

GAO

Report to the Chairman, Subcommittee
on Defense, Committee on
Appropriations, House of
Representatives

November 1989

AIR FORCE BUDGET

Potential for Reducing Funding for Aircraft Spares



**National Security and
International Affairs Division**

B-225116

November 28, 1989

The Honorable John P. Murtha
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives

Dear Mr. Chairman:

In response to your request, we identified potential reductions to the Air Force's fiscal year 1990 funding request for aircraft spares in the aircraft procurement appropriation. As requested, we also provided data on the Air Force's performance in obligating prior fiscal years' funds for aircraft spares.

We presented the preliminary results of our review to your office on June 28, 1989. This report summarizes the final results of our review. We identified the following potential reductions and/or rescissions, totaling \$743.1 million:

- unjustified add-on to funding request (\$70.4 million),
- reduction in additive requirements (\$113.8 million),
- decrease in computed buy requirements for aircraft replenishment spares (\$56.5 million),
- duplicate budgeting and funding (\$88.9 million),
- premature and unauthorized buy requirements (\$63.4 million),
- reduced requirements for and excessive upgrades of F-100 engine cores (\$32.5 million),
- understated estimated revenues from foreign military sales and other services sales and unnecessary foreign military sales additives (\$171.5 million),
- terminating procurements of on-order excesses (\$100 million), and
- reduced budgeted buy requirements for F-16 initial spares (\$46.1 million).

These potential reductions and rescissions are discussed in detail in appendix I. Information on the Air Force's performance in obligating prior fiscal years' funds is in appendix II.

**Objective, Scope, and
Methodology**

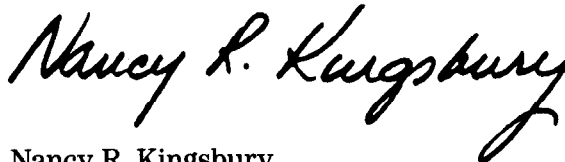
As part of our review, we examined the accuracy and currency of budget support documentation and the reasonableness of budget estimating methodologies and concepts. As requested, we did not obtain

official agency comments on this report; however, we discussed our findings with Department of Defense and Air Force officials and incorporated their comments where appropriate.

We are sending copies of this report to the Chairmen, Subcommittee on Defense, Senate Committee on Appropriations, and Senate and House Committees on Armed Services; the Secretaries of Defense and the Air Force; the Director, Office of Management and Budget; and other interested parties.

GAO staff members who made major contributions to this report are listed in appendix III.

Sincerely yours,

A handwritten signature in black ink that reads "Nancy R. Kingsbury". The signature is written in a cursive style with a large, prominent initial 'N'.

Nancy R. Kingsbury
Director, Air Force Issues

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Abbreviations

AFLC	Air Force Logistics Command
ALC	Air Logistics Center
DOD	Department of Defense
FMS	foreign military sales
LANTIRN	Low Altitude Navigation and Targeting Infrared System for Night

Potential for Reducing the Air Force's Funding of Aircraft Spares

The Air Force requested fiscal year 1990 funding of \$2,284.3 million for aircraft replenishment spares for peacetime operations. The Air Force intended this amount, plus \$170 million of anticipated revenues from aircraft spares sales to foreign countries and other services, to fully fund the fiscal year 1990 requirements and a \$348.4 million unfunded carryover from fiscal years 1988 and 1989.

In addition to its request for replenishment spares, the Air Force requested \$1,234.4 million for aircraft initial spares. This amount was intended to fund about 95 percent of the Air Force's identified requirements for initial spares.

We identified \$743.1 million in potential reductions and rescissions: \$461.2 million in potential reductions to the Air Force's fiscal year 1990 funding request and \$281.9 million in potential rescissions¹ to prior years' funding for aircraft spares. These potential reductions and rescissions are discussed below.

- **Unjustified add-on to funding request (\$70.4 million reduction)**

The Air Force's fiscal year 1990 funding request of \$2,284.3 million plus \$170 million of anticipated revenues from sales of replenishment spares to foreign countries and other services would provide total funding of \$2,454.3 million. The funding request included an add-on request by Air Force Headquarters of \$70.4 million. Air Force Headquarters increased the request for peacetime replenishment spares by \$70.4 million and at the same time reduced the request for aircraft wartime readiness spares by the same amount. Subsequently, the Air Force added back \$81 million to the request for wartime readiness spares.

The Air Force's fiscal year 1990 budgeted buy requirements for peacetime replenishment spares is \$2,383.9 million, including a \$348.4 million unfunded carryover from fiscal years 1988 and 1989. This amount is \$70.4 million less than the proposed funding of \$2,454.3 million. Because the Air Force's requested increase in funding for peacetime spares was not supported by an identified increase in requirements, we considered the \$70.4 million add-on by Air Force Headquarters to be unjustified.

¹We identified rescissions for funds that had been provided in fiscal years before 1990 but were no longer required for the identified requirements. However, such rescissions can also be considered as a potential reduction to the Air Force's fiscal year 1990 funding request because the request includes \$348.4 million of unfunded requirements carried over from fiscal years 1988 and 1989.

- **Reduction in additive requirements (\$113.8 million reduction or \$93.2 million reduction and \$20.6 million rescission)**

The Warner Robins Air Logistics Center's (ALC) fiscal year 1990 budget estimate submission included additive requirements of \$259.7 million and \$123.8 million for fiscal years 1990 and 1989, respectively, or a total of \$383.5 million. Additive requirements are one-time requirements for special or other miscellaneous projects. These requirements are manually added to the requirement system's computed requirements for peacetime aircraft spares after the March 31 budget computation cutoff date.

Air Force Logistics Command (AFLC) officials reviewed the ALC's additive requirements and eliminated \$201.8 million for requirements they found were no longer valid. The officials said that they made this review in response to our budget findings from prior years and related congressional reductions for invalid additive requirements.

We reviewed \$123.5 million of the \$136.8 million remaining fiscal year 1990 additive requirements and identified a further potential reduction of \$93.2 million because of program slippage or change. This potential reduction is a net reduction including increased requirements for three items. We also reviewed \$32 million of the \$44.9 million remaining fiscal year 1989 additive buy requirements and identified a potential reduction of \$20.6 million because of program slippage or change. This is also a net reduction including an increased requirement for one item.

An example of our findings at the Warner Robins ALC involved the AN/ASG-21 Defensive Fire Control System used in B-52H aircraft. The fiscal year 1990 aircraft spares budget included additive requirements totaling \$18 million to buy replacement items needed to improve this system. When the budget estimate was prepared, the design work needed to develop items that would correct system problems was scheduled for completion in December 1988. Subsequently, scheduled completion slipped to May 1991. As a result, fiscal year 1990 funds are no longer required for this additive requirement. AFLC, in its review of additive requirements, reduced the budget for these items by \$2.1 million. Because funds will not be needed before fiscal year 1991, the remaining \$15.9 million in the fiscal year 1990 request can be eliminated. ALC officials concurred with our assessment.

Table I.1 provides data on our review of additive requirements at Warner Robins ALC. The ALC officials concurred with our findings.

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Funding of Aircraft Spares**

Table I.1: Results of Review of Warner Robins ALC's Fiscal Years 1989 and 1990 Proposed Funding for Additive Spares Requirements

Dollars in thousands

Requirement	Fiscal year	Proposed funding	Potential reduction (increase)	Basis of finding
1. B-52 AN/ASG-21 Defensive Fire Control System Chassis	1990	\$10,470	\$10,470	The fiscal year 1990 budget estimate is invalid because of contractor delays in completing the design work needed to correct system problems. This effort was originally scheduled for completion in December 1988, but the revised date is May 1991.
2. B-52H AN/ASG-21 Defensive Fire Control System Air Data Computer	1990	5,400	5,400	See no. 1.
3. B-52 G/H AVQ-22 Camera Assembly	1989 1990	12,459 12,959	12,459 12,959	Because of delays in designing and testing two different solid state camera assemblies, the expected production contract award in fiscal year 1989 was revised to the beginning of fiscal year 1991. Accordingly, fiscal years 1989 and 1990 funds are not required for this procurement.
4. B-52 G/H Multi-Function Display	1990	2,527	2,527	This procurement was not made in fiscal year 1990 as anticipated because engineering efforts required to procure prototypes of this item for flight testing had not been funded. A March 1989 projection was that funds for this procurement will be needed beginning in fiscal year 1991.
5. C-141 Center Wing Repair Program	1989 1990	5,000 5,000	5,000 5,000	The repair program, which was based on the repair of 40 aircraft each year through fiscal year 1992, was changed to repair only 20 aircraft each year in fiscal years 1989 and 1990 using parts procured with fiscal year 1988 funds. Accordingly, the fiscal years 1989 and 1990 requirements are no longer valid.
6. F-15 Wheels and Brakes	1989	1,300	0	Requirement data appear valid.
7. F-15 Horizontal Situation Indicator	1990	3,511	3,511	The fiscal year 1990 requirement is not valid because the item to be procured is in the design phase, and preliminary engineering drawings are not expected to be completed until July 1990. Procurement is not expected until fiscal year 1991.
8. F-15 AN/APG-63 Radar Bulk Memory Module	1990	5,978	5,978	This additive is no longer valid because the module upgrade has been incorporated into a modification using modification funds rather than replenishment spares funds.
9. F-111 AN/APQ 169 Antenna	1989 1990	4,000 4,000	4,000 2,046	The budget included funds to procure items needed to refurbish and improve the antenna assembly in 305 aircraft. Fiscal year 1989 funds will not be required because engineering data were not completed in time to permit a contract award before June 1990. The fiscal year 1990 requirement was reduced from \$4 million to \$1.954 million because three, rather than five, items in the antenna assembly will be replaced.
10. Common Bombers Miniature Receiver Terminal System	1990	1,829	1,829	Fiscal year 1990 replenishment spares funds requested for this system are not needed because the system is being purchased with available fiscal year 1989 initial spares funds.
11. F-15/F-16 LANTIRN ^a Sets	1990	25,415	25,415	The fiscal year 1990 budget included a computed requirement for the purchase of some LANTIRN parts and an additive requirement of \$25.4 million for other needed parts. Subsequently, a recomputed LANTIRN parts requirement showed that the budgeted additive funding of \$25.4 million is not needed.

^aLow Altitude Navigation and Targeting Infrared System for Night.

(continued)

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Requirement	Fiscal year	Proposed funding	Potential reduction (increase)	Basis of finding
12. Common Aircraft ARC-89 Airborne Performance Monitor	1990	4,700	4,700	The airborne performance monitor had a critical design review in May 1989, and flight testing was not expected until the mid- or late fiscal year 1990. Because a purchase request is not expected until August 1990, the fiscal year 1990 requirement was deferred to fiscal year 1991.
13. C-135 and E-3 ASQ-141 Horizontal Situation Indicator	1990	15,005	15,005	ALC officials said the original development schedule for this part was too optimistic and that the fiscal year 1990 requirement slipped to fiscal year 1991. The additive requirement is expected to be allocated over a 4-year period (fiscal years 1991 through 1994) rather than over a 2-year period (fiscal years 1990 through 1991) as originally planned.
14. Reprocurement Data	1989 1990	3,878 3,777	(878) (3,774)	ALC officials estimated the cost to procure engineering data needed in competitive procurements of spare parts during fiscal years 1989 and 1990. The increase in the estimates occurred because more accurate information is currently available.
15. AN/ALQ-137 Tech Orders	1990	5,000	0	Requirement data appear supported.
16. AN/ALT-16A Solid State Multiplier Assembly	1990	2,633	(348)	The program manager originally determined that the additive should have been \$4.7 million. However, the amount included in the budget was only \$2.6 million. Current data on this requirement show a requirement of about \$3 million, \$348,000 more than included in the budget.
17. QRC Contract Maintenance	1989 1990	5,368 5,238	0 0	Requirement data appear supported.
18. AN/ALE-20 Dispenser System Control Panel	1990	3,610	3,610	This requirement has been deferred until fiscal year 1991 because the ALC does not expect that procurement can be initiated in fiscal year 1990.
19. AN/AAR-44 Infrared Warning Receiver	1990	1,500	(1,151)	The amount required to procure spares for the system has increased to about \$2.6 million because the number of aircraft to be supported has increased from 18 to 50.
20. B-52 AN/ALQ-117/172 Power Supply	1990	4,932	0	Requirement data appear supported.
Subtotal	1989	32,005	20,581	
Subtotal	1990	123,484	93,177	
Total		\$155,489	\$113,758	

- **Decrease in computed buy requirements for aircraft replenishment spares (\$56.5 million reduction or \$44 million reduction and \$12.5 million rescission)**

The Air Force's fiscal year 1990 funding request included a requirement by the Warner Robins ALC of \$51.3 million for the LANTIRN fire control system used on the F-15E and F-16C/D aircraft. Also, the fiscal year 1990 request included a fiscal year 1989 requirement of \$75.8 million for the LANTIRN. Subsequent to the funding request, the ALC computed an updated fiscal year 1990 requirement of \$33.4 million, a decrease of

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\$17.9 million, and an updated fiscal year 1989 buy requirement of \$63.6 million, a decrease of \$12.5 million.

Additionally, the Air Force's fiscal year 1990 funding request included a buy requirement by the Warner Robins ALC of \$27.7 million for the ALQ-172 Electronic Countermeasures System used on B-52 aircraft. Subsequently, the ALC computed an updated buy requirement of \$1.6 million, a decrease of \$26.1 million. The decrease primarily resulted from the ALC's decision to use excess war reserve assets to satisfy most of the requirement.

- **Duplicate budgeting and funding (\$88.9 million reduction)**

The Air Force's fiscal year 1990 funding request included \$220.2 million budgeted by the Oklahoma City ALC for first-time replenishment buys of spare parts for B-1, F-16, and KC-135 aircraft. Our review of budget documents showed, and discussions with ALC officials confirmed, that \$88.9 million of the buy requirements, as shown in table 1.2, had already been budgeted for and funded by the Congress in fiscal year 1989. Accordingly, we identified this amount as a potential reduction to the fiscal year 1990 budget request. We concluded that the remaining requirements were valid because they represented updated fiscal years 1988 and 1989 buy requirements that had not been included in previous budgets.

Table 1.2: Fiscal Year 1990 Buy Requirements Previously Budgeted and Funded

Aircraft application	Number of spare parts	Value of requirement
B-1B aircraft	97	\$11,430,000
B-1B engines	104	24,767,000
F-16 C/D engines	63	28,686,000
KC-135R engines	137	24,010,000
Total	401	\$88,893,000

- **Premature and unauthorized buy requirements (\$63.4 million reduction or rescission)**

In the fiscal year 1990 budget submission, the Oklahoma City ALC updated its computed fiscal years 1988 and 1989 buy requirements with requirements totaling \$160.9 million from future years' peacetime aircraft spares requirements and previously unfunded wartime requirements. Of the \$160.9 million, we identified potential reductions and rescissions totaling \$63.4 million.

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We determined that \$40.4 million of the added requirements were for projected fiscal year 1991 buys of peacetime requirements and therefore represented premature buys of 2 to 3 years. We reported² in 1986 that the Air Force was incurring added procurement and storage costs of millions annually by procuring aircraft spares more than a year earlier than necessary. In response to our report, Department of Defense said that the Air Force would be directed to limit its early procurements to 1 year.

Additionally, we determined that \$23 million of the added requirements were for unfunded other war reserve material. The Congress has not appropriated funds for other war reserve material for several years, and Air Force buy guidelines do not authorize purchases for such material.

We accepted the remaining \$97.5 million of added requirements as valid. These requirements included \$71.1 million of peacetime requirements for planned buys that were advanced 1 year (i.e., from fiscal year 1990 to fiscal year 1989) and \$26.4 million for unfunded war reserve spare kits that fall within Air Force buy guidelines.

The Oklahoma City ALC added future years' requirements to the recomputed fiscal years 1988 and 1989 buy requirements to justify funding some outstanding purchase requests. These requests were for quantities of spares that exceeded the latest buy computations. For example, the ALC had an outstanding fiscal year 1988 purchase request for 52 F-16 aircraft engine control rotors. The latest fiscal year 1988 computation showed that none of these rotors should be bought. Rather than cancel the purchase request, the ALC used \$3.1 million of fiscal year 1991 peacetime buy requirements and \$4.1 million of unfunded other war reserve material buy requirements to support the fiscal year 1988 buy of 52 rotors valued at \$7.6 million.

In another example the ALC had outstanding fiscal year 1988 purchase requests for 109 main engine controls for F-16 aircraft engines. The latest fiscal year 1988 computation showed a buy requirement for seven controls. Rather than cancel the excessive purchase request quantity of 102 units at \$6 million, the ALC used \$2.1 million of fiscal year 1991 peacetime buy requirements and \$3.9 million of fiscal year 1989 requirements to support the purchase request. We identified the \$2.1 million as

²Military Logistics: Buying Spares Too Early Increases Air Force Costs and Budget Outlays (GAO/NSIAD-86-149, Aug. 1, 1986).

a potential reduction, but accepted the \$3.9 million as a valid requirement.

- **Reduced requirements for and excessive upgrades of F-100 engine cores (\$32.5 million reduction or \$28.8 million reduction and \$3.7 million rescission)**

Since 1985 the San Antonio ALC has upgraded F-100/100 (F-15) and F-100/200 (F-16) engine cores. The upgrades are to increase the intervals between depot overhaul from 3 to 4 years to 8 to 10 years and to achieve interchangeability between the F-15 and F-16 aircraft. The entire inventory of these engine cores are to be upgraded by fiscal year 1993. As of May 16, 1989, 3,236 engine cores were in the inventory, including 278 spare cores. The latest negotiated prices for spare parts needed in a core upgrade is \$418,567.

The San Antonio ALC's fiscal year 1990 budget submission included fiscal years 1989 and 1990 engine core upgrade requirements valued at \$223.8 million and \$181.3 million, respectively. Subsequently, a recomputed requirement showed a \$3.7 million and \$2.1 million decrease, respectively, in fiscal years 1989 and 1990 requirements. Accordingly, we identified these amounts as reductions.

Additionally, we identified a potential reduction of \$26.7 million for planned upgrades of spare engine cores in excess of requirements. As mentioned above the Air Force's F-100 engine core upgrade program provided for the upgrade of 278 spare engine cores. Before fiscal year 1990, 148 spare cores upgrades had been funded and contracted for. The San Antonio ALC's fiscal year 1990 budgeted requirements for engine core upgrades included \$33.9 million for the upgrade of 81 spares engine cores. The remaining upgrades of 49 spare engine cores are to be funded and contracted for in fiscal year 1991.

Computations made in May 1989 by the San Antonio ALC show that between 64 and 94 spare cores, with upgrades costing between \$26.7 million and \$39.3 million, will exceed requirements when the upgrade program is completed. We identified the more conservative amount of \$26.7 million as a potential reduction in fiscal year 1990 funding. Further adjustments may be required in the fiscal year 1991 program. An Air Force Headquarters official stated that engine core computations completed subsequent to our work do not show spare engine cores in excess of requirements. However, requested supporting documentation has not been provided.

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- **Understated estimated revenues from foreign military sales (FMS) and other service sales and unnecessary FMS additives (\$171.5 million reduction or \$89.8 million reduction and \$81.7 million rescission)**

The Air Force reduces its funding request for aircraft replenishment spares by estimated revenues from sales of aircraft spares to FMS customers and other services. The Air Force uses these revenues to supplement appropriated funds in buying aircraft spares. Our review showed that the Air Force did not use the full amount of these estimated revenues to offset its fiscal year 1990 funding request and updated fiscal years 1988 and 1989 funding requirements. Table I.3 shows the estimated revenues and offsets by fiscal year.

Table I.3: Revenues From Aircraft Spares Sales to FMS Customers and Other Services

Dollars in millions			
Fiscal year	Estimated revenues per Air Force records	Funding offset	Revenues in excess of offset
1988	\$185.4	\$170.0	\$15.4
1989	176.6	170.0	6.6
1990	198.4	170.0	28.4
Total	\$560.4	\$510.0	\$50.4

An Air Force Headquarters official agreed that the funding offset was understated but did not believe the difference was as large as shown in table I.3. The official said that the offset will be \$180 million per year in future budgets.

In addition to understated revenues, we also identified an unnecessary additive. The fiscal year 1990 budget submissions of the ALCs included an additive of \$121.1 million for FMS buy requirements—\$61.4 million for fiscal year 1990 and \$59.7 million for fiscal year 1989. We question the need for this added amount because the budget computation process already included the funds needed for aircraft spares in fiscal years 1989 and 1990 to maintain the FMS stock level requirement of \$626.4 million. AFLC officials said that these additive requirements were to provide the additional funding needed for anticipated increases in FMS stock level requirements from the fiscal year 1990 budget cycle computation cutoff date to the procurement cycle (i.e., March 31, 1988, to October 1, 1989). These officials did not provide current or historical support for anticipated increases in requirements subsequent to the budget cycle cutoff date. We noted that the FMS support stock level requirements have been less than budgeted, as shown in table I.4.

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Table I.4: Decrease in FMS Aircraft Spares Requirements Subsequent to Budget Computations

Dollars in millions			
Fiscal year	Budget computation	Latest computation	Decrease
1987	\$1,001.1	\$691.6	\$309.5
1988	1,134.0	626.4	507.6
1989	691.6	625.3	66.6
1990	626.4	625.4	1.0

- **Terminating procurements of on-order excesses (\$100 million reduction or rescission)**

In 1987 we reported³ that cost-effective terminations could be made for about 27 percent of the total value of excess on-order aircraft spares, but that the Air Force terminated less than 3 percent of these excess on-order spares. The ALCS were not making many cost-effective terminations because the AFLC had not provided specific guidance on calculating factors, such as inventory holding costs, to be used in determining whether terminating or accepting on-order excesses would be more economical.

AFLC, in response to our report, provided the ALCS with a software package for computing inventory holding costs in determining the cost effectiveness of a contract termination. Subsequently, the ALCS terminated \$126.8 million, or 13 percent, of the \$972.6 million of validated on-order excesses shown by the March 31, 1987, requirement computation. In the next year, the ALCS terminated \$116.9 million, or 17.8 percent, of the \$655.7 million of excesses shown by the March 31, 1988, requirement computation.

The Air Force's fiscal year 1990 funding request for aircraft spares does not recognize the procurement cost savings of over \$100 million annually for the past 2 years and anticipated savings in the current fiscal year. In commenting on this finding, an Air Force Headquarters official stated that all funds from such terminations would not be readily available for future obligations because of the 3-year limitation of obligation of procurement funds. Neither Air Force data nor our work identified the extent that these savings were not available. However, we believe we have recognized the unavailability of some funds by identifying a

³Military Procurement: Air Force Should Terminate More Contracts for On-Order Excess Spare Parts (GAO/NSIAD-87-141, Aug. 12, 1987).

reduction or rescission of \$100 million, which is a portion of the savings from past and current contract terminations.

- **Reduced budgeted buy requirements for F-16 initial spares (\$46.1 million reduction)**

The Air Force's fiscal year 1990 funding request included \$250.6 million for procuring initial spares for 150 F-16 aircraft. The Air Force's recomputed fiscal year 1990 buy requirements for F-16 initial spares are \$46.1 million less than the funding request. The \$46.1 million decrease is attributed to reduced requirements for airborne self-protection jammers (\$11.8 million reduction) and F-100 and F-110 engine spares (\$34.3 million reduction).

Air Force's Performance in Obligating Prior Years' Funds for the Purchase of Aircraft Spares

Funds appropriated by the Congress for procurement of aircraft spares are available for obligation over a 3-year period. For example, fiscal year 1987 funds are available for obligation through the end of fiscal year 1989 (September 30, 1989). Similarly, fiscal year 1988 funds are available for obligation through the end of fiscal year 1990 (September 30, 1990).

Before fiscal year 1986, Air Force policy provided that current year's funds could only be used to buy current year's requirements (i.e., fiscal year 1985 funds could only be used to satisfy fiscal year 1985 requirements). In response to Department of Defense direction to improve its performance in obligating prior years' funding, the Air Force changed its policy in October 1985 to provide that available aircraft spares funds could be obligated to satisfy prior, current, or future years' requirements. For example, fiscal year 1988 funds, which are available for obligation through fiscal year 1990, could be used to buy requirements for fiscal years 1987 through 1990.

The status of fiscal years 1987 through 1989 procurement funds for aircraft spares as of July 31, 1989, is shown in table II.1.

Table II.1: Status of Fiscal Years' 1987 Through 1989 Procurement Funds for Aircraft Spares as of July 31, 1989

Dollars in thousands

Fiscal year	Procurement authority	Commitments ^a		Uncommitted/ (overcommitted) amount	Obligations ^b		Unobligated amount
		Amount	Percent		Amount	Percent	
Replenishment spares							
1987	\$2,153,227	\$2,135,139	99.2	\$18,088	\$2,124,509	98.7	\$28,718
1988	1,882,492	1,867,101	99.2	15,391	1,818,511	96.6	63,981
1989	1,994,358	1,493,261	74.9	501,097	1,117,264	56.0	877,094
Initial spares							
1987	702,961	708,605	100.8	(5,644)	688,225	97.9	14,736
1988	465,685	459,008	98.6	6,677	430,268	92.4	35,417
1989	939,697	841,751	89.6	97,946	683,559	72.7	256,138

^aCommitments are recorded when purchase requests are prepared and bids are solicited. For replenishment spares, AFLC's goal is to commit 100 percent of a fiscal year's funds during the first year of the 3-year authorization period. AFLC has no commitment goal for initial spares.

^bObligations are recorded when contracts are awarded. For replenishment spares, AFLC's goal for obligating funds during the first year of a fiscal year's 3-year authorization period was 92 percent for fiscal year 1987, 100 percent for fiscal year 1988, and 92 percent for fiscal year 1989. For initial spares, AFLC's goal is to obligate 75 percent the first year.

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