INSTALLATION ENVIRONMENTAL PROFILE

NAVAL BASE GUAM

(Profile installation previously called COMNAVMARIANAS GUAM)

1. Air Quality (DoD Question #210-225):

a. The Clean Air Act (CAA) establishes health-based standards for air quality and all areas of the country are monitored to determine if they meet the standards. A major limiting factor is whether the installation is in an area designated nonattainment or maintenance (air quality is not meeting the standard) and is therefore subject to more stringent requirements, including the CAA General Conformity Rule. Conformity requires that any new emissions from military sources brought into the area must be offset by credits or accounted for in the State Implementation Plan (SIP) emissions budget. The criteria pollutants of concern include: CO, O3 (1 hour & 8 Hour), and PM (PM10, and PM2.5). Installations in attainment areas are not restricted, while activities for installations in non-attainment areas may be restricted. Non-attainment areas are classified as to the degree of non-attainment: Marginal, Moderate, Serious, and in the case of O3, Severe and Extreme. SIP Growth Allowances and Emission Reduction Credits are tools that can be used to accommodate increased emissions in a manner that conforms to a state's SIP. All areas of the country require operating permits if emissions from stationary sources exceed certain threshold amounts. Major sources already exceed the amount and are subject to permit requirements. Synthetic minor means the base has accepted legal limits to its emissions to stay under the major source threshold. Natural or true minor means the actual and potential emissions are below the threshold.

b. Naval Base Guam is not in Attainment for all Criteria Pollutants. It is in Marginal Nonattainment for SO2. It did not report holding an CAA Operating Permit. No emission credit program available. No SIP growth allowance has been allocated for this installation.

2. Cultural/Archeological/Tribal Resources (DoD Question #229-237):

a. Many installations have historical, archeological, cultural and Tribal sites of interest. These sites and access to them often must be maintained, or consultation is typically required before changes can be made. The sites and any buffers surrounding them may reduce the quantity or quality of land or airspace available for training and maneuvers or even construction of new facilities. The presence of such sites needs to be recognized, but the fact that restrictions actually occur is the overriding factor the data call is trying to identify. A programmatic agreement with the State Historic Preservation Office (SHPO) facilitates management of these sites.

b. Historic property has been identified on Naval Base Guam. There is a programmatic agreement for historic property in place with the SHPO. It has sites with high archeological potential identified, which restrict current operations and do not restrict current construction.

3. Dredging (DoD Question # 226-228):

a. Dredging allows for free navigation of vessels through ports, channels, and rivers. Identification of sites with remaining capacity for the proper disposal of dredge spoil is the primary focus of the profile. However, the presence of unexploded ordnance or any other impediment that restricts the ability to dredge is also a consideration.

Sec. 147: Joint Basing
C5

DoD Position:

- COBRA savings are conservative and achievable.

GAO Report:

- Service officials indicate that they do not plan to reduce end-strength based on proposed eliminations but reallocate the positions.
- Generic personnel savings factor was developed; projected reductions based on a series of calculations which determined a potential range of reductions.
- Respective services agreed to negotiate and concur or modify the recommended reductions which resulted in the final personnel reductions.
- More than 90% of recurring savings represent personnel reductions.

Commission Staff Assessment:

- Disregarding the military personnel reductions, Net Present Value is a savings of $1,774.5M.

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Sec. 147: Joint Basing
C5 (Savings) / Cost

COBRA DATA			
	DoD COBRA Run	Commission COBRA Run	Without MILPERS Reductions
One Time Cost	$50.6M	$50.6M	$81.7M
Net Implementation	($601.3M)	($601.3M)	($432.1M)
Annual Recurring	($183.8M)	($183.8M)	($141.5M)
Payback Period	Immediate	Immediate	Immediate
Net Present Value	($2,342.5M)	($2, 342.5M)	($1,774.5M)

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Sec. 147: Joint Basing
C4

DoD Position:

- Full potential for savings will be achieved through a detailed functional analysis that will be an integral part of the implementation process.

GAO Report:

- DoD does not have management and oversight framework in place necessary to identify total base support requirements and ensure adequate delivery of services, particularly in a joint environment.
- DoD is conducting a cross-department initiative to develop definitions for the common delivery of installation services.
- Action is required to expedite development and consistent implementation of analytically sound and consistently applied model for determining Base Operating Support (BOS) requirements.

Commission Staff Assessment:

- Common definitions and DoD-wide standards for delivery of services are critical to success.
- Requires DoD emphasis on adequate BOS funding.

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Sec. 147: Joint Basing
C1

DoD Position:

- Challenges are of a policy nature and being worked by OSD/services.
- DoD supports achieving transformational objectives through BRAC.

GAO Report

- DoD expects to release a new facilities operation model by Dec 1, 2005.
- Action is required to expedite development and consistent implementation of analytically sound and consistently applied model for determining Base Operating Support (BOS) requirements.
- Failures in consolidation appear to have more to do with implementation than with the merits of the concept.

Commission Staff Assessment

- Naval Research Laboratory is a Secretary of the Navy Working Capital Fund activity assigned with unique Navy-wide and national responsibilities. NRL's continuing control of laboratory buildings, structures, and other physical assets is essential to NRL's research mission.
- BRAC is being used as a forcing function.

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CONSOLIDATION OF LIKE FUNCTIONS CAN GARNER ~~DRIVE~~ EFFICIENCIES. HOWEVER, AS GAO OBSERVED, FAILURES IN CONSOLIDATION APPEAR TO HAVE MORE TO DO WITH IMPLEMENTATION THAN WITH THE MERITS OF THE CONCEPT.

MR. CHAIRMAN, THIS CONCLUDES MY PREPARED REMARKS. THE STAFF WILL ADDRESS ANY QUESTIONS YOU OR THE COMMISSIONERS HAVE PRIOR TO ANY MOTIONS YOU MIGHT WANT TO MAKE.

INSTALLATIONS. THE MANPOWER SAVINGS WERE DIRECTED, NOT DERIVED. ~~FROM STANDARD MANPOWER AND FUNCTIONAL ANALYSIS STUDIES.~~

IN SUMMARY, THIS RECOMMENDATION CARRIES WITH IT MANY CHALLENGES. SENIOR OFFICIALS IN THE DEPARTMENT OF DEFENSE HAVE STATED THAT THE CHALLENGES WILL BE ADDRESSED DURING THE IMPLEMENTATION PHASE. OVER THE LAST DECADE VARIOUS AGENCIES, INCLUDING GAO, HAVE AGREED AND THE STAFF'S ASSESSMENT IS THAT THIS CONCEPT HAS MUCH MERIT AND THAT

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- Lowered ~~the~~ Air Force base line population to account for the expeditionary nature of Air Force the personnel

- ~~The losing personnel~~ ~~[illegible]~~ The installation losing the functions will not necessarily ~~be~~ lose all the positions. This will be ~~[illegible]~~ negotiated during implementation.

SECOND, GAO AND OTHER REPORTS SUGGEST THAT A LACK OF DOD-WIDE COMMON STANDARDS FOR COMMON SUPPORT FUNCTIONS AND COMMON DEFINITIONS FOR THOSE FUNCTIONS ARE ROADBLOCKS TO SUCCESS. THIS PROBLEM HAS NOT YET BEEN RESOLVED.

THIRD, DOD'S MANPOWER REDUCTIONS WERE DETERMINED THROUGH A COMPLEX FORMULA THAT, SIMPLY STATED, WAS A PERCENTAGE OF BASES' POPULATIONS WITH THE FINAL NUMBER OF REDUCTIONS NEGOTIATED BETWEEN THE MILITARY SERVICES OF THE AFFECTED

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FIRST, NAVAL RESEARCH LABORATORY IS A SECRETARY OF THE NAVY WORKING CAPITAL FUND ACTIVITY WITH UNIQUE RESPONSIBILITIES. NRL'S CONTINUED CONTROL OF LABORATORY BUILDINGS, STRUCTURES, AND OTHER PHYSICAL ASSETS IS ESSENTIAL TO NRL'S RESEARCH MISSION. ~~BECAUSE OF NAVY'S CENTRALIZATION OF INSTALLATION MANAGEMENT FUNCTIONS, NAVAL DISTRICT WASHINGTON PROVIDES NON-MISSION RELATED SERVICES TO NRL ALREADY, SUCH AS MORALE, WELFARE, AND RECREATION AND FOOD SERVICES.~~

Sec. 147: Joint Basing Issues

C1

- Real property and Base Operating Support functions are integral to the research and industrial functions at Naval Research Laboratory (NRL).
- Potential impact on delivering trained Air Force Expeditionary Combat Support forces to the war fighter.
- OSD and Services lack common definitions and standards.

C4, C5

- Personnel reductions resulted from formula/directed process/negotiations, not a functional analysis.
- Recurring savings are from personnel reductions.
- Existing instruments can accomplish similar results (i.e., Interservice Support Agreements).

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DOD'S COBRA ESTIMATES A ONE-TIME IMPLEMENTATION COST OF $50.6M. THE NET PRESENT VALUE OVER 20 YEARS IS A SAVINGS OF $2,342.5M. THIS RECOMMENDATION AFFECTS ~~APPROXIMATELY 1,153 MILITARY AND 968 CIVILIAN~~ OVER 2100 PERSONNEL.

1153
968
2121

THIS SLIDE SUMMARIZES KEY ISSUES THAT WERE DEVELOPED DURING ANALYSIS OF THIS RECOMMENDATION AND ARE GROUPED BY THEIR ASSOCIATED SELECTION CRITERIA. THERE ARE THREE THAT I WOULD LIKE TO EMPHASIZE.

Sec. 146, Joint Basing DoD Justification

- Reduces duplication of effort with resulting reduction in manpower and facilities requirements
- Pares unnecessary management personnel and achieves greater efficiencies through economies of scale
- Achieves regional efficiencies through Service regionalization of installation management

COBRA

- $50.6M One-Time Implementation Cost
- Immediate Payback
- ($2,342.5M) Savings 20-Year Net Present Value
- 1,153 Military; 968 Civilians

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DOD'S JUSTIFICATION IS THAT BY REDUCING DUPLICATION OF EFFORT THERE IS A RESULTING REDUCTION IN MANPOWER AND FACILITIES REQUIREMENTS. INTANGIBLE RESULTS CAN RESULT FROM OPPORTUNITIES TO CONSOLIDATE AND OPTIMIZE EXISTING AND FUTURE CONTRACT REQUIREMENTS. DOD ANTICIPATES TRANSFERRING RESPONSIBILITY FOR BASE OPERATING SUPPORT (OR BOS) FUNCTIONS AND THE OPERATIONS AND MAINTENANCE (OR O&M) PORTION OF SUSTAINMENT, RESTORATION AND MODERNIZATION TO THE DESIGNATED RECEIVING LOCATION.

b. Naval Base Guam has no impediments to dredging. It has spoil disposal site(s) with 350000 CY of capacity remaining.

4. Land Use Constraints/Sensitive Resource Areas (DoD Question #198-201, 238, 240-247, 254-256, 273):

a. Land use can be encroached from both internal and external pressures. This resource area combines several different types of possible constraints. It captures the variety of constraints not otherwise covered by other areas that could restrict operations or development. The areas include electromagnetic radiation or emissions, environmental restoration sites (on and off installation), military munitions response areas, explosive safety quantity distance arcs, treaties, underground storage tanks, sensitive resource areas, as well as policies, rules, regulations, and activities of other federal, state, tribal and local agencies. This area also captures other constraining factors from animals and wildlife that are not endangered but cause operational restrictions. This resource area specifically includes information on known environmental restoration costs through FY03 and the projected cost-to-complete the restoration.

b. Naval Base Guam reports that 1441 unconstrained acres are available for development out of 19806 total acres. NAVAL BASE Guam has spent $86M thru FY03 for environmental restoration, and has estimated the remaining the Cost to Complete at $31M. It has Military Munitions Response Areas. Naval Base Guam has Explosive Safety Quantity Distance Arcs, some of which require safety waivers, and some with the potential for expansion. Naval Base Guam reports being constrained by the laws, regulations, policies, or activities of non-DoD federal, tribal, state, or local agencies.

5. Marine Mammal/Marine Resources/Marine Sanctuaries (DoD Question #248-250, 252-253):

a. This area captures the extent of any restrictions on near shore or open water testing, training or operations as a result of laws protecting Marine Mammals, Essential Fish Habitat, and other related marine resources.

b. Naval Base Guam is impacted by laws and regulations pertaining to Marine Mammal Protection Act, Essential Fish Habitats & Fisheries and Marine Sanctuaries, which may adversely restrict navigation and operations.

6. Noise (DoD Question # 202-209, 239):

a. Military operations, particularly aircraft operations and weapons firing, may generate noise that can impact property outside of the installation. Installations with significant noise will typically generate maps that predict noise levels. These maps are then used to identify whether the noise levels are compatible with land uses in these noise-impacted areas. Installations will often publish noise abatement procedures to mitigate these noise impacts.

b. Naval Base Guam does not have noise contours that extend off the installation's property. It does not have published noise abatement procedures for the main installation.

7. Threatened and Endangered Species/Critical Habitat (DoD Question #259-264)

"Forcing function"
Like functions combining for savings
Requirements & Drivers
Fund by DoD → Other
solve standards, processes

need to estab units first

putting installation cdrs in impossible situation

Recommendation Detail

146 **H&SA - 41 Joint Basing** ☐ Y ☐ N **146**

DoD Description

Realign McChord Air Force Base (AFB), WA, by relocating the installation management functions to Fort Lewis, WA, establishing Joint Base Lewis-McChord.
Realign Fort Dix, NJ, and Naval Air Engineering Station Lakehurst, NJ, by relocating the installation management functions to McGuire AFB, NJ, establishing Joint Base McGuire-Dix- Lakehurst.
Realign Naval Air Facility Washington, MD, by relocating the installation management functions to Andrews AFB, MD, establishing Joint Base Andrews-Naval Air Facility Washington, MD.
Realign Bolling AFB, DC, by relocating the installation management functions to Naval District Washington at the Washington Navy Yard, DC, establishing Joint Base Anacostia-Bolling-Naval Research Laboratory (NRL), DC.
Realign Henderson Hall, VA, by relocating the installation management functions to Fort Myer, VA, establishing Joint Base Myer-Henderson Hall, VA.
Realign Fort Richardson, AK, by relocating the installation management functions to Elmendorf AFB, AK, establishing Joint Base Elmendorf-Richardson, AK.
Realign Hickam AFB, HI, by relocating the installation management functions to Naval Station Pearl Harbor, HI, establishing Joint Base Pearl Harbor-Hickam, HI.
Realign Fort Sam Houston, TX, and Randolph AFB, TX, by relocating the installation management functions to Lackland AFB, TX.
Realign Naval Weapons Station Charleston, SC, by relocating the installation management functions to Charleston AFB, SC.
Realign Fort Eustis, VA, by relocating the installation management functions to Langley AFB, VA.
Realign Fort Story, VA, by relocating the installation management functions to Commander Naval Mid-Atlantic Region at Naval Station Norfolk, VA.
Realign Andersen AFB, Guam, by relocating the installation management functions to Commander, U.S. Naval Forces, Marianas Islands, Guam.

COBRA Data

1 Time Costs ($M)	Rank/190	% Total	Payback (Years)	6 Year Net ($M)	Rank/190	20-Year NPV ($M)	Rank/190	% Total
$50.60	87	0.21%	Immediate	($601.32)	5	($2,342.50)	6	4.79%

Job Impact at Affected Bases

	Action	Base Name	State	Net Mil.	Net Civ.	Net Cont.	Total Dir.	Total InDir.	Total Chng
	Realign	Andersen Air Force Base	GU	-64	-31	0	-95	-79	-174
✓	Realign	Bolling Air Force Base	DC	-64	-55	0	-119	-81	-200
✓	Realign	Fort Dix	NJ	-7	-82	0	-89	-92	-181
✓	Realign	Fort Eustis	VA	50 ~~-68~~	167 ~~170~~	0	-238	-307	-545
✓	Realign	Fort Richardson	AK	-84	-140	0	-224	-187	-411
✓	Realign	Fort Sam Houston	TX	-28	-52	0	-80	-81	-161
✓	Realign	Headquarters Battalion, Headquarters Marine Corps, Henderson Hall	VA	-11	-2	0	-13	-7	-20
	Realign	Hickam Air Force Base	HI	-177	-100	0	-277	-233	-510
✓	Realign	McChord Air Force Base	WA	-306	-116	0	-422	-353	-775
✓	Realign	Naval Air Engineering Station Lakehurst	NJ	-132	-41	0	-173	-111	-284
	Realign	Naval Air Facility Washington	MD	-9	-9	0	-18	-11	-29
✓	Realign	Naval Weapons Station Charleston	SC	-163	-101	0	-264	-392	-656
✓	Realign	Randolph Air Force Base	TX	-40	-69	0	-109	-110	-219
		Fort Story, VA							
		Net jobs for this Recommendation		**-1,153**	**-968**	**0**	**-2,121**	**-2,044**	**-4,165**
				18	3				

Other OSD Recommendations

*****See Appendix - Alphabetical Listing of Bases**

GAO p161

	mil	civ
Eustis	50	167
Ft Story	18	3
	68	170

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Sec. 146: Joint Basing Associated Actions (1 OF 4)

McChord AFB, WA →	Fort Lewis, WA →	Joint Base Lewis-McChord
Naval Air Fac Washington, MD →	Andrews AFB, MD →	JB Andrews-NAF Washington, MD
Henderson Hall, VA →	Fort Myer, VA →	Joint Base Myer-Henderson Hall, VA
Fort Richardson, AK →	Elmendorf AFB, AK →	Joint Base Elmendorf-Richardson, AK
Hickam AFB, HI →	Naval Station Pearl Harbor, HI →	Joint Base Pearl Harbor-Hickam, HI
Bolling AFB, DC →	Naval District Washington →	Joint Base Anacostia-Bolling-Naval Research Laboratory (NRL), DC

Relocate Installation Management Functions → Receiving Installation → Joint Base

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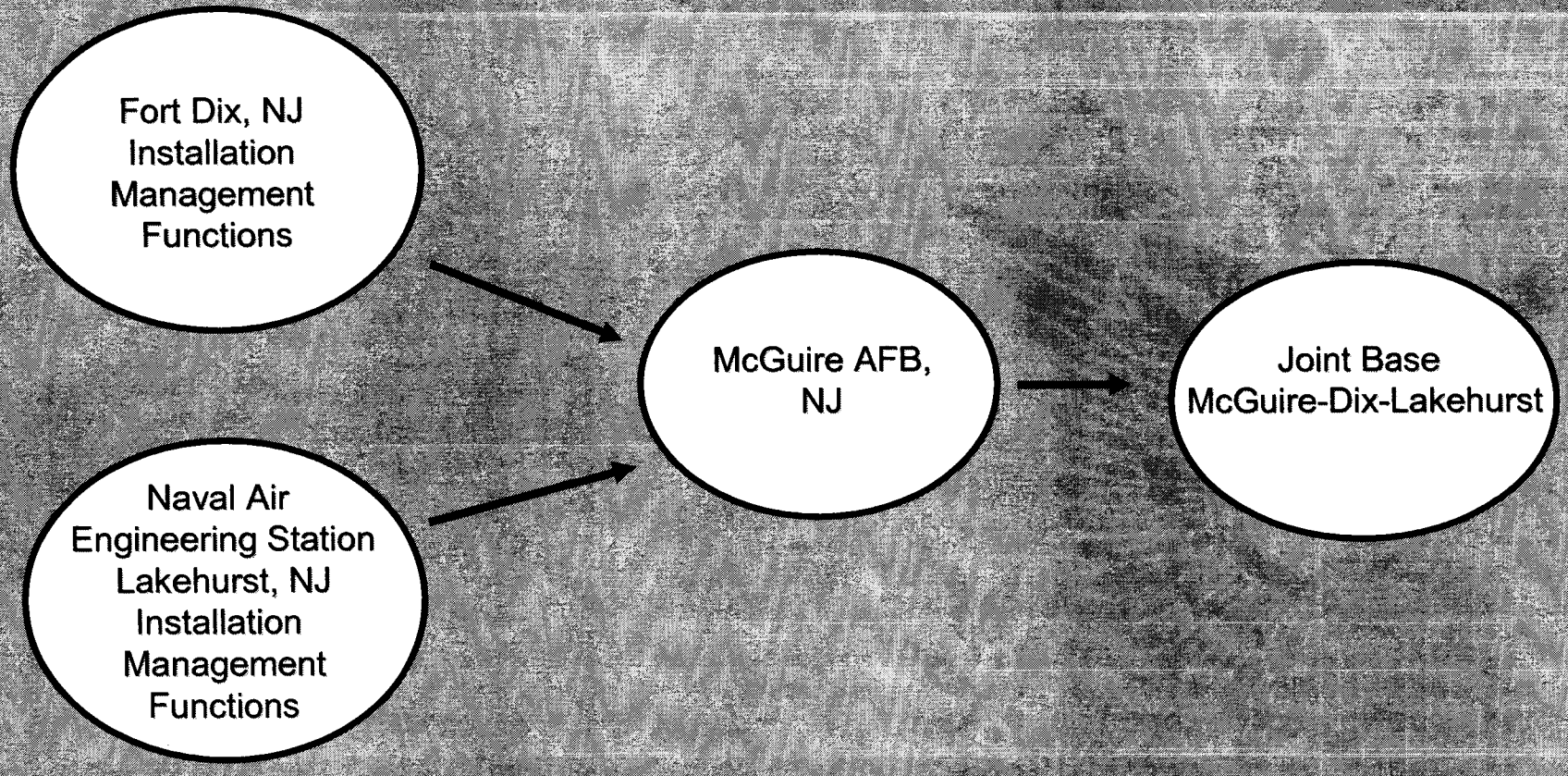
Sec. 146: Joint Basing Associated Actions(2 OF 4)



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Sec. 146: Joint Basing Associated Actions (3 of 4)

Naval Weapons Station Charleston, SC →	Charleston AFB, SC
Fort Eustis, VA →	Langley AFB, VA
Fort Story, VA →	Commander Naval Mid-Atlantic Region
Andersen AFB, Guam →	Commander, U.S. Naval Forces, Marianas Islands, Guam

Relocate Installation Management Functions → Receiving Installation

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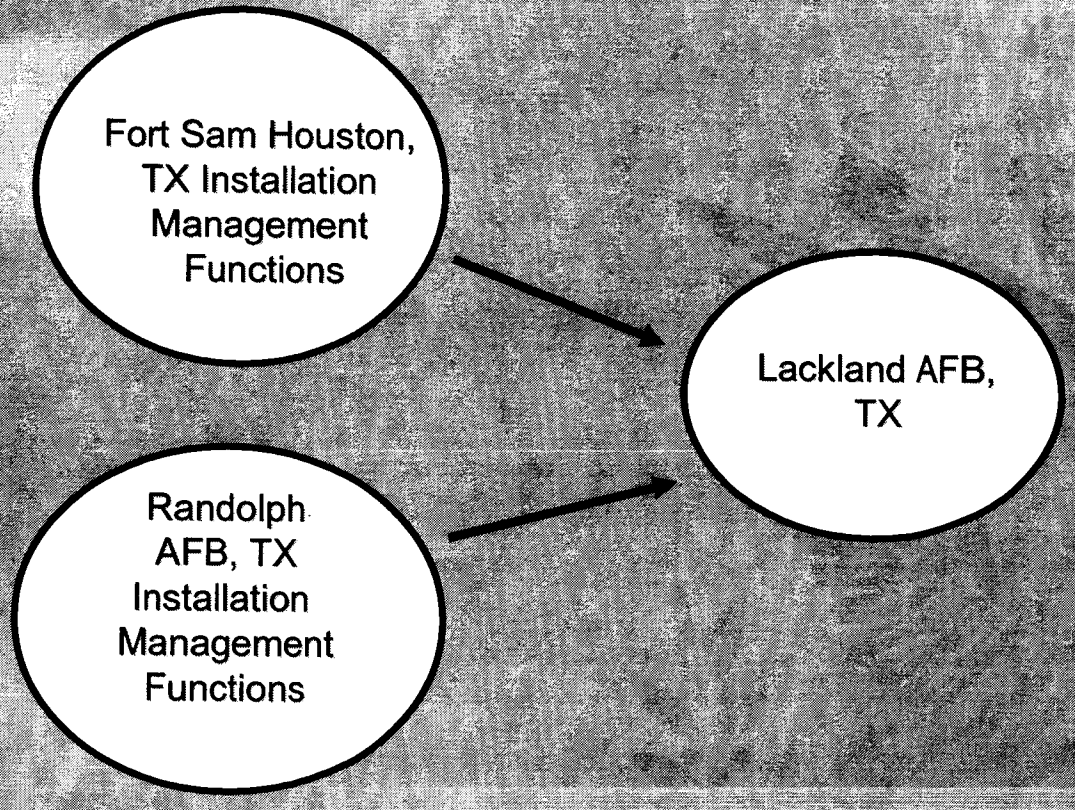
Sec. 146: Joint Basing Associated Actions (4 of 4)



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MR. CHAIRMAN, COMMISSIONERS,

THE NEXT RECOMMENDATION FOR YOUR CONSIDERATION IS FOUND IN CHAPTER 5, SECTION 146, JOINT BASING.

THIS RECOMMENDATION WOULD REALIGN 14 INSTALLATIONS BY RELOCATING THEIR INSTALLATION MANAGEMENT FUNCTIONS TO 12 OTHER CONTIGUOUS OR GEOGRAPHICALLY PROXIMATE INSTALLATIONS.

Sec. 146, Joint Basing
DoD Recommendation (p. 1 of 2)

- Realign McChord AFB, WA by relocating installation management (IM) functions to Fort Lewis, WA
- Realign Fort Dix, NJ and Naval Engineering Station Lakehurst, NJ by relocating IM functions to McGuire AFB, NJ
- Realign Naval Air Facility Washington, MD by relocating IM functions to Andrews AFB, MD
- Realign Bolling AFB, DC by relocating IM functions to Naval District Washington at the Washington Navy Yard, DC
- Realign Henderson Hall, VA by relocating IM functions to Fort Myer, VA
- Realign Fort Richardson, AK by relocating IM functions to Elmendorf AFB, AK
- Realign Hickam AFB, HI by relocating IM functions to Naval Station Pearl Harbor, HI

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Sec. 146, Joint Basing
DoD Recommendation (p. 2 of 2)

- Realign Fort Sam Houston, TX and Randolph AFB, TX by relocating the IM functions to Lackland AFB, TX
- Realign Naval Weapons Station Charleston, SC by relocating the IM functions to Charleston AFB, SC
- Realign Fort Eustis, VA by relocating the IM functions to Langley AFB, VA
- Realign Fort Story, VA by relocating the IM functions to Commander Naval Mid-Atlantic Region at Naval Station Norfolk, VA
- Realign Andersen AFB, Guam by relocating the IM functions to Commander, U.S. Naval Forces, Marianas Islands, Guam

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ADDER COMBINED SUMMARY REPORT (ADDER v6.10) - Page 1/2
Report Created 8/18/2005 12:04:49 PM

ADDER Data File: C:\Documents and Settings\obornj\My Documents\ALT COBRA\HSA\146 - HSA0010\146M - HSA0010 No Mil Reductions\Adder\146_1 Adder.ADR

Starting Year : 2006
Final Year : 2009
Payback Year : Immediate

NPV in 2025($K): -1,774,513
1-Time Cost($K): 81,726

Net Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	0	0	0	0	0	0	0	0
Person	19	-4,082	-44,139	-110,744	-133,783	-133,783	-426,511	-133,783
Overhd	3,337	511	-4,343	-6,457	-7,702	-7,702	-22,356	-7,702
Moving	35	3,691	7,738	3,088	0	0	14,553	0
Missio	0	0	0	0	0	0	0	0
Other	0	772	968	470	0	0	2,209	0
TOTAL	3,392	892	-39,775	-113,643	-141,484	-141,484	-432,104	-141,484

	2006	2007	2008	2009	2010	2011	Total
POSITIONS ELIMINATED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Civ	5	513	1,072	422	0	0	2,012
TOT	5	513	1,072	422	0	0	2,012
POSITIONS REALIGNED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Stu	0	0	0	0	0	0	0
Civ	0	0	0	0	0	0	0
TOT	0	0	0	0	0	0	0

ADDER COMBINED SUMMARY REPORT (ADDER v6.10) - Page 2/2
Report Created 8/18/2005 12:04:49 PM

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Costs in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	0	0	0	0	0	0	0	0
Person	191	14,254	29,711	15,455	7,246	7,246	74,104	7,246
Overhd	3,343	2,607	1,980	1,345	100	100	9,475	100
Moving	35	3,691	7,738	3,088	0	0	14,553	0
Missio	0	0	0	0	0	0	0	0
Other	0	772	968	470	0	0	2,209	0
TOTAL	3,569	21,325	40,397	20,358	7,346	7,346	100,342	7,346

Savings in 2005 Constant Dollars ($K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
MilCon	0	0	0	0	0	0	0	0
Person	172	18,337	73,850	126,199	141,029	141,029	500,615	141,029
Overhd	6	2,096	6,323	7,802	7,802	7,802	31,831	7,802
Moving	0	0	0	0	0	0	0	0
Missio	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
TOTAL	178	20,433	80,173	134,001	148,831	148,831	532,446	148,831

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B.

Cannot make capital investments by "lumping"

→ NDW & NRL – has current relationship
need to make sure new relationship
w/ Balling [protect NRL physical plant]
Let them
Experiment →

~~Improperly~~

Re

JB
Print p.6.

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BULLET BACKGROUND PAPER

ON

COMMON DELIVERY OF INSTALLATION SUPPORT (CDIS)

PURPOSE: To provide information on the Common Delivery of Installation Support

BACKGROUND:
- In Oct 04, OSD (I&E)'s Installation Capability Council (ICC) chartered a working group to create a DoD-wide framework for the Common Delivery of Installation Support.

DISCUSSION
- **What is CDIS?** CDIS is a framework that will consolidate agreed to installation support functions at adjacent or nearby installations under one Military Department in order to reduce duplication and save money. The goal of CDIS is to provide consistent and high quality installation support (IS) services DoD-wide at the best value possible. It is also envisioned to assist DoD Components in apportioning and managing limited resources for IS activities. CDIS initiative consists of two components -- Policy and Common Output Level Standards (COLS).

- **What Installation Support services are under CDIS?**

Facility Operations (RPS)	Environmental	Force Protection/LE/Security
Financial Mgt	Safety/Occ. Health	Laundry/Dry Cleaning
Family Services	Procurement	Command Management
Unaccompanied Housing	Human Resource Mgt	Public Affairs
Religious Services	Protocol	Supply/Fuels/Munitions
Transportation	Vehicle/Equip Mgt	Management Analysis
Family Housing	Legal	MWR Services (Cat A, B, & C)
Info Mgt/Communication	IG	Food Services
Child Development	Airfield Ops/Mgt	Range Ops/Mgt
Port Ops/Mgt		

- **CDIS Policy**. New CDIS policies will be captured by updating existing installation management guidance, specifically DoD Directive 4001.1, *Installation Support Management*, and DoD Instruction 4000.19, *Interservice and Intragovernmental Support*. COLS will be codified in a new DoD Manual, which will be updated annually.

-- Policy will be shaped through a series of cross-Service "pilot studies" that will be conducted between Jul and Dec of 2005. Proposed pilot studies include:

--- Anacostia-Bolling-Naval Research Base (Navy Lead)
--- McGuire-Ft Dix-Lakehurst (AF Lead)
--- Ft Lewis-McChord (Army Lead)

-- Guiding principles for CDIS policy development include:

--- Define a process to conduct CDIS Analysis for defined situations (e.g., adjoining bases, BRAC, co-located missions, etc.).

--- Define a process to develop CDIS support agreements (SA) to include using a higher headquarters-lead "Installation Support Task Force" to facilitate tailored CDIS agreements

--- Mandate the use of COLS to ensure support agreements are enduring and enforceable

--- Establish a governance framework to preserve the integrity of the CDIS Analysis process, ensure SA compliance, and ensure tenant safeguards are built into all support agreements

--- Prescribe Support Agreement approval/arbitration authorities

--- Mandate transparent reporting - laterally and vertically

- **Common Output Level Standards (COLS).** In Jul 05, OSD will form Service Standards Teams (SSTs) to develop Common Output Level Standards for all IS services (see atch). SSTs will be composed of DoD installation management functional experts, customers, and organizational stakeholders drawn from all the Military Components and relevant organizations within OSD. SSTs will meet in one-week sessions to accomplish the following objectives:

-- Develop common definitions for all IS services
-- Identify and define discrete sub-functions for each IS service
-- Establish standards of performance at four discrete output levels
-- Formulate metrics to evaluate performance at each output level
-- Collect rough order costing information for each sub-function

- **BRAC '05** recommendation calls for the following 12 Joint Basing arrangements:

-- Joint Base (JB) Pearl Harbor-Hickam, HI (Navy lead)
-- Navy Base Guam / Andersen, GU (Navy lead)
-- JB Anacostia-Bolling-Naval Research Lab, DC (Navy lead) *
-- JB Ft Lewis-McChord, WA (Army lead) *
-- JB Ft Myers-Henderson Hall, VA (Army lead)
-- Charleston/Naval Weapons Station Charleston, SC (AF lead)
-- JB McGuire-Ft Dix-Naval Air Station Lakehurst, NJ (AF lead) *
-- JB Andrews-Naval Air Facility Washington, MD (AF lead)
-- JB Elmendorf-Ft Richardson, AK (AF lead)
-- Lackland/Randolph/Ft Sam, TX (AF lead)
-- Langley/Ft Eustis, VA (AF lead)
* Designated pilot study locations

- CDIS policy and COLS will initially be used to craft tailored Support Agreements at the Joint Bases designated in BRAC '05, should it become law. In the future, CDIS policies will be applied at select locations while COLS are envisioned to be used DoD-wide.

RECOMMENDATION: None, for information only

DCN: 11888

Atch 1 - Service Standards Teams (SST) Schedule *

18 Jul – 22 Jul Installation Safety / Occupational Health	**3 Oct – 7 Oct** Environmental Conservation Installation Movement (Transportation) CIVPERS Administration
8 Aug – 12 Aug Religious Services Unaccompanied Personnel Housing Food Services	**17 Oct –21 Oct** MWR Categories A & B Management Analysis Law Enforcement, Security Guard/ Physical Security, Force Protection (includes Brigs)
15 Aug – 19 Aug Supply, Storage, Distribution (#1)– w/ POL Family Services Public Affairs	**24 Oct – 28 Oct** MWR Category C - includes Lodging Command Management Base Communications (includes Visual Info and Printing/Publications)
29 Aug – 2 Sep Family Housing Supply, Storage, Distribution (#2) – Munitions Legal Support	**14 Nov – 18 Nov** Information Technology Financial Management MILPERS Services
12 Sep – 16 Sep Laundry & Dry Cleaning Procurement Base Vehicles and Equipment	**28 Nov – 2 Dec** Airfield Operations Port Operations Range Operations
19 Sep – 23 Sep Child Development Inspector General Environmental Compliance and Pollution Prevention	Notes: 1. An effort to model the requirement for Facilities Operations (formerly Real Property Services) is currently underway. Therefore, Facilities Operations will not undergo the SST process at this time. 2. Facilities Operations includes: utilities, pest control, custodial, refuse Collection, grounds & pavement maintenance, real property leases, fire protection & emergency management, real property management & engineering services.

* Schedule is subject to be changed by OSD(I&E)

DCN: 11888

DOD RECOMMENDATION #146 (H&SA 41)
JOINT BASING

- Relocates installation management (IM) functions from one (or two) installation(s) to another.
- Immediate payback from personnel savings.
  - However, Service officials indicate that they do not plan to reduce their end-strength based on these proposed eliminations but rather reallocate these positions elsewhere within the force structure.
- Functional analysis was not done. JCSG did not have time to conduct manpower studies to determine personnel savings resulting from the scenarios.
  - Generic personnel savings factor was developed; projected reductions based on a series of calculations which determined a potential range of reductions.
  - Respective services agreed to negotiate and concur or modify the recommended reductions which resulted in the final personnel reductions.
  - Actual reductions resulting from implementation can come from workforce at both installations with the actual mix between military and civilian reductions reflecting staffing requirements based on service determinations. (Approximately $537million, or about 59 percent, of projected net annual recurring savings are based on reductions of military and civilian personnel -- $270 million from elimination of military; $267 million from civilians.)
- GAO comments:

1. DOD does not have in place the management and oversight framework needed for identifying total base support requirements and ensuring adequate delivery of services in a joint environment.

2. DOD and military services' ability to forecast base operations support requirements and funding needs has been hindered by the lack of a common terminology for defining base support functions, as well as by the lack of a mature analytic process for developing base support requirements.

3. Failures in consolidation appear to have more with implementation than with the merits of the concept.

4. DOD does not have a generally accepted definition of base support services; Services differ in how support services are defined.

- Combatant Commander comment: Request HSA and Technical JCSGs remove the terms "joint" or "jointness" from scenarios, 'if there is not intent for the activities, facilities and/or locations to be under joint oversight, have a joint command and control structure, or are missions assigned that have a joint operational focus.'
- DOD is conducting a cross-service initiative to develop definitions for the common delivery of installation services (completion expected by December 2005).
- Senior Joint Basing Group was created in late 2004 to address installation management issues at joint bases, but Group official expressed doubt that there would be a single funding model because base operating support, as it currently exists, has too many diverse activities to model. More likely, a suite of tools will develop over time.

DCN: 11888

DEPARTMENT OF THE AIR FORCE
OFFICE OF THE CHIEF OF STAFF
WASHINGTON, DC

AUG 0 1 2005

MEMORANDUM FOR ALMAJCOM-FOA/CV

FROM: HQ USAF/CV
1670 Air Force Pentagon
Washington, DC 20330-1670

SUBJECT: Common Delivery of Installations Support (CDIS)

In the coming months, OSD will begin a joint effort to create a Department-wide framework for the common delivery of installation support. This framework includes the establishment of new Installation Support (IS) policies along with common definitions, tiered performance standards, and metrics for installation support services to be called Common Output Level Standards (COLS). COLS would be applicable across all installations and form the basis of consistent host-tenant agreements such as the Joint Basing arrangements described in the recent BRAC announcement. See attached bullet background paper for more details on CDIS.

In July 2005, OSD will begin forming Service Standards Teams (SSTs) to develop DoD-wide Common Output Level Standards for all IS services. SSTs will be composed of DoD installation management functional experts, customers, and organizational stakeholders drawn from all the Military Components and relevant organizations within OSD. SSTs will meet in the Washington DC area in one-week sessions to accomplish the following objectives for each IS function:

- Develop common definitions for all IS services
- Identify and define discrete sub-functions for each IS service
- Establish standards of performance at four discrete output levels
- Formulate metrics to evaluate performance at each output level
- Collect rough order costing information for each sub-function

I have charged the IS functionals on the Air Staff with assembling the absolute best subject matter experts from across the Air Force to ensure success in the SST effort. As much of the functional expertise lies outside the Air Staff, many members of your respective MAJCOMs/Bases may be handpicked to participate in this effort. See attached SST schedule.

Our full attention must be committed to ensuring that CDIS policies include AF IS principles and that COLS accurately reflect all elements of our installation support programs. To ensure the Air Force synchronizes its effort on this important and far-reaching initiative, I have appointed AF/ILE as the HAF executive agent for CDIS. AF/ILE will work directly with OSD to facilitate communication, provide implementation support, and serve as liaison between the HAF/MAJCOM functionals and OSD.

As you can imagine, the CDIS initiative could have a profound impact on how the AF delivers trained Expeditionary Combat Support (ECS) forces to the warfighter, and on how installation support services are provided to the AF team at home station. I am confident that with your assistance, OSD and the military departments will develop a model that provides consistent and high quality installation support services at the best value possible, while preserving our ECS warfighting capability. My action officer for this effort is Lt Col Pat Ryan, AF/ILEP, 703-604-5295.

T. MICHAEL MOSELEY
General, USAF
Vice Chief of Staff

Attachments:
1. CDIS Background Paper
2. SST Schedule

cc:
DISTRIBUTION C

BULLET BACKGROUND PAPER

ON

COMMON DELIVERY OF INSTALLATION SUPPORT (CDIS)

PURPOSE: To provide information on the Common Delivery of Installation Support

BACKGROUND:
- In Oct 04, OSD (I&E)'s Installation Capability Council (ICC) chartered a working group to create a DoD-wide framework for the Common Delivery of Installation Support.

DISCUSSION
- **What is CDIS?** CDIS is a framework that will consolidate agreed to installation support functions at adjacent or nearby installations under one Military Department in order to reduce duplication and save money. The goal of CDIS is to provide consistent and high quality installation support (IS) services DoD-wide at the best value possible. It is also envisioned to assist DoD Components in apportioning and managing limited resources for IS activities. CDIS initiative consists of two components -- Policy and Common Output Level Standards (COLS).

- **What Installation Support services are under CDIS?**

Facility Operations (RPS)	Environmental	Force Protection/LE/Security
Financial Mgt	Safety/Occ. Health	Laundry/Dry Cleaning
Family Services	Procurement	Command Management
Unaccompanied Housing	Human Resource Mgt	Public Affairs
Religious Services	Protocol	Supply/Fuels/Munitions
Transportation	Vehicles & Equipment	Management Analysis
Family Housing	Legal	MWR Services (Cat A, B, & C)
Info Mgt/Communication	IG	Food Services
Child Development	Airfield Ops/Mgt	Range Ops/Mgt
Port Ops/Mgt		

- **CDIS Policy**. New CDIS policies will be captured by updating existing installation management guidance, specifically DoD Directive 4001.1, *Installation Support Management*, and DoD Instruction 4000.19, *Interservice and Intragovernmental Support*. COLS will be codified in a new DoD Manual, which will be updated annually.

-- Policy will be shaped through a series of cross-Service "pilot studies" that will be conducted between Jul and Dec of 2005. Proposed pilot studies include:

--- Anacostia-Bolling-Naval Research Base (Navy Lead)
--- McGuire-Ft Dix-Lakehurst (AF Lead)
--- Ft Lewis-McChord (Army Lead)

-- Guiding principles for CDIS policy development include:

--- Define a process to conduct CDIS Analysis for defined situations (e.g., adjoining bases, BRAC, co-located missions, etc.).
--- Define a process to develop CDIS support agreements (SA) to include using a higher headquarters-lead "Installation Support Task Force" to facilitate tailored CDIS agreements
--- Mandate the use of COLS to ensure support agreements are enduring and enforceable
--- Establish a governance framework to preserve the integrity of the CDIS Analysis process, ensure SA compliance, and ensure tenant safeguards are built into all support agreements
--- Prescribe Support Agreement approval/arbitration authorities
--- Mandate transparent reporting - laterally and vertically

- **Common Output Level Standards (COLS).** In Jul 05, OSD will form Service Standards Teams (SSTs) to develop Common Output Level Standards for all IS services. SSTs will be composed of DoD installation management functional experts, customers, and organizational stakeholders drawn from all the Military Components and relevant organizations within OSD. SSTs will meet in one-week sessions to accomplish the following objectives:

-- Develop common definitions for all IS services
-- Identify and define discrete sub-functions for each IS service
-- Establish standards of performance at four discrete output levels
-- Formulate metrics to evaluate performance at each output level
-- Collect rough order costing information for each sub-function

- **BRAC '05** recommendation calls for the following 12 Joint Basing arrangements:

-- Joint Base (JB) Pearl Harbor-Hickam, HI (Navy lead)
-- Navy Base Guam / Andersen, GU (Navy lead)
-- JB Anacostia-Bolling-Naval Research Lab, DC (Navy lead) *
-- JB Ft Lewis-McChord, WA (Army lead) *
-- JB Ft Myers-Henderson Hall, VA (Army lead)
-- Charleston/Naval Weapons Station Charleston, SC (AF lead)
-- JB McGuire-Ft Dix-Naval Air Station Lakehurst, NJ (AF lead) *
-- JB Andrews-Naval Air Facility Washington, MD (AF lead)
-- JB Elmendorf-Ft Richardson, AK (AF lead)
-- Lackland/Randolph/Ft Sam, TX (AF lead)
-- Langley/Ft Eustis, VA (AF lead)
* Designated pilot study locations

- CDIS policy and COLS will initially be used to craft tailored Support Agreements at the Joint Bases designated in BRAC '05, should it become law. In the future, CDIS policies will be applied at select locations while COLS are envisioned to be used DoD-wide.

RECOMMENDATION: None, for information only

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Service Standards Teams (SST) Schedule

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12 Sep – 16 Sep Laundry & Dry Cleaning Procurement Operations Base Support Vehicles and Equipment	**28 Nov – 2 Dec** Airfield Operations Port Operations MWR Category C - includes Lodging
19 Sep – 23 Sep Child and Youth Programs Inspector General Environmental Compliance and Pollution Prevention	Notes: 1. An effort to model the requirement for Facilities Operations (formerly Real Property Services) is currently underway. Therefore, Facilities Operations will not undergo the SST process at this time. 2. Facilities Operations includes: utilities, pest control, custodial, refuse Collection, grounds & pavement maintenance, real property leases, fire protection & emergency management, real property management & engineering services.

* Schedule is subject to be changed by OSD(I&E)

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Joint Basing

Issue: Potential for the Commission to delete this recommendation that consolidates Installation Management, at 12 sites that share installation boundaries or are in close proximity to each other based on:

- Commission staff does not concur with approach for determining projected savings. Commission staff position is that savings estimates should be derived from a functional analysis derived from workload requirements.
- Commission staff member has informally expressed concern regarding implementation challenges for Department. This concern appears to mirror the concern presented in the GAO report.
- Commission staff believes this recommendation can be accomplished outside of BRAC.

Key Points:

- The recommendation creates efficiencies by consolidating installation management across service lines that would not happen outside of BRAC.
- The DoD has a substantial expertise in the implementation of BRAC recommendations and is confident in its ability to solve Joint basing issues
- The recommendation has a net present valve savings of $2.34B

DoD Position: COBRA savings estimated for this recommendation are considered conservative and achievable. The range of estimated savings for each group of installations included in this recommendation represents an average of 4.2 percent of the consolidated BOS/sustainment budgets. Using an A-76 functional analysis approach to determine the most efficient organization as preferred by the commission staff has historically achieved savings in the range of 20%. The Department's top down approach using an economy of scale analysis has at worst case underestimated real potential for savings. Full potential for savings will ultimately be achieved through a detailed functional analysis that will be an integral part of the implementation process.

The Military Departments worked with the Headquarters and Support Activities Joint Cross Service Group (HSA-JCSG) to identify reasonable eliminations and savings. Consolidation of installation management functions between installations with common boundaries or in near proximity will achieve efficiencies through elimination of redundancy by reduction of overall manpower and facilities requirements. DoD's costs and savings are based on Cost of Base Realignment Actions (COBRA) techniques reviewed and supported by the GAO. Consolidation of back-office and housekeeping activities has been beneficial to industry, and will be beneficial for the Department.

There may be implementation challenges, however, these challenges are of a policy nature and are already being worked by OSD and the military services. While these joint basing actions could potentially be accomplished outside of the BRAC process, changes of this magnitude are slower and more difficult without a forcing function such as BRAC to effect the change. DoD supports achieving transformational objectives though the BRAC process which provides the analytical process for military value (MV) and cost analysis that have been directed by the Congress and the BRAC authorities to enhance executions and transformation.

Impact to DoD: The net present value (NPV) savings for this recommendation is $2.34B. These savings and the efficiencies for the impacted installations would be lost.

GAO United States General Accounting Office

Military Bases: Opportunities for Savings in Installation Support Costs Are Being Missed (Letter Report, 04/23/96, GAO/NSIAD-96-108).

---------- Indexing Terms ----------

```
 REPORTNUM:  NSIAD-96-108
     TITLE:  Military Bases: Opportunities for Savings in Installation
             Support Costs Are Being Missed
      DATE:  04/23/96
   SUBJECT:  Military bases
             Base realignments
             Budget cuts
             Defense cost control
             Privatization
             Interagency relations
             Military downsizing
             Defense contracts
             Defense economic analysis
IDENTIFIER:  DOD Regional Interservice Support Program
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Cover
========== COVER

Report to Congressional Requesters

April 1996

MILITARY BASES - OPPORTUNITIES FOR
SAVINGS IN INSTALLATION SUPPORT
COSTS ARE BEING MISSED

GAO/NSIAD-96-108

Military Bases

(709160)

Abbreviations
========== ABBREV

AMC - Air Mobility Command
DOD - Department of Defense
FORSCOM - Forces Command
JIRSG - Joint Interservice Resource Study Group/Joint Interservice Regional Support Group
O&M - operations and maintenance
OMB - Office of Management and Budget
OSD - Office of the Secretary of Defense
SACC - San Antonio Contracting Center
SARPMA - San Antonio Real Property Maintenance Agency
USARC - U.S. Army Reserve Command

Letter
========== LETTER

B-271217

April 23, 1996

The Honorable Duncan Hunter
The Honorable James Saxton
House of Representatives

Your March 14, 1995, letter requested that we explore whether support costs for military bases located in close proximity to one another can be reduced. This report addresses (1) the potential for cost savings through increased reliance of one service on another for base support services or functions, (2) the Department of Defense's (DOD) past and current efforts to promote interservicing,\1 and (3) impediments to interservicing identified by DOD and service officials.

\1 While interservicing refers to reliance of one service on another for support, intraservicing refers to greater reliance on consolidated support within a service. This report used the term interservicing type arrangements to refer collectively to inter and intraservicing.

BACKGROUND

---------- Letter :1

Even after several years of defense downsizing, DOD operates hundreds of major military bases and many smaller facilities in the United States. These bases can range in size from less than 10 acres to several hundred thousand acres. There are bases, such as Fort Bragg and Pope Air Force Base located in North Carolina, adjacent to each other; and there are bases, while not adjacent, that are located within a relatively short distance from each other. Base supporting services vary and can include property maintenance, logistics, transportation and equipment maintenance, personnel and professional support, and services to individuals, such as food, housing, recreation, or education. Appendix I provides a more detailed list of common base support functions.

Our analysis of the services' operations and maintenance (O&M) budgets indicate that a significant portion of these budgets are spent on maintaining facilities and delivering services to installations.\2 DOD has long been concerned about and has sought ways to reduce the cost of military base support, and DOD believes that greater economies and savings could be achieved by consolidating and eliminating duplicate support services for military bases located close to one another, or where similar functions are performed at multiple locations. Over the years, DOD's concerns have led to some large consolidation efforts, such as in the areas of logistics and commissary services, as well as more recent consolidations involving printing and finance.

DOD has also supported efforts to foster greater cooperation and interservicing among the services on regional and local levels. However, two of the most notable interservicing type efforts initiated in the 1970s and 1980s were not successful, for reasons that appeared to have more to do with how they were implemented than with the merits of the concept. They involved consolidating real property management and contracting activities at Air Force and Army bases in the San Antonio, Texas, area and consolidating management of housing for each of the services in Oahu, Hawaii. (See app. II for additional information regarding these two consolidation efforts and circumstances contributing to their lack of success.) Meanwhile, on an installation and regional basis, the services have continued varying efforts, on a more limited basis, to develop interservice support agreements where possible.

Downsizing and reduced defense budgets in recent years are now causing the services to take a renewed interest in trying to achieve greater economies, efficiencies, and cost savings in base operations. This includes efforts to more vigorously examine the potential for greater inter and intraservicing involving base support, as well as partnership arrangements between military bases and local governments and communities.\3 At the same time, DOD is advocating greater reliance on outsourcing (contracting out) base support functions.\4

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\2 Based on funding associated with base operating program elements identified in the Defense Finance and Accounting Service's Financial Management Manual and numbers provided by the services' Office of Financial Management, we calculated that about 30 and 32 percent of the Air Force's and the Army's fiscal year 1995 O&M budgets were devoted to base support activities; the percentage is smaller in the Navy (17 percent), representing support for shore-based facilities versus ships. Total O&M budgets for the three services for fiscal year 1995 were $16 billion.

\3 These efforts are framed around the services continuing to control their respective bases. They do not include the concept of a single service being responsible for overall base support for collocated bases involving two or more services--a matter of interest to the requesters.

\4 We found the terms contracting out, outsourcing, and privatization often used interchangeably. However, the administration's Reinventing Government Initiative, also known as the National Performance Review differentiates between outsourcing and privatization. It describes outsourcing as reflecting a decision by government to remain fully responsible for the provision of all services and management decisions even though the private sector will perform the service. It says that privatization implies the government is currently providing the service, but no longer sees the need to be in direct control of its provision, operations, or maintenance.

RESULTS IN BRIEF

---------- Letter :2

DOD has long recognized the potential for savings in base support costs through interservicing, but the extent of both potential and actual savings are not easily calculated. Moreover, the services have not taken sufficient advantage of potential opportunities to achieve significant savings in base operating support costs through greater reliance on interservicing type arrangements. However, the services recently have been considering a broad array of initiatives, including interservicing, to achieve greater savings and economies in support costs. The Office of the Secretary of Defense's (OSD) recent program initiative on contracting out base support operations could have the most potential for changing the services' approach to obtaining base operations support. At the same time, the potential exists for contracting out to be pursued without first maximizing efficiencies through increased interservicing. Consolidations through interservicing agreements reached in advance of contracting out could enhance the potential for greater efficiencies and cost savings through contracting out.

Despite the recognized potential for savings from interservicing, differing service traditions and cultures, and concern over losing direct control of support assets, often cause commanders to resist interservicing. Other factors, such as differences in service standards and resource constraints, also affect commanders' willingness to embrace interservicing. While such impediments have affected interservicing of base support functions on a limited scale,

comments by DOD and service officials suggest they could be even greater impediments to interservicing on a larger scale, such as having one base commander responsible for providing all base support to collocated bases of two or more services.

POTENTIAL SAVINGS THROUGH INTERSERVICING ARE POSSIBLE BUT NOT WELL DOCUMENTED

---------- Letter :3

Numerous studies completed by DOD and the services have supported the potential to save money in personnel, facilities, and operating costs by consolidating various base support functions through interservicing. However, the amount of these savings are not clear because some consolidations on which some projected savings were based were either not implemented, not implemented as planned, or terminated. These include the San Antonio Real Property Maintenance Agency and Contracting Center and the Oahu, Hawaii, housing programs. Both programs, operational for several years, were disestablished after encountering various problems and concerns on the part of affected military commanders about their effectiveness.

DOD and the services have found it manpower intensive and often difficult to track savings from interservicing agreements and difficult to differentiate savings from cost avoidances; consequently, DOD does not devote significant efforts to tracking savings from projects that are implemented. However, DOD officials provided us with some ad hoc examples of multimillion dollar savings spread over varying periods of years involving such support functions as contracting, printing, training, recycling, teleconferencing, personnel services, and others. For example, service officials in Charleston, South Carolina, reported a 1-year cost avoidance of over $1 million in travel and per diem costs through shared use of video teleconferencing capabilities. In another example, service officials in Colorado Springs, Colorado, reported that a consolidated regional natural gas contract resulted in cost savings of $9.5 million over a 3-year period.

In addition, potential savings today are clouded because the services are increasingly looking for ways to consolidate and streamline operations because of budget reductions. Service officials stated that they were reluctant to identify further savings as part of new studies, fearing additional reductions would be taken on top of the cuts that have already been made.

EFFORTS TO FACILITATE INTERSERVICING HAVE OFTEN PRODUCED LIMITED RESULTS

---------- Letter :4

In 1972, DOD established the Defense Regional Interservice Support program as its principal program to help identify and eliminate duplicative base support services for activities in close proximity to each other. The regulation governing the program, DOD Instruction 4000.19, required DOD activities to first consider using other DOD and federal activity capabilities unless a commercial source or developing an in-house capability constituted a better value. DOD reinforced its emphasis on interservicing and support consolidations

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in 1978 by establishing Joint Interservice Resource Study Groups (JIRSG). These regional groups were expected to evaluate the feasibility of savings through support service consolidations in geographic areas where there were several relatively large military installations within a 50-mile radius.

DOD and service officials told us that between 1978 and 1992, JIRSGs conducted a variety of studies that identified potential savings and efficiencies through interservicing. However, we were told that many of these studies were ignored because no one, including local base commanders, really wanted to implement them.\5 In April 1992, DOD revised the JIRSG program so that its focus shifted from conducting regional studies to providing interservice support. The JIRSG program ceased being mandatory and was no longer required to review defined support service categories as before. As a result of these changes, JIRSGs are now tasked with facilitating communications among DOD and other federal activities, sharing innovative ideas, and seeking opportunities for improving mission quality, efficiency, and effectiveness through the use of support agreements and other cooperative efforts.\6 Although participation in the JIRSG program remains voluntary, OSD officials continue to emphasize the program through such means as conducting national workshops for JIRSG representatives and disseminating JIRSG newsletters, including information on successful agreements and partnerships.

As of November 1995, there were 55 JIRSG regions throughout the United States, Europe, the Pacific, and Panama. We contacted JIRSG officials from 21 of these regions and found that about 29 percent of these regions had been inactive for the past several years, and many program offices did not have personnel in key positions. We were told that the existence, effectiveness, and success of a JIRSG program was often dependent on the interest of both the local commander and the JIRSG program manager, if there was one. Further, we were told that command interest in the programs ebbed and flowed with changes in commanders and their differing perspectives on the desirability of the program.

Despite fluctuations in program emphasis, we found a range of interservicing agreements in place at the seven bases we visited. They included agreements pertaining to such support areas as morale, welfare, and recreation activities; laundry services; and utilities. Most could be characterized as limited arrangements, pertaining to portions of functions, such as a consolidated contract, rather than large-scale reliance of one military base on another for support, such as for overall contract administration. While many agreements were in place, OSD and service officials stated that many interservicing opportunities remain. We saw this at various collocated bases we visited. For example, both Fort Lewis and McChord Air Force Base maintain separate airfield operations facilities, and airfield operations was an area cited by Fort Lewis personnel as having the potential for one facility to serve both bases. Likewise, both Fort Bragg and Pope Air Force Base maintained separate contract administration, supply and engineering, and other support areas, that an Army official suggested had the potential for one service to provide to both bases. Appendix III provides a more detailed list of base support functions being performed at bases we visited where base personnel cited at least portions of those functions having the potential for consolidation and interservicing.

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\5 We were unable to gauge the range of potential savings expected from these studies since they were not retained on a centralized basis.

\6 Thus, after April 1992, JIRSG became an acronym for Joint Interservice Regional Support Group.

RECENT INITIATIVES TO REDUCE BASE SUPPORT COSTS

---------- Letter :5

Defense downsizing and resource constraints in recent years have reinforced the need to look for greater efficiencies and savings in base support operations. A major initiative now being spearheaded by OSD involves examining the potential for contracting out base support services. Also, underway under service auspices, and initiated prior to OSD's current emphasis on contracting out, are a variety of initiatives ranging from a greater emphasis on interservicing to broad regionalization of selected support functions, to privatization of some functions, and contracting out. These service initiatives go beyond traditional interservicing with other DOD and federal agencies, including forming partnerships with local governments and communities. The relationship of these efforts to OSD's current contracting out initiative raises questions as to whether DOD's strategy and approaches to reducing costs in these areas are likely to achieve the maximum possible savings.

OSD

---------- Letter :5.1

Although DOD has historically placed some emphasis on contracting out, that emphasis today is greater than ever before due to the administration's Reinventing Government Initiative, otherwise known as the National Performance Review, and to recommendations of two recent DOD study groups--the May 1995 Roles and Missions study, and the October 1995 Defense Science Board study on Quality of Life. Further, a provision in the fiscal year 1996 Defense authorization legislation encourages DOD to look to the private sector to meet its support needs. The 1993 report of the National Performance Review noted that every federal agency needs support services. The report advocated greater consideration of options in obtaining those services and said that no agency should provide support services in-house unless those services could compete with those of other agencies and private companies. That report has resulted in a greater emphasis being given to contracting out and privatizing support services.

The 1995 report of the Chairman of the Joint Chiefs of Staff dealing with Roles and Missions recommended that essentially all commercial activities in DOD be outsourced and that all new needs be channeled to the private sector from the beginning. That recommendation followed the study group's review of the full spectrum of central support activities, including installations and facilities. Activities that were not dependent on specialized, defense-unique equipment such as base security, facilities maintenance, and installation management services, were designated as prime candidates for early outsourcing. According to the roles and missions report,

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most of these nonspecialized or defense-unique services have little direct association with combat forces and can be moved to private-sector markets where competition ensures adequate cost control. The Roles and Missions' report also stated that the many routine, nonmilitary infrastructure functions associated with managing a military base were better left to the private sector to manage.

The 1995 Defense Science Board Task Force on the Quality of Life was tasked with examining quality of life issues as they apply to all military personnel, their families and civilian employees, and recommending improvements that could be quickly implemented. The task force addressed housing, personnel tempo, and community and family services. In the area of housing, the task force recommended that DOD achieve an effective housing delivery system over a 3-year period by (1) using private venture capital initiatives to construct new and revitalize existing housing; (2) reviewing and revising housing policies, laws, standards, criteria and regulations and find ways to improve ineffective and inefficient funding practices; and (3) creating a nonprofit government corporation that could act as an umbrella organization with the actual maintenance and operations being executed through local private industry contracts. DOD is currently examining how it can implement these recommendations and is working with the services to identify obstacles to their implementation.

(PPV) housing privatization

Section 357 of the National Defense Authorization Act for Fiscal Year 1996 (P.L. 104-106) encourages reliance on private-sector sources for commercial products or services. It requires that not later than April 15, 1996, ". . . the Secretary shall transmit to the congressional defense committees a report on opportunities for increased use of private-sector sources to provide commercial products and services to the Department."

In August 1995, DOD established a working group to determine which military and civilian positions associated with base support operations should be studied by each service for possible outsourcing. The services are studying the potential to outsource work related to 60,000 full-time equivalent positions, most involving DOD civilian personnel. The services exempted another 323,000 positions from outsourcing consideration at this time because they were considered as directly supporting the services' warfighting missions. However, one working group official told us that probably half of these exempt positions could be studied for outsourcing. This official, however, acknowledged that with the 60,000 positions selected for initial study, the military services have more than enough work to review at the present time. According to this official, no completion date for this effort has been determined.

The individual service initiatives that are outside the current OSD outsourcing initiative are described below.

ARMY

---------- Letter :5.2

Among the military services, the Army appears to have been the most aggressive in pursuing interservicing, partnering, and other efforts to reduce base operating costs. In fiscal year 1994, the Army created a departmental level installation management office to

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provide central oversight of installation support operations. The Army's installation management office serves as a focal point for the many initiatives occurring within the Army, as well as, write policy and integrate doctrine pertaining to the planning, programming, execution, and operation of Army installations. The installation management office is encouraging Army commands to undertake a broad range of initiatives that work toward operating more efficiently. For example, one initiative suggests that installations should become less self-sufficient by encouraging more regionalizing, consolidating, and contracting out of base support services and facilities.

The Army's major commands that operate bases in the United States have the lead in examining options for achieving greater efficiencies in base operations. For example, Forces Command (FORSCOM) has been examining a number of initiatives in the base operations area. One of these initiatives is known as Installation XXI. Under this initiative, FORSCOM has tasked its three garrison commanders at I, III, and XVIII Airborne Corps, and the U.S. Army Reserve Command (USARC) with exploring options for more efficient base operations in the future. The commander of I Corps was tasked with reviewing the possibility of multiservice base operations; the commander of III Corps was tasked with exploring development of "centers of excellence" for various base functions so that one base would become expert in and assume responsibility for certain functions such as contract management for multiple bases; the commander of the XVIIIth Airborne Corps was tasked with examining community partnerships; and the commander of USARC was tasked with examining options for reserve component support apart from reliance on active duty bases.

FORSCOM's goal is to test and evaluate these various initiatives and implement them beginning October 1, 1996. However, some initiatives are being tested and implemented at the same time throughout FORSCOM. For example, an initiative to test the effect of consolidating warehouses at one location was found to be successful, and is now being expanded. Another effort being implemented involves having a regional contract administration office for contracts over $500,000. In this and other similar situations, we found service officials reluctant to identify specific cost savings from these projects. They indicated that many of these efforts were necessitated by previous budget reductions, and they were concerned that if savings were identified their budgets would be further reduced. We recognize this as a real concern to the extent budget reductions have been made in anticipation of future savings that are not achieved--a concern that was recently publicly acknowledged by the Secretary of Defense regarding some previous Defense Management Review studies within DOD. However, our work indicates that DOD has not been effective in tracking savings for initiatives such as the Defense Management Reviews.\7 Consequently, case-by-case analyses would be needed to determine the validity of these concerns.

In addition, FORSCOM's commander has been especially interested in the interservicing concept, particularly between its I Corps installation at Fort Lewis, Washington, and the nearby McChord Air Force Base. To facilitate this effort, the Commanding General of FORSCOM wrote a letter to his counterpart at the Air Force Air Mobility Command (AMC) on August 16, 1995, to get his support to allow the commanders at Fort Lewis and McChord Air Force Base to study the feasibility of consolidating base support functions that were currently being performed by both installations. He asked for

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AMC's support so that both commanders could proceed beyond their informal discussions of identifying potential areas, and overcome the historic barriers to consolidation or partnering. The AMC commander responded on August 25, 1995, agreeing that feasibility and cost-effectiveness of joint efforts might prove worthwhile, and therefore gave the McChord wing commander his permission to study joint actions. However, he also made the following statement:

> "Air Force philosophy has always been that our Commanders must have the tools both to accomplish their mission and take care of their people. Every time in the past that we have deviated from this principle, especially in our rush to find efficiencies in base support operations, the results have been less than satisfactory. That said, if cost savings or service improvements can be realized without infringing on these two basic Command responsibilities, then these opportunities should be explored."

As of February 1996, FORSCOM officials told us that Fort Lewis and McChord officials had not reached a consensus on support issues and that discussions had been discontinued at the installation level.

In another case, we were told by Army officials that further discussions beyond identifying potential base support operations at Fort Dix, McGuire Air Force Base, and Lakehurst Naval Air Station had not occurred. An Air Force official at Pope Air Force Base told us that they are examining cooperative support efforts with Fort Bragg in the areas of recycling, medical training, and parachute rigging. FORSCOM officials told us that interservicing will be further explored more broadly under another Army-wide initiative that is being developed by FORSCOM.

\7 See Defense Management Review (GAO/NSIAD-94-17R, Oct. 7, 1993).

NAVY

---------- Letter :5.3

The Navy, with support from the Chief of Naval Operations, is also emphasizing the need to reduce support costs. In our review of Navy activities, we found that the Navy is currently emphasizing regionalization and consolidation of support functions involving its own facilities more than interservicing.\8 Officials stated this is because their installations, for the most part, are not closely located to other service installations. However, Navy officials told us that in places where Navy activities are closely located to other service installations, they will cooperate with the other services where it makes sense.

The Navy's regionalization efforts are being conducted by its headquarters level shore installation management office, with the support of the Chief of Naval Operations. The Navy, like the Army, created this office in fiscal year 1994 to oversee the operations of its installations. This office is conducting two pilot studies to reduce Navy-wide infrastructure by regionalizing base support functions under a one commander concept in place of the multiple commanders now in place. These two pilot studies are being conducted in Jacksonville, Florida, and San Diego, California. The

Jacksonville study began in September 1995, and the results are expected to be reported out to the Chief of Naval Operations sometime in April 1996. The San Diego study began in February 1996, and preliminary results are expected by mid-May 1996.

The Navy estimates that $30 million a year could be saved through regionalization of support functions of Navy bases in the Jacksonville area. Preliminary study results from Jacksonville suggest the potential for partial to full regionalization involving security, fire prevention, fuel services, procurement, supply and data processing, resource management, education, personnel services, environmental management, and meteorology functions. Navy officials told us that because the Jacksonville effort is the first to be completed, its results and lessons learned will benefit their San Diego effort, and additional efforts that the Navy plans to pursue, including Pearl Harbor, Hawaii; Puget Sound, Washington; and Norfolk, Virginia.

\8 The Navy's current efforts complement previously successful regionalization efforts within the Navy such as their Public Works Centers, which perform real property maintenance and repair, utility management, transportation management, service contracting, and some environmental services on a regional basis in fleet concentration areas.

AIR FORCE

---------- Letter :5.4

As previously mentioned, we found, during our visits to selected bases, that interservicing arrangements did exist between the Air Force and the other services. At the same time, we found less emphasis within the Air Force at the headquarters and major command level than in the other services in terms of emphasizing regionalization or interservicing of base support functions. However, we did identify some recent efforts at the Air Force headquarters level that could strengthen program emphasis in the future. For example, in December 1995, all Air Force major commands were asked to gather information regarding the level of savings that had been achieved through interservicing over the past 2 years; this information is expected to be accumulated by April 1996. A headquarters official expressed hope that such information could be used as a catalyst to expand interservicing efforts. Also, the Air Force has a computerized support agreement system that previously was used to create interservice agreements, but which has recently been upgraded to provide more of a management information capability. This system is being made available to the other military services.

VIEWS ON IMPEDIMENTS TO BASE SUPPORT CONSOLIDATIONS AND INTERSERVICING

---------- Letter :6

While interservicing of some common base support functions has occurred, our discussions with DOD and service officials at all levels pointed to a variety of problems and impediments that they believed historically have limited base support consolidation and

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interservicing efforts and can serve as impediments to such efforts today. These views cover a wide range of issues each requiring individual analyses to confirm the extent of their validity. Such an analysis was beyond the scope of this review. However, where we have prior work relating to an issue, it is presented along with the views of DOD and service officials. Many service officials questioned the effectiveness of large-scale DOD consolidation efforts in recent years in such areas as finance and accounting and printing. Many personnel voiced concern that these functions, after consolidation, appeared to be less responsive, less timely, and perhaps more costly than when each of the services were separately responsible for these functions.\9 These views, regardless of their validity, affect consideration of related initiatives. Also, many personnel were familiar with the failed San Antonio real property maintenance and contracting programs and the consolidated housing program in Hawaii and saw these as additional reasons for caution and skepticism.

Another broad concern that frequently surfaced in our discussions involving base support functions was resistance to change and commanders' concerns about losing direct control over their support assets, and their inability to influence servicing priorities that they deem important to supporting their military missions. We were told that if commanders perceive a problem, they want to have direct control over the activity rather than have to go through another service or activity. Having one service provide large-scale base support to another service also raised concern about the receiving base losing its identity and appearing to be subsumed by the base providing support. We believe this suggests the need for stronger OSD leadership to overcome such concerns where they related to parochial interests, rather than valid mission concerns.

Differences in traditions, cultures, practices, and standards among the services also were often cited as inhibiting greater emphasis on interservicing arrangements. For example, various Air Force personnel pointed out that their base support personnel are organizationally aligned with an installation's combat forces and are considered mission deployable. On the other hand, Army base support personnel are typically not organizationally aligned with their combat forces and are not expected to deploy with them. Also, the Air Force, in contrast with the Army, depends more on military than civilian personnel in meeting its base support requirements. Another example involves differences in the services' accounting systems, including lack of standards in unit costing that can make it difficult to reach agreement on costing of services. While these do represent real differences between the services, we do not believe that they are insurmountable barriers to increased cooperation and interservicing.

Base housing was often cited as an area having the potential for interservicing. However, within the services, we found widely held views about differences in quality of on-base housing provided to service personnel among the services, with the Air Force being known for providing a higher standard of housing than the other services. More generally, the perception often existed that the Air Force had a higher quality of life standard and was willing or able to devote more resources to maintaining that standard than the other services. These differences were seen as having significant implications for interservicing arrangements and were factors in the failed Hawaii housing consolidation effort. While there are numerous examples of one service's housing being used by the other, there are other

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examples of one service sometimes not wanting to use another service's housing because of its condition. Further, for one service to be fully dependent on another service for housing in a given area could raise the specter of one service having to devote more money to housing maintenance than it otherwise would or another service perceiving itself having to settle for a lesser standard of housing than it would otherwise expect. Some service officials suggested that overcoming these impediments may require OSD operational control and funding. As already indicated, DOD is currently examining alternatives for providing military housing.

Resource constraints in today's downsizing environment were also cited as making commanders reluctant to pursue interservicing arrangements, particularly where they would be assuming additional responsibilities to provide services to another activity or service. Growing budget constraints were seen as complicating improvements in the backlog of real property maintenance in the base operations area and also adversely affecting the potential for interservicing. Many service officials believed that deep reductions in their funding and authorized personnel, reductions that they perceive as being greater than reductions in their workload requirements, have already constrained their ability to do existing work. Reducing funding and personnel make it even more difficult to assume additional work, knowing that additional personnel resources likely would not be forthcoming. Some service officials believe that there is a need for financial incentives allowing commanders to retain some portion of savings achieved to apply to other areas where they have unmet requirements as an inducement to pursue greater interservicing.

A number of service officials said that the relatively short tours of duty of base commanders limits institutional knowledge and often results in their focusing on short-term projects and not major changes in base operations involving long-term planning and implementation. We were also told that differences in philosophy from one commander to another can sometimes lead to a reversal of previously initiated interservicing efforts. Some service officials suggested that these impediments could be overcome either through greater reliance on civilian management of base operations and/or basing a portion of an installation commander's proficiency assessment on his or her efforts to foster greater efficiencies in base operations. Our general management review work has shown that continuity of management is a key factor to ensuring the ultimate success of major initiatives in other federal agencies.

Finally, interservicing agreements reached in advance of outsourcing could enhance the potential for greater efficiencies and cost savings; however, a proposed change in Office of Management and Budget's (OMB) guidance for contracting out could reduce the potential for interservicing. At the same time, some service officials stated that with outsourcing and privatization appearing to be such high priority within DOD, the current efforts to economize base operations through inter and intraservicing efforts may receive less emphasis. At the time we completed our review, OMB was considering a change to its Circular A-76 policy guidance supplement on contracting out. That change would require that agencies not ". . . retain, create or expand capacity for the purpose of providing new or expanded levels of interservice support services, unless justified by the cost comparison requirements of this Supplement." Some DOD officials were concerned that the change could serve as a significant disincentive to base commanders and smaller activities

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being willing or having the capability to conduct the private sector cost studies that would be required as a prerequisite to interservicing type arrangements. Such cost comparisons previously were not required as a prerequisite to interservicing.

\9 Other GAO work examining finance and accounting and printing consolidations while identifying some implementation problems found that over time DOD expects to achieve significant infrastructure reductions and savings from these efforts. See DOD Infrastructure: DOD's Planned Finance and Accounting Structure Is Not Well Justified (GAO/NSIAD-95-127, Sept. 18, 1995); Government Printing: Comparison of DOD and GPO Prices for Printing and Duplicating Work (GAO/NSIAD-95-65, Feb. 1, 1995); and Government Printing: Legal and Regulatory Framework Is Outdated for New Technological Environment (GAO/NSIAD-94-157, Apr. 15, 1994).

RECOMMENDATIONS

---------- Letter :7

Given the potential for significant savings in base support costs through interservicing type arrangements, we recommend that the Secretary of Defense (1) identify options and take steps to minimize the impediments to interservicing and (2) emphasize interservicing as part of contracting out deliberations to maximize potential savings and efficiencies.

AGENCY COMMENTS AND OUR EVALUATION

---------- Letter :8

DOD concurred with our report and its recommendations. In written comments to our draft report, DOD stated that they had prevailed with a request to OMB to remove from the draft Circular A-76 supplement a requirement to conduct A-76 cost comparisons prior to initiating interservice support agreements. DOD also said that it was implementing a policy directive to encourage first looking to interservice support for needed base operations, unless a better value is available from commercial sources. DOD also indicated that it would take other steps to minimize impediments to interservicing.

DOD also expressed concern that our report did not adequately recognize Air Force and Defense Logistics Agency efforts to achieve major savings through interservice support. It cited a couple of initiatives recently undertaken by the Air Force and a variety of interservicing agreements administered by the Defense Logistics Agency. Although our review focused primarily on the Army, the Navy, and the Air Force, we recognize that Defense Logistics Agency activities are active participants in interservicing. We recognize the efforts cited on behalf of the Air Force as having been recently undertaken. Those recent actions not withstanding, we believe our report adequately captures the extent of Air Force activities regarding interservicing relative to the other services. Our scope and methodology are discussed in appendix IV. See appendix V for the complete text of DOD's comments.

---------- Letter :8.1

Unless you announce its contents earlier, we plan no further distribution of this report until 15 days after its issue date. At that time, we will send copies to the Chairmen, Senate Committee on Armed Services, Subcommittee on Defense, the Senate Committee on Appropriations, the House Committee on National Security, and Subcommittee on National Security, House Committee on Appropriations; the Director, Office of Management and Budget; and the Secretaries of Defense, the Air Force, the Army, and the Navy.

Please contact me at (202) 512-8412 if you or your staff have any questions concerning this report. Major contributors to this report were Barry W. Holman, Assistant Director; Kevin B. Perkins, Evaluator-in-Charge; and Robert R. Poetta, Evaluator.

David R. Warren
Director, Defense Management Issues

COMMON BASE SUPPORT FUNCTIONS
========== Appendix I

Administrative services	Mail service
Audio and visual information services	Mail postage service
Automated data processing and automated services	Mail transportation overseas
Chapel & chaplain services	Military personnel support
Civilian personnel services	Mobilization support
Clubs	Morale, welfare, and recreation activities
Command support	Mortuary services
Common use facility construction, operations, maintenance, and repair	Museums
Communication services	Occupational and industrial health services
Community relations	Police services
Community services	Printing services
Custodial services	Public affairs
Disaster preparedness	Purchasing and contracting services
Duplication services	Refuse collection & disposal
Education services	Resource management

Executive agents

Environmental cleanup	Safety
Environmental compliance	Security services
Equipment maintenance, repair, and calibration	Shuttle services
Explosive ordnance support	Social actions
Facility construction and major repair	Storage and warehousing
Facility maintenance and minor repair	Supply services
Finance and accounting	Technical and legal libraries
Fire protection	Training services
Food services	Transportation services
Health services	Utilities
Housing and lodging services	Vehicle support
Laundry and dry cleaning	Weather services
Legal services	

EXAMPLES OF UNSUCCESSFUL INTERSERVICE CONSOLIDATIONS

========== Appendix II

Two of the most notable interservicing type efforts initiated in the 1970s and 1980s proved unsuccessful. They involved consolidated management of real property maintenance and contracting activities in the San Antonio, Texas, area, and consolidated family housing for military personnel in Oahu, Hawaii.

THE SAN ANTONIO REAL PROPERTY MAINTENANCE AGENCY AND THE SAN ANTONIO CONTRACTING CENTER

---------- Appendix II:1

In the mid-to-late 1970s, Air Force and Army installation real property maintenance and contracting services in the San Antonio, Texas, area, were consolidated, creating the San Antonio Real Property Maintenance Agency (SARPMA) and the San Antonio Contracting Center (SACC). Both efforts, to be managed by the Air Force, were expected to save $2.2 million annually in personnel, supplies, and equipment, or $24 million over the 11-year life of the program. The Department of Defense (DOD) agreed to disestablish both efforts in 1989 at the Air Force's request.\1 By fall 1989, both efforts had ceased operating and their functions were returned to the control of individual base commanders.

In a 1989 report\2 we stated that DOD approved the request to

dissolve the consolidation based on studies performed by it and the Air Force that cited installation commanders' concern over lack of command and control of their engineering support functions. In its justification, the Air Force cited a September 1986 DOD directive giving installation commanders broad authority to decide how to accomplish their engineering functions and made them accountable for those resources, and stated that mandating SARPMA was at variance with this authority. One Air Force study questioned SARPMA's customer responsiveness and productivity, yet concluded that it provided services at about the same level as before the consolidation. However, it also noted that customers resented the loss of direct control of the civil engineering work resulting in a negative perception of SARPMA's performance. In retrospect, various service officials have suggested that this had been a situation in which DOD had pushed the services toward a consolidation that the services had not really bought into.

A December 1990 Defense Management Report Decision concluded that comparisons of SARPMA savings was not possible due to the dramatic differences in program funding, environmental issues, hiring freezes, and other factors that impacted DOD during the period the consolidation existed. Also, the original concepts of organization, supply, personnel, procurement support, automated data processing, and the client base SARPMA was to serve never materialized. The report went on to say that, considering the range of fundamental management problems and mistakes, such as severe understaffing, an inadequate computer system, and not promptly reimbursing vendors that caused these vendors to refuse to deal with SARPMA, to blame its failure on consolidation alone was unwarranted.

\1 Due to its significantly larger budget and number of employees, SARPMA was the main focus of the disestablishment efforts. SACC was dissolved because its main customer was SARPMA.

\2 Base Support Services: Disestablishment of Two Consolidated Organizations in San Antonio (GAO/NSIAD-89-97, Mar. 8, 1989).

THE OAHU, HAWAII, CONSOLIDATED FAMILY HOUSING OFFICE

---------- Appendix II:2

In July 1982, DOD directed the four services to consolidate family housing operations and maintenance on Oahu, Hawaii, by October 1, 1983, under U.S. Army, Pacific. DOD based the decision on a feasibility study performed by a contractor that concluded that a consolidation would reduce personnel costs by about $737,000 annually. However, on September 30, 1994, after operating for about 11 years, the Oahu Consolidated Family Housing Office closed and control of this function was returned to each individual service. We were unable to determine the extent of savings realized from this consolidation.

According to DOD officials and the Army Audit Agency, the consolidated family housing program failed because of funding uncertainties and shortfalls, as well as the services' prejudice toward retaining control over their own housing, a reluctance on the part of the services from the beginning to fully participate, and

various problems associated with the Army's management of the program. Reluctance to participate was illustrated by the fact that the other services continued to maintain their own housing organizations to some extent while the Army was officially responsible for managing the program and paying the bills.

The quality of housing on Oahu at the time of the consolidation was also a factor that affected future operations. Various officials pointed to significant differences in the condition of the housing from each of the services with the Navy housing being in the worst condition and requiring the highest maintenance priority. Also, several officials cited differences in the quality of housing standards as a factor impeding the efforts of the consolidated office because customers expected services provided to meet their own unique criterion. Further, given that the most senior military officials on Oahu outranked the most senior Army officer raised some question about the degree of real control that could be exerted by the Army in managing the program. A 1992 Army Audit Agency report\3 was critical of DOD for not providing the Army any guidance on how to implement a consolidated operation that it concluded led to some of the problems encountered throughout the life of the effort. Subsequently, the Army manager of the consolidated housing office at the time the program was terminated told us that a $33-million funding reduction in fiscal
year 1994 (from $176 million to $143 million), and no funding for military construction were the primary reasons for dissolving the office. The manager said that these shortfalls prevented his office from making any housing repairs during that time. He also said that although the other services were aware of the funding problems, they were unable to help because budgetary controls precluded any transferring of funds to the Army.

\3 Family Housing Maintenance, Oahu, Hawaii (Report WR 92-7, 24 July 1992).

BASE SUPPORT FUNCTIONS HAVING THE POTENTIAL FOR INTERSERVICING

Military personnel at the collocated military bases we visited cited a range of base support functions being performed at their collocated bases--ones where at least one of the services had identified at least portions of those functions as having the potential for consolidation and interservicing.

Table 3.1

Base Support Functions Having the Potential for Interservicing

Accident investigation	Magistrate court
Airfield operations	Management and maintenance of family housing

Biological assessments	Nonaircraft supply parts storage
Bulk fuel storage	Official travel arrangements
Chaplain services	Passports
Child care services	Public works management
Civilian personnel services	Publishing and printing services
Communication systems maintenance	Recycling
Contracting services	Roads and grounds maintenance
Craft shops	Safety
Dining facilities	Small arms maintenance
Education centers	Support services, facility maintenance, and construction contracting
Employment office/equal employment opportunity services	Tactical vehicle maintenance
Environmental programs	Telephone services
Family advocacy services	Training services
Fire protection services	Transportation management office
Housing services	Utility repairs
Identification cards	Vehicle transportation and maintenance
Legal assistance and claims	Water and sewage plant operations
Library services	

SCOPE AND METHODOLOGY

========== Appendix IV

To obtain a historical perspective on interservicing, we held discussions with cognizant Office of the Secretary of Defense (OSD), Army, Navy, Air Force, and Defense Logistics Agency officials and obtained and reviewed available reports completed by various audit and DOD agencies dealing with prior consolidation efforts. Likewise, we held discussions with OSD and service officials regarding the status of existing interservice efforts and to determine impediments to such efforts. A discussion was also held with an Office of Management and Budget (OMB) official regarding OMB Circular A-76 in relation to interservicing. We made a limited telephone inquiry to a judgment sample of Joint Interservice Regional Support Group (JIRSG) regions to gauge the level of ongoing activity regarding interservice support agreements and efforts to foster additional interservicing.

We also had discussions with installation officials at seven

installations that were located in close proximity to one another to determine the existing level of interservicing type arrangements, the potential for additional ones, and any impediments to such efforts. Locations visited included: Fort Dix, McGuire Air Force Base, and Lakehurst Naval Air Station in New Jersey; Fort Bragg and Pope Air Force Base in North Carolina; and Fort Lewis and McChord Air Force Base in Washington. Additional discussions were held with Army officials at Headquarters Forces Command, Atlanta, Georgia, and Training and Doctrine Command, Fort Monroe, Virginia. We also contacted officials of the Navy's Commander in Chief, Atlantic and Pacific Fleets, and the Naval Air and Sea Systems Commands; and the Air Force's Air Combat and Air Mobility Commands to discuss efforts underway to foster inter and intraservicing of base support operations. Additionally, we observed a meeting of the Navy's Fleet Support and Quality Management Board that discussed various base support issues, and also attended a national JIRSG training workshop.

We conducted our review between July 1995 and February 1996 in accordance with generally accepted government auditing standards.

(See figure in printed edition.)Appendix V
COMMENTS FROM THE DEPARTMENT OF
DEFENSE
========== Appendix IV

(See figure in printed edition.)

*** End of document. ***

ISSUES
Definitions

- Joint Base – a locality from which operations of two or more of the Military Departments are projected or supported and which is manned by significant elements of two or more Military Departments or in which significant elements of two or more Military Departments are located.
- Common Servicing – that function performed by one Military Service in support of another Military Service for which reimbursement is not required from the Service receiving the support.
- Common Use – Services, materiel, or facilities provided by a Department of Defense agency or a Military Department on a common basis for two or more Department of Defense agencies, elements, or other organizations as directed.
- Inter-Service Support – Action by one Military Service or element thereof to provide logistic and/or administrative support to another Military Service or element thereof. Such action can be recurring or nonrecurring in character on an installation, area, or worldwide basis.
- (DOD) Executive Agent – The head of a DOD component to whom the Secretary of Defense or DEPSECDEF has assigned specific responsibilities, functions, and authorities to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more of the DOD components.

EXIT

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ISSUES
GAO Recommendations

- SECDEF revise the department's previously issued installations strategic plan to resolve long-standing inconsistencies among the military services' definitions of BOS functions and help expedite development and consistent application of analytically sound model for determining BOS requirements. (DOD agreed.)
- While Army's and Navy's creation of centralized installation management agencies can potentially create efficiencies and improve the management of the facilities through streamlining and consolidation, implementation of these plans has so far met with mixed results in quality and level of support provided to activities and installations. Until more experience yields perspective on their efforts to address the issues identified in this report, GAO is not in a position to determine whether the approach should be adopted by the other services.
- Need clear delineation of BOS service requirements and common definitions of BOS functions.
- Officials with Office of Under Secretary said common definitions and standards would be developed incrementally, a process that could take several years for full development and implementation.

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Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
1. Real property management						
a. General engineering services	DPW	CES	PWD	BS/FS/FM	G-4//S-4 Fac. Eng	USA: Eng supply including warehousing is provided by DOL
b. Real property planning	DPW	CES	PWD	BS/FS/FM	G-4//S-4 Fac. Eng	
c. Real estate/facility management	DPW	CES	PWD	BS/FS/FM	G-4//S-4 Fac. Eng	
d. Construction administration	DPW	CES	ROICC	BS/FS/BS	NAVFAC/ROICC	AF: CoE and NAVFAC administers MILCON projects. CES provides oversight of this administration.
f. Forest and range land management	DPW	CES	ENV & NR		See remarks	USMC: Natural resources, Trg & Ed., Fac. Maintenance
g. Master planning	DPW	CES	PWD	BS/FS/FM	G-4/S-4/Fac Maint.	
2. Real property maintenance						
a. Facility repair and maintenance	DPW	CES	PWD	BS/FS/SRM	G-4/S-4/Fac Maint.	AF: Both in-house and contract
b. Minor construction	DPW	CES	PWD	BS/FS/SRM	ROICC	AF: Both in-house and contract
c. Engineer shop operations	DPW	CES	PWD	BS/FS/FM	Ops Units, Fac Maint	
d. Custodial support	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	AF: By contract
e. Grounds maintenance	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	AF: By contract
f. Refuse handling	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	AF: By contract
g. Entomological service	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	AF: Both in-house & contract
h. Snow removal	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	AF: Both in-house & contract
I. Landfill and waste storage	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	USA: DOL handles all used POL; MEDCOM handles all medical waste, DMWR is involved only if recycling is treated as a business AF: Typically removed to off-base landfill by contract; on-base waste storage managed by CES with assistance from org. who generate waste.
j. Recycling	DPW	CES	PWD	BS/FS/FS	G-4/S-4/Fac Maint.	USA: See note above. AF: By contract.
3. Utilities						
a. Water treatment and usage	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	AF: Typically accomplished by utility provider
b. Sewage treatment	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	AF: Typically accomplished by utility provider
c. Solid waste disposal	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	AF: Typically accomplished by utility provider
d. Power generation & distribution	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	AF: Both in-house and contract
e. Boiler and heating systems	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	AF: Both in-house and contract
f. Air-conditioning and cold storage	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	
g. Utility purchasing	DPW	CES	PWD	BS/FS/U	G-4/S-4/Fac Maint/Eng	
h. Engineering Services	DPW	CES	PWD	BS/FS/FM	G-4/S-4/Fac Maint/Eng	
4. Housing						
a. Batchelor	DPW	CES	HOUSING	CS/H/BQO	G-4/S-4/Housing	
b. Transient billeting	DMWR	SVS	HOUSING	CS/H/BQO	G-4/S-4/Housing	
c. Family housing	DPW	CES	HOUSING	CS/H/FH	G-4/S-4/Housing	
d. Housing furnishings	DPW	CES	HOUSING	CS/H/FH	G-4/S-4/Housing	
e. House leases	DPW	CES	HOUSING	CS/H/FH	G-4/S-4/Housing	
f. Housing referrals	DPW	CES	HOUSING		G-4/S-4/Housing	
g. Housing self-help	DPW	CES	PWD	CS/H/FH	G-4/S-4/Housing	
5. Emergency services						
a. Fire prevention and protection	DPS	CES	FIRE	BS/PS/FF	G-4/S-4	
b. Emergency medical response	DPS	MDG	FIRE	BS/PS/FF	BUMED/G-4	
c. Emergency hazardous material response	DPS	Multi	FIRE	BS/PS/FF	G-4/S-4	
d. Aviation crash and rescue	DPS	CES	AIR OPS	BS/PS/FF	Air Ops	
e. Weather emergency response	DPS	Multi	SECURITY	BS/PS/DP	G-4/S-4	

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Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
6. Environmental services						
Safety administration	DPS	SE	ENV & NR	BS/E	G-4/S-4/Environ/Fac/Eng	
Environmental compliance	DPW	CES	ENV & NR	BS/E/COM	G-4/S-4/Environ/Fac/Eng	
Environmental restoration	DPW	CES	ENV & NR	BS/E	G-4/S-4/Environ/Fac/Eng	
Pollution prevention	DPW	CES	ENV & NR	BS/E/PP	G-4/S-4/Environ/Fac/Eng	
Environmental impact/compliance	DPW	CES	ENV & NR	BS/E/COM	G-4/S-4/Environ/Fac/Eng	
Toxic waste control	DPW	CES	ENV & NR	BS/E	G-4/S-4/Environ/Fac/Eng	
Natural resource management	DPW	CES	ENV & NR	BS/E	Natural Resources	
HAZMAT operations	DPW/DOL	Multi	ENV & NR	BS/PS/FF	G-4/S-4/Environ/Fac/Eng	USA: DPW has policy; DOL usually executes in those areas where they have responsibility. DOL does all HAZMAT transportation.
Historical and archeological resources mgt	DPW		ENV & NR		Natural/Cultural Resources	
7. Base security						
a.Traffic control	DPS	SFS	PS	BS/PS/S	PMO	
b. Vehicle and firearms registration	DPS	SFS	PS		PMO	
c. Crime prevention	DPS	SFS	PS	BS/PS/FP	PMO	
d. criminal investigation	DPS	SFS/OSI	NCIS		PMO	
e. Security services	DPTMS/DPS	SFS	PS	BS/PS/FP	PMO	
f. Dog operations	DPS	SFS	PS		PMO	
g. Counterintelligence activities	DPTMS	OSI	PS		NCIS	
8. Reserve component support						
a. Reserve component support	DPTMS			BS/C&S/MS	G3,G4,Reserve Spt Unit	
b. Guard component support	DPTMS		N/A	N/A	G3,G4,Reserve Spt Unit	
c. Mobilization support	DPTMS			BS/C&S/MS	G-3	
9. Resource management					G-1/S-1	
a. Program and budget formulation	RMO	FM/XP	ADMIN/COMP	BS/C&S/RM	G-1/S-1	
b. Budget execution	RMO	FM/XP	ADMIN/COMP	BS/C&S/RM	G-1/S-1	
c. Management analysis	OPA&I	MO	ADMIN/COMP	BS/C&S/RM	G-1/S-1	
d. Manpower requirements	RMO	MO/MSS	ADMIN	BS/C&S/RM	G-1/S-1	
e. Support agreements	RMO	LRS	ADMIN/COMP		G-1/S-1	
10. Procurement						
a. Contracting	ACA/COE/MWR	CONS	PWD	BS/FS/FS	NAVFAC, Regional Contr.	USA: All three agencies do contracting for the Garrison. ACA is an outside agency.
b. Contract cost and analysis	ACA/COE/MWR	CONS/FM	PWD	BS/FS/FS	NAVFAC, Regional Contr.	
c. Quality assurance	ACA/COE/MWR	CONS/User	PWD	BS/FS/FS	NAVFAC, Regional Contr.	
d. Contract administration	ACA/COE/MWR	CON/User	PWD	BS/FS/FS	NAVFAC, Regional Contr.	
11. Personal property management						
a. Property accountability	DOL		PPO	CS/H/FH	G-4/S-4	
b. Materiel storage	DOL		PPO	CS/H/FH	G-4/S-4	
c. Materiel handling	DOL		PPO	CS/H/FH	G-4/S-4	
d. Materiel receipt and issue	DOL		PPO	CS/H/FH	G-4/S-4	
12. Transportation services						
a. Transportation motor services	DOL	LRS	PWD		G-4/S-4	
b. Transportation office operations	DOL	LRS	PWD		G-4/S-4	
c. Local materiel and household goods movement	DOL/JPPSO	LRS	PPO/JPPSO	CS/H/FH	G-4/S-4	

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Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
13. Equipment maintenance						
a. Nontactical equipment maintenance	DOL	LRS	PWD	BS/FS/BSV&E	G-4/S-4	USA: This is maintenance on base support equip. only. Maintenance on tactical equip. is reimbursable.
b. Vehicle maintenance	DOL	LRS	PWD	BS/FS/BSV&E	G-4/S-4	
14. Retail supply services						
a. Stock fund activities	DOL/DLA/AMC	LRS	SUPPLY		G-4/S-4	
b. Materiel requisitioning	DOL	LRS	SUPPLY	OFS/OS/S	G-4/S-4	
c. Petroleum, oil, and lubricants distribution	DOL/DLA	LRS	SUPPLY	OFS/OS/S	DLA	
d. Clothing/central issue facilities	DOL/DLA	LRS	SUPPLY	OFS/OS/S	G-4/S-4	
e. Clothing alterations	AAFES	AAFES	NEX	NEX	G-4/S-4	
f. Ammunitions supply operations	DOL	MUNS	SUPPLY	OFS/OS/OOS	G-4/S-4	
g. Self-service supply operations	DOL/Unit	Contract	SUPPLY		G-4/S-4	
15. Base communications						
a. Telephone service	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-6	
b. Teleconference facility	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-6	
c. Radio operations	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-6	
d. Communications infrastructure maintenance	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-6	
16. Information and audio/visual services						
a. Automated information systems operations/mx	DOIM/NETCOM	CS/Users	COMM/ADP	BS/C&S/ITS	G-1, G-2	
b. Information mgt equipment repair/mx	DOIM/NETCOM	CS/Users	COMM/ADP	BS/C&S/ITS	G-1, G-2	
c. software support service	DOIM/NETCOM		COMM/ADP	BS/C&S/ITS	G-1, G-2	
d. Records mgt	DOIM/NETCOM	CS	ADMIN	BS/C&S/ITS	G-1, G-2	
e. Mail and distribution center operations	DOIM/DHR	Contract	ADMIN	BS/C&S/ITS	G-1, G-2	
f. Film and video production services	DOIM/NETCOM	CS	ADMIN/PAO	BS/C&S/ITS	G-1, G-2	
g. Sound production services	DOIM/NETCOM	CS	ADMIN/PAO	BS/C&S/ITS	G-1, G-2	
h. Radio and cable TV systems	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-1, G-2	
I. Visual information library services	DOIM/NETCOM	CS	COMM/ADP	BS/C&S/ITS	G-1, G-2	
j. Audio/visual equipment loan and repair	DPTMS	CS	COMM/ADP	BS/C&S/ITS	G-1, G-2	
k. Graphic training aids	DPTMS	CS	TRAINING	BS/C&S/ITS	G-1, G-2	
17. Personnel and professional support						
a. Legal services	SMC's SJA	JA	ADMIN/LEGAL	BS/C&S/C	CO/CG staff	
b. Pubic affairs support	PAO	PA	ADMIN/PAO	BS/C&S/C	CO/CG staff	
18. Personnel services						
a. Personnel records maintenance	DHR	MSS	PSD	BS/C&S/MS	G-1	
b. Personnel actions	DHR	MSS	PSD	BS/C&S/MS	G-1	
c. Orders publications	DHR	MSS	PSD	BS/C&S/MS	G-1	
d. Civilian personnel office	DHR	MSS	HRO	BS/C&S/RM	G-1	
e. Equal employment opportunity services	DHR	MSS	HRO	BS/C&S/RM	G-1	
f. Transition point operations	DHR	MSS	TPU	BS/C&S/RM	G-1	
g. Retiree affairs	DHR	MSS	HRO	BS/C&S/RM	G-1	
h. Survivor assistance	DHR	MSS	F&FSC	BS/C&S/RM	G-1	
19. Food Services						
a. Dining facilities	DOL	SVS	SUPPLY	CS/PS/G	G-4, Contract	
b. Ration distribution	DOL	SVS	SUPPLY	CS/PS/G	G-4, Contract	
20. Laundry services	DOL	SVS	N/A		G-4, Contract	

Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
21. Education services						
a. Education center	DHR	MSS	NAVY COLLEGE		G-2	
b. Education testing	DHR	MSS	NAVY COLLEGE		G-2	
c. Learning center	DHR	MSS	NAVY COLLEGE		G-2	
22. Personal and family services						
a. Drug and alcohol	DHR/DPS/DMWR	MDG	F&FSC	CS/PS/FFS	MCCS	
b. Exceptional family member program	DHR	MDG	F&FSC	CS/PS/FFS	MCCS	
c. Family counseling services	DMWR	MSS	F&FSC	CS/PS/FFS	MCCS	
d. Community education and awareness	DMWR	MSS	F&FSC	CS/PS/FFS	MCCS	
e. Relocation counseling	DMWR	MSS	F&FSC	CS/PS/FFS	MCCS	
f. Child care center	DMWR	SVS	F&FSC	CS/PS/FFS	MCCS	
g. Youth center	DMWR	SVS	F&FSC	CS/PS/FFS	MCCS	
h. Chapel operations and religious services	OCHAP	HC	CHAPLAIN	BS/C&S/C	MCCS	
I. Chaplain counseling	OCHAP	HC	CHAPLAIN	BS/C&S/C	MCCS	
j. Cemetery operations	DHR	HC				
23. Recreation services						
a. Installation and unit sports program	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
b. Bowling alleys	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
c. Information travel and transportation offices	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
d. Arts and crafts facilities	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
e. Golf courses	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
f. Theaters	DMWR	AAFES	MWR	CS/PS/MWR	MCCS	
g. Equipment rental	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
h. Swimming pool	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
I. Gyms	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
j. Community and recreation centers	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
k. Base libraries	DMWR	SVS	MWR	CS/PS/MWR	MCCS	
24. Military Exchange Operations	AAFES	AAFES	NEX		MCCS	
25. DoD dependent schools	DODEA	DODEA	DODEA		DODEA	
26. Airfield Operations	DPTMS/SMC					
a. Base Operations	DPTMS/SMC	OSS	AIR OPS	OFS/AO/AO	Air Ops, G-3	
b. Weather	DPTMS/SMC	OSS	AIR OPS		Air Ops, G-3	
c. Air traffic tower	DPTMS/SMC	OSS	AIR OPS	OFS/AO/AO	Air Ops, G-3	
27. Garrion Operations						
a. Force Protection	DPTMS			BS/PS/FP	PMO, G3	
b. Contingency planning	DPTMS			BS/PS/FP	G3, G4	
c. Installationi Operations Center	DPTMS			BS/PS/FP	G3, G4	
d. Concequence Management	DPTMS				G3, G4	
e. Training support	DPTMS			BS/C&S/MS	G2, T&E	
f. Range operations	DPTMS			OFS/OS/OOS	G2, T&E	
g. Training ammunition	DPTMS				Ammo	
h. Training management	DPTMS			BS/C&S/MS	G2, T&E	
28. Internal Review	IRACO				IG	
29. Inspector General	SMC's IG		NAVY IG		IG	
30. Strategic Planning	OPA&I				CO/GC	

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Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
NOTES:						
LEGEND of TERMS						
USA:						
Directorate of Human Resources	DHR					
Directorate of Morale, Welfare & Recreation	DMWR					
Directorate of Logistics	DOL					
Directorate of Plans, Training, Mobilizations &Se	DPTMS					
Directorate of Public Works	DPW					
Directorate of Public Safety	DPS					
Office of Plans, Analysis & Integration	OPA&I					
Internal Review & Sudit Control Ofice	IRACO					
Inspector General	IG					
Army, Air Force Exchange Service	AAFES					
Dept. of Defense Educations Agency	DODEA					
Medical Command	MEDCOM					
Network Command	NETCOM					
Army Contracting Agency	ACA					
Corps of Engineers	COE					
Public Affairs Office	PAO					
Defense Logistics Agency	DLA					
Army Material Command	AMC					
Office of the Chaplain	OCHAP					
Joint Personnel Property Shipping Office	JPPSO					
Senior Mission Commander	SMC					
USN:						
Administration Department	ADMIN					
Airfield Operations	AIR OPS					
Base Housing	HOUSING					
Base Supply Department	SUPPLY					
Chaplain's Office	CHAPLAIN					
Communications/Auto Data Processing Equip	COMM/ADP					
Comptroller Shop	ADMIN/COMP					
Environmental and Natural Resources	ENV & NR					
Fire Department	FIRE					
Fleet & Family Support Center	F&FSC					
Human Resource Office	HRO					
Inspector General	NAVY IG					
Legal Services	ADMIN/LEGAL					
Navy College	NAVY COLLEGE					
Navy Criminal Investigative Service	NCIS					
Navy Exchange Services	NEX					
Personal Property Office	PPO					
Public Affairs Office	ADMIN/PAO					

Common Business Functions, Processes or Activities	USA	USAF	USN	IMAP	USMC	Remarks
Public Safety	PS					
Public Works Department	PWD					
Resident officer in charge of construction	ROICC					
Training Department	TRAINING					
Transient Personnel Unit	TPU					

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BRAC 2005 Headquarters & Support Activities Joint Cross-Service Group (HSA JCSG) Executive Session with Service Liaisons

Deliberative Meeting Minutes of December 16, 2004 Rosslyn, VA, 2:30 – 6:00 p.m.

1. The Assistant Deputy Chief of Staff, G-8, US Army, chaired the meeting. List of attendees is attached.

2. Meeting agenda is attached.

3. The HSA JCSG Chief of Staff reviewed December 10 and 14 minutes.

4. OSD BRAC Update.

   The HSA JCSG Deputy mentioned a memo from USD(AT&L), December 14, 2004, subject: Finalizing Scenario Development/Registration. This memo instructs the JCSGs not to register any new scenarios, unless instructed to do so by the ISG, after December 20, 2004.

5. Scenario Integration Update.

   HSA JCSG has 108 scenarios, 8 candidate recommendations, 96 scenarios waiting and 12 have been reviewed.

6. Major Admin Headquarters (R&RC) will split Navy and Marine Corps piece or component from HSA-0041, -0094, and -0020 into separate scenarios. Members approved.

7. FM Team Due Outs on HSA-0018.

   a. Criteria 6. The FM Team presented a two-page chart on the economic impact of HSA-0018 on communities. The OSD BRAC representative said if military judgment is clearly there, the team should press on, once they have done Criteria 1-5. The Deputy mentioned the OSD General Counsel approved the Criteria 6 work the FM Team did for this candidate recommendation.

   b. The FM Team presented the HSA JCSG members with a memo, December 16, 2004, subject: DFAS Military Personnel Reductions. At the December 7, 2004, HSA JCSG Deliberative Meeting, members asked the FM Team, "What are the plans to return military members back to the Departments?" The response was, "Mr. Jim Chittick, DFAS BRAC point of contact, indicated that the planned reductions in military officer and military enlisted personnel are the result of the Department-wide Defense Agency Manpower Review Process (DAMRP). Fiscal Year (FY) 2004 military personnel numbers for DFAS Central/Field Sites are 615 and for DFAS Defense Military Pay Office (DMPO) and Managerial Systems Accountant (MSA) are 208. Personnel reductions for Central/Field Sites and DMPO/MSA for FY 2005 through FY 2007 will result in personnel numbers of 162 and 134 respectively." Detailed FY breakout is provided in the memo.

c. The FM Team presented the HSA JCSG members with a memo, December 15, 2004, subject: DFAS-Red River Antiterrorism/Force Protection (AT/FP). At the December 7, 2004, HSA JCSG Deliberative Meeting, members asked the FM Team, "What are the plans to ensure the DFAS-Red River facility meets AT/FP standards in the future?" The response was, "Mr. Jim Chittick, DFAS BRAC point of contact, indicated that the DFAS-Red River facility meets some of the AT/FP criteria, i.e., blast mitigation film, controlled access, and alarms. The facility is on the DFAS Vulnerability Assessment schedule for a visit in FY 2005. This visit will evaluate standoff areas as well as what other security measures might be required. Deficiencies identified as a result of the visit will be prioritized and corrected as funds allow. Additional funding requirements will be included in the mid-year budget submission and out-year planning." The Chairman stated there is the possibility that DFAS could return the DFAS Red River mission (Army Non-appropriated Funds accounting) back to the Army. The facility is located on the former Red River Army Depot, which now belongs to the Local Redevelopment Authority (LRA). DFAS has a no-cost, leaseback from LRA. The FM Team lead stated according to BRAC law, no-cost leasebacks can last up to 50 years.

8. Installation Management (IM) Candidate Recommendation Deliberations.

a. The HSA JCSG Deputy presented the HSA JCSG members with an Air Force slide entitled, Proposed Definition of Joint Basing Activities. The Air Force Member said this slide is not the official Air Force position but it is a starting point.

b. The Geo-Clusters and Functional Subgroup Deputy presented the HSA JCSG members with a draft memo to the ISG, subject: BRAC 2005 Joint Base Scenarios. The memo traces the HSA JCSG history of efforts concerning IM Base Operating Support (BOS); mentions that the IM BOS definitions were approved by the ISG in the October 16, 2004, HSA JCSG Final Capacity Report; and informs the ISG that Military Departments participated in defining the scope of these functions and subsequent data-call question development.

(1) The Marine Corps Member suggested adding a specific statement to the memo that asks for ISG approval and or changes to the IM BOS definitions. The other HSA JCSG members agreed with the Marine Corps Member and discussed the wording.

(2) All of the HSA JCSG members agreed the key is these definitions have already been approved by the ISG.

(3) The memo was finalized, signed and distributed to the ISG through OSD BRAC Office and the Service Liaisons to take back to their respective Service Deputy Assistant Secretaries.

(4) The IM Team lead handed out a Common Business Functions, Processes or Activities spreadsheet for the members' information. The Deputy HSA JCSG read a paragraph from a Joint Staff, Vice Director for Force Structure Resources and Assessment memo, December 14, 2004, subject: Combatant Commander Input Into the BRAC Process. This memo requests the JCSG consider the Combatant Commander comments on scenarios, recognizing the "important part they play in

the application of military judgment to BRAC scenarios." Paragraph 3.f. requests HSA and Technical JCSGs remove the terms "joint" or "jointness" from scenarios, "if there is not intent for the activities, facilities and/or locations to be under joint oversight, has a joint command and control structure, or are missions assigned to have a joint operational focus."

c. HSA-0009, "Realign Pope AFB by transferring the IM functions/responsibilities to Ft. Bragg and establish Joint Base Bragg-Pope. The U.S. Army will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) The team lead stated they had worked the details of this scenario out with the Air Force.

(2) Members reviewed the one time cost breakout for this scenario. The team lead stated Ft. Bragg is one of the most efficiently run installations in the IM arena.

(3) Members declared this as a candidate recommendation pending OSD legal review.

d. HSA-0010, "Realign McChord AFB by transferring the IM functions/ responsibilities to Ft. Lewis and establish Joint Base Lewis-McChord. The U.S. Army will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)." There is also a McChord-Lewis scenario under Air Force management (HSA-0121). The HSA JCSG Deputy asked the Army TABS Deputy if the Army cared which Service manages the joint base. His response was to run the analysis and let that be the deciding factor.

(1) The members noticed when looking at the Army managed scenario, the personnel cuts that come from McChord are predominantly military. The Air Force cuts from Ft. Lewis are predominantly civilian. The Air Force Member stated that when aircraft are deployed fewer BOS people are needed, but the staff cannot be reduced too much.

(2) The Deputy asked the IM Team lead to run the scenario through COBRA without the military numbers. He stated he had done so and McChord comes out on top. Military personnel are much more expensive in COBRA than civilian personnel. It appears the Air Force uses significantly more military to run their bases than the Army.

(3) The Navy Member stated he thought the members had voted to set aside the Air Force extra expenses, such as day care centers and chapels to enable the JCSG to compare functions on a more even basis. The Deputy stated the members had decided to do that for MILCON, but not for personnel. The Deputy further stated that the JCSG is required to negotiate these issues with the Services and it is very time-consuming. The Air Force adds in money for information technology (IT). The one-time costs clearly show the Air Force numbers are higher. The Chairman agrees with the Navy Member that the JCSG needs to compare functions on an even basis.

e. HSA-0121, "Realign Ft Lewis by transferring the installation management functions/responsibilities to McChord AFB and establish Joint Base McChord-Lewis. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) The one-time costs show IT for the Air Force is $1.2 million. The members asked what the $3.8 million unique costs are. The Chief Analyst said the costs are illustrative of the difference in costing methodologies used by the MILDEPS, and he recommended members not base their decisions entirely on COBRA because of this difference. They should base decisions on military value results and military judgment.

(2) The Air Force Member suggested the HSA JCSG get the opinion of the TRANSCOM Commander before making a decision on which scenario to choose as a candidate recommendation. He said the Air Force Chief of Staff thinks the Air Force should manage the joint base. The Deputy stated the candidate recommendation would not get past the legal review without a compelling reason. The Joint Staff Member said he had asked the TRANSCOM Commander, but had not received an answer yet. The members decided to table HSA-0010 and HSA-0121 until December 20 to allow for consideration of the TRANSCOM Commander's comments.

f. HSA-0012, "Realign Naval Air Facility Washington by transferring the installation management functions/responsibilities to Andrews AFB and establish Joint Base Andrews-Naval Air Facility Washington. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)." The members declared this as a candidate recommendation pending OSD legal review.

g. HSA-0013, "Realign Bolling AFB by transferring the installation management functions/responsibilities to Naval District Washington and establish Joint Base Anacostia-Bolling-Naval Research Laboratory (NRL). The U.S. Navy will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)." The Air Force Member stated the Air Force Leadership has command and control issues with this scenario and will bring them up during implementation. As a member of HSA JCSG, he concurs with this scenario. The Deputy stated the General Counsel is fine with this scenario. HSA JCSG members declared this as a candidate recommendation pending OSD legal review.

h. HSA-0015, "Realign Ft. Richardson by transferring the installation management functions/responsibilities to Elmendorf AFB and establish Joint Base Elmendorf/Richardson. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) The HSA JCSG Deputy pointed out the high one-time costs of this scenario. The Chairman directed the Air Force unique costs be removed and COBRA re-run for this scenario. The Deputy cautioned the IM Team lead to use discretion when removing unique one-time costs. The Chairman and Navy members suggested showing the COBRA results both ways in a two-column format.

(2) The Deputy told the Air Force liaison to inform her leadership what we are doing and confirmed using the two-column format.

(3) Members declared as a candidate recommendation pending OSD legal review.

i. HSA-0016, "Realign Hickam AFB by transferring the installation management functions/responsibilities to Naval Station Pearl Harbor and establish Joint Base Pearl Harbor-Hickam. The U.S. Navy will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) The Air Force Member said the Air Force does not like this scenario. He voted against declaring this as a candidate recommendation for the following reasons: 1) Relationship with the local airport, and 2) the differences in missions between installations.

(2) HSA JCSG members declared as a candidate recommendation pending OSD legal review.

j. HSA-0032, "Realign Naval Weapons Station Charleston by transferring the installation management functions/responsibilities to Charleston AFB. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) This location houses two new Navy prototypes. It is a separate installation on an installation. It has its own security and the facility is not funded by the Navy.

(2) The Navy Member stated this is one of the only Naval Stations that the Navy has no encumbrances on.

(3) Members declared this as a candidate recommendation pending OSD legal review.

k. HSA-0033, "Realign Ft. Eustis and Ft. Monroe by transferring the installation management functions/responsibilities to Langley AFB. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) This scenario recommends 217 positions be eliminated and the Air Force agreed with this figure.

(2) The one-time costs for IT are the same for all IM scenarios. The Air Force Member stated the IT costs are a placeholder only.

(3) Ft. Eustis and Langley AFB are about 15 miles apart. Members agreed not to touch Yorktown Naval Weapons Station because it is a Navy consolidated base and would break the Navy's Regional structure. The Army liaison said Army needs to close Ft. Monroe and load up Ft. Eustis.

(4) Members declared this as a candidate recommendation pending OSD legal review.

l. HSA-0017, "Realign Ft. Sam Houston and Randolph AFB by transferring the installation management functions/responsibilities to Lackland AFB. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) This merges Lackland, Randolph, and Ft. Sam Houston IM BOS functions under one base management.

(2) The Joint Staff Member said he is very familiar with all three of these bases. He believes it is a monstrous job to run Lackland and Randolph AFBs separately, and to consolidate all three installations under one Wing commander would be very challenging. Randolph is a four-star base and has a large workforce. He believes the BRAC Commission will kill this scenario. The Navy Member reminded the Joint Staff Member that this scenario only joins management of the installation management functions, not the operations side. The Air Force member stated there would be two base commanders with a single support group for installation management.

(3) Members declared this as a candidate recommendation pending OSD legal review.

m. HSA-0119, "Realign NAS Atlanta by transferring the installation management functions/responsibilities to Dobbins ARB and establish Joint Base Dobbins-Atlanta. The U.S. Air Force will assume responsibility for all Base Operating Support (BOS) (with the exceptions of Health and Military Personnel Services) and the O&M portion of Sustainment, Restoration and Modernization (SRM)."

(1) Initially, the Navy planned to close NAS Atlanta and move everything to Dobbins AFB. Navy asked if HSA JCSG wanted to use NAS Atlanta. Lockheed Martin, Army and a Marine Corps air wing are located there. It makes sense to combine these.

(2) The Deputy stated that the Navy asked HSA JCSG to run this scenario, so we do not have military value for it. The Chief Analyst stated that HSA may be able to use the Navy's military value for this scenario. The big hurdle in doing that would be getting the scenario through OSD Legal and DoD IG. The Chairman asked the Navy liaison to get the military value data quickly for this scenario.

(3) Members declared this as a candidate recommendation pending calculation and review of military value and OSD legal review.

9. COCOMs Clarification.

a. COCOM Team lead indicated that HSA-0083 and HSA-0057 re-locate JFCOM and TRADOC to Ft. Eustis, VA. The team lead recommended the separate scenarios be created to send each to Ft. Eustis and Ft. Story. The members approved the request to use Ft. Eustis/Story as a receiving location for both scenarios.

b. The Deputy called the members' attention to a Joint Staff, Vice Director for Force Structure Resources, and Assessment memorandum, December 14, 2004, subject: Combatant Commander Input Into the BRAC Process, attachment paragraph 3a(7). This paragraph requests HSA JCSG consider purchasing the General Services Administration (GSA) leased facilities in Suffolk for HSA-0083 and HSA-0057 rather than relocating them.

(1) The Deputy stated that Ft. Eustis is filling up with the Army planned moves and Ft. Story has infrastructure issues. The Chairman asked if this option would move them out of Norfolk to which the Deputy replied that it would not.

(2) The Chairman asked if the Navy plans to move anything out of Norfolk. The Deputy replied the Navy is planning to move the shipyard. The Deputy asked how many buildable acres are available at Norfolk. The Chairman asked if the E&T JCSG is moving the Armed Forces Staff College. There are two paths to consider according to the Deputy.

(a) Path one from the Optimization Model shows 335,000 GSF are available which is not enough space. This is based on 75 people per acre and 200 SF per person. If the Staff College moves, MILCON would be required.

(b) Path two: Pursue the proposal to purchase GSA leased facilities. Members agreed to honor the COCOM Commander's request and look at purchasing the GSA leased facilities.

DONALD C. TISON
Assistant Deputy Chief of Staff, G-8
Chairman, HSA JCSG

Attachments:
1. List of Attendees
2. Agenda
3. Memo from J-4, Dec 14, 2004, Subject: COCOM Input Into the BRAC Process
4. Memo for HSA JCSG Chairman's signature, Subject: BRAC 2005 Joint Base Scenarios.
5. Air Force slide, Subject: Proposed Definition of Joint Basing Activities
6. Spreadsheet, Subject: Common Business Functions, Processes or Activities
7. Memo from USD(AT&L), Dec 14, 2004, Subject: Finalizing Scenario Development/Registration
8. Memo to HSA JCSG Members from FM Team, Dec 16, 2004, Subject: DFAS Military Personnel Reductions
9. Memo to HSA JCSG Members, Dec 15, 2004, Subject: DFAS-Red River AT/FP
10. HSA JCSG Scenario Statistics
11. HSA JCSG Draft Candidate Recommendations, Dec 16, 2004

BRAC 2005 Headquarters & Support Activities Joint Cross-Service Group (HSA JCSG) Meeting December 16, 2004 Attendees

Members:
Mr. Don Tison, Assistant Deputy Chief of Staff, G-8, Chair
Mr. William Davidson, SAF/AA, Air Force Member, Acting Chair
Mr. Howard Becker, DD, A&M, OSD Member
RDML Jan Gaudio, USN, Commandant, Naval District Washington, Navy Member
Mr. Mike Rhodes, Assistant Deputy Commandant for Manpower and Reserve Affairs, USMC Member
Col Dan Woodward, USAF, Joint Staff Alternate

Others:
COL Carla Coulson, USA, HSA JCSG, Deputy Chair
CAPT David Foy, USN, HSA JCSG
CAPT Mike Langohr, USNR, HSA JCSG
Col Charlie Sachs, AFRC, HSA JCSG
Col Steve Snipes, USAF, HSA JCSG
LTC Chris Hill, USA, HSA JCSG
CDR John Lathroum, JCS J8, HSA JCSG
1LT Pat Chapin, USAF, HSA JCSG
Mr. Marty Alford
Ms. Susan Bauer, HSA JCSG
Mr. Ryan Ferrell, HSA JCSG
Mr. Dave Fletcher, HSA JCSG
Mr. Bill Foote, HSA JCSG
Ms. Kelly Garland, DoD IG
James W. Harris, DSc, HSA JCSG
Mr. Joe Kaseler, DoD IG
Ms. Linda LaBarbera, HSA JCSG
Mr. Mike McAndrew, OSD BRAC
Mr. Doug McCoy, HSA JCSG
Mr. Joe McGill, HSA JCSG
Ms. Pegge Mencl, TABS Liaison
Ms. Donna Oscepinski, HSA JCSG
Mr. Russ Pritchard, HSA JCSG
Mr. Bart Rhoades, HSA JCSG
Mr. Joe Roj, HSA JCSG
Mr. Jerry Shiplett, HSA JCSG
Ms. Kathy Simonton, Air Force LNO
Ms. Elisa Turner, HSA JCSG
Ms. Susan Zander, HSA JCSG

DCN: 11888

DCN:6349

DEPARTMENT OF THE ARMY
DEPUTY CHIEF OF STAFF, G-8
700 ARMY PENTAGON
WASHINGTON DC 20310-0700
HSA-JCSG-GC-IM-006

REPLY TO
ATTENTION OF

HSA JCSG

Date 7 Oct 2004

MEMORANDUM FOR RECORD

SUBJECT: Air Force's Answering of Military Value (MV) Question 1976

1. This memorandum addresses the variation by the Air Force in answering MV Question 1976 concerning the number of operational personnel assigned to an installation. As a rule, the Army, Navy and USMC personnel assigned to installation management are involved only with the support of their specific installation and do not deploy (Military Police are the one notable exception). For these Services, most of the military members involved with providing base operating support type services are assigned to operational organizations, or are in the ARC. For the most part these Services rely heavily on contract support when deployed. The Air Force, on the other hand, imbeds a large active duty military population in its installation management workforce. The concept being this organization model allows the military members to practice their wartime skills when they are not deployed.

2. Because of the operational intent of most Air Force military members assigned to installation management organizations, we determined those Air Force members in installation management organizations assigned against a mobility position will be counted as operational, as it relates to MV Question 1976. For the most part, all active duty Air Force personnel in installation level organizations are assigned against a mobility position.

Encl

Ryan F. Ferrell, Jr
Installation Management, Team Chief
HSA JCSG

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THE ASSISTANT SECRETARY OF THE NAVY
(Research, Development and Acquisition)
WASHINGTON, D.C. 20350-1000

OCT 0 2 1997

MEMORANDUM FOR DEPUTY CHIEF OF NAVAL OPERATIONS (LOGISTICS)

Subj: INSTALLATION CLAIMANT CONSOLIDATION

Ref: (a) DCNO memo #N464C/197-97 of 29 Sep 97
(b) CNO memo #N464C/185-97 of 11 Sep 97

1. In response to your acknowledgment (reference (a)) of the unique mission [illegible] Naval Research Laboratory (NRL) the draft message, provided by reference (b), is acceptable [illegible] paragraph 3c is changed to read as follows:

> "ONR - REAL PROPERTY AND BOS FUNCTIONS INBEDDED INSEPARABLY WITH THE RESEARCH AND INDUSTRIAL FUNCTIONS AT NRL WILL REMAIN WITH THE COMMANDING OFFICER. TRANSFER ALL OTHER REAL PROPERTY AND BOS FUNCTIONS AT NRL TO THE CNO CLAIMANCY."

2. As you well know, NRL is a Secretary of the Navy corporate activity that has been assigned unique Navy-wide and national responsibilities. In this regard, I believe the foregoing change will both facilitate the achievement of your stated objectives and protect the unique corporate status of the NRL.

John W. Douglass

ATTACHMENT C
Attachment (3)

P 271955Z MAR 03 ZYB MIN PSN 885526I34
FM CNO WASHINGTON DC//N00//
TO NAVADMIN
BT
UNCLAS //N02300//
NAVADMIN 072/03
MSGID/GENADMIN/CNO WASHINGTON DC//
SUBJ/STREAMLINING SHORE INSTALLATION MANAGEMENT//
REF/A/RMG/CNO/082130ZAUG2000//
REF/B/DOC/CNO GUIDANCE FOR 2003/03JAN2003//
NARR/REF A IS NAVOP 010/00, THE WAY AHEAD. REF B PROVIDES GUIDANCE FOR NAVY LEADERS FOR 2003//

RMKS/1. REF A INFORMED YOU OF MY TOP FIVE PRIORITIES, INCLUDING A COMMITMENT TO IMPROVE NAVY-WIDE ALIGNMENT. SINCE 1997, THE NAVY HAS ADDRESSED IMPROVED SHORE INSTALLATION EFFECTIVENESS BY REGIONALIZING MANAGEMENT AND REDUCING THE NUMBER OF INSTALLATION MANAGEMENT CLAIMANTS FROM 18 TO 8. BY LATE 2000, WE BEGAN TO ASSESS THE VALUE OF FURTHER INSTALLATION MANAGEMENT CLAIMANT (IMC) REDUCTIONS WHILE USING INTEGRATED PROCESS TEAMS TO IDENTIFY BEST BUSINESS PRACTICES, SET NAVY-WIDE STANDARDS OF SERVICE, DEVELOP METRICS AND LINK THESE STANDARDS AND METRICS TO REQUIREMENTS AND FLEET READINESS.

2. PER MY GUIDANCE IN REF B, WE WILL CONTINUE FLEET AND ORGANIZATIONAL ALIGNMENT THROUGH **CONSOLIDATION OF THE EXISTING INSTALLATION MANAGEMENT CLAIMANTS (COMLANTFLT, COMPACFLT, COMUSNAVEUR, FSA, NAVSEA, NAVAIR, RESFOR, AND CNET) INTO A SINGLE IMC.** A **NEW COMMAND** ENTITLED **COMMANDER, NAVY INSTALLATIONS (CNI),** REPORTING DIRECTLY TO ME AS AN ECHELON II COMMANDER, WILL STAND UP EFFECTIVE 1 OCTOBER 2003. **CNI WILL BE A SINGLY FOCUSED INSTALLATION MANAGEMENT ORGANIZATION** WITH CORE RESPONSIBILITY **TO PROVIDE UNIFIED PROGRAM, POLICY AND FUNDING TO MANAGE AND OVERSEE SHORE INSTALLATION SUPPORT TO THE FLEET.** CNI WILL BE **THE BUDGET SUBMITTING OFFICE FOR INSTALLATION SUPPORT** AND THE NAVY POC FOR INSTALLATION POLICY AND PROGRAM EXECUTION OVERSIGHT. FUNDING FOR INSTALLATION SUPPORT WILL FLOW FROM CNO TO CNI, AND FROM CNI TO THE REGIONS.

3. CONUS REGIONAL COMMANDERS WILL REPORT OPCON TO CFFC; OCONUS REGIONAL COMMANDERS WILL REPORT OPCON TO THEIR RESPECTIVE NAVFOR. **ALL REGIONAL COMMANDERS WILL REPORT ADCON TO CNI FOR INSTALLATION SUPPORT FUNDING AND STANDARDIZATION OF PROCESS/POLICIES.**

4. ALL INSTALLATION COMMANDING OFFICERS WILL REPORT TO THE APPROPRIATE REGIONAL COMMANDER; SPECIFICS PROMULGATED SEPCOR. THE REGULAR REPORTING SENIOR FOR INSTALLATION COMMANDING OFFICERS WILL BE THE APPROPRIATE REGIONAL COMMANDER.

5. NLT 1 APR 03, OPNAV N4 WILL ANNOUNCE AN IMPLEMENTATION ORGANIZATION, ISSUE DETAILED IMPLEMENTATION GUIDANCE, AND PROMULGATE A POAM TO STAND UP CNI.

6. I KNOW THAT HARD WORK AND A STRONG BOND OF TRUST AMONG CLAIMANTS, REGIONS AND INSTALLATIONS ARE REQUIRED TO IMPLEMENT THESE CHANGES. THANK YOU FOR YOUR COOPERATIVE EFFORTS AND INNOVATIVE THINKING TO DATE. INITIATIVES AFFECTING INSTALLATIONS ARE SENSITIVE BOTH HERE IN WASHINGTON AND IN LOCAL COMMUNITIES. THUS, IT IS IMPORTANT THAT WE CLEARLY COMMUNICATE THAT THE INTENT OF THIS CHANGE IS TO ESTABLISH A SINGLE SHORE INSTALLATION MANAGEMENT ORGANIZATION THAT WILL FOCUS ON INSTALLATION EFFECTIVENESS. OUR PAST SUCCESSES IN THESE AREAS PROVE THAT WE CAN AND WILL
SUCCEED AS WE CONTINUE TO ALIGN OURSELVES IN SUPPORT OF THE FLEET.

7. MINIMIZE CONSIDERED. ADMIRAL VERN CLARK SENDS.//
BT #0798
NNNN

ATTACHMENT D
Attachment (1)

DCN: 11888

10% max reduction of consolidated workforce

Screen 6 reflects personnel reductions at realigning installation & gains at receiving installation, w/ dif = recom reduction in workforce (format intended for clarity; should not be construed as implementation mandate.

Service reps negotiated final personnel reduction; proposed reductions were spread betw mil & cil workforce consistent w/ baseline distro of reported workforce.

→ Basis for screen 6 - baseline installation management workforce reported in capacity data

→ except USAF dropped mil personnel to emphasize their intent that mil pers would not try service

USAF-OSD (422 reduction) McChord - 113 removed from airfield ops (should not be consolidated. (340 contractors)

(~~some~~ 1m-manig airfield functions are BASEOPS)

(20% adjustment 8 miles betw cantonmt areas)

reduc
off 20
enl 286 } 308
civ 116
422

HI -

Hickam - 504 contractors

(277 ~~280~~ reduction)

reduc
off 12
enl 165
civ 277

no adjustment ~~of~~ for distance

286
20
306

DCN: 11888

"CSD implementation guidance will make final determinations regarding extent of consolidation for Comm/IT."

Ft Myer/

Henderson Hall - 11 contrac

Orig #s 342 → 139 exchange

124 - staff in direct spt of HQ MC (not full time installation Mgmt staff)

13 reduction

approx 500 pers reg ~~a~~ ing Im spt

off 1
enl 10
civ 2
13

Langley / Ft Eustis / ~~Ft Monroe~~

7.2% reduction 217

Ft Story (140) ~~off~~

20% distance factor applied

Ft Eustis - 497 contr

off 7
enl 43
civ 167
217

Lackland

30% adjustment ~~[illegible]~~ for geogr distance

4.6% reduc ~~307~~ 189

↕ 20 miles

Randolph 303 contrac

(-188 pers Comm/IT)

But many functions in Comm/IT are Base Ops

off ~~3~~4
enl 36
~~[illegible]~~
civ 69
109

Ft Sam 353 contrac

off 3
enl 25
civ 52
80

DCN: 11888

Hampton Rds - Com NAVReg MidAtlantic
(Little Creek / Ft Story)
(only for calculation purposes

reduc 8.4%

21

FT. Story 69 contractor
(subinstallation of Ft Eustis, so separate data was not submitted to reflect specific staffing. Therefore no quantitative MV analysis

off 3
enl 15
civ 3
21

20% distance factor

Andrews

.8% reduc

18

NAF Wash - (# of people support NAF but not dedicated to NAF workforce)
(Ss w/in NDW AOR)

off 1
enl 8
civ 9
18

no separate staffing - all NDW

~~Weps Station Earle Colt~~

COMNAVMARIANAS

no adjustment for distance - based on proximity of cantonment areas

4.1% reduc

95

Andersen AFB - 272 contrac (175 COMM/IT)

off 5
enl 59
civ 95

* Strength of 1M mil staff was adjusted downward by 25% to account for Air Force Mobility reqmt resident in Air Force Mil personnel performing base ops functions

DCN: 11888

sq footage - best & most appropriate factor for determining public works staffing reqmts
existing PW staff - total strength
- supported population of installation

JCSG - does not have data on actual # of personnel performing CS functions
- no time to conduct manpower studies to determine personnel savings resulting from various scenarios

developed a generic personnel savings factor

lack of common terms & targeting challenges

DOD does not have a generally accepted definition of base spt services, & mil services differ in how they individually define them. (OMB identifies 29 services as base spt functions)

"Understanding of functions & related processes cannot be ascertained by # personnel performing a function & associated sq. ft they occupy"
Final Conclusion -

failure -
not in concept
but in implementation

* ~~DOD~~ OSD ~~defines~~ determine common terms;
address O&M

DCN: 11888

Gary L. Ellsworth (210) 652-5138 ext 4 (Installation BRAC Trusted Agent)
gary.ellsworth@randolph.af.mil

Randolph
→ do not understand the context of installation mgmt.

BART team

Recently went through MEO (was not what he was trying to remember maybe functionality Assessment)

term - executive agent

DCN: 11888

McGuire / Ft Dix / Lakehurst

McGuire -

Ft Dix - 35 contractors

off 4
enl 3
civ 82
89

Lakehurst 41 contractors

off 8
enl 124
civ 41
173

89
173
262

reduc 262

Elmendorf / Ft Richardson

6% reduction 224

Ft R - 143 contractors

off 6
enl 78
civ 100
224

NDW / Balling

2.6% reduc 119

Balling 162 contractor

off 6
enl 58
civ 55
119

Charleston — mil val — virtual tie

reduction 264

Naval Weps Chas - 454 contractor

1 6500+ } = students (training)
} = industrial (civ/cont)

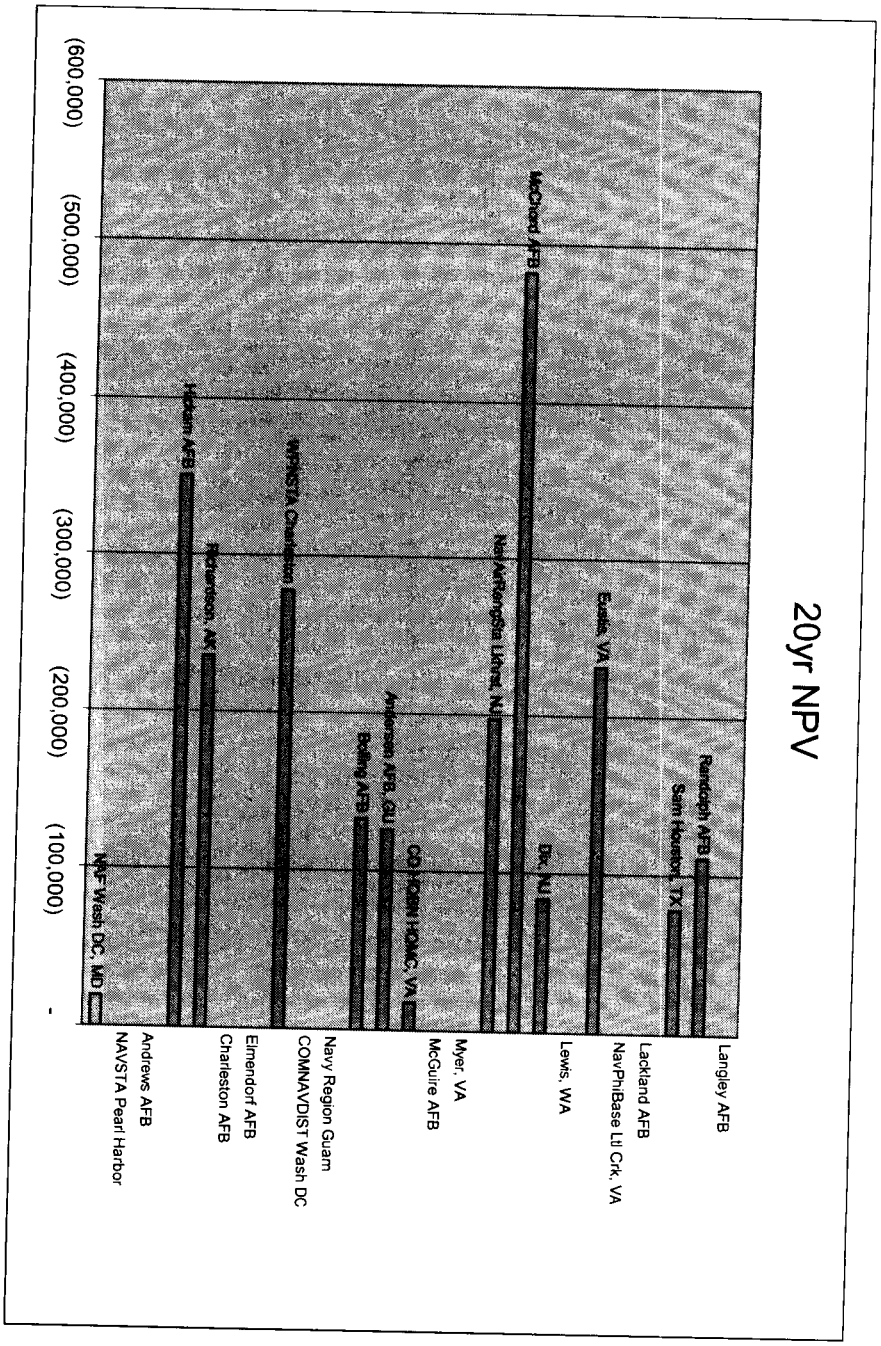
off 11
enl 152
civ 101
264

which entails "significantly" less support [depends on length of school]

20% factor for distance (210 mi)

Army Matl Command - tenant accounting for 50% of Weps Sta operational strength (1162)

DCN: 11888


20yr NPV
(600,000)
(500,000)
(400,000)
(300,000)
(200,000)
(100,000)
-
Langley AFB
Randolph AFB
Sam Houston, TX
Lackland AFB
NavPhiBase Ltl Crk, VA
Lewis, WA
Dix, NJ
Eustis, VA
Myer, VA
McGuire AFB
Navy Region Guam
COMNAVDIST Wash DC
Elmendorf AFB
Charleston AFB
Andrews AFB
NAVSTA Pearl Harbor
McChord AFB
NavAirRengSta Lkhrst, NJ
Andersen AFB, GU
Bolling AFB
CO HQBN HQMC, VA
WPNSTA Charleston
Richardson, AK
Hickam AFB
NAF Wash DC, MD

Guam	Bolling AFB	Andersen AFB, GU	CO HQBN HQMC, VA	McGuire AFB	Myer, VA	NavAirRengSta Lkhrst, NJ	McChord AFB	Dix, NJ	Lewis, WA	Eustis, VA	NavPhiBase Ltl Crk, VA	Lackland AFB	Sam Houston, TX	Randolph AFB	Langley AFB	Total
	254	239	(74)	-	-	215	357	407	-	227	-	-	55	115	-	5,247
	(741)	(948)	(627)	-	-	(934)	(3,536)	143	-	(686)	-	-	(213)	(452)	-	(9,657)
	(4,318)	(4,584)	(1,068)	-	-	(6,910)	(16,757)	(1,909)	-	(6,253)	-	-	(2,054)	(3,228)	-	(71,794)
	(8,646)	(8,439)	(1,228)	-	-	(13,042)	(31,778)	(5,054)	-	(14,548)	-	-	(4,966)	(7,056)	-	(149,562)
	(10,442)	(9,837)	(1,228)	-	-	(15,386)	(37,509)	(6,768)	-	(18,299)	-	-	(6,199)	(8,736)	-	(181,750)
	(10,442)	(9,837)	(1,228)	-	-	(15,386)	(37,509)	(6,768)	-	(18,299)	-	-	(6,199)	(8,736)	-	(181,749)
	(10,442)	(9,837)	(1,228)	-	-	(15,386)	(37,509)	(6,768)	-	(18,299)	-	-	(6,199)	(8,736)	-	(183,760)
	250.52	235.72	(72.99)	-	-	212.05	352.10	401.42	-	223.89	-	-	54.25	113.42	-	3,197
	(710.93)	(909.53)	(601.56)	-	-	(896.10)	(3,392.52)	137.20	-	(658.16)	-	-	(204.36)	(433.66)	-	(11,191)
	(4,029.95)	(4,278.21)	(996.76)	-	-	(6,449.04)	(15,639.16)	(1,781.65)	-	(5,835.87)	-	-	(1,916.98)	(3,012.66)	-	(68,879)
	(7,849.45)	(7,661.52)	(1,114.87)	-	-	(11,840.45)	(28,850.32)	(4,588.38)	-	(13,207.71)	-	-	(4,508.49)	(6,405.94)	-	(137,607)
	(9,221.78)	(8,687.48)	(1,084.50)	-	-	(13,588.04)	(33,125.81)	(5,977.11)	-	(16,160.63)	-	-	(5,474.60)	(7,715.14)	-	(162,286)
	(8,970.60)	(8,450.85)	(1,054.96)	-	-	(13,217.93)	(32,223.55)	(5,814.31)	-	(15,720.46)	-	-	(5,325.49)	(7,505.00)	-	(157,866)
	(8,726.27)	(8,220.67)	(1,026.23)	-	-	(12,857.91)	(31,345.86)	(5,655.94)	-	(15,292.28)	-	-	(5,180.44)	(7,300.58)	-	(153,566)
	(8,488.59)	(7,996.76)	(998.27)	-	-	(12,507.70)	(30,492.09)	(5,501.89)	-	(14,875.75)	-	-	(5,039.34)	(7,101.73)	-	(149,383)
	(8,257.38)	(7,778.95)	(971.08)	-	-	(12,167.02)	(29,661.56)	(5,352.03)	-	(14,470.58)	-	-	(4,902.08)	(6,908.30)	-	(145,315)
	(8,032.47)	(7,567.08)	(944.63)	-	-	(11,835.62)	(28,853.66)	(5,206.26)	-	(14,076.44)	-	-	(4,768.56)	(6,720.14)	-	(141,357)
	(7,813.69)	(7,360.97)	(918.91)	-	-	(11,513.25)	(28,067.76)	(5,064.45)	-	(13,693.03)	-	-	(4,638.67)	(6,537.10)	-	(137,507)
	(7,600.86)	(7,160.48)	(893.88)	-	-	(11,199.66)	(27,303.27)	(4,926.51)	-	(13,320.07)	-	-	(4,512.33)	(6,359.04)	-	(133,761)
	(7,393.84)	(6,965.44)	(869.53)	-	-	(10,894.61)	(26,559.60)	(4,792.33)	-	(12,957.27)	-	-	(4,389.43)	(6,185.84)	-	(130,118)
	(7,192.45)	(6,775.72)	(845.85)	-	-	(10,597.87)	(25,836.19)	(4,661.80)	-	(12,604.35)	-	-	(4,269.87)	(6,017.35)	-	(126,574)
	(6,996.54)	(6,591.17)	(822.81)	-	-	(10,309.21)	(25,132.48)	(4,534.82)	-	(12,261.04)	-	-	(4,153.57)	(5,853.46)	-	(123,126)
	(6,805.98)	(6,411.64)	(800.40)	-	-	(10,028.42)	(24,447.94)	(4,411.30)	-	(11,927.08)	-	-	(4,040.44)	(5,694.02)	-	(119,773)
	(6,620.60)	(6,237.01)	(778.60)	-	-	(9,755.27)	(23,782.04)	(4,291.15)	-	(11,602.22)	-	-	(3,930.39)	(5,538.93)	-	(116,510)
	(6,440.27)	(6,067.13)	(757.39)	-	-	(9,489.56)	(23,134.28)	(4,174.27)	-	(11,286.20)	-	-	(3,823.33)	(5,388.07)	-	(113,337)
	(6,264.86)	(5,901.88)	(736.76)	-	-	(9,231.09)	(22,504.16)	(4,060.58)	-	(10,978.80)	-	-	(3,719.20)	(5,241.31)	-	(110,250)
	(6,094.22)	(5,741.12)	(716.69)	-	-	(8,979.66)	(21,891.21)	(3,949.98)	-	(10,679.76)	-	-	(3,617.89)	(5,098.55)	-	(107,247)
	(133,260)	**(126,528)**	**(17,007)**	**-**	**-**	**(197,146)**	**(481,891)**	**(84,206)**	**-**	**(231,384)**	**-**	**-**	**(78,361)**	**(110,903)**	**-**	**(2,342,456)**

DCN: 11888

Joint Basing	NAF Wash DC, MD	NAVSTA Pearl Harbor	Andrews AFB	Hickam AFB	Richardson, AK	Charleston AFB	Elmendorf AFB	WPNSTA Charleston	COMNAVDIST Wash DC	Navy Region G
2006	11	-	-	690	582	-	-	163	-	-
2007	(52)	-	-	(2,328)	(544)	-	-	(746)	-	-
2008	(517)	-	-	(12,245)	(6,219)	-	-	(7,740)	-	-
2009	(1,231)	-	-	(23,046)	(14,705)	-	-	(17,832)	-	-
2010	(1,495)	-	-	(27,356)	(18,632)	-	-	(21,873)	-	-
2011	(1,495)	-	-	(27,356)	(18,632)	-	-	(21,873)	-	-
beyond	(1,495)	-	-	(27,356)	(18,632)	-	-	(21,873)	-	-
0.028										
1	10.85	-	-	680.54	574.02	-	-	160.76	-	-
2	(49.89)	-	-	(2,233.54)	(521.93)	-	-	(715.73)	-	-
3	(482.51)	-	-	(11,428.15)	(5,804.14)	-	-	(7,223.67)	-	-
4	(1,117.59)	-	-	(20,922.79)	(13,350.24)	-	-	(16,189.15)	-	-
5	(1,320.30)	-	-	(24,159.26)	(16,454.72)	-	-	(19,316.98)	-	-
6	(1,284.34)	-	-	(23,501.22)	(16,006.54)	-	-	(18,790.84)	-	-
7	(1,249.36)	-	-	(22,861.11)	(15,570.56)	-	-	(18,279.03)	-	-
8	(1,215.33)	-	-	(22,238.44)	(15,146.46)	-	-	(17,781.16)	-	-
9	(1,182.22)	-	-	(21,632.72)	(14,733.91)	-	-	(17,296.84)	-	-
10	(1,150.02)	-	-	(21,043.50)	(14,332.60)	-	-	(16,825.72)	-	-
11	(1,118.70)	-	-	(20,470.33)	(13,942.21)	-	-	(16,367.44)	-	-
12	(1,088.23)	-	-	(19,912.77)	(13,562.47)	-	-	(15,921.63)	-	-
13	(1,058.59)	-	-	(19,370.40)	(13,193.06)	-	-	(15,487.97)	-	-
14	(1,029.76)	-	-	(18,842.80)	(12,833.72)	-	-	(15,066.12)	-	-
15	(1,001.71)	-	-	(18,329.58)	(12,484.16)	-	-	(14,655.75)	-	-
16	(974.42)	-	-	(17,830.33)	(12,144.12)	-	-	(14,256.57)	-	-
17	(947.88)	-	-	(17,344.68)	(11,813.35)	-	-	(13,868.26)	-	-
18	(922.07)	-	-	(16,872.25)	(11,491.59)	-	-	(13,490.52)	-	-
19	(896.95)	-	-	(16,412.70)	(11,178.59)	-	-	(13,123.08)	-	-
20	(872.52)	-	-	(15,965.66)	(10,874.11)	-	-	(12,765.64)	-	-
20yr NPV	**(18,952)**	**-**	**-**	**(350,692)**	**(234,864)**	**-**	**-**	**(277,261)**	**-**	**-**

DCN: 11888

DCN: 11888

Motion # 146-3A

A Motion to Amend
Headquarters and Support Activities Joint Cross Service Group
Recommendation 41,
Joint Basing,
appearing at Chapter V, Section 146 of the Bill.

Deletes a reference apparently consolidating the Naval Research Laboratory, a Navy Working Capital Fund Activity, with dissimilar organizations.

Offered by: COYLE

Seconded by: _____

Approved Disapproved

I move:

- that the Commission find that when the Secretary of Defense made Headquarters and Support Activities Joint Cross Service Group Recommendation 41, Joint Basing, he substantially deviated from Final Selection Criteria 1 and 4 and the Force Structure Plan;
- that the Commission strike the language "Naval Research Laboratory (NRL)," where it appears in paragraph "d", Chapter V, Section 146 of the Bill, and;
- that the Commission find this change and the recommendation as amended are consistent with the Final Selection Criteria and Force Structure Plan.

And, that further, the Commission is makes the additional statement: "NRL is a Secretary of the Navy Working Capital Fund Activity. Real property and BOS functions integral to the research and industrial functions at NRL will remain with the Commanding Officer. Because of Navy's centralization of installation management functions, Naval District Washington provides non-mission related

services to NRL already, such as Morale, Welfare, and Recreation and food services. This is not intended to alter that relationship."

And further, as pertains to ~~all~~ the entire joint Basing recommendation the Commission states that, "Manpower savings ~~cannot~~ shall not be directed, as they are in the DoD ~~recommendation~~ proposal, but must be derived from standard manpower and functional analysis studies and joint determinations between the affected installations. Moreover, the Department of Defense must provide DoD-wide standards for delivery of services and common definitions for those services before installation management functions are relocated from the losing activities."

And further, as pertains to the entire joint Basing recommendation, the Commission states that, "Manpower savings shall not be directed, as they are in the DoD proposal, but must be derived from standard manpower and functional analysis studies and cooperative joint determinations between the affected installations. Moreover, ... etc ... the losing activities.

DCN: 11888

Robert W. Galvin
Chairman Emeritus

August 16, 2005

Samuel K. Skinner
2521 S. Clark Street
Suite 600
Arlington, VA 22202

COPY

Dear Sam:

Thank you for continuing to serve our country so nobly.

I address you as a BRAC commissioner. The subject is one on which I have some considerable past and relatively recent experience. You are considering the consolidation of a variety of naval facilities along the waterway near the Naval Research Laboratory. It is a natural instinct to wonder if there cannot be savings by the consolidating of various administrative functions.

Just before the turn of the century, I was asked to chair a commission on the Navy of the 21st Century, which was essentially staffed by the Naval Research Laboratory leadership and in service of headquarters people of the Navy in the Pentagon. As a consequence of this privilege and the extraordinary members of our commission, I had a very intimate experience of dealing with NRL. It is one of the country's jewels. It was obviously deeply respected by headquarters people as well. Our commission came up with a variety of incrementally useful concepts. Those details are not relevant in your studies, but what is relevant is that NRL is an institution that should have the highest order freedom to accomplish its responsibilities, including the overseeing of its laboratory equipments and its facilities. As a long time influence on major laboratories in our corporation, I appreciated the value of having given our laboratory people their head and our trust in their responsibility to use all their facilities optimally.

I strongly recommend that the Naval Research Laboratory facilities not be consolidated in some general administrative entity, which is bound to interfere from time to time with the timely work that is being done by the distinguished scientists in that laboratory.

Thank you for considering my thoughts.

Sincerely,

Bob

Robert W. Galvin

RWG:jm

attachment

Motorola Inc., Corporate Offices
1303 East Algonquin Road, Schaumburg, IL 60196-1079 • (847) 576-5300 • Fax: (847) 538-5255

Background

NRL's mission is the performance of military R&D with a focus on long-term science and technology. Its physical plant and base operations support (BOS) functions (e.g., facilities, supply, procurement, finance, and personnel) exist solely to support this mission.

In 1997, the Naval District Washington (NDW) proposed assuming control of NRL's physical plant. The Assistant Secretary of the Navy for Research, Development and Acquisition (ASN [RDA]) recognized that control of laboratory buildings, structures, and other physical assets were essential to NRL's research mission, and that no world-class research institution could exist without them. The ASN(RDA) rejected the proposal and stated:

> "NRL is a Secretary of the Navy corporate activity that has been assigned unique Navy-wide and national responsibilities...Real property and BOS functions integral to the research and industrial functions at NRL will remain with the Commanding Officer."

The Issue

One of BRAC-05's Joint Basing proposals gives NDW *full installation management* of NRL, Bolling Air Force Base, and the Anacostia Naval Station by transferring all physical assets to NDW at the Washington Navy Yard and consolidating financial, personnel, supply, and procurement functions of all organizations into one joint base. In short, NRL moves from the historical and highly successful management structure where it controlled its own facilities and support functions to a situation where it becomes a tenant on someone else's facility, where its priorities will be in direct competition with those of the other tenants.

The Risks

NRL is qualitatively different from the other bases: Bolling Air Force Base, Washington Navy Yard, and Anacostia Naval Station. These bases have extensive Air Force and Navy family housing complexes, intelligence agencies, office buildings (Navy Sea Systems Command, Military Sealift Command, etc.), and hangar facilities and landing pads for Presidential helicopter support. NRL, on the other hand, is a major complex of highly sophisticated laboratories conducting some of the most advanced research in the world.

R&D depends on the use of state-of-the-art, costly, high-precision equipment and facilities. Maintaining these facilities at the state of the art is made difficult by rapidly changing technology, and delays in modernization can translate into huge dollar losses and mission setbacks, and can jeopardize the viability of the laboratory. NRL's R&D facilities are sound and current, but the nature of the business requires their constant modification, funded largely by overhead dollars, in an order of priority best determined by the scientific managers of the Laboratory. Under the proposed system, NRL's R&D needs will be in direct competition with requirements for operating forces, housing, recreation, and headquarters functions. History demonstrates that long-term R&D needs do not fare well when in direct competition with short-term requirements; they are considered deferrable. With regard to establishing priorities for work, it should be noted that the senior military official at NRL is a Navy Captain, while the other tenant commands on the proposed consolidated base are run by Admirals and Generals.

NRL probably ranks among the world's top ten multi-disciplinary research laboratories. Its contributions to the Navy and the Nation are legendary. Among these are its invention and development of Navy radar in the U.S. during the 1920s and 1930s; its contributions to the war effort in the 1940s; its leading role in creating the Nation's space program in the 1950s and 1960s; its development and launch of the world's first reconnaissance spacecraft in 1960; its development in the 1960s and 1970s of the TIMATION space system that became the Global Positioning System; its being awarded the Nobel Prize in Chemistry in 1985; its invention and development of fiber-optic sensors in the 1970s and 1980s; and its invention and development in the 1980s and 1990s of Specific Emitter Identification technology. These are but a few of thousands of scientific and technical outputs that have enabled the great Navy that we have today.

Why would one take the risk of jeopardizing the productivity of what many experts believe is the "crown jewel"of the Federal in-house laboratory system and an organization that contributes so much to the Navy and the Nation? This is a special concern at a time when the nation's technological dominance is seriously challenged by global developments.

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CHIEF's Sight Picture

3 August 05

2005 Base Realignment and Closure (BRAC) – Joint Basing

The Department of Defense recently released the largest BRAC proposal in our history, including the recommendation to close ten Air Force installations and realign 62 more. These changes maximize our warfighting capabilities, realign our infrastructure within the future defense strategy, eliminate excess physical capacity, and capitalize on opportunities for joint operations. They also include a concept called "joint basing" where two or more adjacent or nearby DoD installations are run by a designated service – be it Army, Navy, or Air Force. By consolidating installation support services at conjoined or nearby bases under one Military Department, the Department of Defense hopes to save $2.3B over 20 years.

Under this BRAC recommendation, the Air Force will become the lead installation support provider at six locations (Charleston AFB/Naval Weapons Station Charleston, Joint Base McGuire-Fort Dix, Joint Base Andrews-Naval Air Facility Washington, Joint Base Elmendorf-Richardson, Lackland AFB / Randolph AFB / Fort Sam, and Langley AFB / Fort Eustis.) The Air Force will be the supported service at one Army (Joint Base Lewis-McChord) and three Navy locations (Joint Base Pearl Harbor-Hickam, Navy Guam/Anderson AFB, and Joint Base Anacostia-Bolling-Naval Research Laboratory.)

Modern warfare is Joint warfare. In addition to saving scarce funds, this move to Joint Basing will allow us to build closer relationships and forge stronger ties between services. We will not only train as we fight, we will live as we fight.

The Air Force has a long and successful history of working toward common goals in a joint environment without compromising Air Force principles and the well being of our people – joint basing will be no different. Our guiding precepts as we move forward with joint basing are:

- Maintain uncompromised warfighting capability, including expeditionary combat support forces
- Preserve our installations as fighting positions and training platforms for our expeditionary force
- Airmen will command Airmen – our unity of command at home station will remain intact
- Airmen open and operate airfields – airfields will be operated and maintained by Airmen
- Provide quality services at the best value

Establishing joint bases will take time. We are working with the Army and Navy to ensure that we do it smartly and are mindful of the lessons learned from past joint basing initiatives. The Office of the Secretary of Defense expects to establish the basic implementation policy by the end of this summer, with work on common standards and metrics continuing in the following months. Together, we will undertake pilot projects to explore how to best establish mutually acceptable joint basing agreements. However, until these projects are complete and

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BRAC is signed into law, it is premature to enter into any additional cooperative or inter-service joint basing agreements.

Joint basing will neither lower our standards nor compromise our warfighting capabilities. Combining capabilities and eliminating unnecessary duplication and redundancy will save scarce funds and result in more efficient installations from which we, and our sister services, will more effectively project combat power for our Nation.

AIR FORCE
Air & Space Power

"Joint Basing" Jul 18 Early Bird

DCN: 11888

While collaboration among the medical planners on the medical BRAC plan was relatively easy, the plan still faces hurdles.

"The hardest part is to overcome the perception of 'You're closing Walter Reed,'" Taylor said. "What we're creating is a new Walter Reed, a new National Military Medical Center to be able to invest in the right way in our infrastructure to move us to a far superior platform" than exists today.

Under the plan, in the national capital area, Malcolm Grow Hospital at Andrews Air Force Base, Md., would become a same-day surgery center. DeWitt Army Hospital at Fort Belvoir, Va., would expand to care for a growing military and retiree population in the metropolitan area. Walter Reed would close its Washington location and its capabilities would move about six miles to Bethesda, Md., to the National Naval Medical Center campus, Taylor said. The facility will be named the Walter Reed National Military Medical Center.

Some critics question how defense officials made their decisions, in part because they say the value of Walter Reed was minimized. The National Association for Uniformed Services wants "an independent review" of the methodology used to recommend reshaping the medical system, including how it determined military value and related cost estimates, said retired Army Col. Charles Partridge, the association's legislative counsel.

DoD seeks standards for multiservice bases

Army Times
Gordon Trowbridge
July 18, 2005

Pentagon officials have begun an effort to set militarywide standards for on-base services, an issue of growing importance as base realignments blur the lines between Air Force base, Army post, Marine Corps camp and naval station.

By next spring, the Defense Department hopes to have joint standards for more than 30 service areas — from airfield management to utilities to dining halls — said Philip Grone, the Pentagon's top installations official.

The goal, Grone said, is that "any service member can go aboard an installation and would understand … the level of support they will receive. It shouldn't matter what color their uniform is."

But that's not likely to mean Marines will live in the same style of dormitory as airmen anytime soon. Grone said the changes won't interfere with cultural differences the services cherish.

However, families in all services will be able to depend on the same level of help in finding referrals to off-base housing, Grone said.

Varying levels of service from post to base to camp are a complication as the Defense Department pushes joint basing as a means to cut costs and improve cooperation among the services.

The base realignment and closure plan unveiled in May proposes forming several multiservice bases. In North Carolina, Pope Air Force Base would combine with the Army's Fort Bragg, while Army, Air Force and Navy installations in central New Jersey would merge into Joint Base McGuire-Dix-Lakehurst.

Those mergers raise an obvious question: If the Army takes over your Air Force base, will the new base run under your service's standards, or the new manager's?

"In no case, I don't think, are any of the services or anybody willing to accept lower standards at any of these installations," Air Force Gen. Richard Myers, the chairman of the Joint Chiefs, told members of the BRAC commission that is working on the Pentagon's proposals.

Even before the base-closing plan became public, installation managers were concerned that the Pentagon's increasing push for jointness would raise such questions. A survey of financial and installation managers sponsored by the American Society of Military Comptrollers

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found officials who worried that no plan was in place to work out different expectations among members of various services.

"We heard across the board that DoD needs to set minimum acceptable levels of service," said Diane Shute of Grant Thornton, the consulting firm that conducted the survey.

But Grone said setting minimum standards is not meant to push a lowest common denominator.

Just as important as the standards service members see, Grone said, is having an agreed-upon set of measurements that the services can use to plan budgets.

Even if changes aren't immediately apparent, he said, troops and families will get better service if planners have better information on how much those services will cost.

National News Articles

Questions raised about plans to shift Guard units

The Associated Press State & Local Wire
July 18, 2005

The Pentagon's plans to transfer 15 fighter jets from an Illinois Air National Guard base to Fort Wayne might be illegal unless Indiana and Illinois' governors approve the changes, according to a memo written by an attorney for the nation's base-closing commission.

In May, Defense Secretary Donald Rumsfeld proposed doubling the 122nd Fighter Wing stationed at Fort Wayne by moving planes and personnel from the Air National Guard bases in Terre Haute and Springfield, Ill.

He also proposed cutting or closing about 30 other Air National Guard bases nationwide, consolidating them into larger operations.

But Dan Cowhig, deputy general counsel for the Base Realignment and Closure Commission, said in a recent memo that moving planes from one state to another without governors' approval could be illegal - an argument a number of governors have made.

Cowhig said the base-closure process is supposed to be used to close bases, not to reorganize units.

The Justice Department is expected to issue a legal opinion. Defense Department spokesman Glenn Flood said Friday the Pentagon is urging the commission to wait for that before deciding whether to make any changes to the military's recommendations.

Gov. Mitch Daniels supports the transfer of nine fighter jets from Terre Haute to Fort Wayne, but Illinois Gov. Rod Blagojevich has protested moving 15 F-16 fighter jets from Springfield, Ill.

In a letter he sent to Rumsfeld on Monday, Blagojevich quoted a section of federal law that says, "a unit of the Army National Guard of the United States or the Air National Guard of the United States may not be relocated or withdrawn under this chapter without the consent of the governor of the state."

Under the Constitution, governors have the right to maintain militias and in peacetime are the commanders in chief of National Guard units.

U.S. Rep. Mark Souder, R-Ind., told The Journal Gazette of Fort Wayne that the question of the planes' ownership might be the key point.

"My assumption is Department of Defense owns the planes, but if they donated them to the state, it becomes problematic," Buyer said.

According to Cowhig's 20-page paper, any move to withdraw, disband or change the organization of Air National Guard units would require the Base Realignment and Closure Commission to "alter core defense policies" set in two laws.

"The Base Closure Act does not grant the commission the authority to change how a unit is equipped and organized," he wrote.

Cowhig said the independent commission does not have the right to approve the Pentagon's Air

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Predicting IM personnel reqmts

I. Economy of scale model → avg ratios (comparable inst/same service)

1) 1st ratio — sq ft to # of personnel authorized in PW staff (f

"Jt Base" - used when common fenceline

2) 2nd & 3rd ratio

supported pop (inst. minu

"Consolidation" - used when geograph separated.

supported workforce (les

→ IM staff taken from CDC.

→ Break pts 5mil sf or 5K.

std econ of scale curve —

* greater efficiency achieved

II. scenarios put thru series of calculations

① specific to PW function -

both/all installation sf combined ÷ service ratio for combined sf.

Result - provides new req for PW pers. which is compared to total strength of existing PW staffs.

Diff = feasible reduction

② supported pop are combined; then ÷ service ratio for IM staff (Calculation is done w/PW included, then excluded.

③ same for supported workforces.

III * A final set of calculations for the above by adjusting for military strength of IM staffs when Air Force inst are included. ("strength of IM staff adjusted downward by 25% to account for air mobility Reqmt resident in Air Force mil pers performing BASOPs functions.")

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→ Conclusion – SF is best & most approp factor for determining PW staffing req.

→ economy of scale model required adjustments to reflect specific situations IRT installations. (reasons for adjustment dependent on efficiency of installation compared to service avg.)

① installation w/high eff ratio such that add'l resources would be req'd when applying serv avg, adj applied that recognized efficiency but at lesser rate than being achieved (avoids overstating projected staff req.)

② low eff ratio – adj applied to ensure calculated req reflect econ of scale reductions (ensure predicted reductions aren't overstated.)

③ Receiver inst eff ratio lower than losing inst to pt that increase in people would be predicted, an adj using both services' averages was applied. (consol SF and/or PSAP against specific inst data.) → maintained constant resources at existing service levels adj for economies of scale.

④ adj to compensate for distance betw main cantonment areas:

seamless to < 5 mi = ∅

> 5 but < 20 mi = 20% to predicted reduction

do not share a boundary

→ Resulting recommended solutions will reflect the most conservative approach & logic.

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Ft Lewis / McChord - used tables establishing ratios for Army installations

[illegible]

Rec 434 (10%) Final 422

Pearl Harbor / Hickam

With respect to Navy on general & Hawaii spec, Navy's Regional ~~approach~~ structure for IM requires modified approach; rely on personnel employed at Central work centers resp for multiple bases.

[illegible]

Rec 280 (4.2%) Final 277

DCN: 11888

McGuire / Dix / Lakehurst

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] 10 319 (9.4%) Rec 319 Final 262

Edmendorf / Ft Richardson

[illegible] Rec 224 (6%) Fin 224

NDW / Bolling

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] Rec 120 (2.6%) Final 119

Mil val 0.184 0.185

Charleston AFB / Charleston Weps

[illegible]

[illegible]

[illegible]

[illegible] Rec 362 Final 264

DCN: 11888

Hampton Roads South - Navy Mid Atlantic Region/
Ft Story

[illegible] to reflect [illegible]
[illegible] mil val [illegible]
[illegible]

[illegible] based on qualitative [illegible]
[illegible] Ft Eustis [illegible]

20% [illegible] 16(84%) - 64([illegible]) 46(84%) 21

Andrews AFB / NAF Andrews

NAF [illegible] separate staffing data [illegible]
submitted

[illegible] 25(.7%) Rec 25(.8%) Final 18

COMNAVMAR / Andersen AFB

[illegible] 137 required to 144 [illegible]
[illegible] to 95(4.1%) Rec 95 Final 95

[illegible] 1299, CNM 1038 = 2337

[illegible] based on proximity
of [illegible]

[illegible] airport

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Ft Myer / Henderson Hall

	Rec	Final
	65 (8.1%)	15

Hampton Rds North – Langley / Eustis

		Rec	Final
	217	217 (7.2%)	217

Lackland / Randolph / Ft Sam Houston

	Rec	Final
	307	189

a. The presence of threatened and endangered species (TES) can result in restrictions on training, testing and operations. They serve to reduce buildable acres and maneuver space. The data in this section reflects listed TES as well as candidate species, designated critical habitat as well as proposed habitat, and restrictions from Biological Opinions. The legally binding conditions in Biological Opinions are designed to protect TES, and critical habitat. The data call seeks to identify the presence of the resource, TES, candidate or critical habitat, even if they don't result in restrictions, as well places where restrictions do exist.

b. Naval Base Guam reported that federally-listed TES are present that have delayed or diverted operations/training/testing, candidate species are present, critical habitat is not present, and that NAVAL BASE Guam has a Biological Opinion that places restrictions on operations.

8. Waste Management (DoD Question # 265-272):

a. This resource area identifies whether the installation has existing waste treatment and/or disposal capabilities, whether there is additional capacity, and in some case whether the waste facility can accept off-site waste. This area includes Resource Conservation and Recovery Act (RCRA) Treatment, Storage and Disposal facilities, solid waste disposal facilities, RCRA Subpart X (open/burning/open detonation) and operations.

b. Naval Base Guam has a permitted RCRA Treatment Storage and Disposal Facility (TSDF) that accepts off-site waste. Naval Base Guam does not have an interim or final RCRA Part X facility. Naval Base Guam has an on-base solid waste disposal facility that is 70% filled.

9. Water Resources (DoD Question # 258, 274-299):

a. This resource area asks about the condition of ground and surface water, and the legal status of water rights. Water is essential for installation operations and plays a vital role in the proper functioning of the surrounding ecosystems. Contamination of ground or surface waters can result in restrictions on training and operations and require funding to study and remediate. Federal clean water laws require states to identify impaired waters and to restrict the discharge of certain pollutants into those waters. Federal safe drinking water laws can require alternative sources of water and restrict activities above groundwater supplies particularly sole source aquifers. Water resources are also affected by the McCarran Amendment (1952), where Congress returned substantial power to the states with respect to the management of water. The amendment requires that the Federal government waive its sovereign immunity in cases involving the general adjudication of water rights. On the other hand existence of Federal Reserve Water Rights can provide more ability to the government to use water on federal lands.

b. Naval Base Guam does not discharge to an impaired waterway. Groundwater contamination is not reported. Surface water contamination is not reported. The state requires permits for the withdrawal of groundwater. The installation reported restrictions or controls that limited the production or distribution of potable water. Exceedances of drinking water standards are reported, during at least one of the last three reporting periods.

10. Wetlands (DoD Question # 251, 257):

a. The existence of jurisdictional wetlands poses restraints on the use of land for training, testing or operations. In the data call the installations were asked to report the presence of jurisdictional wetlands and compare the percent of restricted acres to the total acres. The presence of jurisdictional wetlands may reduce the ability of an installation to assume new or different missions, even if they do not presently pose restrictions, by limiting the availability of land.

b. Naval Base Guam has 10% wetland restricted acres on the military installation.

TENANT ACTIVITIES
NAVMARIANASUPPACT
MSCO_GU
PWC_GU
COMNAVMARIANAS_GU
NAVFAC_OICC_MARIAN

IM SUMMARY

Scenario	10% IM	Computed	% (Range)	Recommendation	Final
~~Bragg/Pope~~	346	20-475	.6-13.7	86 (2.5%)	84
Lewis/McChord	434	912-1490	21-34	434 (10%)	422
Pearl/Hickam	663	280-563	4.2-8.5	280 (4.2%)	277
McGuire/Dix/Lakehurst	337	319-655	9.4-19.4	319 (9.4%)	262
Elmendorf/Richardson	367	224-378	6-10.3	224 (6%)	224
NDW/Bolling	460	120-852	2.6-18.5	120 (2.6%)	119
Myer/Henderson Hall	81	65-104	8.1-12.9	65 (8.1%)	13
Andrews/NAF	351	25-89	.8-2.5	25 (.8)	18
San Antonio	664	307-657	4.6-9.9	307 (4.6)	189
Charleston	391	362-873	9.2-22.3	362 (9.2%)	264
Hampton North	302	217-455	7.2-14.4	217 (7.2%)	217
Hampton South	54	46-64	8.4-11.7	46 (8.4)	21
~~Monmouth/Earle~~	182	132-605	7.2-33.2	132 (7.2%)	75
~~Dobbins/NAS Atlanta~~	107	51-179	4.8-16.7	51(4.8%)	45
Guam	233	95-226	4.1-9.7	95(4.1)	95

DCN: 11988

DCN: 11868

DEPARTMENT OF THE ARMY
DEPUTY CHIEF OF STAFF, G-8
700 ARMY PENTAGON
WASHINGTON DC 20310-0700
HSA-JCSG-D-05-322

REPLY TO
ATTENTION OF

HSA JCSG

19 April 2005

MEMORANDUM FOR RECORD

SUBJECT: Service Review of Joint Basing Scenario Data Calls

1. On 24 November 2004 at 1400 in room 3E813, the undersigned met with the Service BRAC deputies, COL Kurt Weaver, USA; Mr. Dennis Biddick, USN; and COL Tom Fleming, USAF to review the process for completing and responding to the Installation Management team's scenario data calls. This meeting addressed the services' confusion regarding the intent of initial scenario data calls which showed only projected personnel reductions if the scenarios were implemented. It was agreed that the scenario data calls would be revised and retransmitted with narrative discussion explaining the basis for the recommended changes of personnel in screen six. Screen six would reflect personnel reductions at the realigning installation and gains at the receiving installation, with the difference being the recommended reduction in workforce. This format was intended for clarity and not intended to be construed as implementation mandates.

2. In addition to the above agreement, it was also determined that service representatives would meet as required to negotiate a final personnel reduction using the scenario data call reduction as the start point. Implicit in this agreement was that HSA methodology and military judgment would be applied to resolve inconsistencies in scenario data call responses and that this would be explained in methodology (encl) documenting the steps taken to obtain final COBRA input for candidate recommendations.

Encl

CARLA COULSON
COL, GS
Deputy Director, HSA JCSG

Subject: Scenario Data Call Reconciliation for Installation Management: HSA-0009, 0010, 0011, 0012, 0013, 0014, 0015, 0016, 0017, 0032, 0033, 0034, 0075, 0119, 0127

1. References:

a. IM Discussion Paper titled "Method for Determining Installation Management (IM) Personnel Requirements"

b. HSA JCSG MFR, control number HSA-JCSG-GC-IM-0007, subject: Negotiated Recommendations; dated 18 November 2004

c. HSA JCSG MFR, control number HSA-JCSG-GC-IM-0010, subject: COBRA Data Reconciliation Ft. Myer/Henderson Hall; dated 19 April 2005

d. HSA JCSG MFR, control number HSA-JCSG-GC-IM-0011, subject: Scenario Data Call Reconciliation HSA-0034; dated 27 April 2005

e. HSA JCSG MFR, control number HSA-JCSG-GC-IM-0012, subject: Scenario Data Call Reconciliation HSA-0012; dated 27 April 2005

f. Scenario Data Call responses from all services for above scenarios.

2. Overview: The following discussion provides details for each HSA JCSG Installation Management scenario regarding the actions and adjustments made resulting from the service responses to the scenario data calls (SDC). The resulting adjustments were used as the basis for Cobra input for each scenario that was approved as a candidate recommendation. The scenario data calls transmitted to the services proposed personnel reductions that could be anticipated through implementation of the scenario. The above reference describes in narrative form the process for determining the recommended proposed reduction. Reference b describes negotiations with service representatives prior to release of the scenario data calls. The scenario data calls requested concurrence or adjustment to the proposed personnel reductions as appropriate. In general, the approach for reviewing service responses was to consider only the data pertaining to the respective service and matching that data to the service data provided from the other service. Exceptions to this approach are noted in subsequent discussion. Where necessary to clarify the intent of the service response, email follow up was used and referenced in the following discussions. When service negotiations and responses did not result in clear coherent responses, military judgment was applied to make appropriate adjustments consistent with the agreements noted in reference b. The resulting personnel reduction entered into Cobra was subsequently reviewed and approved through the ISG process as part of the Candidate Recommendation. The tables included in this document reflect the initial COBRA input for screen six with most scenarios reflecting initial reductions in FY06. Final COBRA input has been changed to reflect implementation beginning in FY07 as a result of the OSD allocation process which was the basis for this modification.

3. General: The proposed personnel reductions by agreement with the services were reflected in screen six of the scenario data calls. The reduction was transmitted by showing eliminations of personnel at the installation designated for realignment (transferring IM responsibilities) and additions at the installation assuming responsibilities for installation management as described in the scenario justifications. The difference between the eliminations and additions was the proposed reduction. The basis for screen six entries was the baseline installation management workforce reported in capacity data as described in the above reference. It is important to understand that using this convention of eliminations and additions was intended to help make the intent of the scenario as clear as possible and also to serve as a means for validating the general accuracy of the baselines reported through the capacity data call. The final input into Cobra reflected only the reduction of personnel since eliminating the workforce at one installation and adding to the other would result in generation of costs that would not be incurred in actual implementation. As a final general note; by service agreement the proposed reductions were spread between both the military and civilian workforce consistent with the baseline distribution of the reported workforce. Although the screen six entries were not assumed to reflect real transfers of military personnel, the Air Force responses for scenarios where the Air Force transferred responsibility dropped military personnel to emphasize their intent that military personnel would not transfer service. For purposes of reconciling these responses, military judgment was applied inferring that the Air Force baselines of military personnel were accurate unless specific notes indicating otherwise were included in the scenario data call responses. Those scenarios where baseline changes to the military IM workforce were warranted are indicated in the following discussions.

4. Ft. Bragg/Pope AFB: HSA-0009 **(SCENARIO DELETED)**

a. General: The recommended personnel reduction for this scenario was 86 personnel. This represents approximately 2.5% of the total consolidated installation management workforce of 3468 personnel reported in the capacity data call. The base line for each installation was 1728 for Ft. Bragg and 1740 for Pope AFB. The reduction of 86 personnel was reflected in the scenario data call by elimination of 1482 military and civilians after removing 258 contractor personnel from Pope AFB and the addition of 1396 personnel to Ft. Bragg with the difference being the 86 personnel recommended for reduction as a result of implementation.

b. Army Response: The Army response had no change to the screen six data for Ft. Bragg indicating concurrence that the reduction of 86 personnel from the consolidated workforces would be feasible if this scenario is implemented. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

c. Air Force Response: As indicated in the general notes, the Air Force response changed the military personnel numbers entered for Pope AFB in screen six of the SDC to zero. This response presumed concurrence with the military personnel numbers with the exception noted below regarding airfield operations. The civilian numbers were adjusted to reflect an elimination of 20 less personnel then were included in screen six of

the SDC for Pope AFB. Included in notes on screen six, the Air Force response indicated that 98 personnel performing airfield operations should be removed from the eligible population based on the opinion that airfield operations should not be consolidated. Ten of these personnel were civilians and are part of the 20 fewer civilians noted above. Including the 98 from the airfield and 10 additional civilians, the total adjustment for Pope AFB recommended by the Air Force was 108. With respect to the Airfield, it is the opinion of the IM team that many airfield functions are BASOPS in nature and can readily be consolidated. The Capacity Data Call specifically targeted these functions. However, it is possible that personnel doing mission operations were included in the capacity data and therefore accepting this adjustment was appropriate. OSD implementation guidance will make final determinations regarding the extent of consolidation for airfield operations.

d. Summary: Although the Army concurred with the proposed reduction, the adjustment to the Pope AFB workforce baseline dictated that a minor adjustment to the reduction of 86 would be appropriate. Accepting the adjustment of 108 personnel reduced the Pope AFB baseline workforce from 1740 to 1632 and the consolidated workforce from 3468 to 3360. There were a couple of options for calculating an adjustment however, since the baseline change was small and would not be expected to result in a significant change when recalculated using the same method which resulted in the 86 recommendation, it was determined that using the 2.5% reduction applied to the adjusted baseline would be appropriate. Applying the 2.5% factor to the adjusted baseline of 3360 resulted in a new recommended reduction of 84 if the scenario is implemented. This was the number of reductions used in the Cobra model for this candidate recommendation. As a cross check on the above rational, a calculation was completed using the new baseline and the same method done to obtain 86. The screen six table for entry into Cobra is shown below.

Base Name
POPE

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1	-2	-1
Enlisted Positions	-17	-33	-16
Civilian Positions	-4	-7	-3

5. Ft. Lewis/McChord AFB: HSA-0010

a. General: The recommended personnel reduction for this scenario was 434 personnel. This represents 10% of the total consolidated installation management workforce of 4345 personnel reported in the capacity data call. The base line for each installation was 2300 for Ft. Lewis and 2045 for McChord AFB. The reduction of 434 personnel was reflected in the scenario data call by elimination of 1705 military and civilians after removing 340 contractor personnel from McChord AFB and the addition of 1271 personnel to Ft. Lewis with the difference being the 434 personnel recommended for reduction as a result of implementation.

b. Army Response: The Army response had no change to the screen six data for Ft. Lewis indicating concurrence that the reduction of 434 personnel from the consolidated workforces would be feasible if this scenario is implemented. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

c. Air Force Response: As indicated in the general notes, the Air Force response changed the military personnel numbers entered for McChord AFB in screen six of the SDC to zero. Based on military judgment this response presumed concurrence with the original baseline military personnel numbers with the exception noted below regarding airfield operations. The civilian numbers were adjusted to reflect an elimination of 41 less personnel then were included in screen six of the SDC for McChord AFB. Included in notes on screen six, the Air Force response indicated that 113 personnel performing airfield operations should be removed from the eligible population based on the opinion that airfield operations should not be consolidated. Thirty of these personnel were civilians and are part of the 41 fewer civilians noted above. Including the 113 from the airfield and 11 additional civilians, the total adjustment for McChord AFB recommended by the Air Force was 124. With respect to the airfield, it is the opinion of the IM team that many airfield functions are BASOPS in nature and can readily be consolidated. The Capacity Data Call specifically targeted these functions. However, it is possible that personnel doing mission operations were included in the capacity data and therefore accepting this adjustment was appropriate. OSD implementation guidance will make final determinations regarding the extent of consolidation for airfield operations.

d. Summary: Although the Army concurred with the proposed reduction, the adjustment to the McChord workforce baseline made an adjustment to the reduction of 434 appropriate. Accepting the adjustment of 124 personnel reduced the McChord baseline workforce from 2045 to 1921 and the consolidated workforce from 4345 to 4221. In this scenario, recalculation was not required because the HSA JCSG member approved and service concurred (reference b) limit of 10% maximum reduction of the consolidated workforce would still apply. The original range of feasible reductions for this scenario was 912 ((21%) to 1490 (34%) and it was easily determined that recalculating using the new baseline would not lower the range of feasible reductions enough to go under 10%. Applying the 10% factor to the adjusted baseline of 4221 resulted in a new recommended reduction of 422 if the scenario is implemented. Air Force concurrence with this adjustment provided by Maj Ed Oshiba by email on 15 December 2004 (attached). This was the number of reductions used in the Cobra model

for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name
MCCHORD

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-5	-10	-5
Enlisted Positions	-72	-143	-71
Civilian Positions	-29	-58	-29

6. Pearl Harbor/Hickam AFB: HSA-0016

a. General: The recommended personnel reduction for this scenario was 280 personnel. This represents approximately 4.2% of the total consolidated installation management workforce of approximately 6634 personnel reported in the capacity data call. The base line for each installation was 4405 for Pearl Harbor and 2229 for Hickam AFB. The reduction of 280 personnel was reflected in the scenario data call by elimination of 1725 military and civilians after removing 504 contractor personnel from Hickam AFB and the addition of 1445 personnel to Pearl Harbor with the difference being the 280 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response had no change to the screen six data for Pearl Harbor indicating concurrence that the reduction of 280 personnel from the consolidated workforces would be feasible if this scenario is implemented. This was confirmed in the Navy response to question 47 of the SDC which indicated this reduction could be accomplished. For purpose of clarification, the SDC response from the Navy used the first version of an SDC which reflected only civilian reductions distributed to both installations. This version of the SDC had been replaced per the guidance contained in the cover memorandum and paragraph 3 above. Since the Navy response used this first version, military judgment was applied with the conclusion that concurrence with the recommended per the first version constituted concurrence with the revised version which distributed reductions between military and civilian and took all eliminations at just the losing installation. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

c. Air Force Response: As indicated in the general notes, the Air Force response changed the military personnel numbers entered for Hickam AFB in screen six of the SDC to zero. Based on military judgment this response presumed concurrence with the original baseline military personnel numbers. The civilian numbers were adjusted to reflect an elimination of 19 less personnel then were included in screen six of the SDC

for Hickam AFB. This recommended adjustment is considered very minor and represents only a minor discrepancy between the original data call reports and the service validation done in conjunction with the SDC.

d. Summary: Although the Navy concurred with the proposed reduction, the minor adjustment to the Hickam civilian workforce baseline made a minor adjustment to the reduction of 280 appropriate. Accepting the adjustment of 19 personnel reduced the Hickam baseline workforce from 2229 to 2210 and the consolidated workforce from 6634 to 6615. Based on military judgment and agreement noted in reference b, recalculation was not warranted because the adjusted baseline represents a statistically insignificant change which would not result in any significant change to the recommended percent reduction. Applying the 4.2% factor to the adjusted baseline of 6615 resulted in a new recommended reduction of 277 if the scenario is implemented. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name
Hickam AFB

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	-3	-6	-3	12
Enlisted Positions	-41	-82	-42	165
Civilian Positions	-25	-50	-25	100
				277

165
12
177

41
82
42
165

7. McGuire AFB/Ft. Dix/Lakehurst: HSA-0011

a. General: The recommended personnel reduction for this scenario was 319 personnel. This represents approximately 9.4% of the total consolidated installation management workforce of 3378 personnel reported in the capacity data call. The base line for each installation was 2234 for McGuire AFB, 652 for Ft. Dix and 492 for Naval Air Engineering Station Lakehurst. The reduction of 319 personnel was reflected in the scenario data call by a total of 1088 eliminations which included elimination of 595 military and civilians after removing 35 contractor personnel from Ft. Dix, by elimination of 493 military and civilians after removing 41 contractor personnel from Lakehurst and the addition of 769 personnel to McGuire AFB with the difference being the 319 personnel recommended for reduction as a result of implementation.

a. Army Response: The Army response had no change to the screen six data for Ft. Dix indicating concurrence that the baseline for Ft. Dix was valid and that the reduction of 319 personnel from the consolidated workforces would be feasible if this scenario is implemented.

b. Navy Response: The Navy response did change the screen six data for Lakehurst by changing the elimination of civilians from 333 to 297 for a reduction of 36. This recommended adjustment is considered minor and represents only a small discrepancy between the original data call reports and the service validation done in conjunction with the SDC.

c. Air Force Response: The initial response from the Air Force was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and revised screen six numbers. For clarification purposes, the initial response showed an addition to McGuire AFB of 954 which was 185 greater then the 769 additions transmitted in the SDC. When taking into account the Navy baseline adjustment of 36, this would have left a reduction of only 98 personnel which is considered well below a feasible reduction and the agreed SDC starting point identified in reference b. A clarification and review was requested from the Air Force POC who determined that his review had incorrectly adjusted the additions required for McGuire. After further review, the Air Force provided a revision (email from Maj Ed Oshiba 14 Dec, attached) which reflected an addition of 790 personnel which was 21 additions above the original SDC number of 769. This adjustment was considered reasonable and as the service assuming responsibility would take precedence as the necessary staffing level for implementing this scenario.

d. Summary: For this scenario, the new baseline for Ft. Dix and Lakehurst military and civilian personnel was reduced from 1088 to 1052 as a result of the 36 civilian personnel adjustment for Lakehurst. The McGuire baseline for military and civilian additions was raised from 769 to 790 reflecting an increase of 21 or stated another way, reducing the total number of reductions considered feasible by the Air Force. Taking the difference between 1052 and 790 resulted in the new reduction which changed from the recommended number of 319 to 262. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name

DIX

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	-1	-2	-1	4
Enlisted Positions	-1	-2	0	3
Civilian Positions	-21	-40	-21	82

Base Name

NAVAIRENGSTA

LKHRST

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	-2	-4	-2	8
Enlisted Positions	-31	-62	-31	124
Civilian Positions	-11	-20	-10	41
				173

31
62
31
124

8. Elmendorf AFB/Ft. Richardson: HSA-0015

a. General: The recommended personnel reduction for this scenario was 224 personnel. This represents approximately 6% of the total consolidated installation management workforce of 3673 personnel reported in the capacity data call. The base line for each installation was 2761 for Elmendorf and 912 for Ft. Richardson. The reduction of 224 personnel was reflected in the scenario data call by elimination of 773 military and civilians after removing 143 contractor personnel from Ft. Richardson and the addition of 549 personnel to Elmendorf with the difference being the 224 personnel recommended for reduction as a result of implementation.

b. Army Response: The Army response had no change to the screen six data for Ft. Richardson indicating concurrence that the reduction of 224 personnel from the consolidated workforces would be feasible if this scenario is implemented.

c. Air Force Response: The Air Force response concurred with the 6% reduction but modified the additions based on a workforce without contractor personnel included in the baseline. Although the Air Force rational for this adjustment is understood it is not consistent with the method and calculations used to come up with the recommended reductions. The Air Force concern is based on the fact that COBRA can't eliminate contractors. While it is feasible that some contractor personnel would be reduced if the scenario is implemented, for cost estimation purposes it is essential to reflect total potential reductions. Based on military judgment, the basis for the Air Force adjustment was not accepted and the original SDC numbers were used.

d. Summary: Based on the Air Force concurrence with the percent reduction applied (reference b) and the negotiated start point, military judgment determined that no change to the recommended reduction of 224 was required. This was the number of reductions used in the Cobra model for this candidate recommendation.
The adjustment made in the Air Force response with respect to contractor personnel was not considered an appropriate basis for changing the recommended reduction for the reasons stated in c above. The screen six table for entry into Cobra is shown below.

Base Name

RICHARDSON

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	-2	-3	-1	6
Enlisted Positions	-20	-39	-19	78
Civilian Positions	-35	-70	-35	140
				224

9. Naval District Washington/Bolling AFB: HSA-0013

20
39
19
78

a. General: The recommended personnel reduction for this scenario was 120 personnel. This represents approximately 2.6% of the total consolidated installation management workforce of approximately 4606 personnel reported in the capacity data call. The base line for each installation was 3384 for Naval District Washington and 1222 for Bolling AFB. The reduction of 120 personnel was reflected in the scenario data call by elimination of 1060 military and civilians after removing 162 contractor personnel from Bolling AFB and the addition of 940 personnel to Naval District Washington with the difference being the 120 personnel recommended for reduction as a result of implementation.

b. Air Force Response: As indicated in the general notes, the Air Force response changed the military personnel numbers entered for Bolling AFB in screen six of the SDC to zero. Based on military judgment this response presumed concurrence with the original baseline military personnel numbers. The civilian numbers were adjusted to reflect an elimination of 17 less personnel then were included in screen six of the SDC for Bolling AFB. This recommended adjustment is considered very minor and represents only a minor discrepancy between the original data call reports and the service validation done in conjunction with the SDC.

c. Navy Response: The Navy response had no change to the screen six data for Naval District Washington indicating concurrence that the reduction of 120 personnel from the consolidated workforces would be feasible if this scenario is implemented. This was confirmed in the Navy response to question 47 of the SDC which indicated this reduction could be accomplished. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

d. Summary: Although the Navy concurred with the proposed reduction, the adjustment to the Bolling workforce baseline made a minor adjustment to the reduction of 120 appropriate. Accepting the adjustment of 17 personnel reduced the Bolling baseline workforce from 1222 to 1205 and the consolidated workforce from 4606 to 4589. Based on military judgment and agreement noted in reference b, recalculation was not warranted because the adjusted baseline represents a statistically insignificant change which would not result in any significant change to the recommended percent reduction.

Applying the 2.6% factor to the adjusted baseline of 4589 resulted in a new recommended reduction of 119 if the scenario is implemented. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name
Bolling AFB

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-2	-3	-1
Enlisted Positions	-15	-29	-14
Civilian Positions	-14	-27	-14

10. Charleston AFB/Naval Weapons Station Charleston: HSA-0032

a. General: The recommended personnel reduction for this scenario was 362 personnel. This represents approximately 9.2% of the total consolidated installation management workforce of 3914 personnel reported in the capacity data call. The base line for each installation was 1383 for Naval Weapons Station Charleston and 2531 for Charleston AFB. The reduction of 362 personnel was reflected in the scenario data call by elimination of 929 military and civilians after removing 454 contractor personnel from Weapons Station Charleston and the addition of 567 personnel to Charleston AFB with the difference being the 362 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response did change the screen six data for Weapons Station Charleston by changing the elimination of enlisted from 233 to 207 for a reduction of 26. This recommended adjustment is considered minor and represents only a small discrepancy between the original data call reports and the service validation done in conjunction with the SDC. As a note of clarification, the Navy response showed reductions at Charleston AFB. Similar to the response for HSA-0016, the portion of the first SDC version was used in this response which is why these AFB reductions are reflected. However, unlike the HSA-0016 Navy response, in this case the format used in the second version of the SDC was to reflect the NAVWPNSTA data. As noted in paragraph 2 above, only the NAVWPNSTA portion of the Navy response was used in reaching the final COBRA input.

c. Air Force Response: The initial response from the Air Force was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and revised screen six numbers. For clarification purposes, the initial response showed an addition to Charleston AFB of 845 which was 278 greater then the

769 additions transmitted in the SDC. When taking into account the Navy baseline adjustment of 26, this would have left a reduction of only 58 personnel which is considered well below a feasible reduction that would have negligible risk. A clarification and review was requested from the Air Force POC who determined that his review had incorrectly adjusted the additions required for McGuire. After further review, the Air Force provided a revision (email from Maj Ed Oshiba, 14 December 2004, attached) which reflected an addition of 639 personnel which was 72 additions above the original SDC number of 567. This adjustment was considered reasonable and as the service assuming responsibility would take precedence as the necessary staffing level for implementing this scenario.

d. Summary: For this scenario, the new baseline for Weapons Station Charleston military and civilian personnel was reduced from 929 to 903 as a result of the 26 enlisted personnel adjustment for Weapons Station Charleston. The Charleston AFB baseline for military and civilian additions was raised from 567 to 639 reflecting an increase of 72 or stated another way, reducing the total number of reductions considered feasible by the Air Force. Taking the difference between 903 and 639 resulted in the new reduction which changed from the recommended number of 362 to 264. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name
WPNSTA CHARLESTON

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	2009	
Officer Positions	0	-3	-6	-2	11
Enlisted Positions	0	-18	-90	-44	152
Civilian Positions	0	-25	-51	-25	101

162

264

18
90
44
152

11. Ft. Myer/Henderson Hall: HSA-0014

a. General: The recommended personnel reduction for this scenario was 65 personnel. This represents approximately 8.1% of the total consolidated installation management workforce of approximately 811 personnel reported in the capacity data call. The base line for each installation was 339 for Henderson Hall and 469 for Ft. Myer. The reduction of 65 personnel was reflected in the scenario data call by elimination of 328 military and civilians after removing 11 contractor personnel from Henderson Hall and the addition of 263 personnel to Ft. Myer with the difference being the 65 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response made a significant change to the screen six SDC numbers for Henderson Hall. The basis for this change was a detailed review which determined that of the 342 personnel reported in the Henderson Hall baseline, 139 were Exchange employees and therefore erroneously reported and 124 were staff in direct support of HQ Marine Corp and not full time installation management staff. The result was a change to the Henderson Hall baseline from 339 to 76.

c. Army Response: The Army response also had a significant change to the baseline required by Ft. Myer to assume responsibilities for Henderson Hall. The Army response reduced the additions from the 263 in the SDC to 112. This response in effect recommended that the reduction recommended could be increased by an additional 151 personnel from 65 to 216. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

d. Summary: Based on the numerical responses, even with the Army response increasing the reduction, their stated requirement of 112 additions still exceeded the Henderson Hall number of 76 personnel available. Based on these responses, a meeting was convened to reconcile and determine if this scenario was still feasible to pursue. At an 11 January session with Navy/Marine and Army representatives (reference c) resolution was achieved which confirmed that 13 reductions would be achieved if this scenario were implemented. The key factors in reaching this consensus were a reassessment of the actual supported workforce at Henderson Hall and a review of what the Army staff requirement would be based on a revised workforce at Henderson Hall. In the original calculations, the Henderson Hall workforce was reported at 2222. In discussion with Marine Corps representatives, it was determined that this included HQ Marine Corp personnel not present on Henderson Hall. The actual workforce on Henderson Hall requiring installation management support was determined to be approximately 500 personnel. Based on this revision, the Army determined that 63 additional staff requirements were needed versus the 112 submitted in the response to the SDC. Based on these adjustments, it was agreed that the difference of 13 between 76 available installation management staff on Henderson Hall and the Army requirement for 63 additional staff would be the reduction used in Cobra. The screen six table for entry into Cobra is shown below.

Base Name

CO HQBN HQMC

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1		
Enlisted Positions	-3	-5	-2
Civilian Positions	-1	-1	

12. Langley AFB/Ft. Eustis/Ft. Monroe: HSA-0033

a. General: The recommended personnel reduction for this scenario was 217 personnel. This represents approximately 7.2% of the total consolidated installation management workforce of 3157 personnel reported in the capacity data call. The base line for each installation was 2014 for Langley and 1143 for Ft. Eustis. The reduction of 217 personnel was reflected in the scenario data call by elimination of 506 military and civilians after removing 140 personnel allocated to Ft. Story and 497contractor personnel from Ft. Eustis and the addition of 289 personnel to Langley with the difference being the 217 personnel recommended for reduction as a result of implementation.

b. Army Response: The Army response had no change to the screen six data for Ft. Richardson indicating concurrence that the reduction of 217 personnel from the consolidated workforces would be feasible if this scenario is implemented.

c. Air Force Response: The initial response from the Air Force was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and concurrence with the SDC recommendation. For clarification purposes, the initial response showed an addition to Langley AFB of 470 which was 181 greater then the 289 additions transmitted in the SDC. This change would have left a reduction of only 36 personnel which is considered well below a feasible reduction that would have negligible risk. Although the Air Force rational for this adjustment is understood it is not consistent with the method and calculations used to come up with the recommended reductions. The Air Force concern is based on the fact that COBRA can't eliminate contractors. While it is feasible that some contractor personnel would be reduced if the scenario is implemented, for cost estimation purposes it is more accurate to reflect total potential reductions. A clarification and review was requested from the Air Force POC who determined that his review had incorrectly adjusted the additions required for Langley. After further review, the Air Force provided concurrence with the SDC recommended reductions (email Maj Ed Oshiba, dated 14 December 2004, attached)

d. Summary: Based on the Air Force concurrence with the percent reduction applied (reference b) and the negotiated start point, military judgment determined that no change to the recommended reduction of 217 was required. This was the number of reductions used in the Cobra model for this candidate recommendation. The adjustment made in the Air Force response with respect to contractor personnel was not considered an appropriate basis for changing the recommended reduction for the reasons stated in c above. The screen six table for entry into Cobra is shown below.

Base Name
EUSTIS

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	-2	-3	-2	7
Enlisted Positions	-11	-21	-11	43
Civilian Positions	-42	-83	-42	167
				217

42
83
42
167

13. Lackland AFB/Ft. Sam Houston/Randolph AFB: HSA-0017

a. General: The recommended personnel reduction for this scenario was 307 personnel. This represents approximately 4.6% of the total consolidated installation management workforce of 6644 personnel reported in the capacity data call. The base line for each installation was 3859 for Lackland AFB, 1197 for Ft. Sam Houston and 1588 for Randolph AFB. The reduction of 307 personnel was reflected in the scenario data call by a total of 2128 eliminations which included elimination of 844 military and civilians after removing 353 contractor personnel from Ft. Sam Houston, by elimination of 1284 military and civilians after removing 303 contractor personnel from Randolph and the addition of 1821 personnel to Lackland AFB with the difference being the 307 personnel recommended for reduction as a result of implementation.

b. Army Response: The Army response had no change to the screen six data for Ft. Richardson indicating concurrence that the reduction of 307 personnel from the consolidated workforces would be feasible if this scenario is implemented.

c. Air Force Response: The initial response from the Air Force was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and revised screen six numbers. The Air Force response did change the screen six data for Randolph by changing the elimination of military/civilian personnel from 1284 to 1096 for a reduction of 188. The Air Force response indicated that 188 personnel performing COMM/IT functions should be removed from the eligible population based on the opinion that these should not be consolidated. With respect to the COMM/IT function, it is the opinion of the IM team that many of these functions are BASOPS in nature and can readily be consolidated. The Capacity Data Call specifically targeted these functions. However, it is possible that personnel doing mission operations were included in the capacity data and therefore accepting this adjustment was appropriate. OSD implementation guidance will make final determinations regarding the extent of consolidation for COMM/IT operations. With respect to screen six revisions, the initial response showed an addition to Lackland AFB of 1851 which was 30 greater then the 1821 additions transmitted in the SDC. When taking into account the Air Force baseline adjustment of 188 at Randolph, this would have left a reduction of only 89 personnel which is considered well below a feasible reduction that would have negligible risk. A clarification and review was requested from the Air Force POC who determined that his review had incorrectly adjusted the additions required for Lackland. After further review, the Air Force provided a revision (email from Maj Ed Oshiba, 15 December 2004, attached) which reflected an addition of 1751 personnel which was 70 additions fewer then the original SDC number of 1821. This adjustment was considered reasonable

in view of the baseline change at Randolph and as the service assuming responsibility would take precedence as the necessary staffing level for implementing this scenario.

Summary: For this scenario, the new baseline for Ft. Sam Houston and Randolph military and civilian personnel was reduced from 2128 to 1940 as a result of the 188 military/civilian personnel adjustment for Randolph. The Lackland baseline for military and civilian additions was lowered from 1821 to 1751 reflecting a reduction of 70 personnel. Taking the difference between 1940 and 1751 resulted in the new reduction which changed from the recommended number of 307 to 189. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name

SAM HOUSTON

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1	-1	-1
Enlisted Positions	-6	-13	-6
Civilian Positions	-13	-27	-12

Base Name

Randolph AFB

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1	-2	-1
Enlisted Positions	-9	-18	-9
Civilian Positions	-17	-35	-17

13. Hampton Roads South (COMNAVREG MIDLANTIC (Little Creek)/Ft. Story): HSA-0034

a. General: The recommended personnel reduction for this scenario was 46 personnel. This represents approximately 8.4% of the total consolidated installation management workforce of approximately 549 personnel reported in the capacity data call and computed as described in the reference. The base line for each installation was 409 for COMNAVREG MIDLANTIC (Little Creek) and 140 for Ft. Story. The reduction of 46 personnel was reflected in the scenario data call by elimination of 71 military and

civilians after removing 69 contractor personnel from Ft. Story and the addition of 25 personnel to COMNAVREGMIDLANTIC with the difference being the 46 personnel recommended for reduction as a result of implementation.

b. Army Response: Unique to this scenario, the Army response provided both the Ft. Story adjustment and the Navy adjustment for COMNAVREG MIDLANT based on Navy concurrence (reference d) that the Army response reflected their corroborated effort. The Army response raised the Ft. Story baseline by adding 6 military/civilian personnel to the eliminations recommended in the SDC raising the total from 71 to 77. This response also reflected an agreed increase to the additions for COMNAVREG from 25 to 56 for an increase of 21 personnel.

c. Navy Response: See comments above.

d. Summary: Based on the adjustments for both Ft. Story and COMNAVREG, the reduction of personnel for this scenario adjusted from 46 to 21. This adjustment was based on the difference between the new baseline for Ft. Story of 77 personnel reduced by the new staffing requirement for COMNAVREG of 56 military/civilians. This resulted in the new reduction of 21 which was used in the COBRA model. The screen six table for entry into Cobra is shown below.

Base Name

EUSTIS

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions		-2	-1	3
Enlisted Positions	-4	-8	-3	15
Civilian Positions	-1	-2		3
				21

14. Andrews AFB/NAF Washington: HSA-0012

a. General: The recommended personnel reduction for this scenario was 25 personnel. This represents approximately .8% of the total consolidated installation management workforce of approximately 3512 personnel reported in the capacity data call and computed as described in the reference. The base line for each installation was 3436 for Andrews AFB and 76 for Ft. NAF Washington. The reduction of 25 personnel was reflected in the scenario data call by elimination of 76 military and civilians from NAF Washington and the addition of 51 personnel to Andrews AFB with the difference being the 25 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response did change the screen six data for NAF Washington by changing the elimination of military and civilians from 76 to 51 for a

reduction of 25. This recommended adjustment is based on a number of personnel supporting NAF but not dedicated to the NAF workforce. This adjustment was considered appropriate although potential does exist that the Navy could reduce some personnel in support of NAF and other Navy installations within the COMNAVDISTRICT area of responsibility.

c. Air Force Response: The initial Air Force input was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and revised screen six numbers. The initial response showed an addition of 45 personnel to Andrews AFB which was 6 lower then the SDC recommendation. Although this input would have been readily acceptable if there was no adjustment to the NAF baseline, given the adjustment to the NAF numbers, this would have resulted in a reduction of only 6 personnel which represents the difference between the NAF adjusted baseline of 51 and the Andrews initial requirement of 45. A clarification and review was requested from the Air Force POC. Because of the extremely small baseline, recalculation using HSA methodology (reference b) would result in a very minor change. Based on these numbers, a recommendation was made to the Air Force POC (email to Maj Ed Oshiba 15 December 2004, attached, with 28 April concurrence) to adjust the recommended reduction proportionally to the reduced NAF baseline. Concurrence was provided (reference e).

d. Summary: For this scenario, the Air Force concurrence with the recommended proportional adjustment to the SDC recommended reduction was used to establish the new reduction for COBRA. The NAF baseline change from 76 to 51 represents a 33% reduction. Applying the same percent to the SDC recommended reduction of 25 resulted in a new recommended reduction of 18. This was the number of reductions used for the COBRA model. The screen six table for entry into Cobra is shown below.

Base Name
NAF WASH DC

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
Officer Positions	0	-1	0	1
Enlisted Positions	-2	-4	-2	8
Civilian Positions	-2	-5	-2	9
				18

15. Ft. Monmouth/Weapons Station Earle Colt: HSA-0075 **(SCENARIO DELETED)**

a. General: The recommended personnel reduction for this scenario was 132 personnel. This represents approximately 7.2% of the total consolidated installation

management workforce of 1822 personnel reported in the capacity data call. The base line for each installation was 1310 for Ft. Monmouth and 512 for Earle Colt. The reduction of 132 personnel was reflected in the scenario data call by elimination of 424 military and civilians after removing 88 contractor personnel from Weapons Station Earle Colt and the addition of 292 personnel to Ft. Monmouth with the difference being the 132 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response made a significant change to the screen six SDC numbers for Earle Colt. The basis for this change was a detailed review which determined that 108 personnel reported in the Earle Colt baseline were mission personnel supporting Atlantic Ordnance Command and therefore erroneously reported. This adjustment was considered valid since the munitions mission performed by this activity is not within the installation management level scope of functions. This resulted in an adjustment to the baseline from 512 to 406.

c. Army Response: The Army response also had a significant change to the baseline required by Ft. Monmouth to assume responsibilities for Earle Colt. The Army response reduced the additions from the 292 in the SDC to 242. This response in effect recommended that the reduction recommended could be increased by an additional 50 personnel from 132 to 182 when not taking into consideration the baseline change for Earle Colt. As the service assuming responsibility for installation management functions, this adjustment to the staffing requirement needed for Ft. Monmouth to assume responsibility takes precedence.

d. Summary: For this scenario, the baseline for Weapons Station Earle Colt was changed from 512 to 406. After removing contractors, the new baseline for military and civilians was 318. Based on the Army adjusted staffing requirement from 292 to 242, the resulting reduction became the difference between 318 and 242 which resulted in a new reduction of 75. This was the number used in the COBRA model. The screen six table for entry into Cobra is shown below.

Base Name

WPNSTA EARLE

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1	-1	-1
Enlisted Positions	-11	-23	-11
Civilian Positions	-7	-12	-8

16. Dobbins ARB/Naval Air Station Atlanta: HSA-0119 **(SCENARIO DELETED)**

a. General: The recommended personnel reduction for this scenario was 51 personnel. This represents approximately 4.8% of the total consolidated installation management workforce of 1072 personnel reported in the capacity data call. The base line for each installation was 710 for Dobbins ARB and 362 for NAS Atlanta. The reduction of 51 personnel was reflected in the scenario data call by elimination of 327 military and civilians after removing 35 contractor personnel from NAS Atlanta and the addition of 276 personnel to Dobbins ARB with the difference being the 51 personnel recommended for reduction as a result of implementation.

b. Navy Response: The Navy response made a significant change to the screen six SDC numbers for NAS Atlanta. The basis for this change was a detailed review which determined that 92 personnel reported in the NAS Atlanta baseline were mission personnel and therefore erroneously reported. Although the specific mission functions were not detailed in the response, this adjustment was accepted as valid. This resulted in an adjustment to the baseline from 362 to 270.

c. Air Force Response: The initial response from the Air Force was inconsistent with the numbers transmitted in the SDC which required email follow up to get clarification and revision to the SDC recommendation. For clarification purposes, the initial response showed an addition to Dobbins ARB of 311 which was 35 greater then the 276 additions transmitted in the SDC. This change would have left a reduction of only 15 personnel (not considering the Navy baseline change) which is considered well below a feasible reduction that would have negligible risk. Although the Air Force rational for this adjustment is understood it is not consistent with the method and calculations used to come up with the recommended reductions. The Air Force concern is based on the fact that COBRA can't eliminate contractors. While it is feasible that some contractor personnel would be reduced if the scenario is implemented, for cost estimation purposes it is more accurate to reflect total potential reductions. A review was requested from the Air Force POC who determined that his review had incorrectly adjusted the additions required for Dobbins ARB. After further review, the Air Force concurred with a revision which reflected an addition of 190 personnel which was 86 additions fewer then the original SDC number of 276. This adjustment was considered reasonable in view of the baseline change at NAS Atlanta and as the service assuming responsibility would take precedence as the necessary staffing level for implementing this scenario.

d. Summary: For this scenario, the new baseline for NAS Atlanta military and civilian personnel was reduced from 327 to 235 as a result of the military/civilian personnel adjustment for NAS Atlanta. The Dobbins ARB baseline for military and civilian additions was lowered from 279 to 190 reflecting a decrease of 86 staff requirements based on recalculating the percent reduction using the new baseline. Taking the difference between 235 and 190 resulted in the new reduction which changed from the recommended number of 51 to 45. This was the number of reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name

NAS ATLANTA

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008
Officer Positions	-1	-2	
Enlisted Positions	-6	-11	-5
Civilian Positions	-5	-10	-5

17. COMNAVMARIANAS/Andersen AFB: HSA-0127

a. General: The recommended personnel reduction for this scenario was 95 personnel. This represents approximately 4.1% of the total consolidated installation management workforce of 2337 personnel reported in the capacity data call. The base line for each installation was 1038 for COMNAVMARIANAS and 1299 for Andersen AFB. The reduction of 95 personnel was reflected in the scenario data call by elimination of 1027 military and civilians after removing 272 contractor personnel from Andersen AFB and the addition of 932 personnel to COMNAVMARIANAS with the difference being the 95 personnel recommended for reduction as a result of implementation.

b. Air Force Response: The initial response from the Air Force had no change to the screen six data for Andersen AFB indicating concurrence that the reduction of 95 personnel from the consolidated workforces would be feasible if this scenario is implemented. The Air Force response did question the screen six data for Andersen by noting that the elimination of military/civilian personnel totaled 1027 which was 175 more personnel then reported in CDC#330. This difference is accounted for by the COMM/IT personnel reported in CDC#316 for Andersen AFB which were identified as included in the SDC screen one description of the scenario. With respect to the COMM/IT function, it is the opinion of the IM team that these functions are BASOPS in nature and can readily be consolidated therefore no adjustment is required or appropriate. Although an adjustment for COMM/IT was made to other scenarios, the response in this case unlike other scenarios did not change numbers in screen six. OSD implementation guidance will make final determinations regarding the extent of consolidation for COMM/IT operations.

c. Navy Response: The Navy response provided narrative concurrence with the screen six numbers confirmed by the response to question 47 of the SDC indicating that the reduction of 95 personnel from the consolidated workforces would be feasible if this scenario is implemented. As the service assuming responsibility for installation management functions, this concurrence takes precedence.

d. Summary: Based on the Navy concurrence with the percent reduction applied no change to the recommended reduction of 95 was required. This was the number of

reductions used in the Cobra model for this candidate recommendation. The screen six table for entry into Cobra is shown below.

Base Name
Andersen AFB

Scenario Changes by Year (+Additions/-Eliminations)

	2006	2007	2008	
	-1	-3	-1	5
Officer Positions	-15	-30	-14	59
Enlisted Positions	-8	-15	-8	31
				95

15
30
14
59

16
15
31

ATTACHMENT – HSA-0010

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Wednesday, December 15, 2004 12:57 PM
To: Ralston, Bob, CTR, WSO-HSAJCSG; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: RE: HSA 0009 & 0010

Sirs: Thanks for the correction on 0010--I concur with the new numbers.

V/R,

//SIGNED//

EDWIN H. OSHIBA, Major, USAF

Bases and Units Program Manager

HQ USAF/ILEPB

(703) 604-5256

DSN 664-5256

DRAFT DELIBERATIVE DOCUMENT - FOR DISCUSSION PURPOSES ONLY

DO NOT RELEASE UNDER FOIA

-----Original Message-----
From: Ralston, Bob, CTR, WSO-HSAJCSG
Sent: Wednesday, December 15, 2004 9:02 AM
To: Oshiba Edwin Maj AF/ILEPB; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: FW: HSA 0009 & 0010

Ed,

I've added the recomputed for 0010 below. Similar to the recompute for 0009, I've adjusted the McChord baseline by removing the airfield personnel which was a total of 113 plus an additional reduction of 11 civ which same as Bragg presumably could not be accounted for on authorizations. That brought me to a new McChord base line of 1921 including 340 contractor versus the old baseline of 2045. Using the 10 % established for Lewis/McChord, on the consolidated workforces (Lewis 2300) I now get a projected reduction of 422 versus the original 434.

Applying this reduction would be 20 off, 286 enl, 116 civ.

Concur?

ATTACHMENT – HSA-0011

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Tuesday, December 14, 2004 12:17 PM
To: Ferrell, Ryan, CIV, WSO-HSAJCSG; Ralston, Bob, CTR, WSO-HSAJCSG
Subject: HSA 0011

Sir: Try these numbers for the Air Force Installation in HSA 0011

2006	2007	2008
2	7	2
5	12	5
189	379	189

They should give you a 9.4% reduction, given that the other two "donor" installations are correct.

//SIGNED//
EDWIN H. OSHIBA, Major, USAF
Bases and Units Program Manager
HQ USAF/ILEPB
(703) 604-5256
DSN 664-5256

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Attachment

ATTACHMENT – HSA-0017

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Wednesday, December 15, 2004 12:58 PM
To: Ferrell, Ryan, CIV, WSO-HSAJCSG; Ralston, Bob, CTR, WSO-HSAJCSG
Subject: RE: HSA 0017

Sirs: You're right. The new numbers for enlisted should be:

2006: 96
2007: 192
2008: 96

I concur with the other numbers as shown.

//SIGNED//
EDWIN H. OSHIBA, Major, USAF
Bases and Units Program Manager
HQ USAF/ILEPB
(703) 604-5256
DSN 664-5256

DRAFT DELIBERATIVE DOCUMENT - FOR DISCUSSION PURPOSES ONLY
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-----Original Message-----
From: Ferrell, Ryan, CIV, WSO-HSAJCSG
Sent: Wednesday, December 15, 2004 8:20 AM
To: Oshiba Edwin Maj AF/ILEPB; Ralston, Bob, CTR, WSO-HSAJCSG
Subject: RE: HSA 0017

Ed,

On the enlisted numbers for 2007, I think you meant to put in 192.

Also, when can we expect to get new SDC responses reflecting the changes?

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Tuesday, December 14, 2004 12:47 PM
To: Ralston, Bob, CTR, WSO-HSAJCSG; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: HSA 0017
Importance: High

Sirs: Updated numbers for HSA 0017 gaining installation.

2006	2007	2008
14	28	14
96	~~368~~ 192	96
328	655	328

//SIGNED//
EDWIN H. OSHIBA, Major, USAF
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ATTACHMENT – HSA-0032

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Tuesday, December 14, 2004 1:05 PM
To: Ralston, Bob, CTR, WSO-HSAJCSG; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: HSA 0032

And for HSA 0032, gaining installation:

2006	2007	2008
2	4	2
14	27	14
144	288	144

//SIGNED//
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(703) 604-5256
DSN 664-5256

DRAFT DELIBERATIVE DOCUMENT - FOR DISCUSSION PURPOSES ONLY

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Attachment

ATTACHMENT – HSA-0033

-----Original Message-----
From: Oshiba Edwin Maj AF/ILEPB
Sent: Tuesday, December 14, 2004 1:03 PM
To: Ralston, Bob, CTR, WSO-HSAJCSG; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: HSA 0033

Sirs: I can't give you much on HSA 0033, other than to just trust your numbers. I don't have anything on Monroe.

//SIGNED//
EDWIN H. OSHIBA, Major, USAF
Bases and Units Program Manager
HQ USAF/ILEPB
(703) 604-5256
DSN 664-5256

DRAFT DELIBERATIVE DOCUMENT - FOR DISCUSSION PURPOSES ONLY
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Attachment

ATTACHMENT – HSA-0012

-----Original Message-----
From: Oshiba Edwin Lt Col AF/ILEPB
Sent: Thursday, April 28, 2005 11:40 AM
To: Ralston, Bob, CTR, WSO-HSAJCSG; Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: FW: HSA 0009 & 0010 & 0012
Importance: High

Sirs,

We concur with your methodology of proportional reduction based upon the Navy's revised baseline from 76 IM personnel. We understand that this reduces the projected reduction to 18 versus the original reduction of 25. Please let me know if you have any further questions.

V/R,
Ed

//SIGNED//
EDWIN H. OSHIBA, Lt Col, USAF
Bases and Units Program Manager
HQ AF/IL BRAC 2005 Analyst
HQ USAF/ILEPB
(703) 604-5256
DSN 664-5256

DRAFT DELIBERATIVE DOCUMENT - FOR DISCUSSION PURPOSES ONLY

DO NOT RELEASE UNDER FOIA

-----Original Message-----
From: Ralston, Bob, CTR, WSO-HSAJCSG
Sent: Wednesday, December 15, 2004 10:16 AM
To: Oshiba Edwin Maj AF/ILEPB
Cc: Ferrell, Ryan, CIV, WSO-HSAJCSG
Subject: FW: HSA 0009 & 0010 & 0012

Ed,

In trying to reconcile the NAF Andrews numbers, I don't have any real solution that links to our method. Originally, I projected a reduction of 25 based on combined Andrews NAF workforce which included 76 at NAF. With the revision of numbers from Navy indicating there are only 45 in the NAF workforce, a simple reduction of the consolidated baseline still results in a reduction of 25 using the .8%. I don't think it makes sense to offer a solution that has no projected reductions which is what I have at

the moment. This particular one almost comes down to a common sense solution versus a calculated solution. What I would propose for purpose of getting a cost estimate is to use the % of the NAF workforce identified by NAVY SDC compared to the baseline of 76 that I originally used. This would be 59%. I'd then propose to reduce the projected reduction by the same amount which would be 41%. Hence a projected reduction of 18.

That gets a modest cost estimate out of COBRA.

Concur?

Attachment

DCN: 11888

6/7/2005 Meeting Rosslyn
1045-1300 Ryan Farrell
& Bob Ralston

10% IM -
~ 10% of consolidated base mpwr (ina in IM)

AF Bases are "cookie cutter" ≈ 5K personnel/base

Baseline
PW NDW-587
CS functions
— Real property

COBRA -

scenario data call
→ losing (responsibilities) installation - saw total mpwr reductions
→ gaining → saw increase
but actual # will come from total consolidated workforce (similar to AFC studies)

(NDW - Bolling)

current action -
OSD - lead effort to develop a single standard for delivery of IM services.

DCN: 11888

Looked at synergy betw missions; admin & complementary missions.

is it a challenge to find efficiencies?

EXECUTIVE SUMMARY

COMMON SUPPORT PERSONNEL SAVINGS FACTOR

28 September 2004

PURPOSE/BACKGROUND: This paper describes the various approaches taken by various DoD components to developing personnel savings factors applicable to consolidation, to evaluate their methodology and the factors developed, and to recommend a personnel savings factor(s), attributed to the consolidation of Common Support (CS) functions, that can be applied to various consolidation scenarios of our JCSG.

- Since the JCSG does not have data on the actual number of personnel performing the various CS functions, subject matter experts (SMEs) on the particular functions, nor the time to conduct manpower studies to determine the personnel savings resulting from various collocation/consolidation scenarios, the decision was reached to develop a generic personnel savings factor that could be applied to various scenarios.
- The second understanding is that the provider of CS services will not be designated.
- While it is not the intention of this paper to provide a justification for the consolidation of CS functions on a joint base or at one location, this concept has been around for some time and has engendered a certain level of support.
- Following are the types of scenarios that the personnel savings factor would be applied to:
    - Collocate the same type of organization, within the same service, and merge CS functions (e.g., Air Force Recruiting Commands).
    - Collocate similar types of organizations, within the same service, and consolidate CS functions (e.g., Army Accessions Command and Cadet Command and Army Enlisted Recruiting Command).
    - Collocate similar types of organizations, among various services, and merge CS functions (e.g., collocate Service Recruiting Commands or collocate medical activities).
    - Collocate components of the same agency on one location…allowing for not only consolidation of CS functions, but mission functions as well (e.g., consolidation of DISA elements).

APPROACH/ISSUES/FINDINGS: The approach taken has been to explore various potential sources of information (outside of DoD, within DoD, and especially the HAS JCSG teams) that would assist in the development of an appropriate personnel savings factor.

- Various factors need to be applied to count for the various types of organizations that would conceivably be consolidated.
    - Using the same percentage factor to a large organization and a small organization to compute the total savings could produce results that are not supportable.
    - The type of the organization consolidated is relevant. For instance, for a commercial-type functional activity, subject to an OMB Circular A-76 review, a significant reduction factor (34%) may be appropriate.
- Consolidation of mission functions, as well as CS functions, should be considered.

- While there are some differences in the approaches/positions of the Mil Deps, there was general consensus on the following:
  - The focus of the services is on the consolidation of installations, not activities.
  - Neither the Army nor the AF have extracted CS functions from organizations and created a CS provider. Therefore, there are no historical personnel savings factors to use as a guide.
  - Both Service POCs concluded that we wouldn't have the time to conduct a normal manpower analysis survey of the potential consolidations within the BRAC timeline.
  - While precision in a savings factor may be desirable, it isn't a requirement.

CONCLUSIONS/RECOMMENDATIONS:

- Based on all the available information, there are three basic groupings of personnel savings factors that appeared:
  - A personnel savings factor that is applicable to consolidations in general, ranging from 10-15%. Since 10% is considered a conservative number, 14% is recommended as a more reasonable number.
  - A personnel savings factor that is applicable to organizations performing commercial activity functions (A-76), ranging from 20-50%, with the median around 30%.
  - A personnel savings factor that is applicable to organizations performing CS functions, with a median around 20%.

It must be noted that these figures pertain to the complete integration of separate organizations, to include personnel performing mission functions. Thus, for collocation scenarios, whereby the missions are not consolidated, a personnel savings factor would only apply to the CS functions that would be centralized/consolidated. It is proposed that for this type of scenario, the personnel savings factor cited above be reduced in half. To further ensure that excessive reductions would not interfere with the provision of adequate services, this savings factor would only be applied to the smaller of the consolidated activities; thus, the actual percentage reductions of the combined activities could be considerably less than the half of the percentages cited above.

Based on the summation/conclusions presented above, the following personnel savings factors are recommended for the following consolidation scenarios and the following organizational categories:

Type of Organizations Consolidated	Savings Factors Consolidation of Total Organizations	Savings Factors Consolidation of CS (applied to smaller organizations only)
Organizations performing commercial-type functions (A-76)	30%	15%
Organizations performing CS (exclusive of commercial-type functions (A-76))	20%	10%
All other organizational consolidations	14%	7%

COMMON SUPPORT PERSONNEL SAVINGS FACTOR
28 September 2004

PURPOSE: The purpose of this paper is describe the various approaches taken by various DoD components to developing personnel savings factors applicable to consolidation, to evaluate their methodology and the factors developed, and to recommend a personnel savings factor(s), attributed to the consolidation of Common Support (CS) functions, that can be applied to various consolidation scenarios of our JCSG.

BACKGROUND: The HSA JCSG has developed scenarios that call for the collocation or consolidation of various DoD components with Common Support functions provided on a joint basis. Since the JCSG does not have data on the actual number of personnel performing the various CS functions, subject matter experts (SMEs) on the particular functions, nor the time to conduct manpower studies to determine the personnel savings resulting from various collocation/consolidation scenarios, the decision was reached to develop a generic personnel savings factor that could be applied to various scenarios.

The second understanding is that the provider of CS services will not be designated. There is no intention to develop an organizational structure or operational concepts for the provision of services. This must await action on the part of those assigned responsibility to implement whatever recommendations are approved by the Presidential Commission.

- SUPPORT FOR CONCEPT: While it is not the intention of this paper to provide a justification for the consolidation of CS functions on a joint base or at one location, this concept has been around for some time and has engendered a certain level of support, as noted below:
    - The Business Initiative Council, consisting of the highest level officials of DoD, supported the concept of consolidating the DoD Defenses Agency and Field Activities overhead, non-core functions such as PPBS, Human Resources, Information Technology (IT), Legal, Contracting, Facility Management, and Public Affairs in a CS activity, or to outsource.
    - The provision of CS at a joint base is not dissimilar to the Navy's "Shared Services" concept of operation whereby consistent and standard services are provided at less cost.
    - The GAO determined that another way to reduce O&M costs would be to assign one service, command, or Defense Agency the exclusive responsibility for carrying out a particular support function. Such actions "could reduce or eliminate underutilization and inefficiencies in the various support organizations within each service and reduce O&M spending."
    - Due to the scarcity of definitive data documenting savings, opponents of consolidation could argue that reductions in personnel are proportional to decreases in workload (e.g., at depots). GAO has countered, however, that achieving such decreases in staffing in proportion to workload is more than DoD typically achieved for administrative and service-wide functions that have continued to be managed by the services.
    - In a Logistics Management Institute (LMI) study, the authors concluded that consolidation, on a joint regional basis of selected functions at installations

located near each other, there would be a savings primarily from two sources: lower labor costs, since redundant management personnel and associated overhead staff would be eliminated, and greater operational efficiencies, which consolidated activities would achieve through economies of scale.
  - While GAO recognized that the evidence from DoD's recent experience with consolidation is sketchy, they, nevertheless, concluded that consolidation may make it easier for support organizations to decrease staffing to match workload, as well as realize modest savings from the consolidation itself.

- SCENARIOS: Following are the types of scenarios, involving consolidation or collocation of activities, that the personnel savings factor is intended to be applied to:
  - Collocate the same type of organization, within the same service, and merge CS functions (e.g., Air Force Recruiting Commands).
  - Collocate similar types of organizations, within the same service, and consolidate CS functions (e.g., Army Accessions Command and Cadet Command and Army Enlisted Recruiting Command).
  - Collocate similar types of organizations, among various services, and merge CS functions (e.g., collocate Service Recruiting Commands or collocate medical activities).
  - Collocate components of the same agency on one location…allowing for not only consolidation of CS functions, but mission functions as well (e.g., consolidation of DISA elements).

APPROACH: The approach taken has been to explore various potential sources of information that would assist in the development of an appropriate personnel savings factor. However, prior to that commencement it was necessary to deal with the following issues:

ISSUES:

1. ONE OR MORE SAVINGS FACTORS?
   a. While one factor would be easiest to apply…and may be the final recommendation, an argument could be made that various factors need to be applied to count for the various types of organizations that would conceivably be consolidated. The reasons for opting for multiple factors is as follows:
      i. Some organizations perform Major Headquarters Activities (MHA) functions (policy, resource allocation, program management, and oversight) and have limited CS assets. For instance, for the consolidation of OSD elements that are in leased space to one central location, it would be a mistake to assume that there would be appreciable savings in CS since CS has migrated to its primary provider, WHS, over the past several years. On the other hand, it should be noted that even though there have been directed manpower reductions to MHA over the past several years, the Navy Secretariat, under the direction of the Secretary of the Navy, was recently able to achieve approximately a 25% reduction in spaces through consolidation/realignment initiatives.

ii. The size of the organization, up to a certain point, may be relevant. For a small organization, that has not developed its own internal common support structure, it could be argued that it may not be appropriate to apply the same savings factor as you would to a large organization that had developed a robust common support structure.

iii. Using the same percentage factor to a large organization and a small organization to compute the total savings could produce results that are not supportable.

1. For instance, you combine one organization of 1000 personnel and one with 100 personnel and then compute the savings based on a 10% factor (1100 X .10 = 110) The resulting savings is greater than the entire personnel strength of the smaller organization!

iv. The type of the organization consolidated is relevant:

1. For a commercial-type functional activity, subject to an OMB Circular A-76 review, a significant reduction factor (34%) may be appropriate.
2. A non-MHA headquarters, not subject to ceilings/reductions over the past several years, would be expected to have a larger percentage of personnel performing CS functions; and, thus, a larger savings factor could reasonably be applied to that activity than to a MHA.

2. WOULD ALL OF THE 14 CS FUNCTIONS BE PROVIDED CENTRALLY AT THE GAINING BASE?

a. Following are the functions that we would envision could readily be centralized.

i. Acquisition and contracting
ii. Administration
iii. Audiovisual services
iv. Security
v. Supply and Support Services
vi. Transportation
vii. Environmental Services and Safety
viii. Facilities Management

b. Following are the functions that may be centralized, but the savings could very well be limited or the opposition to consolidation considerable.

i. Cost and Operations Analysis: not that common, reluctance of activity to rely upon another activity for this service.
ii. Inspections and Evaluations: reluctance of activity to rely upon another activity for this service.
iii. Executive Dining Facilities/Health and Wellness: Very low probability that there would be more than one provider to realize any savings

iv. Financial Management Services: Possible consolidation, but any savings would likely be small

3. WOULD CONSOLIDATION OF CS FUNCTIONS BE LIMITED TO THE ABOVE 14?
   a. While the prior focus has been on these 14, there is no reason why other common support functions could not be provided at a central location. For instance,
      i. Comm/IT: Whereas DISA is managing the IT infrastructure for the Department, a considerable amount of resources is devoted to desk top support…which could be provided on a centralized basis.
      ii. Personnel Support: Whereas most civilian personnel support is being regionalized, there are aspects that are not. These present an option for consolidation. The same could be said for Military personnel, but the magnitude of the savings may be limited.

4. WOULD PERSONNEL SAVINGS BE LIMITED TO CONSOLIDATION OF CS?
   a. It is recommended that the savings factor be applied to whatever situation where economies and synergy would be created with the consolidation of elements of the same activity.
      i. For instance, if all DISA elements were centralized at one location it is reasonable to expect that through realignment and reengineering of positions personnel savings would be generated. These savings would accrue even if there were no savings directly attributable to consolidation of common support.
      ii. The same would apply to the consolidation of all elements of the OASD (AT&L). Which would involve streamlining a MHA.
      iii. The above examples would involve the consolidation of the entities in their entirety (not just the extraction of CS personnel).
         1. Integration of the Command Group, Staff Offices, and mission positions.
         2. A noticeably larger personnel savings can be realized with a complete consolidation than when only CS is provided on a joint basis.

5. WHICH SCENARIOS SHOULD THE SAVINGS FACTOR <u>NOT</u> BE APPLIED TO?
   a. Scenarios are in the process of being developed, revised, and refined…and a few have been approved by the JCSG members. The Installation Management, Financial Management, and the Personnel and Corrections Teams have either determined their personnel savings or are in the process of developing appropriate approaches specific to their area of expertise. Accordingly, any personnel savings factors recommended here would not be applicable to their scenarios.

b. With respect to the Mobilization Team, their scenarios would deal with consolidation of like organizations. As a result of streamlining initiatives (and due to the small size of most of the elements involved…less than 10), savings would be minor. Consolidation of CS would not be applicable.

6. What is the availability and utility of DoD data on personnel savings resulting from consolidations?
   a. A GAO study concluded that it is difficult to use recent DoD experience to estimate the savings that may be derived from consolidation because of the multiple factors affecting costs during the drawdown; reductions in personnel and closing of facilities may reflect lower demand rather than the effect of consolidation itself.
   b. In an early evaluation of the consolidation of supply depot under DLA the Logistics Management Institute (LMI) was unable to segregate the savings from consolidation from those attributable to a reduced workload.
   c. While GAO has concluded that there have been numerous studies of the potential for consolidation and interservicing of base support/CS functions, the range of potential savings expected from these studies could not be ascertained since they were not retained on a centralized basis.
   d. Making predictions based on the basis of DoD's recent experience is difficult because downsizing and consolidation took place simultaneously.

FINDINGS/DISCUSSION: Following are the various sources which were investigated, the results of the investigation, and the analysis of possible utility of the various personnel savings factors presented. The result and findings are grouped by general resources available through the Pentagon Library or the internet, DoD FFRDCs/think tanks, Governmental/Non-DoD resources (GAO Reports), DoD Operations Research Activities, HSA JCSG teams, Business Initiative Council, and Mil Dep resources. While a diligent effort was made to uncover relevant data pertaining to the topic under investigation, the limited time available for the investigation does not allow for the categorical statement that all possible sources of data have been investigated and that the following findings are all encompassing.

- PENTAGON LIBRARY/GENERAL RESOURCES: The various databases that are available through the Pentagon Library were examined with emphasis on those that encompassed the DoD, or might address DoD issues. The following databases were of particular interest and received the most attention: Air University Index, GAO Reports, Info Trac One File, ProQuest, DTIC, and Rand Reports. The topics searched were Defense consolidation/realignment/closure and personnel/manpower savings. In general, the results of this survey produced limited data. Some of the findings are as follows:
  - In most instances, any results of consolidation, if they were expressed at all, were in terms of monetary savings.
  - The type of consolidations that were the most common had to do with depots, test centers, or lab centers; in general, they did not pertain to Administrative-type headquarters or CS providers.

- Within the Army, manpower estimating factors exist in the Fighting Category and Training Category, but one does not exist for the Command and Control Category, nor for the provision of CS services.

- FFRDCs/THINK TANKS:
  - IDA: They were not able to provide any useful information
  - LMI:
    - One of LMI's PHDs estimated that 10% might be an appropriate savings factor…but it was a soft number.
    - A LMI study, in looking at selected IM functions, estimated savings resulting from consolidation through joint regionalization to range between 2-4% for personnel reductions.

- GAO REPORTS:
  - GAO cited DoD reports that savings from competing for delivery of support services between private companies and the current government providers---using OMB Circular A-76 handbook for making cost comparisons and conducting competitions---averaged 31% between 1984 and 1994. The Defense Science Board task force assumed savings in personnel costs of 30-40% in its estimates.

- DOD OPERATIONS RESEARCH ANALYSIS ACTIVITIES:
  - Army Concepts Analysis Agency (CAA): CAA personnel were not available to provide research in this area.
  - Air Force Studies and Analysis Agency (AFSAA): The AFSAA was not able to provide any useful information.
  - Center for Naval Analysis (CNA): CNA was not able to provide any useful information. NOTE: While often considered a DoD entity, the CNA is a FFRDC.

- BUSINESS INITIATIVE COUNCIL (BIC): They were not aware of any personnel savings factors that could be applied to the area under investigation.

- BRAC STUDIES:
  - Based on the Defense recommendation in the 95 BRAC report, the Presidential Commission assumed, with respect to the Air Logistics Centers, that depot closure and consolidation of work would permit a 50% reduction of management overhead personnel, while the Air Force reflected a 20% reduction in overhead personnel.
  - With respect to savings from reengineering, the 95 BRAC report assumed a 15% savings resulting from realignment of one of the Air Force Bases.

- MILITARY DEPARTMENT RESOURCES: Efforts were made to find Service POCs that would be in a position to provide any information on how they went about determining personnel savings and to obtain any advice on the recommended approach for our JCSG. How the Military Departments respond to issues pertaining to

manpower in general and personnel reductions resulting from consolidations/realignments/BRAC various by the different Departments.

- Within the Army, their TABS Office has a Subject Matter Expert (SME) who is responsible for developing personnel savings pertaining to the various Army scenarios involving consolidation/realignment. This individual is fully experienced in the conduct of manpower studies and the development of mathematical formula to arrive at personnel savings.
- Within the Air Force, issues of personnel savings are handled by a fairly large office of analysts in the Air Staff. Our POC is the director of this office and has had long experience dealing with manpower issues pertaining to requirements and reductions. It is recognized that the Air Force has the most sophisticated modeling methods when it comes to determining manpower requirements.
- While several efforts were made to obtain a Navy POC, through our liaison officer and through other channels, none were obtained prior to the commencement of this report.
- Several conversations and meetings were held with the Army and AF POCs…at the last meeting the IM team was in attendance. It was the consensus of the Mil Dep Reps, and members of our own JCSG, that it would be beneficial if the different Departments and our JCSG kept each other informed as to the approaches we were anticipating using and addressed areas where there was potential conflict and seek to come to compromises as the need dictated. A potential area of conflict would be if a scenario called for the consolidation of an Army and AF activity/installation, and the personnel savings were noticeably different due to the different approaches/formula utilized by the different DoD components (e.g., Army, AF, and our IM Team).
- While there are some differences in the approaches/positions of the Mil Deps (which will be covered separately), there was general consensus on the following:
    - For consolidation of installations (which is outside my area, but of direct interest to the IM Team), the Services should develop appropriate formula to determine the personnel savings. The focus of the services is on the consolidation of installations, not activities.
    - Neither the Army nor the AF have extracted CS functions from organizations and created a CS provider. Therefore, there are no historical personnel savings factors to use as a guide.
    - While the AF has consolidated headquarters in the past, they do not have personnel savings data nor a model to provide this information.
    - Both Service POCs concluded that we wouldn't have the time to conduct a normal manpower analysis survey of the potential consolidations within the BRAC timeline. Under these circumstances, a cookie cutter approach is reasonable.
    - Since personnel savings relate to dollars, which impact the BRAC score for determining the merits of a scenario; a 25% error factor is acceptable. (COBRA is a very blunt instrument when it comes to

determining savings!) Therefore, precision, while desirable, isn't a requirement.

- Both agree, in general, that a 10% savings on a complete consolidation is reasonable.
    - AF (off the record): 10% is very conservative; in past have had 30% savings
    - AF: Concern: If we came up with a 10% savings, and in implementation it came to only 2%, what would they do?

- ARMY APPROACH:
    - The initial Army approach involved a three step process:
        - Integrate Command Group (Basically, eliminate one of the command groups, with minor adjustments.)
        - Integrate Staff Offices (Basically, apply 10% saving factor to staffs.)
        - Integrate Mission positions (If combining two organizations, take 10% of smaller organization as estimate of savings.)
    - This approach requires a line by line examination of the TDAs to determine the number of personnel performing the three basic types of functions. It is not possible, using TDAs, to make decisions about retaining or eliminating positions in mission functions because those decisions require either an in-depth knowledge of the organization or a detailed study of functions and tasks performed.
    - Using the FY 03 baseline TDAs can present problems since there may have been significant changes since their issuance.
    - The US Army Manpower Analysis Agency (USAMAA) estimated that a 10-15% personnel savings is a reasonable estimate under a full integration of organizational entities. While there is no empirical evidence to support this figure, subject matter experts and the past experience of the USAMAA upholds this estimate.
        - In the past the Army computed a 20% personnel savings with consolidation…the minimum would be 5%.
    - Since there was no empirical data to support the savings percentage, the Army decided to go with the following revised methodology:
        - The revised and accepted Army methodology will estimate savings using the following three methods:
            - Referring to existing manpower studies
            - Using existing manpower standards
            - Developing models based upon common workload drivers.
    - Based on this methodology, analysts will examine the specific scenario/organizations impacted and attempt to determine what the revised organization will look like based upon additional workload.
    - Personnel requirements will be workload driven (students in a school) This will be the basis for determining savings. It will involve obtaining input from the functional experts within the Army.

- AIR FORCE APPROACH:
    - Will examine specific scenarios/organizations…no cookie cutter approach.
    - Will apply basing models – which provides information on personnel requirements in establishing a new base.
    - Will look at workload factors in computing requirements for consolidated base.

- HSA JCSG: At the specific request of the Deputy Director of the HAS JCSG, the approach taken by the Financial Management Team (FMT) to determine personnel savings was examined in detail. This involved conversations with the SMEs which documented the following in an information paper:
    - The approach taken by the FMT to determine the personnel savings factors that would result as a consequence of their consolidation scenario; and
    - Determining the potential application of these savings factors to the creation of consolidated CS services at bases where consolidation/collocation is envisioned.

An examination was also made of the approaches taken by the other SMEs in the area of Civilian Personnel, Military Personnel, and Installation Management. The information papers on these functional areas have been verified by the SMEs and are found at Enclosures 1-4. It must be noted that some of the SMEs are well along in the development of their scenarios and have had the time to refine their approach to developing personnel savings factors; others are still in the process of refining their scenarios and have not finalized either their approach or what the personnel savings will come to. Following is a brief summation (details are found in the enclosures) of the approaches taken by the functional teams and a determination of the potential application of their savings factors:

- Financial Management Team (FMT)
    - Using the latest results of OMB Circular A-76 studies as a guide (34% savings), the team has gone out to the managers of the business lines with the request that they estimate the amount of personnel savings that they could achieve…the expectation is around 30%. The FMT feels that an additional 5-20% savings is possible from consolidation of CS functions.
    - With respect to their business lines and the potential savings of approximately 30%, a savings factor of this magnitude would only seem to be applicable to an organization that was performing a commercial-type function, subject to OMB Circular A-76 review.
    - With respect to their administrative functions, a savings factor (5-20%) in this area would appear to be directly relevant to a savings factor generated with the consolidation of CS functions. This would be especially true due to DFAS's large size and its

geographical dispersion....as opposed to a savings factor developed for a small entity in one geographic area.

- Installation Management Team (IMT)
  - The methodology employed by the IMT involves taking a two pronged approach to come up with personnel saved applicable to specific consolidation scenarios. Thus, a savings factor (%), per se, is not generated which would be applied to other scenarios. One considers the number of Public Works (PW) personnel to the number of GSF serviced and compares the number of personnel needed for different size installations. The second approach looks at the total work force and compares it with the total population served.
  - The PW function is basically unique to installations. Therefore, the application of any savings factors in this area to non-PW operations (e.g., headquarters operations) would be questionable.
  - While a personnel savings factor pertaining to Installation Management personnel (less PW) supporting the workforce would have more relevance to the consolidation of CS functions, it would be hard to justify the extrapolation of the savings generated from the example cited in the enclosure (36%) and apply it directly to the consolidation scenarios under consideration.
- Personnel and Corrections Team (Military Personnel)
  - The Military Personnel SME has largely relied on extensive zero based reviews of the projected consolidation actions or has used his professional judgment to extrapolate from this data. Thus, for the consolidated Army activities, there would be a 24% savings factor. Based on an extensive zero-based Navy review, the computed average saving would be 20%. This same factor would be applied to the Marine Corps and the Air Force. It must be noted that these savings factors would be applied to the smaller of the consolidated activities...not the gaining activity.
  - Since the military personnel management function is a common support function, and the headquarters elements involved are administrative in nature, it would not be unreasonable to apply the personnel savings factors (20-24%) to the consolidation of other entities performing similar CS functions.
- Personnel and Corrections Team (Civilian Personnel)
  - The determination of personnel savings has not been finalized. It is the professional judgment of the SME, who is experienced in conducting manpower studies, that a 20% personnel savings factor is reasonable to expect with a consolidation of similar organizations. If data is good, and time permits, they may use historical data of the ratio of CPO personnel to population served to determine the requirements for the consolidated activity.
  - Since the CPO function is a common support function, and any of the headquarters elements involved would be administrative in

nature, it would not be unreasonable to apply this personnel savings factor (20%) to the consolidation of other entities performing similar CS functions.

SUMMATION/CONCLUSIONS: A summation of the potential personnel savings factors is displayed in the following chart.

SUMMATION – PERSONNEL SAVINGS FACTORS

SOURCE	APPLICABLE TO:	%	COMMENTS
Army-Manpower SME	General Consolidation	15-17	Based on the professional judgment and experience of TABS manpower specialist
Army-USAMAA	General Consolidation	10-15	Based on estimate of the director
Army & AF POCs	General Consolidation	10	This is considered a "conservative" estimate
AF POC	General Consolidation	20-30	Based on past consolidations
AF POC	General Consolidation	10 5	Current estimate. Minimum estimate
DFAS	Consolidation - Mission lines	30	Based on estimate of SME and feedback from DFAS
DFAS	Consolidation-Common Support	5-20	Based on estimate of SME
Mil Pers SME	Consolidation (CS functional activities)	20-24	Largely based on zero based review & professional judgment. Applied to smaller of consolidated activities
Civ Pers SME	Consolidation (CS functional activities)	20	Based on professional judgment of experienced manpower analyst
95 BRAC Report	Consolidation-Air Logistics Centers – overhead personnel	50 20	Presidential Commission estimate Air Force estimate
GAO Reports	Consolidation-Commercial Activity (A-76)	31	Based on A-76 competitions – historical averages 1984-1994
GAO Reports	Consolidation-Commercial Activity (A-76)	30-40	Based on Defense Science Board estimate
LMI POC	Consolidation-Common Support	10	Estimate – soft number
LMI Study	Consolidation-Selected IM functions	2-4	Estimate based on providing services on a joint regional basis-not at one location

Based on the above, there are three basic groupings that appear:

- A personnel savings factor that is applicable to consolidations in general, ranging from 10-15%. Since 10% is considered a conservative number, 14% is recommended as a more reasonable number.
- A personnel savings factor that is applicable to organizations performing commercial activity functions (A-76), ranging from 20-50%, with the median around 30%.

- A personnel savings factor that is applicable to organizations performing CS functions, with a median around 20%

It must be noted that these figures pertain to the complete integration of separate organizations, to include personnel performing mission functions. Thus, for collocation scenarios, whereby the missions are not consolidated, a personnel savings factor would only apply to the CS functions that would be centralized/consolidated. It is proposed that for this type of scenario, the personnel savings factor cited above be reduced in half. To further ensure that excessive reductions would not interfere with the provision of adequate services, this savings factor would only be applied to the smaller of the consolidated activities; thus, the actual percentage reductions of the combined activities could be considerably less than the half of the percentages cited above.

The last issue pertaining to savings factors that needs to be addressed is whether there needs to be a separate category for MHA, along with their own savings factor. While an argument could be made that such headquarters, by their nature, are less involved in the provision of CS services than other organizations, and, therefore, should have a smaller savings factor applied to them, there are reasons why such refinements may not be productive. First, the number of MHA that will eventually fall within one of the approved scenarios will most likely be small. Second, data which has been gathered has not identified MHA. Lastly, for organizations that are composed of both MHA and Non-MHA personnel, there would be a requirement to apply two separate savings factors…a further complication. Accordingly, a separate savings factor for MHA is not advisable.

Based on the above, the following personnel savings factors are proposed for the following consolidation scenarios and the following organizational categories:

Type of Organizations Consolidated	Savings Factors Consolidation of Total Organizations	Savings Factors Consolidation of CS (applied to smaller organizations only)
Organizations performing commercial functions (A-76)	30%	15%
Organizations performing CS (exclusive of commercial functions (A-76))	20%	10%
All other organizational consolidations	14%	7%

- THE ADEQUACY OF PERSONNEL SAVINGS FACTORS: There are two potential concerns to the use of personnel savings factors that need to be addressed. One, an imprecise "cookie-cutter" approach is used in lieu of empirical data pertaining to the specific scenario; and, two, if the savings factor applied is too high, the affected activity may have difficulty accomplishing its mission within the reduced staffing levels. The following remarks address these concerns:
  - Most of the data utilized upon which personnel savings is calculated is based on FY 03 data. We are aware that some organizational and manpower changes have already occurred and more will undoubtedly occur between now and the implementation period, FY 06-11. Therefore, while a manpower

survey would obviously be more precise in determining personnel savings, it may not be any more accurate than the generic savings factors presented above when implementation occurs several years down the road.

- GAO has determined that the potential for greater savings over the longer term (in addition to that realized with the initial consolidation) may depend on an organization's success in adopting common management information systems and practices as well as reducing overhead and closing facilities.
- Based upon Congressional Budget Office testimony and a RAND issue paper, some analysts believe that reengineering is likely to generate greater savings than consolidation.
- GAO concluded that it appears likely that consolidation, under which a new organization is in charge of staffing, increases the likelihood that personnel levels will be cut to match workload. Thus, savings may be greater than the modest economies accounted strictly with reduction in overhead as a result of consolidation.
- Numerous studies from the 1993 Bottoms-Up-Review, through the Quadrennial Defense Review, Defense Reform Initiative, and National Defense Panel have concluded that DoD could realize significant savings by outsourcing commercially available support services. GAO supported this position with the statement. "Consolidation...in advance of contracting out could enhance the potential for greater efficiencies and cost savings through contracting out."
- The savings factors presented above do not take into consideration BIC initiatives, such as the further expansion of privatization efforts in order to transition non-core competencies to the private sector. An example is the Desktop Management Services initiative under which a Defense Agency will outsource desktop computing hardware, software, and support services as a new requirement and will negotiate with the private sector to accomplish this divestiture.

- A SUPPLEMENTAL APPROACH TO UTILIZING GENERIC PERSONNEL SAVINGS FACTORS: While utilization of the personnel savings factors presented above is the recommended course of action, it should be recognized that some of the scenarios under consideration involve components of one service. The service involved, with access to pertinent information pertaining to the affected activities and functional experts on call, could, if time allowed, assist in determining the appropriate manning for the consolidated activity and the resulting personnel savings.

RECOMMENDATION: Based on the summation/conclusions presented above, the following personnel savings factors are recommended for the following consolidation scenarios and the following organizational categories:

Type of Organizations Consolidated	Savings Factors Consolidation of Total Organizations	Savings Factors Consolidation of CS (applied to smaller organizations only)
Organizations performing commercial-type functions (A-76)	30%	15%
Organizations performing CS (exclusive of commercial-type functions (A-76))	20%	10%
All other organizational consolidations	14%	7%

ENCLOSURES

ENCL 1

DFAS – PERSONNEL SAVINGS FACTORS

PURPOSE: The purpose of this info sheet is to:

- Describe the approach taken by the Financial Management Team (FMT) to determine personnel savings factors that would result as a consequence of their consolidation scenario; and,
- To determine the potential application of these savings factors to the creation of consolidated Common Support (CS) services at bases where consolidation/collocation is envisioned.

FACTS:

- DFAS has several business lines that are unique to their mission, as well as administrative or staff functions which are broken into 19 distinct functions. Administration includes some but not all of the functions we refer to as CS.
- Department of Defense Competitive Sourcing Program Execution Trends, based upon OMB Circular A-76 studies, indicate an average competition manpower savings of 34% resulting from either the contracting out of functions or the creation of the "most effective organization,", or MEO, by the governmental entity performing the service.
- With the establishment of DFAS, personnel trends have shown a significant reduction of more than 40 percent in staffing in response to internal consolidation/realignment initiatives.

DISCUSSION:

- The FMT has requested input from DFAS to determine if the 34% savings is achievable by the business lines/admin. They are awaiting a response. Their expectation is that there will be at least a 30% savings in personnel, the majority of which is reflected in the POM. The FMT feels that an additional 5-20% savings is possible from consolidation of common support functions. **NOTE: These savings factors represent preliminary estimates and are subject to change.**
- Since the FMT is doing a thorough scrub of the functions of DFAS in their field organizations/business lines, and will be developing an applicable savings factor, it would not be appropriate to apply an additional CS savings factor on top of what is being generated.
- The FMT is also working to define a small DFAS headquarters that might remain in the NCR area. Should the HQ and Admin Support Group recommendation not support retention of a small headquarters in the NCR then establishment of a small liaison element would be the fall-back position.
- An additional CS savings factor may be feasible if the headquarters element remains in the NCR area and is combined in a campus like environment with other DoD agencies/organizations.

APPLICATION OF SAVINGS FACTORS TO OTHER ORGANIZATIONS / CONSOLIDATION SCENARIOS:

- With respect to their business lines and the potential savings of approximately 30%, a savings factor of this magnitude would only seem to be applicable to an organization that was performing a commercial-type function, subject to OMB Circular A-76 review.
- With respect to their administrative functions, a savings factor in this area would appear to be directly relevant to a savings factor generated with the consolidation of CS functions. This would be especially true due to DFAS's large size and its geographical dispersion....as opposed to a savings factor developed for a small entity in one geographic area.
- The FMT is anticipating a significant reduction in its headquarters (from approximately 500 to 150) (even though their headquarters is a MHA which has experienced mandatory reductions over the years) Since many of the scenarios envision collocation/consolidation of headquarters, an argument could be made that this level of personnel savings could be applied to the consolidation of other headquarters. However, what is unknown is the percentage of these reductions that represent transfers of personnel to the field organizations. Thus, it is not reasonable to deduce a net personnel savings factor from this realignment action.

ENCL 2

INSTALLATION MANAGEMENT– PERSONNEL SAVINGS FACTORS

PURPOSE: The purpose of this info sheet is to:

- Describe the approach taken by the Installation Management Team (IMT) to determine personnel savings factors that would result as a consequence of their consolidation scenarios; and,
- To determine the potential application of these savings factors to the creation of consolidated Common Support (CS) services at bases where consolidation/collocation is envisioned.

FACTS:

- The methodology employed by the IMT involves taking a two pronged approach to come up with personnel saved applicable to specific consolidation scenarios. Thus, a savings factor (%), per se, is not generated which would be applied to other scenarios. One considers the number of Public Works (PW) personnel to the number of GSF serviced and compares the number of personnel needed for different size installations. The second approach looks at the total work force and compares it with the total population served. Both are described in greater detail below:
- GSF/PW Employees: A sampling is conducted of different size Army installations (e.g., those with 7.5, 12.5, 17.5, and 25 million square feet of facility space) to determine the average number of GSF that can be serviced by 1 PW employee. Through the examination of actual installations, one is able to determine the number of personnel it takes to service an installation with x number of GSF. Based upon this, it is possible to take the combined GSF of two installations, divide this number by the developed factor, and come up with the number of personnel that would be needed to service the consolidated installation. This computed requirement, less the actual number of PW personnel servicing the two installations, leads to the actual number of personnel saved.
- Total Work Force/Total Population Served: This approach is similar to the above but deals with different factors. Different size Army installations are examined to come up different ratios for the number of IM personnel (total and total less PW) it takes to support the workforce and the total installation population (including dependents). This leads to the development of the following ratios: supported workforce to IM workforce, supported population to IM workforce, supported workforce to IM workforce (less PW), supported population to IM workforce (less PW). Thus, knowing the supported population or supported workforce of the affected installations, it is possible to determine the total personnel requirement for a hypothetical consolidation of two or more installations. This number, less the actual employed workforce of the installations, shows the personnel savings resulting from the consolidation.
- While the savings are a computation, they are based upon a sampling of hard data obtained through the capacity data call.

DISCUSSION:

- The process has been completed with respect to charting the GSF/PW Employee. As expected, through economies of scale at larger installations, the same number of employees is able to service a larger number of GSF…up to a point.
- While a savings factor is not generated through the described process, comparing the total number of personnel saved to the total number of personnel from the combined installations produces a personnel savings factor…for the particular consolidation scenario. For instance,
    - Under one scenario, with 26 million GSF serviced, there would be a 12.6% savings in PW personnel
    - Under another scenario, with 27 million GSF serviced, there would be a 27% savings in PW personnel
- With respect to Total Population/Total Workforce supported, the charting process is largely complete; evidence to date demonstrates that economies of scale similar to GSF/PW ratios will be realized
    - Examining the relationship of IM personnel required (excluding PW personnel) to support the workforce, one scenario showed a projected range in personnel savings from 36% to 63%.
        - The 63% figure was based on the Army average for an installation supported population over 30K. Because this Army average is too skewed, the requirements ratio of the affected Army installation was used, which resulting in the 36% figure.
- It should be noted that these savings are based upon historical data of actual installations performing these IM and PW functions with the personnel indicated. Thus, it is basically a conservative approach to savings. An argument could be made that through BPR initiatives even further savings could be realized.

APPLICATION OF SAVINGS FACTORS TO NON-INSTALLATION ENTITIES / OTHER CONSOLIDATION SCENARIOS:

- The PW function is basically unique to installations. Therefore, the application of any savings factor in this area to non-PW operations (e.g., headquarters operations) would probably be questionable.
- With respect to other base support functions, some would be found at non-installation entities (e.g., admin services, audio and visual information services, comm./IT, mail services, technical and legal libraries, public affairs), but the majority are unique to installation management. Thus, the most meaningful personnel savings factor would probably relate to IM personnel (less PW) supporting the workforce. However, it would probably be hard to extrapolate from the saving factor applicable to the installations cited above (36%) and apply it directly to other consolidation scenarios.

ENCL 3

MILITARY PERSONNEL– PERSONNEL SAVINGS FACTORS

PURPOSE: The purpose of this info sheet is to:

- Describe the approach taken by the Personnel and Corrections Team (PCT) to determine personnel savings factors that would result as a consequence of their consolidation scenarios pertaining to active and reserve military personnel centers; and,
- To determine the potential application of these savings factors to the creation of consolidated Common Support (CS) services at bases where consolidation/collocation is envisioned.

FACTS:

- Since the various military human resource centers operate in different environments, it was recognized that any methodology would have to take these differences into consideration. For example,
  - Since the Marine Corps experiences a significant turnover in personnel, with a resultant emphasis on recruiting, there is a greater personnel requirement (as a percentage of their authorized strength) within their centers.
  - On the other hand, the AF experiences a significantly lower turnover rate, with a lesser need to recruit, and a resulting decreased personnel requirement (as a percentage of their authorized strength) within their centers.
- The Army has been moving forward towards consolidation for some time and has completed a zero base review of the requirements for the consolidated entities (active duty officer, enlisted and reserve components) and has determined what the personnel savings would come to.
- The Navy, likewise, has been moving in this direction and has been working on the consolidation of their active duty officer, enlisted, and reserve components for 2-3 years, but is waiting for BRAC recommendations to establish their organizational structure. Through the elimination of overlapping structures and duplication, the Navy anticipates a 25% savings in their reserve component and a 15% savings in their enlisted component. Based on the authorized strength of each of these two entities (NAVRESPERSCEN and EPMAC), the average savings is 20% of the combined personnel.
- The Air Force had conducted two consolidation studies in 1974 and 1990 and had concluded that a consolidation of their HR components would produce a personnel reduction of 15.3%

DISCUSSION:

- The PCT has basically accepted the findings of the Army's zero base review. However, there was an assumption that some functions would go away. The PCT has determined that an adjustment is necessary and that these functions should be added back in for the purpose of determining requirements and personnel savings based solely on their BRAC-related analysis process.

  - Based on the above, it is estimated that the consolidation would produce a personnel savings of 24%.
- Based on the professional judgment of the PCT, they determined that a 20% personnel savings factor was appropriate to apply to the affected Navy components (again, the average for the zero-based Navy determination for both NAVRESPERSCEN and EPMAC activities).
  - A determination was made to apply this same factor to the Marine Corps active duty and reserve components.
- While considering the results of the two older Air Force consolidation studies, the PCT, based on their professional judgment, decided to apply the basic Navy personnel savings factor (20%) to the Air Force active duty and reserve components as well.
- It should be noted that the personnel savings factors noted above will be applied to the smaller of the consolidated activities…not the gaining activity.
- These savings factors do not project any savings that are likely to be realized through increased use of IT tools; nor do they reflect the civilianization of military positions or the increased use of contractor personnel

APPLICATION OF SAVINGS FACTORS TO NON-INSTALLATION ENTITIES / OTHER CONSOLIDATION SCENARIOS:

- The PCT personnel savings factor of 20%, which is very largely based on in-depth studies of the affected components, would be appropriate for application to the consolidation scenarios under consideration.
- Since the military personnel management function is a common support function, and the headquarters elements involved are administrative in nature, it would not be unreasonable to apply this personnel savings factor to the consolidation of other entities performing similar CS functions.

ENCL 4

CIVILIAN PERSONNEL– PERSONNEL SAVINGS FACTORS

PURPOSE: The purpose of this info sheet is to:

- Describe the approach taken by the Personnel and Corrections Team (PCT) to determine personnel savings factors that would result as a consequence of their consolidation scenarios pertaining to Civilian Personnel Offices (CPO); and,
- To determine the potential application of these savings factors to the creation of consolidated Common Support (CS) services at bases where consolidation/collocation is envisioned.

FACTS:

- The PCT has determined that in addition to the personnel who are directly performing civilian personnel functions, approximately 10-15% of personnel are administrative types in support of the CPO mission.
- The focus of the PCT has been on the development and refinement of the possible scenarios. Accordingly, the determination of personnel savings must await the completion of the above process.
- It is the professional judgment of the SME, who is experienced in conducting manpower studies, that a 20% personnel savings factor is reasonable to expect with a consolidation of similar organizations.
- If data is good, and time permits, they may use historical data of the ratio of CPO personnel to population served to determine the requirements for the consolidated activity. The servicing ratio of the gaining activity would be used to determine the additional requirements. The requirements, when deducted from the personnel strengths of the consolidated activities, would give the personnel savings.

DISCUSSION:

- The use of historical data, and servicing ratios, is similar to the approach taken by the Installation Management Team.
- This is basically a conservative approach in determining personnel savings. It is based on an extrapolation of historical data of actual CPOs performing civilian personnel functions. It does not take into consideration the possible additional personnel savings that may result from future IT and other technological advances, nor BPR initiatives.

APPLICATION OF SAVINGS FACTORS TO NON-INSTALLATION ENTITIES / OTHER CONSOLIDATION SCENARIOS:

- The PCT personnel savings factor of 20%, which is based on the professional judgment of an experienced manpower analyst, would be appropriate for application to the consolidation scenarios under consideration.
- Since the CPO function is a common support function, and any of the headquarters elements involved would be administrative in nature, it would not be unreasonable to apply this personnel savings factor to the consolidation of other entities performing similar CS functions.

DCN: 11888

Department of Defense

DIRECTIVE

NUMBER *5101.1*

September 3, 2002

Certified Current as of November 21, 2003

Incorporating Change 1, May 9, 2003

DA&M

SUBJECT: DoD Executive Agent

References: (a) Title 10, United States Code
(b) DoD Instruction 4000.19, "Interservice and Intragovernmental Support," August 9, 1995
(c) DoD 5025.1-M, "DoD Directives System Procedures," current edition
(d) DoD Directive 5100.3, "Support of the Headquarters of Combatant and Subordinate Joint Commands," November 15, 1999
(e) through (g), see enclosure 1

1. PURPOSE

Pursuant to the authority of the Secretary of Defense under reference (a), this Directive:

1.1. Provides a DoD-wide definition of DoD Executive Agent.

1.2. Provides DoD approval authority for assigning DoD Executive Agent responsibilities, functions, and authorities within the Department of Defense.

1.3. Prescribes the policy for the management and control of DoD Executive Agent assignments and arrangements associated with such assignments within the Department of Defense.

1.4. Provides for the exchange of information between DoD Executive Agents and the DoD Components regarding resources and the quality of support throughout the full range of operations.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense; the Military Departments; the Chairman of the Joint Chiefs of Staff; the Combatant Commands; the Office of the Inspector General, Department of Defense; the Defense Agencies; the DoD Field Activities; and all other organizational entities within the Department of Defense (hereafter collectively referred to as "the DoD Components").

3. DEFINITIONS

As used in this Directive, the following terms have the meaning set forth below:

3.1. DoD Executive Agent. The Head of a DoD Component to whom the Secretary of Defense or the Deputy Secretary of Defense has assigned specific responsibilities, functions, and authorities to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more of the DoD Components. The nature and scope of the DoD Executive Agents responsibilities, functions, and authorities shall:

3.1.1. Be prescribed at the time of assignment.

3.1.2. Remain in effect until the Secretary of Defense or the Deputy Secretary of Defense revokes or supersedes them.

3.2. OSD Principal Staff Assistants. The Under Secretaries of Defense, the Director of Defense Research and Engineering, the Assistant Secretaries of Defense, the General Counsel of the Department of Defense, the Assistants to the Secretary and Deputy Secretary of Defense, and the OSD Directors or equivalents, who report directly to the Secretary of Defense or Deputy Secretary of Defense.

4. POLICY

It is DoD policy that:

4.1. The DoD Executive Agent designation shall be conferred when:

4.1.1. No existing means to accomplish DoD objectives exists.

4.1.2. DoD resources need to be focused on a specific area or areas of responsibility in order to minimize duplication or redundancy, or

4.1.3. Such designation is required by law, Executive order, or Government-wide regulation.

4.2. Only the Secretary of Defense or the Deputy Secretary of Defense may designate a DoD Executive Agent and assign associated responsibilities, functions, and authorities within the Department of Defense.

4.3. The Head of a DoD Component shall be designated as a DoD Executive Agent. The DoD Executive Agent may delegate, to a subordinate designee within that official's Component, the authority to act on that official's behalf for any or all of those DoD Executive Agent responsibilities, functions, and authorities assigned by the Secretary of Defense or the Deputy Secretary of Defense. The DoD Executive Agent, or subordinate designee, may arrange for and execute inter-Service support agreements, in accordance with DoD Instruction 4000.19 (reference (b)), memoranda of understanding, and other necessary arrangements, as required, to fulfill assigned DoD Executive Agent responsibilities, functions, and authorities.

4.4. Within the scope of assigned responsibilities and functions, the DoD Executive Agent's authority takes precedence over the authority of other DoD Component officials performing related or collateral joint or multi-component support responsibilities and functions.

4.5. The DoD Executive Agent assignments and arrangements associated with such assignments shall be identified in a DoD issuance in accordance with reference (c). The issuance shall:

4.5.1. Cite the Secretary of Defense's or the Deputy Secretary of Defense's authority assigning DoD Executive Agency.

4.5.2. Identify the responsibilities, functions, relationships, and authorities of the DoD Executive Agent.

4.5.3. Identify funding and other resource arrangements for the DoD Executive Agent to carry out assigned responsibilities, functions, and authorities.

4.5.4. Specify other DoD Components, if any, that provide operational missions or administrative or other designated activities in support of the DoD Executive Agent.

4.6. The DoD Executive Agency arrangements shall be structured in a manner that permits the effective and efficient accomplishment of assigned responsibilities, functions, and authorities.

4.7. The DoD Executive Agent funding methods and resource requirements, including force structure to the extent permitted by law, shall be included as a part of the Planning, Programming, Budgeting, and Execution process.

4.8. The performance of DoD Executive Agents shall be assessed periodically for continued need, currency, effectiveness, and efficiency in satisfying end user requirements.

4.9. There shall be an approved list of DoD Executive Agent designations.

4.10. Procedures governing the establishment, disestablishment, modification, and execution of DoD Executive Agent assignments and associated arrangements shall be established.

4.11. The funding and costs in support of each DoD Executive Agent assignment and associated arrangements shall be identified separately and shall be visible within the DoD budget.

5. RESPONSIBILITIES AND FUNCTIONS

5.1. The Director of Administration and Management, Office of the Secretary of Defense, shall:

5.1.1. Develop policy on DoD Executive Agent assignments and arrangements associated with such assignments for approval by the Secretary of Defense or the Deputy Secretary of Defense; oversee the implementation of the policy throughout the Department of Defense; and, issue guidelines, as appropriate, to define further the policies, responsibilities and functions, and authorities contained in this Directive.

5.1.2. Coordinate on all DoD issuances that assign or modify DoD Executive Agent designations.

5.1.3. Develop, maintain, monitor, revise, and make available to all the DoD Components, the list of DoD Executive Agent designations approved by the Secretary of Defense or the Deputy Secretary of Defense.

5.1.4. Issue DoD issuances implementing this Directive.

5.2. The DoD Executive Agents shall:

5.2.1. Execute DoD Executive Agent responsibilities, consistent with applicable law, DoD Directive 5100.3 (reference (d)), DoD Directive 5100.73 (reference (e)), and this Directive.

5.2.2. Ensure proper coordination with the DoD Components for the responsibilities and activities assigned to provide continuous, sustainable, and global support as required by end users. Ensure effective planning throughout operations by developing a coordinated process and support plans for transition from peacetime to wartime and/or contingency operations.

5.2.3. Identify requirements and resources, including force structure to the extent permitted by law, necessary to execute assigned responsibilities and functions. Submit these requirements to the cognizant Head of the DoD Component to be included in their respective budget documenation.

5.2.4. Monitor resources used in performing assigned responsibilities and functions.

5.2.5. Develop, maintain, and report results of performance of DoD Executive Agent responsibilities and functions, as may be required by law, Secretary of Defense decision, or other Congressional requirements.

5.2.6. Obtain reports and information, consistent with DoD Directive 8910.1 (reference (f)), as necessary, to carry out assigned DoD Executive Agent responsibilities, functions, and authorities.

5.2.7. Establish, maintain, and preserve information as records, consistent with DoD Directive 5015.2 (reference (g)), that document the transaction of business and mission of the DoD Executive Agent.

5.2.8. Designate a focal point to coordinate matters regarding assigned DoD Executive Agent responsibilities, functions, and authorities.

5.3. The OSD Principal Staff Assistants shall:

5.3.1. Oversee the activities of DoD Executive Agents in their functional areas of responsibility.

5.3.2. Assess periodically, but not less than every three years, DoD Executive Agent assignments and arrangements associated with such assignments, under their cognizance for continued need, currency, and effectiveness and efficiency in satisfying end user requirements. Recommend establishment, continuation, modification, or cancellation of those DoD Executive Agent assignments and arrangements associated with such assignments, under their cognizance, as appropriate.

5.3.3. Designate a focal point to implement the guidance contained in this Directive and to coordinate matters regarding identification, control, and evaluation of the DoD Executive Agent assignments and arrangements associated with such assignments within their area of cognizance.

5.4. The Heads of the DoD Components, when receiving DoD Executive Agent support, shall:

5.4.1. Provide estimates of requirements and associated resources to the designated DoD Executive Agent on a timely basis.

5.4.2. Assess, as required, DoD Executive Agent support for effectiveness and efficiency in meeting requirements and make appropriate recommendations for improvement.

5.4.3. Designate a focal point to coordinate matters regarding the establishment of new, the identification of existing, and the control and evaluation of DoD Executive Agent support arrangements.

5.5. The Chairman of the Joint Chiefs of Staff shall:

5.5.1. Coordinate with the OSD Principal Staff Assistants and the Heads of the DoD Components to monitor DoD Executive Agent assignments and arrangements associated with such assignments for impact on the full range of operations.

5.5.2. Communicate, to the Combatant Commanders, DoD Executive Agent assignments and arrangements associated with such assignments in order to support and facilitate national military objectives throughout the full range of operations.

5.6. The Under Secretary of Defense (Comptroller) shall:

5.6.1. Ensure that the DoD Component budget submissions, including requirements supporting DoD Executive Agent assignments and arrangements associated with such assignments, are integrated into the DoD Planning, Programming, and Budgeting System.

5.6.2. Ensure that all funds and costs required to support DoD Executive Agent assignments and the arrangements associated with such assignments are displayed separately and justified in the FYDP and the budget exhibit submissions of the Heads of the DoD Components exercising DoD Executive Agent responsibilities and functions.

5.7. The General Counsel of the Department of Defense shall coordinate on all DoD issuances that assign or modify DoD Executive Agent designations, and provide legal counsel and advice, as appropriate, to implement this Directive.

6. EFFECTIVE DATE

6.1. This Directive is effective immediately.

6.2. This Directive does not revise, modify, or rescind any DoD Executive Agent assignments and their implementing arrangements in existence as of the effective date of this Directive.

Paul Wolfowitz
Deputy Secretary of Defense

Enclosures - 1
E1. References, continued

E1. ENCLOSURE 1

REFERENCES, continued

(e) DoD Directive 5100.73, "Major Department of Defense Headquarters Activities," May 13, 1999

(f) DoD Directive 8910.1, "Management and Control of Information Requirements," June 11, 1993

(g) DoD Directive 5015.2, "DoD Records Management Program," March 6, 2000

TITLE: DoD Directive 5101.11 "DoD Executive Agency for the Military Postal Service (MPS)", 01/31/2005

SUMMARY: This Directive (a) Cancels DoD Directive 4525.6, "Single Manager for Military Postal Service," May 5, 1980 (hereby canceled) and clarifies the authorities and functional responsibilities of the DoD Executive Agent for the Military Postal Service (MPS) pursuant to DoD Directive 5101.1, "DoD Executive Agent," November 21, 2003 and implements DoD Instruction 4525.7, "Military Postal Service and Related Services," April 2, 1981 and DoD Instruction 4525.8, "DoD Official Mail Management," December 26, 2001; DoD 4525.8-M, "DoD Official Mail Manual," December 26, 2001; Sections 406, 3401, and 3406 of title 39, United States Code; and United States Postal Service – DoD Postal Agreement, as amended, August 20, 1982 to provide for the performance of MPSs for authorized personnel and organizations outside the United States and its outlying areas for the USPS extended to the U.S. Armed Forces. (b) Establishes the MPS responsibilities of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)); updates the MPS responsibilities and relationships of the DoD Components; and assigns the Secretary of the Army as the DoD Executive Agent for the MPS in accordance with DoD Directive 5101.1, "DoD Executive Agent," November 21, 2003. (c) Prescribes the management authorities of the DoD Executive Agent for the MPS and authorizes the Military Postal Service Agency (MPSA) to functionally manage the MPS worldwide. (d) Authorizes the publication of DoD Instruction 4525.7, "Military Postal Service and Related Services," April 2, 1981, consistent with DoD 5025.1-M "DoD Directives Systems Procedures," March 5, 2003, and authorizes publication of an MPSA Operations and Procedures Manual to replace DoD 4525.6-M, "Department of Defense Postal Manual," August 15, 2002.

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DOD DICTIONARY OF
MILITARY TERMS (JOINT PUB 1-02)

joint base

(DOD) For purposes of base defense operations, a joint base is a locality from which operations of two or more of the Military Departments are projected or supported and which is manned by significant elements of two or more Military Departments or in which significant elements of two or more Military Departments are located. See also base.

combined

(DOD) Between two or more forces or agencies of two or more allies. (When all allies or services are not involved, the participating nations and services shall be identified, e.g., combined navies.) See also joint.

common servicing

(DOD) That function performed by one Military Service in support of another Military Service for which reimbursement is not required from the Service receiving support. See also servicing.

common use

(DOD) Services, materiel, or facilities provided by a Department of Defense agency or a Military Department on a common basis for two or more Department of Defense agencies, elements, or other organizations as directed.

servicing

See common servicing; cross-servicing; joint servicing. See also inter-Service support.

cross-servicing

(DOD) A subset of common-user logistics in which a function isperformed by one Military Service in support of another MilitaryService and for which reimbursement is required from the Servicereceiving support. See also acquisition and cross-servicing agreement; common-user logistics; servicing.

inter-Service support

(DOD) Action by one Military Service or element thereof to provide logistic and/or administrative support to another Military Service or element thereof. Such action can be recurring or nonrecurring in character on an installation, area, or worldwide basis. See also interdepartmental or agency support; international logistic support; support.

DEPARTMENT OF THE NAVY INSTALLATION ORGANIZATION

In the past, each base had its own organizations for providing Base Operating Support (BOS) services (facilities, IT, security, etc.) with its own program manager, management, administrative staff, and line workers. Regionalization is the consolidation/realignment of functions/positions either geographically or organizationally to streamline and achieve savings through the elimination of duplicative positions. The process brings together the separate BOS service providers in a geographic region and forms a single BOS service provider. OPNAV N46, the Fleets, Major Claimants, Regional Commanders and activity Commanding Officers have analyzed Navy Concentration Areas to consolidate or "regionalize" installation management functions. The goal of regionalization is to reduce BOS costs through the elimination of unnecessary management layers, duplicative overhead and redundant functions. Regionalization also facilitates better workforce utilization, development of most efficient organizations, opportunities to outsource across an entire region, and standardization of processes and regional planning and prioritization.

The basic principals of regionalization are:

- No tenant should do what a host command can do
- No host should do what a regional complex can do
- No regional complex should do what the surrounding community can do more cost effectively

NAVFAC—Naval Facilities Engineering Command

Under the regionalization effort of the Navy, NAVFAC provides scientific and environmental engineering services to help installations manage their environmental initiatives through its Engineering Field Divisions, Engineering Field Activities, Naval Facilities Engineering Service Center, and Specialty Offices. Various people in NAVFAC will provide installations with services such as master planning, environmental compliance, historic preservation compliance, and hazardous waste clean up.

PWC—Public Works Center

The mission of the various regional Public Works Centers is to provide its many diverse customers with affordable, prompt, high-quality products and services, including: Facility maintenance, Repair, Construction, Utilities, Transportation, Environmental, Planning, Engineering, Design, Other installation support.

Commandant

Responsible for the day to day operations as well as comprehensive planning necessary to achieve and maintain excellent living and working conditions for all personnel on the installation. Provides goods and services in support of all members of the installation community, also responsible for BOS.

- **Business Manager**

  The Business Manager is organizationally positioned as a staff function to the Commandant. The Business Manager has a primary responsibility for "resource" management and ensures BOS is provided in a business-like manner. The principal perspective of the Business Manager is forward and strategic. Major duties include planning, coordinating, and policy development for Financial Management, business opportunities, Manpower, Organizational Development, quality management, Commercial Activities, Reinvention Lab, and Joint Interservice Regional Support Group. The Business Manager is responsible for the development and implementation of a comprehensive and integrated regional Business Plan. The plan will consider business and business-like practices and procedures that will further streamline the installation and add to its effectiveness in Regional Installation Management. The Business Plan will span a five-year period. The Business Manager also establishes common business practices for day-to-day resources management. Strategically, the Business Manager integrates field requirements, community interest, national priorities, and Command goals.

- **CFO—Chief Financial Officer**

  The Chief Financial Officer is organizationally positioned as a Division to the Business Manager. The office has a primary responsibility for all financial resources for the region with a particular focus on appropriated funds for all regional activities. The CFO has strategic, operational, and tactical roles. Major duties include accounting and budget, minor property control, purchase card program management, receipt voucher processing, time and attendance, and TAD/TDY travel.

COO—Chief Operating Officer

The Chief Operating Officer (COO) is charged by the Commandant to execute the Region's Base Operating Support (BOS) program. The delivery of BOS services is orchestrated by the COO through functional programs assigned to Program Managers. The COO also serves as the "Customer Advocate" on Regional Boards. Area Operations Officers (AOOs) are established by the COO to provide integration of BOS services and customer liaison in the field.

- **Acquisition Program**

  Provides Base Operating Support services, acquisition support, assistance and services in the preparation and execution of all regional procurements to all commands and activities under the jurisdiction of the regional commander. Responsible for strategic assessment of BOS acquisition needs throughout the region; development of regional acquisition tools to provide needed services locally, in the most effective and efficient manner; development and execution of common business practices to promote ease of service use; and quality assurance of services. The acquisition office provides cradle to grave acquisition support to include engineering, design, construction, maintenance, environmental, repair and services for Class I and II Plant Property (Land and Facilities).

- **Community Support**

  Community Support is meant to be an addition to the immediate support found within the activity for which the military and civilian personnel work and is made up of those programs of general benefit. While community support is focused mainly on military personnel programs, civilian personnel are eligible for some of the benefits, too. Programs include military housing, Navy family services, Morale, Welfare and Recreation programs and facilities, transient personnel and military discipline, child development, and continuing education.

- **Information Technology**

  COO is responsible for the design, installation, operation, and management of IT for the Commandant. These services include: NIPRNET connectivity, e-mail, standard desktop software, customer service support, information systems security, inventory data management and cable plant maintenance.

- **Facilities Management**

  Facilities Management Organization plans, coordinates and supervises all phases of base facilities maintenance, operations and construction. Team of engineers, architects, planners, painters, plumbers, electricians and other skilled professionals work together. Facilities Management is a fully integrated public works organization that is responsible for every aspect of base maintenance, including utilities systems operation; environmental resources management; hazardous materials management; transportation operations and maintenance; energy conservation; and facility design, planning, construction, repairs and alterations.

- **Public Safety**

  Conducts contingency, mobilization, and disaster preparedness planning; and initiates ceremonial tasking and oversees regional execution of Casualty Assistance and Calls Program and Funeral Honors Support; and a BOS element consisting of the Security Division responsible for law enforcement, physical security, force protection and antiterrorism programs, and the Fire/Emergency Services Division responsible for fire prevention, fire supression, hazardous material response, and Emergency Medical Services.

E&S—Environment and Safety

The environmental and saftey organization plans, coordinates and surpervises all aspects of environmental compliance, saftey training and OSHA compliance. The trained staff of environmental and saftey specialists work with tenants and the regulatory community to ensure that our bases are safe and environmentally compliant.

The environmental and saftey organization is divided up into an environmental section and a saftey section.

- **Environmental Department** works to provide workers with a clean healthy place to live and work. The Environmental program follows the OPNAVINST 5090.1B Change 1.

  Cultural Resources Manager:

- The Cultural Resource Manager (CRM) provides oversight and management in four areas: archaeology, historic buildings, historic landscapes and Native American affairs. A CRM is responsible for the cultural resources (DoDI 4715.3) on an installation. CRM responsibilities include broadly, management of the Cultural Resources Program; implementation and monitoring of cultural resources projects; development, updating and implementation of integrated cultural resources management plans (ICRMPs); facilitating Government-to-Government relations with Indian Tribes; negotiation with external agencies and providing legal compliance; performing technical research to aid in implementation of projects and programs; providing management of archaeological resources, collections, historic buildings and landscapes, traditional cultural places and traditional cultural resources; and finally, reviewing, interpreting and applying laws and regulations.

Natural Resources Manager:

- The Natural Resource Manager (NRM) provides oversight and management for natural and environmental resources (DoDI 4715.3) on an installation. Examples of such natural resources include wetlands, forests, floodplains, watersheds, estuaries, riparian areas, coastal barrier islands, marine sanctuaries, critical habitats, animal migration corridors and threatened or endangered species. NRM responsibilities include: management of the Natural Resources Program; implementation and monitoring of natural resources projects; development, updating and implementation of integrated natural resources management plans (INRMPs); negotiation with external agencies and providing legal compliance; and reviewing, interpreting and applying laws and regulations.

- **Naval Occupational Safety and Health (NAVOSH) Program** shall prevent mishaps and improve the mission of each Command within the region. The NAVOSH Program will meet the core requirements as outlined in OPNAVINST 5100 Series.

PAO—Public Affairs Office

Public Affairs Office provides guidance and support for:

- Internal Relations - communication with Department of the Navy employees and their families.
- External Relations - communication with the media and American citizens.
- Community Relations - building strong relationships with neighbors in the area.

SJA--Staff Judge Advocate

Provides Article 34 advice and convenes general courts-martial cases. Provides general court-martial convening authority (GCMCA) review for posttrial military justice matters, administrative military personnel actions, ethics, and civil law issues. Coordinates with Office of General Counsel (OGC) for legal matters involving contracting and procurement issues, real property law, environmental law, and civilian labor matters. Assists with the referral of matters involving legal assistance, claims, and detailed military defense representation to Naval Legal Service Office (NLSO).

DCN: 11888

GENERAL ORDERS
NO. 4

HEADQUARTERS
DEPARTMENT OF THE
ARMY
WASHINGTON, DC, *3 June 2002*

Assistant Chief of Staff for Installation Management (ACSIM)

1. Effective 1 October 2002, the Assistant Chief of Staff for Installation Management (ACSIM), as responsible official to the ASA (I&E), provides advice and assistance to the ASA (I&E) and other OASA (I&E) officials, in addition to responsibilities and authorities as ACSIM on the ARSTAF in executing policies, plans, and programs pertaining to Army installations.

2. The ACSIM functions will include organizational alignments, manpower, doctrine, equipment, and functional responsibilities in support of the Transformation of Installation Management. The ACSIM will manage installations and installation support services through establishment of the Installation Management Agency (IMA).

3. Effective 1 October 2002, the IMA (W6BDAA) is established as a field-operating agency of the ACSIM working under the direction of the ASA (I&E) for all Planning, Programming, Budget, and Execution System policy matters, and directly coordinates with HQDA staff activities and agencies for all operational matters. The IMA Director will be rated by the ACSIM and senior rated by the ASA (I&E). The IMA, in coordination with the Chief, Army Reserve regarding USAR personnel and equipment, will publish permanent orders to establish, transfer, and reassign units, personnel, and equipment from current organizations to the IMA command code BA. Personnel assigned to, and equipment delivered to the IMA prior to activation will be assigned to and accounted for by UIC: W6BDAA. A one-year carrier UIC (W6BD90) is authorized for UIC W6BDAA, on the effective date of this general order. The IMA will be located within the National Capital Region. The Installation Management Agency, with the exception of non-appropriated fund activities, is further established as a special and general operating agency (2A). The regions will be identified as agencies with full responsibility for all operational matters, with the exception of USAR personnel, operation and maintenance, and construction appropriations.

4. Effective 1 October 2002, 7 Regional Directorates are established under the IMA, with the Regional Directors reporting to and rated by the IMA Director and senior rated by the ACSIM. The Regional Directorates, UICs, and locations are established as follows:

USA Installation Management Northeast Region Office (NERO) (W6BEAA) Fort Monroe, Hampton, VA

USA Installation Management Southeast Region Office (SERO) (W6BFAA) Fort McPherson, Atlanta, GA

USA Installation Management Northwest Region Office (NWRO) (W6BGAA) Rock Island Arsenal, Rock Island, IL

USA Installation Management Southwest Region Office (SWRO) (W6BHAA) Fort Sam Houston, San Antonio, TX

GO 4

USA Installation Management Europe Region Office (EURO) (W6BJAA) Heidelberg, Germany

USA Installation Management Korean Region Office (KORO) (W6BKAA) Yongsan, South Korea

USA Installation Management Pacific Region Office (PACO) (W6BLAA) Fort Shafter, Honolulu, HI

5. Effective 1 October 2002, the Army Reserve Office (ARO) is established under the IMA, with the director reporting to and rated by the IMA Director and senior rated by the Chief, Army Reserve. The ARO will provide policy guidance for Army Reserve unique installation management within the IMA. The ARO UIC and location are established as follows:

USA Installation Management Army Reserve Office (ARO) (W6BNAA) Washington, DC

6. Garrison commanders will be rated by the Regional Directors and senior rated by the senior mission commander on the installation. Garrison commanders, on behalf of the regions and the IMA, will have a responsibility to provide a standard level of base support to installation customers listed on the Army Stationing and Installation Plan. MACOMs will be supported by the IMA for installation management.

7. The Installation Management Board of Directors (IMBOD) will provide strategic direction for all Army matters and be the principal committee that adjudicates issues pertaining to all installation activities. The BOD, co-chaired by the VCSA and the ASA (I&E), will consist of senior MACOM commanders, the Chief, Army Reserve, and Director, Army National Guard. It will approve strategic plans prepared by the ACSIM and approved by ASA (I&E), which outline goals and objectives, as well as approve program, resource and finance strategies for implementing operations approved in the strategic plan.

8. This confirms that on 3 November 2001, the mission and functions of the Family Liaison Office were transferred from the ACSIM to the Deputy Chief of Staff, G-1.

9. Effective 1 August 2002, the Army Staff (ARSTAF) functional proponency for non tactical vehicles, laundry and dry cleaning will be transferred from the Deputy Chief of Staff, G-4 to the ACSIM.

10. Army National Guard installations and facilities will continue to be managed and funded separate from Transformation of Installation Management initiatives. Army installation policies and regulations will be coordinated with the Director, Army National Guard to assure all organizations within the Army are fully integrated.

[DAIM-ZXA]

By Order of the Secretary of the Army:

ERIC K. SHINSEKI
General, United States Army
Chief of Staff

Official:

JOEL B. HUDSON
Administrative Assistant to the
Secretary of the Army

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POSITION PAPER
ON
JOINT BASING SCENARIOS

1. EXECUTIVE SUMMARY:

Regarding HSA0010 (Lewis/McChord), the AF requests lead service responsibility because McChord AFB serves as one of the AF's key strategic mobility platforms supporting the combatant commands. This position was endorsed by the TRANSCOM Commander in a recent memo to the Vice Chairman, JCS, in which he specifically cites HSA-0010 scenario as one that "would potentially impair mission accomplishment" unless the AF is designated as the lead Service. The underlying assumption of "commonality" amongst Services with regard to installation management (IM) functions overlooks fundamental differences in the delivery of IM services and the role of IM organizations in the warfighting capability of the Services. The Air Force views our installations as both warfighting platforms and as vital training grounds for our Expeditionary Combat Support forces. Much of the capability required to support worldwide expeditionary air operations resides in Air Force base-level units. The AF embeds their military combat support and combat service support forces within Air Force base-level units; the other Services do not. This scenario would remove Air Force CS and CSS from McChord, degrading "the capability required to support worldwide expeditionary air operations.

Regarding HSA0013 (Anacostia/Bolling/NRL), the AF requests lead service responsibility, given that Bolling AFB hosts the Air Force District of Washington (AFDW), the AF component command supporting the newly formed Joint Force Headquarters-NCR. The proposed senior leadership position (08) planned for the AFDW will have both the responsibilities for IM at Bolling and Andrews, and the AF is the lead agent for the joint base recommendation of Andrews/NAF Washington.

Regarding HSA0016 (Pearl Harbor-Hickam), the AF does not concur with this recommendation due to the very complex nature of the dissimilar missions at these two installations. There is no inherent military value that can be derived from having a single service deliver installation management services to such divergent operational missions and infrastructure. Core competencies necessary to operate large port facilities and very sophisticated competencies needed to sustain aircraft flight operations at a joint use (military/civilian) airfield require unique installation management expertise that cannot be delivered efficiently by a single Service. This particular scenario does not lend itself to operational efficiencies if the idea of joint basing is to eliminate redundancy since the expertise and skill set required to maintain/operate port facilities are separate and distinct from those required to maintain/operate flight operations at a joint use airfield.

Additionally, the HSA JCSG's manpower model overstates the savings in each of the scenarios due to the large number of assumptions made during development. Inclusion of the many factors associated with delivery of installation management functions will lower their projected savings.

2. GENERAL COMMENT: The Air Force concurs with 7 of the 10 HSA JCSG joint basing scenarios as written and recommends all scenarios be revised as follows:

> *Establish Joint Base XXX/YYY with US (Service) as lead for installation management activities in accordance with policy being developed by OSD's Installations Capabilities Council, contingent upon preserving each Service's warfighting core competencies in accordance with Service-specific concepts of operations.*

This revision ensures compliance with new policies and guidance under development by the ICC with regard to joint basing.

Executive Agent - DODD 5101.1, Sept 3, 2002
~~5100.8~~

3. COMMENTS ON ESTIMATED SAVINGS:

a. Estimates consider elimination of AF military authorizations (i.e., AF end strength will be reduced by the military manpower savings estimated in the HSA JCSG scenarios). However, the AF will not eliminate military authorizations associated with IM functions because these positions directly support warfighting capabilities associated with Air Expeditionary Forces (AEF). Additionally, savings estimates were calculated without consideration for military personnel movement associated with the realignment of AF military personnel from installations at which the AF is not the designated lead agent. Hence, HSA JCSG's current approach overestimates the savings associated with these scenarios.

b. HSA JCSG analysis assumed that the Services deliver IM services at the same levels/standards and that Service IM organizations accomplish identical functions. These assumptions are faulty, and impacts the estimated manpower savings, for the following reasons:

- Activities included in the definition of "base operating support" differ amongst the Services.
- The installation PRV and base support expenditures reported in COBRA do not include non-facilities infrastructure (runways, taxiways, roadways, utility systems, etc.). This skews the estimated manpower savings since the other Services have largely privatized much of their utility systems, while the AF continues to maintain its systems for training military personnel on vital wartime skills.
- Facility types differ depending on the type of mission supported. For example, installations which support airfield operations will have aircraft maintenance hangars, corrosion control facilities (large paint booths), aircraft engine repair shops, avionics repair facilities, and other highly technical, industrialized facilities requiring a different level of maintenance effort to sustain as compared to troop support or primarily administrative installations.

These factors should be considered as part of the calculation of manpower savings, rather than the current model which does not consider the differences in base support activities and service levels of support.

c. The scenarios do not specify a method of execution, which will have an impact on estimated manpower savings. The HSA JCSG calculated manpower savings using an averaged regression analysis based on current, Service-specific methods of executing installation management services; however, execution policy has yet to be determined by the ICC.

d. Savings estimates do not consider one-time training and IT costs, although these costs were included in the AF submission to HSA JCSG's SDCs for those scenarios in which the AF is the lead agent, and are supported by the LMI study on Joint Regional Installation Support. Training is required to ensure the consolidated work force learns the work systems and techniques of the newly formed installation management organization. IT hardware and software costs will be incurred to ensure the consolidated activities have linked and compatible systems for both internal and external communications.

e. Savings estimates do not consider construction costs (either MILCON or rehabilitation of existing facilities), although these costs were included in AF submission to HSA JCSG's SDCs for those scenarios in which the AF is the lead agent, and are supported by the LMI study on Joint Regional Installation Support. Modifications to existing facilities and/or construction of new facilities will be required to house newly consolidated functions.

LMI Logistics Management Institute

f. Savings estimates were calculated using a combination of military, civilian and contractor positions; however, COBRA estimates took savings based on elimination of only military and civilian authorizations (contractor "positions" were considered equivalent to civilian authorizations)--this approach skews savings associated with these scenarios and eliminates necessary civilian manpower authorizations.

g. Manpower savings estimates were based on pre-BRAC workload. In nearly all cases (with the possible exception of HSA-0011), both Service-specific and JCSG scenarios that either add or remove force structure will impact the workload associated with installation management services. Hence, savings associated with these scenarios should not be finalized until all Service and JCSG scenarios have been deconflicted.

DCN: 11888

THE FEASIBILITY OF CONSOLIDATING COMMON SUPPORT FUNCTIONS

White Paper prepared by: Bartlett M. Rhoades
Headquarters and Support Activities Joint Cross Service Group
April 8, 2005

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THE FEASIBILITY OF CONSOLIDATING COMMON SUPPORT FUNCTIONS

OBJECTIVE: At the August 12, 2004 meeting of the Headquarters and Support Activities Joint Cross Service Group (HSA-JCSG), the members concluded that functional analysis of the identified 14 common support (CS) functions could not be successfully completed within the BRAC process and directed that work cease in this area. They further directed that a White Paper be prepared to address these functions and the merits of further pursuing consolidation initiatives - thus furthering the investment made to date in this area. This paper satisfies the directive.

A White Paper typically argues a specific position or solution to a problem. Rather than advocate a specific position, this paper will deal with "lessons learned" in the course of this lengthy exercise, the merits of further pursing consolidation initiatives (in general, and with respect to specific functions), and the best approach to tackling such a task.

BACKGROUND: Secretary of Defense Donald Rumsfeld set the tone for our efforts to eliminate redundant processes when he declared in his, "Bureaucracy to Battlefield" speech that our purpose is not to please everybody. "If we are concerned about waste, we must be prepared to advocate changes – even unpopular ones.... Where is our professionalism/our self respect if we fail to correct obvious inefficiencies?"

To address these "obvious inefficiencies," in April of 2003, the Infrastructure Steering Group (ISG) gave the JCSGs, "the 'widest aperture' to reengineer business processes." Thus, BRAC 2005 took on the objective of tying together reengineering and transformation along with the traditional goal of closing down installations. By September of 2003, our HSA-JCSG had taken on the mission of analyzing functions in the DC area (defined as a 100 mile radius of the Pentagon) and reviewing functions performed by Major Headquarters Activities (MHAs) (based on DoD Directive 5100.73, "Major Department of Defense Headquarters Activities," May 13, 1999), with the objective of consolidating what made sense.

Using DoD Directive 5100.73 as the basis to determine what should be examined presented a serious challenge and, perhaps also, reflected a misunderstanding of what this directive was intended to accomplish. From an historical perspective, Congress mandated the promulgation of this directive to create a control mechanism to bring control over the inability of the DoD to reduce the size of its major headquarters commensurate with the reduction in its force structure. By identifying the functions performed by MHAs (and the associated personnel and organizations), Congress would be in a position to mandate personnel reductions (which they repeatedly did over the years).

The challenge presented was that since the 33 functions listed in this directive were found at major headquarters, they were geared towards policy and oversight (not common support functions) and early guidance made it clear that we would not be consolidating these headquarters. Thus, if the MHA functions were excluded from consideration, then the only remaining functions had to be operational/common support functions provided to MHAs. That being the case, we first translated these functions into operational functions and then excluded those functions: that were specifically excluded in the Capacity Analysis Report, those that had been specifically excluded per OSD guidance, those that were being covered by the other teams within our JCSG, functions that were integral to the operations of a MHA, functions that were being covered by other JCS Groups, and functions that are not common support functions to MHAs. This left us with the following CS functions:

- Acquisition and Contracting

- Administration
- Audiovisual Services
- Cost Analysis
- Environmental Services and Safety
- Executive Dining Facilities
- Facilities Management
- Financial Management Services
- Health and Wellness
- Inspections and Evaluation
- Operations Analysis
- Security
- Supply and Support Services
- Transportation

Before very long it was determined that, with a few exceptions, the functions examined would be limited to those performed within specified geographic clusters. These clusters consisted of significant concentrations of DoD installations within a 25 mile radius of specified geographic areas in the U.S. Eleven were identified that included such areas as Hampton Roads, Oahu, National Capital Region (NCR), etc...

WHAT WENT WRONG? Following are the main factors that contributed to the decision to cease the investigation into these 14 CS functions within the BRAC process:

- LACK OF VISIBILITY: Senior leadership within the DoD has the "sense" that there are transformational opportunities out there, but the "data" to support or refute such inclinations is not readily available.
- FUNCTIONS TOO BROADLY DEFINED: In the interest of developing a list that was both "manageable" and comprehensive, similar but discrete functions were not separately identified. Thus, under Administration you will find mail room and library operations. However, when it comes to presenting a consolidation scenario these two distinct operations would not be "consolidated."
- FUNCTIONS WITH UNIQUE, UNFAMILIAR DEFINITIONS: While definitions were provided (it was emphasized that reading them was essential), the terms could lead one to assume that they knew the meaning when they did not (e.g., the term "Financial Management Services" does *not* include Finance and Accounting).
- LACK OF UNIVERSAL UNDERSTANDING OF EVEN COMMON TERMS: Some of these 14 CS functions would be classified as base operations support functions (sometimes referred to as commercial activities) that are necessary to support, operate, and maintain DoD installations. Although OMB identifies 29 services as base support functions, DoD does not have a generally accepted definition of base support services, and the military services differ in how they individually define them. Without a common definition it is difficult to accurately determine the size of DoD's base support workforce. Then there is the additional challenge of normalizing whatever data is received.
- DIFFICULTY IN DEVELOPING/RESPONDING TO QUESTIONS: In addition to the challenge (described above) in defining the 14 CS functions, there was the added requirement of developing Military Value questions that would be applicable to all the CS functions throughout all DoD Components. While some activities found that the questions were perfectly understandable, others indicated that those in the field would not understand or know how to respond. To reach a consensus often involved

long and arduous meetings; and even after agreement was reached, there were frequent requests for clarification. This difficulty was compounded by the fact that we were not discussing these questions with people who were functional experts (e.g., finance and accounting) and thus, did not have a mutual understanding of the relevant terms and issues in their area of expertise.

- TARGETING PROBLEM: With the focus on MHAs, the initial targeting of activities in response to capacity and military questions was restricted to MHAs. A different subgroup was looking at the potential consolidation of installations (where various CS functions are also performed). It was eventually recognized that there were significant organizations in between these two extremes that were also performing CS functions and the scope was expanded to include them. However, examining the feasibility of consolidating CS functions performed by MHA, but ignoring the performance of the same functions at the installation level, in the same geographic area, was not a logical approach to maximizing efficiencies.

  An additional problem was the lack of a simple way to identify organizations performing some of these functions. While Finance and Accounting Centers and Mobilization Centers are clearly identifiable, there is no easy way to ascertain which organizations perform such functions as "administration" and "security."
- LACK OF BASIC MANAGEMENT INFORMATION: This problem relates to the above mentioned issues of the lack of common terms and the targeting challenges. The bottom line is, that within limited exceptions, one cannot go to a specific source within DoD to obtain the number of personnel performing a CS function within an identifiable organization. Further, this is basically true across all the Military Departments.
- RESTRICTIVE BRAC PROCESS: The rigid BRAC process requires the conduct of investigations at arms length and strict time lines for the conduct of the specified steps in the process (capacity analysis, military value, COBRA, etc.). The in-depth understanding of functions, and related processes, required by Business Process Re-engineering (BPR), cannot be ascertained by determining the number of personnel performing a function and the associated square feet that they occupy.

As the result of these significant obstacles, and others, the JCSG initially considered downscoping the effort (examine only 3 or 4 functions and restrict them to the NCR). Then, they finally concluded that combining the traditional BRAC process with exploratory efforts into BPR would not succeed and that the expenditure of additional resources on this effort would not likely produce an adequate solution.

WHAT THE REPORTED DATA SHOWS: Enclosure A contains charts that display some of the information gathered at great effort in response to the Capacity Analysis questions. Note that this information reflects data "as received" that has not been "scrubbed", is not considered comprehensive (due to the problems noted above), nor has it been validated through the rigorous BRAC process. Accordingly, it should not form the basis upon which a decision should be made to either consolidate or not consolidate a particular function. The information has been made available only to provide some limited insight into the comparability of personnel resources devoted to the various CS functions. Thus, as we would intuitively assume, there are far fewer personnel in the NCR supporting executive dining facilities and health and wellness (with its very restricted definition) than are supporting administration and security.

With our understandable desire to obtain "sound" data upon which to make important management decisions, it is probably wise to bear in mind the warning provided by Sir Josiah

Stamp, Inland Revenue Department, 1896-1919, "The Government are very keen on amassing statistics. They collect them, raise them to the Nth power, the cube root, and prepare wonderful diagrams. But you must never forget that every one of those figures comes in the first instance from the village watchman, who just puts down what he damn pleases."

POSSIBLE TRANSFORMATIONAL OPPORTUNITIES: Based upon a limited analysis of the 14 CS functions (primarily within the NCR), an assessment is provided for the opportunities to gain greater efficiencies through the consolidation of these functions (See Enclosure B).

FAILURES IN THE CONSOLIDATION OF COMMON SUPPORT FUNCTIONS: While it is true that there are some significant examples of successful consolidation of CS functions on a joint basis (as exemplified by many of the Defense Agencies and DoD Field Activities) along with an innumerable number of assignments of Executive Agent Responsibilities; there are, nevertheless, examples of the "failure" of the consolidation of CS functions that opponents are likely to cite. The first example is the San Antonio Real Property Maintenance Agency and the San Antonio Contracting Center (See enclosure C); and the second, more recent example within the NCR, is the Defense Contracting Command-Washington (DCC-W) (See Enclosure D). Our review of the reasons for their failure reveals that the failure was not necessarily in the CONCEPT, but in the IMPLEMENTATION.

OPPORTUNITIES/CONCERNS WITH THE CONSOLIDATION OF CS FUNCTIONS IN THE PENTAGON/NATIONAL CAPITAL REGION (NCR): In the course of our interviews we met with Sandy Reilly, the Administrative Assistant to the Secretary of the Army; John La Raia, Assistant for Administration, Office of the Secretary of the Navy; Bill Davidson, Administrative Assistant to the Secretary of the Air Force; and Howard Becker, Deputy Director, Administration and Management, Office of the Secretary of Defense. The first three individuals are frequently referred to as the "three wise men" in the Pentagon since they represent the highest career civilians in their respective Military Departments and continue to occupy their positions when Senior Military Officers and Political Appointees rotate out. The last individual represents the highest career civilian in OSD and he formerly served as the Deputy to the "Mayor" of the Pentagon (the former D.O. Cooke). All four individuals are intimately involved in solving joint problems in the Pentagon, and frequently, also in the NCR. The views of these individuals were solicited with respect to the merits of consolidation of CS functions in the Pentagon/NCR. Their comments are at Enclosure E.

TRENDS TOWARD CENTRALIZATION/CONSOLIDATION: Within the NCR, our primary focus of investigation, there are concrete signs of "centralization/consolidation" in addition to the "informal" joint efforts reflected above. Within the Army, the Military District of Washington originally had a large mission to provide services to other Army activities in the NCR, as well as to other DoD components. The Administrative Assistant to the Secretary of the Army has gradually taken on the mission of providing more and more CS functions in the NCR with the establishment of the U.S. Army Resources and Programs Agency, U.S. Army Services and Operations Agency, and the U.S. Army Information and Technology Agency, with combined personnel resources of approximately 2500. In addition to these regional initiatives, the Army has also established Army-wide organizations to manage installations (Installation Management Agency) as well as to provide specific services (e.g., Army Contracting Agency). The Navy's efforts for performance of CS

functions in the NCR are largely reflected in the establishment of the Naval District of Washington. However, their area of responsibility is far greater than just the NCR. The Navy has also moved toward providing CS services on a Navy-wide basis with the establishment of the Naval Supply Systems Command and Naval Facilities Engineering Command; the management of installations is now the responsibility of the Commander, Navy Installations. The Marine Corps has also recognized the benefits of providing CS on a regional basis with the recent establishment of the Marine Corps NCR Command. This command has been established not only to support the Joint Forces Headquarters (JFHQ)-NCR, under USNORTHCOM, primarily in the area of antiterrorism/force protection, but also to "facilitate regionalization and consolidation of support functions by instituting a NCR Base Operating Support (BOS) structure in the NCR." Within the largely decentralized Air Force structure, the provision of CS is left primarily in the hands of the Installation Commander. Finally, Washington Headquarters Services was created and exists primarily to provide CS services to DoD components in the NCR, though some services are provided on a DoD-wide basis.

Along with the establishment of the JFHQ-NCR is the recognition of the criticality of command and control with respect to employing forces for homeland defense and military assistance to civilian authorities, with a particular emphasis on antiterrorism/force protection. However, *when it comes to CS, there does not appear to be the same urgency to meet the challenge and get it right – demonstrating what a powerful forcing function can accomplish.*

BENEFITS OF CENTRALIZATION/CONSOLIDATION: While it is beyond the scope of this paper to provide a business case analysis for the centralization/consolidation of any particular CS function, the Military Departments (MILDEPs) have largely recognized the benefits of such initiatives internal to their own operations. In addition, the concept of gaining efficiencies through consolidation has been around for some time and has engendered a certain level of support, as noted below:

- The Business Initiative Council (BIC), consisting of the highest level officials of DoD, supported the concept of consolidating the DoD Defenses Agency and Field Activities overhead, non-core functions such as PPBS, Human Resources, Information Technology (IT), Legal, Contracting, Facility Management, and Public Affairs in a CS activity, or to outsource.
- The provision of CS at a joint base is not dissimilar to the Navy's "Shared Services" concept of operation whereby consistent and standard services are provided at a lower cost.
- The GAO determined that another way to reduce Operations and Maintenance (O&M) costs would be to assign one service, command, or Defense Agency the exclusive responsibility for carrying out a particular support function. Such actions "could reduce or eliminate underutilization and inefficiencies in the various support organizations within each service and reduce O&M spending."
- Due to the scarcity of definitive data documenting savings, opponents of consolidation could argue that reductions in personnel are proportional to decreases in workload (e.g., at depots). The GAO has countered, however, that achieving such decreases in staffing in proportion to workload is more than DoD typically achieved for administrative and service-wide functions that have continued to be managed by the services.
- In a Logistics Management Institute (LMI) study, the authors concluded that consolidation, on a joint regional basis of selected functions at installations located near each other, there would be a savings primarily from two sources: lower labor costs, since redundant management personnel and associated overhead staff would be eliminated, and

greater operational efficiencies, which consolidated activities would achieve through economies of scale.

- While the GAO recognized that the evidence from DoD's recent experience with consolidation is sketchy, they, nevertheless, concluded that consolidation may make it easier for support organizations to decrease staffing to match workload and realize modest savings from the consolidation itself.
- The GAO has determined that the potential for greater savings over the longer term (in addition to those realized with the initial consolidation) may depend on an organization's success in adopting common management information systems and practices as well as reducing overhead and closing facilities.
- The GAO concluded that it appears likely that consolidation, under which a new organization is in charge of staffing, will increase the likelihood that personnel levels will be cut to match workload. Thus, savings may be greater than the modest economies accounted for strictly with the reduction in overhead as a result of consolidation.
- Numerous studies from the 1993 Bottoms-Up-Review, through the Quadrennial Defense Review, Defense Reform Initiative, and National Defense Panel have concluded that DoD could realize significant savings by outsourcing commercially available support services. GAO supported this position with the statement. "Consolidation, in advance of contracting out could enhance the potential for greater efficiencies and cost savings through contracting out."
- There are also the BIC initiatives, such as the further expansion of privatization efforts in order to transition non-core competencies to the private sector. An example is the Desktop Management Services initiative under which a Defense Agency will outsource desktop computing hardware, software, and support services as a new requirement and will negotiate with the private sector to accomplish this divestiture.
- In a recent article in GOVEXEC.COM, entitled, "Agencies save by sharing back-office jobs," it was pointed out that the Bush administration has advocated the use of shared services whereby instead of performing back-office functions – accounting, invoicing, and running call centers on their own – agencies are pooling resources and sharing the same providers for those services. Shared services, which became popular in the private sector a decade ago, can save 20-40% of service costs.

While not limiting his comments to strictly the benefits of consolidation, General Boyd (Retired), representing Business Executives for National Security, has offered up the following observations on transformational options for DoD Infrastructure:

- Businesses have transformed by focusing on their core missions, integrating their enterprises, and cutting overhead.
- Congressional legislation may have counter-productive effects by proscribing private sector capabilities, encouraging "complacent/monopolistic" behavior.
- The process of competition has been stunted in the public sector.
- Back office functions – that are not core competencies and are distracting management attention from what is core – should be outsourced. The same should apply to the performance of functions when the organization is not the "best in class."

THE DOWNSIDE OF MONOPOLISTIC STRUCTURES: The MILDEPS have recognized the benefits of consolidation of CS and back office functions, and have been moving slowly, but inexorably in this direction. The benefits of moving the process one step further and performing CS functions on a joint basis are discussed above. This movement towards the establishment of one DoD provider – the "best in class" – is not, however,

without potential drawbacks. According to DoD's own assessment, the reality of the Defense Agencies is that, "they exist in a 'monopolistic' environment, are focused on functions not processes, perform many tasks not core to war fighting, and – as across all of DoD – have an aging workforce." The dilemma that needs to be addressed is how to reconcile the benefits of "jointness" and the downside of monopolistic structures. One approach would be to ensure that it is DoD policy that the private sector is the preferred provider of services for its back office functions (IT, document management, auditing, financial management, human resource services, management of commodities, etc.) as well as any other commercially performed function. The spotlight of external reviews (Defense Boards/Commissions) Congressional oversight (GAO), and Congressional mandates (e.g., Biennial Review of Defense Agencies), also offers opportunities to ameliorate the negative affects of monopolistic institutions and the absence of free-market incentives.

IS REGIONALIZATION THE ANSWER? The underlying assumption of the review initially undertaken was that the consolidation of CS functions would occur at the regional level. It was understood, and rightly so, that having one joint entity performing a function on a regional basis would produce far greater efficiencies than if every organization performed the same function themselves. Various ISSAs and other cooperative agreements on the local level are a reflection of the benefits of this approach. The fundamental question that needs to be addressed is whether we are creating regional efficiencies at the expense of the whole? This applies to not only regional, joint entities, but also to regional Service entities. The White Paper on Field Contracting hopefully demonstrates that if a function is performed throughout DoD then it needs to be examined holistically, with enterprise-wide solutions. One of the primary failures of the DCC-W experiment was that it was a stand-alone entity. Regionalization makes sense when the functions performed are limited to just a particular geographic area, or when the regional structures are part of a larger whole (e.g., regions within DFAS, DLA, DCMA, etc.). Thus, any recommendations that might be made to look at the feasibility of consolidation of a function at the local/regional level should be viewed as an interim measure until such time as an enterprise wide-review can be conducted.

BUSINESS PROCESS REENGINEERING (BPR): A working definition of BPR is the *fundamental* rethinking and *radical* design of business processes to achieve *dramatic* improvements in performance. It requires ignoring what *is* and concentrating on *what should be*. This is obviously what the top-level leadership of DoD was hoping for when the ISG gave the JCSG's "the 'widest aperture' to reengineer business processes." It is also obvious, from the citations in the "WHAT WENT WRONG" section, that a BPR review has not been conducted of the 14 CS functions. Some of the reasons for the failure are in the process pursued; but others have to do with the very nature of DoD, which is exemplified by:

- No central control over the organizational structures, internal processes, and personnel resources;
- No enterprise-wide information system that produces sufficient, accurate, and reliable data; and
- No allocation and assignment of offices and personnel throughout the country based solely upon the CS functions performed, workload requirements, and geographic necessities.

WHERE DO WE GO FROM HERE AND HOW DO WE GET THERE? High-level DoD officials intuitively grasped the benefits that would accrue with the performance of CS functions on a joint basis when they approved the charter of our JCSG. We have cited many

of the recognized (both within and outside the Department) benefits of pursuing consolidation/centralization initiatives. Enclosure B identifies those functions where it *appears* that consolidation may make sense. We have grouped our 14 CS functions into the following categories for further investigation by a joint task force considering the merits of consolidation on a joint basis:

PRIORITY CONSIDERATION: Facilities Management/Environmental Services and Safety, Administration, Security

SECONDARY CONSIDERATION: Transportation, Audio Visual Services, Operations Research

TERTIARY CONSIDERATION: Cost Analysis, Executive Dining Facilities, Financial Management Services, Health and Wellness, Inspections and Evaluation, Supply and Support Services

To move from the "possible" to the "practical" will undoubtedly require a business case analysis where an adequate Return on Investment (ROI) can be demonstrated; or, as a minimum, some reasonably good data to determine the magnitude of the resources expended in support of the function(s). In the case of a local/regional solution (e.g., Pentagon/NCR), care should be taken that the transformational scenario does not negatively impact existing regional/Service-wide institutions, does not hamper DoD-wide efforts to develop an enterprise-wide solution, and is only pursued as an interim measure until such time that a DoD-wide solution is implemented.

While some functions may be easy to get your hands around, others are more complex and are performed by a multitude of organizations scattered both organizationally and geographically throughout the U.S./world. Then there is the challenge of dealing with personnel/financial/spending data that is fragmented across multiple information systems. There are also the following obstacles that have impeded past reform efforts and would have to be overcome before "success" could be declared:

- A cultural resistance to change.
- The existence of autonomous operations for decades/centuries.
- Stakeholders who are not able to put aside their particular military services' or agencies' interests to focus on DoD-wide approaches.
- The reluctance of autonomous organizations to share decision making authority.
- The reluctance of staff to communicate with others with whom they have not traditionally communicated.

To ensure "success" the following "critical factors" will have to be addressed in the case of CS functions that are performed throughout DoD:

- Very committed senior executive level support.
  - A willingness to tackle difficult back-room operations over the long haul and put the culture "on notice" that change must occur.
- Sustained "entrepreneurial" executive leadership at DoD, with the possible establishment of a Program Management Office within OSD.
- Resources that are adequate to ensure effective implementation.
- The establishment of a joint task force consisting of experienced, dedicated, functional professionals from within DoD and experts from the private sector.
  - This is a most critical factor. The JCSGs have been able to push the transformational envelope due to their independence from the MILDEPS and Defense Agencies. For this to occur, these functional experts need to be detailed to the task force and receive their personnel evaluations from the leadership of the task force.

- Clearly communicate the rationale, goals, and expected results from the reengineering effort.
    - Communication has to be seen as vital in educating and keeping staff on board with the changes.
- To achieve buy-in, need to make a compelling case to the DoD Components that reengineering would enhance service delivery and reduce costs.
- The possible involvement and support of Congress.
- The essentiality of measuring whether the changes are having their intended effects.

While the above factors are most critical to the success of transformational initiatives, our experience has shown us that frequently it is the mandated budget wedge/reduction target that provides the "fuel" to drive the change. Finally, the efforts it will take to overcome the significant hurdles in the establishment of joint entities to perform any one of these CS functions should in no way be minimized.

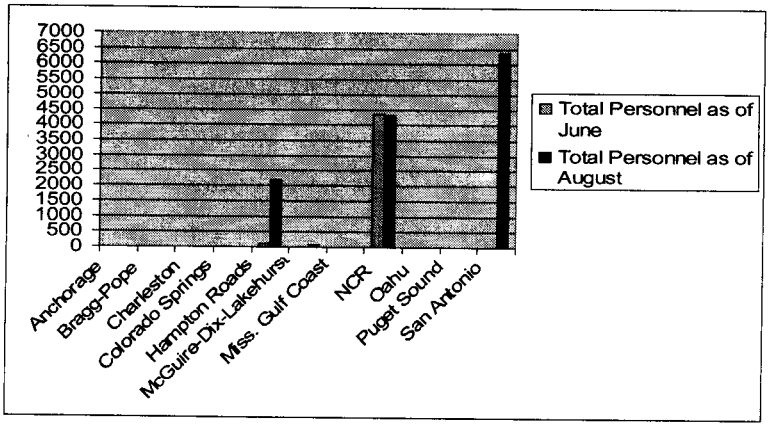
ENCLOSURES

ENCLOSURE A

REPORTED CS DATA

This data reflects information gathered through Capacity Analysis questions on the 14 CS functions performed within the identified geographic clusters, within the NCR, and within the Hampton Roads area. As discussed in the document, it has limited value for analytical purposes.

Total Personnel by Geo Cluster



NCR Total Personnel

Common HQ, Administrative and Business-Related Functions	Military Officers (Jun)	Military Officers (Aug)	Military Enlisted (Jun)	Military Enlisted (Aug)	DoD Civilians (Jun)	DoD Civilians (Aug)	On-Board Contractors (Jun)	On-Board Contractors (Aug)	Total Personnel (Jun)	Total Personnel (Aug)
Administration	256	307	150	262	998	898	473	419	1876	1887
Security	10	7	91	87	245	234	140	196	486	525
Acquisition & Contracting	12	7	0	1	426	322	42	41	480	371
Facilities Management	25	26	12	10	218	255	183	54	438	345
Financial Management Services	4	4	7	4	201	203	54	55	266	267
Audiovisual Services	8	4	132	68	159	134	30	51	328	258
Transportation	3	3	60	47	233	125	5	14	301	189
Supply & Support Services	16	11	43	48	121	82	34	39	214	180
Environmental Services & Safety	4	4	1	2	60	61	5	7	70	74
Inspections & Evaluation	3	4	1	2	37	49	0	0	41	55
Executive Dining Facilities	2	1	46	49	0	0	0	0	48	50
Health & Wellness	9	8	6	5	34	30	6	7	55	50
Cost Analysis	1	1	0	0	4	17	0	13	5	31
Operations Analysis	0	4	0	3	7	13	7	0	14	20

Total Personnel in NCR by Org

Organization (in NCR)	Total Personnel (Jun)	Total Personnel (Aug)
JJ ARMY ACTIVITY: USARC	1009	1009
JJ ARMY ACTIVITY: SAAA	1752	876
CNI_WASHINGTON_DC (Commander-Naval Installations)	298	298
MDA - NCR	304	245
Defense Threat Reduction Agency	95	227
Washington Headquarters Services (WHS)	74	198.215
DLA HQ - USA FORT BELVOIR	177	198
Andrews AFB	0	173
HQBN_HQMC_HENDERSON_HALL_VA	9	139
COMNAVSEASYSCOM_WNY_DC	96	96
JJ ARMY ACTIVITY: ARMY MATERIAL COMMAND	96	96
Defense Advanced Research Projects Agency	89	89
DISA Manpower and Personnel Systems Division	81	82
COMNAVSECGRU_FT_GEORGE_G_MEADE_MD	76	76
JJ ARMY ACTIVITY: USASMDC	75	75
BUMED_WASHINGTON_DC	48	48
DoD Human Resources Activity	37	37
Bolling AFB	0	35

continued

Organization (in NCR)	Total Personnel (Jun)	Total Personnel (Aug)
COMNAVFACENGCOM_WASHINGTON_DC	35	35
CNR_ARLINGTON_VA	33	33
COMSC_WASHINGTON_DC	31	31
DCMA HQs	26	26
JJ ARMY ACTIVITY: INSTALLATION MANAGEMENT AGENCY	26	26
CG_MCNCRC_WASHINGTON_DC	22	21.5
JJ ARMY ACTIVITY: ATEC	18	18
COMNAVSUPSYSCOM_MECHANICSBURG_PA	16	16
Defense Security Service	16	16
JJ ARMY ACTIVITY: ARMY CONTRACTING AGENCY	16	16
COMNAVDIST_WASHINGTON_DC (NDW)	15	15
DSCA Headquarters	13	13
COMNAVAIRSYSCOM_PATUXENT_RIVER_MD	10	10
Tricare Management Activity	8	8
FLDSUPPACT_WASHINGTON_DC (Navy)	7	7
Joint Chiefs of Staff	5	5
Department of Defense Education activity (DODEA)	4	4
JJ ARMY ACTIVITY: MDW	4	4
JJ ARMY ACTIVITY: HQ CRIMINAL INVESTIGATION_COMMAND	3	3

Hampton Roads Total Personnel by Function

Common HQ, Administrative and Business-Related Functions	Total Personnel
Facilities Management	1272
Transportation	562
Environmental Services & Safety	187
Operations Analysis	101
Administration	20
Inspections & Evaluation	13
Acquisition & Contracting	11
Financial Management Services	7
Health & Wellness	5
Executive Dining Facilities	2
Supply & Support Services	2
Audiovisual Services	1
Cost Analysis	0
Security	0

Hampton Roads Total Personnel by Org

Organization (in Hampton Roads)	Total Personnel
AEFC	24
AFC2ISRC	92
PWC_NORFOLK_VA	1942
COMNAVNETWARCOM_NORFOLK_VA	125

ENCLOSURE B

POSSIBLE TRANSFORMATIONAL OPPORTUNITIES

The purpose of this enclosure is to examine the 14 specified CS functions and to assess the likelihood that a recommendation to pursue further analysis would produce an acceptable ROI. Our recommendations are based on limited research into the specific functions, limited use of the "data" reported, a review of literature on the merits of consolidation/centralization, and interviews with selected DoD officials/functional experts. It provides us with a "sense" of where further investigation (especially into the magnitude of DoD resources consumed) by a joint task force would produce appreciable efficiencies and economies through consolidation.

ACQUISITION AND CONTRACTING: Our initial review focused on the performance of this function in the NCR. As such, the DCC-W, with its DoD charter, was of prime interest. However, with the decision to prepare a White Paper on the merits of consolidating field contracting on a DoD-wide basis, the limited focus on the NCR was dropped. (Refer to the White Paper entitled, "The Case for Consolidation of Field (Installation-Level) Contracting" dated April 5, 2005, for further details on the RECOMMENDATIONS made in this area.)

ADMINISTRATION: This function was broadly defined to include administrative communications, documentation, publications (to include libraries), and reproduction. It should be noted that there is a DoD-wide recognition that the contracting out for administrative services is a major DoD expenditure that should be examined for an enterprise-wide solution. Specifically, it is one of only three functional areas where Commodity Councils have been established at the OSD level to come up with a joint procurement strategy. Thus, the RECOMMENDED approach would be to first see to what extent these functions could be performed by the private sector. Secondly, to see what remaining functions could be performed on a joint DoD-wide basis (e.g., publications). Finally, for those functions that have to be performed at the local level, the goal should be to have them carried out by one provider in the local geographic area.

AUDIOVISUAL SERVICES: These services have been defined as the provision of photographic, television, and graphic arts services. From the limited data that we have at our disposal, it appears that the resources consumed in this area are in the mid range. Our RECOMMENDED course of action would be similar to that for Administration.

COST ANALYSIS, EXECUTIVE DINING FACILITIES, FINANCIAL MANAGEMENT SERVICES, HEALTH AND WELLNESS, INSPECTIONS AND EVALUATION, and SUPPLY AND SUPPORT SERVICES: From the limited data that we have at our disposal, it appears that the resources consumed in this area, relative to the other functions, are in the low range. While economies and efficiencies could undoubtedly be obtained through a thorough look at these functions, it is unlikely that the ROI would be that great. Thus, it is NOT RECOMMENDED, at least initially, that these functions be analyzed with the objective of consolidating them regionally or nationally.

FACILITIES MANAGEMENT/ENVIRONMENTAL SERVICES AND SAFETY: While the environmental services and safety function is distinct from the facilities management function, there is a close relationship between the two and frequently both functions fall

under the same management structure. Our limited data shows, that in comparison to the other CS functions, the personnel resources consumed in this area are one of the largest. Since both functions are integrally part of the installation management functions, which fall under the purview of the Installation Management Team (IMT), we deferred to them to investigate the merits of consolidating these functions. As a result of their analysis, the IMT put forth a number of recommendations to consolidate public works functions as part of broader installation management consolidations. While the IMT did not separately identify facilities management for consolidation, they did consider having WHS provide installation management services to all of the DoD facilities in the NCR. This proposal never gained traction and was dropped.

However, if one looks at all the CS functions, facilities management is not only substantial but it offers a large degree of commonality and compatibility across all DoD components. Facilities management is a prime candidate for performance on a joint basis throughout DoD. Whether this concept should be expanded to include all installation management functions remains to be seen; but it should be noted that this is a concept that has advocates at the highest levels of DoD. Two possible candidates for provision of facilities management services are the Corps of Engineers and NAVFAC. The NAVFAC is already operating on a regional basis, has a centralized management data base, and maintains visibility over its assets. It is important that this function be examined from an enterprise perspective, so that any solutions proposed consider the implications of the Navy and the Army's efforts to manage their installations; consolidation in this area should not preclude the possible consolidation of all installation functions sometime in the future. It is RECOMMENDED that this function be placed high on the list of functions to be examined for potential consolidation on a joint basis.

OPERATIONS ANALYSIS (OA): While only 20 personnel were reported to perform this function in the NCR (based on our Capacity Analysis questions) we were informed that the Air Force's Studies and Analysis Agency (AFSAA) and the Army's Concepts Analysis Agency (CAA) utilize approximately 200 and 165 personnel respectively (including contractor personnel). The Navy employs the services of the Center for Naval Analyses (CNA), a Federal Funded Research Development Center (FFRDC). The reasons for opposing the consolidation of these entities into a joint analytical service range from it would create group think; leadership would not have "trust" in the joint activity; if it was taken away, it would be recreated; models are different; to savings would be small. On the other hand, OA is OA; these activities can and do operate in a joint environment (e.g., in support of the JCSGs), increasingly there is need for OA capabilities to address joint problems, and the MILDEPS have utilized the services of other OA activities. While the potential personnel savings would not be monumental (365 X 14% (personnel saving factor) = 51), the synergy, cross fertilization of ideas, and personnel advancement opportunities could produce a more adept workforce. Additionally, the existence of CNA provides a useful counterweight to the dangers inherent in all monopolistic structures. While not high on the list of potential candidates for consolidation, it appears that the advantages outweigh the disadvantages. It is RECOMMENDED that this function be placed in the second tier of functions to be examined for potential consolidation on a joint basis.

TRANSPORTATION: This function was defined as the provision of military and commercial air, sea, and surface transportation; including motor vehicle management and logistic transportation planning and control. Initially, we were looking at the possibility of consolidating the non-tactical motor pools and executive level aviation resources in the NCR. There are two primary motor pools that provide support to executive-level DoD officials

within the NCR. The Army motor pool provides service to all DoD components with the exception of the Navy; the Navy operates their own motor pool. In addition, both operate scheduled bus service within the NCR. As a result of this arrangement, the customer is directed to call 5 different numbers in three different area codes for inquiries about particular DoD bus routes. The consolidation of these two motor pools, with the creation of a most efficient organizational structure, would increase the possibility that providers in the private sector would compete on the provision of services through the A-76 process. The Air Force is the primary provider of executive-level aviation services. However, the Army has 12 aircraft and 52 personnel performing the same mission. Consolidation of these operations and associated assets offers the possibility for greater efficiencies, personnel (and associated square footage of space) savings, greater flexibility, contract cost savings resulting from economies of scale, and the provision of comparable service to comparably ranked personnel.

While the proposal to consolidate the motor pools has been "studied," and the Navy did not agree with the proposal due to "operationally incompatible missions," one of the primary factors in the turn down appeared to be the fact that the Navy provides services to individuals at a lower rank than what the Army motor pool provides. Thus, if Army policies prevailed in the joint motor pool, certain Navy personnel would be deprived of this service. Of greater importance, however, is the fact that transportation services are provided on the basis of affordability, with no enterprise-wide view of the total costs involved and assets consumed to provide this service. While the personnel resources consumed in support of this CS function are not of the same magnitude as those supporting such functions as administration, security, and contracting, they appear, nevertheless, to be substantial. Accordingly, we would RECOMMEND that this function be examined for possible performance on a joint basis.

SECURITY: This term was used to cover the "provision of physical, personnel, information, and communications security, as well as police or guard services, when not covered by one of the other categories of functions." Due to its breath, it was probably not a very useful definition for determining the merits of consolidation (e.g., a provider of police or guard service may not in anyway be involved with communications security). Early on, the IMT took the lead in examining force protection/law enforcement in the NCR – a major component of our "security" function – and eventually developed a scenario to assign this responsibility to the Pentagon Force Protection Agency.

Force Protection includes but is not limited to Antiterrorism Program Capabilities; Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Program Capabilities; Physical Security Program Capabilities; and Operations Security Program Capabilities. Elements of 16 Defense Agencies, 10 Defense Activities, and four Military Services reside on innumerable installations or off-installation owned or leased facilities performing force protection or law enforcement functions in the NCR. Assigning these functions to a single, joint provider would relieve other agencies of this non-core burden; free military uniformed personnel for war-fighting tasks; concentrate planning, programming, and budgeting for this specialized area to a single entity; produce management efficiencies, economies of scale, and improved continuity of operations; create commonality in standards, training, and safety; and enhance interoperability with the Department of Homeland Security, state, regional, and public safety agencies/activities.

This scenario was dropped NOT because the idea did not have merit, but largely because the impact on "footprint" would be hard to substantiate and the BRAC process was not the appropriate avenue to pursue this proposal. The personnel resources devoted to this function are substantial, second only to administration. Thus, the potential personnel savings would likewise be substantial. While force protection/law enforcement must be applied

locally, and there are considerable complexities and variations (especially jurisdictional issues) that must be addressed in any consolidation scenario, it is a function that has a large degree of commonality and comparability across all DoD components. Accordingly, it should be looked at first from an enterprise-wide perspective, what management structures, information systems, training centers, and "centers of expertise" would be appropriate for performance holistically; secondly, what regional/metropolitan centers could be created to pool resources, create efficiencies, and improve services; and, lastly, what, if any, small, independent operations should be retained. It is RECOMMENDED that this function be high on the list of functions to be examined for potential consolidation on a joint basis.

ENCLOSURE C

THE SAN ANTONIO REAL PROPERTY MAINTENANCE AGENCY AND THE SAN ANTONIO CONTRACTING AGENCY*

In the mid-to-late 1970s, Air Force and Army installation real property maintenance and contracting services in the San Antonio, Texas, area, were consolidated, creating the San Antonio Real Property Maintenance Agency (SARPMA) and the San Antonio Contracting Center (SACC). Both efforts, to be managed by the Air Force, were expected to save $2.2 million annually in personnel, supplies, and equipment, or $24 million over the 11-year life of the program. The DoD agreed to disestablish both efforts in 1989 at the Air Force's request. By the fall of 1989, both efforts had ceased operating and their functions were returned to the control of individual base commanders.

In a 1989 report, GAO stated that DoD approved the request to dissolve the consolidation based on studies performed by it and the Air Force that cited installation commanders' concern over a lack of command and control of their engineering support functions. In its justification, the Air Force cited a September 1986 DoD Directive giving installation commanders broad authority to decide how to accomplish their engineering functions and made them accountable for those resources, and stated that mandating SARPMA was at variance with this authority. One Air Force study questioned SARPMA's customer responsiveness and productivity, yet concluded that it provided services at about the same level as before the consolidation. However, it also noted that customers resented the loss of direct control of the civil engineering work resulting in a negative perception of SARPMA's performance. In retrospect, various service officials suggested that this had been a situation in which DoD had pushed the services toward consolidation that the services had not really bought into.

A December 1990 Defense Management Report Decision concluded that comparisons of SARPMA savings was not possible due to the dramatic differences in program funding, environmental issues, hiring freezes, and other factors that impacted DoD during the period the consolidation existed. Also, the original concept of organization, supply, personnel, procurement support, automated data processing, and the client base SARPMA was to serve never materialized. The report went on to say that, considering the range of fundamental management problems and mistakes, such as under staffing, an inadequate computer system, and not promptly reimbursing vendors that caused them to refuse to deal with SARPMA, **to blame its failure on consolidation alone was unwarranted** (emphasis added).

* This information was extracted from GAO Report, "Military Bases: Opportunities for Savings in Installation Support Costs Are Being Missed," April 23, 1996, Appendix II

ENCLOSURE D

DEFENSE CONTRACTING COMMAND-WASHINGTON (DCC-W)

BACKGROUND: The benefits of establishing a joint contracting office in the NCR was recognized several years ago with the establishment of Defense Supply Service-Washington (the name was later changed to Defense Contracting Command-Washington (DCC-W). It was established as a joint activity with executive agency responsibility assigned to the Army (DoDD 5335.2). While the DCC-W is still in existence, their assignment of this joint mission was nullified with OSD's cancellation of DoDD 5335.2 in 2004.

REASONS FOR FAILURE: While some may maintain that the very concept of performing this service on a joint basis is flawed; and, that it would be foolish to take on joint contracting on a DoD-wide basis when it has proven to be a failure on a metropolitan basis, we would contend that it was not the CONCEPT that was flawed, but the IMPLEMENTATION. While there was not any one particular causal defect, the combination of the following deficiencies resulted in the demise of DCC-W as a joint institution:

- While all DoD components in the NCR were suppose to utilize the services of DCC-W, there was no enforcement of noncompliance and there was a specific "escape clause" that allowed exceptions to the required use of DCC-W services. Before long the Navy, Air Force, and parts of the 4th Estate were utilizing their own contracting resources to obtain necessary goods and services.
- While established with the best of intentions, there was no consistent, long-term commitment to making it work.
- As one of many Army entities, it was subject to the normal competition for scarce resources and required reductions. It didn't receive the high level attention (and funding) that would occur if it was a DoD Defense Agency/DoD Field Activity. Some would maintain that it was inadequately funded.
- Many of the personnel in DCC-W were hired and promoted with skills as buyers making simplified purchases. They were inadequately prepared to perform more complicated procurement actions. Accordingly, dissatisfied customers took their business elsewhere.
- DCC-W operated as a stand-alone procurement office within the Office of the Administrative Assistant to the Secretary of the Army. Therefore, it didn't have the advantages of being part of a large procurement organization which could provide for:
    - Reallocation of workload and personnel resources as need dictated
    - Centers of expertise in performing more specialized/complicated contracting actions
    - Oversight by procurement professionals and a common set of metrics to compare effectiveness and efficiency throughout numerous contracting offices
- While assignment of executive agent responsibility to a DoD component is not a flawed concept, in this case it was not the most appropriate format.
- The leadership (with its in/out military assignments) did not provide the necessary continuity to ensure implementation of long-range plans.

The end result is that DCC-W has become irrelevant as a joint institution, but has still retained the illusion of being one.

ENCLOSURE E

COMMENTS OF PENTAGON "WISEMEN"

The following is a collection of relevant comments taken from our numerous interviews. Some are exact quotes; others are paraphrases. We have been careful to retain the meaning while ensuring the confidentiality of the speaker and the context within which the comments were made.

- Contracting out CS functions is not better; can do cheaper/better in house.
- The consolidation of the two motor pools that service the NCR (Army and Navy) makes sense.
- The consolidation of publishing is something that is already being examined (through the BIC process).
- There is no justifiable reason why two military services are necessary to provide executive airline services in the NCR.
- The performance of facilities management functions on a joint basis should be considered.
- The biggest issue to tackle when considering consolidation is funding; reimbursable is best. The cost of providing CS services must be treated like a utility service…must pay bill!
- Any consolidation proposal must recognize not only the different cultures, but their *importance*.
    - For instance, with respect to certain functions (e.g., physical/personnel security) how the organization responds may very well vary depend on whether it is military or civilian.
- The performance of administrative functions in the NCR on a joint basis is an option that should be considered.
- When military personnel are performing CS functions, must consider to what extent consolidation may degrade their combat mission.
- The existence of the "three wise men and mayor of the Pentagon," acting as an informal board of directors, is a very useful forum to resolve problems.
    - Corporate/collaborative values are more important to resolving problems than the formal organizational structure.
    - Informally…can get things done; if have to go through the "formal" route, the process can kill you!
- High-tech functional offices with necessary expertise (e.g., in the area of contracting) can provide adequate services even though far removed from the customer base; geographic factors not that important.
    - Face-to-face contact/liaison personnel are not always necessary.
- The organizational structure of the CS provider, with its resultant grade structure, is a key factor in the quality of service provided.
- Should consider consolidation of the following CS functions: contracting, audio visual, facilities management/environmental services and safety, security, supply and support services, and transportation.
    - Within just the Pentagon, consider consolidation of mailrooms
- Rather than force an organizational structure on us, give us a reduction target.
- **We really ought to address some of these consolidation opportunities, but we never seem to have the time or energy to do so.**

DCN: 11888

Department of Defense
DIRECTIVE

NUMBER *5101.1*
September 3, 2002
Certified Current as of November 21, 2003

Incorporating Change 1, May 9, 2003

DA&M

SUBJECT: DoD Executive Agent

References: (a) Title 10, United States Code
(b) DoD Instruction 4000.19, "Interservice and Intragovernmental Support," August 9, 1995
(c) DoD 5025.1-M, "DoD Directives System Procedures," current edition
(d) DoD Directive 5100.3, "Support of the Headquarters of Combatant and Subordinate Joint Commands," November 15, 1999
(e) through (g), see enclosure 1

1. PURPOSE

Pursuant to the authority of the Secretary of Defense under reference (a), this Directive:

1.1. Provides a DoD-wide definition of DoD Executive Agent.

1.2. Provides DoD approval authority for assigning DoD Executive Agent responsibilities, functions, and authorities within the Department of Defense.

1.3. Prescribes the policy for the management and control of DoD Executive Agent assignments and arrangements associated with such assignments within the Department of Defense.

1.4. Provides for the exchange of information between DoD Executive Agents and the DoD Components regarding resources and the quality of support throughout the full range of operations.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense; the Military Departments; the Chairman of the Joint Chiefs of Staff; the Combatant Commands; the Office of the Inspector General, Department of Defense; the Defense Agencies; the DoD Field Activities; and all other organizational entities within the Department of Defense (hereafter collectively referred to as "the DoD Components").

3. DEFINITIONS

As used in this Directive, the following terms have the meaning set forth below:

3.1. DoD Executive Agent. The Head of a DoD Component to whom the Secretary of Defense or the Deputy Secretary of Defense has assigned specific responsibilities, functions, and authorities to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more of the DoD Components. The nature and scope of the DoD Executive Agents responsibilities, functions, and authorities shall:

3.1.1. Be prescribed at the time of assignment.

3.1.2. Remain in effect until the Secretary of Defense or the Deputy Secretary of Defense revokes or supersedes them.

3.2. OSD Principal Staff Assistants. The Under Secretaries of Defense, the Director of Defense Research and Engineering, the Assistant Secretaries of Defense, the General Counsel of the Department of Defense, the Assistants to the Secretary and Deputy Secretary of Defense, and the OSD Directors or equivalents, who report directly to the Secretary of Defense or Deputy Secretary of Defense.

4. POLICY

It is DoD policy that:

4.1. The DoD Executive Agent designation shall be conferred when:

4.1.1. No existing means to accomplish DoD objectives exists.

4.1.2. DoD resources need to be focused on a specific area or areas of responsibility in order to minimize duplication or redundancy, or

4.1.3. Such designation is required by law, Executive order, or Government-wide regulation.

4.2. Only the Secretary of Defense or the Deputy Secretary of Defense may designate a DoD Executive Agent and assign associated responsibilities, functions, and authorities within the Department of Defense.

4.3. The Head of a DoD Component shall be designated as a DoD Executive Agent. The DoD Executive Agent may delegate, to a subordinate designee within that official's Component, the authority to act on that official's behalf for any or all of those DoD Executive Agent responsibilities, functions, and authorities assigned by the Secretary of Defense or the Deputy Secretary of Defense. The DoD Executive Agent, or subordinate designee, may arrange for and execute inter-Service support agreements, in accordance with DoD Instruction 4000.19 (reference (b)), memoranda of understanding, and other necessary arrangements, as required, to fulfill assigned DoD Executive Agent responsibilities, functions, and authorities.

4.4. Within the scope of assigned responsibilities and functions, the DoD Executive Agent's authority takes precedence over the authority of other DoD Component officials performing related or collateral joint or multi-component support responsibilities and functions.

4.5. The DoD Executive Agent assignments and arrangements associated with such assignments shall be identified in a DoD issuance in accordance with reference (c). The issuance shall:

4.5.1. Cite the Secretary of Defense's or the Deputy Secretary of Defense's authority assigning DoD Executive Agency.

4.5.2. Identify the responsibilities, functions, relationships, and authorities of the DoD Executive Agent.

4.5.3. Identify funding and other resource arrangements for the DoD Executive Agent to carry out assigned responsibilities, functions, and authorities.

4.5.4. Specify other DoD Components, if any, that provide operational missions or administrative or other designated activities in support of the DoD Executive Agent.

4.6. The DoD Executive Agency arrangements shall be structured in a manner that permits the effective and efficient accomplishment of assigned responsibilities, functions, and authorities.

4.7. The DoD Executive Agent funding methods and resource requirements, including force structure to the extent permitted by law, shall be included as a part of the Planning, Programming, Budgeting, and Execution process.

4.8. The performance of DoD Executive Agents shall be assessed periodically for continued need, currency, effectiveness, and efficiency in satisfying end user requirements.

4.9. There shall be an approved list of DoD Executive Agent designations.

4.10. Procedures governing the establishment, disestablishment, modification, and execution of DoD Executive Agent assignments and associated arrangements shall be established.

4.11. The funding and costs in support of each DoD Executive Agent assignment and associated arrangements shall be identified separately and shall be visible within the DoD budget.

5. RESPONSIBILITIES AND FUNCTIONS

5.1. The Director of Administration and Management, Office of the Secretary of Defense, shall:

5.1.1. Develop policy on DoD Executive Agent assignments and arrangements associated with such assignments for approval by the Secretary of Defense or the Deputy Secretary of Defense; oversee the implementation of the policy throughout the Department of Defense; and, issue guidelines, as appropriate, to define further the policies, responsibilities and functions, and authorities contained in this Directive.

5.1.2. Coordinate on all DoD issuances that assign or modify DoD Executive Agent designations.

5.1.3. Develop, maintain, monitor, revise, and make available to all the DoD Components, the list of DoD Executive Agent designations approved by the Secretary of Defense or the Deputy Secretary of Defense.

5.1.4. Issue DoD issuances implementing this Directive.

5.2. The DoD Executive Agents shall:

5.2.1. Execute DoD Executive Agent responsibilities, consistent with applicable law, DoD Directive 5100.3 (reference (d)), DoD Directive 5100.73 (reference (e)), and this Directive.

5.2.2. Ensure proper coordination with the DoD Components for the responsibilities and activities assigned to provide continuous, sustainable, and global support as required by end users. Ensure effective planning throughout operations by developing a coordinated process and support plans for transition from peacetime to wartime and/or contingency operations.

5.2.3. Identify requirements and resources, including force structure to the extent permitted by law, necessary to execute assigned responsibilities and functions. Submit these requirements to the cognizant Head of the DoD Component to be included in their respective budget documenation.

5.2.4. Monitor resources used in performing assigned responsibilities and functions.

5.2.5. Develop, maintain, and report results of performance of DoD Executive Agent responsibilities and functions, as may be required by law, Secretary of Defense decision, or other Congressional requirements.

5.2.6. Obtain reports and information, consistent with DoD Directive 8910.1 (reference (f)), as necessary, to carry out assigned DoD Executive Agent responsibilities, functions, and authorities.

5.2.7. Establish, maintain, and preserve information as records, consistent with DoD Directive 5015.2 (reference (g)), that document the transaction of business and mission of the DoD Executive Agent.

5.2.8. Designate a focal point to coordinate matters regarding assigned DoD Executive Agent responsibilities, functions, and authorities.

5.3. The OSD Principal Staff Assistants shall:

5.3.1. Oversee the activities of DoD Executive Agents in their functional areas of responsibility.

5.3.2. Assess periodically, but not less than every three years, DoD Executive Agent assignments and arrangements associated with such assignments, under their cognizance for continued need, currency, and effectiveness and efficiency in satisfying end user requirements. Recommend establishment, continuation, modification, or cancellation of those DoD Executive Agent assignments and arrangements associated with such assignments, under their cognizance, as appropriate.

5.3.3. Designate a focal point to implement the guidance contained in this Directive and to coordinate matters regarding identification, control, and evaluation of the DoD Executive Agent assignments and arrangements associated with such assignments within their area of cognizance.

5.4. The Heads of the DoD Components, when receiving DoD Executive Agent support, shall:

5.4.1. Provide estimates of requirements and associated resources to the designated DoD Executive Agent on a timely basis.

5.4.2. Assess, as required, DoD Executive Agent support for effectiveness and efficiency in meeting requirements and make appropriate recommendations for improvement.

5.4.3. Designate a focal point to coordinate matters regarding the establishment of new, the identification of existing, and the control and evaluation of DoD Executive Agent support arrangements.

5.5. The Chairman of the Joint Chiefs of Staff shall:

5.5.1. Coordinate with the OSD Principal Staff Assistants and the Heads of the DoD Components to monitor DoD Executive Agent assignments and arrangements associated with such assignments for impact on the full range of operations.

5.5.2. Communicate, to the Combatant Commanders, DoD Executive Agent assignments and arrangements associated with such assignments in order to support and facilitate national military objectives throughout the full range of operations.

5.6. The Under Secretary of Defense (Comptroller) shall:

5.6.1. Ensure that the DoD Component budget submissions, including requirements supporting DoD Executive Agent assignments and arrangements associated with such assignments, are integrated into the DoD Planning, Programming, and Budgeting System.

5.6.2. Ensure that all funds and costs required to support DoD Executive Agent assignments and the arrangements associated with such assignments are displayed separately and justified in the FYDP and the budget exhibit submissions of the Heads of the DoD Components exercising DoD Executive Agent responsibilities and functions.

5.7. The General Counsel of the Department of Defense shall coordinate on all DoD issuances that assign or modify DoD Executive Agent designations, and provide legal counsel and advice, as appropriate, to implement this Directive.

6. EFFECTIVE DATE

6.1. This Directive is effective immediately.

6.2. This Directive does not revise, modify, or rescind any DoD Executive Agent assignments and their implementing arrangements in existence as of the effective date of this Directive.

Paul Wolfowitz
Deputy Secretary of Defense

Enclosures - 1
E1. References, continued

E1. ENCLOSURE 1

REFERENCES, continued

(e) DoD Directive 5100.73, "Major Department of Defense Headquarters Activities," May 13, 1999
(f) DoD Directive 8910.1, "Management and Control of Information Requirements," June 11, 1993
(g) DoD Directive 5015.2, "DoD Records Management Program," March 6, 2000