

***UNITED STATES  
AIR FORCE  
WORKING CAPITAL FUND  
(Appropriation: 4930)***



**U.S. AIR FORCE**

***Fiscal Year (FY) 2027  
Budget Estimates  
April 2026***

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**AIR FORCE WORKING CAPITAL FUND  
FISCAL YEAR (FY) 2027  
BUDGET ESTIMATES  
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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***SUMMARY***

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**Air Force Working Capital Fund  
Budget Overview  
Fiscal Year (FY) 2027 President's Budget (PB)**

The FY 2027 Department of Air Force's (DAF) President's Budget request accelerates force readiness and modernization to meet growing threats and advance U.S. national security interests. The DAF's budget sharpens its focus on defending the homeland, deterring China in Indo-Pacific, strengthening Ally contributions and energizing the Defense Industrial Base aligned with the Secretary of War and the Administration's priorities. The Air Force Working Capital Fund (AFWCF) contributes to these priorities through enabling readiness. The depots sustain the Air Force's (AF) organically maintained weapon systems and logistically manage the supply chain's critical assets. As a world-class organization, the AFWCF responds rapidly to customer needs on par with private sector defense firms with tremendous flexibility to meet surge requirements.

The DAF Blue is the portion of the working capital fund that the AF manages (see below in Activity Group Overview for additional details), therefore does not include the Transportation Working Capital Fund (TWCF). DAF Blue Cash began FY 2025 at \$2,266.5 million, FY 2026 and FY 2027 are expected to remain within the upper and lower cash limits while building cash, ending FY 2027 with \$6,581.6 million, which includes \$4,245.6 million request for Direct Appropriation in support of readiness and to reduce a supply chain gap in critical spares.

**Activity Group Overview**

The DAF Blue conducts business in four primary areas: the Consolidated Sustainment Activity Group-Maintenance (CSAG-M), Consolidated Sustainment Activity Group-Supply (CSAG-S), the Supply Management Activity Group-Retail, and the Enterprise Space Activity Group (ESAG) which stood up operations in the AFWCF October 1, 2025. The DAF assumed responsibility for cash oversight of Transportation Working Capital Fund (TWCF) in FY 1998, included in this submission. However, United States Transportation Command (USTRANSCOM), rather than the DAF, has management responsibility for TWCF's day-to-day operations.

## **Air Force Core Strategic Capabilities**

The AFWCF activities provide maintenance services, weapon system parts, base and medical supplies, in support of Air Force core functions. Additionally, the AFWCF activities provide transportation services and commercial satellite communications services in support of the Department of War (DoW). The working capital funds are integral to the readiness and sustainability of our air, space, and cyber assets and our ability to deploy forces worldwide and across any theater to support overseas operations and 2026 National Defense Strategy. Maintenance depots provide equipment, skills, and repair services that keep forces operating worldwide. Supply Management activities procure and manage inventories of consumable and repairable spare parts that support keeping all the force structure mission ready. US Space Systems Command (SSC) in the United States Space Force (USSF) is the single provider of commercial satellite communications for the DoW. USTRANSCOM is the single DoW manager for the Defense Transportation System (DTS) in peace and war. Working capital fund activities, directly and indirectly, provide warfighters the critical services needed to meet global mission capability requirements.

### **Consolidated Sustainment Activity Group - Maintenance Division**

The CSAG Maintenance Division (CSAG-M) repairs weapon systems and spare parts to ensure readiness in peacetime and to provide sustainment for overseas operations. The division enhances readiness by efficiently and economically repairing, overhauling, and modifying aircraft, engines, missiles, components, and software to meet customer demands. The CSAG-M depots have unique skills and equipment required to support and overhaul both new, complex components and aging weapon systems. During contingencies, the depots can surge repair operations and realign capacity to support the war fighter's immediate needs.

CSAG-M remains a fundamental element of both readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M repair and overhaul capabilities are accomplished by one of the six centers within the Air Force Materiel Command (AFMC), the Air Force Sustainment Center (AFSC) and its Air Logistics Complex (ALC) depots. The division operates on funds received from its customers through sales of its services.

## **Consolidated Sustainment Group - Supply Division**

The CSAG Supply Division (CSAG-S) is responsible primarily for Air Force-managed, depot-level reparable spares and consumable spares unique to the Air Force. Reparable supply items are economically maintained through overhaul or repair. Consumable supply items are consumed in use or discarded when worn out or broken because they cannot be repaired economically. In addition to the management of these inventories, the CSAG-S provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation.

CSAG-S works to reduce the impact of Diminishing Manufacturing Sources and Material Shortages (DMSMS) and other obsolescence issues associated with aging aircraft fleets. To address these DMSMS and other obsolescence issues, CSAG-S re-engineers parts which can no longer be produced or repaired. CSAG-S also proactively identifies parts for which availability is at risk due to DMSMS issues, taking appropriate action to minimize adverse impact to weapon system readiness.

## **Supply Management Activity Group—Retail**

The Supply Management Activity Group - Retail (SMAG-R) manages approximately 2.0 million inventory items, including weapon system spare parts, medical-dental supplies and equipment, and other supply items used in non-weapon system applications. The Air Force SMAG-R is a critical component in combat readiness by procuring materiel and making spares available to authorized retail customers. The activity operates with three divisions: General Support, Medical Dental, and the Air Force Academy. The Medical Dental Division inventory includes a War Reserve Materiel (WRM) Stockpile. WRM provides initial warfighting capability until re-supply lines sustain wartime demands for medical and dental supplies and equipment.

SMAG-R provides a wide range of logistics support services, including forecasting requirements, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation. Inventories are an integral part of SMAG-R and are maintained by each of the divisions supporting customer requirements. The SMAG-R objective is to replenish stocks and provide supplies to customers on time within customer funding constraints while maintaining fund solvency.

## **Enterprise Space Activity Group**

As directed by the FY 2018 National Defense Authorization Act, the Commercial Satellite Communications Office (CSCO) transitioned from the Defense Information Systems Agency (DISA) to Air Force Space Command (AFSPC) and later to the United States Space Force (USSF). As a part of that transition, the Department of the Air Force (DAF) coordinated with the Under Secretary of War (Comptroller) (OUSW(C)) to establish the Enterprise Space Activity Group (ESAG) as a new activity within the existing Air Force Working Capital Fund (AFWCF).

ESAG combines Commercial Satellite Communications (COMSATCOM) and Enhanced Mobile Satellite Services (EMSS) Programs into a single activity group comprised of the two divisions.

The COMSATCOM program is authorized as the sole responsibility for procuring all commercial satellite communication for the DoW. Specifically, the COMSATCOM program provides a comprehensive and fully integrated common and shared service to customers through activities such as but not limited to market research; developing and testing products and services; customer outreach; tracking and forecasting trends; lifecycle acquisition services; technical and trouble-ticketing support at the globally distributed Regional Satellite Support Centers (RSSCs); and other related functions and best business practices.

The EMSS program provides holistic access to contracted commercial capabilities enhanced (as applicable) to meet unique government requirements. The EMSS program awards centralized contracts that together provide shared access to the contracted commercial space segment for its voice and data offerings, a shared government-owned and controlled gateway/ground segment (e.g., inclusive of operations and maintenance of ground stations and EMSS-unique enhancements to the standard contracted commercial service offering), 24/7 customer care support, an online ordering portal for customers to make equipment purchases and activate/de-activate devices, customer billing and data reports, and other related and integral services and functions related to the business.

## **Transportation Working Capital Funds**

USTRANSCOM's mission includes providing air, land, and sea transportation for the DoW with a primary focus on wartime readiness. USTRANSCOM alone possesses the transportation awareness and authorities to traverse oceans and continents

to execute our global mission. Our \$9.9 billion budget provides synchronized transportation and sustainment, making it possible to project, maneuver, and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust. Our assigned tasks are executed through three component commands U.S. Army's Military Surface Deployment and Distribution Command (SDDC), U.S. Navy's Military Sealift Command (MSC), and U.S. Air Force's Air Mobility Command (AMC) along with one major subordinate command (JECC). One of our greatest advantages is our collaboration with industry partners – referred to as our 4<sup>th</sup> Component. This joint team of transportation components provides mobility forces and assets for a seamless transition from competition to conflict. USTRANSCOM is always ready to meet the strategic mobility needs of our nation. A brief description of the role of each Transportation Component Command follows:

AMC is the single manager for air mobility by providing strategic airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking.

ARTRANS provides global surface deployment and distribution services to meet the nation's objectives. This command was officially designated in September 2025, formerly operating as the Military Surface Deployment and Distribution Command (SDDC). This new designation will be reflected in Exhibits Fund 1a and 9B beginning in FY28.

MSC supports our nation by providing maritime transportation to satisfy DoW sealift requirements, which includes delivering fuel and supplies and conducting specialized missions across the world's oceans. As of Fiscal Year 2027, the Army Afloat Prepositioning will be fully divested, reflected in the 0% composite rate.

Our Component Commands provide the critical link to the Services' core competencies in organizing, training, and equipping forces. They provide lines of communication to the Services, to make certain assets are available when needed for the transition from competition to conflict. The surge from peacetime sustainment to large scale deployment of personnel and materiel in support of overseas operations is an example of our ability to execute our mission. Our successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning. Together with its components and national partners, USTRANSCOM is building a truly seamless, end-to-end defense transportation enterprise.

USTRANSCOM is the DoW Single Manager for global bulk fuel management and delivery in support of Combatant Commander requirements. As the single manager, USTRANSCOM synchronizes bulk fuel posture, planning, and execution, and advocates for resources, capabilities, and process improvements in coordination with Combatant Commands, the Services, and the Defense Logistics Agency.

Operating in a contested environment increases mission complexity due to the need for additional fuel, ammunition, and materiel. The long-range weapon arsenals of adversaries increase the threat of battle damage to mobility assets and infrastructure. To respond to these realities, and in response to the FY26 NDAA, the Global Contested Logistics Posture Management plan of action was implemented to transform logistics vulnerabilities into strategic advantages. The outcome will be dynamic prioritization of investments in logistics capabilities and capacity in order to deliver sustainment as a warfighting effect.

With network intrusion detection technologies, cloud resiliency solutions, vulnerability assessment products, and optimization & distribution models to name a few, the JDDE is aggressively focused on continuing to acquire and deploy technologies to overcome contested, disrupted, or denied logistical pathways. USTRANSCOM is transforming a “pull” logistics system into a predictive “push” logistics system that delivers supplies and capabilities to the point of need before requests arrive.

USTRANSCOM is transitioning the relocation process for service members, DoW employees, and their families under the SECWAR’s direction, to the Personal Property Activity. The end goal restructures DoW’s relationship with the household goods moving industry to deliver the quality move experience that service members, DoW employees, and their families deserve.

USTRANSCOM is focused on priorities to accelerate remediation efforts working towards the mandate for an audit opinion in FY27.

Capital funding continues to support system enhancements and upgrades to embrace USTRANSCOM’s role as a global Combatant Command delivering national objectives in tomorrow’s dynamic security environment. USTRANSCOM challenges its assumptions, accurately forecasts trends that will define the future operating environment and develops the technologies

and ideas that maintain our Nation's competitive advantage in transportation and logistics. Cyber resiliency and digital modernization initiatives will remain a top priority for the command.

USTRANSCOM continues to evolve with available smart systems to use AI modeling to help us in the Global Bulk Fuel Manager mission, the TWCF end-to-end budgeting process, and in operations optimization to better predict transportation demands and manage available capacity. USTRANSCOM is accelerating AI development by growing organic talent in the government workforce, leveraging commercial partners, and utilizing the capabilities of Federally Funded Research and Development Centers and academia.

### **Air Force Initiatives**

The Air Force is prioritizing increasing parts availability that is essential to mission critical supply inventory. Currently only 33%, or 8 of 24 aircraft, meet Total Non-Mission Capable for Supply (TNMCS) standards. Of the 16 aircraft that do not meet standard, 5 are more than 10% below standard. Falling TNMCS rates continue to detract from the fleet-wide Aircraft Availability (AA) rates that secure Air Force operational readiness. Increased parts availability will support Deployed Operations in a potential peer-to-peer engagement via fully stocked parts kits and arrest declining CSAG-M production resulting from part supportability constraints. A notable example of part constraints precluding full execution of planned depot workload includes 36 engine inductions across FY24 and FY25 for the KC-135 and B-52 weapon systems. The reduced inductions were directly attributable to parts supportability.

This effort will require a unit cost ratio greater than 1.0 over several fiscal years. This will increase costs to customers whose budgets must be fully funded throughout the Future Years Defense Plan. Failure to execute this initiative will further hamper TNMCS rates and AA recovery, exacerbate CSAG-M production delays, and risk meeting Combatant Command support requirements, and overall readiness of the force. Additionally, a strategic investment of direct appropriated budget authority and cash will accelerate the recovery and fill supply chain gaps faster, without hindering future customer budgets, putting the parts on the shelf when the maintainer needs them.

The Air Force is pursuing alternative manufacturing technologies, additive manufacturing, establishing a reverse engineering and manufacturing framework to rapidly solve availability issues derived from DMSMS, supply chain risk, and obsolescence

challenges. They are modernizing spares requirements planning to optimize inventory, and a multitude of other initiatives aimed at streamlining the supply chain process.

Maintenance efforts are contributing to Air Force readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M seeks to provide continuous core Air Force depot capability to retain in-house sources of technical competence; to continue to refine methods which enable the more efficient use of resources such as partnering with private industry, employing government owned/contractor operated facilities and augmenting in-house operations; and to find innovative ways to decrease flow days for systems and components, increase parts availability to the repair line, and control material costs through process reviews and adoption of commercial practices and engineering standards.

### **Direct Appropriations**

The FY 2027 AFWCF request includes \$4,440.4 million of discretionary and \$0.0 million of mandatory. This includes \$194.9 million to support Medical Dental WRM requirements, as well as \$4,245.6 million for the CSAG-S activity to purchase Critical Spares and Aircraft Critical Spares for Non-Contract Maintenance Platforms.

FY 2026 includes \$90.3 million of discretionary and \$52.4 million of mandatory, for a grand total of \$142.7 million. The discretionary funds are to support Medical Dental WRM requirements. The mandatory funds, provided by the One Big Beautiful Bill Act (P.L. 119-21, Section 20005, Paragraph 14), are to support USTRANSCOM services.

FY 2025 includes \$86.9 million of discretionary to support Medical Dental WRM requirements and \$0.0 million of discretionary.

## AFWCF Financial Summary

| (Dollars in Millions)              | FY 2025  | FY 2026  | FY 2027   |
|------------------------------------|----------|----------|-----------|
| Total Revenue                      | 30,041.1 | 32,329.4 | 34,995.9  |
| Total Expenses                     | 28,423.8 | 31,569.8 | 31,810.1  |
| Net Operating Result Adjustments   | (387.8)  | (296.0)  | (4,623.1) |
| Net Operating Result (NOR)         | 1,229.6  | 463.7    | (1,437.3) |
| Accumulated Operating Result (AOR) | 2,245.4  | 1,482.2  | .0        |
| Civilian End Strength              | 32,923   | 34,615   | 34,778    |
| Military End Strength              | 744      | 763      | 745       |
| Civilian Workyears                 | 33,355   | 34,866   | 35,307    |
| Military Workyears                 | 486      | 553      | 555       |
| Capital Budget                     | 1,813.7  | 2,298.4  | 2,239.8   |
| Direct Appropriation               | 86.9     | 90.3     | 4,440.4   |

## DAF Blue Cash Management

The methodology for calculating cash requirements consists of three elements: range, risk mitigation, and reserves.

The **Range of Operations** is calculated at a 80% confidence level of the standard deviation of historic AF Blue annual net outlays over a five year period. In FY 2027, the lower range is \$961.1 million and the upper range is \$7,195.2 million. The difference between the two amounts results in \$6,234.1 million as the operating range.

AFWCF Blue **Risk** mitigation addresses cash variability associated with unknown external variables and both day-to-day and volatility inherent in AFWCF operations. Risk was based on historic monthly collections and disbursements over a five year period, calculating the monthly standard deviation and converting to an annual figure at the DAF Blue level.

Cash **Reserves** are held for cash balances that will be paid out in future cycles and late in the current cycle. Reserves for Planned Capital Outlays includes funds for disbursements of current and future project obligations. Accumulated Operating Results (AOR) are funds held for future return to customers.

Cash limits are built at the aggregate DAF Blue level and then disaggregated down to the various budget activities within DAF Blue.

## DAF Blue Cash Plan

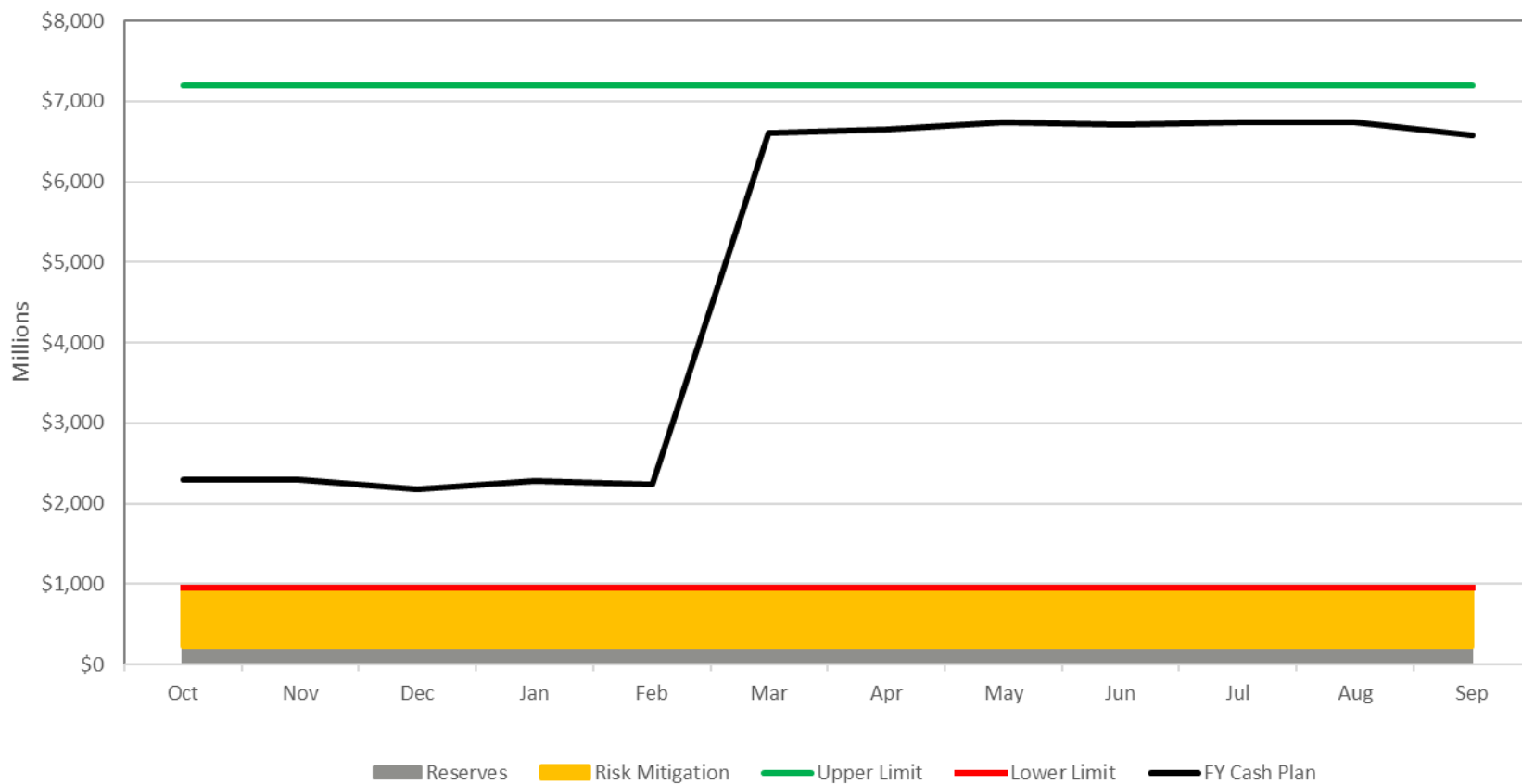
| <b>(\$ Millions)</b>                   | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| BOP Cash Balance                       | \$2,266.5      | \$2,624.1      | \$2,379.0      |
| Disbursements                          | \$18,481.6     | \$20,580.4     | \$21,802.8     |
| Collections                            | \$18,752.4     | \$20,745.0     | \$21,565.0     |
| Transfers In/Out                       | \$0.0          | \$-500.0       | \$0.0          |
| Direct Appropriation (WRM)             | \$86.9         | \$90.3         | \$194.9        |
| Direct Appropriation (Critical Spares) | \$0.0          | \$0.0          | \$4,245.6      |
| EOP Cash Balance                       | \$2,624.1      | \$2,379.0      | \$6,581.6      |
|  |                |                |                |
| Lower Limit Cash Goal                  | \$825.1        | \$1,790.1      | \$961.1        |
| Upper Limit Cash Goal                  | \$2,239.3      | \$3,178.1      | \$7,195.2      |

FY 2025, DAF Blue cash increased \$357.6 million from the beginning of the period. Overall the plan to rebuild cash during the year was successful. Lower than planned expenses in the supply and retail divisions impacted cash to close the year \$384.8 million over the Upper Limit of \$2,239.3 million.

FY 2026, DAF Blue cash plan decreases \$245.1 million during the year and operates within limits for this period. CSAG-M plans to increase cash, SMAG-R plans a decrease in cash, offset by the CSAG-S plan to increase to cash. The ESAG Cash plan, added to DAF Blue in FY 2026 plans to maintain a flat cash balance. The DAF Blue cash plan remains within the Operating Range throughout the year.

FY 2027, DAF Blue cash plans increases \$4,202.6 million from the beginning of the period. Both CSAG-M and SMAG-R plan to decrease cash, offset by the ESAG plan to increase cash and the CSAG-S plan to increase to cash resulting from receipt of Direct Appropriation funding for Critical Spares Replenishment. The AFWCF Blue cash plan remains within the Operating Range throughout the year.

### DAF Blue FY 2027 Cash Plan



## **TWCF Cash Management**

The methodology for calculating cash requirements consists of three elements: range, risk mitigation, and reserves.

The **Range of Operations** is sized based on how a Fund's cash requirements can change year-to-year. In FY 2027, this range is \$1,374 million, reflecting an 80% confidence interval that the fund would end a fiscal year within its operating range, if starting at its midpoint. In FY 2027, the lower control limit is \$1,324 million and the upper control limit is \$2,699 million.

TWCF **Risk Mitigation** addresses cash variability associated with unknown external variables and both day-to-day and volatility inherent in TWCF operations. Risk was based on historic monthly collections and disbursements over a five-year period, calculating the monthly standard deviation and converting to an annual figure at the TWCF level.

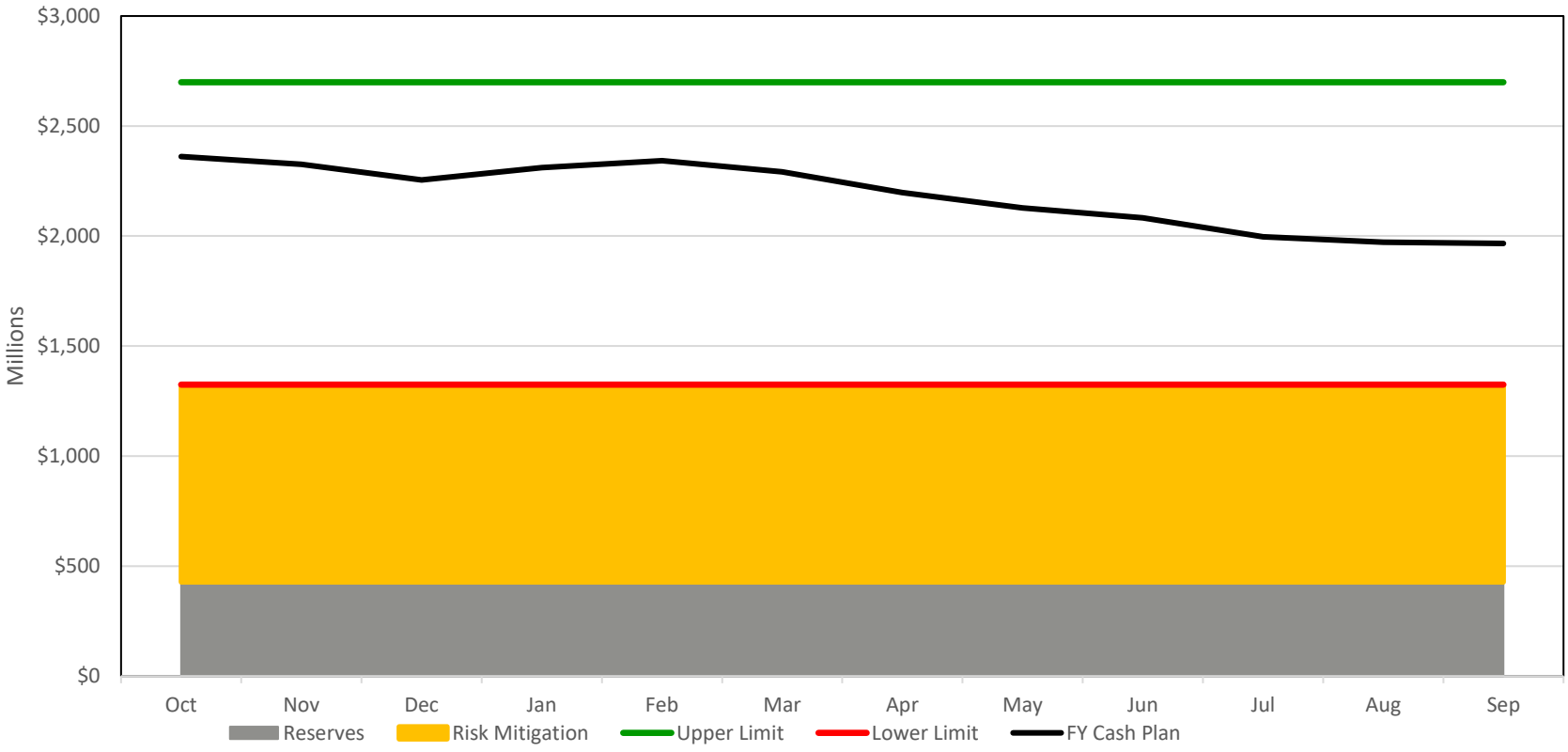
**Cash Reserves** are funds held for known future requirements. In FY 2027, TWCF reserves include short-term funding requirements for the activation of Civil Reserve Air Fleet (CRAF), Voluntary Intermodal Sealift Agreement (VISA), and Voluntary Tanker Agreement (VTA) during a crisis.

Cash control limits are built at the aggregate TWCF level and then disaggregated down to the various budget activities within TWCF.

### **Disbursements, Collections, and Net Outlays**

| (\$ IN MILLIONS)     | FY 2025  | FY 2026  | FY 2027 |
|----------------------|----------|----------|---------|
| Disbursements        | \$9,824  | \$10,145 | \$9,798 |
| Collections          | \$10,794 | \$10,780 | \$9,424 |
| Net Outlays*         | (\$970)  | (\$636)  | \$373   |
| Ending Cash Balance* | \$1,704  | \$2,340  | \$1,966 |
| Cash Lower Boundary  | \$1,074  | \$946    | \$1,324 |
| Cash Upper Boundary  | \$1,807  | \$1,755  | \$2,699 |

### TWCF FY 2027 Cash Plan



## **Summary of Cash Flows**

FY 2025 USTRANSCOM CASH: The FY 2025 estimated end of year cash is projected at \$1,704 million. USTRANSCOM cash balance is within its cash boundaries. FY25 was the 2nd year in a 3-year phased approach to return TWCF solvency. Our rates were set to only cover costs, not increase cash. However, cash increased due to a higher FY25 starting position (AMC fixed costs not occurring in FY24) and FY25 commercial and organic airlift workload significantly exceeded forecasts.

FY 2026 USTRANSCOM CASH: The FY 2026 cash is projected to increase from \$1,704 million to \$2,340 million. USTRANSCOM cash balance is \$585M above its cash upper boundary. FY26 is the 3rd year in a 3-year phased approach to return TWCF solvency. Significantly higher workload than forecasted in FY25 is pushing the TWCF above upper cash boundaries.

FY 2027 USTRANSCOM CASH: The FY 2027 cash is projected to decrease from \$2,340 million to \$1,966 million. USTRANSCOM cash balance is within its cash upper control limits. FY27 maintains TWCF solvency while maintaining readiness in a dynamic and contested logistics environment. USTRANSCOM with OSW coordination established new FY27 upper and lower cash control limits based on historic data and contingency requirements needed to flex at a moment's notice of the Nation's choosing.

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***OPERATING BUDGET***

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DAFWCF Blue  
(Dollars in Thousands)

Summary of Budget Authority  
Air Force Working Capital Fund  
Assistant Secretary, Financial Management and Comptroller

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| Summary of Budget Authority<br>(Dollars in Thousands)            |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
| Air Force Working Capital Fund                                   | FY2025            | FY2026            | FY2027            |
| <b>Total Contract Authority (Includes CIP)</b>                   | <b>11,917,724</b> | <b>12,131,650</b> | <b>12,095,529</b> |
| CSAG-M   | 306,962           | 351,613           | 328,867           |
| CSAG-S   | 8,035,241         | 8,047,009         | 7,812,863         |
| SMAG-R   | 3,575,521         | 3,724,778         | 3,945,049         |
| ESAG   | 0                 | 8,250             | 8,750             |
| <b>Total Operating Contract Authority (Does Not Include CIP)</b> | <b>11,584,181</b> | <b>11,717,072</b> | <b>11,703,970</b> |
| CSAG-M   | 0                 | 0                 | 0                 |
| CSAG-S   | 8,008,660         | 7,992,294         | 7,758,922         |
| SMAG-R   | 3,575,521         | 3,724,778         | 3,945,049         |
| ESAG   | 0                 | 0                 | 0                 |
| <b>Capital Investment Program (CIP)</b>                          | <b>333,544</b>    | <b>414,578</b>    | <b>391,559</b>    |
| CSAG-M   | 306,962           | 351,613           | 328,867           |
| CSAG-S   | 26,582            | 54,715            | 53,941            |
| SMAG-R   | 0                 | 0                 | 0                 |
| ESAG   | 0                 | 8,250             | 8,750             |
| <b>Total Spending Authority from Offsetting Collections</b>      | <b>8,454,421</b>  | <b>10,488,978</b> | <b>11,090,748</b> |
| CSAG-M   | 8,454,421         | 9,424,668         | 10,017,594        |
| CSAG-S   | 0                 | 0                 | 0                 |
| SMAG-R   | 0                 | 0                 | 0                 |
| ESAG   | 0                 | 1,064,310         | 1,073,154         |
| <b>Direct Appropriations, Total</b>                              | <b>86,874</b>     | <b>90,262</b>     | <b>4,440,414</b>  |
| CSAG-M   | 0                 | 0                 | 0                 |
| CSAG-S   | 0                 | 0                 | 4,245,563         |
| SMAG-R   | 86,874            | 90,262            | 194,851           |
| ESAG   | 0                 | 0                 | 0                 |
| <b>Total Budget Authority</b>                                    | <b>20,459,020</b> | <b>22,710,889</b> | <b>27,626,691</b> |
| CSAG-M   | 8,761,384         | 9,776,281         | 10,346,461        |
| CSAG-S   | 8,035,241         | 8,047,009         | 12,058,426        |
| SMAG-R   | 3,662,395         | 3,815,040         | 4,139,900         |
| ESAG   | 0                 | 1,072,560         | 1,081,904         |

May not total due to rounding.

DAFWCF  
(Dollars in Thousands)

Cash Management Plan  
Air Force Working Capital Fund  
Assistant Secretary, Financial Management and Comptroller

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Air Force - Total**

| <b>President's Budget Summary</b>               |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| <b>(Dollars in Thousands)</b>                   |                   |                   |                   |
| <b>Air Force Working Capital Fund</b>           | <b>FY2025</b>     | <b>FY2026</b>     | <b>FY2027</b>     |
| <b>Total Revenue</b>                            | <b>19,147,329</b> | <b>21,163,952</b> | <b>26,073,923</b> |
| CSAG-M  | 8,987,649         | 9,766,089         | 10,168,884        |
| CSAG-S  | 6,493,750         | 6,554,507         | 10,764,314        |
| SMAG-R  | 3,665,930         | 3,742,830         | 4,040,924         |
| ESAG  | 0                 | 1,100,525         | 1,099,801         |
| <b>Total Expenses</b>                           | <b>18,529,939</b> | <b>21,030,736</b> | <b>22,039,239</b> |
| CSAG-M  | 8,654,400         | 9,593,762         | 10,185,721        |
| CSAG-S  | 6,323,496         | 6,605,176         | 6,792,627         |
| SMAG-R  | 3,552,042         | 3,758,269         | 3,979,049         |
| ESAG  | 0                 | 1,073,529         | 1,081,843         |
| <b>Total Net Operating Result Adjustments</b>   | <b>229,640</b>    | <b>(162,788)</b>  | <b>(588,411)</b>  |
| CSAG-M  | 4,935             | (10,191)          | (177,577)         |
| CSAG-S  | 170,255           | (105,383)         | (327,817)         |
| SMAG-R  | 54,450            | (74,209)          | (100,975)         |
| ESAG  | 0                 | 26,996            | 17,958            |
| <b>Total Accumulated Operating Result (AOR)</b> | <b>1,416,941</b>  | <b>633,365</b>    | <b>0</b>          |
| CSAG-M  | (12,231)          | 177,577           | 0                 |
| CSAG-S  | 933,200           | 327,817           | 0                 |
| SMAG-R  | 495,973           | 100,975           | 0                 |
| ESAG  | 0                 | 26,996            | 0                 |
| <b>Total Capital Investment Projects</b>        | <b>333,544</b>    | <b>414,578</b>    | <b>391,559</b>    |
| CSAG-M  | 306,962           | 351,613           | 328,867           |
| CSAG-S  | 26,582            | 54,715            | 53,941            |
| SMAG-R  | 0                 | 0                 | 0                 |
| ESAG  | 0                 | 8,250             | 8,750             |
| <b>Total Direct Appropriations</b>              | <b>86,874</b>     | <b>90,262</b>     | <b>4,440,414</b>  |
| CSAG-M  | 0                 | 0                 | 0                 |
| CSAG-S  | 0                 | 0                 | 4,245,563         |
| SMAG-R  | 86,874            | 90,262            | 194,851           |
| ESAG  | 0                 | 0                 | 0                 |

DAFWCF  
(Dollars in Thousands)

Cash Management Plan  
Air Force Working Capital Fund  
Assistant Secretary, Financial Management and Comptroller

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Air Force - Total**

| <b>President's Budget Summary</b>       |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| <b>(Dollars in Thousands)</b>           |                   |                   |                   |
| <b>Total Collections</b>                | <b>19,339,308</b> | <b>21,156,045</b> | <b>26,005,388</b> |
| CSAG-M                                  | 8,779,873         | 9,951,413         | 10,096,540        |
| CSAG-S                                  | 6,896,407         | 6,705,711         | 10,855,499        |
| SMAG-R                                  | 3,662,854         | 3,748,551         | 3,965,297         |
| ESAG                                    | 0                 | 748,430           | 1,088,052         |
| Corporate                               | 174               | 1,940             | 0                 |
| <b>Total Disbursements</b>              | <b>18,981,646</b> | <b>21,401,201</b> | <b>21,802,796</b> |
| CSAG-M                                  | 8,664,020         | 9,549,926         | 10,025,908        |
| CSAG-S                                  | 6,232,425         | 7,103,497         | 6,792,153         |
| SMAG-R                                  | 4,084,971         | 4,113,041         | 3,911,383         |
| ESAG                                    | 0                 | 629,129           | 1,073,353         |
| Corporate                               | 231               | 5,608             | 0                 |
| <b>Total End of Period Cash Balance</b> | <b>2,624,150</b>  | <b>2,378,994</b>  | <b>6,581,585</b>  |
| CSAG-M                                  | 541,046           | 942,534           | 1,013,166         |
| CSAG-S                                  | 1,192,346         | 794,559           | 4,857,906         |
| SMAG-R                                  | 890,475           | 525,984           | 579,898           |
| ESAG                                    | 0                 | 119,302           | 134,001           |
| Corporate                               | 283               | (3,385)           | (3,385)           |
| <b>Total Cash Lower Operating Limit</b> | <b>825,066</b>    | <b>1,790,118</b>  | <b>961,104</b>    |
| CSAG-M                                  | 138,868           | 671,030           | 369,707           |
| CSAG-S                                  | 127,084           | 625,927           | 207,510           |
| SMAG-R                                  | 559,114           | 452,503           | 311,653           |
| ESAG                                    | 0                 | 40,658            | 72,235            |
| <b>Total Cash Upper Operating Limit</b> | <b>2,239,300</b>  | <b>3,178,122</b>  | <b>7,195,208</b>  |
| CSAG-M                                  | 904,512           | 1,181,535         | 1,181,535         |
| CSAG-S                                  | 418,862           | 959,222           | 5,046,057         |
| SMAG-R                                  | 915,927           | 915,366           | 778,200           |
| ESAG                                    | 0                 | 122,000           | 189,416           |

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***CONSOLIDATED SUSTAINMENT  
ACTIVITY GROUP  
MAINTENANCE DIVISION***

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**Consolidated Sustainment Activity Group (CSAG)  
Maintenance Division  
Budget Overview  
Fiscal Year (FY) 2027 Budget Estimate Submission (BES)**

The CSAG Maintenance Division (CSAG-M) repairs weapon systems and spare parts to ensure readiness in peacetime and provide sustainment for overseas operations. The division enhances readiness by efficiently and economically repairing, overhauling, and modifying aircraft, engines, missiles, components, and software to meet customer demands. The CSAG-M depots have unique skills and equipment required to support and overhaul complex components and aging weapon systems. During contingencies, the depots can surge repair operations and realign capacity to support the war fighter's immediate needs.

CSAG-M remains a fundamental element of both readiness and sustainability by providing a cost-effective, rapid repair capability. CSAG-M repair and overhaul capabilities are accomplished by one of the six centers within the Air Force Materiel Command (AFMC), the Air Force Sustainment Center (AFSC) and its Air Logistics Complex (ALC) depots. The division operates on funds received from its customers through sales of its services.

**Customer Base**

CSAG-M provides support to a variety of customers including the Air Force Major Commands, Air National Guard, Air Force Reserve Command, United States Space Force, United States Navy, other government agencies, foreign countries, and other Working Capital Fund activities.

**Maintenance Division Depot Complexes**

Ogden ALC (OO-ALC), Ogden, Utah  
Oklahoma City ALC (OC-ALC), Oklahoma City, Oklahoma  
Warner Robins ALC (WR-ALC), Warner Robins, Georgia

## **Maintenance Division Objectives**

There are two primary objectives of the CSAG-M Division:

- Provide depot repair capability for fielded and emerging weapon systems
- Maintain the ability to rapidly respond to user requirements driven by real-world operations. To accomplish this objective, short- and long-term operational plans are developed in support of the depot maintenance strategic plan. These strategies aim to provide workload capacity and capability required to meet depot maintenance peacetime support, surge, and core requirements by the end of each fiscal year

## **Way Ahead**

The CSAG-M is fundamental to ensuring the readiness and long-term sustainability of the United States Air Force by providing an agile, cost-effective, and rapid depot repair capability. A core tenet of the CSAG-M strategy is the preservation of a continuous, organic depot maintenance capacity, which guarantees the retention of critical, in-house technical competence essential for supporting both current and future weapon systems. To achieve the most efficient use of resources, CSAG-M is aggressively refining operational methods through strategic partnerships with private industry, leveraging government-owned/contractor-operated facilities, and augmenting organic operations. Concurrently, CSAG-M is dedicated to driving innovation to decrease system and component repair flow days, improve the availability of parts to the repair line, and control material expenditures through comprehensive process reviews and the adoption of commercial best practices and leading engineering standards.

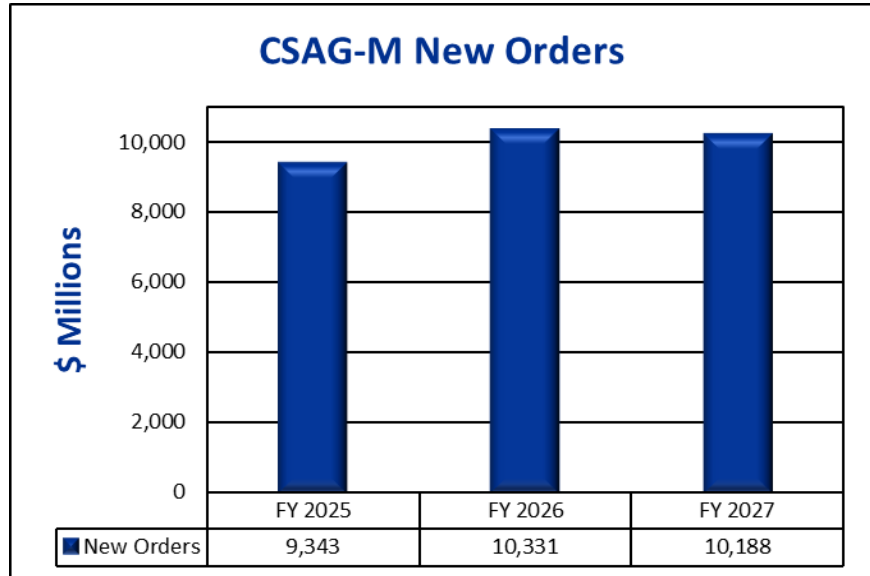
## Financial Highlights

| <b>Revenue and Expenses (\$ Million)</b>          | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|---|----------------|----------------|----------------|
| Revenue   | \$8,987.6      | \$9,766.1      | \$10,168.9     |
| Expenses (adjusted for Work in Process)           | \$8,657.7      | \$9,593.8      | \$10,185.7     |
| Operating Results                                 | \$329.9        | \$172.3        | (\$16.8)       |
| Less Capital Surcharge Reservation                | (\$337.2)      | (\$194.8)      | (\$173.0)      |
| Other Adjustments Affecting NOR and Other Changes | \$12.2         | \$12.2         | \$12.2         |
| Net Operating Result                              | \$4.9          | (\$10.2)       | (\$177.6)      |
| Other Changes Affecting AOR                       | \$0.0          | \$200.0        | \$0.0          |
| Prior Year AOR                                    | (\$17.2)       | (\$12.2)       | \$177.6        |
| End of Year AOR                                   | (\$12.2)       | \$177.6        | \$0.0          |
| AOR Non-Recoverable Adjustments                   | \$0.0          | \$0.0          | \$0.0          |
| End of Year AOR (Budget Purposes)                 | (\$12.2)       | \$177.6        | \$0.0          |

| <b>Stabilized Sales Rates and Prices</b>  | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|---|----------------|----------------|----------------|
| Maintenance Composite Sales Rate per hour | \$402.5        | \$456.1        | \$445.8        |
| Maintenance Rate Change                   | 6.3%           | 11.7%          | -1.7%          |

### New Orders

CSAG-M establishes its workload projections in close collaboration with customers to meet their delivery schedule requirements. While long-range forecasting presents inherent challenges due to dynamic requirements and fiscal uncertainties, the FY 2027 projection aligns with customer forecasts and budgeted depot maintenance. New order decreases are attributable to AF CSAG-Supply. For a detailed breakdown of these estimates, refer to Exhibit Fund 11, *Source of New Orders and Revenue*.



### Carry Over

| <b>Fund 11a. Carry Over Reconciliation (\$ in Millions)</b> |                   |                        |                     |                     |            |
|---|-------------------|------------------------|---------------------|---------------------|------------|
| <b>Carry Over Calculation Categories</b>                    | <b>FY 2025</b>    | <b>FY 2026</b>         | <b>FY 2027</b>      |                     |            |
| 1. Total New Orders   | 9,343.240         | 10,331.376             | 10,188.296          |                     |            |
| 2. Net Carry-in Orders                                      | 3,711.486         | 4,073.991              | 4,639.277           |                     |            |
| <b>3. Total Gross Orders (Lines 1 + 2)</b>                  | <b>13,054.726</b> | <b>14,405.367</b>      | <b>14,827.573</b>   |                     |            |
| 4. Revenue  | 8,948.916         | 9,766.089              | 10,168.884          |                     |            |
| <b>5. Carryout (Line 3 - Line 4)</b>                        | <b>4,105.810</b>  | <b>4,639.278</b>       | <b>4,658.689</b>    |                     |            |
| 6. Workload Completed per Month (Line 4 ÷ 12)               | 745.743           | 813.841                | 847.407             |                     |            |
| <b>7. Months of Carryover (Line 5 ÷ Line 6)</b>             | <b>5.5</b>        | <b>5.7</b>             | <b>5.5</b>          |                     |            |
| <b>Carryover Legend:</b>                                    | <b>≤3</b>         | <b>&gt;3 and &lt;5</b> | <b>≥5 and &lt;7</b> | <b>≥7 and &lt;8</b> | <b>≥ 8</b> |

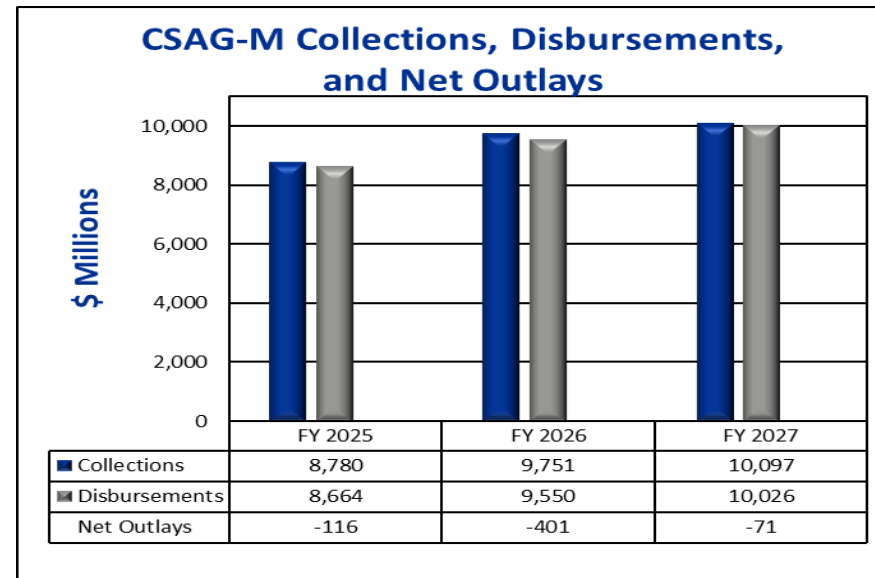
## Cash Management

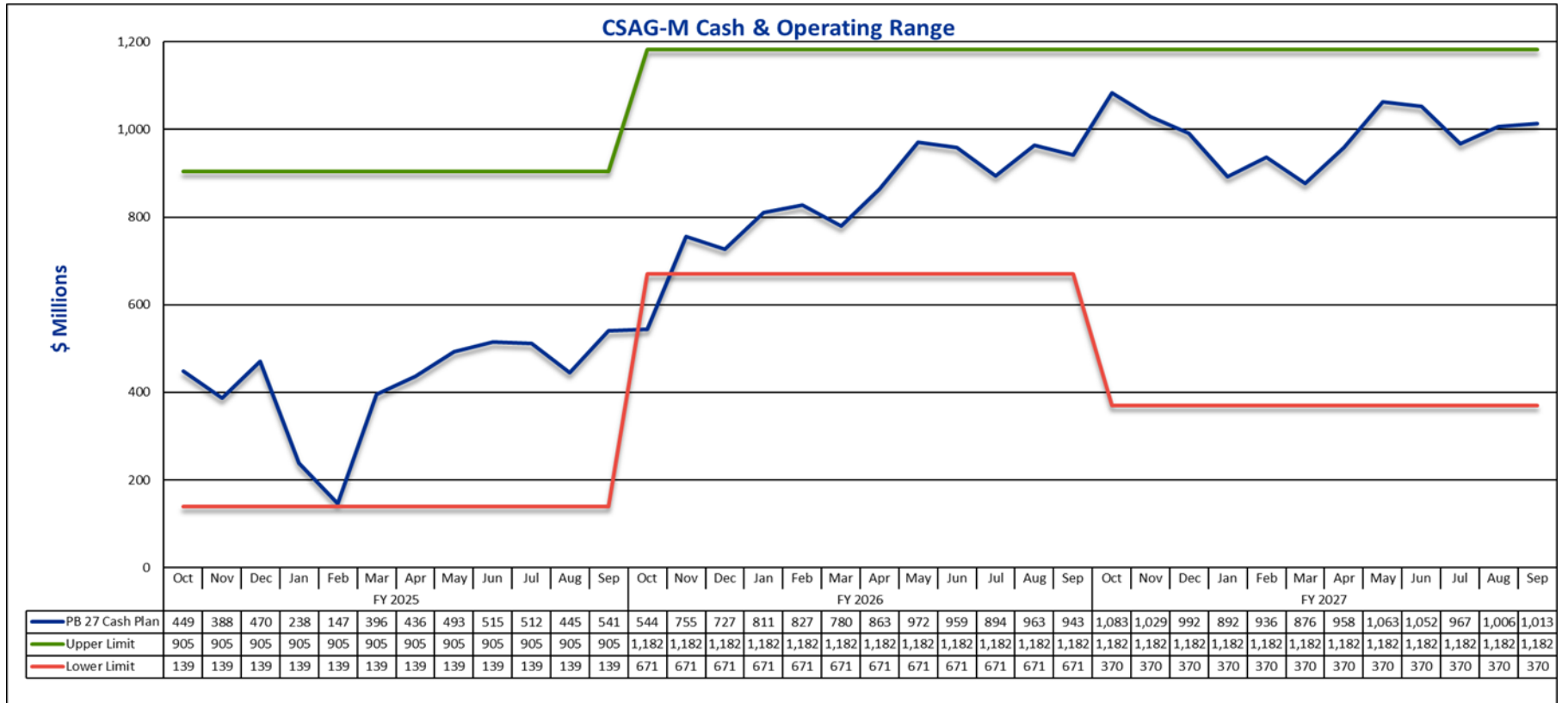
Cash balances are calculated based upon the beginning of year period minus disbursements plus collections minus transfers out, plus transfers in. The CSAG-M annual cash balances are shown in the table below based upon planned activities within CSAG-M.

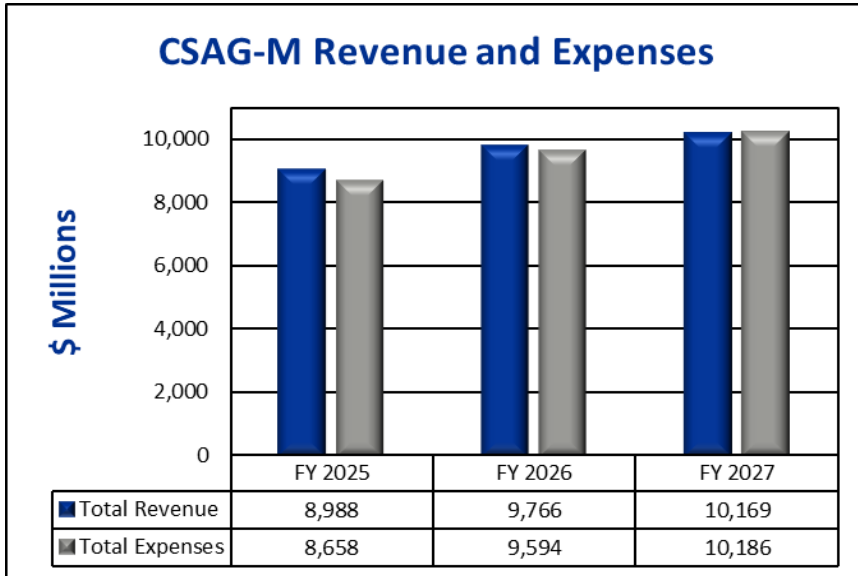
| Cash (\$ Million)  | FY 2025   | FY 2026   | FY 2027    |
|--------------------|-----------|-----------|------------|
| BOP Cash Balance   | \$425.2   | \$541.0   | \$942.5    |
| Disbursements      | \$8,664.0 | \$9,549.9 | \$10,025.9 |
| Collections        | \$8,779.9 | \$9,751.4 | \$10,096.5 |
| Net Transfer       | \$0.0     | \$200.0   | \$0.0      |
| EOP Cash Balance   | \$541.0   | \$942.5   | \$1,013.2  |
|                    |           |           |            |
| Lower Range Target | \$138.9   | \$671.0   | \$369.7    |
| Upper Range Target | \$904.5   | \$1,181.5 | \$1,181.5  |

## Collections, Disbursements, and Outlays

Collections are calculated based on projected revenue and changes in accounts receivable. Disbursements are projected based on monthly expenses, changes in accounts payable, and Capital Investment Program obligations. Net outlays reflect the amount of cash which will be paid from the fund; negative net outlays represent an increase to cash balances. FY 2026 Net Outlays include a \$200 million transfer from SMAG-R, specifically allocated for CIP projects that are not included in the maintenance rates.







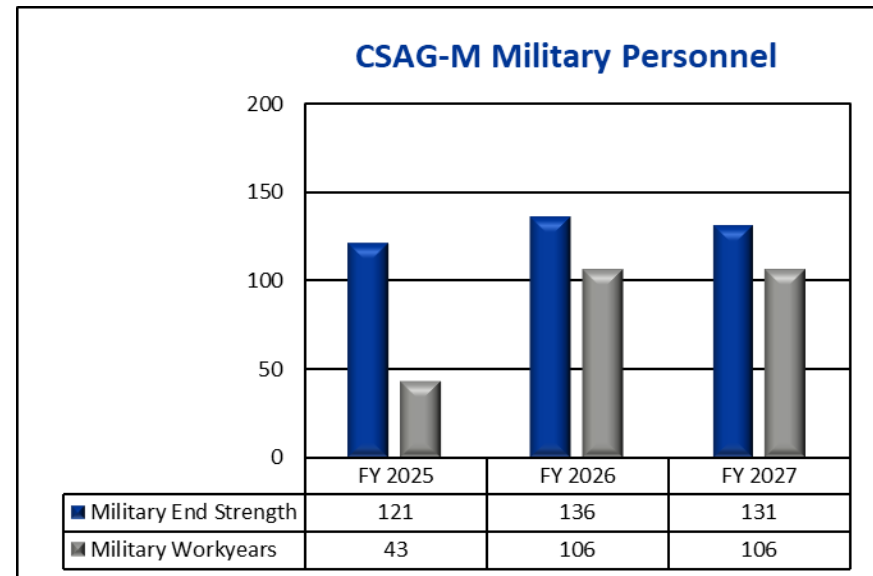
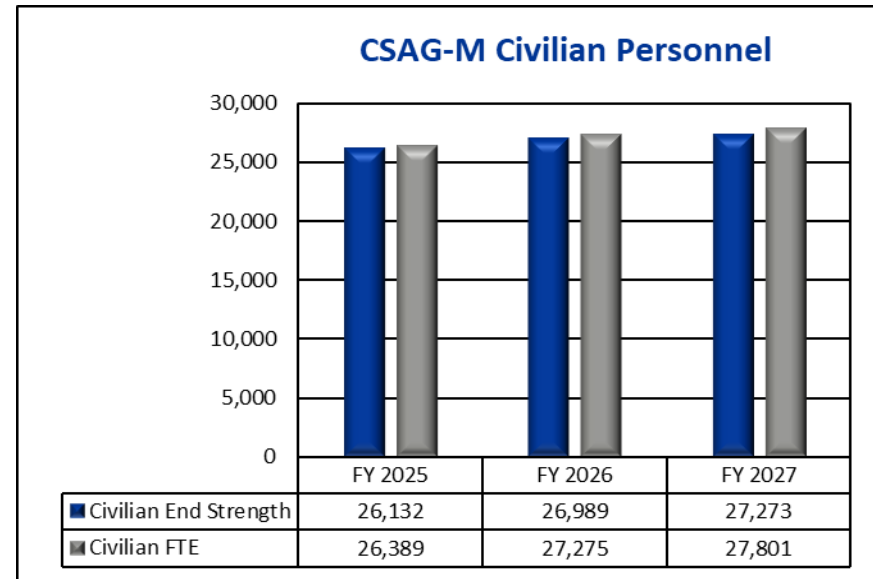
### Revenue and Expenses

CSAG-M revenue is generated from funded customer requirements to perform depot-level maintenance, repair, overhaul, and upgrades on major military weapon systems. Total expenses encompass all associated material, labor, and overhead costs related to the delivered products and services. The concurrent increase in both revenue and expenses is primarily attributable to rising material costs. Detailed revenue and expense information is available in Exhibit Fund 14, *Revenue and Expenses*, and in the table below.

## Personnel

Civilian end-strength represents the number of personnel employed at the end of each fiscal year. Full time equivalents represent the manpower level of effort necessary to accomplish the projected workload on an annual basis. CSAG-M labor pool includes a mix of permanent, temporary, and term-appointed employees, in addition to contract labor, which allows for workforce flexibility to accommodate changing requirements.

Maintaining a trained and ready workforce is critical to this labor-intensive business. CSAG-M activities engage in various workforce revitalization efforts to include internship programs, apprenticeship programs and Pathways program which offers clear paths to Federal internships for students from high school through post-graduate school and to careers for recent graduates. Due to the specialized nature of the work and skill level requirements, training may require two to three years before an employee is able to perform specific tasks without supervision. In addition to civilian personnel, 131 military personnel are assigned to CSAG-M activities in FY 2027.



## Capital Budget

The Capital Budget is represented by investments in Equipment, ADPE/Telecom, Software Development, and Minor Construction. These capabilities represent an array of requirements that align with the overall Air Force strategic objectives for sustaining depot facilities, equipment, and operations. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeables, and other Depot missions.

| <b>Capital Budget Program Authority (\$ Million)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| Equipment  | \$207.0        | \$272.7        | \$213.2        |
| ADPE & Telecom                                       | \$2.0          | \$2.5          | \$3.0          |
| Software Development                                 | \$68.7         | \$70.6         | \$75.6         |
| Minor Construction                                   | \$29.3         | \$5.8          | \$37.0         |
| <b>Total</b>   | <b>\$307.0</b> | <b>\$351.6</b> | <b>\$328.9</b> |

## Performance Metrics:

| <b>Maintenance Capital Investment Plan (\$ Millions)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| Required Investment                                      | \$709.6        | \$694.6        | \$742.7        |
| Total Investment Budgeted                                | \$1,107.5      | \$1,506.1      | \$1,633.5      |
| Percent Invested   | 12.5%          | 17.3%          | 17.6%          |

| <b>Maintenance Direct Production Earned Hours (DPEH)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| (Hours in Thousands)                                     | 22,715         | 22,183         | 22,891         |

| <b>Maintenance Due Date Performance and Quality Defect Rate</b> | <b>Goal</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|---|-------------|----------------|----------------|----------------|
| Due Date Performance  | 85%         | 78%            |                |                |
| Quality Defect Rate   | 0.20        | 0.25           |                |                |

FY 2025, DDP was 78% due to unplanned over and above workload causing excessive WIP, shortage of trained personnel, and parts/material supportability issues.

| <b>Manpower Resources</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|---------------------------|----------------|----------------|----------------|
| Overtime % (Direct)       | 9.5%           | 5.5%           | 5.5%           |
| Efficiency % (Direct)     | 96.2%          | 94.3%          | 94.8%          |

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

|                                   | FY2025 to FY2026 | FY2026 to FY2027 |
|-----------------------------------|------------------|------------------|
| <b>Cost of Operations</b>         |                  |                  |
| Organic BOP                       | 8,654.400        | 9,593.762        |
| Contract BOP                      | .000             | .000             |
| <b>Cost of Operations</b>         | <b>8,654.400</b> | <b>9,593.762</b> |
| <b>ANNUALIZATION</b>              |                  |                  |
| Annualization of Civilian Pay     | .000             | .000             |
| Annualization of Military Pay     | .000             | .000             |
| <b>TOTAL ANNUALIZATION</b>        | <b>.000</b>      | <b>.000</b>      |
| <b>PRICE CHANGES</b>              |                  |                  |
| Civilian Pay Raises               | 16.303           | 49.899           |
| Military Pay Raises               | .388             | .435             |
| Material Price Growth             | 235.032          | 227.314          |
| Fuel Price Growth                 | .303             | (.597)           |
| Other Growth                      | 19.429           | 23.680           |
| <b>TOTAL PRICE CHANGES</b>        | <b>271.456</b>   | <b>300.730</b>   |
| <b>PRODUCTIVITY SAVINGS</b>       |                  |                  |
| Civilian Labor Savings            | .000             | .000             |
| Material/Supply Savings           | .000             | .000             |
| Reinvestment/Rate Reduction       | .000             | .000             |
| <b>TOTAL PRODUCTIVITY SAVINGS</b> | <b>.000</b>      | <b>.000</b>      |
| <b>PROGRAM CHANGES</b>            |                  |                  |
| Labor Workload                    | 99.688           | 31.440           |
| Material Workload                 | 388.673          | 246.480          |
| BOS                               | 44.665           | (.416)           |
| Contract Changes                  | .000             | .000             |
| <b>TOTAL PROGRAM CHANGES</b>      | <b>533.027</b>   | <b>277.505</b>   |

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

|                                 | FY2025 to FY2026 | FY2026 to FY2027  |
|---------------------------------|------------------|-------------------|
| <b>OTHER CHANGES</b>            |                  |                   |
| Data Systems Support            | 5.081            | .073              |
| Data Systems Development        | .108             | .028              |
| Equipment Depreciation          | 3.410            | (.608)            |
| Minor Construction Depreciation | (10.532)         | .000              |
| Data System Depreciation        | 3.506            | (.359)            |
| Travel & Transportation         | 4.994            | .682              |
| Communications                  | .514             | 1.171             |
| Utilities                       | 38.736           | (4.929)           |
| Equipment Rental                | .688             | .072              |
| Printing & Equipment            | .262             | (.010)            |
| Equip/Vehicle Rep & Maintenance | 57.636           | 3.671             |
| Custodial                       | (.343)           | .115              |
| Facility Maintenance            | 17.436           | 5.064             |
| Training                        | 3.316            | .276              |
| Environmental                   | .000             | .000              |
| Miscellaneous                   | (12.984)         | 21.388            |
| <b>TOTAL OTHER CHANGES</b>      | <b>111.830</b>   | <b>26.634</b>     |
| <b>TOTAL CHANGES</b>            | <b>916.313</b>   | <b>604.869</b>    |
| <b>Cost of Operations</b>       |                  |                   |
| Organic EOP                     | 9,570.713        | 10,198.631        |
| <b>Total Cost of Operations</b> | <b>9,593.762</b> | <b>10,185.721</b> |

Fund 6  
(Dollars in Millions)

Depot Maintenance Minimum Capital Investment Plan  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

|  | REVENUE<br>(Maintenance, Repair, Overhaul) |           |           | BUDGETED CAPITAL<br>(Modernization, Efficiency) |           |           |
|--|--|-----------|-----------|---|-----------|-----------|
|  | 3 Year Average                             |           |           | FY2025  | FY2026    | FY2027    |
|  | 2022-2024                                  | 2023-2025 | 2024-2026 |   |           |           |
| Revenue  |  |           |           |   |           |           |
| Working Capital Fund                             | 8,870.020                                  | 8,682.101 | 9,283.859 |   |           |           |
| Appropriations                                   | .000                                       | .000      | .000      |   |           |           |
| Total Revenue                                    | 8,870.020                                  | 8,682.101 | 9,283.859 |   |           |           |
| WCF Depot Maintenance Capital Investment         |  |           |           |   |           |           |
| Facility Restoration & Modernization             |  |           |           | 272.883   | 239.587   | 297.121   |
| Facility Sustainment                             |  |           |           | 51.380  | 126.281   | 116.947   |
| Capital Investment Program                       |  |           |           | 306.962   | 351.613   | 328.867   |
| Other Equipment                                  |  |           |           | .000  | .000      | .000      |
| Processes/Productivity Enhancements <sup>1</sup> |  |           |           | 94.108  | 58.315    | 49.191    |
| Appropriated Funding                             |  |           |           |   |           |           |
| MILCON (3300) <sup>2</sup>                       |  |           |           | 320.445   | 442.489   | 502.987   |
| RDT&E (3600)                                     |  |           |           | .000  | .000      | .000      |
| Procurement Equipment (3010) <sup>3</sup>        |  |           |           | 61.693  | 287.770   | 338.400   |
| Operation & Maintenance                          |  |           |           | .000  | .000      | .000      |
| Investment Total                                 |  |           |           | 1,107.471                                       | 1,506.055 | 1,633.513 |
| Minimum Investment                               |  |           |           | 709.602   | 694.568   | 742.709   |
| Investment Over/(Under) Requirement              |  |           |           | 397.869   | 811.487   | 890.805   |

1. The Processes/Productivity Enhancements category addresses transitioning equipment/technology through prototyping, testing, demonstration, and production qualification to utilization in the depot production environment.

2. MILCON Requirements include:

FY25:

OC-ALC: Pavements OKC (\$46.0M), Facility and Land Acquisition (MROTC) (\$30.0M), 2 Bay Depot MX Hangar (\$119.8M), and Engine Run Up Pad (\$7.7M)  
OO-ALC: T-7/F-35 Campus Infrastructure (\$116.9M)

FY26:

OC-ALC: Bomber Agile Common Hangar Inc 1 (\$127.0M)  
OO-ALC: F-35 MX Facility (\$62.5M), T-7A Depot MX complex Inc 1 and 2 (\$228M), and EPU Facility (\$8.7M)  
WR-ALC: Design for AASF (\$16.2M)

FY27:

OC-ALC: Bomber Agile Common Hangar Inc 2 (\$141.0M)  
OO-ALC: F-35 Mx Facility Ph 1 Inc 2 (\$100.0M), T-7A Depot Mx Complex Inc 3 (\$30.0M), F-35 Composite Repair & Training Fac Ph 1 (\$177.0M) Design for SWEG Facility (\$54.9M)

3. Efforts funded with Aircraft Procurement (3010) include: support equipment development, procurement, installation and validation, tool manufacturing and modification, software licensing and testing, engineering support, test equipment and repair manuals.

Primary supported airframes include:

FY25: KC-46 (\$32.1M at OC-ALC), F-15/F-15EX (\$19.1M at WR-ALC), T-7 (\$0.9), C130J (\$4.3M at WR-ALC), Family of Systems (\$4.5M at OC-ALC), and F119 (\$0.7M at OC-ALC)

FY26: KC-46 (\$34.9M at OC, OO, WR-ALC), F-15/F-15EX (\$36.9M at OC, WR-ALC), T-7 (\$49.3M at OO-ALC) F-35 (\$88.6M at OC, OO, WR-ALC), B-21 (\$14.7M OC-ALC), MH-139 (\$22.7M at WR-ALC), HH-60 (\$14.9M at WR-ALC), C-130J (\$5.1M at WR-ALC), Multiple (\$12.4M at WR-ALC) and KC-135 (\$8.2M at WR-ALC)

Fund 6  
(Dollars in Millions)

Depot Maintenance Minimum Capital Investment Plan  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

FY27: KC-46 (\$85.5M OC, OO, WR-ALC), F35 (\$92.3M at OC, OO, WR-ALC), T-7 (\$61.9M at OC, OO-ALC), B-21 (\$40.0M at OC-ALC), B-52 (\$7.5M at OC-ALC), F-15/F-15EX (\$14.3M at WR-ALC), C-130J (\$5.3M at WR-ALC), F-16 (\$5.1M at WR-ALC), KC135 (\$9.0M at WR-ALC), and Multiple (\$17.5M at WR-ALC)

4. CIP includes investments for MRO development for FM at \$68.7M for FY25, \$70.6M for FY26, and \$68.6M for FY27

5. FY23 NDAA requires 8% investment and inclusion of Facilities Sustainment beginning in FY24. FY25 \$324.2M includes \$51.4M for Facilities Sustainment and \$272.8M for Facilities Restoration and Modernization.

Breakdowns of procurement investments at each ALC are as follows:

| \$M    | FY25   | FY26    | FY27    |
|--------|--------|---------|---------|
| OC-ALC | \$37.3 | \$38.5  | \$101.5 |
| OO-ALC | \$0.9  | \$112.0 | \$75.6  |
| WR-ALC | \$23.4 | \$137.1 | \$161.1 |

Fund 11  
(Dollars in Millions)  
**CSAG - Maintenance Division**

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

|  | FY2025           | FY2026           | FY2027           |
|--|------------------|------------------|------------------|
| <b>1. New Orders</b>                                     |                  |                  |                  |
| <b>a. Orders From DOW Components:</b>                    |                  |                  |                  |
| <b>(1) Air Force</b>                                     |                  |                  |                  |
| (a) Aircraft Procurement                                 | 391.393          | 343.927          | 334.720          |
| (b) Missile Procurement                                  | .757             | .268             | .995             |
| (c) Other Procurement                                    | .678             | .000             | .000             |
| (d) Military Construction                                | .000             | .000             | .000             |
| (e) Operations & Maintenance - AF                        | 2,937.895        | 3,284.013        | 3,718.843        |
| (f) Operations & Maintenance - USSF                      | 28.066           | 34.797           | 30.130           |
| (g) Operations & Maintenance - AFRC                      | 542.215          | 624.606          | 664.951          |
| (h) Operations & Maintenance - ANG                       | 827.876          | 892.956          | 852.539          |
| (i) Research & Development - AF                          | 364.615          | 451.076          | 404.265          |
| (j) Military Personnel - AF                              | .000             | .000             | .000             |
| (k) Reserve Personnel - AF                               | .000             | .000             | .000             |
| (l) Guard Personnel - ANG                                | .000             | .000             | .000             |
| (m) Family Housing                                       | .000             | .000             | .000             |
| (n) Special Trust Funds                                  | .000             | .000             | .000             |
| (o) Other Air Force                                      | 8.446            | 2.938            | 2.128            |
| (p) Other  | .000             | .000             | .000             |
| <b>Total Air Force</b>                                   | <b>5,101.941</b> | <b>5,634.580</b> | <b>6,008.571</b> |
| (2) Army   | 24.859           | 15.683           | 13.152           |
| (3) Navy   | 346.866          | 324.930          | 275.184          |
| (4) Marine Corps   | .000             | .000             | .000             |
| (5) MAP/Grant Aid  | .000             | .000             | .000             |
| (6) Other DOW  | 218.966          | 186.593          | 183.349          |
| <b>Total DOW excluding WCF</b>                           | <b>5,692.632</b> | <b>6,161.787</b> | <b>6,480.256</b> |
| <b>b. Orders From Other Fund Activity Groups</b>         |                  |                  |                  |
| (1) AF Supply Mgmt Activity Group - Retail               | 85.814           | 84.336           | 73.267           |
| (2) Transportation Activity Group - TRANSCOM             | 374.262          | 395.792          | 325.083          |
| (3) Other WCF Activity Groups                            | .000             | .000             | .000             |
| (4) Commissary, Sur. Coll.                               | .000             | .000             | .000             |
| (5) AF CSAG - Supply (Supply Orders to Maintenance)      | 2,627.438        | 2,993.892        | 2,615.128        |
| (6) AF CSAG - Maintenance (Maintenance Orders to Supply) | .000             | .000             | .000             |
| <b>Total Other Fund Activity Groups</b>                  | <b>3,087.513</b> | <b>3,474.020</b> | <b>3,013.479</b> |

|  |  |   |
|--|--|---|
| Fund 11<br>(Dollars in Millions)<br><b>CSAG - Maintenance Division</b> | Source of New Orders and Revenue<br>Air Force Working Capital Fund<br>Consolidated Sustainment Activity Group (CSAG) | Fiscal Year (FY) 2027<br>Budget Estimates<br>April 2026 |
|--|--|---|

|  | FY2025            | FY2026            | FY2027            |
|--|-------------------|-------------------|-------------------|
| <b>c. Other Internal to AF Consolidated Sustainment Activity Group</b>                     |                   |                   |                   |
| (1) Internal Material Transfer Orders (Maintenance Orders to Supply)                       | .000              | .000              | .000              |
| (2) Internal Material Repair Orders (Supply Orders to Maintenance)                         | .000              | .000              | .000              |
| <b>Total Internal AF Consolidated Sustainment Activity Group</b>                           | <b>.000</b>       | <b>.000</b>       | <b>.000</b>       |
| <b>d. Grand Total DOW</b>  | <b>8,780.146</b>  | <b>9,635.807</b>  | <b>9,493.735</b>  |
| <b>e. Other Orders</b>   |                   |                   |                   |
| (1) Other Federal Agencies   | .493              | 1.188             | 1.126             |
| (2) Non Federal Agencies   | 466.047           | 604.498           | 628.890           |
| (3) FMS  | 96.555            | 89.883            | 64.545            |
| <b>Total Other Orders</b>  | <b>563.095</b>    | <b>695.569</b>    | <b>694.562</b>    |
| <b>Total New Gross Orders</b>  | <b>9,343.240</b>  | <b>10,331.376</b> | <b>10,188.296</b> |
| <b>Total New External Orders (Total New Gross Orders minus 1c. Total Internal AF CSAG)</b> | <b>9,343.240</b>  | <b>10,331.376</b> | <b>10,188.296</b> |
| <b>2. Carry-In Orders</b>  | <b>3,921.307</b>  | <b>4,073.991</b>  | <b>4,639.277</b>  |
| a. Carry-over Execution Adjustment   | (209.821)         | .000              | .000              |
| <b>3. Total Gross Orders</b>   | <b>13,054.726</b> | <b>14,405.367</b> | <b>14,827.574</b> |
| a. Less Internal Material Transfer Orders (Maintenance Orders to Supply)                   | .000              | .000              | .000              |
| b. Less Internal Material Repair Orders (Supply Orders to Maintenance)                     | .000              | .000              | .000              |
| <b>Total External Gross Orders</b>   | <b>13,054.726</b> | <b>14,405.367</b> | <b>14,827.574</b> |
| <b>4. Revenue</b>  | <b>8,948.916</b>  | <b>9,766.089</b>  | <b>10,168.884</b> |
| <b>5. End of Year W-I-P</b>  | <b>3.322</b>      | <b>3.322</b>      | <b>3.322</b>      |
| <b>6. Total Exclusion</b>  |                   |                   |                   |
| Exclusion (FMS, BRAC, Other Federal & Agency, Non-Federal)                                 | .000              | .000              | .000              |
| Exclusion (Late Inducted Orders)   | .000              | .000              | .000              |
| <b>Total Exclusion (sum of above exclusions)</b>   | <b>.000</b>       | <b>.000</b>       | <b>.000</b>       |
| <b>7. Funded Carryover</b>   | <b>4,102.488</b>  | <b>4,635.955</b>  | <b>4,655.368</b>  |

Fund 11A METRIC  
(Dollars in Millions)

Carry-over Reconciliation  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

| <b>SECTION 1</b>                              | <b>FY2025</b> | <b>FY2026</b> | <b>FY2027</b> |
|---|---------------|---------------|---------------|
| 1. Total New Orders                           | 9,343.240     | 10,331.376    | 10,188.296    |
| 2. Net Carry-in Orders                        | 3,711.486     | 4,073.991     | 4,639.277     |
| 3. Total Gross Orders (Lines 1 + 2)           | 13,054.726    | 14,405.367    | 14,827.574    |
| 4. Revenue                                    | 8,948.916     | 9,766.089     | 10,168.884    |
| 5. Carry-over (Line 3 - Line 4)               | 4,105.810     | 4,639.277     | 4,658.690     |
| 6. Workload Completed per Month (Line 4 ÷ 12) | 745.743       | 813.841       | 847.407       |
| 7. Months of Carry-over (Line 5 ÷ Line 6)     | 5.5           | 5.7           | 5.5           |
| <b>SECTION 2</b>                              | <b>FY2025</b> | <b>FY2026</b> | <b>FY2027</b> |
| <b>OC-ALC</b>                                 |               |               |               |
| Carry-over                                    | 1,352.520     | 1,510.324     | 1,709.376     |
| Months of Carry-over                          | 3.8           | 3.7           | 4.0           |
| <b>OO-ALC</b>                                 |               |               |               |
| Carry-over                                    | 1,253.555     | 1,611.462     | 1,572.751     |
| Months of Carry-over                          | 6.2           | 7.7           | 7.1           |
| <b>WR-ALC</b>                                 |               |               |               |
| Carry-over                                    | 1,169.972     | 1,187.729     | 1,032.288     |
| Months of Carry-over                          | 6.4           | 6.0           | 5.1           |
| Balance to Financial Statement                | 329.762       | 329.762       | 344.274       |
| <b>SECTION 3 Carry-over Appropriations</b>    | <b>FY2025</b> | <b>FY2026</b> | <b>FY2027</b> |
| <b>Carry-over by Appropriation</b>            |               |               |               |
| 1. Operation and Maintenance                  | 2,108.575     | 2,362.835     | 2,584.697     |
| a. Army                                       | 6.797         | 7.039         | 6.292         |
| b. Navy                                       | 178.564       | 173.246       | 153.035       |
| c. Marine Corps                               | 0.000         | 0.000         | 0.000         |
| d. Air Force                                  | 1,923.215     | 2,182.550     | 2,425.370     |
| 2. Procurement                                | 210.753       | 195.608       | 197.537       |
| 3. Research and Development                   | 172.974       | 221.583       | 213.696       |
| 4. Other DoW                                  | 124.254       | 90.681        | 92.031        |
| 5. Non DoW                                    | 0.000         | 0.000         | 0.000         |
| 6. No-Year Appropriation                      | 1,489.253     | 1,768.571     | 1,570.729     |
| <b>CHECK</b>                                  |               |               |               |
| CARRY-OVER (Section 1 - Section 2)            | 0.000         | 0.000         | 0.000         |
| CARRY-OVER (Section 1 - Section 3)            | 0.000         | 0.000         | 0.000         |
| Note: Checks should = 0 (zero)                |               |               |               |

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Maintenance Division

|   | FY2025           | FY2026           | FY2027            |
|---|------------------|------------------|-------------------|
| <b>Revenue:</b>   |                  |                  |                   |
| <b>Income:</b>  |                  |                  |                   |
| Maintenance Division  | 8,948.916        | 9,766.089        | 10,168.884        |
| Capital Investment Recovery   | .000             | .000             | .000              |
| Total Income  | 8,948.916        | 9,766.089        | 10,168.884        |
| <br>  |                  |                  |                   |
| Depreciation Offset (Major Construction)                                    | .000             | .000             | .000              |
| Other Revenue   | 38.732           | .000             | .000              |
| Total Other Revenue   | 38.732           | .000             | .000              |
| <br>  |                  |                  |                   |
| <b>Total Revenue</b>  | <b>8,987.649</b> | <b>9,766.089</b> | <b>10,168.884</b> |
| <br>  |                  |                  |                   |
| <b>Expenses:</b>  |                  |                  |                   |
| Maintenance Division  |                  |                  |                   |
| Cost of Repair (Direct and POH Costs)                                       |                  |                  |                   |
| Labor   | 3,119.803        | 3,212.256        | 3,296.937         |
| Material  | 4,059.790        | 4,669.149        | 5,139.515         |
| Depreciation  | .000             | .000             | .000              |
| Depreciation of Equipment, ADPE & Telecom, Minor Construction, and Software | 140.328          | 155.117          | 154.472           |
| Depreciation of Other Fixed Assets  | .000             | .000             | .000              |
| Capital Investment Recovery   | .000             | .000             | .000              |
| Subtotal Depreciation   | 140.328          | 155.117          | 154.472           |
| Subtotal Labor, Material, and Depreciation                                  | 7,319.922        | 8,036.522        | 8,590.924         |
| Remaining Direct and POH Costs  | 615.221          | 683.123          | 731.666           |
| Total Cost of Repair (Direct and POH Costs)                                 | 7,935.143        | 8,719.645        | 9,322.590         |
| <br>  |                  |                  |                   |
| Operating Expenses  |                  |                  |                   |
| Military Personnel  | 6.635            | 7.072            | 6.559             |
| Civilian Personnel  | 303.142          | 326.140          | 323.285           |
| Travel & Transportation of People   | 2.741            | 3.719            | 3.949             |
| Materials & Supplies  | 45.911           | 60.560           | 63.392            |
| Equipment   | 55.520           | 82.419           | 86.833            |
| Other WCF Purchases   | .000             | .000             | .000              |
| Transportation of Things  | .000             | .000             | .000              |

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Maintenance Division

|  | FY2025           | FY2026           | FY2027            |
|--|------------------|------------------|-------------------|
| Depreciation - Capital   | 19.950           | 1.744            | 1.422             |
| Depreciation of Other Fixed Assets                                 | 12.233           | 12.233           | 12.233            |
| Capital Investment Recovery  | .000             | .000             | .000              |
| Printing and Reproduction  | .034             | .058             | .060              |
| Advisory and Assistance Services                                   | .000             | .000             | .000              |
| Rent, Comm, Utilities and Misc Charges                             | 2.919            | 29.210           | 24.714            |
| Other Purchased Services   | 270.173          | 350.961          | 340.683           |
| <b>Total Operating Expenses</b>                                    | <b>719.257</b>   | <b>874.117</b>   | <b>863.130</b>    |
| <b>Total Expenses</b>  | <b>8,654.400</b> | <b>9,593.762</b> | <b>10,185.721</b> |
| Work in Process, Beginning of Year                                 | 6.665            | 3.322            | 3.322             |
| Work in Process, End of Year                                       | 3.322            | 3.322            | 3.322             |
| Work in Process, Change  | (3.343)          | .000             | .000              |
| <b>Total Expenses Adjusted for Work in Process</b>                 | <b>8,657.743</b> | <b>9,593.762</b> | <b>10,185.721</b> |
| <b>Operating Results (Net Operating Results on 1307 - Line 11)</b> | <b>329.905</b>   | <b>172.328</b>   | <b>(16.837)</b>   |
| Less Capital Surcharge Reservation                                 | (337.203)        | (194.752)        | (172.973)         |
| Plus Passthroughs or Other Approps (NOR)                           | .000             | .000             | .000              |
| Other Adjustments Affecting NOR and Other Changes <sup>1</sup>     | 12.233           | 12.233           | 12.233            |
| <b>Net Operating Result (Recoverable NOR on 1307 - Line 13)</b>    | <b>4.935</b>     | <b>(10.191)</b>  | <b>(177.577)</b>  |
| Prior Year Adjustments   | .000             | .000             | .000              |
| Other Changes Affecting AOR  | .000             | 200.000          | .000              |
| Prior Year AOR   | (17.167)         | (12.231)         | 177.577           |
| <b>Accumulated Operating Result</b>                                | <b>(12.231)</b>  | <b>177.577</b>   | <b>.000</b>       |
| Non-Recoverable Adjustment Impacting AOR                           | .000             | .000             | .000              |
| <b>Accumulated Operating Result for Budget Purposes</b>            | <b>(12.231)</b>  | <b>177.577</b>   | <b>.000</b>       |

1. In each FY the Other Adjustments Affecting NOR and Others Changes is the result of CSAG Maintenance non-recoverable facility depreciation.

Fund 15  
(Dollars in Millions)

Fuel Data  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

**FY2025**

| <b>PRODUCT</b>                          | <b>Millions of Barrels</b> | <b>\$ Per Barrel</b> | <b>TOTAL</b>  |
|---|----------------------------|----------------------|---------------|
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 139.44               | 0.000         |
| JP-8                                    | 0.094928                   | 138.18               | 13.117        |
| <b>Total for Direct Aviation POL</b>    | <b>0.094928</b>            | <b>138.18</b>        | <b>13.117</b> |
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 139.44               | 0.000         |
| JP-8                                    | 0.063994                   | 138.18               | 8.843         |
| <b>Total for Indirect Aviation POL</b>  | <b>0.063994</b>            | <b>138.18</b>        | <b>8.843</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 143.22               | 0.000         |
| MG Unleaded                             | 0.009257                   | 135.24               | 1.252         |
| Diesel                                  | 0.013603                   | 141.12               | 1.920         |
| <b>Total for POH Ground POL</b>         | <b>0.022860</b>            | <b>138.74</b>        | <b>3.172</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 143.22               | 0.000         |
| MG Unleaded                             | 0.000102                   | 135.24               | 0.014         |
| Diesel                                  | 0.000010                   | 123.90               | 0.001         |
| <b>Total for G&amp;A Ground POL</b>     | <b>0.000112</b>            | <b>134.18</b>        | <b>0.015</b>  |
| <b>SubTotal POL</b>                     | <b>0.181895</b>            | <b>138.25</b>        | <b>25.147</b> |
| <b>Special Fuels</b>                    |                            |                      |               |
| JP-10                                   | 0.012511                   | 192.36               | 2.407         |
| <b>Total for Indirect Special Fuels</b> | <b>0.012511</b>            | <b>192.36</b>        | <b>2.407</b>  |
| <b>Total</b>                            | <b>0.194406</b>            |                      | <b>27.553</b> |

Fund 15  
(Dollars in Millions)

Fuel Data  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

**FY2026**

| <b>PRODUCT</b>                          | <b>Millions of Barrels</b> | <b>\$ Per Barrel</b> | <b>TOTAL</b>  |
|---|----------------------------|----------------------|---------------|
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 127.31               | 0.000         |
| JP-8                                    | 0.158564                   | 126.16               | 20.004        |
| <b>Total for Direct Aviation POL</b>    | <b>0.158564</b>            | <b>126.16</b>        | <b>20.004</b> |
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 127.31               | 0.000         |
| JP-8                                    | 0.070944                   | 126.16               | 8.950         |
| <b>Total for Indirect Aviation POL</b>  | <b>0.070944</b>            | <b>126.16</b>        | <b>8.950</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 130.76               | 0.000         |
| MG Unleaded                             | 0.006517                   | 123.47               | 0.805         |
| Diesel                                  | 0.009125                   | 128.84               | 1.176         |
| <b>Total for POH Ground POL</b>         | <b>0.015642</b>            | <b>126.60</b>        | <b>1.980</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 130.76               | 0.000         |
| MG Unleaded                             | 0.000299                   | 123.47               | 0.037         |
| Diesel                                  | 0.000047                   | 113.12               | 0.005         |
| <b>Total for G&amp;A Ground POL</b>     | <b>0.000346</b>            | <b>122.06</b>        | <b>0.042</b>  |
| <b>SubTotal POL</b>                     | <b>0.245496</b>            | <b>126.18</b>        | <b>30.977</b> |
| <b>Special Fuels</b>                    |                            |                      |               |
| JP-10                                   | 0.002609                   | 175.62               | 0.458         |
| <b>Total for Indirect Special Fuels</b> | <b>0.002609</b>            | <b>175.62</b>        | <b>0.458</b>  |
| <b>Total</b>                            | <b>0.248105</b>            |                      | <b>31.435</b> |

Fund 15  
(Dollars in Millions)

Fuel Data  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

**FY2027**

| <b>PRODUCT</b>                          | <b>Millions of Barrels</b> | <b>\$ Per Barrel</b> | <b>TOTAL</b>  |
|---|----------------------------|----------------------|---------------|
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 124.89               | 0.000         |
| JP-8                                    | 0.152483                   | 123.76               | 18.871        |
| <b>Total for Direct Aviation POL</b>    | <b>0.152483</b>            | <b>123.76</b>        | <b>18.871</b> |
| <b>Aviation POL</b>                     |                            |                      |               |
| JP-5                                    | 0.000000                   | 124.89               | 0.000         |
| JP-8                                    | 0.069292                   | 123.76               | 8.576         |
| <b>Total for Indirect Aviation POL</b>  | <b>0.069292</b>            | <b>123.76</b>        | <b>8.576</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 128.28               | 0.000         |
| MG Unleaded                             | 0.006606                   | 121.13               | 0.800         |
| Diesel                                  | 0.009189                   | 126.39               | 1.161         |
| <b>Total for POH Ground POL</b>         | <b>0.015795</b>            | <b>124.19</b>        | <b>1.962</b>  |
| <b>Ground POL</b>                       |                            |                      |               |
| MG Leaded                               | 0.000000                   | 128.28               | 0.000         |
| MG Unleaded                             | 0.000295                   | 121.13               | 0.036         |
| Diesel                                  | 0.000046                   | 110.97               | 0.005         |
| <b>Total for G&amp;A Ground POL</b>     | <b>0.000341</b>            | <b>119.76</b>        | <b>0.041</b>  |
| <b>SubTotal POL</b>                     | <b>0.237911</b>            | <b>123.78</b>        | <b>29.449</b> |
| <b>Special Fuels</b>                    |                            |                      |               |
| JP-10                                   | 0.002716                   | 172.29               | 0.468         |
| <b>Total for Indirect Special Fuels</b> | <b>0.002716</b>            | <b>172.29</b>        | <b>0.468</b>  |
| <b>Total</b>                            | <b>0.240627</b>            |                      | <b>29.917</b> |

Fund 16  
(Dollars in Millions)

Material Inventory Data  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

|   | <b>FY2025</b>      | <b>FY2026</b>      | <b>FY2027</b>      |
|---|--------------------|--------------------|--------------------|
| <b>1. Material Inventory BOP</b>  | <b>129.800</b>     | <b>129.800</b>     | <b>129.800</b>     |
| <b>2. Purchases</b>   | <b>3,754.843</b>   | <b>4,339.361</b>   | <b>4,798.705</b>   |
| <b>A. Purchases to Support Customer Orders (+)</b>                      | <b>3,754.843</b>   | <b>4,339.361</b>   | <b>4,798.705</b>   |
| <b>B. Purchase of long lead items in advance of customer orders (+)</b> | <b>.000</b>        | <b>.000</b>        | <b>.000</b>        |
| <b>C. Other Purchases (+)</b>   | <b>.000</b>        | <b>.000</b>        | <b>.000</b>        |
| <b>3. Material Inventory Adjustments</b>                                | <b>(3,754.843)</b> | <b>(4,339.361)</b> | <b>(4,798.624)</b> |
| <b>A. Material Used in Maintenance (-)</b>                              | <b>(3,754.843)</b> | <b>(4,339.361)</b> | <b>(4,798.624)</b> |
| <b>B. Disposals, theft, losses due to damages (-)</b>                   | <b>.000</b>        | <b>.000</b>        | <b>.000</b>        |
| <b>C. Other Reductions (-)</b>  | <b>.000</b>        | <b>.000</b>        | <b>.000</b>        |
| <b>4. Material Inventory EOP</b>  | <b>129.800</b>     | <b>129.800</b>     | <b>129.881</b>     |

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***CONSOLIDATED SUSTAINMENT***

***ACTIVITY GROUP – SUPPLY DIVISION***

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**Consolidated Sustainment Activity Group (CSAG)  
Supply Division  
Budget Overview  
Fiscal Year (FY) 2027 President's Budget (PB)**

The Consolidated Sustainment Activity Group (CSAG) core mission remains constant: enabling combat power for America and its international partners. CSAG-Supply (CSAG-S) responsibilities encompass planning, sourcing, and execution of spare requirements for a vast array of critical assets, including aircraft, engines, intercontinental ballistic missiles (ICBMs), Space, Command, Control, Communication & Intelligence (C3I) systems, and a wide range of support equipment, pods, and missiles. Planning and execution extend to programmed depot maintenance, engine overhaul, and the repair of commodities and equipment. Furthermore, the CSAG-S provides organic supply chain management opportunities for new weapon systems across multiple domains, influencing programmatic decisions to optimize long-term sustainment strategies.

CSAG-S is primarily responsible for Air Force-managed, depot-level reparable and consumable spares unique to the Air Force. Reparable supply items are economically maintained through overhaul or repair, while consumable items, used up in service or discarded when worn or broken, are replaced. Beyond inventory management, CSAG-S delivers a comprehensive suite of logistics support services, including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management, and transportation.

A critical challenge addressed by CSAG-S is mitigating the impact of Diminishing Manufacturing Sources and Material Shortages (DMSMS) and other obsolescence issues associated with aging aircraft fleets. The increasing age of these fleets and their reliance on older technologies contribute to a growing number of parts lacking qualified manufacturing or repair sources. To combat these challenges, CSAG-S re-engineers parts that are no longer producible or repairable. The organization also identifies parts at risk of unavailability due to DMSMS issues, implementing measures to minimize any negative impact on weapon system readiness.

## Way Ahead

AFWCF is prioritizing increasing parts availability that is essential to mission critical supply inventory. Currently only 33%, 8 of 24 aircraft, meet Total Non-Mission Capable for Supply (TNMCS) standards. Of the 16 aircraft that do not meet standard, 5 are more than 10% below standard. Falling TNMCS rates continue to detract from the fleet-wide Aircraft Availability (AA) rates that secure Air Force operational readiness. Increased parts availability will support Deployed Operations in a potential peer-to-peer engagement via fully stocked parts kits and arrest declining CSAG-M production that results from part supportability constraints. A notable example of part constraints precluding full execution of planned depot workload includes 36 engine inductions across FY 2024 and FY 2025 for the KC-135 and B-52 weapon systems. The reduced inductions were directly attributable to parts supportability.

This effort will require a unit cost ratio greater than 1.0 for CSAG-S over several fiscal years. This will increase costs for customers whose budgets must be fully funded throughout the Future Years Defense Plan. Failure to execute this initiative will further hamper TNMCS rates and AA recovery, exacerbate CSAG-M production delays, and risk meeting Combatant Command support requirements and jeopardize the overall readiness of the force.

CSAG-S oversees the planning, sourcing, and execution of approximately 70,000 items, with an estimated annual budget of \$8.6 billion.

Aging aircraft have exposed numerous sustainment challenges:

- First time failures, loss of suppliers, no-bid solicitations, and cold-starts are increasing costs and extending lead-times
- Rapidly advancing/changing electronics and microcircuit technology hold the promise of more reliable systems at lower cost, but the unintended consequence is the increase in Diminishing Manufacturing Source and Material Shortages (DMSMS) issues
- The lack of adequate technical documentation, lengthy reverse engineering/emulation projects, and obsolete manufacturing techniques

Additionally, to combat the DMSMS issues and other supply chain challenges, the Air Force is fostering senior leader engagement through multiple forums:

- Expanding market research and source development capabilities
- Continually engaging with Defense Logistics Agency (DLA) and Air Force Contracting to streamline the purchase instrument process
- Participating in DMSMS working groups charged with identifying critical obsolescence issues
- Placing greater focus on current and proposed future technology trends
- Continuous monitoring for obsolescence/end of life alerts and strategically placed obsolescence mitigation opportunities

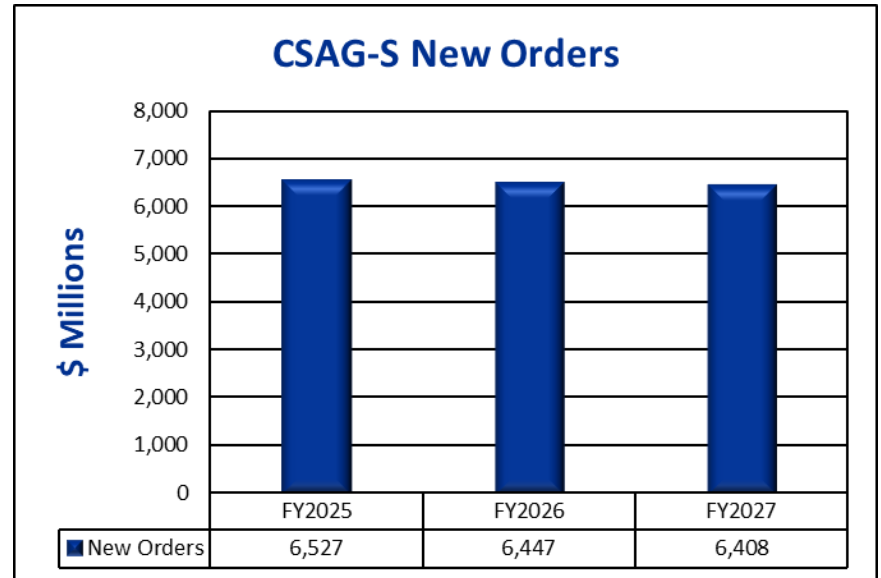
## Financial Highlights

| (\$ Millions)                       | FY 2025   | FY 2026   | FY 2027    |
|-------------------------------------|-----------|-----------|------------|
| Total Revenue                       | \$6,493.8 | \$6,554.5 | \$10,764.3 |
| Total Expenses                      | \$6,323.5 | \$6,605.2 | \$6,792.6  |
| Operating Result                    | \$170.3   | \$-50.7   | \$-273.9   |
| Other Adjustments Affecting NOR     | \$0.0     | \$0.0     | \$-4,299.5 |
| Net Operating Results (NOR)         | \$170.3   | \$-105.4  | \$-327.8   |
| Other Changes Affecting AOR         | \$500.0   | \$-500.0  | 0.0        |
| Prior Year AOR                      | \$762.9   | \$933.2   | \$327.8    |
| Non-Recoverable AOR Adjustment      | \$-500.0  | \$0.0     | \$0.0      |
| Accumulated Operating Results (AOR) | \$1,433.2 | \$327.8   | \$0.0      |
| Unit Cost                           | 1.24      | 1.23      | 1.20       |
| Price Change to Customer            | 13.40%    | 5.78%     | 4.54%      |

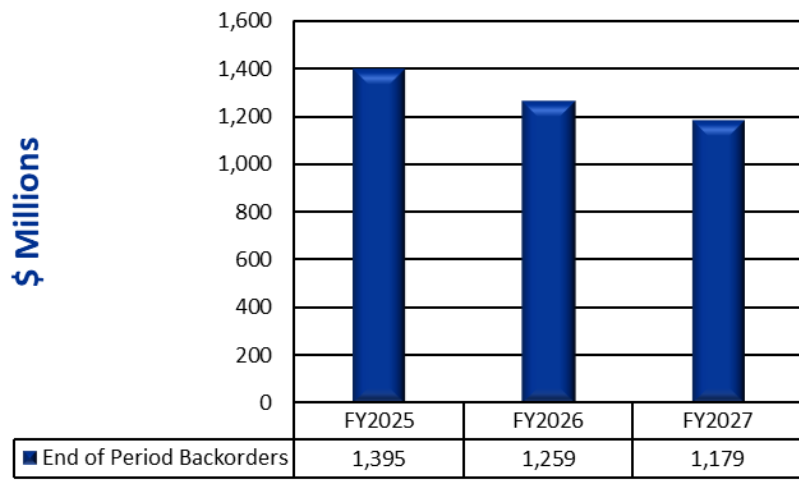
In FY 2025, Net Operating Result (NOR) was positive \$170.3 million, with a positive \$1,433.2 million Accumulated Operating Results (AOR). The FY 2026 NOR is projected to be a negative \$105.4 million and a positive \$327.8 million AOR. FY 2027 Unit Cost of 1.20 is to support the aforementioned prioritization of increasing parts availability, essential to mission critical supply inventory. In FY 2027, the price change is a 4.54% increase for all customers due to anticipated expenses increasing.

**CSAG-S New Orders**

The New Orders chart reflects actual execution in FY 2025 and projected levels in FY 2026 and FY 2027. Minimal decrease is projected from FY 2025 to FY 2027. New Orders decrease from FY 2025 to FY 2026, driven by Flying Hour customers. New Orders decrease from FY 2026 to FY 2027 is customer driven due to the decrease of order from the Flying Hour Customers. *Fund 11, Source of New Orders.*



**CSAG-S End of Period Backorders**



**CSAG-S Backorders**

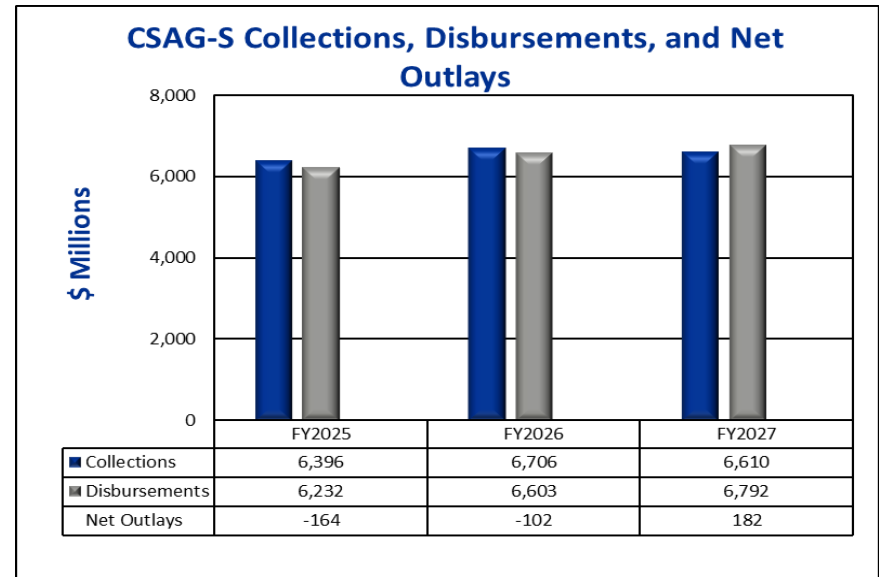
Backorders are expected to decrease in FY 2027 as deliveries from prior year obligations are realized, which reduces Carry-In Orders, backorders represent items owed to the customer. Projected backorder fulfillment is primarily driven by Foreign Military Sales (FMS) in FY 2026, and FMS and CSAG-M in FY 2027. *Fund 11, Customer Order Worksheet, Source of Backorders.*

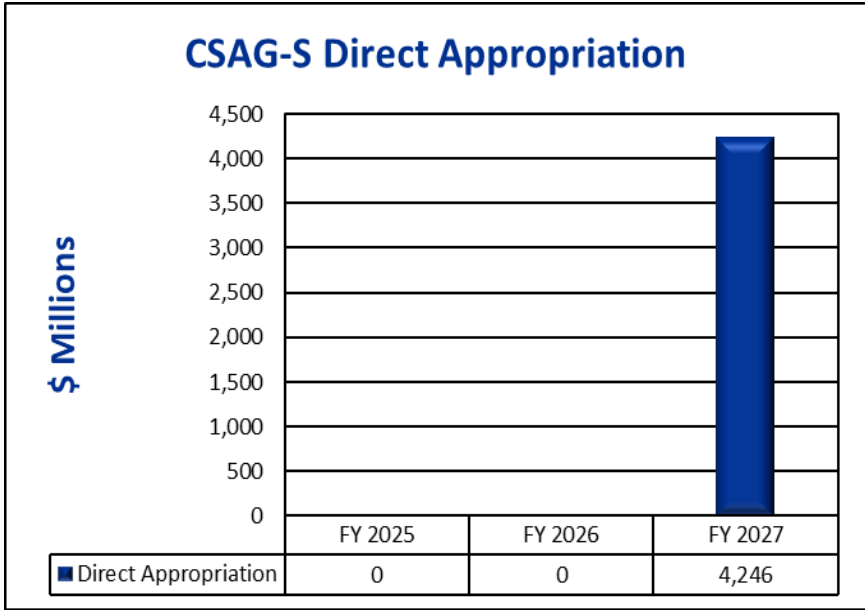
**Cash Management:**

| <b>Cash (\$ Million)</b>               | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| BOP Cash Balance                       | \$528.3        | \$1,192.3      | \$794.6        |
| Disbursements                          | \$6,232.4      | \$6,603.5      | \$6,792.2      |
| Collections                            | \$6,396.4      | \$6,705.7      | \$6,609.8      |
| Net Transfers                          | \$500.0        | \$-500.0       | 0.0            |
| Direct Appropriation (Critical Spares) | \$0            | \$0            | \$4,245.6      |
| EOP Cash Balance                       | \$1,192.3      | \$794.6        | \$4,857.9      |
|  |                |                |                |
| <b>Lower Limit Cash Goal</b>           | \$127.1        | \$625.9        | \$207.5        |
| <b>Upper Limit Cash Goal</b>           | \$418.9        | \$959.2        | \$5,046.1      |

**CSAG-S Collections, Disbursements, and Net Outlays**

Collections are projected based on forecasted sales and changes in accounts receivable. Disbursements are projected based on monthly operating obligations, changes in accounts payable, and Capital Investment Program obligations. The Air Force forecasts that FY 2027 sales and collections will remain consistent with the increased levels established in FY 2026. However, disbursements are projected to increase from FY 2025 through FY 2027 due to increased materiel deliveries, directly supporting the strategic priorities of improving parts and aircraft availability. *Fund 13, Source of Cash Management.*





**CSAG-S Direct Appropriation**

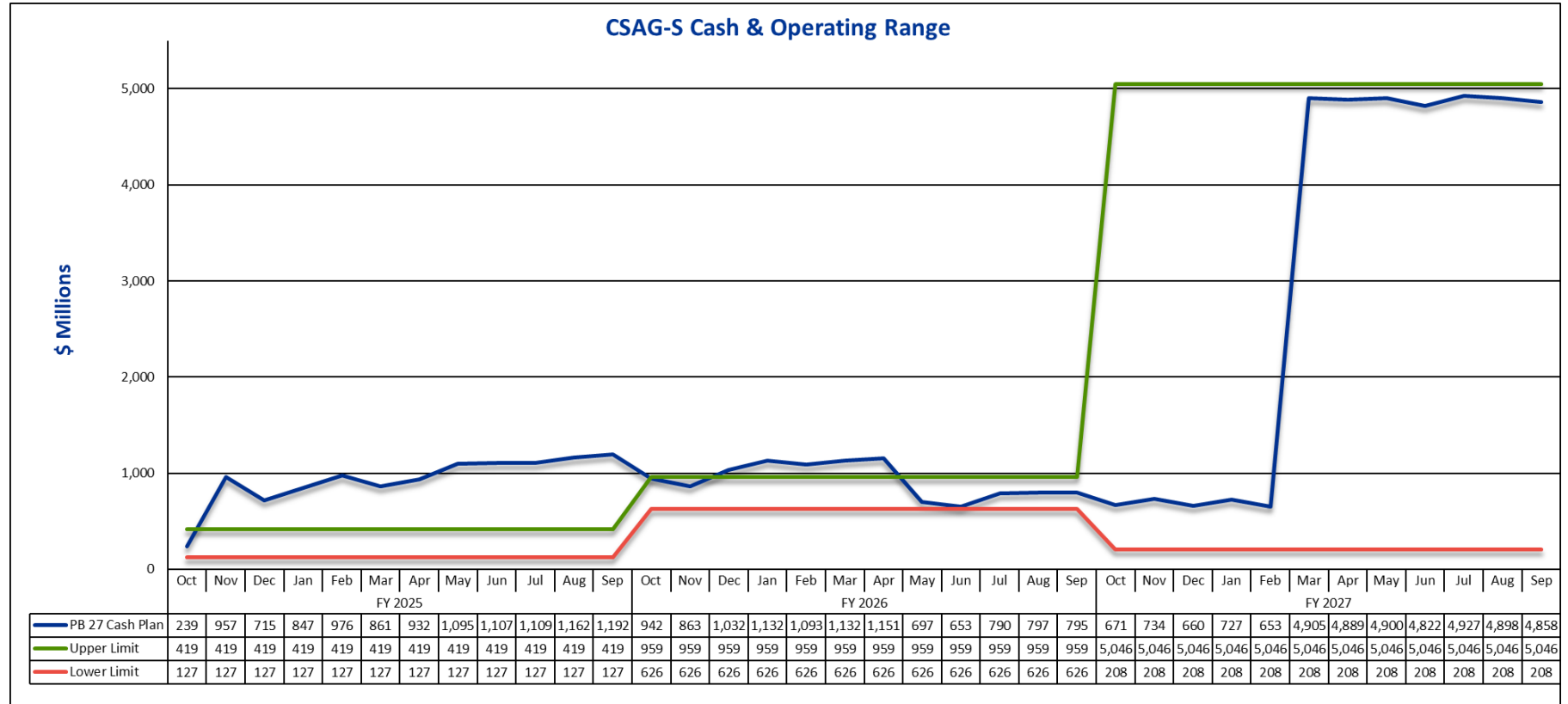
An investment of \$4.246 billion in aircraft spares is a direct investment in Air Force readiness and our ability to meet the National Defense Strategy. For two decades, compounding risks have created a readiness deficit, driving down aircraft availability while increasing the reliance on parts cannibalization—a practice that places an unsustainable workload on our maintainers and directly impacts mission capability. A strategic, direct appropriation is required to reverse these trends. This funding will replenish critical spare parts, reduce Non-Mission Capable for Supply (NMCS) rates, and improve depot throughput. These outcomes directly increase aircraft availability and restore the lethality of the force and rebuild readiness.

This critical investment provides targeted support across the Air Force's diverse and aging fleet, restoring readiness and filling supply chain gaps in our most vital platforms. The FY 2027

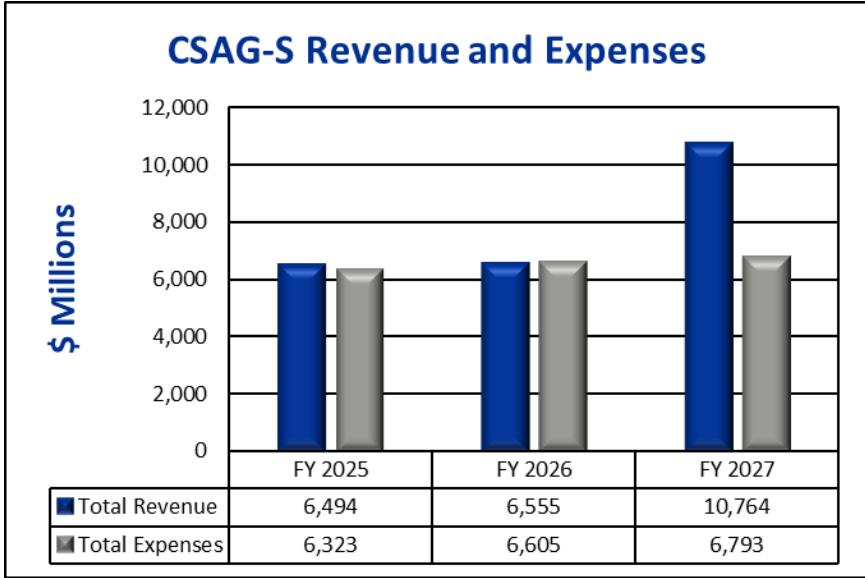
plus-up directs significant funding for spare parts to the bomber enterprise, with \$895.7 million for the B-2, \$424.7 million for the B-52, and \$59.9 million for the B-1B. The fighter fleet is bolstered with \$222.3 million for the F-16 and \$110.4 million for the F-15. Furthermore, this funding strengthens the mobility backbone, allocating \$396.9 million to the C-135, \$109.5 million to the KC-46, and \$101.9 million to the C-5. These focused investments are crucial for ensuring the health and availability of the entire airpower enterprise. The above listed weapons systems are the primary supported weapons systems; the full list is available within the SM-3B budget exhibit.

This investment is the essential first step to restoring our aging fleet, but the solution requires a sustained commitment. Due to long-lead production times and the need to rebuild the defense industrial base, it will take an estimated 18-36 months for new spares to arrive on the shelf and continued sustained investment 3-5 years to fully recover the supply chain. Ultimately, funding for spare parts is a strategic imperative that underpins the entire warfighting enterprise and ensures the Air Force can provide the national security the country expects.

## CSAG-S Cash & Operating Range



The cash balance is projected to increase from FY 2025 to FY 2026, as a reduction in accounts receivable is expected to offset operating losses. However, this gain will be reversed by a \$500 million congressional mark, which will reduce the cash balance. In FY 2027, the operational cash balance is forecast to decrease by \$124 million to \$671 million. This decline is the result of disbursements from obligations made in the three preceding fiscal years, during which a unit cost ratio greater than 1.0 was maintained to build inventory. The lower control limit for the cash balance is projected to fall in FY 2027, reflecting these delayed disbursements from operating above a 1.0 unit cost ratio since FY 2024. A Direct Appropriation of \$4.246 billion for the purchase of critical spare parts will significantly increase the total cash balance and raise the upper control limit in FY 2027.



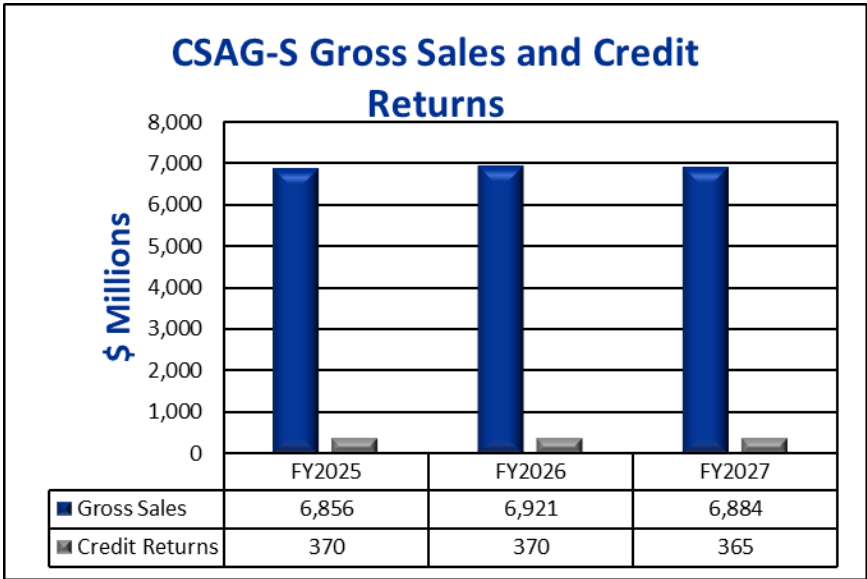
**CSAG-S Revenue and Expenses**

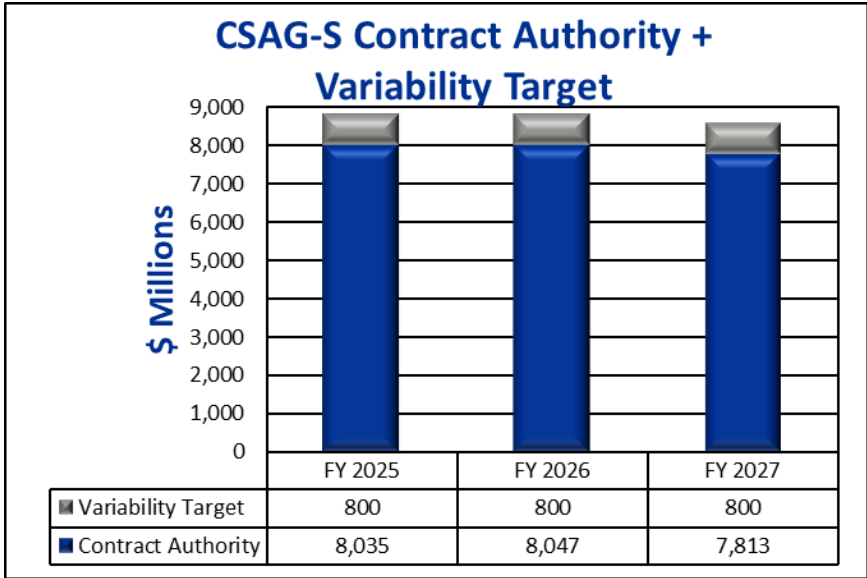
Revenue reflects actual results for FY 2025 and projected levels for FY 2026 and FY 2027. FY 2025 sales levels are projected to continue through FY 2026, primarily driven by CSAG-M Organic Repair and FHP. The significant \$4.246 billion increase from FY 2026 to FY 2027 is driven by Direct Appropriation for Critical Spares Replenishment.

Expenses reflect estimated actuals for FY 2025 and are presented alongside projected levels for FY 2026 and FY 2027. A projected FY 2026 and FY 2027 increase driven by Buy and Repair Program requirement increases, changes in Army and Navy customer requirements, and increases in Management of Items Subject to Repair (MISTR) inductions due to Base Demand within CSAG-M. *Fund 14, Source of Expense.*

**CSAG-S Gross Sales and Credit Returns**

Sales figures represent income from operations, reflecting actual performance in FY 2025 and projected levels for FY 2026 and FY 2027. Sales are projected to remain relatively steady from FY 2025 – FY 2027 with only a slight decrease in FY 2027, due to the decrease in expected Gross Revenue from Sales which is primarily driven by sales projections from the FHP. Data source: *Fund 14, Supply Division (Material Gross Sales), less Credit Returns.*



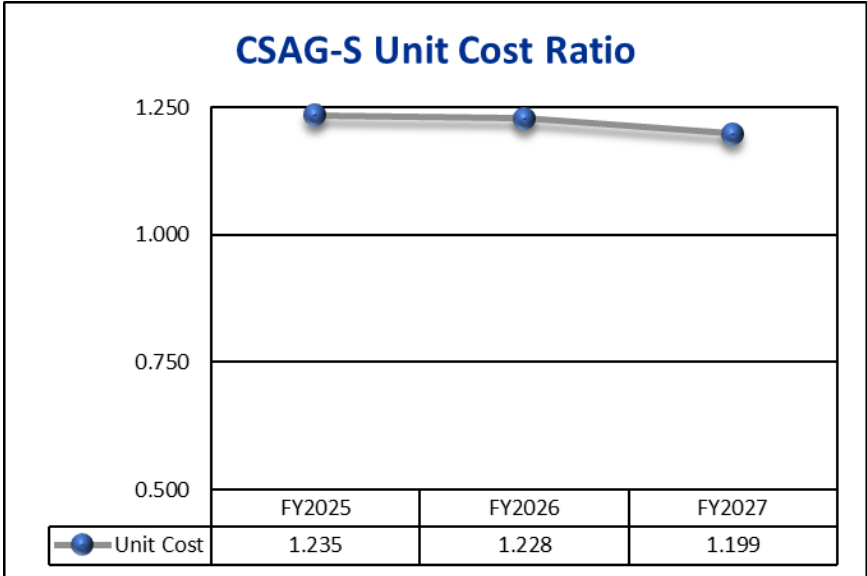


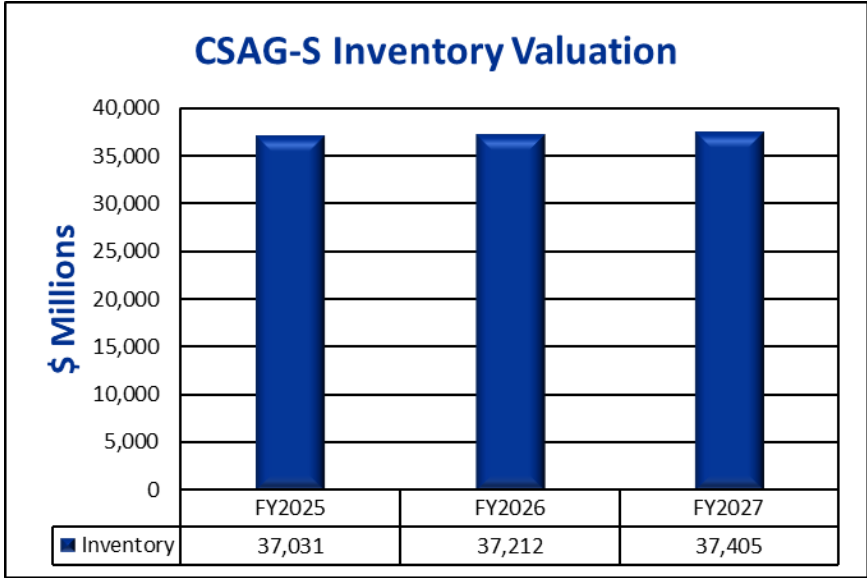
**CSAG-S Contract Authority + Variability Target**

The budget requests operating obligation authority for the acquisition, repair, and replenishment of spare parts. The Air Force's FY 2026 and FY 2027 contract authority decreases slightly due to the reduction in Buy and Repair Program requirements caused by the reduction in Net Customer Orders; FMS customers, Operations & Maintenance - Air National Guard (O&M-ANG) customers, and O&M-AF customers. A variability target is included in the budget to ensure obligation authority is available to respond rapidly to unexpected surges in customer demand during the year of execution. *SM 1, Source of Contract Authority and Variability Target.*

**CSAG-S Unit Cost Ratio**

Unit cost, relating operating costs to sales dollars, is calculated as (total obligations - prior-year de-obligations)/net sales. Below 1.0 means selling more than replenishing, gaining cash. Above 1.0 means the AF is buying inventory for future needs or replenishing past consumption, putting a drain on cash. To address critical inventory shortages that have degraded aircraft availability and operational readiness, the Unit Cost Ratio (UCR) is intentionally set above 1.0 for FY 2026 (1.23) and FY 2027 (1.19). A UCR above 1.0 signifies a strategic investment in inventory to replenish mission-critical parts. This action is essential to increase parts availability, support deployed operations in potential peer-to-peer engagements, and bolster declining depot maintenance production. *SM 16, Source of Unit Costs.*



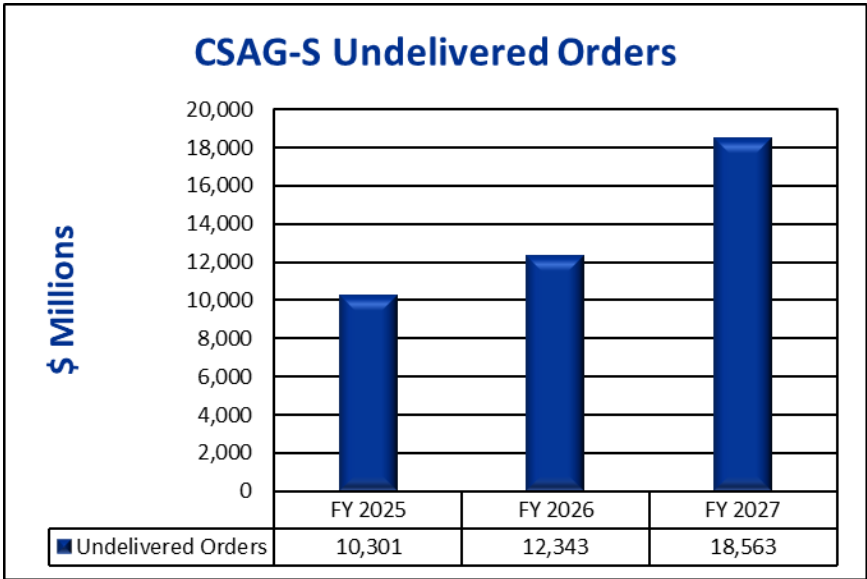


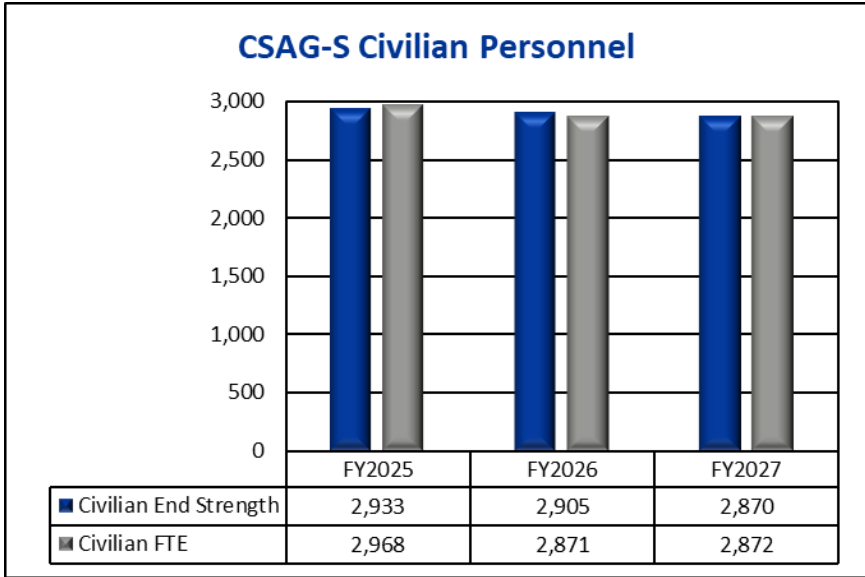
**CSAG-S Inventory Valuation**

Actual inventory in FY 2025 saw substantial reclassifications and repricing, impacting both inventory values and sales. These adjustments were driven by corrections to the Moving Average Cost (MAC) and inconsistent budgeting for adjustment accounts. Both the FY 2026 and FY 2027 projections indicate some stabilization with small, incremental changes in receipts, sales, and adjustments. The NIMSC program and CSAG-M requirements continue to be key drivers. *SM 4, Source of Inventory.*

**CSAG-S Undelivered Orders**

Undelivered orders represent goods and services ordered but not yet received by AFWCF. A sufficient cash balance is required to pay suppliers upon receipt of these orders. As the Air Force prioritizes increasing the inventory undelivered orders are expected to remain fairly steady for the next few years until deliveries start outpacing obligations. Delivery times have increased since FY 2020 as a result of shrinking supply chains and longer production lead times. The addition of Spare Replenishment Direct Appropriations in FY 2027 drives a large increase in Inventory on Order Cost EOP, cash will need to be retained to pay for these future disbursements upon delivery of goods. *SM 4, Source of Undelivered Orders.*





**CSAG- S Civilian Personnel**

The personnel end strength reflects actual execution in FY 2025 and authorized levels in FY 2026 and FY 2027. Personnel levels include secondary item managers, logistics management specialists, and general and administrative support positions. In support of the Department’s Supply workforce optimization program FTEs decrease by 96 FTEs from FY 2025 to FY 2027. This reduction to the workforce is also reflected in the reduction in the Civilian End Strength. *Op-8, Source of Civilian Personnel.*

**Capital Budget**

The Capital Budget is represented by investments in Software Development, for the Maintenance, Repair and Overhaul (MRO) effort. Planned software upgrades are critical to maintaining continuous visibility for supply management as well as real-time decisions regarding efficient and effective supply chain management due to changing conditions not only from the field but from within the supply wings themselves. The changes made to existing systems will allow successful implementation of more efficient maintenance concepts to effectively utilize the Air Logistics Complexes' resources. Efficiencies critical for long-term success will not be realized without funding.

| <b>Capital Budget Program Authority (\$ Millions)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|---|----------------|----------------|----------------|
| Software Development                                  | \$26.6         | \$54.7         | \$53.9         |

Fund 11  
(Dollars in Millions)  
**CSAG - Supply Division**

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

|  | FY2025           | FY2026           | FY2027           |
|--|------------------|------------------|------------------|
| <b>1. New Orders</b>                                     |                  |                  |                  |
| <b>a. Orders From DOW Components:</b>                    |                  |                  |                  |
| <b>(1) Air Force</b>                                     |                  |                  |                  |
| (a) Aircraft Procurement                                 | 8.157            | 10.045           | 6.756            |
| (b) Missile Procurement                                  | .000             | .000             | .000             |
| (c) Other Procurement                                    | .034             | .074             | .038             |
| (d) Military Construction                                | .000             | .000             | .000             |
| (e) Operations & Maintenance - AF                        | 2,839.149        | 2,805.615        | 2,695.797        |
| (f) Operations & Maintenance - USSF                      | (92.395)         | 11.165           | 11.462           |
| (g) Operations & Maintenance - AFRC                      | 260.307          | 254.782          | 263.966          |
| (h) Operations & Maintenance - ANG                       | 675.866          | 539.697          | 516.047          |
| (i) Research & Development - AF                          | 75.712           | 65.594           | 62.760           |
| (j) Military Personnel - AF                              | (19.519)         | .000             | .000             |
| (k) Reserve Personnel - AF                               | .000             | .000             | .000             |
| (l) Guard Personnel - ANG                                | .000             | .000             | .000             |
| (m) Family Housing                                       | .000             | .000             | .000             |
| (n) Special Trust Funds                                  | .000             | .000             | .000             |
| (o) Other Air Force                                      | 8.176            | .000             | .000             |
| (p) Other  | .000             | .000             | .000             |
| <b>Total Air Force</b>                                   | <b>3,755.489</b> | <b>3,686.971</b> | <b>3,556.827</b> |
| (2) Army   | 15.947           | 9.668            | 4.577            |
| (3) Navy   | 146.207          | 121.114          | 101.641          |
| (4) Marine Corps   | .000             | .000             | .000             |
| (5) MAP/Grant Aid  | .000             | .000             | .000             |
| (6) Other DOW  | 216.300          | 160.024          | 159.530          |
| <b>Total DOW excluding WCF</b>                           | <b>4,133.942</b> | <b>3,977.778</b> | <b>3,822.574</b> |
| <b>b. Orders From Other Fund Activity Groups</b>         |                  |                  |                  |
| (1) AF Supply Mgmt Activity Group - Retail               | .183             | .056             | (.298)           |
| (2) Transportation Activity Group - TRANSCOM             | 191.619          | 221.399          | 219.735          |
| (3) Other WCF Activity Groups                            | .400             | .452             | .302             |
| (4) Commissary, Sur. Coll.                               | .000             | .000             | .000             |
| (5) AF CSAG - Supply (Supply Orders to Maintenance)      | .000             | .000             | .000             |
| (6) AF CSAG - Maintenance (Maintenance Orders to Supply) | 1,961.110        | 2,235.018        | 2,265.705        |
| <b>Total Other Fund Activity Groups</b>                  | <b>2,153.313</b> | <b>2,456.925</b> | <b>2,485.445</b> |

Fund 11  
(Dollars in Millions)  
**CSAG - Supply Division**

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

|  | FY2025           | FY2026           | FY2027           |
|--|------------------|------------------|------------------|
| <b>c. Other Internal to AF Consolidated Sustainment Activity Group</b>                     |                  |                  |                  |
| (1) Internal Material Transfer Orders (Maintenance Orders to Supply)                       | .000             | .000             | .000             |
| (2) Internal Material Repair Orders (Supply Orders to Maintenance)                         | .000             | .000             | .000             |
| <b>Total Internal AF Consolidated Sustainment Activity Group</b>                           | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>d. Grand Total DOW</b>  | <b>6,287.255</b> | <b>6,434.703</b> | <b>6,308.019</b> |
| <b>e. Other Orders</b>   |                  |                  |                  |
| (1) Other Federal Agencies   | 5.600            | 11.182           | 4.602            |
| (2) Non Federal Agencies   | (.097)           | 1.196            | (.528)           |
| (3) FMS  | 234.230          | .000             | 95.421           |
| <b>Total Other Orders</b>  | <b>239.734</b>   | <b>12.378</b>    | <b>99.495</b>    |
| <b>Total New Orders</b>  | <b>6,526.988</b> | <b>6,447.081</b> | <b>6,407.514</b> |
| <b>Total New External Orders (Total New Gross Orders minus 1c. Total Internal AF CSAG)</b> | <b>6,526.988</b> | <b>6,447.081</b> | <b>6,407.514</b> |
| <b>2. Carry-In Orders</b>  | <b>1,361.250</b> | <b>1,394.835</b> | <b>1,259.180</b> |
| a. Carry-Over Execution Adjustment   | 8.176            | .000             | .000             |
| <b>3. Total Gross Orders</b>   | <b>7,888.239</b> | <b>7,841.916</b> | <b>7,666.694</b> |
| <b>4. Carry-Out Orders (EOP Backorders)</b>  | <b>1,394.835</b> | <b>1,259.180</b> | <b>1,179.275</b> |
| <b>5. Gross Sales</b>  | <b>6,855.562</b> | <b>6,921.152</b> | <b>6,883.907</b> |
| <b>6. Credit Returns</b>   | <b>370.335</b>   | <b>369.748</b>   | <b>365.156</b>   |
| <b>7. Net Sales</b>  | <b>6,485.227</b> | <b>6,551.404</b> | <b>6,518.751</b> |

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Supply Division**

|   | FY2025           | FY2026           | FY2027            |
|---|------------------|------------------|-------------------|
| <b>Revenue:</b>                               |                  |                  |                   |
| <b>Income:</b>                                |                  |                  |                   |
| Supply Division (Material Gross Sales)        | 6,855.562        | 6,921.152        | 6,883.907         |
| Less Credit Returns                           | 370.335          | 369.748          | 365.156           |
| <b>Total Income</b>                           | <b>6,485.227</b> | <b>6,551.404</b> | <b>6,518.751</b>  |
| <br>  |                  |                  |                   |
| Depreciation Offset (Major Construction)      | .000             | .000             | .000              |
| Other Revenue                                 | 8.523            | 3.103            | 4,245.563         |
| <b>Total Other Revenue</b>                    | <b>8.523</b>     | <b>3.103</b>     | <b>4,245.563</b>  |
| <br>  |                  |                  |                   |
| <b>Total Revenue</b>                          | <b>6,493.750</b> | <b>6,554.507</b> | <b>10,764.314</b> |
| <br>  |                  |                  |                   |
| <b>Expenses:</b>                              |                  |                  |                   |
| <b>Supply Division</b>                        |                  |                  |                   |
| Cost of Material Sold                         | 392.428          | 403.579          | 404.585           |
| Cost of Material Repair                       | 3,902.100        | 4,101.082        | 4,254.716         |
| Condemnation Material Expense Recovery (CMER) | 714.406          | 735.734          | 737.115           |
| Inventory Augmentation                        | .000             | .000             | .000              |
| Other Expenses                                | 11.658           | 3.103            | .000              |
| <b>Subtotal Material &amp; Other Expenses</b> | <b>5,020.592</b> | <b>5,243.498</b> | <b>5,396.416</b>  |
| <br>  |                  |                  |                   |
| <b>Operating Expenses (Supply only)</b>       |                  |                  |                   |
| Military Personnel                            | 7.491            | 7.648            | 7.109             |
| Civilian Personnel                            | 423.764          | 423.659          | 435.480           |
| Travel & Transportation of People             | 2.563            | 3.958            | 4.153             |
| Materials & Supplies                          | 3.991            | 4.427            | 4.519             |
| Equipment                                     | 2.969            | 2.679            | 2.387             |
| Other Purchases from Revolving Funds          | 347.087          | 308.581          | 365.420           |
| Transportation of Things                      | 61.204           | 79.168           | 57.019            |
| Capital Investment Depreciation               | 5.546            | .000             | .000              |
| Printing and Reproduction                     | .128             | .181             | .185              |
| Advisory and Assistance Services              | 60.247           | 71.713           | 78.670            |

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Supply Division**

|   | FY2025           | FY2026           | FY2027           |
|---|------------------|------------------|------------------|
| Rent, Comm, Utilities and Misc Charges                  | 122.396          | 133.206          | 142.149          |
| Other Purchased Services                                | 265.518          | 326.458          | 299.121          |
| <b>Total Operating Expenses (Supply only)</b>           | <b>1,302.904</b> | <b>1,361.678</b> | <b>1,396.211</b> |
| <b>Total Expenses</b>                                   | <b>6,323.496</b> | <b>6,605.176</b> | <b>6,792.627</b> |
| Work in Process, Beginning of Year                      | .000             | .000             | .000             |
| Work in Process, End of Year                            | .000             | .000             | .000             |
| Work in Process, Change                                 | .000             | .000             | .000             |
| <b>Total Expenses Adjusted for Work in Process</b>      | <b>6,323.496</b> | <b>6,605.176</b> | <b>6,792.627</b> |
| <b>Operating Result</b>                                 | <b>170.255</b>   | <b>(50.669)</b>  | <b>(273.875)</b> |
| Less Capital Surcharge Reservation                      | .000             | (54.715)         | (53.941)         |
| Plus Passthroughs or Other Approps (NOR)                | .000             | .000             | (4,245.563)      |
| Other Adjustments Affecting NOR and Other Changes       | .000             | .000             | .000             |
| <b>Net Operating Result</b>                             | <b>170.255</b>   | <b>(105.383)</b> | <b>(327.817)</b> |
| Prior Year Adjustments                                  | .000             | .000             | .000             |
| Other Changes Affecting AOR                             | 500.000          | (500.000)        | .000             |
| Prior Year AOR  | 762.946          | 933.200          | 327.817          |
| <b>Accumulated Operating Result</b>                     | <b>1,433.200</b> | <b>327.817</b>   | <b>.000</b>      |
| Non-Recoverable Adjustment Impacting AOR                | (500.000)        | .000             | .000             |
| <b>Accumulated Operating Result for Budget Purposes</b> | <b>933.200</b>   | <b>327.817</b>   | <b>.000</b>      |

SM-1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Supply Division

|        | Obligation Targets  |           |             |                              |                                 |                                    |                                  |                    |              |
|--------|---------------------|-----------|-------------|------------------------------|---------------------------------|------------------------------------|----------------------------------|--------------------|--------------|
|        | Net Customer Orders | Net Sales | Direct Appn | Operating Contract Authority | Reimbursable Contract Authority | Total Operating Contract Authority | Total Capital Contract Authority | Variability Target | Target Total |
| FY2025 | 6,526.988           | 6,485.227 | .000        | 8,008.660                    | .000                            | 8,008.660                          | 26.582                           | 800.000            | 8,835.241    |
| FY2026 | 6,447.081           | 6,551.404 | .000        | 7,992.294                    | .000                            | 7,992.294                          | 54.715                           | 800.000            | 8,847.009    |
| FY2027 | 6,407.514           | 6,518.751 | 4,245.563   | 7,758.922                    | .000                            | 7,758.922                          | 53.941                           | 800.000            | 12,858.426   |

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| CSAG - Supply Division |                   |                  |                |                  |                |                         |                                |                  |                  |                      |                      |
|------------------------|-------------------|------------------|----------------|------------------|----------------|-------------------------|--------------------------------|------------------|------------------|----------------------|----------------------|
| FY2025                 | Special Purchases | Reparable Buy    | Consumable Buy | Total Buy        | Initial Spares | Internal/Organic Repair | Cost Authority Contract Repair | Total Repair     | Total            | Target NMCRS Percent | Actual NMCRS Percent |
| A-10                   | 0.000             | (3.195)          | 0.000          | (3.195)          | 0.000          | 24.868                  | 22.112                         | 46.980           | 43.785           | 13.9%                | 6.6%                 |
| B-1B                   | 0.000             | 64.328           | 0.000          | 64.328           | 0.000          | 84.017                  | 58.565                         | 142.581          | 206.909          | 4.3%                 | 6.6%                 |
| B-2                    | 0.000             | 114.762          | 0.000          | 114.762          | 0.000          | 21.161                  | 70.335                         | 91.496           | 206.257          | 0.6%                 | 2.9%                 |
| B-52                   | 0.000             | 86.028           | .130           | 86.157           | 0.000          | 242.769                 | 68.899                         | 311.668          | 397.826          | 5.5%                 | 8.7%                 |
| C-5                    | 0.000             | 42.321           | 0.000          | 42.321           | 0.000          | 200.392                 | 27.689                         | 228.082          | 270.403          | 4.7%                 | 7.3%                 |
| C-17                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | .418                    | .078                           | .496             | .496             | 15.3%                | 4.5%                 |
| C-130                  | 0.000             | 28.785           | (.271)         | 28.514           | 0.000          | 76.535                  | 35.160                         | 111.695          | 140.209          | 3.6%                 | 6.4%                 |
| C-135                  | 0.000             | 903.787          | 0.000          | 903.787          | 0.000          | 429.963                 | 159.435                        | 589.397          | 1,493.185        | 6.9%                 | 6.8%                 |
| E-3                    | 0.000             | 9.423            | .036           | 9.458            | 0.000          | 26.592                  | 4.384                          | 30.976           | 40.434           | 0.8%                 | 6.1%                 |
| E-4                    | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | .594                    | .280                           | .874             | .874             | 0.1%                 | 1.6%                 |
| E-8                    | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | .006                    | .534                           | .540             | .540             | 0.0%                 | 0.0%                 |
| F-15                   | 0.000             | 147.850          | .050           | 147.900          | 0.000          | 170.162                 | 33.126                         | 203.288          | 351.188          | 23.3%                | 7.1%                 |
| F-16                   | 0.000             | 301.054          | 15.661         | 316.715          | 0.000          | 281.029                 | 38.601                         | 319.630          | 636.346          | 30.0%                | 6.2%                 |
| F100 Engines           | 0.000             | 178.708          | 14.729         | 193.437          | 0.000          | 493.869                 | 40.277                         | 534.146          | 727.583          | 0.0%                 | 83.0%                |
| F110 Engines           | 0.000             | 9.922            | 0.000          | 9.922            | 0.000          | 11.281                  | 138.673                        | 149.954          | 159.876          | 0.0%                 | 33.0%                |
| F-22                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | 0.000                          | 0.000            | 0.000            | 26.0%                | 8.0%                 |
| F-35                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | 0.000                          | 0.000            | 0.000            | 21.0%                | 33.3%                |
| H-1                    | 0.000             | 10.311           | .243           | 10.554           | 0.000          | .214                    | 34.075                         | 34.289           | 44.844           | 6.1%                 | 6.8%                 |
| H-60                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | 1.521                          | 1.521            | 1.521            | 4.8%                 | 7.6%                 |
| KC-46                  | 0.000             | 318.152          | 0.000          | 318.152          | 0.000          | 1.892                   | 88.992                         | 90.885           | 409.037          | 15.5%                | 8.0%                 |
| Trainers               | 0.000             | 77.707           | 0.000          | 77.707           | 0.000          | 46.589                  | 27.248                         | 73.837           | 151.544          | 54.3%                | 11.3%                |
| Other Aircraft         | 0.000             | 6.937            | 0.000          | 6.937            | 0.000          | 1.713                   | 9.211                          | 10.924           | 17.861           | 0.0%                 | 0.0%                 |
| RQ-4                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | .650                           | .650             | .650             | 1.4%                 | 11.7%                |
| SOF                    | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 3.677                   | 104.976                        | 108.653          | 108.653          | 0.7%                 | 0.0%                 |
| Common                 | 0.000             | 79.563           | 3.000          | 82.564           | 0.000          | 172.292                 | 24.496                         | 196.788          | 279.351          | 0.0%                 | 0.0%                 |
| Common EW              | 0.000             | 65.408           | (.132)         | 65.275           | 0.000          | 15.474                  | 8.449                          | 23.922           | 89.197           | 0.0%                 | 0.0%                 |
| FMS/FDT                | 0.000             | 2.651            | 0.000          | 2.651            | 0.000          | 0.000                   | 0.000                          | 0.000            | 2.651            | 0.0%                 | 0.0%                 |
| Missiles               | 0.000             | 21.489           | 7.127          | 28.616           | 0.000          | 36.461                  | 11.796                         | 48.257           | 76.873           | 0.0%                 | 0.0%                 |
| Other                  | 0.000             | 15.512           | 0.000          | 15.512           | 0.000          | 4.437                   | 44.872                         | 49.309           | 64.821           | 0.0%                 | 0.0%                 |
| NIMSC5                 | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | 61.033                         | 61.033           | 61.033           | 0.0%                 | 0.0%                 |
| NIMSC5-CV-22           | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 0.000                   | 175.513                        | 175.513          | 175.513          | 7.4%                 | 0.0%                 |
| RSP                    | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 88.939                  | 0.000                          | 88.939           | 88.939           | 0.0%                 | 0.0%                 |
| JEIM                   | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 76.453                  | 0.000                          | 76.453           | 76.453           | 0.0%                 | 0.0%                 |
| Local Manufacture Buy  | 0.000             | 0.000            | 0.000          | 0.000            | 0.000          | 4.929                   | 0.000                          | 4.929            | 4.929            | 0.0%                 | 0.0%                 |
| PBL                    | 0.000             | 5.825            | 0.000          | 5.825            | 0.000          | 0.000                   | 268.810                        | 268.810          | 274.635          | 0.0%                 | 0.0%                 |
| <b>Total</b>           | <b>0.000</b>      | <b>2,487.328</b> | <b>40.572</b>  | <b>2,527.900</b> | <b>0.000</b>   | <b>2,516.728</b>        | <b>1,559.791</b>               | <b>4,076.520</b> | <b>6,604.420</b> | <b>0.0%</b>          | <b>0.0%</b>          |

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| CSAG - Supply Division |                   |               |                |           |                |                         |                                |              |           |                      |                      |
|------------------------|-------------------|---------------|----------------|-----------|----------------|-------------------------|--------------------------------|--------------|-----------|----------------------|----------------------|
| FY2026                 | Special Purchases | Reparable Buy | Consumable Buy | Total Buy | Initial Spares | Internal/Organic Repair | Cost Authority Contract Repair | Total Repair | Total     | Target NMCRS Percent | Actual NMCRS Percent |
| A-10                   | 0.000             | 6.006         | .213           | 6.219     | 0.000          | 25.111                  | 7.645                          | 32.756       | 38.975    | 7.5%                 | 0.0%                 |
| B-1B                   | 0.000             | 396.434       | 3.538          | 399.972   | 0.000          | 126.305                 | 58.395                         | 184.700      | 584.672   | 4.1%                 | 0.0%                 |
| B-2                    | 0.000             | 265.950       | 2.174          | 268.124   | 0.000          | 37.389                  | 94.890                         | 132.278      | 400.402   | 1.8%                 | 0.0%                 |
| B-52                   | 0.000             | 106.094       | .022           | 106.116   | 0.000          | 307.880                 | 21.017                         | 328.897      | 435.013   | 8.0%                 | 0.0%                 |
| C-5                    | 0.000             | 54.726        | 2.646          | 57.372    | 0.000          | 182.957                 | 26.852                         | 209.809      | 267.181   | 7.0%                 | 0.0%                 |
| C-17                   | 0.000             | 1.297         | 0.000          | 1.297     | 0.000          | 1.511                   | .748                           | 2.260        | 3.556     | 4.0%                 | 0.0%                 |
| C-130                  | 0.000             | 37.726        | .024           | 37.750    | 0.000          | 123.337                 | 30.439                         | 153.776      | 191.526   | 9.3%                 | 0.0%                 |
| C-135                  | 0.000             | 543.903       | .494           | 544.397   | 0.000          | 536.195                 | 154.941                        | 691.136      | 1,235.533 | 4.7%                 | 0.0%                 |
| E-3                    | 0.000             | 2.240         | .002           | 2.241     | 0.000          | 70.335                  | 4.494                          | 74.829       | 77.070    | 6.8%                 | 0.0%                 |
| E-4                    | 0.000             | .042          | 0.000          | .042      | 0.000          | 2.760                   | .199                           | 2.959        | 3.001     | 1.9%                 | 0.0%                 |
| E-8                    | 0.000             | .100          | 0.000          | .100      | 0.000          | .010                    | .014                           | .024         | .124      | 0.0%                 | 0.0%                 |
| F-15                   | 0.000             | 26.370        | .322           | 26.692    | 0.000          | 214.138                 | 36.264                         | 250.401      | 277.093   | 8.0%                 | 0.0%                 |
| F-16                   | 0.000             | 81.153        | 10.759         | 91.912    | 0.000          | 311.620                 | 42.805                         | 354.425      | 446.337   | 5.9%                 | 0.0%                 |
| F100 Engines           | 0.000             | 14.638        | 6.539          | 21.178    | 0.000          | 488.244                 | 15.599                         | 503.843      | 525.021   | 42.0%                | 0.0%                 |
| F110 Engines           | 0.000             | 32.552        | 0.000          | 32.552    | 0.000          | 37.090                  | 117.221                        | 154.311      | 186.863   | 20.0%                | 0.0%                 |
| F-22                   | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | 0.000                          | 0.000        | 0.000     | 7.4%                 | 0.0%                 |
| F-35                   | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | 0.000                          | 0.000        | 0.000     | 28.0%                | 0.0%                 |
| H-1                    | 0.000             | 2.676         | .339           | 3.015     | 0.000          | .662                    | 28.564                         | 29.226       | 32.241    | 0.0%                 | 0.0%                 |
| H-60                   | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | .713                           | .713         | .713      | 0.0%                 | 0.0%                 |
| KC-46                  | 0.000             | 17.196        | 1.015          | 18.210    | 0.000          | .520                    | 64.550                         | 65.070       | 83.280    | 7.9%                 | 0.0%                 |
| Trainers               | 0.000             | 111.317       | 14.105         | 125.422   | 0.000          | 71.689                  | 77.907                         | 149.596      | 275.017   | 11.4%                | 0.0%                 |
| Other Aircraft         | 0.000             | 2.289         | .009           | 2.298     | 0.000          | 4.828                   | 3.684                          | 8.512        | 10.810    | 0.0%                 | 0.0%                 |
| RQ-4                   | 0.000             | 5.357         | 0.000          | 5.357     | 0.000          | 0.000                   | 15.996                         | 15.996       | 21.353    | 0.0%                 | 0.0%                 |
| SOF                    | 0.000             | 1.714         | .613           | 2.327     | 0.000          | 2.058                   | 197.777                        | 199.834      | 202.161   | 0.7%                 | 0.0%                 |
| Common                 | 0.000             | 16.346        | 11.663         | 28.009    | 0.000          | 248.374                 | 48.220                         | 296.594      | 324.603   | 0.0%                 | 0.0%                 |
| Common EW              | 0.000             | 115.662       | 14.034         | 129.696   | 0.000          | 28.035                  | 15.346                         | 43.381       | 173.077   | 0.0%                 | 0.0%                 |
| FMS/FDT                | 0.000             | 1.897         | 3.434          | 5.331     | 0.000          | 0.000                   | 0.000                          | 0.000        | 5.331     | 0.0%                 | 0.0%                 |
| Missiles               | 0.000             | 31.618        | 5.089          | 36.707    | 0.000          | 32.867                  | 8.621                          | 41.488       | 78.195    | 0.0%                 | 0.0%                 |
| Other                  | 0.000             | 10.727        | .065           | 10.792    | 0.000          | 12.826                  | 51.447                         | 64.273       | 75.065    | 0.0%                 | 0.0%                 |
| NIMSC5                 | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | 67.119                         | 67.119       | 67.119    | 0.0%                 | 0.0%                 |
| NIMSC5-CV-22           | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | 237.968                        | 237.968      | 237.968   | 7.1%                 | 0.0%                 |
| RSP                    | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 0.000                   | 0.000                          | 0.000        | 0.000     | 0.0%                 | 0.0%                 |
| JEIM                   | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 51.895                  | 0.000                          | 51.895       | 51.895    | 0.0%                 | 0.0%                 |
| Local Manufacture Buy  | 0.000             | 0.000         | 0.000          | 0.000     | 0.000          | 6.790                   | 0.000                          | 6.790        | 6.790     | 0.0%                 | 0.0%                 |
| PBL                    | 0.000             | 28.385        | 0.000          | 28.385    | 0.000          | 0.000                   | 270.046                        | 270.046      | 298.431   | 0.0%                 | 0.0%                 |
| Total                  | 0.000             | 1,914.416     | 77.100         | 1,991.516 | 0.000          | 2,925.425               | 1,699.479                      | 4,624.904    | 6,616.420 | 0.0%                 | 0.0%                 |

SM-3B  
(Dollars in Millions)

Weapons System Funding  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| CSAG - Supply Division |                      |                  |                   |                  |                   |                                |                                   |                  |                  |                            |                            |
|------------------------|----------------------|------------------|-------------------|------------------|-------------------|--------------------------------|-----------------------------------|------------------|------------------|----------------------------|----------------------------|
| FY2027                 | Special<br>Purchases | Reparable<br>Buy | Consumable<br>Buy | Total Buy        | Initial<br>Spares | Internal/<br>Organic<br>Repair | Cost Authority<br>Contract Repair | Total Repair     | Total            | Target<br>NMCRS<br>Percent | Actual<br>NMCRS<br>Percent |
| A-10                   | 0.000                | 3.082            | .148              | 3.230            | 0.000             | 18.630                         | 4.187                             | 22.817           | 26.047           | 7.5%                       | 0.0%                       |
| B-1B                   | 59.934               | 119.098          | 2.808             | 121.906          | 0.000             | 125.601                        | 54.471                            | 180.072          | 301.978          | 4.1%                       | 0.0%                       |
| B-2                    | 895.650              | 162.327          | 5.021             | 167.348          | 0.000             | 38.277                         | 79.427                            | 117.705          | 285.053          | 1.8%                       | 0.0%                       |
| B-52                   | 424.698              | 190.446          | .029              | 190.476          | 0.000             | 312.786                        | 16.540                            | 329.326          | 519.802          | 8.0%                       | 0.0%                       |
| C-5                    | 101.910              | 28.005           | 5.613             | 33.618           | 0.000             | 197.838                        | 24.398                            | 222.236          | 255.854          | 7.0%                       | 0.0%                       |
| C-17                   | 0.000                | .617             | 0.000             | .617             | 0.000             | 1.536                          | .644                              | 2.180            | 2.797            | 4.0%                       | 0.0%                       |
| C-130                  | 16.981               | 72.996           | .065              | 73.061           | 0.000             | 123.903                        | 28.846                            | 152.749          | 225.810          | 9.3%                       | 0.0%                       |
| C-135                  | 396.877              | 607.845          | 3.005             | 610.850          | 0.000             | 554.292                        | 138.066                           | 692.358          | 1,303.208        | 4.7%                       | 0.0%                       |
| E-3                    | 0.000                | 8.189            | .000              | 8.190            | 0.000             | 57.056                         | 4.756                             | 61.812           | 70.001           | 6.8%                       | 0.0%                       |
| E-4                    | 0.000                | .082             | 0.000             | .082             | 0.000             | 2.898                          | .188                              | 3.087            | 3.169            | 1.9%                       | 0.0%                       |
| E-8                    | 0.000                | .195             | 0.000             | .195             | 0.000             | 0.000                          | .012                              | .012             | .207             | 0.0%                       | 0.0%                       |
| F-15                   | 110.376              | 66.914           | 1.268             | 68.182           | 0.000             | 206.963                        | 30.216                            | 237.179          | 305.362          | 8.0%                       | 0.0%                       |
| F-16                   | 222.273              | 115.766          | 17.888            | 133.654          | 0.000             | 316.808                        | 36.021                            | 352.829          | 486.483          | 5.9%                       | 0.0%                       |
| F100 Engines           | 558.420              | 36.475           | 16.551            | 53.025           | 0.000             | 378.800                        | 10.727                            | 389.527          | 442.552          | 42.0%                      | 0.0%                       |
| F110 Engines           | 289.009              | 15.677           | 0.000             | 15.677           | 0.000             | 37.694                         | 79.462                            | 117.156          | 132.833          | 20.0%                      | 0.0%                       |
| F-22                   | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 0.000                          | 0.000                             | 0.000            | 0.000            | 7.4%                       | 0.0%                       |
| F-35                   | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 0.000                          | 0.000                             | 0.000            | 0.000            | 28.0%                      | 0.0%                       |
| H-1                    | 0.000                | 1.331            | .471              | 1.802            | 0.000             | .472                           | 23.525                            | 23.997           | 25.799           | 0.0%                       | 0.0%                       |
| H-60                   | 0.000                | 1.919            | 0.000             | 1.919            | 0.000             | 0.000                          | .865                              | .865             | 2.785            | 0.0%                       | 0.0%                       |
| KC-46                  | 109.473              | 13.439           | 2.426             | 15.865           | 0.000             | .496                           | 63.001                            | 63.497           | 79.363           | 7.9%                       | 0.0%                       |
| Trainers               | 431.252              | 129.570          | .236              | 129.806          | 0.000             | 73.486                         | 42.835                            | 116.321          | 246.127          | 0.0%                       | 0.0%                       |
| Other Aircraft         | .563                 | .692             | .019              | .711             | 0.000             | 4.910                          | 7.500                             | 12.409           | 13.121           | 0.0%                       | 0.0%                       |
| RQ-4                   | 0.000                | 9.359            | 0.000             | 9.359            | 0.000             | 0.000                          | 13.501                            | 13.501           | 22.860           | 0.0%                       | 0.0%                       |
| SOF                    | 0.000                | 5.716            | .517              | 6.233            | 0.000             | 2.107                          | 222.977                           | 225.084          | 231.318          | 0.0%                       | 0.0%                       |
| Common                 | 383.755              | 70.069           | 18.332            | 88.402           | 0.000             | 226.892                        | 42.506                            | 269.398          | 357.799          | 0.0%                       | 0.0%                       |
| Common EW              | 145.485              | 83.519           | 27.709            | 111.228          | 0.000             | 33.086                         | 18.420                            | 51.506           | 162.734          | 0.0%                       | 0.0%                       |
| FMS/FDT                | 0.000                | 1.897            | 3.670             | 5.567            | 0.000             | 0.000                          | 0.000                             | 0.000            | 5.567            | 0.0%                       | 0.0%                       |
| Missiles               | 98.908               | 17.985           | 3.088             | 21.073           | 0.000             | 33.749                         | 7.462                             | 41.211           | 62.284           | 0.0%                       | 0.0%                       |
| Other                  | 0.000                | 11.246           | .121              | 11.367           | 0.000             | 13.236                         | 45.418                            | 58.654           | 70.021           | 0.0%                       | 0.0%                       |
| NIMSC5                 | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 0.000                          | 65.453                            | 65.453           | 65.453           | 0.0%                       | 0.0%                       |
| NIMSC5-CV-22           | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 0.000                          | 246.227                           | 246.227          | 246.227          | 0.0%                       | 0.0%                       |
| RSP                    | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 0.000                          | 0.000                             | 0.000            | 0.000            | 0.0%                       | 0.0%                       |
| JEIM                   | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 55.750                         | 0.000                             | 55.750           | 55.750           | 0.0%                       | 0.0%                       |
| Local Manufacture Buy  | 0.000                | 0.000            | 0.000             | 0.000            | 0.000             | 6.784                          | 0.000                             | 6.784            | 6.784            | 0.0%                       | 0.0%                       |
| PBL                    | 0.000                | 30.880           | 0.000             | 30.880           | 0.000             | 0.000                          | 260.519                           | 260.519          | 291.399          | 0.0%                       | 0.0%                       |
| <b>Total</b>           | <b>4,245.563</b>     | <b>1,805.336</b> | <b>108.989</b>    | <b>1,914.324</b> | <b>0.000</b>      | <b>2,824.051</b>               | <b>1,568.170</b>                  | <b>4,392.221</b> | <b>6,306.545</b> | <b>0.0%</b>                | <b>0.0%</b>                |

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Supply Division

| FY2025                                       | Total       | Demand Based | Mobil | Non-Demand Based |
|--|-------------|--------------|-------|------------------|
| 1. Inventory BOP                             | 36,393.973  | 28,387.299   | .000  | 8,006.674        |
| 2. BOP Inventory Adjustments                 |             |              |       |                  |
| a. Reclassification Change (Memo)            | .000        | .000         | .000  | .000             |
| b. Price Change Amount (Memo)                | (7,050.953) | (5,499.743)  | .000  | (1,551.210)      |
| c. Inv Reclassified & Repriced               | 29,343.020  | 22,887.555   | .000  | 6,455.464        |
| 3. Receipts at MAC                           | 2,345.596   | 1,829.565    | .000  | 516.031          |
| 4. Sales at Standard                         | 9,119.620   | 7,113.303    | .000  | 2,006.316        |
| 5. Inventory Adjustments                     |             |              |       |                  |
| a. Capitalization + or (-)                   | (417.739)   | (325.837)    | .000  | (91.903)         |
| b. Returns from Customers for Credit         | 370.335     | 288.861      | .000  | 81.474           |
| c. Returns from Customers w/o Credit         | 509.554     | 397.452      | .000  | 112.102          |
| d. Returns to Suppliers (-)                  | (213.101)   | (166.219)    | .000  | (46.882)         |
| e. Transfers to Property Disposal (-)        | (653.320)   | (509.590)    | .000  | (143.730)        |
| f. Issues/Receipts w/o Reimbursement         | 249.772     | 194.823      | .000  | 54.950           |
| g. Other Adjustments                         |             |              |       |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (51.137)    | (39.887)     | .000  | (11.250)         |
| 2. Discounts on Returns                      | (.031)      | (.024)       | .000  | (.007)           |
| 3. Trade-ins                                 | .000        | .000         | .000  | .000             |
| 4. Loss from Disaster                        | .000        | .000         | .000  | .000             |
| 5. Assembly/Disassembly                      | (134.339)   | (104.784)    | .000  | (29.555)         |
| 6. Physical Inventory Adj                    | 1,480.781   | 1,155.009    | .000  | 325.772          |
| 7. Accounting Adjustments                    | 12,748.924  | 9,944.161    | .000  | 2,804.763        |
| 8. Shipment Discrepancies                    | 376.613     | 293.758      | .000  | 82.855           |
| 9. Other Gains/Losses                        | 195.206     | 152.260      | .000  | 42.945           |
| 10. Strata Transfers                         | .000        | .000         | .000  | .000             |
| 11. Strata Transfers in Transit              | .000        | .000         | .000  | .000             |
| 12. Other Adjustments - Total                | 14,616.018  | 11,400.494   | .000  | 3,215.524        |
| h. Total Adjustments                         | 14,461.519  | 11,279.985   | .000  | 3,181.534        |
| 6. Inventory EOP                             | 37,030.515  | 28,883.801   | .000  | 8,146.713        |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 37,030.515  | 28,883.801   | .000  | 8,146.713        |
| a. Economic Retention (Memo)                 | 8,565.832   | 6,681.349    | .000  | 1,884.483        |
| b. Contingency Retention (Memo)              | 4,080.545   | 3,182.825    | .000  | 897.720          |
| c. Potential DOW Reutilization (Memo)        | 2,345.596   | 1,829.565    | .000  | 516.031          |
| 8. Inventory on Order Cost EOP (Memo)        | 10,300.781  | 8,034.609    | .000  | 2,266.172        |

SM-4 CSAG - Supply Division

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Supply Division

| FY2026                                       | Total       | Demand Based | Mobil | Non-Demand Based |
|--|-------------|--------------|-------|------------------|
| 1. Inventory BOP                             | 37,030.515  | 28,883.801   | .000  | 8,146.713        |
| 2. BOP Inventory Adjustments                 |             |              |       |                  |
| a. Reclassification Change (Memo)            | .000        | .000         | .000  | .000             |
| b. Price Change Amount (Memo)                | (7,544.520) | (5,884.725)  | .000  | (1,659.794)      |
| c. Inv Reclassified & Repriced               | 29,485.995  | 22,999.076   | .000  | 6,486.919        |
| 3. Receipts at MAC                           | 2,509.788   | 1,957.634    | .000  | 552.153          |
| 4. Sales at Standard                         | 9,757.993   | 7,611.235    | .000  | 2,146.759        |
| 5. Inventory Adjustments                     |             |              |       |                  |
| a. Capitalization + or (-)                   | (446.981)   | (348.645)    | .000  | (98.336)         |
| b. Returns from Customers for Credit         | 396.259     | 309.082      | .000  | 87.177           |
| c. Returns from Customers w/o Credit         | 545.223     | 425.274      | .000  | 119.949          |
| d. Returns to Suppliers (-)                  | (228.018)   | (177.854)    | .000  | (50.164)         |
| e. Transfers to Property Disposal (-)        | (699.053)   | (545.261)    | .000  | (153.792)        |
| f. Issues/Receipts w/o Reimbursement         | 267.257     | 208.460      | .000  | 58.796           |
| g. Other Adjustments                         |             |              |       |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (54.717)    | (42.679)     | .000  | (12.038)         |
| 2. Discounts on Returns                      | (.033)      | (.026)       | .000  | (.007)           |
| 3. Trade-ins                                 | .000        | .000         | .000  | .000             |
| 4. Loss from Disaster                        | .000        | .000         | .000  | .000             |
| 5. Assembly/Disassembly                      | (143.743)   | (112.119)    | .000  | (31.623)         |
| 6. Physical Inventory Adj                    | 1,584.436   | 1,235.860    | .000  | 348.576          |
| 7. Accounting Adjustments                    | 13,141.349  | 10,250.252   | .000  | 2,891.097        |
| 8. Shipment Discrepancies                    | 402.976     | 314.322      | .000  | 88.655           |
| 9. Other Gains/Losses                        | 208.870     | 162.919      | .000  | 45.951           |
| 10. Strata Transfers                         | .000        | .000         | .000  | .000             |
| 11. Strata Transfers in Transit              | .000        | .000         | .000  | .000             |
| 12. Other Adjustments - Total                | 15,139.139  | 11,808.528   | .000  | 3,330.611        |
| h. Total Adjustments                         | 14,973.825  | 11,679.583   | .000  | 3,294.241        |
| 6. Inventory EOP                             | 37,211.615  | 29,025.059   | .000  | 8,186.555        |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 37,211.615  | 29,025.059   | .000  | 8,186.555        |
| a. Economic Retention (Memo)                 | 10,300.781  | 8,034.609    | .000  | 2,266.172        |
| b. Contingency Retention (Memo)              | 4,552.464   | 3,550.922    | .000  | 1,001.542        |
| c. Potential DOW Reutilization (Memo)        | 2,509.788   | 1,957.634    | .000  | 552.153          |
| 8. Inventory on Order Cost EOP (Memo)        | 12,343.457  | 9,627.896    | .000  | 2,715.560        |

SM-4 CSAG - Supply Division

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

CSAG - Supply Division

| FY2027                                       | Total       | Demand Based | Mobil | Non-Demand Based |
|--|-------------|--------------|-------|------------------|
| 1. Inventory BOP                             | 37,211.615  | 29,025.059   | .000  | 8,186.555        |
| 2. BOP Inventory Adjustments                 |             |              |       |                  |
| a. Reclassification Change (Memo)            | .000        | .000         | .000  | .000             |
| b. Price Change Amount (Memo)                | (8,072.636) | (6,296.656)  | .000  | (1,775.980)      |
| c. Inv Reclassified & Repriced               | 29,138.979  | 22,728.403   | .000  | 6,410.575        |
| 3. Receipts at MAC                           | 2,685.473   | 2,094.669    | .000  | 590.804          |
| 4. Sales at Standard                         | 10,441.053  | 8,144.021    | .000  | 2,297.032        |
| 5. Inventory Adjustments                     |             |              |       |                  |
| a. Capitalization + or (-)                   | (478.270)   | (373.051)    | .000  | (105.219)        |
| b. Returns from Customers for Credit         | 423.997     | 330.717      | .000  | 93.279           |
| c. Returns from Customers w/o Credit         | 583.388     | 455.043      | .000  | 128.345          |
| d. Returns to Suppliers (-)                  | (243.979)   | (190.304)    | .000  | (53.675)         |
| e. Transfers to Property Disposal (-)        | (747.986)   | (583.429)    | .000  | (164.557)        |
| f. Issues/Receipts w/o Reimbursement         | 285.965     | 223.052      | .000  | 62.912           |
| g. Other Adjustments                         |             |              |       |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (58.547)    | (45.667)     | .000  | (12.880)         |
| 2. Discounts on Returns                      | (.036)      | (.028)       | .000  | (.008)           |
| 3. Trade-ins                                 | .000        | .000         | .000  | .000             |
| 4. Loss from Disaster                        | .000        | .000         | .000  | .000             |
| 5. Assembly/Disassembly                      | (153.805)   | (119.968)    | .000  | (33.837)         |
| 6. Physical Inventory Adj                    | 1,695.347   | 1,322.370    | .000  | 372.976          |
| 7. Accounting Adjustments                    | 14,061.244  | 10,967.770   | .000  | 3,093.474        |
| 8. Shipment Discrepancies                    | 431.185     | 336.324      | .000  | 94.861           |
| 9. Other Gains/Losses                        | 223.491     | 174.323      | .000  | 49.168           |
| 10. Strata Transfers                         | .000        | .000         | .000  | .000             |
| 11. Strata Transfers in Transit              | .000        | .000         | .000  | .000             |
| 12. Other Adjustments - Total                | 16,198.879  | 12,635.125   | .000  | 3,563.753        |
| h. Total Adjustments                         | 16,021.993  | 12,497.154   | .000  | 3,524.838        |
| 6. Inventory EOP                             | 37,405.392  | 29,176.205   | .000  | 8,229.186        |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 37,405.392  | 29,176.205   | .000  | 8,229.186        |
| a. Economic Retention (Memo)                 | 12,343.457  | 9,627.896    | .000  | 2,715.560        |
| b. Contingency Retention (Memo)              | 4,659.301   | 3,634.255    | .000  | 1,025.046        |
| c. Potential DOW Reutilization (Memo)        | 2,685.473   | 2,094.669    | .000  | 590.804          |
| 8. Inventory on Order Cost EOP (Memo)        | 18,562.847  | 11,167.482   | .000  | 7,395.366        |

SM-4 CSAG - Supply Division

***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***SUPPLY MANAGEMENT ACTIVITY***

***GROUP – RETAIL***

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**Supply Management Activity Group - Retail  
Budget Overview  
Fiscal Year (FY) 2027 President's Budget (PB)**

The Air Force Supply Management Activity Group–Retail (SMAG-R) is comprised of three divisions: General Support Division (GSD), Medical-Dental Division (MDD), and the United States Air Force Academy (USAFA). SMAG-R manages ~2.0 million inventory items including weapon system spare parts, medical-dental supplies and equipment, and other items used in non-weapon system applications. SMAG-R is a critical component in the support of combat readiness. It procures materiel and makes spares available to authorized customers. SMAG-R has MDD inventory which includes War Reserve Material (WRM) Stockpile inventory.

SMAG-R provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management and transportation. Inventories are an integral part of SMAG-R and maintained by each of the divisions in support of customer requirements. The SMAG-R objective is to replenish inventories and provide supplies to customers in a timely manner within customer funding constraints, while maintaining fund solvency.

**Division Overviews**

GSD finances the Air Force retail inventory and issues requirements for all non-Air Force managed economic order quantity (EOQ) items other than those pertaining to peculiar medical, commissary, and fuels requirements. GSD items support installation, maintenance, administrative functions, field and depot maintenance of aircraft, ground and airborne communication and electronic systems, and other sophisticated systems and equipment. Also included is initial outfitting of individual clothing items issued to new recruits, organizational clothing items such as firemen's protective over garments, 'clean room' coveralls, air crew helmets, and chemical biological warfare protective over garments. This retail activity is located at 233 Air Force installations throughout the world.

USAFA finances the purchase of uniforms, uniform accessories, and miscellaneous commodities required by USAFA cadets during their four-year stay at the Academy. The customer base consists of approximately 4,000 cadets. USAFA procures

both distinctive uniforms and accessories from various manufacturing contractors and regular Air Force uniforms purchased through the Defense Logistics Agency.

The Surgeon General of the Air Force is responsible for the overall management of MDD. The Military Treatment Facilities (MTFs) completed their transition to the Defense Health Agency (DHA) as of February 2025. MDD continues to support the Theater Lead Agent for Medical Material (TLAMMs) mission for United States Transportation Command (USTRANSCOM), United States Northern Command (USNORTHCOM), United States Southern Command (USSOUTHCOM), and United States Indo-Pacific Command (USINDOPACOM) and support the medical supply chain needs of joint forces and the United States Department of State operating, assigned, or attached to a geographic combatant command. Their core function is to manage medical materiel storage and distribution.

MDD is also responsible for purchasing and maintaining the inventory funded by the WRM appropriation. The medical WRM inventory is owned by MDD until it is needed for war fighter deployment or contingency operations, it is then sold to the Air Force. WRM inventory accounts for approximately 99% of total MDD inventory at any given time.

### **WRM / Direct Appropriation**

MDD's WRM provides supplies and equipment vital to support forces in the full range of military operations for the first 30 days of a contingency operation and provides force health protection materiel to all deploying Air Force Active, Reserve, and Guard personnel. Availability of this materiel ensures Air Force personnel can deploy as scheduled and the contingency operations can be conducted until re-supply lines are established and materiel is routinely received from the contiguous United States. A direct appropriation funds the establishment and sustainment of over 3,300 assemblages and Force Health Protection assets for 255 locations that are maintained in MDD until required to provide direct support to the war fighters.

Approximately one third of WRM pharmaceuticals must be replaced annually because of shelf life or emergence of newer, more effective treatments. Sustainment costs to replace expiring materiel continue to increase due to additional Unit Type Codes (UTCs) fielded into the WRM inventory, increased number of consumable items with expiration dates and manufacturers reducing the shelf life as new products enter the market. Medical equipment requires constant upgrade to maintain the medical standard of care for required deployable capability. Technology updates require replacement of

equipment with smaller, more proficient models which often drive changes in other supply requirements. Periodic modernization of WRM ensures clinical and operational relevance of the UTC based on changes in clinical practice guidelines, medical technology, threat and operational environment and operational maneuver concepts.

### **SMAG-R Retail Customer Base**

SMAG-R generates revenue from sales of various supplies to a diverse customer base. Primary SMAG-R customers are Air Force Major Commands (including Air Force Reserve and Air National Guard), Foreign Military Sales, Army, Navy, Defense Health Agency, non-DoW activities, and other working capital activities, such as Air Force Consolidated Sustainment Activity Group–Maintenance Division.

### **SMAG-Retail Financial and Performance Summary**

The table on the next page provides revenue and expense data for the SMAG-R division. Revenue and expenses in FY 2025 reflect an Accumulated Operating Result (AOR) of \$496.0 million. Expenses increase primarily driven by projected workload in FY 2027, Flying Hour Program (FHP), and increasing inflation factors. Revenue increase is consistent with full-cost recovery and returning \$101.0 AOR from FY 2026 to customers, ending FY 2027 with an AOR of \$0.0.

Projected FY 2026 Unit Cost Rate (UCR) for SMAG-R is 1.020. FY 2027 UCR is 1.026, slightly above the goal of one-to-one, as expected due to the planned obligations higher than planned revenue in support of increasing parts on the shelf to support depot maintenance and prioritization of readiness. Planned revenue is less than obligations primarily due to using cash balance to cover overhead expenses, and due to keeping rate increases to a minimal.

The WRM direct appropriation received is included in the Total Revenue and Expenses balances in all fiscal years. Other Adjustments (WRM) are completed so Net Operating Result (NOR) reflect only results associated with the operating program, keeping WRM program activity NOR neutral.

### Financial Highlights

| (\$ millions)                   | FY 2025   | FY 2026   | FY 2027   |
|---------------------------------|-----------|-----------|-----------|
| Total Revenue                   | \$3,665.9 | \$3,742.8 | \$4,040.9 |
| Total Expenses                  | \$3,552.0 | \$3,758.3 | \$3,979.0 |
| Operating Results               | \$113.9   | \$(15.4)  | \$61.9    |
| Other Adjustments Affecting NOR | \$27.4    | \$31.5    | \$32.0    |
| Other Adjustments (WRM)         | \$(86.9)  | \$(90.3)  | \$(194.9) |
| Net Operating Results           | \$54.5    | \$(74.2)  | \$(101.0) |
| Other Changes (AOR)             | \$(700.0) | \$(320.8) | \$0.0     |
| Prior Year AOR                  | \$1,141.5 | \$496.0   | \$101.0   |
| AOR for Budget Purposes         | \$496.0   | \$101.0   | \$0.0     |

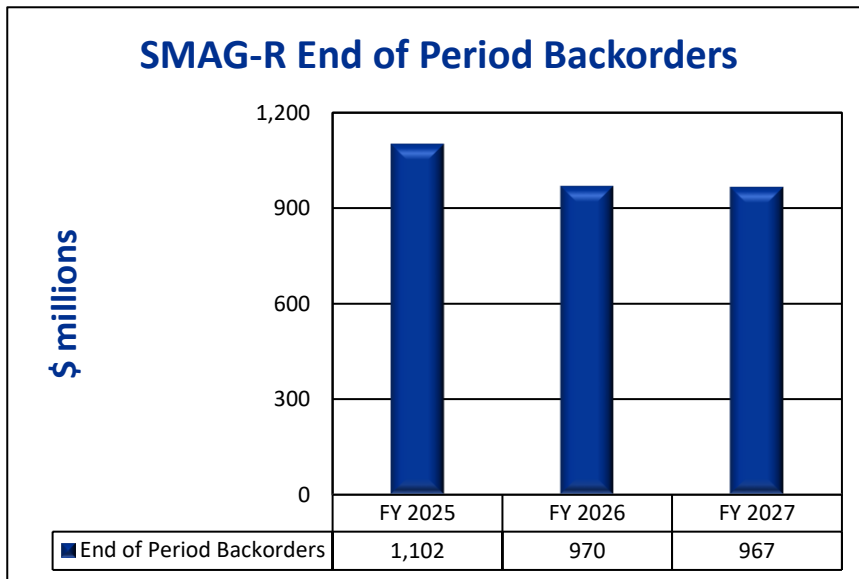
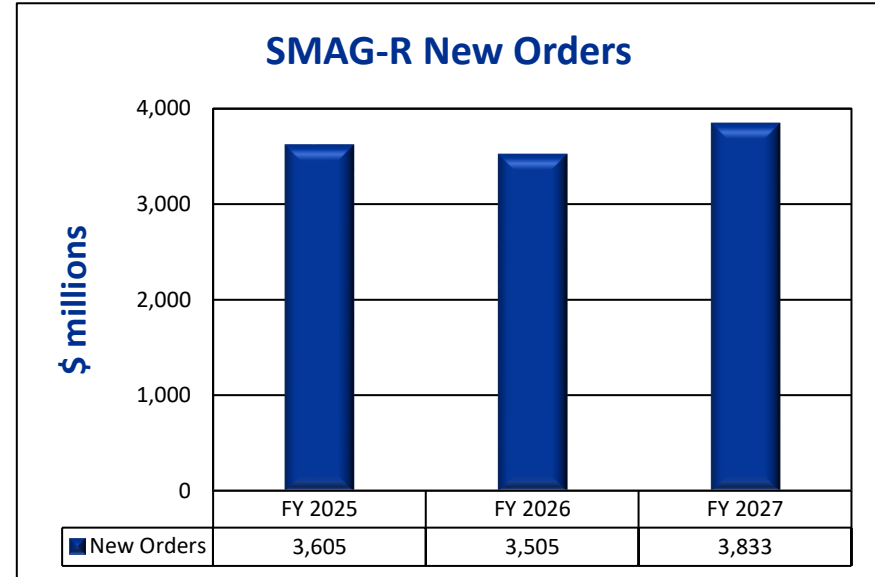
### Customer Rates

| Percent Price Change to Customer by Division | FY 2025 | FY 2026 | FY 2027 |
|--|---------|---------|---------|
| <b>SMAG-Retail</b>                           | 7.12%   | 6.03%   | 0.92%   |
| <b>General Support Division</b>              | 7.76%   | 5.79%   | 0.61%   |
| <b>Medical-Dental</b>                        | 4.82%   | 6.90%   | 8.09%   |
| <b>Air Force Academy</b>                     | 2.17%   | 2.11%   | 26.94%  |

From FY 2026 to FY 2027, SMAG-R customer price change primarily decreases due to impact of inflation factors and return of AOR.

## New Orders

Projected New Orders are the budgeted dollar value of the orders the AFWCF expects to receive from customers in that fiscal year. Supply Activity divisions develop new orders based on close coordination with customers and their delivery schedule requirements. The projected new orders are commensurate with customer projections and budgeted depot maintenance parts requirements. FY 2026 New Orders are projected to decrease \$99.1 million (2.7%). From FY 2026 to FY 2027 New Orders are projected to increase by \$327.5 million (9.3%) in support of improving supply availability.



## End of Period (EOP) Backorders

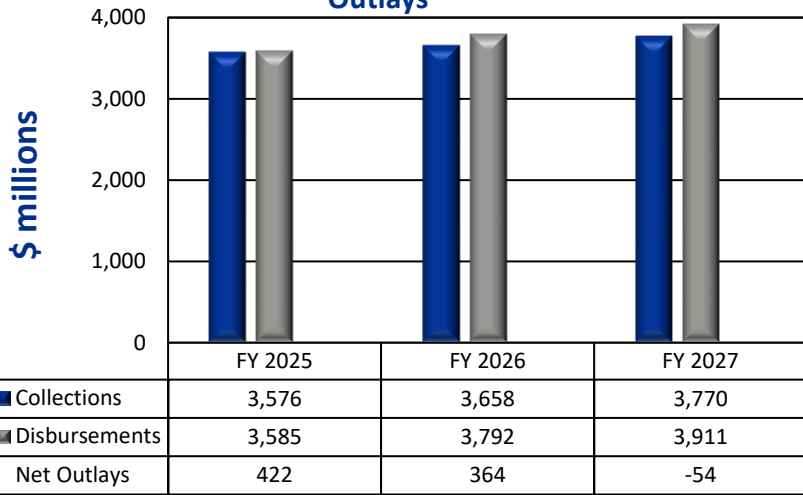
EOP backorders are a KPI typically viewed from a supplier's or manufacturer's perspective. In this case, EOP backorders reflect the orders that have been placed with SMAG-R by its customers but have not been shipped by SMAG-R by the end of the FY. FY 2026 Backorders are projected to decrease \$132.1 million (12.0%) driven by increases in inventory receipts. FY 2027 Backorders are projected to decrease \$3.0 million (0.3%) driven by an increase in inventory receipts.

**Cash Management**

| <b>(\$ millions)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|----------------------|----------------|----------------|----------------|
| BOP Cash Balance     | \$1,312.6      | \$890.5        | \$526.0        |
| Disbursements        | \$3,585.0      | \$3,792.3      | \$3,911.4      |
| Collections          | \$3,576.0      | \$3,658.3      | \$3,770.4      |
| Net Transfers        | \$(500.0)      | \$(320.8)      | \$-            |
| WRM                  | \$86.9         | \$90.3         | \$194.9        |
| EOP Cash Balance     | \$890.5        | \$526.0        | \$579.9        |
|                      |                |                |                |
| Lower Range Target   | \$559.1        | \$452.5        | \$311.7        |
| Upper Range Target   | \$915.9        | \$915.4        | \$778.2        |

The FY 2026 SMAG-R ending cash balance decreases largely due to cash transfers from SMAG-R to other budget activities, to include the stand-up of the Enterprise Space Activity Group (ESAG), and to fund a capital improvement project for maintenance without increasing rates. Additionally, FY 2027 decreases slightly due to returning AOR to customers.

### SMAG-R Collections, Disbursements, and Net Outlays



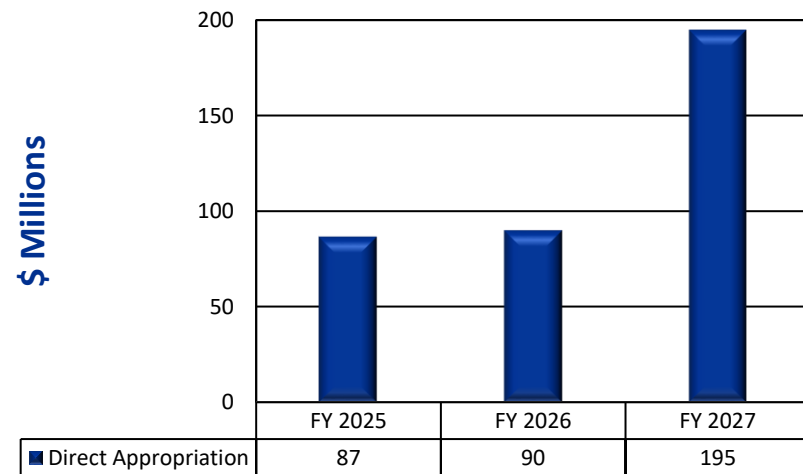
### Collections, Disbursements, and Net Outlays

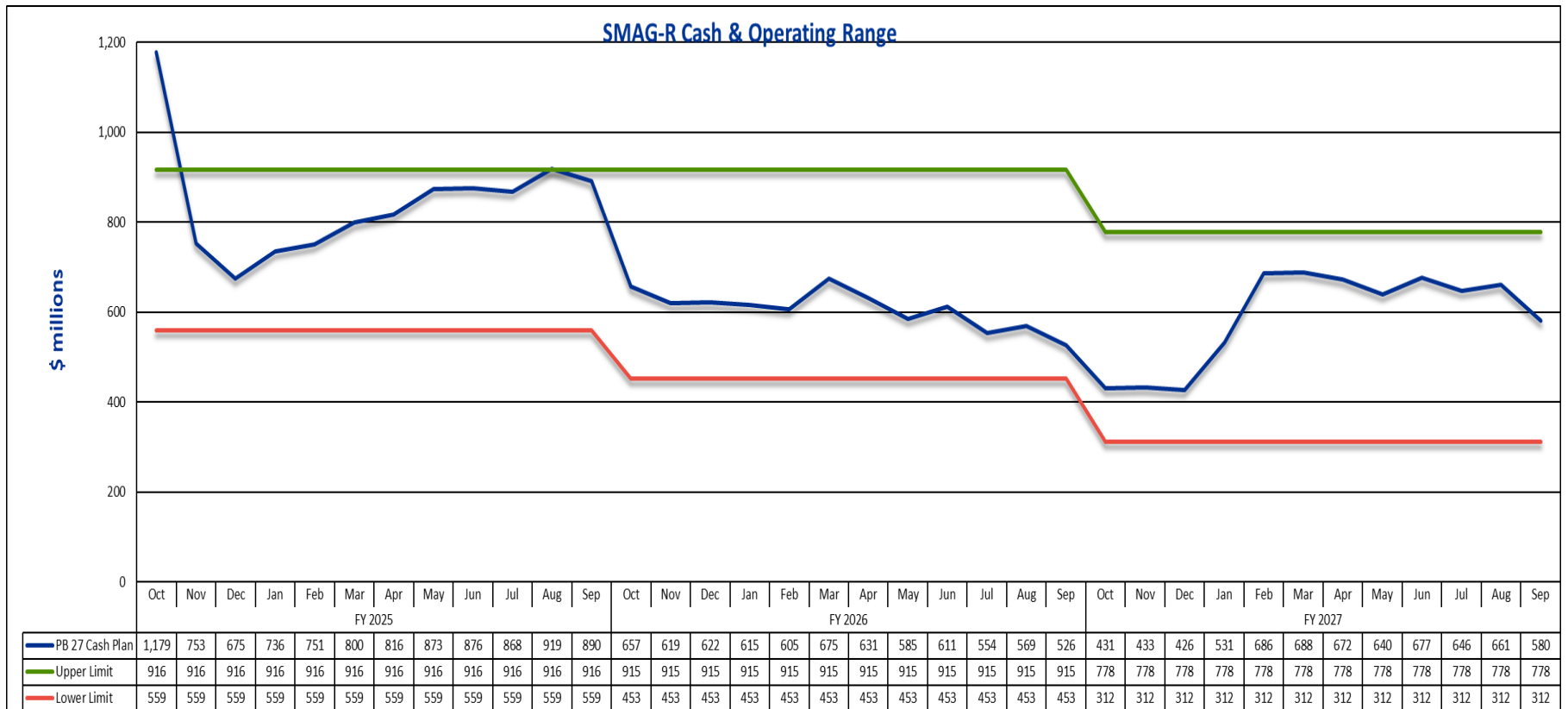
Collections are made up from cash from sales and calculated based on projected revenue and changes in accounts receivable. Disbursements are projected based on monthly operating expenses, changes in accounts payable. Net Outlays is a calculation of the amount of cash which leaves the budget activity. A negative net outlay means the activity is increasing cash balance, while a positive net outlay means the activity is decreasing cash balance. This metric is derived by adding Disbursements and Transfers Out, then subtracting Collections, Transfers-in, and Direct Appropriations. The resulting figure provides insight into the net cash flow.

### Direct Appropriation

A direct appropriation for Medical/Dental War Reserve Materiel (WRM) is essential to sustain over 3,300 assemblages and critical Force Health Protection assets. The FY 2027 budget request increase from \$90.262 million to \$194.9 million is critical to mitigate risk from a growing operations plan (OPLAN) requirements gap. This funding sustains the existing inventory, builds and rebuilds Unit Type Codes (UTCs), and modernizes the expeditionary medical support (EMEDS) platform into a more agile solution. Aligned with the 2026 National Defense Strategy and USINDOPACOM Theater Campaign Plan, this investment provides vital supplies and equipment to support forces for the first 30 days of contingency operations.

### SMAG-R Direct Appropriation

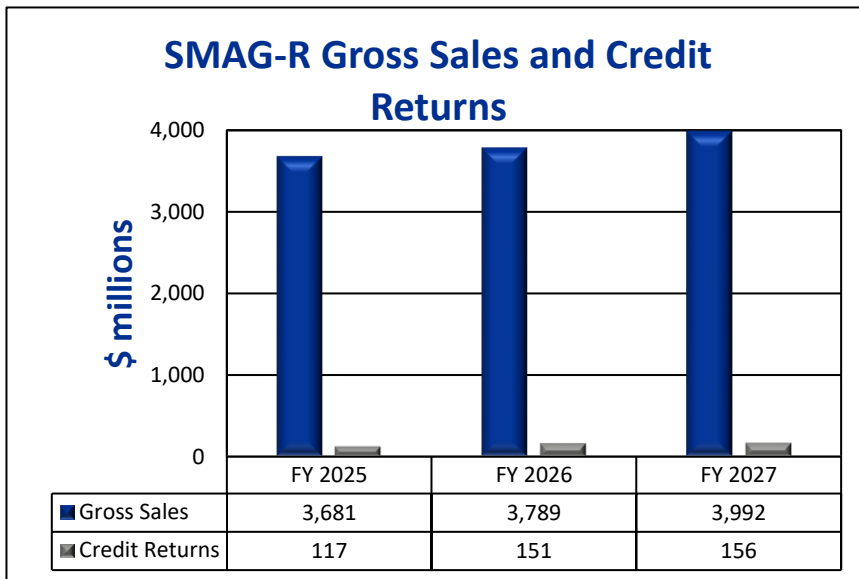
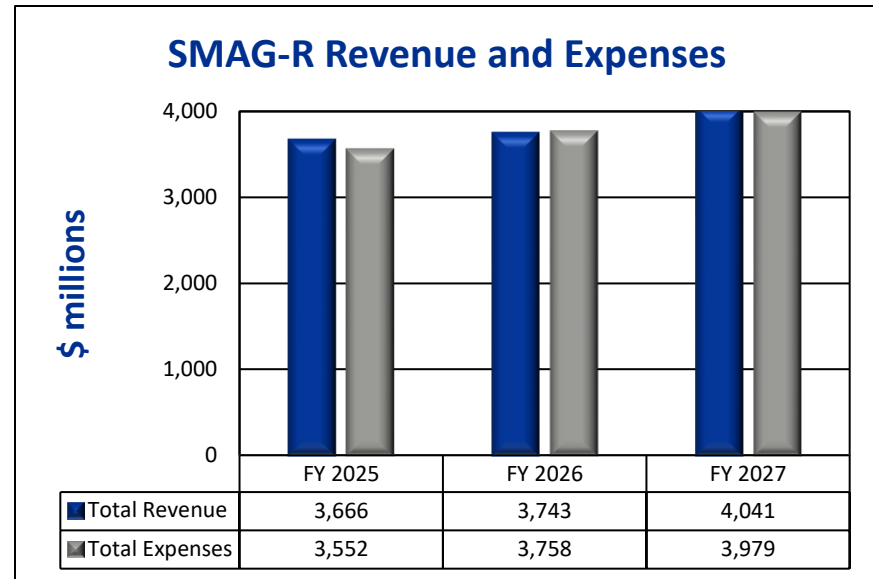




The AFWCF’s cash flow philosophy is to maintain the cash balance to cover disbursements and future capital expenditures. The AFWCF must maintain a positive cash balance to preclude an anti-deficiency act violation. AFWCF cash is independent from AFWCF obligation authority. SMAG-R cash is earned from sales, advanced billings, and appropriated infusions. Cash is negatively impacted by leakage from rework (sustaining engineering), prices being too low, too much inventory, and internal cost over-runs. In addition, cash is negatively impacted when expenses exceed revenue; or from cash transfers out.

## Revenue and Expenses

Supply activities generate revenue from sales of various supplies to a diverse customer base. Revenue is projected to increase \$76.9 million (2.1%) from FY 2025 through FY 2026, and \$298.1 million (8.0%) in FY 2027 driven by a projected increase in parts availability, and customer order fulfillment and decreasing backorders. In FY 2027 expenses increase by 5.9%, just above inflation driven by GSD’s projected materiel purchase increase in support of their Material Purchase Program.

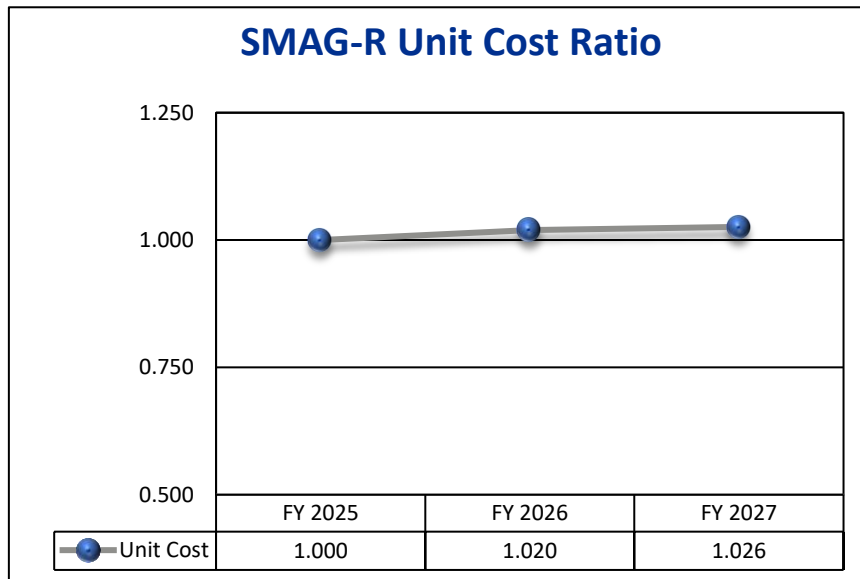
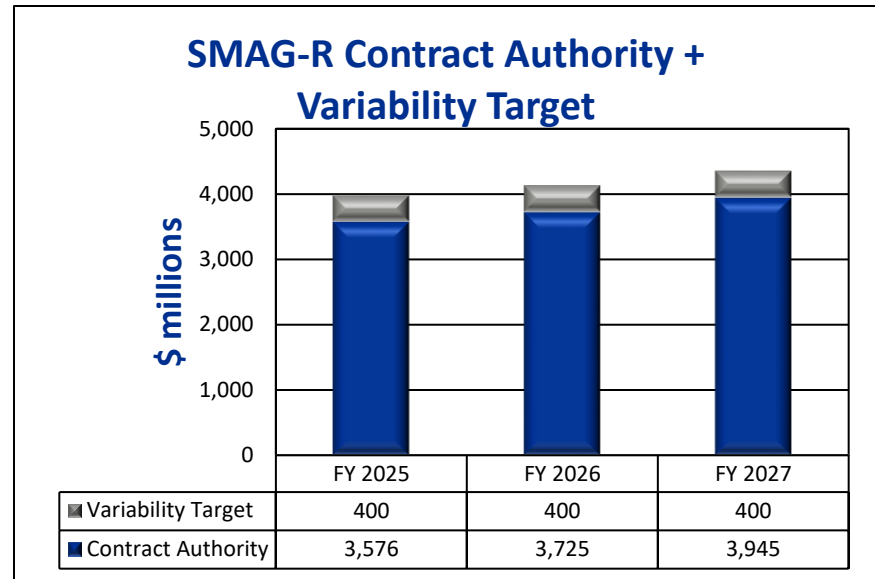


## Gross Sales and Credit Returns

FY 2026 Gross Sales increase \$108 million (2.9%) driven by increases in demand for GSD consumable parts from O&M AF Active Duty. FY 2027 Gross Sales are projected to increase \$208 million (5.4%), driven by an increase in demand for GSD consumable parts from CSAG-M, and an increase in GSD Flying Hour revenue from O&M AFRES.

**Contract Authority and Variability Target**

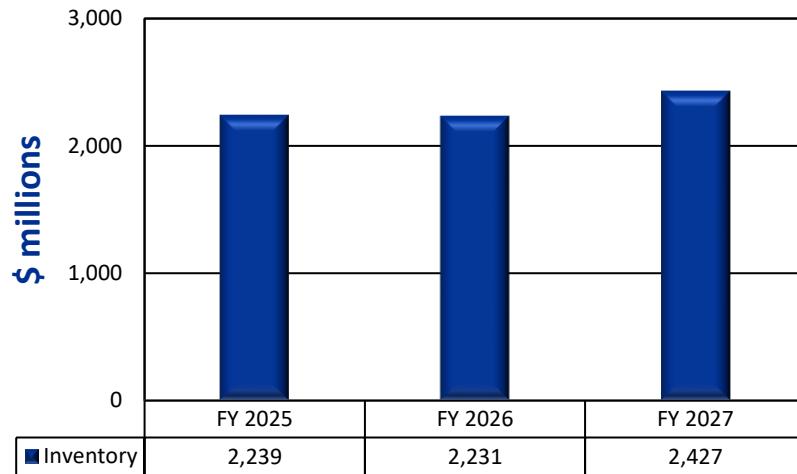
SMAG-R operates with Contract Authority (CA), which provides the authority to obligate. The CA requested is based on planned workload. FY 2026 Contract authority increases \$149.3 million (4.2%), driven by GSD’s increasing Materiel, Transportation, and Operating Requirements for AF Active-Duty O&M, CSAG-M, ANG O&M, and USSF O&M. FY 2027 Contract authority increases \$220.3 million (5.9%), driven by GSD’s materiel requirements increasing for CSAG-M, AFRES O&M, ANG O&M, and AF Active-Duty O&M.



**Unit Cost Ratio (UCR)**

UCR is a Key Performance Indicator (KPI) reflecting the relationship between obligations and sales. It is calculated by dividing net obligations by net sales. Below 1.0 means the activities are selling more than buying or replenishing the inventory, above 1.0 means the Air Force is buying more than they are selling. SMAG-R UCR is planned to increase in both FY 2026 and FY 2027. This increase is largely linked to returning AOR to customers, which reduces revenue below obligations.

### SMAG-R Inventory Valuation



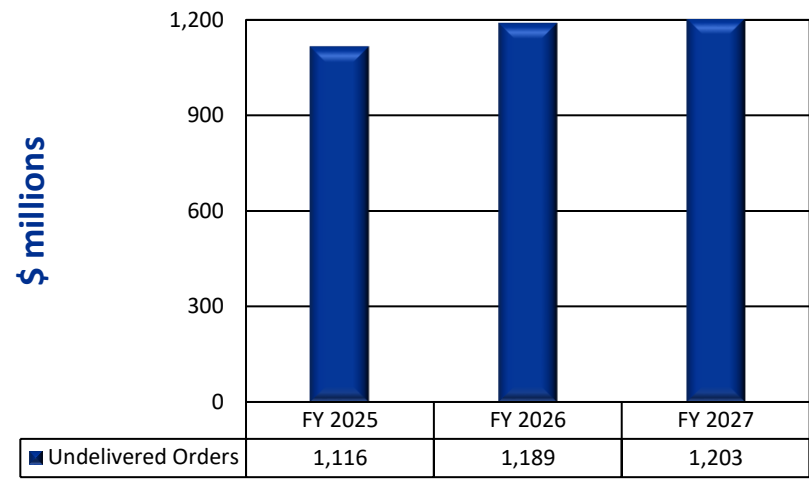
### Inventory Valuation

AFWCF inventory is valued at moving average cost (MAC). The MAC is calculated by adding the cost of a new inventory purchase to the existing inventory value and dividing by the new total quantity. In FY 2026, SMAG-R inventory decreased \$7.2 million, driven by Sales outpacing the delivery of inventory from vendors. The inventory increase of \$195.7 million in FY 2027 is primarily attributable to Receipts of inventory exceeding Sales.

### Undelivered Orders

The SMAG-R undelivered orders represent a future liability for the AFWCF, requiring adequate cash reserves to fulfill payment obligations to suppliers upon delivery of goods and services. FY 2026 SMAG-R has a net increase of \$73.0 million (6.5%) as increase in materiel orders outpace deliveries. FY 2027 SMAG-R undelivered orders increase to \$14.6 million (1.2%). The reliance on the Defense Logistics Agency (DLA) remains significant. DLA-related orders, managed through SMAG-R, account for a substantial portion of the total and are directly tied to DLA.

### SMAG-R Undelivered Orders



Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Supply Management Activity Group - Retail**

|   | FY2025           | FY2026           | FY2027           |
|---|------------------|------------------|------------------|
| <b>1. New Orders</b>  |                  |                  |                  |
| <b>a. Orders From DOW Components:</b>                         |                  |                  |                  |
| <b>(1) Air Force</b>  |                  |                  |                  |
| (a) Aircraft Procurement                                      | 3.456            | .847             | .244             |
| (b) Missile Procurement                                       | .005             | .003             | .003             |
| (c) Other Procurement   | .107             | .165             | .202             |
| (d) Military Construction                                     | .000             | .000             | .000             |
| (e) Operations & Maintenance - AF                             | 1,268.559        | 1,383.318        | 1,464.188        |
| (f) Operations & Maintenance - USSF                           | 7.631            | 14.351           | 13.189           |
| (g) Operations & Maintenance - AFRC                           | 110.128          | 120.132          | 126.663          |
| (h) Operations & Maintenance - ANG                            | 243.024          | 262.344          | 301.283          |
| (i) Research & Development - AF                               | 28.628           | 18.956           | 27.172           |
| (j) Military Personnel - AF                                   | .000             | .000             | .000             |
| (k) Reserve Personnel - AF                                    | 2.576            | 2.178            | 3.101            |
| (l) Guard Personnel - ANG                                     | .358             | .321             | .342             |
| (m) Family Housing  | .010             | .028             | .011             |
| (n) Special Trust Funds                                       | 6.222            | 9.262            | 10.854           |
| (o) Other Air Force   | .359             | .000             | .000             |
| <b>Total Air Force</b>  | <b>1,671.062</b> | <b>1,811.902</b> | <b>1,947.252</b> |
| (2) Army  | 5.239            | 12.297           | 9.956            |
| (3) Navy  | 3.427            | 1.429            | 1.924            |
| (4) MAP Grant Aid   | .068             | (.018)           | .000             |
| (5) Other DOW   | 119.822          | 62.803           | 62.462           |
| <b>Total DOW excluding WCF</b>                                | <b>1,799.617</b> | <b>1,888.413</b> | <b>2,021.594</b> |
| <b>b. Orders From Other Fund Activity Groups</b>              |                  |                  |                  |
| (1) Other AF Supply Management Activity Groups                | .004             | .027             | .042             |
| (2) Transportation Activity Group - TRANSCOM                  | 157.434          | 97.634           | 98.442           |
| (3) Consolidated Sustainment Activity Group (Maintenance Div) | 1,642.036        | 1,512.698        | 1,704.725        |
| (4) Other WCF Activity Groups                                 | .014             | .012             | .014             |
| (5) Commissary, Sur. Coll.                                    | .000             | .000             | .000             |
| <b>Total Other Fund Activity Groups</b>                       | <b>1,799.488</b> | <b>1,610.372</b> | <b>1,803.224</b> |
| <b>c. Grand Total DOW</b>                                     | <b>3,599.106</b> | <b>3,498.785</b> | <b>3,824.818</b> |

Fund 11 Supply Management Activity Group - Retail

**Supply Management Activity Group - Retail**

|   | FY2025           | FY2026           | FY2027           |
|---|------------------|------------------|------------------|
| <b>d. Other Orders</b>                          |                  |                  |                  |
| (1) Other Federal Agencies                      | .923             | 1.152            | 1.151            |
| (2) Non Federal Agencies                        | .014             | .218             | .232             |
| (3) FMS   | 4.562            | 5.332            | 6.833            |
| <b>Total Other Orders</b>                       | <b>5.499</b>     | <b>6.702</b>     | <b>8.215</b>     |
| <b>Total New Orders</b>                         | <b>3,604.604</b> | <b>3,505.488</b> | <b>3,833.033</b> |
| <b>2. Carry-In Orders (BOP Backorders)</b>      | <b>1,061.269</b> | <b>1,101.917</b> | <b>969.838</b>   |
| a. Carry-over Execution Adjustment              | .000             | .000             | .000             |
| <b>3. Total Gross Orders</b>                    | <b>4,665.873</b> | <b>4,607.405</b> | <b>4,802.871</b> |
| <b>4. Carry-Out Orders (-) (EOP Backorders)</b> | <b>1,101.917</b> | <b>969.838</b>   | <b>966.798</b>   |
| <b>5. Gross Sales (-)</b>                       | <b>3,681.484</b> | <b>3,788.781</b> | <b>3,992.442</b> |
| <b>6. Credit Returns (-)</b>                    | <b>117.428</b>   | <b>151.213</b>   | <b>156.368</b>   |
| <b>7. Net Sales</b>                             | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |

|  |   |   |
|--|---|---|
| Fund 14<br>(Dollars in Millions)<br><b>Supply Management Activity Group - Retail</b> | Revenue and Expenses<br>Air Force Working Capital Fund<br>Supply Management Activity Group - Retail | Fiscal Year (FY) 2027<br>Budget Estimates<br>April 2026 |
|--|---|---|

|  | FY2025           | FY2026           | FY2027           |
|--|------------------|------------------|------------------|
| <b>Revenue:</b>                            |                  |                  |                  |
| Gross Revenue from Sales                   | 3,681.484        | 3,788.781        | 3,992.442        |
| Less Credit Returns                        | 117.428          | 151.213          | 156.368          |
| Net Revenue from Sales                     | 3,564.056        | 3,637.568        | 3,836.073        |
| Other Revenue                              | 15.000           | 15.000           | 10.000           |
| Direct Appropriation                       | 86.874           | 90.262           | 194.851          |
| <b>Total Net Revenue</b>                   | <b>3,665.930</b> | <b>3,742.830</b> | <b>4,040.924</b> |
| <b>Expense:</b>                            |                  |                  |                  |
| Cost of Material Sold Operating Program    | 3,434.729        | 3,634.176        | 3,859.439        |
| Cost of Material Sold WRM                  | 15.000           | 15.000           | 10.000           |
| Cost of Material Repair                    | .000             | .000             | .000             |
| Subtotal Sales Material Expense            | 3,449.729        | 3,649.176        | 3,869.439        |
| Inventory Losses / Obsolescence (Ops)      | 5.000            | 2.000            | 2.000            |
| Inventory Losses / Obsolescence (WRM)      | 26.000           | 30.000           | 30.000           |
| Cost of Direct Reimbursable Material       | .000             | .000             | .000             |
| Initial Spares                             | .000             | .000             | .000             |
| Readiness Spares Package                   | .000             | .000             | .000             |
| Mobilization                               | .000             | .000             | .000             |
| Other Direct Reimbursements                | .000             | .000             | .000             |
| Subtotal Material Expenses                 | 3,480.729        | 3,681.176        | 3,901.439        |
| <b>Business Operations</b>                 |                  |                  |                  |
| Military Personnel                         | .000             | .000             | .000             |
| Civilian Personnel                         | .000             | .000             | .000             |
| Travel & Transportation of People          | .009             | .084             | .084             |
| Materials & Supplies                       | .000             | .000             | .000             |
| Equipment                                  | .000             | .000             | .000             |
| Other WCF Purchases                        | 34.075           | 33.941           | 37.229           |
| Transportation of Things Operating Program | 25.681           | 30.200           | 27.200           |
| Transportation of Things WRM               | 1.436            | 1.491            | 2.000            |
| Capital Investment Depreciation            | .000             | .000             | .000             |
| Printing and Reproduction                  | .000             | .000             | .000             |
| Advisory and Assistance Services           | .839             | .465             | .626             |
| Rent, Comm, Utilities and Misc Charges     | .545             | 1.298            | 1.321            |
| Other Purchased Services                   | 8.730            | 9.614            | 9.150            |
| Subtotal Business Operations               | 71.313           | 77.093           | 77.610           |
| <b>Total Expenses</b>                      | <b>3,552.042</b> | <b>3,758.269</b> | <b>3,979.049</b> |

Fund 14 Supply Management Activity Group - Retail

| Fund 14<br>(Dollars in Millions)<br><b>Supply Management Activity Group - Retail</b> | Revenue and Expenses<br>Air Force Working Capital Fund<br>Supply Management Activity Group - Retail |                 | Fiscal Year (FY) 2027<br>Budget Estimates<br>April 2026 |
|--|---|-----------------|---|
|  | FY2025  | FY2026          | FY2027  |
| <b>Operating Result</b>  | <b>113.888</b>  | <b>(15.439)</b> | <b>61.876</b>   |
| Less Capital Surcharge   | .000  | .000            | .000  |
| Less Direct Appropriations   | (86.874)  | (90.262)        | (194.851)   |
| Plus Passthroughs or Other Approps (NOR)   | .000  | .000            | .000  |
| Adjustment for Mobilization / WRM NOR  | 27.436  | 31.491          | 32.000  |
| Other Changes (NOR)  | .000  | .000            | .000  |
| <b>NET OPERATING RESULT (NOR)</b>  | <b>54.450</b>   | <b>(74.209)</b> | <b>(100.975)</b>  |
| Prior Year Adjustments (AOR)   | .000  | .000            | .000  |
| Other Changes (AOR)  | (700.000)   | (320.788)       | .000  |
| Plus Prior Year AOR  | 1,141.523   | 495.973         | 100.975   |
| Accumulated Operating Result (AOR)   | 495.973   | 100.975         | .000  |
| Non-Recoverable Adjustment (AOR)   | .000  | .000            | .000  |
| Accumulated Operating Result for Budget Purposes                                     | 495.973   | 100.975         | .000  |

Fund 14 Supply Management Activity Group - Retail

SM-1  
(Dollars in Millions)

Supply Management Summary  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

Supply Management Activity Group - Retail

|                          |                     |                  | Obligation Targets |                              |                                 |                                    |                                  | Variability Target | Target Total     |
|--------------------------|---------------------|------------------|--------------------|------------------------------|---------------------------------|------------------------------------|----------------------------------|--------------------|------------------|
|                          | Net Customer Orders | Net Sales        | Direct Appn        | Operating Contract Authority | Reimbursable Contract Authority | Total Operating Contract Authority | Total Capital Contract Authority |                    |                  |
| <b><u>FY2025</u></b>     |                     |                  |                    |                              |                                 |                                    |                                  |                    |                  |
| GSD                      | 3,468.276           | 3,376.247        | .000               | 3,450.529                    | .000                            | 3,450.529                          | .000                             | 400.000            | 3,850.529        |
| Med/Dent                 | 130.112             | 181.093          | 86.874             | 106.001                      | 11.397                          | 117.397                            | .000                             | .000               | 204.271          |
| Academy                  | 6.216               | 6.716            | .000               | 7.595                        | .000                            | 7.595                              | .000                             | .000               | 7.595            |
| <b>Total SMAG-Retail</b> | <b>3,604.604</b>    | <b>3,564.056</b> | <b>86.874</b>      | <b>3,564.124</b>             | <b>11.397</b>                   | <b>3,575.521</b>                   | <b>.000</b>                      | <b>400.000</b>     | <b>4,062.395</b> |
| <b><u>FY2026</u></b>     |                     |                  |                    |                              |                                 |                                    |                                  |                    |                  |
| GSD                      | 3,439.308           | 3,550.946        | .000               | 3,625.189                    | .000                            | 3,625.189                          | .000                             | 400.000            | 4,025.189        |
| Med/Dent                 | 56.916              | 77.858           | 90.262             | 76.817                       | 15.000                          | 91.817                             | .000                             | .000               | 182.079          |
| Academy                  | 9.264               | 8.764            | .000               | 7.772                        | .000                            | 7.772                              | .000                             | .000               | 7.772            |
| <b>Total SMAG-Retail</b> | <b>3,505.488</b>    | <b>3,637.568</b> | <b>90.262</b>      | <b>3,709.778</b>             | <b>15.000</b>                   | <b>3,724.778</b>                   | <b>.000</b>                      | <b>400.000</b>     | <b>4,215.040</b> |
| <b><u>FY2027</u></b>     |                     |                  |                    |                              |                                 |                                    |                                  |                    |                  |
| GSD                      | 3,762.167           | 3,765.306        | .000               | 3,877.030                    | .000                            | 3,877.030                          | .000                             | 400.000            | 4,277.030        |
| Med/Dent                 | 60.011              | 59.912           | 194.851            | 50.069                       | 10.000                          | 60.069                             | .000                             | .000               | 254.920          |
| Academy                  | 10.856              | 10.856           | .000               | 7.950                        | .000                            | 7.950                              | .000                             | .000               | 7.950            |
| <b>Total SMAG-Retail</b> | <b>3,833.033</b>    | <b>3,836.073</b> | <b>194.851</b>     | <b>3,935.049</b>             | <b>10.000</b>                   | <b>3,945.049</b>                   | <b>.000</b>                      | <b>400.000</b>     | <b>4,539.900</b> |

1. The WRM Direct Appropriation column above includes obligation targets for the direct appropriation, prior year direct appropriation carryover and replenish/repair WRM reinvestment (from WRM Sales). The SM-6 exhibit presents detail level data.

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

Supply Management Activity Group - Retail

| FY2025                                       | Total     | Demand Based | Mobil    | Non-Demand Based |
|--|-----------|--------------|----------|------------------|
| 1. Inventory BOP                             | 2,000.198 | 1,937.108    | 63.090   | .000             |
| 2. BOP Inventory Adjustments                 |           |              |          |                  |
| a. Reclassification Change (Memo)            | .000      | .000         | .000     | .000             |
| b. Price Change Amount (Memo)                | 30.871    | 30.871       | .000     | .000             |
| c. Inv Reclassified & Repriced               | 2,031.069 | 1,967.979    | 63.090   | .000             |
| 3. Receipts at MAC                           | 3,617.025 | 3,530.151    | 86.874   | .000             |
| 4. Sales at Standard                         | 3,336.032 | 3,321.032    | 15.000   | .000             |
| 5. Inventory Adjustments                     |           |              |          |                  |
| a. Capitalization + or (-)                   | (15.168)  | (27.087)     | 11.919   | .000             |
| b. Returns from Customers for Credit         | 117.271   | 117.271      | .000     | .000             |
| c. Returns from Customers w/o Credit         | 419.160   | 418.991      | .168     | .001             |
| d. Returns to Suppliers (-)                  | (178.170) | (178.165)    | (.005)   | .000             |
| e. Transfers to Property Disposal (-)        | (354.423) | (347.021)    | (7.402)  | .000             |
| f. Issues/Receipts w/o Reimbursement         | (170.177) | (177.478)    | 7.301    | .000             |
| g. Other Adjustments                         |           |              |          |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (26.853)  | (.100)       | (26.747) | (.006)           |
| 2. Discounts on Returns                      | (1.202)   | (1.202)      | .000     | .000             |
| 3. Trade-ins                                 | .000      | .000         | .000     | .000             |
| 4. Loss from Disaster                        | .000      | .000         | .000     | .000             |
| 5. Assembly/Disassembly                      | 4.841     | .839         | 4.002    | .000             |
| 6. Physical Inventory Adj                    | 82.128    | 86.068       | (3.939)  | .000             |
| 7. Accounting Adjustments                    | (7.101)   | (9.441)      | 2.319    | .021             |
| 8. Shipment Discrepancies                    | 60.068    | 59.728       | .340     | .000             |
| 9. Other Gains/Losses                        | (.020)    | (.010)       | (.020)   | .010             |
| 10. Strata Transfers                         | (.145)    | (.017)       | (.168)   | .040             |
| 11. Strata Transfers in Transit              | (3.727)   | .000         | (4.227)  | .500             |
| 12. Other Adjustments - Total                | 107.989   | 135.865      | (28.440) | .564             |
| h. Total Adjustments                         | (73.517)  | (57.624)     | (16.458) | .565             |
| 6. Inventory EOP                             | 2,238.545 | 2,119.473    | 118.506  | .565             |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 2,238.545 | 2,119.473    | 118.506  | .565             |
| a. Economic Retention (Memo)                 | 85.843    | 85.843       | .000     | .000             |
| b. Contingency Retention (Memo)              | 405.223   | 405.223      | .000     | .000             |
| c. Potential DOW Reutilization (Memo)        | 439.979   | 439.979      | .000     | .000             |
| 8. Inventory on Order Cost EOP (Memo)        | 1,115.848 | 1,115.848    | .000     | .000             |

SM-4 Supply Management Activity Group - Retail

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

Supply Management Activity Group - Retail

| FY2026                                       | Total     | Demand Based | Mobil    | Non-Demand Based |
|--|-----------|--------------|----------|------------------|
| 1. Inventory BOP                             | 2,238.545 | 2,119.473    | 118.506  | .565             |
| 2. BOP Inventory Adjustments                 |           |              |          |                  |
| a. Reclassification Change (Memo)            | .000      | .000         | .000     | .000             |
| b. Price Change Amount (Memo)                | .000      | .000         | .000     | .000             |
| c. Inv Reclassified & Repriced               | 2,238.545 | 2,119.473    | 118.506  | .565             |
| 3. Receipts at MAC                           | 3,724.302 | 3,634.040    | 90.262   | .000             |
| 4. Sales at Standard                         | 3,828.457 | 3,813.457    | 15.000   | .000             |
| 5. Inventory Adjustments                     |           |              |          |                  |
| a. Capitalization + or (-)                   | 12.159    | .000         | 12.159   | .000             |
| b. Returns from Customers for Credit         | 151.185   | 151.185      | .000     | .000             |
| c. Returns from Customers w/o Credit         | .190      | .018         | .171     | .001             |
| d. Returns to Suppliers (-)                  | (.005)    | .000         | (.005)   | .000             |
| e. Transfers to Property Disposal (-)        | (7.561)   | (.010)       | (7.551)  | .000             |
| f. Issues/Receipts w/o Reimbursement         | 7.467     | .019         | 7.448    | .000             |
| g. Other Adjustments                         |           |              |          |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (67.395)  | (.104)       | (67.284) | (.006)           |
| 2. Discounts on Returns                      | .000      | .000         | .000     | .000             |
| 3. Trade-ins                                 | .000      | .000         | .000     | .000             |
| 4. Loss from Disaster                        | .000      | .000         | .000     | .000             |
| 5. Assembly/Disassembly                      | 4.082     | .000         | 4.082    | .000             |
| 6. Physical Inventory Adj                    | (3.907)   | .111         | (4.018)  | .000             |
| 7. Accounting Adjustments                    | 3.056     | .668         | 2.366    | .021             |
| 8. Shipment Discrepancies                    | 1.691     | 1.344        | .347     | .000             |
| 9. Other Gains/Losses                        | (.021)    | (.010)       | (.021)   | .010             |
| 10. Strata Transfers                         | (.148)    | (.017)       | (.171)   | .040             |
| 11. Strata Transfers in Transit              | (3.807)   | .000         | (4.312)  | .505             |
| 12. Other Adjustments - Total                | (66.449)  | 1.992        | (69.011) | .570             |
| h. Total Adjustments                         | 96.986    | 153.204      | (56.789) | .571             |
| 6. Inventory EOP                             | 2,231.376 | 2,093.260    | 136.979  | 1.137            |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 2,231.376 | 2,093.260    | 136.979  | 1.137            |
| a. Economic Retention (Memo)                 | 89.466    | 89.466       | .000     | .000             |
| b. Contingency Retention (Memo)              | 422.324   | 422.324      | .000     | .000             |
| c. Potential DOW Reutilization (Memo)        | 458.546   | 458.546      | .000     | .000             |
| 8. Inventory on Order Cost EOP (Memo)        | 1,188.867 | 1,188.867    | .000     | .000             |

SM-4 Supply Management Activity Group - Retail

SM-4  
(Dollars in Millions)

Inventory Status  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

Supply Management Activity Group - Retail

| FY2027                                       | Total     | Demand Based | Mobil    | Non-Demand Based |
|--|-----------|--------------|----------|------------------|
| 1. Inventory BOP                             | 2,231.376 | 2,093.260    | 136.979  | 1.137            |
| 2. BOP Inventory Adjustments                 |           |              |          |                  |
| a. Reclassification Change (Memo)            | .000      | .000         | .000     | .000             |
| b. Price Change Amount (Memo)                | .000      | .000         | .000     | .000             |
| c. Inv Reclassified & Repriced               | 2,231.376 | 2,093.260    | 136.979  | 1.137            |
| 3. Receipts at MAC                           | 4,046.375 | 3,851.524    | 194.851  | .000             |
| 4. Sales at Standard                         | 3,972.575 | 3,962.575    | 10.000   | .000             |
| 5. Inventory Adjustments                     |           |              |          |                  |
| a. Capitalization + or (-)                   | 12.039    | .000         | 12.039   | .000             |
| b. Returns from Customers for Credit         | 156.340   | 156.340      | .000     | .000             |
| c. Returns from Customers w/o Credit         | .188      | .018         | .170     | .001             |
| d. Returns to Suppliers (-)                  | (.005)    | .000         | (.005)   | .000             |
| e. Transfers to Property Disposal (-)        | (7.487)   | (.010)       | (7.477)  | .000             |
| f. Issues/Receipts w/o Reimbursement         | 7.394     | .019         | 7.375    | .000             |
| g. Other Adjustments                         |           |              |          |                  |
| 1. Destruct, Shrink, Deteriorations, etc.    | (47.124)  | (.102)       | (47.016) | (.006)           |
| 2. Discounts on Returns                      | .000      | .000         | .000     | .000             |
| 3. Trade-ins                                 | .000      | .000         | .000     | .000             |
| 4. Loss from Disaster                        | .000      | .000         | .000     | .000             |
| 5. Assembly/Disassembly                      | 4.042     | .000         | 4.042    | .000             |
| 6. Physical Inventory Adj                    | (3.868)   | .111         | (3.979)  | .000             |
| 7. Accounting Adjustments                    | 2.698     | .334         | 2.343    | .021             |
| 8. Shipment Discrepancies                    | 1.681     | 1.337        | .344     | .000             |
| 9. Other Gains/Losses                        | (.030)    | (.010)       | (.021)   | .000             |
| 10. Strata Transfers                         | (.186)    | (.017)       | (.169)   | .000             |
| 11. Strata Transfers in Transit              | (3.760)   | .000         | (4.270)  | .510             |
| 12. Other Adjustments - Total                | (46.547)  | 1.654        | (48.726) | .525             |
| h. Total Adjustments                         | 121.923   | 158.020      | (36.624) | .526             |
| 6. Inventory EOP                             | 2,427.098 | 2,140.229    | 285.206  | 1.663            |
| 7. Inventory EOP, Revalued (MAC, Discounted) | 2,427.098 | 2,140.229    | 285.206  | 1.663            |
| a. Economic Retention (Memo)                 | 93.364    | 93.364       | .000     | .000             |
| b. Contingency Retention (Memo)              | 440.729   | 440.729      | .000     | .000             |
| c. Potential DOW Reutilization (Memo)        | 478.530   | 478.530      | .000     | .000             |
| 8. Inventory on Order Cost EOP (Memo)        | 1,203.432 | 1,203.432    | .000     | .000             |

SM-4 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Supply Management Activity Group - Retail**

**FY2025**

| <b>STOCKPILE STATUS</b>       | <b>Total</b>    | <b>WRM Protected</b> | <b>WRM Other</b> |
|-------------------------------|-----------------|----------------------|------------------|
| <b>1. Inventory BOP @ std</b> | <b>63.090</b>   | <b>63.090</b>        | <b>.000</b>      |
| <b>2. Price Change</b>        | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>3. Reclassification</b>    | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>4. Inventory Changes</b>   | <b>55.416</b>   | <b>55.416</b>        | <b>.000</b>      |
| <b>a. Receipts @ std</b>      | <b>87.042</b>   | <b>87.042</b>        | <b>.000</b>      |
| (1). Purchases                | 86.874          | 86.874               | .000             |
| (2). Returns from customers   | .168            | .168                 | .000             |
| <b>b. Issues @ std</b>        | <b>(22.407)</b> | <b>(22.407)</b>      | <b>.000</b>      |
| (1). Sales                    | (15.000)        | (15.000)             | .000             |
| (2). Returns to suppliers     | (.005)          | (.005)               | .000             |
| (3). Disposals                | (7.402)         | (7.402)              | .000             |
| <b>c. Adjustments @ std</b>   | <b>(9.219)</b>  | <b>(9.219)</b>       | <b>.000</b>      |
| (1). Capitalizations          | 11.919          | 11.919               | .000             |
| (2). Gains and losses         | 7.301           | 7.301                | .000             |
| (3). Other                    | (28.440)        | (28.440)             | .000             |
| <b>Inventory EOP</b>          | <b>118.506</b>  | <b>118.506</b>       | <b>.000</b>      |

**STOCKPILE COSTS**

|                             |             |
|-----------------------------|-------------|
| <b>1. Storage</b>           | <b>.000</b> |
| <b>2. Management</b>        | <b>.000</b> |
| <b>3. Maintenance/Other</b> | <b>.000</b> |
| <b>Total Cost</b>           | <b>.000</b> |

**WRM BUDGET REQUEST**

|   |               |
|---|---------------|
| <b>1. Obligations @ cost</b>                                      |               |
| <b>a. Additional WRM Investment</b>                               |               |
| i. Current Year (Direct Appropriation)                            | 86.874        |
| ii. Prior Year  | .000          |
| <b>b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)</b> | <b>11.397</b> |
| <b>c. Stock Rotation/Obsolescence</b>                             | <b>.000</b>   |
| <b>d. Assemble/Disassemble</b>                                    | <b>.000</b>   |
| <b>e. Other</b>   | <b>.000</b>   |
| <b>Total Request</b>  | <b>98.271</b> |

SM-6 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Supply Management Activity Group - Retail**

FY2026

| <b>STOCKPILE STATUS</b>       | <b>Total</b>    | <b>WRM Protected</b> | <b>WRM Other</b> |
|-------------------------------|-----------------|----------------------|------------------|
| <b>1. Inventory BOP @ std</b> | <b>118.506</b>  | <b>118.506</b>       | <b>.000</b>      |
| <b>2. Price Change</b>        | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>3. Reclassification</b>    | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>4. Inventory Changes</b>   | <b>18.473</b>   | <b>18.473</b>        | <b>.000</b>      |
| <b>a. Receipts @ std</b>      | <b>90.433</b>   | <b>90.433</b>        | <b>.000</b>      |
| (1). Purchases                | 90.262          | 90.262               | .000             |
| (2). Returns from customers   | .171            | .171                 | .000             |
| <b>b. Issues @ std</b>        | <b>(22.556)</b> | <b>(22.556)</b>      | <b>.000</b>      |
| (1). Sales                    | (15.000)        | (15.000)             | .000             |
| (2). Returns to suppliers     | (.005)          | (.005)               | .000             |
| (3). Disposals                | (7.551)         | (7.551)              | .000             |
| <b>c. Adjustments @ std</b>   | <b>(49.404)</b> | <b>(49.404)</b>      | <b>.000</b>      |
| (1). Capitalizations          | 12.159          | 12.159               | .000             |
| (2). Gains and losses         | 7.448           | 7.448                | .000             |
| (3). Other                    | (69.011)        | (69.011)             | .000             |
| <b>Inventory EOP</b>          | <b>136.979</b>  | <b>136.979</b>       | <b>.000</b>      |

**STOCKPILE COSTS**

|                             |             |
|-----------------------------|-------------|
| <b>1. Storage</b>           | <b>.000</b> |
| <b>2. Management</b>        | <b>.000</b> |
| <b>3. Maintenance/Other</b> | <b>.000</b> |
| <b>Total Cost</b>           | <b>.000</b> |

**WRM BUDGET REQUEST**

|   |                |
|---|----------------|
| <b>1. Obligations @ cost</b>                                      |                |
| <b>a. Additional WRM Investment</b>                               |                |
| i. Current Year (Direct Appropriation)                            | 90.262         |
| ii. Prior Year  | .000           |
| <b>b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)</b> | <b>15.000</b>  |
| <b>c. Stock Rotation/Obsolescence</b>                             | <b>.000</b>    |
| <b>d. Assemble/Disassemble</b>                                    | <b>.000</b>    |
| <b>e. Other</b>   | <b>.000</b>    |
| <b>Total Request</b>  | <b>105.262</b> |

SM-6 Supply Management Activity Group - Retail

SM-6  
(Dollars in Millions)

War Reserve Material  
Air Force Working Capital Fund  
Supply Management Activity Group - Retail

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Supply Management Activity Group - Retail**

**FY2027**

| <b>STOCKPILE STATUS</b>            | <b>Total</b>    | <b>WRM Protected</b> | <b>WRM Other</b> |
|------------------------------------|-----------------|----------------------|------------------|
| <b>1. Inventory BOP @ std</b>      | <b>136.979</b>  | <b>136.979</b>       | <b>.000</b>      |
| <b>2. Price Change</b>             | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>3. Reclassification</b>         | <b>.000</b>     | <b>.000</b>          | <b>.000</b>      |
| <b>4. Inventory Changes</b>        | <b>148.227</b>  | <b>148.227</b>       | <b>.000</b>      |
| <b>a. Receipts @ std</b>           | <b>195.021</b>  | <b>195.021</b>       | <b>.000</b>      |
| <b>(1). Purchases</b>              | <b>194.851</b>  | <b>194.851</b>       | <b>.000</b>      |
| <b>(2). Returns from customers</b> | <b>.170</b>     | <b>.170</b>          | <b>.000</b>      |
| <b>b. Issues @ std</b>             | <b>(17.482)</b> | <b>(17.482)</b>      | <b>.000</b>      |
| <b>(1). Sales</b>                  | <b>(10.000)</b> | <b>(10.000)</b>      | <b>.000</b>      |
| <b>(2). Returns to suppliers</b>   | <b>(.005)</b>   | <b>(.005)</b>        | <b>.000</b>      |
| <b>(3). Disposals</b>              | <b>(7.477)</b>  | <b>(7.477)</b>       | <b>.000</b>      |
| <b>c. Adjustments @ std</b>        | <b>(29.312)</b> | <b>(29.312)</b>      | <b>.000</b>      |
| <b>(1). Capitalizations</b>        | <b>12.039</b>   | <b>12.039</b>        | <b>.000</b>      |
| <b>(2). Gains and losses</b>       | <b>7.375</b>    | <b>7.375</b>         | <b>.000</b>      |
| <b>(3). Other</b>                  | <b>(48.726)</b> | <b>(48.726)</b>      | <b>.000</b>      |
| <b>Inventory EOP</b>               | <b>285.206</b>  | <b>285.206</b>       | <b>.000</b>      |

**STOCKPILE COSTS**

|                             |             |
|-----------------------------|-------------|
| <b>1. Storage</b>           | <b>.000</b> |
| <b>2. Management</b>        | <b>.000</b> |
| <b>3. Maintenance/Other</b> | <b>.000</b> |
| <b>Total Cost</b>           | <b>.000</b> |

**WRM BUDGET REQUEST**

|   |                |
|---|----------------|
| <b>1. Obligations @ cost</b>                                      |                |
| <b>a. Additional WRM Investment</b>                               |                |
| <b>i. Current Year (Direct Appropriation)</b>                     | <b>194.851</b> |
| <b>ii. Prior Year</b>   | <b>.000</b>    |
| <b>b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)</b> | <b>10.000</b>  |
| <b>c. Stock Rotation/Obsolescence</b>                             | <b>.000</b>    |
| <b>d. Assemble/Disassemble</b>                                    | <b>.000</b>    |
| <b>e. Other</b>   | <b>.000</b>    |
| <b>Total Request</b>  | <b>204.851</b> |

SM-6 Supply Management Activity Group - Retail

***AIR FORCE  
WORKING CAPITAL FUND***



**USSF**

***ENTERPRISE SPACE***

***ACTIVITY GROUP***

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**Enterprise Space Activity Group (ESAG)  
Budget Overview  
Fiscal Year 2027 Budget Estimate Submission**

As directed by the FY 2018 National Defense Authorization Act, the Commercial Satellite Communications Office (CSCO) transitioned from the Defense Information Systems Agency (DISA) to Air Force Space Command (AFSPC) and later to the United States Space Force (USSF). As a part of that transition, the Department of the Air Force (DAF) coordinated with the Under Secretary of War (Comptroller) (OUSW(C)) in the establishment of the Enterprise Space Activity Group (ESAG) as a new activity within the existing Air Force Working Capital Fund (AFWCF).

ESAG combines Commercial Satellite Communications (COMSATCOM) and Enhanced Mobile Satellite Services (EMSS) Programs into a single activity group comprised of the two divisions.

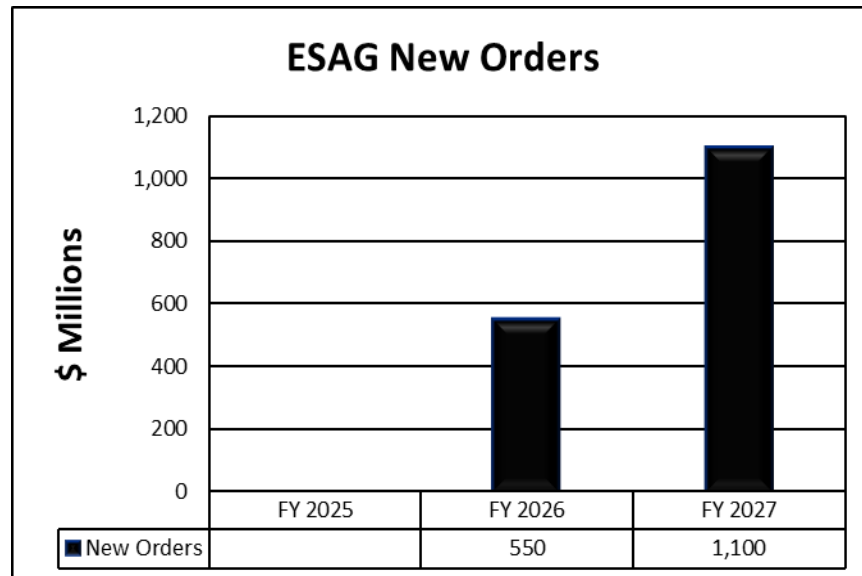
The COMSATCOM program is authorized as the sole responsibility of procuring all commercial satellite communication for the Department of War (DoW). Specifically, the COMSATCOM program provides a comprehensive and fully integrated common and shared service to customers through activities such as but not limited to: market research; developing and testing products and services; customer outreach; tracking and forecasting trends; lifecycle acquisition services; technical and trouble-ticketing support at the globally-distributed Regional Satellite Support Centers (RSSCs); and other related functions and best business practices.

The EMSS program provides holistic access to contracted commercial capabilities enhanced (as applicable) to meet unique government requirements. With supporting commands in Tobyhanna, PA and Wahiawa, Hawaii, the EMSS program awards centralized contracts that together provide shared access to the contracted commercial space segment for its voice and data offerings, a shared government-owned and controlled gateway/ground segment (e.g., inclusive of operations and maintenance of ground stations and EMSS-unique enhancements to the standard contracted commercial service offering), 24/7 customer care support, an online ordering portal for customers to make equipment purchases and activate/de-activate devices, customer billing and data reports, and other related and integral services and functions related to the business.

## ESAG - Financial and Performance Summary

### ESAG Financial Highlights:

| (\$ Millions)                            | FY 2025 | FY 2026   | FY 2027   |
|--|---------|-----------|-----------|
| Total Revenue                            |         | \$1,100.5 | \$1,099.8 |
| Total Expenses                           |         | \$1,073.5 | \$1,081.8 |
| Other Adjustments Affecting NOR          |         | \$0.0     | \$0.0     |
| Net Operating Results (NOR)              |         | \$27.0    | \$18.0    |
| Other Changes Affecting AOR              |         | \$0.0     | \$0.0     |
| Non-Recoverable Adjustment Impacting AOR |         | \$0.0     | \$0.0     |
| Prior Year AOR                           |         | \$0.0     | \$27.0    |
| Accumulated Operating Results (AOR)      |         | \$27.0    | \$45.0    |
| Price Change to Customer                 |         | 0%        | 0%        |

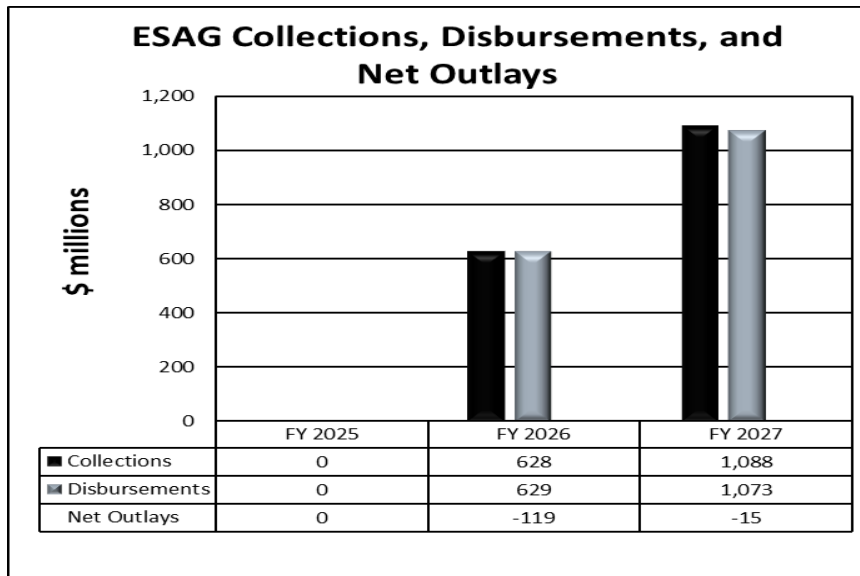


### ESAG New Orders

ESAG activities develop workload projections based on close coordination with customers and their requirements. Prior to FY 2026, the mission was aligned under DISA. This budget was developed in coordination with DISA for historical context and includes workload assumptions in line with historical execution plus growth for Proliferated Lower Earth Orbit (PLEO) contracts.

**Cash Management:**

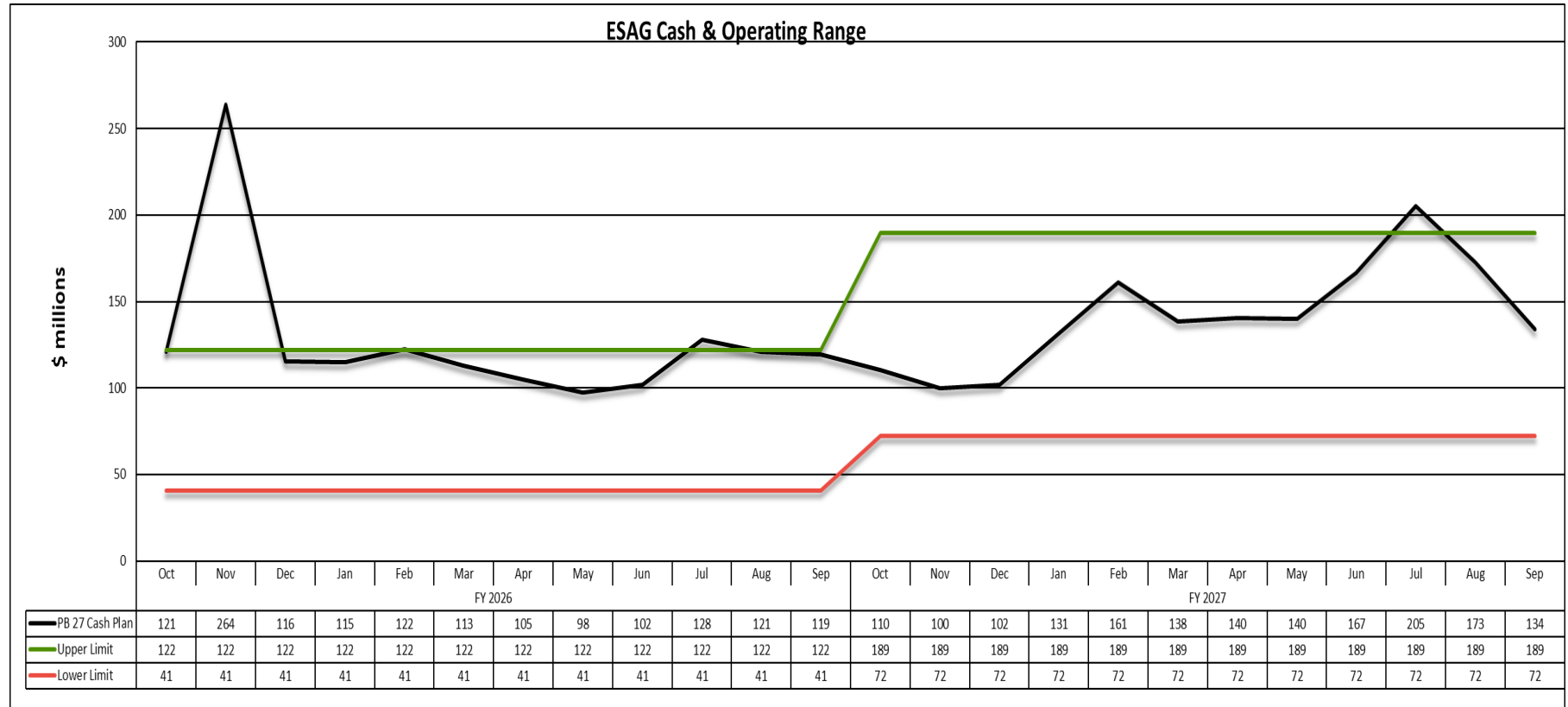
| Cash (\$ Million)            | FY 2025 | FY 2026 | FY 2027   |
|------------------------------|---------|---------|-----------|
| BOP Cash Balance             |         | \$0     | \$119.3   |
| Disbursements                |         | \$629.1 | \$1,073.4 |
| Collections                  |         | \$627.6 | \$1,088.1 |
| Net Transfers                |         | \$120.8 | \$0       |
| EOP Cash Balance             |         | \$119.3 | \$134.0-  |
| Lower Limit Cash Goal        |         | \$41.0  | \$72.2    |
| Upper Limit Cash Goal        |         | \$122.0 | \$189.4   |
| *May not add due to rounding |         |         |           |



**Collections, Disbursements, Net Outlays**

Collections are projected based on forecasted sales and accounts receivable amounts. Disbursements are projected based on monthly obligations and accounts payable and includes Capital Investment Program obligations. The collections and disbursements will increase significantly from FY 2026 to FY 2027. As part of transitioning workload, some of the workload started in the last half of FY 2025 by DISA will serve out its life in DISA through FY 2026 and then be established in ESAG starting in FY 2027. DISA will collect revenues and send to ESAG and ESAG will pay the costs of servicing those customers to DISA.

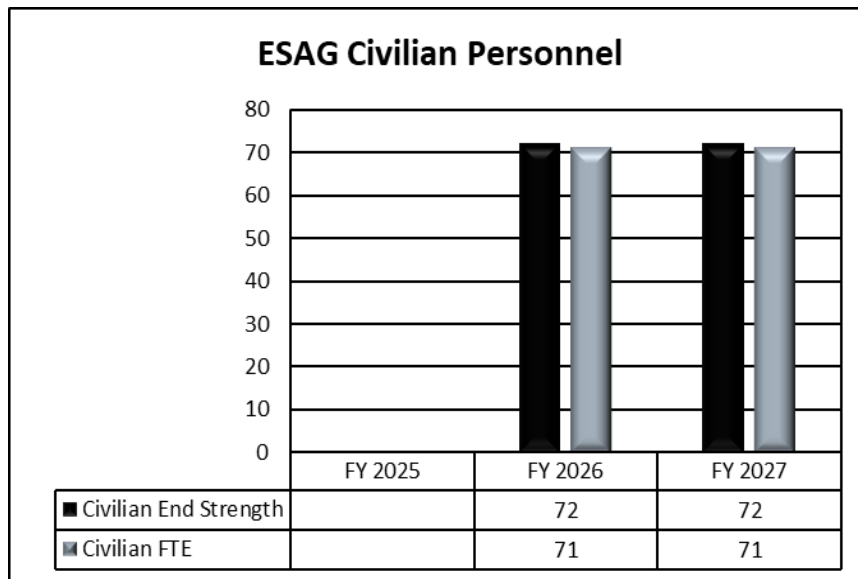
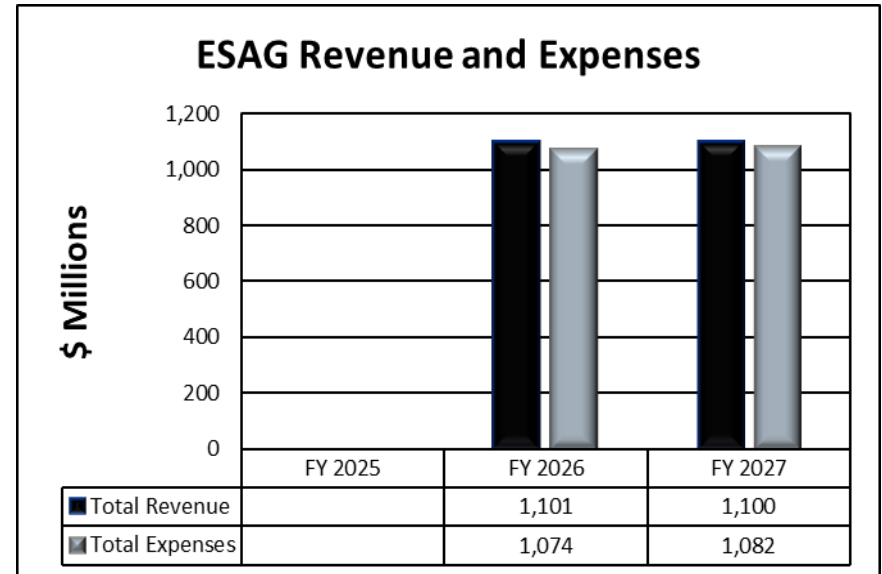
## ESAG Cash Plan



The ESAG Cash plan displays the cash plan for FY 2026. The upper and lower operational limits are depicted in the chart. The FY 2026 cash plan includes the receipt of \$120.8 million cash corpus infusion in October 2025. The ESAG cash plan is expected to remain within the upper and lower operational limits in FY 2027.

## Revenue & Expenses

Revenue is a measure of the volume of work completed by the ESAG activity group and the expenses identify the cost incurred to deliver the services to customers. Contracting workload for COMSATCOM customers' mission requirements comprises most of the revenue and expenses for the ESAG mission.



## Civilian Personnel

The personnel end strength reflects authorized end strength levels in FY 2027. Personnel levels include 71 FTEs and 72 civilian end strength.

## Capital Budget

The Capital Budget is represented by investments in ADPE/Telecom and Software Development, specifically, the Gateway Evolution project. It is a series of activities that refresh various components of the Enhanced Mobile Satellite Services (EMSS) Gateway to ensure security compliance and alignment with the Iridium Commercial Baseline (ICB). Maintaining alignment of the ICB is critical to continued operation of the network over the Iridium Satellite Constellation.

| <b>Capital Budget Program Authority (\$ Million)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--|----------------|----------------|----------------|
| ADPE & Telecom                                       |                | \$8.0          | \$8.5          |
| Software Development                                 |                | \$.3           | \$.3           |
| <b>Total</b>   |                | <b>\$80.3</b>  | <b>\$8.8</b>   |

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Enterprise Space Activity Group**

|  | FY2025 to FY2026 | FY2026 to FY2027 |
|--|------------------|------------------|
| <b>Total Cost of Operations BOP</b>                    | <b>.000</b>      | <b>1,073.529</b> |
| <b>ANNUALIZATION</b>                                   |                  |                  |
| Annualization of Civilian Pay                          | .000             | .000             |
| Annualization of Military Pay                          | .000             | .000             |
| <b>TOTAL ANNUALIZATION</b>                             | <b>.000</b>      | <b>.000</b>      |
| <b>PRICE CHANGES</b>                                   |                  |                  |
| Civilian Pay Raises                                    | .000             | .232             |
| Military Pay Raises                                    | .000             | .000             |
| Inflation Adjustment                                   | .000             | 22.312           |
| <b>TOTAL PRICE CHANGES</b>                             | <b>.000</b>      | <b>22.544</b>    |
| <b>PRODUCTIVITY INITIATIVES AND OTHER EFFICIENCIES</b> |                  |                  |
| Civilian Personnel Compensation Savings                | .000             | .000             |
| Military Labor Savings                                 | .000             | .000             |
| Material & Supply Savings                              | .000             | (.001)           |
| Travel & Transportation Savings                        | .000             | (.012)           |
| Rent, Communication & Utilities Savings                | .000             | (9.933)          |
| Printing & Reproduction Savings                        | .000             | .000             |
| Equipment Maintenance Savings                          | .000             | (.056)           |
| Depreciation Savings                                   | .000             | (.724)           |
| Other Purchased Services Savings                       | .000             | (2.643)          |
| Miscellaneous Savings                                  | .000             | (1.165)          |
| <b>TOTAL PRODUCTIVITY SAVINGS</b>                      | <b>.000</b>      | <b>(14.534)</b>  |
| <b>PROGRAM CHANGES</b>                                 |                  |                  |
| Civilian Personnel Compensation                        | 11.066           | .025             |
| Military Labor   | .000             | .000             |
| Material & Supply                                      | .032             | .000             |
| Travel & Transportation                                | .407             | .000             |
| Rent, Communication & Utilities                        | 969.719          | .000             |
| Printing & Reproduction                                | .000             | .000             |
| Equipment Maintenance                                  | 6.331            | .278             |
| Depreciation   | 9.219            | .000             |

Fund 2 Enterprise Space Activity Group

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Enterprise Space Activity Group**

|                                     | <b>FY2025 to FY2026</b> | <b>FY2026 to FY2027</b> |
|-------------------------------------|-------------------------|-------------------------|
| <b>Other Purchased Services</b>     | <b>73.468</b>           | <b>.000</b>             |
| <b>Miscellaneous</b>                | <b>3.287</b>            | <b>.000</b>             |
| <b>TOTAL PROGRAM CHANGES</b>        | <b>1,073.529</b>        | <b>.303</b>             |
| <b>TOTAL CHANGES</b>                | <b>1,073.529</b>        | <b>8.313</b>            |
| <b>Total Cost of Operations EOP</b> | <b>1,073.529</b>        | <b>1,081.842</b>        |

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Enterprise Space Activity Group**

|  | <b>FY2025</b> | <b>FY2026</b>  | <b>FY2027</b>    |
|--|---------------|----------------|------------------|
| <b>1. New Orders</b>                       |               |                |                  |
| <b>a. Orders From DOW Components:</b>      | <b>.000</b>   | <b>488.964</b> | <b>980.316</b>   |
| <b>ARMY</b>                                | <b>.000</b>   | <b>113.321</b> | <b>227.422</b>   |
| <b>Army O&amp;M</b>                        | <b>.000</b>   | <b>113.321</b> | <b>227.422</b>   |
| <b>NAVY</b>                                | <b>.000</b>   | <b>97.838</b>  | <b>196.136</b>   |
| <b>Navy O&amp;M</b>                        | <b>.000</b>   | <b>97.838</b>  | <b>196.136</b>   |
| <b>MARINE CORPS</b>                        | <b>.000</b>   | <b>41.347</b>  | <b>82.218</b>    |
| <b>Marine Corps O&amp;M</b>                | <b>.000</b>   | <b>41.347</b>  | <b>82.218</b>    |
| <b>AIR FORCE</b>                           | <b>.000</b>   | <b>153.858</b> | <b>309.277</b>   |
| <b>AF O&amp;M</b>                          | <b>.000</b>   | <b>153.858</b> | <b>309.277</b>   |
| <b>SPACE FORCE</b>                         | <b>.000</b>   | <b>.000</b>    | <b>.000</b>      |
| <b>Space Force O&amp;M</b>                 | <b>.000</b>   | <b>.000</b>    | <b>.000</b>      |
| <b>DISA</b>                                | <b>.000</b>   | <b>2.749</b>   | <b>5.169</b>     |
| <b>DISA O&amp;M</b>                        | <b>.000</b>   | <b>2.749</b>   | <b>5.169</b>     |
| <b>DEFENSE WIDE APPROPRIATED</b>           | <b>.000</b>   | <b>42.231</b>  | <b>85.356</b>    |
| <b>OTHER DoW APPROPRIATED</b>              | <b>.000</b>   | <b>37.620</b>  | <b>74.738</b>    |
| <b>b. ORDERS FROM DWCF/REVOLVING FUNDS</b> | <b>.000</b>   | <b>.000</b>    | <b>.000</b>      |
| <b>c. TOTAL DoW ORDERS</b>                 | <b>.000</b>   | <b>488.964</b> | <b>980.316</b>   |
| <b>d. OTHER ORDERS</b>                     | <b>.000</b>   | <b>61.299</b>  | <b>119.485</b>   |
| <b>OTHER FEDERAL AGENCIES</b>              | <b>.000</b>   | <b>44.368</b>  | <b>85.767</b>    |
| <b>FOREIGN MILITARY SALES</b>              | <b>.000</b>   | <b>16.931</b>  | <b>33.718</b>    |
| <b>TOTAL NEW ORDERS</b>                    | <b>.000</b>   | <b>550.263</b> | <b>1,099.801</b> |
| <b>2. Carry-In Orders</b>                  | <b>.000</b>   | <b>550.262</b> | <b>.000</b>      |

Fund 11 Enterprise Space Activity Group

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Enterprise Space Activity Group**

|  | <b>FY2025</b> | <b>FY2026</b>    | <b>FY2027</b>    |
|--|---------------|------------------|------------------|
| <b>3. TOTAL GROSS ORDERS</b>                 | <b>.000</b>   | <b>1,100.525</b> | <b>1,099.801</b> |
| <b>4. Revenue</b>                            | <b>.000</b>   | <b>1,100.525</b> | <b>1,099.801</b> |
| <b>5. End of Year W-I-P</b>                  | <b>.000</b>   | <b>.000</b>      | <b>.000</b>      |
| <b>6. Exclusion (Non-DoW, BRAC, and FMS)</b> | <b>.000</b>   | <b>61.299</b>    | <b>119.485</b>   |
| <b>7. Funded Carryover</b>                   | <b>.000</b>   | <b>(61.299)</b>  | <b>(119.485)</b> |

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**Enterprise Space Activity Group**

|  | FY2025      | FY2026           | FY2027           |
|--|-------------|------------------|------------------|
| <b>Revenue</b>                                 |             |                  |                  |
| Gross Sales                                    | .000        | 1,100.525        | 1,099.801        |
| Operations                                     | .000        | 1,100.525        | 1,099.801        |
| Capital Surcharge                              | .000        | .000             | .000             |
| Capital Investment Recovery (CIR)              | .000        | .000             | .000             |
| Other Income                                   | .000        | .000             | .000             |
| Refunds/Discounts (-)                          | .000        | .000             | .000             |
| <b>Total Income:</b>                           | <b>.000</b> | <b>1,100.525</b> | <b>1,099.801</b> |
| <b>Costs</b>                                   |             |                  |                  |
| Cost of Material Sold from Inventory           | .000        | .000             | .000             |
| Salaries and Wages:                            | .000        | 11.066           | 11.323           |
| Military Personnel Compensation and Benefits   | .000        | .000             | .000             |
| Civilian Personnel Compensation and Benefits   | .000        | 11.066           | 11.323           |
| Travel & Transportation of Personnel           | .000        | .407             | .403             |
| Materials & Supplies (For internal Operations) | .000        | .032             | .032             |
| Equipment                                      | .000        | .000             | .000             |
| Other Purchases from Revolving Funds           | .000        | .000             | .000             |
| Transportation of Things                       | .000        | .000             | .000             |
| Capital Investment Recovery                    | .000        | 9.219            | 8.689            |
| Printing and Reproduction                      | .000        | .000             | .000             |
| Advisory and Assistance Services               | .000        | .000             | .000             |
| Rent, Comm, Utilities & Misc Charges           | .000        | 969.719          | 980.150          |
| Other Purchased Services                       | .000        | 83.086           | 81.246           |
| <b>Total Costs</b>                             | <b>.000</b> | <b>1,073.529</b> | <b>1,081.843</b> |
| <b>Operating Results</b>                       | <b>.000</b> | <b>26.996</b>    | <b>17.958</b>    |
| Less Capital Surcharge Reservation             | .000        | .000             | .000             |
| Less Recover Other                             | .000        | .000             | .000             |
| Passthrough or Other App. Affecting NOR        | .000        | .000             | .000             |
| Passthrough or Other App. not Affecting NOR    | .000        | .000             | .000             |
| Other Adjustments Affecting NOR                | .000        | .000             | .000             |
| <b>Net Operating Results</b>                   | <b>.000</b> | <b>26.996</b>    | <b>17.958</b>    |

Fund 14  
 (Dollars in Millions)

Revenue and Expenses  
 Air Force Working Capital Fund  
 Enterprise Space Activity Group

Fiscal Year (FY) 2027  
 Budget Estimates  
 April 2026

**Enterprise Space Activity Group**

|                                | FY2025      | FY2026        | FY2027        |
|--------------------------------|-------------|---------------|---------------|
| Prior Year AOR                 | .000        | .000          | 26.996        |
| Other Changes Affecting AOR    | .000        | .000          | .000          |
| <b>Total AOR</b>               | <b>.000</b> | <b>26.996</b> | <b>44.954</b> |
| Retained AOR                   | .000        | .000          | .000          |
| Cumulative Retained AOR        | .000        | .000          | .000          |
| Deferred AOR                   | .000        | .000          | (44.954)      |
| <b>AOR for Budget Purposes</b> | <b>.000</b> | <b>26.996</b> | <b>.000</b>   |

***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***UNITED STATES***

***TRANSPORTATION COMMAND***

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AFWCF Total  
(Dollars in Thousands)

Cash Management Plan  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

| <b>Summary of Budget Authority</b>                          |                      |                       |                      |
|---|----------------------|-----------------------|----------------------|
| <b>(Dollars in Thousands)</b>                               |                      |                       |                      |
| <b>USTC Working Capital Fund</b>                            | <b>FY2025</b>        | <b>FY2026</b>         | <b>FY2027</b>        |
| <b>Total Contract Authority (Includes CIP)</b>              | <b>29,200.000</b>    | <b>45,104.000</b>     | <b>56,401.000</b>    |
| <b>Operating Contract Authority (Does Not Include CIP)</b>  | .000                 | .000                  | .000                 |
| <b>Capital Investment Program (CIP)</b>                     | 29,200.000           | 45,104.000            | 56,401.000           |
| <b>Total Spending Authority from Offsetting Collections</b> | 9,893,824.000        | 10,539,040.000        | 9,770,852.000        |
| <b>Direct Appropriations, Total</b>                         | 1,591.000            | 52,400.000            | .000                 |
| <b>Total Budget Authority</b>                               | <b>9,924,615.000</b> | <b>10,636,544.000</b> | <b>9,827,253.000</b> |

AFWCF Total  
(Dollars in Thousands)

Cash Management Plan  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

| <b>President's Budget 2026 Summary</b>        |                |                |               |
|---|----------------|----------------|---------------|
| <b>(Dollars in Thousands)</b>                 |                |                |               |
| <b>Transportation Working Capital Fund</b>    | <b>FY2025</b>  | <b>FY2026</b>  | <b>FY2027</b> |
| <b>Total Revenue</b>                          | 10,893,740.000 | 11,165,498.000 | 8,922,002.000 |
| <b>Total Expenses</b>                         | 9,893,824.000  | 10,539,040.000 | 9,770,852.000 |
| <b>Total Net Operating Result Adjustments</b> | 999,916.000    | 626,458.000    | (848,850.000) |
| <b>Total Accumulated Operating Result</b>     | 828,424.000    | 1,862,376.000  | .000          |
| <b>Total Capital Investment Projects</b>      | 29,200.000     | 45,104.000     | 56,401.000    |
| <b>Total Direct Appropriations</b>            | 1,591.000      | 52,400.000     | .000          |
| <b>Total Collections</b>                      | 10,794,127.274 | 10,780,147.458 | 9,424,803.841 |
| <b>Total Disbursements</b>                    | 9,823,778.735  | 10,144,513.356 | 9,798,110.347 |
| <b>Total End of Period Cash Balance</b>       | 1,703,953.149  | 2,339,587.251  | 1,966,280.746 |
| <b>Total Cash Lower Operating Limit</b>       | 1,074,279.000  | 945,917.000    | 1,324,484.464 |
| <b>Total Cash Upper Operating Limit</b>       | 1,806,672.800  | 1,754,955.200  | 2,698,927.764 |

**United States Transportation Command  
Transportation Working Capital Fund  
Fiscal Year (FY) 2027 Budget Analysis**

**Background**

This submission provides justification for the United States Transportation Command (USTRANSCOM) Transportation Working Capital Fund (TWCF) budget. USTRANSCOM submits the TWCF budget as a distinct subset of the Air Force Working Capital Fund (AFWCF) budget submission. It reflects the cost authority needed for USTRANSCOM to be Ready, United, and Decisive to meet its Unified Command Plan (UCP) mission. With global responsibilities and capabilities that transcend air, land, and sea, USTRANSCOM is uniquely postured to fulfill six specific responsibilities within the current UCP that include: 1) the Mobility Joint Force Provider, 2) the Department of War (DoW's) Single Manager for Transportation, 3) the Joint Deployment and Distribution Coordinator (JDDC) for the Joint Deployment and Distribution Enterprise (JDDE), 4) the DoW's Single Manager for Patient Movement, 5) the provider for Joint Enabling Capabilities via the Joint Enabling Capabilities Command (JECC) (JECC is not part of the Working Capital Fund), and 6) the DoW's Single Manager for Global Bulk Fuel Management and Delivery. As directed in the FY26 National Defense Authorization Act (FY26 NDAA), USTRANSCOM is tasked to review and resolve DoW risks for global contested logistics.

USTRANSCOM and the broader JDDE and Joint Petroleum Enterprise (JPE) are designed to project and sustain combat power at a time and place of the Nation's choosing. As one of eleven combatant commands, USTRANSCOM is responsible for global transportation. The success of DoW's power projection capability is contingent on three critical elements of USTRANSCOM's organizational warfighting framework: (1) Global Mobility Posture, the foundation of power projection; (2) Global Mobility Capacity, the conveyances and platforms that move troops, supplies, fuel, and equipment through global transportation networks; and (3) Global Command, Control, and Integration, the exercise of authority and direction to plan, coordinate, synchronize, and control operations at echelon.

Within the JDDE, USTRANSCOM is focused on three principal areas: 1) modernizing command, control, and communications systems to deliver rapid, informed decision-making and increased survivability while providing common understanding across the Joint Force, 2) increasing strategic sealift, air refueling, and airlift capacity to enhance the Joint Force's ability to deliver and sustain operations globally, 3) modernization and security of critical infrastructure and transportation networks to bolster force projection and guarantee reliable access.

From day-to-day operations through wartime mobilization, commercial nodes, rail infrastructure, trucks, aviation, and sealift capabilities are integral to USTRANSCOM's ability to respond and scale. The 2026 National Defense Strategy (NDS) details the Department's path forward into a decisive decade – from helping to protect the American people, to promoting global security, to seizing new strategic opportunities, and realizing and defending our democratic values.

The Nation relies on USTRANSCOM to project an immediate and decisive force when needed and continues to adapt to the most complex security environment in recent history. USTRANSCOM provides our Nation's leaders with multiple offensive alternatives to thwart potential adversarial activities.

### **Composition of Component Business Areas**

USTRANSCOM's mission includes providing air, land, and sea transportation for the DoW with a primary focus on wartime readiness. USTRANSCOM alone possesses the transportation awareness and authorities to traverse oceans and continents to execute our global mission. Our \$9.7 billion budget provides synchronized transportation and sustainment, making it possible to project, maneuver, and maintain national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust. Our assigned tasks are executed through three component commands U.S. Air Force's Air Mobility Command (AMC), U.S. Army Transportation Command (ARTRANS), U.S. Navy's Military Sealift Command (MSC), and along with one major subordinate command (JECC). One of our greatest advantages is our collaboration with industry partners – referred to as our 4<sup>th</sup> Component. This joint team of transportation components provides mobility forces and assets for a seamless transition from competition to conflict. USTRANSCOM is always ready to meet the strategic mobility needs of our nation. A brief description of the role of each Transportation Component Command follows:

AMC is the single manager for air mobility by providing strategic airlift, air refueling, special air mission, and aeromedical evacuation for U.S. forces. AMC also supplies forces to theater commands to support wartime tasking.

ARTRANS provides global surface deployment and distribution services to meet the nation's objectives. This command was officially designated in September 2025, formerly operating as the Military Surface Deployment and Distribution Command (SDDC). This new designation will be reflected in Exhibits Fund 1a and 9B beginning in FY28.

MSC supports our nation by providing maritime transportation to satisfy DoW sealift requirements, which includes delivering fuel and supplies and conducting specialized missions across the world's oceans. As of Fiscal Year 2027, the Army Afloat Prepositioning will be fully divested, reflected in the 0% composite rate.

Our Component Commands provide the critical link to the Services' core competencies in organizing, training, and equipping forces. They provide lines of communication to the Services, to make certain assets are available when needed for the transition from competition to conflict. The surge from peacetime sustainment to large scale deployment of personnel and materiel in support of overseas operations is an example of our ability to execute our mission. Our successes result from the synergy of military and commercial lift (air, land, and sea), air refueling, port operations, and afloat prepositioning. Together with its components and national partners, USTRANSCOM is building a truly seamless, end-to-end defense transportation enterprise.

USTRANSCOM is the DoW Single Manager for global bulk fuel management and delivery in support of Combatant Commander requirements. As the single manager, USTRANSCOM synchronizes bulk fuel posture, planning, and execution, and advocates for resources, capabilities, and process improvements in coordination with Combatant Commands, the Services, and the Defense Logistics Agency.

Operating in a contested environment increases mission complexity due to the need for additional fuel, ammunition, and materiel. The long-range weapon arsenals of adversaries increase the threat of battle damage to mobility assets and infrastructure. To respond to these realities, and in response to the FY26 NDAA, the Global Contested Logistics Posture Management plan of action was implemented to transform logistics vulnerabilities into strategic advantages. The outcome will be dynamic prioritization of investments in logistics capabilities and capacity in order to deliver sustainment as a warfighting effect.

With network intrusion detection technologies, cloud resiliency solutions, vulnerability assessment products, and optimization & distribution models to name a few, the JDDE is aggressively focused on continuing to acquire and deploy technologies to overcome contested, disrupted, or denied logistical pathways. USTRANSCOM is transforming a "pull" logistics system into a predictive "push" logistics system that delivers supplies and capabilities to the point of need before requests arrive.

USTRANSCOM is transitioning the relocation process for service members, DoW employees, and their families under the SECWAR's direction, to the Personal Property Activity. The end goal restructures DoW's relationship with the household goods moving industry to deliver the quality move experience that service members, DoW employees, and their families deserve.

USTRANSCOM is focused on priorities to accelerate remediation efforts working towards the mandate for an audit opinion in FY27.

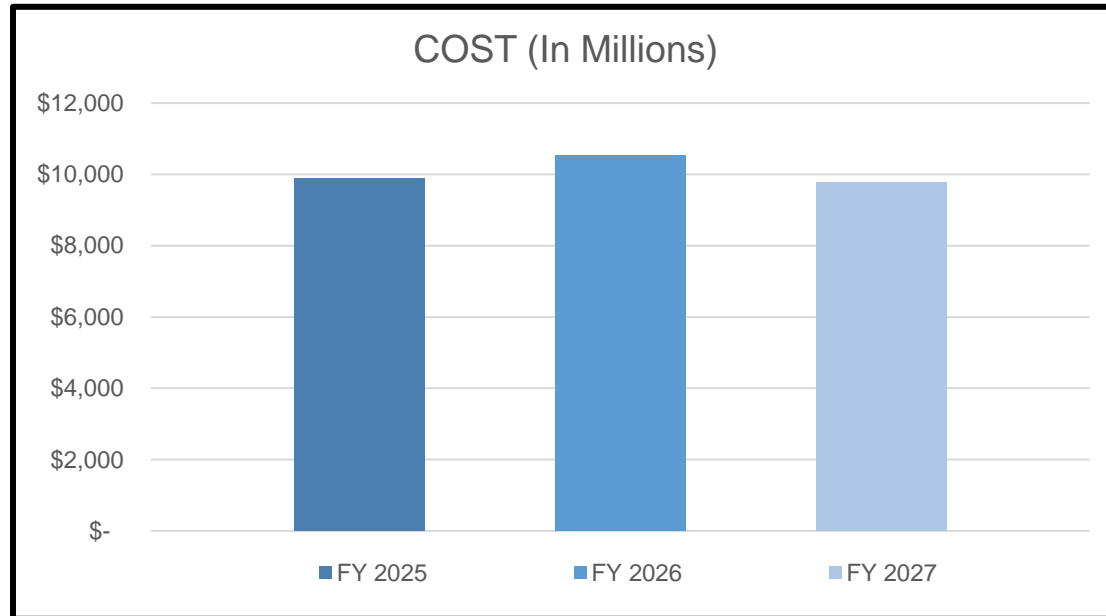
Capital funding continues to support system enhancements and upgrades to embrace USTRANSCOM's role as a global Combatant Command delivering national objectives in tomorrow's dynamic security environment. USTRANSCOM challenges its assumptions, accurately forecasts trends that will define the future operating environment and develops the technologies and ideas that maintain our Nation's competitive advantage in transportation and logistics. Cyber resiliency and digital modernization initiatives will remain a top priority for the command.

USTRANSCOM continues to evolve with available smart systems to use AI modeling to help us in the Global Bulk Fuel Manager mission, the TWCF end-to-end budgeting process, and in operations optimization to better predict transportation demands and manage available capacity. USTRANSCOM is accelerating AI development by growing organic talent in the government workforce, leveraging commercial partners, and utilizing the capabilities of Federally Funded Research and Development Centers and academia.

**Costs**

| <b>COST (\$ IN MILLIONS)</b> | <b>FY 2025</b>  | <b>FY 2026</b>   | <b>FY 2027</b>  |
|------------------------------|-----------------|------------------|-----------------|
| AMC                          | \$ 6,761        | \$ 6,930         | \$ 6,231        |
| ARTRANS                      | \$ 1,507        | \$ 1,581         | \$ 1,660        |
| MSC                          | \$ 1,008        | \$ 1,308         | \$ 1,125        |
| DOD                          | \$ 9            | \$ 14            | \$ 15           |
| USTRANSCOM Command Staff     | \$ 608          | \$ 705           | \$ 741          |
| <b>Total USTRANSCOM*</b>     | <b>\$ 9,894</b> | <b>\$ 10,539</b> | <b>\$ 9,771</b> |

\*May not total due to rounding



**FY 2026 changes from FY 2026 PB to FY 2027 BES:**

Total USTRANSCOM: Cost increased in FY 2026 by \$229 million, major changes are listed below:

- +\$95 million – Maintenance (aircraft and ship)
- +\$92 million – Pricing changes (commercial transportation, aircraft maintenance)
- +\$47 million – Other program changes
- \$5 million – Customer workload changes

**Changes from FY 2026 to FY 2027:**

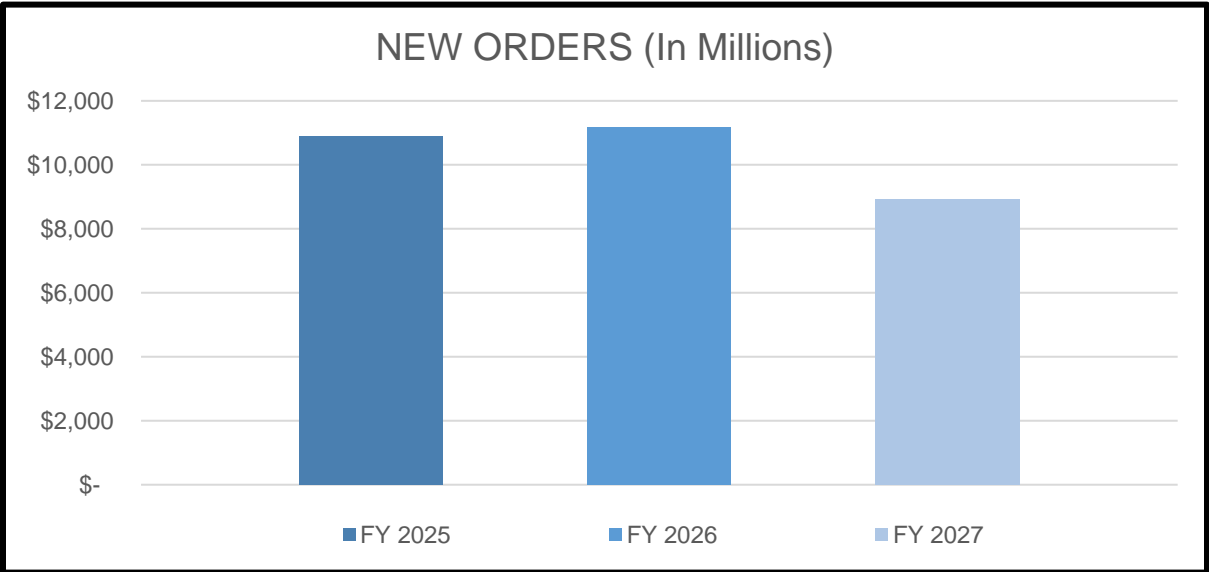
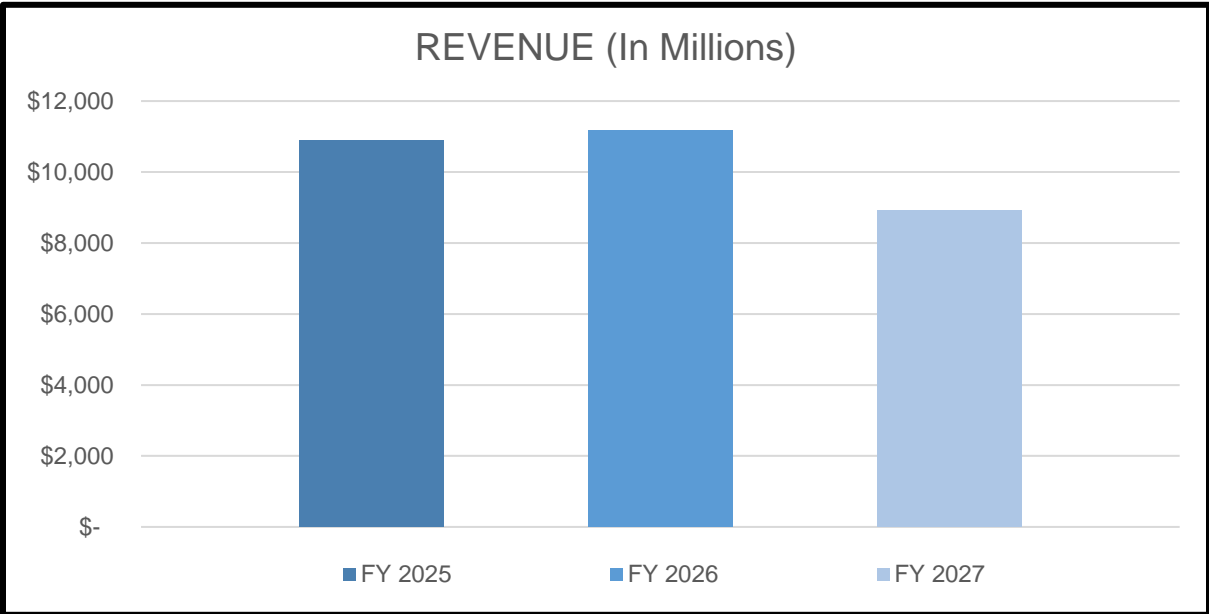
Total USTRANSCOM: Cost decreased in FY 2027 by \$768 million, major changes are listed below:

- +\$101 million – Pricing changes (commercial transportation, fuel, aircraft maintenance)
- +\$23 million – Aircraft maintenance requirements
- +\$10 million – Facility maintenance requirements
- \$21 million – Other program changes
- \$68 million – Ship maintenance requirements
- \$813 million – Customer workload changes

**Revenue**

| <b>REVENUE (\$ IN MILLIONS)</b> | <b>FY 2025</b>   | <b>FY 2026</b>   | <b>FY 2027</b>  |
|---------------------------------|------------------|------------------|-----------------|
| AMC                             | \$ 7,052         | \$ 7,150         | \$ 6,039        |
| ARTRANS                         | \$ 1,824         | \$ 1,987         | \$ 1,318        |
| MSC                             | \$ 1,292         | \$ 1,305         | \$ 855          |
| DOD                             | \$ 10            | \$ 13            | \$ 16           |
| USTRANSCOM Command Staff        | \$ 715           | \$ 711           | \$ 693          |
| <b>Total USTRANSCOM*</b>        | <b>\$ 10,894</b> | <b>\$ 11,165</b> | <b>\$ 8,922</b> |

\*May not total due to rounding

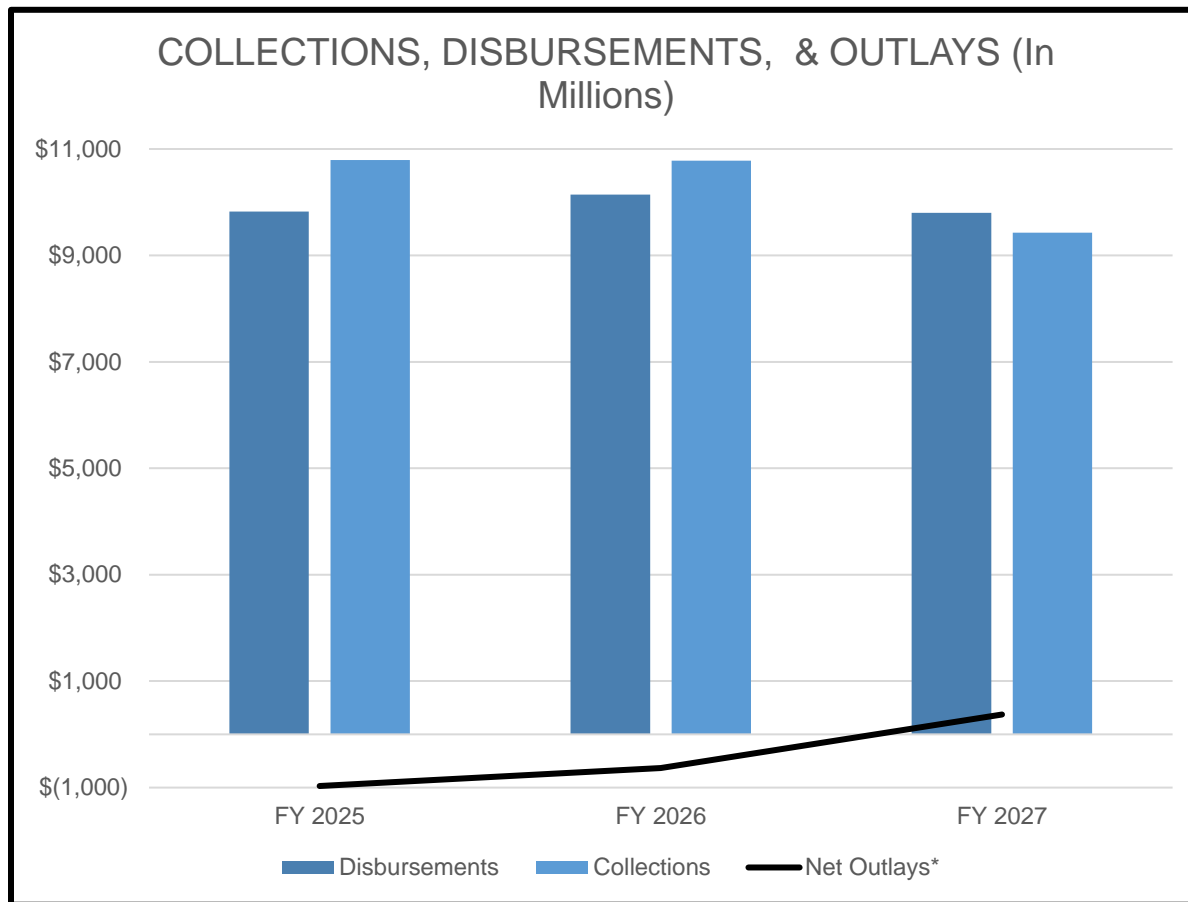


Revenue: Revenue estimates include rate revenue, reimbursable revenue, Airlift Readiness Account, and Service Level Bills. They are determined as follows:

- Rate revenue: Derived by using approved rates multiplied by various workload measures (i.e., flying hours, ton miles, tons, passengers, ship days, measurement tons, vehicles, etc.). In most cases, TWCF rates recoup budgeted costs and beginning Accumulated Operating Results (AOR), consistent with standard Working Capital Fund guidelines.
- Reimbursable revenue: Includes commercial airlift and sealift charters purchased by customers (charged based on recovery of contract costs).
- Airlift Readiness Account (ARA): As directed in the DoW FMR, AMC’s channel airlift rates are set to compete with private sector rates and do not cover the cost of the unique readiness requirements of military airlift operations. ARA costs are limited to the difference between military and commercial channel system operating costs, plus/minus prior year channel losses/gains.
- Service Level Bills (SLB): Port Readiness, Traffic Management, Global Bulk Fuel Management and Delivery, Rail, and Specialized Transportation Service Support (STSS).
- Transactional Bill: Defense Personal Property Program (DP3). Pending transition to Personal Property Activity.

| <b>CASH (\$ IN MILLIONS)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|------------------------------|----------------|----------------|----------------|
| Disbursements                | \$ 9,824       | \$ 10,145      | \$ 9,798       |
| Collections                  | \$ 10,794      | \$ 10,780      | \$ 9,425       |
| Net Outlays*                 | \$ (970)       | \$ (636)       | \$ 373         |
| Ending Cash Balance*         | \$ 1,704       | \$ 2,340       | \$ 1,966       |
| Cash Lower Control Limit     | \$ 1,074       | \$ 946         | \$ 1,324       |
| Cash Upper Control Limit     | \$ 1,807       | \$ 1,755       | \$ 2,699       |

\*May not total due to rounding



**FY 2025 USTRANSCOM CASH:** The FY 2025 estimated end of year cash is projected at \$1,704 million. USTRANSCOM cash balance is within its cash boundaries. FY25 was the 2nd year in a 3-year phased approach to return TWCF solvency. Our rates were set to only cover costs, not increase cash. However, cash increased due to a higher FY25 starting position (AMC fixed costs not occurring in FY24) and FY25 commercial and organic airlift workload significantly exceeded forecasts.

**FY 2026 USTRANSCOM CASH:** The FY 2026 cash is projected to increase from \$1,704 million to \$2,340 million. USTRANSCOM cash balance is \$585M above its cash upper boundary. FY26 is the 3rd year in a 3-year phased approach to

return TWCF solvency. Significantly higher workload than forecasted in FY25 is pushing the TWCF above upper cash boundaries.

FY 2027 USTRANSCOM CASH: The FY 2027 cash is projected to decrease from \$2,340 million to \$1,966 million. USTRANSCOM cash balance is within its cash upper control limits. FY27 maintains TWCF solvency while maintaining readiness in a dynamic and contested logistics environment. USTRANSCOM with OSW coordination established new FY27 upper and lower cash control limits based on contingency requirements needed to flex at a moment's notice of the Nation's choosing.

### **Cash Management**

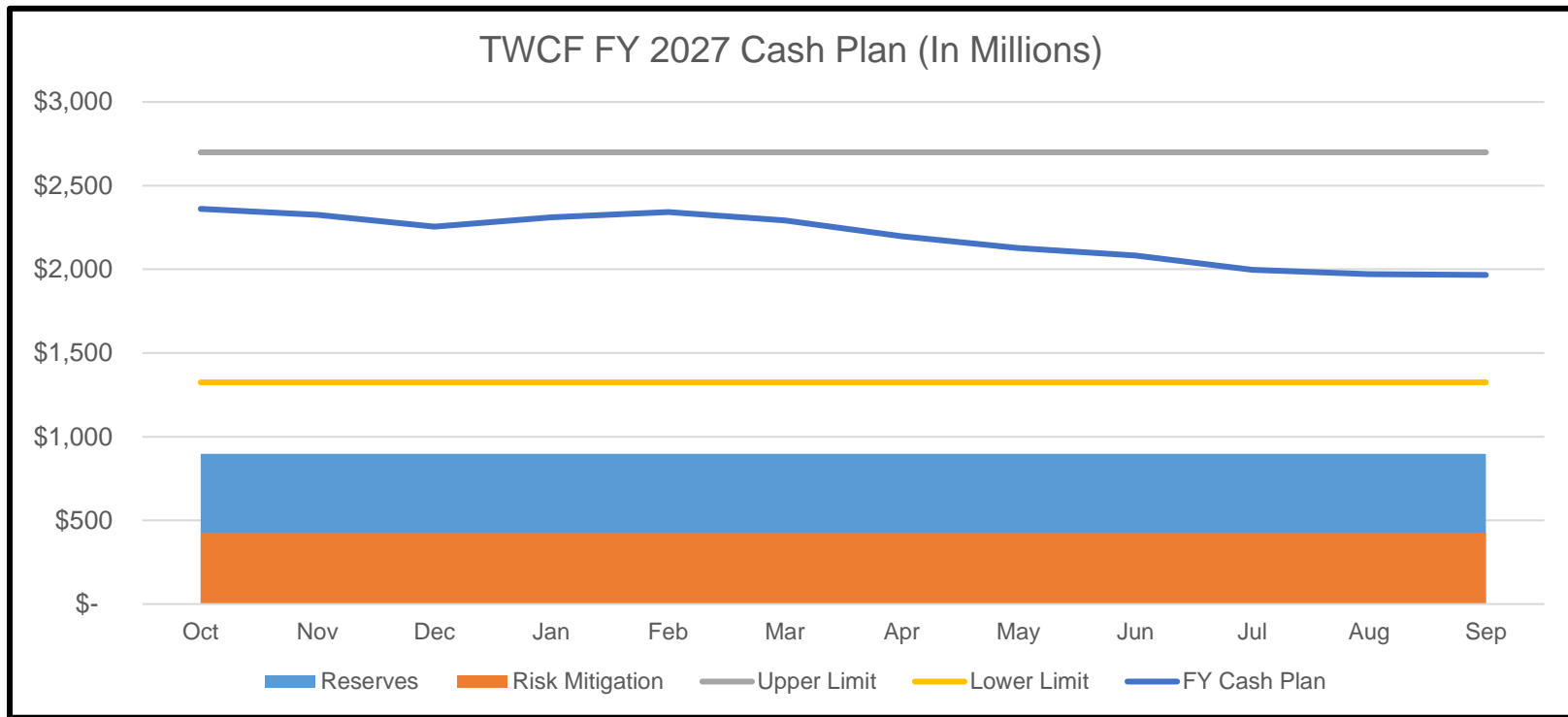
The methodology for calculating cash requirements consists of three elements: range, risk mitigation, and reserves.

The **Range of Operations** is sized based on how a Fund's cash requirements can change year-to-year. In FY 2027, this range is \$1,374 million, reflecting an 80% confidence interval that the fund would end a fiscal year within its operating range, if starting at its midpoint. In FY 2027, the lower control limit is \$1,324 million and the upper control limit is \$2,699 million.

TWCF **Risk Mitigation** addresses cash variability associated with unknown external variables and both day-to-day and volatility inherent in TWCF operations. Risk was based on historic monthly collections and disbursements over a five-year period, calculating the monthly standard deviation and converting to an annual figure at the TWCF level.

**Cash Reserves** are funds held for known future requirements. In FY 2027, TWCF reserves include short-term funding requirements for the activation of Civil Reserve Air Fleet (CRAF), Voluntary Intermodal Sealift Agreement (VISA), and Voluntary Tanker Agreement (VTA) during a crisis.

Cash control limits are built at the aggregate TWCF level and then disaggregated down to the various budget activities within TWCF.



### Customer Rate Changes

| <b>AMC RATE CHANGE</b> | <b>FY 2027</b> |
|------------------------|----------------|
| Channel Passenger      | -47.200%       |
| Channel Cargo          | -1.991%        |
| SAAM/JETP              | -19.637%       |
| Training               | 13.313%        |

| <b>MSC RATE CHANGE</b>          | <b>FY 2027</b> |
|---------------------------------|----------------|
| Petroleum Tanker Ships          | -56.225%       |
| Army Afloat Prepositioning      | 0.000%         |
| Air Force Afloat Prepositioning | -36.284%       |
| Chartered Cargo                 | -3.688%        |

| <b>SDDC RATE CHANGE</b>    | <b>FY 2027</b> |
|----------------------------|----------------|
| Port Handling              | -60.782%       |
| Liner Ocean Transportation | -27.780%       |

| <b>DCD RATE CHANGE</b> | <b>FY 2027</b> |
|------------------------|----------------|
| Pounds Delivered       | 19.594%        |

### **Capital Investment Program (CIP)**

The CIP budget enables USTRANSCOM to build, adapt and maintain the Equipment, Automated Data Processing Equipment (ADPE), Telecommunications Equipment, Software Development, and Minor Construction required to conduct globally integrated mobility operations, lead the broader Joint Deployment and Distribution Enterprise (JDDE), and provide enabling capabilities to project and sustain the Joint Force in support of national objectives.

USTRANSCOM continues to challenge assumptions, accurately forecast trends that will define the future operating environment and develop the technologies to maintain our Nation's competitive advantage in transportation and logistics.

- Multiple programs are transitioning to a cloud environment and include the cost of shifting applications and big data to a cloud environment.

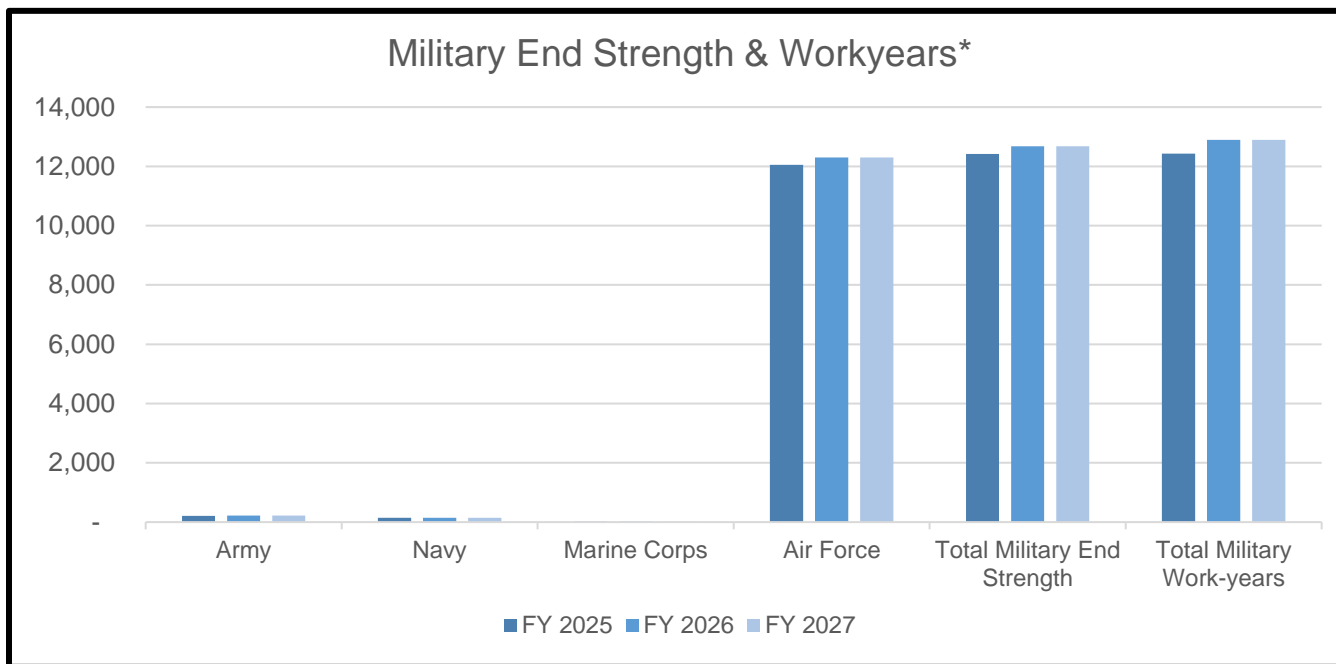
| <b>CIP (\$ IN MILLIONS)</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|-----------------------------|----------------|----------------|----------------|
| Equipment                   | \$ 0.7         | \$ 2.2         | \$ 2.9         |
| ADPE and Telecom Equip      | \$ 0.7         | \$ -           | \$ -           |
| Software Development        | \$ 19.3        | \$ 34.4        | \$ 45.2        |
| Minor Construction          | \$ 8.5         | \$ 8.6         | \$ 8.3         |
| <b>Total</b>                | <b>\$ 29.2</b> | <b>\$ 45.2</b> | <b>\$ 56.4</b> |

\*May not total due to rounding

### Manpower Trends

USTRANSCOM's staffing is comprised of approximately 74 percent military and 26 percent civilian. The efficient use of manpower for our components is integral to the success of USTRANSCOM's mission.

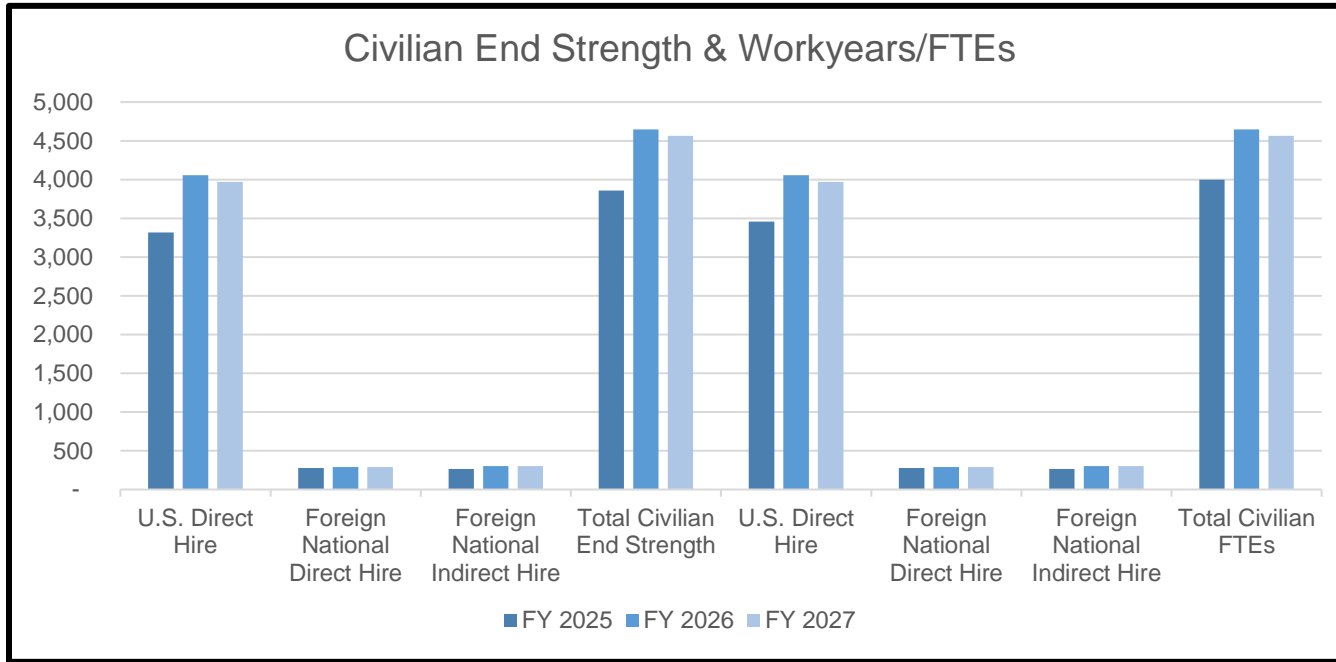
### Military End Strength and Workyears\*



| <b>MILITARY END STRENGTH</b>       | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|------------------------------------|----------------|----------------|----------------|
| Army                               | 208            | 220            | 220            |
| Navy                               | 150            | 148            | 148            |
| Marine Corps                       | 11             | 11             | 11             |
| Air Force                          | 12,050         | 12,296         | 12,296         |
| <b>Total Military End Strength</b> | <b>12,419</b>  | <b>12,675</b>  | <b>12,675</b>  |
| <b>Total Military Work-years</b>   | <b>12,434</b>  | <b>12,892</b>  | <b>12,892</b>  |

\*Includes AMC and DCD military end strengths/work-years which are funded by Military Personnel appropriation and not recovered in rates per FMR Volume 11B, Chapter 14

### Civilian End Strength and Workyears\*



### Civilian End Strength

| <b>CIVILIAN END STRENGTH</b>       | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|------------------------------------|----------------|----------------|----------------|
| U.S. Direct Hire                   | 3,316          | 4,057          | 3,971          |
| Foreign National Direct Hire       | 276            | 289            | 289            |
| Foreign National Indirect Hire     | 266            | 303            | 303            |
| <b>Total Civilian End Strength</b> | <b>3,858</b>   | <b>4,649</b>   | <b>4,563</b>   |

### Civilian Full-Time Equivalents

| <b>CIVILIAN FTE</b>            | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> |
|--------------------------------|----------------|----------------|----------------|
| U.S. Direct Hire               | 3,456          | 4,057          | 3,971          |
| Foreign National Direct Hire   | 276            | 289            | 289            |
| Foreign National Indirect Hire | 266            | 303            | 303            |
| <b>Total Civilian FTEs</b>     | <b>3,998</b>   | <b>4,649</b>   | <b>4,563</b>   |

**United States Transportation Command**

|  | <b>Expenses</b>   |
|--|-------------------|
| <b>FY2025 Estimated Actuals</b>                                | <b>9,893.824</b>  |
| <b>FY2026 Estimate in President's Budget</b>                   | <b>10,310.261</b> |
| <b>Estimated Impact in FY2026 Actual<br/>FY2025 Experience</b> | <b>.000</b>       |
| <b>Pricing Adjustments:</b>                                    | <b>92.459</b>     |
| <b>a. FY2026 Pay Raises</b>                                    | <b>(13.070)</b>   |
| (1) Civilian Personnel   | (13.170)          |
| (2) Military Personnel   | .100              |
| <b>b. Annualization of Prior Year Pay Raises</b>               | <b>.000</b>       |
| (1) Civilian Personnel   | .000              |
| (2) Military Personnel   | .000              |
| <b>c. Fuel Pricing</b>   | <b>.000</b>       |
| <b>d. General Purchase Inflation</b>                           | <b>25.573</b>     |
| <b>e. Depot Level Repairables Changes</b>                      | <b>.000</b>       |
| <b>f. Commercial Transportation Pricing Changes</b>            | <b>33.773</b>     |
| <b>g. Aircraft Maintenance Price Changes</b>                   | <b>46.183</b>     |
| <b>h. Other Price Changes</b>                                  | <b>.000</b>       |
| <b>Productivity Initiatives &amp; Other Efficiencies:</b>      | <b>.000</b>       |
| <b>a. Headquarters Reductions</b>                              | <b>.000</b>       |
| <b>Program Changes:</b>  | <b>136.320</b>    |
| <b>a. Aircraft Maintenance Changes</b>                         | <b>95.407</b>     |
| <b>b. Other</b>  | <b>19.718</b>     |
| <b>c. Workload Changes</b>                                     | <b>(4.608)</b>    |
| <b>d. Ship Maintenance Changes</b>                             | <b>.000</b>       |
| <b>e. Container Detention changes</b>                          | <b>.000</b>       |
| <b>f. Facility Maintenance</b>                                 | <b>25.803</b>     |
| <b>g. Command Initiatives</b>                                  | <b>.000</b>       |
| <b>FY2026 Current Estimate</b>                                 | <b>10,539.040</b> |

Fund 2  
(Dollars in Millions)

Changes in the Cost of Operations  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

|  | <b>Expenses</b>   |
|--|-------------------|
| <b>FY2026 Current Estimate</b>                                 | <b>10,539.040</b> |
| <b>Pricing Adjustments:</b>                                    | <b>101.412</b>    |
| a. FY2027 Pay Raises   | 5.279             |
| (1) Civilian Personnel   | 3.500             |
| (2) Military Personnel   | 1.779             |
| b. Annualization of Prior Year Pay Raises                      | .500              |
| (1) Civilian Personnel   | .400              |
| (2) Military Personnel   | .100              |
| c. General Purchase Inflation                                  | 36.849            |
| d. Aircraft Maintenance Changes                                | 36.568            |
| e. Commercial Transportation Pricing Changes                   | 37.756            |
| f. Depot Level Repairables Changes                             | 2.326             |
| g. Fuel Pricing  | (17.866)          |
| h. Other Price Changes   | .000              |
| <b>Productivity Initiatives &amp; Other Efficiencies:</b>      | <b>.000</b>       |
| a. Fuel Efficiencies due to Information Technology Initiatives | .000              |
| b. Fuel Efficiencies due to Policy                             | .000              |
| c. Cost Efficiencies   | .000              |
| d. Headquarters Reductions                                     | .000              |
| <b>Program Changes:</b>  | <b>(869.600)</b>  |
| a. Other   | (24.312)          |
| b. Aircraft Maintenance Changes                                | 22.891            |
| c. Workload Changes  | (813.452)         |
| d. Ship Maintenance Changes                                    | (67.990)          |
| e. Facility Maintenance  | 9.984             |
| f. Command Initiatives   | 3.279             |
| <b>FY2027 Estimate</b>   | <b>9,770.852</b>  |

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

|   | FY2025           | FY2026           | FY2027           |
|---|------------------|------------------|------------------|
| <b>1. New Orders</b>                      |                  |                  |                  |
| <b>a. Orders From DOW Components:</b>     | <b>9,107.836</b> | <b>8,970.538</b> | <b>7,143.355</b> |
| <b>Total Air Force</b>                    | <b>4,675.493</b> | <b>4,506.342</b> | <b>4,033.804</b> |
| <b>Military Personnel</b>                 | <b>124.593</b>   | <b>183.184</b>   | <b>139.413</b>   |
| <b>Aircraft Procurement</b>               | <b>1.795</b>     | <b>1.451</b>     | <b>1.347</b>     |
| <b>Missile Procurement</b>                | <b>.925</b>      | <b>1.741</b>     | <b>1.240</b>     |
| <b>Other Procurement</b>                  | <b>7.814</b>     | <b>11.802</b>    | <b>7.770</b>     |
| <b>Operations and Maintenance</b>         | <b>4,240.134</b> | <b>3,931.373</b> | <b>3,479.600</b> |
| <b>MILCON</b>                             | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>Operations and Maintenance - ANG</b>   | <b>4.153</b>     | <b>4.401</b>     | <b>3.062</b>     |
| <b>Operations and Maintenance - AFRES</b> | <b>282.821</b>   | <b>359.684</b>   | <b>392.140</b>   |
| <b>RDT&amp;E</b>                          | <b>7.494</b>     | <b>8.734</b>     | <b>6.365</b>     |
| <b>Other</b>                              | <b>5.764</b>     | <b>3.972</b>     | <b>2.867</b>     |
| <b>Army</b>                               | <b>2,877.706</b> | <b>2,804.517</b> | <b>1,869.118</b> |
| <b>Military Personnel</b>                 | <b>117.792</b>   | <b>166.592</b>   | <b>116.512</b>   |
| <b>Aircraft Procurement</b>               | <b>.019</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>Missile Procurement</b>                | <b>1.672</b>     | <b>2.056</b>     | <b>1.497</b>     |
| <b>Other Procurement</b>                  | <b>11.682</b>    | <b>17.025</b>    | <b>14.295</b>    |
| <b>AAFES</b>                              | <b>.017</b>      | <b>79.200</b>    | <b>67.204</b>    |
| <b>Operations and Maintenance</b>         | <b>2,678.846</b> | <b>2,448.726</b> | <b>1,600.883</b> |
| <b>MILCON</b>                             | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>NG, O&amp;M</b>                        | <b>11.157</b>    | <b>17.871</b>    | <b>12.516</b>    |
| <b>O&amp;M Army Reserve</b>               | <b>6.704</b>     | <b>8.103</b>     | <b>5.769</b>     |
| <b>RDT&amp;E</b>                          | <b>30.261</b>    | <b>34.218</b>    | <b>24.213</b>    |
| <b>Other</b>                              | <b>19.556</b>    | <b>30.726</b>    | <b>26.229</b>    |
| <b>Navy</b>                               | <b>783.906</b>   | <b>805.810</b>   | <b>604.950</b>   |
| <b>Military Personnel</b>                 | <b>73.703</b>    | <b>127.688</b>   | <b>87.176</b>    |
| <b>Aircraft Procurement</b>               | <b>1.027</b>     | <b>1.289</b>     | <b>1.129</b>     |
| <b>NEXCOM</b>                             | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>Operations and Maintenance</b>         | <b>640.060</b>   | <b>601.116</b>   | <b>451.845</b>   |
| <b>MILCON</b>                             | <b>.000</b>      | <b>.000</b>      | <b>.000</b>      |
| <b>NG, O&amp;M</b>                        | <b>.372</b>      | <b>.000</b>      | <b>.034</b>      |

Fund 11 United States Transportation Command

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

|                                   | FY2025  | FY2026  | FY2027  |
|-----------------------------------|---------|---------|---------|
| <b>NDSF</b>                       | 16.142  | .000    | (3.204) |
| <b>RDT&amp;E</b>                  | 1.638   | 1.942   | 1.509   |
| <b>Other</b>                      | 50.964  | 73.775  | 66.461  |
| <b>NRES, O&amp;M</b>              | .000    | .000    | .000    |
| <b>Marine Corps</b>               | 226.358 | 248.145 | 172.643 |
| <b>Military Personnel</b>         | 15.907  | 18.981  | 17.473  |
| <b>Other Procurement</b>          | .000    | .000    | 5.813   |
| <b>Operations and Maintenance</b> | 206.172 | 227.742 | 148.230 |
| <b>Other</b>                      | 4.279   | 1.422   | 1.127   |
| <b>Coast Guard</b>                | .000    | .000    | .000    |
| <b>Military Personnel</b>         | .000    | .000    | .000    |
| <b>Space Force</b>                | 18.707  | 25.912  | 20.354  |
| <b>Military Personnel</b>         | .239    | .523    | .276    |
| <b>Operations and Maintenance</b> | 14.024  | 20.045  | 16.147  |
| <b>Procurement</b>                | 3.445   | 4.084   | 2.929   |
| <b>RDT&amp;E</b>                  | .999    | 1.260   | 1.002   |
| <b>OSD</b>                        | 525.666 | 579.812 | 442.486 |
| <b>Operations and Maintenance</b> | 522.269 | 574.112 | 438.813 |
| <b>JCS</b>                        | 26.789  | .000    | .000    |
| <b>SOCOM</b>                      | 428.006 | 438.148 | 320.380 |
| <b>Health Affairs</b>             | .000    | .000    | .000    |
| <b>NSA</b>                        | 3.771   | 4.913   | 6.153   |
| <b>DIA</b>                        | .000    | .000    | .000    |
| <b>Defense Health Agency</b>      | 1.670   | 2.788   | 2.401   |
| <b>DMA</b>                        | .038    | .000    | .000    |
| <b>Other</b>                      | 61.939  | 121.963 | 102.499 |
| <b>DLA (Non-WCF)</b>              | .056    | 6.300   | 7.380   |
| <b>DTS-PMO</b>                    | .000    | .000    | .000    |
| <b>DSCA</b>                       | .000    | .000    | .000    |
| <b>Procurement</b>                | .006    | .400    | .330    |
| <b>Other</b>                      | 3.391   | 5.300   | 3.343   |

Fund 11 United States Transportation Command

Fund 11  
(Dollars in Millions)

Source of New Orders and Revenue  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**United States Transportation Command**

|  | <b>FY2025</b>     | <b>FY2026</b>     | <b>FY2027</b>    |
|--|-------------------|-------------------|------------------|
| <b>b. Orders From Other Fund Activity Groups</b> | <b>1,457.697</b>  | <b>1,799.934</b>  | <b>1,501.980</b> |
| Air Force WCF                                    | 7.251             | 11.023            | 10.803           |
| Army WCF   | .000              | .000              | .000             |
| Navy WCF   | .000              | .000              | .000             |
| USTC TWCF  | 7.874             | 10.477            | 8.560            |
| DECA   | 12.682            | 12.335            | 8.546            |
| DLA  | 862.229           | 1,242.229         | 963.436          |
| MCEX   | .000              | .000              | .000             |
| DFAS   | .037              | .026              | .014             |
| DISA   | .020              | .009              | .005             |
| Other Orders                                     | 567.604           | 523.835           | 510.616          |
| <b>c. Total DOW</b>                              | <b>10,565.533</b> | <b>10,770.472</b> | <b>8,645.335</b> |
| <b>d. Other Orders</b>                           | <b>328.207</b>    | <b>395.026</b>    | <b>276.667</b>   |
| Other Federal Agencies                           | 51.523            | 48.430            | 36.083           |
| FEMA   | .000              | .000              | .000             |
| NGA  | .000              | .000              | .000             |
| Trust Fund                                       | 104.935           | .000              | 10.872           |
| Non Federal Agencies                             | 28.053            | 55.203            | 36.613           |
| Foreign Military Sales                           | 143.696           | 291.393           | 193.099          |
| <b>Total New Orders</b>                          | <b>10,893.740</b> | <b>11,165.498</b> | <b>8,922.002</b> |
| <b>2. Carry-In Orders</b>                        | <b>.000</b>       | <b>.000</b>       | <b>.000</b>      |
| <b>3. Total Gross Orders</b>                     | <b>10,893.740</b> | <b>11,165.498</b> | <b>8,922.002</b> |
| <b>4. Funded Carryover</b>                       | <b>.000</b>       | <b>.000</b>       | <b>.000</b>      |
| <b>5. Total Gross Sales</b>                      | <b>10,893.740</b> | <b>11,165.498</b> | <b>8,922.002</b> |

Fund 11 United States Transportation Command

Fund 14  
(Dollars in Millions)

Revenue and Expenses  
Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| United States Transportation Command                        | FY2025            | FY2026            | FY2027           |
|---|-------------------|-------------------|------------------|
| <b>Revenue</b>  |                   |                   |                  |
| Gross Sales   | 10,893.740        | 11,165.498        | 8,922.002        |
| Operations  | 10,846.607        | 11,108.301        | 8,840.187        |
| Capital Surcharge   | .000              | .000              | .000             |
| Cash Surcharge  | .000              | .000              | .000             |
| Depreciation excluding Maj Const                            | 47.133            | 57.197            | 81.815           |
| Major Construction Depreciation                             | .000              | .000              | .000             |
| Other Income  | .000              | .000              | .000             |
| Refunds/Discounts(-)  | .000              | .000              | .000             |
| <b>Total Income:</b>  | <b>10,893.740</b> | <b>11,165.498</b> | <b>8,922.002</b> |
| <b>Expenses:</b>  |                   |                   |                  |
| <b>Salaries and Wages:</b>                                  |                   |                   |                  |
| Military Personnel Compensation & Benefits                  | 49.100            | 51.200            | 54.272           |
| Civilian Personnel Compensation & Benefits                  | 559.631           | 587.246           | 574.870          |
| Travel and Transportation of Personnel                      | 102.473           | 104.735           | 113.260          |
| Materials and Supplies (For internal operations)            | 1,506.281         | 1,348.385         | 1,247.982        |
| Equipment   | .000              | .000              | .000             |
| Other Purchases from Revolving Funds                        | 418.513           | 481.933           | 464.952          |
| Transportation of Things                                    | 4,494.401         | 4,944.845         | 4,246.642        |
| Depreciation - Capital                                      | 47.133            | 57.197            | 81.815           |
| Printing and Reproduction                                   | .074              | .007              | .150             |
| Advisory and Assistance Services                            | 85.827            | 86.725            | 88.805           |
| Rent, Comm, Utilities and Misc Charges                      | 51.212            | 59.025            | 53.218           |
| Other Purchased Services                                    | 2,579.179         | 2,817.742         | 2,844.886        |
| <b>Total Expenses</b>                                       | <b>9,893.824</b>  | <b>10,539.040</b> | <b>9,770.852</b> |
| <b>Operating Result</b>                                     | <b>999.916</b>    | <b>626.458</b>    | <b>(848.850)</b> |
| Less Capital Surcharge Reservation                          | .000              | .000              | .000             |
| Plus Passthroughs of Other Appropriations affecting NOR/AOR | .000              | .000              | .000             |
| Other Changes (NOR)   | .000              | .000              | .000             |
| <b>Net Operating Result</b>                                 | <b>999.916</b>    | <b>626.458</b>    | <b>(848.850)</b> |
| Beginning AOR   | 91.363            | 828.424           | 848.850          |
| Prior Year Adjustments                                      | (262.855)         | 407.494           | .000             |
| Other Changes Affecting AOR                                 | .000              | .000              | .000             |
| <b>Accumulated Operating Result</b>                         | <b>828.424</b>    | <b>1,862.376</b>  | <b>.000</b>      |
| Non-Recoverable Adjustment Impacting AOR                    | .000              | (1,013.526)       | .000             |
| <b>Accumulated Operating Result for Budget Purposes</b>     | <b>828.424</b>    | <b>848.850</b>    | <b>.000</b>      |

Fuel Data

Fiscal Year (FY) 2027

Fund 15  
(Dollars in Millions)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Budget Estimates  
April 2026

**United States Transportation Command**

| FY2025                          | PROCURED FROM DESC    |                            |                                    | PROCURED BY SERVICE   |                            |                                    | FY27 PB             |
|---------------------------------|-----------------------|----------------------------|------------------------------------|-----------------------|----------------------------|------------------------------------|---------------------|
|                                 | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | STABILIZED<br>PRICE |
| PRODUCT                         |                       |                            |                                    |                       |                            |                                    |                     |
| <b>DIRECT FUEL DATA</b>         |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded (Direct)        | 0.0128                | 159.18                     | 2.036                              | 0.0002                | 159.18                     | 0.030                              |                     |
| JP-5                            | 0.1355                | 154.77                     | 20.965                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 5.8786                | 153.51                     | 902.422                            | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8 NF Fuel (EEIC 693)         | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 1.0078                | 154.35                     | 155.547                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0021                | 150.15                     | 0.311                              | 0.0003                | 150.15                     | 0.039                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.6415                | 174.51                     | 111.955                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0766                | 116.13                     | 8.890                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0736                | 187.95                     | 13.837                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>7.8285</b>         |                            | <b>1215.963</b>                    | <b>0.0005</b>         |                            | <b>0.069</b>                       | <b>1216.032</b>     |
| <b>COMMERCIAL AUG FUEL DATA</b> |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 1.9530                | 153.51                     | 299.806                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 1.7341                | 174.51                     | 302.612                            | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>3.6871</b>         |                            | <b>602.418</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>602.418</b>      |
| <b>MILITARY AUG FUEL DATA</b>   |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 1.6499                | 153.51                     | 253.279                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.2169                | 174.51                     | 37.848                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>1.8668</b>         |                            | <b>291.127</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>291.127</b>      |
| <b>TOTAL FUEL DATA</b>          |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded                 | 0.0128                | 159.18                     | 2.036                              | 0.0002                | 159.18                     | 0.030                              |                     |
| JP-5                            | 0.1355                | 154.77                     | 20.965                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 9.4815                | 153.51                     | 1455.507                           | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 1.0078                | 154.35                     | 155.547                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0021                | 150.15                     | 0.311                              | 0.0003                | 150.15                     | 0.039                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 2.5925                | 174.51                     | 452.415                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0766                | 116.13                     | 8.890                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0736                | 187.95                     | 13.837                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>13.3824</b>        |                            | <b>2109.508</b>                    | <b>0.0005</b>         |                            | <b>0.069</b>                       | <b>2109.577</b>     |

Fuel Data

Fiscal Year (FY) 2027

Fund 15  
(Dollars in Millions)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Budget Estimates  
April 2026

**United States Transportation Command**

| FY2026                          | PROCURED FROM DESC    |                            |                                    | PROCURED BY SERVICE   |                            |                                    | FY27 PB             |
|---------------------------------|-----------------------|----------------------------|------------------------------------|-----------------------|----------------------------|------------------------------------|---------------------|
|                                 | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | STABILIZED<br>PRICE |
| PRODUCT                         |                       |                            |                                    |                       |                            |                                    |                     |
| <b>DIRECT FUEL DATA</b>         |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded (Direct)        | 0.0159                | 159.60                     | 2.528                              | 0.0006                | 159.60                     | 0.100                              |                     |
| JP-5                            | 0.1204                | 155.40                     | 18.716                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 5.2567                | 154.14                     | 810.274                            | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8 NF Fuel (EEIC 693)         | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 0.7539                | 154.98                     | 116.838                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0058                | 150.78                     | 0.874                              | 0.0007                | 150.78                     | 0.100                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.5816                | 175.56                     | 102.102                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0732                | 116.34                     | 8.519                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0705                | 188.16                     | 13.271                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>6.8780</b>         |                            | <b>1073.122</b>                    | <b>0.0013</b>         |                            | <b>0.200</b>                       | <b>1073.322</b>     |
| <b>COMMERCIAL AUG FUEL DATA</b> |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 2.5037                | 154.14                     | 385.916                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 2.3387                | 175.56                     | 410.577                            | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>4.8424</b>         |                            | <b>796.493</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>796.493</b>      |
| <b>MILITARY AUG FUEL DATA</b>   |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 2.1921                | 154.14                     | 337.897                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>2.1921</b>         |                            | <b>337.897</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>337.897</b>      |
| <b>TOTAL FUEL DATA</b>          |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded                 | 0.0159                | 159.60                     | 2.528                              | 0.0006                | 159.60                     | 0.100                              |                     |
| JP-5                            | 0.1204                | 155.40                     | 18.716                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 9.9525                | 154.14                     | 1534.087                           | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 0.7539                | 154.98                     | 116.838                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0058                | 150.78                     | 0.874                              | 0.0007                | 150.78                     | 0.100                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 2.9203                | 175.56                     | 512.679                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0732                | 116.34                     | 8.519                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0705                | 188.16                     | 13.271                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>13.9125</b>        |                            | <b>2207.512</b>                    | <b>0.0013</b>         |                            | <b>0.200</b>                       | <b>2207.712</b>     |

Fuel Data

Fiscal Year (FY) 2027

Fund 15  
(Dollars in Millions)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Budget Estimates  
April 2026

**United States Transportation Command**

| FY2027                          | PROCURED FROM DESC    |                            |                                    | PROCURED BY SERVICE   |                            |                                    | FY27 PB             |
|---------------------------------|-----------------------|----------------------------|------------------------------------|-----------------------|----------------------------|------------------------------------|---------------------|
|                                 | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | BARRELS<br>(millions) | COST PER<br>BARREL<br>(\$) | EXTENDED<br>PRICE<br>(\$ millions) | STABILIZED<br>PRICE |
| <b>DIRECT FUEL DATA</b>         |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded (Direct)        | 0.0162                | 148.26                     | 2.395                              | 0.0006                | 148.26                     | 0.084                              |                     |
| JP-5                            | 0.1193                | 144.48                     | 17.234                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 5.2063                | 143.22                     | 745.650                            | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8 NF Fuel (EEIC 693)         | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 0.4909                | 144.06                     | 70.712                             | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0062                | 140.28                     | 0.864                              | 0.0008                | 140.28                     | 0.112                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.5758                | 162.96                     | 93.829                             | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0545                | 107.94                     | 5.884                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0699                | 175.14                     | 12.251                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>6.5391</b>         |                            | <b>948.819</b>                     | <b>0.0014</b>         |                            | <b>0.196</b>                       | <b>949.015</b>      |
| <b>COMMERCIAL AUG FUEL DATA</b> |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 2.0320                | 143.22                     | 291.019                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 1.6701                | 162.96                     | 272.159                            | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>3.7021</b>         |                            | <b>563.178</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>563.178</b>      |
| <b>MILITARY AUG FUEL DATA</b>   |                       |                            |                                    |                       |                            |                                    |                     |
| JP-8                            | 1.8440                | 143.22                     | 264.094                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>1.8440</b>         |                            | <b>264.094</b>                     | <b>0.0000</b>         |                            | <b>0.000</b>                       | <b>264.094</b>      |
| <b>TOTAL FUEL DATA</b>          |                       |                            |                                    |                       |                            |                                    |                     |
| MOGAS: Unleaded                 | 0.0162                | 148.26                     | 2.395                              | 0.0006                | 148.26                     | 0.084                              |                     |
| JP-5                            | 0.1193                | 144.48                     | 17.234                             | 0.0000                | 0.00                       | 0.000                              |                     |
| JP-8                            | 9.0823                | 143.22                     | 1300.763                           | 0.0000                | 0.00                       | 0.000                              |                     |
| Distillates                     | 0.4909                | 144.06                     | 70.712                             | 0.0000                | 0.00                       | 0.000                              |                     |
| Diesel (Generic)                | 0.0062                | 140.28                     | 0.864                              | 0.0008                | 140.28                     | 0.112                              |                     |
| Residuals                       | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Into Plane Jet Fuel             | 2.2459                | 162.96                     | 365.988                            | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Marine)                 | 0.0000                | 0.00                       | 0.000                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Bunker (Intermediate)           | 0.0545                | 107.94                     | 5.884                              | 0.0000                | 0.00                       | 0.000                              |                     |
| Local Purchase Jet Fuel         | 0.0699                | 184.80                     | 12.251                             | 0.0000                | 0.00                       | 0.000                              |                     |
| <b>TOTAL</b>                    | <b>12.0852</b>        |                            | <b>1776.091</b>                    | <b>0.0014</b>         |                            | <b>0.196</b>                       | <b>1776.287</b>     |

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***AIR FORCE  
WORKING CAPITAL FUND***



**U.S. AIR FORCE**

***CAPITAL BUDGET***

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Fund 9A

Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Maintenance Division**

| Line Number | Item Description   | FY2025    |                | FY2026    |                | FY2027    |                |
|-------------|--|-----------|----------------|-----------|----------------|-----------|----------------|
|             |  | Quantity  | Total Cost     | Quantity  | Total Cost     | Quantity  | Total Cost     |
|             | <b>EQUIPMENT</b>   | <b>55</b> | <b>206.953</b> | <b>85</b> | <b>272.670</b> | <b>62</b> | <b>213.237</b> |
|             | <b>ADPE &amp; TELECOM</b>                                  | <b>2</b>  | <b>2.023</b>   | <b>2</b>  | <b>2.500</b>   | <b>1</b>  | <b>3.000</b>   |
|             | <b>SOFTWARE DEVELOPMENT</b>                                | <b>1</b>  | <b>68.668</b>  | <b>2</b>  | <b>70.643</b>  | <b>2</b>  | <b>75.630</b>  |
|             | <b>MINOR CONSTRUCTION</b><br><b>\$500,000 to \$999,999</b> | <b>8</b>  | <b>29.318</b>  | <b>4</b>  | <b>5.800</b>   | <b>5</b>  | <b>37.000</b>  |
|             | <b>TOTAL</b>   | <b>66</b> | <b>306.962</b> | <b>93</b> | <b>351.613</b> | <b>70</b> | <b>328.867</b> |
|             | <b>Capital Outlays (above threshold)</b>                   |           | <b>222.530</b> |           | <b>330.929</b> |           | <b>383.004</b> |
|             | <b>Capital Outlays (below threshold)</b>                   |           | <b>0.000</b>   |           | <b>0.000</b>   |           | <b>0.000</b>   |
|             | <b>Total Capital Outlays</b>                               |           | <b>222.530</b> |           | <b>330.929</b> |           | <b>383.004</b> |
|             | <b>Total Depreciation Expense</b>                          |           | <b>497.481</b> |           | <b>351.613</b> |           | <b>328.867</b> |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

| Department of the Air Force<br>Depot Maintenance  |          |           | Line No. & Item Description<br>EQUIPMENT. |          |           |            | Activity Identification<br>HQ AFMC |           |            |
|---|----------|-----------|---|----------|-----------|------------|------------------------------------|-----------|------------|
| Element of Cost   | FY2025   |           |   | FY2026   |           |            | FY2027                             |           |            |
|   | Quantity | Unit Cost | Total Cost                                | Quantity | Unit Cost | Total Cost | Quantity                           | Unit Cost | Total Cost |
| A. Equipment  | 55       | 206,953.0 | 206,953.0                                 | 85       | 272,670.2 | 272,670.2  | 62                                 | 213,237.3 | 213,237.3  |
| Total   | 55       | 206,953.0 | 206,953.0                                 | 85       | 272,670.2 | 272,670.2  | 62                                 | 213,237.3 | 213,237.3  |
| Narrative Justification:  |          |           |   |          |           |            |                                    |           |            |
| Description   |          |           |   |          |           |            |                                    |           |            |
| <p>This capability represents an array of capital equipment investment requirements that align with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects are in direct support of Aircraft, Missiles, Engines, Exchangeable, or Other Depot missions. WSS investments are designed, scheduled, and installed in accordance with established Air Logistics Complex or Aerospace Maintenance and Regeneration Group processes and priorities. WSS projects support the maintenance mission requirements to sustain the existing organic industrial base, save dollars through increased productivity, and support customer requirements. The equipment, when replaced, upgraded, integrated, or combined into depot industrial operations, leads to efficiency and personnel safety; supports hazardous waste minimization and pollution prevention efforts; enhances product quality; and increases customer satisfaction in performing the Air Force mission. Time sensitivity of projects to accommodate new or emerging workload capability and produce an acceptable end state is a critical factor in depot operations. As such, programming and execution in this capability is essential as equipment requirements may change. Documentation and project justification support are certified and maintained on file in accordance with the established guidance. \$37M has been allocated to FOM Shelter Equipment to house all FOM materials from all respective squadrons to reduce damage to aircraft.</p> |          |           |   |          |           |            |                                    |           |            |
| Economic Analysis   |          |           |   |          |           |            |                                    |           |            |
| An Economic Analysis was completed and is on file for all projects.   |          |           |   |          |           |            |                                    |           |            |
| Impact  |          |           |   |          |           |            |                                    |           |            |
| <p>Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.</p>  |          |           |   |          |           |            |                                    |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

| Department of the Air Force<br>Depot Maintenance  |          |           | Line No. & Item Description<br>ADPE & TELECOM |          |           |            | Activity Identification<br>HQ AFMC |           |            |
|---|----------|-----------|---|----------|-----------|------------|------------------------------------|-----------|------------|
| Element of Cost   | FY2025   |           |   | FY2026   |           |            | FY2027                             |           |            |
|   | Quantity | Unit Cost | Total Cost                                    | Quantity | Unit Cost | Total Cost | Quantity                           | Unit Cost | Total Cost |
| B. ADPE/Telecomm  | 2        | 2,023.0   | 2,023.0                                       | 2        | 2,500.0   | 2,500.0    | 1                                  | 3,000.0   | 3,000.0    |
| Total   | 2        | 2,023.0   | 2,023.0                                       | 2        | 2,500.0   | 2,500.0    | 1                                  | 3,000.0   | 3,000.0    |
| Narrative Justification:  |          |           |   |          |           |            |                                    |           |            |
| Description   |          |           |   |          |           |            |                                    |           |            |
| <p>This capability represents an array of capital ADPE and Telecommunications investments that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects will upgrade the infrastructure required to maintain the depot maintenance systems and equipment. All upgrades are implemented within the Air Force's common infrastructure. Investments include upgrading fiber optics, routers, servers and other infrastructure items required to support the implementation of an efficient depot maintenance support structure. The aforementioned investments ensure commonality and replacement of equipment before failure, incompatibility or obsolescence due to age. Equipment replacements are in accordance with the logistics strategic plan approved by the Deputy Under Secretary of War (Logistics).</p> |          |           |   |          |           |            |                                    |           |            |
| Economic Analysis   |          |           |   |          |           |            |                                    |           |            |
| An Economic Analysis was completed and is on file for all projects  |          |           |   |          |           |            |                                    |           |            |
| Impact  |          |           |   |          |           |            |                                    |           |            |
| <p>Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.</p>                    |          |           |   |          |           |            |                                    |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

| Department of the Air Force<br>Depot Maintenance   |          |           | Line No. & Item Description<br>SOFTWARE DEVELOPMENT |          |           |            | Activity Identification<br>HQ AFMC |           |            |
|--|----------|-----------|---|----------|-----------|------------|------------------------------------|-----------|------------|
| Element of Cost  | FY2025   |           |   | FY2026   |           |            | FY2027                             |           |            |
|  | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity                           | Unit Cost | Total Cost |
| C. Software Development  | 1        | 68,668.5  | 68,668.5  | 2        | 70,643.0  | 70,643.0   | 2                                  | 75,630.0  | 75,630.0   |
| Total  | 1        | 68,668.5  | 68,668.5  | 2        | 70,643.0  | 70,643.0   | 2                                  | 75,630.0  | 75,630.0   |
| Narrative Justification:   |          |           |   |          |           |            |                                    |           |            |
| Description  |          |           |   |          |           |            |                                    |           |            |
| <p>This capability represents an array of capital ADPE and Telecommunications investments that aligns with the overall Air Force strategic objectives for sustaining depot facilities and equipment. Projects will upgrade the infrastructure required to maintain the depot maintenance systems and equipment. All upgrades are implemented within the Air Force's common infrastructure. Investments include upgrading fiber optics, routers, servers and other infrastructure items required to support the implementation of an efficient depot maintenance support structure. The aforementioned investments ensure commonality and replacement of equipment before failure, incompatibility or obsolescence due to age. Equipment replacements are in accordance with the logistics strategic plan approved by the Deputy Under Secretary of War (Logistics). MRO was registered in ITIPS 6 Apr 2018 which was the initial IRB approval for the program. The FY25 Defense Business System certification for MRO was signed on 27 September 2024.</p> |          |           |   |          |           |            |                                    |           |            |
| Economic Analysis  |          |           |   |          |           |            |                                    |           |            |
| Economic Analysis for MRO Financials completed and certified on 11 May 18.   |          |           |   |          |           |            |                                    |           |            |
| Impact   |          |           |   |          |           |            |                                    |           |            |
| <p>Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.</p>   |          |           |   |          |           |            |                                    |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

| Department of the Air Force<br>Depot Maintenance  |          | Line No. & Item Description<br>MINOR CONSTRUCTION |            |          |           |            | Activity Identification<br>HQ AFMC |           |            |
|---|----------|---|------------|----------|-----------|------------|------------------------------------|-----------|------------|
| Element of Cost   | FY2025   |   |            | FY2026   |           |            | FY2027                             |           |            |
|   | Quantity | Unit Cost   | Total Cost | Quantity | Unit Cost | Total Cost | Quantity                           | Unit Cost | Total Cost |
| D. Minor Construction   | 8        | 29,317.7  | 29,317.7   | 4        | 5,800.0   | 5,800.0    | 5                                  | 37,000.0  | 37,000.0   |
| Total   | 8        | 29,317.7  | 29,317.7   | 4        | 5,800.0   | 5,800.0    | 5                                  | 37,000.0  | 37,000.0   |
| Narrative Justification:  |          |   |            |          |           |            |                                    |           |            |
| Description   |          |   |            |          |           |            |                                    |           |            |
| <p>This category includes an array of minor construction projects that allows flexibility in adapting to new and changing workloads. Projects are smaller in scale (costing between \$250,000 and \$9,000,000) and are designed, scheduled, and constructed in accordance with Air Logistic Complexes' established priorities. These projects support the depot maintenance, mission requirements, correct safety and health problems; improve productivity through quality-of-life improvement projects, improve depot flow days and support office and workspace reorganizations. In addition, MC projects provide construction required to install needed mission essential equipment and capital investment equipment. \$9M of MC has been allocated for a facility to aid in overall capacity, which assists in vacating the temporary trailer B2721, aka TINA, per MFR agreed to between SWEG/CC and AFSC/LG. This facility provides space for SWEG personnel, aircraft assets, and testing equipment critical to support Legacy programs and 5th generation platforms. \$7.5M of MC has been allocated to B203 Expand Purge Control Station to update, improve, and increase the capacity of the fuel pit. This project will improve the personnel and environmental safety of the system by complying with the latest UL 142, STI SP001, and NFPA 30 codes.</p> |          |   |            |          |           |            |                                    |           |            |
| Economic Analysis   |          |   |            |          |           |            |                                    |           |            |
| An Economic Analysis was completed and is on file for all projects.   |          |   |            |          |           |            |                                    |           |            |
| Impact  |          |   |            |          |           |            |                                    |           |            |
| <p>Upgrades are critical to maintaining system reliability and improving operating performance and ensuring the supportability of depot maintenance systems and equipment. New operating system will improve CSAG Maintenance Division's capability to actively monitor and make corrective actions in financial and operational performance. Support network infrastructure upgrades must be placed into service prior to upgrading operating systems. The Air Force will be unable to track financial, operational and equipment performance without planned infrastructure replacement and improvement. Lack of investments in this capability will impact the depot's ability to effectively monitor performance which results in cost increases, negative impacts to production, and reduction in aircraft availability for the warfighter.</p>  |          |   |            |          |           |            |                                    |           |            |

Fund 9C

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

**CSAG - Maintenance Division**

| <b>Major Category</b>       | <b><u>Initial Request</u></b> | <b><u>Current Proj Cost</u></b> | <b><u>Approved Change</u></b> | <b><u>Explanation</u></b> |
|-----------------------------|-------------------------------|---------------------------------|-------------------------------|---------------------------|
| <b>Non-ADPE</b>             | 579.186                       | 206.953                         | -372.233                      |                           |
| <b>ADPE and Telcom</b>      | 3.173                         | 2.023                           | -1.150                        |                           |
| <b>Software Development</b> | 97.992                        | 68.668                          | -29.324                       |                           |
| <b>Minor Construction</b>   | 45.050                        | 29.318                          | -15.733                       |                           |
| <b>Total FY2025</b>         | 725.401                       | 306.962                         | -418.439                      |                           |
| <b>Non-ADPE</b>             | 272.670                       | 272.670                         | 0.000                         |                           |
| <b>ADPE and Telcom</b>      | 2.500                         | 2.500                           | 0.000                         |                           |
| <b>Software Development</b> | 70.643                        | 70.643                          | 0.000                         |                           |
| <b>Minor Construction</b>   | 5.800                         | 5.800                           | 0.000                         |                           |
| <b>Total FY2026</b>         | 351.613                       | 351.613                         | 0.000                         |                           |
| <b>Non-ADPE</b>             | 213.237                       | 213.237                         | 0.000                         |                           |
| <b>ADPE and Telcom</b>      | 3.000                         | 3.000                           | 0.000                         |                           |
| <b>Software Development</b> | 75.630                        | 75.630                          | 0.000                         |                           |
| <b>Minor Construction</b>   | 37.000                        | 37.000                          | 0.000                         |                           |
| <b>Total FY2027</b>         | 328.867                       | 328.867                         | 0.000                         |                           |

Fund 9A

Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Supply Division**

| Line Number | Item Description                  | FY2025   |               | FY2026   |               | FY2027   |               |
|-------------|-----------------------------------|----------|---------------|----------|---------------|----------|---------------|
|             |                                   | Quantity | Total Cost    | Quantity | Total Cost    | Quantity | Total Cost    |
|             | EQUIPMENT                         | 0        | 0.000         | 0        | 0.000         | 0        | 0.000         |
|             | ADPE & TELECOMM                   | 0        | 0.000         | 0        | 0.000         | 0        | 0.000         |
|             | SOFTWARE DEVELOPMENT              | 1        | 26.582        | 1        | 54.715        | 1        | 53.941        |
|             | MINOR CONSTRUCTION                | 0        | 0.000         | 0        | 0.000         | 0        | 0.000         |
|             | <b>TOTAL</b>                      | <b>1</b> | <b>26.582</b> | <b>1</b> | <b>54.715</b> | <b>1</b> | <b>53.941</b> |
|             | Capital Outlays (above threshold) |          | 7.615         |          | 46.272        |          | 58.610        |
|             | Capital Outlays (below threshold) |          | 0.000         |          | 0.000         |          | 0.000         |
|             | <b>Total Capital Outlays</b>      |          | <b>7.615</b>  |          | <b>46.272</b> |          | <b>58.610</b> |
|             | <b>Total Depreciation Expense</b> |          | <b>5.546</b>  |          | <b>54.715</b> |          | <b>53.941</b> |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Consolidated Sustainment Activity Group (CSAG)

| Department of the Air Force<br>Supply Management  |          |           | Line No. & Item Description<br>Maintenance, Repair, and Overhaul - Supply (MRO-S) |          |           |            | Activity Identification<br>HQ AFMC |           |            |
|---|----------|-----------|---|----------|-----------|------------|------------------------------------|-----------|------------|
| Element of Cost   | FY2025   |           |   | FY2026   |           |            | FY2027                             |           |            |
|   | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity                           | Unit Cost | Total Cost |
| C. Software Development   | 1        | 26,581.5  | 26,581.5  | 1        | 54,714.6  | 54,714.6   | 1                                  | 53,941.5  | 53,941.5   |
| Total   | 1        | 26,581.5  | 26,581.5  | 1        | 54,714.6  | 54,714.6   | 1                                  | 53,941.5  | 53,941.5   |
| Narrative Justification:  |          |           |   |          |           |            |                                    |           |            |
| Description   |          |           |   |          |           |            |                                    |           |            |
| <p>This capability provides for development and acquisition of both operating and application software that supports Fixed Asset and Supply capabilities as related to the "Acquire to Retire" and "Plan to Stock" business processes, respectively, associated with Maintenance, Repair, and Overhaul – Supply (MRO-S) depot operations. Software requirements include systems programs, application programs, Commercial-Off-The-Shelf (COTS) software, independent subroutines, databases, equipment upgrades, Test Program Sets (TPS) and software documentation. System application software may be acquired through: (1) the purchase of a COTS system; (2) the development of new applications through either internal development (in-house) or contractual effort; or (3) the modernization of existing software that significantly expands and/or enhances its existing capabilities. Fixed Asset and Supply capabilities are related to the "Acquire to Retire" and "Plan to Stock" business processes, respectively, associated with MRO-S. Supply portion of software licenses in FY25 is \$108K with no license costs projected in FY26 or FY27. The Investment Review Board (IRB) approval for the initial MRO effort was registered in ITIPS on 6 April 2018. The Supply requirements for MRO-S were added to the MRO program in FY25 and included in the FY25 Defense Business System certification signed on 27 September 2024.</p> |          |           |   |          |           |            |                                    |           |            |
| Economic Analysis   |          |           |   |          |           |            |                                    |           |            |
| <p>This requirement has been formally waived by HQ AFMC/FM based on previous higher level authority approval of the Maintenance, Repair and Overhaul (MRO) effort, funded with Maintenance Division Capital Investment Program (CIP) dollars, in accordance with DoD FMR Volume 2b, Chapter 9, Section 1.5.14.9. Therefore, cost savings/avoidance specific to MRO-S were not estimated.</p>  |          |           |   |          |           |            |                                    |           |            |
| Impact  |          |           |   |          |           |            |                                    |           |            |
| <p>Planned software upgrades are critical to maintaining continuous visibility for supply management as well as real-time decisions regarding efficient and effective supply chain management due to changing conditions not only from the field but from within the supply wings themselves. The changes made to existing systems will allow successful implementation of more efficient maintenance concepts to effectively utilize the Air Logistics Complexes' resources. Efficiencies critical for long-term success will not be realized without funding.</p>   |          |           |   |          |           |            |                                    |           |            |

Fund 9C

Air Force Working Capital Fund  
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

**CSAG - Supply Division**

| <b>Major Category</b>       | <b>Initial Request</b> | <b>Current Proj Cost</b> | <b>Approved Change</b> | <b>Explanation</b> |
|-----------------------------|------------------------|--------------------------|------------------------|--------------------|
| <b>Non-ADPE</b>             | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>ADPE and Telcom</b>      | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Software Development</b> | 38.021                 | 26.582                   | -11.440                |                    |
| <b>Minor Construction</b>   | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Total FY2025</b>         | 38.021                 | 26.582                   | -11.440                |                    |
| <b>Non-ADPE</b>             | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>ADPE and Telcom</b>      | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Software Development</b> | 62.229                 | 54.715                   | -7.514                 |                    |
| <b>Minor Construction</b>   | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Total FY2026</b>         | 62.229                 | 54.715                   | -7.514                 |                    |
| <b>Non-ADPE</b>             | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>ADPE and Telcom</b>      | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Software Development</b> | 53.941                 | 53.941                   | 0.000                  |                    |
| <b>Minor Construction</b>   | 0.000                  | 0.000                    | 0.000                  |                    |
| <b>Total FY2027</b>         | 53.941                 | 53.941                   | 0.000                  |                    |

Fund 9A

Air Force Working Capital Fund  
Enterprise Space Activity Group

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

Enterprise Space Activity Group

| Line Number | Item Description                  | FY2025   |            | FY2026   |            | FY2027   |            |
|-------------|-----------------------------------|----------|------------|----------|------------|----------|------------|
|             |                                   | Quantity | Total Cost | Quantity | Total Cost | Quantity | Total Cost |
| A.          | Equipment                         |          |            |          |            |          |            |
|             | Subtotal                          |          |            |          |            |          |            |
| B.          | ADPE/Telecomm                     |          |            |          |            |          |            |
|             | EMSS Gateway Evolution            |          | 0.0        |          | 8.0        |          | 8.5        |
|             | Subtotal                          |          | 0.0        |          | 8.0        |          | 8.5        |
| C.          | Software Development              |          |            |          |            |          |            |
|             | EMSS Gateway Evolution            |          | 0.0        |          | 0.3        |          | 0.3        |
|             | Subtotal                          |          | 0.0        |          | 0.3        |          | 0.3        |
| D.          | Minor Construction                |          |            |          |            |          |            |
|             | Subtotal                          |          | 0.0        |          | 0.0        |          | 0.0        |
|             | GRAND TOTAL                       |          | 0.0        |          | 8.3        |          | 8.8        |
|             | Capital Outlays (above threshold) |          | 0.0        |          | 0.0        |          | 0.0        |
|             | Capital Outlays (below threshold) |          | 0.0        |          | 8.3        |          | 8.8        |
|             | Total Capital Outlays             |          | 0.0        |          | 8.3        |          | 8.8        |
|             | Total Depreciation Expense        |          | 0.0        |          | 9.2        |          | 8.7        |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Enterprise Space Activity Group

| Department of the Air Force<br>Enterprise Space Activity Group   |          | Line No. & Item Description<br>EMSS Gateway Evolution |            |          |                |                | Activity Identification<br>ESAG |                |                |
|--|----------|---|------------|----------|----------------|----------------|---------------------------------|----------------|----------------|
| Element of Cost  | FY2025   |   |            | FY2026   |                |                | FY2027                          |                |                |
|  | Quantity | Unit Cost   | Total Cost | Quantity | Unit Cost      | Total Cost     | Quantity                        | Unit Cost      | Total Cost     |
| B. ADPE/Telecomm   | 0        | 0.0   | 0.0        | 0        | 8,000.0        | 8,000.0        | 0                               | 8,500.0        | 8,500.0        |
| C. Software Development  | 0        | 0.0   | 0.0        | 0        | 250.0          | 250.0          | 0                               | 250.0          | 250.0          |
| <b>Total</b>   | <b>0</b> | <b>0.0</b>  | <b>0.0</b> | <b>0</b> | <b>8,250.0</b> | <b>8,250.0</b> | <b>0</b>                        | <b>8,750.0</b> | <b>8,750.0</b> |
| <b>Narrative Justification:</b>  |          |   |            |          |                |                |                                 |                |                |
| <b>Description</b>   |          |   |            |          |                |                |                                 |                |                |
| <p>The purpose and objective of the Gateway Evolution Project and related activities is to facilitate the core mission of the EMSS program (e.g., deliver Iridium-based satellite communications capabilities) and otherwise optimize capabilities at the EMSS Gateway that will improve quality of service. FY2025 through FY2027 sub-projects include the following components: Access Network Controller (ANC) refresh, which provides the call processing (cellular base station) functionality for the Gateway. It establishes and manages connections in conjunction with the Ericsson AXE Telephone Switch. Lifecycle replacement of the EMSS Service Center Infrastructure Equipment (GIE) Operations and Maintenance Center (OMC) system, which is a ground based network hosting Iridium services and connects to other IP data network. Life Cycle Replacement of the GIE Core Routers, which are key networking infrastructure components at the heart of the service center connecting key subsystems together (i.e. TPN, ANC, RUDICS, Short Burst Data (SBD), GWLS, IMPS, Distributed Tactical Communications System (DTCS), etc.). Refresh of the Iridium Message Processing System (IMPS) system, which is a ground based network system hosting Iridium services and connects to other IP data network. Upgrade the Software Defined Modems (SDM), which provide the connectivity and continuous communications between the EMSS gateway and the Iridium Constellation. The TPC manages the FLT resources to provide a continuous connection to EMSS through the Iridium Constellation</p> <p>Major upgrade of the (DTCS), Global Broadcast Controller (GBC), and Red Hat (RH). The project will enable efficient and effective managed global range voice and data communication system for the DoW applications. Gateway Location Service (GWLS) Replacement. Replaces the server that performs position determination calculations for subscriber equipment when they access the network. The GWLS will be virtualized, moving it from an end-of-life Radisys ATCA hardware platform onto FlexPod UCS hardware. Refresh of the existing Network Infrastructure (NITR) which provides connectivity for the critical gateway systems that support the warfighter at the tactical edge; procure, customize, deliver and install an upgraded suite of GEC hardware and software system at the EMSS DoW Gateway in order to maintain compatibility, support the Iridium Commercial Baseline (ICB), provide for technical refresh and lifecycle upgrades to the existing GEC hardware and software system to maintain compatibility with the Iridium commercial architecture and meet future requirements. Lifecycle replacement of RUDICS which is a controller that provides a bi-directional data service using an optimized circuit-switched data channel. Refresh and replacement of the K-Band Converter (KBC) and Remote Spectrum Analyzer (RSA). The KBC up converts the forward and down converts the downlink K-band Radio Frequency (RF) signal between the Iridium satellite and the EMSS Service Center. The RSA inputs L-Band monitor to IP data that the server uses to monitor feeder link terminal (FLT) at a site. Lifecycle replacement of the Equipment Identifier Register (EIR) / Short Message Service Center (SMSC) Upgrade. The EIR and SMSC enclave include servers that provide equipment identification and notification functions for their service center paging and switching enclaves.</p> |          |   |            |          |                |                |                                 |                |                |
| <b>Mission Benefits</b>  |          |   |            |          |                |                |                                 |                |                |
| The Gateway Evolution project is a series of activities that refreshes various components of the Enhanced Mobile Satellite Services (EMSS) Gateway to ensure security compliance and alignment with the Iridium Commercial Baseline (ICB). Maintaining alignment of the ICB is critical to continued operation of the network over the Iridium Satellite Constellation.  |          |   |            |          |                |                |                                 |                |                |
| <b>Impact</b>  |          |   |            |          |                |                |                                 |                |                |
| Failure to execute these projects will result in increased operational risk to users of the EMSS gateway as well as result in outages on various system that could significantly impact EMSS Capabilities Office (ECO) missions.   |          |   |            |          |                |                |                                 |                |                |

United States Transportation Command

| Line Number | Item Description                                  | FY2025   |               | FY2026   |               | FY2027   |               |
|-------------|---|----------|---------------|----------|---------------|----------|---------------|
|             |   | Quantity | Total Cost    | Quantity | Total Cost    | Quantity | Total Cost    |
| A.          | Equipment   |          |               |          |               |          |               |
|             | Equipment-AMC                                     |          | 0.700         |          | 0.504         |          | 0.504         |
|             | Equipment-ARTRANS                                 |          | 0.000         |          | 1.682         |          | 2.419         |
|             | Subtotal  |          | 0.700         |          | 2.186         |          | 2.923         |
| B.          | ADPE/Telecomm                                     |          |               |          |               |          |               |
|             | Local Area Network (USTRANSCOM LAN)               |          | 0.700         |          | 0.000         |          | 0.000         |
|             | Subtotal  |          | 0.700         |          | 0.000         |          | 0.000         |
| C.          | Software Development                              |          |               |          |               |          |               |
|             | Analysis of Mobility Platform (AMP)               |          | 6.700         |          | 7.041         |          | 7.412         |
|             | Defense Personal Property System (DPS)            |          | 7.500         |          | 15.117        |          | 25.196        |
|             | Consolidated Air Mobility Planning System (CAMPS) |          | 3.800         |          | 0.000         |          | 0.000         |
|             | 618 Air Operations Center (618AOC)                |          | 0.000         |          | 5.145         |          | 5.254         |
|             | Integrated Booking System (IBS)                   |          | 0.400         |          | 5.039         |          | 5.039         |
|             | Transportation Financial Management System (TFMS) |          | 0.900         |          | 2.010         |          | 2.272         |
|             | Subtotal  |          | 19.300        |          | 34.352        |          | 45.173        |
| D.          | Minor Construction                                |          |               |          |               |          |               |
|             | Minor Construction-AMC                            |          | 3.600         |          | 5.039         |          | 6.047         |
|             | Minor Construction-ARTRANS                        |          | 4.900         |          | 3.527         |          | 2.258         |
|             | Subtotal  |          | 8.500         |          | 8.566         |          | 8.305         |
|             | <b>GRAND TOTAL</b>                                |          | <b>29.200</b> |          | <b>45.104</b> |          | <b>56.401</b> |
|             | Capital Outlays (above threshold)                 |          | 40.085        |          | 43.667        |          | 49.684        |
|             | Capital Outlays (below threshold)                 |          | 0.000         |          | 0.000         |          | 0.000         |
|             | Total Capital Outlays                             |          | 40.085        |          | 43.667        |          | 49.684        |
|             | Total Depreciation Expense                        |          | 47.133        |          | 57.197        |          | 81.815        |

Fund 9B  
(Dollars in Thousands)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

Fiscal Year (FY) 2027  
Budget Estimates  
April 2026

| Department of the Air Force<br>Air Mobility Command   |          |           | Line No. & Item Description<br>Equipment-AMC |          |           |            | Activity Identification<br>HQ AMC, Scott AFB IL |           |            |
|---|----------|-----------|--|----------|-----------|------------|---|-----------|------------|
| Element of Cost   | FY2025   |           |  | FY2026   |           |            | FY2027  |           |            |
|   | Quantity | Unit Cost | Total Cost                                   | Quantity | Unit Cost | Total Cost | Quantity  | Unit Cost | Total Cost |
| A. Equipment  | 0        | 700.0     | 700.0  | 0        | 504.0     | 504.0      | 0   | 504.0     | 504.0      |
| Total   | 0        | 700.0     | 700.0  | 0        | 504.0     | 504.0      | 0   | 504.0     | 504.0      |
| <b>Narrative Justification:</b>   |          |           |  |          |           |            |   |           |            |
| <b>Description</b>  |          |           |  |          |           |            |   |           |            |
| Funds provide the needed opportunity to enhance the capabilities and efficiency of Air Mobility Command (AMC) bases by ensuring outdated and obsolete equipment is replaced. The new equipment will operate more effectively and is more efficient than the previous equipment that is totally logistically unsupportable and may not be reliable. Currently AMC does a data call with TWCF bases to determine the potential equipment that meets the criteria. Recent investment in this category include a Blaster Booth at McChord for \$1.1M; Isochronal Stand Upgrade at Dover for \$412K. |          |           |  |          |           |            |   |           |            |
| <b>Mission Benefits</b>   |          |           |  |          |           |            |   |           |            |
| These Capital funds for Equipment allow for the procurement of one-time purchases for the bases to procure new equipment. New equipment provides improved readiness rates, higher quality outputs, expanded capabilities and reduced downtime/failures. This all supports the AMC mission to be more efficient and effective as we move critical assets worldwide in support of the TWCF mission.   |          |           |  |          |           |            |   |           |            |
| <b>Deliverables</b>   |          |           |  |          |           |            |   |           |            |
| Based on requirement approved for replacement or procurement of new equipment.  |          |           |  |          |           |            |   |           |            |
| <b>Economic Analysis</b>  |          |           |  |          |           |            |   |           |            |
| EA or CA are completed for each individual project that is approved.  |          |           |  |          |           |            |   |           |            |
| <b>Impact</b>   |          |           |  |          |           |            |   |           |            |
| Without these funds, wings would not be able to procure needed replacement items. These funds support new equipment and replace items which are obsolete/ logistically unsupportable.   |          |           |  |          |           |            |   |           |            |
| <b>Software</b>   |          |           |  |          |           |            |   |           |            |
| Not Applicable  |          |           |  |          |           |            |   |           |            |

Fund 9B  
(Dollars in Thousands)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

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| Department of the Air Force<br>Surface Deployment and Distribution Command  |          |           | Line No. & Item Description<br>Equipment-ARTRANS |          |           |            | Activity Identification<br>SDDC |           |            |
|---|----------|-----------|--|----------|-----------|------------|---------------------------------|-----------|------------|
| Element of Cost   | FY2025   |           |  | FY2026   |           |            | FY2027                          |           |            |
|   | Quantity | Unit Cost | Total Cost                                       | Quantity | Unit Cost | Total Cost | Quantity                        | Unit Cost | Total Cost |
| A. Equipment  | 0        | 0.0       | 0.0  | 0        | 1,682.0   | 1,682.0    | 0                               | 2,419.0   | 2,419.0    |
| Total   | 0        | 0.0       | 0.0  | 0        | 1,682.0   | 1,682.0    | 0                               | 2,419.0   | 2,419.0    |
| Narrative Justification:  |          |           |  |          |           |            |                                 |           |            |
| Description   |          |           |  |          |           |            |                                 |           |            |
| Surface Deployment and Distribution Command (SDDC) Equipment supports installations where SDDC has direct operations oversight. These installations are considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders around the world. The installations that SDDC has direct operations oversight are relied upon to maintain a high OPTEMPO consisting of general cargo movements, ammunition resupply missions, pre-position operations and Foreign Military Sales operations. |          |           |  |          |           |            |                                 |           |            |
| Mission Benefits  |          |           |  |          |           |            |                                 |           |            |
| Various types and categories of equipment are needed for operations and safety. Equipment is scheduled for periodic replacement as service lives are reached and equipment becomes uneconomical to repair.  |          |           |  |          |           |            |                                 |           |            |
| Deliverables  |          |           |  |          |           |            |                                 |           |            |
| Equipment ensures the safe, secure and sustainable network of interconnected operational support systems which enhance SDDC operations and cargo throughput capabilities regardless of contingency; now and into the future. SDDC's equipment is programmed in accordance with the lifecycle replacement schedule.  |          |           |  |          |           |            |                                 |           |            |
| Economic Analysis   |          |           |  |          |           |            |                                 |           |            |
| Economic Analysis (EA) are completed for individual projects that qualify.  |          |           |  |          |           |            |                                 |           |            |
| Impact  |          |           |  |          |           |            |                                 |           |            |
| Failure to fund will adversely impact Surface Deployment and Distribution Commands (SDDCs) ability to meet safety standards and support the warfighters.  |          |           |  |          |           |            |                                 |           |            |
| Software  |          |           |  |          |           |            |                                 |           |            |
| Not Applicable.   |          |           |  |          |           |            |                                 |           |            |

Fund 9B  
(Dollars in Thousands)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>USTRANSCOM Command Staff   |          | Line No. & Item Description<br>Analysis of Mobility Platform (AMP) |            |          |           |            | Activity Identification<br>Command Staff |           |            |
|---|----------|--|------------|----------|-----------|------------|--|-----------|------------|
| Element of Cost   | FY2025   |  |            | FY2026   |           |            | FY2027                                   |           |            |
|   | Quantity | Unit Cost  | Total Cost | Quantity | Unit Cost | Total Cost | Quantity                                 | Unit Cost | Total Cost |
| C. Software Development   | 0        | 6,700.0  | 6,700.0    | 0        | 7,041.0   | 7,041.0    | 0  | 7,412.0   | 7,412.0    |
| Total   | 0        | 6,700.0  | 6,700.0    | 0        | 7,041.0   | 7,041.0    | 0  | 7,412.0   | 7,412.0    |
| <b>Narrative Justification:</b>   |          |  |            |          |           |            |  |           |            |
| <b>Description</b>  |          |  |            |          |           |            |  |           |            |
| The Analysis of Mobility Platform (AMP) is a comprehensive transportation modeling, simulation, and optimization environment used to analyze and assess the movement of military-related cargo and personnel. Core end-to-end model addresses global deployment and distribution by all transportation modes; also includes quick-look tools for assessing air- and seaport enabler requirements and port throughput; detailed simulation tools for airport, seaport, and distribution nodal modeling; highly intuitive tools for rapidly developing and assessing transportation COAs; Aerial Refueling modeling; and a formula-based, rough order of magnitude deployment estimator. AMP is the DoW model of record for end-to-end modeling and simulation supporting programmatic, planning, and execution analysis.   |          |  |            |          |           |            |  |           |            |
| <b>Mission Benefits</b>   |          |  |            |          |           |            |  |           |            |
| This modeling and simulation federation provides integrated, authoritative modeling, simulation, stochastic optimization, and analysis tools for effective and efficient warfighter power projection and sustained long range planning. Modeling enhancements of Intermodal Operations, Ammunition Distribution, Inland Waterways Routing, Petroleum, Oil, and Lubricant (POL) terminals, and improved routing schedule will support DoW's analytic agenda for current and future programmatic studies. These modeling enhancements will provide greater insight and modeling detail in evaluating deployment and distribution resource requirements to support National Command Authority (NCA) planning initiatives. Increased fidelity of the programmatic analysis modeling capability providing highly reliable and detailed decision-support information to enable senior departmental leadership in making informed decisions for mobility and distribution capabilities in supporting the national military strategy. |          |  |            |          |           |            |  |           |            |
| <b>Deliverables</b>   |          |  |            |          |           |            |  |           |            |
| Software Releases (up to 4 Minor, 6 Maintenance, and 6 Emergency) for the Sustainment of current capabilities along with Design and Development of new capabilities as referenced in active PWS.  |          |  |            |          |           |            |  |           |            |
| <b>Economic Analysis</b>  |          |  |            |          |           |            |  |           |            |
| TCJ8-PC-262-001-Addendum 1 Signed 5 Oct 2017. An addendum for Airlift 2.0 was completed dated April 2016. Course of Action Analysis (TCJ8-PC-670) for AMP and AMP-TFA was completed dated 04 Aug 2020, which provides projected cost for the program, however, does not include net present value. The COA analysis was updated (TCJ8-PC-22-075) for FY23-FY25 dated Oct 2022.  |          |  |            |          |           |            |  |           |            |
| <b>Impact</b>   |          |  |            |          |           |            |  |           |            |
| Without this investment, United States Transportation Command (USTRANSCOM) will be unable to provide the required Modeling and Simulation environment of interoperable, collaborative models and execution systems capable of providing accurate and consistent answers at the required breadth and depth of the Defense Transportation System (DTS) problem space. Without this investment, the integration of essential elements of analysis into a homogeneous, seamless, all-inclusive environment that ultimately represents the JDDE to the most effective and efficient level of fidelity possible is negatively impacted.   |          |  |            |          |           |            |  |           |            |
| <b>Software</b>   |          |  |            |          |           |            |  |           |            |
| No license fees are associated with this investment.  |          |  |            |          |           |            |  |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Air Mobility Command   |          |           | Line No. & Item Description<br>Consolidated Air Mobility Planning System (CAMPS) |          |           |            | Activity Identification<br>HQ AMC, Scott AFB IL |           |            |
|---|----------|-----------|--|----------|-----------|------------|---|-----------|------------|
| Element of Cost   | FY2025   |           |  | FY2026   |           |            | FY2027  |           |            |
|   | Quantity | Unit Cost | Total Cost   | Quantity | Unit Cost | Total Cost | Quantity  | Unit Cost | Total Cost |
| C. Software Development   | 0        | 3,800.0   | 3,800.0  | 0        | 0.0       | 0.0        | 0   | 0.0       | 0.0        |
| Total   | 0        | 3,800.0   | 3,800.0  | 0        | 0.0       | 0.0        | 0   | 0.0       | 0.0        |
| Narrative Justification:  |          |           |  |          |           |            |   |           |            |
| Description   |          |           |  |          |           |            |   |           |            |
| Consolidated Air Mobility Planning System (CAMPS) is Headquarters' Air Mobility Command (HQ AMCs) Command and Control (C2) planning and scheduling system that provides mobility mission planners with an integrated view for airlift and air refueling requirements management, planning, and scheduling of AMC/Mobility Air Forces (MAF) air mobility resources to support peacetime, contingency, humanitarian, and wartime operations. CAMPS provides separate unclassified and classified requirements, planning and scheduling capabilities, and also provides advanced user capabilities for operational planning and allocation management. CAMPS provides a joint capability to gather and manage mobility requirements for Special Assignment Airlift Missions( SAAM), and intra-theatre and channel requirements. The capability is used extensively in Central Command (CENTCOM) AOR at this time. CAMPS will continue to maintain the system and upgrade as required following the requirements approved under the MAF C2 Framework Capabilities Document (CDD). |          |           |  |          |           |            |   |           |            |
| Mission Benefits  |          |           |  |          |           |            |   |           |            |
| CAMPS provides USTRANSCOM and HQ AMC's mission planners and schedulers with the integrated, automated tools required to manage and prioritize mobility requirements and to analyze, plan, and schedule mobility missions to meet airlift requirements. These tools optimize the use of scarce Defense Transportation System (DTS) airlift assets by: reducing empty (or low) cargo weight missions, reducing the number of supplemental contract airlift required, providing timely and accurate contingency support through rapid and more efficient planning tools, roving asset tracking, and improving response to supported unified or combined command requirements. Additionally, this capability will be provided in a more secure, user-friendly, and integrated environment. Allow users to optimize airlift planning and Air Refueling and publish mission schedules to achieve efficient and effective operations across timeframes.  |          |           |  |          |           |            |   |           |            |
| Deliverables  |          |           |  |          |           |            |   |           |            |
| Eliminate manual processes, improve cognitive interfaces, improve collaboration; improve data and process integration- directly impacts optimization and airlift and Air Refueling.   |          |           |  |          |           |            |   |           |            |
| Economic Analysis   |          |           |  |          |           |            |   |           |            |
| Latest EA dated 27 October 2017   |          |           |  |          |           |            |   |           |            |
| Impact  |          |           |  |          |           |            |   |           |            |
| Major loss to plan/schedule airlift and refueling mission to meet real-world mobility and contingency requirements.   |          |           |  |          |           |            |   |           |            |
| Software  |          |           |  |          |           |            |   |           |            |
| No license fees are associated with this investment.  |          |           |  |          |           |            |   |           |            |

Fund 9B  
(Dollars in Thousands)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

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| Department of the Air Force<br>USTRANSCOM Command Staff  |          |           | Line No. & Item Description<br>Defense Personal Property System (DPS) |          |           |            | Activity Identification<br>Command Staff |           |            |
|--|----------|-----------|---|----------|-----------|------------|--|-----------|------------|
| Element of Cost  | FY2025   |           |   | FY2026   |           |            | FY2027                                   |           |            |
|  | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity                                 | Unit Cost | Total Cost |
| C. Software Development  | 0        | 7,500.0   | 7,500.0   | 0        | 15,117.0  | 15,117.0   | 0  | 25,196.0  | 25,196.0   |
| Total  | 0        | 7,500.0   | 7,500.0   | 0        | 15,117.0  | 15,117.0   | 0  | 25,196.0  | 25,196.0   |
| <b>Narrative Justification:</b>  |          |           |   |          |           |            |  |           |            |
| <b>Description</b>   |          |           |   |          |           |            |  |           |            |
| DPS Increment III is the centralized, web-based system for the management of personal property shipments for the DoW. The DPS customer-centric approach provides a more responsive, user-friendly experience while ensuring timely and accurate delivery of personal property shipments. It provides direct customer feedback to identify and reward the Transportation Service Providers (TSPs) that deliver quality service at reasonable rates. DPS Increment IV, or MilMove, is the next generation application required for shipment and storage of both household goods (HHGs) and privately owned vehicles (POVs) for Department of War (DOW) services members, dependents, and other customers supported by the Defense Personal Property Program (DP3). MilMove will replace DPS Increment III. |          |           |   |          |           |            |  |           |            |
| <b>Mission Benefits</b>  |          |           |   |          |           |            |  |           |            |
| Multi-year development time and transition to Inc. IV is essential to ensure uninterrupted support of permanent change of station moves in all DoW components.   |          |           |   |          |           |            |  |           |            |
| <b>Deliverables</b>  |          |           |   |          |           |            |  |           |            |
| Contract deliverables include all software, release documentation, and system and security documents to be delivered at the completion of each sprint (software release).  |          |           |   |          |           |            |  |           |            |
| <b>Economic Analysis</b>   |          |           |   |          |           |            |  |           |            |
| The DPS Economic Analysis was performed to justify development of MilMove as it is less expensive than the Status Quo of continuing legacy DPS Increment III system. The DPS Economic Analysis, certified July 2018, recommended the continued development of a personal property prototype (Alternative 2).   |          |           |   |          |           |            |  |           |            |
| <b>Impact</b>  |          |           |   |          |           |            |  |           |            |
| Delay sunset of Inc. 3, which increases overall costs and risks of system failure and disruption of permanent change of station support.   |          |           |   |          |           |            |  |           |            |
| <b>Software</b>  |          |           |   |          |           |            |  |           |            |
| No Capital licensing fees.   |          |           |   |          |           |            |  |           |            |

Fund 9B  
(Dollars in Thousands)

Air Force Working Capital Fund  
Transportation Working Capital Fund (TWCF)

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|   |          |           |   |          |           |            |  |           |            |
|---|----------|-----------|---|----------|-----------|------------|--|-----------|------------|
| Department of the Air Force<br>USTRANSCOM Command Staff   |          |           | Line No. & Item Description<br>Global Air Transportation Execution System (GATES) |          |           |            | Activity Identification<br>Command Staff |           |            |
| Element of Cost   | FY2025   |           |   | FY2026   |           |            | FY2027                                   |           |            |
|   | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity                                 | Unit Cost | Total Cost |
|   |          |           |   |          |           |            |  |           |            |
| Narrative Justification:  |          |           |   |          |           |            |  |           |            |
| Description   |          |           |   |          |           |            |  |           |            |
| GATES is DoW's single port processing and manifesting system providing support for the global air and surface movement of personnel and cargo. GATES enables the DoW's ability to track the identity, status, and location of unit and non-unit assets by leveraging data provided by the services and commercial carriers in direct support of the Defense Courier Divisions, SDDC/G3 and AMC/A4T global missions. GATES enables USTRANSCOM ability to effectively and efficiently bill for cargo and passenger movement by providing functionality for Transportation Working Capital Fund (TWCF) accounting and billing. |          |           |   |          |           |            |  |           |            |
| Mission Benefits  |          |           |   |          |           |            |  |           |            |
| Enhance GATES passenger applications, sub-applications, and activities as a single window application and introduction of mobile services to allow passenger notifications.   |          |           |   |          |           |            |  |           |            |
| Deliverables  |          |           |   |          |           |            |  |           |            |
| GATES Passenger Application, Sub-Applications, and Activities as a single window application and introduction of mobile services to allow passenger notifications.  |          |           |   |          |           |            |  |           |            |
| Economic Analysis   |          |           |   |          |           |            |  |           |            |
| Original Economic Analysis conducted in January 2009; revised Economic Analysis completed on 1 Oct 17.  |          |           |   |          |           |            |  |           |            |
| Impact  |          |           |   |          |           |            |  |           |            |
| Unable to move forward with IMPOSE requirements and will result in major lose of capability in support of increased capabilities for users.   |          |           |   |          |           |            |  |           |            |
| Software  |          |           |   |          |           |            |  |           |            |
| No license fees are associated with this investment.  |          |           |   |          |           |            |  |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Surface Deployment and Distribution Command  |          |              | Line No. & Item Description<br>Integrated Booking System (IBS) |          |                |                | Activity Identification<br>SDDC |                |                |
|---|----------|--------------|--|----------|----------------|----------------|---------------------------------|----------------|----------------|
| Element of Cost   | FY2025   |              |  | FY2026   |                |                | FY2027                          |                |                |
|   | Quantity | Unit Cost    | Total Cost   | Quantity | Unit Cost      | Total Cost     | Quantity                        | Unit Cost      | Total Cost     |
| C. Software Development   | 0        | 400.0        | 400.0  | 0        | 5,039.0        | 5,039.0        | 0                               | 5,039.0        | 5,039.0        |
| <b>Total</b>  | <b>0</b> | <b>400.0</b> | <b>400.0</b>   | <b>0</b> | <b>5,039.0</b> | <b>5,039.0</b> | <b>0</b>                        | <b>5,039.0</b> | <b>5,039.0</b> |
| <b>Narrative Justification:</b>   |          |              |  |          |                |                |                                 |                |                |
| <b>Description</b>  |          |              |  |          |                |                |                                 |                |                |
| IBS is the lead execution system of the Defense Transportation System (DTS) for the global movement of deploying forces and sustainment ocean cargo. The IBS consists of the following applications: Carrier Analysis and Rate Evaluation Headquarters (CARE HQ), Carrier Analysis and Rate Evaluation Service Application (CARE SA), Requirements Forecasting and Rate Evaluation (RF-RAM), UNIT, Sustainment (SUS), Commercial Sealift Solutions (CSS), Ocean Carrier Interface (OCI), One-Time-Only (OTO), Advance Transportation Control and Movement Document (ATCMD) and Electronic Shipper System (ESS) IBS-T: Vessel Schedule (VS), Fleet Management (FM), Port Point Of Contact (PPOC), Reference Data (RD). These applications provide automated tool support for the following: carrier contract requirement definition, rate and service solicitations, and evaluation; input vessel schedules; booking unit and sustainment cargo; produce shipment documentation; provide cargo offering and status information; provide payment information and provide In Transit Visibility (ITV) information.   |          |              |  |          |                |                |                                 |                |                |
| <b>Mission Benefits</b>   |          |              |  |          |                |                |                                 |                |                |
| IBS supports Military Surface Deployment and Distribution Command's (SDDC) global surface deployment command & control and distribution mission by providing automated tools to support rapid, effective and efficient projections of power CONUS and OCONUS. IBS provides end-to-end distribution and visibility of DoW cargo from time of request until payment to the ocean carrier for services provided. IBS ensures the most cost effective routing of cargo is utilized while ensuring the war fighter receives his cargo on time and cargo preference laws are met. IBS provides tools for carrier contract requirement definition; rate and service solicitations and evaluation; capture vessel schedules; book unit and sustainment cargo; produce shipment documentation; provide cargo offering and event status information; and produce payment information. IBS provides high-level data quality edits with instantaneous in-the-clear error messages and utilizes Electronic Commerce and Electronic Data Interchange standards.SDDC's Transportation Enhanced Access Management Service web portal provides DoW transportation officials with a single sign-on capability to access IBS for their transportation needs. |          |              |  |          |                |                |                                 |                |                |
| <b>Deliverables</b>   |          |              |  |          |                |                |                                 |                |                |
| <ul style="list-style-type: none"> <li>- Implementation of new contracts that supports Universal Service Contract 10 (USC10) and Guantanamo Bay Cuba (GMTO) Contracts supporting SDDC mission</li> <li>- Transform IBS into a agile suite of business services, replacing the legacy system applications with a process-model driven application to reduce time to deliver system change requests and expedite</li> <li>- Continue Cloud Native addressing vessel schedule, Reference data, contract bookings</li> <li>- Continue/end migration to Cloud One Service Provider</li> </ul>  |          |              |  |          |                |                |                                 |                |                |
| <b>Economic Analysis</b>  |          |              |  |          |                |                |                                 |                |                |
| Certified 15 Jun 10.  |          |              |  |          |                |                |                                 |                |                |
| <b>Impact</b>   |          |              |  |          |                |                |                                 |                |                |
| If not funded, IBS will be unable to support United States Transportation Command's and SDDC's mission to provide efficient and cost effective projection of forces; nor provide improved end-to-end joint deployment and distribution. Specifically, maintenance, new software development and sealift requirement processing will terminate. Without commercial contract support, IBS will not be able to function and DoW ocean cargo movement would not be supported by an automated system. In addition, pricing and processing of electronic carrier feeds will no longer maintain valid information requiring manual payment intervention by SDDC booking offices.   |          |              |  |          |                |                |                                 |                |                |
| <b>Software</b>   |          |              |  |          |                |                |                                 |                |                |
| No license fees are associates with this investment.  |          |              |  |          |                |                |                                 |                |                |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>USTRANSCOM Command Staff   |          | Line No. & Item Description<br>Local Area Network (USTRANSCOM LAN) |            |          |           |            | Activity Identification<br>Command Staff |           |            |
|---|----------|--|------------|----------|-----------|------------|--|-----------|------------|
| Element of Cost   | FY2025   |  |            | FY2026   |           |            | FY2027                                   |           |            |
|   | Quantity | Unit Cost  | Total Cost | Quantity | Unit Cost | Total Cost | Quantity                                 | Unit Cost | Total Cost |
| B. ADPE/Telecomm  | 0        | 700.0  | 700.0      | 0        | 0.0       | 0.0        | 0  | 0.0       | 0.0        |
| Total   | 0        | 700.0  | 700.0      | 0        | 0.0       | 0.0        | 0  | 0.0       | 0.0        |
| Narrative Justification:  |          |  |            |          |           |            |  |           |            |
| Description   |          |  |            |          |           |            |  |           |            |
| <p>The USTC LAN is a critical system supporting the command and control (C2) communications of the USTRANSCOM Commander and his staff. It is comprised of ~ 4800 distinct personal computers, numerous servers and routers, a multitude of switches and the hardware and software infrastructure comprising the classified and unclassified Local Area Networks (LANs) at the USTRANSCOM command site on Scott AFB, IL. This program supports the following activities: Upgrade of network infrastructure to support increasing bandwidth, service, systems and reliability requirements, server upgrades, network router and switch upgrades, cable installation, network component upgrades, wide area network connectivity with component commands and upgrades of standard server Commercial Off The Shelf (COTS) products. Provides worldwide DTS theater-centric C4 infrastructure baseline assessments, engineering and documentation. Provides Operations &amp; Maintenance hardware and system administration support.</p> |          |  |            |          |           |            |  |           |            |
| Mission Benefits  |          |  |            |          |           |            |  |           |            |
| <p>The USTRANSCOM networks are comprised of classified and unclassified Local Area Network (LAN) segments and Wide Area Network (WAN) connectivity with transportation component commands (TCCs). USTRANSCOM LAN provides the critical backbone for the entire USTRANSCOM C2 capability. This critical infrastructure directly supports the 70+ C2 mission systems that are inherent with USTRANSCOM, providing a global picture for CCMDs on global logistical and patient movements.</p>  |          |  |            |          |           |            |  |           |            |
| Deliverables  |          |  |            |          |           |            |  |           |            |
| <p>Deliverables include Secret Internet Protocol Router Network switches, Adaptive Security Appliance Virtual Private Network (VPN) devices that combined firewall, antivirus, intrusion prevention, and VPN capabilities; Upgrade USTRANSCOM Wireless Fidelity (WiFi) infrastructure; Renewal of network infrastructure hardware maintenance that includes upgrading the Joint Enabling Capability Command infrastructure and Enterprise Voice over Internet Protocol (ECVOIP); Network support to 5500 workstations, 3 computing sites and 30 communications room; Backbone switching of the TC-CENET; Classified routing, VPN devices, OOB networks to securely transmit information.</p>  |          |  |            |          |           |            |  |           |            |
| Economic Analysis   |          |  |            |          |           |            |  |           |            |
| N/A.  |          |  |            |          |           |            |  |           |            |
| Impact  |          |  |            |          |           |            |  |           |            |
| <p>The interruption of capabilities would lead to rapid degradation of Command and Control for all aspects of the JDDE. Gaps in reporting data would immediately affect the Commanders decision cycle, crippling the ability of USTRANSCOM to accomplish its mission of managing Department of War transportation assets. We would also lose the redundancy that we have built into the USTRANSCOM LAN to diminish any mission impact.</p>  |          |  |            |          |           |            |  |           |            |
| Software  |          |  |            |          |           |            |  |           |            |
| No license fees are associates with this investment.  |          |  |            |          |           |            |  |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Surface Deployment and Distribution Command   |          |           | Line No. & Item Description<br>Transportation Financial Management System (TFMS) |          |           |            | Activity Identification<br>SDDC |           |            |
|--|----------|-----------|--|----------|-----------|------------|---------------------------------|-----------|------------|
| Element of Cost  | FY2025   |           |  | FY2026   |           |            | FY2027                          |           |            |
|  | Quantity | Unit Cost | Total Cost   | Quantity | Unit Cost | Total Cost | Quantity                        | Unit Cost | Total Cost |
| C. Software Development  | 0        | 900.0     | 900.0  | 0        | 2,010.0   | 2,010.0    | 0                               | 2,272.0   | 2,272.0    |
| Total  | 0        | 900.0     | 900.0  | 0        | 2,010.0   | 2,010.0    | 0                               | 2,272.0   | 2,272.0    |
| Narrative Justification:   |          |           |  |          |           |            |                                 |           |            |
| Description  |          |           |  |          |           |            |                                 |           |            |
| <p>The Transportation Financial Management System (TFMS) is the financial management system solution in use by SDDC as its overall Transportation Working Capital Fund (TWCF) financial and reporting system. TFMS provides a common, secure and centralized server that is accessible worldwide using thin client web access to Oracle Federal E-Business Suite of accounting applications. TFMS uses the Commercial-Off-The-Shelf products, Oracle Enterprise Business Suite (EBS), Identity and Access Manager (IAM), and Oracle Business Intelligence Enterprise Edition (OBIEE). All major lines of business utilize TFMS to conduct their operations including the Ocean Liner, Port Operations, and Traffic Management. TFMS is also used to support numerous "back office" functions including payroll timekeeping, travel, accounts payable, fixed asset accounting, and accounts receivable. TFMS serves a diverse customer base that includes all DoW components, various Defense agencies, other federal agencies, foreign Governments and private sector entities. TFMS also supports the execution of contracts with suppliers who facilitate the execution of the SDDC mission including ocean carriers, commercial air carriers, railroads, and stevedore contractors. TFMS includes modules, which are configured to perform a wide variety of financial management functions including accounts receivable, accounts payable, purchasing, projects accounting, funds allocation, fixed asset accounting, and general ledger accounting.</p>  |          |           |  |          |           |            |                                 |           |            |
| Mission Benefits   |          |           |  |          |           |            |                                 |           |            |
| <p>The G-Invoicing platform provides a streamlined capability for processing and approving the GT&amp;C, Order, Performance, and Funds Settlement tasks that occur as part of the IGT Buy/Sell lifecycle. The G-Invoicing solution supports standardized interagency agreement and transaction exchanges between the Requesting/Ordering (Buyer) and the Servicing/Performing (Seller) Agencies. Federal Intragovernmental Data Standards (FIDS) are utilized for conducting all IGT Buy/Sell actions. The Department of War's (DoW's) Business Enterprise Architecture (BEA) establishes a blueprint for the Department's business processes, data exchanges, and systems with the intent to maximize efficiency and interoperability throughout the processes. One of these processes, called Procure-to-Pay (P2P), details the steps to procure items, starting with a defined requirement, through contracting and vendor payment. Implementation of the P2P Handshakes will allow data traceability for procurement actions, to include tracking of funding and execution data; reduce or eliminate unmatched financial transactions within the DoW enterprise; ensure that committed funds are sufficient for, and traceable to, the specific line items within an award; support DoW Financial Improvement and Audit Readiness goals; and create efficiencies within the P2P environment. Transitioning to a single, Federal shared service solution under Treasury to perform all disbursement and collection will assist DoW in achieving auditability and sustainability for federal agencies Fund Balance With Treasury (FBWT).</p> |          |           |  |          |           |            |                                 |           |            |
| Deliverables   |          |           |  |          |           |            |                                 |           |            |
| <p>Automation of G-Invoicing Servicing Agency capabilities &amp; migration of existing orders into the G-Invoicing platform to meet OSW mandates; implementation of G-Invoicing Servicing Agency functionality for TFMS Ocean &amp; Port Handling Lines of Business (TAC); integration of required data exchanges to meet OUSD directives; &amp; utilization of the appropriate procure to pay (P2P) and Procurement Data Standard (PDS) standard handshakes to send &amp; receive data exchanges with the Contract Order Writing System for Purchase Request &amp; Commitment, Pre-Award Funds Validation, Procurement Award, Procurement Modification, &amp; Procurement Close Out Notification data exchanges.</p>  |          |           |  |          |           |            |                                 |           |            |
| Economic Analysis  |          |           |  |          |           |            |                                 |           |            |
| N/A  |          |           |  |          |           |            |                                 |           |            |
| Impact   |          |           |  |          |           |            |                                 |           |            |
| TFMS will fail to comply with OUSD mandates and DoW Financial Management (FM) Functional Strategy.   |          |           |  |          |           |            |                                 |           |            |
| Software   |          |           |  |          |           |            |                                 |           |            |
| N/A  |          |           |  |          |           |            |                                 |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Air Mobility Command  |          |           | Line No. & Item Description<br>618 Air Operations Center (618AOC) |          |           |            | Activity Identification<br>HQ AMC, Scott AFB IL |           |            |
|--|----------|-----------|---|----------|-----------|------------|---|-----------|------------|
| Element of Cost  | FY2025   |           |   | FY2026   |           |            | FY2027  |           |            |
|  | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity  | Unit Cost | Total Cost |
| C. Software Development  | 0        | 0.0       | 0.0   | 0        | 5,145.0   | 5,145.0    | 0   | 5,254.0   | 5,254.0    |
| Total  | 0        | 0.0       | 0.0   | 0        | 5,145.0   | 5,145.0    | 0   | 5,254.0   | 5,254.0    |
| Narrative Justification:   |          |           |   |          |           |            |   |           |            |
| Description  |          |           |   |          |           |            |   |           |            |
| 618 AOC Data and web Services (DAWS) system seeks to correct the gap in capabilities not met by current/planned Command and Control (C2) systems. 618 AOC DAWS system provides management, development, and maintenance support for 618 AOC Technology Center. The 618 AOC DAWS system operates on Scott AFB local area network (LAN). Technology support is provided for services to include rapid application development, testing software, developing databases, and web services by developing prototypes, reports, business intelligence tools and data analysis for 618 AOC and its customers. Any prototypes developed are property of U.S government and are integrated into C2 systems. Rapid Global Mobility Command and Control Digital Transformation (RGM C2DT) f.k.a. Next Generation Information Technology for Mobility Enhancement Readiness Enhancement (NITMRE) is the AFTRANS digital transformation approach to advance the Mobility Air Force (MAF) global C2 capabilities across the competition continuum. RGM C2DT employs eight Lines of Efforts (LOE) aimed to accomplish the change transformation, delivering advanced technical solutions through data integration, application development and narrow artificial intelligence. |          |           |   |          |           |            |   |           |            |
| Mission Benefits   |          |           |   |          |           |            |   |           |            |
| RGM C2DT tightens the decision making process, connecting the fielded forces at the tactical edge with the 618 AOC using Chat Ops. The NITMRE-Crew Paper Delivery capability integrates enterprise data takes with Chat Ops ensuring AFTRANS Chat Ops-based interactions are automatically informed by MAF C2 data. An operational C2 engine has also been created through the NITMRE- Natural Language Processing, computing on unstructured chats fused with structured data from enterprise data takes-Topic Modeling, Semantic Retrieval and E.  |          |           |   |          |           |            |   |           |            |
| Deliverables   |          |           |   |          |           |            |   |           |            |
| RGM C2DT deliverables exist in various forms-command policy, training materials, and containerized software in Platform One to integrate data & perform advanced computing techniques (ML/AI).   |          |           |   |          |           |            |   |           |            |
| Economic Analysis  |          |           |   |          |           |            |   |           |            |
| RGM C2DT Capability Base Assessment conducted 2016. EA or CA will be accomplished by each NITMRE requirement approved.   |          |           |   |          |           |            |   |           |            |
| Impact   |          |           |   |          |           |            |   |           |            |
| Major loss of AFTRANS effectiveness and efficiency, slowing communication between the tactical edge and 618AOC reverting back to phone calls, insecure methods significantly degrading the cyber security posture, and increasing the potential for missing late- to need decision information.  |          |           |   |          |           |            |   |           |            |
| Software   |          |           |   |          |           |            |   |           |            |
| No license fees are associated with this investment.   |          |           |   |          |           |            |   |           |            |

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Air Mobility Command |          |           | Line No. & Item Description<br>Minor Construction-AMC |          |           |            | Activity Identification<br>HQ AMC, Scott AFB IL |           |            |
|---|----------|-----------|---|----------|-----------|------------|---|-----------|------------|
| Element of Cost                                     | FY2025   |           |   | FY2026   |           |            | FY2027  |           |            |
|   | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity  | Unit Cost | Total Cost |
| D. Minor Construction                               | 0        | 3,600.0   | 3,600.0   | 0        | 5,039.0   | 5,039.0    | 0   | 6,047.0   | 6,047.0    |
| Total   | 0        | 3,600.0   | 3,600.0   | 0        | 5,039.0   | 5,039.0    | 0   | 6,047.0   | 6,047.0    |

**Narrative Justification:**

**Description**  
 The TWCF facilities and Infrastructure MC funding category remains vital to the success of the strategic airlift mission. The MC funds all minor construction work to rebuild new facilities or construct additions to existing facilities that qualify for Transportation Working Capital Funds (TWCF). The MC program also serves as a key resource in supporting the AMC/CD Investment strategies that are published annually. Specifically, the MC program is the front line resource supporting the #1 prioritized problem set for FY25-FY29 Address Capability Gaps as it represents the only funding strategy supporting mission growth as required by the OPLAN and other directives. The MC projects are to ensure we are addressing infrastructure development, safety and OSHA concerns. The projects are vetted through local civil engineering and A4OC (Command Engineers) before being presented to TWCF and to the AMC Commander for approval. Projects like an OSHA safety concern at McChord for an air shower at the corrosion control shop and a covered area for pallets and truck scales loaded at Anderson AB Guam.

**Mission Benefits**  
 The Headquarters Air Mobility Command (HQ AMC) TWCF investment strategy is in line with the Department of War (DoW) Transportation Vision for the Twenty-First Century. It's intent is to ensure sustainability and quality of life. One of the guiding principles requires us to invest in transportation programs, systems, and enhancements that support mobility requirements, assets visibility, and efficient transportation operations.

**Deliverables**  
 Deliverables will depend on the projects approved after EA/CA completed.

**Economic Analysis**  
 EA or CA is accomplished by projects approved.

**Impact**  
 Funding cuts will impact our ability to support critical HQ AMC, 515 Air Mobility Operations Wing (AMOW), and 521 AMOW requirements to enhance or improve mobility operations and provide adequate force protection through the construction of new facilities and additions in the Continental United States (CONUS) and en-route infrastructure. Reductions to this program will have a negative impact on our ability to provide seamless airlift from point of origin to destination, to provide quality customer service, and to bring our existing facilities up to HQ AMC and Air Force standards. Many TWCF facilities are old, inadequate facilities, far from meeting acceptable standards, especially at our en-route locations. Pavement requirements continue to grow for both new parking/loading/refueling areas and required improvements on deteriorating pavement resulting from heavy airlift use. Unfunded pavement requirements will result in limitations on AMC's ability to deliver passengers and cargo anywhere in the world. Passengers, troops, and valuable cargo and equipment will remain inadequately protected from terrorist threats.

**Software**  
 Not Applicable.

Fund 9B  
 (Dollars in Thousands)

Air Force Working Capital Fund  
 Transportation Working Capital Fund (TWCF)

| Department of the Air Force<br>Surface Deployment and Distribution Command   |          |           | Line No. & Item Description<br>Minor Construction-ARTRANS |          |           |            | Activity Identification<br>SDDC |           |            |
|--|----------|-----------|---|----------|-----------|------------|---------------------------------|-----------|------------|
| Element of Cost  | FY2025   |           |   | FY2026   |           |            | FY2027                          |           |            |
|  | Quantity | Unit Cost | Total Cost  | Quantity | Unit Cost | Total Cost | Quantity                        | Unit Cost | Total Cost |
| D. Minor Construction  | 0        | 4,900.0   | 4,900.0   | 0        | 3,527.0   | 3,527.0    | 0                               | 2,258.0   | 2,258.0    |
| Total  | 0        | 4,900.0   | 4,900.0   | 0        | 3,527.0   | 3,527.0    | 0                               | 2,258.0   | 2,258.0    |
| Narrative Justification:   |          |           |   |          |           |            |                                 |           |            |
| Description  |          |           |   |          |           |            |                                 |           |            |
| Surface Deployment and Distribution Command (SDDC) Minor Construction projects are scheduled for installations where SDDC has direct operations oversight. These installations are considered a vital part of the strategic Continental United States (CONUS) power projection platform supporting warfighting Commanders around the world. The installations that SDDC has direct operations oversight are relied upon to maintain a high OPTEMPO consisting of general cargo movements, ammunition resupply missions, pre-position operations and Foreign Military Sales operations. |          |           |   |          |           |            |                                 |           |            |
| Mission Benefits   |          |           |   |          |           |            |                                 |           |            |
| Capital Projects are needed to ensure SDDC Brigades/Battalions achieve mission resilience and excellence by providing modern and efficient facilities for delivering general cargo, arms, ammunitions, and explosives to the warfighter. Projects will ensure the installation facilities and infrastructures are flexible, safe and sustainable. This ensures ready and resilient infrastructure capable of safely delivering current and future DoW cargo and ammunition transshipment requirements.   |          |           |   |          |           |            |                                 |           |            |
| Deliverables   |          |           |   |          |           |            |                                 |           |            |
| Projects ensure the safe, secure and sustainable network of interconnected operational support systems which enhance SDDC operations and cargo throughput capabilities regardless of contingency; now and into the future. To include adequate space and traffic flow for large material handling equipment to safely maneuver, mission support to enable rail cargo capabilities and security/monitoring to operational areas for operational oversight.  |          |           |   |          |           |            |                                 |           |            |
| Economic Analysis  |          |           |   |          |           |            |                                 |           |            |
| Impact   |          |           |   |          |           |            |                                 |           |            |
| Projects ensure continuous operations and support for the terminals' important warfighting mission.  |          |           |   |          |           |            |                                 |           |            |
| Software   |          |           |   |          |           |            |                                 |           |            |
| Not Applicable.  |          |           |   |          |           |            |                                 |           |            |

United States Transportation Command

| FY | Item Description                                  | Approved Project | Reprogs  | Approved Proj Cost | Current Proj Cost (Est) | Asset/ Deficiency | Explanation  |
|----|---|------------------|----------|--------------------|-------------------------|-------------------|--|
| 25 | A. Equipment                                      | 1.000            | 0.150    | 1.150              | 0.700                   | 0.450             |  |
| 25 | Equipment-AMC                                     | 0.500            | 0.150    | 0.650              | 0.700                   | (0.050)           | Additional funds reprogrammed from MC for AOC Generator                            |
| 25 | B. ADPE/Telecomm                                  | 2.089            | 0.000    | 2.089              | 0.700                   | 1.389             |  |
| 25 | Local Area Network (USTRANSCOM LAN)               | 2.089            | 0.000    | 2.089              | 0.700                   | 1.389             | Decrease in requirements.  |
| 25 | C. Software Development                           | 31.407           | (9.366)  | 22.041             | 19.300                  | 2.741             |  |
| 25 | Analysis of Mobility Platform (AMP)               | 7.030            | 0.000    | 7.030              | 6.700                   | 0.330             | Slight decrease in contract execution.   |
| 25 | Defense Personal Property System (DPS)            | 15.729           | (8.071)  | 7.658              | 7.500                   | 0.158             | Requirement increased due to MiMove operations.                                    |
| 25 | Consolidated Air Mobility Planning System (CAMPS) | 2.000            | 0.000    | 2.000              | 3.800                   | (1.800)           | Increase due to new program requirements.  |
| 25 | Equipment-AMC                                     | 5.105            | (1.295)  | 3.810              | 0.000                   | 3.810             | Additional funds reprogrammed to CAMPS from MC. Funds not used for NITMRE/RGMC2DT. |
| 25 | Integrated Booking System (IBS)                   | 1.543            | 0.000    | 1.543              | 0.400                   | 1.143             | Requirements decreased in FY25 and moved to FY26.                                  |
| 25 | Transportation Financial Management System (TFMS) | 0.000            | 0.000    | 0.000              | 0.900                   | (0.900)           | Requirement increase   |
| 25 | D. Minor Construction                             | 15.400           | (0.946)  | 14.454             | 8.500                   | 5.954             |  |
| 25 | Minor Construction-AMC                            | 4.940            | 0.000    | 4.940              | 3.600                   | 1.340             | Requirement decreased in FY25  |
| 25 | Minor Construction-ARTRANS                        | 5.960            | 0.000    | 5.960              | 4.900                   | 1.060             | Decrease in requirement  |
| 25 | TOTAL FY  | 49.896           | (10.162) | 39.734             | 29.200                  | 10.534            |  |

United States Transportation Command

| FY | Item Description                                  | Approved Project | Reprogs | Approved Proj Cost | Current Proj Cost (Est) | Asset/ Deficiency | Explanation   |
|----|---|------------------|---------|--------------------|-------------------------|-------------------|---|
| 26 | A. Equipment                                      | 0.500            | 0.000   | 0.500              | 2.186                   | (1.686)           |   |
| 26 | Equipment-AMC                                     | 0.500            | 0.000   | 0.500              | 0.504                   | (0.004)           |   |
| 26 | Equipment-ARTRANS                                 | 0.000            | 0.000   | 0.000              | 1.682                   | (1.682)           | Requirement moved from FY25 to FY26                     |
| 26 | B. ADPE/Telecomm                                  | 0.000            | 0.000   | 0.000              | 0.000                   | 0.000             |   |
| 26 | 618 Air Operations Center (618AOC)                |                  |         |                    |                         |                   |   |
| 26 | C. Software Development                           | 24.463           | (0.068) | 24.395             | 34.352                  | (9.957)           |   |
| 26 | Analysis of Mobility Platform (AMP)               | 6.986            | 0.000   | 6.986              | 7.041                   | (0.055)           |   |
| 26 | Defense Personal Property System (DPS)            | 10.721           | 0.000   | 10.721             | 15.117                  | (4.396)           | Increase due to MilMove operations                      |
| 26 | Equipment-AMC                                     | 5.213            | (0.068) | 5.145              | 0.000                   | 5.145             | Slight change due to inflation change between the years |
| 26 | Integrated Booking System (IBS)                   | 1.543            | 0.000   | 1.543              | 5.039                   | (3.496)           | Requirements moved from FY25 to FY26.                   |
| 26 | Transportation Financial Management System (TFMS) | 0.000            | 0.000   | 0.000              | 2.010                   | (2.010)           | Requirement increase                                    |
| 26 | D. Minor Construction                             | 10.000           | 0.000   | 10.000             | 8.566                   | 1.434             |   |
| 26 | Minor Construction-AMC                            | 5.000            | 0.000   | 5.000              | 5.039                   | (0.039)           |   |
| 26 | Minor Construction-ARTRANS                        | 0.000            | 0.000   | 0.000              | 3.527                   | (3.527)           | Anticipated full execution of project                   |
| 26 | TOTAL FY  | 34.963           | (0.068) | 34.895             | 45.104                  | (10.209)          |   |