DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
FY 2001 Budget Estimates
Activity Group Capital Investment Summary
February 2000
($ in Millions)

Line Number	Item Description	FY 1999		FY 2000		FY 2001	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
	EQUIPMENT (Non ADP/T) $0.1 to $0.499	4	0.8	2	0.4	1	0.4
REP 000	Replacement	2	0.4	2	0.4		
PRD 000	Productivity	2	0.4			1	0.4
NEW 000	New Mission						
	EQUIPMENT (Non ADP/T) $0.5 to $0.999						
REP 000	Replacement						
PRD 000	Productivity						
NEW 000	New Mission						
	EQUIPMENT (Non ADP/T) $1.0 and Over			1	4.0	1	4.0
REP 000	Replacement					1	4.0
PRD 000	Productivity			1	4.0		
NEW 000	New Mission						
	TOTAL EQUIPMENT (Non ADP/T)	**4**	**0.8**	**3**	**4.4**	**2**	**4.4**
ADP 000	ADP/T EQUIPMENT $0.1 To $0.499	3	1.0	10	3.0	25	4.3
ADP 100	ADP/T EQUIPMENT $0.5 To $0.999	4	1.9	2	0.8	2	1.0
ADP 200	ADP/T EQUIPMENT $1.0 and Over	14	11.2	12	13.6	6	10.4
	TOTAL EQUIPMENT (ADP/T)	**21**	**14.1**	**24**	**17.4**	**33**	**15.7**
SWD 000	SOFTWARE DEVELOPMENT $0.1 To $0.499		1.0		0.7		1.9
SWD 100	SOFTWARE DEVELOPMENT $0.5 To $0.999		0.6		0.5		
SWD 200	SOFTWARE DEVELOPMENT $1.0 and Over		31.1		53.9		93.7
	TOTAL SOFTWARE DEVEOPMENT		**32.7**		**55.1**		**95.6**
RPM 000	**MINOR CONSTRUCTION**		**20.0**		**30.2**		**31.7**
	TOTAL AGENCY CAPITAL INVESTMENTS	**25**	**67.5**	**27**	**107.1**	**35**	**147.4**

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
FY 2000
Deferrals/Cancellations/Substitutions

(Dollars in Millions)

ADP & TELCOM:	
Base Level Sustainment (BLS)	-1.2 Requirements transferred from Info Services Activity Group
Mid-Tier Augmentation	-1.0 Requirement transferred from Info Services Activity Group
LIPS/LOTS Upgrade	-1.8 Requirement transferred from Info Services Activity Group
LAN Replacement (DSCR)	0.1 Project repriced
Go Paperless (DSCP)	-0.2 Additional equipment required
SOFTWARE DEVELOPMENT	
Federal Logistics Information System (FLIS)	3.7 Project rescoped
Defense Integrated Subsistence Mgmt System (DISMS)	- 0.3 Requirements repriced
Other Supply Initiatives	0.1 Projects reprioritized
Defense Medical Logistics Standard System (DMLSS)	- 0.7 Requirements repriced
Digital Information Management	4.2 Project merged with Business Systems Mod
Technical Infrastructure	6.4 Project merged with Business Systems Mod
Business Systems Modernization	-15.5 Project rescoped
Catalog Reengineering System (CRS) (formerly CCMS)	0.3 Repriced
Web Based Software Development	2.2 Project merged with Business Systems Mod
TOTAL FY 1999	**-3.7**

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
PRD 000 Productivity Equipment $0.1 to $0.499

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Total PRD 000										1	395	395

Narrative Justification:

The Defense Supply Center Richmond (DSCR), as the host activity, requires perimeter Fence Sensors to protect property and material located in the warehouses and buildings at this installation. The perimeter fence line would encompass both DSCR and Distribution Depot Richmond Virginia (DDRV) in an effort to protect hazardous materials, Ozone Depleting Substances (ODS) and Defense Mapping and Imagery materials. The fence sensor sets off an alarm that notifies the Police Dispatcher to send a patrol to the site. This affords better protection without increasing security guard positions.

The Savings to Investment Ratio (SIR) is 4.04 and the payback period is 2.09 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
REP 200 Replacement Equipment $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Total REP 200 Fuel Terminal Automation Upgrade, Jacksonville (DESC)										1	4,000	4,000

Narrative Justification:

The Fleet Industrial Supply Center (FISC) in Jacksonville, Florida is responsible for receiving, storing and delivering jet fuel, diesel fuel, and motor gasoline to the Services. This investment is required to install a new control system that will improve facility control and fuel accountability with enhanced safety and security provisions. The existing control system will be upgraded to the Automated Fuel Handling Equipment (AFHE) baseline. This includes the installation of automatic tank gauges, flow computers for meters, field interface devices and Program Logic Controllers (PLCs). In addition, a leak detection system will be installed to prevent environmental spills and damages.

This investment is required to ensure reliability of services offered by the FISC and to provide adequate central control/monitoring of fuel operation to improve efficiency, fuel accountability and safety in handling large quantities of hazardous fuel.

The Savings to Investment Ratio (SIR) is 1.78 and the payback period is 4.6 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 000 $0.1 to $0.499

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 000				2	265.5	513	13	234.5	3,049	25	170.8	4,270

DISOF LAN Communications Router ($200). The current CISCO 7000 router needs to be replaced with one that has greater processing speed, bandwidth and communications capability. The communications router is the gateway for the Headquarters Complex Local Area Networks (LAN) to route data. The router is critical in Internet and electronic mail usage. The estimated Savings to Investment Ratio is 39.27 and the payback period is 1 year.

DASC Digital Radio System ($185). DLA communicates with Fort Belvoir Emergency Services through a radio trunking system. DoD has mandated that Ft. Belvoir Emergency Services convert to a digital base system, therefore, DLA must also convert to maintain communication capability. DASC requires a Motorola Voice Digital Communication System which includes an internal/external antenna system and digital radios.

DISOF Unix Servers ($680). The five Unix Servers that run administrative and user programs on the client/server network will be replaced. These servers were installed in 1993 and have reached their full life expectancy.

DISOF Network Servers ($1,600). A platform upgrade consisting of six new email and file/print servers is required to maintain the production environment. The current platform servers, purchased in 1997, are declining in capability due to inadequate bandwidth and load imbalance. The estimated Savings to Investment Ratio is 2.97 and the payback period is 2 years.

Activity Group Capital Investment Justification ($ in Thousands)		A. Budget Submission **FY 2001 Budget Estimates**
B. Component/Activity Group/Date Defense Logistics Agency Supply Management Activity Group February 2000	C. Line Number & Item Description ADP 000 $0.1 to $0.499	D. Activity Identification

Narrative Justification (continued):

DAASC NT Server Architecture ($200). This architecture supports DAASC operations as well as the DAASC customer base for Domain Name Services (DNS), Web Services, File Transfer Protocol (FTP) Services, and Simple Mail Transfer Protocol (SMTP) Gateway Services. This architecture also insures Defense Information Infrastructure (DII) Common Operating Environment (COE) compliance. The Savings to Investment Ratio (SIR) is 3.06 and the payback period is 2.97 years

DAASC Logistics Information Processing System (LIPS) ($500). DAASC needs to significantly increase it's Direct Access Storage Device (DASD) storage for the LIPS mid-tier platform. If the upgraded media are not procured, DAASC would have to procure more cartridge tapes, develop/build an archival storage of the volumes of data required by the customers and add more staff to provide for cartridge vaulting/data availability. Even with these additions, the service provided would be degraded due to the regression from an automated environment to one requiring increasing levels of manual intervention. The Savings to Investment (SIR) is 6.96 and the payback period is .52 years.

DLSC Enterprise Management ($105) concept will facilitate the gradual implementation of best practices into distributed systems management (i.e., the mid-tier or client/server type applications) within DLA. Investment consists of a set of closely integrated hardware and software products for remote operations on lower and mid-tier platforms. Network management capability will include automated discovery and maintenance of network configuration data and automated alerts that will provide online assistance to troubleshooters, resulting in decreased downtime of end users.

DSCP Go Paperless ($800). It is essential that DSCP implement a cost efficient and business effective method to archive, convert, and manage the current paper files into electronic medium. Additionally, documents are electronically digitized, a workflow management process must be in place to both manage the day-to-day use of these existing documents and to efficiently bring new documents into the system. To accomplish this initiative, DSCP will purchase file servers, high-speed scanners and rewritable CD storage. The Return on Investment (ROI) is 2.1 and the payback period is 3 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 100 $0.5 to $0.999

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 100 DSCR LAN Replacement				3	442.7	1,328	2	417	834	2	518.5	1,037

Narrative Justification:

Local Area Network (LAN) upgrades/replacements are planned for Defense Supply Center Richmond (DSCR). The LANs will allow more efficient operation of lower tier (personal computer) platforms and interfaces to existing automated systems. To meet the current and future demand for connectivity, DSCR will require the ability to rapidly process application data workloads and satisfy the need for telephone/data communications between automated data processing operations, as well as the ability to provide extensive network management and diagnostic capabilities. New wiring and cabling for LAN connectivity is necessary for DSCR to effectively provide the Information Technology (IT) infrastructure. This infrastructure will support a wide use of automated information systems including Office Automation, Electronic Messaging and Internet Applications.

The Return on Investment (ROI) is 1.67 with an estimated payback period of 4.2 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 200 $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 200-01 Mid-Tier Augmentation							1	1,040	1,040	1	1,075	1,075

Narrative Justification:

The DLA Systems Integration Office (DSIO) development and test environments require periodic reinvestment to remain current with Information Technology (IT) industry standards and to meet the most fundamental infrastructure needs of DLA's business entities. The service life for many of DSIO's present computer platforms extend beyond the expected life span estimates. As a result, several critical services such as system design, development, testing and post-implementation support are performed on platforms that are considered obsolete or otherwise substandard.

The DSIO IT platforms must also remain compatible with all DLA production class architectures to maximize system reliability. Mismatches between production and support environments prevent real life testing scenarios which result in a greater number of latent defects that are not discovered until post-deployment. Regular reinvestment in the development/test platform helps not only to facilitate the achievement of functional objectives but also serves as a form of pre-deployment quality assurance for DLA's business applications.

Some components of the infrastructure require technical refreshment simply to maintain vendor support. In some instances, advances in vendor equipment power and capacity need to be harnessed to further the consolidation/standardization efforts that help to minimize the overall Total Cost of Ownership (TCO). A Hewlett Packard V2250 computer system is required as the new system architecture. This system will be acquired in two phases. The development platform upgrade will take place first followed by production and testing.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 200 $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 200-02 FAS Replacement Servers (DESC)				6	478.3	2,870	1	484	484	2	1,387	2,775

Narrative Justification:

Fuel Automated System (FAS) migratory program was initiated to modernize the DLA and Air Force Fuel Automated Management Systems to support the DoD fuels mission. The FAS program will field a multi-functional, fully integrated Automated Information System (AIS) that supports increased fuel supply management requirements directed by OSD. In FY01, file servers that meet life cycle requirements will be replaced. Due to the implementation of Oracle Energy Downstream (OED), server replacements will be modified to support OED platforms.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 200 $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 200-03 Defense Message System				1	999	999	1	332	332	1	484	484

Narrative Justification:

The Defense Information Systems Agency (DISA) is the overall program manager for Defense Message System (DMS). DMS is a DoD directed program under the direction of OASD/C3I. The purpose of DMS is to eliminate the obsolete AUTODIN system and provide seamless worldwide messaging in support of the War Fighter. DMS will provide a full range of messaging services using X.400 and X.500 standards and Multi-level Information System Security Initiative (MISSI) concepts.

The decrease in the DMS requirements is based on reassessment of DMS from OASD/C31 and the DLA Chief Information Officer (CIO). DLA will be implementing DMS only at the organization level. The DLA CIO also directed an assessment of security requirements to properly protect message traffic.

The Savings to Investment Ratio (SIR) is 1.45 and the estimated payback period is 8 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 200 $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 200-04 DSCC LAN Replacement										1	4,382	4,382

Narrative Justification:

A Local Area Network (LAN) replacement is needed for the Defense Supply Center Columbus. The LAN currently in use was installed in 1996 and assists the Logistics Managers in managing 1.9 million different National Stock Numbers (NSNs) for construction and electronics equipment. The LAN is functional but does not service all tenant activities located at the Columbus site for which DSCC is the host activity. Increased bandwidth and faster data transfer are required to support future DSCC business processes involving electronic business operations, including paperless technology.

The Return on Investment (ROI) is 1.67 with an estimated payback period of 3.5 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
ADP 200 $1.0 and Over

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
ADP 200-05 JEDMICS Replacement Equipment (DSCC)										1	1,660	1,660

Narrative Justification:

Joint Engineering Data Management Information and Control System (JEDMICS) is an optical disk based system for automated storage and retrieval of engineering drawings. The system reduces procurement and administrative lead time and allows for the transfer of large volumes of data to and from contractors and to and the military services. Replacement of graphic visualization equipment is required to improve process planning, computer numerical control programming, and quality assurance. In addition, a Redundant Array of Independent Disks (RAID) is needed to improve performance and protect against data loss due to mechanical or electronic failure.

The Return on Investment (ROI) is 3.01 with an estimated payback of 3 years.

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
SWD 000 $0.1 to $0.499

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 000 Supply Software Development Initiatives									741			1,899

Narrative Justification:

Program Budget Reporting Systems (PBRS) ($325). PBRS is a Management Information System (MIS) that will support all Financial and Functional organizations of the Defense Logistics Agency (DLA). PBRS will serve as the DLA official corporate record of proposed and approved financial decisions from the Program Objective Memorandum (POM) through the Budget Estimate Submission to the President's Budget submission. PBRS will maintain a history of financial expectations and provide a means to track the financial impact of programmatic decisions and execution against those expectations. Implementation of the PBRS will enable DLA to streamline the data gathering process, which is now manually intensive, and support the requirement for post investment reviews. The projected Savings to Investment Ratio is 4.6 and the payback period is 3 years.

DSCP Vendor Express (VENEX) ($400). DSCP currently operates VENEX at five medical prime vendors. The system features an interface from the vendor's ordering system, creation of a Government Bill of Lading (GBL), and transmission of completed shipment data to a master system at DSCP. Management Reform Memorandum 15 calls for the elimination of the hardcopy GBL and incorporation of automated carrier payment. This initiative will provide DSCP with the capability to eliminate the hardcopy GBL, implement the Power Track carrier payment system, and obtain and make available the Intransit Visibility (ITV) information. The Return on Investment (ROI) is 3.08.

Activity Group Capital Investment Justification ($ in Thousands)		A. Budget Submission **FY 2001 Budget Estimates**
B. Component/Activity Group/Date Defense Logistics Agency Supply Management Activity Group February 2000	C. Line Number & Item Description SWD 000 $0.1 to $0.499	D. Activity Identification

Narrative Justification (continued):

DSCP Industrial Prime Vendor ($132). Industrial Prime Vendor supports enhanced information needs created by shifting to commercial practices. This initiative will provide web-based visibility of vendor inventories to customers and allow for real time pricing of inventory by contractors. Buyers and inventory managers will access current logistics systems via the web for decision support.

DLSC Business Operating Support System (BOSS) ($280). BOSS supports 1,300 users at 152 locations worldwide. Base Supply, Department of Defense Education Activity, Defense Finance and Accounting Service, and DLA Reutilization and Marketing Service use BOSS to order, contract and account for inventory and to track the disposal of hazardous materials. A System Change Request (SCR) is required in FY01 for an Electronic Data Interface (EDI) for Hazardous Waste Management at DRMS.

DLSC Hazardous Materiel Information System (HMIS) ($462). HMIS is a central repository of information on hazardous items/materials used in the DoD. HMIS contains Material Safety Data Sheets on hazardous items and maintains information on how to transport Department of Defense hazardous items/materials. Funding is required in FY01 to continue the redesign of HMIS to include electronic transfer of the Material Safety Data Sheet (MSDS). In addition, more data fields such as the Universal Product Code (UPC), will be added. The Return on Investment (ROI) for HMIS is 1.54.

DLSC Environmental Reporting Logistics System (ERLS) ($300). ERLS assists in the annual reporting of releases and offsite transfers to the Environmental Protection Agency and local emergency planning committees of chemicals that are stored or used on DLA sites. Funding in FY01 will continue the phased implementation of Build 2, Environmentally Oriented Products. The Return on Investment (ROI) for ERLS 1.66.

Externally Developed	1,319
Internally Developed	580

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-01 Business Systems Modernization						4,894			26,664			75,600

Narrative Justification:
Business Systems Modernization (BSM) allows for the successful integration of business processes in a closed loop logistics system using electronic commerce conventions, client/server capabilities, shared data environment, and other innovations which will allow the Defense Logistics Agency's (DLA) supply system to be fully compliant with the Global Combat Support System (GCSS), Defense Information Infrastructure (DII), and Common Operating Environment (COE). The DLA provides logistics support to the Military Services and Commanders in Chief through its Defense Logistics Support Command (DLSC). DLSC is comprised of five strongly related business areas (Supply Management; Distribution Management; Reutilization, Marketing and Disposal; Logistics Information Products and Defense National Stockpile). SAMMS and other DLA logistics systems are the product of decades of accumulated and divergent business practices, using technology that is obsolete and is no longer supported by the original vendors. Additionally, the system consists of several million lines of code that provides no analytical capability or real-time data access. These shortfalls (age, complexity, and size) lead to its fragility, high maintenance cost, and increasing unreliability. DoD and DLA are striving to align business practices with best commercial practices by re-engineering logistics processes at all echelons. BSM supports the objectives of the Department of Defense (DoD) Logistics Strategic Plan, the DLA Strategic Plan, and the Defense Logistics Support Command Long Range Business Plan. The Economic Analysis (EA) is in progress with an estimated completion date for Milestone I of Jan, 2000.

Externally Developed 75,600
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-02 Web-Based Software Development						417			1,200			1,458

Narrative Justification:

Web-based software development will allow for production hardening, migration, and implementation of leave-in-place prototypes developed under the Logistics Research and Development (Log R&D) program. The focus of the effort is to apply advanced technologies to provide higher levels of logistics support in peace and war. Log R&D includes Readiness Decision Support System (RDSS), which is designed to augment the DLA Integrated Consumable Item Support (ICIS) program with data and decision support information pertaining to Direct Vendor Delivery, new business practices/processes, and new readiness business arrangements. This decision support tool will help to identify and secure the appropriate business relationships necessary for ensuring the right commercial material, at the right time and place for warfighter mission needs. The RDSS embedded modeling and simulation capability will track and emulate commercial behavior to estimate, based on historical data, the optimal number and type of business arrangements necessary for the most readiness at the lowest cost. Another Log R&D initiative is DoD Hosted Catalog. This on-line catalog will provide the Department of Defense and other Federal users access to an electronic catalog with capability to store, access, browse, and order commercial items electronically. It will also provide a search engine capable of searching for items based on price, National Stock Number, and/or description.

Externally Developed	1,458
Internally Developed	0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-03 Subsistence Total Order and Receipt Electronic System (DSCP)						1,500			1,500			1,000

Narrative Justification:

Subsistence Total Order and Receipt Electronic System (STORES) provides Subsistence customers from all military services with a single order entry point/electronic commerce interface. It is integrated with all services' systems, sends orders direct to Prime Vendors and/or Defense Subsistence Offices, takes receipt data, and sends pre-invoice data electronically to vendor and financial systems. STORES is mission essential to both European and Pacific Theatres by enabling support in an environment where service functions (e.g., Army's Troop Issues Support Activity (TISA) in Europe, Navy's Fleet Industrial Supply Center (FISC) in Guam) are being eliminated. The Savings to Investment Ratio is 3.41 with a payback period of 1.5 years.

Externally Developed	1,000
Internally Developed	0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-04 Defense Integrated Subsistence Management System (DSCP)						4,700			1,600			1,500

Narrative Justification:

The Defense Integrated Subsistence Management System (DISMS) uses a relational database serving the Defense Supply Center Philadelphia (DSCP) as well as thousands of individual customers, both military and non-DoD. This system supports the DoD Food Demonstration Program (subsistence prime vendor) which expands DISMS functionality to unique Direct Vendor Delivery just-in-time applications managed from inventory. Additional enhancements are necessary to achieve essential Business Process Improvements and assure operating effectiveness worldwide. Applicable Process Change Requests describe asset management requirements that will expand the use of Electronic commerce; allow the full implementation of re-engineered requisition processing; make available supply management and inventory accounting practices to offices around the world; ensure 24 hour systems availability; and integrate applications for better financial accountability and more accessible management information. The Return on Investment is 5.46.

Externally Developed 1,500
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-05 Defense Medical Logistics Standard System (DSCP)						9,600			6,169			4,818

Narrative Justification:

The Defense Medical Logistics Standard System (DMLSS) is an integrated ten-year program to modernize the entire Military Health Care System. While the program directly funds the business process improvements and Management Information System (MIS) enhancements at the DPSC Medical Directorate, the benefits and savings cascade down the entire wholesale DoD logistics network. DMLSS will enable the Military Health Care System to track buying trends, anticipate needs, select best values, earmark commercial stocks to meet the needs, maintain visibility of assets moving through the logistical pipeline and adjust the velocity of support to meet customer needs. The Return on Investment for the DMLSS program is 6.5:1 with payback in 4 years.

Externally Developed 4,818
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-06 Federal Logistics Information System (DSCP)						1,115			910			910

Narrative Justification:

The Federal Logistics Information System (FLIS) provides automated support to the Federal Catalog System and maintains the National Stock Number database. Software development changes to FLIS will provide increased customer access to the information. Changes will support Consumable Item Transfer Phase II, DLA Federal Supply Class Realignment Project, Universal Product Code cross-reference, central contractor registry program management, Defense Logistics Information Service (DLIS) Imaging Program maintenance, item related data warehouse, and on-line Federal item identification guides. The Return on Investment (ROI) is 1.5.

Externally Developed 0
Internally Developed 910

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-07 Cataloging Re-Engineering System (DLIS)						4,560			11,400			6,460

Narrative Justification:

In March of 1997 DoD directed that all cataloging functions be centralized under the management and direction of DLA. The new cataloging office is reviewing various cataloging systems and processes with the intent of developing a single standard system that will meet the requirements of all catalogers. The Cataloging Re-Engineering System (CRS) will interface with the Standard Procurement System (SPS), Federal Logistics Information System (FLIS) and all of the Service and DoD Supply systems. When developed, it will be fully compliant with the Global Combat Support System (GCSS) and the Defense Information Infrastructure/Common Operating Environment (DII/COE). CRS offers the opportunity to build a simpler, combined cataloging system based on client/server technology, while maintaining the core information and reporting of the legacy Federal Logistics Information System (FLIS). CRS will increase the productivity of catalogers and reduce the number of errors in cataloging batch transactions. CRS will store all business logic. Systems that encapsulate knowledge, rather than merely store data, will reduce processing time and free operators to work on the smaller number of transactions that pose more intricate problems and require concentrated operator knowledge to solve. The savings for CRS are $11million over the cost of investment period, FY 1999-2006, plus yearly savings of 12M over the status quo in every subsequent year. The Return on Investment is 1.4 and the payback period is 7 years.

Externally Developed 6,460
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-08 FAS COTS (DESC)						270			1,000			1,000

Narrative Justification:

The Fuel Automated System (FAS) migratory program was initiated to evolve and modernize the DLA and Air Force Fuel Automated Management Systems to support the DoD fuels mission. This mission includes management and accountability for fuel stored at installations. The FAS program will field a multi-functional, fully integrated Automated Information System that supports increased fuel supply requirements. Funding will be utilized to purchase Commercial Off-the-Shelf (COTS) software products to support Oracle Energy Downstream (OED) and other existing DESC program requirements such as Electricity and Natural Gas. The Return on Investment (ROI) is 3.1.

Externally Developed 1,000
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

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

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
SWD 200-09 DASC Systems Integration												1,000

Narrative Justification:

The DLA Administrative Support Center (DASC) has three major systems that are integrated. They are the Customer Usage and Billing System (CUBS), the Engineering Design in a Graphical Environment (EDGE) system and the Accounting and Financial Inquiry System (AFIS). DASC is moving to take the automation concept one step further by developing a Web-based Virtual Storefront. The storefront will allow customers worldwide to use the same application for ordering products and services. This application strategy will shorten lead-time, reduce costs and allow routing and management of workload to CUBS for billing. In addition to the Virtual Storefront, DASC is currently analyzing the integration of CUBS to the Automated Billing System (ABS) portion of the Defense Business Management System (DBMS). Billing and job order information would be downloaded into DBMS. This integration will provide a paperless process from the acceptance of financial services to the final disbursement of payment by the Defense Finance Accounting Service (DFAS). The Savings to Investment Ratio (SIR) is 1.17 and the payback period is 2.2 years.

Externally Developed 1,000
Internally Developed 0

Activity Group Capital Investment Justification

($ in Thousands)

A. Budget Submission
FY 2001 Budget Estimates

B. Component/Activity Group/Date Defense Logistics Agency
Supply Management Activity Group February 2000

C. Line Number & Item Description
RPM 000 Minor Construction

D. Activity Identification

Element of Cost				FY 1999			FY 2000			FY 2001		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
Minor Construction												
Non-Fuels						2,273			1,200			1,700
Fuels						17,694			29,000			30,000
Total Minor Construction						19,967			30,200			31,700

Narrative Justification:

The minor construction investment, for projects between $100 and $500 each, will construct new or modify existing facilities for mission and operational improvements. The projects consist of:

(1) Upgrading fire protection and alarm systems.
(2) Upgrading utility distribution systems (especially water and electrical).
(3) Additional paving for road networks and organizational and personnel parking.
(4) Renovation of administrative facilities and restrooms.
(5) Upgrading fuel distribution, oil/water separators and tank monitoring systems (Fuels only).
(6) Construction of fuel laboratories (Fuels only).
(7) Upgrading storm water management systems (drainage structures, retention basins)
(8) Upgrading buildings to meet seismic criteria (structural upgrades).
(9) Upgrading buildings for compliance with Americans with Disability Act

Additional minor construction requirements are for incidental improvements associated with facilities repair projects; and for Fuels, projects associated with the transfer of funding responsibility for Service Defense Fuel Supply Points. These investments will result in cost effective facilities to support the mission and upgrade storage, distribution and dispensing facilities to ensure compliance with all fire, safety and environmental regulations.

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
FY 2001 Budget Estimates
Capital Budget Execution
FY 1999
(Dollars in Millions)

PROJECTS ON THE FY 2000 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
1999	Equipment except ADPE & TELCOM:	1.2	2.0	0.8	1.2	
	Replacement <$500K	0.1	0.5	0.4	0.1	Project repriced
	Productivity <$500K	0.5	0.8	0.4	0.5	One project cancelled
	Crane System, Bldg 404 (DSCR)	0.7	0.7	0.0	0.7	Cancelled
1999	Equipment - ADPE & TELCOM:	(2.3)	11.2	14.1	(2.3)	
	Technical Infrastructure Equipment	(1.0)	5.5	6.5	(1.0)	Additional requirement
	Equipment for Fuel Automated Sys (FAS) Support	(2.9)	0.0	2.9	(2.9)	Emergent requirements
	Base Level Sustainment (BLS)	(0.2)	0.3	0.5	(0.2)	Emergent requirement
	Defense Message System	0.8	1.8	1.0	0.8	Project rescoped
	Joint Engineering Drawing Data Mgmt Info & Control Sys	0.0	0.5	0.5	0.0	
	LAN Replacement (DSCR)	0.9	2.3	1.3	0.9	Project repriced
	Go Paperless (DSCP)	0.0	0.8	0.8	0.0	
	Other Supply Initiatives	(0.5)	0.0	0.5	(0.5)	Project partially recategorized
1999	Software Development:	10.5	43.3	32.7	10.5	
	EDI Translator COTS	0.2	0.2	0.0	0.2	Project merged with SAMMS
	MM Integrated Material Management (MMMIS)	0.3	0.3	0.0	0.3	Project not approved
	Federal Logistics Information System (FLIS)	0.2	1.3	1.1	0.2	Project repriced
	Defense Integrated Subsistence Mgmt Sys (DISMS)	0.0	4.7	4.7	0.0	
	Supply Automated Material Management Sys (SAMMS)	1.0	2.2	1.2	1.0	Reduced requirements
	Other Supply Initiatives	1.3	2.8	1.5	1.3	One project cancelled
	Defense Medical Logistics Standard Sys (DMLSS)	0.0	9.6	9.6	0.0	
	Digital Information Management (Workflow Manager)	3.8	4.8	1.0	3.8	Project rescoped
	Supply Systems Modernization (Bus Systems Mod)	3.4	8.3	4.9	3.4	Project rescoped
	Central Cataloging Management System (CCMS)	0.5	5.1	4.6	0.5	Project repriced
	Web Based Software Development	0.5	0.9	0.4	0.5	Project merged with Business Systems Mod
	Fuel Automated System (FAS) COTS	0.7	1.0	0.3	0.7	Project rescoped
	Subsistence Total Order & Receipt Electronic Sys (STORES	0.0	1.5	1.5	0.0	
	Go Paperless (DSCP)	0.0	0.6	0.6	0.0	
	Enterprise Oracle License	(1.0)	0.0	1.0	(1.0)	Emergent requirement
	Program Budget Reporting System (PBRS)	(0.4)	0.0	0.4	(0.4)	Emergent requirement
1999	Minor Construction:	(0.1)	19.9	20.0	(0.1)	
	Total FY 1999	**9.3**	**76.3**	**67.5**	**9.3**	

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
FY 2001 Budget Estimates
Capital Budget Execution
FY 2000
(Dollars in Millions)

PROJECTS ON THE FY 2000 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2000	Equipment except ADPE & TELCOM:	0.0	4.4	4.4	0.0	
	Replacement < $0.499	0.0	0.4	0.4	0.0	
	Productivity < $0.499	0.0	0.0	0.0	0.0	
	Fuel Terminal Automation-San Diego	0.0	4.0	4.0	0.0	
2000	Equipment - ADPE & TELCOM:	(4.1)	13.2	17.4	(4.1)	
	Technical Infrastructure Equipment	0.0	9.9	9.9	0.0	
	Base Level Sustainment (BLS)	(1.2)	1.9	3.1	(1.2)	Requirements from Info. Services
	Defense Message System	0.0	0.3	0.3	0.0	
	DSCR LAN Replacement	0.1	0.9	0.8	0.1	Project repriced
	Go Paperless	(0.2)	0.2	0.4	(0.2)	Additional equipment required
	Mid-Tier Augmentation	(1.0)	0.0	1.0	(1.0)	Transferred from Info. Services Business Area
	LIPS/LOTS Upgrade	(1.8)	0.0	1.8	(1.8)	Transferred from Info. Services Business Area
2000	Software Development:	0.4	55.5	55.1	0.4	
	Softward Development < $0.499	0.0	0.8	0.7	0.0	
	Federal Logistics Information System (FLIS)	3.7	4.6	0.9	3.7	Project rescoped
	Defense Integrated Subsistence Mgmt Sys (DISMS)	(0.3)	1.3	1.6	(0.3)	Requirements repriced
	Other Supply Initiatives	0.1	3.5	3.4	0.1	Projects reprioritized
	Defense Medical Logistics Standard Sys (DMLSS)	(0.7)	5.5	6.2	(0.7)	Requirements repriced
	Digital Information Management	4.2	4.2	0.0	4.2	Project merged with BSM
	Technical Infrastructure	6.4	6.4	0.0	6.4	Projects merged with BSM
	Business Systems Modernization (BSM) (formerly Supply S	(15.5)	11.2	26.7	(15.5)	Project rescoped
	Cataloging Reengineering System (CRS) (formerly CCMS)	0.3	11.7	11.4	0.3	Repriced
	Web Based Software Development	2.2	3.4	1.2	2.2	Projects merged with BSM
	Fuel Automated System (FAS) COTS	0.0	1.0	1.0	0.0	
	Subsistence Total Order & Receipt Electronic Sys (STORES	0.0	1.5	1.5	0.0	
	Go Paperless	0.0	0.5	0.5	0.0	
2000	Minor Construction:	0.0	30.2	30.2	0.0	
	Total FY 2000	**(3.7)**	**103.4**	**107.1**	**(3.7)**	

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
FY 2001 Budget Estimates
Capital Budget Execution
FY 2001
(Dollars in Millions)

PROJECTS ON THE FY 2000 PRESIDENT'S BUDGET

FY	Approved Project	Reprogs	Approved Proj Cost	Current Proj Cost	Asset/ (Deficiency)	Explanation
2001	Equipment except ADPE & TELCOM:	0.0	4.4	4.4	0.0	
	Replacement < $0.499	0.0	0.0	0.0	0.0	
	Productivity < $0.499	0.0	0.4	0.4	0.0	
	Fuel Terminal Automation-Jacksonville	0.0	4.0	4.0	0.0	
2001	Equipment - ADPE & TELCOM:	4.4	20.0	15.7	4.4	
	Technical Infrastructure Equipment	11.6	11.6	0.0	11.6	Cancelled
	Base Level Sustainment (BLS)	(2.8)	0.7	3.5	(2.8)	Addt'l requirements/Info. Services transfers
	Defense Message System	0.0	0.5	0.5	0.0	
	LAN Replacement (DSCR)	0.0	1.0	1.0	0.0	
	LAN Replacement (DSCC)	1.3	5.7	4.4	1.3	Project repriced
	FAS Replacement Servers	(2.3)	0.5	2.8	(2.3)	Additional requirements
	JEDMICS Replacement Equipment	(1.7)	0.0	1.7	(1.7)	Emergent requirement
	Go Paperless	(0.8)	0.0	0.8	(0.8)	Additional equipment requirements
	Mid-Tier Augmentation	(1.1)	0.0	1.1	(1.1)	Transferred from Info. Services Business Area
2001	Software Development:	(49.6)	46.1	95.6	(49.6)	
	Softward Development < $0.499	(1.3)	0.6	1.9	(1.3)	Cancelled
	Federal Logistics Information System (FLIS)	0.0	0.9	0.9	0.0	
	Defense Integrated Subsistence Mgmt Sys (DISMS)	(0.3)	1.2	1.5	(0.3)	Requirements repriced
	Other Supply Initiatives	2.5	2.5	0.0	2.5	Project recategorized
	Defense Medical Logistics Standard Sys (DMLSS)	0.2	5.0	4.8	0.2	Requirements repriced
	Digital Information Management	3.5	3.5	0.0	3.5	Project merged with BSM
	Technical Infrastructure	7.1	7.1	0.0	7.1	Projects merged with BSM
	Business Systems Modernization (BSM)	(62.9)	12.7	75.6	(62.9)	Project rescoped
	Cataloging Reengineering System (CRS)	(0.3)	6.2	6.5	(0.3)	Requirements repriced
	Web Based Software Development	1.9	3.4	1.5	1.9	Projects merged with BSM
	Fuel Automated System (FAS) COTS	0.0	1.0	1.0	0.0	
	Subsistence Total Order & Receipt Electronic Sys (STORE	0.0	1.0	1.0	0.0	
	DASC Systems Integration	0.0	1.0	1.0	0.0	
2001	Minor Construction:	1.0	32.7	31.7	1.0	Reduced requirements
	Total FY 2001	**(44.2)**	**103.2**	**147.4**	**(44.2)**	