

BASE VISIT REPORT

**DEFENSE FINANCE AND ACCOUNTING CENTER (DFAS) ROME, NY
And**

AIR FORCE RESEARCH LAB - SENSORS

June 22, 2005

LEAD COMMISSIONER: General Lloyd "Fig" Newton

ACCOMPANYING COMMISSIONER: None

COMMISSION STAFF: Marilyn Wasleski

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Note: The first part of this report will be on the DFAS site and the second part on the Sensors site.

DFAS

LIST OF ATTENDEES:

Roy Higgins, Site Director, (315) 330-6006, roy.higgins@dfas.mil
Al Runnels, Deputy Director, Military and Civilian Pay Services, Headquarters,
(703) 607-3921
John Kay, Deputy Director, (315) 330-6100
Phil Montana, Corporate Resources Field Operations Manager
Cathy Calhoun, Regional Director, Senator Hillary Rodham Clinton

PRESENT MISSION:

To provide travel reimbursements, vendor payments, and accounting services for Army and Defense Agency customers worldwide for nearly \$29 billion per year.

SECRETARY OF DEFENSE RECOMMENDATION:

Close the Defense Finance and Accounting Service (DFAS) in Rome, NY. Relocate and consolidate business, corporate and administrative functions to the Defense Supply Center-Columbus, OH, the Buckley Air Force Base Annex, Denver, CO, or the MG Emmett J. Bean Federal Center, Indianapolis, IN.

SECRETARY OF DEFENSE JUSTIFICATION:

This action accomplishes a major facilities reduction and business line mission realignment, transforming the current DFAS organization into an optimum facilities configuration, which includes strategic redundancy to minimize risks associated with man-made or natural disasters/challenges.

MAIN FACILITIES REVIEWED:

DFAS Facility in Rome, NY

KEY ISSUES IDENTIFIED

The Director provided an overview of DFAS and their current plan under the BRAC proposal. He then provided an overview of the DFAS operations in Rome, NY highlighting their current business lines and functions. A power point presentation was provided and can be found in the BRAC library.

Key issues presented during the presentation are as follows:

What is unique about DFAS Rome's mission?

- Provide unique/specialized finance and accounting services for
 - Operation Ensuring Freedom in Afghanistan
 - Operation Iraqi Freedom in Iraq - DFAS Rome accounts for all of the assets received from the previous Iraqi regime. DFAS Rome provides accounting and reporting services to the soldiers responsible for the contingency disbursing operations in Kuwait and Iraq
 - Global War on Terror throughout the world
 - Task Force Falcon in Kosovo/Bosnia
 - 5 major U.S. Army FORSCOM Components (\$18 billion)
 - European Theatre (\$2.1 billion)
 - Intelligence and Security Command (INSCOM) \$1.2 billion worldwide
 - U.S. Army Military Academy at West Point.
- Train pre/deployed soldiers on Financial Management Execution (FME) in support of the mission. Provide FME assistance to soldiers overseas on a daily basis.
- Established institutional knowledge base in support of these operations.
- Process classified travel vouchers.
- Perform all aspects of finance and accounting services
- Retention of records for future reviews.

Force Protection Issues

- The building would need some renovations in order to meet DoD Force Protection standards. However, these renovations can be easily done. For example, a wall that surrounds the adjacent Air Force lab could be extended to include the DFAS site, as well as moving the secure guard gate.
- There is 24 hour, 7 days a week security police that monitor the exterior of the building. In addition, there are 24 hour surveillance cameras on the exterior of the building.
- The location is considered a low risk area for terrorism.

Facility/Capacity Issues

- State-of-the-Art facility. A \$10 million renovation was completed in 2001. They are 10 years into a 50 year \$1/year lease from the Air Force.
- Building has 343,764 sq. ft. DFAS presently occupies 157,884 sq.ft. Office space available to expand to 1000 employees basically just by adding needed work stations. However, warehouse space is available with some renovation that can allow them to expand to 1,500 employees.
- Ample parking for over 1000 employees as it exists today, but can be expanded.

Workforce Issues

- Employee's posse's unique technical proficiencies and skills required to support the customers in Theatre on a daily basis and train them prior to their deployments.
- Dedicated, well-educated, caring, and highly motivated workforce.
- It is estimated that only about 10-15% of the workforce will transfer. 15% of their 380 employees are eligible for regular retirement – 15% for early retirement. Average age 48.
- Approximately 150 – 180 employees are at the GS-5-7 level.

INSTALLATION CONCERNS RAISED

- Site director concerned with the institutional knowledge that will be lost by consolidating so many sites into so few sites. Specifically, at the Rome site with employees knowledge of accounting for the Iraqi assets and other work in the European Theatre.
- Challenge will be to maintain the quality of the work during the transition at the losing sites while trying to train people at the gaining sites. DFAS plans to set up tiger teams during the transition to assist in the training.
- The site director said that the learning curve to learn many of the unique operations can take 3-5 years. They just recently took on the European work and are still in the learning stage.

- DFAS will help people to find other jobs who do not want to transfer, but the agency recognizes that this will be difficult in places like Rome, NY where jobs are harder to find.
- Senator Clinton's staff said that the community has given a lot already with the closure of Griffiss AFB and Seneca Army Depot. She said the community can't afford to give anymore. The people in the area are not out to make a lot of money, but they will lose a lot if DFAS Rome closes. She said that this is an easy site to force protect. The site can be doubled and continue it high efficiency. When people do not move, new people have to be trained. Why not retain a good workforce that already exists. She said the area is just now starting to rebound from the closure of Griffiss.

REQUESTS FOR STAFF AS A RESULT OF VISIT: None at this time.

Prepared by: Marilyn Wasleski, Interagency Team

AIR FORCE RESEARCH LAB - SENSORS

LIST OF ATTENDEES:

Joe Sciabica, Director, Sensors Directorate, Wright Patterson AFB, OH, (937) 255-2620, joe.sciabica@wpafb.af.mil
Rick Shaugnessy, Branch Chief (AFRL/SNOR) , Sensors Directorate – Rome, NY- (315) 330-3106
Mike Sheehan, Branch Chief (AFRL/SNRD) Sensors Directorate – Rome, NY – (315) 330-4484
Tamara Chellette, Asst. to Chief Scientist (AFRL/SNO), Wright Patterson, (937) 904-9256
Mr. Baldydo, Branch Chief (AFRL/SNRT) Sensors Directorate – Rome, NY (315) 330-4049
Ed Jones, Engineer, AFRL/SNRD – Sensors Directorate – Rome, NY – (315) 330-2702
Cathy Calhoun, Regional Director, Senator Hillary Rodham Clinton
Col McHale, Director, Information Directorate

PRESENT MISSION:

To lead the discovery, development, and integration of affordable sensor and countermeasure technologies for the warfighters.

SECRETARY OF DEFENSE RECOMMENDATION:

One of the Technical Joint Cross-Service Group Recommendations (Tech-22) deals with Defense Research Service Led Laboratories. The overall recommendation closes Air Force Research Laboratory, Mesa City, AZ and relocating all functions to Wright Patterson Air Force Base, OH.

Part of the recommendations calls for realigning Rome Laboratory, NY, by relocating the Sensor Directorate to Wright Patterson Air Force Base, OH, and consolidating it with the Air Force Research Laboratory, Sensor Directorate at Wright Patterson Air Force Base, OH.

The recommendation is justification is based on realignment and consolidation of laboratory functions to provide greater synergy across technical disciplines and functions.

The Rome portion of the realignment results in a loss of -13 military and -124 civilians, or total direct personnel of -137.

MAIN FACILITIES REVIEWED:

Air Force Reach Lab – Sensors, Rome, NY

KEY ISSUES IDENTIFIED

The Director provided an overview of the Sensors mission and their current plan under the BRAC proposal. He then provided an overview of the Sensors operations in Rome, NY highlighting their current business lines and functions. A power point presentation was provided and can be found in the BRAC library.

Key issues presented during the presentation are as follows:

Mission/Work Force Issues

- Nationally recognized experts in radar technology, advanced waveforms and signal processing, and photonics subsystems and components.
- Provide key sensors technologies and applications enabling superior warfighting capability. Detecting and tracking difficult threats in difficult environments -- FOPEN, GPEN, BPEN, LO targets, dismounts, slow movers, severe clutter, jamming, and interference.
- Protect national security by ensuring U.S. lead in military critical technologies— bistatic/multistatic radar, space-based radar, multi-dimensional adaptive processing.

INSTALLATION CONCERNS RAISED

- A major concern of the director is the loss of expertise within the Sensors Directorate both at Rome, NY and Hanscom, MA should the sites be consolidated at Wright Patterson AFB. There is a major concern that most of the scientist and engineers, many of whom are world known in their field will not move. They have roots in the area and do not want to move. He would take years to try and replace their knowledge. In the meantime, the U.S. will not be moving forward in their knowledge of sensors.
- Each of the three sensors labs perform different functions (see briefing provided). Therefore, consolidating them will provide little in the way of synergies.
- Movement of Sensors out of Rome will have a major impact on the local economy. They have contracts with many local contractors in addition to having 25 people who are onsite contractors. Economic impact estimated at \$11 million on local contractors. Many of the local contractors employ people who used to work at Rome so there is a large body of knowledge that could be lost.
- They have a synergy with the co-located Information Directorate by using their research sites at Stockbridge and Newport. These facilities cannot be moved to Wright-Patterson and would be expensive to do so. At Stockbridge they are able to analyze backscattering behavior of a moving target in a forest environment. Knowledge of these scattering and

fading statistics will lead to the development of more accurate target models and, in turn, for improved radar detection and signal processing techniques.

- Sensors at Rome, NY support the joint warfighter community at Fort Drum, NY. Because the base is nearby they are able to test their experiments at the base at no cost to them—baseline FOPEN test system, improve target and clutter models, detect and track slow moving targets, wheeled and tracked in and out of trees. This is because it provides an opportunity for the base commander to get his troops training in these new technologies. They are also developing new methods to locate terrorist bombs in urban settings at Fort Drum and new methods to perform reconnaissance on N. Korean troops because the area has similar land topography to North Korea.
- Expressed concerned that COBRA data on the number of contractors was overstated. (Detailed information provided in handout.) The COBRA states that they have twice the number of contracts that they do, which makes the savings larger when COBRA assumes a savings in the number of contracts because of the consolidation.
- Expressed concern that the required FCC licenses needed for them to operate will not be easy for them to obtain at Wright-Patterson as the around the base is more dense than in Rome.
- Concern to obtain a new workforce able to get the needed SCI clearances.
- Concern that all of their needed systems was not accounted for in COBRA, such as the surveillance system. If needed, they would time phrase the movement of the equipment.
- Their relationships would be lost with the local colleges and universities. Plus, many of their retired engineers and scientist come back to work on a volunteer basis after they retire.
- Other agencies come to them because of their known expertise.
- It took almost 15 years to get the labs photogenic center to where it is today.

REQUESTS FOR STAFF AS A RESULT OF VISIT: Follow up on costs to move equipment and obtain FCC licenses. Also additional contractor costs in COBRA.

COMMUNITY CONCERNS RAISED FOR BOTH THE DFAS AND SENSORS

In addition to the community concerns that will be raised at the Regional Hearing in Buffalo, NY, a community briefing was held at the Loring Applied Technology Center. While many community leaders were present including the Governor , the following concerns were presented by Steve DiMeo, Executive Vice President, Mohawk Valley Edge—Saving Oneida and Herkimer Counties--at the Griffiss Institute Building. (Note: A power point presentation was also provided which was provided to the BRAC library.)

Sensors

- The Community expressed a concern with the research lab that under the BRAC recommendation all directorates are lining up with their headquarters except for the Information Directorate. The Information Directorate is headquartered in Rome, NY.

However, the group that is currently at Wright-Patterson is scheduled to move to Hanscom. They do not understand this logic.

- Losing the DFAS site and the Sensors would be a large economic impact on the local area. They are just recovering from the lose of Griffiss AFB. The impact from the lab would be \$212 million and from the DFAS site \$21.25 million.
- The site has been developed into a city based model. A \$25 million new laboratory facility was built funded jointly by the Air Force and the State of New York, which reduced floor area by 38% and operating costs by 15%.
- The Senors site is a world class facility. It received a world class or outstanding rating from the most recent Air Force Scientific Advisory Board in six of seven focus areas.
- The lab was ranked number one in military value. Thought that one of the criteria in the BRAC process was to moving lower military value facilities into higher military value facilities. This is not happening here with the Information Directorate move.
- Low cost area would bring a higher NPV.
- Sensors – central NY unique physical landscape which allows for ideal test-bed for research and simulation.
- Acquisition of FCC licenses at Wright-Patterson for full array of radar/communications systems presently at Rome appears unlikely due to flat topography and interference.
- Cost of relocating radar antennas and building specialized labs not included in the COBRA analysis.
- Lose of highly technical personnel who choose not to move.

DFAS

- Lost of a trained, award winning workforce.
- Site plays a critical role in Iraq and GWOT.
- Recent investments in state-of-the-art facility.
- Low threat area.
- Low cost of living area.
- Workload has only been increasing at the site.
- 50 year, \$1/year building permit with the Air Force
- Can accommodate up to 1000 more personnel with only workstation needs and site has ample parking.
- Operating costs at lower then the three gaining sites. Operating costs per sq ft is \$4.26.
- Site received a red rating for facilities, but it is a renovated space that is state of the art.
- Site received “no” for unique operations, but it performs one-of-a-kind operation for accounting for seized Iraqi assets.
- Site received a “no”for not being a DoD facility, but it is on a federally retained Air Force property.
- Can DoD save more by leveraging some existing low cost centers instead of consolidating into three megacenters?
- Will crucial wartime skills and expertise be compromised?
- Do just three megacenters present an unnecessary security risk?
- Would an alternative model for DFAS consolidation better meet the goals of BRAC 2005?