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THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

JUL 15 2004

MEMORANDUM FOR CHAIRMAN, EDUCATION & TRAINING JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Education & Training Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report, to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was reviewed by the ISG on November 3, 2003. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues and the need to obtain additional data prevented you from completing your capacity analysis. As noted below, review of your initial report identified areas that need to be improved to enable the ISG to evaluate the efficacy of the Education and Training Joint Cross-Service Group (E&T JCSG) analytical construct. Recognizing that each JCSG has both data quality and analytical construct issues, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the E&T JCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your capacity analysis methodology. For each location that supports your function, the analysis should provide an aggregate assessment of the excess capacity of the infrastructure supporting the function. For example, in the category of undergraduate pilot training, you identified the

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the following attributes with corresponding metrics: mission requirements; facilities; ground training; aircraft parking, maintenance and supply; housing and messing. However, your interim report only addressed runway operations for NAS Kingsville and special use airspace for Columbus Air Force Base. If your capacity analysis approach does not allow for such an aggregate assessment, please identify the capacity attributes and/or metrics that are the limiting or driving factors for the function(s) supported at each location. If you have determined that previously approved attributes and metrics are no longer required for your capacity analysis, please explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2004 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Accordingly, the E&T JCSG should explicitly address how surge requirements factor into capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

Please review the capacity definitions used in your interim report. For example, your range sub-group defined current usage as "ranges scheduled" and maximum capacity as the "peak demonstrated workload." These definitions may not fully explore the true availability of our range infrastructure. Additionally, the wide variation in capacity definitions across the JCSG may needlessly complicate future understanding and application of your analysis.

Please ensure the scope of analysis is consistent with the latest guidance issued by the ISG. Of particular concern is the scope of analysis pertaining to graduate level flight training.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated

cc: Chairman, Technical Joint Cross-Service Group
Military Department BRAC Deputy Assistant Secretaries

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JUL 15 2004

MEMORANDUM FOR CHAIRMAN, SUPPLY AND STORAGE JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Supply and Storage Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report, to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was approved by the ISG in October 2003. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues prevented you from accurately calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. As noted below, review of your initial report identified areas that need to be either be improved or clarified to enable the ISG to evaluate the efficacy of the Supply and Storage Joint Cross-Service Group (S&S JCSG) analytical construct. Recognizing that each JCSG had both data quality and analytical construct issues, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the S&S-JCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your approved capacity analysis methodology. For each location that supports your function, the analysis should

provide an aggregate assessment of the excess capacity of the infrastructure supporting the function. If your capacity analysis approach does not use an aggregate assessment, please identify the capacity attribute(s) and/or metrics that are the limiting or driving factors for the function(s) supported at each location. If you have determined that previously approved attributes and metrics are no longer required for your capacity analysis, please explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2004 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Therefore, the S&S JCSG should explicitly address how surge requirements factor into capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

The basic methodology described in Appendix A of the interim report relies on creation of a "standard product" for each function (i.e. Supply, Storage and Distribution) that has been developed from the system-wide universe of throughput products for each function. The capacity of each location is then determined by examining the productivity of key resource inputs, e.g. labor (man hours) and office (square feet) or storage space (cubic feet) using the standard workload product developed from the system-wide universe of throughput products for each function as a benchmark. Utilization of a "standard product" approach to workload based on the system-wide universe of products (composing the standard product) can provide an accurate picture of system-wide capacity. However, when the "standard product" is applied to any individual location, it may create inaccurate capacity calculations for that location to the degree that the actual workload at that location differs from the standard product. For example, Table D.1 (Appendix D, pp.7) of the report depicts "Resources Required to Produce Standard Products for Supply and Storage Functions at Whidbey Island." One of the nine sub-functions being evaluated is regular covered storage. Based on the data call, there is 2,612 thousand cubic feet of regular covered storage space actually available; however, based on the standard factor utilization model, Whidbey Island appears to be using over 16,000 cubic feet. Similar anomalies exist for each of the other examples provided. Your next iteration of the capacity report should address this type of anomaly.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated
Cc: Military Department BRAC Deputy Assistant Secretaries

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JUL 15 2004

MEMORANDUM FOR CHAIRMAN, MEDICAL JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Medical Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report, to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was approved by the ISG in January 2004. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues and the need to ask revised Health Care Education and Training questions prevented you from completing your capacity analysis. As noted below, review of your initial report identified areas that need to be improved to enable the ISG to evaluate the efficacy of the Medical Joint Cross-Service Group (MJCSG) analytical construct. Recognizing that each JCSG has both data quality and analytical construct issues, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the MJCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your approved capacity analysis methodology. For each location that supports your function, the analysis should provide an aggregate assessment of the excess capacity of the infrastructure supporting the function. If your capacity analysis approach does not use an aggregate assessment, please identify the capacity attribute(s) and/or metrics that are the limiting or driving factors for the function(s) supported at each location. If you have determined that

previously approved attributes and metrics are no longer required for your capacity analysis, please explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2004 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Therefore, the MJCSG needs to explicitly address how surge requirements factor into capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

Your final report should include a total capacity analysis for: Health Care Education and Training; Health Care Services; and Medical and Dental Research, Development and Acquisition functions.

Your interim report format makes it difficult to connect your capacity analysis to the final capacity calculations. Your approach and resulting capacity calculations are spread throughout different sections of the report, making it difficult to trace how the approach results in the calculations. For the final report, you should illustrate the approach with examples and summary tables, and provide the detailed data in appendices.

As acknowledged in your interim report and as indicated in subsequent discussion with your staff, many installations answered your Health Care Education and Training questions by providing data for all of the education and training capacity at a location vice providing exclusive data on Health Care Education and Training. Please ensure that your final report contains both a clear methodology and appropriately focused data to calculate the capacity of Health Care Education and Training for each location and for the overall sub-function.

With the exception of how surge was addressed, the Health Care Services function sections of the report appear to have calculations that allow the JCSG to calculate excess capacity for different aspects of medical facilities: outpatient, inpatient, specialty and dental care. However, the report's descriptions of the calculations are not clear in many areas. For example, the report does not explain whether your capacity determination can be aggregated to provide an overall assessment of capacity for medical facilities. Further, calculations are often presented as formulas, without text to inform a non-medical professional what the calculations mean and what standards were used to develop the formulae. The final report should clearly delineate the formulae used, the basis for standards, and the definition of key terms.

The Medical Research Development and Acquisition section of the report states that none of the three metrics used can be consolidated into a single overarching capacity score because any one may be a limiting factor on overall capacity.

However, neither the data displayed nor the text explains whether there is, in fact, any excess capacity. Moreover, many of the data columns appear to be transposed and produce results that obscure the capacity being calculated.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
(Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated

cc: Military Department BRAC Deputy Assistant Secretaries

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JUL 15 2004

MEMORANDUM FOR CHAIRMAN, INDUSTRIAL JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Industrial Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report, to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was approved by the ISG in November 2004. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues and the need to obtain additional data, such as data supporting ship overhaul and repair analysis, prevented you from completing your capacity analysis. As noted below, review of your initial report identified areas that need to be improved to enable the ISG to evaluate the efficacy of the Industrial Joint Cross-Service Group (IJCSG) analytical construct. Recognizing that each JCSG has both data quality and analytical construct concerns, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the IJCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your approved capacity analysis methodology. For each location that supports your function, the analysis should provide an aggregate assessment of the excess capacity of the infrastructure supporting the function. If your capacity analysis approach does not use an aggregate assessment,

please identify the capacity attribute(s) and/or metrics that are the limiting or driving factors for the function(s) supported at each location. If you have determined that previously approved attributes and metrics are no longer required for your capacity analysis, please explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2004 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Therefore, the IJCSG needs to explicitly address how surge requirements factor into your capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

The Industrial JCSG should continue to work with the MILDEPs and Defense Agencies to collect: a) data only from locations that perform the requested Industrial function, and b) accurate data from locations that previously responded incorrectly to the capacity questions. Of particular concern are data responses which indicate "current capacity" equals "maximum capacity" and "current usage" exceeds current capacity and, in some cases, maximum potential capacity.

Your interim report uses Crane as an example of Munitions Storage and Distribution; however, current capacity figures for Crane were not provided.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated

cc: Military Department BRAC Deputy Assistant Secretaries

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JUL 15 2004

MEMORANDUM FOR CHAIRMAN, HEADQUARTERS & SUPPORT ACTIVITIES JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Headquarters & Support Activities (H&SA) Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report, to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was approved by the ISG in November 2003. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues and the need to obtain additional data prevented you from completing your capacity analysis. As noted below, review of your initial report identified areas that need to be improved to enable the ISG to evaluate the efficacy of the Headquarters and Support Activities Joint Cross-Service Group (H&SA JCSG) analytical construct. Recognizing that each JCSG has both data quality and analytical construct issues, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the H&SA JCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your approved capacity analysis methodology. For each location that supports your function, the analysis should provide an aggregate assessment of the excess capacity of the infrastructure supporting

the function. If your capacity analysis approach does not allow for such an aggregate assessment, please identify the capacity attributes and/or metrics that are the limiting or driving factors for the function(s) supported at each location. If you have determined that previously approved attributes and metrics are no longer required for your capacity analysis, you must explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2003 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Therefore, the H&SA JCSG needs to explicitly address how surge requirements factor into capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

While the interim capacity analysis results you provided generally conform to the direction of my May 14, 2004, memorandum, additional details are necessary. It is difficult to determine from your report which attributes and/or metrics were used to reach capacity conclusions. Accordingly, it is not clear to the reader how your methodology was applied. As you continue to work towards completion of your capacity analysis and submission of your final Capacity Analysis Report, please ensure that you conform closely to the report template that was provided as an attachment to my May 14, 2004, memorandum.

Your final report must ensure that your analysis uses all of the attributes/metrics identified in your approved capacity analysis plan. For example, in Civilian Personnel Offices, your interim report uses "square feet" as the only metric in determining capacity, while your analysis plan cited throughput as an additional capacity metric for this function.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated

cc: Military Department BRAC Deputy Assistant Secretaries

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JUL 15 2004

MEMORANDUM FOR CHAIRMAN, TECHNICAL JOINT CROSS SERVICE GROUP

SUBJECT: Infrastructure Steering Group (ISG) Comments on the Technical Joint Cross-Service Group Interim Capacity Analysis Report

My memorandum of May 14, 2004, asked you to submit an Interim Capacity Analysis Report to fulfill the capacity determination requirement contained in my July 16, 2003, memorandum. This necessitates calculating current capacity, maximum potential capacity, and current usage (including surge) for each of your sub-functions at a single location. The interim report was intended to apply your capacity analysis methodology, which was approved by the ISG in February 2004. The report also provided an opportunity for you to assess the certified data collected by the Military Departments.

As indicated in your interim report, data issues and the need to obtain additional Acquisition Category (ACAT) program data prevented you from completing your capacity analysis. As noted below, review of your initial report identified areas that need to be improved to enable the ISG to evaluate the efficacy of the Technical Joint Cross-Service Group (TJCSG) analytical construct. Recognizing that each JCSG has both data quality and analytical construct issues, the ISG agreed to a process whereby each group will provide a progressive closure for this requirement through updated capacity reports every two weeks until you can finalize your capacity analysis. Each update of the report should contain a preamble summarizing changes from the last report, tasks necessary to complete the capacity report (e.g., receive corrected data from the Military Departments, obtain additional capacity data from the Military Departments, etc.), issues that cannot be resolved by the TJCSG, and an estimated timeframe for completing the report. Your first update is due July 30, 2004.

Comments on Your Interim Report

Your Final Capacity Analysis Report must include a complete capacity analysis for each location where assigned functions are performed. This assessment should include data relating the attributes and metrics identified in your approved capacity analysis methodology. For each location that supports your function, the analysis should provide an aggregate assessment of the excess capacity of the infrastructure supporting the function. If your capacity analysis approach does not use an aggregate assessment, please identify the capacity attribute(s) and/or metric(s) that are the limiting or driving factors for the function(s) supported at each location. If you have determined that

previously approved attributes and metrics are no longer required for your capacity analysis, please explain their exclusion and outline how the associated methodology has been altered.

In addition to the request to document surge contained in my July 16, 2003, memorandum, the Fiscal Year 2004 Defense Authorization Act mandated that surge requirements be addressed during the BRAC process. Therefore, the TJCSG needs to explicitly address how surge requirements factor into your capacity calculations. If any of your functions do not have surge requirements, please note this in your report.

Your report states that "current usage" is defined as "current capacity." This infers that technical facilities are operating at their current capacity limits as presently configured and that in no case is a facility operating below this level. If this is the case, please explain clearly in your final report.

The examples cited in your interim report did not use all of the attributes, metrics and formulas you described in your approved Capacity Analysis Plan. For instance, the three formulae related to the facilities and equipment attribute included in your plan are not addressed in your report. To be complete, your final report must address how the TJCSG used the data collected for each attribute to calculate capacity.

Your original capacity analysis plan indicated the number of ACAT programs as one measure of workload; however, your interim report described capacity based on ACAT funding. Your final report should indicate how ACAT funding and ACAT programs relate to capacity. Additionally, if you have altered your originally approved capacity plan, you should identify the changes and provide justification(s) for the new direction.

Your report stated that it was "very preliminary and the results were suspect, because the input capacity data are inconsistent and are still undergoing coordination and refinement." Further, the report states "that it does not represent the consensus of the TJCSG" since there is not agreement among the Service representatives on the factors that characterize capacity. If the Service representatives of the JCSG are unable to reach consensus concerning the appropriate capacity calculations for this group, this matter should be referred to the ISG as soon as possible for resolution. The JCSG must outline in its final report any changes to the previously approved methodology.

If you have any questions regarding these comments, please contact Peter Potochney, Director, Base Realignment and Closure, at 614-5356.

Michael W. Wynne
Acting USD (Acquisition, Technology & Logistics)
Chairman, Infrastructure Steering Group

Attachments: As stated

Cc: Military Department BRAC Deputy Assistant Secretaries