

Fiscal Year (FY) 2008/FY 2009 Budget Estimates

Defense Contract Management Agency (DCMA)



February 2007

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**DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2008/FY 2009 Budget Estimates**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) #: 4 Administration and Services**

	FY 2006	Price	Program	FY 2007	Price	Program	FY 2008	Price	Program	FY 2009
	<u>Actuals</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
DCMA	1,038,314	24,259	-32,565	1,030,008	27,952	-13,821	1,044,139	25,168	-29,717	1,039,590

* The FY 2006 Actual column includes \$6.000 thousand of FY 2006 Emergency Supplemental funds for the Global War (PL 109-234), \$1.610 thousand of FY 2006 Hurricane Supplemental funds (PL 109-148 and PL 109-234), and \$0.0 thousand of FY 2006 Title IX obligations (PL 109-148).

* The FY 2007 Estimate column excludes \$0.0 thousand of FY 2007 Title IX obligations (PL 109-xxx) and \$0.0 thousand of FY 2007 Hurricane Supplemental funds (PL 109-xxx).

I. Description of Operations Financed: The Defense Contract Management Agency (DCMA) is America's vital link between the warfighter and industry. **As the eyes and ears of the warfighter in contractor facilities, the DCMA uses its insight into contractor operations to produce predictive information about contractor capability to meet program goals and schedules.** The DCMA's most important mission is its role as a combat support agency. The DCMA provides customers with unparalleled contract management and acquisition support services wherever and whenever needed. The DCMA is committed to continuously improving customer service.

In recent years, the DCMA has taken significant action to continue providing outstanding contract management support, by realigning from a predominantly geographically based operating concept to a product based approach in order to better focus their expertise and to improve their capability to provide enterprise-wide support to customers.

The DCMA implemented Performance Based Management (PBM) at all levels to ensure a clear understanding of customer expectations and help align limited resources to customers' most critical priorities. The PBM approach is based on Customer-DCMA negotiated

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outcomes and performance measures that allow the DCMA to align resources to the highest impact workload and evaluate its contribution to customers' success. The PBM approach provides a management architecture that ensures that the DCMA keeps its engagement strategies and day-to-day operational activities focused on customers' success.

Information Technology

The DCMA uses Information Technology (IT) to improve the efficiency and effectiveness of its business processes to support the nation's warfighter. Visibility of key data and information at the team level supports performance-based management, allowing the realignment of limited resources to the appropriate priorities.

Ultimately, the DCMA's customers, the Military Departments and Defense Agencies, benefit from these efforts because of increased access to information such as contractor delivery status, manufacturing progress, quality assurance metrics, status of negotiations with contractors, and faster and more accurate payments to contractors. The DCMA customers will be better able to anticipate contract performance difficulties and work with the DCMA to resolve them before they affect the warfighter.

The DCMA continues to Web-base all DCMA-unique software applications for two reasons:

(1) Web-based applications dramatically reduce the costs of fielding new software mission capabilities. Only a limited handful of central servers need to be updated versus updating the thousands of desktop computers used by the agency's employees).

(2) Web-basing applications makes DCMA's unique software much more adaptable to the ongoing and future changes in the Department's procurement and financial management systems that are being implemented in accordance with Business Enterprise Architecture.

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I. Description of Operations Financed (continued):

IT computing and communications infrastructure covers the technical architecture (e.g., desktop computers, Local Area Networks (LANs), LAN servers, operating systems, wide area telecommunications, and system management utilities) needed to deploy, run, and productively use DoD-wide and DCMA-unique mission software applications, the Defense Messaging System, office productivity applications (e.g., Microsoft Office), and Knowledge Management and workgroup collaboration tools. As new mission needs and business requirements are identified, DCMA updates its technical architecture. Additionally, these updates provide the ability to centrally manage systems resources for improved reliability and reduced maintenance expenses.

DCMA annually replaces one-third of its desktop personal computers and servers each year because:

(1) This cycle matches manufacturers' standard three-year no-cost on-site repair or replacement warranties.

(2) Industry-wide experience shows that computer components (particularly, hard drive storage devices) start failing at accelerated rates in the fourth year after a computer or server's delivery.

(3) The costs of maintenance and repair services for computers and servers whose warranties have expired quickly mount up to the purchase prices for new equipment that would have been covered by three-year warranties.

Reimbursable Earnings

The DCMA performs contract administration services on a reimbursable basis for the following non-DoD customers: foreign/international organizations procuring items through Foreign Military Sales (FMS) or Direct Commercial Sales (DCS); the National Aeronautics and Space Administration (NASA); and other civilian agency customers. Over 90 percent of

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I. Description of Operations Financed (continued):

the DCMA's FY 2007 reimbursable budget comes from two customer groups, the FMS orders (51.2 percent) and NASA orders (41.3 percent). The DCMA bills most of this reimbursable work monthly using approved standard direct hourly CAS rates established each fiscal year.

Outside Continental United States (OCONUS) reimbursable work for FMS customers is reimbursed on an actual cost basis. Continental United States (CONUS) FMS earnings are computed based on an annual ratio of FMS contract disbursements to total contract disbursements. The historical trend for the annual CONUS FMS ratio decreased from a high of 10.2 percent in FY 2000 to 4.5 percent for FY 2007. This trend resulted in significant decreases to FMS Full Time Equivalents (FTEs) over the past several fiscal years (FY). The DCMA projects that the ratio will increase to 4.5 percent in FY 2007 due to significant FMS disbursements related to the Global War on Terror (GWOT). The FMS annual ratio for FY 2008-2011 is expected to continue the declining trend, resulting in further decreases in FMS earnings.

Hurricane Katrina impacted DCMA's NASA Product Operations surveillance of several NASA facilities, primarily the Michoud Assembly Facility (New Orleans, LA) and the Stennis Space Center (MS) at the end of FY 2005 and the beginning of FY 2006. The DCMA anticipates NASA earnings will remain relatively steady, with slight increases, during FY 2007 through FY 2013.

II. Force Structure Summary: NA

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III. Financial Summary (\$ in thousands)

	FY 2007							
	Congressional Action							
	<u>FY 2006</u>	<u>Budget</u>			<u>Appropriated</u>	<u>Current</u>	<u>FY 2008</u>	<u>FY 2009</u>
A. Activities	Actuals	Request	Amount	Percent		Estimate	Estimate	Estimate
1. Contract Admin Svc	945,672	969,000	-10,289	-1.1%	958,711	966,150	979,704	980,331
2. Information Technology	68,196	57,652			57,652	53,300	54,377	49,201
Functional Area Applic	0,000	0,925			0,925	0,000	0,000	0,000
Communication Computing Infrastruc	41,690	33,172			33,172	28,886	29,402	23,410
Related Technical Activities	24,881	20,396			20,396	23,177	23,855	24,554
Information Assurance	1,625	3,159			3,159	1,237	1,120	1,237
3. Information Services	11,410	13,645			13,645	10,558	10,058	10,058
DISA Process	4,318	5,298			5,298	4,500	4,000	4,000
DISA Tier 2	7,092	8,347			8,347	6,058	6,058	6,058
4. Standard Procurement System (SPS)	13,036	-			-	-	-	-
O&M Direct	1,038,314	1,040,297			1,030,008	1,030,008	1,044,139	1,039,590

* The FY 2006 Actuals include \$6.000 thousand of FY 2006 Supplemental funds (PL 109-13), \$1.610 thousand of FY 2006 Hurricane Supplemental funds (PL 109-xxx, PL 109-61, and PL 109-62), no Iraq Freedom Fund transfers, and no FY 2006 Title IX obligations (PL 109-148). The FY 2007 column includes no FY 2007 Title IX obligations (PL 109-289).

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III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change <u>FY 2007/FY 2007</u>	Change <u>FY 2007/FY 2008</u>	Change <u>FY 2008/FY 2009</u>
Baseline Funding	1,040,297	1,030,008	1,044,139
Congressional Adjustments (Distributed)		n/a	n/a
Congressional Adjustments (Undistributed)	-5,580	n/a	n/a
Adjustments to Meet Congressional Intent	-517	n/a	n/a
Congressional Adjustments (General Provisions)	-4,192	n/a	n/a
Subtotal Appropriated Amount	1,030,008	n/a	n/a
Fact-of-Life Changes (CY to CY Only)		n/a	n/a
Subtotal Baseline Funding	1,030,008	n/a	n/a
Anticipated Supplemental	5,882	n/a	n/a
Reprogrammings		n/a	n/a
Price Changes		27,952	25,168
Functional Transfers	n/a		
Program Changes	n/a	-13,821	-29,717
Current Estimate	1,035,890	1,044,139	1,039,590
Less: Wartime Supplemental	-5,882		
Normalized Current Estimate	1,030,008		

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request (Amended, if applicable)		1,040,297
1. Congressional Adjustments		-10,289
a. Distributed Adjustments		
b. Undistributed Adjustments - Unobligated Balances	-5,580	
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8106 - Economic Assumptions	-3,460	
2) Sec 8097 - Excessive Growth in Travel and Transportation	-732	
e. Congressional Earmarks - Sec 8044 Indian Lands Environmental Impact	-517	
FY 2007 Appropriated Amount		1,030,008
2. War-Related and Disaster Supplemental Appropriations		5,882
3. Fact of Life Changes		
FY 2007 Baseline Funding		1,035,890
4. Reprogrammings (requiring 1415 Actions)		
Revised FY 2007 Estimate		1,035,890
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		-5,882
FY 2007 Normalized Current Estimate		1,030,008
6. Price Change		27,952
7. Functional Transfers		
8. Program Increases		395
a. Annualization of New FY 2007 Program		
b. One-Time FY 2008 Increases		
c. Program Growth in FY 2008		
1) Increase in Disability Compensation based on the service provider estimates. (FY 2007 Base: \$4,112 thousand)	95	

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
2) Increase in the Defense Finance and Accounting Services based on the service provider estimates. (FY 2007 Base; \$7,028 thousand)	63	
3) Increase in equipment due to a mass replacement of Video Telecommunication (VTC) multiple call units that occur every three years. (FY 2007 Base: \$12,240 thousand)	237	
9. Program Decreases		-14,216
a. Annualization of FY 2007 Program Decreases		
b. One-Time FY 2007 Decrease		
c. Program Decreases in FY 2008		
1) Decrease in personnel compensation is the net of an increase for two additional paid days (\$6,593 thousand) and a decrease for the decline in DCMA FTEs (-\$14,088 thousand). (FY 2007 Base: \$872,131 thousand)	-7,495	
2) Training budget adjustment to match FY 2008 FTE level. (FY 2007 Base: \$47,021 thousand, includes funds for training, PCS, Inter-Service Support Agreements, and service contracts)	-5,412	
3) DISA processing costs have shown a downward trend over the last several years. With the move of MOCAS (the largest portion of DISA costs) from Columbus to Ogden it is expected that these costs will stabilize at a reduced rate. (FY 2007 Base: \$4,500 thousand)	-679	
4) Decrease in Communications Service Tier 2 is due to DISA rates stabilizing. (FY 2007 Base: \$6,058 thousand).	-630	
FY 2008 Budget Request		1,044,139
10. Price Change		25,168
11. Functional Transfers		
12. Program Increases		
a. Annualization of New FY 2008 Program		
b. One-Time FY 2009 Increases		
c. Program Growth in FY 2009		418
1) Increase in the Defense Finance and Accounting Services based on the	180	

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
service provider estimates. (FY 2008 Base: \$6,754 thousand)		
2) Increase in Disability Compensation based on the service provider estimates. (FY 2008 Base: \$4,206 thousand)	238	
13. Program Decreases		-30,135
a. Annualization of FY 2008 Program Decreases		
b. One-Time FY 2008 Increases		
c. Program Decreases in FY 2009		
1) Decrease in personnel compensation is a combination of decrease of one paid day (-\$3,339 thousand) and a decrease in DCMA FTEs (-\$11,626 thousand). (FY 2008 Base: \$888,927 thousand).	-14,965	
2) DISA processing costs have shown a downward trend over the last several years. With the move of MOCAS (the largest portion of DISA costs) from Columbus to Ogden it is expected that these costs will stabilize at a reduced rate. (FY 2008 Base: \$4,000 thousand)	-195	
3) Decrease Communication Services Tier 2 is due to DISA rates stabilizing. (FY 2008 Base: \$6,058 thousand)	-212	
4) Decrease in mission travel (-\$7,555 thousand), training budget (-\$2,215 thousand) and equipment purchases (-\$4,993 thousand), associated with FTE decrease in FY 2009. (FY 2008 Base: \$85,646 thousand)	-14,763	
FY 2009 Budget Request		1,039,590

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IV. Performance Criteria and Evaluation Summary

As a combat support agency, the DCMA provides a full range of acquisition support to the military departments for acquisition of weapons and other critical equipment. The DCMA provides acquisition planning and support services during the early phases of the acquisition cycle to help construct effective solicitations, identify and mitigate potential performance risks, select capable contractors and write contracts that are easily managed with less risk of costly modification. The Agency teams with Defense Components and defense contractors to ensure product, cost and schedule are in compliance with the terms and conditions for the contract and meet the needs of the war fighter. DCMA is also responsible for ensuring procured material is of satisfactory quality, delivered when and where needed, provided at reasonable price, and meets performance requirements. The Agency's strategic goals and performance standards are oriented toward changing its culture into a performance-based management organization and focusing on achieving customer outcomes. The DCMA's four multi-year strategic goals include:

1. Transforming the Agency into a customer-focused organization;
2. Embracing a performance-based culture;
3. Enabling DCMA's people to excel; and,
4. Ensuring fiscal responsibility by improving financial management through performance and budget integration.

For FY 2007, 22 execution plans (some of which are multi-year plans) have been developed in support of the strategic goals. Examples of a few of the execution plans for each strategic goal are as follows.

1. Transforming the Agency into a customer-focused organization: develop and implement an Agency customer engagement strategy that captures business intelligence across the Department, Services and industrial base.

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IV. Performance Criteria and Evaluation Summary

2. Embracing a performance based culture: develop performance-based processes that (a) identify customer outcomes, and, establish objective performance measures based on identified customer commitments; (b) continually assess our lines of services to meet customer outcomes; and (c) develop strategies to preserve, maintain, or enhance the Agency's key capabilities.
3. Enabling DCMA's people to excel: (a) enhance focus on recruiting and retaining highly qualified personnel; (b) develop a pool of potential executive leaders to meet future Agency needs; and, (c) cultivate strategic partnerships with other external organizations to enhance key capabilities.
4. Ensuring fiscal responsibility by improving financial management through performance and budget integration: (a) enhance the use of workload and resources (WAR) rooms; (b) establish the relationship between resources to achieve the most impact on high-risk, customer-negotiated commitments; and, (c) receive an unqualified audit opinion on DCMA Financial Statements.

As the DCMA implements performance-based management the Agency will evolve from measuring performance based on a small number of Agency Performance Standards to measuring performance based on a broad set of objective performance measures linked to customer commitments. This broad set of measures will be captured in an electronic performance management reporting system.

During FY 2006 there were eight performance standards that were associated with the Agency's performance based mission outcomes. The FY 2006 results are discussed by performance standard below:

1. Ensure 100 percent of DCMA acquisition employees are certified within 24 months of assignment in the Defense Acquisition Workforce Improvement Act (DAWIA) career field and

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level of their current position or have an approved waiver. The purpose of this performance standard is to (a) identify Defense Acquisition University (DAU) quota requirements accurately, and (b) prioritize the distribution of the DAU quotas received. This standard supports the President's Management Agenda (PMA) on strategic management of human capital. In FY 2006, the DCMA achieved over 99 percent of the target.

2. Increase payments processed electronically to 96 percent by year-end for DCMA-managed contracts. An increase in productivity and efficiency is sought through use of increased electronic processing of invoices. This supports the PMA on expansion of electronic government. In FY 2006, contractors did not want to change their business processes until all of their DoD customers came on board with a standard E-invoicing solution, which resulted in DCMA processing 91 percent of the invoices electronically. Adoption of the Wide-Area Work Flow (WAWF) as the standard electronic invoicing solution across the Department will help encourage and ensure all DCMA contractors process their invoices electronically in the future.

3. Increase acceptance documents for source acceptance received and processed electronically to 91 percent for DCMA-administered contracts. The ultimate goal is to increase the electronic processing of day-to-day contract administration activities, such as DD250s, conducted electronically. This performance standard also supports the PMA on expansion of electronic government. The FY 2006 target was 91 percent; the DCMA achieved 88 percent.

4. Reduce the cost per unit of output for basic contract management services {in constant FY 2006 dollars} by three percent annually through improvements in productivity. The DCMA has implemented a unit cost and activity-based management system. This performance standard applies to reducing unit costs in the Basic Contract Management cost pool while maintaining or improving performance in all other cost pools. The forecast assumes

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IV. Performance Criteria and Evaluation Summary

stable contract workload and no major change in delegation of contract authority. This performance standard supports the PMA on budget and performance integration. The FY 2006 target was -3 percent; the DCMA exceeded the target by achieving -4.46 percent.

5. Achieve closeout of contracts 94 percent of the time within the Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement-mandated timeframes. Since much of the documentation required to close out contracts is provided by the contractor and other organizations (i.e. Defense Contract Audit Agency, Defense Finance and Accounting Services, and program offices), the DCMA will continue to team with them to work out systemic issues that would delay closeout. The FY 2006 target was 94 percent; the Agency achieved 96.4 percent.

6. Close 70 percent of all physically complete contracts with final acceptance dates older than six calendar years (from September 30 each year). The DCMA strives to close all contracts within the FAR-mandated timeframe; however, there is a population of contracts that are currently late in closing. The DCMA has put special emphasis on closing these late contracts. This Performance Standard complements Standard 5 above. The FY 2006 target was 70 percent. Due to staffing shortages in pacing Contract Management Offices and competing customer priority goals, the Agency achieved a 44 percent closure rate.

7. Ensure 100 percent of canceling funds do not cancel when identified as (1) "at risk" of canceling, and (2) likely to require replacement funds. The DCMA works canceling funds to minimize the needs for its customers to pay for prior contractual obligations with current funds. The FY 2006 target was 100 percent; the DCMA achieved 90 percent.

8. Reduce the quantity of overage contracts on hand by 25 percent. Some of the documentation required to close out contracts is provided by other organizations. DCMA

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will continue to team with contractors and other agencies to resolve issues and close the contracts. This Performance Standard complements Performance Standards 5 and 6 above. The FY 2006 target was a 25 percent reduction in average contracts overage. Due to competing customer priorities and short staffing, the backlog increased by 16.6 percent.

V. Personnel Summary

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>Change</u>		
					<u>FY 2006/ FY 2007</u>	<u>FY 2007/ FY 2008</u>	<u>FY 2008/ FY 2009</u>
<u>Active Military End Strength (E/S)</u>							
<u>(Total)</u>	361	563	562	562	202	(1)	
Officer	296	496	495	495	200	(1)	
Enlisted	65	67	67	67	2		
<u>Civilian End Strength (Total)</u>	10,058	9,977	9,749	9,822	(81)	(228)	73
U.S. Direct Hire	9,971	9,890	9,662	9,735	(81)	(228)	73
Foreign National Direct Hire	74	74	74	74			
Total Direct Hire	10,045	9,964	9,736	9,809	(81)	(228)	73
Foreign National Indirect Hire	13	13	13	13			
<u>Active Military Average Strength (A/S)</u>							
<u>(Total)</u>	361	563	562	562	202	(1)	
Officer	296	496	495	495	200	(1)	
Enlisted	65	67	67	67	2		
<u>Civilian FTEs (Total)</u>	10,092	10,013	9,899	9,797	(79)	(114)	(102)
U.S. Direct Hire	10,005	9,926	9,812	9,710	(79)	(114)	(102)
Foreign National Direct Hire	74	74	74	74			
Total Direct Hire	10,079	10,000	9,886	9,784	(79)	(114)	(102)
Foreign National Indirect Hire	13	13	13	13			
Memo: Reimbursable Civilians Included	851	713	699	697	(138)	(14)	(2)
Average Annual Civilian Salary (\$)	89,398	92,116	94,891	96,700			

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

	FY 2006 <u>Actuals</u>	Change <u>FY 2006/FY 2007</u>		FY 2007 <u>Estimate</u>	Change <u>FY 2007/FY 2008</u>		FY 2008 <u>Estimate</u>	Change <u>FY 2008/FY 2009</u>		FY 2009 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Executive, General and Special Schedules	845,632	20,659	5,840	872,131	24,298	-7,501	888,927	22,117	-14,965	896,078
103 Wage Board	288	7	-1	294	8	0	302	8	0	310
104 Foreign National Direct Hire	5,349	131	0	5,480	153	0	5,633	140	0	5,773
106 Benefits to Former Employees	221	0	8	229	0	7	236	0	0	236
107 Voluntary Separation Incentive Pay	1,354	0	-1,354	0	0	0	0	0	0	0
111 Disability Compensation	4,540	0	-428	4,112	0	95	4,206	0	238	4,444
199 Total Civilian Personnel Compensation	857,384	20,796	4,065	882,246	24,458	-7,400	899,304	22,264	-14,727	906,841
<u>TRAVEL</u>										
308 Travel Of Persons	32,129	707	-3,318	29,518	679	0	30,197	664	-7,555	23,307
399 Total Travel	32,129	707	-3,318	29,518	679	0	30,197	664	-7,555	23,307
<u>TRANSPORTATION</u>										
771 Commercial Transportation	2,240	47	-206	2,081	48	0	2,129	47	0	2,176
799 Total Transportation	2,240	47	-206	2,081	48	0	2,129	47	0	2,176
<u>OTHER PURCHASES</u>										
901 Foreign National Indirect Hires	544	13	-73	483	11	0	495	11	0	505
912 GSA Leases	12,072	302	1,785	14,159	354	0	14,513	363	0	14,876
913 Purchase Utilities (non-Fund)	211	5	294	510	12	0	521	11	0	533

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		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
914 Purchase Communications (non-Fund)	6,341	140	-657	5,824	134	0	5,958	131	0	6,089
915 Rents and Leases	1,270	28	764	2,062	47	0	2,110	46	0	2,156
917 Postal Services (U.S.P.S.)	72	0	169	241	6	0	247	0	0	246
920 Supplies and Materials	12,964	285	-1,515	11,735	270	0	12,004	264	0	12,268
921 Printing and Reproduction	143	3	168	315	7	0	322	7	0	329
922 Equipment Maintenance by Contract	422	9	221	653	15	0	668	15	0	683
923 Facility Sustainment, Restoration, and Modernization by Contract	2,168	48	-98	2,118	49	0	2,167	48	-421	2,214
925 Equipment Purchases (non-Fund)	20,350	448	-8,557	12,240	282	237	12,759	281	-4,993	8,047
932 Management and Professional Support Services	597	13	313	923	21	0	944	21	0	965
933 Studies, Analysis and Evaluation	26	1	14	40	1	0	40	1	0	41
989 Other Contracts	70,642	1,554	-25,175	47,021	1,081	-5,412	42,690	939	-2,215	41,414
998 Other Costs (Interest)	417	9	-173	253	6	0	258	6	0	264
999 Total Other Purchases	128,242	2,857	-32,522	98,577	2,296	-5,176	95,697	2,143	-7,208	90,632
<u>INFORMATION SERVICES</u>										
647 DISA Information Services (Megacenter)	4,318	324	-142	4,500	179	-679	4,000	195	-195	4,000
671 Communication Services (DISA) Tier 2	7,092	191	-1,226	6,058	630	-630	6,058	212	-212	6,058

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Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2008/FY 2009 Budget Estimates**

	FY 2006 <u>Actuals</u>	Change <u>FY 2006/FY 2007</u>		FY 2007 <u>Estimate</u>	Change <u>FY 2007/FY 2008</u>		FY 2008 <u>Estimate</u>	Change <u>FY 2008/FY 2009</u>		FY 2009 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Total Information Services	11,410	515	-1,367	10,558	809	-1,309	10,058	407	-407	10,058
<u>FINANCIAL OPERATIONS</u>										
673 Defense Finance and Accounting Services	6,909	-663	783	7,028	-337	63	6,754	-358	180	6,576
678 Total Financial Operations	6,909	-663	783	7,028	-337	63	6,754	-358	180	6,576
9999 Total Operation and Maintenance	1,038,314	24,259	-32,565	1,030,008	27,952	-13,821	1,044,139	25,168	-29,717	1,039,590

* The FY 2006 Actual column includes \$6.050 thousand of FY 2006 Emergency Supplemental funds for the Global War (PL 109-234), \$1.610 thousand of FY 2006 Hurricane Supplemental funds (PL 109-148 and PL 109-234), and \$0.0 thousand of FY 2006 Title IX obligations (PL 109-148).

* The FY 2007 Estimate column excludes \$0.0 thousand of FY 2007 Title IX obligations (PL 109-xxx) and \$0.0 thousand of FY 2007 Hurricane Supplemental funds (PL 109-xxx).

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