, and Commerce. The single most important cost factor is the world petroleum market price/product cost. While this product cost is outside DLA's direct control, several acquisition and materiel management techniques are used to mitigate rising costs. DLA is continually changing its storage and transportation methods in search of efficiencies without impeding petroleum support effectiveness. Also considered in the change in customer prices are the costs incurred to deliver the product to the customers. The composite energy rate change in FY 2000 is –25.3 percent.

Reductions in employment levels, without degradation of mission support, are achieved primarily via automation and management improvements and BRAC consolidations. Automating our acquisition processes and management information systems reduce the need for manual intervention.

The capital budget estimate for FY 2000 reflects an expansion in the use of commercial practices, such as Web technology, modernization of Supply Automated Material Management System (SAMMS) and the assumption of the DoD Cataloging mission. These investments will improve overall supply business processes while providing improved information access for the decision process.

Activity Group Profile

	FY 1998	($ in Millions) FY 1999	FY 2000
Cost of Goods Sold	$9,076.3	$8,922.5	$9,187.6
Net Operating Results	$953.1	$487.8	-$280.6
Accumulated Operating Results	$557.7	$408.3	$0
Civilian End Strength	10,865	10,549	10,329
Military End Strength	365	360	360
Civilian Full-Time Equivalents	10,888	10,997	10,468
Military Workyears	365	360	360
Capital Budget Program Authority	$61.0	$76.4	$103.4

Distribution Depots Activity Group

The DLA Distribution Depots Activity Group is responsible for the receipt, storage, and issue of approximately 21 million lines of workload. During FY 1998, DLA began realigning the DLA distribution depot system, which consisted of two Distribution Regions located at New Cumberland, PA (DDRE) and Stockton, CA (DDRW), into one command – the Defense Distribution Center (DDC) at New Cumberland, PA. Each of the current 21 distribution depots reports to the DDC. Navy and DLA have agreed that DLA will assume the Distribution function currently performed by the Navy at Pearl Harbor, Hawaii and Yokosuka, Japan. Transfer is to become effective April 1, 1999, on a reimbursable basis. There will be 21 depots remaining after Base Realignment and Closure (BRAC)-designated depots have been closed and the acquisition of these 2 Navy depots.

The realignment is part of an overall reduction of DoD support activities and will allow DLA to bring its operating costs into line with today's smaller military force. Customers include components of all Military Services, Defense Agencies and authorized civil agencies within designated geographical areas.

In 1998, DLA began the process of competing the first 3 of 16 depots with private industry. Planned for competition are an additional 7 depots in FY 1999 and 6 depots in FY 2000. DLA's two primary distribution depots at Susquehanna, PA and San Joaquin, CA, are also planned for review. Based on the results of the first round of Distribution's A-76 competition, DLA will review all activities at these two sites deemed not to be inherently governmental. One of the BRAC distribution depots, San Antonio, TX, was directly converted to contractor operations in March 1998. Costs and savings related to the competitions are included in these estimates.

The Distribution portion of the Materiel Management Business Plan is currently being revised to reflect the ever-changing business environment. The existing plan consists of nine goals specific to Distribution. The primary focus of these efforts is to reduce logistics cycle times and to streamline the infrastructure. In addition, we are moving to a much more agile and responsive Distribution System. Our processing time frames have been dramatically reduced in an effort to help the Services and DLA achieve the various Streamlining Logistics efforts ongoing DoD-wide.

To date, overall performance has improved while costs continue to decrease. Continuing process efficiencies and a steady drop in mission workload have led to significant reductions to the Distribution workforce. Endstrength dropped from 27,000 in FY 1992 to 11,357 in FY 1998, a reduction of 15,643 personnel, or a 57.9 percent decrease. Reductions to date have been accomplished mainly through the use of the Voluntary Separation Incentive Pay (VSIP) and Voluntary Early Retirement Authority (VERA). However, involuntary Reductions-In-Force (RIFs) were required in FY 1998, and more may be required in FY 1999, to maintain the appropriate balance of workforce to workload.

Lines received and shipped workload declined 5.5 percent from FY 1997 to FY 1998. Workload is budgeted to decline an additional 15.7 percent through FY 2000. Reengineering initiatives such as Premium Service, Virtual Prime Vendor and Central Depot concept, along with a general decline in customer demands, will continue this trend into the foreseeable future. These estimates reflect the latest forecasts.

In FY 1996, Discrete Pricing was implemented to allow, for the first time, the separate recovery of the cost to store DoD materiel. This initiative charges inventory owners for the storage of materiel based on square footage occupied in warehouses. In FY 1999, we changed from gross square feet occupied to cubic feet of warehouse space occupied. This change better reflects the real cost of storage, since all bin and rack storage, plus a large percentage of bulk space, have storage aids that take advantage of the full stocking height of our warehouses. This change takes into account benefits derived from modern high rise/low cost per cubic foot storage practices and mirrors commercial practice. It also includes the appropriate billing for commingled stock. Our storage rate remains relatively stable in lieu of decreasing because of declining demand and the challenge of reducing fixed costs in the short-term.

Revenue for the Distribution Depots Activity Group consists of payments from the DLA and Services' Supply Management Activity Groups for lines received and shipped, for storage space occupied, and reimbursable funding provided by inventory managers or local activities to depots for special project work. Distribution suffered a negative net operating result in FY 1998. Factors contributing to this loss are the execution of stabilized rates to a larger than projected decrease in lines received and shipped workload, and an over-estimated hourly reimbursable workload. Workload and prices have been adjusted in FY 1999 and FY 2000 to achieve total cost recovery by FY 2001.

Activity Group Profile

	FY 1998	($ in Millions) FY 1999	FY 2000
Cost of Goods Sold	$1,453.3	$1,452.7	$1,387.5
Net Operating Results	-$57.9	$91.8	$1.0
Accumulated Operating Results	-$105.1	-$13.3	-$12.3
Civilian End Strength	11,357	11,358	10,283
Military End Strength	139	142	142
Civilian Full-Time Equivalents	12,346	11,721	10,651
Military Workyears	139	142	142
Capital Budget Program Authority	$58.0	$40.3	$40.5

Reutilization and Marketing Activity Group

The primary mission of the Defense Reutilization and Marketing Service (DRMS) Activity Group is the reuse, or reutilization, of excess and surplus property within the Department of Defense (DoD). Using programs managed by DRMS, the Military Services reutilized approximately $3.6 billion worth of personal property in FY 1998, resulting in savings to the DoD and the Government. If property is not reutilized, it can be transferred to other Federal agencies. Remaining property becomes surplus and is made available for donation to authorized state agencies and charitable organizations. The balance of property is offered for competitive sale to the public. DRMS also has the mission of hazardous property disposition.

DRMS headquarters, responsible for operational control, is located in Battle Creek, Michigan. The operational core of this organization lies with individual Defense Reutilization and Marketing Offices (DRMOs) located on military installations throughout the world. DRMOs receive, classify, segregate, demilitarize, account for and report excess material for screening, lotting, merchandising, and sales.

DRMS is undergoing a significant business evolution into a knowledge based organization that moves property through information management rather than by physically handling property. DRMS continues to deploy the Recycling Control Point (RCP) program at wholesale sites, with plans to expand deployment to retail sites. This is a major milestone in the transition to moving information not property. To minimize property handling, the RCP automates the screening and sales processes via the DRMS Internet World Wide Web site, and offers reduced labor requirements for current manual receipt, warehousing, and data entry functions associated with physically handling the property at DRMOs. In addition, DRMS will continue expansion of automation enhancements to support the Reutilization/Transfer/
Donation (R/T/D) process.

DRMS application of automated technology will support internal DRMS operations by eliminating duplicative and repetitive data entry and providing accurate and current management data. Technology will support DRMS customers by providing on-line information to include pictures as well as expanded narrative descriptions of property, catalogs, and asset interrogation capabilities.

In FY 1999, DRMS expanded the Commercial Venture (formerly known as Joint Venture) initiative to new supply classes. This initiative will partner DRMS with a contractor having commercial expertise in selling while maintaining the utility functions of management oversight that are inherently part of the DRMS mission. DRMS will also enter into the first A-76 competition, which will compete the logistics process at 10 DRMOs in the Northeastern United States.

The above initiatives will allow DRMS to complete implementation of significant infrastructure reductions, in line with the Quadrennial Defense Review (QDR) infrastructure and outsourcing initiatives.

DRMS and the Defense National Stockpile Center (DNSC) perform similar missions, disposal of excess supplies and materials. An effort is underway to financially combine the two organizations. In the FY 2000/2001 Biennial Budget Request, there is Congressional language that would allow DNSC to transfer revenue, generated from sales, to the Defense Working Capital Fund to supplement the cost of operations of the DRMS.

In FY 1998, DRMS restructured its unit cost goals from two non-process based to four major work processes: 1) R/T/D, (2) Sales, (3) Ultimate Disposal, and (4) Abandonment and Destruction. Costs are allocated using an Activity Based Costing (ABC) Model. DRMS continues to refine the ABC Model to more accurately allocate costs.

Reductions in employment levels - without degradation of mission support - are achieved primarily by two factors: automation and management improvements. Automating our reutilization and marketing processes and management information systems reduces the need for manual intervention. Management improvements - reorganizing, reengineering processes, and realigning workloads - are general means to further productivity.

Activity Group Profile

	FY 1998	($ in Millions) FY 1999	FY 2000
Cost of Goods Sold	$357.5	$348.2	$353.0
Net Operating Results	$232.1	-$21.4	$3.2
Accumulated Operating Results	$18.2	-$3.2	$0
Civilian End Strength	3,022	2,613	1,942
Military End Strength	14	28	19
Civilian Full-Time Equivalents	3,269	2,830	2,284
Military Workyears	14	28	19
Capital Budget Program Authority	$12.2	$13.9	$13.5

Defense Automated Printing Service Activity Group

The Defense Automated Printing Service (DAPS) is responsible to ensure compliance with the Federal Printing Program for the Department of Defense (DoD) printing and document automation programs. This responsibility encompasses the full range of automated printing services to include: conversion, electronic storage and output, and the distribution of hard copy and digital information. DAPS provides time sensitive, competitively priced, high quality products and services that are produced either in-house or procured through the Government Printing Office GPO).

DAPS manages this worldwide mission through a customer service network comprised of a Corporate Support Team located at Ft. Belvoir, Virginia, 80 major field locations and 238 smaller document automation facilities

During FY 1998, DAPS used three measurable outputs and five unmeasurable outputs to receive budgetary resources. In FY 1999, DAPS began using one measurable output for in-house production and two unmeasurable outputs for its commercial programs (copier program and contract printing) operating authority. The move has no impact on customers as DAPS will continue to use subsidiary rates to bill customers for products and services rendered.

The FY 1998 National Defense Authorization Act (P.L.105-85) prohibits DAPS from recovering costs associated with work procured from the GPO. Additionally, the Act permits the Service Secretaries and Defense Agency heads to bypass DAPS and go directly to the GPO. A number of DAPS customers did so in FY 1998 and the loss of workload is expected to continue in FY 1999 and FY 2000.

DAPS continues to rightsize its workforce. A full-time equivalent reduction of 8.4% between FY 1999 and FY 2000 is reflected in these estimates.

Since becoming the Department's single manager for printing and duplicating in 1992, DAPS has closed or consolidated approximately two hundred printing facilities. Continuing this trend of streamlining operations, DAPS has targeted an additional eight facilities for closure or consolidation between FY 1999 and FY 2000. Savings resulting from these actions are reflected in this submission.

DAPS primary challenge is to reduce short-term fixed costs in response to reductions in customer demand to achieve NOR objectives. To meet this challenge, this budget submission incorporates productivity improvements, cost savings from capital investments, consolidation actions and management initiatives.

Activity Group Profile

	($ in Millions) FY 1998	FY 1999	FY 2000
Cost of Goods Sold	$386.7	$384.2	$381.9
Net Operating Results	-$8.9	$10.6	$0.2
Accumulated Operating Results	-$10.8	-$0.2	$0
Civilian End Strength	1,848	1,794	1,701
Military End Strength	0	0	0
Civilian Full-Time Equivalents	1,940	1,895	1,735
Military Workyears	0	0	0
Capital Budget Program Authority	$7.8	$9.3	$9.0

Information Services Activity Group

The Information Services Activity Group was revised to include a Defense Logistics Agency (DLA) element at the beginning of FY 1996. It consists of a single Central Design Activity (CDA), the DLA System Design Center (DSDC), and the Defense Automated Addressing System Center (DAASC). DSDC was formed from existing DLA Defense-Wide Working Capital Fund organizational elements with reimbursable authority transferred from the Supply Management Activity Group. DSDC has eight major locations throughout the Continental United States that are in close proximity to the customer base supported.

During FY 1998, DSDC has continued to strive to meet the requirements of its customers in a competitive software development environment. However, initiatives such as the Clinger-Cohen and Government Performance and Results Act, as well as rapid advances in information technology, have resulted in a shift from organic software support towards commercial support. This budget reflects that outsourcing trend via reduced DSDC customer requirements – resulting in a FTE decrease of 410 through 2005. DAASC FTEs are projected to remain constant.

DSDC provides a broad range of CDA services, which include requirements definition, systems design, modeling, development, testing, integration, and implementation support. Once systems are delivered (organically or via contractor) or for base level and legacy systems still in use, systems maintenance services are provided.

Activity Group Profile

	($ in Millions)		
	FY 1998	FY 1999	FY 2000
Cost of Goods Sold	$112.1	$119.4	$112.5
Net Operating Results	-$7.3	$0.3	-$0.1
Accumulated Operating Results	-$8.2	-$7.9	-$8.0
Civilian End Strength	1,097	1,072	819
Military End Strength	9	9	9
Civilian Full-Time Equivalents	1,090	1,089	1,000
Military Workyears	9	9	9
Capital Budget Program Authority	$2.2	$2.6	$3.8

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
FY 2000/2001 BIENNIAL BUDGET ESTIMATES
PROGRAM AND FINANCING
(Dollars in Thousands)

Identification code:		FY 1998 act.	FY 1999 est.	FY 2000 est.	FY 2001 est.
	Direct Program:				
20400	DoD Working Capital Funds	24,017			
	TOTAL DIRECT PROGRAM/TOA	24,017			
	Reimbursable Program:				
R00000	TOA OFFSET ADJ	(24,017)			
R02000	DISTRIBUTION DEPOTS	1,426,034	1,419,800	1,330,400	1,249,500
R12000	DEFENSE REUTILIZATION AND MARKETING	348,567	340,529	343,590	309,528
R15000	DEFENSE AUTOMATED PRINTING SERVICE	625,759	377,963	375,267	374,608
R17000	INFORMATION SERVICES	109,014	117,000	110,100	86,300
R25000	SUPPLY MANAGEMENT, DEFENSE-WIDE	10,791,532	12,515,800	12,635,500	13,631,600
R42000	CAPITAL BUDGET - DISTRIBUTION DEPOTS	63,400	40,300	41,000	45,500
R52000	CAPITAL BUDGET - REUTILIZATION AND MARKETING	12,468	13,882	13,525	12,040
R55000	CAPITAL BUDGET - DEFENSE AUTOMATED PRINTING SERVICE	7,832	9,300	9,000	5,900
R57000	CAPITAL BUDGET - INFORMATION SERVICES	2,255	2,605	3,835	1,880
R65000	CAPITAL BUDGET - SUPPLY MANAGEMENT, DEFENSE-WIDE	59,544	76,400	103,400	102,800
	REIMBURSABLE TOTAL	13,446,405	14,913,579	14,965,617	15,819,656
	TOTAL PROGRAM	13,446,405	14,913,579	14,965,617	15,819,656
	Financing:				
	Offsetting collections from:				
F11010	Federal Funds(-)	(14,702,831)	(14,366,072)	(13,996,160)	(15,100,520)
F14010	Non-Federal sources(-)	(346,054)	(818,600)	(811,900)	(812,100)
	TOTAL ORDERS	(15,048,885)	(15,184,672)	(14,808,060)	(15,912,620)
F17010	Recovery of Prior Year Balances	(1,063)			
F21980	Unobligated balance start of year, F/B	61,064	(295,607)	2,300	159,857
F22985	Funds Transfered From Other Accounts	12,416			0
F24980	Unobligated balance end of year, F/B	295,607	(2,300)	(159,857)	(66,893)
F32490	Balance C/A W/D	1,299,691			0
F39010	P&FC Rounding, BP	(1)			
F39.0001	Budget authority	65,234	(569,000)	0	0
F40150	Appn Emergency	24,017			
F41681	Transfer to Other Accounts		(569,000)		
F69150	Cont Auth Indef	41,217			

DEFENSE LOGISTICS AGENCY
DEFENSE-WIDE WORKING CAPITAL FUND
FY 2000/2001 BIENNIAL BUDGET ESTIMATES
PROGRAM AND FINANCING

Identification code:		FY 1998 act.	FY 1999 est.	FY 2000 est.	FY 2001 est.
	Reimbursable obligations:				
	Personnel Compensation:				
T21111	Full-time Permanent	1,191,383	1,356,868	1,295,969	1,217,472
T21131	Other than Permanent	20,168	24,066	21,604	19,283
T21151	Other Personnel Compensation	74,662	69,424	66,303	64,921
T211.901	Total personnel compensation	1,286,213	1,450,358	1,383,876	1,301,676
T21171	Military Personnel Compensation	42,430	37,463	35,787	36,523
T21171	Personnel Benefits: Civilian Personnel	262,980	143,282	135,349	127,992
T21301	Benefits to Former Employees	47,292	33,792	21,797	25,993
T22101	Travel and transportation of persons	51,713	50,721	50,114	49,368
T22201	Transportation of Things	808,040	798,737	787,487	789,766
T22311	Rents - GSA	4,583	8,758	8,660	8,756
T22321	Rents to Others	28,513	20,730	20,661	20,830
T22331	Communications, Utilities and other Misc	52,430	47,980	44,795	43,796
T22401	Printing and Reproduction	21,130	199,870	201,908	206,075
T22511	Advisory/Asst Services	77,688	258,100	272,796	272,908
T22521	Other Services	386,860	545,210	564,798	555,324
T22531	Goods/Services from Other Agencies	376,576	609,053	619,171	604,171
T22532	Pay - Foreign National	16,508	22,046	21,092	16,579
T22533	Buys from Revolvong Funds	838,769	1,802,434	1,846,781	1,812,155
T22541	O&M of Facilities	234,152	520,256	535,489	527,370
T22571	O&M of Equipment	239,348	330,025	334,282	326,918
T22601	Supplies and Materials	8,375,102	7,925,256	7,959,046	8,971,022
T23101	Equipment	278,314	101,508	110,828	111,234
T23201	Land and Structures	14,668	8,000	10,900	11,200
T24101	Grants-Subs-Etc.	538	0	0	0
T24201	Insurance Claims	444	0	0	0
T24301	Interest and Divs	2,114	0	0	0
	Total Reimbursable obligations	13,446,405	14,913,579	14,965,617	15,819,656
	Total Obligations	13,446,405	14,913,579	14,965,617	15,819,656