Fiscal Year 2011 Budget Estimates
Defense Logistics Agency (DLA)

February 2010

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates

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Operation and Maintenance, Defense-Wide Summary ($ in thousands)
   Budget Activity (BA) 2: Mobilization Warstoppers and
                      4: Administration and Service-Wide Activities

	FY 2009 Actuals	Price Change	Program Change	FY 2010 Estimate	Price Change	Program Change	FY 2011 Estimate
DLA	394,222	4,692	-22,138	376,776	5,328	65,939	448,043

* The FY 2009 Actual column <u>includes</u> $34,000 thousand of FY 2009 Bridge Funding Appropriations (PL 110-252); and $0.0 thousand of FY 2009 Supplemental Appropriations Act funding (PL 111-32).

* The FY 2010 Estimate column <u>excludes</u> $0.0 thousand requested in the FY 2010 Defense-Wide Overseas Contingency Operations Budget Request.

I.   Description of Operations Financed:

The Defense Logistics Agency (DLA) continues to execute the plan to improve the oversight of contractor services, acquire those services more effectively, and appropriately in-source contractor services to achieve efficiencies. The DLA is primarily a Defense Working Capital Fund (DWCF) activity, so the majority of the in-sourcing contractor services will be reflected in the DWCF budget presentation. The DLA Operation and Maintenance (O&M) appropriation is approximately 2% of the overall DLA budget.

Budget Activity (BA) 2 Mobilization Warstoppers: The DLA Operation and Maintenance (O&M) appropriation finances Warstoppers, because preparedness measures must be taken for certain supply items, and critical industrial capability must be preserved to support the Department's readiness and sustainment requirements.

Budget Activity (BA) 4 Administration and Service-Wide Activities: The DLA O&M appropriation finances contracts, supplies, equipment maintenance, communications, salaries, awards, personnel, benefits, travel, per diem, and training for two activities:

- Other Logistics Services (OLS) are associated with the DLA logistics mission such as price comparability, maps, unemployment, morale, welfare & recreation, and homeless blankets; and
- Other Logistics Programs (OLP) are program offices for which DLA is either the executive agent or the budget administrator.

Narrative Explanation of Changes: The FY 2011 program change is primarily attributable to an increase of $61.0 million in Facilities Sustainment funding (FY 2010 of $86.2M, FY 2011 of $148.8M). The funds for Facilities Sustainment are for long overdue repair and maintenance projects. O&M funds will be used to finance urgently needed life, safety, and health projects.

Other Logistics Services (OLS) (FY 2011: $391.5 million) includes programs associated with the DLA logistics mission as well as Departmental programs. The DLA is either the executive agent responsible for program oversight and policy guidance or the budget administrator responsible for supporting these programs, described in the paragraphs that follow:

1.   Unemployment Compensation
2.   Price Comparability
3.   Morale, Welfare and Recreation (MWR)
4.   Continuing Health
5.   Counter-Drug Activities
6.   Contingency Operations
7.   Disability Compensation
8.   Procurement Technical Assistance Program (PTAP)
9.   Inventory Management, Catalog Production & Distribution of Maps
10. Logistics Transformation

11. Homeless Blankets
12. Defense Finance and Accounting Service (DFAS)
13. Government Industry Data Exchange Program (GIDEP)
14. Small Business Administration Support
15. Mobilization Warstoppers
16. Facilities Sustainment
17. Defense Critical Infrastructure Program (CIP)
18. Pentagon Tenant Rent
19. Base Support
20. Department of Justice (DOJ) Litigation Support
21. NSPS Conversion
22. Agile Transportation USTRANSCOM
23. Managerial Support
24. Defense Environmental Restoration Account

1. Unemployment Compensation: (FY 2011: $12.3 million) The DLA pays the Unemployment Compensation for all Defense Agencies.

2. Price Comparability (FY 2011: $87.4 million) supports military unique (DoD-mandated) tasks, such as readiness support, that a commercial distribution company would not experience. The DLA prices are comparable to private-sector prices without these costs. For example, a commercial operation would either dispose of inventory demanded only in wartime (War Reserve Materiel) or charge the customer for the costs of retaining this inventory. By funding the cost of retaining this inventory outside customer prices, the DLA can reduce the materiel surcharge (Cost Recovery Rate) to achieve more comparable pricing. The Price Comparability baseline includes peacetime contingency planning and Command and Control Center costs, and the Department's hazardous and ozone depleting substances programs.

3. Morale, Welfare and Recreation (MWR): (FY 2011: $17.7 million) The MWR programs exists to support the DLA military, civilians, military retirees and their families by providing support and leisure services. Included are family programs, child and youth programs, recreation and sports programs, and leisure activities. The MWR contributes to the workforce's strength and readiness by offering services that reduce stress and promote self-confidence and foster strong esprit de corps. Funding is based on cost estimates for operating the DLA MWR activities.

4. Continuing Health (FY 2011: $.2 million) provides coverage for the DLA employees affected by reductions-in-force and BRAC.

5. Counter-Drug Activities funding is for approved counter narcotics projects, mandated drug testing, and drug abuse education. This program funding is budgeted at the Department level with the DLA reimbursement in the year of execution.

6. Contingency Operations (FY 2011: $.1 million) funding covers Agency costs incurred in support of Bosnia and Kosovo.

7. Disability Compensation (FY 2011: $.8 million) funding is required for disability compensation for the Clothing Factory (DSCP) closed by BRAC 1993.

8. Procurement Technical Assistance Program (PTAP) (FY 2011: $24.5 million) 10 USC 2412 Chapter 142 authorizes the Secretary of Defense, acting through the Director, DLA, to enter into cost sharing cooperative agreements with state and local governments, nonprofit organizations, Indian tribal organization and Indian economic enterprises to establish and conduct procurement technical assistance programs. The purpose of the program is to enhance the industrial base, improve local economies and generate employment by assisting with access to defense contracts. Activities include helping business firms market their goods and/or services to DoD, other Federal

agencies and state and local governments. Under the PTAP statute, DLA can match up to $.3 million for regionally (less than state wide) eligible entity and $.6 million for eligible entities providing assistance on a statewide basis per fiscal year.

9. Inventory Management, Catalog Production & Distribution of Maps
(FY 2011: $31.4 million) The DLA serves as the DoD Integrated Materiel Manager and Distributor of approximately 70,000 map items that transferred from the National Geospatial-Intelligence Agency (NGA).   The DLA provides a unified world-wide tailored distribution system for all geospatial products; which are no longer strictly hard copy map products and includes a wide variety of classified and unclassified hydrographic, topographic, aeronautical and digital maps, charts and various publications required to support the warfighter.

10. Logistics Transformation (FY 2011: $8.5 million) Studies specific initiatives that offer potential DoD transformation from the current "mass model" logistics structure into world-class integrated supply chains focused on warfighter needs. Initiatives compliment ongoing reengineering efforts with the Services, consistent with the Logistics Functional Requirements and Joint Vision 2010. Funds will support:
   * Provide analysis of operational logistics and focused logistics capabilities to support continuous review and development of the DoD Logistics Transformation Strategy and the Focused Logistics Roadmap;
   * Support the BRAC Industrial Joint Cross Service Group Deliberations and Analytical Requirements;
   * Accelerate implementation of performance based logistics:
   1. Assess commercial benchmarks relative to application on DoD weapon system performance targets.
   2. Establish "customer-facing" metrics such as delivery performance time, definite delivery, and perfect order fulfillment.
   * Establish "internal efficiency" metrics such as inventory days of supply.

- Identify and understand DoD Field-level Maintenance Costs;
- Ensure synchronization of the various enterprise integration programs under way within the Services and Agencies;
- Provide DoD supply chain metrics and analyses that support Secretary of Defense objectives to improve readiness, decrease support costs, and reform DoD processes and organizations;
- Provide Material Readiness Strategic Roadmap and Maintenance Transformation;
- Implement a modern integrated supply chain by incorporating new innovations and best practices into DoD supply chain policies and processes;
- Coordinate the information technology requirements and functional capability within Deputy Under Secretary of Defense (Logistics and Materiel Readiness) (DUSD(L&MR)) activity; and
- Establish a formal integration and qualification structure to accelerate performance-based logistics initiatives within the Services and Agencies.

These tasks accelerate the transition and transformation of the Department's logistics capabilities. They enable DoD to move toward the objective of transforming DoD logistics capabilities to support joint forces by conducting distributed adaptive operations and integrating logistics capabilities from source of supply or service to point of effect across Services and Defense Agencies. They support the management goals of achieving credibility and effectiveness in acquisition and logistics and using technologies to create future capabilities, systems, and strategies. They support the Secretary's objectives of improving readiness, decreasing support costs, and reforming DoD processes and organizations.

11. <u>Homeless Blankets</u> (FY 2011: $3.6 million) The Stewart B. McKinley Homeless Assistance Act of 1987 requires the DLA to provide blankets to qualified US 501(C)3

organizations working with the homeless. Homeless shelters request blankets, which are issued on a first-come, first-served basis up to the amount of funding.

12. <u>Defense Finance and Accounting Service (DFAS)</u> (FY 2011: $1.9 million) The DFAS requires reimbursement for accounting services provided to the activities and programs reflected in Other Logistics Services, Other Logistics Programs, and Warstoppers.

13. <u>Government Industry Data Exchange Program (GIDEP)</u>: (FY 2011: $3.5 million) The GIDEP's mission is to foster and facilitate the exchange of technical information between government agencies and industry to increase systems safety, reliability, and readiness while reducing systems development, production, and ownership costs. Member agencies include the DoD, Army, Navy and Marine Corps, Air Force, the Department of Energy, and the National Air and Space Administration. Information exchanged has been focused on failure experience, obsolescence management, product change, engineering, reliability/maintainability, and metrology. GIDEP members provide information to the GIDEP database through a web interface and/or through custom reports. GIDEP has been designated by OMB Policy Letter 91-3 as the provider of the government's central database for receiving and disseminating information about nonconforming products and materials (including suspected counterfeits) and by DOD as the Diminishing Manufacturing Sources and Material Shortages (DMSMS) centralized database for sharing DMSMS information among DOD and Industry groups. Supporting a community of approximately 2,000 organizations represented by 6,000 users, GIDEP has reported approximately $2 billion to date in savings and cost avoidance through the use of this information exchange. This program was realigned from the Navy to the Defense Standardization Program Office (DSPO) in FY 2008.

14. <u>Small Business Administration Support</u> (FY 2011: $.2 million) This funding pays the costs to certify firms that claim disadvantage business status.

15. Mobilization Warstoppers: (FY 2011: $48.4 million) Funding for Warstoppers recognizes that the Department must take extra preparedness measures for certain supply items, and that critical industrial capabilities must be preserved to support the Department's readiness and sustainment requirements. This concept applies to items such as chemical protective suits, nerve agent antidote auto-injectors, meals-ready-to eat, and tray pack assemblies. Peacetime demand for these items is inadequate to sustain an industrial base sufficient for readiness and mobilization. The DLA uses a rigorous business case evaluation to obtain a return on investment that maximizes warfighter benefits. These efforts do not fall within the customer-focused purview of the Defense Working Capital Fund (DWCF). The Warstoppers program is the single Agency program for the preservation of essential production capability. It provides the means to invest in improving industry responsiveness, typically without purchasing finished goods inventory. It includes the funding of Industrial Preparedness Measures (IPMs) that support the "surge" of go-to-war material to increase supply availability of DLA procured items and provides for War Reserve Material (WRM) offsets items as directed in Defense planning documents. The most recent return on investment (ROI) analysis for the program indicates that from 1993 through 2007, the Warstopper program has offset over $3.4 billion in WRM and maintains a healthy ROI of 7.2:1.

16. Facilities Sustainment (FY 2011: $148.8 million) provides for maintenance and repair activities to keep facilities in good working order. This includes major repairs or replacement such as, the roof, refinishing wall surfaces, heating and cooling systems, tile and carpeting, etc. This funding includes regularly scheduled minor repairs, adjustments, inspections, preventative maintenance tasks, and emergency responses. Costs for certain types of restoration, modernization, and environmental compliance are funded elsewhere. The FY 2010 funding for this program is $86.182M.

17. Defense Critical Infrastructure Program (DCIP) (FY 2011: $1.2 million) The DCIP supports DoD-wide risk management decisions by responsible authorities to execute the DoD mission-essential functions and primary mission essential functions in support of national essential functions under all circumstances. Defense Logistics Infrastructure Sector Lead Agent funding was realigned from ASD (Homeland Defense & Americas Security Affairs) in FY 2009 to the DLA. This allows Logistics DCIP program management to take place closer to the execution source. The DLA facilitates the identification, assessment, and risk management of DoD-wide logistics critical assets. This information is shared with the CoCOMS, Services, and other Defense Agencies via a DCIP shared data environment for integrated, DoD-wide DCIP risk management. This enables the prioritization of scarce Component resources for remediation of infrastructure vulnerabilities, mitigation of impact of incidents upon infrastructure, and reconstitution of DoD infrastructure capabilities by allowing resources to be applied to Defense Critical Infrastructure assets essential to project, support, and sustain military forces and operations.

18. Pentagon Tenant Rent (FY 2011: $.0 million) Base tenant rent was realigned by the Pentagon Occupancy Space Allocation Study for staff in the Pentagon Reservation. There is no O&M budget request for this program in FY 2011.

19. Base Support (FY 2011: $.0 million) Supports the requirements for Agency's Public Works Department base support services and was realigned to the DLA Working Capital Fund in FY 2010. There is no O&M budget request for this program in FY 2011.

20. Department of Justice (DOJ) Litigation Support (FY 2011: $.0 million) Funds the DLA environmental litigation support to the DOJ. There is no budget request for this program in FY 2011.

21. NSPS Conversion (FY 2011: $.248 million) Funds the conversion to general schedule.

22. Agile Transportation (AT) USTRANSCOM FY 2011: .75 million) Funding to support USTRANSCOM for the Geographic Combatant Commanders (GCCs) automated capability to (1) manage transportation planning and execution processes for cargo and passenger movement within their respective theaters of operation or (2) match global movement requirements against available lift assets to produce an optimized transportation schedule that meets delivery requirements. AT21 Increment 3 Theater Capability will provide continuous visibility, collaboration, automated processes, alerts and an exception management capability supporting transportation planning and execution for theater force and sustainment movements.   When fully implemented, it will provide opportunities to streamline cargo movement by optimizing capacity and provide complete visibility by synchronizing theater movements with strategic movements. USTRANSCOM Transportation Working Capital Funds (TWCF) is being utilized for strategic level process improvement, business process management and optimization. TWCF funds are not authorized for development activities supporting theater operations, so appropriated fund sources will support this effort. O&M funds will be used in support of the following activities: server operations and technical support in a Defense Information Systems Agency (DISA) Defense Enterprise Computing Center (DECC) environment; and (2) functional process analysis, process mapping and process standardization.

23. Managerial Support (FY 2011: $.04 million) Funding supports and pays for various activities like confidential investigations

24. Defense Environmental Restoration Account (DERA): The DERA, established by Congress in FY 1984, funds environmental programs for Installation Restoration Projects (IRPs) at DoD sites. These resources are used for achieving and maintaining compliance with the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendment and Reauthorization Act of 1986, and the National Contingency Plan. The Defense

Environmental Restoration Program (DERP) provides centralized management for the cleanup of DoD hazardous waste sites and is supported by funding in the DERA. The DLA implements the DoD DERP program through the IRP that includes a comprehensive program to identify, investigate and clean up contamination from hazardous substances, pollutants, and contaminants at active DLA sites as well as formerly-owned or used properties and Potentially Responsible Party sites (third-party sites) where the DLA is named as a responsible party. This program funding is budgeted at the Department level with the DLA reimbursement in the year of execution.

Other Logistics Programs (OLP) (FY 2011: $56.5 million and 161 FTEs) are multiple program offices for which the DLA is either the executive agent or the budget administrator. Personnel (FTEs) work exclusively on the respective programs. The O&M appropriation funds the contracts, supplies, equipment maintenance, communications, salaries, awards, personnel benefits, travel, per diem, and training in support of these programs. The Activity Group, described below, includes:

1. The DLA Program Direction
    1.1. Automatic Identification Technology (AIT)
    1.2. Law Enforcement Support Office (LESO)
2. The OSD Program Direction With Administrative Support From the DLA
    2.1. Defense Property Accountability System (DPAS)
    2.2. Defense Microelectronics Activity (DMEA)
    2.3. Business Process Reengineering Center (BPRC)
    2.4. Continuity of Operations Program (COOP)
    2.5. DoD Classified Program
    2.6. Defense Standardization Program Office (DSPO)
    2.7. Joint Contingency Acquisition Support Office (JCASO)
    2.8. Joint Purchase Card Program Office (JPCPO)

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1.1 Automatic Identification Technology (AIT) (FY 2011: $2.6 million) The AIT is a suite of technologies (e.g., bar codes, smart cards, satellite tracking systems, and RFID tags) used to capture, aggregate, and transfer data automatically to the Automated Information Systems (AIS). The use of AIT with AIS provides timely visibility of logistics assets, whether in-process, in-storage, or in-transit. Current DoD policy requires the use of active (high capacity) RFID tags to mark certain consolidated shipments and passive RFID tags for the case, pallet, and item packaging for unique identification items.

1.2 Law Enforcement Support Office (LESO) (FY 2011: $1.8 million and 14 FTEs) The LESO administers the transfer of excess DoD personal property suitable for use by other Federal and State agencies in law enforcement activities, including counter-drug and counter terrorism activities under Section 1033 of the FY 1997 National Defense Authorization Act. In FY 2004, the Department transferred Drug Interdiction and Counterdrug Activities, Defense, funding for LESO to DLA.

2.1 Defense Property Accountability System (DPAS) (FY 2011: $10.1 million and 7 FTEs) The DPAS is used by nearly every Component in DoD, supporting over 6,500 users accountable for nearly 7 million assets valued at over $52 billion. The DPAS is a critical financial feeder system, and provides capital asset values (acquisition value minus accumulated depreciation) that are reported on Component financial statements for personal, military, heritage, and real property accounts. The system is web-enabled and is continually upgraded to comply with the latest business transformation initiatives. The Under Secretary of Defense Acquisition, Technology and Logistics (OUSD(AT&L)) provides program management oversight.

2.2 Defense Microelectronics Activity (DMEA) In FY 2010, the DMEA O&M funding transferred to DLA's Research, Development, Test and Evaluation.

2.3 <u>Business Process Reengineering Center</u> (BPRC) (FY 2011: $1.8 million, 14 direct-funded FTEs and 3 reimbursable FTEs) The BPRC is a Center focused on a management analysis discipline that redesigns processes, organizations, and the culture of DoD activities through functional leaders who apply improvement tools and techniques. The Business Process Reengineering (BPR) technique approach of redesign can be radical or incremental to achieve dramatic improvements. The BPR achieves results by analyzing processes through a cross-functional, integrated analysis of multiple activities or functions. The BPR, chartered to support the Under Secretary of Defense Acquisition, Technology and Logistics (USD (AT&L)), includes services to carry out activities such as:
  1) Strategic planning, outlining vision and goals;
  2) Activity modeling of current and future processes, including cross-functional and integration analyses;
  3) Data modeling (including data standardization) associated with activity modeling;
  4) Benchmarking to identify and evaluate best practices and their application to DoD;
  5) Development of functional economic analyses;
  6) Planning for BPR implementation and assessment;
  7) Analysis leading to the selection of migration systems following BPR;
  8) Development and identification of BPR tools.

2.4 <u>Continuity of Operations</u> (COOP) (FY 2011: $27.1 million, 50 direct-funded FTEs and 22 reimbursable FTEs), The COOP is under the staff cognizance and oversight of the Office of the Secretary of Defense and was transferred to the DLA in FY 1994. In accordance with DoD Directive 5111.1, Defense Continuity & Crisis Management (DCCM) was established to consolidate continuity-related policy and oversight activities within DoD in order to ensure the Secretary of Defense can perform his mission essential functions under all circumstances. DCCM provides for the Secretary of Defense policy, plans, crisis management, and oversight of Department of Defense continuity related program activities. The DCCM's primary mission is to support the continued execution of the Department's mission essential functions across the full spectrum of threats. The threats range from

major natural disasters to weapons of mass destruction in major metropolitan areas, as well as large-scale terrorist attacks.

2.5 <u>DoD Classified Program</u> (FY 2011: $1.4 million, 9 direct-funded FTEs and 5 reimbursable FTEs) This program was transferred to the DLA in FY 2001.

2.6 <u>Defense Standardization Program Office</u> (DSPO) (FY 2011: $4.8 million and 12 FTEs) The DSPO was transferred from the OUSD(AT&L) to DLA in FY 1999. The Defense Standardization Program (DSP) is authorized by Sections 2451-2452 of Title 10, United States Code, and the DoDI 4120.24, which implements the DSP in the DoD. The DSPO is the Executive Agent responsible for developing DoD policy and procedures for the DSP, to include the development and use of military specifications and standards; DoD adoption of non-Government standards; Diminishing Manufacturing Sources and Material Shortages; Government-Industry Data Exchange Program; and a variety of related issues. The DSPO represents the Department to DoD communities, other Federal agencies, and the private sector by providing tools, training, and outreach with material standardization products and services that enhance and facilitate understanding, communication, and coordination to improve interoperability and logistics readiness and reduce total ownership costs. DSPO also represents the United States on NATO materiel standardization policy committees.

2.7 <u>Joint Contingency Acquisition Support Office</u> (JCASO) (FY 2011: $5.3 million and 25 FTEs) JCASO was established in recognition of 2007 NDAA, Section 854, direction to DoD to develop joint policies that provide for a "preplanned organizational approach to program management" for deployed forces. JCASO advances acquisition management of Operational Contract Support (OCS) for planning, exercises and training; when requested by a Combatant Commander during contingencies, JCASO deploys as an enabling joint staff organization to augment the Combatant Commander staff for OCS support. Typical OCS tasks conducted by JCASO:

- Enforce Combatant Commanders' intent and acting in boards, centers and calls.
- Provide the Combatant Commander with acquisition guidance to multiple components; coalition forces and the whole of Government.
- Maximize efficiencies, minimize costs, enhance support and reduce competition for resources during contingencies in the Joint Operating Area.
- Provide a deployable capability for Combatant Commands to employ when desired.

There is an increase of civilian personnel and salaries for the Joint Contingency Acquisition Support Office from in-sourcing positions currently held by contractor personnel in the COCOMs to provide Combatant Commands a staff element at the operational level for contingency acquisition oversight.

2.8 Joint Purchase Card Program Office (JPCPO) (FY 2011: $1.6 million) The PCPO function is being realigned from the Army to DLA in FY 2010, to minimize purchase card related fraud, waste, and abuse and enable the transition to a procurement portfolio e-business environment. The OUSD(AT&L) provides program management oversight.

II. **Force Structure Summary**: **N/A**

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III. Financial Summary ($ in thousands)

			FY 2010				
			Congressional Action				
A. BA Subactivities	FY 2009 Actuals	Budget Request	Amount	Percent	Appropriated	Current Estimate	FY 2011 Estimate
1. Operational Forces	-	-	-	-	-	-	
2. Mobilization (Warstoppers)	42,438	47,114	-200	-0.4	46,914	46,914	48,414
3. Training	-	-	-	-	-	-	-
4. Administration and Service-Wide Activities							
Other Logistics Services							
Unemployment Compensation	12,053	12,135	-20	-0.2	12,115	12,115	12,297
Price Comparability	79,231	81,819	-340	-0.4	81,479	81,479	87,407
Morale, Welfare & Recreation (MWR)	13,392	15,270	-64	-0.4	15,206	15,206	17,739
Continuing Health	36	476	-1	-0.2	475	475	149
Counter Drug Activities	406	-	-	-	-	-	-
Contingency Operations	2	513	-2	-0.4	511	511	100
Disability Compensation	806	804	-1	-0.2	803	803	809
Procurement Technical Assistance Program (PTAP)	29,725	20,732	8,912	43.0	29,644	29,644	24,459
Inventory Management, Catalog Production & Distribution of Maps	29,631	30,839	-130	-0.4	30,709	30,709	31,365
Logistics Transformation	13,058	8,359	-35	-0.4	8,324	8,324	8,520
Homeless Blankets	2,053	3,556	-15	-0.4	3,541	3,541	3,624
Defense Finance & Accounting Service (DFAS)	1,752	2,220	-4	-0.2	2,216	2,216	1,923

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A. BA Subactivities	FY 2009 Actuals	Budget Request	FY 2010 Congressional Action Amount	Percent	Appropriated	Current Estimate	FY 2011 Estimate
Government Industry Data Exchange Program (GIDEP)	3,225	3,445	-14	-0.4	3,431	3,431	3,480
Small Business Administration Support	–	161	–	–	161	161	165
Base Support	493	–	–	–	–	–	–
Supplemental Funds	34,000	–	–	–	–	–	–
Facilities Sustainment	49,387	123,131	-36,949	-30.0	86,182	86,182	148,848
Defense Critical Infrastructure Program Logistics Lead Agent	1,129	1,252	-6	-0.5	1,246	1,246	1,192
Pentagon Tenants' Rent	12	328	–	–	328	328	–
Department of Justice (DOJ) Litigation Support	250	–	–	–	–	–	–
NSPS Conversion	–	–	–	–	–	–	248
Agile Transportation USTRANSCOM	–	–	–	–	–	–	750
Managerial Support	26	41	–	–	41	41	42
Defense Environmental Restoration Account	8,000	–	–	–	–	–	–
Total Other Logistics Services	278,667	305,081	-28,669	-9.4	276,412	276,412	343,117
Other Logistics Programs							
Automatic Identification Technology	2,771	2,710	-11	-0.4	2,699	2,699	2,658
Defense Property Accountability System	11,740	10,006	-42	-0.4	9,964	9,964	10,110
Defense Microelectronics Activity	15,096	–	–	–	–	–	–

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			FY 2010				
			Congressional Action				
A. BA Subactivities	FY 2009 Actuals	Budget Request	Amount	Percent	Appropriated	Current Estimate	FY 2011 Estimate
Business Process Reengineering Center	1,775	1,812	–	–	1,812	1,812	1,853
Defense Standardization Program Office	4,905	4,694	-20	-0.4	4,674	4,674	4,763
Continuity of Operations	34,206	26,726	-128	-0.5	26,598	26,598	27,073
Law Enforcement Support Office	1,250	1,745	-7	-0.4	1,738	1,738	1,765
DoD Classified Program	1,375	1,385	–	–	1,385	1,385	1,422
Joint Contingency Acquisition Support Office	–	3,000	-13	-0.4	2,987	2,987	5,279
Joint Purchase Card Program Office	–	1,600	-7	-0.4	1,593	1,593	1,589
Total Other Logistics Program	73,118	53,678	-228	-0.4	53,450	53,450	56,512
Total	**394,222**	**405,873**	**-29,097**	**-7.2**	**376,776**	**376,776**	**448,043**

* The FY 2009 Actual column <u>includes</u> $34,000 thousand of FY 2009 Bridge Funding Appropriations (PL 110-252); and $0.0 thousand of FY 2009 Supplemental Appropriations Act funding (PL 111-32).

* The FY 2010 Estimate column <u>excludes</u> $0.0 thousand requested in the FY 2010 Defense-Wide Overseas Contingency Operations Budget Request.

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III. Financial Summary ($ in thousands)

B. Reconciliation Summary	Change FY 2010/FY 2010	Change FY 2010/FY 2011
Baseline Funding	405,873	376,776
Congressional Adjustments (Distributed)	-28,419	
Congressional Adjustments (Undistributed)	-	
Adjustments to Meet Congressional Intent	-	
Congressional Adjustments (General Provisions)	-678	
Subtotal Appropriated Amount	**376,776**	
Fact-of-Life Changes (CY to CY Only)	-	
Subtotal Baseline Funding	**376,776**	
Anticipated Supplemental	-	
Reprogrammings	-	
Price Changes	-	5,328
Functional Transfers		-
Program Changes		65,939
Current Estimate	**376,776**	**448,043**
Less: Wartime Supplemental	**-**	
Normalized Current Estimate	**376,776**	

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III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
FY 2010 President's Budget Request (Amended, if applicable)		405,873
1. Congressional Adjustments		-29,097
a. Distributed Adjustments		
1) Facilities Sustainment	-36,419	
2) Procurement Technical Assistance Program	9,000	
3) In-Sourcing Adjustment	-1,000	
b. Undistributed Adjustments		
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8097 – Economic Assumptions	-506	
e. Congressional Earmarks – Sec 8037 Mitigation of Environment Impacts	-172	
FY 2010 Appropriated Amount		**376,776**
2. War-Related and Disaster Supplemental Appropriations		-
3. Fact of Life Changes		-
FY 2010 Baseline Funding		376,776
4. Reprogrammings (requiring 1415 Actions)		-
Revised FY 2010 Estimate		376,776
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		-
FY 2010 Normalized Current Estimate		376,776
6. Price Change		5,328
7. Functional Transfers		-
8. Program Increases		76,299
a. Annualization of New FY 2010 Program		

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

b. One-Time FY 2011 Increases

c. Program Growth in FY 2011

	Amount
1) Unemployment increase due to estimated program requirements for employee benefits (FY 2010 Base: $12.135M)	12
2) Facilities Sustainment increase for activities such as roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, necessary to keep facilities in good working order (FY 2010 Base: $123.131M)	61,459
3) Warstoppers increase to preserve essential industrial base production capability for the clothing and textile supply chain (FY 2010 Base: $47.114M)	843
4) Morale, Welfare and Recreation increase for additional child and youth program support throughout the DLA enterprise. Adequate staffing and program support for the DLA child development centers will reduce program risks and liability and improved program oversight and effectiveness (FY 2010 Base: $15.27M)	2,320
5) Mapping increase due to Defense Logistics Information Service program operating costs (FY 2010 Base: $30.839M)	226
6) Disaster Relief Blankets increase based on program estimated requirements (FY 2010 Base: $3.556M)	33
7) Logistics Transformation increase for estimated Department transformation initiatives in support of the warfighter supply chain (FY 2010 Base: $8.359M)	79
8) Small Business payment increase due to estimated costs for the Small Business Administration to certify firms that claim small disadvantage business status (FY 2010 Base: $0.016M)	2
9) Official Representation Funds increase for estimated Agency requirements (FY 2010 Base: $0.016M)	1

III. <u>Financial Summary</u> ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
10)Director's medallions increase due to estimated program requirements (FY 2010 Base: $0.13M)	1	
11)Price Comparability increase to support depot operations (FY 2010 Base: $81.819M)	4,455	
12)Agile Transportation increase to support USTRANSCOM for Geographic Combatant Commanders automated capability to streamline cargo movement (FY 2010 Base $.0M)	750	
13)NSPS increase to support conversion efforts to general Schedule (FY 2010 Base: $.0M)	248	
14)Increase for the Government Industry Data Exchange Program is due to fact of life changes (FY 2010 Base: $3.445M)	1	
15)Increase for the Business Process Reengineering Center is for labor (FY 2010 Base: $1.812M)	13	
16)Increase is due to the Defense Property Accountability System operation funding requirements (FY 2010 Base: $10.006M)	5	
17)Increase for the Defense Standardization Program Office is due to operation funding requirements (FY 2010 Base: $4.694M)	20	
18)Increase in labor for the Classified Program (FY 2010 Base: $1.385M)	15	
19)Increase due to the Defense Continuity Program Office (part of Continuity of Operations Program) operation funding requirements (FY 2010 Base: $26.726M)	39	
20)Increase for the Law Enforcement Support Office is due to fact of life changes (FY 2010 Base: $1.745M)	2	
21)Increase to the PTAP baseline to fund Center awards (FY 2010 Base: $20.732M)	3,526	
21)Increase for the Joint Contingency Acquisition Support Office is for in-sourcing positions that are currently held by contractor personnel in the COCOMs (FY 2010 Base: $3M)	2,249	

III. **Financial Summary ($ in thousands)**

C. Reconciliation of Increases and Decreases	Amount	Totals
9. Program Decreases		-10,360
a. Annualization of FY 2010 Program Decreases		
b. One-Time FY 2010 Increases		
1) Decrease to subtract out Congressional add for PTAP	-9,126	
c. Program Decreases in FY 2011		
1) Decrease for Automatic Identification Technology is due to reduced contractor support costs (FY 2010 Base: $2.710M)	-79	
2) Decrease in Joint Purchase Card Program Office is due to reduced contractor support costs (FY 2010 Base: $1.6M)	-26	
3) Continuing Health decrease due to estimated employee benefits (FY 2010 Base: $.476M)	-333	
4) Contingency Operations decrease due to lower Agency costs in support of Bosnia and Kosovo Contingency Operations (Base: $.513M)	-418	
5) Disability Compensation decrease due to estimated program requirements for employee benefits (FY 2010 Base: $.804M)	-5	
6) Defense Critical Infrastructure Protection decrease for Logistics Sector Lead Agent program requirements (FY 2010 Base: $1.252M)	-71	
7) DFAS decrease due to direct billable workload for the DLA General Fund Appropriations (FY 2010 Base: $2.22M)	-302	
FY 2011 Budget Request		**448,043**

IV. <u>Performance Criteria and Evaluation Summary</u>

<u>**Other Logistics Services (OLS)**</u> includes multiple programs which the DLA is either the executive agent responsible for program oversight and policy guidance or the budget administrator responsible for administrative support. Measures used for programs to track performance are *customer satisfaction* and *funding execution*. Performance criteria for each program follows:

<u>Customer Satisfaction</u> is measured through surveys, comment cards, informal and formal customer feedback. Additionally, customer satisfaction is measured through Congressional inquiries and appeals as they relate to the program execution. Problems identified in this measure are assessed for corrective action.

<u>Funding execution's</u> goal is accurate budget estimates for Unemployment, Continuing Health Benefits, and Disability Compensation. Success is measured through assessing the accuracy of funding levels by tracking trends and reviewing aged accounts. The target is to obligate 100 percent of funds and DLA requires that any program that executes at less than the projected rate to reassess their financial plans through improved financial management processes, increased training and more aggressive execution plans.

<u>The Warstoppers Program</u> enhances DoD's wartime readiness by funding activities that improve the DLA's capability to meet the Services' and Combatant Commanders' wartime requirements. The program funds industrial preparedness measures that preserve critical industrial capability and accelerate the production of critical spares and troop support items, such as Medical, Clothing & Textiles, and Subsistence Rations. Comprehensive industrial base assessments, plans to address capability shortfalls and industrial preparedness measures form the basis for the metrics. The Warstoppers Program metrics are requirements validation, industry capability validation, requirements offset capability, and resource availability/management and percent of items with surge coverage. The metrics account for coverage of war reserve requirements, surge testing,

IV. <u>Performance Criteria and Evaluation Summary</u>

and return on investment which is calculated against the offset of unfunded War Reserve Requirements identified by the Services.

The <u>Procurement Technical Assistance Program (PTAP)</u> is monitored and evaluated by the bi-annual Procurement Technical Assistance (PTA) Performance Data Reports. The report is submitted by each Procurement Technical Assistant Centers (PTACs) on the first six months of performance and the final yearly report summary, which is due 90 days after the expiration date of the PTA Cooperative Agreement's performance period. The report tracks the number of Active Clients, Outreach Events, Initial and Follow-up Counseling Sessions by category of Small Business Concerns, Other Businesses, and the number and dollar value of prime and subcontract awards. The dollar value of prime and subcontract awards is used to calculate the number of jobs potentially created as a result of the PTAC's efforts. Report submission validations occur during on-site reviews.

The <u>Morale, Welfare & Recreation</u> performance metrics track readiness support as it relates to quality child care, physical fitness and family support programs and relocation assistance; Non-Appropriated Fund accountability and reinvestment; and customer service provided in the areas of recreation activities such as lodging, pools, dining facilities and information, ticketing and reservations.

The <u>Defense Critical Infrastructure Program (DCIP)</u> supports DoD-wide risk management decisions by responsible authorities to enable the continued execution of DoD mission-essential functions (MEFs) and primary mission essential functions (PMEFs) in support of national essential functions (NEFs) under all circumstances. The DLA, as the DCIP Logistic Lead Agent, facilitates the identification, assessment, and risk management of DoD-wide logistics critical assets by sharing logistics infrastructure information with the CoCOMS, Services, and other Defense Agencies via a DCIP shared data environment.

IV. <u>Performance Criteria and Evaluation Summary</u>

<u>Logistics Transformation</u> is measured by DoD's wartime readiness to improve the Department's ability to prepare and oversee execution of a rigorous "To-Be" Capability Roadmap, in coordination with the Joint Staff, Military Departments, Combatant Commands, and Defense Agencies to include ongoing assessments stemming from the Quadrennial Review (QDR). The ability to monitor and enhance the Department's logistics performance and resource application, through continuous process improvement for the end-to-end value chain, will provide a cost-effective logistics and material readiness program. These metrics will provide the basis to issue, validate, and revise policy. The policies will provide guidance for the implementation of RFID (Radio Frequency Identification Tags) in the Supply Chain. This will support both the current active Intransient Visibility/Total Asset Visibility RFID capability in support of ongoing Combatant Command operations and future emerging passive RFID capabilities in support of improvements to the integrated end-to-end DoD Enterprise.

<u>Facilities Sustainment</u>

Funding Levels	FY 2009 Actual	FY 2010 Estimate	FY 2011 Estimate
Operations & Maintenance			
Sustainment	49,387	86,182	148,848
Demolition	-	-	-
Subtotal	49,387	86,182	148,848
Defense Working Capital Fund			
Sustainment	311,000	520,000	855,000
Restoration and Modernization	49,500	61,500	67,100
Demolition	25,800	19,100	32,900
Subtotal	386,300	600,600	955,000

IV. <u>Performance Criteria and Evaluation Summary</u>

Funding Levels	FY 2009 Actual	FY 2010 Estimate	FY 2011 Estimate
Total Facilities Sustainment			
Sustainment	360,387	606,182	1,003,848
Restoration and Modernization	49,500	61,500	67,100
Demolition	25,800	19,100	32,900
Total	435.687	686,782	1,103,848
DLA	45%	108%	57%
Department Sustainment Goal for DLA	90%	90%	90%

<u>The Environmental Restoration Program</u> funded by DERA uses two Measures of Merit (MOM) which are categorized by risk (MOM#R1) and phase (MOM#R2). Table 1 shows estimates for site cleanup by risk category (MOM#R1) at the end of FY 2008 and FY 2009:

Category	FY 2008	FY 2009
High Risk	3	2
Medium Risk	1	1
Low Risk	3	1

IV. <u>Performance Criteria and Evaluation Summary</u>

Table 2 shows projected status by activity type (MOM#R2) at the end of FY 2008 and FY 2009:

Category	FY 2008	FY 2009
Investigation	9	9
Cleanup	30	28
Response Complete	336	338

<u>The Defense Property Accountability System</u> currently supports 1.4 million assets worth $44 billion. The DPAS is utilized by Military Services and Agencies as solution for tracking Government Furnished Equipment in accordance with DoDI 5000.64. The DPAS is an integrated business management system for providing accounting and accountability of DoD-owned property and equipment for the Army, Navy, Marine Corp, and most Defense Agencies. DPAS is the only equipment management system that fully meets the definition of an accountable property system of record (APSR) per DoD Instruction 5000.64, by providing equipment transparency and accountability throughout the asset's lifecycle–from acquisition through to delivery, use, re-use, and final disposition processing. DPAS interfaces with seven accounting systems, the Wide Area Work Flow (WAWF), and the Item Unique Identification (UID) Registry, and additionally manages the Real Property UID (RPUID). This PKI compliant, web-based capability provides the best commercial practices functionality for equipment management. The DPAS metrics provides statistics on several categories such as IUID registry usage and compliance, inventory frequency and compliance with industry standards, and capital asset reporting, as well as having audit capabilities on several life cycle stages.

IV. <u>Performance Criteria and Evaluation Summary</u>

<u>The Defense Standardization Program Office</u> (DSPO) develops policies, procedures, and guidance ensuring standardized policy across the Military Departments and Defense Agencies. The qualitative performance indicators for the DSPO are:

- Effectiveness of the DSP as a single source for information exchange and coordination of all defense standardization efforts, measured by increased number of organizations participating in information exchange, and increased customer satisfaction based on survey results; and

- Success in institutionalized development and use of performance and Non-Government Standards (NGSs) in the DoD, measured by increased usage of performance and NGSs, and decreased usage of military-unique specifications and standards.

<u>The Business Process Reengineering Center</u> (BPRC) proposes redesign of processes, organizations and culture to streamline functions and reduce inefficiencies across the Department. It contributes to improvements in the E-business areas of logistics systems modernization, acquisition reporting, information technology (IT), and internal processes and business practices. Performance measures track the development of network architecture, support to the Future Logistics Enterprise, end-to-end procurement process integration and modernization, integrated digital environment acquisition life-cycle, and the Acquisition Technology & Logistics (AT&L) IT modernization and knowledge management portal capability. Metrics include execution of the planned redesign and streamline functions to reduce inefficiencies in AT&L.

A Business Process Improvement project that IC initiated in 2007, and which is ongoing, to improve the process to support a 48-hour turn-around in support of cooperative projects that support coalition operations. Since November 2007 errors have reduced from 80% to 35% and OSD processing time from 60 days to 34 days. Approximately, 190 agreements are processed each year. Foreign contributions to these agreements (as a

IV. <u>**Performance Criteria and Evaluation Summary**</u>

result to U.S. Acquisition programs) are approximately $4B over a five-year period. Other on-going processes include: LO/CLO review and approval process; COMSEC release process; Tactical Datalink release process, and intelligence release process.

One of DPAP's big initiatives is the DoD's Knowledge Based Services (KBS) portfolio.
- o KBS portfolio review focused on Engineering Management (EM) and Program Management (PM)
- o EM obligations total $17B or 36% of KBS spend
- o PM obligations total $16B or 34% of KBS spend
- Portfolio review process:
  - o Interviews
  - o Acquisition process mapping
  - o Involve key stakeholders (based upon annual EM/PM spend)
- Initial targeted opportunities resulting from the KBS Portfolio Review include:
  - o Decrease T&M use – 37% of EM and 10% of PM obligations
  - o Increase competition base for Task Orders and BPAs – 33% of combined EM and PM obligations awarded to single offerors and 22% received two or fewer offerors
  - o Refresh pricing of BPAs – Price negotiations are infrequently conducted when awarding BPAs against a GSA schedule
  - o Enhance requirements translation teaming – Early involvement by the contracting office during requirements generation produces a more effective and enforceable PWS
  - o Issue representative task orders – Issuance of representative task orders with the basic IDIQ RFP maximizes competitive pricing
  - o Decrease DoD fees for acquisition services - 40% of combined EM and PM obligations are awarded by activities other than the customers' dedicated contracting activity

IV. <u>Performance Criteria and Evaluation Summary</u>

- o Standardize acquisition IT systems - Variations in the levels and types of acquisition IT systems exist
- o Improve contract management – Contract management is reactive and inactive until performance failures occur
- o Institute PWS templates – PWS templates streamline the acquisition process
- DoD senior procurement leadership out briefed on targeted opportunities during Dec 2009
- BPR Project #1: KBS Portfolio Review
- Metric: For targeted opportunities, develop business cases that identify
- the benefits and cost of implementation and potential DoD-wide savings
- Case for potential departmental savings of select targeted opportunities in-process

Another DPAP project is to provide Status of DoD's Execution of Section 807, NDAA FY08
- FY08 NDAA amended § 2330a of Title 10, USC to include § 807, "Inventories and Reviews of Contracts for Services"
- May 16, 2008, a DUSD (A&T) memorandum established phased implementation
- October 20, 2008, FY07 contractor inventory report submitted to Congress (partial submission)
- May 26, 2009, DUSD (A&T) revised guidance and accelerated implementation
- August 04, 2009, MILDEP FY08 contractor inventory report submitted to Congress
- September 29, 2009. ODA FY08 contractor inventory report submitted to Congress
- November 03, 2009, the DepSecDef identifies the contractor inventory as containing insufficient information upon which to predicate a strategic in-sourcing decision
- During November 2009 GAO initiates a review of the 2008 inventory to Congress
- § 803 of FY10 NDAA requires:
  - o The DoD annual budget include projected FTEs based upon contractor inventory
  - o GAO will review inventory submissions during FYs 10-12.

IV. Performance Criteria and Evaluation Summary

- BPR Project #2: Contractor Inventory
- Metric: Develop and issue standardized guidance for generating annual Report
- to Congress, to include a DoD-wide methodology for calculating contractor
- full time equivalents.

- The Office of the Director of Acquisition Resources and Analysis (ARA), within the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD (AT&L)), has the responsibility of supporting the Major Defense Acquisition Program (MDAP) reporting and oversight requirements. OUSD (AT&L) continues to modernize and streamline the acquisition reporting and management process. OUSD (AT&L) uses the Defense Acquisition Management Information Retrieval (DAMIR) to support the Department of Defense's Acquisition Visibility (AV) as well as Congressional statutory and regulatory reporting requirements. DAMIR is the AV Business Enterprise Priority (BEP).

- DAMIR gathers MDAP and Major Automated Information System (MAIS) narrative, schedule, performance, life cycle cost, contract, and budget information from Program Offices and Service-level management systems. DAMIR provides transparency in acquisition by exposing accurate, authoritative, and reliable information for acquisition decision making and oversight. In addition, DAMIR is the Department's authoritative source for Selected Acquisition Reports (SARs) to Congress; Acquisition Program Baseline (APBs) for MDAP programs and SAR baseline. OSD, OMB, Congress and other stakeholders access this information using DAMIR eliminating the need for hardcopies.

- Furthermore, OUSD(AT&L) directed the establishment of a Service-Oriented Architecture (SOA) Demonstration Project. SOA, and its related governance and IT

IV. <u>Performance Criteria and Evaluation Summary</u>

support mechanisms, is a means by which accurate, timely, authoritative data are made transparently available across the DoD acquisition enterprise. SOA incorporates the policies, practices, and business processes through which governance ensures the right information is provided and consumed. DAMIR was a successful part of the initial demonstration and is a major tool in the overall SOA initiative.

- DAMIR tools continue to harness existing technology to exploit volumes of data and evolve as the enterprise meets new business challenges. DAMIR also plays a key role in support of AT&L goals, objectives, and Quadrennial Defense Review (QDR) initiatives.

- DAMIR has continued to see a growth in the number of users and logins. From January to December 2009 DAMIR had 37,311 logins. The logins represent users from the acquisition community, all branches of the Services and users external to DoD. DAMIR's external users extend to staff members from the Senate and Congressional Arms Services Committees, Congressional Budget Office (CBO), Congressional Research Service (CRS) and Office of Management and Budget (OMB).

- In addition, DAMIR on the NIPRNET is authorized to operate at the System High security mode of operations with a maximum level of Unclassified. DAMIR received approval to operate (ATO) in 2007 with sustained annual Federal Information Security Management Act (FISMA) reviews that received very high ratings. The DAMIR team continues to work very closely with OSD-CIO, AT&L and eBusiness to ensure security measures adhere to the DoD Information Assurance Certification and Accreditation Process (DIACAP) information assurance controls. This entails updating system level and security documentation, testing security controls for annual reviews and addressing results from software release scans.

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For BPRC support to AT&L/ARA Enterprise Integration, specifically with respect to the Acquisition Visibility Service Oriented Architecture project, metrics relate to the proportion of Major Defense Acquisition Programs (MDAPs) and percentage of total Future Years Defense Program (FYDP) resources incorporated into the acquisition data governance and visibility framework represented by AV SOA. The initial concept demonstration made 61 authoritative data elements visible for 12 programs, totaling approximately $103B or about 6% of the MDAP FYDP. The follow-on pilot project made 140 data elements available for 37 programs, totaling approximately $1.2T, or 5% of MDAP FYDP. By the end of CY 2009, a total of 148 data elements were available for 102 MDAP programs, totaling approximately $1.6T --nearly 100%--of MDAP FYDP. The BPRC team has also helped the AV SOA team streamline its internal processes, adding emphasis to the requirements definition process that feeds the AV SOA implementation. Currently 11 functional requirements analyses are underway supporting 5 communities of interest.

<u>The Joint Contingency Acquisition Support Office</u> (JCASO) was established to provide a programmatic approach to orchestrating, synchronizing, and integrating program management of contingency acquisition planning and operations. At a fully operating capability, the JCASO will be able to reduce the overall acquisition cost of contingency operations and reduce instances of redundancy in contracting for supplies and services.

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates

V. **Personnel Summary**	FY 2009	FY 2010	FY 2011	Change FY 2009/ FY 2010	Change FY 2010/ FY 2011
Active Military End Strength (E/S) (Total)	42	63	63	21	–
Officer	1	14	14	13	–
Enlisted	41	49	49	8	–
Civilian End Strength (Total)	290	146	161	-144	15
U.S. Direct Hire	290	146	161	-144	15
Foreign National Direct Hire	–	–	–	–	–
Total Direct Hire	290	146	161	-144	15
Foreign National Indirect Hire	–	–	–	–	–
Memo: Reimbursable Civilians Included	84	30	30	-54	–
Active Military Average Strength (A/S) (Total)	42	63	63	21	–
Officer	1	14	14	13	–
Enlisted	41	49	49	8	–
Civilian FTEs (Total)	279	146	161	-133	15
U.S. Direct Hire	279	146	161	-133	15
Foreign National Direct Hire	–	–	–	–	–
Total Direct Hire	279	146	161	-133	15
Foreign National Indirect Hire	–	–	–	–	–
Memo: Military Technician Included					
Memo: Reimbursable Civilians Included	82	30	30	-52	–
Average Annual Civilian Salary ($ in thousands)	131,466	149,260	154,056	17,794	4,796

DEFENSE LOGISTICS AGENCY
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2011 Budget Estimates

VI. <u>OP 32 Line Items as Applicable (Dollars in thousands):</u>

OP 32 Line	FY 2009 Actuals	Change FY 2009/FY 2010 Price	Change FY 2009/FY 2010 Program	FY 2010 Estimate	Change FY 2010/FY 2011 Price	Change FY 2010/FY 2011 Program	FY 2011 Estimate
101 Exec, Gen'l & Spec Scheds	28,657	713	-12,484	16,886	316	2,343	19,545
103 Wage Board	52	1	-53	–	–	–	–
199 Total Civ Compensation	**28,709**	**714**	**-12,537**	**16,886**	**316**	**2,343**	**19,545**
308 Travel of Persons	592	6	367	965	13	51	1,029
399 Total Travel	**592**	**6**	**367**	**965**	**13**	**51**	**1,029**
673 Def Fin & Accntg Svc	1,752	-4	468	2,216	9	-302	1,923
679 Cost Reimbursable Purchase	252,430	2,777	10,941	266,148	3,726	69,847	339,721
699 Total Purchases	**254,182**	**2,773**	**11,409**	**268,364**	**3,735**	**69,545**	**341,644**
771 Commercial Transport	90	–	-13	77	–	–	77
799 Total Transportation	**90**	**–**	**-13**	**77**	**–**	**–**	**77**
920 Supplies/Matl (non fund)	498	5	-340	163	1	18	182
922 Eqt Maint Contract	2	–	–	2	–	–	2
925 Eqt Purch (non fund)	–	–	22	22	–	–	22
987 Other IntraGovt Purch	13,642	149	-2,190	11,601	162	-42	11,721
989 Other Contracts	96,488	1,045	-18,856	78,677	1,101	-5,975	73,803
998 Other Costs	19	–	–	19	–	-1	18
999 Total Other Purchases	**110,649**	**1,199**	**-21,364**	**90,484**	**1,264**	**-6,000**	**85,748**
Total	**394,222**	**4,692**	**-22,138**	**376,776**	**5,328**	**65,939**	**448,043**

* The FY 2009 Actual column <u>includes</u> $34,000 thousand of FY 2009 Bridge Funding Appropriations (PL 110-252); and $0.0 thousand of FY 2009 Supplemental Appropriations Act funding (PL 111-32).

* The FY 2010 Estimate column <u>excludes</u> $0.0 thousand requested in the FY 2010 Defense-Wide Overseas Contingency Operations Budget Request.