BRAC 2005
Supply and Storage Joint Cross Service Group

Meeting Minutes of February 12, 2004

Vice Admiral Gordon Holder, Director, Logistics (J4), the Joint Staff, chaired this 10th meeting of the JCSG Principals. The meeting was held in the J-4 Conference Room. The list of attendees is attached. (Attachment 1)

The Chairman welcomed the Principals and working group members, and stated the purpose of the meeting was to discuss and finalize the Military Value Report and Military Value briefing to be presented to the ISG on February 20, 2004.

Capt. England explained that the working group had continued to revise the metrics and questions to respond to concerns raised by the Principals at the January 21, 2004 meeting. (See January 21, 2004 minutes). The Principals agreed that the quality control approach being used by the working group to address their concerns and improve the metrics and questions was appropriate, and directed the group to continue.

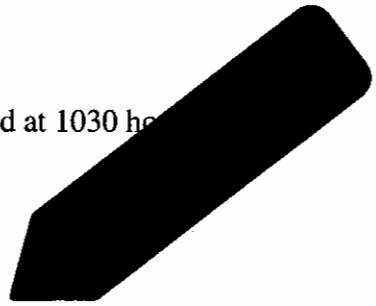
Captain England discussed the complexity factor matrix the working group had developed to address concern raised by the Principals that an equitable way be developed to compare workload for similar functions with different degrees of complexity. (Attachment 2.) The Principals agreed with the logic being applied to the matrix, and instructed the working group to continue refining the complexity factors and include them in the ISG briefing and military value report.

Admiral Holder thanked the working group for their hard work. He indicated that, as required, the Supply and Storage JCSG would provide OSD a copy of the military value report and briefing one week before the February 20 ISG briefing. (Attachment 3).

Captain England announced that the Supply and Storage JCSG office space in Rosslyn is now operational and that the O-6 Executive group would like to host an "open house" on February 26, 2004 to allow everyone to see the new space. VADM Holder indicated that he planned to attend and thank the group members for their hard work, and suggested that, if possible, the Principals should attend and use the opportunity to meet informally and discuss the group's progress.

The next meeting of the Principals is scheduled for March 8, 2004 at 1500 in the J-4 Conference Room.

The meeting was concluded at 1030 hr



Approved: _____

VADM Gordon Holder
Chairman, Supply and Storage
Joint Cross Service Group

Attachments:
1. List of Attendees
2. Military Value- Complexity Factor Matrix
3. Military Value – Briefing slides and Report to ISG

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Pages: 1-55

Supply and Storage JCSG Meeting
12 February 2004

Attendees

Members:

VADM Gordon Holder, Director, Logistics (J4), Joint Staff
VADM Keith Lippert, Commander, Defense Logistics Agency
LTG Claude Christianson, Assistant Deputy Chief of Staff, Logistics, G-4
LGEN Donald Wetekam, Deputy Chief of Staff (Installations and Logistics), HQ USAF
RDML Al Thompson, Director, Supply, Ordnance, and Logistics Operations Division, N41
BGen Ed Usher, USMC, Logistics Plans, Policy, and Strategic Mobility (LP)

Others:

LT Daniel Bessman, JS J4
Captain Dave Coderre, Navy JCSG
Mr. John Desiderio, OSD, ODUSD (I&E)
Colonel Bob Destafney, IL HQMC
Captain Dave England, JS J4
Lt Col Mark Faulkner, JS J4
CDR Tom Hammang, JS J4
Colonel Rocky Hills, HQDA
Ms. Mary Horvath, DLA HQ
Colonel Nancy Kaczor, DLA
Colonel Dave King, AF/ILG
Colonel Joseph Lahue, DLA
Lt Col Jon Larvick, AF/IG
Mr. Bob Meyer, OSD, ODUSD (I&E)
Ms. Nancee Needham, DODIG
Mr. Peter Potochney, Director, Housing, ODUSD (I&E)
Lt Col Greg Truba, IL HQMC
Mr. Robert Williams, USA rep

APPENDIX A: COMPLEXITY FACTOR

PART 1: Complexity Factor Methodology Description

The Complexity Factor is applied by multiplying the factor by the 0 to 100 score obtained from the questions. A raw 0 to 100 scale score will be input and an adjusted 0 to 100 score will be output. The Complexity Factor will be arrived at as follows:

1) A header question will present a table, bounded by commodity type rows on the left and commodity group columns on the top. (The values of the groups and types will not be displayed to avert the temptation to game the system.)
2) Each activity will be asked to fill in each cell of the table with a number representing the percentage of their items managed that the cell represents (i.e. Aviation Repair parts, 5%). If the cell does not apply, the activity will be asked to zero fill it. All cells should add up to 100% (or less) to account for all of the activities items managed.
3) The service BRAC office data call software will need to be programmed to reject any cumulative table submissions totaling over 100% and to display an error message explaining why the table entries were rejected. (This is a simple programming requirement.)
4) Both the commodity grouping weight and commodity type weight corresponding to that cell will multiply the percentage numbers in each cell.
5) All cells will then be added across each row and subtotaled. Finally, all subtotals will be added down the column to arrive at the 0-100% Complexity Factor for that activity.

PART 2: Complexity Factor Table

Header Question

Based on the total number of line items managed by the Supply and Storage Activity as of 30 Sep 03, complete the following table by entering the percentages of the total line items for end items, repairables and consumables by equipment category. Percentages may be entered for multiple equipment categories; however, the total for all the percentages entered must equal 100%. Cells representing categories not managed by your activity should be zero filled.

Equipment Categories	End Items % of Total Line Items Managed	Reparables % of Total Line Items Managed	Consumables % of Total Line Items Managed	Total
Armaments				
Aviation				
Chemical/Biological				
Combat vehicles				
Communications/Electronics				
Construction Equipment/Barrier Material				
Conventional Ammunition				
Ground Vehicles				
Fuels/POL				
Medical				
Missiles				
Nuclear-Subsafe				
Ships/Vessels/Watercraft				
Subsistence				
Troop Support				
Other				
Other				
Totals				**100%**

PART 3: Complexity Factor Example

A Complexity Factor Calculation Worksheet is provided to show how the Complexity Factor is determined. In this example, weights for both commodity types and groupings are displayed so calculations can be performed. The exact calculations for the table in the example are illustrated. **All data provided is for illustrative purposes only.**

Complexity Factor Calculation Worksheet

Complexity Ranking	Equipment Category	End Items % of Total Line Items Managed Weight - 1.0	Repairables % of Total Line Items Managed Weight - .75	Consumables % of Total Line Items Managed Weight - .25	Factor
1	**Nuclear Subsafe Weight - 1.0**				
2	**Aviation (SOF) Weight - .95**				
3	**Missiles Weight - .90**	**15%**	**20%**	**5%**	.281
4	**Communications-Electronics Weight - .85**	**10%**	**25%**	**25%**	.297
5	**Ships, Vessels and Watercraft Weight - .80**				
6	**Combat Vehicles Weight - .75**				
6	**Armaments Weight - .75**				
7	**Chemical/Biological Weight - .70**				
7	**Conventional Ammo Weight - .70**				
8	**Ground Vehicles Weight - .55**				
8	**Construction Equipment/Barrier Materials Weight - .55**				
9	**Troop Support Weight - .45**				
10	**Medical Weight - .40**				
11	**Fuels/POL Weight - .30**				
11	**Subsistence Weight - .30**				
11	**Other Weight - .30**				
				Combined Complexity Factor	.578

Explanation:

For evaluating responses to questions that may be influenced by the complexities associated with different commodities, a complexity factor will be used to normalize the scoring. Answers to these questions will first be scored the same way as all other questions. The initial scores will then be multiplied by a computed factor to normalize for complexity. The complexity factors consider two dimensions...the complexity differences between commodities and complexity differences between end items, repairables and consumables.

The weights assigned to commodities and to end items, repairables and consumables at this point are initial best guesses. These will be refined and improved based on follow-on discussions with experts in item management. Consider this as a conceptual approach to be improved based on any professional advice we can obtain.

Example Calculation:

Factor for Missiles
= (.90)(.15)(1.0) + (.90)(.20)(.75) + (.90)(.05)(.25) = .281

Factor for Communications-Electronics
= (.85)(.1)(1.0) + (.85)(.25)(.75) = (.85)(.25)(.25) = .297

Combined Complexity Factor
= .281 + .297 = .578

DCN: 11424

Supply and Storage JCSG Approach to Assessing Military Value

Chair: VADM Gordon Holder

Briefing to the Infrastructure Steering Group

20 February 2004

Overview

- Overall Military Value Approach—Strategy
  - Military Value Summary by Function
- Military Value Scoring Plan Examples
  - Supply
  - Storage
  - Distribution
- Issues Impacting Analysis

Overall Military Value Approach--Strategy

- Driving towards
  - Efficiency
  - Effectiveness
  - Modern IT infrastructure
  - Well-trained and flexible workforce
  - Substantial, multi-modal shipping capacity

Overall Military Value Approach--Strategy

- Considerations
  - Inherent differences in complexity of commodities managed Chart
  - Impact of recent surge on metrics
  - Scoring multi-modal shipping capabilities

Criteria Weighting

- 35% Criterion 1: Current and Future Capability
- 20% Criterion 2: Availability of land, facilities, and associated airspace
- 35% Criterion 3: Contingency, mobilization, and future total force requirements
- 10% Criterion 4: Cost and Manpower Implications

Criteria and Attributes

- Each criterion defined by 3 characteristics relating to Supply and Storage functions
  - Supply
  - Storage
  - Distribution
- 72 Total Questions

JCSG Military Value Summary

		35%	20%	35%	10%
Scoring Plan	**# of Attributes**	**Criteria 1**	**Criteria 2**	**Criteria 3**	**Criteria 4**
Supply	10	3	3	2	2*
Storage	9	3	1	3	2*
Distribution	11	2	3	4	2*

* Same attribute used for all 3 functions within criterion 4, actual total of attributes equals 26

Sample of Criteria and Attributes
Criterion 1

- **35%** Criterion 1: Current and Future Capability
  - **40%** Characteristic 1: (SUPPLY) A modern and flexible inventory management process to support and enhance operational readiness
    - **40%** Attribute 1: An effective and efficient requirements determination process
      - **70%** Metric 1: Accommodation Rate
        - » **100%** Question: What was the average accommodation rate for FY 01, 02 and 03? Higher answer = higher score
      - **30%** Metric 2: Demand Satisfaction
        - » **100%** Question: What was the average demand satisfaction rate for requisitions received in FY01, 02, and 03? Higher answer = higher score

Sample of Criteria and Attributes Criterion 2

- **20%** Criterion 2: Availability of land, facilities, and associated airspace
  - **35%** Characteristic 2: (STORAGE) Operate from modern, efficient, and expandable infrastructure that enhances receipt, storage and issue functions
    - **100%** Attribute 1: Automated material retrieval systems
      - **20%** Metric 1: Utilized capacity in number of retrievals per day
        - » **100%** Question: How many individual items on average did the activity's automated system retrieve per day? Higher answer = higher score

Sample of Criteria and Attributes Criterion 2 (con't)

- **20%** Criterion 2: Availability of land, facilities, and associated airspace
  - **35%** Characteristic 2: (STORAGE)
    - **100%** Attribute 1:
      - **20%** Metric 2: Ratio of number of items retrieved to number of personnel required to operate the system
        - » **50%** Question: What was the average number of personnel required to operate the system for FY 01, 02 and 03? Scored as a ratio with the next question, higher answer = higher score
        - » **50%** Question: How many individual items on average did the activity's automated system retrieve per day? Scored as a ratio with the preceding question, higher answer = higher score

Sample of Criteria and Attributes Criterion 2 (con't)

- **20%** Criterion 2: Availability of land, facilities, and associated airspace
  - **35%** Characteristic 2: (STORAGE)
    - **100%** Attribute 1:
      - **60%** Metric 3: Maximum possible retrievals per day
        - » **100%** Question: What was the maximum possible number of retrievals the automated system could make as of 30 September 03? Higher answer = higher score

Sample of Criteria and Attributes Criterion 3

- **35%** Criterion 3: Contingency, mobilization, and future total force requirements
  - **60%** Characteristic 3: (DISTRIBUTION) A modern, flexible distribution system capability with sufficient capacity to adapt to future requirements as defined by personnel, IT, and infrastructure
    - **25%** Attribute 1: A qualified, multi-skilled, sufficient distribution workforce
      - **60%** Metric 1: Qualified personnel
        - » **70%** Question: What is the percent fill of authorized personnel in distribution functions by grade and MOS/series? Higher answer = higher score
        - » **30%** Question: What percent of activity's workforce are qualified for more than one MOS/job series? Higher answer = higher score

Sample of Criteria and Attributes Criterion 3 (con't)

- **35%** Criterion 3: Contingency, mobilization, and future total force requirements
  - **60%** Characteristic 3: (DISTRIBUTION)
    - **25%** Attribute 1:
      - **40%** Metric 2: Available manpower
        - » **30%** Question: How many reserve billets are assigned to your activity as of 30 September 03? Higher answer = higher score
        - » **70%** Question: What was the unemployment rate in the immediate geographic vicinity (50-mile radius) as of 31 May 04? Higher answer = higher score

Analysis of Mil Value Questions

- Quality Assurance Review
  - Questions' Logic
  - Questions' "Answerability"
- Scoring
  - Arrayed by weighted value
  - Examine outliers and adjust as appropriate

Issues for ISG

- Shipping activities with multi-modal capabilities
  - Weighting and scoring methodology still being investigated
- Change in S&S JCSG organizational structure
  - Sub-groups and taskings based on commodities
  - Sub-groups now task/mission oriented
  - Will likely shift to a functional orientation (supply, storage, distribution) for data analysis and scenarios

Complexity Factor Calculation Worksheet

SAMPLE DATA FOR ILLUSTRATIVE PURPOSES ONLY

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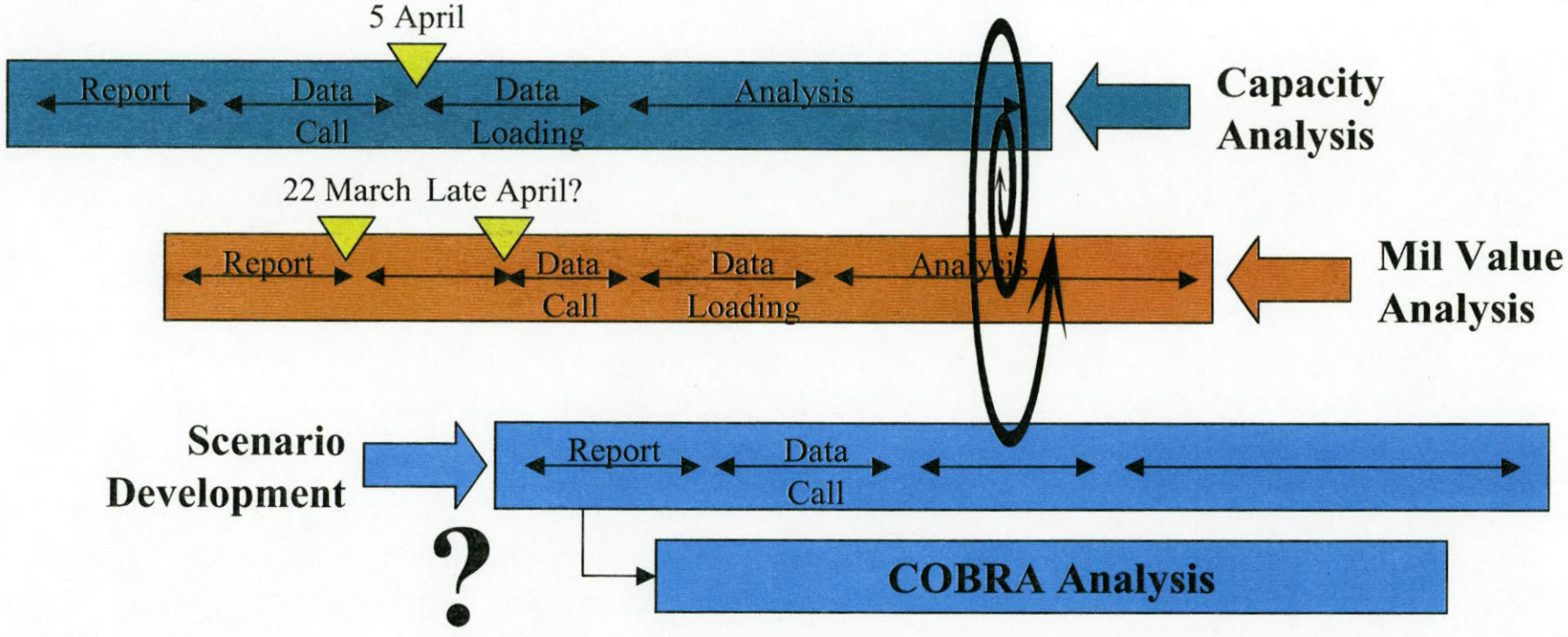
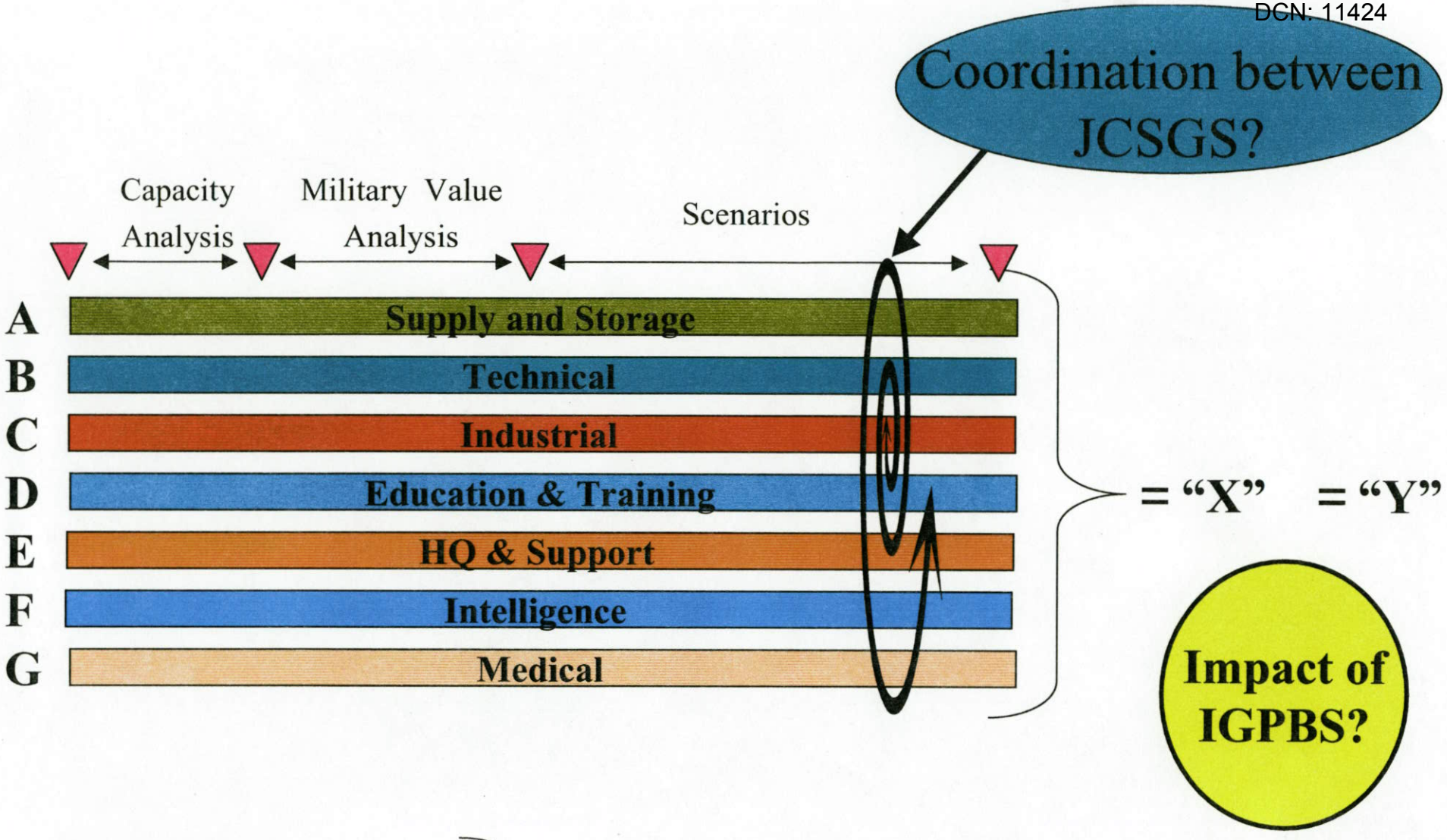
11	**Subsistence Weight - .30**				
11	**Other Weight - .30**				
				Combined Complexity Factor	**.578**

Integrating the S&S JCSG Efforts





Capacity & Mil Value (A + B + C + D + E + F + G) = "X" = "Y"