

**DEPARTMENT OF DEFENSE
DEFENSE-WIDE WORKING CAPITAL FUND**

**INFORMATION SERVICES ACTIVITY GROUP
DEFENSE INFORMATION SYSTEMS AGENCY
FY 2002 AMENDED BUDGET SUBMISSION**

FUNCTIONAL DESCRIPTIONS

The Defense Information Systems Agency (DISA) manages the Information Services activity group. At a high level, this activity group can be divided into two key lines of business:

- Telecommunications/Enterprise Acquisition Services
- Data Processing

Telecommunications

DISA telecommunications and enterprise acquisition service are managed under the Communications Information Services Activity (CISA). The primary mission of the CISA is to purchase telecommunications and related information technology products from the worldwide commercial sector to meet the needs of DoD Components and authorized non-defense customers. CISA operations can be divided into three functional components:

- Defense Information Systems Network (DISN) Services
- Non-DISA Managed Telecommunication Services
- Enterprise Acquisition Services

The CISA provides a single source for high quality, reliable, survivable, and secure telecommunications services for defense command and control. The CISA is also an ideal source for procurement of cost-effective and commercially competitive information technology, as well as voice, data, and video telecommunications services. The lowest possible customer price is attained through bulk quantity purchases, economies of scale, and reengineering current communication services.

DISA Managed Systems

DISA's core program is the Defense Information Systems Network (DISN). The DISN strategy is to consolidate the Military Departments' and Defense Agencies' telecommunications networks into one common-user network with interoperable equipment. DISN is a subset of the Defense Information Infrastructure (DII). DISN services are grouped into five service offerings:

1. Switched Services
2. Transmission Services
3. Data Services
4. Messaging Services
5. Video Services

Each of the five service offerings consists of unique DISA managed programs that share a common objective. The programs within each service offering are listed in Table 1:

Table 1:
Components of the Defense Information Systems Network

Offering	Supporting Programs/Networks
Switched Services	<ul style="list-style-type: none"> • Defense Switched Network (DSN) • Defense Red Switch Network (DRSN) • Hawaii information Transfer System (HITS) • Enhanced Mobile Satellite Services (EMSS)
Transmission Services	<ul style="list-style-type: none"> • Dedicated Transmission Network (MUX) • Caribbean Transmission Network (TRANS-B) • Pacific Transmission Network (TRANS-P) • European Transmission Network (TRANS-E) • Continental US Transmission Network (TRANS-C) • Joint Worldwide Intelligence Communications System (JWICS) • Asynchronous Transfer Mode (ATM) • Commercial Satellite Communications Initiative (CSCI)
Data Services	<ul style="list-style-type: none"> • Internet Protocol Routers (IPR)
Messaging Services	<ul style="list-style-type: none"> • Defense Messaging System (DMS)
Video Services	<ul style="list-style-type: none"> • Defense Video Teleconferencing Network (VTC)

DISA also provides long-haul connections between the CINC/Service/Agency bases and to deployed forces. DISN provides dynamic routing of voice, text, imagery (both still and full motion), and bandwidth services on a fee-for-service basis. DISA provides government and contract engineering, modeling, simulation and assessment, and system control resources to support the operational DISN networks including: IPR, DSN, DRSN, and the Commercial Satellite Communications Initiative (CSCI).

Non-DISA Managed Services and Enterprise Acquisition Services

In addition to the DISN, the CISA also provides a wide variety of cost-reimbursable services for the Department of Defense Community and other approved organizations. Among the services provided are purchase of telecommunications services, purchase of information technology products/services, and other customized procurements. Significant telecommunications purchases are made from a variety of programs such as FTS 2000/2001 (GSA) and Federal Wireless. Information technology purchases for the Defense community include services and required support equipment for enterprise integration services (DEIS II, INFOSEC), and other customized procurements.

Data Processing

DISA manages the Defense Information Infrastructure (DII), which provides militarily essential computing capabilities critical to the global combat support operations of the Department of Defense (DOD). Defense Computing Services include mainframe, mid-tier, and other information services that provide secure processing of classified and unclassified information, global interoperability from the sustaining base to deployed forces, positive end-to-end control, surge capability, and operational sensitivity to rapidly changing priorities. This functionality is vital to Joint Vision 2010 (JV2010) operational concepts, with a major emphasis on focused logistics and full spectrum protection of information assets. The CONUS-based Defense computing infrastructure processes combat support requirements for warfighters deployed around the world. These requirements include transportation, finance, personnel, munitions, spare parts, medical supplies, and maintenance resources -- all critical to military operations. The largest Defense Computing Service customers include the Army Materiel Command, Air Force Materiel Command, Navy Supply Systems Command, Defense Logistics Agency, and Defense Finance and Accounting Service.

Defense Enterprise Computing Centers and collocated Detachment sites include Columbus, OH, Mechanicsburg, PA, Ogden, UT, Oklahoma City, OK, St. Louis, MO, and one Unisys legacy site in San Antonio, TX. Other Detachments include Chambersburg, PA, Dayton, OH, Denver, CO, Huntsville, AL, Jacksonville, FL, Montgomery, AL, Rock Island, IL, San Diego, CA, Warner Robins GA, Puget Sound, WA, Charleston, SC, Norfolk VA, and Indianapolis, IN, and three OCONUS Information Technology Centers (ITCs) in Guam, Hawaii, and Japan.

MAJOR CHANGES BETWEEN FISCAL YEARS

Communications Information Services Activity

FY 2001 President's Budget to FY 2001 Current Estimate

The CISA budget contains FY 2001 costs of \$1,886.3 million, or \$410.0 million less than the FY 2001 President's Budget estimate. The overall decline in operations is largely due to a fundamental change in how cost and revenue are expressed in the budget. Cost and revenue, previously displayed at gross levels (with intersystem credits, or purchases between DISA DWCF telecommunications programs included) are now shown as net values. In FY 2001, this revenue and costs (in equal amounts) by 269.1 million. Intersystem credits are realized at the program level and are required for cost allocation purposes.

The budget also includes considerable reductions in passthrough workload and cost estimates for Non-DISA Managed Communications Services (\$161.3 million) and Enterprise Acquisition Services contracts (\$55.0 million) from the previous estimate. In contrast, the budget does include growth in Enhanced Mobile Satellite Services (\$39.1 million), and in smaller amounts, among various other programs.

FY 2001 Current Estimate to FY 2002 Estimate

Between FY 2001 and FY 2002, the CISA budget increases only slightly, \$8.7 million, mostly due to standard pricing adjustments.

Defense Computing Services

FY 2001 President's Budget to FY 2001 Current Estimate

FY 2001 costs are expected to increase (net \$18.8 million) over the FY 2001 President's Budget estimate due to an increase in customer demand for mid-tier server workload. This mainly includes emergent workload from the Air Force and Defense Health Care System.

FY 2001 Current Estimate to FY 2002 Estimate

The FY 2002 President's Budget includes Defense Computing Services costs of \$585.0 million, or \$15.9 million less than FY 2001. This reduction is largely due to a decline in requirements for contract consultants and equipment maintenance services. Government labor costs also decline over this period.

OPERATING BUDGET

Each DISA DWCF business area achieves a zero Accumulated Operating Results (AOR) by the end of FY 2002. For the CISA, this position is attained by including several accounting adjustments, including those for the Universal Service Fund and accounts payable. Table 2 provides a summary of our actual FY 2000 operating results and estimates for FY 2001 and FY 2002:

Table 2: Operating Budget Summary

Communications Information Services Activity	\$ in Millions		
	FY 2000	FY 2001	FY 2002
Revenue	1,822.0	1,882.5	1,946.5
Costs	1,838.1	1,886.3	1,895.0
Net Operating Result (NOR)	-16.3	-3.8	51.5
Accumulated Operating Result (AOR)	-118.1	-51.5	0.0

Defense Megacenters	\$ in Millions		
	FY 2000	FY 2001	FY 2002
Revenue	609.2	600.5	566.5
Costs	586.2	600.9	585.0
Net Operating Result (NOR)	23.0	-4.0	-18.5
Accumulated Operating Result (AOR)	18.9	18.5	0.0

CAPITAL INVESTMENT BUDGET

Capital investment program (CIP) requirements are generally predicated on the replacement of major telecommunications and ADPE equipment when current equipment is no longer maintainable, or when replacement parts are not available. DISA strives to provide customers with quality service through the latest technology, and the capital program supports the insertion of new technology through major equipment purchases which provides service enhancements and future cost reductions.

The FY 2002 CISA capital investment budget is highlighted by the inclusion of cost for Infeasible Right of Use for undersea fiber cable pair, maintenance on the terminal equipment and its SONET restoral path. The FY 2002 budget also includes requirements for additional ATM Work Group Switch equipment to support an increase in workload and mission requirements.

The Defense Computing budget shows FY 2002 capital requirements increase on \$57.1 million over the FY 2001 amount. This is largely due to in capital purchases to support new mid-tier server workload from DOD and Air Force. This includes Composite Health Care System II, DFAS Corporate Information Infrastructure (DCII) and Air Force Integrated Maintenance Data System (IMDS). Table 3 summarizes the capital program.

Table 3: Capital Budget Summary

\$ in Millions	FY 2000	FY 2001	FY 2002
CISA	4.0	4.5	34.5
DMCs	25.4	20.5	77.6
Total Capital Program	29.4	25.0	112.1

CUSTOMER RATES, RATE DESIGN, AND UNIT COST

Communications Information Services Activity

Pricing Structure: The Department of Defense and DISA need a rate structure for joint and enterprise telecommunications systems that incentivizes their use, that recognizes their use as military value added capabilities within the context of providing utility-like services for common good and promotes security, interoperability and efficient practices across DOD. The proposed solution to this rate structure is a two-tiered pricing approach.

Tier One pricing would cover the costs of the core infrastructure required to produce military readiness attributes of the enterprise system. This pricing would be recovered through a monthly recurring charge to the Service/Agency component levels.

Tier Two pricing would cover the remainder of network infrastructure cost associated with the delivery of information services, and would be financed by usage and/or value-added service rates charged to the customer.

Tier Two DISN prices are developed for the DISN Services from an analysis of tier two network cost drivers and customer service requirements by theater. This includes identifying unique system costs and dividing those total costs including depreciation and communications operations/network management proportionately by unit (e.g., ports, connections, data packets, minutes of use, precedence, capability, etc) to determine a price per unit. This price per unit, along with the assessment of an overhead fee, will be charged for the services requested by the customer.

Defense Computing Services

The Computing Services budget has two basic methods of cost recovery, rate based and direct reimbursement. Each methodology is designed to capture the total cost of operations, including direct and overhead costs.

This table provides the proposed computing customer rates:

Table 4: DECC Customer Rates

Work Load Units	(Dollars per Unit)		
	FY 2000	FY 2001	FY 2002
Unisys			
SUPS	17.8632	16.3940	14.6658
DASD MB Days	0.0292	0.0309	0.0254
Tape Mounts	1.3964	1.8487	1.4492
Cartridge Tapes Stored	0.1018	0.1600	0.1104
Reel Tapes Stored	0.8262	0.9703	01.6196
IBM			
CPU Hours (MVS)	49.2782	47.7968	35.7593
I/O Transfers (MVS)	0.0415	0.0372	0.0298
DASD MB Days (MVS)	0.0072	0.0071	0.0070
Tape Mounts Cartridge (MVS)	0.1475	0.1400	0.1355
Tape Mounts Reel (MVS)	7.8614	7.7938	8.0941
Cartridge MB Days (MVS)	0.0009	0.0007	0.0005
Reel MB Days (MVS)	0.0010	0.0015	0.0125

PERFORMANCE INDICATORS

The CISA and DECC budgets include Performance Measures in the FY 2001 Performance Contract. This includes providing telecommunications services while incurring no more than the following unit costs. Table 5 summarizes these measures.

Table 5: Performance Indicators

Global Average Annual Unit Cost (TY\$)	FY 2000	FY 2001	FY 2002
DSN (/minutes)	.12	.12	.11
Data (/kilobytes)	75.66	75.80	57.41
Video (/minutes)	2.73	2.73	2.42
Transmission (/kilobytes)	31.36	29.28	24.40

Performance measures are also based on providing support minimum DISN workload levels. Table 6 summarizes this workload.

Table 6: Workload Estimates

DoD Common User Telecommunications Workload	FY 2000	FY 2001	FY 2002
DSN (k/minutes)	1,331,408	1,369,590	1,424,374
Data (kilobytes)	2,235,770	6,293,188	9,158,469
Video (k/minutes)	12,850	14,361	16,515
Transmission (kilobytes)	11,860,309	14,974,200	17,969,040

The Defense Computing budget includes performance measures, which revolve around system availability and responsiveness:

1. Provide mainframe information processing services while incurring no more than specified unit costs.
2. DISA, working with the Services, will reduce mainframe information technology legacy service and associated costs 25 percent from FY 1999 by the completion of FY 2002.
3. All peak workload requirements will be met while maintaining an average utilization of installed capacity of at least 65 percent.
4. DISA will have the minimum capacity to deliver 2.7M MVS CPU hours and 3.6M Unisys SUPs annually.
5. Users will experience MVS and Unisys platforms availability of greater than 98 percent.
6. Complete a survey of Computing/Information Processing Service customers annually. Identify major concerns and issues. Not later than October 31, following the completion of the fiscal year, report to the Defense Management Council (DMC) an action plan that addresses all major issue areas with customers.
7. For the FY 2001 contract, DISA will conduct a study of commercial practices in Computing/information processing to use a benchmark for this business area.

CIVILIAN PERSONNEL

CISA civilian personnel (CIVPERS) requirements remain constant through the budget years. FY 2002 shows a significant reduction in both Defense Computing end-strength and full-time equivalents. DISA's plan is to reduce overhead infrastructure and flatten the WESTHEM organizational structure, including field management and administrative support.

Table 7 provides an overview of civilian personnel levels and costs for the activity group.

Table 7: Civilian Personnel

Communications Information Services Activity	FY 2000	FY 2001	FY 2002
Civilian End Strength	551	555	553
Civilian FTE	525	548	546
Civilian Personnel Cost (\$ Millions)	\$33.5	\$35.6	\$37.0

Defense Megacenters	FY 2000	FY 2001	FY 2002
Civilian End Strength	2,586	2,670	2,390
Civilian FTE	2,608	2,672	2,410
Civilian Personnel Cost (\$ Millions)	\$166.4	\$186.1	\$182.4

MILITARY PERSONNEL

The overall number of reimbursable Military Personnel (MILPERS) assigned to the CISA continues to decline as the Services reduce the number of personnel available to DISA and other defense agencies. Defense Computing requirements for MILPERS remains flat through the budget years. Table 8 provides a synopsis of DISA DWCF MILPERS levels and costs.

Table 8: Military Personnel

Communications Information Services Activity	FY 2000	FY 2001	FY 2002
Military End Strength	38	29	24
Military Workyears	39	29	24
Military Personnel Cost (\$ Millions)	\$2.1	\$1.6	\$1.5

Defense Megacenters	FY 2000	FY 2001	FY 2002
Military End Strength	16	21	21
Military Workyears	27	27	21
Military Personnel Cost (\$ Millions)	\$1.2	\$1.7	\$1.7

Changes in the Costs of Operations
Component: Defense Information Systems Agency
Activity Group: Communications Information Services Activity
June 2001
(Dollars in Millions)

FY 2000	Actual	1,838.369
FY 2001	Estimate in President's Budget	2,296.253
	Pricing Adjustments:	
	Inflation	1.836
	Program Changes:	
	Other Contracted Communications	(161.286)
	EMSS	39.100
	Enterprise Acquisition (Contracts)	(55.032)
	Reimbursable Telecommunications (FTS 2001)	18.020
	Various Program changes between cycles	16.566
	Other Changes:	
	Display of Intersystem Credits (from gross to net value)	(269.136)
FY 2001	Current Estimate	1,886.321
	Pricing Adjustments:	
	Price Growth	29.184
	Annualization	1.152
	Program Changes:	
	Purchased Communications Contracts	(21.638)
	Other Changes:	
FY 2002	Estimate	1,895.019

Changes in the Costs of Operations
Component: Defense Information Systems Agency
Activity Group: Defense Enterprise Computing Center
June 2001
(Dollars in Millions)

FY 2000	Actual	586.200
FY 2001	Estimate in FY01 President's Budget	582.100
	Program Changes:	
	New Customer Midtier Server Workload	18.800
FY 2001	Current Estimate	600.900
	Pricing Adjustments:	
	Annualization of Pay Raises	7.600
	Inflation	5.950
	Program Changes:	
	Personnel compensation	-11.300
	Travel	-1.394
	Materials and Supplies	3.272
	Intrafund Purchases	4.818
	Depreciation	3.400
	Contract Consultants	-20.983
	Equipment Maintenance by Contract	6.826
	Other Changes:	-14.089
FY 2002	Estimate	585.000

Exhibit Fund-2, Changes in the Costs of Operations

Source of New Orders and Revenue
Component: Defense Information Systems Agency
Activity Group: Communications Information Services Activity
June 2001
(Dollars in Millions)

	FY 2000	FY 2001	FY 2002
1. New Orders			
a. Orders from DoD Components			
Air Force	410.967	360.189	388.892
Army	293.461	289.283	302.427
Navy and Marine Corps	204.881	271.312	282.295
DISA	177.391	182.410	169.758
Other DoD	131.059	179.293	196.969
b. Orders from Other Fund Activity Groups			
DFAS	8.478	11.242	11.761
DLA	37.339	34.612	35.208
WestHem	298.450	244.183	244.459
c. Total DoD	1562.026	1572.524	1631.769
d. Other Orders			
FAA	207.516	220.458	220.095
Other Federal Agencies	52.491	89.461	94.543
Total New Orders	1822.033	1882.543	1946.407
2. Carry In Orders	0.000	0.000	0.000
3. Total Gross Orders	1822.033	1882.543	1946.507
4. Other Income	0.000	0.000	0.000
5. Revenue	1822.033	1882.543	1946.507
6. End of Year Work in Process	0.000	0.000	0.000
7. Direct Contract Obligations	0.000	0.000	0.000
8. Non-DoD, BRAC, FMS, and DWCF Orders	0.000	0.000	0.000
9. Funded Carry-Over (Charge to Backlog)	0.000	0.000	0.000
10. Months of Carry-Over	0.000	0.000	0.000

Source of New Orders and Revenue
Component: Defense Information Systems Agency
Activity Group: Defense Enterprise Computing Center
June 2001
(Dollars in Millions)

	FY 2000	FY 2001	FY 2002
1. New Orders			
a. Orders from DoD Components			
Air Force	96.200	69.700	91.400
Army	44.000	42.700	39.460
Navy and Marine Corps	49.100	63.700	43.290
DISA	11.200	13.300	18.300
Other DoD	22.700	42.900	38.050
b. Orders from Other Fund Activity Groups			
Air Force - Working Capital	50.300	63.700	45.200
Army - Working Capital	15.200	15.800	15.300
Navy - Working Capital	52.600	52.000	48.000
DISA - DWCF	7.300	8.400	5.700
DFAS	167.500	150.100	144.600
DLA	70.400	71.800	60.100
Defensewide - Working Capital	2.800	0.000	5.800
c. Total DoD	589.300	594.100	555.200
d. Other Orders			
Other Non-Federal	3.200	0.000	6.400
Total New Orders	592.500	594.100	561.600
2. Carry In Orders	0.000	0.000	0.000
3. Total Gross Orders	592.500	595.800	562.600
4. Other Income	16.700	4.700	3.900
5. Revenue	609.200	600.500	566.500
6. End of Year Work in Process	0.000	0.000	0.000
7. Direct Contract Obligations	0.000	0.000	0.000
8. Non-DoD, BRAC, FMS, and DWCF Orders	0.000	0.000	0.000
9. Funded Carry-Over (Charge to Backlog)	16.700	4.700	3.900
10. Months of Carry-Over	0.338	0.095	0.083

Source of New Orders and Revenue
Component: Defense Information Systems Agency
Activity Group: CISA and DECCs
June 2001
(Dollars in Millions)

	FY 2000	FY 2001	FY 2002
1. New Orders			
a. Orders from DoD Components			
Air Force	507.167	429.889	480.292
Army	337.461	331.983	341.887
Navy and Marine Corps	253.981	335.012	325.585
DISA	188.591	195.710	188.058
Other DoD	153.759	222.193	235.019
b. Orders from Other Fund Activity Groups			
Air Force - Working Capital	50.300	63.700	45.200
Army - Working Capital	15.200	15.800	15.300
Navy - Working Capital	52.600	52.000	48.000
DISA - DWCF	7.300	8.400	5.700
DFAS	175.978	161.342	156.361
DLA	107.739	106.412	95.308
Defensewide - Working Capital	2.800	0.000	5.800
WestHem	298.450	244.183	244.459
c. Total DoD	2,151.326	2,166.624	2,186.969
d. Other Orders			
FAA	207.516	220.458	220.095
Other Federal Agencies	52.491	89.461	94.543
Other Non-Federal	3.200	0.000	6.400
Total New Orders	2,414.533	2,476.543	2,508.007
2. Carry In Orders	0.000	0.000	0.000
3. Total Gross Orders	2,414.533	2,476.543	2,508.007
4. Other Income	16.700	4.700	3.900
5. Revenue	2,431.233	2,481.243	2,511.907
6. End of Year Work in Process	0.000	0.000	0.000
7. Direct Contract Obligations	0.000	0.000	0.000
8. Non-DoD, BRAC, FMS, and DWCF Orders	0.000	0.000	0.000
9. Funded Carry-Over (Charge to Backlog)	16.700	4.700	3.900
10. Months of Carry-Over	0.083	0.023	0.019

Revenue and Expenses
Component: Defense Information Systems Agency
Activity Group: Communications Information Services Activity
June 2001
(Dollars in Millions)

	FY2000	FY2001	FY2002
Revenue			
Gross Sales			
Operations	1,814.730	1,876.804	1,916.463
Capital Surcharge	0.000	0.000	0.000
Depreciation exclude Major Construction	7.303	5.739	30.043
Major Construction Depreciation	0.000	0.000	0.000
Total Gross Sales	1,822.033	1,882.543	1,946.506
Other Income	0.000	0.000	0.000
Total Income	1,822.033	1,882.543	1,946.506
Expenses			
Salaries and Wages			
Military Personnel	2.107	1.609	1.508
Civilian Personnel	34.054	36.121	37.532
Travel and Transportation of Personnel	2.397	3.238	3.962
Material and Supplies	81.016	86.253	81.591
Equipment	0.000	0.000	0.000
Other Intrafund Purchases	0.000	5.885	5.979
Transportation of Things	0.046	0.061	0.062
Capital Asset Depreciation	7.303	25.127	30.043
Printing and Reproduction	0.064	0.096	0.098
Advisory and Assistance Services	0.000	0.025	0.026
Rent, Communications, and Utilities	1,220.151	1,171.464	1,169.485
Other Purchased Services	491.231	556.442	564.733
Total Expenses	1,838.369	1,886.321	1,895.019
Operating Result	(16.336)	(3.778)	51.487
Less Capital Surcharge Reservation	0.000	0.000	0.000
Plus Appropriations Affecting NOR/AOR	0.000	0.000	0.000
Other Changes Affecting NOR	14.964	0.000	0.000
Net Operating Result	(1.372)	(3.778)	51.487
Prior Year AOR	(148.037)	(118.109)	(51.487)
Other Changes Affecting AOR	31.300	70.400	0.000
Accumulated Operating Result	(118.109)	(51.487)	0.000
Non Recoverable Adjustment Impacting AOR	0.000	0.000	0.000
Accumulated Operating Result for Budget Purposes	(118.109)	(51.487)	0.000

Exhibit Fund-14, Revenue and Expenses

Revenue and Expenses
Component: Defense Information Systems Agency
Activity Group: Defense Enterprise Computing Center
June 2001
(Dollars in Millions)

	FY2000	FY2001	FY2002
Revenue			
Gross Sales			
Operations	533.700	556.200	519.600
Capital Surcharge	0.000	0.000	0.000
Depreciation exclude Major Construction	58.800	39.600	43.000
Major Construction Depreciation	0.000	0.000	0.000
Total Gross Sales	592.500	595.800	562.600
Other Income	16.700	4.700	3.900
Total Income	609.200	600.500	566.500
Expenses			
Salaries and Wages			
Military Personnel	1.200	1.700	1.700
Civilian Personnel	166.400	186.100	182.400
Travel and Transportation of Personnel	5.000	5.900	4.600
Material and Supplies	22.300	26.700	30.400
Equipment	0.000	0.000	0.000
Other Intrafund Purchases	31.100	30.100	35.400
Transportation of Things	0.300	0.400	0.400
Capital Asset Depreciation	58.800	39.600	43.000
Printing and Reproduction	0.100	0.100	0.100
Advisory and Assistance Services	94.600	127.150	108.350
Rent, Communications, and Utilities	10.600	13.400	16.100
Other Purchased Services	195.800	169.750	162.550
Total Expenses	586.200	600.900	585.000
Operating Result	23.000	(0.400)	(18.500)
Less Capital Surcharge Reservation	0.000	0.000	0.000
Plus Appropriations Affecting NOR/AOR	0.000	0.000	0.000
Other Changes Affecting NOR	0.000	0.000	0.000
Net Operating Result	23.000	(0.400)	(18.500)
Prior Year AOR	(4.100)	18.900	18.500
Other Changes Affecting AOR	0.000	0.000	0.000
Accumulated Operating Result	18.900	18.500	0.000
Non Recoverable Adjustment Impacting AOR	0.000	0.000	0.000
Accumulated Operating Result for Budget	18.900	18.500	0.000

Exhibit Fund-14, Revenue and Expenses

Revenue and Expenses
Component: Defense Information Systems Agency
Activity Group: CISA and DECCs
June 2001
(Dollars in Millions)

	FY2000	FY2001	FY2002
Revenue			
Gross Sales			
Operations	2,348.430	2,433.004	2,436.063
Capital Surcharge	0.000	0.000	0.000
Depreciation exclude Major Construction	66.103	45.339	73.043
Major Construction Depreciation	0.000	0.000	0.000
Total Gross Sales	2,414.533	2,478.343	2,509.106
Other Income	16.700	4.700	3.900
Total Income	2,431.233	2,483.043	2,513.006
Expenses			
Salaries and Wages			
Military Personnel	3.307	3.309	3.208
Civilian Personnel	200.454	222.221	219.932
Travel and Transportation of Personnel	7.397	9.138	8.562
Material and Supplies	103.316	112.953	111.991
Equipment	0.000	0.000	0.000
Other Intrafund Purchases	31.100	35.985	41.379
Transportation of Things	0.346	0.461	0.462
Capital Asset Depreciation	66.103	64.727	73.043
Printing and Reproduction	0.164	0.196	0.198
Advisory and Assistance Services	94.600	127.175	108.376
Rent, Communications, and Utilities	1,230.751	1,184.864	1,185.585
Other Purchased Services	687.031	726.192	727.282
Total Expenses	2,424.569	2,487.221	2,480.019
Operating Result	6.664	(4.178)	32.987
Less Capital Surcharge Reservation	0.000	0.000	0.000
Plus Appropriations Affecting NOR/AOR	0.000	0.000	0.000
Other Changes Affecting NOR	14.964	0.000	0.000
Net Operating Result	21.628	(4.178)	32.987
Prior Year AOR	(152.137)	(99.209)	(32.987)
Other Changes Affecting AOR	31.300	70.400	0.000
Accumulated Operating Result	(99.209)	(32.987)	0.000
Non Recoverable Adjustment Impacting AOR	0.000	0.000	0.000
Accumulated Operating Result for Budget	(99.209)	(32.987)	0.000

Exhibit Fund-14, Revenue and Expenses