

AFRL Rome and DFAS Rome

Nationally-Recognized Success Stories



103-06A -DA14 - Base Input
Defense Agencies - Defense Finance and Accounting
Service Rome - NY

BRAC COMMISSION - FY 2005

COFF: _____ DISPOSITION: Permanent



The Rome Context



Rome Research Site



DFAS Rome

Rome Context

BRAC 2005, while recognizing Rome's high military value and cost effectiveness, recommended three actions that carry serious implications.

AFRL Rome Information Technology Research Headquarters

Move Rome Sensors (SN) function to SN Headquarters

Maintain Information Technology (IT) research functions at separate locations

DFAS Rome

Shutter DFAS Rome and consolidate the facility at a DFAS "Megacenter"

Rome Context

In an affordable region with a rebounding population and a growing technology corridor, AFRL Rome and DFAS Rome are fueling economic recovery.

AFRL Rome

**\$212 Million Economic
Impact**

**137 Sensors
Employees**

DFAS Rome

**\$21.25 Million
Economic Impact**

380 Employees



**Cost of Living in Rome is 36% less than Boston, 10% less than
Denver, 1% less than Columbus**



**Average Home Value in Rome MSA is \$74,600, Median Household
Income is \$35,292**

AFRL Rome Research Site

The Rome Context



Rome Research Site



DFAS Rome

Highest Military Value

Rome Research Site remains DOD's premier C4ISR lab, offering a full spectrum of research and development capability across the services.

"World Class" or **"Outstanding"** rating from the most recent Air Force Scientific Advisory Board in six of seven focus areas

2003 Non-Air Force (Customer) Funding

2003 Air Force Funding

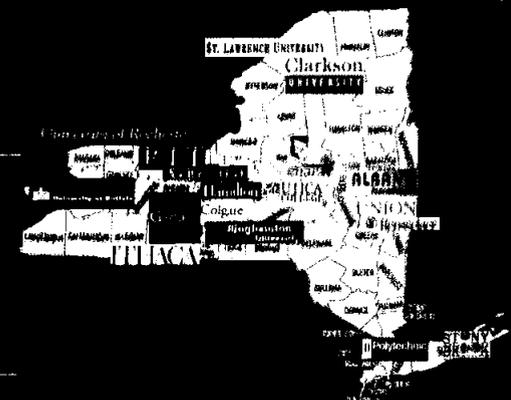
\$316.1m

\$335.2m

Combined Rome IF (\$586mm)
and Rome SN (\$65mm)

Broad and growing customer base that extends beyond the Air Force.

Proximity of **top tier institutions** along a Central NY information corridor elevates the Lab's R&D initiatives, and facilitates recruitment of young science and engineering graduates: 70 in the past four years.



The Award-Winning Rome Partnership Model

A booming post-realignment success, Rome Research Site and DFAS Rome now anchor a thriving business and technology park.

A **\$25 million new laboratory facility** funded jointly by the Air Force and New York State encourages R&D collaboration and reduces floor area (38%) and government operating costs (15%)



The Rome Partnership Model formalized a City, County, State, and private sector coalition that has municipalized roads, sewer, and public safety functions, privatized utilities, and made over \$252 million in capital investments benefiting the Lab since 1995

Griffiss Park 1995-2005

Infrastructure	\$20.9 million
Demolition	\$4.4 million
Renovations	\$55.3 million
New Construction	\$169.2 million
Other	\$2.3 million
Total	\$252.1 million



Griffiss Local Development Corporation - 2004 NAID
Developer of the Year Award

BRAC 2005 – AFRL Framework

The TJCSG recommended realigning AFRL consistent with clear objectives.

Enhance Military Value

Consolidate Labs According to Focus Area

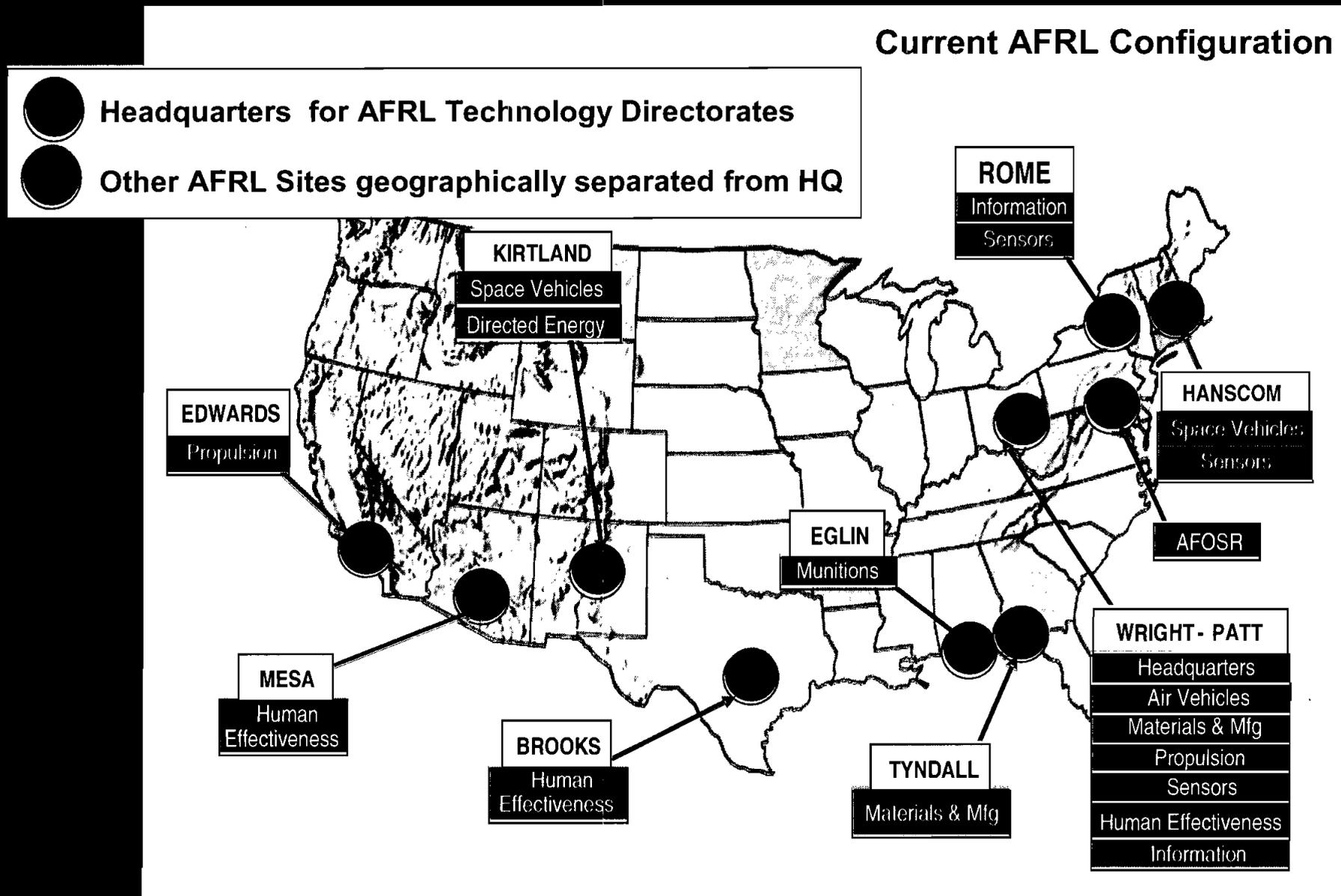
Realign Labs to Highest Military-Value Locations

Reduce Costs

Reduce Number of Lab Locations to Diminish AF Cost Burden

BRAC 2005

To enhance military value and reduce costs, the TJCSG recommended that geographically separated labs be centralized at Headquarters locations.

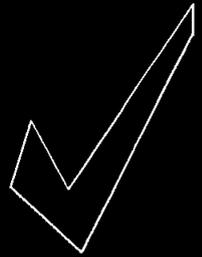


BRAC 2005: Information Technology

Not all moves were consistent with the TJCSG recommendation, however.

**Rome SN
Hanscom SN**

**Wright Patterson SN
Headquarters**



**Mesa HE
Brooks HE**

**Wright Patterson HE
Headquarters**

Hanscom VS

**Kirtland VS
Headquarters**

Wright Patterson IF

**Hanscom
(IF HQ at Rome)**

BRAC 2005: Information Technology

In the lead-up to a May 13th announcement, the BRAC 2005 Infrastructure Steering Group contemplated alternative means of consolidating IF and SN.

Tech 009

WPAFB IF

Rome IF

WPAFB SN

**Rome SN
Hanscom SN**

Tech 0033/0034

Rome IF

WPAFB IF

Hanscom IF

WPAFB SN

**Rome SN
Hanscom SN**

BRAC 2005: Information Technology

IF components were not consolidated at Rome, in spite of a TJCSG recommendation that lower military value labs move to higher value locations.

2005 Quantitative Military Value Rankings Information Systems Technology *Technical Joint Cross Servicing Group*

Rank	Site	Score
# 1	AFRL Rome	0.6053*
# 8	AFRL Wright Patterson	0.2985
# 60	Hanscom	0.0421

*AFRL Rome statistically tied with Naval Research Laboratory for top ranking for Information Systems Technology Defense Research Laboratories. Technical Joint Cross Service Group Analyses and Recommendations (Volume X11), May 19, 2005

BRAC 2005: Information Technology

Sited in a low-cost area, and with space in a world-class facility available, Rome IF represents a less costly option for receiving Wright Patterson's IF function.

Relocation of WP IF	Payback Period	20-year NPV	Costs/Savings (\$K)			
			One-Time	Personnel 2006-2011	Total 2006-2011	Annual Total Recurring
To Hanscom (TJCSG COBRA)	3 years	-356,764	130,185	-31,079	18,608	-38,513
To Rome (Community COBRA)	3 years	-371,533	124,379	-32,090	10,533	-39,269

Community COBRA Results

Increases 20-Year NPV Savings by \$14.8 million

Decreases 1-Time Costs by \$5.8 million

Increased Personnel Savings by \$1.0 million for 2006-2011

Reduces Total Implementation Costs (2006-2011) by \$8.1 million

Increases Total Annual Recurring Savings (2012 and beyond) by \$756 K/Yr.

BRAC 2005: Sensors

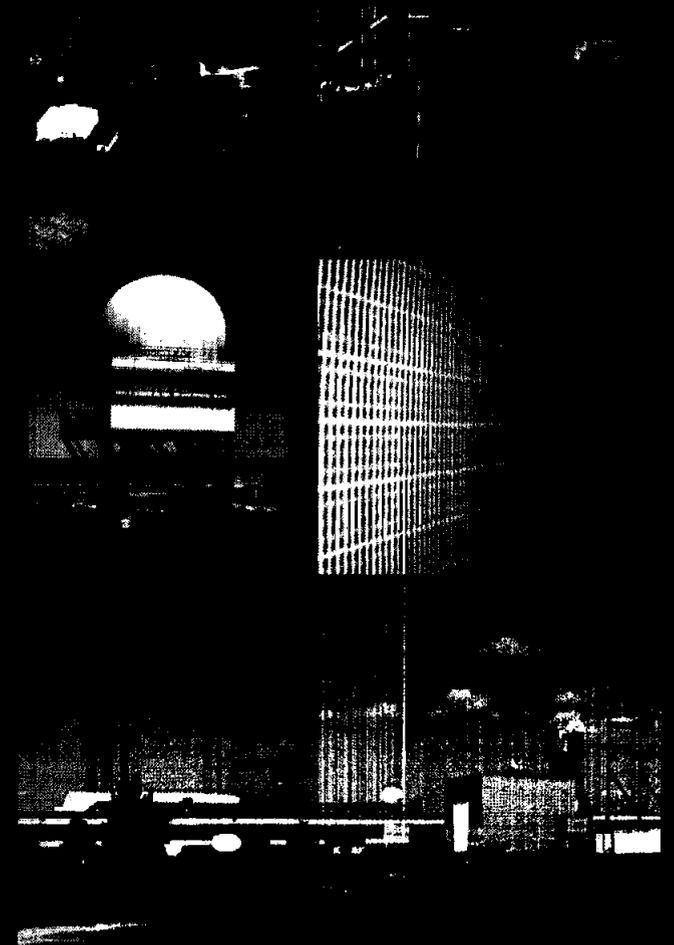
In proposing to relocate SN to Wright-Patterson, the TJCSG did not contemplate topographical and cost factors that argue for maintaining Sensors at Rome.

Joint SN/IF Radar Technology Function

Central New York's unique physical landscape an ideal test-bed for research and simulation

Acquisition of FCC licenses at WP for full array of radar/communications systems at Rome unlikely due to flat topography and interference

Cost of relocating radar antennas and building specialized labs not included in COBRA analysis



BRAC 2005: Sensors

At Rome, Information Technology Research (IF) and Sensors (SN), as two highly-interconnected functions, fulfill TJCSG's definition of military value.

Military Value Criteria	Criteria Weight	Implications for SN
People	30%	Intellectual capital lost due to refusal to move
Physical Structures	23%	COBRA did not contemplate relocation of Rome test sites, antennas
Synergy	20%	Rome IF/SN research partnership serves armed forces, intel community, customers
Operational Impact	20%	Existing customers of SN Rome (DARPA, NASA, Ft Drum) face disruption
Physical Environment	7%	Unique Central New York topography protects against radar frequency encroachments

BRAC 2005: Sensors

The significant costs and disruption of functions that would result from moving the SN component from Rome may outweigh the perceived benefits.

Millions in Savings would be Achieved by Retaining SN in Rome and IF at Wright Patterson

“.... developments in telecommunications mean far-flung research centers can share information and may not need to consolidate. Where we might have concluded that base X or laboratory Y ought to be realigned 15 years ago, that's not the conclusion we might reach at this point.”

Raymond DuBois, Deputy Undersecretary, Department of Defense---July 28, 2004

BRAC 2005 – Fundamental Questions

Given the challenges laid out in this community response, the Commission must evaluate whether these moves meet BRAC 2005 objectives for AFRL.

Will Military Value be Enhanced as Defined by TJCSG Criteria?

Are Projected Cost Savings Accurate and All-Inclusive?

**Will Alternative Recommendations More Effectively Meet
BRAC 2005 Objectives?**

The Rome Context



Rome Research Site



DFAS Rome

DFAS Rome Military Accounting, A Part of the DFAS Mission

Maintaining the DFAS Rome location represents a clear opportunity to provide essential and specialized finance and accounting services to the armed forces.

Trained, Award Winning, In Place Work force

Unique, Critical Role in Iraq, Global War on Terror

Recent Investments in State-of-the-Art Facilities and Technology

DFAS Rome Location Mitigates Against Security Threats

Low Cost Area for DoD, Affordable Area for DFAS Employees

After absorbing scheduled workload increases through 1999, DFAS Rome has taken on new work due to customer requests and exemplary performance.

**Post-1999: Merit-based
Workload Increases**



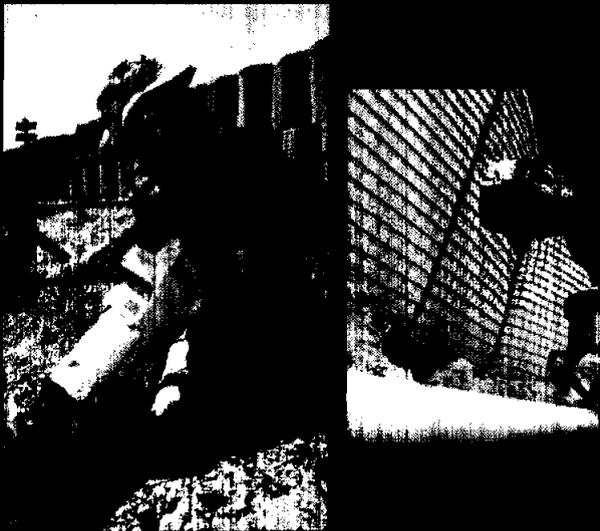
DFAS Rome, the primary DFAS site managing confiscated wartime holdings, plays a key role in Operation Iraqi Freedom and the Global War on Terror.



U.S. Troops Seize Holdings from Old Iraqi Regime and Frozen U.S.-based Accounts



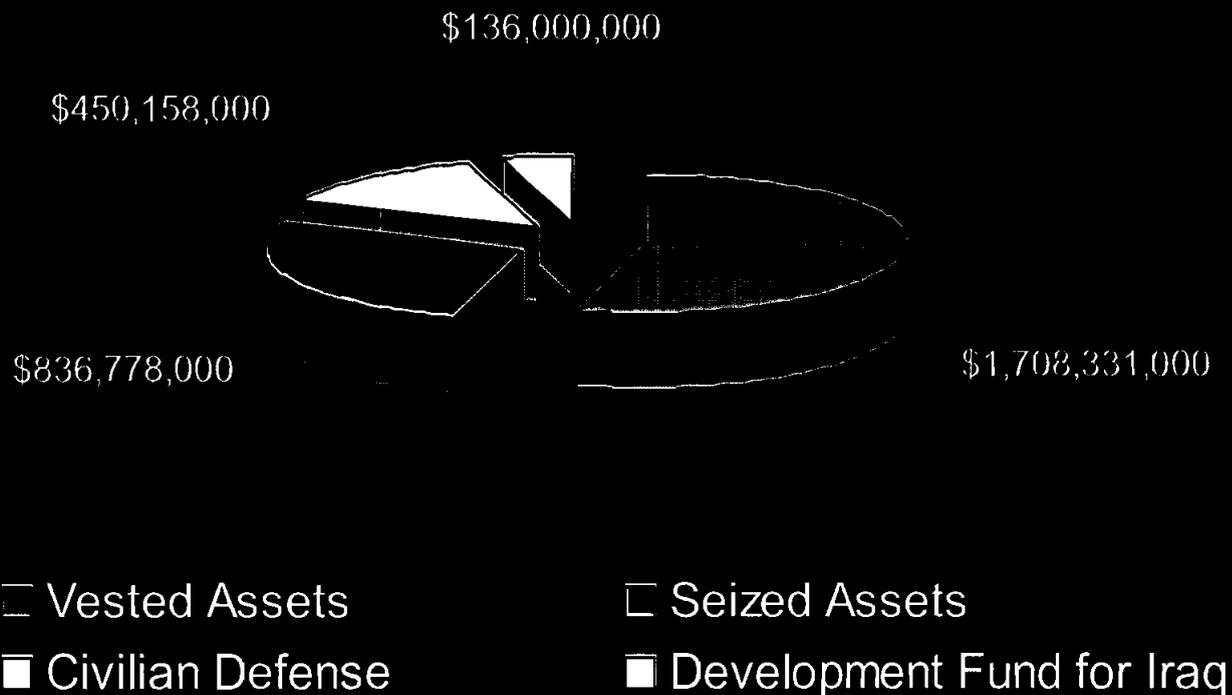
Confiscated and Congressionally-Appropriated Funds are Processed, Accounted for, and Reported



DFAS Rome Accounts for the Redirection of Seized and Appropriated Funds to Finance Rebuilding Effort

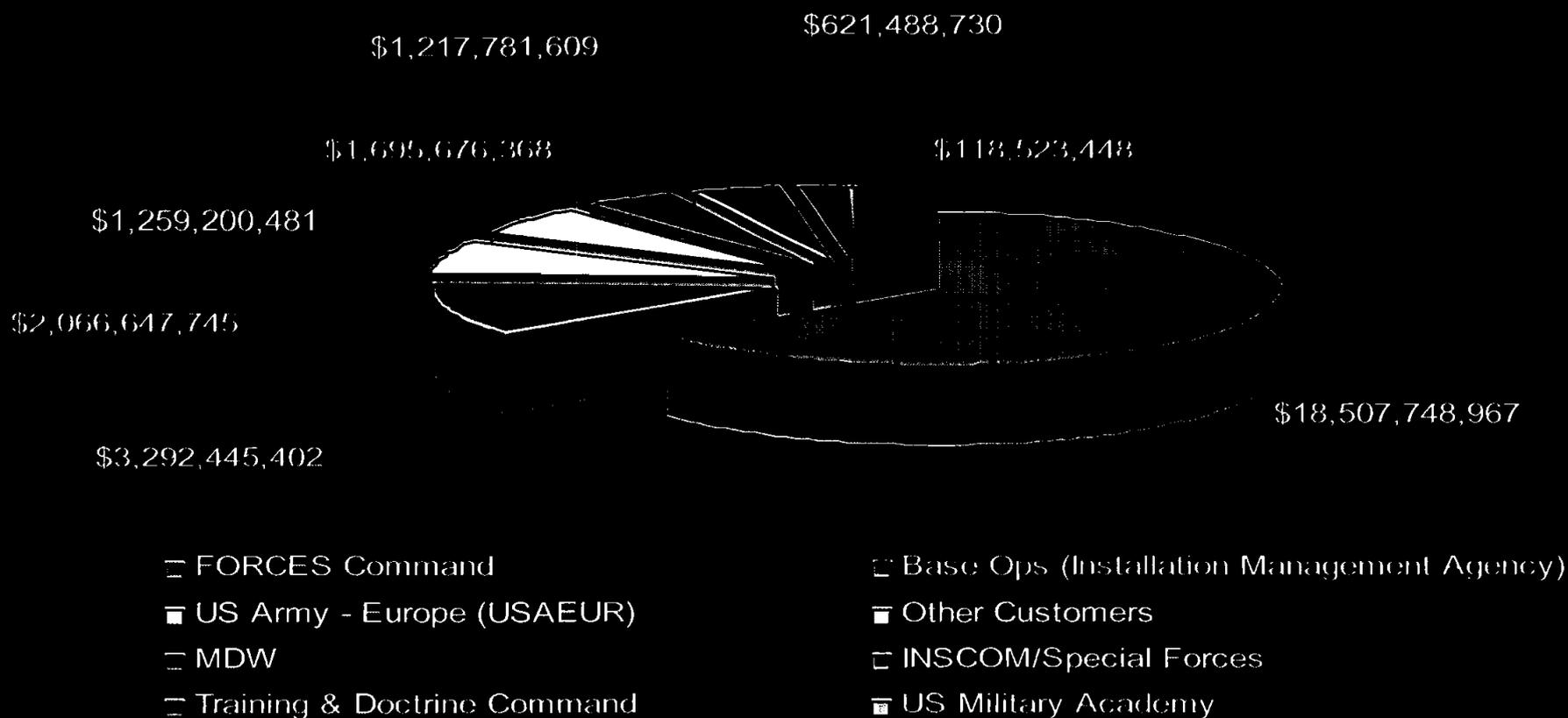
In 2004, DFAS Rome managed and processed over \$3 billion in seized assets from the previous Iraq regime and in U.S. development appropriations to Iraq.

Operation Iraqi Freedom



Operation Iraqi Freedom-related finance and accounting services represent just one component of DFAS Rome's \$29 billion annual workload.

DFAS Rome Total Workload



Strategic investments ensure that DFAS Rome maintains world-class, low-cost facilities, including construction of a recently renovated facility.

50-year, no-cost building permit

\$10 million 2-year MILCON completed in 2001

**Additional space and work stations currently available
(up to 1,000)**

Ample free parking exists for up to 1,000 employees



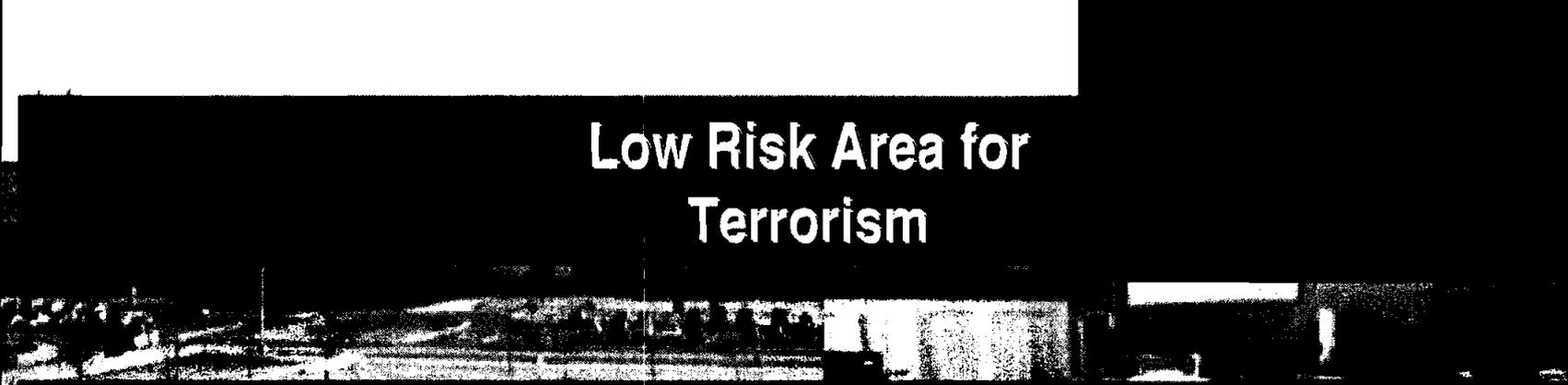
DFAS Rome vs. Other US DoD A-Rooms

Comparatively low operating costs in Rome represent a tremendous cost savings to DoD.

DFAS Location	Operating Cost \$/SF
Rome	\$ 4.26
Columbus	\$ 8.27
Denver	\$ 9.15
Indianapolis	\$14.96
Cleveland	\$29.21
Arlington	\$44.76

DFAS Rome: A Military Asset, A Record of Excellence

DFAS Rome handles mission-critical, sensitive data in a secure location with 24-hour policing.



**Low Risk Area for
Terrorism**

**Co-located Northeast Air Defense Sector and Air Force
Research Laboratory meet Force Protection Requirements**



**Multiple DFAS Locations around the Country Safeguard
Against Security Threats**

DFAS Rome: A Military Asset, A Record of Excellence

BRAC 2005's Headquarter Support and Activities Subgroup analysis produced several ratings for DFAS Rome that appear questionable.

Rating

Reality

"Red" rating for facility condition assessment

Renovated space set up for 1,000 people

"No" rating for one-of-a-kind corporation process applications

One-of-a-kind Operation Iraqi Freedom workload

"No" on being located on DoD location

Federally retained property under ownership of AF

DFAS Rome: A Military Asset, A Record of Excellence

At face value, a BRAC 2005 proposal to align 26 DFAS locations at three Megacenters appears credible, but a thorough review raises important questions.

Will the proposed consolidation save DoD money, or can the affordability of some existing low cost centers be leveraged?

Will crucial wartime skills and expertise be compromised?

Denver ★

Indianapolis ★

Columbus ★

Do just three Megacenters present an unnecessary security risk?

Would an alternative model for DFAS consolidation better meet the goals of BRAC 2005?

AFRL Rome and DFAS Rome

Nationally-Recognized Success Stories

