

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates

FUNCTIONAL DESCRIPTION

The Defense Logistics Agency (DLA) Supply Management Activity Group incorporates those activities, programs and costs related to material management. Costs include operations (salaries and expenses), material (items sold to the military services) and capital investments (purchase of equipment, software development and minor construction). Approximately twenty million requisitions are received annually from the military services and other federal agencies for the four million consumable items managed by DLA.

The DLA Supply Management Activity Group is broken into wholesale and retail level inventories. Wholesale inventories are inventories the manager has asset knowledge and control over, regardless of funding sources. Retail inventory (or base supply) provides equipment, materials, supplies and services to local DLA activities and authorized tenants. Four Inventory Control Points (ICPs) manage DLA's wholesale inventories. These ICPs provide the warfighter with Fuel, Troop Support (uniforms, food and medical), General Support (hardware type items), and Weapons Systems Support. DLA's retail management segments consist of Base Operating Support (BOS) and the National Security Agency (NSA). In addition, DLA's Supply management includes a small number of supporting activities, such as the Defense Logistics Information Service (DLIS) and the Defense Automated Addressing Systems Center (DAASC).

Wholesale Organizational responsibilities:

The **Defense Energy Support Center (DESC)** located at Ft. Belvoir, Virginia, provides comprehensive worldwide petroleum support for the military services. This effort includes sales of petroleum, including a new business area in Aerospace Missile Fuels; electricity and natural gas products; arranging for petroleum support services; performing environmental assessment and cleanup; and coordinating bulk petroleum transportation. In addition, DESC establishes policies and procedures for petroleum quality assurance and surveillance. DESC performs quality assurance overseas and quality surveillance functions within the continental United States with the assistance of the Defense Contract Management Agency. DESCs gross annual sales are over \$4.0 billion.

The **Defense Supply Center Philadelphia (DSCP)** annually provides \$6.6 billion worth of food, clothing, medicine, medical equipment, general and industrial supplies and services to America's warfighters and eligible dependents worldwide, as well as non-DoD customers. A description of DSCP's four directorates follows.

The **Clothing and Textiles Directorate** manages over 13,000 different items that outfit U.S. troops and civilian customers with uniforms, helmets, body armor, chemical protective suits, footwear, tents, and other related items. Annual sales are approximately \$1.3 billion.

The **Medical Directorate** provides medical supplies, equipment, pharmaceuticals and other health care items to the Military Services in peacetime and war; everything from first-aid kits and fully deployable field hospitals to complete turnkey radiology suites. Annual sales are approximately \$2.0 billion.

The **Subsistence Directorate** serves as the key link between the armed forces and the U.S. food industry. In addition to the support provided to America's armed forces personnel and their dependents worldwide, support is provided to other Federal agencies, the Veterans Administration, public health service hospitals, the USDA national school lunch program, and the District of Columbia school district. Items include fresh fruits and vegetables, frozen and dehydrated food, and Meals Ready-to-Eat. These sales are valued at about \$1.6 billion annually.

The **General and Industrial Directorate** sells and manages a wide variety of industrial hardware and commercial items for the Military Services and other Federal Agencies. Items managed are in the categories of general hardware, benchstock, move & store material, operational equipment, metals and facilities maintenance. Annual sales are an estimated \$1.7 billion.

As the inventory control point designated as the lead center for aviation, the **Defense Supply Center Richmond (DSCR)** serves within the DoD supply-chain as the primary source for nearly 900,000 repair parts and operating supply items for aviation. These items include a mix of military-unique items supporting over 1,300 major weapon systems and other items readily available in the commercial market. Annual sales are about \$2.5 billion.

The **Defense Supply Center Columbus (DSCC)** is the lead center for land and maritime support. DSCC sells and manages more than 1.8 million different spare parts. These items include valves, hydraulics, transistors, and microcircuits. Annual sales are projected at \$2.0 billion.

Retail Support:

DLA provides support for two types of retail functions. The first is Base Operating Support and it provides base supplies/procurement to DLA activities and authorized tenants. The other is the National Security Agency. Together their sales are \$26.4 million.

Other Support Organizations:

The **Defense Logistics Information Service (DLIS)** supports all logistics functions of DoD, other government agencies, and foreign governments by managing and distributing logistics information on seven million supply items in the Federal Logistics Information System. The supply items DLIS processes range from operating supplies and spare and repair parts to propeller blades and space vehicles.

The **Defense Automated Addressing Systems Center (DAASC)** designs, develops, and implements logistics solutions that improve customers' requisition processing and logistics management processes worldwide. Their primary mission is to receive, edit, and route logistics transactions for the military services and Federal Agencies.

BUDGET HIGHLIGHTS

Full Funding of Retiree Costs:

To improve the accounting for and make the cost of government programs more visible to the American people, the Administration is proposing to align the full annual budgetary costs of resources used by programs with the budget accounts that fund the programs. To that end, the budget includes a request for a direct appropriation of \$63.0 million for the Working Capital Fund Supply Management Activity Group to fund the full accruing cost of the Civil Service Retirement System and retiree health benefits for civilian employees in the Federal Employee Health Benefit Program. Beginning with the FY 2004 budget, these costs will be built into the rates charged to Working Capital Fund customers. This proposal does not increase the total costs to the Federal government, since these costs were previously funded from a central account.

Aviation Spare Parts:

To improve the availability of aviation spare parts, \$500 million in appropriated funding was included in the Air Force and Navy Operations and Maintenance accounts and the Defense Working Capital Fund (DWCF) for additional support beginning in FY 2001 through FY 2004. This augmentation of safety level investments provides forecasted support levels of 85% supply availability for these items. The appropriated amounts included are \$100 million, \$147.9 million, \$133.1 million and \$119 million, respectively, per fiscal year. These funds are used to increase inventory that directly supports aviation readiness. Funding is moving from Navy and Air Force Operation and Maintenance in FY 2001 and FY 2002 to a direct DWCF appropriation beginning in FY 2003 for administrative efficiencies. The table below displays the appropriated amounts each fiscal year by Service.

Dollars in Millions	FY 01	FY 02	FY 03	FY 04
Air Force	\$50.0	\$73.9	--	--
Navy	\$50.0	\$74.0	--	--
DWWCF	--	--	\$133.1	\$119.0

The items in the targeted groups change slightly over time as the Services and DLA review the items targeted for investment. Since this event began, the Supply Availability for the targeted Aviation Support Items has improved 28.01 percent, while targeted Aviation Engine Items has improved by 22.32 percent from their FY 1999 baseline. We anticipate meeting our performance projections as outlined in our Aviation Investment Strategy Implementation Plan. The following table shows the supply availability for the targeted items currently identified in the Aviation Investment Strategy groups. Based on our investment in these targeted high cost, long lead-time aviation items, it is anticipated that overall aviation supply availability would increase between 1% to 2%.

Supply Availability	FY99	FY00	FY01
Aviation Support Items	40.08%	50.80%	68.09%
Engine Items	51.85%	65.47%	74.17%

The \$500 million that the Aviation Investment Strategy provides will be invested as follows: \$120.0 million in aviation engine replenishment spare parts, \$334.0 million in other aviation replenishment spares and \$46.0 million in aviation non-demand spares. Procurement actions began in FY 2000 using Defense Working Capital Funds. The table below displays the obligation authority execution in FY 2000 and FY 2001, and the amounts included in this budget submission for aviation spare parts. Dollars are in millions.

FY 00	FY 01	FY02	FY 03
\$121.1	\$146.0	\$135.0	\$97.9

Service Level Billings (SLB):

Defense Logistics Information Service (DLIS)

Defense Logistics Information Service is resourced through a Service Level Billing (SLB) to each DoD Supply Management Activity Group (Army, Navy, Air Force and DLA). The services provided by DLIS are Information Management (IM), Information Dissemination (ID) and Cataloging. In FY 2003 the method for allocating the SLB is an equal allocation for IM; customer usage for ID; and the number of national stock numbers managed for Cataloging. This method is commonly referred to as the Primary Inventory Control Activity (PICA). The increased costs across budget years reflect increased Defense Information Systems Agency costs and a conversion effort for Catalog Reengineering and Customer Relations Management.

Dollars in Millions	FY 01	FY 02	FY 03
Army	27.7	23.5	24.0
Navy	24.4	23.5	22.6
Air Force	29.2	23.5	23.0
DLA	37.7	36.8	56.3
Total	\$119.0	\$107.3	\$125.9

Defense Automated Addressing Systems Center (DAASC)

The Defense Automated Addressing Systems Center is financed via a service level billing, with each Supply Management Activity financing an equal portion of DAASC's costs. DAASC cost increases are attributable to software maintenance increases, Information Assurance, Core Mapping Sustainment, and Logistics Data Gateway. The table below displays the service level billing included in this budget submission.

Dollars in Millions	FY 01	FY 02	FY 03
Army	4.1	4.7	5.0
Navy	4.1	4.7	5.0
Air Force	4.1	4.7	5.0
DLA	4.5	4.8	5.0
Total	\$16.8	\$18.9	\$20.0

Commitment Authority:

Commitment Authority is the administrative reservation of funds for future obligations. It allows additional obligations on a dollar-for-dollar basis when customer orders (demands) increase, or when prices, such as fuel prices, rise during the fiscal year. The FY 2002 amount is based on FY 2001 execution plus an additional \$2.1 billion in anticipation of support for world events since September 11, 2001. FY 2003 is based on FY 2001 execution. The following table shows the commitment authority included in this budget submission.

Dollars in Millions	FY 02	FY 03
Non-Energy	2,963.5	653.2
Energy	507.2	363.4
BOS	0.0	0.0
NSA	0.0	0.0
Total (\$M)	\$3,470.7	\$1,016.6

Fuel Pricing Claims

On May 10, 2000, the Court of Federal claims awarded Pride Companies, L.P. \$45.7 million because of an unauthorized price adjustment clause in Pride's contracts providing refined fuel products from 1987 – 1992. With interest, the total payment was \$61.5 million. Pride was paid in FY 2000. Claims arising from the Pride Companies decision have been filed; however, none are at the point to include in this budget estimates submission. The Pride case is not expected to be a precedent for future cases.

PERFORMANCE INDICATORS

The following are major measures that DLA measures its financial performance against.

Net Operating Results (NOR): A financial management tool that measures the effectiveness of cost recovery rates, costs and revenue. Net Operating Results are the difference between revenues and expenses and excludes non-recoverable items such as Property Disposal Office transfers, net acquisition cost changes, returns without credit and other changes. Accumulated Operating Results reflects the long term, multi-year results of previous Net Operating Results. Its measurement describes the accumulated affects of Net Operating Results and demonstrates the fiscal strength over a longer time period. The budgeted goal is to breakeven by the budget year. The following table shows the NOR included in this budget submission.

(\$ Millions)	FY 01	FY 02	FY 03
Revenues	\$15,984.2	\$16,511.3	\$16,048.8
Expenses:	16,100.4	15,613.6	15,861.5
Cost of Goods Sold	13,179.6	12,301.2	12,554.0
Operations	2,920.8	3,312.4	3,307.5
Other Changes Affecting Net Operating Results	-846.9	-33.7	-225.0
Net Operating Results	-963.1	863.9	-37.6
Prior Year Accumulated Operating Results	-15.1	-978.2	-114.3
Ending Accumulated Operating Results	-978.2	-114.3	-151.9

The negative Net Operating Results of \$963.1 million in FY 2001 is primarily due to energy losses of \$259.1 million and return of \$800.0 million of the FY 2000 Supplemental to the Military Services. Other Changes Affecting Net Operating Results in FY 2001 included a capital surcharge for Business Systems Modernization (\$-48.0 million), a direct appropriation for utilities (\$1.1 million), and the partial return of FY 2000 funding to the Military Service O&M accounts (\$-800.0 million) as directed in the FY 2000 Emergency Supplemental. The capital surcharge was included in our FY 2001 rates to finance the disbursement of BSM capital investments.

The positive FY 2002 Net Operating Results of \$863.9 million are the result of FY 2002 fuel product costs that are lower than projected in the FY 2002 President's Budget. Other Changes Affecting Net Operating Results in FY 2002 include an Obsolescence Recovery (\$-33.0 million), a retail business adjustment (\$-1.0 million), and a direct appropriation for utilities (\$0.3 million).

The negative FY 2003 Net Operating Results of \$-37.6 million are the result of lower FY 2003 fuel product costs and pricing adjustments to bring the non-energy accumulated operating result to zero. These results are offset by Other Changes Affecting Net Operating Results in FY 2003, which include Obsolescence Recovery (\$-29.7 million), a retail business adjustment (\$-1.0 million), a capital surcharge (\$-255.9 million), and a direct appropriation for changes in Civil Service Retirement System and Federal Employee Health Benefit programs (\$61.6 million). The ending Accumulated Operating Results of \$-151.9 million is primarily attributable to a FY 2000 cash transfer of \$125.0 million within the working capital fund, and to the timing of the FY 2002 Appropriations Act. The remainder is attributed to losses in the Energy area. This loss will be recovered when standard fuel prices for FY 2004 are developed.

Customer Price Change (CPC): The CPC is the average change in price from one year to the next that the customer will encounter for the average non-energy item. DLA's goal is to have a CPC of no greater than the DoD composite inflation factor. Changes in customer price are driven by factors such as: inflation, basic costs incurred to procure, store, and ship to the customer; and possibly other DoD decisions. The table below displays the DoD approved CPC for FY 2001, FY 2002 and FY 2003 along with the DoD inflators:

	FY 01	FY 02	FY 03
CPC	4.5%	0.4%	3.5%
DoD Inflator	1.4%	1.7%	1.3%

The FY 2001 increase was primarily due to the DoD decision to fully finance the Defense Reutilization and Marketing Service (DRMS) (\$252.7 million) solely in the DLA Supply Non-Energy prices rather than sharing this cost with the Army, Navy, and Air Force. That decision was revisited and DRMS costs are financed on a shared cost basis in FY 2002 and FY 2003. The FY 2003 increase is attributed to a capital surcharge to finance the costs of Business Systems Modernization.

Supply Availability: Supply availability measures responsiveness and is calculated by the percentage of requisitions that are filled immediately from stock on hand without creating a backorder. Weapon system availability by service is calculated for all items coded as Weapon System related for Army, Navy, Air Force and the Marine Corps. The following table displays the actual supply availability experienced in FY 2001 and the goals for FY 2002 and FY 2003.

	FY 01	FY 02	FY 03
Army	88.8%	85.0%	85.0%
Navy	84.3%	85.0%	85.0%
Air Force	81.8%	85.0%	85.0%
Marine Corps	90.3%	85.0%	85.0%
Composite	88.5%	85.0%	85.0%

WORKLOAD

Non-Energy: Gross Sales at Standard Unit Price

Gross Sales at Standard Unit Price is the primary workload measure in the non-energy business. Sales are affected by customer demands (force structure, aging weapon systems and operating tempo). The following table displays non-energy gross sales for each year:

(Dollars in Millions)	FY 01	FY 02	FY 03
Gross Sales	\$10,698.2	\$11,199.6	\$11,607.2

Sales increase across the budget years. This is due to increased prime vendor sales in Subsistence, General & Industrial, Aviation and Land & Maritime sales.

Energy: Net Barrels Sold

Net Barrels sold is the workload measure in energy. Like gross sales in non-energy, net barrels sold reflect requirements provided to DESC by the military services and other authorized customers. The following table displays net barrels sold over the budget period. Barrels are in millions.

(Million Barrels)	FY 01	FY 02	FY 03
Net barrels sold	110.3	110.2	110.0

UNIT COST

Unit cost resourcing provides the operating cost authority (for items such as salaries, facilities maintenance, supplies, materiel for resale, and other administrative costs) within the DLA Supply Management Activity Group. Approved budget requirements and projected workload are used to develop a unit cost goal. This is applied to actual workload during the budget execution year to earn the approved cost authority. Unit costs greater than \$1.00 allows us to buy more inventory than we sell in order to meet increases in customer demands. The following tables show energy and non-energy wholesale and retail unit costs included in this budget.

Non-Energy Wholesale	FY 01	FY 02	FY 03
Costs (\$M)	\$11,364.6	\$11,451.0	\$11,732.0
Gross Sales (\$M)	\$10,675.2	\$11,172.8	\$11,587.2
Unit Cost Goal (per \$ of sales)	\$1.06	\$1.02	\$1.01
Non-Energy Retail	FY 01	FY 02	FY 03
National Security Agency			
Costs (\$M)	\$12.9	\$16.0	\$9.3
Gross Sales (\$M)	\$13.9	\$17.1	\$10.4
Unit Cost Goal (per \$ of sales)	\$0.93	\$0.94	\$0.89
Base Operating Support			
Costs (\$M)	\$9.1	\$8.8	\$9.1
Gross Sales (\$M)	\$9.1	\$9.3	\$9.6
Unit Cost Goal (per \$ of sales)	\$1.00	\$0.95	\$0.95

Energy Petroleum	FY 01	FY 02	FY 03
Costs (\$M)	\$4,550.0	\$3,328.6	\$3,834.6
Net Barrels Sold (M)	110.3	110.2	110.0
Unit Cost Goal (\$ per barrel)	\$41.25	\$30.20	\$34.89

Energy Aerospace Missile Fuels			
Costs (\$M)	\$0	\$83.5	\$76.6
Gross Sales (\$M)	\$0	\$131.6	\$74.6
Unit Cost Goal (per \$ of sales)	\$0	\$0.63	\$1.03

Changes in the Energy unit cost goal are mainly driven by changes in product cost projections for fuel. In FY 2001 the product cost was \$37.64. This projection decreases to \$25.88 in FY 2002 and increases to \$26.62 in FY 2003. In FY 2002, aerospace missile fuels transferred to DLA from the Air Force under the concept of a single manager for fuel.

PRICING

Non-Energy Cost Recovery Rate:

The Cost Recovery Rate is the additive amount to the price of an item for purchasing and selling supplies to the customer. These costs include operating costs such as compensation, benefits, travel, training, depreciation, facilities maintenance, and service charges for shipping and storage, accounting, cataloging, and disposal. The following table reflects the composite Cost Recovery Rates included in this budget submission:

FY 01	FY 02	FY 03
24.7%	21.5%	20.7%

For this submission, the following changes were included in the CRR:

Inventory Control Point (ICP) Transportation: In keeping with the method the Services use in setting prices, it was decided to include ICP transportation in the basis (acquisition) cost of the item instead of the CRR beginning in FY 2003. While this has no impact on the total price of the items DLA sells, it does reduce the CRR. The ICP transportation amount for FY 2003 is \$47.3 million.

Materiel Related: Recently, DLA has received requirements for items that either were not previously demanded or which have not been purchased within the past 5 – 10 years. Some of these items, such as “Weapons System Critical”, require special technical requirements prior to delivery and requires DLA to find alternate sources of supply. Therefore, DLA decided that Materiel Related costs associated with an item’s technical requirements, i.e., testing and engineering support, should be included in the basis (acquisition) cost of the item rather than the CRR beginning in FY 2003. The total price of the items sold will not experience any impact other than to reduce the CRR. The Materiel Related amount for FY 2003 is \$119.6 million.

Energy Pricing (Petroleum):

Unlike non-energy, the Office of Management and Budget establishes fuel rates with input from the Departments of Defense, Energy, Treasury, and Commerce. The single most important cost factor is the world petroleum market price/product cost. While this product cost is outside DLA's direct control, several acquisition and materiel management techniques are used to mitigate rising costs. Acquisition techniques include flexible (seasonal or spot) buying, dollar cost averaging, market sensitive ordering, commercial buying of bunker fuels, minimal small and disadvantaged business premium payments, and the increased use of commercial specifications. Materiel management techniques include improved requirements forecasting and using refinery production capacity in place of product to support the Military Services War Reserve requirement. Additionally, DLA is continually changing its storage and transportation methods in search of efficiencies without impeding petroleum support effectiveness. The FY 2000 Emergency Supplemental provided \$1,556.2 million to cover the cost of inflation for bulk petroleum purchased by DoD, of which \$800 million was returned to the Military Services in FY 2001, as specified by Congress. The FY 2003 fuel standard unit price is net of \$100 million provided through direct appropriation in the Defense Emergency Response Fund. This budget assumes the following standard prices for petroleum and Aerospace Missile Fuels.

Energy	FY 01	FY 02	FY 03
Standard Price for Petroleum (\$/Bbl)	\$42.42	\$42.00	\$35.28
Standard Price for Missile Fuels (Composite)	N/A	\$10.32	\$7.59

INVENTORY

DLAs Non-Energy inventory is projected to increase by \$446.7 million from an inventory of \$9.4 billion at the end of FY 2001 to \$9.8 billion at the end of FY 2003. In part this reflects the increase of aviation consumable inventory to increase aviation readiness support. In part this reflects inflation. The following chart shows non-energy inventory included in this budget.

Composite Non-Energy Inventory (Dollars in Millions)	FY 01	FY 02	FY 03
Beginning Inventory	\$8,902.6	\$9,391.1	\$9,537.5
Receipts	8,847.3	9,293.4	9,670.2
Sales	-8,763.1	-9,297.3	-9,493.9
Returns for Credit	155.1	172.6	175.3
Returns No Credit	286.5	230.4	237.0
Disposals	-279.1	-315.2	-329.1
Capitalization	56.9	34.4	31.7
Other	184.9	28.1	9.1

Ending Inventory	\$9,391.1	\$9,537.5	\$9,837.8
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Non-Energy Composite Materiel Replacement Rates:

Materiel Replacement Rate is the rate of replenishment of materiel. For example, a 100% replacement rate means that for every item sold from inventory there is an equal replacement. The rate is calculated by dividing sales (less credits and allowances) at acquisition cost by estimated material costs.

	FY 01	FY 02	FY 03
Material Obligations (\$M)	\$9,332.5	\$9,484.9	\$9,613.3
Net Sales @ Cost (\$M)	\$8,609.0	\$9,124.7	\$9,318.5
Replacement Rate	108.4%	103.9%	103.2%

The DLA investment strategy is being evaluated with respect to improving critical weapon system readiness versus maximizing supply availability. As a result of the Consumable Item Transfer from the Military Services, DLA gained a large number of high cost items. Due to the nature of inventory optimization models, most of these items do not fare well in competing for investment dollars against the more traditional DLA low-cost, fast-moving items.

Most of these items are critical to only one weapon system application and their long lead-times make them especially vulnerable to supply problems. However, a shift in investment away from the low-cost items to support this new breed of items will reduce overall supply performance to unacceptably low levels.

Therefore, DLA is investing separately in these items to achieve and maintain a satisfactory level of supply support. The Aviation Investment program is an example of DLA efforts in this area. Investment is directed toward moderate to high cost critical items with higher, more stable demand and, therefore, the highest likelihood of sales and return on investment. This program will help close a readiness gap in our support strategy by providing protection for critical items. Increased inventory levels will increase the availability of aviation spare parts on hand to fill customer requirements and thus, increase military readiness. As a result, our unit cost is also greater than \$1.00 as stated in the unit cost section of this narrative.

Energy Inventory:

Petroleum inventory for FY 2001 ended at 54.2 million barrels, which represents 30.7 million barrels for war reserve (WRM) and 23.5 million barrels of peacetime operating stocks (POS).

During FY 2002, DLA will capitalize 0.2 million barrels of peacetime operating stocks related to the transfer of retail stocks from the Air Force.

The following table synthesizes petroleum inventory changes and end points:

(Million of Barrels)	WRM	POS	Total
EOP Inventory FY01	30.7	23.5	54.2
Capitalization (Air Force)		0.2	0.2
EOP Inventory FY 02/03	30.7	23.7	54.4

In addition to petroleum inventory, starting in FY 2002, DESC will capitalize Aerospace Missile Fuels from the Air Force, and leave us with an end of period inventory value of \$65.1 million in FY 2002, and \$74.8 million in FY 2003. For missile fuels, the unit of issue is not in barrels, but includes pounds and liters and a variety of other measures. DLA is reflecting capitalization of this inventory on inventory exhibits separately from petroleum.

PERSONNEL

A Full-time Equivalent (FTE) reflects one year's worth of effort measured in hours. This is calculated by dividing the total actual hours worked (excluding overtime and holidays) by the available hours to work in that year (for example in FY 2001 the total available hours to work was 2080 per employee). End strength is the actual number of personnel on the rolls as of September 30. The following table reflects the personnel numbers included in this submission.

	FY 01	FY 02	FY 03
End Strength:			
Military	370	371	371
Civilian	<u>11,091</u>	<u>11,561</u>	<u>11,629</u>
Total	11,461	11,935	12,000
FTEs:			
Military	370	371	371
Civilian	<u>10,746</u>	<u>11,376</u>	<u>11,492</u>
Total	11,116	11,747	11,863

CAPITAL BUDGET

The capital budget funds durable investments that exceed the \$100,000 expense/investment criteria. There are four categories within the capital budget: (1) Automated Data Processing Equipment (ADPE), (2) Non-ADPE, (3) software developed for operational and management information systems, and (4) minor construction projects. A capital budget item is assumed to have zero salvage value and is depreciated on a straight-line basis over its useful life. This depreciation is expensed and recovered, as a business related cost, in DLA prices.

The FY 2003 capital budget estimate, \$277.6 million, reflects an increase over the FY 2002 requirements in the amount of \$112.7 million. There are two primary initiatives driving the increase. The first is the Business Systems Modernization effort. The FY 2003 segment (\$176.1 million) will address the designing, building and testing of release 3, which includes the

transitioning of data and training of personnel. FY 2003 also includes the acquisition of “bolt-on” applications and middleware products that are necessary to meet the needs of specific logistics commodities managed by DLA. The second initiative is Customer Relationship Management (CRM). CRM will provide DLA with the information and processes necessary to better know the customer, understand their needs, and effectively build relationships among DLA, its customer base and industry partners. As a result, DLA will better meet the needs of major customer segments and improve operational effectiveness. The FY 2003 investment (\$17.5 million) is for the CRM COTS acquisition and System Integration support for hardware/software implementation and Business Process Re-engineering.

Dollars in Millions	FY 01	FY 02	FY 03
Equipment (non-ADP)	4.4	6.0	6.6
Equipment (ADP/T)	12.5	7.8	17.7
Software	131.8	120.1	213.2
Minor Construction	28.1	31.1	31.3
Total	176.8	165.0	268.8

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Clothing and Textiles
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	971.4	969.5	920.8
Army	493.2	443.3	426.2
Navy	161.4	159.1	149.0
Air Force	150.1	194.7	183.7
Marine Corps	138.2	154.1	144.2
Other	28.5	18.3	17.7
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	232.8	229.8	231.8
c. Total DoD	1,204.2	1,199.3	1,152.6
d. Other Orders:	61.6	47.8	48.2
Other Federal Agencies	0.0	0.0	0.0
Non-Federal Agencies	47.2	34.3	34.6
Foreign Military Sales	14.4	13.5	13.6
Total New Orders	1,265.8	1,247.1	1,200.8
2. Carry-In Orders	220.3	216.0	203.6
3. Total Gross Orders	1,486.1	1,463.1	1,404.4
4. Funded Carry-Over	233.5	204.2	192.5
5. Total Gross Sales at Standard	1,252.6	1,258.9	1,211.8

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Medical
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	2,023.4	1,977.4	2,019.7
Army	739.0	725.1	740.8
Navy	488.5	473.2	483.2
Air Force	568.5	562.1	574.1
Marine Corps	8.4	8.3	8.4
Other	219.0	208.7	213.1
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	0.0	0.0	0.0
c. Total DoD	2,023.4	1,977.4	2,019.7
d. Other Orders:	82.1	89.9	90.7
Other Federal Agencies	82.1	89.9	90.7
Non-Federal Agencies	0.0	0.0	0.0
Foreign Military Sales	0.0	0.0	0.0
Total New Orders	2,105.5	2,067.3	2,110.4
2. Carry-In Orders	155.3	221.3	212.8
3. Total Gross Orders	2,260.8	2,288.6	2,323.2
4. Funded Carry-Over	240.7	212.8	204.6
5. Total Gross Sales at Standard	2,020.1	2,075.8	2,118.6

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Subsistence
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	1,399.1	1,518.3	1,600.9
Army	518.2	574.9	607.4
Navy	308.3	334.7	354.6
Air Force	137.0	153.8	164.2
Marine Corps	130.1	155.2	163.4
Other	6.5	7.2	7.7
DECA	299.0	292.5	303.6
b. Orders from Other Activity Groups	0.0	0.0	0.0
c. Total DoD	1,399.1	1,518.3	1,600.9
d. Other Orders:	67.8	83.5	87.9
Other Federal Agencies	61.1	74.3	78.2
Non-Federal Agencies	5.5	7.2	7.5
Foreign Military Sales	1.2	2.0	2.2
Total New Orders	1,466.9	1,601.8	1,688.8
2. Carry-In Orders	0.0	0.0	0.0
3. Total Gross Orders	1,466.9	1,601.8	1,688.8
4. Funded Carry-Over	0.0	0.0	0.0
5. Total Gross Sales at Standard	1,466.9	1,601.8	1,688.8

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
General & Industrial
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	1,395.4	1,515.4	1,595.4
Army	421.0	454.0	475.8
Navy	435.0	475.8	498.9
Air Force	437.3	478.3	501.5
Marine Corps	95.3	99.4	110.9
Other	6.8	7.9	8.4
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	27.3	31.9	33.6
c. Total DoD	1,422.7	1,547.3	1,629.0
d. Other Orders:	122.6	143.3	150.9
Other Federal Agencies	30.4	35.5	37.4
Non-Federal Agencies	0.0	0.0	0.0
Foreign Military Sales	92.2	107.8	113.5
Total New Orders	1,545.3	1,690.6	1,779.9
2. Carry-In Orders	241.4	253.8	208.8
3. Total Gross Orders	1,786.7	1,944.4	1,988.7
4. Funded Carry-Over	253.8	208.8	202.3
5. Total Gross Sales at Standard	1,532.9	1,735.6	1,786.4

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Aviation
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	1,909.2	1,955.6	2,095.3
Army	288.3	303.1	328.2
Navy	774.7	778.3	832.3
Air Force	811.3	833.1	890.9
Marine Corps	20.8	23.5	25.1
Other	14.1	17.6	18.8
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	0.0	0.0	0.0
c. Total DoD	1,909.2	1,955.6	2,095.3
d. Other Orders:	492.0	507.4	542.6
Other Federal Agencies	23.1	15.7	16.8
Non-Federal Agencies	178.6	190.8	204.0
Foreign Military Sales	290.3	300.9	321.8
Total New Orders	2,401.3	2,463.0	2,637.9
2. Carry-In Orders	512.9	535.4	528.9
3. Total Gross Orders	2,914.2	2,998.4	3,166.8
4. Funded Carry-Over	525.7	502.5	473.3
5. Total Gross Sales at Standard	2,388.4	2,495.9	2,693.5

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Land & Maritime
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	1,648.4	1,568.7	1,642.0
Army	453.0	416.5	428.3
Navy	649.9	619.3	643.3
Air Force	478.6	472.4	506.9
Marine Corps	57.1	54.0	57.0
Other	9.8	6.0	6.0
DECA	0.0	0.5	0.5
b. Orders from Other Activity Groups	8.5	5.0	5.0
c. Total DoD	1,656.9	1,573.7	1,647.0
d. Other Orders:	312.6	423.9	433.8
Other Federal Agencies	8.5	54.3	53.4
Non-Federal Agencies	0.0	5.0	5.0
Foreign Military Sales	304.1	364.6	375.4
Total New Orders	1,969.5	1,997.6	2,080.8
2. Carry-In Orders	365.0	336.0	328.9
3. Total Gross Orders	2,334.5	2,333.6	2,409.7
4. Funded Carry-Over	320.3	328.9	321.8
5. Total Gross Sales at Standard	2,014.2	2,004.7	2,088.0

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Non-Energy
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	9,347.0	9,504.9	9,874.1
Army	2,912.8	2,916.9	3,006.7
Navy	2,817.8	2,840.4	2,961.4
Air Force	2,582.8	2,694.4	2,821.2
Marine Corps	449.9	494.5	509.0
Other	284.7	265.7	271.7
DECA	299.0	293.0	304.1
b. Orders from Other Activity Groups	277.7	276.0	280.0
c. Total DoD	9,624.7	9,780.9	10,154.2
d. Other Orders:	1,152.6	1,312.9	1,364.5
Other Federal Agencies	219.1	286.8	286.9
Non-Federal Agencies	231.3	237.3	251.1
Foreign Military Sales	702.2	788.8	826.5
Total New Orders	10,777.3	11,093.8	11,518.7
2. Carry-In Orders	1,494.9	1,562.5	1,483.0
3. Total Gross Orders	12,272.2	12,656.3	13,001.6
4. Funded Carry-Over	1,574.0	1,457.2	1,394.5
5. Total Gross Sales at Standard	10,698.2	11,199.2	11,607.1

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
BOS
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	0.0	0.0	0.0
Army	0.0	0.0	0.0
Navy	0.0	0.0	0.0
Air Force	0.0	0.0	0.0
Marine Corps	0.0	0.0	0.0
Other	0.0	0.0	0.0
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	9.1	9.3	9.6
c. Total DoD	9.1	9.3	9.6
d. Other Orders:	0.0	0.0	0.0
Other Federal Agencies	0.0	0.0	0.0
Non-Federal Agencies	0.0	0.0	0.0
Foreign Military Sales	0.0	0.0	0.0
Total New Orders	9.1	9.3	9.6
2. Carry-In Orders	0.0	0.0	0.0
3. Total Gross Orders	9.1	9.3	9.6
4. Funded Carry-Over	0.0	0.0	0.0
5. Total Gross Sales at Standard	9.1	9.3	9.6

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
NSA
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	0.0	0.0	0.0
Army	0.0	0.0	0.0
Navy	0.0	0.0	0.0
Air Force	0.0	0.0	0.0
Marine Corps	0.0	0.0	0.0
Other	0.0	0.0	0.0
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	0.0	0.0	0.0
c. Total DoD	0.0	0.0	0.0
d. Other Orders:	13.9	17.1	10.4
Other Federal Agencies	13.9	17.1	10.4
Non-Federal Agencies	0.0	0.0	0.0
Foreign Military Sales	0.0	0.0	0.0
Total New Orders	13.9	17.1	10.4
2. Carry-In Orders	0.0	0.0	0.0
3. Total Gross Orders	13.9	17.1	10.4
4. Funded Carry-Over	0.0	0.0	0.0
5. Total Gross Sales at Standard	13.9	17.1	10.4

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Energy (Petroleum and Aerospace Missile Fuels)
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	4,652.5	4,829.3	4,005.8
Army	267.2	316.4	266.8
Navy	1,688.3	1,659.4	1,386.9
Air Force	2,663.8	2,824.1	2,327.4
Marine Corps	20.5	25.2	21.2
Other	12.7	4.2	3.5
DECA	0.0	0.0	0.0
b. Orders from Other Activity Groups	0.0	8.4	7.1
c. Total DoD	4,652.5	4,837.7	4,012.9
d. Other Orders:	236.8	140.7	126.0
Other Federal Agencies	92.7	119.2	95.8
Non-Federal Agencies	72.0	21.5	30.2
Foreign Military Sales	72.1	0.0	0.0
Total New Orders	4,889.3	4,978.4	4,138.9
2. Carry-In Orders	0.0	0.0	0.0
3. Total Gross Orders	4,889.3	4,978.4	4,138.9
4. Funded Carry-Over	0.0	0.0	0.0
5. Total Gross Sales at Standard	4,889.3	4,978.4	4,138.9

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Source of New Orders and Revenue
Fiscal Year (FY) 2003 Budget Estimates
Total Supply
(Dollars in Millions)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
1. New Orders			
a. Orders from DoD Components	13,999.5	14,334.2	13,879.9
Army	3,180.0	3,233.3	3,273.5
Navy	4,506.1	4,499.8	4,348.3
Air Force	5,246.6	5,518.5	5,148.6
Marine Corps	470.4	519.7	530.2
Other	297.4	269.9	275.2
DECA	299.0	293.0	304.1
b. Orders from Other Activity Groups	277.7	284.4	287.1
c. Total DoD	14,277.2	14,618.6	14,167.1
d. Other Orders:	1,389.4	1,453.6	1,490.5
Other Federal Agencies	311.8	406.0	382.7
Non-Federal Agencies	303.3	258.8	281.3
Foreign Military Sales	774.3	788.8	826.5
Total New Orders	15,666.6	16,072.2	15,657.6
2. Carry-In Orders	1,494.9	1,562.5	1,483.0
3. Total Gross Orders	17,161.5	17,634.7	17,140.5
4. Funded Carry-Over	1,574.0	1,457.2	1,394.5
5. Total Gross Sales at Standard	15,587.5	16,177.6	15,746.0

Exhibit Fund-11 Source of New Orders & Revenue

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management
Fiscal Year (FY) 2003 Budget Estimates
Revenue and Expenses

(\$ in Millions)

	FY 2001	FY 2002	FY
Revenue:			
Gross Sales			
Operations	15,598.2	16,147.0	1
Capital Surcharge	48.1	0.0	
Depreciation	36.8	53.5	
Other Income	743.2	731.2	
Refunds/Discounts (-)	-442.2	-420.4	
Total Income:	15,984.2	16,511.3	1
Expenses:			
Cost of Material Sold from Inventory	13,179.6	12,301.2	1
Salaries and Wages:			
Military Personnel Compensation & Benefits	28.9	31.1	
Civilian Personnel Compensation & Benefits	599.5	749.6	
Travel & Transportation of Personnel	25.3	31.2	
Materials & Supplies (For Internal Operations)	27.4	27.5	
Equipment	11.8	15.9	
Other Purchases from Revolving Funds	993.2	892.5	
Transportation of Things	489.7	544.0	
Depreciation - Capital	20.4	53.5	
Printing and Reproduction	5.0	5.6	
Advisory and Assistance Services	11.9	20.4	
Rent, Communication, Utilities & Misc. Charges	32.3	35.9	
Other Purchased Services	675.5	905.3	
Total Expenses	16,100.4	15,613.6	1
Operating Result *	-116.2	897.6	
Less Capital Surcharge Reservation	-48.0	0.0	
Plus Passthroughs or Other Appropriations Affecting NOR	1.1	0.3	
Other Changes Affecting NOR	-800.0	-34.0	
Net Operating Result	-963.1	863.9	
Prior Year AOR	-15.1	-978.2	
Other Changes Affecting AOR	0.0	0.0	
Accumulated Operating Result	-978.2	-114.3	

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management: Energy
Fiscal Year (FY) 2003 Budget Estimates
Revenue and Expenses

(\$ in Millions)

	FY 2001	FY 2002	FY 2003
Revenue:			
Gross Sales			
Operations	4,984.9	4,963.0	4,122.0
Capital Surcharge	0.0	0.0	0.0
Depreciation	4.4	15.4	16.8
Other Income (reimbursable + FET in FY01)	342.3	282.4	260.6
Refunds/Discounts (-)	-241.8	-218.4	-183.5
Total Income:	5,089.8	5,042.4	4,215.9
Expenses:			
Cost of Material Sold from Inventory (incl matl reimb)	4,570.2	3,176.5	3,225.5
Salaries and Wages:			
Military Personnel Compensation & Benefits	7.7	9.2	8.2
Civilian Personnel Compensation & Benefits	42.7	51.0	54.6
Travel & Transportation of Personnel	6.0	6.5	7.0
Materials & Supplies (For Internal Operations)	0.0	0.0	0.0
Equipment	4.0	4.2	4.6
Other Purchases from Revolving Funds (incl Corp)	59.9	71.7	68.2
Transportation of Things	286.8	327.2	321.6
Depreciation - Capital	4.4	15.4	16.8
Printing and Reproduction	1.0	1.0	1.5
Advisory and Assistance Services	11.3	17.3	19.6
Rent, Communication, Utilities & Misc. Charges	8.0	8.2	9.2
Other Purchased Services (incl T/Ops, MRE, Mcon)	346.9	419.6	385.4
Total Expenses	5,348.9	4,107.8	4,122.2
Operating Result *	-259.1	934.6	93.7
Less Capital Surcharge Reservation	0.0	0.0	0.0
Plus Passthroughs or Other Appropriations Affecting NOR	0.0	0.0	3.1
Other Changes Affecting NOR (direct appn)	-800.0	0.0	0.0
Net Operating Result	-1,059.1	934.6	96.8
Prior Year AOR	-124.2	-1,183.3	-248.7
Other Changes Affecting AOR	0.0	0.0	0.0
Accumulated Operating Result	-1,183.3	-248.7	-151.9

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management: Non-Energy
Fiscal Year (FY) 2003 Budget Estimates
Revenue and Expenses

(\$ in Millions)

	FY 2001	FY 2002	FY 2003
Revenue:			
Gross Sales			
Operations	10,613.3	11,184.0	11,335.1
Capital Surcharge	48.1	0.0	255.9
Depreciation	32.4	38.1	52.5
Other Income	400.9	448.8	394.6
Refunds/Discounts (-)	-200.4	-202.0	-205.2
Total Income:	10,894.4	11,468.9	11,832.9
Expenses:			
Cost of Material Sold from Inventory	8,609.4	9,124.7	9,318.5
Salaries and Wages:			
Military Personnel Compensation & Benefits	21.2	21.9	22.8
Civilian Personnel Compensation & Benefits	556.8	698.6	780.1
Travel & Transportation of Personnel	19.3	24.7	24.9
Materials & Supplies (For Internal Operations)	27.4	27.5	28.5
Equipment	7.8	11.7	10.9
Other Purchases from Revolving Funds	933.3	820.8	866.3
Transportation of Things	202.9	216.8	215.2
Depreciation - Capital	16.0	38.1	52.5
Printing and Reproduction	4.0	4.6	4.8
Advisory and Assistance Services	0.6	3.1	3.0
Rent, Communication, Utilities & Misc. Charges	24.3	27.7	27.6
Other Purchased Services	328.6	485.7	384.1
Total Expenses	10,751.5	11,505.8	11,739.2
Operating Result *	142.9	-37.0	93.7
Less Capital Surcharge Reservation	-48.0	0.0	-255.9
Plus Passthroughs or Other Appropriations Affecting NOR	1.1	0.3	58.6
Other Changes Affecting NOR	0.0	-34.0	-30.7
Net Operating Result	96.0	-70.7	-134.4
Prior Year AOR	109.1	205.1	134.4
Other Changes Affecting AOR	0.0	0.0	0.0
Accumulated Operating Result	205.1	134.4	0.0

DEFENSE LOGISTICS AGENCY
 Defense-Wide Working Capital Fund
 Supply Activity Group
 Fiscal Year (FY) 2003 Budget Estimates
 FUEL DATA

FY 01 Budget Fuel Data	PROCURED FROM DESC			PROCURED BY SERVICE			Date:
Petroleum Products does not include Electricity/Natural Gas/Aerospace	Barrels (Millions)	Price Per Barrel (\$)	Extended Price (\$Mil)	Barrels (Millions)	Cost Per Barrel (\$)	Extended Price (\$Mil)	
<u>BULK:</u>							
JP4, JAB	0.0	\$50.82	\$0.0				
JP50, JA1, and JAA	0.2	\$42.00	\$8.4				
DISTILLATES (F76, DFW)	16.8	\$41.16	\$691.5				
DIESEL	1.0	\$39.90	\$39.9				
JP5	15.9	\$43.26	\$687.8				
JP8	64.5	\$42.42	\$2,736.1				
MOGAS (Leaded)	0.2	\$53.34	\$10.7				
MOGAS (Unleaded)	0.7	\$45.78	\$32.0				
RESIDUALS	<u>0.0</u>	<u>\$27.30</u>	<u>\$0.0</u>				
TOTAL BULK	99.3	\$42.36	\$4,206.4				
<u>PC&S:</u>							
JP-8	0.1	\$42.42	\$4.2				
DIESEL	3.2	\$39.90	\$127.7				
MOGAS (Leaded)	0.2	\$53.34	\$10.7				
MOGAS (Unleaded)	0.1	\$45.78	\$4.6				
RESIDUALS	<u>1.1</u>	<u>\$27.30</u>	<u>\$30.0</u>				
TOTAL PC&S	4.7	\$37.70	\$177.2				
<u>INTOPLANE:</u>							
Jet Fuel Commercial Grade	3.8	\$53.34	\$202.7				
<u>BUNKERS:</u>							
DISTILLATES (F76, DFW)	0.2	\$41.16	\$8.2				
DIESEL (Marine)	1.8	\$40.32	\$72.6				
RESIDUALS (Intermediate)	<u>0.5</u>	<u>\$28.14</u>	<u>\$14.1</u>				
TOTAL BUNKERS	2.5	\$37.95	\$94.9				
Rounding factor			(\$33.7)				
TOTAL	110.3	\$42.42	\$4,647.5				

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FUEL DATA

FY 02 Budget Fuel Data	PROCURED FROM DESC			PROCURED BY SERVICE		
Petroleum Products does not include Electricity/Natural Gas/Aerospace	Barrels (Millions)	Price Per Barrel (\$)	Extended Price (\$Mil)	Barrels (Millions)	Cost Per Barrel (\$)	Extende Price (\$M
<u>BULK:</u>						
JP4, JAB	0.0	\$45.78	\$0.0			
JP50, JA1, and JAA	0.4	\$44.52	\$17.8			
DISTILLATES (F76, DFW)	16.2	\$40.32	\$653.2			
DIESEL	1.3	\$48.30	\$62.8			
JP5	15.2	\$42.84	\$651.2			
JP8	64.8	\$42.00	\$2,721.6			
MOGAS (Leaded)	0.1	\$49.14	\$4.9			
MOGAS (Unleaded)	0.5	\$52.92	\$26.5			
RESIDUALS	<u>0.0</u>	<u>\$29.40</u>	<u>\$0.0</u>			
TOTAL BULK	98.5	\$42.01	\$4,137.9			
<u>PC&S:</u>						
DIESEL	3.7	\$48.30	\$178.7			
MOGAS (Leaded)	0.3	\$49.14	\$14.7			
MOGAS (Unleaded)	0.5	\$52.92	\$26.5			
RESIDUALS	<u>1.0</u>	<u>\$29.40</u>	<u>\$29.4</u>			
TOTAL PC&S	5.5	\$45.33	\$249.3			
<u>INTOPLANE:</u>						
Jet Fuel Commercial Grade	3.6	\$49.56	\$178.4			
<u>BUNKERS:</u>						
DISTILLATES (F76, DFW)	0.1	\$40.32	\$4.0			
DIESEL (Marine)	1.9	\$37.38	\$71.0			
RESIDUALS (Intermediate)	<u>0.6</u>	<u>\$23.52</u>	<u>\$14.1</u>			
TOTAL BUNKERS	2.6	\$34.29	\$89.2			
Rounding factor			(\$26.4)			
TOTAL	110.2	\$42.00	\$4,628.4			

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FUEL DATA

FY 03 Budget Fuel Data	PROCURED FROM DESC			PROCURED BY SERVICE		
Petroleum Products does not include Electricity/Natural Gas/Aerospace	Barrels (Millions)	Price Per Barrel (\$)	Extended Price (\$Mil)	Barrels (Millions)	Cost Per Barrel (\$)	Extended Price (\$M)
<u>BULK:</u>						
JP4, JAB	0.0	\$46.20	\$0.0			
JP50, JA1, and JAA	0.4	\$47.46	\$19.0			
DISTILLATES (F76, DFW)	16.1	\$34.02	\$547.7			
DIESEL	1.3	\$37.80	\$49.1			
JP5	15.1	\$36.12	\$545.4			
JP8	64.8	\$35.28	\$2,286.1			
MOGAS (Leaded)	0.1	\$40.74	\$4.1			
MOGAS (Unleaded)	0.5	\$36.12	\$18.1			
RESIDUALS	<u>0.0</u>	<u>\$29.40</u>	<u>\$0.0</u>			
TOTAL BULK	98.3	\$35.30	\$3,469.5			
<u>PC&S:</u>						
DIESEL	3.7	\$37.80	\$139.9			
MOGAS (Leaded)	0.3	\$40.74	\$12.2			
MOGAS (Unleaded)	0.5	\$36.12	\$18.1			
RESIDUALS	<u>1.0</u>	<u>\$29.40</u>	<u>\$29.4</u>			
TOTAL PC&S	5.5	\$36.28	\$199.5			
<u>INTOPLANE:</u>						
Jet Fuel Commercial Grade	3.6	\$39.06	\$140.6			
<u>BUNKERS:</u>						
DISTILLATES (F76, DFW)	0.1	\$34.02	\$3.4			
DIESEL (Marine)	1.9	\$34.44	\$65.4			
RESIDUALS (Intermediate)	<u>0.6</u>	<u>\$21.42</u>	<u>\$12.9</u>			
TOTAL BUNKERS	2.6	\$31.42	\$81.7			
Rounding factor			(\$10.6)			
TOTAL	110.0	\$35.28	\$3,880.8			

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FUEL DATA

FY 02 Budget Fuel Data	PROCURED FROM DESC			PROCURED BY SERVICE			Date:
	Qty (Thousands)	Price Per Qty (\$)	Extended Price (\$000)	Qty (Thousands)	Price Per Qty (\$)	Extended Price (\$000)	
Aerospace Missile Fuels							
Liquid Air	26.1	\$0.42	\$11.0				
Deuterium, Gaseous	1,561.0	\$0.16	\$249.8				
Isopropyl Alcohol	285.5	\$0.36	\$102.8				
JP-10	82.0	\$15.15	\$1,242.3				
Priming Fluid ALCM (PF-1)	0.4	\$16.00	\$6.0				
TOTAL MISCELLANEOUS	1,955.0	\$0.82	\$1,611.9				
Argon, Gaseous-Conus	1.1	\$120.00	\$134.6				
Argon, Gaseous-OConus	0.3	\$185.00	\$64.2				
Argon, Liquid	1,317.8	\$0.30	\$395.3				
TOTAL ARGON	1,319.3	\$0.45	\$594.2				
Dinitrogen Tetroxide	2,141.4	\$10.50	\$22,484.5				
Helium, Bulk	41.8	\$108.00	\$4,517.7				
Helium, Cylinder	393.0	\$0.35	\$137.6				
Helium, Extra Hi-Purity	7.7	\$0.75	\$5.8				
Helium, Liquid Bulk	30.0	\$3.15	\$94.5				
Helium, Liquid-Dewars	62.2	\$3.47	\$215.8				
Helium, Ultra Hi-Purity	40.7	\$0.65	\$26.5				
TOTAL HELLIUM	575.4	\$8.69	\$4,997.9				
Hydrazine	881.0	\$61.00	\$53,738.6				
Hydrazine, Hi-Purity	25.7	\$75.00	\$1,927.2				
Hydrazine, MMH	168.1	\$61.00	\$10,253.4				
Hydrazine, MPH	27.3	\$61.00	\$1,662.6				
Hydrazine, Water	7.3	\$15.00	\$109.7				
TOTAL HYDRAZINE	1,109.3	\$61.02	\$67,691.5				
Hydrogen Peroxide	172.8	\$1.10	\$190.1				
Hydrogen, Gaseous	0.4	\$78.00	\$32.8				
Hydrogen, Liquid	1,138.7	\$2.50	\$2,846.7				
TOTAL HYDROGEN	1,311.9	\$2.34	\$3,069.6				
Special Fuels - JPTS	2,973.0	\$3.45	\$10,256.9				
Kerosene, RP-1, Bulk	180.6	\$2.75	\$496.7				
Kerosene, RP-1, Drum	0.1	\$5.50	\$0.6				
TOTAL KEROSENE	180.7	\$2.75	\$497.2				
Nitrogen Trifluoride	4.5	\$223.00	\$1,009.1				
Nitrogen, Gaseous	277.6	\$3.25	\$902.3				
Nitrogen, Gaseous (KSC Only)	481.7	\$4.00	\$1,926.7				
Nitrogen, Gaseous (Vandenberg AFB Only)	192.8	\$4.25	\$819.3				
Nitrogen, Liquid	134.1	\$85.50	\$11,463.5				
Nitrogen, Liquid (Pipeline)	36.0	\$50.42	\$1,815.1				
Nitrogen, Liquid (NASA AMES)	0.1	\$400.00	\$46.0				
Nitrogen, Liquid (Alaska/Hawaii)	0.8	\$550.00	\$450.5				
TOTAL NITROGEN	1,127.6	\$16.35	\$18,432.5				
Oxygen, Liquid	11.3	\$83.00	\$937.4				
Oxygen, Liquid (KSC & Montana Only)	4.9	\$112.00	\$547.9				
Oxygen, Liquid (Vandenberg AFB Only)	2.2	\$120.00	\$263.4				
TOTAL LIQUID OXYGEN	18.4	\$95.14	\$1,748.7				
Xenon, Gaseous	0.1	\$5.30	\$0.5				
Xenon, Extra High-Purity	40.0	\$6.00	\$240.0				
TOTAL LIQUID XENON	40.1	\$6.00	\$240.5				
Rounding factor			(\$23.5)				
TOTAL	12,752.1	\$10.32	131,601.7				

DEFENSE LOGISTICS AGENCY
 Defense-Wide Working Capital Fund
 Supply Activity Group
 Fiscal Year (FY) 2003 Budget Estimates

FUEL DATA

FY 03 Budget Fuel Data	PROCURED FROM DESC			PROCURED BY SERVICE			Date: February 2002
Aerospace Missile Fuels	Qty (Thousands)	Price Per Qty (\$)	Extended Price (\$000)	Qty (Thousands)	Price Per Qty (\$)	Extended Price (\$000)	Stabilized Price
Liquid Air	26.0	\$0.43	\$11.2				
Deuterium, Gaseous	1,334.5	\$0.10	\$133.5				
Isopropyl Alcohol	255.1	\$0.46	\$117.3				
JP-10	74.4	\$15.85	\$1,179.8				
Priming Fluid ALCM (PF-1)	3.4	\$16.00	\$54.0				
TOTAL MISCELLANEOUS	1,693.4	\$0.88	\$1,495.9				
Argon, Gaseous-Conus	1.1	\$127.00	\$141.7				
Argon, Gaseous-OConus	0.3	\$185.00	\$64.0				
Argon, Liquid	1,353.8	\$0.31	\$419.7				
TOTAL ARGON	1,355.3	\$0.46	\$625.4				
Dinitrogen Tetroxide	512.2	\$15.00	\$7,683.5				
Hellium, Bulk	33.5	\$108.00	\$3,618.9				
Hellium, Cylinder	393.0	\$0.37	\$145.4				
Hellium, Extra Hi-Purity	5.8	\$0.75	\$4.3				
Hellium, Liquid Bulk	7.9	\$3.15	\$24.7				
Hellium, Liquid-Dewars	62.8	\$3.62	\$227.2				
Hellium, Ultra Hi-Purity	40.5	\$0.65	\$26.3				
TOTAL HELLIUM	543.3	\$7.45	\$4,046.8				
Hydrazine	221.3	\$61.00	\$13,496.9				
Hydrazine, Hi-Purity	14.2	\$75.00	\$1,065.9				
Hydrazine, MMH	156.2	\$61.00	\$9,526.3				
Hydrazine, MPH	20.7	\$61.00	\$1,264.9				
Hydrazine, Water	6.5	\$15.00	\$96.8				
TOTAL HYDRAZINE	418.8	\$60.77	\$25,450.7				
Hydrogen Peroxide	169.6	\$1.35	\$229.0				
Hydrogen, Gaseous	0.4	\$78.00	\$32.8				
Hydrogen, Liquid	907.3	\$2.50	\$2,268.2				
TOTAL HYDROGEN	1,077.3	\$2.35	\$2,530.0				
Special Fuels - JPTS	2,876.2	\$3.75	\$10,785.6				
Kerosene, RP-1, Bulk	196.6	\$3.00	\$589.9				
Kerosene, RP-1, Drum	0.1	\$5.75	\$0.6				
TOTAL KEROSENE	196.7	\$3.00	\$590.5				
Nitrogen Trifluoride	8.9	\$223.00	\$1,990.3				
Nitrogen, Gaseous	275.5	\$3.25	\$895.5				
Nitrogen, Gaseous (KSC Only)	481.7	\$4.25	\$2,047.1				
Nitrogen, Gaseous (Vandenberg AFB Only)	164.8	\$4.25	\$700.3				
Nitrogen, Liquid	128.9	\$88.50	\$11,406.6				
Nitrogen, Liquid (Pipeline)	36.0	\$52.36	\$1,885.0				
Nitrogen, Liquid (NASA AMES)	0.1	\$400.00	\$46.0				
Nitrogen, Liquid (Alaska/Hawaii)	0.8	\$585.00	\$479.1				
TOTAL NITROGEN	1,096.7	\$17.73	\$19,449.9				
Oxygen, Liquid	10.6	\$86.00	\$912.0				
Oxygen, Liquid (KSC & Montana Only)	4.9	\$112.00	\$547.9				
Oxygen, Liquid (Vandenberg AFB Only)	1.9	\$125.00	\$243.6				
TOTAL LIQUID OXYGEN	17.4	\$97.65	\$1,703.6				
Xenon, Gaseous	0.1	\$5.30	\$0.5				
Xenon, Extra High-Purity	40.0	\$6.00	\$240.0				
TOTAL LIQUID XENON	40.1	\$6.00	\$240.5				
Rounding factor			(\$10.9)				
TOTAL	9,827.6	\$7.59	74,591.5				\$7.59

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2001
(Dollars in Millions)

DIVISION	Peacetime Inventory	Net Customer Orders	Net Sales at Standard	Obligation Targets				Commitment Target	Total Target
				Operating	Mobilization	Other	Total		
CLOTHING & TEXTILES	1,132.5	1,238.8	1,225.7	1,207.0	0.0	0.0	1,207.0	0.0	1,207.0
MEDICAL	227.9	2,105.2	2,019.7	2,071.3	0.0	0.0	2,071.3	0.0	2,071.3
SUBSISTENCE	5.6	1,466.9	1,466.9	1,547.0	0.0	0.0	1,547.0	0.0	1,547.0
GENERAL & INDUSTRIAL	871.6	1,520.9	1,508.5	1,553.4	0.0	0.0	1,553.4	0.0	1,553.4
AVIATION	3,751.5	2,352.6	2,339.8	2,666.7	0.0	0.0	2,666.7	0.0	2,666.7
LAND & MARITIME	3,035.8	1,914.8	1,959.5	1,909.2	0.0	0.0	1,909.2	0.0	1,909.2
BOS	1.6	9.1	9.1	9.1	0.0	0.0	9.1	0.0	9.1
NSA	5.5	13.9	13.9	12.9	0.0	0.0	12.9	0.0	12.9
DLIS	0.0	0.0	0.0	123.9	0.0	0.0	123.9	0.0	123.9
Corporate	0.0	0.0	0.0	730.9	0.0	0.0	730.9	0.0	730.9
SUBTOTAL	9,032.0	10,622.2	10,543.0	11,831.5	0.0	0.0	11,831.5	0.0	11,831.5
ENERGY (Includes Aerospace)	844.1	4,647.5	4,647.5	4,773.5	0.0	0.0	4,773.5	0.0	4,773.5
TOTAL	9,876.1	15,269.7	15,190.5	16,604.9	0.0	0.0	16,604.9	0.0	16,604.9

Exhibit SM-1 Supply Management Summary

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2002
(Dollars in Millions)

DIVISION	Peacetime Inventory	Net Customer Orders	Net Sales at Standard	Obligation Targets				Commitment Target	Total Target
				Operating	Mobilization	Other	Total		
CLOTHING & TEXTILES	1,154.3	1,219.7	1,231.5	1,234.4	0.0	0.0	1,234.4	420.0	1,654.4
MEDICAL	222.8	2,065.3	2,073.8	2,073.0	0.0	0.0	2,073.0	50.0	2,123.0
SUBSISTENCE	4.8	1,600.3	1,600.3	1,619.2	0.0	0.0	1,619.2	235.0	1,854.2
GENERAL & INDUSTRIAL	869.5	1,657.9	1,702.9	1,625.7	0.0	0.0	1,625.7	614.2	2,239.9
AVIATION	3,803.9	2,404.6	2,437.5	2,706.3	0.0	0.0	2,706.3	1,099.3	3,805.6
LAND & MARITIME	3,075.6	1,917.6	1,924.7	1,933.6	0.0	0.0	1,933.6	545.0	2,478.6
BOS	1.5	9.3	9.3	8.8	0.0	0.0	8.8	0.0	8.8
NSA	7.0	17.1	17.1	16.0	0.0	0.0	16.0	0.0	16.0
DLIS	0.0	0.0	0.0	126.2	0.0	0.0	126.2	0.0	126.2
Corporate	0.0	0.0	0.0	858.7	0.0	0.0	858.7	0.0	858.7
SUBTOTAL	9,139.4	10,891.8	10,997.1	12,201.8	0.0	0.0	12,201.8	2,963.5	15,165.3
ENERGY (Includes Aerospace)	678.4	4,760.0	4,760.0	3,626.4	0.0	0.0	3,626.4	507.2	4,133.6
TOTAL	9,817.8	15,651.8	15,757.1	15,828.2	0.0	0.0	15,828.2	3,470.7	19,298.9

Exhibit SM-1 Supply Management Summary

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2002
(Dollars in Millions)

DIVISION	Peacetime Inventory	Net Customer Orders	Net Sales at Standard	Obligation Targets				Commitment Target	Total Target
				Operating	Mobilization	Other	Total		
CLOTHING & TEXTILES	1,154.3	1,219.7	1,231.5	1,234.4	0.0	0.0	1,234.4	420.0	1,654.4
MEDICAL	222.8	2,065.3	2,073.8	2,073.0	0.0	0.0	2,073.0	50.0	2,123.0
SUBSISTENCE	4.8	1,600.3	1,600.3	1,619.2	0.0	0.0	1,619.2	235.0	1,854.2
GENERAL & INDUSTRIAL	869.5	1,657.9	1,702.9	1,625.7	0.0	0.0	1,625.7	614.2	2,239.9
AVIATION	3,803.9	2,404.6	2,437.5	2,706.3	0.0	0.0	2,706.3	1,099.3	3,805.6
LAND & MARITIME	3,075.6	1,917.6	1,924.7	1,933.6	0.0	0.0	1,933.6	545.0	2,478.6
BOS	1.5	9.3	9.3	8.8	0.0	0.0	8.8	0.0	8.8
NSA	7.0	17.1	17.1	16.0	0.0	0.0	16.0	0.0	16.0
DLIS	0.0	0.0	0.0	126.2	0.0	0.0	126.2	0.0	126.2
Corporate	0.0	0.0	0.0	858.7	0.0	0.0	858.7	0.0	858.7
SUBTOTAL	9,139.4	10,891.8	10,997.1	12,201.8	0.0	0.0	12,201.8	2,963.5	15,165.3
ENERGY (Includes Aerospace)	678.4	4,760.0	4,760.0	3,626.4	0.0	0.0	3,626.4	507.2	4,133.6
TOTAL	9,817.8	15,651.8	15,757.1	15,828.2	0.0	0.0	15,828.2	3,470.7	19,298.9

Exhibit SM-1 Supply Management Summary

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2001 Inventory Status
(\$ in millions)

Total DLA Supply Management	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	11,386.2	1,940.1	5,241.4	4,204.7
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	(7.2)	(135.1)	105.6	22.3
b. Price Change Amount (Memo)	142.1	4.6	55.7	81.8
c. Inventory Reclassified and Repriced	11,379.0	1,805.0	5,377.0	4,197.0
RECEIPTS AT COST	13,025.1	1,150.2	11,874.9	0.0
GROSS SALES AT COST	(13,289.2)	(1,267.9)	(12,021.3)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	67.7	0.0	46.1	21.6
Transfer to other DLA ICPs	(9.3)	0.0	(9.3)	0.0
Transfer from other DLA ICPs	50.7	0.0	24.2	26.5
b. Returns from Customers for Credit	396.9	0.0	396.9	0.0
c. Returns for Customers without Credit	286.5	0.0	50.7	235.8
d. Returns to Suppliers (-)	88.6	0.0	88.6	0.0
e. Transfers to Property Disposal (-)	(279.1)	(0.4)	0.0	(278.7)
f. Issues/Receipts without Reimbursement (+/-)	(180.1)	(1.6)	(178.4)	(0.1)
g. Other (List and Explain)	(200.6)	(225.2)	(75.0)	99.6
h. Total Adjustments	221.3	(227.2)	343.8	104.7
INVENTORY - End of Period (EOP)	11,336.2	1,460.1	5,574.4	4,301.7
INVENTORY EOP - REVALUED	9,859.5	1,460.1	5,574.4	2,825.0
a. Economic Retention (Memo)	2,565.3			2,565.3
b. Contingency Retention (Memo)	217.7			217.7
c. Potential DoD Utilization (Memo)	42.0			42.0
INVENTORY ON ORDER EOP	5,508.1	21.0	5,487.1	0.0

DEFENSE LOGISTICS AGENCY
 Defense-Wide Working Capital Fund
 Supply Management Activity Group
 Fiscal Year (FY) 2003 Budget Estimates
 FY 2002 Inventory Status
 (\$ in millions)

Total DLA Supply Management	Total	Mobilization	Peacetime	
				Other
INVENTORY - Beginning of Period (BOP)	11,336.2	1,460.1	5,574.4	4,301.7
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	11,337.7	1,460.1	5,575.9	4,301.7
RECEIPTS AT COST	12,203.9	1,372.1	10,831.8	0.0
GROSS SALES AT COST	(12,410.7)	(1,334.1)	(11,076.6)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	120.5	0.0	93.5	27.0
Transfer to other DLA ICPs	(5.0)	0.0	(5.0)	0.0
Transfer from other DLA ICPs	7.2	0.0	4.7	2.5
b. Returns from Customers for Credit	391.0	0.0	391.0	0.0
c. Returns for Customers without Credit	230.4	0.0	45.2	185.2
d. Returns to Suppliers (-)	(5.0)	0.0	0.0	(5.0)
e. Transfers to Property Disposal (-)	(315.2)	(1.0)	(15.9)	(298.3)
f. Issues/Receipts without Reimbursement (+/-)	(2.0)	1.0	(3.0)	0.0
g. Other (List and Explain)	(542.4)	(305.5)	(252.1)	15.2
h. Total Adjustments	(120.5)	(305.5)	258.4	(73.4)
INVENTORY - End of Period (EOP)	11,010.4	1,192.6	5,589.5	4,228.3
INVENTORY EOP - REVALUED	9,600.6	1,192.6	5,589.5	2,818.5
a. Economic Retention (Memo)	2,539.9			2,539.9
b. Contingency Retention (Memo)	215.2			215.2
c. Potential DoD Utilization (Memo)	63.5			63.5
INVENTORY ON ORDER EOP	5,137.8	10.1	5,127.7	0.0

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2003 Inventory Status
(\$ in millions)

Total DLA Supply Management	Total	Mobilization	Peacetime	
				Other
INVENTORY - Beginning of Period (BOP)	11,010.4	1,192.6	5,589.5	4,228.3
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	11,010.4	1,192.6	5,589.5	4,228.3
RECEIPTS AT COST	12,652.0	1,375.5	11,276.5	0.0
GROSS SALES AT COST	(12,643.2)	(1,363.3)	(11,279.9)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	31.7	0.0	4.7	27.0
Transfer to other DLA ICPs	(5.0)	0.0	(5.0)	0.0
Transfer from other DLA ICPs	6.2	0.0	3.7	2.5
b. Returns from Customers for Credit	358.8	0.0	355.1	3.7
c. Returns for Customers without Credit	237.0	0.0	35.8	201.2
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(329.1)	(1.0)	(10.0)	(318.1)
f. Issues/Receipts without Reimbursement (+/-)	(12.4)	1.0	(13.4)	0.0
g. Other (List and Explain)	54.3	23.9	26.6	3.8
h. Total Adjustments	341.5	23.9	397.5	(79.9)
INVENTORY - End of Period (EOP)	11,360.7	1,228.7	5,983.6	4,148.4
INVENTORY EOP - REVALUED	10,017.0	1,228.7	5,983.6	2,804.7
a. Economic Retention (Memo)	2,523.2			2,523.2
b. Contingency Retention (Memo)	214.0			214.0
c. Potential DoD Utilization (Memo)	67.5			67.5
INVENTORY ON ORDER EOP	5,036.8	15.8	5,021.0	0.0

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
FY 2003 Inventory Status
(\$ in millions)

Defense Supply Center Philadelphia - Clothing and Textiles	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	1,165.2	10.9	1,077.7	76.6
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0			
c. Inventory Reclassified and Repriced	1,165.2	10.9	1,077.7	76.6
RECEIPTS AT COST	1,038.1		1,038.1	
GROSS SALES AT COST	(1,080.4)		(1,080.4)	
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	25.9		22.2	3.7
c. Returns for Customers without Credit	40.0		25.0	15.0
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	(20.0)		(10.0)	(10.0)
f. Issues/Receipts without Reimbursement (+/-)	(10.4)		(10.4)	
g. Other (List and Explain)	2.8			
h. Total Adjustments	38.3		29.6	8.7
INVENTORY - End of Period (EOP)	1,161.2	10.9	1,065.0	85.3
INVENTORY EOP - REVALUED	1,161.2	10.9	1,065.0	85.3
a. Economic Retention (Memo)	41.8			41.8
b. Contingency Retention (Memo)	1.7			1.7
c. Potential DoD Utilization (Memo)	41.8			41.8
INVENTORY ON ORDER EOP	728.1		728.1	

DEFENSE LOGISTICS AGENCY
 Defense-Wide Working Capital Fund
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 (\$ in millions)

Defense Supply Center Philadelphia - Medical	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	230.2	7.4	157.8	65.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0			
c. Inventory Reclassified and Repriced	230.2	7.4	157.8	65.0
RECEIPTS AT COST	1,954.3	5.4	1,948.9	0.0
GROSS SALES AT COST	(1,950.2)	0.0	(1,950.2)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	1.0	0.0	1.0	0.0
c. Returns for Customers without Credit	4.0	0.0	0.6	3.4
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	(5.0)	0.0	0.0	(5.0)
f. Issues/Receipts without Reimbursement (+/-)	0.0			
g. Other (List and Explain)	5.1	0.6	1.1	3.4
h. Total Adjustments	5.1	0.6	2.7	1.8
INVENTORY - End of Period (EOP)	239.4	13.4	159.2	66.8
INVENTORY EOP - REVALUED	197.7	13.4	159.2	25.1
a. Economic Retention (Memo)	6.0			6.0
b. Contingency Retention (Memo)	18.4			18.4
c. Potential DoD Utilization (Memo)	0.7			0.7
INVENTORY ON ORDER EOP	232.3	5.4	226.9	0.0

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Defense Supply Center Philadelphia - Subsistence	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	304.1	299.3	4.8	0.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	304.1	299.3	4.8	0.0
RECEIPTS AT COST	1,480.7	1,370.1	110.6	0.0
GROSS SALES AT COST	(1,473.6)	(1,363.3)	(110.3)	0.0
		24.0		
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0	0.0	0.0	0.0
Transfer to other DLA ICPs	0.0	0.0	0.0	0.0
Transfer from other DLA ICPs	0.0	0.0	0.0	0.0
b. Returns from Customers for Credit	0.5	0.0	0.5	0.0
c. Returns for Customers without Credit	0.0	0.0	0.0	0.0
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(1.0)	(1.0)	0.0	0.0
f. Issues/Receipts without Reimbursement (+/-)	1.0	1.0	0.0	0.0
g. Other (List and Explain)	(0.5)	0.0	(0.5)	0.0
h. Total Adjustments	0.0	0.0	0.0	0.0
INVENTORY - End of Period (EOP)	311.2	306.1	5.1	0.0
INVENTORY EOP - REVALUED	311.2	306.1	5.1	0.0
a. Economic Retention (Memo)	0.0			
b. Contingency Retention (Memo)	0.0			
c. Potential DoD Utilization (Memo)	0.0			
INVENTORY ON ORDER EOP	16.0	10.4	5.6	0.0

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Defense Supply Center Philadelphia - General and Industrial	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	885.3	15.8	489.6	379.9
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	885.3	15.8	489.6	379.9
RECEIPTS AT COST	1,440.4	0.0	1,440.4	0.0
GROSS SALES AT COST	(1,433.4)	0.0	(1,433.4)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	4.7	0.0	4.7	0.0
Transfer to other DLA ICPs	0.0	0.0	0.0	0.0
Transfer from other DLA ICPs	4.2	0.0	1.7	2.5
b. Returns from Customers for Credit	25.7	0.0	25.7	0.0
c. Returns for Customers without Credit	30.9	0.0	0.0	30.9
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(53.1)	0.0	0.0	(53.1)
f. Issues/Receipts without Reimbursement (+/-)	0.0	0.0	0.0	0.0
g. Other (List and Explain)	17.9	0.6	16.9	0.4
h. Total Adjustments	30.3	0.6	49.0	(19.3)
INVENTORY - End of Period (EOP)	922.6	16.4	545.6	360.6
INVENTORY EOP - REVALUED	831.4	16.4	545.6	269.4
a. Economic Retention (Memo)	233.8			233.8
b. Contingency Retention (Memo)	33.9			33.9
c. Potential DoD Utilization (Memo)	1.6			1.6
INVENTORY ON ORDER EOP	384.7	0.0	384.7	0.0

DEFENSE LOGISTICS AGENCY
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Total Defense Supply Center Philadelphia	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	2,584.8	333.4	1,729.9	521.5
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	2,584.8	333.4	1,729.9	521.5
RECEIPTS AT COST	5,913.5	1,375.5	4,538.0	0.0
GROSS SALES AT COST	(5,937.6)	(1,363.3)	(4,574.3)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	4.7	0.0	4.7	0.0
Transfer to other DLA ICPs	0.0	0.0	0.0	0.0
Transfer from other DLA ICPs	4.2	0.0	1.7	2.5
b. Returns from Customers for Credit	53.1	0.0	49.4	3.7
c. Returns for Customers without Credit	74.9	0.0	25.6	49.3
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(79.1)	(1.0)	(10.0)	(68.1)
f. Issues/Receipts without Reimbursement (+/-)	(9.4)	1.0	(10.4)	0.0
g. Other (List and Explain)	25.3	1.2	20.3	3.8
h. Total Adjustments	73.7	1.2	81.3	(8.8)
INVENTORY - End of Period (EOP)	2,634.4	346.8	1,774.9	512.7
INVENTORY EOP - REVALUED	2,501.5	346.8	1,774.9	379.8
a. Economic Retention (Memo)	281.6			281.6
b. Contingency Retention (Memo)	54.1			54.1
c. Potential DoD Utilization (Memo)	44.1			44.1
INVENTORY ON ORDER EOP	1,361.1	15.8	1,345.3	0.0

DEFENSE LOGISTICS AGENCY
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Defense Supply Center Richmond - Aviation	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	3,826.9	23.0	1,894.4	1,909.5
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	3,826.9	23.0	1,894.4	1,909.5
RECEIPTS AT COST	2,262.8	0.0	2,262.8	0.0
GROSS SALES AT COST	(2,042.1)	0.0	(2,042.1)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	7.0	0.0	0.0	7.0
Transfer to other DLA ICPs	0.0	0.0	0.0	0.0
Transfer from other DLA ICPs	0.0	0.0	0.0	0.0
b. Returns from Customers for Credit	54.2	0.0	54.2	0.0
c. Returns for Customers without Credit	102.1	0.0	10.2	91.9
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(170.0)	0.0	0.0	(170.0)
f. Issues/Receipts without Reimbursement (+/-)	0.0	0.0	0.0	0.0
g. Other (List and Explain)	0.0	0.0	0.0	0.0
h. Total Adjustments	(6.7)	0.0	64.4	(71.1)
INVENTORY - End of Period (EOP)	4,040.9	23.0	2,179.5	1,838.4
INVENTORY EOP - REVALUED	3,179.0	23.0	2,179.5	976.5
a. Economic Retention (Memo)	951.1			951.1
b. Contingency Retention (Memo)	7.8			7.8
c. Potential DoD Utilization (Memo)	17.6			17.6
INVENTORY ON ORDER EOP	1,801.6	0.0	1,801.6	0.0

DEFENSE LOGISTICS AGENCY
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Defense Supply Center Columbus - Land and Maritime	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	3,117.3	41.7	1,278.3	1,797.3
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	3,117.3	41.7	1,278.3	1,797.3
RECEIPTS AT COST	1,475.0	0.0	1,475.0	0.0
GROSS SALES AT COST	(1,495.2)	0.0	(1,495.2)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	20.0	0.0	0.0	20.0
Transfer to other DLA ICPs	(5.0)	0.0	(5.0)	0.0
Transfer from other DLA ICPs	2.0	0.0	2.0	0.0
b. Returns from Customers for Credit	68.0	0.0	68.0	0.0
c. Returns for Customers without Credit	60.0	0.0	0.0	60.0
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(80.0)	0.0	0.0	(80.0)
f. Issues/Receipts without Reimbursement (+/-)	(3.0)	0.0	(3.0)	0.0
g. Other (List and Explain)	(5.0)	0.0	(5.0)	0.0
h. Total Adjustments	57.0	0.0	57.0	0.0
INVENTORY - End of Period (EOP)	3,154.1	41.7	1,315.1	1,797.3
INVENTORY EOP - REVALUED	2,805.2	41.7	1,315.1	1,448.4
a. Economic Retention (Memo)	1,290.5			1,290.5
b. Contingency Retention (Memo)	152.1			152.1
c. Potential DoD Utilization (Memo)	5.8			5.8
INVENTORY ON ORDER EOP	601.9	0.0	601.9	0.0

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
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Total DLA Supply Management NonEnergy	Total	Mobilization	Peacetime	
				Other
INVENTORY - Beginning of Period (BOP)	9,537.5	398.1	4,911.1	4,228.3
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0	0.0	0.0	0.0
b. Price Change Amount (Memo)	0.0	0.0	0.0	0.0
c. Inventory Reclassified and Repriced	9,537.5	398.1	4,911.1	4,228.3
RECEIPTS AT COST	9,670.2	1,375.5	8,294.7	0.0
GROSS SALES AT COST	(9,493.9)	(1,363.3)	(8,130.6)	0.0
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	31.7	0.0	4.7	27.0
Transfer to other DLA ICPs	(5.0)	0.0	(5.0)	0.0
Transfer from other DLA ICPs	6.2	0.0	3.7	2.5
b. Returns from Customers for Credit	175.3	0.0	171.6	3.7
c. Returns for Customers without Credit	237.0	0.0	35.8	201.2
d. Returns to Suppliers (-)	0.0	0.0	0.0	0.0
e. Transfers to Property Disposal (-)	(329.1)	(1.0)	(10.0)	(318.1)
f. Issues/Receipts without Reimbursement (+/-)	(12.4)	1.0	(13.4)	0.0
g. Other (List and Explain)	20.3	1.2	15.3	3.8
h. Total Adjustments	124.0	1.2	202.7	(79.9)
INVENTORY - End of Period (EOP)	9,837.8	411.5	5,277.9	4,148.4
INVENTORY EOP - REVALUED	8,494.1	411.5	5,277.9	2,804.7
a. Economic Retention (Memo)	2,523.2			2,523.2
b. Contingency Retention (Memo)	214.0			214.0
c. Potential DoD Utilization (Memo)	67.5			67.5
INVENTORY ON ORDER EOP	3,764.6	15.8	3,748.8	0.0

DEFENSE LOGISTICS AGENCY
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 (\$ in millions)

Defense Energy Support Center (Aerospace Fuels)	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	65.1	0.0	65.1	0.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0			
c. Inventory Reclassified and Repriced	65.1	0.0	65.1	0.0
RECEIPTS AT COST	37.6		37.6	
GROSS SALES AT COST	(37.6)		(37.6)	
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	0.0			
c. Returns for Customers without Credit	0.0			
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	0.0			
f. Issues/Receipts without Reimbursement (+/-)	0.0			
g. Other (Price Change to revalue receipts at Std; Losses)	9.7		9.7	
h. Total Adjustments	9.7	0.0	9.7	0.0
INVENTORY - End of Period (EOP)	74.8	0.0	74.8	0.0
INVENTORY EOP - REVALUED	74.8	0.0	74.8	0.0
a. Economic Retention (Memo)	0.0			
b. Contingency Retention (Memo)	0.0			
c. Potential DoD Utilization (Memo)	0.0			
INVENTORY ON ORDER EOP	0.0			

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 (\$ in millions)

Defense Energy Support Center (Petroleum)	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	1,407.9	794.5	613.3	0.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0	0.0	0.0	
c. Inventory Reclassified and Repriced	1,407.9	794.5	613.3	0.0
RECEIPTS AT COST	2,944.2		2,944.2	
GROSS SALES AT COST	(3,111.7)		(3,111.7)	
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	183.5		183.5	
c. Returns for Customers without Credit	0.0			
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	0.0			
f. Issues/Receipts without Reimbursement (+/-)	0.0			
g. Other (Price Change; Losses)	24.3	22.7	1.6	
h. Total Adjustments	207.8	22.7	185.1	0.0
INVENTORY - End of Period (EOP)	1,448.1	817.2	630.9	0.0
INVENTORY EOP - REVALUED	1,448.1	817.2	630.9	0.0
a. Economic Retention (Memo)	0.0			
b. Contingency Retention (Memo)	0.0			
c. Potential DoD Utilization (Memo)	0.0			
INVENTORY ON ORDER EOP	1,272.2		1,272.2	

DEFENSE LOGISTICS AGENCY
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Base Operating Support	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	1.5	0.0	1.5	0.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0			
c. Inventory Reclassified and Repriced	1.5	0.0	1.5	0.0
RECEIPTS AT COST	9.1		9.1	
GROSS SALES AT COST	(9.2)		(9.2)	
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	0.0			
c. Returns for Customers without Credit	0.0			
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	0.0			
f. Issues/Receipts without Reimbursement (+/-)	0.0			
g. Other (List and Explain)	0.0			
h. Total Adjustments	0.0	0.0	0.0	0.0
INVENTORY - End of Period (EOP)	1.4	0.0	1.4	0.0
INVENTORY EOP - REVALUED	1.4	0.0	1.4	0.0
a. Economic Retention (Memo)	0.0			
b. Contingency Retention (Memo)	0.0			
c. Potential DoD Utilization (Memo)	0.0			
INVENTORY ON ORDER EOP	0.0			

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National Security Agency	Total	Mobilization	Peacetime	
			Operating	Other
INVENTORY - Beginning of Period (BOP)	7.0	0.0	7.0	0.0
BOP INVENTORY ADJUSTMENTS				
a. Reclassification Change (Memo)	0.0			
b. Price Change Amount (Memo)	0.0			
c. Inventory Reclassified and Repriced	7.0	0.0	7.0	0.0
RECEIPTS AT COST	9.8		9.8	
GROSS SALES AT COST	(9.8)		(9.8)	
INVENTORY ADJUSTMENTS				
a. Capitalizations + or (-)	0.0			
Transfer to other DLA ICPs	0.0			
Transfer from other DLA ICPs	0.0			
b. Returns from Customers for Credit	0.0			
c. Returns for Customers without Credit	0.0			
d. Returns to Suppliers (-)	0.0			
e. Transfers to Property Disposal (-)	0.0			
f. Issues/Receipts without Reimbursement (+/-)	0.0			
g. Other (List and Explain)	0.0			
h. Total Adjustments	0.0	0.0	0.0	0.0
INVENTORY - End of Period (EOP)	7.0	0.0	7.0	0.0
INVENTORY EOP - REVALUED	7.0	0.0	7.0	0.0
a. Economic Retention (Memo)	0.0			
b. Contingency Retention (Memo)	0.0			
c. Potential DoD Utilization (Memo)	0.0			
INVENTORY ON ORDER EOP	0.0			

DEFENSE LOGISTICS AGENCY
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WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Supply Non-Energy (Excluding DeCA)	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	7,783.6	8,176.0	9,188.2
2. Less: Materiel Inflation Adjustmen	67.1	0.0	0.0
3. Revised Net Sales @ Cost	7,716.5	8,176.0	9,188.2
4. Surcharge (\$)	1,922.5	1,765.9	1,900.1
5. Change to Customers			
a. Previous Year's Surcharge (%)	22.1%	24.7%	21.5%
b. This Year's Surcharge (\$) divided by line 3 above	24.7%	21.5%	20.7%
c. Percent Change to Customer	4.5%	0.4%	3.5%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
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WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Clothing and Textile	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	1,000.7	1,012.7	1,089.5
2. Less: Materiel Inflation Adjustmen	11.0	0.0	0.0
3. Revised Net Sales @ Cost	989.7	1,012.7	1,089.5
4. Surcharge (\$)	170.1	173.0	94.4
5. Change to Customers			
a. Previous Year's Surcharge (%)	17.4%	17.0%	17.1%
b. This Year's Surcharge (\$) divided by line 3 above	17.0%	17.1%	8.7%
c. Percent Change to Customer	-1.4%	2.1%	-3.3%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
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WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Medical	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	1,823.9	1,843.8	1,962.3
2. Less: Materiel Inflation Adjustmen	(0.6)	0.0	0.0
3. Revised Net Sales @ Cost	1,824.5	1,843.8	1,962.3
4. Surcharge (\$)	118.0	117.7	154.3
5. Change to Customers			
a. Previous Year's Surcharge (%)	6.7%	6.5%	6.4%
b. This Year's Surcharge (\$) divided by line 3 above	6.5%	6.4%	7.9%
c. Percent Change to Customer	0.9%	1.1%	4.5%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
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Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Subsistence (Excluding DeCA)	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	968.6	996.0	1,213.6
2. Less: Materiel Inflation Adjustmen	(1.2)	0.0	0.0
3. Revised Net Sales @ Cost	969.8	996.0	1,213.6
4. Surcharge (\$)	127.9	133.2	180.0
5. Change to Customers			
a. Previous Year's Surcharge (%)	13.3%	13.2%	13.4%
b. This Year's Surcharge (\$) divided by line 3 above	13.2%	13.4%	14.8%
c. Percent Change to Customer	1.3%	1.6%	4.5%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
WHOLESALE ONLY - CUSTOMER PRICE CHANGE

General and Industrial	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	923.0	966.6	1,421.7
2. Less: Materiel Inflation Adjustmen	8.8	0.0	0.0
3. Revised Net Sales @ Cost	914.2	966.6	1,421.7
4. Surcharge (\$)	373.6	331.9	332.1
5. Change to Customers			
a. Previous Year's Surcharge (%)	39.8%	40.5%	34.3%
b. This Year's Surcharge (\$) divided by line 3 above	40.5%	34.3%	23.4%
c. Percent Change to Customer	-1.5%	-2.6%	-4.2%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
WHOLESALE ONLY - CUSTOMER PRICE CHANGE

DSCP excluding DeCA	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	4,716.2	4,819.1	5,687.1
2. Less: Materiel Inflation Adjustmen	18.0	0.0	0.0
3. Revised Net Sales @ Cost	4,698.2	4,819.1	5,687.1
4. Surcharge (\$)	789.6	755.8	760.8
5. Change to Customers			
a. Previous Year's Surcharge (%)	17.4%	16.7%	15.7%
b. This Year's Surcharge (\$) divided by line 3 above	16.7%	15.7%	13.4%
c. Percent Change to Customer	-0.6%	0.5%	0.3%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Richmond	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	1,750.2	1,941.6	2,042.4
2. Less: Materiel Inflation Adjustmen	28.0	0.0	0.0
3. Revised Net Sales @ Cost	1,722.2	1,941.6	2,042.4
4. Surcharge (\$)	540.9	484.9	590.0
5. Change to Customers			
a. Previous Year's Surcharge (%)	24.4%	30.9%	25.0%
b. This Year's Surcharge (\$) divided by line 3 above	30.9%	25.0%	28.9%
c. Percent Change to Customer	8.1%	0.3%	9.4%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
WHOLESALE ONLY - CUSTOMER PRICE CHANGE

Columbus	FY 2001	FY 2002	FY 2003
1. Net Sales at Cost	1,317.2	1,415.3	1,458.7
2. Less: Materiel Inflation Adjustmen	21.1	0.0	0.0
3. Revised Net Sales @ Cost	1,296.1	1,415.3	1,458.7
4. Surcharge (\$)	592.0	525.2	549.3
5. Change to Customers			
a. Previous Year's Surcharge (%)	33.3%	44.9%	37.1%
b. This Year's Surcharge (\$) divided by line 3 above	44.9%	37.1%	37.7%
c. Percent Change to Customer	14.2%	0.6%	6.8%

EXHIBIT SM-5b Customer Price Change

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1,940.1	1,784.1	156.0
2. Price Change (Memo)	-	-	-
3. Reclassification	(138.4)	(122.0)	(16.4)
4. Inventory Changes			
a. Receipts @ cost	254.1	254.1	-
(1). Purchases	254.1	254.1	-
(2). Returns from customers	-	-	-
b. Issues @ cost	(221.9)	(208.4)	(13.5)
(1). Sales	(221.9)	(208.4)	(13.5)
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	(373.8)	(317.2)	(56.6)
(1). Capitalizations	(2.0)	(2.0)	-
(2). Gains and Losses	-	-	-
(3.) Other	(371.8)	(315.2)	(56.6)
5. Inventory EOP	1,460.1	1,390.6	69.5
WRM STOCKPILE COSTS			
1. Storage	69.2	66.3	2.9
2. Management	4.8	4.3	0.5
3. Maintenance/Other	144.2	144.2	-
Total Cost	218.2	214.8	3.4
WRM BUDGET REQUEST			
1. Obligations @ Cost	254.7	254.1	0.6
a. Additional WRM	-	-	-
b. Replen. WRM	254.1	254.1	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	0.6	-	0.6
Total Request	254.7	254.1	0.6

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Clothing & Textiles
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	10.9	-	10.9
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	10.9	-	10.9
WRM STOCKPILE COSTS			
1. Storage	4.4	4.4	
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	4.4	4.4	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Medical
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	50.8	34.2	16.6
2. Price Change (Memo)	-	-	
3. Reclassification	(50.6)	(34.2)	(16.4)
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	
(2). Returns from customers	-		-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	1.4	-	1.4
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	1.4	-	1.4
5. Inventory EOP	1.6	-	1.6
WRM STOCKPILE COSTS			
1. Storage	2.1	-	2.1
2. Management	-	-	
3. Maintenance/Other	-	-	
Total Cost	2.1	0	2.1
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	
b. Replen. WRM	-	-	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Subsistence
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	207.3	207.3	
2. Price Change (Memo)	-		
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	254.1	254.1	-
(1). Purchases	254.1	254.1	-
(2). Returns from customers	-		-
b. Issues @ cost	(192.8)	(192.8)	-
(1). Sales	(192.8)	(192.8)	-
(2). Returns to suppliers	-		-
(3.) Disposals	-		-
c. Adjustments @ cost	(2.0)	(2.0)	-
(1). Capitalizations	(2.0)	(2.0)	-
(2). Gains and Losses	-	-	-
(3.) Other	-		-
5. Inventory EOP	266.6	266.6	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	254.1	254.1	-
a. Additional WRM	-	-	-
b. Replen. WRM	254.1	254.1	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	254.1	254.1	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: General & Industrial
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	28.5	-	28.5
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	(13.5)	-	(13.5)
(1). Sales	(13.5)	-	(13.5)
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	0.3	-	0.3
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	0.3	-	0.3
5. Inventory EOP	15.3	-	15.3
WRM STOCKPILE COSTS			
1. Storage	0.3	-	0.3
2. Management	0.4	-	0.4
3. Maintenance/Other	-	-	-
Total Cost	0.7	0	0.7
WRM BUDGET REQUEST			
1. Obligations @ Cost	0.6	-	0.6
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	0.6	-	0.6
Total Request	0.6	-	0.6

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Aviation
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	110.8	110.8	-
2. Price Change (Memo)	-	-	-
3. Reclassification	(87.8)	(87.8)	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	23.0	23.0	-
WRM STOCKPILE COSTS			
1. Storage	1.7	1.7	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	1.7	1.7	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Land and Maritime
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	100.0		100.0
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	(58.3)	-	(58.3)
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	(58.3)	-	(58.3)
5. Inventory EOP	41.7	-	41.7
WRM STOCKPILE COSTS			
1. Storage	0.5	-	0.5
2. Management	0.1	-	0.1
3. Maintenance/Other	-	-	-
Total Cost	0.6	0	0.6
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Energy
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1,431.8	1,431.8	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	(15.6)	(15.6)	-
(1). Sales	(15.6)	(15.6)	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	(315.2)	(315.2)	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	(315.2)	(315.2)	-
5. Inventory EOP	1,101.0	1,101.0	-
WRM STOCKPILE COSTS			
1. Storage	60.2	60.2	
2. Management	4.3	4.3	-
3. Maintenance/Other	144.2	144.2	-
Total Cost	208.7	208.7	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Base Operating Supplies
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	-	-	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	-	-	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: National Security Agency
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2001

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	-	-	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	-	-	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1,460.1	1,390.6	69.5
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	278.7	273.4	5.3
(1). Purchases	278.7	273.4	5.3
(2). Returns from customers	-	-	-
b. Issues @ cost	(240.7)	(240.7)	-
(1). Sales	(240.7)	(240.7)	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	(305.5)	(306.5)	1.0
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	(305.5)	(306.5)	1.0
5. Inventory EOP	1,192.6	1,116.8	75.8
WRM STOCKPILE COSTS			
1. Storage	96.3	93.9	2.4
2. Management	4.9	4.3	0.6
3. Maintenance/Other	153.2	153.2	-
Total Cost	254.4	251.4	3
WRM BUDGET REQUEST			
1. Obligations @ Cost	279.6	273.4	6.2
a. Additional WRM	-	-	-
b. Replen. WRM	278.7	273.4	5.3
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	0.9	-	0.9
Total Request	279.6	273.4	6.2

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Clothing & Textiles
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	10.9	-	10.9
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	10.9	-	10.9
WRM STOCKPILE COSTS			
1. Storage	5.3	5.3	
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	5.3	5.3	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Medical
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1.6	-	1.6
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	5.3	-	5.3
(1). Purchases	5.3	-	5.3
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	0.5	-	0.5
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	0.5	-	0.5
5. Inventory EOP	7.4	-	7.4
WRM STOCKPILE COSTS			
1. Storage	1.8	-	1.8
2. Management	-	-	
3. Maintenance/Other	-	-	
Total Cost	1.8	0	1.8
WRM BUDGET REQUEST			
1. Obligations @ Cost	5.3	-	5.3
a. Additional WRM	-	-	-
b. Replen. WRM	5.3	-	5.3
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	5.3	-	5.3

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Subsistence
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	266.6	266.6	-
2. Price Change (Memo)	-		-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	273.4	273.4	-
(1). Purchases	273.4	273.4	-
(2). Returns from customers	-		-
b. Issues @ cost	(240.7)	(240.7)	-
(1). Sales	(240.7)	(240.7)	-
(2). Returns to suppliers	-		-
(3.) Disposals	-		-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-		-
5. Inventory EOP	299.3	299.3	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	273.4	273.4	-
a. Additional WRM	-	-	-
b. Replen. WRM	273.4	273.4	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	273.4	273.4	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: General & Industrial
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	15.3	-	15.3
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	0.5	-	0.5
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	0.5	-	0.5
5. Inventory EOP	15.8	-	15.8
WRM STOCKPILE COSTS			
1. Storage	0.1	-	0.1
2. Management	0.5	-	0.5
3. Maintenance/Other	-	-	-
Total Cost	0.6	0	0.6
WRM BUDGET REQUEST			
1. Obligations @ Cost	0.9	-	0.9
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	0.9	-	0.9
Total Request	0.9	-	0.9

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Aviation
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	23.0	23.0	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	23.0	23.0	-
WRM STOCKPILE COSTS			
1. Storage	1.4	1.4	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	1.4	1.4	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Land and Maritime
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	41.7		41.7
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	41.7	-	41.7
WRM STOCKPILE COSTS			
1. Storage	0.5	-	0.5
2. Management	0.1	-	0.1
3. Maintenance/Other	-	-	-
Total Cost	0.6	0	0.6
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Energy
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1,101.0	1,101.0	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	(306.5)	(306.5)	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	(306.5)	(306.5)	-
5. Inventory EOP	794.5	794.5	-
WRM STOCKPILE COSTS			
1. Storage	87.2	87.2	-
2. Management	4.3	4.3	-
3. Maintenance/Other	153.2	153.2	-
Total Cost	244.7	244.7	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Base Operating Supplies
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	-	-	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	-	-	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost			
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: National Security Agency
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2002

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	-	-	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	-	-	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	1,192.6	1,116.8	75.8
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	254.3	248.9	5.4
(1). Purchases	254.3	248.9	5.4
(2). Returns from customers	-	-	-
b. Issues @ cost	(242.1)	(242.1)	-
(1). Sales	(242.1)	(242.1)	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	23.9	22.7	1.2
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	23.9	22.7	1.2
5. Inventory EOP	1,228.7	1,146.3	82.4
WRM STOCKPILE COSTS			
1. Storage	78.0	75.9	2.1
2. Management	4.9	4.3	0.6
3. Maintenance/Other	156.4	156.4	-
Total Cost	239.3	236.6	2.7
WRM BUDGET REQUEST			
1. Obligations @ Cost	249.9	248.9	1.0
a. Additional WRM	-	-	-
b. Replen. WRM	248.9	248.9	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	1.0	-	1.0
Total Request	249.9	248.9	1.0

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Clothing & Textiles
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	10.9	-	10.9
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	10.9	-	10.9
WRM STOCKPILE COSTS			
1. Storage	3.1	3.1	
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	3.1	3.1	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Medical
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	7.4	-	7.4
2. Price Change (Memo)		-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	5.4	-	5.4
(1). Purchases	5.4	-	5.4
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	0.6	-	0.6
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	0.6	-	0.6
5. Inventory EOP	13.4	-	13.4
WRM STOCKPILE COSTS			
1. Storage	1.5	-	1.5
2. Management	-	-	
3. Maintenance/Other	-	-	
Total Cost	1.5	0	1.5
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-		
d. Assemble/Disassemble	-		
e. Other	-	-	
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Subsistence
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	299.3	299.3	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	248.9	248.9	-
(1). Purchases	248.9	248.9	-
(2). Returns from customers	-	-	-
b. Issues @ cost	(242.1)	(242.1)	-
(1). Sales	(242.1)	(242.1)	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	306.1	306.1	-
WRM STOCKPILE COSTS			
1. Storage	-	-	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	-	0	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	248.9	248.9	-
a. Additional WRM	-	-	-
b. Replen. WRM	248.9	248.9	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	248.9	248.9	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: General & Industrial
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	15.8	-	15.8
2. Price Change (Memo)	-	-	
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	0.6	-	0.6
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	0.6	-	0.6
5. Inventory EOP	16.4	-	16.4
WRM STOCKPILE COSTS			
1. Storage	0.2	-	0.2
2. Management	0.5	-	0.5
3. Maintenance/Other	-	-	-
Total Cost	0.7	0	0.7
WRM BUDGET REQUEST			
1. Obligations @ Cost	1.0	-	1.0
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	1.0	-	1.0
Total Request	1.0	-	1.0

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Aviation
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	23.0	23.0	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	23.0	23.0	-
WRM STOCKPILE COSTS			
1. Storage	1.4	1.4	-
2. Management	-	-	-
3. Maintenance/Other	-	-	-
Total Cost	1.4	1.4	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Land and Maritime
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	41.7		41.7
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	-	-	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	-	-	-
5. Inventory EOP	41.7	-	41.7
WRM STOCKPILE COSTS			
1. Storage	0.4	-	0.4
2. Management	0.1	-	0.1
3. Maintenance/Other	-	-	-
Total Cost	0.5	0	0.5
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-

DEFENSE LOGISTICS AGENCY
Defense-Wide Working Capital Fund
Supply Management Activity Group: Energy
Fiscal Year (FY) 2003 Budget Estimates
War Reserve Material Stockpile
FY 2003

	Total	WRM Protected	WRM Other
1. Inventory BOP @ Cost	794.5	794.5	-
2. Price Change (Memo)	-	-	-
3. Reclassification	-	-	-
4. Inventory Changes			
a. Receipts @ cost	-	-	-
(1). Purchases	-	-	-
(2). Returns from customers	-	-	-
b. Issues @ cost	-	-	-
(1). Sales	-	-	-
(2). Returns to suppliers	-	-	-
(3.) Disposals	-	-	-
c. Adjustments @ cost	22.7	22.7	-
(1). Capitalizations	-	-	-
(2). Gains and Losses	-	-	-
(3.) Other	22.7	22.7	-
5. Inventory EOP	817.2	817.2	-
WRM STOCKPILE COSTS			
1. Storage	71.4	71.4	-
2. Management	4.3	4.3	-
3. Maintenance/Other	156.4	156.4	-
Total Cost	232.1	232.1	0
WRM BUDGET REQUEST			
1. Obligations @ Cost	-	-	-
a. Additional WRM	-	-	-
b. Replen. WRM	-	-	-
c. Repair WRM	-	-	-
d. Assemble/Disassemble	-	-	-
e. Other	-	-	-
Total Request	-	-	-