

DEPARTMENT OF DEFENSE APPROPRIATIONS
FOR 2011

HEARINGS
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

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NOTE: Under Committee Rules, Mr. Obey, as Chairman of the Full Committee, and Mr. Lewis, as Ranking Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

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CELES HUGHES, and ADRIENNE RAMSAY, *Staff Assistants*
SHERRY L. YOUNG, and TRACEY LATURNER, *Administrative Aides*

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PART 1—DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 2011

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(II)

DEFENSE APPROPRIATIONS FOR 2011

WEDNESDAY, JANUARY 20, 2010.

ACQUISITION CONTRACTING

WITNESSES

PAUL FRANCIS, MANAGING DIRECTOR, ACQUISITION AND SOURCING
MANAGEMENT TEAM, GOVERNMENT ACCOUNTABILITY OFFICE
MICHAEL GOLDEN, MANAGING ASSOCIATE GENERAL COUNSEL FOR
PROCUREMENT LAW, GOVERNMENT ACCOUNTABILITY OFFICE
BILL WOODS, DIRECTOR, ACQUISITION AND SOURCING MANAGEMENT
TEAM, GOVERNMENT ACCOUNTABILITY OFFICE

CHAIRMAN MURTHA'S OPENING STATEMENT

Mr. MURTHA. The hearing will come to order. We welcome the witnesses, and I want to say that the problem we have been having is the acquisition process. I don't say it is broken, but the bigger contracts that we have had, we have had some real problems with them. We talked a little bit before the hearing started about some of the protests that have been sustained.

You have got to go into some detail with us about what you see if there is something we can do to help this situation. You made some suggestions that I would like you to make officially about the problems you see in this area so that we can try to resolve them from a fiscal standpoint.

Mr. Frelinghuysen.

COMMENTS OF MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman. Welcome, gentlemen.

Would you like a motion, Mr. Chairman?

Mr. MURTHA. I would like a motion.

MOTION TO HOLD EXECUTIVE SESSION

Mr. FRELINGHUYSEN. I move that those portions of the hearing today which involve proprietary material be held in executive session because of the sensitivity of the material to be discussed.

Mr. MURTHA. All in favor will say aye. Without objection, aye.

OPENING STATEMENT OF MR. FRANCIS

Mr. FRANCIS. Thank you. Mr. Chairman, Mr. Frelinghuysen. I appreciate the opportunity to be here today to talk about a wide range of topics: weapons systems, contracts, workforce, bid protests. I have with me Mike Golden on my right, who is the head of GAO's bid protest unit. On my left is Mr. Bill Woods, who is a

contracting expert. I think among us we must have pretty close to 100 years of experience.

PURSUIT OF VERY HIGH CAPABILITY

I just have a couple of remarks to make in the beginning, and we will get very quickly to the questions. The condition that we have today has been decades in the making. I think in the area of weapons systems, we are looking at the effect of cumulative commitments to pursue very high capabilities, and we have accepted the high risk associated with those. We have also vastly expanded our capability to meet near-term commitments, but we have done that largely through contracting out for services.

I think you could describe what we have been doing in the near term as institutionalizing expediency, and that is something that we have to look at.

We have had, over time, the money and the flexibility to do so, but the question we ask ourselves today is, are we where we want to be? And I think the answer is, no, I don't think it is a sustainable path that we are on.

If you look at weapons systems Mr. Chairman, cost growth and schedule delays associated with high-risk weapons are denying the warfighters the capabilities they need on time, and certainly in the quantities they need.

CONTRACTOR WORK FORCE

When we have done contingency contracting and service contracting to expand our near-term capabilities, we have done so through the process of thousands of decisions. So what we have today is a very large contractor workforce that is largely been put together on an ad hoc basis. It hasn't been strategic at all.

Today it is still hard for the Department of Defense to say how many contractors it has, where they are, and there are a lot of questions about what roles we play.

Our own organic government acquisition workforce has stayed relatively stable in the past few years, and if you go back in history, has declined significantly.

There is a move afoot to increase the acquisition workforce, but I think a key decision—

FEDERAL ACQUISITION WORK FORCE

Mr. MURTHA. Go over that again, because this committee has been stressing direct hires. It is cheaper, and the contracting has gotten out of control. So go over that one point again as you go along here.

Mr. FRANCIS. Sure. I think if you go back to the 1990s, the acquisition workforce was probably cut in half during that decade and there was a big movement to contract out for a lot of that activity.

During the last 10 years, I think the workforce is down to around 130,000. I am trying to remember the numbers, but it may have been as high as 300,000 to 400,000 20 years ago. What we don't have a good number on today is how much that has been augmented by the contractor workforce in acquisition.

But be that as it may, as we have hired more contractors to do work, our acquisition workforce has stayed the same. So our people are having to do a lot more oversight than they used to, and there is a real question there.

Mr. MURTHA. How do you define our acquisition workforce in the Defense Department?

KNOWLEDGE OF WORKFORCE CAPABILITY GAPS

Mr. FRANCIS. Defense Department, military and civilian.

I think even more important, even as we are looking at increasing that workforce, the Department of Defense today does not really know the skill sets it needs in its acquisition workforce, so it doesn't really know what gaps are most pressing to fill. So as we in-source, it is hard to in-source smartness, so these are real challenges for the Department of Defense. It does not have good data on its own workforce.

Another factor we have to consider is we are not going to have the money to sustain the way we have been conducting business over the last 10 years. So I don't think, again, we are where we want to be.

OPPORTUNITY TO IMPROVE ACQUISITION

But I do think we are in a really great period of opportunity, and there is a lot of momentum for change. I think of a number of things. One is what the Congress has done with acquisition reform legislation and the Department of Defense in changing its policies. I look at what the President has done in his memo on contracting, and the tough decisions the Secretary of Defense has made on weapons systems.

I also look at the continuity in acquisition executives from the last administration to this administration. I think it is unprecedented, and there is a level of experience there that I don't think we have had. We also have a QDR coming up as well, so there is a real opportunity and momentum for change here. I would say, having been around a fairly long time, there have been opportunities in the past that have been missed.

Coming back to your point, Mr. Chairman, we have to think about programs that have gone wrong, and why they went wrong. If requirements were poorly conceived, perhaps too ambitious, then the subsequent acquisition program can't fix that. That acquisition program is going to be in trouble.

If the acquisition program isn't laid out soundly, then no contracting type is going to fix it, so we have to go back and work it all the way through. It takes a lot of things to go right.

Things that have been challenges in the past is when programs have come forward—we talked about Future Combat Systems—and don't measure up, yet the Department approves it and submits it for funding, and then it gets funding. We are actually reinforcing some of the things that we don't want to happen.

So for us to capitalize on this opportunity that we have now, the key thing to sustain momentum is we have got to make sure our money decisions reinforce the practices and principles that we are espousing today. That is the most important thing for us.

That is all I have to say in the beginning. We would be glad to answer any questions.
[The statement of Mr. Francis follows:]

United States Government Accountability Office

GAO

Testimony
Before the Subcommittee on Defense,
Committee on Appropriations, House of
Representatives

For Release on Delivery
Expected at 1:30 p.m. EST
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DEFENSE ACQUISITIONS

**Managing Risk to Achieve
Better Outcomes**

Statement of

Paul Francis, Managing Director
Acquisition and Sourcing Management

Michael Golden, Managing Associate General Counsel

William Woods, Director
Acquisition and Sourcing Management



January 20, 2010

DEFENSE ACQUISITIONS

Managing Risk to Achieve Better Outcomes



Highlights of GAO-10-374T, a testimony before the Subcommittee on Defense, Committee on Appropriations, House of Representatives

Why GAO Did This Study

In fiscal year 2009, the Department of Defense (DOD) spent nearly \$384 billion on contracts. This investment, representing over 70 percent of total government contract spending, highlights the great need to better manage risk in acquisitions. But DOD has not always managed risks effectively: major systems continue to take longer to develop, cost more, and deliver fewer quantities and capabilities than originally planned. In addition, poorly managed growth in services spending has contributed to disappointing program outcomes. DOD weapon system acquisition and contract management have been on GAO's high-risk list for nearly 20 years.

This testimony focuses on (1) planning of DOD's acquisitions; (2) contract types and the award process, including bid protests; (3) outcomes of major acquisition programs; and (4) acquisition and contractor workforce management. It also highlights relevant reforms in each area.

This statement is based on GAO's body of work on DOD acquisitions and contracting and on GAO's statutory role in issuing bid protest decisions. GAO has made numerous recommendations in prior work but is not making any new recommendations in this testimony.

View GAO-10-374T or key components. For more information, contact Paul Francis at (202) 512-4641 or francisp@gao.gov.

What GAO Found

The first and perhaps best opportunity to reduce risk in an acquisition program is in the early planning phase when critical decisions with significant implications for the program's overall success are made. Early and effective planning helps minimize risks in both weapon system and services acquisitions. GAO has reported on the importance of prioritizing needs, adequately defining requirements, and using a solid, executable business case before committing resources to a program. DOD must demonstrate that the warfighter's needs are valid and can best be met with the chosen concept and that the chosen concept can be developed and produced with existing resources.

DOD can also protect the government's interest by selecting contracting instruments that provide the proper allocation of risk between the government and contractor and by ensuring competition. Promoting competition can save money, improve contractor performance, and promote accountability. GAO's bid protest process also serves valuable public interests by providing transparency in the procurement system and guidance to the procurement community without undue disruption to the acquisition process.

Risks that are not effectively managed in the earlier phases may result in poor program outcomes as programs move into the execution phase of the acquisition process. Problems are much more costly to fix in later stages than early in the acquisition. Last year we reported that the cumulative cost growth in DOD's portfolio of 96 major defense acquisition programs was \$296 billion, and the average delay in delivering capabilities was 22 months. These outcomes mean that other critical defense and national priorities may go unfunded and that warfighters may go without the capabilities they need.

Central to better managing risks is a capable acquisition workforce. However, DOD lacks key information about the current number and skill sets of its acquisition workforce and what it needs. To supplement its in-house acquisition workforce, DOD relies heavily on contractor personnel. Such reliance is symptomatic of DOD's overall reliance on contractors to provide additional capacity and expertise. Yet, precision on the size of the total contractor workforce and what roles they are fulfilling is elusive, hindering DOD's ability to make key workforce decisions and increasing the risk of transferring government responsibilities to contractors.

The current reform environment provides an opportunity to leverage the lessons of the past and manage risks differently. This environment is shaped by significant acquisition reform legislation, constructive changes in DOD's acquisition policy, and initiatives by the administration, including making difficult decisions to terminate or trim numerous weapon systems. To sustain momentum and make the most of this opportunity, it will be essential that decisions to approve and fund acquisitions be consistent with the reforms and policies aimed at getting better outcomes.

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the risks and outcomes associated with the defense acquisition process. In fiscal year 2009, the Department of Defense (DOD) spent nearly \$384 billion on contracts for goods and services. The significance of this investment, representing over 70 percent of total government contract spending, makes it imperative for DOD to manage risk in all of its acquisitions to ensure that the government's best interests are being met. The significance is further heightened by the critical role that contractors play in supporting DOD's mission—as starkly illustrated by the fact that in Iraq and Afghanistan the number of contractor personnel exceeds the number of military personnel. Risk is inherent in any major acquisition, whether a weapon system or complex service acquisition. But it is only through the thoughtful management of risks throughout all phases of the acquisition process that successful outcomes can be achieved. Clearly, however, DOD has not adequately managed such risks. For example, its major weapon systems continue to take longer to develop, cost more, and deliver fewer quantities and capabilities than originally planned. Last year we reported that the cumulative cost growth in DOD's portfolio of 96 major defense acquisition programs was \$296 billion and the average delay in delivering promised capabilities to the warfighter was 22 months. In addition, since 2001, DOD spending on contracts for services has more than doubled. We have reported that this growth has not been well managed—resulting from thousands of individual decisions that tended to be reactive, rather than from strategic, comprehensive planning—contributing to schedule delays, cost overruns, and unmet expectations.

Despite decades of reform efforts, these outcomes and their underlying causes have proven resistant to change and, in fact, both DOD weapon system acquisition and DOD contract management have been on our high-risk list for nearly 20 years. As recently as 2009, both Congress and DOD have taken action to infuse the weapon acquisition process with more knowledge and discipline, with laws and policy changes designed to allow DOD to balance requirements with resources before programs begin and produce more accurate cost estimates from the outset. In addition, Congress and the President have initiated other reforms aimed at improving government acquisition. While this most recent round of reforms is very promising, it is too early to tell if they will finally break the cycle of poor acquisition outcomes within DOD. Further, no reform will be successful without having the right people with the right skills to carry out and manage an acquisition program throughout the entire acquisition process. Unwarranted risks can undermine an acquisition in a number of

ways. A poorly conceived acquisition is doomed from the outset, while a poor contract selection or an inadequate workforce can weaken the government's ability to manage and oversee the acquisition. Therein lies the challenge: it takes many things for an acquisition to succeed, while only one source of unmanaged risk can cause a poor outcome.

Today, we will discuss (1) planning of DOD's acquisitions; (2) contract types and the contract award process, including bid protests; (3) outcomes of major acquisitions programs; and (4) the acquisition and contractor workforce. We also will discuss relevant reforms in each area. For purposes of this discussion, we have broken the acquisition process down into three broad phases: planning, contract award, and execution. This statement draws from our extensive body of work on DOD's acquisition of weapon systems and government contracting and on our experience in deciding bid protests. Our audit work was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Acquisition Process: Planning Phase

The first, and perhaps best, opportunity to reduce risk in any DOD acquisition is in the acquisition planning phase, when critical decisions are made that have significant implications for the overall success of an acquisition. Achieving the right knowledge at the right time enables leadership to make informed decisions about when and how best to move into succeeding acquisition phases. The appropriate amount of early planning helps to minimize risks in both weapon system and services acquisitions.

With regard to weapon systems, immature technology, unrealistic requirements, a lack of early system engineering, acceptance of unreliable resource estimates based on overly optimistic assumptions, and the failure to commit full funding all contribute to poor outcomes. We have frequently reported on the importance of using a solid, executable business case before committing resources to a new product development. Our body of work on best practices has shown that an executable business case is one that provides demonstrated evidence that (1) the warfighter's needs are valid and can best be met with the chosen concept; and (2) the chosen concept can be developed and produced within existing resources—that is, proven technologies, design knowledge, adequate

funding, people (including an adequate technical, management, and acquisition workforce), and sufficient time to deliver the product. This business case should match requirements with resources and lock in those requirements. At the heart of a business case is a knowledge-based approach to product development that demonstrates high levels of knowledge before significant commitments are made. High levels of uncertainty set up programs for poor outcomes.

Our work on DOD's requirements process has shown that DOD does not adequately prioritize needs from a joint, departmentwide perspective and lacks the agility to meet changing warfighter demands. DOD often does not perform the proper up-front requirements analysis on individual programs to determine whether a weapon system will meet warfighter needs. Significant contract cost increases can and do occur as the scope of the requirements change or become better understood by the government and contractor. In addition, it is a best practice to achieve a high level of technology maturity—meaning that the technologies needed to meet essential product requirements have been demonstrated to work in their intended environment—prior to making significant commitments to the weapons program. Technology maturity is an important indicator of whether sufficient early acquisition planning and analysis has been conducted. Since 2003, there has been an increase in the technology maturity of DOD programs at the start of system development; however, few programs have met the best practices standard. In our 2009 assessment, on average, programs that reported fully mature technologies by development start have experienced 30 percent less growth in research and development costs over their first estimates than programs starting development with immature technologies.¹ When technology risks are not managed early, an acquisition program can run into difficulties in later phases. Having a feasible, stable preliminary design for a weapons program early in the acquisition process is also important in lessening risk, both by ensuring that there is a match between resources and requirements and by demonstrating that a product's design can meet customer requirements, as well as cost, schedule, and reliability targets. We have found that programs have too often moved forward in the development process without a stable design, although the level of design knowledge attained at key milestones has been increasing over time.

¹GAO, *Defense Acquisitions: Assessments of Selected Weapon Programs*, GAO-09-326SP (Washington, D.C.: Mar. 30, 2009).

The Army's Future Combat System (FCS) was an example of a program for which requirements were not adequately defined and solidified early on, resulting in design churn and the potential for reduced capabilities. The Army started the FCS program in May 2003 before critical technologies were proven and key systems were defined; it did not expect to complete defining requirements and establishing system designs at least until 2009, 6 years after program initiation. As you know, the FCS has recently had elements cancelled and some of the remaining elements restructured into other programs. In another example, one of the defining technologies shaping the Navy's Ford-class aircraft carrier (CVN 21) design is the Electromagnetic Aircraft Launch System, a catapult system that uses an electrically generated, moving magnetic field instead of steam to propel aircraft to launch speed. Though the ship is under construction, the catapult technology is still immature. As we have previously reported, technical challenges have resulted in cost growth and delays that could disrupt construction of the lead ship.²

Service acquisitions also require early planning. Once DOD determines what services contractors should provide, both the contractor and the government need to have a clear sense of what the contractor is required to do under the contract. Poorly defined or changing requirements have contributed to increased costs, as well as services that did not meet the department's needs. The absence of well-defined requirements and clearly understood objectives complicates efforts to ensure accountability for acquisition outcomes. For example, we reported that a disagreement between a contractor and DOD on how to bill for food services in Iraq resulted in at least \$171 million in questioned costs that DOD did not pay.³ A clearer statement of work, coupled with better DOD oversight of the contract, could have prevented the disagreement and mitigated the government's risk of paying for more services than needed.

**Relevant Reform:
Congressional and
Departmental Initiatives**

Recent reform actions have been taken by Congress and DOD to address some early risk factors. The Weapon Systems Acquisition Reform Act of 2009, the National Defense Authorization Acts from fiscal years 2006 through 2009, and DOD's revisions to its acquisition policy in December 2008 all addressed issues essential to reducing risk in the early acquisition

²GAO, *Best Practices: High Levels of Knowledge at Key Points Differentiate Commercial Shipbuilding from Navy Shipbuilding*, GAO-09-322 (Washington, D.C.: May 13, 2009)

³Negotiations between the contractor and DOD resulted in a settlement under which \$36 million would not be paid to the contractor.

planning phase, such as promoting early systems engineering, assessing technology maturity, controlling costs, and ensuring combatant commanders play a greater role in setting requirements. These are positive steps, but inconsistent implementation has hindered past DOD efforts to address problems with weapons acquisition. To improve outcomes on the whole, DOD must ensure that these and other policy changes are consistently put into practice and reflected in decisions made on individual acquisitions.

Similarly, over the last decade Congress has enacted legislation to improve DOD's management and oversight of services. In response to the National Defense Authorization Act for Fiscal Year 2002, DOD established a service acquisition management structure to ensure that DOD's services acquisitions are based on clear, performance-based requirements with measurable outcomes and that acquisitions are planned and administered to achieve intended results. Recently, DOD established a multiphased, peer-review process for services acquisitions intended to ensure consistent and appropriate implementation of policy and regulations, improve the quality of contracting processes, and facilitate sharing best practices and lessons learned. Going beyond the requirements of the legislation, DOD expanded its guidance on this review process to include its acquisition of weapon systems and products. We plan to report our initial observations of DOD's peer review process by the end of this month.

The Acquisition Process: Contract Award Phase

Once early acquisition planning is complete, DOD must select contracting instruments that match the needs of the acquisition and protect the government's interests. The information obtained during early acquisition planning can serve to inform the contract award phase and further reduce risk. During the contract award phase, DOD can choose among different contract types, pricing arrangements, and contract vehicles to acquire products and services. Of primary concern during this phase should be the proper allocation of risk between the government and contractor and ultimately what is in the best interest of the government. The way to do this is through selecting the appropriate contract type—ranging from fixed price to cost reimbursement—for the acquisition. Each contract type, described generally in table 1, comes with a different level of cost or performance risk for the government.

Table 1: Contract Types

Fixed-price	Time-and-Materials	Cost-reimbursement
<p>Government pays a fixed price and is guaranteed an end item or service whether actual total cost of product or service falls short of or exceeds the contract price. May also pay an award or incentive fee related to performance.</p> <p>Contractor provides an acceptable deliverable at the time, place, and price specified in the contract.</p> <p>Who assumes risk of cost overrun? Contractor.</p>	<p>Government pays fixed per-hour labor rates that include wages, overhead, general and administrative costs, and profit; government may reimburse contractor for other direct costs, such as travel and materials costs. Government is not guaranteed a completed end item or service within the ceiling price.</p> <p>Contractor makes good faith effort to meet government's needs within the ceiling price.</p> <p>Who assumes risk of cost overrun? Government.</p>	<p>Government pays contractor's allowable costs, which do not include profit. Also pays a fee, which may be related to performance. Government is not guaranteed a completed end item or service within the estimated cost.</p> <p>Contractor makes good faith effort to meet government's needs within the estimated cost.</p> <p>Who assumes risk of cost overrun? Government.</p>

Sources: Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, DOD Contract Pricing Preference Guide (data); GAO (presentation and analysis).

Fixed-price contracts are generally considered to be the lowest risk to the government because the onus is on the contractor to provide the deliverable at the time, place, and price specified in the contract. In addition, the contractor is responsible for bearing any costs associated with a delay or inadequate performance, assuming that the government has not contributed to contractor performance issues through late delivery of government-furnished equipment or changing requirements.

Time-and-materials contracts constitute a higher risk to the government.⁴ Under this contract type, the contractor provides its best efforts to accomplish the objectives of the contract up to the maximum number of hours authorized under the contract. Each hour of work authorizes the contractor to charge the government a fixed labor rate which includes profit. These contracts are considered high risk for the government because the contractor's profit is tied to the number of hours worked. The government is not guaranteed a completed service. Thus, the government bears the cost risk of paying for additional hours. To limit the risk from these types of contracts, the Federal Acquisition Regulation (FAR) provides that appropriate government monitoring of contractor

⁴The Federal Acquisition Regulation (FAR) provides that a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. T&M contracts exhibit some characteristics of fixed-price contracts in that T&M contracts contain fixed hourly labor rates and a ceiling price which the contractor exceeds at its own risk. FAR § 16.601.

performance is required to give reasonable assurance that efficient methods and effective cost controls are being used. Although these contracts may be appropriate in certain circumstances, we have reported that contracting officers used this contract type for ease and flexibility in the face of unclear requirements or funding uncertainties and did not adequately determine, as required, that no other contract type was suitable.⁵

Cost-reimbursement contracts also pose high risk to the government. Federal agencies obligate more than \$100 billion annually using this type of contract. Cost-reimbursement contracts are considered high risk for the government because of the potential for cost escalation and because the government pays a contractor's allowable incurred costs to the extent provided in the contract regardless of whether the work is completed. As such, cost-reimbursement contracts are generally suitable only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use a fixed-price contract. The two major reasons for the inability to accurately estimate costs are (1) the lack of knowledge of the work needed to meet the requirements of the contract, for example, under research contracts, which necessarily involve substantial uncertainties, and (2) the lack of cost experience in performing work, such as the development of a weapon system where manufacturing techniques and specifications are not stable enough to warrant contracting on a fixed-price basis. When these conditions exist, the use of a cost-reimbursement contract may be appropriate. Conversely, when uncertainties have been reduced to a manageable level, a fixed-price contract generally is used. We reported in 2009, however, that key controls to ensure the appropriate use of cost-reimbursement contracts were not always used by agencies when selecting this contract type.⁶

As we look across DOD's many weapons programs, we typically see a migration from cost-type to fixed-price contracts as programs move from development to production. We become concerned, however, when we see programs like the Joint Strike Fighter move into the production phase for significant quantities under a cost-reimbursement contract, which

⁵GAO, *Defense Contracting: Improved Insight and Controls Needed over DOD's Time-and-Materials Contracts*, GAO-07-273 (Washington, D.C.: June 29, 2007).

⁶GAO, *Contract Management: Extent of Federal Spending under Cost-Reimbursement Contracts Unclear and Key Controls Not Always Used*, GAO-09-921 (Washington, D.C.: September 30, 2009).

suggests that the program still faces significant uncertainties and cost risks. The choice of contract type in this case may be consistent with the level of risk the program faces, but that level of risk may indicate a program not yet ready for production.

A variety of other contract types or agreements are also available, such as indefinite delivery/ indefinite quantity contracts,⁷ blanket purchase agreements,⁸ and undefinitized contract actions.⁹ While these contracts and agreements offer the government the ability to adapt its business arrangements to the situation at hand, when they are not used properly the government could be exposed to undue risk. For example, we reported that agencies are not maximizing opportunities for competition or savings under blanket purchase agreements. Similarly, with the use of undefinitized contract actions, we have reported that the contractor has little incentive to control costs, creating a potential for wasted taxpayer dollars.

Regardless of the contract type selected, competition is the cornerstone of the acquisition process, and the benefits of competition in acquiring goods and services from the private sector are well established. Promoting competition—as opposed to sole-source contracts, where the government negotiates with only one source—can help save the taxpayer money, improve contractor performance, and promote accountability for results. Agencies are required to perform acquisition planning and conduct market research for all acquisitions in order to promote and provide for, among

⁷There are three types of indefinite delivery contracts: definite-quantity contracts, requirements contracts, and indefinite quantity contracts. Indefinite Delivery/Indefinite Quantity contracts provide for an indefinite quantity, within stated limits, of products or services during a fixed period. The government places orders for individual requirements under these contracts.

⁸Blanket purchase agreements are a simplified method of filling anticipated repetitive needs for products and services by allowing agencies to establish "charge accounts" with qualified vendors. These agreements may be established under a General Services Administration schedule contract. Blanket purchase agreements are not contracts. See GAO, *Contract Management: Agencies Are Not Maximizing Opportunities for Competition or Savings under Blanket Purchase Agreements despite Significant Increase in Usage*, GAO-09-792 (Washington, D.C.: September 9, 2009).

⁹To meet urgent needs, DOD can use undefinitized contract actions to authorize contractors to begin work before reaching a final agreement on contract terms. See GAO, *Defense Contracting: Use of Undefinitized Contract Actions Understated and Definitization Time Frames Often Not Met*, GAO-07-559 (Washington, D.C.: June 19, 2007).

other things, full and open competition. There are certain circumstances when sole source contracts may be appropriate, such as urgent needs or when there is truly only one source to provide the good or service, and Congress has allowed for such flexibility.¹⁰ However, our work has identified situations where the government has not taken advantage of opportunities to compete work. For example, we found that the Army had issued contracts for security guards at U.S. military installations on a sole-source basis. Based on our recommendations, the contracts subsequently were competed, which resulted in cost savings.

**Bid Protests: Promoting
Transparency and Integrity**

One of the principal tools for ensuring the integrity of the competition system is the bid protest process. GAO has been deciding bid protests since the 1920s. The Competition in Contracting Act of 1984 (CICA) codified GAO's role as a quasi-judicial forum to provide an objective, independent, and impartial process for the resolution of disputes concerning the award of federal contracts. We handle protests following the procedures set out in the Bid Protest Regulations in Part 21 of Title 4 of the Code of Federal Regulations. The existing process provides a balanced approach to adjudicate and resolve bid protest challenges to federal procurements. In fiscal year 2009, we received 1,764 protests, which is an increase of approximately 20 percent from 2008. See appendix I. This increase is driven in part by statutory expansions of GAO's bid protest jurisdiction. However, when viewed historically, and viewed in terms of the significant increases in procurement spending, the number of protests challenging contract awards in the last 5 years is relatively low. A more detailed analysis of our bid protest statistics pertaining to DOD specifically is included in appendix II.

The bid protest process involves a legal, adjudicative function; both the process and the resulting product differ from those associated with the reports that GAO issues in connection with its program audits and reviews. Protests are handled solely by GAO's Office of General Counsel (OGC), not by its audit teams. In developing the record, OGC provides all protest parties—the protester, the awardee, and the contracting agency—an opportunity to present their positions. In some cases, we

¹⁰The Competition in Contracting Act of 1984 requires agencies to provide for full and open competition through the use of competitive procedures, unless one of seven specified exceptions applies. See 10 U.S.C. § 2304(c).

conduct a hearing to further develop the record. Under CICA, as amended, we have 100 calendar days to decide a protest.

The product of a protest before GAO—our legal decision—does not address broad programmatic issues, such as whether or not a weapons program is being managed effectively or consistent with best practices. Our decision also reaches no conclusion about which of the offered goods or services will best meet the agency's needs. Instead, a bid protest decision addresses specific allegations raised by an unsuccessful offeror challenging particular procurement actions as contrary to procurement laws, regulations, or the evaluation scheme set forth in the solicitation.

We sustain a protest when we find that the contracting agency has not complied with procurement laws, regulations, or the solicitation's evaluation scheme, and that this error prejudiced the protester's chances of winning the competition for the contract. Evaluating offerors in a manner consistent with the solicitation's stated ground rules is a requirement for conducting an impartial and objective procurement. While the focus of this hearing is on our experience with DOD protests, we do not want to leave you with the impression that only DOD procurements experience problems, or the impression that DOD procurements experience problems more often than those of other federal agencies. That said, we have seen several cases involving DOD procurements in which the agency has not followed, or has misapplied, the ground rules for the competition as stated in the solicitation.

- In *Sikorsky Aircraft Company; Lockheed Martin Systems Integration—Owego*, B-299145 et al., Feb. 26, 2007, 2007 CPD ¶ 45, we sustained a protest involving an Air Force procurement of combat search and rescue replacement vehicles (CSAR-X). There, the agency evaluated offerors' operating and support costs in a manner that was inconsistent with the stated evaluation criteria for cost/price. We recommended that the agency amend the solicitation to clarify its intent with respect to the evaluation of operating and support costs, seek revised proposals, and make a new source selection decision. The agency thereafter materially revised its solicitation, but did not permit proposal revisions, which led to another sustained protest. See *Sikorsky Aircraft Company; Lockheed Martin Systems Integration—Owego*, B-299145.5, B-299145.6, Aug. 30, 2007, 2007 CPD ¶ 155.
- In *The Boeing Company*, B-311344 et al., June 18, 2008, 2008 CPD ¶ 114, we sustained a protest involving the Air Force's procurement of aerial refueling tanker aircraft. We found that the agency had deviated

from stated evaluation criteria in a number of ways, including that the agency did not apply identified relative weightings in assessing the merits of the firms' proposals, and the agency considered exceeding "key performance parameter objectives" as a key discriminator between proposals when such consideration was prohibited by the solicitation. We also found a number of other areas where the evaluation was unreasonable in light of the solicitation requirements.

- In *Navistar Defense, LLC; BAE Systems, Tactical Vehicle Systems LP*, B-401865 et al, Dec. 14, 2009, 2009 CPD ¶ 258, we sustained a protest involving the Army's procurement of medium tactical vehicles. Although the solicitation provided that offerors whose key tooling and equipment did not exist would be viewed as presenting more risk than offerors who had such items on hand, the agency did not evaluate offerors' risk consistent with this solicitation requirement.
- In *Health Net Federal Services, LLC*, B-401652.3 et al., Nov. 4, 2009, 2009 CPD ¶ 220, and *Humana Military Healthcare Services*, B-401652.2 et al., Oct. 28, 2009, 2009, CPD ¶ 219, we sustained two protests involving DOD contracts for TRICARE managed health care support. Both protests involved instances where the agency deviated from the stated criteria during the evaluation of proposals. In both cases, we found that the agency did not adequately account for network provider discounts in the evaluation, as was required by the solicitation.

Although the examples above highlight instances where the agency did not adhere to stated evaluation criteria, there are other reasons why GAO might sustain a protest. For example, an agency's evaluation may not be adequately documented, or the evaluation conclusions may not be supported by the record. An agency also may have conducted inadequate or misleading discussions, or evaluated offerors' proposals in a disparate manner. Some of the cases above also include one or more of these additional reasons as a basis for sustaining the protest.

Despite several significant decisions sustaining protests, GAO's bid protest process reduces potential disruptions to DOD procurements as a result of three factors: (1) GAO consistently closes more than 50 percent of all protests involving DOD procurements within 30 days of filing; (2) remaining DOD protests must be, and are, resolved within 100 days of filing; and (3) CICA permits agencies to proceed with contract performance even before a protest is resolved when the goods or services are urgently needed, or when proceeding is in the best interests of the United States. In short, while there are challenges associated with

balancing competing interests inherent in the protest system, public bid protest decisions serve a number of valuable public interests—providing transparency in the procurement system and guidance to the procurement community, without undue disruption to the acquisition process.

**Relevant Reform:
Congressional and
Administration Initiatives**

Congress has always had a strong interest in ensuring that the procurement system works as intended and recently has demonstrated an even more pronounced level of concern. This is evidenced by the creation of oversight bodies in both the House and Senate focused on contracting issues, as well as by hearings such as this one. On the legislative front, Congress has enacted measures designed to improve accountability, transparency, and effectiveness throughout the system. Most recently, for example, the National Defense Authorization Act for Fiscal Year 2010 provides for new controls over certain sole-source contracts and undefinitized contract actions.

The President's March 4, 2009, memorandum also addresses the need for improvement in the procurement system. In that memorandum and subsequent Office of Management and Budget guidance, the administration has tasked agencies with making measurable improvements in four key areas: (1) increasing competition, (2) reducing the use of high-risk contracting approaches, (3) improving the acquisition workforce, and (4) determining the appropriate use of contractors versus federal employees in doing the work of the government. We plan to track the progress made in each of the areas over time.

**The Acquisition
Process: Program
Execution and
Outcomes**

After a DOD program moves into the final phase of the acquisition process, any risks that were not effectively managed in the earlier phases may contribute to or be compounded by new risks. For example, a program with immature technologies or unstable requirements will have a difficult time ensuring the design is mature before production begins. Problems are much more costly to fix in late development or production than before starting the acquisition. Weapon systems that cost more, take longer, and deliver fewer quantities and capabilities than originally planned are outcomes that are typically accepted and accommodated in the acquisition and budgeting processes. Recently, however, more dramatic actions have taken place in the form of cancellations of programs such as the VH-71 Presidential Helicopter, the Armed Reconnaissance Helicopter, the Transformational Satellite, and portions of the Future Combat System.

As we mentioned previously, in 2008, the cumulative cost growth in the DOD's portfolio of 96 major defense acquisition programs was \$296 billion and the average delay in delivering promised capabilities to the warfighter was 22 months. These outcomes mean that other critical defense and national priorities may go unfunded and that warfighters may go without the equipment they need to counter the changing threats that they face. Of these same programs, 75 percent reported increases in research and development costs since their first estimate, and 69 percent reported increases in total acquisition costs. It should be noted that DOD's performance in some of these areas is driven by older, underperforming programs as newer programs, on average, have not yet shown the same degree of cost and schedule growth. Table 2 depicts recent cost and schedule growth in major programs.

Table 2: Analysis of DOD Major Defense Acquisition Program Portfolios

Fiscal year 2009 dollars	Fiscal year		
	2003	2007	2008
Portfolio size			
Number of programs	77	95	96
Total planned commitments	\$1.2 trillion	\$1.6 trillion	\$1.6 trillion
Commitments outstanding	\$724.2 billion	\$875.2 billion	\$786.3 billion
Portfolio indicators			
Change to total RDT&E ^a costs from first estimate	37 percent	40 percent	42 percent
Change to total acquisition cost from first estimate	19 percent	26 percent	25 percent
Total acquisition cost growth	\$183 billion	\$301.3 billion*	\$296.4 billion
Share of programs with 25 percent increase in program acquisition unit cost growth	41 percent	44 percent	42 percent
Average schedule delay in delivering initial capabilities	18 months	21 months	22 months

Source: GAO analysis of DOD data.

Notes: Data were obtained from DOD's Selected Acquisition Reports (SAR) (dated December 2002, 2006, and 2007). In a few cases data were obtained directly from program offices. The number of programs reflects the programs with SARs; however, in our analysis we have broken a few SAR programs into smaller elements or programs. Not all programs had comparable cost and schedule data and these programs were excluded from the analysis where appropriate. Portfolio performance data do not include costs of developing Missile Defense Agency elements or the Defense Integrated Military Human Resources System (DIMHRIS) program.

*The total acquisition cost growth for the 2007 portfolio was \$295 billion in 2008 constant dollars.

^aResearch, Development, Test, and Evaluation

The collective performance of the programs in DOD's portfolio is a key indicator of how well the acquisition system generates the return on investment that it promises to the warfighter, Congress, and taxpayers. On the whole, cost growth continues to have an adverse effect on the quantities programs are able to deliver to the warfighter. Cost increases have an impact on DOD's buying power for individual systems, as demonstrated by changes in program acquisition unit costs. As program costs increase, DOD must request more funding to cover overruns, make trade-offs with existing programs, delay the start of new programs, take funds from other accounts, or reduce procurement quantities. Late deliveries delay providing critical capabilities to the warfighter and result in operating costly legacy systems longer than expected, finding alternatives to fill capability gaps, or going completely without the capability. Ultimately, continued cost growth reduces DOD's overall buying power and results in less funding being available for other DOD priorities and programs. The Navy's fiscal year 2009 long-range ship construction plan is one such example: the plan provides for fewer ships at a higher unit cost—in both the near term and the long term—than the Navy outlined in its fiscal year 2008 plan because cost growth has mounted in current shipbuilding programs and the Navy has had to reallocate funds planned for future ships to pay for ones currently under construction.

**Relevant Reform:
Congressional Initiatives**

In the last several years, Congress has enacted legislation that could improve DOD's program outcomes. For example, in the National Defense Authorization Acts for fiscal year 2006 and for fiscal year 2008, Congress included a provision that requires decisionmakers to certify that programs meet specific criteria at key decision points early in the acquisition process. In addition, the Weapon Systems Acquisition Reform Act of 2009 contains provisions aimed at addressing requirements and improving the validity of cost estimates. Specifically, it established the positions of Director of Cost Assessment and Program Evaluation, Director of Developmental Test and Evaluation, and Director of Systems Engineering, as well as requirements for reports and guidance on systems engineering and developmental testing. The act also includes provisions related to the early consideration of trade-offs among cost, schedule, and performance early in the program cycle; early design reviews; and competitive prototyping.

**Workforce: The Right
People Doing the
Right Work Is
Essential to Program
Success**

Over the last several years, changes in the federal acquisition environment have created significant challenges to building and sustaining a capable acquisition workforce, which is responsible for planning, executing, and supporting DOD acquisitions. There has been a substantial increase in spending on acquisition programs and services, while the number of civilian and military personnel in DOD's acquisition workforce has remained relatively constant. Program offices have reported that workforce shortfalls have resulted in degradation in oversight, delays in certain management and contracting activities, and increased workloads for existing staff. To supplement its in-house acquisition workforce, DOD relies heavily on contractor personnel. For example, we have found that in some program offices contractor personnel outnumber DOD personnel.

Both GAO and DOD have noted that without an adequate workforce to manage the department's acquisitions, there is an increased risk of poor acquisition outcomes and vulnerability to fraud, waste, and abuse. However, DOD's lack of key pieces of information hinders its ability to determine gaps in the number and skill sets of acquisition personnel needed to meet its current and future missions. At a fundamental level, workforce gaps are determined by comparing the number and skill sets of the personnel that an organization has with what it needs. However, DOD lacks information on both what it has and what it needs. Specifically, it lacks complete information on the composition and skill sets of the current acquisition workforce—including contractor personnel—and whether these skill sets are sufficient to accomplish its missions. Not having this information skews analyses of workforce gaps and limits DOD's ability to make informed workforce allocation decisions.

In the broader context, DOD also has had difficulty identifying and quantifying its overall contractor workforce. To this end, Congress has enacted legislation in recent years to increase the availability of information on services acquisitions to improve DOD's ability to manage its use of contractors. For example, in 2008, Congress amended a requirement in place for DOD to compile annual inventories of the activities performed under contracts for services, to include information on the number of contractors paid for performing the services. The inventories are intended to help senior DOD officials make more informed acquisition and workforce decisions related to the use of contractors. We have found limitations with the inventories that were submitted for fiscal year 2008, as well as similar limitations in the department's ability to provide complete and reliable data on the number of contractors in Iraq and Afghanistan.

Beyond the numbers of contractors, our recent work has shown that reliance on contractors to support core missions can place the government at risk of transferring government responsibilities, or inherently governmental functions,¹¹ to contractors. Of key concern is the loss of government control over and accountability for policy and program decisions. For example, we reported that DOD officials generally did not consider whether contractors may be unduly or inappropriately influencing government decision making, when making decisions regarding the use of service contractors. Another area where the appropriate role of the contractor has come into question is the use of the lead system integrator.

**Relevant Reform:
Congressional and
Departmental Initiatives**

Congress has passed legislation designed to improve DOD's acquisition workforce. For example, Congress has provided expedited hiring authority for the defense acquisition workforce and has created a Defense Acquisition Workforce Development Fund with a dedicated funding stream to provide the necessary training and development resources. The department also has a number of initiatives underway to address deficiencies in its acquisition workforce, including conducting a competency assessment to identify the skill sets of its current in-house acquisition workforce and increasing the size of its acquisition workforce. The department is planning to increase the size of the acquisition workforce by up to 20,000 people by 2015, through a combination of new hires and insourcing work currently performed by contractors. In addition, DOD is currently working to develop a new more consistent approach for compiling future inventories of service contract employees to help provide better information for use by decision makers.

**Concluding
Observations**

The current state of defense acquisitions has been decades in the making. To a large extent, this reflects cumulative commitments to provide unparalleled long-term capabilities, to expedite near-term capabilities, and to accept the attendant risks. Over time, investment budgets have grown substantially to accommodate the foregoing. Today, DOD finds itself with a large portfolio of weapons and other acquisitions that it may not be able

¹¹Inherently governmental functions are those so intimately related to the public interest that they should only be performed by government personnel. These functions include those activities which require either the exercise of discretion in applying government authority or making value judgments in making decisions for the government. See Federal Acquisition Regulation 2.101.

to afford, a large and hard-to-define contractor workforce, and a government workforce that may not be sufficient to manage and oversee the acquisitions and the contractors. The likelihood of smaller or level investment budgets, painful lessons learned from recent acquisitions, and a strained workforce, suggest that we need to manage risks differently. Right now, we have a great opportunity to do just that. The acquisition reforms that have been instituted by Congress, the administration, and DOD provide a good framework for managing risk. The recent difficult decisions to cancel or trim a number of major weapons programs suggest a collective willingness to make decisions that are consistent with reforms. In the past, good policies have been on the books, but decisions on what programs to approve and to support with funding often undermined those policies. Some fundamental lessons can help guide the decisions ahead. More specifically, a program must be put on a sound technical, cost, and schedule footing before it is approved—contract vehicles can accommodate risks but cannot fix a troubled program. At the same time, a flawed competition or contract award process can delay or disrupt an otherwise sound acquisition. A sound acquisition and contracting strategy is essential to executing the acquisition within time and funding budgets. A capable workforce must undergird all of the above.

Mr. Chairman, this concludes our prepared statement. We would be happy to answer any questions you may have at this time.

Appendix I: 2005-2009 Statistics for All GAO Bid Protests

Fiscal year	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
2005	1262	956	306	71
2006	1223	974	249	72
2007	1277	942	335	91
2008	1456	1167	291	60
2009	1764	1449	315	57

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

Appendix II: 2005-2009 Statistics for GAO Bid Protests Involving DOD Components

2005 DOD Component Statistics				
Component	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
Air Force	127	93	34	13
Army	282	223	59	7
Defense Logistics Agency	121	108	13	0
Marine Corps	12	4	8	1
Navy	135	105	30	5
DOD (Misc.)	29	19	10	2
Defense Total	706	552	154	28

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

2006 DOD Component Statistics				
Component	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
Air Force	148	105	43	13
Army	334	277	57	12
Defense Logistics Agency	70	62	8	3
Marine Corps	32	29	3	1
Navy	101	73	28	4
DOD (Misc.)	54	42	12	5
Defense Total	739	588	151	38

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

2007 DOD Component Statistics				
Component	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
Air Force	136	103	33	16
Army	323	242	81	22
Defense Logistics Agency	97	80	17	0
Marine Corps	20	18	2	0
Navy	129	96	33	8
DOD (Misc.)	70	36	34	16
Defense Total	775	575	200	62

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

2008 DOD Component Statistics				
Component	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
Air Force	154	132	22	9
Army	396	322	74	9
Defense Logistics Agency	87	74	13	1
Marine Corps	22	18	4	2
Navy	126	88	38	9
DOD (Misc.)	53	51	2	0
Defense Total	838	685	153	30

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

2009 DOD Component Statistics				
Component	Total cases	Dismissals	Merit results (sustain and deny)	Protests sustained
Air Force	189	168	21	3
Army	503	424	79	7
Defense Logistics Agency	127	109	18	3
Marine Corps	43	36	7	2
Navy	149	114	35	3
DOD (Misc.)	39	32	7	2
Defense Total	1050	883	167	20

Source: GAO

Note: These figures represent the number of protests. Often there are multiple protests filed for a single procurement action.

Appendix III: GAO Contacts and Staff Acknowledgments

GAO Contacts

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Staff Acknowledgments

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AIR FORCE REFUELING TANKER

Mr. MURTHA. You go into some detail about the programs that have been overturned. For instance, you have got the refueling tanker. We have gone through this over and over and over again. What was the basic problem in overturning the tanker RFP?

Mr. FRANCIS. Okay, I will turn to Mr. Golden on the bid protest.

TANKER AWARD PROTEST

Mr. GOLDEN. In our written testimony, we identified six or seven major programs which were protested, and those cases were sustained. One of the common threads, I think, in all of them if you analyze it, is a situation where the agency sets out in their request for proposals certain ground rules, promises that they have made to the vendors. The vendors propose to those requirements. Ultimately, for reasons from our record we can't divine, the agency doesn't evaluate proposals consistent with those ground rules.

TRICARE PROTEST

Some of the explanation may be with respect to requirements. But one of the examples we are talking about was TRICARE. In both TRICARE cases, where we sustained the protest and found in favor of the protester, there was a common issue and it involved how to evaluate the network provider discounts, which are discounts that the vendor negotiates. The company that ultimately gets the contract negotiates with doctors and the hospitals, and those discounts result in a lower overall health care cost.

The agency basically promised to evaluate the network provider discount—which was a way to evaluate the savings—but had difficulty doing it and ultimately didn't really follow through in what they had promised in the solicitation. I am not sure why that happened, but clearly from an acquisition planning standpoint, it seems to me you have got to make a decision about what you are going to do with something like that.

It is savings, and it is therefore something you want to consider. You have got to figure out where to consider it. Let people know, let the companies know where you are going to evaluate it so they can address it in their proposal. And then you have got to evaluate it and follow through.

One of the reasons we sustained the protests and sent them back to the agency to take corrective action was to force it to determine how to evaluate that.

DEVELOPMENT CONCURRENT WITH PRODUCTION

Mr. MURTHA. You gave me some examples before the hearing started about programs where they started the production at the same time they started the research. Explain that to the committee and explain what we can do as a committee where we provide all the funding, so that doesn't happen in the future.

Mr. FRANCIS. Certainly. I think the examples we talked about, Mr. Chairman, were the B-1 bomber, going back a long time; the VH-71 Presidential helicopter and the littoral combat ship. I think in all three cases the Department of Defense made the start of development and the start of production decisions the same day.

That is not a strategy for any program that requires development, by which I mean engineering and testing and proving out. It is not something that can work, because you can't work on a production design when you don't know if the basic design works. In the B-1, everything got done on time, but we had to do a lot of work afterward to bring that aircraft up to snuff. The VH-71 never was able to deliver, and there were a lot of requirements, increases, over/time, but it was not executable from the start even if there hadn't been any increases.

The littoral combat ship the same way. When it got started, the yards that the contracts were awarded to didn't have any design capability. Yet the ship had to be designed and built at the same time. Not an executable strategy.

REQUIREMENT FOR TRAINED PEOPLE

So getting to your question of what can we do about it, one, we have got to make sure the Department has the people with the technical skills who can recognize those requirements that are unachievable.

You can do something like this as long as you are not developing a system. An example we have talked about was the MRAP vehicles.

If they are off the shelf, you can go into production pretty quickly. But if you have to develop them, you have to develop first, then produce. So the Department needs the people to make sure that when programs are brought forth, that those schedules are executable.

I think on your part, the obligation would be if they bring something forward that isn't ready, then you have to say no to the funding.

PRESIDENTIAL HELICOPTER

Mr. MURTHA. So if they come forward with a plan where they are going to research it and produce it at the same time, we should say, "Wait a minute, you research it first." Always the problem we run into at the Defense Department, they have to have it now, there is this policy decision by the Defense Department, it is a national security issue.

But we can deal with that. There are enough instances where it has cost so much more money, it hasn't worked out—and the VH-71 is a perfect example of that; if we stop at 22 aircraft as an example, where we had to stop it for a while, how do we measure that? We ask you guys to look at it or how do we measure when they come forward with both?

I mean, our budget is \$636 billion. You know, you lose sight. The VH-71, I admit I lost sight of the thing. I didn't realize it was escalating so much until somebody told me it was going to cost \$500 million apiece. So how do we watch that?

KEY MILESTONE DECISIONS

Mr. FRANCIS. There are a couple of things, Mr. Chairman. Right now because of the legislation that has been passed over the past couple of years, there are two key milestone points in any kind of

a developmental acquisition. I won't get into the details, but the milestone A and the milestone B decisions are key program start decisions. And the Department of Defense must now offer to the Congress certifications that certain things are done at those milestones. So that is one thing, to make sure those are done.

The next thing is, anytime there is a new start proposed in the budget, that has got to get flagged and it has got to get reviewed, particularly on the Hill. And I think I would hold the Under Secretary of Defense for AT&L accountable for doing all the things they need to do for bringing that forward for funding.

In the meantime, we look at all major acquisitions once a year in an annual report that we prepare for you. So we are keeping tabs on everything. And then we are in a position for individual programs where you want us to do detail work. We can put a team on that. So I think there are enough mechanisms out there to capture these programs.

Mr. MURTHA. Mr. Frelinghuysen.

ACQUISITION WORKFORCE PERSPECTIVE

Mr. FRELINGHUYSEN. From the outset you said that among the three of you, you have 100 years of experience. So I assume you have been involved in, shall we say, the life cycle of going up and down. Could you put a little more meat on the bones in terms of what did the landscape look like when you first joined the ranks of those that you head up now where we are working—you sort of mentioned, were there 300,000 or 400,000 people, both military and civilian that had these responsibilities?

I remember reinventing government and as we go from administration to administration, everybody tries to put their mark on it. Now we are into sort of a direct hire mode, you know, more people that you need that are government employees. What was the picture like, let us say, 30 years ago? Because then you have to map it to far more complicated military equipment platforms. You point out it is about 150,000.

What did it look like, let us say, 30 years ago?

Mr. FRANCIS. I think when you go back in time you did see a larger government workforce. And some things that you did see particularly was in the area of developmental testing, where the Department of Defense had a very big developmental test organization. And then when you did work in individual program offices, the military and civilian personnel there actually directly managed a lot of the testing and engineering.

If you look in the Navy, the Navy was design—

Mr. FRELINGHUYSEN. And this is at a time, obviously, when we had a lot more military installations. This was sort of preBRAC, right?

Mr. FRANCIS. Yes.

Mr. FRELINGHUYSEN. Where, you know every State had some sort of an arsenal or a depot; is that correct?

Mr. FRANCIS. That is correct.

Mr. FRELINGHUYSEN. So you had quite a different landscape.

Mr. FRANCIS. It was, and there were a lot more programs, I think, at that time. But, for example, the Navy was designing its own ships. It would come up with the design by the naval archi-

fects, and then the yards would build to the designs. So over time we have made decisions through reinventing government and so forth to off-load.

COST OF OUT-SOURCING ACQUISITION

Mr. FRELINGHUYSEN. But not to irritate anybody. But to some extent if you closed down whatever was out there 30 years ago in the way of depots and different types of R&D facilities, you would have to call upon somebody to do that type of design and testing work; is that correct?

Mr. FRANCIS. Sure. The other thing that was going on was the belief that contracting out these functions would be less expensive than doing them in-house, so the thought was that it would be cheaper.

I think the data supported that for the first 10 or 15 years, but we found in the last 5 years, when we have looked at a particular case, we found that now contracting out can be more expensive than doing it in-house.

But we can't go back to those days. We can't pull all that back in.

Mr. FRELINGHUYSEN. Most of that military-industrial complex is not there, either in our hands or even in the hands of many of the contractors that are doing the types of reviews that they have been doing; is that correct?

Mr. FRANCIS. That is right. So I think we are looking at a reality where we will have a blended workforce. We will have a mixture of contractor and government personnel. The question is where does the government really need to have its people to manage that kind of workforce?

FREQUENCY OF PROTESTS

Mr. FRELINGHUYSEN. Just one question. There is a public perception, we are lay people here, that there seem to be more protests than there used to be. Is that public perception correct or is it because—what's going on out there? I know sometimes people plan to protest even before anything is done.

Mr. GOLDEN. Well, I am not sure of that, but the protest numbers have been up the last 2 years. About 50 percent of the increase is related to expanded jurisdiction that we received with respect to task-order procurements. And we talk about the landscape change; in the mid-1990s, the government authorized IDIQs, Indefinite Delivery, Indefinite Quantity, multiple-award contracting, a more efficient method of contracting.

Mr. FRELINGHUYSEN. The government being, for example, us or our predecessors?

Mr. GOLDEN. That was part of the trade-off, I think, for the reduction in personnel that the Chairman was referring to before.

But as a result, GAO lost jurisdiction of protests of task orders. That has now been restored because a lot of money went through the task orders in the last 4 or 5 years. And the jurisdiction has been restored for 3 years with a sunset provision. But that is a change. That accounts for virtually 50 percent of the increase in protests.

But having said that, the protests last year went up 10 percent, and the year before went up about 10 or 12 percent.

Before that, the numbers were down from the mid-1990s when there were, say, 3,000 protests. It is really at historical lows, relatively. I can explain a little bit why there were more protests then but it had to do with lack of debriefings and some other reasons which Congress fixed. Debriefings actually provided more information to the companies. They had less reason to protest, so it worked.

But the rise is partly driven by the expanded jurisdiction that we have.

Now, I will qualify also that the cases the Committee identified involve high contract values. And, frankly, I can remember in mid-1990s, we had our first \$1 billion procurement, the Army radar procurement, and I didn't see one for another 7 years or 8 years. Now we seem to be hitting a billion dollars more often than that.

That is due to the nature of what the government is buying, the way they are procuring, the types of things, the bundling. So it is not unusual, but that is what we are seeing and those are the ones that we identified for the committee.

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman.

BALANCE BETWEEN DIRECT HIRE AND CONTRACT EMPLOYEES

Mr. MURTHA. I got the impression that there was a balance that you see between direct hires and contractors. Do we know what that balance is?

Mr. FRANCIS. We don't, Mr. Chairman. I don't think it is strictly numbers; I think it is skill sets and then roles. And I don't think the Department knows that yet either.

Mr. MURTHA. So you said earlier, one of the problems with contractors is they come and go, versus the direct hires; they gain experience and there is more stability. Is that accurate?

Mr. FRANCIS. I think that is accurate for civilian personnel. I think the military personnel rotate pretty frequently through the acquisition workforce.

Mr. MURTHA. Mr. Visclosky.

WORK FORCE SIZE AND SKILLS

Mr. VISCLOSKY. Thank you, Mr. Chairman. Now, on the issue of the size of the contracting force in your 2008 report, you talked about DOD's efforts to increase their in-house personnel by 20,000 in 2015. Would you want to comment, is that the right number, is it in the ballpark, and how are they proceeding? And the Chairman alluded to the skill sets, I believe, and your response did. Are the skills commensurate as opposed to just filling slots? Getting back to the balance, is that a good number?

Mr. FRANCIS. It is hard to say. I think there is a consensus, if you look at the studies, including the Gansler Commission, that the number needs to be higher. But what number is the right one, I don't know. The more difficult question is where do those 20,000 people go? And that is where we found the data that the Department has just isn't going to tell the Department where to make those investments. So I don't see where they have a good plan at this point for where to invest those people.

I think on the one hand, you would want a really good inventory, but that could take years to do. I think the Department has to do enough analysis to find out what is really hurting it now. So, for example, I might suggest in program offices for really complex acquisitions, that might be a place where you want to look right away and do a skill set analysis there and then decide how much of that 20,000 to invest in those program offices. But I don't think the Department is in a position to know that right now.

Mr. VISCLOSKY. What analysis did they base that number on in 2008 or prior to that; do you know?

Mr. FRANCIS. I don't know.

Mr. WOODS. I am not real-sure where that number comes from either, except I think there is some desire in terms of the mix of contractor versus in-house personnel to return to a number that existed in the early 2,000s, to bring it back to the ratio that existed perhaps 10 years ago.

Mr. VISCLOSKY. Do you have a sense they are having success at matching up those skills? You talk about radar systems and things. If I was a contract officer, I would be dangerous. People with the requisite technical skills and business skills, are those matching up from your analysis today?

Mr. FRANCIS. I think the Department is just beginning to do that. We don't have any independent analysis right now to know how well they are doing the matching, but our understanding is they are just in the beginning stages of trying to decide that. And the Defense Acquisition University is playing a lead role in that.

Mr. VISCLOSKY. One last question. Then it is my generic sense that they do need additional people in-house before we start appropriating money for 2011. What are the best steps we can take to figure out a good solid number for 2011 with the commensurate skill sets?

Mr. FRANCIS. I think you would, one, have to press the Department on how it is going to go about the plan of hiring those people and what skill sets. Then you might think about what problems you think are most pressing that the Committee faces. So, for example, we are talking about weapons system cost growth and use of contract types. So you might think about cost estimating.

For example, the Department, because of acquisition reform legislation, just created a new position, Director of Cost Analysis and Program Evaluation. They set up a new office, Director of Development, Tests and Evaluation, and an Office of Director for Systems Engineering, all really important skill sets.

So I think perhaps the first question is are those offices going to be adequately supported with new people?

Mr. VISCLOSKY. Gentlemen, thank you. Mr. Chairman, thank you.

Mr. MURTHA. Mr. Kingston.

AWARD FEES

Mr. KINGSTON. Thank you, Mr. Chairman.

Mr. Francis, the GAO estimates that the DoD can save are those offices over \$450 million a year, just in 2011 alone, by limiting second chances at award fees. Can you explain that to me?

Mr. WOODS. Do you mind if I take that? Sure, first of all, award fee contracting is a device to motivate excellent and superior contractor performance where the agency will decide on a base fee, often relatively low, such as 1 or 2 percent of estimated contract value, and then to incentivize good contractor performance, they will add a percentage on top of that, perhaps 5, 6, 7 percent, to result in a total fee.

We started some work a few years ago to take a look at how that award fee process was really working, and we were not pleased with what we found.

We found that officials were not tying those awards to actual performance; in other words, providing the award amount, even though performance by the contractor was not excellent but only merely satisfactory, or, in some cases, even unsatisfactory performance, and the contractor was still earning the award fee.

AWARD FEE ROLLOVER

Mr. KINGSTON. But there is an OMB guideline on it—

Mr. WOODS. We have seen a series of improvements over the years since we started this work. And you mentioned the \$450 million figure; let me identify what that is. That deals with the issues of rollover.

Rollover involves a situation where the government might decide not to grant the award fee in a given period because the contractor's performance didn't measure up to expectations; but they would allow, in a subsequent period, the contractor to earn that fee. So they would roll it over to a subsequent evaluation period, and a lot of people questioned whether that was really an effective mechanism.

Now we have a regulation, an interim regulation issued by the administration, which prohibits the use of rollover.

In our latest report on award fees, where we looked at DoD, we did identify that the Department, just on the eight contracts that we looked at, could have saved that \$400 million.

Mr. KINGSTON. So has that then been addressed, or should this Committee put in some report language or something in the bill saying that we need to continue this?

Mr. WOODS. I think on that issue of rollover that we have reached a resolution of that with the new regulation, the interim regulation issued by the administration.

Mr. KINGSTON. But the fee system as a general rule still is a productive incentive when used properly?

Mr. WOODS. Absolutely it is, yes, sir.

Mr. KINGSTON. Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Dicks.

Mr. DICKS. No questions at this time.

Mr. MURTHA. Mr. Moran.

INHERENTLY GOVERNMENTAL FUNCTIONS

Mr. MORAN. Thank you, Mr. Chairman. If we are going to achieve that, the kind of balance that has been referenced, it seems to me the first step is to determine what is an inherently governmental function and what is not. There has been some rough assumption that we would know it if we looked at it. But DoD, for

example, has contractors as the lead system integrator for ballistic missiles or the future combat system. It seems to me that is an inherently governmental function, which ought not to be performed by a contractor.

For a lot of the cost estimating for a contract, contractors ought not be estimating what the government should be charging contractors. We have even read about situations where contractors were evaluating the bids of other contractors. So we have gone much too far in terms of what kinds of functions have been contracted.

Now, it seems to me that one of the things that the subcommittee has emphasized is, it is time, not just for DoD, but governmentwide, for OMB to step in and give us a clearer definition of what is an inherently governmental function.

Now, I get the sense that some of that is up to the program manager, and that is not good either because we have inconsistent policies which aren't even fair to the contractors.

But I would like to know if you feel that OMB has made a reasonable effort or any effort in terms of better defining what is an inherently governmental function.

Mr. FRANCIS. Well, I am going to ask Mr. Woods to comment on that. But I would say there is pretty good guidance on inherently governmental. I think an area we find of increasing concern, however, is an area called closely supporting inherently governmental, which is a gray area which is not being very well managed.

LEAD SYSTEM INTEGRATORS

Mr. Moran, you brought up a lead system integrator, which really is a category in and of itself. We have seen that in the Army, we have seen it in missile defense, we have seen it in the Deep Water acquisition, we have even seen it in one of the Navy acquisitions. And we haven't seen it work yet.

So regardless of what the definition is of inherently governmental, I think when an acquisition is proposed using a lead system integrator, it is almost saying right up front the government doesn't have the capacity to manage this program. That is a red flag right at the beginning. I don't think it means don't do it. But if the government is trying to do something it can't manage, that is a risky project right off the start.

Mr. MORAN. The taxpayers are at risk as a result, I would assume. So in the absence of clear definitions in the areas that I think we would assume common sense would say this ought to be done by the government, it appears that they are taking the most simplistic approach and, for example, to in-source it, pulling back some of these functions.

It appears that much of it is just on the basis of cost comparison. Of course, if that is the case, then you miss a lot. You miss elements of quality, of experience, various skill sets and so on. But isn't it true that much of the in-sourcing that is now being done to achieve that balance just seems to be on the basis of cost comparison rather than the ability to perform the mission most effectively?

Mr. WOODS. Do you mind if I take that?

Mr. FRANCIS. Sure, go ahead.

IN-SOURCING ACQUISITION FUNCTIONS

Mr. WOODS. We are still in, the early stages of in-sourcing. That is a term that is of recent vintage. The Department of Defense, largely at the urging of the Congress, has been reviewing activities that it could possibly bring back in-house through in-sourcing. Cost is one issue, but there are many, many other issues that have to factor in there, expertise being one of the primary factors. But cost is on the list, but not a high priority item for in-sourcing.

ACQUISITION WORKFORCE DEVELOPMENT FUND

Mr. MORAN. Well, are they using that acquisition workforce development fund? That would enable us to better make these kinds of decisions. There is 700 million dollars in there.

Mr. WOODS. That was an initiative that the Congress passed a couple of years ago to actually create a funding stream to improve the contract workforce—the in-house government contracting government workforce.

We have an effort underway in response to a congressional mandate to look at how the Department of Defense is using that fund. We look forward to reporting on that sometime this year.

Mr. FRANCIS. Mr. Moran, I think you raise a very good question. Even with the 20,000 positions, that would not be enough to replace all of the contractor people. So the government really has to look at those as investments. The government has to be really judicious about what highly leveraged positions it puts those people in and it just can't be a cost comparison.

FEDERAL ACQUISITION WORKFORCE SKILLS

Mr. MORAN. DOD needs to give us a better sense of what skill sets they really need. It is not just the numbers and the dollars, but we need to know where they are best needed. DOD needs to understand that, so they can use effectively the additional resources provided.

You need to move on to other members, Mr. Chairman, but thanks for having this hearing. This is a terribly important hearing. Thank you.

Mr. MURTHA. Mr. Rogers.

LEAD SYSTEMS INTEGRATORS

Mr. ROGERS. Thank you, Mr. Chairman, and thank you, gentlemen, for being here.

Back to the management of these large programs, the lead systems integrator, did I hear you say that you have not found an instance where the lead system integrator project worked?

Mr. FRANCIS. That is correct. In every case that I am familiar with, the government decided to abandon that approach.

Mr. WOODS. That is true, not only with respect to the Department of Defense, but also in other agencies where we review the use of that concept like the Department of Homeland Security and its Secure Border Initiative and the Coast Guard's Deep Water program are also examples where it has not worked out as expected.

Mr. ROGERS. Well, I was going to bring those two up because I am familiar somewhat with them, more than others.

What drives the government to go that route in the first place, the lead system?

Mr. FRANCIS. I will use the Future Combat Systems as an example. That was a case where what the Army wanted to do was extremely ambitious, technically. It also was trying to cut across its own organizational stovepipes, and it felt it did not have the people to manage that kind of a project with those skill sets.

So it went to a lead system integrator in the belief that the lead system integrator would have the skills and be able to do the contract management needed to bring in the entire project.

But I will go back to what I had said in the beginning, that the government was starting off with something it knew it couldn't manage, and so the lead system integrator was thought to be bringing something the government didn't have. But I think that is at the crux of what we are talking about. If those are the things the government wants to do, it should have the workforce to do them.

Mr. ROGERS. Yet the workforce is shrinking, correct?

Mr. FRANCIS. Certainly it has shrunk absolutely, and then relatively, to the volume of business.

Mr. ROGERS. Well, in the case of the border contract and Deep Water, Coast Guard; am I correct that the lead systems integrator in one or both of those cases also was a subcontractor, a contractor for services; is that correct?

Mr. WOODS. They did a substantial amount of the work. For example, in the Deep Water program, both of the contractors that formed the joint team that served as the lead systems integrator also got work—production work under that contract as well.

Mr. ROGERS. Is there a conflict of interest there?

Mr. WOODS. One could argue that there might be. There are provisions in place to prevent organizational conflicts of interest. Certainly the agencies in both of those instances would tell you that they reviewed and paid careful attention to the possibility that contractors may be favoring their own designs, their own capabilities, as opposed to others.

Mr. ROGERS. Surely not. Surely not.

Mr. MORAN. That would be wrong.

Mr. FRANCIS. Mr. Rogers, on the Future Combat System, they did try to set that lead system integrator up differently, where they went to a contractor, Boeing, whom in the beginning they prevented, precluded from winning any subcontracts or winning anything in production. So the idea was that Boeing was to be a developer but not a producer. Now, over time, the Army got away from that strategy, but up front they did recognize the organizational conflict of interest.

Mr. ROGERS. Well, are we still using lead systems integrators?

Mr. FRANCIS. I don't know of any projects right now where there is a lead system integrator.

Mr. WOODS. Nor do I. In fact, the Congress enacted legislation to greatly curtail the use of lead systems integrators a couple of years ago.

Mr. ROGERS. Do we need to do anything in this bill?

Mr. FRANCIS. I don't think so. I don't know of any projects that are operating that way. As I think Mr. Woods said, the legislation kicks in in 2011; am I correct?

Mr. WOODS. There are already prohibitions in place for new starts using the lead systems integrator.

Mr. MURTHA. The time of the gentleman has expired. Let me announce to the committee there are three or four votes. There will be a 15-minute vote, which always takes a half hour. We will adjourn when it gets down to 100, vote for two or three, and then come back.

I think this is so important, I think it is necessary to come back if you folks have the time. We will be gone about 15 or 20 minutes. We will adjourn and come right back when it gets down to 100, to give you some time after that.

Ms. Kaptur.

COST OF FEDERAL VERSUS CIVILIAN EMPLOYEES

Ms. KAPTUR. Thank you, Mr. Chairman. Welcome, gentlemen.

Mr. Chairman, thank you for holding this hearing. I am a member of the Budget Committee, and we were struggling this morning with how to put the accounts of this Nation back in order. In looking at each department, I am struck by the fact that—how important Defense is, obviously; and by the authorization, Defense Authorization Act of 2008, the Department has to report back to Congress on various contracts that it has and the activities that it is performing.

The only department that has reported back to us, according to the information I have, is Army, where one of the lessons they have learned, they say, is on average to take total cost of a Federal civilian employee as opposed to a contractor. The cost is \$44,000 less costly. That is just one person, \$44,000.

When I look at page 13 of your report, you have a very instructive chart where you show the number, the share of programs that DoD administers in acquisition—in the acquisition unit, with cost growth of over 25 percent more than originally projected. Forty, over 40 percent every single year. That is nearly half. When one looks at the costs associated with that, they are staggering.

Then you have a line there on total acquisition cost growth from 2003 going up from \$183 billion to \$296.4 billion. My question really is, if you look at the whole Department and what has happened with Defense spending, if we want to establish some fiscal rigor within this budget, how much could we save by in-sourcing? What is the whole?

If Navy and if Air Force hadn't reported back to us, if we don't have accurate figures on contractors in the two war zones in which we are engaged, their costs versus costs of regular force, what data do you have that could instruct us as to how large this number potentially is of outsourcing versus in-sourcing?

Mr. FRANCIS. Very hard to say, Ms. Kaptur. I have seen the \$44,000 number. When we have done individual analyses we have found it is 25 percent cheaper to bring on a government person to do the job versus a contractor, which wasn't always the case.

Now the question becomes, Does that scale up? In other words, could you bring in a government workforce at those savings? I

think a lot of that would depend on what skill sets you are looking at.

But I wonder—I think in the near term, when we expanded the contractor workforce, we did so by government people being hired by the contractors. So I have wondered personally. If you look at somebody who was working for DoD making \$130,000 a year, then they retire, and if the government pays a pension, say, of \$100,000 a year, and they work for a contractor and for the government to hire that contractor back, it is \$200,000 a year. Now the government is paying the \$200,000 plus the pension, \$300,000 for somebody that used to cost them \$130,000.

So it hasn't been a good deal. But I don't know how to scale that up, to be honest with you, and say how much of that we possibly could save.

Ms. KAPTUR. Mr. Chairman, I just want to say that is my major concern. With the importance of the Defense budget as a percent of the entire Federal budget, it seems to me that we should be asking DoD to help get us these numbers so that we can make better choices here.

Mr. MURTHA. Well, if you remember, Ms. Kaptur, he said it would probably take 2 years to find out where the contractors are, what we need.

I remember in Iraq we couldn't find out how many for months and months. The Under Secretary couldn't figure it out. No, this is a real problem.

I don't even know where the 44,000 came from, because you have got people who are service contractors, who, you know, deliver, cut grass and things like that, versus somebody that is highly skilled. So I guess it is an average between each of them.

Mr. FRANCIS. Right. It is.

Ms. KAPTUR. Thank you.

UNDEFINITIZED CONTRACTS

Mr. ROTHMAN. Thank you, Mr. Chairman. Thank you for your service, gentlemen. Thank you for being here.

Undefinitized contracts. This memo says that as of October 2009, the DoD had 429 contracts that were undefinitized. Do you think that is an appropriate number? Do you think the DoD overutilizes these kinds of contracts?

Mr. FRANCIS. I will ask Mr. Woods.

Mr. WOODS. First of all, just for everyone's benefit, an undefinitized contract action is merely a technique, a mechanism, that an agency is permitted to use, not just DoD, but across government, when they are not in a position to fully define all of the terms and conditions of a contract but they need to move forward anyway. So they will enter into an agreement with the contractor without all of the details, including price, fully spelled out.

Mr. ROTHMAN. Do you think, though, that given all of the disappointments that everyone acknowledges, in terms of cost overruns and time delays, that undefinitized contracts with regards to DoD have been utilized properly, excessively, underutilized?

Mr. WOODS. What we have found is that based on the controls that are in place, they are required by regulation to definitize those

undefinitized actions within 180 days. We find very, very often they fail to measure up to that. They are permitted to——

Mr. MURTHA. How can we assure that it falls within the 180 days?

Mr. WOODS. How can we be sure?

Mr. MURTHA. Yes, how can this Committee be sure?

Mr. WOODS. Not sure. We can think about that and give you some guidance if you wish. But that requirement has been in place for a while. And every time we have looked at their use of undefinitized contract actions we consistently find that they fail to hit that.

COST GROWTH OF PRESIDENTIAL HELICOPTER

Mr. ROTHMAN. I won't pursue that because my Chairman has just asked the definitive question, and frankly we need you to come up with the answer.

Also following up with something that the Chairman alluded to earlier, just for my edification, the explosion of costs on the President's helicopter, the President's future helicopter. How does something like that happen? How does it spin so wildly out of control?

Mr. FRANCIS. No pun intended.

Mr. ROTHMAN. No pun intended. We hope ours would spin under control, though.

Mr. FRANCIS. I think it goes back to signing a contract when you don't know enough. So I don't think the requirements and cost had any realism brought to them. So when we started the program, we had really no legitimate idea of how much that was going to cost. When the contractor got into it——

Mr. ROTHMAN. I apologize for interrupting because I know my time is limited. But are we going to make sure that doesn't happen again?

Mr. FRANCIS. Yes. There have been actions taken so that doesn't happen again, in terms of putting more people in place, more processes, the acquisition reform. But it is not a guarantee. So, again, when it comes here, you have to be looking at these things to see if they measure up to those principles.

Mr. ROTHMAN. Okay. But the lesson learned would be we don't allow carte blanche to the designers and the contractors to come up with something and guarantee we are going to pay for it.

Mr. FRANCIS. Right. There is a place to do that, and that is in science and technology. So you expect experimentation, discovery. Do it there. But when we go to a contract for a program, we need confidence.

ACQUISITION OF UAVS

Mr. ROTHMAN. Finally, real fast, UAVs and Predators. Is there any reason why any theater should not have as many Predators and UAVs as they want after all these years?

Mr. FRANCIS. I think there is no operational reason they shouldn't, other than you have to manage the airspace.

Mr. ROTHMAN. But in terms of acquisition?

Mr. FRANCIS. In terms of numbers, I think we should be giving the warfighter what they need. Part of the problem is there are now three variants of that aircraft, and the services are all pur-

suing different ones. DOD could do something more consolidated and get more aircraft out there for less money.

Mr. MURTHA. The time of the gentleman has expired.

Mr. Dicks.

SOLE-SOURCE CONTRACTS

Mr. DICKS. Let me ask you about sole-source contracts. Are we supposed to have these in here today? They would have caught me at the door—how often or how seldom do we use sole-source contracts?

Mr. WOODS. I don't have a precise number on that. It is a permitted technique. The overwhelming number of contract actions and contract dollars are awarded competitively every year. But there are circumstances where for a variety of reasons, urgency or other reasons, the Congress has provided in legislation that sole source contracts are permitted.

Mr. MURTHA. What is the largest sole-source contract ever awarded?

Mr. WOODS. I am not sure I know that, sir.

Mr. MURTHA. Will you find out for us?

Mr. FRANCIS. Okay, we will do that.

[The information follows:]

Response to Mr. Dicks' question: How often or how seldom does the government use sole source contracts?

According to information available in the Federal Procurement Data System-Next Generation and USA Spending.gov, about 68 percent of obligations were under contracts awarded competitively in fiscal year 2009. Of this amount, about 10 percent of obligations were under contracts awarded competitively where only one bid was received.

Response to Mr. Murtha's question: What is the largest sole source-contract?

According to fiscal year 2008 obligations reported in the Federal Procurement Data System-Next Generation (FPDS-NG), the largest non-competitive contract was awarded by the Army's Tank and Automotive Command (TACOM) to AM General for HMMWVs in November 2000. \$4.2 billion was obligated under this contract in fiscal year 2008, and \$14.3 billion has been obligated over the life of the contract, based on the latest available information in FPDS-NG.

Mr. DICKS. You could have a sole-source contract and still do a should-cost analysis so that the government is protected.

Mr. WOODS. Absolutely. And they are required to do that. If they don't have market forces at work that are providing some assurance that the price you pay is a reasonable price, they are required in most instances to get cost or pricing data and to do a very, very detailed analysis of what it is costing the contractor to produce the item, so that the government has some assurance that what it is paying is a fair price.

Mr. DICKS. The contractor can help in this regard by allowing transparency into their cost structure, right?

Mr. WOODS. Not only can they help, they are required to help. They are required to produce that data for the government's analysis.

PROGRAM MANAGERS

Mr. DICKS. I won't go any further. Just laying the groundwork, Mr. Chairman.

Now, we have been doing this for many years, okay, having these hearings. I can remember the retired generals of the Air Force had

their acquisition. Doesn't it get down to people, the quality of the program managers? I mean, you almost—every good program, you finally have had a good program manager; there has been good people at the contractor, they have had good management of the subcontractors.

Then when you see a program that fails, normally the government had bad oversight and the program managers for the companies weren't very good and the subcontractors fail. I think a lot of this gets down to the quality of the people.

And when we kind of diminish the value of people who were—I can remember the Chairman of the House Armed Services Committee, on the floor of the House, calling these, the acquisition people, "shoppers." He said these people are nothing but shoppers, and went ahead and cut 50 percent of the people out of the acquisition program in the 1990s.

You know, to me, now we are still trying to recover from that, to get the people back, make sure they are well trained. What do you think? It says a lot about the people and the training of these people and the experience of the people that are running these individual programs.

Mr. FRANCIS. I would agree completely. In fact, even though GA is a critic and we find a lot of fault with programs, when we get in the program offices we generally find the people are outstanding.

So I think you are exactly right. The people have to be high quality.

And the second thing, Mr. Dicks, is we have to put them in a position to succeed. So a lot of times we take excellent people and we deal them a bad hand. So I don't think there was any program manager who could have made the Presidential helicopter succeed. Yet we put great people in those positions, and my concern in the long run is we grind them up, and you wonder why they would stay in the position.

Mr. WOODS. Could I add one thing to that? You mention quality of the people and that is absolutely correct; but it is also people with tenure. And what we found is that even good people are being moved around at a rate—

Mr. MURTHA. We are going to have to recess for about 15 minutes. They have got 80 people that haven't voted.

[Recess.]

COST ESTIMATES

Mr. DICKS [presiding]. The Committee will come to order. The Committee will resume. On these cost estimates that we were talking about, you said that they are required to do these. This is done by the CAIG, the Cost Analysis Improvement Group, is that what they call it.

Mr. FRANCIS. Yes.

Mr. DICKS. But is this just on the major weapons systems or is it on everything?

Mr. FRANCIS. There are independent cost estimates done on all weapons systems, but only the really big ones are done independently by the Cost Analysis Improvement Group. The other ones are done by the services, so the Army would have its own independent cost estimate, for example.

Mr. DICKS. How accurate have these things been over the years?

Mr. FRANCIS. Well, the independent estimates are more accurate than the program office estimate, but we find they all underestimate by a significant amount. So even if every cost estimate aligned with the CAIG estimate, we would still have overruns.

COST OVERRUNS

Mr. DICKS. And what are the major causes of the overruns?

Mr. FRANCIS. I would say, Mr. Dicks, some of the things that we talked about in the beginning: not knowing enough about the acquisition, not knowing enough about the technology and the systems engineering to make an informed cost estimate. And when you don't have the information, then you are more or less susceptible to optimistic assumptions. So I don't think it is discoveries that were unanticipated that occurred suddenly in the program. I think it is reality playing out.

Mr. DICKS. A lot of times, do the departments just understate, knowing full well they only have so much money to go into the budget, and they are trying to make the budget fit with all the various systems? It is wishful thinking. It has to be, right? Isn't that part of this problem?

Mr. FRANCIS. I remember years ago talking to John Betti, who was one of the first undersecretaries of AT&L. And he said, in his view, programs didn't necessarily know a number was going to be X and then subtract from it. But he said many cost estimates are based on the hope of hitting seven home runs in the bottom of the ninth, very unlikely. But that pressure is there. And what we find is our budget process makes amends for that once a program is underway.

Now, we have seen a couple of examples, Armed Reconnaissance Helicopter is one, where the unit cost was established by taking what the money was in the budget and dividing it by the number of units, and that is what we said the unit cost was. We have seen some instances of that.

Mr. DICKS. Mr. Bishop.

PAST PERFORMANCE INFORMATION RETRIEVAL SYSTEM

Mr. BISHOP. Thank you. I apologize. Has the question been asked about the Past Performance Information Retrieval System?

Mr. FRANCIS. No, it hasn't.

Mr. WOODS. Not today.

Mr. BISHOP. The history of prior performance obviously helps to inform contract award decisions, and that information is generally made available through the Past Performance Information Retrieval System. And your reviews of past solicitations indicate that factors other than past performance, such as technical approach or cost were the primary factors in awarding the contract, in making the decisions. And I understand that the doubts about the accuracy of the historical information and the difficulties in linking that past performance to specific new acquisitions causes the agencies to be reluctant to rely too much on past performance.

So what I would like to know is what your assessment is of the utilization of that Past Performance Information Retrieval System and what actions DoD can take to improve the utility of it in the

selection process, and whether or not funding is a function of that, if lack of discipline is a function of it. And how do you assure that contracting officers and managers enter the contract performance information correctly and in a timely manner into that information system?

Mr. WOODS. Sure. Let me respond to that if I can. We issued a report in April of last year that touched on a number of the issues that you've talked about. It is extremely important to have a good past performance information system because when we don't have a system that contracting officers can rely on, they are not going to use past performance as a discriminator in picking contractors. And what we were told is that the hallmark of a good past performance system is it has to be documented, the past performance has to be relevant, and the information has to be reliable. And in all three of those areas there were shortcomings, shortfalls in that information which led contracting officers to downplay the significance of past performance.

Of the causes that you mentioned, I would say lack of discipline is critical. There was a requirement for documenting past performance, where contracting officers were required to go into the system after the completion of a contract and make judgments and assessments about how well the contractor did. And we found time after time those assessments were simply not done, particularly, when contractors performed on orders issued under the General Services Administration schedule program, which is for commodities and for commercial items and that sort of thing. The contractor officers were failing to enter that information into the system. There has to be more discipline in the system in order for it to work.

Mr. BISHOP. How do you assure that, that discipline?

Mr. WOODS. That has been an issue across the board. In some cases, it is workload where contracting officers need to get on to the next award so that wrapping up the paperwork on the prior contract doesn't have the same priority as moving on to the next award. We have got to find a way to instill that discipline into everybody in the system.

Mr. BISHOP. You think, it is workload, then that has to work do with the acquisition workforce and the contract officers, the number of them, and the additional 10- to 11,000 that we are trying to put in place.

Mr. WOODS. That would help. It would help to have more people to share the ever increasing workload that we have seen. If we had more people doing those functions that would go a long way to easing some of that workload burden.

Mr. BISHOP. Do we have contractors performing those functions now?

Mr. WOODS. We have contractors that are supporting the acquisition function.

Mr. BISHOP. No, no, I mean doing the past performance evaluations.

Mr. WOODS. We didn't see contractors actually doing those assessments, but we saw contractors that were heavily engaged in various support functions at contract offices, and that caused us some concern.

Mr. BISHOP. So obviously, if we reduce the number of contractors and had that in-sourced, we could save a tremendous amount of money?

Mr. WOODS. Well, if we had more people doing the acquisition function on the government side and a more manageable workload, we would see greater attention paid to some of these details like completing the past performance information system assessments.

Mr. BISHOP. By the way, with regard to downsizing, making government smaller, that philosophy, when it comes to contracting and acquisition, in the Department of Defense, that has a reverse benefit in terms of not helping us efficiently and effectively manage the taxpayers' dollars.

Mr. WOODS. There were definitely some down sides to that downsizing of the workforce. You are right.

Mr. BISHOP. Thank you, Mr. Chairman.

Mr. DICKS. Mr. Hinchey.

OMB CIRCULAR A-76

Mr. HINCHEY. Thank you, Mr. Chairman. As you know, there has been a lot of concern here about the Department of Defense use of the OMB circular A-76 process. And thanks to the chairman's leadership, we were able to include in the fiscal year 2010 defense appropriations bill a provision which effectively suspended the A-76 studies that started during the previous administration. So it is my understanding that now, all but two of those A-76 studies have been eliminated, been cancelled except for two that remain in the Navy. And I was just wondering if you could tell us what would be the process of those two that are remaining. Are they going to be cancelled? Does the Navy intend to finish those A-76 operations at some time in the near future, or do we know?

Mr. WOODS. We certainly can't speak to the Navy's intention with respect to those two. A couple of points though. One is, we have looked at that A-76 process over the course of many years, and we have identified a number of problems with how that is working. One of the problems is the lack of good data about the system. For example, you mentioned two remaining studies. We recently went into that system and found that there were actually seven that were in progress. The two that you mentioned in the Navy were included. But whether it is two or whether it is seven, DoD is going to have to make some decisions about what to do with those. Anecdotally, we can tell you that when we talked to the folks over at DoD, they haven't quite figured that one out yet.

As you point out, there is legislation in the appropriations bill, and there also are various provisions in the defense authorization bill that speak to the issue about completing ongoing studies within a set period of time, about providing reports to the Congress on how they plan to approach the issue of outsourcing as well as insourcing. And frankly, they are still trying to match up all of those requirements and figure out where they stand with respect to specific ongoing studies.

Mr. HINCHEY. So you think that is the situation. They are not really certain where they are or what they want to do.

Mr. WOODS. Just anecdotally, from our discussion, they tell us that they are still looking at and figuring out what to do.

Mr. HINCHEY. I can understand that. The seven that you said, where are they?

Mr. WOODS. I am not sure of the exact locations. Three of them were in the Army, two were Navy. And this is a system called the defense commercial activities management information system, and it is available to folks that need to manage this process.

Mr. HINCHEY. Okay. On this issue a little bit further, the GAO issued two reports back in 2008, one for the Forest Service, one for the Labor Department. They were highly critical of the A-76 process, essentially saying that the costs of conducting the A-76 studies were understated, and that the savings that were alleged were overstated. GAO also offered a series of recommendations for reforming that A-76 process. So can you tell us, is it correct that the A-76 problems GAO identified and the recommendations that were put forth for reforms, that was offered by GAO are relevant for other agencies, including the Department of Defense? Or only the Department of Defense?

Mr. WOODS. The recommendations that we made in the two instances that you cited were specific to those particular agencies. But the problems that we found are by no means confined to those two agencies, and DoD is probably one of the best examples. They have the most experience of any other agency in conducting A-76 studies. They have been at it longer. Most of our work, frankly, over the course of the last couple of decades looking at the implementation of the A-76 process has been at the Department of Defense. So there is no question that they have lots of experience, but we have also identified lots of issues there as well.

Mr. HINCHEY. If the Department of Defense does, in fact, try to jump start those two A-76 studies after this suspension expires, if they do that, try to jump start that after the suspension expires, is there any indication that the Department of Defense will have corrected the problems that the GAO identified and that they will have begun at least to implement the reforms that were recommended by GAO prior to the award decisions?

Mr. WOODS. The suspensions that you are referring to I don't think were as a result of GAO recommendations. They were as a result of the legislation that the Congress enacted that told them they have to suspend A-76 activity. So it wasn't that we identified specific problems that needed to be corrected. It was that there was a prohibition on moving forward.

Mr. HINCHEY. It was the overall circumstances of that situation that were dealt with basically.

Mr. WOODS. Well, there are a couple of issues at play. One is the departmentwide bar on moving forward with A-76 studies. But there has also been some isolated instances where Mike and his team have identified flaws in specific studies, and made recommendations on how best to move forward, if they can, with those.

Mr. HINCHEY. What is your assessment, basically of the future of this? What is likely to happen? Do you have any idea?

Mr. WOODS. Well, Congress has been pretty direct over the course of the last couple of years, whether it is the authorizers or the appropriators, in making it very difficult for agencies to move

forward, not just at defense but at agencies across the Federal Government.

Mr. HINCHEY. Okay. Well, thank you very much.

Mr. DICKS. Mr. Frelinghuysen.

HISTORY OF A-76 PROCESS

Mr. FRELINGHUYSEN. A-76 has been around for a long time. How long has it been around?

Mr. WOODS. I believe since the mid 50s.

Mr. FRELINGHUYSEN. And how long have you been weighing in on the A-76 process? And I am sure it is since not 1950, but—

Mr. WOODS. Well, my memory does not go back that far, but probably in the 1960s and 1970s, DoD was moving forward for example, at the depots. The workload between the in-house depot workforce and contractors has always been an issue about what the right allocation is of workforce, and as long as that debate has been going on we have been in there providing oversight.

Mr. FRELINGHUYSEN. Part of it was to make sure that the work force was concentrating on what was actually important.

Mr. WOODS. Absolutely.

Mr. FRELINGHUYSEN. And somehow we got away from that. I know we are not going back to A-76 because people want to hire up people and promises have been made. But overall when it was initially rolled out and I have been around in government for a long time, people saw some pretty positive effects from it. So it is not an all-negative history. Would you agree?

Mr. WOODS. It is not all negative history. And, in fact, the Congress asked GAO to chair a panel looking at the A-76 process back in 2001, and GAO spent a year doing that. We pulled in folks from all sides of the debate, from the unions, from the administration, from industry, and that is the story that we heard, that it is not all negative. There are positive aspects to that. It does force the government to sharpen its pencil and it forces contractors to sharpen their pencil when they have to compete for the work.

Mr. FRELINGHUYSEN. Well, that is sort of what the GAO is all about isn't it, sharpening the pencil, taking a look?

Mr. WOODS. We want to see the best bang for the buck, yes, sir.

SKILL SETS NEEDED IN THE FEDERAL ACQUISITION WORKFORCE

Mr. FRELINGHUYSEN. Mr. Francis, you said earlier that we don't know what gaps there are. You referred to, either in response to Chairman Murtha or maybe in your general comments in Department of Defense work force. Could you sort of elaborate a little more on that.

Mr. FRANCIS. Sure. We have done some work to show that the Department of Defense does not know what skill sets it really needs in its acquisition workforce. And our understanding right now of the in-sourcing of the 20,000 people that will take place through 2015 is the department is inventorying what it has, looking at its current skill sets, where it has the work—

Mr. FRELINGHUYSEN. Are they actually doing it or have they outsourced a group to do it? I mean, I don't mean to be totally facetious here, but in reality, sometimes people are so busy over there

doing what they are doing relative to the war they might well turn it over to somebody to do it.

Mr. FRANCIS. I don't know but I will hope that—

Mr. FRELINGHUYSEN. Might be good to get an answer from you on that.

Mr. FRANCIS. Yes. Okay.

Mr. FRELINGHUYSEN. So the gap issue.

Mr. FRANCIS. Yes. So they are working first on what they have now. The hard part is the normative, where do they need to be. And they haven't identified the skill sets they really need to have. So you need both pieces, where we are and what we need to be to identify those gaps. They are not there.

Mr. FRELINGHUYSEN. So you have gaps. We had somebody testify in here that it is difficult to find young men and women who are willing to go into, I won't say your line of work, but, you know, either to serve the military or to serve the military in a civilian capacity because they can do a lot better working at some other job. So they have not identified the skill sets they need, you are saying?

Mr. FRANCIS. Yes, that is correct.

TIME LINE FOR HIRING ADDITIONAL ACQUISITION PERSONNEL

Mr. FRELINGHUYSEN. And so what would you anticipate would be the time period for them to be able to do that? Assuming they can incentivize these people to, shall we say, join up.

Mr. FRANCIS. Yes, they say they are going to bring the people in by 2015. I am not sure what a good number is, but you'd like to think they'd want to start doing that as soon as possible. So I would say, a reasonable period would be within a year they ought to be able to start identifying where they really need people. And speaking from experience at our own agency, we are getting a lot of people applying for positions. I would say 200 to one. For every vacancy there might be 200 applications. So I actually think very positively about the government's ability to attract good people.

Mr. FRELINGHUYSEN. This is like our intelligence agencies who are now hearing because the economy is so poor so many people are out of work that they are getting a flood of applications. You don't think there will be any deficits in this area.

Mr. FRANCIS. I think the supply of talent is pretty good. And I think the economy is one thing, but we noticed in our agency, post-9/11, a lot more people want to do public service. So my prognosis would be optimistic.

WEB SITE FOR HIRING

Mr. DICKS. Would the gentleman yield on that point? I happened to be involved in something in my State, and it was a company working with Lockheed, and one of the ways they hire these people is through a Web site. Are you familiar with this? The Defense Department now I am talking about.

Mr. FRANCIS. Yes.

Mr. DICKS. So if they get into a competition on who's going to do the website, how expensive it is, if they don't get this Web site set up, nobody gets hired. I mean, I think there is a huge number of jobs, probably in the acquisition area that are just not, nothing's happening. Do you have any evidence to that?

Mr. FRANCIS. We have got anecdotal evidence on how difficult it is, if you will, to try to work through a Web site like that and then how quickly the government can respond and going through applications and then setting up interviews. So the government has technically been slower in doing that than private industry.

Mr. DICKS. And just so I can get another point on the A-76.

Mr. FRELINGHUYSEN. And of course we need to know who they are hiring up. I mean, obviously you just can't hire anybody up. You can get people planted in there.

Mr. DICKS. But the situation here was that the company that was going to do the website got into a big dispute with OPM, the Office of Personnel Management and the Department, and it didn't happen. So instead of being set up and starting to bring people in for interviews, it went on for a year or so. So I am worried about the way they are handling this. You would think that the Defense Department would bring these people in and interview them. But instead they do it through a Web site. And if the website doesn't get set up you don't get the people.

A-76 POST AWARD AUDIT

So that is worrisome to me. On the A-76, I agree with what has been said earlier, that there was a positive aspect of this. Now, way back, maybe 20 years ago, I put language in that said you would have to have a post audit on A-76. So if something was contracted out, then, a year or so afterwards, you'd go back and audit again when they started to renew these things to see if, in fact, you kept the prices down or did they start to escalate.

And somehow this thing got knocked out at some point in the process. But I think, on the A-76, something like that, where you have a post contract audit to see whether, in fact, you achieved the savings you wanted or not. If you are going to do A-76 you've got to have something like that or else they'll bid low, get the work away from the government, and then they'll start increasing the cost of this in the out years. I yield back.

Mr. FRELINGHUYSEN. I yield back.

Mr. DICKS. Mr. Moran.

OUTSOURCING QUOTAS

Mr. MORAN. Norm, you bring up a history that I think many of us have been involved in. One of the things that happened during the Bush administration, it wasn't just DoD, it was Interior Department, you will recall, that there were quotas given to managers, and that they would get a green light if they outsourced a certain percentage of their work force. And then they'd get a yellow light or a red light if they didn't and so on. The problem was it was a cookie cutter approach. Some missions are more inherently governmental than others. But there was this attitude that a certain percentage of your work force, whatever, that whatever skills and whatever the mission is, we want you to contract out. And so it was done in kind of a willy nilly fashion, it appeared. And so the Congress, I think it was a bipartisan vote, just put it into it. Now, we are in a situation where outsourcing, contracting out, we think, has gone too far in many agencies, particularly defense, and so now we want to do some more in-sourcing.

HIRING CONTRACTORS TO BE FEDERAL EMPLOYEES

Unfortunately, some of the initial reports I am getting is that, again, in some cases it is being done in an arbitrary fashion and there are some contracts, for example, where the contractor has invested a great deal of capital, has trained their personnel, has acquired quite a fair amount of experience, and has been judged to have been effective in carrying out the mission, but the program manager, wanting to comply with this new approach, goes in, hires the people that the contractor has trained, pulls them back into the government, pays them as much as they can, of course, but the employees have no option because they are told we are going to close down this program; we are bringing it in house. If you want to keep your job, you become a Federal employee.

And we are bringing you on. So they bring on almost everybody, but you know, the top manager or whoever is the—representing the contractor. That doesn't seem fair either. And it doesn't recognize the investment that some of the better contractors have clearly made in meeting the mission of the agency.

So I want to get your reaction to that. Is this just anecdotal, or does this seem to also be taking place from your perspective and looking at the contracting community?

Mr. FRANCIS. Well, Mr. Moran, I haven't heard of that particular instance where the government might be taking employees back from a contractor.

Mr. MORAN. I have got dozens of examples that I have been told.

Mr. FRANCIS. Okay. But you raise a very good point, because what we have been talking about the past 20 years is the pendulum swinging one way to out source. We don't just want the pendulum to swing back to in source. It has to be thoughtful, and I think the guiding principle has to be what is in the best interests of the government. So it can't just be a numbers game. So the instances that you describe, these are things the government has to be thoughtful about because just taking what you said, you raised the question, is it in the government's best interest to reverse that?

Mr. MORAN. Yeah. Now, let me ask you—

Mr. DICKS. Would you yield just for a second.

Mr. MORAN. Yeah, sure.

Mr. DICKS. The thing that worries me is that the government could abuse its power here. This is what I saw in this website deal. This company, a small little company from Tacoma, Washington, spent a couple of million dollars getting ready to do this Web site, to hire, to bring all these people in. And they had already done it for the forest service down in Albuquerque, New Mexico and done it very successfully. But they got into a big to-do with the Federal agencies, and all of a sudden they cancelled. They just cancelled it. And so nobody gets hired. Nothing happens, and the government, I think, has abused this company. And I don't know what their recourse is, maybe a lawsuit or something. But again, we are not getting the people hired, we are not getting the work done.

So I am concerned about this too and I am sympathetic with what the gentleman's saying because I had this example and it was very painful for this small company.

Mr. MORAN. And lawsuits take forever and the government can outlast any private contractor.

Mr. DICKS. Right.

STUDY OF INSOURCING

Mr. MORAN. Let me now ask you about the study that DOD has done, maybe it is GAO has done it of DOD, in terms of the implementation of this in-sourcing initiative. I understand that there is a study that is ready. I don't know whether it is finalized. I don't think we have seen it on the subcommittee, but I would like to know what the status of it is and what is the content of it.

Mr. WOODS. The latest that we have seen, sir, is a December 2009 report.

Mr. MORAN. That is pretty timely.

Mr. WOODS. It is a report by DOD. The House of Representatives required DOD to report on the status of their in-sourcing initiatives. We have seen that report. We haven't thoroughly analyzed all of its contents, but we are trying to stay as close as we can to that issue.

Mr. MORAN. Well, do you know, since you have seen it, what does it say just roughly?

Mr. WOODS. What I drew from it is they are trying to focus first on those positions that are inherently governmental, that never should have been contracted out in the first place. Secondly, they want to focus on positions that may not be in the inherently governmental arena, but are, nevertheless, critically important to keep in house to enable the government to have capacity to carry out its functions. And then thirdly, cost, to focus on areas where the government could save money by in-sourcing certain positions.

Mr. MORAN. Does our staff have a copy of that?

[CLERK'S NOTE.—The report is printed at the end of the hearing.]

Mr. WOODS. We will certainly get that to the Committee. We will get that in PDF format and send it up.

Mr. FRANCIS. It has got some of our writing on it, is that okay?

CONTRACT AWARD PROTESTS

Mr. MORAN. All the better. As long as it is not profane or anything. One other question, Mr. Chair, if I could. One of the things that has troubled me, and it has been brought to my attention as well in this general area, is that when a smaller contractor wins a contract on the basis of, you know, quality, or oftentimes innovation, using new technology, they can do it less expensively, and they claim more effectively, they win the contract.

If they win it against a larger contractor who was either bidding or has been the incumbent bidder, that contractor, if they are large enough, they have a whole division of litigators, so they automatically protest, knowing that the smaller contractor can only go so far in terms of litigating these protests and, oftentimes, will have to drop out, and then, in some cases, the larger contractors just bought them up or, you know, they will subcontract with you, we keep the profit, you do the work. And this is the best you can get. I know that has happened. Are there many examples of that, or is this just an aberration that I have seen more than once?

Mr. GOLDEN. From my standpoint in the protest area, we do get incumbents who protest to hold onto the contract.

Mr. MORAN. There are some that protest automatically.

Mr. GOLDEN. I can't say that. If you look through our database you'd see names of a wide variety. You wouldn't see that many repeats. There are companies that you would see repeating. But I don't think it is clear cut that that is going on, although I have to admit I have heard that once or twice as well, that a larger company just files a protest and they are hoping the small businesses—

Mr. MORAN. Well, there are some who are notorious among the industry.

Mr. GOLDEN. And the small businesses obviously don't have the same resources, but, on the other hand, the small businesses do have a tot of preferences, set asides, rules that help protect them and safeguard them in the Federal procurement system as well, which does help. But from our standpoint and obviously, from a protest standpoint, we haven't studied this. It is not something we necessarily know about. But I think ultimately, companies protest because it is in their interest, but they are also concerned about suing the customer. And it is something they think about before they protest because it does have implications ultimately on their relationship with the agencies, and so I think there's some balance. And I think the system is rational in that sense, at least I hope so.

Mr. MORAN. Okay.

Mr. DICKS. Any other questions?

Mr. HINCHEY. Just one brief one.

Mr. DICKS. Mr. Hinchey.

INCREASE IN CONTRACTS FOR SERVICES

Mr. HINCHEY. Just about 10 months ago, you did a report about goods and services and the amount of money that was being spent on goods and services and how, since 2001 to then, it had gone up by almost \$400 billion. I think the number was \$388 billion. Was there an analysis as to what was causing that? Was it regarded as being significant? Was there any indication that that wasn't the only area where that cost had gone up so substantially? Were there other indications of anything similar to that?

Mr. WOODS. The biggest growth area we are seeing is services.

Mr. HINCHEY. Goods and services?

Mr. WOODS. The numbers that we always cite are total goods and services. But the differences that we are seeing over the course of 10, 15 years is the significant increase in services. That is where we are seeing most of the growth.

Mr. HINCHEY. Significant increase in services?

Mr. WOODS. Absolutely, sir. It used to be that not many years ago the government bought mostly hardware items and not services, and now we have seen that trend reverse where well over 60 percent of what the government buys is services and the rest are hardware items.

INCREASE IN CONTRACTING WORKLOAD

Mr. HINCHEY. The report said the number of government personnel remained the same in spite of the fact of that increase.

Mr. WOODS. That is right. And that causes a couple of problems. Number one is we have seen the number of contract actions, just the workload that they have to handle go up in the face of a relatively stable workforce. But secondly, the complexity of those acquisitions has increased because buying services is more difficult than buying hardware. On hardware items you've got a list of specifications, and it is relatively easy, or at least easier than buying services. Where you are trying to define the outcome that you are trying to achieve, to establish metrics for how you are going to measure the contractor's performance, it is much more difficult than buying goods.

Mr. FRANCIS. I am trying to remember which year it was, but in that data, at some point in the past few years, the amount of money we spent on services began to exceed what we spent on weapons. So the Department's major acquisitions are services.

Mr. HINCHEY. Well, that is interesting. I, mean, it is interesting that the amount of money that is being spent on it has gone up so much and what those services are would be an interesting piece of information. Why is that cost going up so much?

Mr. FRANCIS. Well, a fair amount of it is to build the capacity we needed for the near term operations in Iraq and Afghanistan. So a lot of that has been subcontracted. I think there's been a large growth in the LOGCAP contract. So a lot has been to augment the government's capacity to handle current operations.

HIRING CONTRACTOR PERSONNEL AS FEDERAL EMPLOYEES

Mr. HINCHEY. Is there some progress being made to convert the kind of contractor personnel to government service?

Mr. WOODS. Well, there is the in-sourcing initiative that we have talked about where the Congress has directed agencies to, first of all, do inventories of their contractors to know what the contractor workforce is; and then secondly, to use those inventories to make the kinds of decisions you are talking about, of how many of those, if any, can we bring back in house.

Mr. HINCHEY. Okay. Thank you very much.

Mr. DICKS. Mr. Frelinghuysen? All right. The Committee will stand adjourned. And we appreciate your testimony. We appreciate your good work.

[CLERK'S NOTE.—Questions submitted by Mr. Murtha and the answers thereto follow:]

UNDEFINITIZED CONTRACTS

Question. To meet urgent needs, the Department of Defense can authorize contractors to begin work and incur costs before reaching a final agreement on the contract terms and conditions—known as undefinitized contract actions (UCAs), or letter contracts. As of October 2009, the Department of Defense had 429 contracts that were undefinitized. This type of contracting may not be in the best interests of the taxpayer since the contractors lack incentives to control costs while the contract is being definitized.

- In your experience, does the benefit of starting work sooner outweigh the loss of control experienced in a UCA?

Answer. In some circumstances, a UCA is needed to meet an urgent need; in those cases, the benefits of starting work sooner may be in DOD's best interest (if appropriate attention is paid to definitizing as soon as practicable). However, based on some of the contract actions we have reviewed, it is not clear that DoD is using UCAs only in urgent situations. In some cases, UCAs may have been avoided with better acquisition planning. Further, we found that work is not always done sooner, as had been anticipated under the justification for a UCA. For example, in one case we reviewed, during the 13-month undefinitized period the contractor incurred costs equal to 2.4 percent of the total not-to-exceed amount, compared to the 50 percent obligated at award. In another case, permission was granted to obligate 100 percent of the not-to-exceed amount at award, however the contractor incurred costs of only slightly more than 1 percent of the not-to-exceed amount during the 11-month undefinitized period.

Question.

- Does the shortage of contracting officers within the DoD impact the Department's ability to definitize UCAs?

Answers. Contracting officers have pointed to numerous reasons for delays in definitization, and shortages in the acquisition work force are certainly among them. Contracting officers cite their heavy workloads, stating that once the UCA is awarded, they must turn to other pressing needs rather than going through the definitization process. They have also cited shortfalls in the government's ability to perform price analysis of contractor proposals. Other reasons cited for delays in definitizing UCAs include

- untimely or inadequate contractor proposals,
- the program offices' changing requirements (either because the requirement was not adequately described when the UCA was awarded or was subsequently changed after award), which leads contractors to revise their proposals, and
- delays in obtaining necessary audits of contractors' proposed pricing structure.

Question.

- For cost type contracts, does DOD have a policy that encourages contracting officers to reduce fees when UCAs are not definitized in a timely manner, and thus unknowns become known and risk is lessened?

Answer. DoD does have a policy requiring contracting officers to consider any reduced cost risk to the contractor for costs incurred during contractor performance before negotiating the final price. While there may be a requirement to consider reduced costs risks and make an adjustment in the profit or fee, if necessary, GAO recently reported that in about half the definitized UCAs we reviewed (both cost type and fixed price contracts)—34 of 66—contracting officers did not document consideration of any reduced cost risk to the contractor during the undefinitized period when establishing profit or fee negotiation objectives.¹ For the 12 cost-plus-award fee contracts included in this review, we did not see any evidence in the contract files that there was any consideration of reduced cost risk. GAO noted that defense regulations do not provide a procedure for how to consider any reduced cost risk for cost-plus-award-fee type contracts and recommended the Secretary of Defense revise the defense federal acquisition regulation supplement (DFARS) to provide specific guidance on how to perform an assessment of any reduced cost risk for profit or fee during the undefinitized period for cost-plus-award-fee UCAs. DOD agreed with this recommendation and plans to revise the DFARS Procedures, Guidance, and Instruction to provide specific guidance on how to perform an assessment of any reduced cost risk during the undefinitized period for cost-plus-award-fee UCAs.

DEFINITIZATION PERIODS AND OBLIGATION AMOUNTS ON UNDEFINITIZED CONTRACT ACTIONS

Question. The Federal Acquisition Regulation states that undefinitized contract actions (UCAs) should be definitized within 180 days of signing the UCA or before completion of 40 percent of the work to be performed, whichever occurs first. However, many of these contracts are not definitized within the required 180 day time period. In some cases years have passed with still no definitization and oftentimes funds are obligated in excess of the limits normally allowed.

- What can be done to address these issues?

Answer. GAO found that leadership emphasis and management insight into and oversight of the use of UCAs can be an important tool. DoD centralized reporting

¹GAO, Defense Contracting: DOD Has Enhanced Insight into Undefinitized Contract Action Use, but Management at Local Commands Needs Improvement, GAO-10-299 (Washington, D.C.: January 28, 2010).

is a good step for senior leaders to gain an understanding of the extent to which UCAs are being used and when they are being definitized. GAO reported in 2007, that DoD does not track whether it meets the Federal Acquisition Regulation requirement to definitize letter contracts (one type of UCA) before 40 percent of the work is complete. To improve oversight of UCAs, GAO recommended at that time that the Secretary of Defense issue guidance to program and contracting officials on how to comply with the FAR requirement to definitize when 40 percent of the work is complete. DoD has proposed an amendment to the Defense Federal Acquisition Regulation Supplement (Case 2007–D011) to clarify that DoD letter contracts will be definitized using the DFARS procedures (before 180 days or prior to 50 percent or more of the not-to-exceed amount is obligated) applicable to all other undefinitized contract actions. The rule was still pending as of January 21, 2010.

SUSTAINED CONTRACT PROTESTS

Question. It appears to this Committee that the number of sustained contract protests has increased in recent years. While certainly fair and equitable to the losing contractor, sustained protests have the effect of disrupting the fielding of critical weapons systems both in terms of cost and schedule.

- In your review and adjudication of acquisition contract protests, have you found a common thread or theme in the Department's awarding of these contracts that have caused the protests to be sustained?

Answer. Generally, our Office sustains a relatively small number of protests a year. Last year, government wide, we sustained 18% of the fully developed protests that we decided on the merits. For DOD, in FY 2009, we sustained 12% of the fully developed merit cases. The percentage of sustains decreases significantly if all protests filed, including the ones that are dismissed before a decision is issued, are counted. This means that agencies generally are doing a good job in conducting their procurements. However, there are areas where we continue to see errors being made. These include instances where agencies do not follow the ground rules of the competition set forth in the solicitation; do not adequately document their evaluations; hold misleading or inadequate discussions; or conduct the competition in a manner that is inconsistent among offerors. I should note that these errors exist across the government; no one agency or department experiences problems significantly more than others.

Question.

- Is there any one cause that you have seen that seems more common when reviewing these acquisition contract protests?

Answer. The one ground that appears to seem more common in GAO decisions, including the DoD procurements identified in the written testimony, is where the agency has not followed, or has misapplied, the ground rules for the competition as stated in the solicitation. Again, this observation applies to civilian as well as defense acquisitions protested.

INVENTORY OF CONTRACT SERVICES

Question. The law (10 U.S.C. 2330, Section 807 of the 2008 National Defense Authorization Act, and codified in 10 U.S.C. 2330a) requires the Secretary of Defense to submit to Congress (and make available to the public) an annual inventory of activities performed pursuant to contracts for services. The Department of the Army promptly complied. The Army examined (and continues to examine) the inventory of contracted services and has discovered inherently governmental functions which had been contracted out, and is now in the process of insourcing these functions. One of the lessons learned thus far by the Army is that on average total cost (pay and benefits) of a federal civilian is \$44,000 less costly than a contractor. The Navy and Air Force supplied the inventory of contracted services in August of 2009 and do not appear to have attempted to ascertain the inherently governmental functions being performed by contractors. The Defense Agencies have yet to comply with the law to supply an inventory of contracted services.

- What is your assessment of DoD's efforts to inventory contracted services and identify functions which are inherently governmental?

Answer. We assessed the methodologies used by the Departments of the Army, Navy, and Air Force to compile service contract inventories for fiscal year 2008 and reported in January 2010 (GAO–10–350R) that the methodologies used by the military departments differed in key ways, including how each identified service contracts, which categories of services were included, and how each determined the number of contractor full-time equivalents. Further, we reported that all three of the military departments' inventories were missing data. We noted that the differences in each of the methodologies make comparisons across the military depart-

ments difficult and that DOD currently has an effort underway to develop a new, more consistent approach for compiling future inventories. We did not assess the methodologies used by the defense agencies to compile the inventories that the Office of the Deputy Under Secretary of Defense for Acquisition and Technology submitted in September 2009, nor did we assess DOD's efforts to use the fiscal year 2008 inventories to identify inherently governmental functions. Section 803 of the National Defense Authorization Act for Fiscal Year 2010 requires GAO to continue to report on DOD's service contract inventories in 2010, 2011, and 2012.

SIZE OF THE ACQUISITION CONTRACTING WORKFORCE

Question. The Department of Defense downsized the acquisition contracting workforce for many years without ensuring that it retained an adequate in-house workforce with the specific skills and competencies needed to accomplish the acquisition contracting mission. The DoD plans to more rigorously oversee additional hiring and to improve retention. In the Spring of 2008, the GAO reported on the Department's plans to convert 11,000 contractor personnel to government positions, and hire an additional 9,000 government personnel by 2015.

- Please assess the utility of the authority in Section 832 of the National Defense Authorization Act, 2010, which provides for the use of certain unobligated balances to assist recruitment and retention of the DoD acquisition workforce.

Answer. We have not evaluated the utility of the authorities provided in Section 832 of the National Defense Authorization Act for Fiscal Year 2010. We do note, however, that in order for such funds to be expended wisely, decisions on how and where that money should be spent need to be informed by data and analyses. As discussed in our testimony² and our March 2009 report,³ DOD lacks key data and analyses on its acquisition workforce that could be used to inform such decisions and how best to focus resources on where the greatest benefits are expected.

CONTRACT MANAGEMENT PERSONNEL

Question. The Department of Defense's acquisition contracting workforce is losing many of its most talented and experienced personnel to retirement. In some cases the personnel that remain do not match up well with the types of major acquisition programs to be contracted.

- What is your evaluation of the personnel management effort in the DoD to find, recruit, hire, and develop the needed acquisition contracting professionals?

Answer. According to DOD, its contracting workforce grew by almost 6 percent from fiscal year 2008 to the end of fiscal year 2009. DOD has announced plans to further grow its contracting workforce over the next 5 years.

However, as we reported in March 2009, DOD lacks critical information in several areas necessary to assess, manage, and oversee its acquisition workforce, including those responsible for contracting, and ensure that its workforce is sufficient—both in numbers and skill sets—to meet DOD's current and future needs. We noted that DOD and the military services had a number of initiatives underway to respond to legislative requirements aimed at improving the management and oversight of its workforce, including developing data and processes to more fully assess the workforce. However, it was too early at that time to determine the extent to which these efforts will improve management and oversight of the workforce, but we questioned whether DOD would have the information necessary to assess and oversee the acquisition workforce.

GAO is currently conducting a mandated review of the nature and efficacy of the acquisition workforce's training. The results of that review are expected by October 2010. Additionally, once DOD issues its human capital plan for its acquisition workforce, GAO will initiate a mandated review of that plan, which is to include recruiting and retention goals and specific strategies for developing and training the workforce. That review is to be completed 180 days after the plan's submission. These reviews will provide additional information regarding DOD's efforts to find, recruit, hire, and develop contracting professionals.

Question.

- Are certification requirements rigorously enforced in the DoD?

Answer. We have not assessed DOD's enforcement of certification requirements or whether the acquisition workforce is achieving the appropriate levels of certifications. Our mandated reviews of DOD's training for the acquisition workforce and

²GAO, Defense Acquisitions: Managing Risk to Achieve Better Outcomes, GAO-10-374T (Washington, D.C.: Jan. 20, 2010).

³GAO, Department of Defense: Additional Actions and Data Are Needed to Effectively Manage and Oversee DOD's Acquisition Workforce, GAO-09-342 (Washington, D.C.: Mar. 25, 2009).

the human capital plan for that workforce should provide additional insights regarding certification.

Question.

- As private contractors increasingly are intertwined into the work that federal military and civilian personnel perform in managing acquisition contracts, how can the Department ensure these private contractors have adequate skills to meet the demands of the work?

Answer. As we reported in March 2009, DOD has not collected departmentwide data on contractor personnel supporting the acquisition function, either in terms of their number or skill sets. While DOD has efforts underway to collect information on the number of contractor personnel supporting the acquisition function and to assess the competency of its government workforce, these efforts will not provide information on contractors' skills sets or detailed information on the services they perform to support the acquisition function. In response to our March 2009 recommendation that it collect data, such as that related to skill sets and functions performed, on contractor personnel supporting the acquisition function, DOD agreed that such data are needed but stated that establishing a contractual requirement to capture more detailed information on its contractor workforce would need to be carefully considered. Until DOD begins to collect and analyze data on the contractor workforce supporting the acquisition function, it is not clear how the Department can ensure that private contractors have the necessary skills to meet the demands of the work.

It should also be noted that DOD has not determined as a whole what skills its total acquisition workforce—both government and contractor—need to meet the demands of the work both currently and in the near future. It is only by identifying its needs and conducting a thorough gap analysis of what it currently has versus what it needs that DOD can determine the appropriate size, composition, and skill set of its acquisition workforce.

Question.

- How do you rate the Department's acquisition contracting work force in achieving the appropriate levels of skill certification?

Answer. We have not assessed DOD's enforcement of certification requirements or whether the acquisition workforce is achieving the appropriate levels of certifications. Our mandated reviews of DOD's training for the acquisition workforce and the human capital plan for that workforce should provide additional insights regarding certification.

IMPROVEMENTS IN THE ACQUISITION CONTRACTING WORKFORCE

In a March 2009 report, the Government Accountability Office noted that since 2001, the amount contracted for goods and services had more than doubled to \$388 billion but the number of government acquisition personnel was approximately stable. The Department of Defense (DoD) has begun an effort to strengthen the acquisition workforce by converting 11,000 contractors to government positions in the near term, and by hiring an additional 9,000 Government personnel by 2015. However, the DoD lacks the information needed to identify capability gaps in the workforce which may impact mission accomplishment. The DoD has incomplete information on the skill sets of in-house personnel and the Navy, the Air Force and Defense Agencies have little information on contractor personnel. The Army has made progress in this area.

Question.

- Please provide for the Committee an update on the progress being made by the DoD to convert contractor personnel to government service, and hire the additional 9,000 personnel?

Answer. Given that DOD's efforts to convert and hire additional acquisition workforce personnel have only recently gotten underway, we have not had an opportunity to go in to assess what progress has been made. However, information regarding DOD's efforts to grow its acquisition workforce should be included in the department's human capital plan for the acquisition workforce. Once DOD issues its plan, GAO will initiate a mandated review of that plan is to be completed 180 days after the plan's submission.

Additionally, according to a December 2009 DOD report on the department's insourcing initiative, DOD plans to establish approximately 17,000 new manpower authorizations in fiscal year 2010 to perform work and services currently under contract. Of the 17,000, DOD estimated that approximately 3,400 authorizations will be for the acquisition workforce.

Question.

- Has the DoD improved the collection and cataloging of information that is available on acquisition contracting personnel?

Answer. We recently assessed DOD's efforts to collect and catalog information on the acquisition workforce for our March 2009 report. At that time, we reported that the department was hindered by the lack of key data to determine gaps in the number and skill sets of acquisition personnel. We noted that DOD had a number of initiatives underway to improve its oversight of the acquisition workforce. For example, DOD was conducting competency assessments to identify the skill sets of its current acquisition workforce. According to DOD, assessments have been completed for 3 of the 13 career acquisition career fields—including contracting—and there are plans to conduct assessments of the remaining career fields. However, while these assessments will provide useful information regarding the skill sets of the current in-house acquisition workforce, they were not designed to determine the size, composition, and skills sets of an acquisition workforce needed to meet the department's mission.

TYPES OF CONTRACTS

Question. Some types of contracts are:

Cost Reimbursement—Utilized for acquisitions when uncertainties in contract performance do not permit costs to be estimated with sufficient accuracy:

Cost Plus Award Fee (CPAF)

Cost Plus Incentive Fee (CPIF)

Fixed Price—Optimal for acquiring commercial items or other equipment with reasonably definite functions or detailed specifications:

Firm Fixed Price

Fixed Price Incentive

- What are the advantages and disadvantages of each type and how frequently are they used?

Answer. The principal advantage of cost-type contracts is that agencies can engage the services of contractors even though expected costs cannot be estimated with enough accuracy to permit the use of fixed-price arrangements. The main disadvantage of cost-type contracts is that the risk of cost growth is primarily on the government. In addition, this contract type requires that the contractor have an adequate system in place to accurately track contract costs.

There are numerous variations of cost-type contracts. For example, a cost-plus-award-fee contract may be used when the government is seeking to motivate excellent performance by the contractor. It provides for a fee to the contractor consisting of a base amount (which may be zero) plus an award amount determined on the basis of a judgmental evaluation by the government. We have reported on the use of cost-plus-award-fee contracts at the Department of Defense, and have made several recommendations for improvement. *Defense Acquisitions: DOD Has Paid Billions in Award and Incentive Fees Regardless of Acquisition Outcomes*, GA0-06-66, December 19, 2005. In fiscal year 2009, the total value of award-fee contracts used by all federal agencies was more than \$60 billion.

Another example of a cost-type contract is cost-plus-incentive-fee. This type of contract provides for an initial negotiated fee, which is then adjusted later in accordance with a formula based on the relationship of total allowable costs to total target costs. The intent is to provide an incentive for the contractor to manage the contract effectively. In fiscal year 2009, agencies obligated more than \$24 billion on cost-plus-incentive-fee contracts.

Fixed-price contracts are the lowest risk to the government because they place the cost risk on the contractor. This contract type best utilizes the basic profit motive of business enterprises. It is used when the risk involved is minimal or can be predicted with an acceptable degree of certainty.

There are several types of fixed-price contracts. For example, a firm, fixed-price contract provides for a price that is not subject to any adjustment based on the contractor's cost experience in performing the contract. It provides maximum incentive for the contractor to control costs and perform effectively. It imposes the minimum administrative burden on the contracting parties. It requires reasonably definite functional or detailed specifications, however, and the contracting officer must be able to establish a fair and reasonable price at the outset of the contract. In fiscal year 2009, agencies obligated nearly \$218 billion on firm, fixed-price contracts, by far the highest of all the contract types.

Another type of fixed-price contract is fixed price incentive. This type of contract provides for adjusting profit and establishing the final contract price by a formula based on the relationship of final negotiated cost to total target cost. The final price is subject to a price ceiling negotiated at the outset. This type of contract is used

when the contractor's assumption of a degree of cost responsibility will provide a positive profit incentive for effective cost control. In fiscal year 2009, agencies obligated just over \$8 billion on fixed-price-incentive contracts.

Question.

- Is "Best Value" contracting more difficult to accomplish than "Lowest Cost" contracting?

Answer. The Federal Acquisition Regulation defines best value as the expected outcome of an acquisition that provides the greatest overall benefit. An agency can obtain best value by using any of a number of source selection approaches. One approach is known as the tradeoff process, which permits an agency to make award to other than the lowest priced offer or. This process requires that the perceived benefit of a higher priced proposal that merits paying the higher price be documented in the contract file. Another approach is known as lowest price, technically acceptable process. Under this approach, proposals are evaluated for acceptability, but not ranked under the non-cost factors. No tradeoffs are permitted. These two differences may make the lowest price, technically acceptable approach somewhat easier to implement than the tradeoff process.

USE OF COMMERCIAL ACQUISITION PROCESSES

Question. Many urge that commercial acquisition practices be applied to DoD programs. However, the GAO conducted an analysis on Commercial and Department of Defense Space System Requirements and Acquisition Practices and concluded that there are key differences in requirements, and unique technology needs, that separate DoD acquisitions from the commercial sector. Further, the DoD has in the past tried to adopt commercial acquisition processes. In the mid-1990's the acquisition methodology called Total System Performance Responsibility (TSPR) was implemented on several major system acquisitions including Space Based Infrared Satellite (SBIRS) system and the Future Imagery Architecture (FIA) and has been subsequently blamed for severe cost overruns and schedule delays due to poor program oversight, poor cost estimating, overestimation of technology readiness and poor workmanship issues.

- When are commercial acquisition processes applicable to DoD system acquisitions?

Answer. While commercial and DOD space system missions, requirements, and technology development differ in key ways, the commercial sector has adopted practices that could be applied to DOD space system acquisitions to improve cost, schedule, and performance outcomes. For instance, commercial firms define their requirements before initiating development programs, which helps to close resource gaps prior to program start and limit requirements growth. They tie contractor award and incentive fees to acquisition outcomes. They follow evolutionary product development approaches that enable them to achieve gradual gains in capability in relatively short periods while limiting the extent of technology risk they take on in any one increment. The commercial approach, overall, emphasizes gaining critical knowledge before making long-term commitments. GAO has already recommended these practices for DOD adoption. DOD, in fact, has recognized a need to adopt several of these practices and initiated efforts to do so.

At the same time, some acquisition practices adopted by the commercial sector, including exclusive use of firm, fixed-price contracts and developing highly accurate cost estimates, may not be successfully applied to DOD in its current acquisition environment because of factors such as unique requirements and immature technologies at program start. For instance, the use of firm, fixed-price contracts for procuring satellites would require a change in paradigm for DOD space programs—a much higher level of knowledge, including mature technologies and mature design—prior to the start of a program. Currently, however, DOD accepts greater technology and development risks and typically uses cost-reimbursement contracts for the first two satellites to be developed and produced. Some programs use fixed-price contracts for any additional satellites. Using fixed-price contracts for the development phase of a program has not worked well, partly due to the high level of unknowns accepted at program start. In addition, other factors, such as launch delays, program funding instability, changing needs, and the diverse array of organizations involved in DOD space programs pose additional challenges to the use of firm, fixed-price contracts.

AWARD FEES

Question. A recent GAO report on award fees indicate that from 2004 to 2008 federal agencies spent over \$300 billion on contracts that include monetary incentives for performance measured against subjective criteria. Office of Management and

Budget (OMB) guidance on using award fees provides for limiting opportunities for earning unearned fee in subsequent periods; linking award fees to acquisition outcomes; designing evaluation criteria to motivate excellent performance; and not paying for unsatisfactory performance. Notwithstanding that the guidance has been incorporated into the Federal Acquisition Regulation (FAR), the application of this OMB guidance is uneven across federal agencies including the DoD. Most agencies continue to allow contractors second chances to earn fee. The GAO estimates that the DoD will save over \$450 million through fiscal year 2010 by limiting second chances at award fee.

- What are the difficulties in linking fee to outcomes?

Answer. There are two primary difficulties in linking award fees to acquisition outcomes. First, achieving desired program outcomes is a responsibility shared between DOD and its contractors. As a result, assigning responsibility for a particular outcome can be challenging. However, DOD's past difficulties in linking award fees to acquisition outcomes such as cost, schedule, and performance were largely based on poorly defined or inappropriate evaluation criteria. Criteria used in these evaluations did not consistently reflect a contractor's ability to achieve desired outcomes and the fees awarded were not always commensurate with a contractor's performance. For example, rather than focusing on acquisition outcomes, such as delivering a fielded capability within established cost and schedule baselines, DOD often placed emphasis on such things as the responsiveness of contractor management to feedback from DOD officials, quality of contractor proposals, or timeliness of contract data requirements. Current DOD guidance emphasizes the importance of linking award fees to outcomes such as cost, schedule, and technical performance, and establishes guidelines for evaluating contractor performance based on these outcomes.

Question.

- How effectively do DoD organizations use award fee to motivate improved performance?

DOD has not been able to measure how well its organizations use award fees to motivate improved performance. In 2005, we reported that DOD had not compiled data, conducted analyses, or developed performance measures to evaluate the effectiveness of award fees. DOD has taken a number of steps to address this issue. Since 2007, DOD has collected data on the use of award fees and identified a link between cost and schedule data and the amount of fee earned. However, it has not been able to establish metrics to evaluate the effectiveness of award fees in terms of performance. Additionally, individual programs are unable to determine the extent to which successful outcomes were attributable to incentives provided by award fees versus external factors, such as a contractor's desire to maintain a good reputation. In our 2009 report, GAO recommended that DOD form an interagency working group to determine how best to evaluate the effectiveness of award fees as a tool for improving contractor performance and achieving desired program outcomes. In response, DOD has partnered with the Departments of Energy, Health and Human Services, Homeland Security, and the National Aeronautics and Space Administration to form the Incentive Contracting Working Group to discuss how best to evaluate award fee data.

SOLE-SOURCE CONTRACTS

Question. We know that the government in some cases, based on analysis and justification, awards a sole-source contract.

- Under what circumstances is a sole-source contract appropriate?

Answer. Acquisition regulations allow government agencies to contract without providing for full and open competition in situations where:

- only one responsible source is available and no other supplies or services will satisfy, agency requirements
- the agency's need for the supplies or services is of such an unusual and compelling urgency that the government would be seriously injured unless the agency was permitted to limit the number of sources from which it solicits
- the government needs to maintain a facility or manufacturer in case of a national emergency or to achieve industrial mobilization; to establish or maintain an essential engineering, research, or development capability to be provided by an educational or other nonprofit institution or a federally funded research and development center; or to acquire the services of an expert or neutral person for any current or anticipated litigation or dispute.
- full and open competition is precluded by the terms of an international agreement or a treaty between the U.S. and a foreign government such as when

a contemplated acquisition is to be reimbursed by a foreign country that requires that the product be obtained from a particular firm.

- a statute expressly authorizes or requires that the acquisition be made from a specified source or through another agency. Examples are statutes pertaining to the Federal Prison Industries; Qualified Nonprofit Agencies for the Blind or other Severely Disabled; Government Printing and Binding; as well as sole source awards under the Small Business Administration's 8(a) program (including 8(a) subsidiaries of Alaska Native Corporations).

- the disclosure of the agency's needs would compromise the national security unless the agency is permitted to limit the number of sources from which it solicits bids or proposals.

- the agency head determines that it is not in the public interest to provide for full and open competition for a particular acquisition. In this case, Congress is to be notified in writing of such a determination not less than 30 days before contract award.

Question.

- Is it likely that a product that is procured under a sole-source contract will cost more than if the contract was competed?

Answer. Competition is the cornerstone of the acquisition system, and the benefits of competition in acquiring goods and services from the private sector are well established. Promoting competition—as opposed to sole-source contracts, where the government negotiates with only one source—can help save the taxpayer money, improve contractor performance, curb fraud, and promote accountability for results. Agencies are required to perform acquisition planning and conduct market research for all acquisitions in order to promote and provide for, among other things, full and open competition.

However, GAO's work has identified situations where the government has not taken advantage of opportunities to compete work. For example, our recent review of federal agencies' use of blanket purchase agreements (BPAs) awarded under General Services Administration (GSA) Federal Supply Schedule contracts showed that agencies did not always consider more than one vendor when establishing these agreements. In some cases, the rationales for awarding a BPA directly to one vendor did not appear to conform to sound procurement policy. Furthermore, agencies rarely took advantage of additional opportunities for competition when placing orders under BPAs, reducing the potential to realize additional savings for the taxpayer. GAO recommended that the Office of Federal Procurement Policy (OFPP) take steps to clarify the circumstances under which it is appropriate to award a BPA using the limited source justifications of the FAR and consider opportunities for enhancing competition when placing orders. OFPP concurred with our recommendations and is taking steps to implement them. In other reviews, we found that the Army had issued contracts for security guards at U.S. military installations on a sole-source basis, and the State Department had issued a sole-source contract for installation and maintenance of security equipment at U.S. embassies worldwide. Based on GAO's recommendations, the contracts were put out for competition, which resulted in cost savings.

Question.

- What is a No-Bid contract?

Answer. This term is sometimes used to refer to a sole source contract. However, it is not an official term in acquisition regulations and is somewhat inaccurate since even in sole-source situations, the government solicits and receives a single bid or offer.

REQUIREMENTS DEFINITION

Question. The Department of Defense and its contractors need to agree on and understand the acquisition objective and how that is translated into the contracts terms and conditions. Contracting officials write requests for proposals, analyze bids, and write contracts but everything the contracting official does depends on an accurate description of the requirement.

- To what extent is the difficulty and waste in contracting due to poorly defined requirements?

Answer. Poorly defined requirements are a key factor leading to cost, schedule, and performance problems in major weapon programs. Programs often start system development with inadequate knowledge about the requirements and resources—funding, time, technologies, and people—needed to execute them. The knowledge gaps are largely the result of a lack of early systems engineering activities—requirements analysis, design, and testing—which is needed to ensure that a weapon system program's requirements are achievable and designable given available re-

sources, such as technologies. Systems engineering helps to resolve performance and resource gaps before system development starts by either reducing requirements, deferring them to the future, or increasing the estimated cost for the weapon system's development. Because the government often does not perform the proper up-front requirements analysis to determine whether the program will meet its needs, significant contract cost increases can and do occur as the scope of requirements becomes better understood by the government and contractor.

Question.

- Please discuss the desired balance between changing requirements in the contract and fielding an obsolete design. For example one of the reasons given for termination of the FCS Manned Ground Vehicles was that the vehicles had low ground clearance and flat bottomed hulls despite lessons learned in Iraq that a high ground clearance and v-hull offered much better force protection.

Answer. DOD could achieve a better balance between changing requirements and avoiding obsolete weapon system designs by resisting the urge to achieve revolutionary and lengthy product developments and using an incremental approach to developing and fielding capabilities. In addition, constraining development cycle times to 5 or 6 years will force more manageable commitments, make cost and schedules more predictable, and facilitate the delivery of capabilities in a timely manner. To improve product development outcomes, a key best practice is to ensure that system requirements are properly defined from the outset and that significant requirement changes or additions are avoided after system development has begun. In the case of FCS, the Army never arrived at a stable set of system level requirements. The FCS development effort began about the same time as the start of the Iraq war and the escalation of improvised explosive device attacks. The manned ground vehicles were designed based on a concept where the information network was expected to compensate for the vehicles lower weight armor. Ultimately, the Secretary of Defense determined that the manned ground vehicles did not sufficiently incorporate lessons learned from operations in Iraq and the program was cancelled.

JOINT CAPABILITIES IDENTIFICATION AND DEVELOPMENT SYSTEM

Question. In a September 2008 Report on Defense Acquisitions, the Government Accountability Office stated “The Joint Capabilities Identification and Development System or JCIDS has not yet met its objective to identify and prioritize war fighting needs from a joint capabilities perspective. Instead, capabilities continue to be driven primarily by the individual services—which sponsored 67 percent of initial capabilities proposals submitted since 2003—with little involvement from the combatant commanders which are largely responsible for planning and carrying out military operations.”

- The Joint Capabilities Identification and Development System was implemented in 2003 and yet most acquisitions are still driven by the needs and perspectives of a single military department. Why has JCIDS not been more fully implemented?

Answer. As we reported in 2008, the military services drive the determination of capability needs, in part because they retain most of DOD's analytical capacity and resources for requirements development. The functional capabilities boards, which were established to manage the JCIDS process and facilitate the prioritization of needs, have not been staffed or resourced to effectively carry out these duties. Furthermore, the Combatant Commands (COCOMs), which are responsible for carrying out military missions, have not played a significant role in determining requirements in part because they also lacked the analytic capacity and resources to become more fully engaged in JCIDS. GAO has recommended that DOD should determine and allocate appropriate resources for more effective joint capabilities development planning. DOD has taken steps to get the COCOMs more involved in determining requirements. For example, the Joint Requirements Oversight Council has been doing more to seek out and consider input from the COCOMs through regular trips and meetings to discuss capability needs and resource issues.

Question. The GAO report indicated that the JCIDS process is lengthy, taking on average up to 10 months to validate a need. Why does the validation process take so long and what is the impact on the war fighter?

Answer. The development of a capability proposal that may lead to a new major weapon system and its review and validation through the JCIDS process can take a significant amount of time. Prior to submitting a capability proposal to JCIDS, it can take a service sponsor a year or more to conduct the analyses necessary to support the proposal and get it approved within the service organization. A proposal submitted to JCIDS can go through several review stages before it gets validated or approved. Given the size and complexity and level of funding that will be committed to a major weapon system program, it may be warranted to invest consider-

able time and effort in developing and reviewing the capability proposal. However, a lengthy process to identify and validate requirements can undermine the department's efforts to effectively respond to the needs of the warfighter, especially those that are near term. In one case, the Army used extraordinary measures, going outside DOD's normal process to acquire and field the Joint Network Node-Network (JNN-N)—a \$2 billion, commercial-based system designed to improve satellite capabilities for the warfighter. While JNN-N provided enhanced capability for the warfighter, the work-around allowed the Army to bypass the management and oversight typically required of DOD programs of this magnitude. Recently, DOD has taken steps to streamline the JCIDS process, by reducing the analyses required for submitting initial capability proposals, shortening the review cycle for proposals, and delegating approval authority for some proposals.

ACQUISITION PROCESS IMPROVEMENTS

Question. The acquisition environment in the DoD encourages ambitious product developments that include many technological unknowns. DoD organizations enter into weapons systems development contracts prior to having developed sound requirements. Programs are exposed to technology, design and production risk resulting in cost growth and schedule delays. Uncertainties about technology, design, requirements and cost lead to contract revision and eventual failure with wasted resources and delay in providing needed assets to the war fighters.

- Do you see any evidence that the Department is changing this practice for the better?

Answer. Yes. In our 2009 assessment of selected weapon programs, we found that while most programs still proceed with far less technology, design, and manufacturing knowledge than best practices suggest, the amount of knowledge that programs attained by key decision points has increased in recent years. For example, since 2003, there has been a significant increase in the percentage of technologies demonstrated in at least a relevant environment by the start of system development. Further, all five programs in our assessment that entered system development since 2006 reported that all their critical technologies had at least been demonstrated in a relevant environment, in accordance with the DOD and statutory criteria.

In addition, DOD has revised its acquisition policy and Congress put in place statutory requirements to improve the knowledge that weapon programs must have before they begin, such as more robust systems engineering, and cost and technology assessments. If DOD follows the letter and spirit of these reforms, they should increase the chances of weapons programs being completed on-time and at the anticipated cost. Specifically, DOD's December 2008 revision to its acquisition policy increased the rigor and discipline expected upfront and throughout the acquisition process. Key elements include the following:

- A mandatory Materiel Development Decision for all programs, regardless of where they intend to enter the acquisition process. This review is designed to ensure programs are based on approved requirements and a rigorous assessment of alternatives.
- A requirement for programs in the technology development phase to implement acquisition strategies with two or more competing teams producing prototypes of the system or key components. This should help to reduce technical risk, validate designs and cost estimates, evaluate manufacturing processes, and refine requirements.
- An additional milestone decision authority assessment of program progress at preliminary design review (PDR). PDR is an important early systems engineering event that informs requirements trades, improves cost estimation, and identifies remaining design, integration and manufacturing risks.

CONTRACT CLOSEOUT AND END OF PRODUCTION COSTS

Question. Several Air Force aircraft procurement programs (F-22 and C-17) are nearing the end of their production run at the same time. In examining the possibility of closing the production line, an interesting contract clause has come to light. These contracts contain a clause that takes effect if the ordered quantity drops below a certain level or if the ordered aircraft are anticipated to be the final aircraft ordered. These costs (referred to as "tail-up costs") are pre-negotiated well before the end of the production run, seemingly before the actual costs would even be known. The contractor states that these costs are in place to offset the impact of lower aircraft quantities moving through the production line.

- The Committee has recently been made aware of a clause in aircraft procurement contracts referred to as "tail-up clauses" that are in place to cover reduced or

final production lots. During reviews conducted by your agency, do you come across this type of clause frequently? How widespread is the use of this type of clause?

- In your opinion, does it make sense to put a price tag on rate impact well before the actual cost of any reduced production quantity may be known?
- Would it not make more sense for the cost of any reduced production quantities or end of production costs be negotiated at the same time those production lots are negotiated instead of years ahead of time before actual costs are known?
- What explanation was given by the Department of Defense during your reviews for why they structure procurement contracts in this manner?

Answer. We have conducted extensive reviews of aircraft programs over many years, including the F-22 and C-17, but we have not evaluated “tail-up” clauses in connection with those reviews. Our understanding from program officials, however, is that although the F-22 multiyear contract contained a tail-up clause, the clause was not invoked because the Air Force is proceeding with the next lot of aircraft. The officials told us that the contract for that lot does not contain a tail-up clause. For the C-17 program, officials told us that the agency is still in negotiation with the contractor.

Our understanding is that tail up clauses may operate in a manner very similar to termination clauses in multiyear contracts. A multi-year contract is used to purchase supplies or services for up to 5 program years. Multiyear contracts typically are used in some of the larger programs, such as the F-22 and C-17. Performance during the second and subsequent years of a multiyear contract is contingent upon the appropriation of funds, and may provide for a cancellation payment if appropriations are not made. The cancellation payment is established at the start of the contract, and must be reduced each year in direct proportion to the remaining requirements. The Federal Acquisition Regulation specifies the types of costs that should be included in a cancellation payment.

RAPID ACQUISITION OF MRAP VEHICLES

Question. On October 8, 2009, Mr. Michael J. Sullivan, Director, Acquisition and Sourcing Management, Government Accountability Office, and one of our witnesses today, testified before the House Armed Services Committee, Defense Acquisition Reform Panel on the tailored acquisition approach used to rapidly acquire and field MRAP vehicles. Mr. Sullivan briefed that, the factors contributing to success in the MRAP program that may be transferable to other programs were: (1) use proven technologies, (2) keep requirements to a minimum, (3) infuse competition, and (4) keep final integration responsibility with the government.

- Please comment on the use of proven technologies. Specifically, describe the balance that the program must achieve between including the latest technology and using proven technology.

Answer. We have long advocated as part of our best acquisition practices that proven technologies are a key element to successful acquisition programs. We do not deny that this is a conservative approach and by using it, an acquisition program may not be able to use the latest technologies. However, the latest technologies tend to be less mature. This presents problems for acquisition programs because the pace of technological maturity is often unpredictable, and maturing technologies to acceptable levels can take much longer than originally anticipated. Furthermore, starting a program without proven technologies almost always results in cost and schedule problems later in the program. When the Army launched the Future Combat System program, Army officials wanted technically sophisticated systems to deliver desired performance characteristics. DOD approved the FCS program for system development in spite of the immature technologies. The Army believed it could mature all FCS technologies to Technology Readiness Level 6 in three years. This did not happen. It took the Army six years and an estimated \$18 billion to mature FCS technologies to the point where they were ready to be incorporated into an acquisition program. Due to the FCS termination, it is uncertain when or if many of these technologies will be incorporated into fieldable systems. We also suggest that the better long term approach would be to adopt an incremental development strategy where the first increment would be designed to be readily upgradeable as more advanced technologies are matured.

Question.

- Discuss the strategy of having multiple prototype vehicles and multiple vendors selected to produce the vehicle.

Answer. According to the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, lessons of the past, and recommendations of multiple reviews, emphasize the need for, and benefits of quality prototyping. During development, teams should be producing detailed manufacturing designs—not solving myr-

iad technical issues. An acquisition strategy involving multiple prototype vehicles and multiple vendors has the advantage of reducing technical risk, validating designs, validating cost estimates, evaluating manufacturing processes, and refining requirements. A goal for development efforts should be a working relationship between government and industry that demonstrates key knowledge elements that can inform future development and budget decisions. This key knowledge reflects knowledge-based acquisition elements that GAO has promoted for years and that serve as key enablers for the best practices used by successful commercial companies.

TRICARE CONTRACT RECOMPETITION PROTEST

Question. The following errors were cited as the basis for GAO sustaining the protest of this contract award:

The Department of Defense failed to responsibly evaluate the awardee's past performance information as contemplated by the solicitation;

The Department of Defense failed to perform a reasonable price/cost realism assessment, and failed to consider, as part of the technical evaluation or best value selection decision, the cost savings associated with the protester's proposed network provider discounts; and

DOD failed to consider, in light of the agency's obligation to avoid even the appearance of impropriety in government procurement, issues stemming from the awardee's use of a high-level TRICARE Management Agency (TMA) employee in the preparation of its proposal, where the record demonstrates that this individual had access to the protester's non-public proprietary information.

What was the basis for sustaining the protest in TRICARE Region North?

Answer. As reflected in our decision, B-401652.3, B-40165425, we sustained the protest on a number of grounds: the agency performed a flawed past performance evaluation, price realism evaluation, risk assessment, and failed to adequately consider network provider discounts.

Question. What was the basis for sustaining the protest in TRICARE Region South?

Answer. As reflected in our decision, B-401652.2, B-401652.4, B-401652.6, we sustained the protest because the agency failed to adequately consider network provider discounts.

Question. What was the basis for sustaining the protest in TRICARE Region West?

Answer. A protest was not filed at GAO concerning the West region; however, there was a protest filed directly with the agency.

Question. How long do you estimate it will take for DOD to resolve these protests?

Answer. The length of time to implement corrective action depends on a variety of factors, including the complexity of the procurement, the urgency of the needed services, and internal agency decisions. We do not have any information on the length of time that it will take DOD to implement corrective action in response to the sustained protests.

What are the time frames for determining what skill sets DoD has in its acquisition workforce?

DoD has a competency assessment initiative underway that is intended to define the critical skills and competencies of its acquisition workforce. The assessments consist of five phases—from identifying competencies for successful performance to assessing the proficiency of career field members against each of the field's competencies. To date, assessments have been completed for 3 of the 13 acquisition career fields. Specifically, over 20,000 members of the contracting career field have completed assessments. In addition, assessments based on a statistical sample, have been completed for the program management and life cycle logistics career fields. Competency assessments for two additional career fields—(1) System Planning, Research, Development and Engineering and (2) business (cost estimating, and financial management) are projected to begin in spring 2010. The start of these assessments was placed on hold to allow completion of DoD survey quality and process reviews. Upon completion of these reviews DoD will update its schedule for completing assessments and has committed to providing the updated schedule to us as soon as available.

Who is conducting the competency assessments of DoD's acquisition workforce? What role if any do contractors have in conducting the assessments?

DoD's acquisition workforce competency assessments are being conducted under the direction of the Director, Human Capital Initiatives (HCI) of the Office of the Under Secretary of Defense (USD) for Acquisition, Technology, and Logistics (AT&L), who also serves as the President of the Defense Acquisition University

(DAU). The Center for Naval Analysis (CNA), a Federally Funded Research and Development Center, provides support to DoD's efforts. According to DoD, CNA staff, which include technical experts on organizational behavior and competency management, provide technical and process support for both updating the models and conducting assessments. However, it is the responsibility of senior DoD functional leaders, appointed by the USD (AT&L), to ensure that the competency models are updated and workforce members, through the assessment process, provide inputs on proficiency, frequency, and mission criticality of competencies.

How many A-76 competitions are in progress and what are the locations of the competitions?

At the time of our hearing, January 20, 2010, there were seven A-76 competitions being reported as in progress in the DoD Commercial Activities Management Information System. Two were located in Fort Jackson, one was located at Fort Benning, one was located in Puerto Rico, and three were at multiple locations. A current update of the data on March 2, 2010, shows only two A-76 competitions, both being conducted by the Navy and involving multiple locations, reported as in progress in the DoD Commercial Activities Management Information System.

How can Congress get DoD to comply with the 180-day definitization requirement for UCAs?

As previously noted, our work has shown that contracting officers have pointed to numerous reasons for delays in definitization. Contracting officers cite their heavy workloads, stating that once the UCA is awarded, they must turn to other pressing needs rather than going through the definitization process. They have also cited other reasons such as shortfalls in the government's ability to perform price analysis of contractor proposals. Continued congressional attention to enhancing the size and capabilities of the defense acquisition workforce would help to address these issues.

However, we have found that management attention and oversight, from DoD to the local command level, also can be effective in managing the use of UCAs. For example, we found a contracting command emphasizing timely definitization by decreasing the 180-day requirement for definitization to 150 days. According to local command officials, if 150 days from UCA award is surpassed, management expects continuous updates on the status of definitization.

[CLERK'S NOTE.—End of questions submitted by Mr. Murtha.]

WEDNESDAY, FEBRUARY 24, 2010.

COMBAT AIRCRAFT REQUIREMENTS

WITNESSES

REAR ADMIRAL DAVID L. PHILMAN, U.S. NAVY, DIRECTOR, AIR WARFARE DIVISION

MAJOR GENERAL DAVID J. SCOTT, U.S. AIR FORCE, DIRECTOR, OPERATIONAL CAPABILITY REQUIREMENTS, DEPUTY CHIEF OF STAFF FOR OPERATIONS, PLANS AND REQUIREMENTS

OPENING REMARKS OF MR. DICKS

Mr. DICKS. The committee will come to order.

This is maybe a little bit out of sync here, but I just would like us to have a moment of silence in remembrance of the chairman, Mr. Murtha.

[moment of silence.]

Mr. DICKS. Thank you.

This morning the committee will hold an open hearing on the state of the Defense Department's combat aircraft programs. We are pleased to welcome Rear Admiral David L. Philman, U.S. Navy, Director, Air Warfare Division, and Major General David J. Scott, U.S. Air Force, Director, Operational Capability Requirements, Deputy Chief of Staff for Operations, Plans and Requirements.

Admiral Philman and General Scott, we find ourselves at an interesting crossroads in the history of combat aircraft acquisition. The production lines for the Nation's legacy tactical aircraft, the F-18 and the F-22, are either shutting down or on the verge of shutting down. The replacement jet, the F-35 Lightning 2 Joint Strike Fighter aircraft is still in development and testing and on the verge of ramping up to high production numbers. However, just last month, the Department announced a 13-month delay in the program. This delay is especially worrisome for the Navy and the Marine Corps, which is already forecasting a Strike Fighter shortfall in excess of 100 to 150 jets in 2014.

The committee is anxious to hear updates on other combat aircraft acquisition programs, such as the Navy's E-2D Advanced Hawkeye early warning aircraft and the PA-8 Poseidon multi-mission aircraft and the Air Force next generation bomber, as well as how the Air Force plans to satisfy future electronic attack aircraft requirements that are currently being satisfied by the Navy EA-6B Prowlers.

Admiral Philman and General Scott, we are looking forward to your testimony and a spirited and informative question and answer session.

Before we hear your testimony, I would like to call on the ranking member and our former chairman, my good friend Bill Young, for his comments.

REMARKS OF MR. YOUNG

Mr. YOUNG. Mr. Chairman, thank you very much, and I look forward to this extremely important hearing. But I wanted to make a comment to follow yours about Jack Murtha.

Jack and I worked together on this committee for nearly 30 years. I was chairman twice, he was chairman twice. But when we produced a bill, the bill was basically the same, no matter which one of us signed on as chairman. We just had that tremendous relationship. I am sure we will have that same relationship with you because of the long time that we have spent together.

Anyway, thank you for recognizing a moment of silence.

Mr. DICKS. If you would yield for one brief second, that is a tradition that has been on this committee. I have been on the committee for 31 years. That has always been the tradition, of working on a bipartisan basis. And at a time when that is difficult in some other places, I think that is something we really need to maintain and continue here on the defense committee.

Mr. YOUNG. Well, you know I have a tremendous respect for you and all of the members on our side have that same respect for you as well.

But thank you very much, and thank you all for being here today. We look forward to your testimony.

STATEMENT OF ADMIRAL PHILMAN

Mr. DICKS. Admiral Philman.

Admiral PHILMAN. Good morning, Acting Chairman Dicks, Ranking Member Young, and distinguished members of the committee. Thank you for this opportunity to appear before you to discuss the Navy combat aircraft requirements.

Before I make my opening statement, I would like to convey to you my sincere condolences to the Murtha family. The United States Navy is grateful for the lifelong dedication of this true public servant.

Chairman Murtha exemplified dedication to duty during his time in the Marine Corps as well as in the United States Congress. His patriotism and heartfelt concern for soldiers, sailors, airmen and marines helped define his life of service. In this time of sorrow, we will all be comforted in knowing that although we lost a great friend to the Navy and the country, his legacy will continue, as you have mentioned.

Mr. DICKS. Thank you.

Admiral PHILMAN. I am pleased to share this time with my counterpart and good friend from the Air Force, Dave Scott. I am proud to report that the Navy's aviation community, comprised of aircraft, ships and weapons systems, continues to be a stabilizing force in the flexibility and capacity to span the globe.

With last year's commissioning of the USS George H.W. Bush and the inactivation of our last conventionally-powered aircraft carrier, the USS KITTYHAWK, we now have an all nuclear powered carrier force. Currently comprised of ENTERPRISE and 10 NIMITZ class ships, the Navy remains committed to maintaining a force of 11 aircraft carriers over the next 30 years.

Our modern all-nuclear force provides an unmatched capacity to meet the Navy's core competencies; forward presence, deterrence, sea control, power projection, maritime security, and humanitarian assistance and disaster response. The Navy can execute these competencies quickly and decisively while operating in international waters without imposing unnecessarily political or logistical burdens on our allies and potential partners.

Right now, Navy and Marine Corps carrier-based F-18 aircraft are providing precision strike and support of forces on the ground in Iraq and Afghanistan. The Hornet and its brother, the Super Hornet, are the backbone of our Navy's ability to project power at shore. And without question, the F-35 Joint Strike Fighter is essential to addressing our future Strike Fighter needs.

Sustaining the Hornet fleet and transitioning to the F-35C, our first true fifth generation fighter, are critical to meet the Navy's national maritime strategies. We are recapitalizing the EA-6B Prowler with EA-18G Growler aircraft to perform rotational support to carrier strike groups and ashore in an expeditionary role.

The Navy is procuring a total of 114 EA-18Gs to recapitalize the 10 fleet Prowler squadrons or 10 missile carriers and four in the expeditionary role. The first transition squadron at NAS Whidbey Island reached IOC last September, and full rate production was approved by OSD in December of 2009.

While we continue to advance our platforms to face the current and future threats, we have also made great strides to improve our air-to-ground and air-to-air weapons systems. Joint weapons like the joint air-ground missile, the small diameter bomb, AIM-9X and AIM-120D are critical, not only to the Navy, but to the combatant commander's future warfighting capability and capacity.

Acting Chairman Dicks, I thank you and the committee for allowing me to appear today. The committee's untiring commitment to the Navy is evident, and I thank you for your support today and into the future.

I respectfully request that my statement be submitted for the record.

Mr. DICKS. Without objection, it will be entered into the record.
[The statement of Admiral Philman follows:]

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THE HOUSE SUBCOMMITTEE ON DEFENSE
COMMITTEE ON APPROPRIATIONS

STATEMENT OF
REAR ADMIRAL DAVID PHILMAN
DIRECTOR, AIR WARFARE
BEFORE THE
HOUSE SUBCOMMITTEE ON DEFENSE
COMMITTEE ON APPROPRIATIONS
ON
COMBAT AIRCRAFT REQUIREMENTS
24 FEBRUARY 2010

NOT FOR PUBLICATION UNTIL RELEASED BY
THE SUBCOMMITTEE ON DEFENSE
COMMITTEE ON APPROPRIATIONS

United States Navy Biography

Rear Admiral David L. "Deke" Philman Director, Air Warfare (OPNAV N88)

Rear Admiral David L. "Deke" Philman is the director, Air Warfare Division (OPNAV N88) on the staff of the Deputy Chief of Naval Operations for Integration of Capabilities and Resources (OPNAV N8). A native of Bell, Fla., he graduated from the U.S. Naval Academy with a Bachelor of Science degree in Operations Analysis in June 1978. He has also attended the U.S. Air War College and the Navy Executive Business School.

Philman has completed ten major deployments at sea aboard USS *Constellation* (CV-64), USS *Kitty Hawk* (CV-63), USS *Enterprise* (CVN-65), USS *Independence* (CV-62), USS *Carl Vinson* (CVN-70) and USS *Harry S. Truman* (CVN-75). His initial sea tours were as an A-7E pilot in VA-146 and VA-27. In 1990 he transitioned to the F/A-18 Hornet during his tour with VAVFA-27. Philman commanded the F/A-18C squadron VFA-151 (Vigilantes) from February 1996 to May 1997 aboard USS *Constellation*. Philman commanded Carrier Air Wing 3 aboard USS *Harry S. Truman* from July 2001 to January 2003. From July 2000 to June 2001, he served as the deputy air wing commander.



Philman's shore tours include advanced strike flight instructor at Naval Air Station Kingsville, Texas; aide to the Deputy Commander, U.S. Space Command, Colorado Springs, Colo.; executive assistant to the Director, Navy International Programs Office, Washington; head, Strike Aircraft Plans and Requirements (OPNAV Staff), Washington, and director, Navy Congressional Appropriations Liaison, Washington.

Philman's first flag officer assignment was as deputy commander, JFCC Global Strike and Integration, U.S. Strategic Command, Offutt Air Force Base, Neb., from September 2005 to September 2007. His most recent flag officer assignment was as commander, Strike Force Training Pacific, San Diego, from September 2007 to February 2009.

Philman has logged more than 4,500 flight hours in tactical jet aircraft and has completed more than 1000 carrier arrested landings on 11 different aircraft carriers. He is entitled to wear the Defense Superior Service Medal, Legion of Merit (four awards), Defense Meritorious Service Medal, Meritorious Service Medal (two awards), Strike/Flight Air Medal (two awards), Navy Commendation Medal (three awards) and the Navy Achievement Medal.

Vice Chairman, Representative Young, and members of the Committee, it is my honor and pleasure to appear before you to discuss Navy Combat Aircraft Requirements. Every day, dedicated Navy men and women are forward deployed protecting the global commons in every domain: sea, land, air, space, and cyberspace. Thank you for your continued support for them as our Navy protects our Nation and our national interests.

More than 40 percent of the Fleet is underway daily, globally present and persistently engaged. Forward presence enabled the rapid response of our aircraft carrier USS CARL VINSON and numerous other surface and USNS ships, helicopters, and personnel to Haiti to provide humanitarian aid after the devastating earthquake in January. Aviation assets remain engaged in operations in Afghanistan and in the drawdown of U.S. forces in Iraq.

The Quadrennial Defense Review (QDR) declared that U.S. security and prosperity are connected to that of the international system, that deterrence is a fundamental military function, and that partnerships are key to U.S. strategy and essential to the stability of global systems. These themes reinforce the tenets of the Maritime Strategy and the six core capabilities it identified: forward presence, deterrence, sea control, power projection, maritime security, and humanitarian assistance and disaster response (HA/DR). Navy TACAIR aviation continues to play a major role in providing the personnel and assets that bring these capabilities to the battle space.

As directed by the QDR, we are working with the Air Force and Marine Corps on an Air Sea Battle concept that will identify the doctrine, procedures, training, organization, and equipment needed for our Navy to counter growing military threats to our freedom of action. This joint effort will help us inform investments and identify future opportunities to better integrate naval and air forces across the entire range of operations. We are already moving forward with the Air Force to streamline capabilities, manpower, and resources related to our unmanned aviation systems. We continue to pursue our unique maritime aviation capabilities in carrier-based strike, and naval special warfare missions. A milestone toward that end, this year the Navy rolled out our first carrier variant of Joint Strike Fighter (F-35C) aircraft, the timely delivery of which remains essential to fulfilling our strike fighter requirements. Highlights on this and other programs follow:

Aviation Programs

Aircraft Carrier Force Structure

The Navy remains firmly committed to maintaining a force of 11 carriers for the next three decades. With the commissioning of USS GEORGE H. W. BUSH (CVN 77) and inactivation of the 48-year-old USS KITTY HAWK (CV 63), our last conventionally powered aircraft carrier, we now have an all nuclear-powered carrier force. Our carriers enable our nation to respond rapidly, decisively, and globally to project power, as we have done in Iraq and Afghanistan, or to deliver humanitarian assistance, as we have done in Haiti, while operating from a small, yet persistent, footprint that does not impose unnecessary political or logistic burdens on other nations. Our carriers remain a great investment for our nation.

Our eleven-carrier force structure is based on worldwide presence and surge requirements, while also taking into account training and maintenance needs. The Navy thanks Congress for granting us a waiver to temporarily reduce our force to ten carriers for the period between the inactivation of USS ENTERPRISE (CVN 65) and the delivery of GERALD R. FORD (CVN 78). We will continue to meet operational commitments during this 33-month period by managing carefully carrier deployment and maintenance cycles. After the delivery of CVN 78, we will maintain an eleven-carrier force through the continued refueling program for NIMITZ Class ships and the delivery of our FORD Class carriers at five-year intervals starting in 2020.

CVN 78 is the lead ship of our first new class of aircraft carriers in nearly 40 years. FORD Class carriers will be our nation's premier forward-deployed asset capable of responding to crises or delivering early decisive striking power in a major combat operation. These new carriers incorporate an innovative new flight deck design that provides greater operational flexibility, reduced manning requirements, and the ability to operate current and future naval aircraft from its deck. Among the new technologies being integrated in these ships is the Electromagnetic Aircraft Launch System (EMALS), which will enable the carrier's increased sortie generation rate and lower total ownership costs. Recently, EMALS successfully demonstrated a controlled launch sequence with a full-scale EMALS test article. It is on track for an aircraft demonstration this Summer. EMALS is on schedule to support delivery of CVN 78 in September 2015.

Strike Fighter Capacity: Joint Strike Fighter and F/A-18 E/F

Our Navy remains committed to the Joint Strike Fighter (JSF) program. The timely delivery of the F-35C carrier variant remains critical to our future carrier airwing strike fighter capacity. Our Navy has the necessary tactical aircraft capacity in the near term to support our nation's strategic demands; however, a January 2010 assessment forecasts a decrease in our carrier-based strike fighter capacity that peaks in 2014 and remains through 2019. We have a plan to address this capacity decrease that involves several management and investment measures.

Our force management measures are targeted at preserving the service life of our existing legacy strike fighter aircraft (F/A-18A-D). We will reduce the number of aircraft available in our squadrons during non-deployed phases to the minimum required. We will reduce our Unit Deployed squadrons (UDP) from twelve aircraft to ten aircraft per squadron to match the corresponding decrease in Marine Corps expeditionary squadrons. We are accelerating the transition of five legacy F/A-18C squadrons to F/A-18 E/F Super Hornets using available F/A-18E/F aircraft and will transition two additional legacy squadrons using Super Hornet attrition reserve aircraft. These measures make our legacy strike fighter aircraft available for High Flight Hour (HFH) inspections and our Service Life Extension Program, which together will extend their service life and manage to some extent the decrease in our carrier-based strike fighter capacity through 2018.

These measures rely on increased use of Super Hornets, which expends their service life earlier than programmed, so we are refining our depot level production processes to maximize throughput and return legacy strike fighter aircraft to the Fleet expeditiously. Our FY 2011

budget procures 22 additional F/A-18E/F aircraft – achieving an overall inventory of 489 F/A-18E/F against the total budgeted quantity of 515 aircraft. The existing F/A-18E/F production line is expected to close-out in FY13 after the last aircraft required by this inventory objective are procured.

Our investment measures are targeted at extending the service life of our F/A-18A-D aircraft and procuring JSF. High flight hour inspections, which have been in place for two years, provide the ability to extend the service life of our legacy F/A-18A-D aircraft to 8,600 flight hours, while engineering analysis is underway to determine the SLEP requirements necessary to reach the service life extension goal of 10,000 flight hours. The HFH and SLEP programs increase our institutional risk by diverting investment and maintenance funds from other accounts, but they are necessary measures to address our strike fighter decrease while preserving our investment in JSF.

The Navy remains committed to the JSF program because of the advanced sensor, precision strike, firepower, and stealth capabilities JSF will bring to our Fleet. While the overall schedule for JSF has slipped, causing us to reduce the overall rate of procurement, initial operating capability is still planned for 2014 and we have not reduced the total number of airframes we plan to buy. We are monitoring the JSF program closely and managing our existing strike fighter capacity to meet power projection demands until JSF is delivered. Procurement of an alternate engine for JSF increases our risk in this program. The Navy does not have a requirement for an alternate engine, and its additional costs threaten our ability to fund currently planned aircraft procurement quantities, which would exacerbate our anticipated decrease in strike fighter capacity. The FY 2011 budget request procures seven F-35C aircraft.

EA-18G Growler and Airborne Electronic Attack (AEA)

The proliferation of technology has allowed state and non-state actors to use the electromagnetic spectrum with increasing sophistication. Airborne Electronic Attack (AEA) provides one of the most flexible offensive capabilities available to the joint warfighter and it remains in high demand in traditional, irregular, and hybrid conflicts. The Navy continues to provide extensive AEA support from our carriers afloat and from our expeditionary EA-6B Prowler squadrons deployed currently to Iraq and Afghanistan.

We are leveraging the mature and proven F/A-18E/F airframe production line to recapitalize our aging EA-6B aircraft with the EA-18G Growler. As directed in the QDR, we are planning to procure an additional 26 EA-18G Growler aircraft across the FYDP to increase joint force capacity to conduct expeditionary electronic attack. Our program of record will buy 114 total EA-18G aircraft, recapitalizing 10 Fleet EA-6B squadrons and the Navy's four expeditionary squadrons. The program continues to deliver as scheduled. In September, our first EA-18G transition squadron, based at NAS Whidbey Island, reached Initial Operational Capability and it will deploy as an expeditionary squadron later this year. Our FY 2011 budget requests funding for 12 of the 26 additional EA-18Gs.

P-3 Orion and P-8A Poseidon Multi-Mission Maritime Aircraft

Your continued support of the P-3 and P-8A force remains essential and is appreciated greatly. Our P-3 Orion roadmap focuses on sustainment and selected modernization until it is replaced by the P-8A Poseidon. These aircraft provide capabilities ideally suited for regional and littoral crises and conflict, and are our pre-eminent airborne capability against submarine threats. Our P-3s are in high demand today for the time-critical intelligence, surveillance and reconnaissance they provide to the joint force on the ground in CENTCOM and for their direct contributions to our maritime domain awareness in key regions across the globe.

P-3 Zone 5 wing fatigue has resulted in the unplanned grounding of 49 aircraft between 2007 and 2009, with more expected. Mitigation measures include a combination of targeted Zone 5 modifications and outer wing replacements. As of December, we have returned 12 aircraft to service after completing Zone 5 modification and 32 aircraft are currently being repaired. As part of our sustainment program, we have included \$39.6 million in our FY 2011 budget request to conduct outer wing installations on nine of our P-3 aircraft. P-3 sustainment and modernization programs are critical to ensuring successful transition to the P-8A, while preserving essential maritime and overland battle space awareness.

The P-8A completed its first Navy test flight this past October and will resume integrated flight testing in March of this year. The P-8A will achieve initial operating capability and begin replacing our aging P-3 aircraft in 2013. Our FY 2011 budget request procures seven P-8A aircraft.

MH-60R/S Multi-Mission Helicopter

The MH-60R and MH-60S successfully completed their first deployment together this past summer with the USS JOHN C. STENNIS carrier strike group. The MH-60R multi-mission helicopter replaces the surface combatant-based SH-60B and carrier-based SH-60F with a newly manufactured airframe and enhanced mission systems. With these systems, the MH-60R provides focused surface warfare and anti-submarine warfare capabilities for our strike groups and individual ships. Our FY 2011 budget request procures 24 MH-60R helicopters. The MH-60S supports surface warfare, combat logistics, vertical replenishment, search and rescue, air ambulance, airborne mine counter-measures, and naval special warfare mission areas. Our FY 2011 budget request procures 18 MH-60S helicopters.

Conclusion

Vice Chairman and distinguished members of the subcommittee, I would like to thank you for your continued support of Navy aviation and Navy TACAIR in particular. While our Sailors provide talent and will, your efforts provide our young men and women, who fight daily with great courage, the training and assets to win. While not without challenges, I am optimistic about our future given the significant contributions and great success the Navy has achieved worldwide. I am also confident in the increased capability that our programs promise the war fighter. I request your continued support as the Navy continues to make sound investments that increase Fleet capacity, maintain our war fighting readiness, and develop and enhance the Navy Total Force. Thank you again for the opportunity to appear before you today.

STATEMENT OF GENERAL SCOTT

Mr. DICKS. General Scott.

General SCOTT. Good morning, Chairman Dicks, Ranking Member, and members of the committee. Thank you for the opportunity to address this committee regarding your United States Air Force combat requirements. Before I give my opening statement, I would also like to convey my condolences to the Murtha family in this time of sorrow. His dedication and service to the Nation will always be remembered. His patriotism and special concern for combat troops touched those of us in uniform, no matter what service profoundly, and he will be missed.

The Air Force remains fully committed to support today's global operations. Today's complex strategic environment requires Air Force capabilities to support the joint team across the full spectrum of operations.

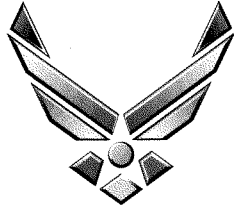
As you know, it is vital to remain a relevant force and acquire future capabilities necessary to underpin our Nation's long-term security. The Air Force believes the most cost-effective plan is to accelerate the retirement of some older fighters to enable and reinvest into the remainder of the legacy fighters and bomber fleet, preferred munitions, and other key enablers as a bridge to the fifth generation fighter force, capabilities that are absolutely essential to counter advanced and highly lethal emerging threats.

Our recapitalization strategy seeks to balance requirements for today and tomorrow. Our belief is we must improve our existing capabilities and pursue new, more capable systems to meet future threats.

I thank you for the opportunity to address this committee and I look forward to your questions.

[The statement of General Scott follows:]

United States Air Force



Presentation

Before the House Appropriations
Committee, Subcommittee on Defense

Combat Air Forces Requirements

Statement of Major General David J.
Scott, Director, Operational Capability
Requirements, Deputy Chief of Staff for
Operations, Plans and Requirements,
Headquarters U.S. Air Force

February 24, 2010

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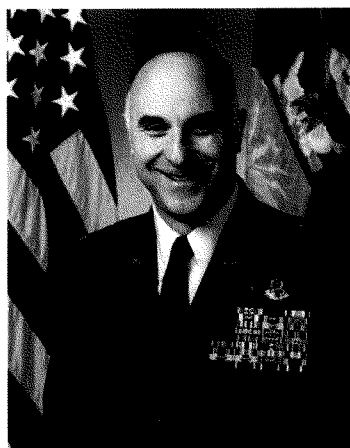
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February 24, 2010


BIOGRAPHY
UNITED STATES AIR FORCE

MAJOR GENERAL DAVID J. SCOTT

Maj. Gen. David J. Scott is Director, Operational Capability Requirements, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C. In this position he establishes policy for operational capabilities-based requirements. The directorate supports major commands in developing and evaluating requirements for Air Force-wide modernization programs including fighters, bombers, mobility aircraft, space systems, command and control, munitions, missile defense and Air Force irregular warfare requirements. He chairs the Air Force Requirements Oversight Council and is responsible for shaping and finalizing capabilities-based requirements documents for approval by the Joint Requirements Oversight Council. He directs and supervises the activities of more than 150 military and civilian employees in 10 divisions, including requirements officers, weapon systems experts, and professional, technical and clerical staffers.



General Scott entered the Air Force in 1978, receiving his commission and degree through the U.S. Air Force Academy. He has served in a variety of positions at the squadron, group, wing and joint levels in Europe, the Pacific and the United States. He has commanded a fighter squadron, operations group and fighter wing. He also commanded the 31st Air Expeditionary Group where he coordinated the operation of American, British, Canadian, Spanish and Turkish aircraft flying from Aviano Air Base, Italy. The general has served as Chief of the Air Force House Liaison Office, Washington, D.C.; the Deputy Assistant Chief of Staff of Operations, Combined Forces Command and U.S. Forces Korea; and Vice Director of Operations, North American Aerospace Defense Command, Peterson AFB, Colo. Before his current assignment, he was Deputy Commander, Combined Air Operations Center 7, Component Command-Air Izmir, Allied Command Operations (NATO), Larissa, Greece.

The general is a command pilot with more than 3,000 flying hours in the F-4, F-5 and F-16.

EDUCATION

1978 Bachelor of Science degree in mechanical engineering, U.S. Air Force Academy, Colorado Springs, Colo.

1985 Squadron Officer School, Maxwell AFB, Ala.

1989 Master's degree in human resource management, Valdosta State University, Ga.

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1993 Air Command and Staff College, Maxwell AFB, Ala.
 1996 Air War College, Maxwell AFB, Ala.
 2002 National Security Studies Course, Syracuse University, N.Y.
 2007 Black Sea Security Program, John F. Kennedy School of Government, Harvard University, Cambridge, Mass.

ASSIGNMENTS

1. July 1978 - November 1979, graduate assistant, football coach, U.S. Air Force Academy, Colorado Springs, Colo.
2. November 1979 - November 1980, student, undergraduate pilot training, Vance AFB, Okla.
3. December 1980 - November 1981, student, F-4C Replacement Training Unit, Luke AFB, Ariz.
4. November 1981 - May 1984, Chief of Standardization and Evaluation, and Chief of Scheduling, 36th Tactical Fighter Squadron, Osan Air Base, South Korea
5. May 1984 - September 1984, student, F-5E Aggressor Tactics Instructor Course, Nellis AFB, Nev.
6. September 1984 - May 1987, flight commander, 26th Aggressor Squadron, Clark AB, Philippines
7. May 1987 - September 1987, student, F-16A training, MacDill AFB, Fla.
8. September 1987 - December 1989, flight commander, 70th Tactical Fighter Squadron, Moody AFB, Ga.
9. December 1989 - July 1990, assistant Chief, Standardization and Evaluation, 347th Tactical Fighter Wing, Moody AFB, Ga.
10. July 1990 - July 1992, air officer commanding, U.S. Air Force Academy, Colo.
11. July 1992 - June 1993, student, Air Command and Staff College, Maxwell AFB, Ala.
12. August 1993 - March 1994, assistant operations officer, 526th Fighter Squadron, Ramstein AB, Germany
13. March 1994 - June 1995, operations officer, 555th Fighter Squadron, Aviano AB, Italy
14. June 1995 - June 1996, operations officer, 85th Test and Evaluation Squadron, Eglin AFB, Fla.
15. June 1996 - July 1997, Commander, 80th Fighter Squadron, Kunsan AB, South Korea
16. July 1997 - June 1998, student, Air War College, Maxwell AFB, Ala.
17. June 1998 - June 2000, Chief, Treaty and Threat Reduction Division, and special assistant, Supreme Allied Commander Europe, U.S. European Command, Stuttgart, Germany
18. July 2000 - July 2002, Commander, 31st Operations Group, Aviano AB, Italy
19. July 2002 - June 2003, Chief, House Liaison Office, Legislative Liaison, Office of the Secretary of the Air Force, Washington, D.C.
20. July 2003 - June 2004, Deputy Assistant Chief of Staff of Operations, United Nations Command and U.S. Forces Korea, Yongsan Army Garrison, South Korea
21. June 2004 - December 2005, Vice Director of Operations, North American Aerospace Defense Command, Peterson AFB, Colo.
22. January 2006 - August 2007, Commander, 354th Fighter Wing, Eielson AFB, Alaska
23. September 2007 - May 2009, Deputy Commander, Combined Air Operations Center 7, Component Command-Air Izmir, Allied Command Operations (NATO), Larissa, Greece
24. May 2009 - present, Director, Operational Capability Requirements, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. June 1998 - February 1999, Deputy Division Chief, Forces Division, U.S. European Command, Stuttgart, Germany, as a lieutenant colonel
2. March 1999 - August 1999, special assistant to the Supreme Allied Commander Europe, Mons, Belgium, as a lieutenant colonel and colonel
3. August 1999 - June 2000, Chief, Treaty and Threat Reduction Division, U.S. European Command, Stuttgart, Germany, as a colonel
4. July 2003 - June 2004, Deputy Assistant Chief of Staff of Operations, United Nations Command and U.S. Forces Korea, Yongsan Army Garrison, South Korea, as a colonel
5. June 2004 - December 2005, Vice Director of Operations, North American Aerospace Defense Command, Peterson AFB, Colo., as a colonel

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6. September 2007 - May 2009, Deputy Commander, Combined Air Operations Center 7, Component Command-Air Izmir, Allied Command Operations (NATO), Larissa, Greece, as a brigadier general and major general

FLIGHT INFORMATION

Rating: Command pilot

Flight hours: More than 3,000

Aircraft flown: T-37, T-38, F-4C/E, F-5E/F, T-41C/D and F-16A/B/C/D

MAJOR AWARDS AND DECORATIONS

Defense Superior Service Medal with two oak leaf clusters

Legion of Merit with oak leaf cluster

Defense Meritorious Service Medal

Meritorious Service Medal with silver and bronze oak leaf clusters

Air Medal with two oak leaf clusters

OTHER ACHIEVEMENTS

Gen. Jerome O'Malley Leadership Award, U.S. Air Force Academy

Lt. Gen. Claire Lee Chennault Award, Air Combat Command

USAF Jabara Award for Airmanship

EFFECTIVE DATES OF PROMOTIONS

Second Lieutenant May 31, 1978

First Lieutenant May 31, 1980

Captain May 31, 1982

Major March 1, 1989

Lieutenant Colonel June 1, 1994

Colonel May 1, 1999

Brigadier General March 1, 2006

Major General Dec. 9, 2008

(Current as of July 2009)

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Your Air Force remains fully committed to support today's global operations while we assess future challenges and prepare to meet them. The Air Force is focusing investment on those programs required to support Joint operations across the full spectrum of operations.

Your Air Force must be structured to provide balance, to prevail in today's conflicts, prevent and deter conflict, prepare for a wide range of contingencies across the spectrum of warfare, and preserve and enhance the force. Through this structure, we will maximize Air Force contributions to the Joint team and our Nation's security. Additionally, as our current and future adversaries adapt, we must continually adjust our capabilities to succeed in a wide range of scenarios, including high-end and hybrid challenges.

We continue to assess the essential Combat Air Forces structure required to execute the National Defense Strategy and to sustain a viable structure to meet the flexibility, versatility, and lethality required daily by Combatant Commanders. We have accelerated the planned retirement of some of our oldest legacy fighters to free resources for priority and emerging missions. This included re-investment of funding into the remainder of the legacy fighter and bomber fleet, preferred munitions, other key enablers, and re-investment of manpower into priority missions like the processing, exploitation, and dissemination of real-time intelligence of our remotely-piloted aircraft. Our investments provide a bridge to the fifth-generation fighter force—capabilities that are absolutely essential to counter advanced and highly lethal emerging threats. Numerous internal and external assessments of these strategic environments have determined our current force plans will fulfill combatant commander requirements with moderate risk. The recently published Quadrennial Defense Review (QDR) endorsed Air Force efforts.

In August, the Air Force will have been engaged in combat operations for over 20 continuous years. The assessment of our aircraft's longevity is complicated by the fact that we are currently flying the oldest Air Force fleet in our history and are using them longer and more frequently than was envisaged during their design. This presents considerable challenges in a difficult fiscal environment. In response, we have conducted an extensive investigation into the service life of our fighter aircraft. This is an ongoing effort and will be informed by detailed fatigue testing of our A-10, F-15 and F-16 fighters to better understand the life-limiting factors of these aircraft, the feasibility of extending their service life and the economic and operational

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sense of doing so. The work to date has reinforced our need to recapitalize our aging fleet using a combination of the acquisition of next-generation systems and modernization of selected legacy platforms.

The F-35 program is the foundation of our future 5th-generation fighter fleet as well as our Joint and Coalition partners. The future balancing of our fighter fleet must now be viewed through the Fiscal Year 2011 President's Budget request adjustments to the F-35 investment and procurement profile in line with the Joint Evaluation Team estimates. This reduces near-term procurement, shifts resources into research and development, and delays the fielding of this essential aircraft. We are working closely with the F-35 Joint Program Office and our service partners to fully understand the impact on fielding the capability we require for Initial Operational Capability.

Equally essential to a balanced force is the requirement to continue with modifications and upgrades to our F-22 aircraft to ensure fleet commonality, enhanced multi-mission capabilities, and interoperability with other Fifth Generation aircraft. We will continue modernizing our long-term F-15 fleet with Active Electronically Scanned Array radars and infrared search and track capabilities to extend the air superiority operational capabilities of this aircraft.

The A-10 aircraft are nearing completion of the precision engagement modification that integrates advanced targeting pods and digital data links into the aircraft avionics, and enables the use of GPS-aided munitions. This significantly increases the A-10s' capability to support the Warfighter on today's digital battlefields. In addition, in Fiscal Year 2011, the Air Force will begin installing new wings on two-thirds of the A-10 fleet and will soon begin a program to improve the fuselage structures to ensure the A-10s' future sustainability.

The Air Force's vision for Electronic Warfare is a robust suite of capabilities to enable control of the electromagnetic spectrum in order to assure freedom of operation and primary effects in and through all domains. In order to meet our vision, the Air Force must be postured to harness modular, scalable, hybrid state of the art Electronic Warfare systems that can operate independently or networked, be self-learning, proactive and adaptive, easily integrate into

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existing infrastructures and enable streamlined logistics. This will result in a leaner, more adaptable and efficient air force that maximizes Electronic Warfare effects to the Joint Forces.

To this end, fighting today's fight and posturing for future conflicts, we have increased funding to the EC-130H Compass Call program in the Fiscal Year 2011 President's Budget request that adds one additional aircraft, mission crew and flight deck simulator and spare parts. Compass Call is the Air Force's only dedicated irregular warfare Airborne Electronic Attack aircraft. It provides information operations and non-lethal suppression of enemy air defenses in support of air operations through counter-communications and counter-radar.

To meet the increased demand in irregular warfare, we are investing in an Airborne Electronic Attack pod to be placed on unmanned aerial or manned legacy platforms. This Electronic Attack pod along with Compass Call will cover the current and future irregular warfare counter-communications and counter-improvised explosive device (IED) target sets. These capabilities will afford the warfighter the ability to exploit, influence, neutralize, disrupt, and degrade state and non-state political and military leadership elements to include terrorist cells, command and control architectures, information operations and intelligence facilities. Directly, its counter-IED capability will aid in the protection of our most valuable asset, the men and women on the ground.

For major conflicts, the Air Force is investing in the jammer variant of the Miniature Air Launched Decoy (MALD-J) that delivers offensive autonomous stand-in jamming or radar decoy to stimulate and deceive Integrated Air Defense Systems (IADS). MALD-J protects high-valued aircraft and munitions with an unmanned vehicle to jam EW, GCI, ACQ radars or by stimulating radars to force an air defense response that can be countered, lethal or non-lethal, at our time and choosing. This enhances and complements contributions of Signature Reduction and Stand-off Weapons. This in conjunction with other classified programs will robust our joint Airborne Electronic Attack system of systems.

Along with these modifications, we continue to develop and procure essential air-to-air and air-to-ground weapons including the AIM-9X and AIM-120D air-to-air missiles along with Small Diameter Bomb and Joint Air-to-Surface Standoff Missile. These weapons are critical components of our overall warfighting capability. Emerging area denial capabilities through use

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of anti-access technologies are challenging the bomber fleet's ability to penetrate air space and deliver effects for the Joint force. The Air Force and enterprise must continue commitment to our future long-range strike capabilities, to long-range surveillance and strike aircraft as part of a comprehensive, phased plan to modernize and sustain our current bomber force. In the near-term, the Air Force will continue planned legacy bomber sustainment and modernization to increase the conventional capabilities of the bomber fleet.

Balancing requirements for today and tomorrow shapes our recapitalization strategy. We chose to improve our existing capabilities whenever possible, and to pursue new systems when required. This recapitalization approach attempts to keep pace with threat developments and required capabilities, while ensuring stewardship of national resources.

JOINT STRIKE FIGHTER COST ESTIMATE

Mr. DICKS. Admiral Philman and General Scott, the cost estimate done by the Joint Estimating Team for the Joint Strike Fighter program shows a development shortfall of \$3 billion over the previous estimate. What is being done to address these updated cost estimates with regard to funding the program? Will this funding shortfall impact the near term production quantities?

General SCOTT. Sir, as you well know from the estimate and as we looked at what we need to do to reduce the risk in the program through the OSD and the Department and Air Force and Navy through the Joint Program Office, what we have looked at is how we can take this schedule with the funds that we have and move it to the position as well.

We are taking \$2.8 billion, putting it into RDT&E in the System Design and Development (SDD) phase, to enable us to take that schedule and get it further along. We are also taking that procurement ramp that was probably a little too aggressive and we are slowing it down. And what that is doing for the Air Force in particular is it will take about 67 aircraft out of our inventory, but in our mitigation plan, we are working that with all of our other plans with other fighters. But it will take us as we look at it, it will slip the ramp to 2016 before we will go from 48 to 80 fighters, and it also slips us to about 2016 for the timeframe for that.

JOINT STRIKE FIGHTER PROGRAM DELAY

Mr. DICKS. Admiral Philman and General Scott, the Department recently announced a 13-month delay to the program to account for the findings of the Joint Estimating Team. How is it that the initial operating capability date in the program has not changed?

Admiral PHILMAN. Sir, the restructuring program is actually good for Navy. Since we put that procurement, those numbers are coming down. In the case of the Navy, or the Department of Navy, 55 aircraft will go back into fully funding that part of the program.

The Navy has been on record for a 2014 IOC. Certainly a 13-month slip is going to pressurize that. So with delaying delivery of aircraft, making it more concurrent so we have test aircraft delivered at the right time so we can test them on time and then delivered later on, I think is good, but will push our IOC out toward 2015, maybe later.

CNO is tying IOC to specifically having adequate numbers of aircraft, having the right capability, in our case Block 3 capability, and that testing has been done.

Mr. DICKS. Give us a little flavor of what the reason is for this 13-month delay. I think we talked about modeling, the modeling that had been done.

Admiral PHILMAN. Yes, sir. The traditional development and testing of aircraft, you fly down data points, bring them down, so to speak. This program has been more advanced where we are using extreme amounts or large amounts of modeling so that we could build the aircraft and then be more predictive of the flight characteristics without actually having to fly the aircraft.

That modeling is two things. The delivery of the aircraft has been slower than expected, and then what we are seeing in the ac-

tual flight hasn't necessarily validated the model. So now we are continuing to press back and have to go back and do more traditional testing for some time until we can get the aircraft mature enough to be more in line with a validated model.

Mr. DICKS. Is this a software problem?

Admiral PHILMAN. Not within the aircraft. Now, there are software programs with the aircraft that continue to be drivers—

Mr. DICKS. Sometimes in the past you put an aircraft there and do a software test for the program. Has that been done here on the Joint Strike Fighter? Where you have a test?

General SCOTT. Sir, if I understand the question, when we do software modifications with an aircraft, sometimes the software modifications are behind the actual in the simulation piece, and they are behind. In this phase, they are concurrent with each other so they are working together. So the software as we do in the modeling and the software within the aircraft are the same. So if that answers your question—

Mr. DICKS. But there are software issues, right? In the testing here—

General SCOTT. Yes, sir, as with every phase of every aircraft we have done, there are software issues. As we go through the test phase, that is part of the Software Design Description (SDD) phase where Lockheed Martin with their subcontractors are looking at what those are and fixing them so that it can progress into the RDT&E and then into the Initial Operational Test (IOT) phase where the services will pick up the testing.

Mr. DICKS. In the testing thus far, are there any serious defects in this aircraft that we have found that are a cause of concern?

Admiral PHILMAN. None to my knowledge, sir.

General SCOTT. None to my knowledge in the Air Force either, but we will get back to you if there are any.

JOINT STRIKE FIGHTER PROCUREMENT COST

Mr. DICKS. Admiral Philman and General Scott, while the committee applauds the attempt by the Department of Defense to fully fund the development portion of the program, it is not clear that a similar attempt has been made to properly price the procurement side of the program.

Does the President's request for the Joint Strike Fighter program properly fund the procurement costs of the aircraft to include all components, such as the airframe, engine, government-furnished equipment, et cetera?

General SCOTT. Sir, currently in the President's budget request for Fiscal Year 2011, yes, it does, as we look out and as we go across that particular time period with that. So we are satisfied with what we have requested in our budget from an Air Force perspective. I can't speak for the Navy or the Marines, but we are okay with that.

Admiral PHILMAN. Yes, sir, it is so for the Navy. It will be a problem in 12, and future issues are service integration, whether on the ships or in the training centers. That part we still have work to do.

Mr. DICKS. Mr. Young.

AIR GUARD TACTICAL AIRCRAFT

Mr. YOUNG. Mr. Chairman, thank you very much. I suspect you are going to get a lot of questions about the Joint Strike Fighter today, so I am going to go in a little different direction. I want to talk about the Air Guard and the assets, fighter assets, that the Air Guard has and will have. But we understand that the Air Guard will begin to decommission its F-16s in 2011. General, is that correct?

General SCOTT. Sir, there is a plan for the retirement of aircraft starting in 2011 as we look out, and part of those aircraft are the older aircraft. I am sure you have heard in the Combat Air Forces (CAF) restructure, about 250-plus aircraft is what we are looking at. But in that reduction of aircraft, as we reduce the older fleet of aircraft, Block 25s and Block 30s and the F-16s, there is a plan to slide other aircraft into those.

There is an Air Force plan as we work our redux, as we work our F-35 ramp-up, on how we will enable the Guard to maintain the capabilities that they have currently today. Obviously, as we go through a process, if we shrink the force, the force will shrink equitably between the active component and the Air Reserve component. But right now, with General Wyatt and the Air National Guard, they will have the capabilities.

The other thing we are doing with aircraft as we look at them to mitigate some of issues if the F-35 slips further, is to do some modernizations in Service Life Extension Program (SLEP). We believe in the 2530 realm that we can increase their flight hours, and we call it equivalent flight hours versus actual flight hours, and increase their economic service life to about 10,800 hours, which will take them just to the outside of 2017 and the capability with their Block 25s and Block 30s. So we are looking at that mitigation plan also and how to incorporate that into our program.

Mr. YOUNG. Well, it sounds like you have given considerable thought to this, but the information that we have had is that we could have as many as half of the Air Guard fighter units without aircraft by 2022.

General SCOTT. Sir, if you look at the flow plan with the Block 40s, Block 50s and the F-35s, I do not believe that is true. I will get back and get you the exact numbers on how that will occur.

[The information follows:]

The Air Force believes strongly in the Air National Guard, and its warriors are a valuable part of that Air Force total war-fighting capability. The Air Force plans to retain as many Air National Guard units as possible; however, the future composition of Air Force fighter forces is changing and will continue to evolve. New missions are emerging that will require commitments from both Active Duty and Reserve components. The Air Force may transition Air National Guard units that are losing older F-16s to a different more relevant mission set.

As you know, there has recently been a restructure to the F-35 program to overcome challenges in production and test. These may cause the Air Force's initial operating capability to potentially slip until 2016. For those Air National Guard units that may receive F-35s, this will impact aircraft availability and will also cause us to adjust our timeline to transition from the F-16. Until we have greater clarity in the F-35 program, we will not be able to fully detail this transition.

But there is a plan as Operations (OPS)-1 for the F-35 stands up, which is an F-16 base, those aircraft, which are Block 40s, will transition to the Air National Guard, which will then enable us to

transition older fighters and retire them out. So there is a plan as we move the dominoes and aircraft around, to allow both the Air Reserve component and the active component to have the right number of aircraft to enable them until their missions.

Mr. YOUNG. General, does it appear that the Air Guard will be without a substantial number of aircraft until that program—

General SCOTT. No, sir, it does not.

Mr. YOUNG. That is good news, because we were sort of led to believe that that might be the case.

General SCOTT. Sir, as you well know, there are five reports coming to Congress totally covering the fighter structure, the CAF restructure, and different parts of that. Those will start coming over here on 1 March through 1 April. Those go into a lot greater depth and detail of the plans we are looking in the CAF restructure, things that we are doing with the F-22 and other fighter force structure.

Mr. YOUNG. That will be good. One more question on the Air Guard. What about the F-15s?

General SCOTT. Sir, what we are doing with the F-15s is called a long-term program. There are 176 of those aircraft that we will upgrade with the Active Electronically Scanned Array (AESA) radars. We will also give them some electronic warfare and Infrared Search and Track (IRST) capabilities that will enable them to extend their service life out to a much longer period of time. And in the F-15, what you will probably see, which you will see, is those will transition mostly to the Air National Guard as the F-22 aircraft stand up in the active component.

Mr. YOUNG. So you say that there will be no downgrading of the Air National Guard's capability to go to war with the regular Air Force?

General SCOTT. No, sir. The F-15 long-term Eagle will have much better capability than the current F-15 does, and as they transition from Block 25-30 to 40s and 50s, they will have the capabilities in those aircraft also. And part of the plan as we look at the 40s and 50s, again looking at the F-35 program, there are things that we need to do to that. And there is in study and analysis a long time Viper F-16 program on what we need to do with the AESA radars, with the IRST capabilities and with Digital Radio Frequency Modulations capabilities.

Mr. YOUNG. General, thank you very much. I appreciate that.

Thank you, Mr. Chairman.

Mr. DICKS. Mr. Moran.

TACTICAL AIRCRAFT INDUSTRIAL BASE

Mr. MORAN. Thanks very much, Mr. Chairman, and thank you for your comments about our chairman. As you know, we wish you all the best and look forward to working with you. But I know you share all of our sentiments. This is the last way you would have wanted this to happen. So it is nice to recognize Jack. We appreciate that.

What I would like to ask you about right now, Admiral Philman and General Scott, is our industrial base. After we complete the F-18 program, which is going to be in a few years, there will be one single contractor providing virtually all tactical aircraft, and I won-

der if you have a concern. The committee has expressed its concern, for example, in the need we thought to have an alternative engine so you can have some measure of competition with the F-35, because we are going to build over 2,000 of them, we are going to be selling them overseas, yet we are relying upon one contractor.

Would you address this issue, which has been of continuing concern to the committee, our over-reliance upon a single contractor, even as effective as they may be?

Admiral PHILMAN. Certainly that is how our economy is established, for competition. In the case of the fighter world, the folks in Lockheed Martin are building the F-35, and that is coming along nicely. We talked about some of the issues, but I predict we are going to work our way out of that.

The Hornet line in St. Louis is there. I am comfortable that we are buying enough airplanes now and into the near future that that line will remain hot so that we can understand better the production capability of the Joint Strike Fighter and not shut that down before we have a full understanding that that production line is going to meet our Strike Fighter needs.

In the case of the Navy, we are buying airplanes, F-18Es, Fs and Gs, through fiscal year 2013, with a delivery in 2015. So that gives us some flexibility, I believe.

Mr. MORAN. I hear your response, but, you know, I think the best example of the committee's concern was the need for an alternative engine. Now you say no, you don't need two, we can have total reliance, even though we are talking about more than 2,000 F-35s. We are not critical of the single contractor, but it is kind of a philosophical issue. It really goes to the heart of what we are about, competition, trying to keep costs low, trying to ensure that there is that monitor, that we don't have monopolistic control.

I suspect I know what we are going to hear, but I think it is important to share the concern with the committee. Did you have anything you wanted to say?

General SCOTT. Sir, I would agree with you that, one, competition is extremely good, and two, we are worried about the industrial base. I am sure when we start talking about long-range persistent strike and platforms in that area, as we look at the funding of the industrial base. So we are concerned about that.

One thing I will tell you, Admiral Philman and myself sit on an organization called the Joint Air Dominance Organization where we look at the Navy, the Air Force and the Marines and where we are today and where we are going in the future.

For a tactical aircraft, we are already looking at what is the next generation air dominance platform. If you look at economic service life (ESL) timelines, we have to start understanding service life on the F-22 and the F-35: what are their economic service lives? In addition, with the F-18 and the F-16 and the F-15, and their ESL will approach quicker.

So I believe that you will see, not in the very near future, but pretty close, you will start seeing us talking about where we are going in the tactical fighter realm from an air dominance, and what we need to look at in the future if you want to call it a sixth generation fighter, I will just call it the next generation air dominance fighter, whether it is manned or unmanned, will help the industrial

base. I also believe the long-range persistent strike will help that, too.

LONG RANGE STRIKE AIRCRAFT INDUSTRIAL BASE

Mr. MORAN. Well, that is a good point, and in that context, after terminating the next generation bomber this past fiscal year, the one we are still in, really, this next year's budget includes \$200 million to support a long range strike industrial base. We don't really have any idea. What are you going to do with that \$200 million? What is your plan for that?

General SCOTT. Sir, the Assistant Secretary of the Air Force Acquisition staff are actually the folks that will be monitoring that. But what we are looking at is the technology we started in the next generation bomber. We want to make sure that base of knowledge, that industrial piece, and those folks that were working that, are still in place if we go in a similar mode as we do this next study and figure out where we are going with what I will call long-range strike, long-range strike being an umbrella, a family of systems where you have a penetrating capability or you have a standoff capability or you have what we will call a conventional prompt global strike capability. But those are the things we will be looking at the industry to look at for us through our SAF/AQ folks in monitoring that \$200 million.

COUNTERING ELECTRONIC ATTACK

Mr. MORAN. Okay. Thank you. Just one last, I hope we can make it a quick one. But there also seems to be an over-reliance, at least the Chief of Staff of the Air Force has cited an over-reliance on the GPS system in countering electronic attack. Do you share those concerns?

General SCOTT. Sir, obviously in the environment we are in and at a level we can talk now, yes, we are very concerned with the denial of Global Positioning System (GPS). We are looking at that. I think you all know that we have a space adversary squadron that helps us in exercises so that we can exercise in those environments with the platforms both across all services, not just the Air Force as we go into the Red Flags and up in Alaska and down there at Nellis.

So we understand that. We are exercising to that capability. We are looking at ways that we can improve our inertial navigation systems, or doing some encryptions with different things we have with our impact GPS capability.

So we understand that. And it is not just a platform sensor. There is also the weapons piece of that. So as you tie those two together to make sure that you are working those in congruence, so that at the endgame, in the environment that could be out there, that the weapon does what it needs to do.

Mr. MORAN. Thank you.

Mr. Chairman, thank you. Again, we look forward to following your leadership on this committee.

Mr. DICKS. Mr. Frelinghuysen.

TACTICAL AIRCRAFT OPERATION COST

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman. First of all, we all salute the combat pilots and crews and all those who do the remarkable work that they do each and every day. Certainly I believe hopefully we still have what used to be called overwhelming superiority. But the second comment is I worry about what the Russians are doing, the Chinese are doing, the Indians are doing, the collaboration between those military forces.

But I would like to focus on what was described a few minutes ago as the economic service life issue, particularly as we look at the Joint Strike Fighter.

It is my understanding that the Navy has developed a report, and I think the report's name is the Joint Program's Total Operating Cost Affordability Report, that indicates that each flight flown by the Navy and the Marines F-35s will cost \$31,000 in 2029. This compares with \$19,000 in current flight hour operating costs for the F-18s and Harriers.

Admiral, can you outline or elaborate on these numbers and explain to the committee how worried we should be about these figures?

Admiral PHILMAN. Sir, it is a valid worry. We are looking very closely at that. The CNO is very, very captured by the total ownership cost in all of its platforms, end to end, manpower, flight hours, all the pieces and parts that go into that calculus. But that is being developed, the report you are talking about is being developed by Navair Systems Command, and I don't think I can address it directly for you, but I will get you that answer.

[The information follows:]

The Navy encourages its program managers to study the total ownership costs of new and existing systems, and the Naval Air Systems Command (NAVAIR) estimate of JSF cost per flight hour is consistent with goal. It is not prudent to make conclusions on the total ownership costs of JSF based on the NAVAIR study alone. Navy has not yet completed operational testing of the carrier variant and flight hour costs are only one aspect of JSF total ownership costs. Understanding and controlling total ownership costs is a priority for the US Navy and we will continue to pursue ways to reduce our long-term operations and support costs for all our ships and aircraft.

Mr. FRELINGHUYSEN. Well, I assume the Air Force is familiar with this study.

General SCOTT. Sir, from a requirements perspective, no, I am not. I would probably say that our AF/A8, General Miller, is probably more aware of it, but I will get involved with it. I do understand the O&M costs and the significant increase that we have gotten when we go into the F-22, F-35.

Mr. FRELINGHUYSEN. I am not setting up a potential dispute, but I understand there is some difference of opinion between the services on some of the conclusions of this report. What worries me is that obviously we talk about delay here, and there has been some delay and cost overruns. We have international partners. Don't they have a piece of this game here, and they have some anticipation?

Admiral PHILMAN. They do. They are watching us very closely. Part of the cornerstone of the Joint Strike Fighter program is affordability, and we are watching that very closely. I don't think

there is a separation between the Air Force and the Navy on this regard, but there is—

Mr. FRELINGHUYSEN. But Congress is of the view that this is joint, that maybe somebody will get it earlier than the other, but that the carrying costs are pretty heavy here. We are all for it.

Admiral PHILMAN. Sir, I want to reiterate, it is a valid question and we owe you an answer. I will get you the right people to answer it for you.

General SCOTT. Sir, if I could comment on the joint piece, I will tell you that the CNO, the Chief, and the Commandant of the Marine Corps, went down to the Lighthouse, which is a large facility down in Suffolk that enables us to do things. And the things that they have seen to make sure that we are working on all things joint was that the three four-stars went down there to learn about the F-35, all things that were working with the umbrella, dealing with the connectivity, with the data links, with the weapons systems and how we will interact.

We are really working very closely, both through the Joint Program Office, both through the requirements piece and through the acquisition piece to make sure that we get this right and do these things together.

Mr. FRELINGHUYSEN. Well, I think we are reassured in hearing that. You don't have many options out here. You have a shrinking industrial base, one basic line that you are going to be dependent on. We need to get it right and we need to expedite whatever we are doing.

Thank you, Mr. Chairman.

Mr. DICKS. Mr. Rothman.

Mr. ROTHMAN. Thank you, Mr. Chairman. Let me echo everyone's sentiments about the appropriateness of acknowledging the passing of our friend and great chairman, Jack Murtha, a truly great man, great patriot, great American, and he will be missed at many levels.

I also want to associate myself with the remarks of those who say how much they are looking forward to working with you, Mr. Chairman, not only because of your experience, but also because of your commitment to the kind of nonpartisan approach to our work here, as well as the kind of accessibility that has been afforded to each of the members to make a contribution and to learn.

Mr. DICKS. Thank you.

JOINT STRIKEFIGHTER CAPABILITIES

Mr. ROTHMAN. Admiral and General, thank you for being here. Thank you for your distinguished careers of service, really remarkable. I have said this before in other hearings, we hope that your present service will be the best work of your careers until the next level. But we need you to be operating at your best as well. So, good luck to you and all of those who work with you and under you.

A couple of general questions, and I do understand the nature of this being an open hearing. Can you respond though generally to the capabilities of the Joint Strike Fighter versus the kinds of comparable aircraft that are coming out of Russia and China, in general terms? Will our aircraft be superior? Will we have a qualitative military edge?

Admiral PHILMAN. Yes, sir. I believe that to be true. It is designed from the very beginning to work into what we call an anti-access environment. So all the things that are resident in the aircraft, designed in, the sensors, the weapons systems, the interconnectivity that was mentioned by General Scott earlier, all enable this aircraft to go deep and do this work at all odds.

So, the other countries are building aircraft that are very capable and we keep our eye on that with good reason. So the whole system of systems, not only the F-35, but the Enabler, the E-2D and the Airborne Command Control that the Air Force has, our ships, our command and control over the ground, I think it all plays in.

So from a greater standpoint, the F-35 fits into it to accommodate our ability to work unimpeded in almost any environment.

General SCOTT. Sir, what I will give you is an example. The F-35 is very complementary to the F-22, different missions, but capability-wise and what that does. I have been a fourth generation kind of fighter pilot. I have flown against the F-22, and there is no aircraft today that matches that aircraft. And the F-35, for the complementary missions that it does today, will be very similar to that. So I am very, very satisfied that today and where we are, that where we can fight and do the things, we are the best.

Mr. ROTHMAN. Obviously we are projecting the use of the Joint Strike Fighter many years out into the future, and I am certain that you have considered our potential adversary's work in the future as well. So they are not going to be staying at home just twiddling their thumbs. They are working on ways to match or overcome our Joint Strike Fighter.

ELECTRONIC ATTACK AIRCRAFT

But I know my time is limited, and it fits in with the general pattern and what the Admiral was saying about how it fits into the general whole of our air superiority. But I am very concerned about electronic warfare and the jamming of their systems by us and the acquisition of our superior aircraft at early times by our enemies sufficient enough to give them the opportunity to deny us air superiority. That concerns me a lot.

Are you worried about that enough, and are we doing enough to address what I consider to be in a way an asymmetrical threat, folks who don't have aircraft like ours and other capabilities like ours, but can acquire us far away and at great heights and then knock us out?

Admiral PHILMAN. Yes, sir. Without question the adversaries continue to exploit the electromagnetic spectrum at much reduced costs of what we do to counter their efforts. Right now, I mentioned that we are recapitalizing our Prowler squadrons the EA-18G. That is going to be 10 squadrons on the ships and four expeditionary squadrons, plus the Marines. That is an excellent platform and has great capability. But it is only a piece of the puzzle.

There are other parts. The Joint Strike Fighter will have resident capability to be able to work within that and contribute that system, as will almost every other airplane we have. We have gone to places. We have some very good modeling centers. The question was asked earlier how is this working, are you worried about this developmentally. We worry about what the adversary is building,

how they can counter us. We are trying to model their capabilities and then we will work our way through countering those before they even fly, making those capabilities resident in not only the F-35 and the EA-18G, but the rest of the force as well. I believe that is true for the Air Force.

Mr. ROTHMAN. And your budget request for fiscal year 11 is sufficient to pursue those capabilities to your satisfaction?

Admiral PHILMAN. Yes, sir, for the Navy.

Mr. ROTHMAN. For the Air Force as well?

General SCOTT. Yes, sir. I will pile on to what Admiral Philman said. It is a family of systems. It is not one system, as you said, like with the fighter itself. It is how you cover that entire spectrum, that electronic magnetic spectrum. What we don't want to do between the two and three services is to be redundant. There will be overlap in how we cover that spectrum. But we want to make sure that between the three services and the fiscal realities that are out there, that we have got it all covered. And I think we do a very good job of that with the organization that I previously mentioned on how we want to spend our funds to make sure that we are covering the spectrum today and as we look into the future. And in a closed session, Mr. Chairman, we could actually get into a lot more details about those capabilities.

MISSION CAPABILITY RATES

Mr. ROTHMAN. One last thing about the maintenance. You were, General, comparing the superior qualities of the F-22 in a certain way to the Joint Strike Fighter. It has been said that the low observable maintenance for the F-22 has led to substantial decreases in mission capability rates and that there is the same low observable maintenance proposed for the F-35 and there is some concern about decreases in mission capability rates for the Strike Fighter.

Do you share that view?

General SCOTT. What I will share with you is that if you look at all our stealth capabilities starting with the F-117 and the B-2 and now the F-22 and working our way to the F-35, we have always started off with lower rates. We look at it from four areas. We look at it from the material, the system, the management of that system and the manpower. And part of it just is how are we teaching these young men and women, these young Airmen that are out there that are working on this material, to enable them to make sure that they are doing the right things.

We have made great strides. If you go back and look at the F-117 and look at the mission capable (MC) rates and the ability that we learned from low observable (LO) maintenance and now we are applying it to the F-22 and we will also apply it to the F-35, and we are handing those lessons learned both to the Marines and the Navy to make sure we don't reinvent the wheel.

I will tell you that the MC rates were low in the F-22. If you look at the trends, they have trended up. They do not currently meet what I will call the threshold and objectives or the Air Combat Command's MC rates. They are probably in the mid-60s. But they were well below that and the trend is up, and we believe we have reached that knee in the curve with the different places that we are working as we work those things.

There will be different issues with different places that you place this aircraft. Obviously Holloman Air Force Base, New Mexico is a great place to have these kinds of aircraft because of the environment. And there are other things we are learning from, such as the environment and how that dictates to the things that happened to those kinds of materials.

Admiral PHILMAN. Sir, as was mentioned, the Navy is early to this game. The Super Hornet has some LO characteristics, but it is not a durable aircraft. So we are taking the lessons learned from the Air Force and applying it to the Navy's F-35C. Of course we are going to operate in a different environment, in the maritime, close to the water always. We will probably see some challenges that weren't there before, but we are capitalizing on every opportunity to learn from what has been done before.

Mr. ROTHMAN. Thank you, chairman.

Mr. DICKS. Ms. Granger.

JOINT STRIKE FIGHTER QUANTITY

Ms. GRANGER. Thank you very much. Thank you for your service and thank you for your appearance today.

You have talked about the changes in the F-35 and that you are planning to buy 43 for 2011. My question is, the total requirement, it was at 2,443. Is that still the number, or has that changed?

General SCOTT. Ma'am, I don't know the total requirement across the entire F-35. 1,763 is still the Air Force's program of record, and we are planning on buying 1,763. Across the Future Years Defense Program (FYDP) and where we are sitting right now, we are 67 less, but with the ramp up and where we are going to end up.

As you well know, this is critical to the backbone of our Air Force. This is the replacement of the A-10 and the F-16. And as our Chief has said, this is the future of the fighter force of the United States Air Force from the global precision attack mode that we will be using this aircraft for. So we haven't changed the number.

Admiral PHILMAN. Likewise, ma'am, the F-35C in the case of the Navy is going to carry the water for us well into the next few decades. Our legacy aircraft will be supportive. But our program is 680 airplanes. That has not changed in quite some time. The actual mix has yet to be determined. The Commandant of the Marine Corps and the CNO have an agreement that we will address that when we have enough data to make that decision. When I say the mix—

Mr. DICKS. That is both the Navy variant and the Marine Corps variant?

Admiral PHILMAN. Yes, sir, that is correct. So the Department of the Navy is 680 aircraft. They will be divided up between the Navy and the Marine Corps, the F-35B, which is the STOVL version, and the F-35C, which is the CV version. That decision is yet to be made.

Ms. GRANGER. Thank you very much. I know that the previous plan called for as many as 80 Air Force versions and 50 Navy-Marine Corps versions. Do you know when you will have a steady state annual production number?

General SCOTT. What we are being told is that in 2016, the ramp will go from 48 to 80. That was the initial ramp, the initial procurement buy. And that in 2016, initially prior to the restructure it was 2015, and we are looking at the ramp now in 2016 to be at the 80 buy.

Admiral PHILMAN. Likewise, ma'am, the restructure will cause some perturbation and move it to the right to some extent, but the steady state I think is 50 for the Navy.

Ms. GRANGER. I am sorry, what did you say?

Admiral PHILMAN. The steady state I think is 50, but when that will occur we will have to see, where there is uncertainty now with the restructure. But for us, for the Navy anyway, the restructure does allow for more logical ramp-up. So we are taking the ones that we are taking now in a more logical step so they can flow into testing and then delivery for a fleet of airplanes in a more logical way. So the restructure comes at a pretty good time for the Navy.

Ms. GRANGER. Thank you both.

Thank you, Mr. Chairman.

Mr. DICKS. Ms. Kilpatrick.

AIR DOMINANCE

Ms. KILPATRICK. Thank you, Mr. Chairman. I too want to add my remarks in terms of just you, who you are. I have been to your district. I know the commitment. For 30 years you have been on this committee. I am sure we will continue the legacy of our chairman. It is heavy for me this morning, I am sure it is heavy for everybody. But thank you for your service.

Admiral, General, good morning. It has been very instructive, and I have been reading yesterday evening and this morning still to a word, and you both have said it, air dominance. General, are we number one or not?

General SCOTT. Yes, Ma'am, by far. No one comes close.

Ms. KILPATRICK. That is what I want to hear. Admiral?

Admiral PHILMAN. Yes, Ma'am. No question. No one else comes close.

Ms. KILPATRICK. That is important, particularly in the world today and how we are going in Afghanistan. It is totally different, as you well know.

General SCOTT. And Ma'am, I will tell you why that is important. Not since 1953, the Korean War, has a Soldier, Sailor, Marine or Airman on the ground been attacked from the air, and that is the air superiority that these three services give the folks on the ground. And it is not just soldiers. There are, as you well know, in Afghanistan and Iraq, all four services, to include the Coast Guard, are on the ground there.

Ms. KILPATRICK. And that is important, this whole joint effort. And being new on the committee, just learning that and how you work together is awesome in my opinion. I have been to, as I mentioned, a few of the districts and in Iraq. I have seen the young men and women, 75 percent of them between 17 and 25. They are babies. I am a grandmom. So that is something for me, totally committed, doing their mission.

JOINT STRIKE FIGHTER ALTERNATE ENGINE

I want to go back to the second engine thing of the F-35. General, I heard you say that F-22 was what you like for what it does. That is the aircraft you have flown and is superior.

General SCOTT. I have never had the opportunity. If you can find a way to get me into an F-22.

Ms. KILPATRICK. Oh, you haven't done it. I misunderstood.

General SCOTT. No, Ma'am. I have flown against the F-22. What I will tell you, having flown against many a different aircraft across the inventory, the F-22 is without a doubt the air dominance aircraft that you want supporting your troops.

Ms. KILPATRICK. So the F-35 we are moving to in terms of the Joint Striker effort?

General SCOTT. It is a complementary aircraft. If you look at when we take the two missions and the mission sets, the two of them complement each other to enable them for the joint commander that is running the campaign to be able to do different things with the different fighters.

Ms. KILPATRICK. I see. And together they increase that dominance?

General SCOTT. Yes, Ma'am, they do.

Ms. KILPATRICK. Chairman Murtha always talked about the second engine. I think this committee has put in I think it is over \$1.7 billion to begin development of that. The Department has always said no, they are not going to do it and really have not moved. Inasmuch as we are in combat, it looks like forever, unfortunately, why? Can you speak to that? If that is over your head, if it is, just say that.

Admiral PHILMAN. Ma'am, there are two different models of the engine. With it comes your basic sustainment, your logistics, the expertise to install or remove the engine and all the things that go with that.

In the case of the Navy, within a very large population of airplanes that are going to be out there for the F-35, but for us 680 airplanes, and the way that we envision and we do operate them on the amphibious ships and the aircraft carriers. So keeping a smaller pipeline so that we can have a more skinny down logistics at sea, the sustainment and the types of engines we would have to store on the aircraft carrier, it makes the most sense for us to have one engine type.

Ms. KILPATRICK. So then should this committee withdraw its 1.7 billion in that effort and rely on you guys who we think we don't know anything to move forward?

Admiral PHILMAN. I don't mean to insult the committee.

Ms. KILPATRICK. I don't mean that facetiously. I am serious. Because one thing about this Congress, they don't understand \$630 billion to defense when we don't have housing, health care, and education and other things properly funded. So we have to rearrange dollars. I want the most.

I am totally committed to the national defense of this country and to the young men and women and their superiors who protect us, but I think we have to be smarter as we move forward. And

what you just said, Admiral, and that was like a nice little 30 second something, that was good. I am a former teacher. I received it.

But I am concerned. I don't know that we keep appropriating this if you are not going to use it. Chairman Murtha didn't get here by happenstance. He was a decorated Marine, an intelligence officer. So I mean he had to have some reason to continue the funding, and I am wondering if we ought to continue it.

General SCOTT. Ma'am, from the Air Force perspective, and the Chief talked about this with the Secretary yesterday at his hearing, as we look at the cost of the second engine and we look at the cost of the aircraft, what we don't want to do is decrease the amount of aircraft that we buy. Competition is good. But the fact if you look at the F-22 is a single engine, if you look at the F-18, it is a single engine, we have over the last 30 years done a lot of work with engines, and currently with what we have done with this particular engine, we are satisfied through the tests and where it is at, that this will be the engine that we want. And it is in the low rate initial production (LRIP) right now for the first ones that are coming out.

Mr. DICKS. Will the gentlelady yield just for a second? Our staff has been told repeatedly by the former program manager that the biggest problem they had was with the engine of record. Now, I am new to this issue, but is that true? Are most of the problems with the Joint Strike Fighter with the engine?

Admiral PHILMAN. There were issues with the engine early on, sir. But right now, we are beyond that. We are already receiving LRIP engines to be delivered to production aircraft. It is on the ground. The total test on the engine exceeds I believe 13,000 hours. So I believe the manufacturer and the program has gotten beyond that point. So we have a reliable engine that we can use right now.

Mr. MORAN. The chairman is absolutely right. The program manager testified to this committee it was the engine that was the cause of the delay.

Admiral PHILMAN. Yes, sir. I am not sure when that testimony occurred. But—

Mr. DICKS. We are glad to hear that. We don't want this not to work. But we want to know what the facts are.

Admiral PHILMAN. To my knowledge, this engine is performing, and we haven't had any airborne emergencies with the engine, and on-the-ground testing—

Mr. DICKS. Maybe that is the reason the program manager is no longer the program manager. Anyway, I yield back to Ms. Kilpatrick.

Ms. KILPATRICK. That was a good way to end that. And why is he not the program manager any longer? Don't answer that.

I will just go back and I am finished. Chairman Young mentioned, do we have enough fleet? Are we going to be short? Do we have enough war fleet to do the job? We are in a war and a half right now. I mean, the F-35 sounds like it is a good one, but you don't want another engine. Air dominance, can we sustain it?

General SCOTT. Yes, Ma'am. We currently have and in the plan with mitigation from an Air Force perspective, if you are looking at our fighter force structure, we are right now at what we will call a 2,000 number for a total aircraft inventory, approximately 1,200

combat coded aircraft. If you look out in the outyears, there is, as the Chairman has mentioned, with the Navy, there is a bathtub, if you want to call it that, in about 2024 of about 185 aircraft. There is mitigation that we are working right now. One of them is with the 176 F-15s to increase their length. One of them is with the Block 40s and Block 50s to modernize that fleet. But we look yearly if not daily at where we sit today and where we want to be in different segments of our force structure.

We also want to make sure we have the right balance. Today we have eight percent fifth generation aircraft. In 2024, which is the segment we look at, we have 51 percent fifth generation aircraft. As we start looking at that capability, the fleet size, because if you look at what those aircraft can do compared to the fourth generation, they can do a little bit more. So do we need 4.5 F-16s? And we are working those analyses with our folks that do that kind of stuff.

But we are trying to make sure we have the right balance in the fleet. And that goes with manned and unmanned as we look out to the outyears. But there is work that we are doing. We are at a medium risk, but we are satisfied that we can support the Nation with the fleet that we have in the United States Air Force.

Ms. KILPATRICK. We rely on you experts, who have given your life and dedication to your current positions and before, to make those determinations. That is not what we do here at this committee. But we certainly want to be in the realm of appropriating what is appropriate and at the same time safe for the country.

Thank you very much for your testimony.

Admiral PHILMAN. Ma'am, if I could add to that from the Navy perspective, we have enough aircraft now to conduct our missions, but there is looming out there with the delay of the Joint Strike Fighter and as we are using up the life of our legacy Hornets, we are concerned about that. So we are doing everything we can to make sure we extend the life, use our aircraft appropriately, and in the case of the legacy Hornets, the A through D, down to the squadron level, we have a service life and management program where the squadron commanding officer actually allocates how the aircraft will be used, how many catapults and arrested landings it will have, what kind of particular mission they would be used on, so we can work our way through potential shortfalls.

Ms. KILPATRICK. Thank you.

Mr. DICKS. Mr. Visclosky.

NEXT GENERATION BOMBER

Mr. VISCLOSKY. Thank you, Mr. Chairman.

I apologize for being late and simply would make the personal observation that I find myself saddened that Mr. Murtha is not with us obviously. It is a fundamental change as far as the work of the committee.

But I appreciate your long work, your expertise, and you will do an excellent job, and I certainly want to be supportive in any way because I know also we will continue in the bipartisan fashion and the diligence that we have in the past, so I appreciate that very much.

I have particular concerns, gentlemen, with the alternative engine. It is my understanding, and obviously the gentlewoman from Michigan has discussed it with you as well, that that has been covered, so I will not have specific questions except to reiterate my concern that I do think there is a value in competition.

Having a concern generally about the industrial base in this country and the fact that some day we are not going to make anything here. And whether it is the Pentagon or the Department of Transportation or any other agency of the government, if we only make one of everything, pretty soon we are not going to make anything here. And I certainly want to add my voice of concern and to note for the record that over the last 4 years, the subcommittee has provided \$1.7 billion for an alternative engine because of the importance we attach to it.

What I would want to focus on at this point is the next generation bomber. And, General, I would like to know what the requirements and capability you would be looking for in that next generation. Would you anticipate it would be manned or unmanned as far as the vehicle?

General SCOTT. Sir, in the manned and unmanned requirement that will be part of the subject that OSD is looking at. Right now, I would say—I don't want to say we are agnostic, but we are waiting. We believe that, other than personally, depending on what we do the capabilities of that aircraft, if that aircraft ends up with some type of nuclear mission, then I agree that it ought to be manned. And those will be things and those will be in the study as we look at it.

But as you look at what is the capability, whether manned or unmanned, in the realm of possibility, sir, either one of those could work if you start to look at those kinds of technical maturations and where we are at. It just depends on what we do with it.

Mr. VISCLOSKY. What is your time frame and acquisition costs?

General SCOTT. Sir, we don't have any acquisition costs right now. As you, know, you all helped us and we put some money in the industrial base for 2011. We are looking at this study to affect 2012, but we are looking at fiscal 2013 to start working the aegis of where we are going to go with this particular program and the requirements that we have looked at.

MODERNIZATION OF LEGACY BOMBERS

Mr. VISCLOSKY. And can I ask you about modernization requirements for the existing bomber fleet and what you anticipate that looks like over the coming 2 to 5 years?

General SCOTT. Because of the ability to continue the B-1 and the B-2 and the B-52, we kind of look at it in four realms: how are we going to sustain it; the lethality of the aircraft; the responsiveness of the aircraft; and the survivability of the aircraft. Of those three aircraft, bomber sustainment and modernization funding over the FYDP totals \$5.8 billion with approximately \$1.2 billion for both the B-1 and B-52 and \$3.4 billion for the B-2.

As we look at the different things as we sustain lethality, one of the things we want to look at on these bombers is advanced targeting pods. Can we put those kinds of things on these bombers? Greater modernization on the B-2. The defense management sys-

tems on the B-2. Some of the connectivity as we look at analogue versus digital, the B-52, the B-1, and those three bomber fleet that we are looking at, we want them to have that beyond-line-of-sight capability as so they are sitting here working with the satellites, they can talk with the different aircraft that are in the air.

So we are aggressively looking at those three aircraft in the modernization program across the FYDP. That is part of our phase, because we look at the phase of what I will call long-range strike. We want to sustain the legacy fleet that we have as we start looking at the tech maturation of what will be. And then we also want to start looking at the standoff capabilities.

In phase two, then, we are hopefully into a long-range strike capability standoff bombers. We might start looking at that point, is there a possibility of retiring? And then we get into the phase three where we have the long-range persistent strike platform.

Mr. VISCLOSKEY. Thank you very much.

And again, I do have a serious concern about that alternative engine issue.

Mr. Chairman, thank you very much.

Mr. DICKS [presiding]. I will yield to Mr. Hinchey. But let me ask one question. The B-2 can penetrate. And the others basically have to stand off. You use long-range cruise missiles. In looking at the next generation, wouldn't the ability to penetrate still be an important issue whether it is manned or unmanned?

General SCOTT. Sir, from the Air Force perspective, we believe that this aircraft needs to be a long-range persistent and anti-access environment platform. In other words, it needs to penetrate into the anti-access environment. That is the requirement. We want it to be survivable. We want it to have the right range and payload to be able to get into the environment of the anti-access environment. Those are the requirements we have stated.

Mr. DICKS. Is \$200 million enough money to get it together doing the work that they have been doing, or should there be additional money added by the Congress?

General SCOTT. Sir, currently talking with the industrial base, \$200 million will cover that. I would say any additional amount will—

Mr. DICKS. How much did we have in 2010?

General SCOTT. Sir, can't get into that.

Mr. DICKS. That is right. It is classified.

General SCOTT. Yes, sir.

Mr. DICKS. Mr. Hinchey.

COMBAT SEARCH AND RESCUE HELICOPTER

Mr. HINCHEY. Thank you very much, Mr. Chairman.

And I want to express my appreciation and gratitude to you for taking over the responsibility of this very important subcommittee here. And it is a great pleasure for me to be with you, and I thank you for everything that you are doing.

Gentlemen, I thank you also very much.

I wanted to just mention the combat search-and-rescue helicopter program which was terminated by Secretary Gates sometime late last year as I remember. And I am wondering if there is any understanding of the need for that program. Is there going to be any ini-

tiatives that are going to be reinvigorating it? Starting it up again? The context of its use presently, as I understand it, there are a number of these that are being used for rescue operations in the context of Afghanistan right now.

And I just wonder if you have any insight on this and what you think the next move is going to be.

General SCOTT. Sir, you are right. The Resource Management Decision (RMD) 800 terminated CSAR-X. What it did not terminate is the mission itself. There are studies that are being done by Joint Forces Command on combat search and rescue. The Air Force has the combat search and rescue piece of that. All services have the search and rescue capabilities out there. It is the ability that the Air Force has to go into a lethal environment and hostile environment.

The program of record is 112. There are currently, as of today, I believe it is 96. We are going to buy back to the 112, get our operational loss aircraft and get ourselves—there are four in the 2010 budget, and we are planning on in the program to continue that to get ourselves back to 112.

With that Air Combat Command, is relooking at the analysis of alternatives, and what is the next generation helicopter if we are going to look at that? We are also working with AT&L through an acquisition decision memorandum to recapitalize the fleet with the current aircraft that we are getting, which is the HH-60M, which is a current line that the Army has with their Blackhawks.

So we are working very closely with AT&L through the AQ folks, Major General Randy Fullhart and myself. And we are working with ACC on the requirements. But you are right. The dwell time on these young men and women, and it is not just the aviators in the front; it is the guardian angels in the back that are doing God's work is what I will tell you. Because it really isn't right now just all search and rescue. It is medivacs. It is that golden hour rule that we live by to make sure that we can get that young man and young woman on the ground to a facility within 60 minutes, and they are meeting that requirement and doing that job superbly.

Mr. HINCHEY. So the content of this material is available readily now, and it is in enough—

Mr. DICKS. Congressman Hinchey, would you pull your mike up closer?

Mr. HINCHEY. The availability of these are standard now, and there is a level that is meeting the necessities, the requirements and specifically with regard to the circumstances that we are experiencing in Afghanistan, but also in Iraq to some extent. I assume that there are enough of these now, and there is a study going on I assume to figure out what is going to be the next move on this issue?

General SCOTT. Yes, sir, we are meeting the requirement. What I will tell you, though, is the dwell time for these young men and women is as high as any dwell time we have in the Air Force. It is about a one-to-one dwell time. For some of them, it is even a little worse, about .98, and others it is about 1:2. But that doesn't count those at the 1:2 dwell time that deploy to Korea and other places that they do.

We are looking at, is there a need, or do we restructure and re-balance this force structure in a way that the active component and the ARC component how we share that wealth with the dwell time. So we are working that. ACC is working the new AOA, the analysis of alternatives, to see if the requirement is better. And the R&D left, I believe, about \$2.6 billion in it to get us operational. And we are also working on the recapitalization on the rest of the fleet.

Mr. HINCHEY. Thank you very much.

Mr. DICKS. Mr. Tiahrt.

LIGHT ATTACK AIRCRAFT

Mr. TIAHRT. Thank you, Mr. Chairman.

You look good in that suit. You got my vote.

I have one concern. I picked up in the light attack platform, ISR platform, that currently, we have the TA6—T6A, excuse me, which has over a million hours on the airframe. We are in flight test starting in the first week of March. It has a light attack platform with ISR capabilities.

But I found out that there is a program now where the Navy is leasing a Super Tucano; in fact, they are leasing four of them for \$11 million a year. And the T6A platform only costs \$10 million. So why are we spending a million dollars more to lease the aircraft for 1 year when we could purchase an American aircraft for less money?

And I have to tell you, Wichita, where I come from, is the air capital of the world. We have over 20,000 aircraft workers laid off. This platform would get about 800 of them back to work. I am hard-pressed to find it acceptable for us to lease aircraft from Brazilians, from Embraer, when we have an American platform that exceeds the capability. And I am very concerned about the way this is progressing with the lease. The lease goes outside the competitive process. And I think we would have a better chance based on the lease cost of winning a competitive bid.

I guess what I would like to know is, why are we pursuing this lease when we have an American capability available? And why are we going outside the procurement process and using a lease when we could have a fair and open competition?

Admiral PHILMAN. Thank you, sir.

I have actually toured all of those lines out there, and I commend the people in Wichita. That is very impressive. You are speaking of Imminent Fury, which was a project that started I think in 2007. The Secretary of the Navy was touring the Middle East, and he asked the Special Operations Forces, what is it that you need that you don't have now? And they roughly defined the characteristics of a light attack airplane with some sort of ISR and special configurations. That became what is known as Imminent Fury, and phase one, which is a CONUS-based testing, and we are about to go into what is called phase two, which is combat verification.

Those airplanes are leased, because that was the airplane that was available at the time. The T6B certainly is a very nice airplane, but it wasn't quite ready just yet.

As they go into the combat verification, that will be competed. That doesn't exclude any capable aircraft from being considered for that combat validation, sir. So I don't have any—right now those

aircraft are on lease, and that will be the plan, but that does not mean it will not be competed. As a matter of fact, we insist that it be competed.

General SCOTT. And when he says “those aircraft”—the aircraft. There is currently only one aircraft on lease. The other four right now are not on lease. Those will compete with the Navy Acquisition Program. The initial Imminent Fury aircraft back in 2008 time frame basically for what they needed to validate the mission as they were going forward, the particular aircraft that met that was the Super Tucano.

Mr. TIAHRT. So you were trying to validate the mission, not the aircraft? Or the capability, not the aircraft?

Admiral PHILMAN. That is correct, sir. What is it that can bring instant command and control or instant support to the Special Operations Forces? What kind of equipment would be on the aircraft? And you figure out this would work; this would not work. Make a different modification. That is the concept, sir.

Mr. TIAHRT. And it is your intent to competitively bid the follow-on?

Admiral PHILMAN. The follow-on will be competitively bid in the acquisition process. Yes, sir.

Mr. TIAHRT. Thank you.

Thank you, Mr. Chairman.

JOINT STRIKE FIGHTER ALTERNATE ENGINE

Mr. DICKS. The famous JSF Stealth business case analysis, is it finally here? Do we have a case on the alternate engine much touted by Secretary Gates? We understand that it may have arrived. Can you summarize or tell us what is in this business case analysis on the alternate engine.

General SCOTT. No, sir, but I will get it for the record for you. I have not seen it, but we will make sure that I get it for you.

[The information follows:]

The Joint Strike Fighter Engine cost/Benefit Analysis update was provided by Deputy Secretary of Defense to Chairman Dicks on February 23, 2010.

Mr. DICKS. Do we know who did it?

General SCOTT. No, sir, I do not.

Mr. DICKS. Was it a contractor, or somebody in the government, or do you know?

Admiral PHILMAN. We will have to get that. I don't know who did it.

Mr. DICKS. Do you know about this if there was a business case? The question fundamental—one of the major issues between the administration and the Congress, wouldn't you know about this?

General SCOTT. I don't know if we would know it from the requirements perspective, because as we state and we work through the Joint Capability Integration and Development System (JCIDS) process, I would believe that Major General Jay Lindell, who is the SAF/AQP who works the acquisition piece of the F-35, would have a better idea, and I can get with Jay and talk to him.

Mr. DICKS. We want you to look at this.

General SCOTT. Yes, sir, we will look at this, and we will get you the information we know that that has been brought up by several members.

[The information follows:]

Yes, a cost analysis was conducted by the Director of Program Analysis and Evaluation (PA&E), now called Cost Analysis and Program Evaluation (CAPE), within the Office of the Secretary of Defense.

The analysis concluded that there would be no net cost benefits/savings from dual source competition. Specifically, the analysis considered three categories of costs associated with maintaining two engine producers:

1. *Non-recurring development*: The non-recurring Research & Development investment required for a second engine source is approximately \$2.5 billion.

2. *Production cost*: The analysis concluded that splitting the production buys between two sources would result in an increase in production costs. This is due to 3 factors: (1) learning curve effect is reduced when significantly fewer units are produced by each source, resulting in production cost increases of approximately \$700 million; (2) fixed costs are amortized over fewer units for each source; (3) cost of outsourced items increases due to fewer units for each source. The PA&E (CAPE) analysis concluded that more than a 20% competition cost benefit would be required to recover the non-recurring development cost and the additional production cost. This is consistent with the 1998 Program Management Advisory Group (PMAG) assessment that savings of 16% to 22% would be required to recover the added costs of maintaining two sources. PA&E (CAPE) found that Department of Defense experience does not support this magnitude of savings.

3. *Support cost*: The analysis concluded that maintaining two engine suppliers would result in an increase in support costs. These engines are not build-to-print designs. Although both engines are designed to have identical external interfaces to the aircraft that make them interchangeable, the two internal designs are almost completely different. Additional support costs would fall into 4 primary categories: (1) Spare parts—Most of the engine parts are unique, including the fans, turbines, combustors and compressors. This requires establishment of two separate spare pipelines both in the fleet and at the depots. (2) Organization (Fleet) level repair—The configuration differences drive additional training and tools for fleet maintenance personnel. (3) Depot level repair—Two separate depot capabilities would need to be stood up. This drives additional non-recurring costs and additional recurring unit repair costs since each repair line would handle fewer units. (4) Engine upgrades and improvements—Future modifications for reliability improvements, safety enhancements and obsolescence management would need to be done on two different engines, driving additional recurring and non-recurring costs.

Information Memorandum
Update of Joint Strike Fighter (JSF) Alternate Engine Cost/Benefit Analysis

This memo provides historical background information on the JSF alternate engine program as well as a summary of the CAPE alternate engine cost and cost/benefit analyses that have been developed since 2007.

The Department has not funded an alternate engine for the JSF program since 2007 because in the Department's view, a second engine is unnecessary and too costly. This position is most recently reflected in the FY 2011 President's Budget submission which, once again, does not include funding for the JSF F136 alternate engine. The Department's position is based in part on updated analyses which continue to show that the business case for a JSF alternate engine is not compelling, and that the alternate engine program would require a significant DoD investment of additional resources within the FYDP.

Previous JSF Alternate Engine Analyses

The JSF F136 alternative engine program began in 1996, consistent with congressional direction. In the December 1997 Selected Acquisition Report, Navy and Air Force committed to funding the alternative engine throughout the Future Years Defense Program (FYDP). In the FY 2007 President's Budget, DoD recommended termination of the JSF alternative engine program. In response, Congress reduced JSF aircraft production quantities and reallocated the resources to the continued development of the F136 engine program. Congress also directed that the GAO, an FFRDC (i.e., IDA), and the CAIG develop separate, sequestered analyses of alternative engine acquisition strategies for the JSF program.

In March 2007, the CAIG (now CAPE) delivered an extensive cost-benefit analysis report on the F136 alternative engine acquisition strategies to the Congress (Tab A). At that time, the CAIG found that the potential life-cycle cost savings from a competitive F136 engine acquisition strategy for JSF were not compelling, and estimated that the alternate engine would cost an additional \$1.2B in net present value. The report did document other potential benefits from a competitive F136 acquisition strategy such as providing a hedge against potential technical problems in the baseline F135 engine, and motivating increased contractor responsiveness through competition. The results of the 2007 CAIG analysis are similar to those presented in the 2007 IDA study. Both studies found that investment costs would not be fully recovered during the procurement phase of the program. In contrast, the 2007 GAO report to Congress was more favorable toward a competitive alternative engine acquisition strategy for reasons that are not

readily apparent. A February 2009 report from the Congressional Research Service¹ provides an excellent summary and comparison of the three reports provided to Congress in 2007.

Update of the 2007 Analysis

Since 2007, Congress has provided an additional \$1.3 billion in RDT&E funding in FY 2008-10 for continued development of the F136 alternative engine.

In 2010, CAPE was tasked to update the 2007 cost-benefit study of the competitive alternate engine acquisition strategy for the JSF. In response, CAPE updated two key factors in the 2007 analysis: 1) the additional appropriations through FY 2010 that had been directed by Congress for development of the F136 alternative engine, which now represent 'sunk costs'; and, 2) the cost estimates for the primary and second engine System Design and Development (SDD) programs based on more recent actual cost information from both engine programs. The CAPE 2010 update made no other changes to the extensive list of assumptions used in the 2007 report to Congress, including the assumption that competition would begin in 2014.

As expected, the 2010 update analysis indicates that a competitive engine acquisition strategy becomes slightly more attractive in an economic sense than the 2007 analysis for the report to Congress. This is because the costs of the SDD program for the second engine have become increasingly sunk with the additional directed congressional appropriations in FY 2008-10 for the F-136 development program. While the 2010 updated result is in fact more favorable to a competitive acquisition strategy than the 2007 analysis suggested, the fundamental conclusion remains the same: the potential life-cycle cost savings from a competitive sourcing of engines for the JSF program do not provide a compelling business case. In net present value terms, the estimated costs of a competitive engine acquisition strategy are projected to be approximately equivalent to a sole-source scenario, or at the breakeven point, as a result of the additional sunk costs for the F-136 development program during the last three years. A table summarizing the results of the 2010 update and a comparison to the results of the initial 2007 analysis are provided at Tab B.

Implications of JSF Program Restructuring

During the preparation of the FY 2011 budget, the JSF program was restructured by adding four additional aircraft to the SDD flight-test program for the JSF aircraft, extending the duration of the SDD program by thirteen months, and reducing near-term JSF aircraft procurement quantities in accordance with the recommendations of an

¹ Bolcom, Christopher, *Proposed Termination of Joint Strike Fighter (JSF) F136 Alternate Engine*. Congressional Research Service, February 18, 2009.

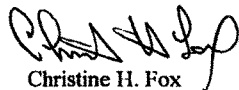
Independent Manufacturing Review Team (IMRT). Based on this restructuring, CAPE assesses that the competitive procurement of engines would now begin in 2017, three years later than the 2014 date assumed in prior analyses. This adjustment more appropriately reflects the programmatic and schedule changes incorporated into the restructured JSF aircraft development program, as well as the status of the alternative engine development program. It would provide necessary time to complete developmental qualification of the alternate engine. It would also provide a sufficient window for directed production buys to allow the second engine source to progress, with learning or cost improvement, to be positioned to compete more effectively with the primary engine source beginning in 2017.

Based on this assessment, CAPE analysis shows that it would require a DoD investment of \$2.9 billion (TY \$) over the next six years to get the alternate engine in position for competition. This investment would:

- Complete the development program (i.e., SDD) for the alternate engine.
- Fund an engine “component improvement program” (or CIP) to maintain engine currency.
- Perform directed buys of engines from the primary and second sources to prepare for a competition.
- Procure tooling, support equipment, and spares.

Differences in ‘sunk cost’ estimates

Congress has suggested that the alternative engine development costs are approximately 75% sunk, based on the total projected cost of the alternate engine development program (i.e., the SDD program), and question the need for the additional \$2.9B to get the second engine to competition. Although CAPE’s estimate of development (SDD) costs varies a little from Congress’ estimate, the major source of the difference is what is included in the cost to get to competition. The 75% estimate excludes associated Component Improvement Program (CIP) costs, which are recurring costs funded in the RDT&E appropriation that would continue through the duration of the JSF aircraft program. This figure also excludes all costs that would normally be funded in the procurement appropriation: the costs to perform directed buys of engines from the primary and second sources to prepare for a competition; and costs to procure tooling, support equipment, and spares to enable DoD to conduct competitive procurement of JSF engines beginning in 2017.



Christine H. Fox
Director, Cost Assessment and Program Evaluation

JOINT STRIKE FIGHTER STATUS

Mr. DICKS. Tell us about the Navy variant and the Marine Corps variant. How they are doing on Joint Strike Fighter? We have been getting the review of each of these programs, and General Scott can talk about the Air Force variant.

Admiral PHILMAN. Okay, sir. For the Marine Corps the F-35B, known as the STOVL version, we have three of those aircraft at Pax River right now, and they are beginning the test. So we are learning more. You might have heard issues about the exhaust or the downward plume, because it has—not only does the exhaust turn down, it has a lift fan in the center of the aircraft so it can do the vertical landings. There was some concern about the heat and how it might affect the flight deck of the amphibious ships. So that testing is being done.

It is called the hover pit testing where they strap the airplane down and simulate the landing. Early report is that it is going to be okay. We have tested with coated and noncoated surfaces and various combinations to make sure that we understand how this aircraft would perform on the amphibious ships. We are also going to look at the blast and other aspects of the environmental.

We believe that is going to be okay. The Marines are holding to their 2012 IOC. The testing will come and prove that out.

For the Navy version, it is the F-35C. A little bigger airplane, it has folding wings, tail hook, and launches and recovers from the aircraft carrier. A larger bomb bay. By comparison, because of the configuration of the airplane, the B is a little bit smaller, and of course, it has other mechanisms in there which is the lift fan and the other nozzles. So it has less fuel capacity. So if you want to compare the F-35B range one way and then back, is about 450 miles, whereas the Navy version, the C model, is 650 miles.

So we only have one C that has been constructed just now, so we are the last in line. The Air Force—actually the B, the Marines are first, then the Air Force and then the Navy. And so we have a little bit of a luxury of gaining the learning that has been done before we build into the Navy aircraft. The downside is that we are last, so we are having a struggle with our existing fleet.

General SCOTT. Sir, we are very similar with our testing. As you know, in the testing phase, you will do some pull testing, where you are sitting there checking all the qualities and capabilities. And then we will work into the ground testing phase of the program, where we complete specifically designed ground tests for the aircraft. Some of it is just taxiing, and some of it is working around. And then the air testing, and we have just gotten into the air portion of that. I think we are about six months into that.

So as you look at the capabilities of the aircraft, it is meeting all of the timelines. The unfortunate piece goes back to what we talked about, is that the schedule of those aircraft has not been as fast. So we are not as far along as we would like to be in the SDD phase of testing for the aircraft. But with the portions of the testing that we have done on the air and the ground, we are satisfied with where we are at. This is where we are sitting today as we look at those kinds of things and where we are at.

Mr. DICKS. That is exactly what I wanted you to do. And is there—I would assume that some people are going to say, shouldn't you slow this down and take more time in development? I think that is exactly what you are going to do, and then slow down the acquisition of—

General SCOTT. Sir, I think that is exactly what the restructuring has done, is when we took the ramp, and we streamlined it down from 2015 at 80 and the other things we were doing and we decreased the number over the FYDP of 122 aircraft, we have said we are going to do in the RDT&E phase and the SDD phase; we are going to get through this. We are going to add aircraft to this phase to make sure that we get this part right. Obviously, if you don't get that right and you just push it into the next phase, it just dominoes.

So there is lots of concurrency in this program. We will, prior to milestone C, have started LRIP, and we will start having aircraft because we are able to do that with the ability of this particular aircraft. But we have slowed it down to make sure we are on the right track through the OSD's restructuring.

Mr. DICKS. I am going to give another chance, but I want to go to Mr. Bishop, who has not had a chance to question.

TACTICAL AIRCRAFT INDUSTRIAL BASE

Mr. BISHOP. Thank you very much, Mr. Chairman.

I apologize, I had some conflicting meetings this morning. But let me go back. I understand that you already touched on the question of whether or not the tactical aircraft industrial base might be compromised with the trend that we are going with the tactical aircraft residing in the hands of just the Joint Strike Fighter Program that our industrial base might arguably be shrinking, which might jeopardize our future.

Admiral Philman, we just got with a single contractor, which I understand where we are now, provided virtually all the tactical aircraft after completion of the F-18 program, in a few years, are you really concerned or don't you think it is logical that our industrial base will shrink to the point that we might be in jeopardy?

General SCOTT. Sir, I think, as we look across where we are going, and as we talked earlier with the sixth generation, next generation air dominance aircraft, and that is out there in the future, and that will compete. The other thing is to realize that the industrial base, the prime contractor is only one piece of that. Within that prime contractor, there are major subcontractors that are doing many of the different parts on the F-35. So as they work—as the industrial base has changed with numerous contractors that we used to have, a lot of them have been subsumed by the larger contractors.

So we are concerned. We are working that with a long-range persistent strike with the funds that you all gave us to enable us to keep moving on those kinds of things. And many of the things that are in the long-range persistent strike platform industrial base will apply because of the qualities of low deliverable and what we are looking at across the spectrum. So I think there is concern, but I think we are working with the industry partners to make sure that we are doing the right thing.

Admiral PHILMAN. Likewise, sir, for the F-18, our last aircraft that we are buying Es, Fs and Gs through fiscal year 2013 for delivery in 2015. That is a line that is hot, and we can capitalize on it.

As the Joint Strike Fighter line matures and as we understand it better, and as was mentioned by General Scott, what is the next generation? The sixth generation of the air dominance platform and those people who design aircraft, who know how to build them, I believe they will be focusing on that with some confidence.

AIRCRAFT OPEN SYSTEM ARCHITECTURE

Mr. BISHOP. Thank you.

I want to ask you something about open systems architecture. The combat systems on the surface combatant ships and submarines, we are moving toward an open systems architecture, and we are told some advantages, such as cost, capability, and ease of modernization.

Admiral Philman, the majority of the Navy's sea-based combat systems are moving into an open architecture environment. Do you see the same thing in your combat aircraft systems? If not, does the Navy have a plan for moving towards open architecture for the combat aircraft? And would this save money in the long run?

General Scott, are the Air Force's combat aircraft operating under open systems architecture? If so, tell us. If not, why not?

Mr. DICKS. Would the gentleman yield? Tell us what an open system architecture is first and then answer his question.

Admiral PHILMAN. Well, that specific term is probably open for debate as well. But the way I understand it is that you have a sphere of where we move information around, and anybody can enter it through whatever system. Eventually, we will have to have more modern and sophisticated systems that are already plug and play. In the meantime, we need to understand better how existing systems can plug in.

I like to use a three-prong plug-in to be an example. UL verifies it, and you plug it in, and you have electricity. So if the systems that we have today, which we are already invested in and are important to our warfighting capability, as we build this larger architecture, they have to be compatible. As a matter of fact, for the F-35 specifically, the three services, the Chief of Staff of the Air Force, the Chief of Naval Operations and the Marine Corps all collectively went down to the center for—known as the Lighthouse, the Center For Innovation in Chesapeake specifically to better understand how the F-35, which is going to be the best sensor that we have right now, at least from the aviation platform; how does it integrate into the rest of the system, the ships, other aircraft, and all the things that are involved in land and space? So they are very, very focused on it.

Now, I will tell you that the CNO has restructured the staff, our new N2N6, which is the Deputy Chief of Operations for Information Dominance; that is his focus area. That is what he and his whole staff do.

Anyway, a little bit of a definition and where we are, I think the Navy has certainly devoted itself to open architecture. It will have

to be in the future. And as you alluded to, if we do it correctly, we will be able to be more efficient and save money in the long run.

General SCOTT. Sir, and it is not just an Air Force system and a Navy system and a Marine system and an Army system. The one thing that—we were very involved in setting this meeting up down at the Lighthouse. We did bring the Army in, too. And the Army is part of this systems of systems and the open architecture so, as we look at this umbrella, we can end up all talking to each other without anybody listening to us. And we can do it in an anti-access environment, and we can do it in a passive environment.

If you start looking at where we could be with our aircraft, if you are active and you transmit in this architecture, you no longer are invisible. And no one is invisible, but you just radiated. We have got to figure that out, and that is one of the things that the three Chiefs went down to the Lighthouse, working with the industry partner there, is, how do we create this umbrella of open architecture enabling what I call the kill chain? And the kill chain does not start with a missile hitting an aircraft or a bomb hitting the ground; it starts well before that as you start working through this with these wave forms through these platforms to enable that individual.

The lucky guy that gets to fly that aircraft really is involved in a whole lot of architecture out there that is making those kinds of things happen. And we are really involved in it, because we have seen that we haven't been as interoperable as we needed to be. A platform can't talk to a platform, so we build a gateway enabling them to talk to each other. We need to get away from gateways. We will probably have them for a while, but we need to make sure that F-35s talk to F-18s, talk to F-16s, talk to Aegis Cruisers, talk to the AOC Air Operations Center, talk to the entire systems of systems so that, as I need to pass information to you, I have the ability to do that as quickly as the speed of light so you can then prosecute the attack.

And I hope that makes sense, but we are working really hard jointly to do this in a correct manner through all four services, because the ground guy needs to have this information.

COUNTERING ELECTRONIC ATTACK

Mr. DICKS. Thank you. Mr. Young.

Oh, let me go back to this countering electronic attack.

Admiral Philman, does the Department have a requirement to address these issues? This isn't just about our aircraft but also our munitions. What is the Department doing to address electronic attack on our munitions? GPS, you know, the whole thing.

Admiral PHILMAN. Through the satellites or the systems that the Air Force have, we are working closely with them in the information dominance. I mentioned earlier our N2N6, they are taking this on so that we understand better what those jamming possibilities are, how they affect individual weapons or the system of weapons. So it is very serious. The adversary is able to take our very sophisticated weapons and negate them with a very small investment, and we don't like that. I think we are moving forward. I don't have the—

Mr. DICKS. Do you think we are overly reliant on GPS weapons systems?

Admiral PHILMAN. I don't believe so. Those are complementary weapons systems. They get us into the ballpark in certain situations. But terminal guidance is part and parcel of many of our more sophisticated weapons. You put more than one seeker on it. You have a GPS that gets you into the targeting area, and then there is more refined targeting, either through imaging or other ways to get the final solution.

Mr. DICKS. General Scott, do you have anything on this?

General SCOTT. Nothing to add. In another venue, I would like to bring back to you at a higher level some of the capabilities that we do have in that environment.

EA-18G GROWLER AIRCRAFT

Mr. DICKS. How is the Growler doing? The F-18 Growler?

Admiral PHILMAN. It is doing great, sir. The first two squadrons have transitioned. We IOC-ed last year, and they are on schedule. They are delivering on time, and they are performing very well.

As you might know, we were plussed up by 26 aircraft this year because we were going to take the expeditionary squadrons and decommission them, but it was determined that that mission was very, very important to not only the Navy but to the whole Joint Force and to the country. So we are extending the life of the Prowlers for about 2 more years as we transition those four expeditionary squadrons into the 18G. And then we will have 10 on the aircraft carrier. But they are performing well.

P-8A POSEIDON AIRCRAFT

Mr. DICKS. What about the P-8A? How is that doing?

Admiral PHILMAN. That is doing well, too. We rolled the first airplane last June. And we have two—well, it is going to be three flying test articles and two that are stress articles. We are looking for an IOC in 2013, and looking at milestone C sometime this summer, and then we will go on contract.

Mr. DICKS. There has been a lot of discussion about replacing AWACS, JSTARS, a whole series of airplanes. Would this aircraft we are using for the P-8A be a candidate aircraft for a replacement of these other systems?

General SCOTT. Sir, currently the Air Combat Command is doing what I will call a Ground Moving Target Indicator, Analysis of Alternatives. The Initial Capabilities Document (ICD) came through the Air Force Requirements Oversight Council (AFROC), proved through the studies down at Capes, and we are looking at all capabilities to look at that particular platform from a GMTI.

Subsequently, while we go through that, and that will take probably into the summer of 2011, we have a study going on through a partner that is looking at other capabilities that we can do in the interim. As we look at MQ-9s, can we put a pod on an MQ-9? Because one of the Combatant Commander's needs in Afghanistan and Iraq is a dismount capability. A slower speed as we look at those capabilities and being able to pick up you or me walking on the ground. We are working closely with that from an urgent oper-

ational need on an MQ-9 or a platform of that sort to enable us in the interim.

If you ask, is the P-8 Analysis of Alternatives in the study that ACC is doing, I am sure that will be part of the analysis. We will look at the current E-8 and what we need do with that. We will look at the P-8. We will look at, is there something that we can do with Global Hawk and all the other things they will bring to us?

F-22 RELIABILITY

Mr. DICKS. On the reliability on the F-22. The F-22 was to have at least 3 hours meantime between maintenance. What is the time now?

General SCOTT. Sir, that is going to change a KPP, a Key Performance Parameter, in the document. And to do that, they are looking at changing that. And I don't want to get into exactly what they are going to do, but it is probably going to decrease. But they will bring that to the Air Force Requirement Oversight Council because that is a change. It will probably decrease. They are looking at somewhere between 1.5 and 3. And I will bring that back to you. That will come to the March AFROC, which I will chair, and I will get that back to you.

Mr. DICKS. This is still improving, right? We are getting better?

General SCOTT. Yes, sir, we are getting better.

Mr. DICKS. Any other questions?

Mr. Tiahrt.

LIGHT ATTACK AIRCRAFT

Mr. TIAHRT. Going back to the Imminent Fury, there is an existing program going on now that the National Guard is doing for a light attack aircraft. And I want to look at combining those efforts. So I just wanted you to be aware of that, because I think we may have a program that is already ongoing that is similar to what you are pursuing under this Imminent Fury.

General SCOTT. Sir, not from the Imminent Fury, but from the Air National Guard piece, since that runs with the Air Force, we know that, and we are working congruently on all things light-attack armed reconnaissance. Whether it is the Imminent Fury, the A-26B demonstration that the Air National Guard is working, as you know, and we briefed your delegation yesterday on the light-attack armed reconnaissance the Air Force is looking at for building partnership capacity and the Afghan, the light air support aircraft that they need, and they are looking forward to increase their capability in their Air Force.

Mr. TIAHRT. What I am picking up is some of the folks in the Navy, Admiral, are sort of stiff-arming one company and embracing the other. And I am not—I am very concerned about American workers right now, and I think all of us are. And I just want to make sure, as this moves forward, why don't we look at the joint capability and what we are already doing with the Guard and make sure that we don't exclude somebody from the whole process.

Admiral PHILMAN. No, sir. And we want to learn from any projects that are going on that can inform the process needs to be used. And if I can find out who is being noncooperative, I would take care of that and follow up on that, sir.

Mr. TIAHRT. Thank you very much.

Mr. DICKS. Thank you gentlemen. This was a very good and productive hearing.

And the Committee stands adjourned until 2 o'clock tomorrow when we will have a closed hearing on Fort Hood.

[CLERK'S NOTE.—Questions submitted by Mr. Dicks and the answers thereto follow:]

ACES 5 EJECTION SEAT

Question. Congress provided \$5.6 million in FY09 and \$1.6 million in FY10 to qualify and test the ACES 5 seat. The FY10 National Defense Authorization Act conference report encourages the Air Force to consider the ACES 5 as a second source for the F-35 program.

Please provide the committee with the current status of the appropriated funds intended for this purpose, including your estimated timetable for putting this funding on contract to qualify the seat?

Answer. For the Fiscal Year 2009 Advanced Concept Ejection Seat (ACES) \$5.6M Congressional add, the Air Force executed approximately \$1.1M for testing and an ejection seat cost benefit analysis that compared the ACES II and ACES 5. A second analysis to study cost savings and benefits of ACES 5 for the F-35 is being considered and will cost an additional \$500,000. Finally, the Air Force is planning to move the remaining Fiscal Year 2009 and Fiscal Year 2010 funds to an existing Navy contract. Once complete, the Fiscal Year 2009 funds should be obligated and on contract within two months and the Fiscal Year 2010 funds shortly thereafter. These funds would be used to conduct ACES 5 qualification and testing.

Question. Please describe the substantial savings and benefits associated with qualifying and testing the ACES 5 ejection seat, including any acquisition and life-cycle maintenance savings, as well as any readiness, training, and safety benefits to the Air Force?

Answer. While a recently completed cost benefit analysis showed the cost benefit of an ACES 5 would not overcome upfront costs, ACES 5 would provide several benefits. An increased safe ejection envelope over the ACES II is the most substantial benefit. The safety improvements would result from key updates such as integrated limb restraints and passive head and neck protection. With these enhancements, the ACES 5 could effectively prevent injuries, especially those caused by limb flail. Other benefits of the ACES 5 include reduced maintenance burden and improved aircraft availability. All aircraft that use ACES II would realize savings with an ACES 5 due to reduced maintenance, but upfront costs required for ACES 5 development, qualification, and procurement are not recovered by maintenance savings.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks.]

THURSDAY, FEBRUARY 25, 2010.

FORT HOOD

WITNESSES

**GENERAL CARTER HAM, UNITED STATES ARMY, ADVISOR TO THE
INDEPENDENT REVIEW**

**BRIGADIER GENERAL RICHARD W. THOMAS, ASSISTANT SURGEON
GENERAL (FORCE PROTECTION) OFFICE OF THE SURGEON GEN-
ERAL**

INTRODUCTION

Mr. DICKS. The committee will come to order. I would like to recognize the Ranking Member, Congressman Young, for a motion.

Mr. YOUNG. Mr. Chairman, I move that those portions of the hearing today which involve sensitive material be held in executive session because of the sensitivity of the material to be discussed.

Mr. DICKS. All those in favor, say aye.

Those opposed.

The ayes have it. The motion is agreed to. So ordered. Thank you Mr. Young.

CHAIRMAN DICKS' OPENING STATEMENT

Today the Defense Appropriations Subcommittee will receive testimony from General Carter Ham, U.S. Army, Advisor to the Independent Review of the Fort Hood shooting, and Brigadier General Richard W. Thomas, an Army physician who serves as the Assistant Surgeon General, Force Protection, Office of the Surgeon General.

On November 5, 2009, Major Nadal Malik Hasan, U.S. Army, entered the Army base at Fort Hood, Texas and opened fire on a group of fellow soldiers. Before he could be stopped by law enforcement officers, Hasan fatally shot 13 members of the U.S. Army and injured 43 others, most of them military personnel. The alleged gunman, Army Major Nadal Hasan, is an Active Duty Army psychiatrist. He has been charged under article 118 of the Uniform Code of Military Justice with 13 counts of premeditated murder, and, under article 80 of the Uniform Code, with 43 counts of attempted premeditated murder.

I am troubled by the circumstances that led to the shooting. In part, it appears that this may have been the result of military officers not following existing policies and procedures. Specifically, there are numerous stories in the press that the alleged shooter's superiors failed to document and take action because of the negative information in his official record.

We have questions. Why did it happen? Could it have been prevented? Was the response adequate? Are the needed resources

available to care for the Fort Hood community? More importantly, we all share the same intent to ensure that everything possible is done so that this does not happen again.

Gentlemen, we look forward to your testimony and to a spirited, informative question-and-answer question.

Now, before we hear your testimony, I would like to call on the Ranking Member, Mr. Young, for his comments.

OPENING REMARKS OF MR. YOUNG

Mr. YOUNG. Mr. Chairman, thank you very much, and I want to welcome our very distinguished guests. I usually am very pleased with the hearings that we have and the information that we gain about the defense of our Nation and the support of our troops. Today, I am not sure that we are going to be really happy to hear what we are going to hear, because we are dealing with a tragic incident, discussing one of our own servicemen who took the lives of 13 of his fellow soldiers. I know that weighs heavily on your mind, as it does all of us, and we are not suggesting or pointing the blame at anybody at this point, but we do have questions.

The facts surrounding the incident appear to be clear, but the breakdowns and the gaps that allowed it to happen are still being examined, and I am sure you are anxious to get to the bottom of that, as we are, and whatever steps that should be taken to prevent a tragedy like from this happening again.

So I thank you for your efforts and look forward to your testimony. We are anxious to learn as much as we can about this. So thank you very much.

Mr. DICKS. General Ham, you may proceed with your statement.

SUMMARY STATEMENT OF GENERAL HAM

General HAM. Thank you Mr. Chairman and Congressman Young. Members of the committee, it is indeed an honor to appear before you today to discuss the findings and recommendations of the Department of Defense Independent Review relating to Fort Hood. Joining me today is Brigadier General Thomas, Army Assistant Surgeon General for Force Protection.

As the Chairman indicated, on November 5, 2009, a gunman opened fire at Fort Hood. Thirteen people were killed, 43 others wounded. It is important to remember that we extend our deepest sympathy to the families of the fallen, to those wounded, to their families, and all those touched by this tragic event. Indeed, one of the underlying principles guiding our efforts in conducting the review that we are here to discuss was that those of who are privileged to participate in this process felt an obligation to speak for the 13 fallen who are no longer here to speak for themselves.

Following the shooting, Secretary Gates established the Department of Defense Independent Review related to Fort Hood and appointed Admiral Vern Clark, United States Navy, Retired, and the Honorable Togo West to co-chair this effort. Since Admiral Clark and Secretary West could not be with you here today, as one of the senior military officers who participated in the review, I am pleased to be here as their representative.

Events such as the Fort Hood shooting raise questions about how best to defend against threats posed by the external influences operating on members of our military community. The challenge for the Department of Defense is to prepare more effectively in a constantly changing security environment. It is with this challenge in mind that Secretary Gates directed the Independent Review to assess whether there are programs, policies, or procedural weaknesses within the Department of Defense that create vulnerabilities to the health and safety of our service members, our DoD civilians, and their families.

Secretary Gates directed the review panel to take a careful look at personnel policies, force protection measures, emergency response procedures, and support to our military health care providers. He also tasked the Independent Review to evaluate the Army's application of its policies, programs, and processes as applied to the alleged perpetrator. The review focused on the non-criminal aspects of the shooting.

Secretary Gates gave very clear direction that the panel not interfere with the intelligence and military justice investigations related to the Fort Hood incident. Secretary Gates stated that he intends to call upon the military departments to conduct an in-depth follow-on review in certain areas addressed in our report, and indeed that effort has already begun.

The Independent Review's report to the Secretary of Defense was released to Congress and to the public on January 15 of this year. The detailed results and findings associated with the alleged perpetrator are found in a restricted annex that is not publicly released at this time. It is my understanding that you have been afforded the opportunity to review the restricted annex.

The overall report was much broader than the assessment of the alleged perpetrator, however. The report includes recommendations to strengthen the Department of Defense's ability to prepare for and respond to potential threats. Before discussing the findings, I would like to highlight some observations from the co-chairs concerning the events of November 5.

First, as Secretary West stated, no amount of preparation is ever too much. Leaders at Fort Hood had anticipated mass casualty events in their emergency response plans and exercises. The initial response to the incident demonstrated this. It was prompt and effective. However, DoD must be prepared to more diligently plan and to seek to envision the next incident.

Second, the Department must be attentive to today's hazards. One of the most significant emerging concerns in the protection of our force is the internal threat. The review concluded that DoD needs to develop a better understanding of the forces that cause a person to become self-radicalized and to commit violent acts.

Third, courage and presence of mind in the face of crisis can carry the day. This happened at Fort Hood. Courageous acts were key to preventing greater losses that day. And as the report reveals, these attributes alone are not enough to protect our force. DoD must exercise the foresight necessary to identify the menace of self-radicalization and its often resultant violence and to act preemptively.

The review revealed shortcomings in the way DoD is prepared to deal with internal threats and, in particular, the threat posed by troubled and potentially dangerous individuals and groups. We found that commanders are essential to this effort. Existing policies within the Department are not optimized for countering these threats. The policies reflect insufficient knowledge and awareness required to help identify and address individuals likely to commit violence. And while DoD focuses very effectively on many things, guidance concerning workplace violence and the potential for self-radicalization is insufficient.

DoD policy on prohibited activities is limited and only addresses active and physical participation in groups that may pose threats to good order and discipline. This lack of clarity for comprehensive indicators limits commanders' ability to recognize potential threats.

Complicating the force protection challenge is the diverse nature of responsibilities that have evolved within DoD since 9/11. Because no senior DoD official is assigned overall responsibility for force protection, synchronization is difficult. Moreover, there is a lack of DoD policy integration. This has resulted in a lack of well-integrated means to gather, evaluate, and disseminate the wide range of behavioral indicators that could signal an insider threat.

While leaders at Fort Hood responded well under the stress of a rapidly evolving crisis, we are fortunate that we faced only one incident and at only one location. Real-time information will be critical should we face a situation of multiple events. Synchronizing the DoD Emergency Management Program with the Federal requirements for the National Incident Management System will ensure the Department can integrate effectively with all partners in response to any and all emergencies.

Following the release of the panel's review report on January 15, Secretary Gates directed the Honorable Paul Stockton, Assistant Secretary of Defense for Homeland Defense and America's Security Affairs, to assess the review's findings and to make recommendations for implementation. Secretary Gates established a March deadline for the immediate fixes recommended in the review, and major institutional changes should be identified by June.

The Secretary of Defense also forwarded the individual review panel report to Army Secretary John McHugh to address recommendations concerning holding Army personnel responsible for supervising Major Hasan accountable. On January 15, that same day, the Secretary of the Army directed me to conduct an accountability review to identify whether any personnel were responsible for failures or deficiencies in applying Army programs, policies, and procedures to the alleged assailant.

The response by the Fort Hood community in the aftermath of this tragedy serves as a reminder of the strength, resiliency and character of our people. The Independent Review Panel was very impressed with the military civilian response. In a community where we may have expected the fabric of trust to fray, it remained intact and indeed grew stronger through mutual support. The thrust of the review effort is to identify all the possible steps that the Department of Defense can take to prevent similar tragedies in the future.

Mr. Chairman, this concludes my statement. Again, I thank you for the opportunity to appear before you today. General Thomas and I look forward to your questions.

[The statement of General Ham and DoD Independent Review report follow:]

RECORD VERSION

STATEMENT BY

**GENERAL CARTER HAM
MEMBER, BOARD OF ADVISORS
DOD INDEPENDENT REVIEW RELATED TO FORT HOOD
AND COMMANDER, U.S. ARMY EUROPE**

BEFORE THE

**HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES**

SECOND SESSION, 111TH CONGRESS

OVERVIEW OF DOD INDEPENDENT REVIEW RELATED TO FORT HOOD

FEBRUARY 25, 2010

*NOT FOR PUBLICATION
UNTIL RELEASED BY
THE HOUSE APPROPRIATIONS COMMITTEE*

STATEMENT BY
GENERAL CARTER HAM, U.S. ARMY
MEMBER, BOARD OF ADVISORS
DOD INDEPENDENT REVIEW RELATED TO FORT HOOD
24 February 2010

Mr. Chairman and members of the Subcommittee, it is a pleasure to appear before you to discuss the findings and recommendations of the Department of Defense Independent Review Relating to Fort Hood. Almost four months ago, a gunman opened fire at the Soldier Readiness Center at Fort Hood, Texas. Thirteen people were killed and 43 others were wounded. November 5, 2009 will be remembered as a day of great tragedy. We extend our deepest sympathy to the families of the fallen, to the wounded, to their families, and indeed to all touched by this tragic event.

Following the shooting, Defense Secretary Robert M. Gates established the Department of Defense Independent Review Related to Fort Hood. He asked Admiral Vern Clark, U.S. Navy (Ret.), and the Honorable Togo Dennis West, Jr. to Co-Chair this independent review. Since Admiral Clark and Togo West could not be with you here today, as the senior Military Advisor to the review, I am pleased to report on it.

Events such as the Fort Hood shooting raise questions about how best to defend against threats posed by external influences operating on members of our military community. The challenge for the Department of Defense is to prepare more effectively for a constantly changing security environment. It is with that backdrop in mind that Secretary Gates requested the Independent Review to assess whether there are programs, policies, or procedural weaknesses within the Department of Defense that create vulnerabilities to the health and safety of our servicemen and women, DOD civilians, and their families. Secretary Gates asked the review panel to take a careful look at personnel policies, force protection measures, emergency response procedures, and support to our military health care providers. He asked the Independent Review to evaluate the Army's application of its policies, programs, processes, and procedures to the alleged perpetrator. The Co-chairs established a board of advisors with senior officers from the four services and five review teams, consisting of a range of experts, who investigated the key tasks outlined in the terms of reference. The teams had unrestricted access to personnel and facilities. The teams traveled to Fort Hood as part of their review.

The Independent Review focused on the non-criminal aspects of the shooting. Although Fort Hood was central to our review, our scope extended across the entire Department in order to gather the most significant and meaningful findings and recommendations. As recognized by the Secretary of Defense when he stated that he intends to call upon the military departments to conduct in-depth follow-on reviews, certain areas addressed in our report will require further study. By design, we limited the depth of our report in the areas that will be covered in follow-on reviews.

The Independent Review's report to the Secretary of Defense was released to Congress and the public on 15 January 2010. Please note, however, that I cannot yet address specifics with respect to the alleged perpetrator in order to preserve the integrity of the ongoing military justice process. The detailed results and findings associated with the alleged perpetrator are found in a restricted annex that will not be publically released at this time. The overall report was much broader than the

assessment of the alleged perpetrator. The report includes recommendations to strengthen the Department of Defense's ability to prepare for and respond to potential threats. It is based upon research amassed by the teams of more than 35,000 pages from over 700 documents related to departmental policies, programs, processes, and procedures.

Before discussing the details of the Independent Review findings, I would like to highlight some observations from the Co-chairs concerning the tragic events on November 5th. First, no amount of preparation is ever too much. Leaders at Fort Hood had anticipated mass casualty events in their emergency response plans and exercises. The initial response to the incident demonstrated this. It was prompt and effective. Two minutes and forty seconds after the initial 9-1-1 call, Fort Hood first responders arrived on the scene. One-and-a-half minutes later, the assailant was incapacitated, taken into custody, and remained in custody handcuffed to a law enforcement representative for the next several chaotic hours. Two ambulances and an incident command vehicle from the post hospital arrived on the scene two minutes and fifty seconds later to begin providing life-saving emergency care. DoD must be prepared to plan more diligently and seek to envision the next incident. Second, DoD must be attentive to today's hazard. Even as the role of our nation's military is to confront the external threat to our country, one of the most significant emerging concerns in the protection of our force is the internal threat. The Independent Review concluded that DoD needs to develop a better understanding of the forces that cause a person to become radicalized, commit violent acts, and make us vulnerable from within. Third, courage and presence of mind in the face of crisis can carry the day. It happened at Fort Hood. Courageous acts were the key to preventing greater losses that day. As our report reveals, however, these attributes alone are not enough to protect our force. DoD must exercise the foresight necessary to identify the looming menace -- self radicalization and its often resultant violence -- and act preemptively.

The review of DoD policies, procedures, and processes revealed shortcomings in the way DoD is prepared to deal with internal threats, and in particular, the threat posed

by troubled and potentially dangerous individuals and groups. Commanders are the key to identifying and monitoring internal threats. Existing policies, however, are not optimized for countering these threats. The policies reflect insufficient knowledge and awareness required to help identify and address individuals likely to commit violence. While DoD focuses very effectively on many things, guidance concerning workplace violence and the potential for self-radicalization is insufficient. DoD policy on prohibited activities is limited and only addresses active and visible participation in groups that may pose threats to good order and discipline. This lack of clarity for comprehensive indicators limits commanders' and supervisors' ability to recognize potential threats. Detection of a trusted insider's intent to commit a violent act requires observation and assessment of behavioral cues and anomalies.

Complicating the force protection challenge is the diverse nature of responsibilities that have evolved within DoD since 911. Because no senior DoD official is assigned overall responsibility for force protection policy (diverse nature of responsibilities throughout DoD), synchronization is difficult. Moreover, there is a lack of DoD policy integration. This has resulted in a lack of a well-integrated means to gather, evaluate, and disseminate the wide range of behavioral indicators that could signal an insider threat. Some policies governing information exchange, both within DoD and between outside agencies, are deficient and do not support detection and mitigation of internal threats. The time has passed when concerns by specific entities over protecting "their" information can be allowed to prevent relevant threat information and indicators from reaching those who need it—the commanders.

As the Secretary indicated, the Independent Review Panel identified a requirement to create the ability to adapt rapidly to the changing security environment, which requires anticipating new threats and bringing a wide and continuously evolving range of tools, techniques, and programs into play. Robust information sharing, therefore, is essential, along with the accompanying command and control structure to convert active information gathered on potential threats into decisions and actions,

including dissemination of the analysis and assessments to the appropriate levels of command.

While leaders at Fort Hood responded well under the stress of a rapidly evolving crisis, we are fortunate that we faced only one incident at one location. Real time information sharing will be critical should we face a situation of multiple events. While all 50 states have complied with the Federal requirements for the National Incident Management System, designed for a synchronized response in crises, there are no established milestones to define initial and full capability within DoD. The timelines should be evaluated; doing so could lead to an umbrella plan for emergency response and recovery and ensure interoperability with all the states. Synchronizing the DoD emergency management program with this national guidance will ensure the Department can integrate effectively with all partners in response to any and all emergencies. Using common emergency management principles, we can prepare our military communities to respond to emergencies, from the smallest incident to the largest catastrophe.

Following the release of the Independent Review Panel report on January 15, 2010, Secretary of Defense Gates directed the Honorable Paul Stockton, the Assistant Secretary of Defense for Homeland Defense and Americas Security Affairs, to lead an assessment of the report and to make recommendations for implementation. A March deadline has been set for the immediate fixes recommended in the review, and major institutional changes should be identified by June.

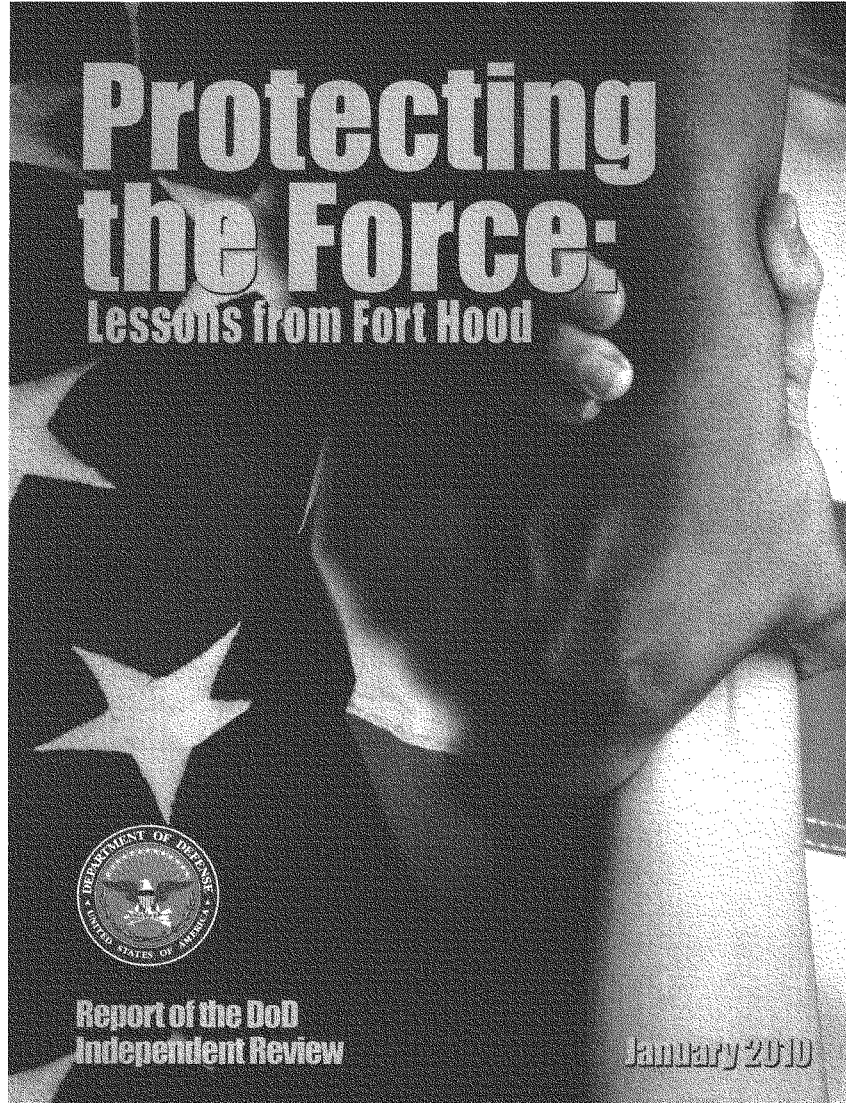
The Secretary of Defense also forwarded the Independent Review Panel report to Army Secretary John McHugh to address the recommendations concerning holding Army personnel responsible for supervising MAJ Hasan accountable. On January 15, 2010, the Secretary of the Army, John McHugh, directed me to conduct an accountability review to identify whether any personnel were responsible for failures or deficiencies in applying Army programs, policies, and procedures to the alleged assailant. Secretary McHugh also tasked me to provide personal observations as a

senior Army leader and as a member of the Independent Review Panel that he believes may be of help to the Army in charting a way ahead.

CONCLUSION

The response by the Fort Hood community in the aftermath of this tragedy serves as a reminder of the strength, resiliency, and character of our people. The Independent Review Panel was very impressed with the military and civilian response. In a community where we might have expected the fabric of trust to fray, it remained intact and grew stronger through mutual support. The thrust of the review effort is to identify all the possible steps that the Departments of Defense can take to prevent similar tragedies in the future.

Mr. Chairman, this concludes my statement. Thank you again for the opportunity to appear before you today. I look forward to your questions.



DoD Independent Review Related to Fort Hood

Secretary of Defense

Dr. Robert M. Gates

Co-Chairs

The Honorable Togo Dennis West, Jr. Admiral Vern Clark, U.S. Navy (Ret).

Board of Advisors

Admiral Kirkland Donald, U.S. Navy

General Stephen Lorenz, U.S. Air Force

General Carter Ham, U.S. Army

Lieutenant General Willie Williams, U.S. Marine Corps

Brigadier General Brian Bishop, U.S. Air Force

Rear Admiral Daniel May, U.S. Coast Guard

Team Leads

General Stephen Lorenz, U.S. Air Force

General Carter Ham, U.S. Army

Lieutenant General Frank Panter, U.S. Marine Corps

Rear Admiral Mark Buzby, U.S. Navy

Rear Admiral Karen Flaherty, U.S. Navy

Ms. Sally Donnelly

Executive Director

Colonel David Krumm, U.S. Air Force

Director of Staff

Lieutenant Colonel Donna Turner, U.S. Air Force

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Executive Summary

Overview

On November 5, 2009, a gunman opened fire at the Soldier Readiness Center at Fort Hood, Texas. Thirteen people were killed and 43 others were wounded or injured. The initial response to the incident was prompt and effective. Two minutes and forty seconds after the initial 911 call, installation first responders arrived on the scene. One-and-a-half minutes later, the assailant was incapacitated. Two ambulances and an incident command vehicle from the post hospital arrived on the scene two minutes and fifty seconds later.

Leaders at Fort Hood had anticipated mass casualty events in their emergency response plans and exercises. Base personnel were prepared and trained to take appropriate and decisive action to secure the situation. The prompt and courageous acts of Soldiers, first responders, local law enforcement personnel, DoD civilians, and healthcare providers prevented greater losses. As so often happens in our military, lessons already learned have led to a well-developed plan to care for the victims and families involved. The tragedy, however, raised questions about the degree to which the entire Department is prepared for similar incidents in the future—especially multiple, simultaneous incidents.

Following the shooting, Defense Secretary Robert M. Gates established the Department of Defense Independent Review Related to Fort Hood, and asked that we lead the effort.

Secretary Gates directed us to report back to him by January 15, 2010, with recommendations to identify and address possible deficiencies in:

- the Department of Defense's programs, policies, processes, and procedures related to force protection and identifying DoD employees who could potentially pose credible threats to themselves or others;
- the sufficiency of the Department of Defense's emergency response to mass casualty situations at DoD facilities and the response to care for victims and families in the aftermath of mass casualty events;
- the sufficiency of programs, policies, processes, and procedures for the support and care of healthcare providers while caring for beneficiaries suffering from Post Traumatic Stress Disorder or other mental and emotional wounds and injuries;
- the adequacy of Army programs, policies, processes, and procedures as applied to the alleged perpetrator.

In response, on November 20, 2009, we formed a panel of five teams to assist in conducting the review. At the same time, we established an advisory board that included senior representatives nominated by each of the Services, the Joint Staff, and the U.S. Coast Guard. A staff of full-time military, civilian, and contractor subject-matter experts conducted separate, but integrated lines of inquiry related to:

- Identification of Internal Personnel Threats
- Force Protection
- Emergency Response and Mass Casualty
- Application of Policies and Procedures
- Support to DoD Healthcare Providers

The review focused on the non-criminal aspects of the tragedy and the teams had unrestricted access to DoD facilities and personnel, including site visits to Fort Hood. The investigative teams conducted a thorough review of the alleged perpetrator's training and military records along with a quality review of

the care he provided to patients during his career. The President directed a review of intelligence matters related to the Fort Hood shooting, the FBI is conducting a review of its procedures, and a criminal investigation is underway. It was critical to maintain the integrity of these investigations. This review therefore, as directed, did not interfere with these activities.

As recognized by the Secretary of Defense in stating that he intends to call upon the military departments to conduct in-depth follow-on reviews based on our results, areas in our report will require further study. By design, we have limited the depth of our report in areas that will be covered in follow-on reviews.

Conducting our review, we have reached a number of conclusions and made corresponding recommendations; they are reflected in the chapters that follow. Several, however, warrant particular attention. We address those now.

Protecting the Force: Lessons from Fort Hood

Events such as the Fort Hood shooting raise questions about how best to defend against threats posed by external influences operating on members of our military community.

Over much of the past two decades our forces have been engaged in continuous combat operations. During this time, Soldiers, Sailors, Airmen, Marines, and DoD civilians have performed admirably through a prolonged series of operational deployments. This operational environment has produced the most experienced combat force in our history, but has also brought extended stressors. The Department of Defense is well-equipped and resourced to defend the nation, its people, and our military installations against external threats. Events such as the Fort Hood shooting, however, raise questions about how best to defend against threats posed by external influences operating on members of our military community. While maintaining effective emergency response and preventive measures to counter external threats, the Department is examining with greater attention how it addresses threats originating from disaffected individuals within the force motivated

to violence against the force and the nation—the internal threat. Our review of protecting the force against such threats included, but was not limited to:

- identifying and monitoring potential threats—through gathering, analyzing, and acting on information and intelligence;
- providing time-critical information to the right people—through merging and sharing current indicators;
- employing force protection measures—through maintaining adequate preventive measures to mitigate threats;
- planning for and responding to incidents—through immediate emergency response as well as the long-term care for victims of attacks and their families.

In the years since September 11, 2001, the Department of Defense has devoted significant energy and resources toward improving force protection for our people, their families, and our installations.

Executive Summary

Consequently, our facilities are more secure and at reduced risk from a variety of external threats. Now is the time to devote that same commitment toward force protection against the internal threat.

Identifying Threats

There are areas where guidance within the Department of Defense and the Services can be improved. Our review of DoD programs, policies, procedures, and processes revealed several areas that we believe can be corrected to begin to close the gaps for our commanders in the field if adopted expeditiously. Commanders are our key assets to identify and monitor internal threats. Our findings and recommendations emphasize creating clarity for our commanders with respect to identifying behaviors that may pose internal threats and sharing that information within the Department and with other agencies.

DoD force protection policies are not optimized for countering internal threats. These policies reflect insufficient knowledge and awareness of the factors required to help identify and address individuals likely to commit violence. This is a key deficiency. The lack of clarity for comprehensive indicators limits commanders' and supervisors' ability to recognize potential threats. Current efforts focus on forms of violence that typically lend themselves to law enforcement intervention (e.g., suicide, domestic violence, gang-related activities) rather than on perceptions of potential security threats. To account for possible emerging internal threats, we encourage the Department to develop comprehensive guidance and awareness programs that include the full range of indicators for potential violence.

DoD force protection policies are not optimized for countering internal threats.... The lack of clarity for comprehensive indicators limits commanders' and supervisors' ability to recognize potential threats.

Sharing Information

We believe a gap exists in providing information to the right people. The mechanisms for sharing potential indicators of internal threats with appropriate command channels are limited. DoD leaders have continually examined and revised policies regarding inappropriate behavior since the mid-1990s—our force is better as a result of these initiatives. We now find ourselves at a point where we must give commanders the tools they need to protect the force from new challenges.

Since the Fort Hood incident, our leaders have directed changes that improve our information sharing capabilities. We can and should do more. The time has passed when bureaucratic concerns by specific entities over protecting “their” information can be allowed to prevent relevant threat information and indicators from reaching those who need it—the commanders. In this rapidly changing security environment throughout our government, the Department of Defense can exercise its role to set the bar higher to establish a new force protection culture, with new standards and procedures for sharing information, to recognize and defeat evolving external and internal threats.

Force Security

...our commanders must become attuned to behavioral indicators that signal when individuals may commit violent acts or become radicalized.

The current definition for prohibited activities is incomplete and does not provide adequate guidance for commanders and supervisors to act on potential threats to security. Current policies on prohibited activities provide neither the authority nor the tools for commanders and supervisors to intervene when DoD personnel at risk of potential violence make contact or establish relationships with persons or entities that promote self-radicalization. Our commanders need that authority now.

As we seek to understand this new dimension of force protection, our commanders must become attuned to behavioral indicators that signal when individuals may commit violent acts or become radicalized. There is no well-integrated means to gather, evaluate, and disseminate the wide range of behavioral indicators which could help our commanders better anticipate an internal threat. We need

to refine our understanding of what these behavioral signals are and how they progress. We encourage the Department of Defense to review, and if necessary expand, the definition of prohibited activities to respond to the rapidly changing security environment.

Who is in Charge?

An effective protection system requires robust information sharing and command and control structures that facilitate active information gathering on potential threats, and disseminating the analysis and assessments of the threat derived from such indicators to the appropriate levels of command. While leaders at Fort Hood responded well under the stress of a rapidly evolving crisis, we are fortunate that we faced only one incident at one location. We cannot assume that this will remain the case in the future.

Our command and control systems must have the right architecture, connectivity, portability, and flexibility to enable commanders to cope with near-simultaneous incidents at multiple locations. Commanders also require the tools to intercept threats before they conduct their attacks, physical barriers, and access controls to prevent unauthorized access, and appropriate response forces to defeat attackers who have gained access to DoD facilities.

Considering the requirements for dealing with multiple, near-simultaneous incidents similar to Fort Hood, a review of the Unified Command Plan may be in order. Gaps in our ability to provide proper command and control and support to subordinate commands should be explored in a variety of ways including conferences, symposia, war games, and exercises.

Reacting to the Event

While major improvements have occurred since September 11, 2001, the Department of Defense must continue to refine its abilities to provide emergency response in concert with other agencies and jurisdictions. In 2009, the Department directed the Services to be in compliance with the Federal framework for emergency response by 2014. Compliance with this guidance will enhance the ability

Executive Summary

of the Department's installation and facility emergency personnel to work with first responders from Federal, State, and local jurisdictions to save lives and protect property. We encourage a review to assess the feasibility of accelerating our compliance with the deadline.

Mass casualty events require a rapid transition from normal operations to a surge capability and rapid coordination of services and functions to ensure effective disaster response. The life-saving response to the shooting at Fort Hood was made possible, in part, by strong leadership at all levels. It also depended on existing agreements with local agencies and organizations. The agreements worked, but the command has identified areas for improvement and has set a course to update its memoranda of understanding and otherwise to improve this process. To this end, we recommend improving guidance on tracking, exercising, and inspecting mutual aid agreements. Providing implementing guidance that incorporates the core Service elements and requirements for family assistance in crisis and mass casualty response plans will result in a more resilient force.

The life-saving response to the shooting at Fort Hood was made possible, in part, by strong leadership at all levels.

We especially note that as a result of the Force Protection Condition imposed by Fort Hood leadership during the crisis, a number of young school children remained closeted in their classrooms for a significant period. Our recommendation is that those responsible for them at school (e.g., teachers, administrative personnel) receive additional training to anticipate the special needs that could arise during a period of lengthy lockdown.

We encourage the Department to search for best practices such as those employed at Fort Hood—wherever they originate—to enhance our ability to protect the force.

The Fort Hood response to the shooting was a result of local commanders training their people before the crisis occurred. First responders used active shooter tactics and procedures to stop the attack one-and-a-half minutes after arriving on the scene. These new tactics, originating in civilian law enforcement, focus on neutralizing the threat as quickly as possible. Protecting the force relies on a unified effort to mitigate threats before they materialize, and employing security forces, including those trained to defeat active shooters, in response to attacks on DoD facilities.

We believe there is something positive to be learned from the active shooter training program employed at Fort Hood. Protecting the force against internal threats requires specialized skills and tactics required to respond to active shooter scenarios; while these capabilities may not be appropriate for all DoD law enforcement personnel, we need to develop a range of response capabilities and options. We encourage the Department

of Defense to search for best practices such as those employed at Fort Hood—wherever they originate—to enhance our ability to protect the force.

Traumatic events, especially those like the Fort Hood incident that occur in an environment perceived as safe, create new challenges related to supporting and treating individuals directly involved, those in the immediate community, and those in surrounding social networks. Long term behavioral health is the issue. We recommend establishing guidance that includes provisions for both combat and domestic support.

Our examination underscored that the Chaplain Corps has a great deal to offer in a mass casualty situation. Responding to mass casualty events requires more than the traditional first responder disciplines such as police, fire, and medical professionals. Comprehensive religious support that anticipates mass casualty incidents should be incorporated into installation emergency management plans and exercises.

The Department of Defense has a structure to promulgate guidance for Casualty Assistance and Mortuary Affairs Policy. Each program has an oversight board responsible for developing and recommending policy guidance to ensure uniform care of military members and their families and guidance pertaining to new casualty and mortuary entitlements.

Lessons derived from the Fort Hood incident emphasize the importance of current published entitlements in DoD and Service guidance and the need for further guidance regarding new entitlements. Our review highlighted an absence of guidance pertaining to private citizens who become casualties on military installations within the continental United States. The Department of Defense should evaluate policies for casualty reporting, assistance to the survivors, and mortuary services for private citizens who are injured or die on military installations.

How we handle military mental healthcare affects operational readiness.

Our healthcare providers play an important role as force multipliers, keeping our fighting force physically and mentally fit. How we handle military mental healthcare affects operational readiness. We encourage the Department of Defense to evaluate the best programs both inside and outside the Department to inform policies that create a new standard for sustaining healthcare readiness—care for both warriors and providers.

Our care providers are not immune to the cumulative psychological effects of persistent conflict. They serve alongside our combat forces where they experience, share, and help our troops cope with the fears, grief, and concerns that accompany war. Providers, however, often do not avail themselves of access to support resources similar to those that they supply to our fighting forces. Our review suggests that a culture exists in which military healthcare providers are encouraged to deny their own physical, psychological, and social needs to provide the necessary support to beneficiaries. Supporting and sustaining those who care for our forces translates to a healthy workplace, a culture of trust and respect, and healthcare providers who are invigorated rather than depleted by their intimate professional connections with traumatized patients.

The Alleged Perpetrator

As directed in the Terms of Reference, we reviewed the accession, training, education, supervision, and promotion of the alleged perpetrator of the incident at Fort Hood. Through one of our teams, we have devoted a great deal of attention to this issue. As a result of our review, we recommend that the Secretary of the Army review officership standards among military medical officer supervisors at the Uniformed Services University of the Health Sciences and Walter Reed Army Medical Center.

A related issue involves apparent discrepancies between the alleged perpetrator's documented performance in official records and his actual performance during his training, residency, and fellowship.

Executive Summary

Some signs were clearly missed; others ignored. That, too, as well as accountability for the discrepancies should be part of a thorough Army review.

Going Forward

We recognize that the events of November 5, 2009, are, first and foremost, a tragedy for all involved: families, colleagues, and the nation. This event shows us, too, that there are no safe havens—for Soldiers, Sailors, Airmen, Marines, their co-workers and their families.

The Department's security posture for tomorrow must be more agile and adaptive.

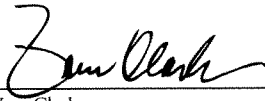
The challenge for the Department of Defense is to prepare more effectively for a constantly changing security environment. The Department's security posture for tomorrow must be more agile and adaptive. This means structures and mechanisms which anticipate the most pressing current threats—like the insider threat today—and the new threats that will manifest themselves in the future.

It has been said that it takes an event to make us consider what is happening to us. In light of events at Fort Hood on November 5, 2009, and of our findings in this report, we believe there are several immediate actions the Secretary of Defense should consider which will enhance our force protection posture.

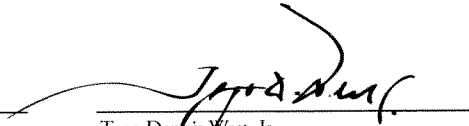
- Communicate immediately to the force, by direct message from the Secretary, the overriding requirement for commanders, supervisors, non-commissioned leaders, and fellow members of the force to reinforce the fabric of trust with one another by engaging, supervising, mentoring, counseling, and simple everyday expressions of concern on a daily and continuous basis. We must be alert to the mental, emotional, and spiritual balance of Service members, colleagues, and civilian coworkers, and respond when they appear at risk.
- Reinforce the serious effects of failure to reflect fully, accurately, and completely all aspects of professional, ethical, and personal career development in performance appraisals. We can only deal with internal threats if we can rely on the quality of the information reported in our official records.
- Emphasize officership, the embodiment of the military profession that includes leadership, management, and mentoring. Responding to the challenges that now confront us requires a high degree of professionalism from the entire force, but especially from our officers. Our officer corps must instill and preserve the core traits that sustain the profession to keep our forces strong, effective, and safe. Failures in adhering to those standards must be appropriately addressed.
- Synchronize the Continental United States (CONUS)-based DoD emergency management program with the national emergency management framework. Our installations must have a common operating system that allows commanders to access real-time threat information, respond rapidly to changing force protection conditions, and begin response and recovery operations in near real time. This is an aggressive goal, but it matches the goals and character of future enemies.
- Act immediately with the Federal Bureau of Investigation to enhance the operation of the Joint Terrorism Task Forces. To protect the force, our leaders need immediate access to information pertaining to Service members indicating contacts, connections, or relationships with organizations promoting violence. One additional step may be to increase Service representation on the Joint Terrorism Task Forces.

- Create a Secretary of Defense initiative: establish a functional body to concentrate in one place the effort to gather, analyze, and interpret data useful in identifying indicators of potential for violent action; and create a comprehensive and usable catalogue of those indicators with constant updates. The products would be made available to the Department of Defense. Two such possibilities are a Secretary of Defense Initiative on Indicators of Violence, or a Defense Committee on the Recognition of the Indicators of Violence. These would be composed of acknowledged experts drawn from in and outside the Department, such as academia, research institutes, business, former public service, and the like operating under the oversight of an appropriate senior Defense official.

As the Department of Defense considers this review and seeks to improve its force protection posture, our leaders must be mindful that the vast majority of our people are trustworthy and dedicated to defending the nation. How we provide for the security of our installations, our personnel, and their families while simultaneously respecting and honoring their service, is a question that will define force protection, personnel policies, emergency response, and personnel oversight in the years to come.



Vern Clark
Admiral, U.S. Navy (Ret)
Co-Chair



Togo Dennis West, Jr.
Co-Chair

Chapter 1

Oversight of the Alleged Perpetrator

We reviewed pertinent Uniformed Services University of the Health Sciences (USUHS) and Army programs, policies, processes, and procedures as applied to the alleged perpetrator from his accession into USUHS in 1997 to November 4, 2009. This period included his medical training while a student at USUHS from 1997 to 2003, residency at Walter Reed Army Medical Center from 2003 to 2007, a fellowship at Walter Reed Army Medical Center from 2007 to 2009, and assignment at Fort Hood from May 2009 to November 2009.

This part of the review assessed:

- the adequacy and execution of Army programs, policies, processes, and procedures as applied to the alleged perpetrator;
- whether Army and other programs, policies, processes, and procedures functioned properly across the alleged perpetrator's career as a mental health provider to retain and promote him in the Army Medical Corps;
- whether Army programs, policies, processes, and procedures governing separation from the Army of personnel determined not to be fully qualified, or to be unsuitable for, continued military service (without regard to whether the individual is subject to a continuing service obligation), functioned appropriately as applied to the alleged perpetrator;
- whether the care provided by the alleged perpetrator to patients and former patients met accepted standards of care.

We conclude that although the policies we reviewed were generally adequate, several officers failed to comply with those policies when taking actions regarding the alleged perpetrator.

We conclude that although the policies we reviewed were generally adequate, several officers failed to comply with those policies when taking actions regarding the alleged perpetrator. We recommend that you refer matters of accountability for those failures to the Secretary of the Army for appropriate action.

We also recommend that you direct further action on two key concerns identified during our review. We believe that some medical officers failed to apply appropriate judgment and standards of officership with respect to the alleged perpetrator. These individuals failed to demonstrate that officership is the essence of being a member of the military profession, regardless of the officer's specialty. We also found that some medical officers

failed to include the alleged perpetrator's overall performance as an officer, rather than solely his academic performance, in his formal performance evaluations. An individual's total performance, academic and non-academic, in a school environment must be a part of the formal performance evaluation process to preclude decisions on that individual's career from being flawed because of incomplete information.

Both types of failures, in our view, were significant and warrant immediate attention.

Our detailed findings, recommendations, and complete supporting discussions, are the restricted annex, some portions of which are not releasable to the public in accordance with applicable law.

Our review also included a quality of care review of the clinical care the alleged perpetrator provided to patients. A memorandum summarizing those results is in the annex. Section 1102 of title 10, United States Code, prohibits the public disclosure of the results of quality of care reviews.

Chapter 2 Personnel Policies

We reviewed over 700 documents spanning more than 35,000 pages of DoD and Service directives, instructions, regulations, manuals, command policies, orders, memoranda, and pamphlets, for potential gaps in the Department of Defense's ability to prevent violent acts against military and civilian employees with two objectives:

- Identify and address possible gaps and deficiencies in the programs, policies, processes, and procedures related to identifying DoD military and civilian personnel who could potentially pose credible threats to themselves or others.
- Provide actionable recommendations to improve current programs, policies, processes, and procedures.

We limited the review to military personnel (i.e., Active Duty, National Guard, Reserves), and DoD civilian employees over the lifecycle of DoD employment—from entry to separation. The review did not include Non-Appropriated Fund employees, contractors, retirees, dependents, or policy related to union bargaining agreements. Although we did not address policies concerning contractors, we strongly recommend that they be addressed in a future review.

At the foundation of the Department of Defense's internal security apparatus, we found that there are no significant gaps or deficiencies in programs, policies, processes, and procedures related to the following:

- Personal reliability programs
- Service Member release and discharge policies and procedures
- Medical screening programs to determine initial suitability prior to specialization, and follow-on/ongoing screening

We separated our Findings and Recommendations into the following categories:

- **Indicators** that DoD personnel may become a danger to themselves or others
- **Reporting and sharing information** about the indicators
- **Barriers or constraints on taking action** or intervention when the indicators are known or recognized by appropriate authority

Indicators that DoD Personnel May Become a Danger to Themselves or Others

Finding 2.1

DoD programs, policies, processes, and procedures that address identification of indicators for violence are outdated, incomplete, and fail to include key indicators of potentially violent behaviors.

Discussion

Research into the causes and predictors of violence spans decades and multiple disciplines (see Appendix D, Literature Review of Risk Factors for Violence). Different disciplines (e.g., psychology, sociology, biology, theology) offer varying perspectives regarding why some people resort to violence. These include genetic and biological causes; specific mental illnesses and personality disorders; reactions to medications or substance abuse; religion, social, and political motivations; and environmental factors. The causes of violence do not fall neatly into discrete categories, and several factors may combine to trigger violent behaviors.

The Department of Defense needs to understand and be prepared for the wide range of motivations and methods, including self-radicalization, distress over relationship problems, association with hate groups, and resentment over perceived personal and professional slights by others within the organization. Research also highlights a range of risk-assessment tools that could enhance our ability to deal with such potential internal threats.

In October 2009, the FBI Behavioral Science Unit established a Military Violence Unit to assist the Department of Defense with coming to grips with this problem. The FBI has spent decades developing methodologies and collecting information to understand the motivations and behaviors of violent offenders. The expertise and perspective derived from law enforcement could be an effective step in helping to identify and mitigate risk factors for DoD personnel.

Recommendation 2.1

- Update training and education programs to help DoD personnel identify contributing factors and behavioral indicators of potentially violent actors.
- Coordinate with the FBI Behavioral Science unit's Military Violence unit to identify behavioral indicators that are specific to DoD personnel.
- Develop a risk assessment tool for commanders, supervisors, and professional support service providers to determine whether and when DoD personnel present risks for various types of violent behavior.
- Develop programs to educate DoD personnel about indicators that signal when individuals may commit violent acts or become radicalized.

Finding 2.2

Background checks on personnel entering the DoD workforce or gaining access to installations may be incomplete, too limited in scope, or not conducted at all.

Discussion

Background checks on civilians entering the military or DoD civilian workforce have a variety of limitations. State and local laws restrict access to some sealed juvenile records.¹ Some populations (medical, legal, and chaplain officers who receive Direct Commissions into the Reserves² and some civilian employees³) enter the workforce before the results of their background checks have been received, and a limited number of DoD employees (i.e., temporary civilian workers) are not subject to mandatory background checks at all, although they can be requested.⁴

In the Fort Hood incident, the alleged perpetrator held an active and current SECRET security clearance based on a February 2008 National Agency Check with Local Agency and Credit Check of background investigation. Although accomplished in accordance with current guidelines, this background investigation did not include a subject interview or interviews with co-workers, supervisors, or expanded

¹ Title 5 USC, Part III, Subpart H, Chapter 91, Section 9101, *Access to Criminal History Records for National Security and Other Purposes*, Jan. 1, 2005.

² Department of Defense, DoD 5200.2-R, *Personnel Security Program*, Washington, D.C., Feb. 23, 1996, 33-4.

³ Department of Defense, DoD 5200.2-R, *Personnel Security Program*, Washington, D.C., Feb. 23, 1996, 32.

⁴ Department of Defense, DoD 5200.2-R, *Personnel Security Program*, Washington, D.C., Feb. 23, 1996, 31.

Chapter 2 Personnel Policies

character references.⁵ We believe that if a more thorough investigation had been accomplished, his security clearance may have been revoked and his continued service and pending deployment would have been subject to increased scrutiny.⁶

DoD adjudicative guidelines are vague and training on how and to whom significant information reports are made is insufficient.

DoD adjudicative guidelines are vague and training on how and to whom significant information reports are made is insufficient. They do not provide commanders and their personnel with clear distinctions or thresholds for what constitutes significant information that should be forwarded. Instead, the criteria reflect “whole person” evaluations that are characterized by shades of gray.⁷ Our research revealed that limitations on definitions of questionable behaviors result in an aversion to reporting potentially adverse information that does not cross the threshold of criminal activity once a clearance has been granted.⁸ The result is a system in which information viewed in isolation may not trigger a review, but the totality of the information viewed in hindsight would clearly indicate a need for such a review.

Due to the critical demand for linguists, interrogators, cultural advisors, etc., for contingency operations, DoD elements have developed expedited processes for citizenship and clearances for DoD personnel. These processes are more limited in scope and could be exploited by adversary groups.

Recommendation 2.2

- Evaluate background check policies and issue appropriate updates.
- Review the appropriateness of the depth and scope of the National Agency Check with Local Agency and Credit Check as minimum background investigation for DoD SECRET clearance.
- Educate commanders, supervisors, and legal advisors on how to detect and act on potentially adverse behaviors that could pose internal threats.
- Review current expedited processes for citizenship and clearances to ensure risk is sufficiently mitigated.

Finding 2.3

DoD standards for denying requests for recognition as an ecclesiastical endorser of chaplains may be inadequate.

⁵ Telephone Interview with Deputy Director of the Army CAF, Washington, D.C., Dec. 3, 2009.

⁶ Department of the Army, AR 380-67, *Personnel Security Program*, Washington, D.C., Sep. 9, 1988, 15-16.

⁷ “National Security Positions,” Code of Federal Regulations Title 5, Pt. 732.101-401, 1991 ed., Jan. 4, 2004; Office of the White House Press Secretary, Executive Order 12968, *Access to Classified Information*, Washington, D.C., Aug. 4, 1995; The White House, “Adjudicative Guidelines for Determining Eligibility for Access to Classified Information,” Washington, D.C., Dec. 29, 2005; Department of the Army, AR 380-67, *Personnel Security Program*; Department of the Navy, SECNAVI 5510.30B, *Personnel Security Program*, Washington, D.C., Oct. 6, 2006; United States Air Force, AFI 31-501, *Personnel Security Program Management*, Washington, D.C., Jan. 27, 2005.

⁸ Interview with HQ USMC Manager for Information and Personnel Security Program, Washington, D.C., Dec. 16, 2009.

Discussion

Each religious organization that provides military chaplains provides an endorsing agent to serve as its representative to the Department of Defense. These endorsing agents issue and withdraw professional credentials in accordance with the practice of their religious organizations. Current policy requires removal of any individual or religious organization from participation in the DoD Chaplain program only if they threaten national or economic security, are indicted or convicted of an offense related to terrorism, or if they appear on the annual State Department list of Foreign Terror Organizations. This limited authority to deny requests for designation as ecclesiastical endorsers could allow undue improper influence by individuals with a propensity toward violence.

Recommendation 2.3

Review the limitations on denying requests for recognition as ecclesiastical endorsers of chaplains.

Finding 2.4

The Department of Defense has limited ability to investigate Foreign National DoD military and civilian personnel who require access to DoD information systems and facilities in the U.S. and abroad.

Discussion

This further relates to finding, discussion, and recommendation 2.2.

A number of populations presently granted physical access to DoD facilities require some form of vetting for repeated access. Vetting is often a one-time event that does not provide for continuous re-investigation or re-evaluation for the duration of DoD affiliation. For the notionally vetted populations, some records do not exist, and large numbers of people who gain access to our facilities are not vetted at all under current procedures. The Department of Defense's ability to investigate foreign national DoD employees who live outside of the U.S. and require access to DoD facilities is very limited. The Department of Defense is only able to conduct the FBI name check, fingerprint check, and a check of the known and suspected terrorist databases.

Recommendation 2.4

Coordinate with the Department of State and Office of Personnel Management to establish and implement more rigorous standards and procedures for investigating Foreign National DoD personnel.

Finding 2.5

The policies and procedures governing assessment for pre- and post-deployment medical risks do not provide a comprehensive assessment of violence indicators.

Discussion

This further relates to finding, discussion, and recommendation 2.1.

DoD and Service policies provide broad pre-deployment guidance on health risk assessment,⁹ and

⁹ Department of Defense, DoDI 6490.03, *Deployment Health*, Washington, D.C., Aug. 11, 2006, 27; Department of Defense, DoDI 6025.19, *Individual Medical Readiness*, Washington, D.C., Jan. 3, 2006, 4.

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specific guidance on a variety of high-risk health conditions.¹⁰ Guidance on high-risk health conditions is useful to healthcare providers currently treating service members. There is no global violence risk assessment performed during pre-deployment for Service members not currently receiving healthcare. Post-deployment assessments, performed at the end of deployment and three to six months after deployment, rely primarily on self-report screening questionnaires¹¹ to identify risk factors. These screening questionnaires address issues such as post-traumatic stress, traumatic brain injury, substance abuse, depression, and suicide—there are no screening questions to assess the potential to harm others. Moreover, the assessments do not address additional risk factors (i.e., financial, occupational, relationship stressors) thought to be associated with the potential for violence.

Recommendation 2.5

- Assess whether pre- and post-deployment behavioral screening should include a comprehensive violence risk assessment.
- Review the need for additional post-deployment screening to assess long-term behavioral indicators that may point to progressive indicators of violence.
- Revise pre- and post-deployment behavioral screening to include behavioral indicators that a person may commit violent acts or become radicalized.
- Review policies governing sharing healthcare assessments with commanders and supervisors to allow information regarding individuals who may commit violent acts to become available to appropriate authorities.

Finding 2.6

The Services have programs and policies to address prevention and intervention for suicide, sexual assault, and family violence, but guidance concerning workplace violence and the potential for self-radicalization is insufficient.

Discussion

This further relates to finding, discussion, and recommendation 2.2.

Suicide Prevention,¹² Sexual Assault Prevention & Response,¹³ and Family Advocacy¹⁴ programs address numerous facets of violence. Family Advocacy and Sexual Assault Prevention & Response programs

¹⁰ Department of Defense. *ASD Policy Memo on Guidance for Deployment Limiting Psychiatric Conditions & Medications*. Washington, D.C., Nov. 7, 2006, 1-7.

¹¹ Department of Defense. DD Form 2796. *Post Deployment Health Assessment (PHDA)*. Washington, D.C., January 2008, 1-7; Department of Defense. DD Form 2900. *Post Deployment Health Assessment (PHDA)*. Washington, D.C., January 2008, 1-5.

¹² Department of the Air Force. AFI 44-154. *Suicide and Violence Prevention Education and Training*. Washington, D.C., Jan. 3, 2003/Aug. 28, 2006, 2-18; Department of the Army. AR 600-63. *Army Health Promotion*. Washington, D.C., Sep. 20, 2009, 13; Department of the Navy. OPNAVINST 1720.4A. *Suicide Prevention Program*. Washington, D.C., Aug. 4, 2009, 1-10; Department of the Navy. MCO P1700.24B. *Marine Corps Personal Services Manual*. Washington, D.C., Dec. 27, 2001, 3-8.

¹³ Department of Defense. DoDD 6495.01. *Sexual Assault Prevention and Response Program*. Washington, D.C., Oct. 6, 2005/Nov. 7, 2008, 1-5; Department of the Air Force. AFI 36-6001. *Sexual Assault Prevention and Response Program*. Washington, D.C., Sep. 29, 2009, 5-30; Department of the Navy. SECNAVINST 1752.4A. *Sexual Assault Prevention and Response*. Dec. 1, 2005, 1-5; Department of the Army. AR 600-20. *Army Command Policy*. Washington, D.C., Nov. 30, 2009, 68-82; Department of the Navy. MCO 1752.5. *Sexual Assault Prevention and Response Program*. *Marine Corps Personal Services Manual*. Washington, D.C., Sep. 28, 2004.

¹⁴ Department of the Defense. DoDD 6400.01. *Family Advocacy Program*. Washington, D.C., Aug. 23, 2004, 2-5; Department of the Air Force. AFI 40-301. *Family Advocacy*. Washington, D.C., Nov. 30, 2009, 5-30; Department of the Army. AR 608-18. *Family Advocacy Program*. Washington, D.C., Oct. 30, 2007, 11-71; Department of the Navy. SECNAVINST 1752.3B. *Family Advocacy Program*. Nov. 10, 2005, 1-16; Department of the Navy. MCO P1700.24B. *Marine Corps Personal Services Manual*. Washington, D.C., Dec. 27, 2001, 5-4.

Useful resources for violence prevention education and training also exist in other federal agencies but are dated and not integrated into DoD policies, procedures, or processes.

in each of the Services are implemented based on DoD level guidance, while Suicide Prevention programs are implemented by each of the Services without specific DoD level policy. The policies and procedures at the DoD or Service level that address workplace violence are not comprehensive. Where current policy or programs exist, they are limited, not widely disseminated, and implemented inconsistently.¹⁵ For example, Air Force Instruction 44-154, *Suicide and Violence Prevention Education and Training*, addresses training for both violence and suicide prevention, but the violence prevention portion of annual training was recently eliminated. In recent years, the Services have developed programs that address preventing violence in various populations.¹⁶ These may serve as useful resources for developing more comprehensive workplace violence prevention—including the potential for self-radicalization. Useful resources for violence prevention education and training also exist in other federal agencies but are dated and not integrated into DoD policies, procedures, or processes.¹⁷

Recommendation 2.6

- Revise current policies and procedures to address preventing violence toward others in the workplace.
- Integrate existing programs such as suicide, sexual assault, and family violence prevention with information on violence and self-radicalization to provide a comprehensive prevention and response program.

Finding 2.7

DoD policy regarding religious accommodation lacks the clarity necessary to help commanders distinguish appropriate religious practices from those that might indicate a potential for violence or self-radicalization.

Discussion

DoD Instruction 1300.17, *Accommodation of Religious Practices within the Military Services*, states that requests for religious accommodation should be granted when the practice will not have an adverse impact on mission accomplishment, military readiness, unit cohesion, standards, or discipline.¹⁸ It does not, however, provide standards or recording procedures necessary to establish a baseline of traditional religious practice within faith groups. The Department of Defense has not issued clear guidance on the degree to which the Religious Freedom Restoration Act¹⁹ applies to the military. Therefore, commanders, supervisors, and chaplains lack a common source to distinguish mainstream religious

¹⁵ Senior military mental health providers consulted for the DoD Fort Hood Independent Review Panel.

¹⁶ Army Warrior Transition Center Policy Memo: Warrior Transition Unit/Community-Based Warrior Transition Unit (WTU/CBWTU) Risk Assessment & Mitigation Policy (Draft pending approval); Department of the Air Force, SG DOC: 06-0009, Memorandum, ALMAJCOM/SG, Washington, D.C., Oct. 14, 2005, 1-9; Combat and Operational Stress First Aid for Caregivers Training Manual (Draft pending approval).

¹⁷ Office of Personnel Management, *Dealing with Workplace Violence: A Guide for Agency Planners*, February 1998; Office of Personnel Management, *A Manager's Handbook: Handling Traumatic Events*, Washington, D.C., December 1996.

¹⁸ Department of Defense, DoDI 1300.17, *Accommodation of Religious Practices Within the Military Services*, Washington, D.C., Feb. 10, 2009, 2.

¹⁹ Title 42, USC Chapter 21B, Religious Freedom Restoration, Section 2000bb-1, *Free Exercise of Religion Protected*, Washington, D.C., Jan. 8, 2008.

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practices from extreme practices for faith groups. Service policies and procedures, therefore, vary in stating and reporting standards of religious accommodation.²⁰

If requests for religious accommodation that compete with mission requirements were recorded and shared among commanders, supervisors, and chaplains, it would help establish a baseline from which to identify deviations within the Services and the Department of Defense. At present, there is confusion about what is acceptable.

For example, the Air Force requires personnel who request waivers for accommodation of religious apparel to be interviewed by a chaplain to assess whether the request is in keeping with doctrinal or traditional observances of the Service member's faith. Then the installation's senior chaplain must document the findings before forwarding to the commander for a decision. The Services have different procedures for handling religious accommodation requests. None of this information is shared, even when serving together at joint bases or in deployed locations.

This lack of clarity creates the potential for denying information to commanders and supervisors that may signal indicators of self-radicalization or extremist behavior. Commanders and supervisors may not recognize unusual religious practices outside traditional norms within faith groups. Current procedures do not provide consistent mechanisms for initiating appropriate action to prevent an escalation toward violence.

Clear standards would enhance commanders' and supervisors' ability to promote the climate necessary to maintain good order and discipline, and would reduce both the instances and perception of discrimination among those whose religious expressions are less familiar to the command.²¹

Recommendation 2.7

Promptly establish standards and reporting procedures that clarify guidelines for religious accommodation.

Finding 2.8

DoD Instruction 5240.6, *Counterintelligence (CI) Awareness, Briefing, and Reporting Programs*, does not thoroughly address emerging threats, including self-radicalization, which may contribute to an individual's potential to commit violence.

Discussion

This relates to finding, discussion, and recommendation 2.1.

DoD Instruction 5240.6, *Counterintelligence (CI) Awareness, Briefing, and Reporting Programs*, provides guidance to conduct defensive counterintelligence and counter-terrorism awareness briefings to DoD personnel. This instruction does not, however, provide specific, updated guidance to the Services, Combatant Commands, and appropriate agencies concerning behavioral indicators that could identify self-radicalization, terrorism, or violence. Researchers and intelligence professionals have been actively

²⁰ Department of the Army. AR 165-1. *Chaplain Activities in the United States Army, Religious Support*. Washington, D.C., Dec. 3, 2009, 1-9; Department of the Navy. SECNAVINST 1730.8B. *Accommodation of Religious Practices*. Washington, D.C., Oct. 2, 2008, 1-9; Department of the Air Force. AFPPD 52-1. *Chaplain Service*. Washington, D.C., Oct. 2, 2006, 2.

²¹ Department of Defense. DoDI 1300.17. *Accommodation of Religious Practices Within the Military Services*. Washington, D.C., Feb. 10, 2009, 1-2.

engaged in identifying trends in this domain, particularly since September 11, 2001.²² The absence of an updated and comprehensive policy on emerging threats inhibits the timely update of relevant Service regulations.

Recommendation 2.8

Update DoD Instruction 5240.6 to provide specific guidance to the Services, Combatant Commands, and appropriate agencies for counterintelligence awareness of the full spectrum of threat information, particularly as it applies to behavioral indicators that could identify self-radicalization.

Reporting and Sharing Information About the Indicators

Finding 2.9

DoD and Service guidance does not provide for maintaining and transferring all relevant information about contributing factors and behavioral indicators throughout Service members' careers.

Discussion

This relates to finding, discussion, and recommendation 2.1 and 2.2.

The only information that follows Service members across all assignments is contained in performance evaluations and medical records. Other information may be required, but those requirements vary across the Services.²³ Some information included in these files is temporary, however, and is barred from becoming part of permanent records.²⁴ For example, Service policies place strong emphasis on commander discretion to record and/or forward information about minor law enforcement or disciplinary infractions.²⁵ Successful completion of substance abuse counseling is another example of information that may not be included in Service member records, but research studies show that ongoing or past alcohol and drug abuse can lead to violent acts.²⁶

The result is that significant additional information is kept at local levels, or for limited periods of time, and is therefore unavailable to future commanders and supervisors. Similarly, incoming commanders and supervisors may lack visibility into some relevant events that occurred prior to their arrival (although some programs such as the Marine Corps' Family Readiness Officer Initiative aim to bridge some of these gaps²⁷). Federal law and DoD implementing policies direct certain types of information that

22 Paul K. Davis and Kim Cragin, eds. *Social Science for Counterterrorism*. (2009); Carol Dyer, Ryan E. McCoy, Joel Rodriguez, and Donald N. Van Duyn. "Countering Violent Islamic Extremism." *FBI Law Enforcement Bulletin* (2007): 3-9; Samuel Nunn. "Incidents of Terrorism in the United States, 1997-2005." *Geographical Review* 97:1 (2007): 89-111; Sánchez-Cuena, Ignacio and Luis de la Calle. "Domestic Terrorism: The Hidden Side of Political Violence." *Annual Review of Political Science* 12 (2009): 31-49; Smith, Brent. "A Look at Terrorist Behavior: How They Prepare, Where They Strike." *NIJ Journal* 26p0 (2008): 2-6; Austin T. Turk. "Sociology of Terrorism." *Annual Review of Sociology* 30 (2004): 271-86.

23 Department of Army, AR 600-37, *Unfavorable Information*, Washington, D.C., Dec. 19, 1986, 3; Department of the Air Force, AFI 36-2608, *Military Personnel Record System*, Washington, D.C., Aug. 30, 2006, 36; Department of the Navy, BUPERSINST 1070.27B, *Document Submission Guidelines for the Electronic Military Personnel Record System*, Washington, D.C., Aug. 26, 2005, 2-4.

24 Department of the Navy, MCO P1070.12K, *Marine Corps Individual Records Administration Manual*, Washington, D.C., July 14, 2000, 1-4, 1-7.

25 Ibid.

26 U.S. Army Center for Health Promotion and Preventive Medicine, Investigation of Homicides at Fort Carson, Colorado, Nov. 2008-May 2009, July 2009, Table B-6, "Risk Factor Characteristics by Index Case Based on Record Review and Administrative Databases," B-14.

27 Department of the Navy, NAVMC Directive 1754.6A, *Marine Corps Family Team Building*, Washington, D.C., Jan. 30, 2006, 2-3 through 2-6; Department of the Navy, MCO 1754.6A, *Marine Corps Family Team Building*, Washington, D.C., Jan. 30, 2006, 4-5, 7.

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must and/or cannot be maintained.²⁸ The Department of Defense's review of guidance for retaining and sharing of additional information should include a recommendation on modifying applicable statutes and policies.

Recommendation 2.9

- Review what additional information (e.g., information about accession waivers, substance abuse, minor law enforcement infractions, conduct waivers) should be maintained throughout Service members' careers as they change duty locations, deploy, and re-enlist.
- Develop supporting policies and procedures for commanders and supervisors to access this information.

Finding 2.10

There is no consolidated criminal investigation database available to all DoD law enforcement and criminal investigation organizations.

Discussion

DoD criminal investigation organizations have limited ability to search for or analyze information outside their own databases; they must query other DoD criminal investigation organizations to obtain specific investigative information. This limitation restricts investigative efforts for searches or analysis of data outside of each Service and could reduce the effectiveness of law enforcement to prevent, detect, or investigate criminal activity.

Current initiatives regarding joint basing, coupled with the routine formation of Joint Task Forces, highlight the importance of sharing investigative data among the Services.

Current initiatives regarding joint basing, coupled with the routine formation of Joint Task Forces, highlight the importance of sharing investigative data among the Services. The Department of Defense has recognized this shortfall and supported implementation of a Defense Law Enforcement Exchange, using the Naval Criminal Investigative Service's Law Enforcement Information Exchange (LInX) as a model. LInX is a database established to apply search and link analysis tools by providing access to structured and unstructured data across organizations, including Federal, State, county, and municipal agencies.

Recommendation 2.10

Establish a consolidated criminal investigation and law enforcement database such as the Defense Law Enforcement Exchange.

Finding 2.11

DoD guidance on establishing information sharing agreements with Federal, State, and local law enforcement and criminal investigation organizations does not mandate action or provide clear standards.

²⁸ 36 Code of Federal Regulation, Part 1220, *Federal Records - General*, Washington, D.C., Nov. 2, 2009; 36 Code of Federal Regulation, Part 1222, *Creation and Management of Federal Records*, Washington, D.C., Nov. 2, 2009; Department of Defense, DoDD 5525.5, *DoD Cooperation with Civilian Law Enforcement Officials*, Washington, D.C., Jan. 15, 1986/ Dec. 20, 1989, 3.

Discussion

This relates to finding, discussion, and recommendation 2.10.

DoD policy requires the Secretaries of the Military Departments and Directors of the Defense Agencies to establish local contact points in subordinate commands for coordination with Federal, State, and local civilian law enforcement officials.²⁹ The Services have implemented this directive through various Service-specific documents, ranging from mandatory guidance in seeking formal Memoranda of Understanding to encouraging partnerships with local law enforcement agencies. The latitude in seeking agreements with Federal, State, and local law enforcement could, however, create gaps in the Services' ability to identify DoD personnel who might pose a credible threat to themselves or others. Without strong liaison agreements, commanders and supervisors lack visibility of a Service member's criminal acts committed off a military installation. This could impede the ability of a commander or supervisor to assess indicators that signal when individuals may be prone to committing violent acts or falling prey to self-radicalization.

The Services include provisions in their respective antiterrorism guidance regarding DoD requirements to implement effective processes to integrate and fuse all sources of available threat information from local, State, Federal, and host nation law enforcement agencies.³⁰ An exclusive focus on antiterrorism, however, fails to consider an escalation of violent criminal behavior. The absence of effective information sharing agreements creates a potentially critical void in a commander's ability to assess his personnel.

Recommendation 2.11

Require the Military Departments and Defense Agencies to establish formal information sharing agreements with allied and partner agencies; Federal, State, and local law enforcement; and criminal investigation agencies, with clearly established standards regarding scope and timeliness.

Finding 2.12

Policies governing communicating protected health information to other persons or agencies are adequate at the DoD-level, though they currently exist only as interim guidance. The Services, however, have not updated their policies to reflect this guidance.

Discussion

Release of protected health information in the Department of Defense is governed by the Health Information Portability and Accountability Act (HIPAA), which balances confidentiality with the need to ensure operational readiness and is reflected in DoD and Service-level policy.³¹ Unique guidance on release of medical information has been established for Restricted Reporting in cases of sexual assault.³²

²⁹ Department of Defense. DoDD 5525.5, *DoD Cooperation with Civilian Law Enforcement Officials*, Washington, D.C., Jan. 15, 1986/Dec. 20, 1989, 3.

³⁰ Department of Defense. DoDI 2000.16, *DoD Antiterrorism (AT) Standards*, Washington, D.C., Oct. 2, 2006/Dec. 8, 2006, 14.

³¹ Department of Defense. DoDI 6025.18-R, *Privacy of Individually Identifiable Health Information in DoD Health Care Programs*, Washington, D.C., Jan. 24, 2003, 19, 25, 49; Department of Defense. DoDI 6490.4, *Requirements for Mental Health Evaluations of Members of the Armed Forces*, Washington, D.C., Aug. 28, 1997, 7-8, 11-13, 14-15; Department of Defense. DoDD 36490.1, *Mental Health Evaluations of Members of the Armed Forces*, Washington, D.C., Oct. 1, 1997, 5-7; Department of the Air Force. AFI 44-109, *Mental Health Confidentiality and Military Law*, Washington, D.C., Mar. 1, 2000, 2, 3, 9; Department of the Army. MEDCOM Policy 09-027, *Release of Protected Health Information to Unit Command Officials*, Washington, D.C., May 19, 2009, 1-5.

³² Department of Defense. DoDD 6495.01, *Sexual Assault Prevention and Response Program*, Washington, D.C., Oct. 6, 2005/Nov. 7, 2008, 3-4.

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The Department of Defense has recently provided interim guidance that indicates the circumstances under which it is appropriate and required for a healthcare provider to release protected health information.³³ Not all current Service-level guidance reflects the most recent DoD policy.

Recommendation 2.12

Ensure Services update policies to reflect current DoD-level guidance on the release of protected health information.

Finding 2.13

Commanders and military healthcare providers do not have visibility on risk indicators of Service members who seek care from civilian medical entities.

Discussion

This relates to finding, discussion, and recommendation 2.1.

Civilian health professionals who provide care to Service members have several sets of guidelines that govern response to indicators of violence that are determined during treatment. Policy does not require civilian providers to notify military health treatment facilities or commanders, and in some cases—especially when the information involves personal data—it prohibits information transfer to anyone except authorized family members. This gap in visibility prevents military medical providers, commanders, and supervisors from assisting the Service member or intervening until the risk indicators result in observable behaviors that trigger concern.

Recommendation 2.13

Consider seeking adoption of policies and procedures to ensure thorough and timely dissemination of relevant Service member violence risk indicators from civilian entities to command and military medical personnel.

Finding 2.14

The Department of Defense does not have a comprehensive and coordinated policy for counterintelligence activities in cyberspace. There are numerous DoD and interagency organizations and offices involved in defense cyber activities.

Discussion

This relates to finding, discussion, and recommendation 2.1.

The evolving security threat increasingly involves information exchanges using the Internet. The Services have developed cyber counterintelligence programs to identify potential threats to DoD personnel, information, and facilities. Non-DoD agencies are also involved in cyber counterintelligence activities. The Department of Defense does not have an overarching policy coordinated across the interagency and with the Office of the Director of National Intelligence that provides clear guidance to the Services and

³³ Department of Defense, DTM 09-006, *Revising Command Notification Requirements to Dispel Stigma in Providing Mental Health Care to Military Personnel*, Washington, D.C., July 2, 2009, 1-6.

Defense agencies on the execution of counterintelligence cyber activities. The Department of Defense is reviewing comments from the Services and appropriate defense agencies on Draft DoD Instruction 5240.mm, *Counterintelligence Activities in Cyberspace*.

Recommendation 2.14

Publish policy to ensure timely counterintelligence collection, investigations, and operations in cyberspace for identifying potential threats to DoD personnel, information, and facilities.

Barriers or Constraints on Taking Action

Finding 2.15

DoD policy governing prohibited activities is unclear and does not provide commanders and supervisors the guidance and authority to act on potential threats to good order and discipline.

Discussion

This relates to finding, discussion, and recommendation 2.1.

DoD policy on prohibited activities is limited and only addresses active participation in groups that may pose threats to good order and discipline.

DoD policy on prohibited activities is limited and only addresses active participation in groups that may pose threats to good order and discipline.³⁴ However, this does not include contacting, establishing, and/or maintaining relationships with persons or entities that interfere with or prevent the orderly accomplishment of the mission or present a clear danger to loyalty, discipline, mission, or morale of the troops.³⁵ All of these activities may increase an individual's propensity to commit violence, and should be within the purview of commanders to address.

Recommendation 2.15

Review prohibited activities and recommend necessary policy changes.

Finding 2.16

Authorities governing civilian personnel are insufficient to support commanders and supervisors as they attempt to identify indicators of violence or take actions to prevent violence.

Discussion

This relates to finding, discussion, and recommendation 2.1.

The Department of Defense's authorities for civilian personnel are more limited than for military members. For a variety of reasons, many indicators of risk factors associated with violence are not visible to commanders and supervisors, especially factors that might be observed outside the workplace. Even

³⁴ Department of Defense, DoDI 1325.06, *Handling Dissident and Protest Activities Among Members of the Armed Forces*, Nov. 27, 2009, 9.

³⁵ The Supreme Court has recognized differing freedom of speech and freedom of association standards for military members and civilians. For a comparative discussion, see *U.S. v. Brown*, 45 M.J. 389, at 395 (CAAF, 1996).

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within the workplace, not all civilians are subject to some of the screening procedures that might reveal indicators of concern.

The ability to address some civilian behaviors that may be associated with violence is limited by DoD and Service policies, statutes, federal regulation, and collective bargaining agreements.

The ability to address some civilian behaviors that may be associated with violence is limited by DoD and Service policies, statutes, federal regulation, and collective bargaining agreements. As one example, Air Force regulations specify that supervisors seeking to suspend a civilian employee from the workplace must provide at least 24-hour notice to that employee, and the policies note that seven-day notice is more typical.³⁶ This authority is likely insufficient if an employee represents an imminent threat.

Recommendation 2.16

Review civilian personnel policies to determine whether additional authorities or policies would enhance visibility on indicators of possible violence and provide greater flexibility to address behaviors of concern.

³⁶ Department of Defense, DTM 09-006, *Revising Command Notification Requirements to Dispel Stigma in Providing Mental Health Care to Military Personnel*, Washington, D.C., July 2, 2009, 1-6; Department of Air Force, AFI 36-704, *Discipline and Adverse Actions*, Washington, D.C., July 22, 1994, 13.

Chapter 3 Force Protection

An impenetrable shield against all threats remains neither practical nor affordable. However, a force protection system that encompasses a variety of tactics, techniques procedures, and technology to deter and, if necessary, defeat an attack against our people has proven effective.

Our study found that some policies governing information exchange, both within the Department of Defense and between the Department and outside agencies, are deficient and do not support detection and mitigation of internal threats. There is not a well-integrated means to gather, evaluate, and disseminate the wide range of behavioral indicators that could signal an insider threat.

We addressed key supporting pillars such as physical security, installation access, indications and warning, and information sharing.

We reviewed DoD, Joint, Service, and Northern Command and its Service Components force protection policies and implementing guidance to determine consistency across the Department of Defense, identify potential best practices that could be shared/adopted, determine if there were contradictions in force protection policies, and identify deficiencies that, if corrected and implemented, could prevent another Fort Hood occurrence within the Department of Defense. In addition to DoD personnel, we contacted Department of Homeland Security and FBI officials to gather information, confirm policies, or to seek best practices.

Authorities/Command and Control

Finding 3.1

- The Department of Defense has not issued an integrating force protection policy.
- Senior DoD officials have issued DoD policy in several force protection-related subject areas such as antiterrorism, but these policies are not well integrated.

Discussion

Joint Publication 3-0 defines force protection as preventive measures taken to mitigate hostile actions against DoD personnel (to include family members), resources, facilities, and critical information.³⁷

Multiple senior DoD officials have responsibility for various force protection-related programs: Under Secretary of Defense for Personnel and Readiness for several law enforcement personnel and health affairs policies; Under Secretary of Defense for Policy for antiterrorism, terrorism suspicious activity reporting, continuity of operations, and critical infrastructure protection policies; Under Secretary of Defense for Acquisition, Technology, and Logistics for installation emergency management; and Under Secretary of Defense for Intelligence for physical security, military working dog, counterintelligence, use of deadly force, and carrying of firearms for law enforcement and security duties policies. No senior DoD official is assigned overall responsibility for force protection policy and there is no integrating DoD policy regarding force protection.

No senior DoD official is assigned overall responsibility for force protection policy and there is no integrating DoD policy regarding force protection.

³⁷ Department of Defense, Joint Publications 3-0, *Joint Operations*, Washington, D.C., Sep. 17, 2009.

The President has assigned the mission of force protection to the Geographic Combatant Commanders in the Unified Command Plan. Only one of the DoD force protection-related policies (Antiterrorism) addresses this mission. In DoD Directive 2000.12, *DoD Antiterrorism Program*, the Deputy Secretary of Defense assigned the Geographic Combatant Commanders tactical control for force protection for most DoD personnel in their geographic areas of responsibility.³⁸ No other DoD policy addresses this mission.

Our review suggests that there is some misunderstanding regarding the scope of the geographic combatant commanders' force protection responsibility and the responsibility of the military departments, especially in the United States. If multiple, simultaneous events similar to the Fort Hood incident occur, clarity of command and control responsibilities will be essential for a rapid, comprehensive response.

Recommendation 3.1

- Assign a senior DoD official responsibility for integrating force protection policy throughout the Department.
- Clarify geographic combatant commander and military department responsibilities for force protection.
- Review force protection command and control relationships to ensure they are clear.

Indications and Warning

Finding 3.2

DoD force protection programs and policies are not focused on internal threats.

Discussion

This relates to finding, discussion, and recommendation 2.1.

Detecting and defeating an internal threat requires close personal observation and interaction rather than the construction of physical security barriers. Current DoD and Service programs that provide guidance concerning observation of personal behavior are primarily medically oriented and focused on suicide prevention. There is no formal policy guidance for commanders to identify, report, or act on indicators that may be indicative of an internal threat. There is no DoD-wide protocol to notify commanders of potential internal threats that may exist in their command. Inability to reliably detect and counter emerging internal threats is a gap in DoD force protection measures.

The effort to identify threats posed by those who have access to DoD installations or systems and knowledge of our defensive measures and weaknesses is targeted toward defending specific resources. Whether internal threats target a computer system, classified information, or personnel, research suggests they may often share common indicators.³⁹ The effort to identify threats may be enhanced by exploiting any common indicators and integrating the disparate programs designed to defend against these threats.

The Services have already cautioned their people to be alert to threats such as terrorism, school violence, sexual crimes, stalking, cyber crimes, domestic violence, arson, sabotage, communicated threats, and

³⁸ Department of Defense, *Unified Command Plan (UCP)*, Washington, D.C., Dec. 17, 2008; Department of Defense, DoDD 2000.12, *DoD Antiterrorism (AT) Program*, Washington, D.C., Aug. 18, 2003.

³⁹ Defense Personnel Security Research Center, *Technical Report 09-02: Insider Risk Evaluation and Audit*, Monterey, CA, August 2009.

The Department of Defense does not have a comprehensive training program focused on internal threats regardless of the target.

pre-attack behaviors. Several DoD programs exist (e.g., Counterintelligence Awareness Training, Information Assurance Training, U.S. Army Ten Key Indicators of Terrorist Activity, Suicide Prevention, Personnel Reliability Program) that task members to report suspicious behavior indicative of future destructive acts.⁴⁰ These programs and associated training focus on protecting specific assets. The Department of Defense does not have a comprehensive training program focused on internal threats regardless of the target. In addition, the integration and fusion process for command, medical, law enforcement, and chaplain services is not firmly or universally established. For example, an installation's Threat Working Group could be specifically tasked to consider and evaluate internal threats as part of their normal procedure. If individuals of concern are brought to their attention, they could then evaluate and advise the commander on ways to mitigate the potential threat.

Countering the internal threat should focus on the common indicators leading up to a wide range of destructive events, such as terrorism, school violence, sexual crimes, stalking, cyber crimes (cyber stalking), domestic violence, arson, sabotage, communicated threats, and pre-attack behavior. This approach would focus on exhibited behavior regardless of the individual's identity. New programs to address internal threats should take a comprehensive approach and be presented as a means to take care of fellow DoD members from a force protection perspective.

Training programs put in place to educate DoD personnel should be easily understandable by the entire population. Identifying the key indicators of aberrant behavior and clearly outlining the process to report will be critical to focusing the force on the threat. Establishing the process and providing the tools for commanders to evaluate and counter internal threats will be important as well. Predictive analysis for internal threats is a difficult proposition, but predicting and defending against external threats requires a similar degree of anticipation.

The Navy has a fusion cell designed to predict and mitigate insider violence that could serve as a model for the Department of Defense. The Naval Criminal Investigative Service established the Threat Management Unit in 1996.⁴¹ The Threat Management Unit provides criminal and behavioral analysis and risk assessments for Navy and Marine Corps commanders to predict and mitigate potential violence on the part of DoD affiliated personnel. Other examples of successful threat assessment and intervention exist and are worthy of further study. The U.S. Postal Service has a successful workplace violence program highlighted by the use of threat assessment teams.⁴² The Association of Threat Assessment Professionals provides additional resources integrating academic, private, and public studies and programs for countering an insider threat.⁴³

⁴⁰ Department of Defense. DoDI 5240.6, *Counterintelligence (CI) Awareness, Briefing, and Reporting Programs*. Washington, D.C., Aug. 7, 2004, 1-16; Department of Defense. DoDD 8570.01, *Information Assurance Training, Certification, and Workforce Management*. Washington, D.C., Aug. 15, 2004, 1-10; Department of the Army. Appendix A ALARACT 322, *Ten Key Indicators of Potential Terrorist Associated Insider Threats to the Army*. Washington, D.C., Nov. 23, 2009; Department of the Army. *Army Campaign Plan for Health Promotion, Risk Reduction and Suicide Prevention (ACPHP)*. Washington, D.C., Apr. 16, 2009; Department of Defense. DoD 5210.42-R, *Nuclear Weapons Personnel Reliability Program (PRP) Regulation*. Washington, D.C., Nov. 10, 2009, 1-72.

⁴¹ Department of the Navy. *Naval Criminal Investigative Service Operating Manual 3, Manual for Criminal Investigations*, Chapter 29 (Assault), Paragraph 2.6, Threat Management Unit, Washington, D.C., August 2008.

⁴² United States Postal Service. Washington, D.C., May 1997.

⁴³ The Association of Threat Assessment Professional. *The Association of Threat Assessment Professional (ATAP)*. <http://www.atapworldwide.org/>.

Recommendation 3.2

- Develop policy and procedures to integrate the currently disparate efforts to defend DoD resources and people against internal threats.
- Commission a multidisciplinary group to examine and evaluate existing threat assessment programs; examine other branches of government for successful programs and best practices to establish standards, training, reporting requirements /mechanisms, and procedures for assessing predictive indicators relating to pending violence.
- Provide commanders with a multidisciplinary capability, based on best practices such as the Navy's Threat Management Unit, the Postal Service's "Going Postal Program," and Stanford University's workplace violence program, focused on predicting and preventing insider attacks.

Information Sharing**Finding 3.3**

The Department of Defense's commitment to support JTTFs is inadequate.

Discussion

This relates to finding, discussion, and recommendation 2.10.

Defense Criminal Investigative Service involvement at the JTTFs is not functionally managed by the Defense Counterintelligence and Human Intelligence Center, as is the case for the Service linked participants (i.e., Army Military Intelligence, Naval Criminal Investigative Service, Air Force Office of Special Investigations). As a result, there is no consistency of reporting from those agents back to the Department of Defense.⁴⁴ The lack of a single functional management structure increases the likelihood of confusion on the part of the FBI when it deals with DoD representatives who operate under different functional guidance. Any outcome should consider Defense Criminal Investigative Service independence and objectivity.⁴⁵

Recommendation 3.3

- Identify a single point of contact for functional management of the Department of Defense's commitment to the JTTF program.
- Evaluate and revise, as appropriate, the governing memoranda of understanding between the FBI and different DoD entities involved with the JTTF to ensure consistent outcomes.
- Review the commitment of resources to the JTTFs and align the commitment based on priorities and requirements.

Finding 3.4

There is no formal guidance standardizing how to share Force Protection threat information across the Services or the Combatant Commands.

⁴⁴ Interview with Deputy Director (DCIS) and Homeland Security/Terrorism Program Manager (DCIS), Washington, D.C., Dec. 10, 2009.

⁴⁵ Department of Defense, DoDD 5106.01, *Inspector General of the Department of Defense*, Washington, D.C., Apr. 13, 2006.

Discussion

This relates to finding, discussion, and recommendation 2.10.

Policy exists stating the requirement to share threat information with the Combatant Commands.⁴⁶ When a military criminal investigative organization or a counterintelligence organization outside the construct of a JTTF obtains threat information pertaining to a CONUS asset or individual, there is no standard means to share that information with the Geographic Combatant Commands.

The FBI's draft guidance for informing the Department of Defense of terrorism matters with a DoD nexus, does not cover who, beyond the headquarters of Service Counterintelligence organizations (Army G2X, Air Force Office of Special Investigations, Naval Criminal Investigative Service, and the Defense Counterintelligence and Human Intelligence Center), should be informed of the matter. It is incumbent on those Headquarters elements to comply with requirements to inform the affected appropriate operational commanders or other organizations with a need to know.

Recommendation 3.4

Direct the development of standard guidance regarding how military criminal investigative organizations and counterintelligence organizations will inform the operational chain of command.

Finding 3.5

The Department of Defense does not have direct access to a force protection threat reporting system for suspicious incident activity reports.

Discussion

This relates to finding, discussion, and recommendation 2.10.

Suspicious Activity Reporting or Force Protection Threat Information, as it is known to Department of Defense, is now an FBI nationwide initiative. The Department of Defense was using the Threat and Location Observation Notice Program as its Suspicious Activity Reporting capability, but the program was terminated in September 2007. This left the Department of Defense without a Suspicious Activity Reporting system of its own.⁴⁷

The Deputy Secretary of Defense instructed DoD Components to submit Suspicious Incident/Activity Reports and other non-intelligence reporting concerning force protection threats to the FBI's classified Guardian Reporting System on an interim basis. DoD and FBI guidance for Guardian reporting assures that privacy and civil liberties are protected.⁴⁸ This reporting continues today.

The FBI has created an unclassified version of its Guardian system—called eGuardian—providing participating partners with a suspicious activity reporting system.

⁴⁶ Department of Defense. DoDI 5240.10, *Counterintelligence Support to the Combatant Commands and the Defense Agencies*, Washington, D.C., May 14, 2004; Federal Bureau of Investigation, Joint Terrorism Task Force, *Standard Memorandum of Understanding Between the Federal Bureau of Investigation and Defense Criminal Investigation Service*, Washington, D.C., Aug. 31, 2007; Department of Defense. DoDI 5240.6, *Counterintelligence (CI) Awareness, Briefing, and Reporting Programs*, Washington, D.C., Aug. 7, 2004.

⁴⁷ Interview with Principal Analyst, OASD, Homeland Defense and America's Security Affairs, Washington, D.C., Dec. 16, 2009.

⁴⁸ Department of Defense. Deputy Secretary of Defense Memorandum, *Implementation of Interim Threat Reporting Procedures*, Washington, D.C., Sep. 13, 2007.

eGuardian is a secure web-based system for sharing potential terrorist threats, terrorist events, and suspicious activity information among Federal, State, local, and tribal law enforcement partners, along with State fusion centers and JTTFs. eGuardian is the only Suspicious Activity Reporting system that communicates directly with the FBI's JTTFs, and if adopted by the Department of Defense would allow designated DoD law enforcement assets access to receive and input suspicious activity. This would also provide an additional method by which threat information would flow from the Department of Defense to the FBI, in situations where the Department of Justice has an investigative interest. Adoption of eGuardian is currently the recommended solution being proposed by the Office of the Assistant Secretary of Defense for Homeland Defense for the Department of Defense.

eGuardian does not replace coordination and information sharing requirements per the 1979 Agreement Governing the Conduct of Defense Department Counterintelligence Activities in Conjunction with The Federal Bureau of Investigation and the 2009 Memorandum of Understanding between the FBI and the Department of Defense Governing the JTTF relationship.

Recommendation 3.5

- Adopt a common force protection threat reporting system for documenting, storing, and exchanging threat information related to DoD personnel, facilities, and forces in transit.
- Appoint a single Executive Agent to implement, manage, and oversee this force protection threat reporting system.

Finding 3.6

There are no force protection processes or procedures to share real-time event information among commands, installations, and components.

Discussion

This relates to finding, discussion, and recommendation 2.10.

During the initial stages of the attack at Fort Hood, commanders and first responders, unsure of the nature of the threat, and in an effort to maximize their security posture, set and maintained Force Protection Condition Delta. There were apparently no indications that the rest of CONUS DoD force was immediately notified of the event; most installations and units first found out about the event through the news media. This was a single event, but had it been the first in a series of coordinated, near simultaneous attacks, most other DoD installations and facilities would not have been properly postured for an attack. The timely sharing of incident information could have served to alert other forces within the Area of Responsibility to take the prepare-and-defend actions necessary to harden themselves before a near simultaneous attack comes to them.

The requirement for a process/system to share raw, non-validated event information in near real time is the key ability for alerting the force that an attack is underway. The present DoD reporting and alerting system, a system based on phone calls and Defense Messaging System message traffic, is neither timely nor able to share information simultaneously among all user levels—from tactical users to operational and strategic decision makers.

Recommendation 3.6

Evaluate the requirement for creating systems, processes, policy, and tools to share near real-time, unclassified force protection information among military installations in CONUS to increase situational awareness and security response.

Access Control**Finding 3.7**

DoD installation access control systems and processes do not incorporate behavioral screening strategies and capabilities, and are not configured to detect an insider threat.

Discussion

DoD policy mandates 100 percent credentials inspection for access to DoD CONUS installations.⁴⁹ The DoD Physical Security Program Instruction designates the Common Access Card (CAC) as “the principal identity credential for supporting interoperable access to installations, facilities, buildings, and controlled spaces.”⁵⁰ While the CAC is the principal identity document, other approved documents may be used by dependents and other DoD affiliated individuals to obtain access. Installations outside CONUS may recognize other identity documents depending on status of forces agreement specifications. In all cases, however, properly credentialed individuals will be granted access to the installation.

Fort Hood is equipped with a state-of-the-art automated access control system, augmented by hands-on inspection of identity credentials that meet or exceed all DoD and Department of the Army guidance. In the case of the Fort Hood incident, the alleged perpetrator was authorized access and was a registered user of Phantom Express, the post’s automated access control system. The alleged perpetrator’s status as an active duty officer with a CAC meant that he was authorized access to virtually all military installations.

Detecting a trusted insider’s intention to commit a violent act requires observation of behavioral cues/anomalies.

Detecting a trusted insider’s intention to commit a violent act requires observation of behavioral cues/anomalies. There are Federal programs that train personnel to observe individuals under routine conditions. Authorities may engage the individual in casual conversation and observe their responses and behavior. When anomalies are detected, the individual is selected for secondary screening, which provides a greater opportunity to detect potential threatening activity. These programs may be useful if employed in a similar manner by DoD security guards, police officers, supervisory personnel, persons working in visitor control centers, or in other common “customer service” contexts.

⁴⁹ Department of Defense. DoDI 5200.08P, *Security of DoD Installation and Resources*, Washington, D.C., Dec. 17, 2008; Department of Defense. DTM 09-012, *Interim Policy Guidance for DoD Physical Access Control*, Washington, D.C., Dec. 2, 2009; Department of Homeland Security. HSPD-12, *Policy for a Common Identification Standard for Federal Employees and Contractors*, Washington, D.C., Aug. 27, 2004; National Institute of Standards and Technology. FIPS PUB 201-1, *Federal Information Processing Standards Publication, Personal Identity Verification (PIV) of Federal Employees and Contractors*, Gaithersburg, MD, March 2006.

⁵⁰ Department of Defense. DoD 5200.08-R, *Physical Security Program: Security of DoD Installation and Resources*, Washington, D.C., May 27, 2009.

Recommendation 3.7

- Review best practices, including programs outside the U.S. Government, to determine whether elements of those programs could be adopted to augment access control protocols to detect persons who pose a threat.
- Review leading edge tools and technologies that augment physical inspection for protecting the force.

Finding 3.8

The Department of Defense does not have a policy governing privately owned weapons.

Discussion

In the absence of overarching DoD policy, the individual Services have established privately owned weapons policies. Service regulations direct that all personnel living in installation housing and those residing in common living areas (barracks) register privately owned weapons with the installation security office. Personnel residing in common living areas must store weapons in unit armories, and those weapons (and ammunition) will be inventoried at specified intervals. Those personnel residing in private on-base family housing may store their weapons in quarters. Service regulations for registering or storing privately owned weapons do not apply when living off installation.

The Services task installation commanders with establishing privately owned weapons regulations on their installations. The Services have established minimum standards, leaving it to commanders to meet installation-specific requirements, including additional guidance on transporting privately owned weapons. Our review conducted a representative sampling of installation policies that revealed prohibitions on transporting loaded firearms and transporting a firearm in the glove compartment of a vehicle. The guidance we reviewed also requires keeping the weapon and ammunition separate while in transit.⁵¹

Recommendation 3.8

Review the need for DoD privately owned weapons policy.

Finding 3.9

Services cannot share information on personnel and vehicles registered on installations, installation debarment lists, and other relevant information required to screen personnel and vehicles, and grant access.

Discussion

This relates to finding, discussion, and recommendation 2.10.

Services, with Defense Agency support, continue to research and field advanced automated entry control systems designed to expedite authorized entry onto installations. However, these automated

⁵¹ Headquarters XVIII Airborne Corps & Fort Bragg, XVIII Airborne Corps & Fort Bragg Regulation 190-12, *Military Police: Privately Owned Weapons and Ammunition Control and Prohibited Weapons*, Fort Bragg, NC, Dec. 1, 2004; Department of Defense, Combat Center Order P1630.6E, *Discipline and Law Enforcement Regulations*, Washington, D.C., Mar. 12, 1997; Department of the Navy, SUBASENLONINST 5500.1C, *Privately Owned Weapons on Naval Submarine Base New London*, Groton, CT, May 18, 2005; Department of the Air Force, AFI31-101 AAFBSUP, *The Air Force Installation Security Program*, Washington, D.C., Apr. 17, 2008; Department of the Navy, MCO 5530.14A, *Marine Corps Physical Security Program Manual*, Washington, D.C., June 5, 2009.

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systems do not allow the Services to share information on registered users and persons debarred from one installation to another. The lack of a central authoritative database means that individuals debarred by a command from entering one installation for misconduct, unsuitability, or other reasons may be authorized access to another DoD installation.

Overseas installations do not have access to the National Crime Information Center or the Terrorist Screening Database. Access control systems in CONUS and overseas should be able to authenticate personnel against authoritative databases.

Recommendation 3.9

- Develop timely information sharing capabilities among components including vehicle registration, installation debarment lists, and other access control information.
- Accelerate efforts to automate access control that will authenticate various identification media (e.g., passports, CAC, drivers' licenses, license plates) against authoritative databases.
- Obtain sufficient access to appropriate threat databases and disseminate information to local commanders to enable screening at CONUS and overseas installation access control points.

Chapter 4

Emergency Response and Mass Casualty

The Department of Defense must synchronize and align its emergency management program with national response guidance. Using common emergency management principles, we can prepare our military communities to respond to emergencies—from the smallest incident to the largest catastrophe. Our nation uses a framework and system to guide the response to any hazard.⁵² These provide a consistent template enabling all jurisdictions and organizations across the country to prepare for, respond to, and recover from emergencies using a unified response. Synchronizing the Department of Defense's emergency management program with this national guidance will ensure the Department can integrate effectively with all partners in response to any and all emergencies.

Emergency Response

Finding 4.1

Services are not fully interoperable with all military and civilian emergency management stakeholders.

Discussion

The Department of Defense guidance was promulgated in part to align the Department with national response policies and establish the Installation Emergency Management program.⁵³ The Installation Emergency Management program directs the Services to adopt the National Incident Management System, which Federal, State, and local agencies have already adopted. The Department of Defense has given the Services until January 13, 2011, to develop their initial capability, and until January 13, 2014, to have a full Installation Emergency Management program aligned with national guidance. The instruction directing the Services to comply with the national system directed the Services to develop their own implementation plans and timelines.⁵⁴ Currently all 50 states have complied with the Federal requirements. There are, however, no measures or established milestones in DoD guidance to define initial and full capability.

The Department of Defense will experience challenges in reaching full capability in the absence of centralized policy because of synchronization and funding issues. Technical capabilities such as 911/dispatch, mass notification, information sharing, and Common Operating Picture could delay full capability because of the cost of some systems.

The Installation Emergency Management program identifies how first responders from on and off the installation integrate into a unified effort during emergency response and recovery operations. This Installation Emergency Management plan is designed to become the installation's umbrella plan, which nests functional area plans, thus enhancing coordination between responders.

Until full operational capability is achieved, integration between installation and facility emergency personnel and other first responders will continue to be largely based on personal relationships rather than on codified procedures.

⁵² Department of Homeland Security, *National Response Framework*, Washington, D.C., Jan. 2008, 1-12. Department of Homeland Security, *National Incident Management System*, Washington, D.C., December 2008, 45-62.

⁵³ Department of Defense, DoDI 6055.17, *DoD Installation Emergency Management Program*, Washington, D.C., Jan. 13, 2009, 2.

⁵⁴ *Ibid.*

Current Air Force guidance⁵⁵ puts the Air Force ahead of schedule for achieving full compliance with the Installation Emergency Management program. Reviews of the Air Force approach suggest possible best practices for consideration by other Services.

Recommendation 4.1

- Establish milestones for reaching full compliance with the Installation Emergency Management program.
- Assess the potential for accelerating the timeline for compliance with the Installation Emergency Management program.

Implementation of Enhanced 911

Finding 4.2

There is no DoD policy implementing public law for a 911 capability on DoD installations.⁵⁶ Failure to implement policy will deny the military community the same level of emergency response as those communities off base.

Discussion

Rapid communications, particularly major communication nodes such as 911 Dispatch Centers, are critical in an emergency response. Congress mandated Enhanced 911 services as the national standard but it has not been fully implemented by the Department of Defense.⁵⁷

Our review identified the following deficiencies:

- 911 is not the universal emergency assistance number on DoD installations
- Not all installations have enhanced 911 capability
- Some installations have 911 calls going on and off the installation to different dispatch centers depending upon what type of phone is used (e.g., cell phones, Defense Switching Network phones)

While no major 911 delays were identified in the Fort Hood After Action Review (AAR),⁵⁸ 911 calls from cell phones and family housing were routed through the Bell County Emergency Dispatch Center, which had to relay the information verbally to the Fort Hood Dispatch center. Fort Hood then dispatched first responders to the incident. Calls from on base⁵⁹ telephones went directly to the Fort Hood Dispatch Center. Since Fort Hood does not have Enhanced 911 capability, the caller's location and information was not available. Had callers from cell phones and family housing wanted to reach the Fort Hood Dispatch Center directly, they would have had to use a phone number other than 911.

⁵⁵ Department of the Air Force. AFI 10-2501, *Air Force Emergency Management Program Planning and Operations*. Washington, D.C., Apr. 6, 2009; Department of the Air Force. AF Manual 10-2504, *Air Force Incident Management for Major Accidents and Disasters*. Washington, D.C., Dec. 1, 2009; Department of the Air Force. AF Manual 10-2502, *Air Force Incident Management System Standards and Procedures*. Washington, D.C., Sep. 25, 2009.

⁵⁶ Public Law. 106-81, *Wireless Communications and Public Safety Act of 1999*. Washington, D.C., Oct. 26, 1999; Public Law. 108-494, *Enhance 911 Services*. Washington, D.C., Dec. 23, 2004.

⁵⁷ Public Law. 108-494, *Enhance 911 Services*. Washington, D.C., Dec. 23, 2004, Section 102 Findings, Section 102; The law incorporates state-of-the-art telecommunications capabilities to 911 systems.

⁵⁸ HQ III Corps and Fort Hood, *Fort Hood After Action Review*. Fort Hood, TX, November 5, 2009, Slide 22.

⁵⁹ For the purpose of this report we consider "on base" to mean calls made on Defense Switching Network (DSN). Calls from DSN go directly to the Fort Hood Department Emergency Services Dispatch.

Emergency Response and Mass Casualty

By having the Department of Defense implement Enhanced 911 services policy, dispatch centers would have access to vital information about a caller's location and identification in case the call is lost, or if the caller becomes incapacitated. This capability would also help reduce response times and increase coordination among all responders. Failure to implement policy will deny the military community the same level of emergency response as those communities off base.

Recommendation 4.2

Develop policy that provides implementation guidance for Enhanced 911 services in accordance with applicable laws.⁶⁰

Law Enforcement Practices—Active Shooter Threat

Finding 4.3

DoD policy does not currently take advantage of successful models for active shooter response for civilian and military law enforcement on DoD installations and facilities.

Discussion

This review identified tactics, techniques, and procedures that exist within the civilian community to respond to the active shooter scenario. An active shooter is generally described as an individual(s) actively engaged in killing people in a confined and populated area. Typically there is no pattern or method to their selection of victims.⁶¹ Unfortunately, no DoD policy exists for active shooter scenarios, and the Department of Defense has no established process to quickly adopt civilian law enforcement best practices.

Current active shooter response protocols came out of the Columbine tragedy, which transformed police procedures and tactics for dealing with shooting rampages. Prior to Columbine the tactic was to isolate and call in a special response team.⁶² After Columbine, police departments collectively developed new active shooter response protocols with the goal being to neutralize the threat immediately. The Fort Hood AAR⁶³ noted that the installation's Department of Emergency Services began training this new active shooter response protocol last year and during this incident the responding officers attributed their actions to this new training protocol.⁶⁴

Despite the absence of DoD guidance, the Services have included the active shooter protocol in their civilian police training.

⁶⁰ Public Law. 106-81, *Wireless Communications and Public Safety Act of 1999*, Washington, D.C., Oct. 26, 1999; Public Law. 108-494, *Enhance 911 Services*, Washington, D.C., Dec. 23, 2004.

⁶¹ Department of Homeland Security, *Active Shooter: How to Respond*, Washington, D.C., 2008, 7.

⁶² Marine Corps Police Academy, Lesson Plan 9.2, *Active Shooter*, October 2008, 8; Marine Corps Police Academy, Study Guide 9.2, *Active Shooter*, October 2008, 5.

⁶³ HQ III Corps and Fort Hood, *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slide 23.

⁶⁴ Police Officer Sgt. Kimberly Munley was trained through Advanced Law Enforcement Rapid Response Training (A.L.E.R.R.T.) which equips first responders with tactical skills and training on how to stop active shooters; Davis, Bianca, *First Responder: Officer who ended massacre trained by Texas State program*, Nov. 10, 2009, <http://star.txstate.edu/content/first-responder-officer-who-ended-massacre-trained-texas-state-program>, (accessed Dec. 10, 2009).

The Secretary of the Army is the Executive Agent charged with developing minimum training standards for civilian police and security guard training.⁶⁵ However, the current minimum standards do not include active shooter response protocols. Despite the absence of DoD guidance, the Services have included the active shooter protocol in their civilian police training.⁶⁶ It is not, however, included in the training for military law enforcement members.

The Air Force has included guidance on this particular topic in AFI 31-201, *Security Forces Standards and Procedures*.⁶⁷ In this instruction, the response to an active shooter threat is specifically addressed as a command responsibility, and requires that active shooter protocols be incorporated into installation plans. This is by far the most comprehensive direction in published Service policies, and could be considered a best practice.

While the Fort Hood AAR does not address the actions of the victims and other bystanders during the assault this is an area that requires examination. Typically, individuals involved in these situations have never considered how to react under these circumstances, including how to react when law enforcement officers arrive on the scene. There are a variety of training tools available that address employee responses during workplace violence situations. The Department of Homeland Security publishes a pamphlet which provides basic training and awareness of appropriate actions people can and should take during this type of threat.⁶⁸ The Department of Defense has no equivalent training tool. It could, however, be incorporated into an existing personal security training program such as that found in the Level 1 Antiterrorism Awareness annual training requirement.⁶⁹

Recommendation 4.3

- Identify and incorporate civilian law enforcement best practices, to include response to the active shooter threat, into training certifications for civilian police and security guards.
- Include military law enforcement in the development of minimum training standards to ensure standard law enforcement practices throughout the Department of Defense.
- Incorporate the Department of Homeland Security best practices regarding workplace violence and active shooter awareness training into existing personal security awareness training contained in current Level 1 Antiterrorism Awareness training.⁷⁰
- Develop a case study based on the Fort Hood incident to be used in installation commander development and on-scene commander response programs.

⁶⁵ Department of Defense, DoDI 5210.90, *Minimum Training, Certification, and Physical Fitness Standards for Civilian Police and Security Guards in the Department of Defense*, Washington, D.C., July 9, 2007; Department of Defense, Deputy Assistant Secretary of Defense Memorandum, *Designation of the Secretary of the Army as the DoD Executive Agent for Training, Certification, and Physical Fitness Standards for DoD Civilian Police Officers and Security Guards*, Washington, D.C., Jan. 4, 2006.

⁶⁶ In some instances it is identified in specific tactics, techniques, and procedures, such as the Navy's Law Enforcement And Physical Security For Navy Installations publication: Department of the Navy, NTTP 3-07.2.3, *Law Enforcement and Physical Security for Navy Installations*, Washington, D.C., June 2009, 5-4 – 5-7.

⁶⁷ Department of the Air Force, AFI 31-201, *Security Forces Standards and Procedures*, Washington, D.C., Mar. 30, 2009, 31; High Risk situations in Chapter 9 states "Security Forces must take immediate action to neutralize the threat." Further, it requires that "Installation plans...must address the use of Security Forces to isolate, contain, and neutralize a terrorist, active shooter, or hostage incident, with or without assistance."

⁶⁸ Department of Homeland Security, *Active Shooter: How to Respond*, Washington, D.C., 2008, 1-20.

⁶⁹ Department of Defense, DoDI 2000.16, *DoD Antiterrorism Standards*, Washington, D.C., Oct. 2, 2006.

⁷⁰ Ibid.

Emergency Response and Mass Casualty

Mass Warning and Notification

Finding 4.4

Based on Joint Staff Integrated Vulnerability Assessments, many DoD installations lack mass notification capabilities.

Discussion

DoD Instruction 6055.17 on Installation Emergency Management directs all installation commanders to “develop mass warning and notification capabilities with the ability to warn all personnel within 10 minutes of incident notification at the dispatch center.”⁷¹ *DoD Antiterrorism Standards* also require that mass notification systems be incorporated into emergency response planning.⁷² The specific standards, requirements, and applications for all mass notification systems are contained in the Unified Facilities Criteria.⁷³

At Fort Hood the emergency operations center effectively used their “Big Voice” system as part of their response protocol during the incident. As mentioned in the AAR:

*Soldiers were notified through loud speaker to return to their units for accountability and to advise the Post of the situation and to issue instructions. Use of the Big Voice prevented a lot of phone calls into the Emergency Operations Center for basic information.*⁷⁴

Big Voice (Giant Voice) has been the standard for mass notification on DoD installations. Today, a more comprehensive approach to mass warning using newer technologies is available, such as the Navy’s Wide Area Alert and Notification System. It includes Automatic Telephone Notification System and Computer Desktop Notification System capabilities.⁷⁵ These capabilities could be coupled with other personal computing devices such as PDAs, text messaging to cell phones, and social networking sites such as Twitter and Facebook. These new technologies have been put to use at numerous universities since the Virginia Tech mass shooting.⁷⁶

Recommendation 4.4

Examine the feasibility of advancing the procurement and deployment of state-of-the-art mass warning systems and incorporate these technologies into emergency response plans.

Common Operational Picture

Finding 4.5

Services have not widely deployed or integrated a Common Operational Picture capability into installation Emergency Operations Centers per DoD direction.⁷⁷

⁷¹ Department of Defense. DoDI 6055.17, *DoD Installation Emergency Management Program*, Washington, D.C., Jan. 13, 2009, 32.

⁷² Department of Defense. DoDI 2000.16, *DoD Antiterrorism Standards*, Washington, D.C., Oct. 2, 2006, 24.

⁷³ Unified Facilities Criteria 4-021-01, *Design and O&M: Mass Notification Systems*, Dec. 18, 2002.

⁷⁴ HQ III Corps and Fort Hood. *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slide 49.

⁷⁵ Department of the Navy. Draft CNIC Instruction 2000.XX, *CNIC Wide Area Alert Network*, Unpublished, Paragraph 5.0, System Operational Requirements.

⁷⁶ Robin Hattersly Gray, *Virginia Tech 1 Year Later: How Campuses Have Responded*, March/April 2008. <http://www.campusafety.com/articles/?ArticleID=157>, (accessed Dec. 8, 2009).

⁷⁷ Department of Defense. DoDI 6055.17, *DoD Installation Emergency Management Program*, Washington, D.C., Jan. 13, 2009, 31, 39.

Discussion

Information sharing and establishing a Common Operational Picture is vital to coordinating efforts of multiple emergency response agencies⁷⁸ and facilitates collaborative planning at all echelons to achieve situational awareness. A Common Operational Picture is “a single identical display of relevant information shared by more than one command.”⁷⁸ A Common Operational Picture provides a standardized, continuously updated, multiple-user capability to produce reports, mapping, imagery, and real time information sharing between multiple subscribers.

DoD guidance directs installations to have a well-defined communication plan with personnel engaged in emergency response, as well as with local first responders. This plan includes a Common Operational Picture and information management system to execute and support actions listed in the Installation Emergency Management Plan and to ensure interoperable communications with civil authorities.

While the Fort Hood AAR is correct in stating that “information sharing and establishing a Common Operational Picture is best conducted at Ops Center,”⁷⁹ installation personnel experienced challenges as they attempted to integrate multiple Emergency Operations Centers and establish a Common Operational Picture. At Fort Hood multiple reports of gun shots caused commanders to delay the release of children from the local day care center for six hours due to the lack of situational awareness and communication with on-post organizations.⁸⁰

As the Services deploy this capability, there are current technologies that have been adopted by emergency management organizations across the country such as WebEOC and E-Team. Services need to integrate their Common Operational Picture with technologies used by local community.

Recommendation 4.5

- Examine the feasibility of accelerating the deployment of a state-of-the-art Common Operational Picture to support Installation Emergency Operations Centers.
- Develop an operational approach that raises the Force Protection Condition in response to a scenario appropriately and returns to normal while considering both the nature of the threat and the implications for force recovery and healthcare readiness in the aftermath of the incident.

Synchronization of Emergency Management Policies and Programs

Finding 4.6

- Stakeholders in the DoD Installation Emergency Management program, including the Under Secretary of Defense for Policy; Under Secretary for Personnel and Readiness; Under Secretary of Defense for Intelligence; Under Secretary of Defense for Acquisition, Technology & Logistics; Assistant Secretary of Defense for Public Affairs; and Assistant Secretary of Defense for Networks and Information Integration/Chief Information Officer, have not yet synchronized their applicable programs, policies, processes, and procedures.

⁷⁸ Department of Defense, Joint Publication 1-02, *DoD Dictionary of Military and Associated Terms*, October 2009, 105.

⁷⁹ HQ III Corps and Fort Hood, *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slides 46, 48, 51.

⁸⁰ HQ III Corps and Fort Hood, *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slides 11, 65, 70, 74.

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- Better synchronization and coordination would remove redundant planning requirements, identify seams in policy, focus programmed resources, and streamline procedures to achieve unity of effort in installation emergency management.

Discussion

The Under Secretary of Defense for Acquisition, Technology & Logistics coordinates DoD programs, policies, processes, and procedures. Several policy documents require installations to develop emergency response and recovery plans related to mass casualty incidents (i.e., disaster plans, antiterrorism plans, emergency response Chemical, Biological, Radiological, Nuclear and Explosive (CBRNE) plans, mass disaster, or mass casualty response plans). These stove-piped requirements are embedded within Installation Emergency Management functional area policies such as: fire, antiterrorism, CBRNE, medical, religious support, and casualty affairs.⁸¹ If DoD guidance was better synchronized, these redundant planning requirements could be identified and consolidated. A good example of synchronizing Emergency Management guidance is the Assistant Secretary of Defense for Health Affairs policy for Public Health Emergency Management⁸² which requires installation medical treatment facility emergency plans to be integrated with the installation emergency management plan. Better coordination of policy and procedures in this way would lead to the Installation Emergency Management plan becoming the umbrella plan for emergency response and recovery, nesting within it functional area plans in a synchronized manner.

Recommendation 4.6

- Review responsibilities for synchronizing Office of the Secretary of Defense programs, policies, and procedures related to installation emergency management.
- Establish policy requiring internal synchronizing of installation programs, plans, and response for emergency management.

Mutual Aid Agreement

CONUS military installations and their surrounding civilian communities are increasingly interdependent.

Finding 4.7

Mutual Aid Agreements (MAAs) between DoD and civilian support agencies across the Services are not current.

Discussion

CONUS military installations and their surrounding civilian communities are increasingly interdependent. When an emergency or a disaster strikes, it is critical for both parties to rely on established relationships for mutual support. Coordination is normally formalized in mutual aid agreements to meet response requirements following a disaster.

⁸¹ Department of Defense. DoDI 6055.06, *DoD Fire and Emergency Services Program*, Washington, D.C., Dec. 21, 2006, 22; Department of Defense. DoDI 2000.16, *DoD Antiterrorism Standards*, Washington, D.C., Oct. 2, 2006, 17; Department of Defense. DoDI 2000.18, *DoD Installation CBRNE Response Guidelines*, Washington, D.C., Dec. 4, 2002, 14; Department of Defense. DoDI 1300.18, *DoD Personnel Casualty Matters, Policies and Procedures*, Washington, D.C., Jan. 8, 2008, 8; Department of Defense. DoDI 6055.17, *DoD Installation Emergency Management Program*, Washington, D.C., Jan. 13, 2009.

⁸² Department of Defense. Draft DoDI 6200.03, *Public Health Emergency Management Within the Department of Defense*, Washington, D.C., Unpublished.
²³ This policy requires a Medical Emergency Manager be appointed at each installation medical treatment facility to serve as the primary point of contact with the Installation Emergency Manager and ensure medical treatment facility emergency management plans are integrated and compliant with Installation Emergency Management program.

Within the medical function area, Department of Defense guidance⁸³ requires military treatment facilities to meet or exceed the accreditation standards of The Joint Commission (TJC)⁸⁴ and to comply with all related management programs.

Ample policy exists across the Department of Defense and Service levels regarding the need to develop and maintain MAAs.⁸⁵ Historically those agreements have not been maintained or exercised sufficiently. Functional areas, including fire, engineering, medical, and religious support have relied on MAAs to resolve resource gaps and share capabilities for daily operations and emergencies. To comply with TJC's accreditation standards, hospitals must incorporate robust emergency management planning and coordination. The 12 TJC Emergency Management standards, including 111 Elements of Performance require Medical Emergency Management Planning, coordination, and exercising with local agencies including installation as well as civilian stakeholders. In addition, DoD guidance requires all tenants to participate in Installation Emergency Management planning and all-hazards exercises.⁸⁶

Existing DoD and Service emergency management-related guidance recognizes the need for interagency coordination of agreements to resolve resource gaps that are identified during planning or real world events. Our review, however, found no overarching guidance regarding the maintenance, frequency of review, and tracking of MAAs. The exceptions are guidance for agreements to have legal review⁸⁷ and to be signed by a responsible official.⁸⁸

The Fort Hood experience highlighted that MAAs were in place, and were helpful in meeting the emergency response requirements. They had not, however, been tracked and were not exercised sufficiently to ensure currency and effectiveness. This resulted in delays in the installation obtaining information on patients taken to civilian hospitals.⁸⁹ Although liaison officers were deployed to assist in obtaining patient information, prior coordination and planning might have facilitated the free flow of information between the civilian hospitals and the installation. As mentioned in our earlier discussion of information sharing, restrictions on what constitutes releasable information under HIPAA and other guidelines further complicate matters in an emergency response scenario. Also, if the agreements had been included in exercises extending past immediate response into consequence management, the shortcoming in information sharing may have been identified.

The Fort Hood incident highlights the value of exercising and practicing response plans with local entities. Maintaining current MAAs and involving civilian hospitals in disaster plan response exercises could enhance the availability of information concerning military patients through military treatment

83 Department of Defense, DoDD 6025.13, *Medical Quality Assurance in the Military Health System*, Washington, D.C., May 4, 2004.

84 As of Jan. 1, 2007 the JCAHO changed its name to The Joint Commission. The Joint Commission, *A Journey Through the History of The Joint Commission*, http://www.jointcommission.org/aboutus/joint_commission_history.htm, (accessed Dec. 9, 2009).

85 Department of the Army, AR 525-27, *Army Emergency Management Program*, Washington, D.C., Dec. 4, 2008, 5; Department of the Navy, BUMED Instruction 3440.10, *Navy Medicine Force Health Protection Emergency Management Program*, Washington, D.C., Nov. 20, 2008, encl. 1, 26; Department of Defense, DoDI 6055.17, *DoD Installation Emergency Management Program*, Washington, D.C., Jan. 13, 2009; Department of Defense, DoDI 2000.18, *DoD Installation CBRNE Response Guidelines*, Washington, D.C., Dec. 4, 2002; Department of the Navy, OPNAV Instruction 3440.17, *Navy Installation Emergency Management Program*, Washington, D.C., July 22, 2005, 4; Department of the Air Force, AF Manual 32-4004, *Emergency Response Operations*, Washington, D.C., Dec. 1, 1995, 22; Department of the Navy, Draft MCO 3440.9, *Marine Corps Installation Emergency Management Program*, Washington, D.C., Unpublished, 3, 7; Department of the Air Force, AFI 32-2001, *Fire Emergency Services Program*, Washington,

86 Department of Defense, DoDI 6055.17, *Installation Emergency Management Program* Washington, D.C., Jan. 13, 2009.

87 Department of Defense, DoDI 2000.18, *DoD Installation CBRNE Response Guidelines*, Washington, D.C., Dec. 4, 2002; Department of the Army, AR 600-20, *Army Command Policy*, Washington, D.C., Mar. 18, 2008.

88 Department of Defense, DoDI 2000.18, *DoD Installation CBRNE Response Guidelines*, Washington, D.C., Dec. 4, 2002.

89 HQ III Corps and Fort Hood, *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slides 35, 38.

Emergency Response and Mass Casualty

The Fort Hood incident highlights the importance of extending exercises beyond the immediate response to consequence management to include local agencies.

facilities to commanders. Currently, most exercises are not resourced to extend the scenario beyond hospital emergency departments, leaving gaps in inter-hospital administration process coordination. The Fort Hood incident highlights the importance of extending exercises beyond the immediate response to consequence management to include local agencies.

Recommendation 4.7

Review Installation Emergency Management programs to ensure correct guidance on integrating tracking, exercising, and inspections of MAAs.

Emergency Family Assistance

Finding 4.8

The Department of Defense has not produced guidance to develop family assistance plans for mass casualty and crisis response. As a result, Service-level planning lacks consistency and specificity, which leads to variation in the delivery of victim and family care.

Discussion

Following the September 11, 2001, attacks, the Department of Defense established a joint military Services Pentagon Family Assistance Center. The Pentagon Family Assistance Center AAR cited a lack of DoD policy guidance for victim and family support services plans.⁹⁰ These plans, as part of the overall emergency response, would have improved communication and coordination and reduced the response time to organize operations during the aftermath of September 11. The Pentagon AAR identified a requirement for synchronizing and coordinating the following 13 functional areas: administration, casualty and mortuary assistance, child care, command and control, communications and information technology, community outreach (i.e., medical, mental health, chaplain), donations management, legal assistance, logistics and operational support, public affairs, resource management, security, and staff and volunteer management.⁹¹

Our review of DoD publications revealed that the lessons from the terrorist attacks in 2001 resulted in sufficient policy guidance for implementing day-to-day family support programs and baseline family support services. However, this guidance has not been updated nor does it clearly delineate a specific structure for how these services come together and integrate in support of a crisis or mass casualty incident.⁹²

The Services have policies that guide family assistance and support services.⁹³ A review of these policies noted they do not consistently differentiate between services offered routinely and those required in

⁹⁰ Department of Defense. *Pentagon Family Assistance Center After Action Report*. Washington, D.C., March 2003.

⁹¹ *Ibid.*

⁹² Department of Defense. DoDD 1342.17, *Family Policy*. Washington, D.C., Nov. 21, 2003, 1-6; Department of Defense. DoDI 1342.22, *Family Centers*. Washington, D.C., Dec. 30, 1992, 7-8.

⁹³ Department of the Army. AR 608-1, *Army Community Services Center*. Washington, D.C., Sept. 19, 2007, Chapter 4-1, 9, Chapter 4-2, 9-10, Chapter 4-4, 10; Department of the Navy. OPNAV Instruction 1754.1B, *Fleet and Family Support Center Program*. Washington, D.C., Nov. 5, 2007, 8; Department of the Navy. MCO P1700.24B, *Marine Corps Personal Services Manual*. Washington, D.C., Dec. 27, 2001, 2-3; Department of the Air Force. AFI 36-3009, *Airman and Family Readiness Centers*. Washington, D.C., Jan. 18, 2008, 1-17.

response to a crisis or mass casualty incident. The exception is the Air Force which incorporated the Pentagon AAR recommendations into its policy. This policy and the companion “Tool Kit” specify unique mission responsibilities and resourcing requirements needed to integrate victim and family services in response to the full spectrum of crises or catastrophic events.⁹⁴

The Services did not consistently implement the guidance from the Pentagon AAR recommendations. The Fort Hood AAR again identified the need for planning for emergency family assistance.⁹⁵ This AAR cited instances related to family service and support functions that would have been improved with prior planning, to include donation management, family reception, escort functions, chaplain support, and casualty assistance.⁹⁶ As part of the installation’s response to the tragic events in November, leaders developed the Fort Hood Behavioral Health Campaign Plan that offers a framework for providing physical, emotional, and spiritual care to those affected by a mass casualty or disaster event.⁹⁷ The three core elements identified in the Campaign Plan are among the 13 identified in the Pentagon AAR.

Recommendation 4.8

- Develop guidance incorporating the core service elements of a Family Assistance Center as identified in the Pentagon AAR.
- Develop implementation guidance to establish requirements for a Family Assistance Center crisis and mass casualty response as integral components of Installation Emergency Management plans.
- Consider the Air Force’s Emergency Family Assistance Control Center and the Fort Hood Behavioral Health Campaign Plan as possible best practices when developing policy.

Religious Support Integration

Finding 4.9

The lack of published guidance for religious support in mass casualty incidents hampers integration of religious support to installation emergency management plans.

Discussion

Our review of DoD guidance found no instructions that address religious support planning and integration requirements in response to a mass casualty incident. This results in inconsistencies in Service policies on integrating religious support into emergency management, and could lead to inadequate planning and coordination for religious support resources.

Service policies regarding religious support differs among the Services. In the Navy and Marine Corps, the integration of religious support in a mass casualty incident is a base and installation decision. The Marine Corps has a publication that provides crisis ministry guidance.⁹⁸ Other than the Army Medical

⁹⁴ Airman and Family Readiness Center. *Emergency Family Assistance Control Center Tool Kit*, May 2007.

⁹⁵ HQ III Corps and Fort Hood. *Fort Hood After Action Review*, Fort Hood, TX, Nov. 5, 2009, Slides 81-89.

⁹⁶ *Fort Hood After Action Review*; Presentation at Fort Hood, TX, Dec. 8, 2009, Slides 81-89.

⁹⁷ HQ III Corps and Fort Hood. *Fort Hood Behavioral Health Campaign 09-11-665*, Fort Hood, TX, Dec. 7, 2009.

⁹⁸ U.S. Marine Corps. MCRP 6-12A. *Religious Ministry Team Handbook*. Quantico, VA, May 16, 2003, 5-1, 5-9.

Emergency Response and Mass Casualty

Command's regional Special Medical Augmentation Response Teams,⁹⁹ which includes religious support specialists who provide religious support during mass casualty and crisis incidents, there is no overarching Army guidance. Lastly, Air Force instructions¹⁰⁰ designate the chaplain as a formal member of the installation emergency management planning team, the Critical Incident Stress Management Team, the Disaster Response Force,¹⁰¹ and the Disaster Response Team.¹⁰² The Air Force guidance may be a best practice for consideration in developing DoD policy.

Inconsistencies in DoD policy and Service guidance were illustrated during the Fort Hood incident. When the incident began, the Installation Chaplain was not contacted immediately.¹⁰³ As a result, there was a delay in the Chaplain's response to the immediate needs of victims and responders.

Recommendation 4.9

- Consider modifying DoD and Service programs designed to promote, maintain, or restore health and well-being to offer each person the services of a chaplain or religious ministry professional.
- Develop policy for religious support in response to mass casualty incidents and integrate guidance with the Installation Emergency Management Program.

Finding 4.10

Inconsistencies among Service entry level chaplain training programs can result in inadequate preparation of new chaplains to provide religious support during a mass casualty incident.

Discussion

The Services train chaplains in emergency and mass casualty response. However, they provide this training at different times.

The Navy's Chaplain Basic Course provides no formal training in religious support to mass casualty incidents, but upon arrival at their first Navy or Marine Corps duty station, Navy chaplains receive formal instruction in accordance with base or ship emergency management plans.

Air Force chaplains receive mass casualty familiarization training at their Basic Course and then receive more detailed mass casualty training and participate in Major Accident Response Exercises upon arriving at their first duty station.

The Army Chaplain Basic Course includes comprehensive training for religious support during mass casualty incidents. This instructional program is a possible best practice for other Services to consider.

⁹⁹ A current Army manual provides for pastoral care to the sick or wounded; speaks to religious support in the context of Defense Support to Civilian (DSCA) authority; establishes UMTs as members of interdisciplinary case management teams and hospital committees; and expresses what UMTs do in the MASCAL and trauma response realm; Department of the Army, FM 1-05, *Religious Support*, Washington, D.C., Apr. 18, 2003, 2-10.

¹⁰⁰ Department of the Air Force, AFI 34-1101, *Assistance of Survivors of Persons Killed in Air Force Aviation Mishaps and Other Incidents*, Washington, D.C., Oct. 1, 2001, 20; *Air Force Emergency Management Program Planning and Operations*, 128-129, 145.

¹⁰¹ Department of the Air Force, AFI 34-1101, *Assistance of Survivors of Persons Killed in Air Force Aviation Mishaps and Other Incidents*, Washington, D.C., Oct. 1, 2001, 20.

¹⁰² Department of the Air Force, AFI 52-104, *Chaplain Services Readiness*, Washington, D.C., Apr. 26, 2006, 74-75.

¹⁰³ Installation Chaplain's presentation at Fort Hood, TX, Dec. 8, 2009.

The Army also conducts an Emergency Medical Ministry Course that is open to Religious Support Teams from all Services to enhance counseling and care skills for traumatic situations.¹⁰⁴

The Fort Hood Installation Chaplain noted that three new chaplains performed exceptionally well during the November 5, 2009, mass casualty, and he credited their success to the training they received at the Chaplain Basic Course.¹⁰⁵

Recommendation 4.10

Review mass casualty incident response training in the Chaplain Basic Officer Courses.

Memorial Service Support

Finding 4.11

The Department of Defense has not yet published guidance regarding installation or unit memorial service entitlements based on the new Congressional authorization to ensure uniform application throughout the Department.

Discussion

Congress established a new entitlement that authorizes travel and transportation to specific family members to attend a memorial service in honor of a deceased service member.¹⁰⁶ To implement these new entitlements DoD guidance is necessary to ensure that they are consistently applied across the Services. Commanders must understand which family members are entitled to funded travel, the time allowed for travel, and any restrictions that may apply. In joint basing, consistent application will be significant when considering the likelihood that members of different Services could become fatalities in the same event.

The Fort Hood incident highlighted the need for this policy. In an effort to support the families of the fallen, the Army requested travel entitlements based on the recent Congressional authorization. Since implementing guidance had not been published, the Army obtained DoD authorization for government funded travel for eligible family members to attend the Fort Hood Memorial Ceremony.

Recommendation 4.11

Develop standardized policy guidance on memorial service entitlements.

¹⁰⁴ The Emergency Medical Ministry Course is a two-week, intensive course suitable for all Service Religious Support Teams.

¹⁰⁵ Presentation at Fort Hood, TX, Dec. 8, 2009.

¹⁰⁶ National Defense Authorization Act for FY 2010, Public Law 111-84, Section 631, *Travel and Transportation for Survivors of Deceased Members of the Uniformed Services to Attend Memorial Services*, Washington, D.C., Oct. 30, 2009.

Emergency Response and Mass Casualty

Private Citizens with No DoD Affiliation

Finding 4.12

- DoD casualty affairs policy,¹⁰⁷ Federal law,¹⁰⁸ and DoD mortuary affairs guidance¹⁰⁹ do not exist regarding injury or death of a private citizen with no DoD affiliation on a military installation within CONUS.
- There is no prescribed process to identify lead agencies for casualty notification and assistance or to provide care for the deceased, resulting in each case being handled in an ad-hoc manner.

Discussion

At Fort Hood, one of the fatalities was a DoD contract employee. Upon review, it became apparent that the death of a private citizen in these circumstances would have presented a situation without clear guidance as to notification policy and the provision of casualty assistance. This review expanded this incident to include all private citizens who frequent military installations.

Our review of DoD and service casualty policies revealed no guidance, at any level, that was sufficient to address the full range of issues pertaining to private citizens who become casualties on a CONUS military installation.¹¹⁰ In the area of DoD and Service mortuary affairs policies, this review revealed a similar absence of guidance regarding mortuary entitlements and services.¹¹¹

Recommendation 4.12

- Review current policies regarding casualty reporting and assistance to the survivors of a private citizen with no DoD affiliation, who is injured or dies on a military installation within CONUS.
- Review current mortuary affairs policies relating to mortuary services for private citizens who become fatalities on a military installation within CONUS.

¹⁰⁷ Department of Defense, DoDD 1300.18, *Department of Defense (DoD) Personnel Casualty Matters, Policies, and Procedures*, Aug. 14, 2009, 1-62.

¹⁰⁸ Federal Law, Title 5, United States Code, Section 5742, *Transportation of Remains, Dependents and Effects; Death Accruing Away From Installation or Abroad*, Washington, D.C., Jan. 5, 2009.

¹⁰⁹ Department of Defense, DoDD 1300.22, *Mortuary Affairs Policy*, Feb. 3, 2000, 1-10.

¹¹⁰ Department of Defense, DoDD 1300.18, *Department of Defense (DoD) Personnel Casualty Matters, Policies, and Procedures*, Aug. 14, 2009, 13-15; Department of the Army, AR 600-8-1, *Army Casualty Program*, Washington, D.C., Apr. 30, 2007, 3-11; Department of the Navy, MCO P3040.4E, *Marine Corps Casualty Procedures Manual*, Washington, D.C., Feb. 27, 2003, 3-11; Department of the Navy, MILSPERSMAN 1770, *Casualties and Survivor's Benefits*, Washington, D.C., Feb. 13, 2008, 1-19; Department of the Air Force, AFI 36-3002, *Casualty Service*, Washington, D.C., July 25, 2007, 31-66.

¹¹¹ Department of Defense, DoDD 1300.22, *Mortuary Affairs Policy*, Feb. 3, 2000, 2, 5; Department of the Army, AR 638-2, *Care and Disposition of Remains and Disposition of Personal Effects*, Washington, D.C., Dec. 22, 2000, 12-24; Department of the Air Force, AFI 34-242, *Mortuary Affairs Program*, Washington, D.C., Apr. 2, 2008, 48-56; DoD Decedent Affairs Manual, *Decedent Affairs Program*, Washington, D.C., Sept. 17, 1987, 2-1, 2-21.

Chapter 5

Support to DoD Healthcare Providers

Our healthcare providers play an important role as force multipliers, keeping our fighting force physically and mentally fit. How we handle military mental health affects operational readiness. Our caregivers are not immune to the cumulative psychological effects of persistent conflict. They serve alongside our combat forces where they provide quality care that is second-to-none. They experience, share, and help our troops cope with the fears, grief, and concerns that accompany war against dangerous, tough, and elusive enemies. They often do not avail themselves of access to support resources similar to those that they provide to our fighting forces. Our review suggests that a culture exists in which military healthcare providers are encouraged to deny their own physical, psychological, and social needs to provide the necessary support to beneficiaries. Supporting and sustaining those who care for our forces translates to a healthy workplace, a culture of trust and respect, and caregivers who are invigorated rather than depleted by their intimate professional connections with traumatized patients.

The Department of Defense requires a comprehensive approach to ensure health care readiness—care for both warriors and caregivers.

The Department of Defense requires a comprehensive approach to ensure healthcare readiness—care for both warriors and caregivers. The Department of Defense should consider policies, procedures, and properly resourced programs to preserve our capabilities in this important combat service support area that include:

- leading the health provider force—by providing the senior mentoring and leadership necessary to groom tomorrow’s caregivers and establishing proper oversight to provide early warning of both patients and caregivers who may be dangers to themselves and others;
- maintaining the health provider force—by addressing health professionals’ readiness, ensuring we retain quality health providers, and developing deployment cycles that allow us to sustain the caregiver force just as we do for our combat and combat support forces;
- resourcing the health provider force—by increasing opportunities for the care and recovery of DoD healthcare providers.

For the purposes of this review, caregivers include healthcare providers and healthcare professionals as defined by the Department of Defense.¹¹² This group is further augmented with chaplains, medics, corpsmen, and counselors, whether deployed or in garrison.

Mental Health Care Support

Finding 5.1

- DoD installations are not consistent in adequately planning for mental health support for domestic mass casualty incidents to meet needs of victims and families.
- At Fort Hood, advanced treatment protocols developed at our universities and centers were not available to the commander prior to the incident.
- Fort Hood developed a Behavioral Health plan¹¹³ that incorporated current practices including a “whole of community” approach, and a strategy for long-term behavioral healthcare not reflected in any DoD policy.

¹¹² Department of Defense. DoD Manual 6015.1-M, *Glossary of Healthcare Terminology*, January 1999, 75-76.

¹¹³ Campaign Plan PC-09-11-655, *Fort Hood Behavioral Health Campaign Plan*, Dec. 7, 2009, 1-2.

Discussion

Current Department of Defense medical policy regarding combat stress does not address traumatic stress response in a domestic mass casualty incident.¹¹⁴ There are emerging advanced treatment techniques for traumatic stress that should inform DoD policies.

Several DoD programs and initiatives are working to optimize mental healthcare. The most advanced DoD programs or initiatives include the Uniformed Services University of Health Sciences' Center for the Study of Traumatic Stress,¹¹⁵ the Department of Defense Task Force on Mental Health, and the Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury.¹¹⁶

These programs have developed:

- A series of pamphlets entitled "Courage To Care," to inform both patients and providers on a range of disaster mental health concerns.¹¹⁷
- A standardized provider training curriculum for treating post traumatic stress disorder.¹¹⁸
- Validated practice standards for treating psychological disorders to ensure the Department of Defense meets the needs of the nation's military communities, warriors, and families.¹¹⁹
- A series of preventive programs to mitigate development of psychological disorders in the aftermath of disasters.

Although the Department of Defense has not consistently incorporated these best practices into policy, a review of Service policies identified that current practices are reflected in an Air Force Instruction that provides a comprehensive, proactive approach to traumatic stress response.¹²⁰

Recommendation 5.1

- Update Mental Health Care clinical practice guidelines that address both combat and domestic incidents to ensure current and consistent preventive care.
- Review best practices inside and outside the Department of Defense to develop policies, programs, process, and procedures to provide commanders tools required to protect the force in the aftermath of combat or mass casualty incidents.
- Consider the Air Force Instruction and the Fort Hood Behavioral Health Campaign Plan as possible sources for developing appropriate guidance.¹²¹

¹¹⁴ Department of Defense. DoDD 6490.5, *Combat Stress Control Programs*, Washington, D.C., Nov. 24, 2003, 1-9.

¹¹⁵ Uniformed Services University of the Health Services, *Department of Psychiatry*, <http://www.usuhs.mil/psy/psychfellowships.html>, (accessed Dec 10, 2009).

¹¹⁶ Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury, *For Health Professionals*, <http://www.dcoe.health.mil/ForHealthPros.aspx>, (accessed Dec. 10, 2009).

¹¹⁷ Uniformed Services University of the Health Sciences. *Courage to Care, Adherence: Addressing a Range of Patient Health Behaviors*, Bethesda, MD; Uniformed Services University of the Health Sciences. *Courage to Care, Staying the Course: Following Medical Recommendations for Health*, Bethesda, MD.

¹¹⁸ Uniformed Services University of the Health Sciences. "USU Newsletter: Addressing the Psychological Health of Warriors," Aug. 4, 2008, 3.

¹¹⁹ Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury, *For Health Professionals*, <http://www.dcoe.health.mil/forHealthPros.aspx>, (accessed Dec. 8, 2009).

¹²⁰ Department of the Air Force. AFI 44-153, *Traumatic Stress Response*, Washington, D.C., Mar. 31, 2006, 1-17.

¹²¹ Department of the Air Force. AFI 44-153, *Traumatic Stress Response*, Washington, D.C., Mar. 31, 2006, 1-17; Campaign Plan PC 09-11-665, *Fort Hood Behavioral Health Campaign Plan*, Dec. 7, 2009, 1-17.

Support to DoD Healthcare Providers

Finding 5.2

- The Department of Defense does not have comprehensive policies that recognize, define, integrate, and synchronize monitoring and intervention efforts to assess and build healthcare provider readiness.
- The Department of Defense does not have readiness sustainment models, with requisite resources, for the health provider force that are similar to readiness sustainment models for combat and combat support forces.
- The demand for support from caregivers in general, and from mental healthcare providers in particular, is increasing and appears likely to continue to increase due to the stress on military personnel and their families from our high operational tempo and repeated assignments in combat areas.

Discussion

The Services have a variety of policies, programs, and specific course content that present concepts on readiness and resilience as it applies to all Service members. Our review of Service policies, information papers, and individual interviews revealed that the emerging resiliency programs are currently described in various documents, but are not yet integrated across Service Doctrine.

Our review revealed that the Department of Defense currently does not endorse a program encompassing all of the desired attributes of a healthcare provider readiness strategy.

Our review revealed that the Department of Defense currently does not endorse a program encompassing all of the desired attributes of a healthcare provider readiness strategy. As the Army and Navy continue to implement their programs, they are using a validated tool to assess effectiveness. This is a step in the right direction. These Services recognize that addressing readiness levels may improve the retention of critically skilled personnel.¹²² For those agencies using a monitoring tool, however, little actionable feedback is being provided to leaders to affect program development and sustainment. The use of a common tool would assist interagency and civilian

intervention benchmarking, further extending program capability and effectiveness.

There are evolving collaborations between DoD entities and civilian organizations to support healthcare providers. Our review suggests that it continues to be difficult for commanders at local levels to establish formal collaboration on readiness programs due to resource and contracting barriers. Research on the field of secondary trauma suggests that preventive programs designed to provide comprehensive support to enhance resilience and reduce fatigue in behavioral health employees treating mental health problems (e.g., Post Traumatic Stress Disorder) among service personnel are critical. Civilian programs that build on the already strong tradition of buddy systems in the military are particularly valuable.¹²³

¹²² Interview with Coordinator of Mental Health Wellness Programs, Navy Bureau of Medicine and Surgery, Washington, D.C., Dec 10, 2009.

¹²³ Dr. Charlie Benight, University of Colorado at Colorado Springs, National Center for Provider Resilience, *SupportNet Program for Frontline Providers for Traumatic Stress*, Washington, D.C., Dec. 7, 2009.

Recommendation 5.2

Create a body of policies that:

- recognizes, defines, and synchronizes efforts to support and measure healthcare provider readiness in garrison and deployed settings;
- addresses individual assessment, fatigue prevention, non-retribution, and reduced stigma for those seeking care, and appropriate procedures for supporting clinical practice during healthcare provider recovery;
- requires DoD and Uniformed Services University of Health Sciences curricula, training materials, and personnel performance management systems to incorporate healthcare provider self-care skills and readiness concepts;
- develop mechanisms for collaborating with civilian resiliency resources.

Finding 5.3

The lack of a readiness sustainment model for the health provider force, the unique stressors that healthcare providers experience, and the increasing demand for support combine to undermine force readiness—care for both warriors and healthcare providers.

Discussion

Healthcare providers experience the transmission of traumatic stress from one individual to another. The Department of Defense Task Force on Mental Health Report noted the importance of enhancing the resiliency and recovery of combatants due to the emotional pathologies of combat.¹²⁴ The Services have robust programs for pre- and post-deployment care for their members, but some have only recently initiated similar programs for healthcare providers.¹²⁵ It is equally important to enhance the resiliency and recovery of care providers.¹²⁶ These programs should be fully integrated, with lessons learned and best practices. The Services appear to have insufficient data to assess traumatic stress and healthcare provider burnout, critical elements in assessing stress control programs for the force. Programs for chaplains and others who support the religious ministry are notable for their comprehensive scope and effectiveness.

Despite the efforts of the Services, there is ongoing hesitancy among healthcare providers to seek treatment when they experience stress related to their roles as care providers. The professional ethic favors placing patient and organizational needs above personal health and emotional concerns.

Our healthcare readiness approach should balance the needs of patients with the needs of the providers. An example of a well-intentioned program that may have unintended consequences for our healthcare providers is the Army's requirement for specific caregivers assigned to deployed Brigade Combat Teams to remain in their currently assigned Brigade Combat Teams for a minimum of 90 days after return from deployment. While providing continuity of care for returning soldiers, this may delay care provider recovery.¹²⁷

¹²⁴ VADM Donald C. Arthur, USN, Shelley MacDermid, and LTG Kevin C. Kiley, USA, Washington, D.C., 2007.

¹²⁵ Department of the Navy, Draft, 091104, *Combat and Operational Stress Control*, Washington, D.C., unpublished; LTC Steve Lewis, PhD, USA, Briefing to Chief of Staff of the Army, *MEDCOM Provider Resiliency Training (PRT) Program*, Dec 7, 2009.

¹²⁶ Ibid.

¹²⁷ ALARACT 214/2009, *Stop Loss and Deployment Policy Updates*, Aug. 4, 2009, 1-5.

Support to DoD Healthcare Providers

Demand for healthcare support continues to increase. With high operational tempo and repeat tours in combat areas, the need for healthcare support will not level, much less diminish, in the foreseeable future. The superb care our military personnel and their families have received will be increasingly at risk if issues identified in this report are not resolved quickly in an integrated, comprehensive manner.

Recommendation 5.3

- Develop integrated policies, processes, procedures, and properly resourced programs to sustain high quality care.
- Develop a deployment model that provides recovery and sustainment for healthcare providers comparable to that provided to the combat and combat support components of the force.
- Review the requirement for the Department of Defense to de-stigmatize healthcare providers who seek treatment for stress.

Finding 5.4

Senior caregivers are not consistently functioning as clinical peers and mentors to junior caregivers.

Discussion

Providing strong mentor relationships among healthcare providers and retaining experienced senior expertise at the clinical level are vital elements in providing quality healthcare. Current Service career patterns, with some recent innovative efforts as important exceptions, move senior clinicians away from patient care to career-enhancing leadership positions. This leaves junior clinicians and support staff without the assistance of seasoned clinicians. This limited daily interaction with clinically- and militarily-experienced mentors can hamper force development. The Army and the Navy have demonstrated a commitment to keep highly-trained academic physicians in the Medical Treatment Facilities for prolonged tours. The Air Force has developed an O-6 Senior Clinician Billet program to place senior physicians back in full-time clinical practice to serve as mentors and to share clinical expertise. These experienced providers serve as reassuring role models and advisors to less experienced coworkers.¹²⁸

The retention of experienced clinicians in the Services is a concern. While addressing the retention issue is beyond the scope of this inquiry, it should be noted that dissatisfaction with healthcare provider support can be identified as a negative influence on career longevity. For example, data from the recent Air Force Medical Corps Exit Survey (while not fully representative or generalized) identifies clinical, deployment, and administrative demands placed on physicians as common influences on decisions to separate from the Air Force Medical Service.¹²⁹ As previously addressed, these demands may affect the Services' abilities to integrate incentives to support provider readiness. The downward trajectory continues when providers are surrounded by teammates whose focus is on exiting the Service.

Recommendation 5.4

Review Senior Medical Corps Officer requirements to determine optimal roles, utilization, and assignments.

¹²⁸ Col Arynce Pock, USAF, AF/SG1, "Position Description: O-6 Clinician," Dec. 14, 2009.

¹²⁹ Col Arynce Pock, USAF, AF/SG 1M, email to Lt Col Janice Langen, USAF, Dec. 16, 2009.

Appendix A

Memorandum and Terms Of Reference



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

NOV 20 2009

MEMORANDUM FOR THE HONORABLE TOGO WEST
ADMIRAL VERN CLARK, U.S. NAVY (RET.)

SUBJECT: Independent Panel for Department of Defense Review Related to Fort Hood

Thank you for agreeing to serve as Co-Chairs for DoD's Independent Review related to Fort Hood. In this capacity, I ask that you conduct the Review to identify and address possible gaps and/or deficiencies in the DoD's programs, processes, and procedures related to identifying DoD employees who could potentially pose credible threats to themselves or others; the sufficiency of DoD's force protection programs; and the sufficiency of the DoD's emergency response to mass casualty situations at DoD facilities and the response to care for victims and Families in the aftermath of a mass casualty situation. Also, you are to assess the execution and adequacy of Army programs, policies, and procedures as applied to the alleged perpetrator.

The President has directed a review of intelligence matters related to the Fort Hood shooting, and a military justice investigation is underway. It is critical to maintain the integrity of these investigations. Therefore, your review should not interfere with either of these activities. It is also important to state that nothing herein should be interpreted as expressing any view on the culpability of any individual for the events of November 5, 2009.

The prime objective of this Review is to determine whether there are programs, policies or procedural weaknesses within DoD that create vulnerabilities to the health and safety of our employees and their families. Your terms of reference are attached.

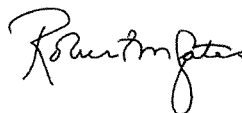
I appoint you as full-time employees of DoD using the applicable authorities available to me. You are to have access to all relevant DoD investigations and other DoD information unless prohibited by law or this memorandum. Reviewing all written materials relevant to these issues may be sufficient to allow you to provide your independent advice. Should you identify the need to travel or conduct interviews, the Acting Director of Administration and Management will make appropriate arrangements.

You are to begin the Review on November 20, 2009, with a report, including findings and recommendations, provided to me by January 15, 2010. You may identify follow-on issues which may require further study. At the conclusion of this Review, the Secretary of Defense will task each Service and pertinent DoD agencies to conduct an in-depth follow-on review, based on the findings of the report.



By copy of this memorandum, I request that the Acting Director of Administration and Management secure the necessary technical, administrative, and legal support for your review from DoD Components. Furthermore, the Acting Director of Administration and Management will provide administrative, facilities, and other support, as required.

Lastly, all DoD Components will fully cooperate in the execution of this Review and be responsive to all requests for relevant information, detailed personnel, or other support so that the Review Panel may deliver its independent findings and recommendations to me not later than January 15, 2010.



Attachment(s):
As stated

cc:
Secretaries of the Military Departments
Chairman of the Joint Chiefs of Staff
Under Secretaries of Defense
Assistant Secretaries of Defense
General Counsel of the Department of Defense
Inspector General of the Department of Defense
Acting Director of Administration and Management

Appendix A

Memorandum and Terms of Reference

TERMS OF REFERENCE

Department of Defense (DoD) Independent Review Relating to Fort Hood

These Terms of Reference (TOR) cover the objectives of the Secretary of Defense-directed a DoD Independent Review relating to Fort Hood (hereafter referred to as “the Review”) related to the November 5, 2009 mass shooting at Fort Hood, Texas. The Review will identify and address possible gaps and/or deficiencies in the DoD’s programs, processes, and procedures related to identifying Department employees who could potentially pose credible threats to themselves or others; the sufficiency of DoD’s force protection programs; and the sufficiency of the DoD’s emergency response to mass casualty situations at DoD facilities and the response to care for victims and Families in the aftermath of a mass casualty situation.; and assess the execution and adequacy of Army programs, policies, and procedures as applied to the alleged perpetrator.

The prime objective of this Review is to determine whether there are programs, policies or procedural weaknesses within DoD that create vulnerabilities to the health and safety of our employees and their families.

The TOR includes background information, objectives and scope, methodology, duration and limitations and deliverables.

Background:

The shooting that occurred on November 5, 2009, at the Soldier Readiness Center of Fort Hood Texas, resulted in the deaths of 12 soldiers and one Army civilian. Thirty others with gunshot wounds were hospitalized.

The President has directed a review of intelligence matters related to the Fort Hood shooting, and a military justice investigation is underway. It is critical to maintain the integrity of these investigations. Therefore, this review should not interfere with either of these activities. It is also important to state that nothing herein should be interpreted as expressing any view on the culpability of any individual for the events of November 5, 2009.

Objectives and Scope:

The Review will identify and address possible gaps and deficiencies in the areas reflected below:

- Programs, processes and procedures related to identifying Department employees who could potentially pose credible threats to others. This includes, but is not limited to:
 - Personal reliability programs;
 - Periodic counseling sessions;

- Reporting and handling of Department employees adverse information procedures;
 - Service Member release and discharge policies and procedures;
 - Medical screening programs to determine
 - Initial suitability prior to specialization
 - Follow-on/ongoing screening once an individual has been selected;
 - Pre and post-deployment health assessment programs.
 - Personnel evaluations.
- Sufficiency of DoD's force protection programs.
 - Sufficiency of the DoD's emergency response to mass casualty situations at DoD facilities and the response to care for victims and Families in the aftermath of a mass casualty situation.
 - Assess the execution and adequacy of Army programs, policies, and procedures as applied to the alleged perpetrator.
 - Assess whether Army and other programs, policies, and procedures functioned properly across the alleged perpetrator's career as a military health care provider, to retain and promote him in the Army Medical Corps.
 - Assess whether Army programs, policies, and procedures governing the release or discharge from the Army of personnel determined not to be fully qualified, or to be unsuitable for, continued military service (without regard to whether the individual is subject to a continuing service obligation), functioned appropriately as applied to the alleged perpetrator.
 - Assess the adequacy of Army programs, policies, and procedures for the support and care of health care providers while involved with the provision of health care directly to beneficiaries suffering from Post Traumatic Stress Disorder or other mental and emotional wounds and injuries.
 - Assess whether the care provided by the alleged perpetrator to patients and former patients met accepted standards.

Methodology:

- Review all DoD directives, instructions, and other issuances with potential impact on subject review.

Appendix A

Memorandum and Terms Of Reference

- Conduct interviews as necessary with appropriate senior officials (health affairs, law enforcement and force protection, first responders, intelligence), peer and subordinate groups, witnesses, and other pertinent individuals.
- Formulate recommendations for correcting problems identified and enhancing internal controls to preclude future incidents/mitigate associated risk.

Duration:

The Review will begin on November 20, 2009. A report with findings and recommendations will be provided to the Secretary of Defense by January 15, 2010. At the conclusion of this Review, the Secretary of Defense will task each Service and pertinent DoD agencies to conduct an in-depth follow-on review, based on the findings of the report. Follow-on issues may be identified during the course of the initial review and pursued, subject to approval.

Deliverables:

- The Independent Review Panel will provide a report to the Secretary of Defense by January 15, 2010 that addresses the areas discussed above.
- The Review will provide actionable recommendations to improve current programs, process and procedures, if warranted.

Support:

- The Under Secretary of Defense (Comptroller)/Chief Financial Officer will provide adequate funding for the Review.
- The Acting DA&M, through Washington Headquarters Services, will coordinate for and provide human resources, office/facilities, and other support, as required, to ensure success of this effort.
- The Review will be able to draw upon the full support of the Military Departments and other DoD Components for support, personnel, information (including but not limited to documents and interviews personnel), and analytical and investigative capacity as determined necessary by the Co-Chairs.

Appendix B Panel Roster

Executive Director

Col David Krumm, USAF

Director of Staff

Lt Col Donna Turner, USAF

Panel Staff

Mr. James Schwenk
 CAPT Donald Gabrielson, USN
 CDR John Rickards, USN
 CDR Shawn Malone, USN
 LTC James Clemons, USA
 Lt Col Rhonda Ozanian, USAF
 Lt Col Charlie Underhill, USAF
 LTC Heather Kness, USA
 LtCol Matthew Phares, USMC
 LTC Jonathan Withington, USA
 MAJ Jonathan Due, USA
 MAJ Bryan Price, PhD, USA
 MSgt Tarri Long, USAF
 Mr. Benjamin Bryant
 Anthony C. Cain, PhD
 Ms. Dorothy Hale
 Ms. Desiree Parker
 Ms. Liza Vivaldi
 Mr. Thomas Zamberlan

Red Team

Ms. Sally Donnelly, *Team Lead*
 CDR David Copp, USN
 Mr. Howard Luker
 Mr. James Mitchell
 Frances Murphy, MD, MPH

Personnel Policies and Procedures

Gen Stephen Lorenz, USAF, *Team Lead*
 COL (P) Billy D. Farris, USA, *Deputy*
 Mr. James Neighbors, SES, *Chief of Staff*
 BG Peter Zwack, USA
 Col Dave Wesley, USAF
 COL David Lemauk, USA
 Chap (Col) Jerry Pitts, USAF
 Lt Col Susanne Wheeler, USAF
 LTC Teresa Gaborik, USA

LTC Brian Mack, USA
 Maj David O'Malley, USAF
 Maj Joshua Morganstein, USAF
 Chap (LCDR) Charles Varsogea, USN
 Capt Marrisra Carlton, USAF
 SgtMaj William Skiles, USMC
 MSG Stuart Coupe, USA
 PSC Melanie Kinchen, USN
 Mr. Marc A. Blincoe
 Ms. Lynn Borkon
 Mr. Fred Bryant
 Ms. Victoria Darwin
 Maren Leed, PhD
 Ms. Melissa Lopez
 Laura Miller, PhD
 Mr. Dorian Sajona
 Ms. Marcella Sandiford
 Mr. George Truss

Force Protection

RADM Mark Buzby, USN, *Team Lead*
 Mr. Raymond Geoffroy, SES, *Deputy*
 CAPT Chris Kiley, USN, *Chief of Staff*
 Lt Col Eric Knapp, USAF
 Ms. Lisa Burgess
 Mr. James Cain
 Mr. Michael Dickey
 Mr. Kevin Dodds
 Ms. Rhonda Gayle
 Mr. Kevin Naylon
 Mr. Eugene Smith
 Mr. John Gregory Steele
 Mr. Thaldaris Talley
 Mr. John Vesterman

Emergency Management & Response

LtGen Frank Panter, USMC, *Team Lead*
 Brig Gen Jeffery Lofgren, USAF, *Deputy*
 Capt Jay Montgomery, USMC, *Chief of Staff*
 CH (COL) Clark McGriff, USA
 COL Knickerbocker, USA
 COL Kathleen Ford, USA
 CDR Sawsan Ghurani, USN
 CDR Eric Runnels, USCG

Charles Beadling, MD
 Ms. Cheryl Hackley
 Mr. Owen McIntyre
 Mr. Todd Rose
 Mr. Thomas Ruffini
 Mr. Randy Smith
 Mr. Mark Ward
 Ms. Gabriela Wilson

LCDR James Cannon, PhD, PA, USCG
 SGM Devon Matthew, USA
 SMSgt Glynda Lilly, USAF
 Mr. Dale Hamby
 Ms. Mary Woodward

Application of Policies and Procedures

GEN Carter Ham, USA, *Team Lead*
 MG Bill McCoy, USA, *Deputy*
 Mr. James Neighbors, SES, *Chief of Staff*
 Maj Gen Thomas Travis, USAF
 Brig Gen Eden Murrie, USAF
 Col James Black, USAF
 COL Cornelius Maher, USA
 COL Doreen Lounsbey, USA
 Col Christopher O'Brien, USAF
 Col Gerald Talcott, USAF
 Lt Col Bill Fischer, USAF
 LTC Christopher Carrier, USA
 Maj Dan Janning, USAF
 Maj Elizabeth Greene, USAF
 MAJ Wesley Howard, USA
 Capt Sarah Carpenter, USAF
 Ms. Sonja Ackar
 Mr. Bruce Barry
 Ms. Ellen Campana
 Mr. Edgar Collins
 Mr. Hal Dronberger
 Mr. James Fazio
 Ms. Georganna Murto
 Mr. Hung Nguyen
 Ms. Amanda Smith
 Ms. Debra Tolson
 Mr. Carl Witcher

Care for Healthcare Providers

RADM Karen Flaherty, USN, *Team Lead*
 CH (COL) John Read, USA, *Deputy*
 CDR Anne Swap, USN, *Chief of Staff*
 COL Kelly Wolgast, USA
 Lt Col Janice M. Langer, MD, USAF
 CDR Rosemary Carr Malone, MD, USN
 CDR Barry Adams, PhD, LCSW, USN
 Lt Col Teresa Roberts, LCSW, USAF
 MAJ Todd Yosick, USA

Appendix C

Summary of Findings and Recommendations

Finding 2.1

DoD programs, policies, processes, and procedures that address identification of indicators for violence are outdated, incomplete, and fail to include key indicators of potentially violent behaviors.

Recommendation 2.1

- Update training and education programs to help DoD personnel identify contributing factors and behavioral indicators of potentially violent actors.
- Coordinate with the FBI Behavioral Science Unit's Military Violence unit to identify behavioral indicators that are specific to DoD personnel.
- Develop a risk assessment tool for commanders, supervisors, and professional support service providers to determine whether and when DoD personnel present risks for various types of violent behavior.
- Develop programs to educate DoD personnel about indicators that signal when individuals may commit violent acts or become radicalized.

Finding 2.2

Background checks on personnel entering the DoD workforce or gaining access to installations may be incomplete, too limited in scope, or not conducted at all.

Recommendation 2.2

- Evaluate background check policies and issue appropriate updates.
- Review the appropriateness of the depth and scope of the National Agency Check with Local Agency and Credit Check as minimum background investigation for DoD SECRET clearance.
- Educate commanders, supervisors, and legal advisors on how to detect and act on potentially adverse behaviors that could pose internal threats.
- Review current expedited processes for citizenship and clearances to ensure risk is sufficiently mitigated.

Finding 2.3

DoD standards for denying requests for recognition as an ecclesiastical endorser of chaplains may be inadequate.

Recommendation 2.3

Review the limitations on denying requests for recognition as ecclesiastical endorsers of chaplains.

Finding 2.4

The Department of Defense has limited ability to investigate Foreign National DoD military and civilian personnel who require access to DoD information systems and facilities in the U.S. and abroad.

Recommendation 2.4

Coordinate with the Department of State and Office of Personnel Management to establish and implement more rigorous standards and procedures for investigating Foreign National DoD personnel.

Finding 2.5

The policies and procedures governing assessment for pre- and post-deployment medical risks do not provide a comprehensive assessment of violence indicators.

Recommendation 2.5

- Assess whether pre- and post-deployment behavioral screening should include a comprehensive violence risk assessment.
- Review the need for additional post-deployment screening to assess long-term behavioral indicators that may point to progressive indicators of violence.
- Revise pre- and post-deployment behavioral screening to include behavioral indicators that a person may commit violent acts or become radicalized.
- Review policies governing sharing healthcare assessments with commanders and supervisors to allow information regarding individuals who may commit violent acts to become available to appropriate authorities.

Finding 2.6

The Services have programs and policies to address prevention and intervention for suicide, sexual assault, and family violence, but guidance concerning workplace violence and the potential for self-radicalization is insufficient.

Recommendation 2.6

- Revise current policies and procedures to address preventing violence toward others in the workplace.
- Integrate existing programs such as suicide, sexual assault, and family violence prevention with information on violence and self-radicalization to provide a comprehensive prevention and response program.

Finding 2.7

DoD policy regarding religious accommodation lacks the clarity necessary to help commanders distinguish appropriate religious practices from those that might indicate a potential for violence or self-radicalization.

Recommendation 2.7

Promptly establish standards and reporting procedures that clarify guidelines for religious accommodation.

Summary of Findings and Recommendations

Finding 2.8

DoD Instruction 5240.6, *Counterintelligence (CI) Awareness, Briefing, and Reporting Programs*, does not thoroughly address emerging threats, including self-radicalization, which may contribute to an individual's potential to commit violence.

Recommendation 2.8

Update DoD Instruction 5240.6 to provide specific guidance to the Services, Combatant Commands, and appropriate agencies for counterintelligence awareness of the full spectrum of threat information particularly as it applies to behavioral indicators that could identify self-radicalization.

Finding 2.9

DoD and Service guidance does not provide for maintaining and transferring all relevant information about contributing factors and behavioral indicators throughout Service members' careers.

Recommendation 2.9

- Review what additional information (e.g., information about accession waivers, substance abuse, minor law enforcement infractions, conduct waivers) should be maintained throughout Service members' careers as they change duty locations, deploy, and re-enlist.
- Develop supporting policies and procedures for commanders and supervisors to access this information.

Finding 2.10

There is no consolidated criminal investigation database available to all DoD law enforcement and criminal investigation organizations.

Recommendation 2.10

Establish a consolidated criminal investigation and law enforcement database such as the Defense Law Enforcement Exchange.

Finding 2.11

DoD guidance on establishing information sharing agreements with Federal, State, and local law enforcement and criminal investigation organizations does not mandate action or provide clear standards.

Recommendation 2.11

Require the Military Departments and Defense Agencies to establish formal information sharing agreements with allied and partner agencies; Federal, State, and local law enforcement; and criminal investigation agencies, with clearly established standards regarding scope and timeliness.

Finding 2.12

Policies governing communicating protected health information to other persons or agencies are adequate at the DoD-level, though they currently exist only as interim guidance. The Services, however, have not updated their policies to reflect this guidance.

Recommendation 2.12

Ensure Services update policies to reflect current DoD-level guidance on the release of protected health information.

Finding 2.13

Commanders and military healthcare providers do not have visibility on risk indicators of Service members who seek care from civilian medical entities.

Recommendation 2.13

Consider seeking adoption of policies and procedures to ensure thorough and timely dissemination of relevant Service member violence risk indicators from civilian entities to command and military medical personnel.

Finding 2.14

The Department of Defense does not have a comprehensive and coordinated policy for counterintelligence activities in cyberspace. There are numerous DoD and interagency organizations and offices involved in defense cyber activities.

Recommendation 2.14

Publish policy to ensure timely counterintelligence collection, investigations, and operations in cyberspace for identifying potential threats to DoD personnel, information, and facilities.

Finding 2.15

DoD policy governing prohibited activities is unclear and does not provide commanders and supervisors the guidance and authority to act on potential threats to good order and discipline.

Recommendation 2.15

Review prohibited activities and recommend necessary policy changes.

Finding 2.16

Authorities governing civilian personnel are insufficient to support commanders and supervisors as they attempt to identify indicators of violence or take actions to prevent violence.

Summary of Findings and Recommendations

Recommendation 2.16

Review civilian personnel policies to determine whether additional authorities or policies would enhance visibility on indicators of possible violence and provide greater flexibility to address behaviors of concern.

Finding 3.1

- The Department of Defense has not issued an integrating force protection policy.
- Senior DoD officials have issued DoD policy in several force protection-related subject areas such as antiterrorism but these policies are not well integrated.

Recommendation 3.1

- Assign a senior DoD official responsibility for integrating force protection policy throughout the Department.
- Clarify geographic combatant commander and military department responsibilities for force protection.
- Review force protection command and control relationships to ensure they are clear.

Finding 3.2

DoD force protection programs and policies are not focused on internal threats.

Recommendation 3.2

- Develop policy and procedures to integrate the currently disparate efforts to defend DoD resources and people against internal threats.
- Commission a multidisciplinary group to examine and evaluate existing threat assessment programs; examine other branches of government for successful programs and best practices to establish standards, training, reporting requirements /mechanisms, and procedures for assessing predictive indicators relating to pending violence.
- Provide commanders with a multidisciplinary capability, based on best practices such as the Navy's Threat Management Unit, the Postal Service's "Going Postal Program," and Stanford University's workplace violence program, focused on predicting and preventing insider attacks.

Finding 3.3

The Department of Defense's commitment to support JTTFs is inadequate.

Recommendation 3.3

- Identify a single point of contact for functional management of the Department of Defense's commitment to the JTTF program.
- Evaluate and revise, as appropriate, the governing memoranda of understanding between the FBI and different DoD entities involved with the JTTF to ensure consistent outcomes.
- Review the commitment of resources to the JTTFs and align the commitment based on priorities and requirements.

Finding 3.4

There is no formal guidance standardizing how to share Force Protection threat information across the Services or the Combatant Commands.

Recommendation 3.4

Direct the development of standard guidance regarding how military criminal investigative organizations and counterintelligence organizations will inform the operational chain of command.

Finding 3.5

The Department of Defense does not have direct access to a force protection threat reporting system for suspicious incident activity reports.

Recommendation 3.5

- Adopt a common force protection threat reporting system for documenting, storing, and exchanging threat information related to DoD personnel, facilities, and forces in transit.
- Appoint a single Executive Agent to implement, manage, and oversee this force protection threat reporting system.

Finding 3.6

There are no force protection processes or procedures to share real-time event information among commands, installations, and components.

Recommendation 3.6

Evaluate the requirement for creating systems, processes, policy, and tools to share near real-time, unclassified force protection information among military installations in CONUS to increase situational awareness and security response.

Finding 3.7

DoD installation access control systems and processes do not incorporate behavioral screening strategies and capabilities, and are not configured to detect an insider threat.

Recommendation 3.7

- Review best practices, including programs outside the U.S. Government, to determine whether elements of those programs could be adopted to augment access control protocols to detect persons who pose a threat.
- Review leading edge tools and technologies that augment physical inspection for protecting the force.

Summary of Findings and Recommendations

Finding 3.8

The Department of Defense does not have a policy governing privately owned weapons.

Recommendation 3.8

Review the need for DoD privately owned weapons policy.

Finding 3.9

Services cannot share information on personnel and vehicles registered on installations, installation debarment lists, and other relevant information required to screen personnel and vehicles, and grant access.

Recommendation 3.9

- Develop timely information sharing capabilities among components including vehicle registration, installation debarment lists, and other access control information.
- Accelerate efforts to automate access control that will authenticate various identification media (e.g., passports, CAC, drivers' licenses, license plates) against authoritative databases.
- Obtain sufficient access to appropriate threat databases and disseminate information to local commanders to enable screening at CONUS and overseas installation access control points.

Finding 4.1

Services are not fully interoperable with all military and civilian emergency management stakeholders.

Recommendation 4.1

- Establish milestones for reaching full compliance with the Installation Emergency Management program.
- Assess the potential for accelerating the timeline for compliance with the Installation Emergency Management program.

Finding 4.2

There is no DoD policy implementing public law for a 911 capability on DoD installations. Failure to implement policy will deny the military community the same level of emergency response as those communities off base.

Recommendation 4.2

Develop policy that provides implementation guidance for Enhanced 911 services in accordance with applicable laws.

Finding 4.3

DoD policy does not currently take advantage of successful models for active shooter response for civilian and military law enforcement on DoD installations and facilities.

Recommendation 4.3

- Identify and incorporate civilian law enforcement best practices, to include response to the active shooter threat, into training certifications for civilian police and security guards.
- Include military law enforcement in the development of minimum training standards to ensure standard law enforcement practices throughout the Department of Defense.
- Incorporate the Department of Homeland Security best practices regarding workplace violence and active shooter awareness training into existing personal security awareness training contained in current Level 1 Antiterrorism Awareness training.
- Develop a case study based on the Fort Hood incident to be used in installation commander development and on-scene commander response programs.

Finding 4.4

Based on Joint Staff Integrated Vulnerability Assessments, many DoD installations lack mass notification capabilities.

Recommendation 4.4

Examine the feasibility of advancing the procurement and deployment of state-of-the-art mass warning systems and incorporate these technologies into emergency response plans.

Finding 4.5

Services have not widely deployed or integrated a Common Operational Picture capability into Installation Emergency Operations Centers per DoD direction.

Recommendation 4.5

- Examine the feasibility of accelerating the deployment of a state-of-the-art Common Operational Picture to support installation Emergency Operations Centers.
- Develop an operational approach that raises the Force Protection Condition in response to a scenario appropriately and returns to normal while considering both the nature of the threat and the implications for force recovery and healthcare readiness in the aftermath of the incident.

Finding 4.6

- Stakeholders in the DoD Installation Emergency Management program, including the Under Secretary of Defense for Policy; Under Secretary for Personnel and Readiness; Under Secretary of Defense for Intelligence; Under Secretary of Defense for Acquisition, Technology & Logistics; Assistant Secretary of Defense for Public Affairs; and Assistant Secretary of Defense for Networks

Summary of Findings and Recommendations

and Information Integration/Chief Information Officer, have not yet synchronized their applicable programs, policies, processes, and procedures.

- Better synchronization and coordination would remove redundant planning requirements, identify seams in policy, focus programmed resources, and streamline procedures to achieve unity of effort in installation emergency management.

Recommendation 4.6

- Review responsibilities for synchronizing Office of the Secretary Defense programs, policies, and procedures related to installation emergency management.
- Establish policy requiring internal synchronizing of installation programs, plans, and response for emergency management.

Finding 4.7

Mutual Aid Agreements (MAAs) between DoD and civilian support agencies across the Services are not current.

Recommendation 4.7

Review Installation Emergency Management programs to ensure correct guidance on integrating tracking, exercising, and inspections of MAAs.

Finding 4.8

The Department of Defense has not produced guidance to develop family assistance plans for mass casualty and crisis response. As a result, Service-level planning lacks consistency and specificity, which leads to variation in the delivery of victim and family care.

Recommendation 4.8

- Develop guidance incorporating the core service elements of a Family Assistance Center as identified in the Pentagon AAR.
- Develop implementation guidance to establish requirements for a Family Assistance Center crisis and mass casualty response as integral components of Installation Emergency Management plans.
- Consider the Air Force's Emergency Family Assistance Control Center and the Fort Hood Behavioral Health Campaign Plan as possible best practices when developing policy.

Finding 4.9

The lack of published guidance for religious support in mass casualty incidents hampers integration of religious support to installation emergency management plans.

Recommendation 4.9

- Consider modifying DoD and Service programs designed to promote, maintain, or restore health and well-being to offer each person the services of a chaplain or religious ministry professional.
- Develop policy for religious support in response to mass casualty incidents and integrate guidance with the Installation Emergency Management Program.

Finding 4.10

Inconsistencies among Service entry level chaplain training programs can result in inadequate preparation of new chaplains to provide religious support during a mass casualty incident.

Recommendation 4.10

Review mass casualty incident response training in the Chaplain Basic Officer Courses.

Finding 4.11

The Department of Defense has not yet published guidance regarding installation or unit memorial service entitlements based on the new Congressional authorization to ensure uniform application throughout the Department.

Recommendation 4.11

Develop standardized policy guidance on memorial service entitlements.

Finding 4.12

- DoD casualty affairs policy, Federal law, and DoD mortuary affairs guidance do not exist regarding injury or death of a private citizen with no DoD affiliation on a military installation within CONUS.
- There is no prescribed process to identify lead agencies for casualty notification and assistance or to provide care for the deceased, resulting in each case being handled in an ad-hoc manner.

Recommendation 4.12

- Review current policies regarding casualty reporting and assistance to the survivors of a private citizen with no DoD affiliation, who is injured or dies on a military installation within CONUS.
- Review current mortuary affairs policies relating to mortuary services for private citizens who become fatalities on a military installation within CONUS.

Finding 5.1

- DoD installations are not consistent in adequately planning for mental health support for domestic mass casualty incidents to meet needs of victims and families.
- At Fort Hood, advanced treatment protocols developed at our universities and centers were not available to the commander prior to the incident.
- Fort Hood developed a Behavioral Health plan that incorporated current practices including a “whole of community” approach, and a strategy for long-term behavioral healthcare not reflected in any DoD policy.

Summary of Findings and Recommendations

Recommendation 5.1

- Update Mental Health Care clinical practice guidelines that address both combat and domestic incidents to ensure current and consistent preventive care.
- Review best practices inside and outside the Department of Defense to develop policies, programs, processes, and procedures to provide commanders tools required to protect the force in the aftermath of combat or mass casualty incidents.
- Consider the Air Force Instruction and the Fort Hood Behavioral Health Campaign Plan as possible sources for developing appropriate guidance.

Finding 5.2

- The Department of Defense does not have comprehensive policies that recognize, define, integrate, and synchronize monitoring and intervention efforts to assess and build healthcare provider readiness.
- The Department of Defense does not have readiness sustainment models, with requisite resources, for the health provider force that are similar to readiness sustainment models for combat and combat support forces.
- The demand for support from caregivers in general, and from mental healthcare providers in particular, is increasing and appears likely to continue to increase due to the stress on military personnel and their families from our high operational tempo and repeated assignments in combat areas.

Recommendation 5.2

Create a body of policies that:

- recognizes, defines, and synchronizes efforts to support and measure healthcare provider readiness in garrison and deployed settings;
- addresses individual assessment, fatigue prevention, non-retribution, and reduced stigma for those seeking care, and appropriate procedures for supporting clinical practice during healthcare provider recovery;
- requires DoD and Uniformed Services University of Health Sciences curricula, training materials, and personnel performance management systems to incorporate healthcare provider self-care skills and readiness concepts;
- develop mechanisms for collaborating with civilian resiliency resources.

Finding 5.3

The lack of a readiness sustainment model for the health provider force, the unique stressors that healthcare providers experience, and the increasing demand for support combine to undermine force readiness—care for both warriors and healthcare providers.

Recommendation 5.3

- Develop integrated policies, processes, procedures, and properly resourced programs to sustain high quality care.

- Develop a deployment model that provides recovery and sustainment for healthcare providers comparable to that provided to the combat and combat support components of the force.
- Review the requirement for the Department of Defense to de-stigmatize healthcare providers who seek treatment for stress.

Finding 5.4

Senior caregivers are not consistently functioning as clinical peers and mentors to junior caregivers.

Recommendation 5.4

Review Senior Medical Corps Officer requirements to determine optimal roles, utilization, and assignments.

Appendix D

Literature Review of Risk Factors for Violence

This Appendix highlights some major themes in the academic literature, based primarily on literature reviews from 2000 – the present. Within categories of violence (e.g., suicide, terrorism, sexual violence), researchers have sought ways to distinguish those who carry out acts of violence from those who do not. Researchers also have studied particular risk factors (e.g., substance abuse, mental illness) to determine which types of violence are associated with specific risk factors and why.¹ Overarching themes on risk factors for violence toward self or others include the following:

Predicting Violent Behavior is a Long-Term Multi-Disciplinary Quest

Researchers have yet to develop a single model that can estimate who is at risk for any type of violence, but they have made progress on models to identify risks for particular forms of violence, or specific populations, such as psychiatric patients.²

Most research to date has been conducted on physical violence perpetrated by individuals.³ No field has substantiated the image of violence emerging from a normal, happy, healthy individual who suddenly “snaps” in the face of a single triggering event. In addition, no single variable has been identified that can accurately predict violence.

Identifying potentially dangerous people before they act is difficult. Examinations after the fact show that people who commit violence usually have one or more risk factors for violence. Few people in the population who have risk factors, however, actually assault or kill themselves or others. For example, many people experience depression, but relatively few attempt or die by suicide. Most people who commit violence are male, but most males do not commit violence. Exposure to childhood violence may increase the likelihood that someone may harm themselves or others, but it is not inevitable. Certain combinations of risk factors, however, can significantly increase the likelihood that individuals will become violent.

Risk Factors Vary Across Types of Violence

The range of contributing factors for different types of violence is diverse. Although some factors, such as low self-esteem, depression, and anger are tied to many different types of violence, others are more particular to specific types of aggression. DoD policies and programs that focus on the risk factors for only a few types of violence miss indicators of other types of violence that threaten its community.

¹ Trevor Bennett, Katy Holloway, and David Farrington, “The Statistical Association Between Drug Misuse and Crime: A Meta-Analysis,” *Aggression and Violent Behavior* 13 (2008): 107-118; Eric B. Elbogen and Sally C. Johnson, “The Intricate Link Between Violence and Mental Disorder: Results From the National Epidemiologic Survey on Alcohol and Related Conditions,” *Archives of General Psychiatry* 66:2 (2009): 152-161; Seena Fazel, Johanna Philipson, Lisa Gardiner, Rowena Merritt, and Martin Grann, “Neurological Disorders and Violence: A Systematic Review and Meta-Analysis with a Focus on Epilepsy and Traumatic Brain Injury,” *Journal of Neurology* 256 (2009): 1591-1602; Christopher J. Ferguson and Kevin M. Beaver, “Natural Born Killers: The Genetic Origins of Extreme Violence,” *Aggression and Violent Behavior* 14:5 (2009):286-294; Andrew Harris, and Arthur J. Lurigio, “Mental Illness and Violence: A Brief Review of Research and Assessment Strategies,” *Aggression and Violent Behavior* 12 (2007): 542-551; Robert MacCoun, Beau Kilmer, and Peter Reuter, “Research on Drugs-Crime Linkages: The Next Generation,” *Toward a Drugs and Crime Research Agenda for the 21st Century*. U.S. Department of Justice, National Institute of Justice (2003).

² Mary Ann Campbell, Sheila French, and Paul Gendreau, “The Prediction of Violence in Adult Offenders: A Meta-Analytic Comparison of Instruments and Methods of Assessment,” *Criminal Justice and Behavior* 35:6 (2009): 567-590; Mark E. Olver, Keira C. Stockdale, and J. Stephen Wormith, “Risk Assessment With Young Offenders: A Meta-Analysis of Three Assessment Measures,” *Criminal Justice and Behavior* 36:4 (2009): 329-353; E. Fuller Torrey, John Monahan, Jonathan Stanley, Henry J. Steadman, and the MacArthur Study Group, “The MacArthur Violence Risk Assessment Study Revisited: Two Views Ten Years After Its Initial Publication,” *Psychiatric Services* 59:2 (2008): 147-152.

³ Mary R. Jackman, “Violence in Social Life,” *Annual Review of Sociology* 28 (2002): 387-415.

The following overview of risk factors illustrates why DoD personnel need more than a simple checklist to determine whether someone may become violent:

Each year, more than one million people in the U.S. are harmed by workplace violence, and an estimated 17,000 take their own lives in their place of employment.⁴ The portrait of the “disgruntled” employee who “goes postal” and kills a supervisor does not encompass the full array of workplace homicides: customers, clients, peers, and superiors are also responsible. The rates of workplace violence in the U.S. Postal Service are actually lower than in the general workforce, so that organization, despite the popular phrase, does not provide a “worst case” for study.

Attempts to use personality tests to screen out potentially violent employees at entry have been unreliable. In addition, research has not yet established a link between mental illness and workplace violence.⁵ Other behavioral indicators have been identified, however. For example, those who commit workplace violence often believe they have been wronged, such as having been denied service or subjected to a poorly handled lay-off or firing.⁶

Although domestic terrorism is far more common than international terrorism, research on terrorism focuses on the latter.⁷ Motivations for domestic terrorism are diverse, and include animal rights, environmentalism, nationalism, white supremacy, religious causes, and right-wing politics.⁸ Overall, acts of domestic terrorism tend to occur in large urban areas and target the police and military forces.⁹

Recent research has focused on why individuals become terrorists.¹⁰ Although some people self-radicalize as individuals, more commonly small groups of people self-radicalize together.¹¹ Group dynamics can foster the dehumanization of targets and the drive to commit violence.¹² In addition, the path to terrorism often involves some real or perceived rewards for participation, the desire to address grievances, and a passion for change.¹³

As with workplace violence, mental illness has not been identified as a contributing factor in the path to terrorism.¹⁴ Furthermore, terrorists are not particularly poor or uneducated.¹⁵

4 Gregory M. Vecchi, “Conflict & Crisis Communication: Workplace and School Violence, Stockholm Syndrome, and Abnormal Psychology,” *Annals of the American Psychotherapy Association* 12:3 (2009): 30-39.

5 Julian Barling, Kathryne E. Dupré, and E. Kevin Kelloway, “Predicting Workplace Aggression and Violence,” *Annual Review of Psychology* 60 (2009): 671-692.

6 Barling, Dupré and Kelloway, 671-692.

7 Ignacio Sánchez-Cuena and Luis de la Calle, “Domestic Terrorism: The Hidden Side of Political Violence,” *Annual Review of Political Science* 12 (2009): 31-49.

8 Samuel Nunn, “Incidents of Terrorism in the United States, 1997-2005,” *Geographical Review* 97:1 (2007): 89-111.

9 Samuel Nunn, “Incidents of Terrorism in the United States, 1997-2005,” *Geographical Review* 97:1 (2007): 89-111; Ignacio Sánchez-Cuena and Luis de la Calle, “Domestic Terrorism: The Hidden Side of Political Violence,” *Annual Review of Political Science* 12 (2009): 31-49; Brent Smith, “A Look at Terrorist Behavior: How They Prepare, Where They Strike,” *NIJ Journal* 260 (2008): 2-6.

10 Paul K. Davis and Kim Cragin, eds. *Social Science for Counterterrorism* (Santa Monica: RAND, 2009); Austin T. Turk, “Sociology of Terrorism,” *Annual Review of Sociology* 30 (2004): 271-286.

11 Todd C. Helmus, “Why and How Some People Become Terrorists,” in Davis and Cragin, eds. *Social Science for Counterterrorism* (Santa Monica: RAND, 2009), 71-111.

12 Ibid.

13 Ibid.

14 Ibid.

15 Ibid.

Literature Review of Risk Factors for Violence

Religious fundamentalism alone is not a risk factor; most fundamentalist groups are not violent, and religious-based violence is not confined to members of fundamentalist groups.¹⁶

Violence against family members is more common than violence against strangers. Although the factors leading to domestic violence, child abuse, and elder abuse are not identical, key factors in common include: prior aggression, being a victim of or witnessing violence in childhood, low impulse control, low self esteem, poor relationship and communication skills, substance abuse, low income, stress, mental health problems, and antisocial behaviors/antisocial personality disorder.¹⁷ The risk for intimate partner homicides is higher in homes with domestic violence, firearms, and illicit drug use.¹⁸ Most murder-suicides involve a middle-aged or older man (nearly 100 percent male) using a firearm to kill his current or former wife or girlfriend and then himself, often after the couple has recently separated or there is a pending estrangement.¹⁹ Rates of depression are higher in these cases than in cases of homicide alone, but rates of substance abuse or previous criminal behavior were lower.²⁰

Studies of suicide highlight the risk factors of particular mental illnesses, substance abuse, previous suicide attempts, exposure to suicide, social isolation, major physical illnesses, poor impulse control, history of aggression, trauma, or abuse.²¹ Some events such as divorce, loss of a job, or death of a loved one, may trigger suicide in those who are already vulnerable.

People who commit sexual violence are diverse, but researchers and law enforcement organizations have created typologies for various forms of sexual violence.²² These typologies assist with the recognition, investigation, and treatment of sexual offenders. Although there is variation in motivation and methods, rapists tend to share some characteristics, such as negative views of women, hyper-identification with the masculine role, low self esteem, substance abuse problems, and problems managing aggression.²³ Common characteristics of child molesters are poor social skills, low self-esteem, problems forming adult relationships, and a pattern of “grooming” children with manipulative behavior so they will be compliant.²⁴

Cyber offenders represent a new category of assailant, following the rise of the Internet and its use by sexual predators to identify and groom children. Female sex offenders have received less attention, and have been treated as their own category due to the difference in characteristics: women are less likely to use force, begin offending at an earlier age (although are less likely to have begun in childhood), and are

16 Michael O. Emerson, and David Hartman, “The Rise of Religious Fundamentalism,” *Annual Review of Sociology* 32 (2006): 127-144.

17 Patrick Tolan, Deborah Gorman-Smith, and David Henry, “Family Violence,” *Annual Review of Psychology* 57 (2006): 557-583.

18 Lorena García, Catalina Soria and Eric L. Hurwitz, “Homicides and Intimate Partner Violence: A Literature Review,” *Trauma, Violence & Abuse* 8: 4 (2007): 370-383.

19 Scott Eliason, “Murder-Suicide: A Review of the Recent Literature,” *The Journal of the American Academy of Psychiatry and Law* 37:3 (2009): 371-376; Marieke Liem, “Homicide Followed By Suicide: A Review,” *Aggression and Violent Behavior* (2009), doi:10.1016/j.avb.2009.10.001.

20 Eliason, 371-376.

21 Risk and Protective Factors for Suicide, Suicide Prevention Resource Center (SAMHSA) 2009, http://www.sprc.org/suicide_prev_basics/index.asp. (Original source: the *National Strategy for Suicide Prevention: Goals and Objectives for Action* (2001).

22 (Oliver) Heng-Choon Chan, and Kathleen M. Heide, “Sexual Homicide: A Synthesis of the Literature,” *Trauma, Violence & Abuse* 10:1 (2009): 31-54.

23 Gina Robertiello and Karen J. Terry, “Can We Profile Sex Offenders? A Review of Sex Offender Typologies,” *Aggression and Violent Behavior* 12 (2007): 508-518.

24 *Ibid.*

likely to be influenced by male offenders to abuse.²⁵ Various typologies have been proposed for juvenile sex offenders but no standard classification appears to have been adopted yet.

U.S. homicide rates exceed those of any comparable nations.²⁶ Violence and criminal behavior peaks in adolescence and young adulthood, and is preceded by risk factors such as aggression; exposure to violence; poor parenting; academic failure; negative peer influences; living in neighborhoods with a high concentration of poor residents; limited economic opportunities; access to firearms, alcohol and illicit drug use; high levels of transiency; and family disruption.²⁷ Research on homicide is better developed than research on multiple homicides, such as serial killing, spree killing, and mass murder.²⁸

Application for the Department of Defense

Current knowledge from research could strengthen the Department of Defense's violence prevention efforts and assist with implementation of the recommendations offered in the Personnel Policies chapter of this report. Known risk factors could be incorporated into the criteria for entry-level background checks and for citizenship and security clearances.

The integration of current knowledge into professional military education could provide supervisors and commanders the tools they need to make judgment calls in disciplinary cases, and when conducting performance and career counseling. This knowledge could also influence the types of adverse information that is recorded and shared throughout Service members' careers.

Research on workplace violence should guide improvements to mitigation efforts. Cutting-edge research on the pathways to terrorism should be used to update counterintelligence programs. Research on how cyberspace can foster violence should inform policy revisions for prohibited activities and cyber-related threats.

Dr. Greg Vecchi, who leads the FBI's Behavioral Science Unit, explained other ways that current information about offenders can be useful. For example, greater understanding of offender motivations and means can improve interactions with them, particularly when they make a direct threat.²⁹ This knowledge can also assist in the investigation of violent crimes or suspicious personnel. For example, a search of personal belongings might reveal items typical for certain types of offenders, such as literature advocating violence, personal manifestos, and souvenirs or documentation of crimes.

Academics have been developing violence risk assessment tools that the Department of Defense could employ or emulate. For example, the MacArthur Violence Risk Assessment Study produced a model to predict risk of violence among patients recently discharged from psychiatric facilities. Software

²⁵ Gina Robertiello and Karen J. Terry, "Can We Profile Sex Offenders? A Review of Sex Offender Typologies," *Aggression and Violent Behavior* 12 (2007): 508-518.

²⁶ Linda L. Dahberg, "Youth Violence in the United States: Major Trends, Risk Factors, and Prevention Approaches," *American Journal of Preventive Medicine* 14:4 (1998): 259-272.

²⁷ Ibid.

²⁸ An Crabbé, Stef Decoene, and Hans Vertommen, "Profiling Homicide Offenders: A Review of Assumptions and Theories," *Aggression and Violent Behavior* 13 (2008): 88-106; Matt DeLisi, Andy Hochstetler, Aaron M. Scherer, Aaron Purhmann, and Mark T. Berg, "The Starkweather Syndrome: Exploring Criminal History Antecedents of Homicidal Crime Sprees," *Criminal Justice Studies* 21:1 (2008): 37-47; Craig Dowden, "Research on Multiple Murder: Where Are We in the State of the Art?" *Journal of Police and Criminal Psychology* 20:2 (2008): 8-18.

²⁹ Gregory Vecchi, Ph.D., Tiffany Hill, and Steve Conlon, FBI Behavioral Science Unit, FBI Academy, Quantico, VA, in discussion, Dec. 14, 2009.

Literature Review of Risk Factors for Violence

incorporating this model was quite accurate in its assessment of whether patients fell into a low- or high-risk group for violence.³⁰ This software, called Classification of Violence Risk, is available for use with acutely hospitalized civil patients,³¹ and suggests that the development of tools for other populations may be worth pursuing. The Danger Assessment Tool was created to identify women at risk of being killed by their intimate partners, and has had some success at doing so.³² A full academic literature review would reveal other tools like these that the Department of Defense might use in part or in whole. The Department of Defense could also sponsor the development of a comprehensive risk assessment tool aimed at identifying those at risk for a wide range of violent behaviors, or for being the victim of violence.

30 John Monahan, Henry J. Steadman, Pamela Clark Robbins, Paul Appelbaum, Steven Banks, Thomas Grisso, Kirk Heilbrun, Edward P. Mulvey, Loren Roth, and Eric Silver, "An Actuarial Model of Violence Risk Assessment for Persons With Mental Disorders," *Psychiatric Services* 56:7 (2005): 810-815.

31 Monahan et al. 2005.

32 Jacquelyn C. Campbell, Daniel Webster, Jane Koziol-McLain, Carolyn R. Block, Doris Campbell, Mary Ann Curry, Faye Gary, Judith McFarlane, Carolyn Sachs, Phyllis Sharps, Yvonne Ulrich, and Susan A. Wilt, "Assessing Risk Factors for Intimate Partner Homicide," *National Institute of Justice Journal* 250 (2003): 14-19.

**Protecting the Force: Lessons from Fort Hood
The Report of the DoD Independent Review**

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SELF-RADICALIZATION

Mr. DICKS. General, thank you for a very comprehensive report. We, too, salute those people who dealt with this emergency, came in so quickly and stopped the violence. We only wish they could have gotten there sooner. We, too, sympathize with the families and the friends of all of the fallen victims and those that are injured and hopefully recovering.

For a few years I served on the Homeland Security Committee and one of the topics that we discussed in our committee deliberations were self-radicalization—efforts in the United States where certain people become radicalized. I think that your report is very balanced here, saying, Should people have recognized this, and especially those people who were in a supervisory position and had to make various reports on fitness of Major Hasan? That is the question I have.

When you went back and looked at this, were there any indications? I understand from some press reports that he was very outspoken in his opposition to the war in Iraq, to the war in Afghanistan, and made other statements that, had people been properly trained, they might have picked up on the fact that this sounds like somebody has been radicalized, and should there be concern by his supervisors and superiors about the potential things he might do.

Now can you tell us anything about that, about the people who were in charge of his supervision; and did they make reports, or what happened?

General HAM. Yes, sir, I can. If I may speak first more generally. It is clear in our findings that identifying the indicators that someone within our Department, in uniform or civilian, or a family member, is trending toward violent activity, those indicators are not well identified nor well understood across the force. So we have not adequately equipped our commanders and supervisors with the information or things that they ought be looking for in an individual who may be starting to travel on a path toward self-radicalization.

Already, the services have taken some of that under advisement. The Army has already published a list that says these are some of the indicators that commanders and supervisors should be attentive to in members of their force so that they can then intervene, correct that behavior, and try to prevent someone from progressing down a path of self-radicalization.

With regard to the specifics of Major Hasan, first, I would advise that, as indicated in my opening statement, the Secretary of the Army has charged me with the conduct of an Army investigation to determine measures of accountability. That investigation has not yet been received by Secretary McHugh. So it would be inappropriate at this time for me to talk about the individual aspects of accountability.

But what I would tell you, Mr. Chairman, it is very clear in the DoD report that there were individuals in supervisory positions who had the responsibility to educate, train, and develop Major Hasan, who did not do that effectively.

POLICIES FOR SELF-PROTECTION

Mr. DICKS. Now if you are going to have policies for self-protection, and there has been somebody named—I guess you are going to have somebody who is going to be in charge of force protection. Wouldn't this be part of every base, every unit, having some discussion about self-protection?

General HAM. It would, Mr. Chairman. But I think it has to begin at the Department of Defense level, with adequate policies and guidelines to the services and the services within their structure, so that we have consistency of understanding and of application from top to bottom. And what we found is that is not the case. There is not at the Department of Defense any particular individual or office that has overall responsibility for force protection. But, rather, those responsibilities are divided amongst several of the Under Secretaries and Assistant Secretaries. That is probably not conducive to a coherent and effective system.

Mr. DICKS. Has that been changed? Has that been changed yet, or is it in the process of being changed?

General HAM. It is, Mr. Chairman. One of the recommendations that the co-chairs submitted to Secretary Gates, that he do just that; that he identify a particular office to lead that effort. To the best of my knowledge, that final determination has not been made, but I think it is instructive that the Secretary of Defense has appointed the Assistant Secretary for Homeland Security Defense to lead the follow-on effort of the issues that were identified of the Fort Hood investigation. So perhaps that is an office where those responsibilities might preside. But to the best of my knowledge, that has not been a final determination.

Mr. DICKS. Mr. Young.

Mr. YOUNG. Thank you, Mr. Chairman. General, in this case we were dealing with an officer who had served at Walter Reed, a medical institution. A similar situation could possibly exist in some other part of the military, not just medical, in a hospital or a doctor. Is that correct?

General HAM. Yes, sir, that is correct.

IDENTIFYING TRIGGERS

Mr. YOUNG. So anything that we do on the basis of determining what type of trigger we might look for, what type of activity we might look for, should not only be limited to Walter Reed or medical facilities, but other levels of the United States Military.

General HAM. Congressman, that is exactly right. The recommendation from this review is that there be a Department of Defense-Wide effort so that all of the services, all the branches of service and the DoD civilians are all covered by whatever policy is resultant from this. It is a Department-wide issue.

ESTABLISHING APPROPRIATE OFFICE FOR POLICY

Mr. YOUNG. I don't think we want to go on a witch hunt, and just because somebody has a bad day and grumbles about something, I don't think we necessarily want to hold them up to scorn. But we do have to have an effective system for creating a real suspicion. I assume that eventually we are going to come up with a list of

items that should be watched for, should be reported, that would indicate the possibility of someone becoming a radical anti-American or anti-military. I assume that is part of the work that you are doing.

General HAM. It is, Congressman. The recommendation in the report is that the Department seek to establish indicators of tendency toward violence, self-radicalization, extremist behavior, however motivated, whether that is religious or ideological, or other. But the report also acknowledges that while such an effort is helpful and instructive to commanders, it is not in and of itself satisfactory to completely identify the risks that might be developing within our force.

It gets to the issue of judgment and officership. I think that is where in this report to the Secretary of Defense, Secretary West, and Admiral Clark focused heavily on the judgment or, in some cases, lack of judgment as applied by officers who were in supervisory positions with regard to Major Hasan.

REVIEW OF SOLDIERS COMMUNICATIONS

Mr. YOUNG. General, in that review leading up to that report, did you identify some of these people that should have been alarmed by some of Hasan's activities and some of his words and statements, some of the connections that we have found out about, e-mail communications with Islamic leaders? Do you know some of the people that saw these things and sort of reported them?

General HAM. Sir, we did. But there were a couple of cautions. First, again we were reminded by the Secretary of Defense that we were not to tread into or interfere with the Presidentially directed review of intelligence matters. So when we would bump up, for example, the e-mails that had been discussed in the public domain where Major Hasan had at least attempted e-mail contact with a radical imam in Yemen, we did not pursue that, based upon the Secretary of Defense's guidance.

Mr. YOUNG. Where did the Secretary of Defense get that guidance?

General HAM. Sir, I don't know. The guidance in the terms of reference that the Secretary of Defense issued to the co-chairs—to Secretary West and Admiral Clark—was explicit so as to not interfere with the intelligence investigation.

Mr. Dicks. Would you yield for one second?

Mr. Young. Sure, Mr. Chairman.

MAJOR HASAN'S BEHAVIOR

Mr. DICKS. Did anybody receive a complaint about Hasan? Was there anyone who made a complaint about his activities?

General HAM. Sir—

Mr. DICKS. Chain of command or his supervisors. Did anyone come forward prior to this all happening and say, We think there's something wrong here?

General HAM. Sir, yes. In the terms of reference and in discussion with the Secretary of Defense, the purpose of the Department of Defense review, the review we are here to discuss, was specifically not intended to identify individual accountability.

Mr. DICKS. We are not asking you to identify it, we are just asking you to tell us did someone connect the dots and say, this person has a problem, and then other people didn't respond to that and didn't take appropriate action. That is what we want to know.

ARMY INVESTIGATION

General HAM. That is correct. There were individuals who saw that Major Hasan's behavior at various stages was not consistent with what we expect of a military professional and identified that, in some cases to superiors, and subsequent to the Army investigation which I have been charged by Secretary McHugh to conduct, that was a matter for that investigation.

Mr. DICKS. Were there any prior investigations? Did anybody do anything when these reports were initially made before the incident?

General HAM. We found no evidence of prior investigations.

Mr. YOUNG. Thank you, Mr. Chairman. In fact, that was my last question. But then I will just ask one more question.

Did any of those superiors who were told that there was some interesting behavioral practices by Hasan, did any of those superiors do anything about it?

General HAM. Congressman, yes, some did. But some did not. It is I think clear now, from information that is widely known, that the actions that were taken were ineffective in modifying Major Hasan's behavior.

Mr. YOUNG. General, thank you very much. Mr. Chairman, thank you.

Mr. DICKS. Mr. Visclosky.

Mr. VISCLOSKY. Thank you, Mr. Chairman. Generals, thank you very much.

POST-DEPLOYMENT MEDICAL ASSESSMENTS

In your testimony and report, it mentions that the pre- and post-deployment medical assessments do not provide a comprehensive assessment of violent behavior and indicators. What policies and procedures do need updating or broadening to have that positive effect?

General, also for the 2011 budget, do you have moneys included in your request to pay for any changes in updating that you may need?

General HAM. Sir, if it is acceptable, I will defer to General Thomas.

General THOMAS. Good afternoon, sir. Sir, initially with the post-deployment health assessment and post-deployment reassessments, we found over time that the questions that are comprised in that questionnaire are inadequate to give us the full scope of measure we believe is going to give us an adequate picture for the mental or behavioral health states of returning soldiers; in this case, redeploying soldiers. What we have done is we are actually undertaking a comprehensive overview. We have modified the questionnaires, the 2900s, added some additional questions.

We have also instituted a policy where we are doing more face-to-face behavioral health interviews with returning soldiers, specifically those returning from Iraq and Afghanistan, in this case. And

we have initiated, in addition to that, some virtual capabilities, which is quite exciting for us.

Mr. VISCLOSKY. Is part of the problem when they fill the assessment out that, I want to get out, and if I cause concern, this is going to delay my departure from the military. Is that part of the problem here?

General THOMAS. Sir, that is accurate. We found that initially the timing of administering the post-deployment health assessments is key. If we do it immediately upon return of a unit, individuals oftentimes will blow through that, as you described, and try to get home as quickly as possible. If we delay that for a period of time, 7 to 14 days, perhaps, we found also a statistically significant increase in improvement in the accuracy of the answers soldiers will provide you.

Mr. VISCLOSKY. So that has been part of the program adjustment as well, the timing of the questionnaire and the assessment?

General THOMAS. Yes, sir, that is correct.

Mr. VISCLOSKY. Is there a monetary issue here that you may need help on, or this has been essentially addressed at this point?

General THOMAS. I think we are adequately funded to make all those adjustments that you describe.

General HAM. Sir, if I can add. From my perspective as a currently serving Commander of the U.S. Army in Europe, one of the valuable tools that the Congress has allowed us to execute are these military family life consultants. And we have had a significant increase in the availability of those personnel that are available in our military communities to counsel redeploying soldiers and their family members. That has been a tremendous benefit. In my anecdotal assessment, it has been more beneficial to have that face-to-face discussion in a secure, confidential setting, than it has been the answering of the postdeployment surveys.

INFORMATION-SHARING AGREEMENTS AMONG VARIOUS AGENCIES

Mr. VISCLOSKY. One other question, if I could, Mr. Chairman. On the criminal investigation and organizations, apparently there is limited ability to search and analyze information outside of DoD's own databases. What new standards are being put into place to establish information-sharing agreements with Federal, State and local law enforcement organizations; and, again, would there be a money issue for you in your 2011 budget to accomplish that?

General HAM. Sir, two issues. First, there is a challenge inside the Department of Defense with information sharing as well. For example, there is no DoD-wide criminal database. The Navy's criminal—

Mr. VISCLOSKY. When you say that, Army would have a data base; Navy.

General HAM. Yes, sir, that is correct. What we identified through the DoD review is that the Navy's Criminal Investigative Service has a pretty good model, and our recommendation to Secretary Gates is that he look at that for application across the Department so as to get intradepartment sharing for that database. I am not an expert, but my expectation is that there would be some resource implications should the Secretary of Defense wish to implement that particular recommendation of the review.

To your larger question of interagency information sharing, it is also clear that the Department of Defense's ability to share information and to access information from outside of the Department of Defense is also somewhat limited. In the Intelligence Community there are protocols in place, but fairly narrowly defined.

So one of the major findings of the DoD review was that information sharing, both within the Department of Defense and external, within the broader whole of government, are issues that need to be studied, and will be part of this follow-on review that is currently ongoing within the Department of Defense and, again, not part of this review. But I could not see how you could implement those measures without there being at least some resource implications.

Mr. VISCLOSKY. I would close on this. If there is an identification as to what those dollar amounts might be, if that could be shared with this subcommittee in anticipation of markup, that would be terrific.

Gentlemen, thank you very much. Mr. Chairman, thank you.

Mr. DICKS. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Has anybody been separated from the service as a result of this tragedy?

General HAM. I am sorry?

Mr. FRELINGHUYSEN. Has anybody been separated from the service as a result of this tragedy?

General HAM. Not to my knowledge.

General THOMAS. No, sir, I am not aware of any. I could check on that. But there may be some folks who have medical separation related to injuries. I think it is premature. I don't think we have any, that I know of.

Mr. FRELINGHUYSEN. Nobody in the chain of command here.

General THOMAS. Not that I am aware of.

Mr. DICKS. Is this because the investigations aren't complete?

Mr. FRELINGHUYSEN. Ongoing.

General HAM. I am sorry. Perhaps I misunderstood you.

Mr. FRELINGHUYSEN. I wasn't talking about the injured. I am talking about those who were in the chain of command who should have known before somebody was sent to Fort Hood that this gentleman was sent to Fort Hood.

General HAM. Sir, that is precisely the direction that Secretary McHugh gave to me, to conduct an Army investigation into matters of accountability. The Secretary of the Army has not yet received my report or recommendations. I expect he will soon and that he will make a decision. But to date, no, sir.

DOD POLICY REGARDING RELIGIOUS ACCOMMODATION

Mr. FRELINGHUYSEN. I want to focus on page 16, finding 2.7, "DoD policy regarding religious accommodation lacks the clarity necessary to help commanders distinguish appropriate religious practices from those that might indicate a potential for violence or self-radicalization." That is all within quotation marks.

Going on to the Discussion, which is of interest I think to the members, if requests—and this is in quotation, "If requests for religious accommodation that compete with mission requirements were recorded and shared among commanders, supervisors and chaplains, it would likely establish a baseline from which to identify de-

viation within the services and the Department of Defense. At present, there is confusion about what is acceptable.”

The recommendation in this section is, “Promptly establish standards and reporting procedures to clarify guidelines for religious accommodation.”

Where do we stand relative to those recommendations? Are they so recent that nobody’s got around to committing enough time and effort to sort of rewrite the whole standard operating procedure here?

General HAM. Sir, a two-part answer. First, when Secretary Gates announced the receipt of this review, one of the first things he said in his public statement was a reminder to those of us in the service that those of us who are privileged to command and exercise the supervision of our servicemembers and DoD civilians, we must make hard decisions and we must be accountable, and we must hold our servicemembers accountable for their actions. I think that was a clear reminder to us that we have authorities now to take action when we think someone’s behavior, conduct, is outside the norm.

Mr. FRELINGHUYSEN. The public perception here, and this is a closed hearing, is that there is sort of a political correctness here. That people were afraid to invade that because they didn’t want to be sort of identified with, shall we say, profiling, which is obviously a loaded word.

General HAM. Sir, we did not find a culture of that, but we did find related to this specific finding, confusion. For example, there were some individuals with whom we spoke, both peers and supervisors of Major Hasan’s, that were confused about First Amendment rights and the free practice of religion. And that is the essence of this finding.

We owe commanders and supervisors some clearer guidance as to what is acceptable and what is not acceptable with regard to religious accommodation across the Department of Defense.

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman.

Mr. DICKS. On that point, and then I yield to Mr. Moran, what would have been the appropriate thing to have done if somebody who was a supervisor, commanding officer, whatever, had made a judgment that this behavior was not acceptable; what should they have done?

SUPERVISOR’S RESPONSIBILITY

General HAM. Sir, my experience as a commander, when you have a servicemember who is out of bounds, whose behavior, conduct, and other activities are seemingly at odds with the service values and with programs and procedures that are well established, it is that commander’s responsibility or that individual supervisor’s responsibility, to call them on that and to counsel them and to say, Listen, soldier, this is not what we do in the service, you cannot do this.

This occurs all the time across all services, when individuals, particularly young individuals—and it is important to remember that though at the time of the incident Major Hasan was a major, he had really not had any operational experience. He had been exclusively in the training and education realm. But supervisors have

a responsibility to make sure that those under our charge understand our values, understand our policies and procedures, and apply them in their daily life. And when they don't, we have adequate remedies to deal with that. That did not occur.

Mr. DICKS. Is that like court martial or something like that?

General HAM. Mr. Chairman, in extreme cases, yes, if we have such. But more often we have, particularly, again, with our younger servicemembers, both officer and enlisted, it is a more senior member's responsibility to guide them and to counsel them and to try to shape their behavior in a more productive way so as to prevent this from getting to the level where more drastic measures such as nonjudicial punishment or court martial or separation may be appropriate.

Mr. DICKS. Is there any indication that anybody counseled him?

General HAM. There is, yes, sir.

Mr. YOUNG. Mr. Chairman, let me make a quick follow-up on your subject here. General, if a member of the military advocates Islamic jihad against the United States, is that considered religious freedom, or is that something—what I think it is, which is a threat to the United States?

General HAM. Congressman, what we found in this situation was, again, confusion. Adding to that confusion, as mentioned about the confusion about religious freedoms, is compounded in this academic setting of what is allowable within academic freedom dialogue. Again, it is relatively easy now to look back in hindsight at some of the things we know in the public domain that occurred and say, This is beyond the bounds of acceptable behavior. But my sense is we owe better guidance to our personnel to allow them to make those calls.

Mr. DICKS. Mr. Moran.

ACTIONS OF MAJOR HASAN PRIOR TO ATTACK

Mr. MORAN. Thanks, Mr. Chairman. Generals, I have read through the actions that Major Hasan took in the last several hours—actually, last 24 hours before this violent act. He was hardly being secretive. He was sending out messages. I don't know whether he wanted to be stopped or not, but he indicated to someone, "Everything's going to change after tomorrow," and other statements like that. Even the things that he did immediately prior to the shooting.

Would you go through some of that, that might have been indications of something dramatic to come? It is not in any of the stuff that you provided the committee, but I think the committee members might be interested. I am sure you are aware of his immediate actions in the hours before he murdered these people.

General HAM. Congressman, actually that was beyond the scope of this review. Again, with the specific direction by the Secretary of Defense that we not interfere with the criminal investigation, those activities which immediately preceded the 5th of November incident were not matters with which this review dealt. And so my familiarity with them, frankly, is what I have seen in the public domain, not anything that we conducted reviews of here.

Mr. MORAN. Well, the problem I have with that is that here we are talking about implementing all of these systemic changes and

processes and procedures and policies, when the best way to deal with this might be something more direct and specific. I think this was something of an aberration. I don't know that it needs systemic change to the procedures that we are currently undergoing. I do think there was laxity in terms of his immediate superiors identifying a problem and dealing with it. That was missing. But he gave out lots of warning signs. They should have been picked up.

Before we go transforming the way in which we conduct ourselves throughout the force, I think it is useful to consider whether there aren't more immediate things that could have been done. Sometimes it seems like we have a horrible violent act, and so we declare war, when there may be other ways that are more direct that would deal more appropriately with it.

What do you think, General?

Let me ask the Brigadier General.

General THOMAS. Sir, I agree with your comments. And specifically in relation to Major Hasan's case, I am not privy to the details of the investigations, other than what has been in the public domain, as General Ham mentioned, in the media. I don't have any information beyond that. But I think in general, your comments absolutely hold merit. I think it is an emerging science, and if you take a look at indicators that are out there that may give you some sense of whether someone is going to be dangerous or commit workplace violence, there is a lot of research that is ongoing out there now. And, quite frankly, it will leave you unsatisfied, Congressman.

There is just not a lot of I think tangible evidence that would point to you definitively that some individual may commit an act. There are a lot of indicators whether someone is going to commit suicide or violence in the workplace, but it is an really an inexact science.

Mr. MORAN. Well, I appreciate that. But I would like to just suggest, Mr. Chairman, that before we go pursuing expensive transformational measures to deal with something like that, we really ought to consider when an individual acts in an abhorrent fashion, throws out signals that he is going to do something dramatic, indicates that everything is going to be different after tomorrow, he buys weapons, he acts strange in his house, he gives indications to his neighbors, it seems to me we ought to be at least privy enough to that information so as to consider whether this could not have been dealt with in a more direct, efficient manner, than considering force transformation policies that I don't think really apply.

Of all the Muslims in the military, we have one guy. He was messed up. He had no business communicating with al-Awlaki in Yemen. That should have been detected. But within the 24 hours he committed this crime, there were so many indications for a superior to have gone to see him and say, Hey, Hasan, what's going on here, Major? What are you up to? I think he clearly would have gotten an indication that something was extraordinarily wrong and somebody needed to intervene.

Thank you, Mr. Chairman.

General HAM. Mr. Chairman, may I? Congressman, I am absolutely in agreement with what you said. The co-chairs of this report

made it clear that leading up to the incident, over the course of Major Hasan's development there were indications, there were signs, some of which were missed, some of which were ignored, that could have altered what happened on the 5th of November. But I think it is important also—and the accountability, again, the Army accountability investigation is focused especially on that aspect of it: Did people not do what they were supposed to do in that regard?

But, secondly, in a broader sense this is a threat. Our programs and procedures are largely relics of our subversion and espionage, looking for spies. Looking for spies is still important. We ought to continue to look for spies. But we now also have to look for a different kind of threat that is emerging within the forces. I am confident we are good enough to do both.

I agree with you, some of this is individual level responsibility—people who knew or should have known and should have taken actions that did not, and folks ought to be held accountable for that.

Mr. MORAN. That was a very good observation. I appreciate that. Both at Walter Reed and Fort Hood there were people who should have acted. And then within those 24 hours before this incident occurred, there were clear indications that should have been followed up on. But I thank you very much for your testimony.

Mr. DICKS. Mr. Kingston.

PREVIOUS INCIDENTS

Mr. KINGSTON. Thank you, Mr. Chairman. I wanted to associate myself with the comments of Mr. Moran.

It does seem to me, General, that this is a little bit politics, a little bit public relations, and also an act of good will towards the families, which is very proper to do. But at the same time, it doesn't seem to me that we have to have new programs, new spending, new procedures. It seems to me—I think Mr. Moran has really hit something that is a concern of mine. Historically, how often has this sort of thing happened? We know there was an incident in Iraq several years ago with a man with a grenade. But historically, tell me about World War II, World War I. Certainly there were acts of soldiers that had some instability and they turned on their own men. What was done with it? How many incidents were there out there?

General HAM. Sir, I don't know exactly how many incidents there are, but I know that one where 13 individuals were killed is unacceptable. And we have got to do all that we can to prevent a subsequent incident of this nature.

Your point is well taken, that much of this is fundamental to good leadership. And good leadership, effective leadership, may have made a difference and probably would have made a difference in this individual's progress through his education, training, and development. But having said that, I think it is important for us to recognize that we do have a changed security environment. Again, individual acts of violence, whether they be motivated by Islamic extremism or other motivations, is something we need to better understand.

Mr. KINGSTON. General, that is why I am asking you what the history was, Vietnam War, Korean War. Certainly, there have been instances of soldiers cracking, turning on their own troops. Correct?

General HAM. Yes, sir, that is correct.

Mr. KINGSTON. Wouldn't that be relevant to this? Because I think on one hand we are saying—and Mr. Frelinghuysen went up to the water's edge on profiling—but on one hand we are saying, and I am hearing you say, that it is evolving. General, you said it is an emerging science. But there is an insinuation that there is an Islamic extremist issue here. But maybe there isn't. Maybe you just have a soldier that went berserk. And couldn't there be some lessons from Vietnam or the Korean War or World War II that there were other soldiers that went berserk and was dealt with?

RADICALIZATION

Mr. DICKS. Would the gentleman yield? I think there are plenty of examples of radicalization of individuals in the United States. We have already discovered in Homeland Security that should make this an issue of concern. The best way to deal with radicalization is training so people perceive it. Police officers went into these four or five guys' apartment and found all this literature. Now, had they not had training in radicalization, they would have just dismissed this, and these people would have gone and done some violent thing. But they saw this literature, and then there were police officers who had been trained, and they acted and prevented these people from taking violent action against others.

So I do think there is—this is a different situation. You are not talking about other state actors. These are nonstate actors that were in the midst of trying to radicalize people in this country to take action against other Americans. I think what they are doing here, you have to train people to be aware of this, in my judgment.

Mr. KINGSTON. That being the case, are you not profiling? Is that not a relevant piece of this puzzle? Are you going to watch somebody a little bit closer if he comes from some background than somebody else?

General HAM. One of the points identified in the DoD review is the challenge of balance of security; balancing that with our longstanding appreciation for civil liberties and individual privacy. That is a difficult balance.

This will be an issue that will be addressed in now the ongoing review of these findings and the recommendations. It is difficult. And this is why I think we owe our commanders the best guidance that we can give them in terms of indicators of things to look for of folks who may be tending toward violence. And while religious extremism, Islamic extremism in this case, is a motivation, it certainly is not the only motivation that might drive someone to violent behavior. We have got to look at those other aspects as well.

Mr. KINGSTON. Just in plain English, give me an example, being very specific. Under the new guidelines what would I do before I got on the list or got pulled aside and say, Hey, what's going on here? How would you know when I got radicalized?

General HAM. In this particular case—again, in the public domain it has been widely reported that Major Hasan attempted and maybe had some successful e-mail contact with a known or sus-

pected terrorist individual. Well, that has got to be item number one. The barrier that we have is that that information, while known to some in the government, was not known to his immediate commanders and supervisors. They didn't know he was doing that. Had they known, we would argue—

Mr. KINGSTON. DHS knew, right?

General HAM. I guess because we were not—we were prohibited from going into the intelligence investigation—I knew that happened, but I don't know the details of who knew what, when.

Mr. KINGSTON. If DHS or whomever knows now, they would now tell DoD?

PROCEDURES FOR INFORMATION SHARING

General HAM. That is what we have recommended, is that the Department of Defense revise its procedures for information sharing; again, focusing on the centrality of the commander, that person who is charge of making those tough decisions. We have also got to give that person the information upon which to base their actions.

Mr. DICKS. If the gentleman would yield, this should have gone to the FBI and the National Counterterrorism Center. They should have been brought into this as soon as they found out that this gentleman had contact with a known terrorist, there should have been action taken. I don't know if people know they are supposed to do that.

Again, I would argue this means we have to do more training so people know when somebody does that. But if it is a known terrorist, they have to take it to the FBI and take it to the National Counterterrorism Center.

Mr. KINGSTON. Thank you, Mr. Chairman.

Mr. DICKS. Mr. Bishop.

PRE- AND POST-DEPLOYMENT MEDICAL ASSESSMENTS

Mr. BISHOP. Thank you, gentlemen. I have listened with great interest. The radicalization of people who are associated and a part of our military is very, very important and very relevant. But even more basic than that is the pre- and postdeployment medical assessments that even soldiers who are not radicalized, who suffer from PTSD, who come back with various other kinds of mental problems, still are not properly assessed.

Of course, this subcommittee and the Congress has time and again over the last 4 years mandated the pre-deployment and postdeployment assessments. Several Surgeon Generals from the Army Department of Defense have come forward and said, Well, we use a self-administered form. We have technicians that go and review those forms postdeployment, and if anything stands out, then we will call the individual in for an interview.

Well, I have always over the last 4 or 5 years questioned the sufficiency of that self-administered assessment in identifying soldiers who could pose a potential risk to themselves, to other soldiers, or to their families, pre- and postdeployment. Pre-deployment, particularly in the case of National Guard and Reserve units, they are going into theater. They may have some medical condition that is not obvious that might cause them to go into a coma of some sort,

or some other mental disability that would endanger their fellow soldiers which, without a hands-on examination, would not be revealed when they come back from the first, second, or multiple deployments, being able to assess what changes have been made to that individual in a way that could pose a threat. That is separate and apart from radicalization.

I think the Independent Review has made it pretty clear that the policies and procedures of the government governing the assessment of the pre- and post-deployments do not provide comprehensive assessment of violence indicators.

So what kinds of reviews are necessary to assure that we have that sufficient information and that the people who need to have it are given that information and that the information is good?

RESOURCES FOR ADDITIONAL ASSESSMENTS

Mr. BISHOP. What kind of training and education do we need to make sure that you have resources to provide to make sure that happens, and what other kinds of policies and procedures need to be updated or broadened to look at these assessments?

General THOMAS. Congressman, I will respond to that. Thank you for that question.

The behavioral health care of our force is of tantamount importance to us. As a physician, I can't overemphasize that. I also have to say that in the course of my military medical career, I have never been in the position where I have been able to take care of patients as well as we are right now, and thanks in large part to what Congress has provided to us.

What we get, in my experience, is we have a lot of policies that come out there. The postdeployment health assessment, as you mentioned, is an example of one. Once that is fielded, the practical application of that is something else.

So what we have done is we have taken, in my experience here in the Army, for example, we have seen the overall policy, but we know that it is inadequate. And that is a clinical determination. We are not identifying all these soldiers with PTSD, posttraumatic stress disorder, for example, or traumatic brain injuries.

We have taken a panel of experts that have worked through the Defense Centers of Excellence, and this is civilian and military experts across the Nation. We have taken some protocols that they have been working for a period of time and we have operationalized those to do exactly what you described, Congressman, to address the need of the force.

Our traumatic brain injury and PTS training we just fielded—there is a directive-type memo, as a matter of fact, in staff and with the DoD. We have done this as a collaborative effort with all the services, the joint services, the Defense Center of Excellence, civilian and military centers, and we have rolled that out to the force.

We went ahead and stepped it ahead of the time, because the Army is leading the way on this, but the Navy is in lockstep with us, as is the Marines. The Marines are training and modeling their program after ours. This will enable us to identify early indicators of behavioral health injuries to soldiers.

There is a face-to-face portion of this, too, where we have—

Mr. BISHOP. Is this the post-deployment assessment?

General THOMAS. Yes, sir. In the post-deployment assessment, actually that phase of this comprehensive plan includes a virtual behavioral health interview. We did a pilot on that in Alaska. It is actually ongoing right now. Prior to Alaska, we did a whole returning battalion in Hawaii, and that was very successful. So we have expanded it to an entire brigade combat team, the 4th Brigade of the 24th Infantry returning to Alaska, and that is ongoing at this time. We intend to expand that even more.

Mr. BISHOP. Ultimately you want to expand that to every soldier that is deployed and comes back?

General THOMAS. Yes, sir, Congressman. We are doing that now, 100 percent contact. If I could back up a little bit—

Mr. BISHOP. Contact virtually?

General THOMAS. Yes, sir. Well, virtual and/or face-to-face, if you have the assets on the ground. Yes, sir.

Mr. BISHOP. Thank you. I am glad to hear that, because this has been a concern for the last 4 or 5 years, and it was really, really frustrating to have the Surgeon General come and sit there and say, Well, we test too much anyway; we do too many medical examinations anyway.

General THOMAS. Sir, I think that this is a good indication of how we can actually identify those folks that are most at risk. We have already found, our preliminary findings in this 100 percent contact has more than doubled our referral rates, which is a positive thing because we are getting the soldiers the care that they need.

Again, I have to thank Congress for allowing us to have the funds to implement these programs and to expand them.

General HAM. Mr. Chairman, may I?

Chairman DICKS. Go ahead.

FACE-TO-FACE VIRTUAL ENCOUNTER

General HAM. Congressman, in my role as a serving commander, I would say we are far more sophisticated than we were just a few years ago, as General Thomas has indicated, because of the support you all have provided to us. We know that the initial survey is in and of itself inadequate. So as General Thomas has indicated, we now mandate either face-to-face or virtual encounter for every servicemember.

Mr. BISHOP. That is now protocol.

General HAM. I would just tell you, in my command in Europe that is what we are doing. We are requiring every returning soldier to interact face-to-face with somebody. And, not surprisingly, those who didn't indicate anything, reveal anything in their survey, may do so when they are face-to-face, if we have the right person doing that counseling.

We have also learned that the immediate survey in a face-to-face encounter immediately following redeployment is not sufficient to indicate what might occur 60, 90, 120 days post-deployment, because there is a bit of euphoria, frankly, upon being reunited with friends and family that may mask some underlying issue. So a follow-on assessment is necessary, and we are doing that with great effect.

Mr. BISHOP. Does that involve the family members? I am involved with the Military Family Caucus. Of course, family members are directly and indirectly impacted by that. They are closest to the soldiers when they come back from deployments, and they probably could pick up on differences in behaviors almost immediately, but may or may not know with whom they should speak about it, or what the protocol for them to do that without offending their spouse.

General HAM. Congressman, may I give you a personal example? When I redeployed, I was pretty happy and going about my business, and about 30 to 45 days after redeployment, my wife said, You need to go see somebody. And I did.

You are exactly right; informing, educating family members and including them in this process. And this is, again thanks to you, the value of the military family life consultants has been extraordinarily beneficial in that regard.

Mr. DICKS. Mrs. Kilpatrick.

PUBLIC DOMAIN

Ms. KILPATRICK. Thank you, Mr. Chairman. Good afternoon, Generals.

Let's see how to start this. I highly respect your work, what you do, your service, your career, and in this meeting, I love this last chair here.

Just a few things: 13 dead, 32 wounded; someone had information that the major had contacted the Yemen man. It is in the public domain. You said a couple times, General Ham, today, that you aren't doing that part; that is the other investigation. I think I wrote down Army accountability investigation. They are doing the criminal part of it, I guess. I came today, I thought I was going to hear the criminal part. So I have a few questions here. How long had the major been a major when the incident occurred?

General HAM. He was promoted in 2008.

Ms. KILPATRICK. 2008. What month of 2008? Any idea? The incident was in 2008, or 2009.

General HAM. In 2009, November 5, 2009.

Ms. KILPATRICK. Over a year he had been a major?

General HAM. I would have to double-check, Congresswoman.

[The information follows:]

Major Hasan was promoted to rank of Major on May 17, 2009.

Ms. KILPATRICK. For a while. You kept referring to in the public domain, but we can't get much of that here in the record today. So you were alluding to it, and it says in the public domain that supervisors and fellow students continually expressed concern about his behavior.

Mr. Chairman just asked, well, okay, he is contacting the guy overseas, we are in two wars, his supervisors and students continually reported him. I mean, you all are doing—I feel I am at the University of Michigan in a class with the 101 thing. You are doing an excellent job teaching me procedures and what needs to happen.

But I kind of agree with Mr. Moran down there. We only have so much money. We have got to spend it wisely. Our men and women have to be protected. Fort Hood, actually the facility itself,

they had been deployed, two, three, four times, some of them. So if anybody is supposed to be protected, those people should be. He went there; he was acting crazy.

I mean, you don't have to get permission from Homeland Security and Secretary Gates, who I have the highest respect for, to know that something is wrong with this gentleman. The 3 or 4 days—and we don't have that today, I think Mr. Moran also alluded to that, it was a dossier of things. And I am just a school teacher and a grandmother, and I know he is crazy, after reading it.

We can't let that happen to the men and women who serve and protect us. As good as you guys are, and I appreciate all that you do, it was too big of a hole—12 dead, 32 injured, and countless families and children who will never be the same.

I am not blaming you, but I don't need another dossier or term paper to tell me we need to do something. A phone call, the IT that we put all the money in? I am not blaming you. I am just one little member here. But it can't happen. And if we don't close it up today, it is going to happen again and again. It could be anybody.

We are just fortunate that nothing happens. We are in two wars. These young people are being deployed two, three, four times. I have got two of them that went five, and back home looking the same, but they probably need some PTSD counseling as well.

So I don't know that I have questions. I am just concerned when we have supervisors and other persons who say to you that this guy is crazy, that he is doing something in a foreign land that is not friends with us—on their face, sometimes they act like they are—we don't need Homeland Security to know the major should have been removed. He should have been, what do you call it, put in something by himself and counseled face to face, how he got to that. He has a career.

The other part of it, I come from Michigan, where the largest population of Arabs live outside of the Middle East. I have grown up with Arabs all my life. But whenever you get one like this, it continues the stereotype that they are all crazy and bad.

I want us to be smarter. I want to know more, Mr. Chairman, about the Army accountability investigation. How can he continue to get promoted, killing 12 and wounding 32, and countless children will never see their parents? It is not acceptable. It is just not acceptable. I don't have the answer for it. I believe if Jack Murtha was here, he would give you a wringing. I can hear him in my ear.

So we want to work with you; certainly I do, and I know my counterparts do. But I am not willing to give you millions more dollars for papers and studies and all that unless you come back and rearrange your budget and what is important. It probably needs a whole overhaul. It probably needs a comprehensive overall.

The budget, we only have limited dollars. This is the biggest and the best budget. It is the best committee I have been on in 30 years. We have to do better, because the world is different. We have to do better because our young men and women who risk their lives for us every day require that.

Fort Hood? And that he picked Fort Hood? It was more than the 13 and the 32. It was the image that Fort Hood has to the rest of

the world, and he penetrated it on the inside. I connect it to the Oklahoma bombing and something similar to that.

Mr. Chairman, I don't have any questions per se. Thank you very much.

Chairman DICKS. We appreciate your comments. Do you want to say anything?

General HAM. Yes, ma'am, I agree with you. What happened was unacceptable, and we lost 13 and 43 were wounded. That is unacceptable. And it is very clear in this review that there are some individuals who did not do their duty.

Ms. KILPATRICK. Who can tell us if they are still on the job or not?

General HAM. To the best of my knowledge, no one has been separated.

Ms. KILPATRICK. Why?

Chairman DICKS. Because the investigations have not been completed yet. You have to give them a chance to do their job.

Ms. KILPATRICK. That is probably coming from the Army accountability study. It is not your problem.

General HAM. Yes, ma'am, it is; but in a different role. I participated in this DoD review we are here to discuss. When that was concluded, Secretary Gates passed allegations about individual accountability to the Secretary of the Army. The Secretary of the Army then, on that same day, appointed me to do that accountability investigation that does name names and identify individuals that I recommend to the Secretary of the Army be held accountable.

That process is ongoing. The Secretary of the Army has not yet received that report, but he will soon and he will make some decisions. I am confident that when he makes those decisions and those actions are taken, that the Secretary of the Army would be glad to have me come over and talk with you about that process. But because it is underway, I am not at liberty to do that.

Mr. DICKS. We will bring you back for another hearing to report to the committee.

Mr. Rogers.

Mr. ROGERS. I pass, for the moment.

QUESTIONS BY CONGRESSMAN CARTER

Mr. DICKS. We are going to let Judge Carter, who represents Fort Hood, ask a few questions. He is a valued member of the Appropriations Committee and serves on Military Construction, and it is his district that was affected by this.

Mr. CARTER. Thank you, Mr. Chairman, and Ranking Member. I really appreciate being allowed to be here as part of this hearing.

This has been a very active part of my life since November 5th. Just as a little background, the day this happened, my field director, a retired colonel from the Chaplain Corps, Gregg Schanep—you may know Gregg—was actually at the site when the shooting started. He called the CO's office, one of multiples who called the CO to say that if you are not having a training exercise, there is firing going on over here. So my office is right in the middle of this terrible situation.

I have visited with quite a few of the wounded soldiers. In fact we have a soldier right now presently in south Austin who just rejected a plate in his skull and they had to go in and refix him.

By the way, let me say, every soldier I have met is a credit to the uniform, including this young man. His attitude is fabulous. But his mom and dad asked me the question, Shouldn't we expect more than our child to get this severely injured, or others dead, by somebody in our own uniform on our own base where they should be safe?

So this is a critical situation. And because I happened to be there and to be in the middle of it, we have become the subject of an awful lot of Internet traffic with people, mostly veterans who live in the Fort Hood area, who are making comments to me. Not Active Duty soldiers. The Active Duty soldiers, they do their duty, and you should be very proud of them. And, by the way, I will fight anybody who says we didn't respond well once this thing happened. I don't think it could have been done any better.

But getting back to this, the one thing I keep hearing overriding is that the ordinary soldier—you have been talking to us about the chain of command and the duty of the commander to recognize behavior and how we need to get them trained to learn to recognize behavior. I don't have any argument with that.

What I am hearing from Gulf War soldiers, soldiers that have just gotten out, they believe there is an attitude that the ordinary soldier who might be coming in contact with the major and have him either proselytize them or just criticize the war or talk about the goodness of jihad, which it is my understanding happened a lot, they felt it was not—it would be detrimental to their career in the Army for them to go to their commanding officer or others to report this, and it was an issue of political correctness.

As one former sergeant reported to me, he said, We have got a shortage of medical personnel, we need Arab speakers. These are prioritized people. And even General Casey, upon hearing of this, made the comment, Let's hope this doesn't hurt our diversity program.

All those things tend to make us think that the ordinary soldier, we might have a culture in the Army that would make him think that making a report to someone of what he would consider bizarre behavior, might be detrimental to his career in the Army.

First, I would like to know if you have run across anything along those lines. I recognize this is trifurcated, so you are just one of at least three routes that I know we are looking into this. But I think that is the underlying question that we have to ask ourselves: Would a soldier feel uncomfortable because of political correctness to making a report? Not an officer looking into someone under his command, but just a soldier who serves alongside, or the nurse that might serve alongside the mental health professional. Have you run into that, and can you answer that question?

General HAM. Congressman, thanks for that question. I would just say at the outset, the co-chairs and I traveled to Fort Hood the day after Secretary Gates appointed this panel, and what the Corps Commander and all those at Fort Hood and the greater Fort Hood community, what they did to pull together was extraordinary.

There were in fact, Congressman, allegations of inappropriate religious remarks conducted by Major Hasan. He was then a captain in residency. He was at this time in Walter Reed. And Secretary Gates directed us to look into that, and we did. And what we found is in fact patients had made a few comments to others, to supervisory personnel, that said, Hey, this guy, he said some things that made me uncomfortable.

And this is, frankly, an instance where supervisors, at least as far as we can tell, did what they were supposed to do. There are records that indicate that he was counseled and advised as to the inappropriateness of making religious comments in a counseling session. Again, he was a resident at that point at Walter Reed, and there were no further instances of that.

We specifically asked that question of the patients that he saw at Fort Hood, and similarly there were no indications from patients that he saw that he made inappropriate religious comments in his provision of medical care to them.

Mr. CARTER. Well, I am just telling you what has been reported to me. Also I have actually had someone who has been in medical school with him that said he did the same thing in medical school. So it is hearsay. And I am an old judge, I take hearsay for what it is worth. But we are in the business of looking into what is going on with soldiers.

I will tell you something that I experienced on the 6th of November when I was there at Darnall. A nurse came up to me and said, "There is something underlying this that the Army better remember." And I am sure you know this. She said, "I just got an e-mail from Australia from a nurse that I served with in Australia, in Afghanistan, and I had just come back. And that nurse said, 'Our soldiers are asking in Australia, Can we trust everybody that is wearing our uniform? Because the Americans can't trust everybody that is wearing their uniform.'"

That is a psychological barrier to fitness for our soldiers. And I hope and pray that we can get past having soldiers have those kinds of feelings about what happened, because the parents are feeling that way and I am sure the soldiers are feeling that way.

So you guys have got a big responsibility. I am on your side, but I want everybody to be straight. For the first time since this happened, yesterday Secretary Napolitano, and again today in a hearing where I talked to her, acknowledged that as far as the homeland was concerned, that was an Islamic terrorist act. To this point, I haven't heard the Army say that. I think it would help a lot when they finish their investigation if they put political correctness aside and make truthful statements.

Thank you.

General HAM. Mr. Chairman, if I may, I think you are exactly right. There is tremendous concern. One of the reasons this attack is so important to us is that it is one of our own. It is inside the family, and a field grade officer on top of that. So one of the great concerns is what is that effect inside the service? Again, do we start to rip apart this fabric of trust that is so essential within the Department?

Secondly, there is a great concern, a very valid concern, that says—you now say am I concerned? Do I feel comfortable? Am I

going to go to an Army mental health provider, behavioral health specialist, and be open and forthright? This guy came from that community.

The good news is that we haven't seen, at least in the conduct of the DoD review, any significant negative consequences from that. And I defer to General Thomas from a broader Army medical standpoint.

But I think you have hit exactly the point of why this one is so different. This was someone who was in a position of trust and confidence who killed 13 of our own, and that is absolutely unacceptable and we must do all that we can to prevent reoccurrence.

Mr. CARTER. Thank you.

Mr. DICKS. Thank you.

Mr. ROGERS.

Mr. ROGERS. Thank you, Mr. Chairman.

I am interested in the conversation—you mentioned or, when he was at Walter Reed that there had been complaints. Were those by enlisted people?

General HAM. Sir, I don't know off the top of my head. All I know, without doing a fair amount of research, is patients that he was seeing.

Mr. ROGERS. What was the nature—

General THOMAS. Sir, no, I don't have that information.

Mr. ROGERS. What was the nature of what they were complaining about?

General HAM. The essence of it, sir, was that in his counsel to the patients, that the supervisors felt that he focused inappropriately on religion as an underlying cause—as an example to say, Well, if you had stronger faith in God, then maybe you would not be experiencing these kinds of problems. It wasn't outright advocacy of Islam, but it was clearly inappropriate to insert that conversation into the treatment of a patient.

Mr. ROGERS. I wouldn't think that would be altogether unusual though, would it be?

General HAM. It was deemed by his supervisors—remember, he was now in residency. It was deemed by his supervisors at that point that those comments were inappropriate to the patient that he was seeing at that time.

Mr. ROGERS. And these people that complained, I am interested in the process. What was done with their complaints?

General HAM. Twofold. First, the supervising physicians of Captain Hasan counseled him, advised him, that that was not appropriate and how he could better, more effectively provide mental health advice to the patients he was seeing.

Secondly, there was an effort to go back to those patients to ensure that they were satisfied and were receiving the care that was necessary by a different provider.

Mr. ROGERS. But who did they complain to?

General HAM. It was the supervising physicians that were overseeing his residency.

Mr. ROGERS. And then what did they do with the information?

General HAM. Twofold. Counseled Major Hasan as to why he should not do that and why it was inappropriate to do so; and, secondly, to assure those patients were afforded the opportunity for

care by another physician, to ensure they got the care and treatment that they required.

Mr. ROGERS. And that was the end of it, then?

General HAM. Yes, sir. But we did again, post-November 5th, when Major Hasan's patients were interviewed at Fort Hood and also other patients that he had seen at Walter Reed, that specific question was asked as to whether or not they felt that he had made inappropriate religious comments.

Mr. ROGERS. Well, have there been changes made since Fort Hood about how inappropriate things that are said are reported and handled?

General HAM. Within the medical community, I am unsure. I defer to General Thomas.

General THOMAS. No, sir. That I am aware of, there are no changes with respect to the training programs instituted at this time post the 5th of November incident. And just having trained residents and having been a military medical resident myself, typically what would happen, in general terms, if a patient had a complaint against me or another provider, another doctor, they would report it to my supervising physician, in this case the fully credentialed staff physician over me as a resident. And then, having been a supervising staff surgeon, patients would commonly ask to see me if they had an issue with one of my residents.

Mr. ROGERS. Well, I am not as much interested in the doctor-patient matter as I am just in the military generally. If a soldier sees or observes something that is suspicious, like this, have we changed the procedures about how he or she can go about reporting that and having it looked into?

General HAM. Not to my knowledge, sir. I think instructive here are Major Hasan's peers as he was going through residency, and then in the 2 years he participated in a fellowship also at Walter Reed. Peers of his did, in fact, make reports to supervisors that said, Hey, this guy is making inappropriate comments.

And that is what we want them to do. They confronted him also, but they also went to his supervisors. So I think the process was okay. In my view, what we found was that some of those supervisors failed to execute their duties.

Mr. ROGERS. Thank you.

Mr. DICKS. All right, thank you, General. This was a very good hearing. We may ask you to come back after the decisions are made by the Secretary. We appreciate your candor and your good work and your service, both of you. Thank you.

The subcommittee was adjourned.

[CLERK'S NOTE.—Questions submitted by Ms. Granger and the answers thereto follow:]

Question. The "Protecting the Force" report praises the Active Shooter Response model that helped in this horrible scenario. Those first responders were trained at The Advanced Law Enforcement Rapid Response Training (ALERRT) Center at Texas State University. The report also stated that current Pentagon policy does not currently take advantage of successful models for active shooter response for civilian and military law enforcement on DoD installations and facilities. What efforts are being made by the Department of Defense to seek out and partner with this existing successful training program?

Answer. The Independent Review Related to Fort Hood found that responding officers attributed their actions to relatively new training on Active Shooter Response instituted by the Fort Hood Department of Emergency Services. In the wake of the

Fort Hood incident, the Department has taken a more systematic approach to ensure that military and civilian police, as well as all Service members, are familiar with “Active Shooter” scenario best practices. To that end, the Department recommended two forms of Active Shooter Training. First, in March 2010, DoD will incorporate a new training module addressing “Active Shooter” threats into the Antiterrorism Level 1 online training. This training will be standard across all Services and mandatory for all uniformed Service members, as well as for all General Schedule and contractor employees who are on TDY orders to deploy. By June 2010, the Under Secretary of Defense for Acquisition, Technology, and Logistics will issue changes to DoD Instruction 6055.17, DoD Installation Emergency Management (IEM) Program, directing commanders to incorporate the “Active Shooter” scenario, lessons learned from Fort Hood, and other workplace violence case studies into their Installation Emergency Management training programs.

The Under Secretary of Defense for Personnel and Readiness will update DoD Instruction 5210.90, Minimum Training, Certification, and Physical Fitness Standards for Civilian Policy and Security Guards (CP/SGs) in the Department of Defense, or issue a new instruction to ensure that “Active Shooter” training tasks will become part of the minimum law enforcement training standards for DoD military and civilian police. The Under Secretary will also seek “Active Shooter” best practices to provide DoD law enforcement elements with the up-to-date practices and protocols for that operational requirement.

Question. Does the Department intend on implementing a standard active shooter response training program? Or will it be left to the independent Services to develop their own programs?

Answer. The Department implemented a standard training program. The new training module addressing “Active Shooter” response protocols is standard across all Services. It is mandatory training for all Service members, as well as for General Schedule and contract employees on TDY orders to deploy. Overseas adult dependents are also encouraged to receive AT Level 1 training.

Question. It would seem logical that any active shooter training, curriculum and response protocol developed by the Pentagon would be consistent and shared with other area law enforcement stakeholders. Will the Department be working with the neighboring civilian law enforcement stakeholders in the development of active shooter training and response protocols?

Answer. It has been common practice for years for installation commanders to engage with local law enforcement stakeholders to establish memoranda of agreement and understanding on force protection and law enforcement issues. At the operational level, commanders exercise discretion as to how best to work with local law enforcement stakeholders. Often, as was the case with “Active Shooter” training at the Fort Hood Department of Emergency Services, installations go above and beyond the DoD instruction to ensure best practices are shared between DoD and non-DoD law enforcement practitioners and first responders.

[CLERKS NOTE.—End of questions submitted by Ms. Granger.]

WEDNESDAY, MARCH 10, 2010.

AIR FORCE POSTURE

WITNESSES

HON. MICHAEL B. DONLEY, SECRETARY OF THE AIR FORCE
GENERAL NORTON A. SCHWARTZ, CHIEF OF STAFF, UNITED STATES
AIR FORCE

INTRODUCTION

Mr. DICKS. The subcommittee will come to order.

This afternoon, the committee will hold an open hearing concerning the current posture of the Air Force as well as the fiscal year 2011 budget request.

We are pleased to welcome two distinguished witnesses, the Honorable Michael B. Donley, Secretary of the Air Force, and General Norton A. Schwartz, Chief of Staff of the Air Force. These gentlemen are very well qualified to discuss all aspects of the fiscal year 2011 budget request and answer questions the committee has regarding the Air Force.

Secretary Donley, General Schwartz, thank you for being here this afternoon. The committee is very interested in hearing what you have to say about the Air Force's fiscal year 2011 budget.

Specifically, as you are well aware, some of us on the committee are anxious to hear about the status of the KC-X program with the announcement on Monday that one of the companies will not bid on the program. The Department had planned on a summer award, so we are interested to hear how this decision will affect a contract award and how such an award will be negotiated with the remaining company.

Additionally, the committee is looking forward to a discussion on the status of the Joint Strike Fighter. The review conducted by the revised joint estimating team this fall predicted at least a 13-month schedule slip and the need for additional funding. To address these concerns, the Department of Defense has significantly decreased the number of aircraft it had planned to procure over the next 5 years and added funding to the development program. Only time will tell if the added time and funds will fully address the problems with this vital program or if the taxpayer will once again be forced to add additional resources.

Another topic of concern is the continued delay in the development of our next long-range strike platform. The Quadrennial Defense Review directed further study of long-range strike capabilities.

The Department of Defense initiated a next-generation bomber program several years ago. However, Secretary Gates terminated the effort last year. With the time required to fully develop a penetrating bomber to be in excess of a decade, if we were lucky, it is

concerning that the Department continues to delay the needed investment in recapitalizing our current fleet of bomber aircraft. Our current bomber fleet consists of 163 aircraft, ranging in age from 50 years for the B-52 to 13 years for the B-2. While we applaud the plan to provide \$199 million for the bomber-related industrial base, we are truly concerned that it is not enough.

A continuing area of concern is the overuse of undefinitized contract actions by the Air Force. While these types of contracts are useful to satisfy critical time-sensitive and urgent warfighter requirements in a timely manner, they should not be used for routine acquisition or as a result of poor planning. Further, the inability of the Air Force and industry to definitize the contracts in a timely manner hinders cost control efforts, which ultimately leads to increasing costs for multibillion dollar acquisition programs. We applaud the efforts you have made over the last 6 months, but the committee will continue to provide stringent oversight to ensure the Air Force continues to reform its contracting procedures.

In addition to these areas, the committee remains concerned with the Air Force's in-sourcing plans. The Air Force budget request includes a \$1.6 billion increase for civilian compensation to support an additional 26,000 Federal civilians and \$1 billion less for contracted services. But it is unclear to the committee what informs the hiring plan since the Air Force does not have an adequate inventory of contracted services. In other words, we don't know who all your contractors are at this point.

We look forward to your testimony and an informative question-and-answer session.

Now, before we hear your testimony, I would like to call on Mr. Tiahrt for any comments he would like to make.

Mr. TIAHRT. Thank you, Mr. Chairman. I welcome Secretary Donley and General Schwartz.

Some of you may have heard the Marines say, you can send us anywhere in the globe; just make sure the airplanes overhead are ours. And I think that is a topic that we have enjoyed, air superiority. We have enjoyed that for some time, mostly because our pilots are the best in the world and because we have given them the tools to do their job safely and come home to their families afterwards.

However, I remain cautious about our ability to maintain this advantage. Certainly our pilots will continue to be trained at a level far exceeding anyone else, but I am concerned that they will have the quality and quantity of airplanes needed to do their job.

We must also maintain our ability to move troops and equipment. We cannot fight the enemy if we can't get to him. To accomplish this quickly and efficiently and safely, it is essential that we maintain the correct mix of assets for both strategic and tactical airlift.

I think we have to address these issues to maintain the dominance in the sky and our global presence, and recapitalization of our fleet is part of that. So I am interested in your testimony. And thank you, Chairman, for the opportunity to open.

Mr. DICKS. Thank you.

Why don't you go ahead and proceed as you wish.

Mr. DONLEY. Thank you, Mr. Chairman; General Schwartz and I would like to congratulate you on your election to this seat.

Mr. DICKS. Thank you very much.

Mr. DONLEY. There has been a long, distinguished series of Chairmen in this position; and we are anxious to work with you going forward.

Mr. DICKS. Thank you.

SUMMARY STATEMENT OF SECRETARY DONLEY

Mr. DONLEY. Mr. Chairman, Mr. Tiahrt, members of the committee, it is a pleasure to be here representing almost 680,000 Active duty, Guard, and Reserve Airmen and Air Force civilians. I am also honored to be here with General Schwartz, who has been a phenomenal partner and a tireless public servant as we have worked together for almost the last two years.

Today, I am pleased to report that America's Air Force continues to make progress in strengthening our contributions as part of the joint team and in the excellence that is the hallmark of our service. We are requesting \$150 billion in our baseline budget, and almost \$21 billion in the overseas contingency operation supplemental to support this work.

In the past year and in planning for the future, we have focused on balancing our resources and risk among the four priority objectives outlined by Secretary Gates in the recently released Quadrennial Defense Review (QDR).

First, we must prevail in today's wars. Your Air Force understands the gravity of the situation in Afghanistan; and, as we continue to responsibly draw down our forces in Iraq, we are committed to rapidly fielding needed capabilities for the joint team such as surging Intelligence, Surveillance, and Reconnaissance (ISR) assets into theater and maximizing air mobility to accelerate the flow of forces into Afghanistan.

Second, we must prevent and deter conflict across the spectrum of warfare. As we await the results of the Nuclear Posture Review and the follow-on Strategic Arms Reduction Treaty (START), we continue to concentrate on the safety, security, and sustainment of two legs of the Nation's nuclear arsenal. Last year, we stood up Air Force Global Strike Command; and we have now realigned our Inter-Continental Ballistic Missile (ICBM) and bomber wings under the control of a single commander. We also designated the Air Force Nuclear Weapons Center as the single point for consolidated management of all of our nuclear weapon sustainment activities. And to increase our engagement across the world, we are building partner capacity in Afghanistan and Iraq and developing a training framework that emphasizes light attack and mobility capabilities that can benefit other nations.

Third, we must be prepared to defeat adversaries and succeed in a wide range of conflicts. We need to ensure that we are providing the right capabilities with our strategic airlift and ISR platforms and ensure our space-based assets continue to deliver needed capabilities for the future.

In addition, the last two decades of sustained operations has strained our weapons systems. We continue to determine which aircraft we will modernize and sustain and which we must retire

and recapitalize. One of our primary efforts includes retiring and recapitalizing many of our legacy fighters and tankers and replacing them respectively, with F-35s and KC-Xs. These decisions require tough choices, as well as the ability to quickly field systems that meet warfighter needs at an affordable price. Because acquisition underpins this effort, we are continuing our work to recapture excellence in this area.

In the past year, we have made great strides in reforming our internal processes. We have added more program executive officers and are growing our acquisition workforce by several thousand professionals over the next five years.

Finally, we must preserve and enhance the all-volunteer force. Airmen are our most valuable resource, and they have performed superbly in every mission and deployment they have undertaken.

With the understanding that their families serve alongside them, in July, 2009, we began a year-long focus on our men and women and their families. This Year of the Air Force Family recognizes their sacrifices and looks to determine how we can better support, develop, house, and educate them. We are determining which programs are performing well and where we can do better.

Mr. Chairman, your Air Force is performing exceptionally well in supporting current fights, responding to growing demands, and shifting personnel priorities, but we are increasingly stressed in the Continental United States (CONUS). Rebuilding the nuclear expertise we need for the future will require continued determination and patience, and we are taking more risk in non-deployed force readiness. Additionally, we face significant challenges in modernization and in infrastructure.

At the same time, however, we are developing and fielding new technologies and capabilities that bode well for our future; and I can tell you after a recent trip to the United States Central Command (USCENTCOM) Area of Responsibility (AOR) that we are recruiting and training some incredible Airmen. General Schwartz and I can again confirm that the Air Force is blessed with an outstanding civilian and military leadership team to address these challenges.

Our priorities going forward are now clear. We must make the most of those resources available to balance capability against risk, balancing winning today's wars against preparing for tomorrow's. We need to prevail in today's fights, and we continue to add capability in every way possible to help ensure success in the ongoing conflicts.

We must prevent and deter future conflict where we can and continue to be prepared and succeed across the full spectrum of conflict. And we must continue to preserve our Airmen and their families. They are truly our hedge against an uncertain future.

Mr. Chairman, we are grateful for your and the committee's support; and we look forward to discussing these matters with the committee. Thank you.

Mr. DICKS. General Schwartz.

SUMMARY STATEMENT OF GENERAL SCHWARTZ

General SCHWARTZ. Mr. Chairman, I add my congratulations, sir.

And, Congressman Tiahrt, members of the committee, I am proud to be here representing your Air Force with Secretary Donley; and let me begin by reaffirming that the United States Air Force is fully committed to effective stewardship of the resources that you and the Nation have placed in our trust. Guided by integrity, service, and excellence, our core values, American Airmen are serving courageously every day with precision and reliability on behalf of the American people. The budget request supports these Airmen and continuing efforts to rebalance the force, to make difficult decisions on what and how we buy, and to sustain our needed contributions to the joint team.

Secretary Donley and I established five priorities shortly after taking office to ensure that our entire force was focused on the right objectives. Most of our initial efforts centered on re-affirming long-established standards of excellence and recommitting ourselves in areas where our focus had waned. I am pleased to report to you today that our dedicated and talented Airmen understood our intent broadly and delivered in meaningful fashion.

Although these initial priorities are not designed to change from year to year, our progress with the nuclear enterprise is such that we can now shift our efforts to sustaining the progress that we have made.

Thus, our first priority is to continue to strengthen excellence in the nuclear enterprise. The rigor of our nuclear surety inspections demonstrates a renewed commitment to the highest levels of performance, but we must and we will do more to ensure 100 percent precision and reliability in our nuclear operations and logistics as close to 100 percent of the time as such a human endeavor will allow.

For our second priority, that is partnering with our joint and coalition teammates to win today's fight, Secretary Donley mentioned several of the ways in which our airmen are providing critical air and space power for the coalition and joint team. Your Airmen are performing admirably wherever and whenever our joint teammates require, including providing battlefield medical support and evacuation, ordnance disposal, convoy security, and much more.

Our third priority remains to develop and care for our airmen and their families. We initiated the Air Force Year of the Family, as you just heard, in recognition of the vital role that our families fulfill in mission accomplishment. Although their sacrifice is perhaps less conspicuous, their efforts are certainly no less noble and their contributions are no less substantial.

Modernizing our inventories and organization and training are fourth priorities, among the most difficult tasks that our service have undertaken in these last 18 months.

In order to achieve the balance that Secretary Gates has envisioned for our force, we are compelled to decision and to action. The budget represents a continuation of this effort.

We set forth on a plan last year to accelerate the retirement of some of our older fighter aircraft. This year we are not retiring any additional fighters, but we are transitioning from some of our oldest and least capable C-130s and C-5s.

We will modernize where we can, but where modernization no longer is cost effective, we will pursue recapitalization. KC-X is

certainly one such example. With the recent delivery of the requests for proposal, our top acquisition effort to procure the next generation of refueling aircraft passed a significant milestone.

A similar imperative goes along with the F-35. I want to underscore Secretary Donley's comments by noting that this weapons system will be the workhorse driving much of our Air Force and the joint force forward.

Long-range strike is the last program among our top priorities and initiatives.

The Air Force fully supports development of a family of systems providing both penetrating and standoff capabilities for the next two or three decades as described in the QDR.

And finally, recapturing acquisition excellence, our fifth priority, is now only beginning to pay dividends with their acquisition improvement plan at the heart of the reform effort. While promising the initial successes must continue for a number of years before we can declare victory on this front, we are fully aware, that we must ring every bit of capability and value that we can from the systems that we procure. So this effort will require sustained focus on acquisition excellence.

Mr. Chairman, the Air Force will continue to provide our best military advice and stewardship, delivering global vigilance, reach, and power for the Nation. Thank you for your continued support of the United States Air Force and particularly of our Airmen and their families. I look forward, sir, to your questions.

[The joint statement of Secretary Donley and General Schwartz follows:]

United States Air Force



Testimony

Before the House Appropriations
Subcommittee on Defense

Air Force Fiscal Year 2011 Budget

Statement of the Honorable Michael B.
Donley, Secretary of the Air Force

Statement of General Norton A. Schwartz,
Chief of Staff, United States Air Force

March 10, 2010

Not for publication until released by the House Appropriations
Subcommittee on Defense



BIOGRAPHY

UNITED STATES AIR FORCE

MICHAEL B. DONLEY

Mr. Michael B. Donley is the Secretary of the Air Force, Washington, D.C. He is the 22nd Secretary and was confirmed Oct. 2, 2008. He is responsible for the affairs of the Department of the Air Force, including the organizing, training, equipping and providing for the welfare of its more than 334,000 men and women on active duty, 176,000 members of the Air National Guard and the Air Force Reserve, 170,000 civilians, and their families. He also oversees the Air Force's annual budget of more than \$110 billion.

Mr. Donley has 30 years of experience in the national security community, including service in the Senate, White House and the Pentagon. Prior to assuming his current position, Mr. Donley served as the Director of Administration and Management in the Office of the Secretary of Defense. He oversaw organizational and management planning for the Department of Defense and all administration, facility, information technology and security matters for the Pentagon.



From 1996 to 2005, Mr. Donley was a Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, and a consultant to DOD and the State Department on national security matters. From 1993 to 1996, he was Senior Fellow at the Institute for Defense Analyses. During this period he was a Senior Consultant to the Commission on Roles and Missions of the Armed Forces and participated in two studies on the organization of the Joint Staff and the Office of the Chairman, JCS. Prior to this position, he served as the Acting Secretary of the Air Force for seven months, and from 1989 to 1993 he was the Assistant Secretary of the Air Force (Financial Management and Comptroller).

Mr. Donley supported two Presidents and five National Security Advisers during his service at the National Security Council from 1984 to 1989. As Deputy Executive Secretary he oversaw the White House Situation Room and chaired interagency committees on crisis management procedures and continuity of government. Earlier, as Director of Defense Programs, Mr. Donley was the NSC representative to the Defense Resources Board, and coordinated the President's quarterly meetings with the Joint Chiefs of Staff. He conceived and organized the President's Blue Ribbon Commission on Defense Management (the Packard Commission), coordinated White House policy on the Goldwater-Nichols DOD Reorganization Act of 1986, and wrote the National Security Strategy for President Reagan's second term. He was also a Professional Staff Member on the Senate Armed Services Committee from 1981 to 1984.

Mr. Donley served in the U.S. Army from 1972 to 1975 with the XVIIIth Airborne Corps and 5th Special

Forces Group (Airborne), attending the Army's Intelligence and Airborne Schools and the Defense Language Institute. Mr. Donley earned both Bachelor of Arts and Master of Arts degrees in international relations from the University of Southern California. He also attended the Senior Executives in National Security program at Harvard University.

EDUCATION

1972 U.S. Army Intelligence School, Fort Huachuca, Ariz.
1973 Defense Language Institute, Monterey, Calif.
1974 U.S. Army Airborne School, Fort Benning, Ga.
1977 Bachelor of Arts degree in international relations, University of Southern California, Los Angeles
1978 Master of Arts degree in international relations, University of Southern California, Los Angeles
1986 Senior Executives in National Security program, John F. Kennedy School of Government, Harvard University, Cambridge, Mass.

CAREER CHRONOLOGY

1. 1972 - 1975, U.S. Army, XVIIIth Airborne Corps and 5th Special Forces Group (Airborne), Fort Bragg, N.C.
2. 1978 - 1979, Editor, National Security Record, Heritage Foundation, Washington, D.C.
3. 1979 - 1981, Legislative Assistant, U.S. Senate, Washington, D.C.
4. 1981 - 1984, Professional Staff Member, Senate Armed Services Committee, Washington, D.C.
5. 1984 - 1987, Director of Defense Programs, National Security Council, the White House, Washington, D.C.
6. 1987 - 1989, Deputy Executive Secretary, National Security Council, the White House, Washington, D.C.
7. 1989 - 1993, Assistant Secretary of the Air Force (Financial Management and Comptroller), Washington, D.C.
8. 1993, Acting Secretary of the Air Force, Washington, D.C.
9. 1993 - 1996, Senior Fellow at the Institute for Defense Analyses, Alexandria, Va.
10. 1996 - 2005, Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, McLean, Va.
11. 2005 - 2008, Director of Administration and Management, Office of the Secretary of Defense, Washington, D.C.
12. 2008 - present, Secretary of the Air Force, Washington, D.C.

(Current as of August 2009)



BIOGRAPHY

UNITED STATES AIR FORCE

GENERAL NORTON A. SCHWARTZ

Gen. Norton A. Schwartz is Chief of Staff of the U.S. Air Force, Washington, D.C. As Chief, he serves as the senior uniformed Air Force officer responsible for the organization, training and equipping of 680,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas. As a member of the Joint Chiefs of Staff, the general and other service chiefs function as military advisers to the Secretary of Defense, National Security Council and the President.

General Schwartz graduated from the U.S. Air Force Academy in 1973. He is an alumnus of the National War College, a member of the Council on Foreign Relations, and a 1994 Fellow of Massachusetts Institute of Technology's Seminar XXI. He has served as Commander of the Special Operations Command-Pacific, as well as Alaskan Command, Alaskan North American Aerospace Defense Command Region, and the 11th Air Force. Prior to assuming his current position, General Schwartz was Commander, U.S. Transportation Command and served as the single manager for global air, land and sea transportation for the Department of Defense.



General Schwartz is a command pilot with more than 4,400 flying hours in a variety of aircraft. He participated as a crewmember in the 1975 airlift evacuation of Saigon, and in 1991 served as Chief of Staff of the Joint Special Operations Task Force for Northern Iraq in operations Desert Shield and Desert Storm. In 1997, he led the Joint Task Force that prepared for the noncombatant evacuation of U.S. citizens in Cambodia.

EDUCATION

1973 Bachelor's degree in political science and international affairs, U.S. Air Force Academy, Colorado Springs, Colo.
 1977 Squadron Officer School, Maxwell AFB, Ala.
 1983 Master's degree in business administration, Central Michigan University, Mount Pleasant
 1984 Armed Forces Staff College, Norfolk, Va.
 1989 National War College, Fort Lesley J. McNair, Washington, D.C.
 1994 Fellow, Seminar XXI, Massachusetts Institute of Technology, Cambridge

ASSIGNMENTS

1. August 1973 - September 1974, student, undergraduate pilot training, Laughlin AFB, Texas

2. October 1974 - January 1975, student, C-130 initial qualification training, Little Rock AFB, Ark.
3. February 1975 - October 1977, C-130E aircraft commander, 776th and 21st tactical airlift squadrons, Clark Air Base, Philippines
4. October 1977 - December 1977, student, Squadron Officer School, Maxwell AFB, Ala.
5. December 1977 - October 1979, C-130E/H flight examiner, 61st Tactical Airlift Squadron, Little Rock AFB, Ark.
6. October 1979 - November 1980, intern, Air Staff Training Program, Office of the Deputy Chief of Staff for Plans, Operations and Readiness, Headquarters U.S. Air Force, Washington, D.C.
7. November 1980 - July 1983, MC-130E flight examiner, 8th Special Operations Squadron, Hurlburt Field, Fla.
8. July 1983 - January 1984, student, Armed Forces Staff College, Norfolk, Va.
9. January 1984 - April 1986, action officer, Directorate of Plans, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
10. May 1986 - June 1988, Commander, 36th Tactical Airlift Squadron, McChord AFB, Wash.
11. August 1988 - June 1989, student, National War College, Fort Lesley J. McNair, Washington, D.C.
12. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany
13. August 1991 - May 1993, Deputy Commander for Operations and Commander, 1st Special Operations Group, Hurlburt Field, Fla.
14. May 1993 - May 1995, Deputy Director of Operations, later, Deputy Director of Forces, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
15. June 1995 - May 1997, Commander, 16th Special Operations Wing, Hurlburt Field, Fla.
16. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii
17. October 1998 - January 2000, Director of Strategic Planning, Deputy Chief of Staff for Plans and Programs, Headquarters U.S. Air Force, Washington, D.C.
18. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla.
19. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska
20. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C.
21. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C.
22. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill.
23. August 2008 - present, Chief of Staff, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany, as a colonel
2. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii, as a brigadier general
3. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla., as a lieutenant general
4. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska, as a lieutenant general
5. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C., as a lieutenant general
6. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C., as a lieutenant general
7. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill., as a general

FLIGHT INFORMATION

Rating: Command pilot

Flight hours: More than 4,400

Aircraft flown: C-130E/H, MC-130E/H/P, HC-130, AC-130H/U, YMC-130, MH-53 and MH-60

MAJOR AWARDS AND DECORATIONS

Defense Distinguished Service Medal with two oak leaf clusters
Distinguished Service Medal
Defense Superior Service Medal with oak leaf cluster
Legion of Merit with two oak leaf clusters
Defense Meritorious Service Medal
Meritorious Service Medal with two oak leaf clusters
Air Force Commendation Medal with oak leaf cluster
Army Commendation Medal

EFFECTIVE DATES OF PROMOTION

Second Lieutenant June 6, 1973
First Lieutenant June 6, 1975
Captain June 6, 1977
Major Nov. 1, 1982
Lieutenant Colonel March 1, 1985
Colonel Feb. 1, 1991
Brigadier General Jan. 1, 1996
Major General March 4, 1999
Lieutenant General Jan. 18, 2000
General Oct. 1, 2005

(Current as of August 2009)

The 2010 Air Force Posture Statement presents our vision of Global Vigilance, Reach and Power as a vital component of the Joint team, defending our National interests, and guided by our core values of Integrity First, Service Before Self, and Excellence in All We Do.

Introduction

Today, the United States confronts a dynamic international environment marked by security challenges of unprecedented diversity. Along with our Joint partners, the Air Force will defend and advance the interests of the United States by providing unique capabilities to succeed in current conflicts while preparing to counter future threats to our national security. Over the last year, the Air Force made great strides in strengthening the precision and reliability that is our hallmark.

Strategic Focus

This year offers an opportunity to fully integrate our Service posture with a new National Security Strategy, the Department of Defense Quadrennial Defense Review, and strategic reviews of the Nation's space, nuclear, and ballistic missile defense postures. Balance is the defining principle linking this budget request to our strategic guidance.

In the 2010 Quadrennial Defense Review, the Secretary of Defense established four U.S. defense objectives to guide our current actions as well as to plan for the future: prevail in today's wars, prevent and deter conflict, prepare to defeat adversaries and succeed in a wide range of contingencies, and preserve and enhance the all-volunteer force. In accordance with this guidance, the Air Force developed the 2011 budget request to enhance our capabilities to meet these objectives, while balancing risk appropriately. As the future security environment will require a range of agile and flexible capabilities, investments for today's conflict will also support our efforts to prepare, prevent, and prevail, and preserve well into the future.

Prevail in Today's Wars: Our investments in intelligence, surveillance, and reconnaissance, as well as airlift, command and control, and building partner capacity reinforce the prominence of this priority in our budget request. In addition, nearly 30,000 deployed Airmen daily provide key capabilities in direct support of combat operations.

Prevent and Deter Conflict: The Air Force made significant resource and cultural investments in reinvigorating our portion of the Nation's nuclear deterrence over the past 18 months. We are now institutionalizing these successes to ensure the highest standards across the nuclear enterprise. Our initial investments in a family of long-range strike capabilities mark our commitment to sustaining power projection capabilities for the next several decades.

Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies: This priority directly reflects the Air Force emphasis on balancing our commitments to today's conflicts against preparing for mid- and long-term risks. Awarding a contract this year to recapitalize our aging tanker force is our top acquisition priority. Similarly, the F-35 will be the workhorse of the fighter force for decades to come. Our investment in this program is timed with other modernization initiatives and divestment plans to ensure sufficient capabilities are available to deter and defeat potential enemies.

Preserve and Enhance the All-Volunteer Force: Preserving and enhancing our all-volunteer force provides the foundation required for our flexible and agile posture. This budget reflects a commitment to enhancing our force through education and training, while also bolstering the overall quality of life of Airmen and their families.

Strategy to Resources

As we prepared the budget request described by this Posture Statement, we structured our resource choices by balancing the twelve Air Force Core Functions across the near- and long-term. When considered together, the Core Functions encompass the full range of Air Force capabilities, and serve as the framework for this Posture Statement. While this document describes the core functions individually, we recognize their inherent interdependence within not just the Air Force, but also within the Joint force and the whole of government.

AIR FORCE CORE FUNCTIONS

<i>Nuclear Deterrence Operations</i>	<i>Special Operations</i>
<i>Air Superiority</i>	<i>Global Integrated ISR</i>
<i>Space Superiority</i>	<i>Command and Control</i>
<i>Cyberspace Superiority</i>	<i>Personnel Recovery</i>
<i>Global Precision Attack</i>	<i>Building Partnerships</i>
<i>Rapid Global Mobility</i>	<i>Agile Combat Support</i>

Nuclear Deterrence Operations

Since its inception, the Air Force has served as a proud and disciplined steward of a large portion of the Nation's nuclear arsenal. We steadfastly maintain and secure nuclear weapons to deter potential adversaries, and to assure our partners that we are a reliable force providing global stability.

The first Air Force priority during the last two years has been to reinvigorate the stewardship, accountability, compliance, and precision within the nuclear enterprise. This mission demands perfection. Last year we reorganized our nuclear forces, consolidating responsibility into a clear chain of command. All nuclear operations are under the command of the Air Force Global Strike Command and all sustainment activities are controlled by the Air Force Nuclear Weapons Center. We also added a fourth B-52 squadron to enhance nuclear surety through greater mission focus. We continued these advancements in FY10 by reassigning Intercontinental Ballistic Missile (ICBM) and nuclear bomber forces to Air Force Global Strike Command as it proceeds toward full operational capability.

The FY11 budget request continues to invest in sustaining the Air Force's ICBM and bomber fleets. We will invest \$295 million across the FYDP to replace fuzing mechanisms, and to sustain test equipment and environmental control systems for the aging, but capable, Minuteman III ICBM weapon system.

As we begin work to develop a future Long Range Strike capability, we recognize the need to continue investing in our legacy bomber fleets, including nearly \$800 million for modernization. This budget request provides the B-52, initially designed in the early 1950s, with an internal precision-guided weapons capability, a new radar, and a modern and effective anti-skid system. This request funds modernization of B-2 analog defensive systems to ensure continued survivability against increasingly capable air defense systems. Additionally, the UH-1N replacement program supporting missile launch complexes is on track and we anticipate initial operating capability by FY15.

Air Superiority

Air superiority is a necessary precondition for most U.S. military operations. American ground forces have operated without fear of enemy aircraft since 1953. Although we operate in uncontested airspace in current conflicts, we cannot assume this will be the case in the future. The emergence of modern air defenses challenges the ability of the Air Force to achieve air superiority. Potential adversaries are leveraging readily accessible technologies by modifying existing airframes with improved radars, sensors, jammers, and weapons. In addition, several nations are pursuing fifth-generation aircraft capable of all-aspect, low-observable signatures, and fully integrated avionics and sensors. Adversary nations are also turning to advanced surface-to-air missiles to augment or even substitute for aircraft modernization efforts. The proliferation of these sophisticated and increasingly affordable weapons presents an area denial capability that challenges our legacy fleet. As the range of potential threats evolves, the Air Force will rely on the F-22 Raptor as the workhorse of the air superiority fighter force for the

foreseeable future. Complementing our 187 modernized F-22s, we will continue to rely on F-15C/D aircraft to provide an important component of our air superiority capability.

Our FY10 budget included plans to accelerate the retirement of some legacy fighter aircraft to pave the way for a smaller but more capable fighter force. As we work with the Congress to execute this important plan, we continue to aggressively modernize our air superiority fleet, including upgrading fielded F-22s to ensure fleet commonality with current deliveries. Additionally, we began modernizing 176 F-15Cs with the new APG-63(v)3 Active Electronically Scanned Array (AESA) radar. Along with these modifications, we are continuing the development and procurement of the AIM-9X and AIM-120D air-to-air missiles.

The FY11 budget requests \$12.5 billion in the FYDP to sustain America's air superiority advantage. To continue F-22 modifications, this request includes \$1.34 billion to continue fleet commonality upgrades, improving reliability and maintainability, and adding training enhancements for the fleet. Building on the multi-role nature of our most advanced aircraft, this request also includes \$1.19 billion to add precision attack capabilities such as the Small Diameter Bomb. The Air Force will also continue the development and procurement of air-to-air munitions and defenses for the F-22 such as the AIM-9X, AIM-120D, and electronic warfare capabilities. To sustain our legacy aircraft viability, we included \$92 million to continue the upgrades and modifications to the new F-15 AESA radar. Recognizing that Electronic Warfare remains an integral part of air superiority, we request \$251 million in FY11 for upgrades to the EC-130H Compass Call fleet. This request includes the conversion of an additional EC-130H, as well as a combined flight deck and mission crew simulator to increase training capacity.

Space Superiority

America's ability to operate across the spectrum of conflict relies heavily on space capabilities developed and operated by the Air Force. We support the Joint force by developing, integrating, and operating in six key mission areas: missile warning; space situational awareness (SSA); military satellite communications; positioning, navigation and timing; space access; and weather.

To enhance space support to the Joint force, we are increasing communications capability in FY10 through two satellite communications programs, the Wideband Global Satellite (WGS) program to replace the Defense Satellite Communications System (DSCS), and Advanced Extremely High Frequency system for protected communications. We launched the second and third WGS satellites in FY10; each WGS satellite provides the equivalent capacity of the entire legacy DSCS constellation. Additionally, the second on-orbit Space-Based Infrared System Highly Elliptical Orbit payload was fully certified by United States Strategic Command to

perform strategic missile warning. Finally, spacelift remains the backbone for national security space with a record sixty-four consecutive successful missions.

The FY11 budget request for \$10.9 billion will improve our stewardship of space with investment in space and space-related support systems. With these resources, we will field several first-of-their-kind systems – Global Positioning System Block IIF, Space Based Space Surveillance System, and Advanced Extremely High Frequency satellite communications system. This request proposes \$1.2 billion for the Evolved Expendable Launch Vehicle program, \$1.8 billion for the Space Based Infrared System, and \$1.3 billion for GPS. We also included \$135 million for Joint Space Operation Center Mission System to improve SSA capabilities, and \$94 million for the Operationally Responsive Space program to pursue innovative capabilities that can be rapidly developed and fielded in months rather than years. We request \$577 million to fully fund WGS to meet combatant commander bandwidth requirements. Moreover, we will continue to maintain SSA ground-based systems and explore space-based capabilities to ensure our continued freedom to operate in this domain.

Cyberspace Superiority

Cyber threats ranging from individual hackers to criminal organizations to state-sponsored cyber intrusions can challenge access to, and use of, this domain. Although the freedom to operate in the cyber domain is a precondition for our increasingly networked force, many of our potential adversaries are similarly adopting information-enabled technology, rendering them vulnerable to cyber attack as well. Threats to freedom of access to the cyber domain present both challenges and opportunities.

In FY10 we continued the development and institutionalization of cyberspace capabilities and integration into the Joint cyberspace structure. The newly activated 24th Air Force, the first Numbered Air Force dedicated to cyberspace operations, recently achieved initial operational capability and has been designated the Air Force component for the sub-unified U.S. Cyber Command. We are also focusing on cyber personnel by normalizing the cyber career path and adding technical education courses.

The FY11 budget request reflects a continued commitment to cyber superiority. We request \$31 million for expanded rapid cyber acquisition capabilities to keep pace with dynamic adversaries and fast-paced advances in technology. In support of the national cyber effort, this budget request dedicates \$104 million to support operations and leased space for headquarters staff at the sub-unified U.S. Cyber Command. Additionally, we propose adding \$15 million and additional manpower over the next five years to increase the investigative and law enforcement aspects of cyberspace defense.

Global Precision Attack

Global Precision Attack is the ability to hold any target at risk, across the air, land, and sea domains. Many of our global precision attack forces are meeting the current requirements of ongoing contingency operations by performing precision strike and intelligence, surveillance, and reconnaissance (ISR) support roles. In the longer term, however, the proliferation of area denial and anti-access capabilities will challenge the ability of current fourth-generation fighters and legacy bombers to penetrate contested airspace.

The Air Force budget request in FY10 recognized these developments and continued improvements to aircraft and weapons capabilities. This year, we will take delivery of 10 F-35s for developmental testing and to train test pilots. We are also modernizing legacy fighter aircraft to maintain sufficient capability and capacity until the F-35 fleet is fully operational, and are continuing to develop programs for preferred air-to-ground weapons. Upon completion of the required reports to the Congress later this year, we will implement the planned reduction of 257 legacy fighters. We have had mixed results in test drops of the Massive Ordnance Penetrator; however, we are closely monitoring the progress of this important capability, and future successes likely will result in a reprogramming request to accelerate its development in FY10. Finally, continued development of the second increment of the Small Diameter Bomb will give the Air Force even greater capability and flexibility.

Our \$14.4 billion Global Precision Attack request for FY11 reflects a balanced approach across the portfolio, prioritizing investment in fifth-generation aircraft while sustaining legacy platforms as a bridge to the F-35.

F-35 Joint Strike Fighter

The multi-role F-35 is a critical element of the Air Force's future precision attack capability. In addition to complementing the F-22's world class air superiority capabilities, the F-35 is designed to penetrate air defenses and deliver a wide range of precision munitions. This modern, fifth-generation aircraft brings the added benefit of increased allied interoperability and cost-sharing across services and partner nations.

Working in close collaboration with DoD, the F-35 program team realized a number of accomplishments over the last year, to include the first flight of the first optimized conventional take-off and landing (CTOL) Joint Strike Fighter (JSF) variant—aircraft AF-1.

Despite these important accomplishments, the program is experiencing program challenges as it transitions from development to production. Last year, DoD conducted multiple, independent reviews to assess the impact of these challenges on the program's cost, schedule, and technical performance. The results were consistent with a previous FY08 DoD independent assessment that projected a cost increase and schedule slip.

The challenges being experienced are not unusual for this phase of a major program. However, we are disappointed by the contractor's failure to deliver flight test aircraft as scheduled during the past year. The result of the late deliveries will be a delay in the flight test program. Although there appear to be recent improvements, the contractor also has been experiencing assembly inefficiencies that must be corrected to support higher production rates.

In response to the challenges still facing the program and the findings of the independent reviews, we have taken numerous management actions to reduce risk. Most significantly we have determined that it is prudent to adjust the schedule and funding to levels consistent with the most recent independent estimates. These cost and schedule adjustments require that we initiate the process to confirm the program is in breach of the Nunn-McCurdy Act criteria, and details will be reported later this spring.

The F-35 is our largest and most important program and we are dedicated to successfully delivering these aircraft to both the U.S. and to our international partners in this effort. The Air Force FY11 budget includes \$5.6 billion for continued development and procurement of 22 CTOL production aircraft.

Long-range Strike

Investments in our B-52 and B-2 fleets sustain nuclear deterrence operations as well as conventional global precision attack capabilities in the near-term, but we are adding research and development funds to accelerate development of enhanced long-range strike capabilities. Building upon insights developed during the Quadrennial Defense Review (QDR), the Secretary of Defense has ordered a follow-on study to determine what combination of Joint persistent surveillance, electronic warfare, and precision-attack capabilities will be best suited to support U.S. power projection operations over the next two to three decades. The study will examine both penetrating platforms and stand-off weapon options. As part of this assessment, the Air Force is reviewing options for fielding survivable, long-range surveillance and strike aircraft as part of a comprehensive, phased plan to modernize the bomber force. Additionally, the Navy and the Air Force are cooperatively assessing alternatives for a new Joint cruise missile. Finally, the Department of Defense also plans to analyze conventional prompt global strike prototypes and will assess the effects that these systems, if deployed, might have on strategic stability.

Rapid Global Mobility

The Air Force is committed to providing unmatched airlift and air refueling capability to the nation. Air Force mobility forces provide an essential deployment and sustainment capability for the Joint force, delivering personnel, equipment, and supplies necessary for missions ranging from conflict to humanitarian relief.

We are releasing the Request for Proposal for a KC-X replacement tanker in early 2010, and will aggressively work toward awarding a contract later this year. Additionally, we completed the successful operational testing of the C-5 Reliability Enhancement and Re-engine Program (RERP) and will induct two more C-5Bs into low-rate initial production. For tactical airlift, we recently concluded a test of our Direct Support airlift concept and continue to work with the Army to rapidly and smartly transfer the C-27J program to the Air Force.

The FY11 budget reflects a balanced approach across the tanker and airlift portfolios, which prioritizes recapitalization of the oldest aircraft while ensuring the continued viability of the legacy fleet. Investments in tanker capability are heavily weighted towards the KC-X program—our top acquisition priority—and represent \$11.7 billion in the FYDP. However, while moving aggressively to recapitalize the tanker fleet, we must also ensure the continued health of legacy aircraft. This budget request includes \$680 million in the FYDP for airspace access modifications and sustainment of the KC-10 and KC-135 fleets.

The Air Force Airlift budget request is focused on meeting mobility requirements in the most cost efficient way possible, recapitalizing only the oldest airlift aircraft. To ensure continued access to all airspace, this budget continues to modernize and modify C-5s and C-130Hs through Avionics Modernization Programs, and upgrades C-5B/Cs with RERP. To complete the recapitalization of C-130Es, we request \$1.8 billion over the next five years to procure 24 C-130Js. Additionally, in accordance with the preliminary results of the Mobility Capabilities and Requirements Study 2016, and subject to authorization by the Congress, we intend to retire some of the oldest, least capable C-5As and C-130H1s. We have also requested \$38.9 million in FY11 to transition from C-17 procurement to sustainment.

Special Operations

Air Force special operations capabilities play a vital role in supporting U.S. Special Operations Command (USSOCOM) and geographic combatant commanders. As the Department of Defense increasingly develops irregular warfare capabilities, the Air Force is investing in special operations airlift, close air support, foreign internal defense, and intelligence, surveillance, and reconnaissance capabilities.

In FY10 we focused on growing and recapitalizing the special operations aircraft inventory. By the end of the fiscal year, three MC-130W Combat Spear aircraft will be modified with the Precision Strike Package to provide additional armed overwatch capability for SOF forces. Additionally, we will deliver the sixteenth of fifty CV-22s.

This FY11 budget proposal includes \$6.7 billion through the FYDP to continue growing and recapitalizing the Air Force Special Operations Command (AFSOC). In FY11 we will procure five additional CV-22s and five MC-130Js for \$1.1 billion. This request also includes \$1.6 billion in the FYDP to start recapitalizing our AC-130H aircraft. We will rapidly recapitalize these aging aircraft through the procurement of 16 additional MC-130Js, modified with the proven

Precision Strike Package. In FY11 we will also increase AFSOC's manpower by 258 personnel by FY15 to support the addition of 16 fixed-wing mobility and two rotary-wing aircraft.

Global Intelligence, Surveillance, and Reconnaissance

The Air Force continues to rapidly increase its Intelligence, Surveillance, and Reconnaissance (ISR) capability and capacity to support combat operations. Air Force ISR provides timely, fused, and actionable intelligence to the Joint force, from forward deployed locations and globally distributed centers around the globe. The exceptional operational value of Air Force ISR assets has led Joint force commanders in Iraq, Afghanistan, and the Horn of Africa to continually increase their requests for these forces. To help meet this demand, the Air Force currently has more than 90 percent of all available ISR assets deployed.

In FY10, we are quantitatively and qualitatively increasing aircraft, sensors, data links, ground stations, and personnel to address emergent requirements. Over the last two years, the Air Force increased the number of remotely piloted aircraft (RPA) fielded by 330 percent. We invested in a Wide Area Airborne Surveillance (WAAS) system for new and existing MQ-9s to provide up to 50 video streams per sensor within a few years. By the summer of FY10, a quick reaction capability version of WAAS known as Gorgon Stare will provide 10 video streams per MQ-9. Any ROVER-equipped ground force will be able to receive any of these feeds. We also added four RQ-4s, and graduated our first class of RPA-only pilots. Early in FY10, we proposed a shift in the nomenclature from "unmanned aircraft systems" (or UAS) to "remotely piloted aircraft" as part of normalizing this capability within the Air Force manpower structure and culture. We will also maintain our current JSTARS-based Ground Moving Target Indicator (GMTI) capability as we begin an Analysis of Alternatives to determine the future of GMTI.

To complement remotely piloted capabilities, we are deploying MC-12W Project Liberty aircraft to the theater as fast as they can be delivered from the factory. This program progressed from "concept to combat" in a record nine months, and has a deployed maintenance availability rate well above 90 percent.

Because analysis transforms data into actionable intelligence, we are shifting approximately 3,600 of the 4,100 manpower billets recaptured from the early retirement of legacy fighters to support RPA operations, and the processing, exploitation, and dissemination of intelligence collected by manned and remotely piloted aircraft. We also doubled the number of ISR liaison officers assigned to deployed ground forces to ensure the seamless integration of ISR collection and exploitation assets.

Our FY11 budget proposal reflects the Joint force emphasis on ISR capacity, and builds on progress made in FY10. The Air Force will reach 50 RPA continuous, combat air patrols (CAPs)

in theater by the end of FY11. The budget request increases MC-12W funding to normalize training and basing posture, adds Wide Area Airborne Surveillance capability, and increases the total number of our RPA platforms to enable fielding up to 65 CAPs by the end of FY13. As we request additional RQ-4 Global Hawks for high altitude ISR, we also intend to continue operating the U-2 at least throughout FY13 as a risk mitigation effort. We will sustain our ISR processing, exploitation, and dissemination in the Distributed Common Ground System, providing critical distributed analysis without having to forward deploy more forces.

Command and Control

Theater-wide command and control (C2) enables efficient and effective exploitation of the air, space, and cyber domain. The Air Force maintains significant C2 capabilities at the theater level. However, the highly decentralized nature of irregular warfare also places increased demands on lower echelons of command. Matching the range and flexibility of air, space, and cyberspace power to effectively meet tactical requirements requires a linked C2 structure at all echelons.

This year, we are expanding our efforts to provide C2 at the tactical, operational, and strategic levels. In FY11, the Air Force is requesting \$30 million across the FYDP to fund equipment and assured communications for U.S. Strategic Command's Distributed Command and Control Node (DC2N), U.S. Northern Command's National Capital Region-Integrated Air Defense (NCR-IADS), and U.S. Africa Command's expanding air operations center. Tactically, we are increasing training pipelines for Joint Terminal Attack Controllers (JTACs), establishing an Air Liaison Officer career field, fielding advanced video downlink capabilities, and adding airborne radio and datalink gateways to improve the connectivity of air support operations centers and JTACS.

In FY11, the Air Force request also includes modernization and sustainment of both airborne and ground-based C2 systems. For Air Force airborne C2, we request \$275 million for the E-3 Block 40/45 upgrade program. This upgrade modernizes a 1970s-era computer network, eliminates many components that are no longer manufactured, and adds avionics to comply with Global Air Traffic Management standards. To improve ground-based tactical air control operations, we are increasing manpower in the control and reporting centers and investing \$51.5 million with the U.S. Marine Corps for a follow-on ground-based radar capability supporting air and missile defense. This Three-Dimensional Expeditionary Long-Range Radar (3DELRR) will be the future long-range, ground-based sensor for detecting, identifying, tracking, and reporting aircraft and missiles.

Personnel Recovery

Personnel recovery (PR) remains an important commitment the Air Force makes to the Joint force. The increased utilization of military and civilian personnel in support of Overseas Contingency Operations (OCO) has dramatically increased the number of individuals who may find themselves isolated. This has in-turn created an increasing demand for Air Force rescue

forces beyond the combat search and rescue mission. Air Force PR forces are fully engaged in Iraq, Afghanistan, and the Horn of Africa, accomplishing crucial medical and casualty evacuation missions for U.S. and Coalition military and civilian personnel.

This year, we will continue to surge critical personnel recovery capability to the field, and will start replacing the aging fleet. To bring the fleet back to its original size of 112 HH-60Gs, we will put the first four operational loss replacement aircraft on contract. Additionally, we will deliver the first two HC-130J tanker aircraft, starting the replacement of the 1960s-era HC-130P fleet.

The FY11 budget request continues the replacement of operational losses and modernization of aging equipment. This request funds the last eight HH-60G operational loss replacement aircraft by the end of FY12. Additionally, we begin the process of recapitalizing the remaining fleet with the inclusion of \$1.5 billion to procure 36 HH-60G replacement aircraft in the FYDP. We also continue our recapitalization of the HC-130P/N fleet with HC-130J aircraft. Finally, we request \$553 million in funding throughout the FYDP for the Guardian Angel program, which will standardize and modernize mission essential equipment for our pararescuemen.

Building Partnerships

The Air Force continues to seek opportunities to develop partnerships around the world, and to enhance long-term capabilities through security cooperation. In the U.S. Central Command (USCENTCOM) area of responsibility, deployed Airmen are working with our Afghan and Iraqi partners to build a new Afghan National Army Air Corps and Iraqi Air Force to strengthen the ability of these nations to uphold the rule of law and defend their territories against violent, non-state actors. We are also working to further partnerships with more established allies with programs like the Joint Strike Fighter. Similarly, the third and final C-17 procured under the 12-nation Strategic Airlift Capability program was delivered in October 2009, helping to address a chronic shortage of strategic airlift among our European Allies.

In FY11, we will expand our capabilities to conduct building partner capacity (BPC) operations with partner air forces. Past experience has shown us that we are more effective trainers when we operate the same platforms as our partners. To increase our interoperability, the Air Force requests resources to prepare to field the Light Mobility Aircraft (LiMA) in FY12 and the Light Attack/Armed Reconnaissance (LAAR) aircraft in FY13. These aircraft will provide effective and affordable capabilities in the two most critical mission areas for partner air forces: lower-cost airlift and light strike/reconnaissance training. Additionally, we will continue to foster BPC capability in our Contingency Response Groups. This request also includes \$51 million to continue investing in the Strategic Airlift Capability program. Finally, we programmed \$6.4 million annually across the FYDP for PACIFIC ANGEL humanitarian assistance missions in support of U.S Pacific Command theater objectives.

Agile Combat Support

Agile combat support underpins the entire Air Force, from the development and training of Airmen to revitalizing processes in the acquisition enterprise. In terms of core functions, agile combat support reflects the largest portion of the Air Force budget proposal, totaling approximately \$42 billion for personnel and training, installation support, logistics, and acquisition.

Airmen and Families. Over the last year we stabilized end strength. Retention rates have exceeded expectations, but we continue to progress toward our end strength goal of 332,200 active duty Airmen. In addition to stabilizing our end strength, we are also modernizing our training programs and aircraft. To better partner with the Joint and Coalition team, we will provide our Airmen with cultural and regional expertise and appropriate levels of foreign language training. We are also expanding foreign language instruction for officer commissioning programs at the Air Force Academy and in ROTC, encouraging cadets to take foreign language coursework and participate in language immersion and study programs abroad. This expanded training includes enhanced expeditionary skills training to prepare Airmen for deployment. Finally, as part of our effort to modernize training systems, we have established a program office to start the process of replacing the T-38 trainer with an advanced trainer capable of teaching pilots to fly the world's most advanced fighter aircraft.

Recognizing that family support programs must keep pace with the needs of Airmen and their families, we initiated the Year of the Air Force Family in July 2009. We plan to add enough capacity to our child development centers to eliminate the child care space deficit by the end of FY12, provide better support to exceptional family member programs, and add 54 school liaison officers to Airmen and Family Readiness Centers to highlight and secure Air Force family needs with local school administrators.

The Air Force continues to expand its efforts to improve the resiliency of Airmen and their families before and after deployments. This year we expanded deployment-related family education, coupling it with psychological screening and post-deployment health assessments. Additionally, we offer access to chaplains who provide pastoral care, and counselors and mental health providers trained in post-traumatic stress treatment at every base. We plan to further enhance support in 2010 by promoting and encouraging mental health assistance, and by providing at-risk deployers with tailored and targeted resiliency programs. To support this increased effort, we will enhance mental health career field recruiting and retention through special pays and targeted retention bonuses.

Acquisition Excellence. The Air Force continues to make progress within the Acquisition Improvement Plan. In 2009, we hired over 2,000 personnel into the acquisition workforce and continued contractor-to-civilian conversions. The Air Force institutionalized early collaboration

with acquisition system stakeholders, senior acquisition leadership certification of requirements, cost estimation improvements, and an improved budgeting process to enhance the probability of program successes. The multi-functional independent review teams conducted over 113 reviews, ensuring acquisition selections are correct and defensible. As part of our recent acquisition reorganization, we created 11 new program executive officer positions to reduce the span of control and increase their focus on program execution. These enhancements demonstrate our commitment to restoring the public's trust in the Air Force's ability to acquire the most technologically advanced weapon systems at a competitive cost. In the near-term, this more rigorous approach to acquisition is likely to identify problems and programmatic disconnects. In the medium- and long-term, it should yield significant improvements in Air Force stewardship of taxpayer resources.

Energy. As part of our institutional effort to consider energy management in all that we do, the Air Force requests \$250 million for energy and water conservation projects in FY11. This investment will ensure we meet the President's efficiency goals by 2015. In FY10, the Air Force finalized an energy plan that directs the development and use of reliable alternative energy resources, and reduces the life-cycle costs of acquisition programs. Additionally, the plan recognizes that aviation operations account for over 80 percent of the energy used by the Air Force each year, and directs Airmen and mission planners to continue managing aviation fuel as an increasingly scarce resource.

Military Construction. The Air Force \$1.3 billion military construction request is austere, but provides funding for new construction aligned with weapon system deliveries. Additionally, the budget request sustains our effort to provide quality housing for Airmen and their families. Finally, the Air Force remains focused on completing its BRAC 2005 program and continuing the legacy BRAC programs as well as the environmental clean-up at legacy BRAC locations.

Strategic Basing. In 2009, the Air Force implemented a Strategic Basing Process to ensure basing decisions are made in a manner that supports new weapon system acquisition and delivery schedules as well as organization activation milestones. The newly established Strategic Basing Executive Steering Group directs these actions to ensure a standard, repeatable, and transparent process in the evaluation of Air Force basing opportunities. We are currently using this process to conduct an enterprise-wide look at F-35 basing options.

Logistics. Air Force requirements for weapon system sustainment funding continue to grow as aircraft age. In the long term, the increasing requirements for sustaining an aging aircraft fleet pose budget challenges and force trade-offs. We protected direct warfighter support, irregular warfare capabilities, and the nuclear enterprise. Since this year's budget includes a simultaneous OCO submission along with a base budget, the Air Force optimized its flying hour program funding to support only the peacetime flying hours we can fly, given the number of

deployed Airmen and aircraft supporting Overseas Contingency Operations. Due to the volatile nature of fuel prices, reprogramming may be necessary to cover increased fuel costs. Over the longer term, enactment of the Department of Defense's legislative proposal for the Refined Petroleum Products Marginal Expense Transfer Account would reduce disruptions to operations and investment programs by providing the Department of Defense flexibility to deal with fuel price fluctuations in the changing economy. The Air Force maintained its commitment to transforming logistics business practices, including total asset visibility and associated information technology, by protecting funds associated with fielding the first increment of the Expeditionary Combat Support System.

Readiness and Resourcing

Our efforts over the last year continued to stress both people and platforms. Nearly 40,000 of America's Airmen are deployed to 263 locations across the globe, including 63 locations in the Middle East. In addition to deployed Airmen, nearly 130,000 Airmen support combatant commander requirements from their home station daily. These Airmen operate the Nation's space and missile forces, process and exploit remotely collected ISR, provide national intelligence support, execute air sovereignty alert missions, and contribute in many other ways. To date, the Air Force has flown over 50,000 sorties supporting Operation IRAQI FREEDOM and almost 66,000 sorties supporting Operation ENDURING FREEDOM. During this time the Air Force delivered over 1.73 million passengers and 606,000 tons of cargo, employed almost 1,980 tons of munitions, and transported nearly 70,000 total patients and 13,000 casualties from the USCENTCOM area of responsibility. In doing so, Airmen averaged nearly 330 sorties per day.

To support the efforts of Airmen and to recruit and retain the highest quality Air Force members, this FY11 budget request includes \$29.3 billion in military personnel funding, to include a 1.4 percent pay increase. Our active component end strength will grow to 332,200 Airmen as the Reserve Component end strength increases to 71,200, and the Air National Guard end strength remains 106,700 in FY11. Our recruiting and retention is strong, but we request \$645 million for recruiting and retention bonuses targeted at critical wartime skills, including command and control, public affairs, contracting, pararescue, security forces, civil engineering, explosive ordnance disposal, medical, and special investigations.

Summary

The Air Force's proposed FY11 budget of \$119.6 billion achieves the right balance between providing capabilities for today's commitments and posturing for future challenges. The Air Force built this budget to best achieve the four strategic priorities outlined in the 2010 Quadrennial Defense Review: 1) prevail in today's wars; 2) prevent and deter conflict; 3)

prepare to defeat adversaries and succeed in a wide range of contingencies; and 4) preserve and enhance the All-Volunteer Force.

Balancing requirements for today and tomorrow determined our recapitalization strategy. We chose to improve our existing capabilities whenever possible, and to pursue new systems when required. This recapitalization approach attempts to keep pace with threat developments and required capabilities, while ensuring stewardship of national resources. In developing this budget request, we also carefully preserved and enhanced our comprehensive approach to taking care of Airmen and Air Force families.

Mr. DICKS. Well, I just wanted to comment that I was very pleased that both of you were there today for the presentation of the Gold Medal to the women aviators of World War II. That certainly was an amazing event. I am glad I went personally.

And, Secretary Donley, I want to compliment you on your excellent remarks and recognition of these hundreds of great women who are still alive, who did so much during the World War II thing and were so little recognized for it. It just shows you what great people we have in this country.

Mr. DONLEY. Thank you, Mr. Chairman. It was a tremendous day for the Nation and for our Air Force as well.

KC-X

Mr. DICKS. Now, you have Dicks and Tiahrt today, so you know what the first question is going to be. Can you give us an update on the KC-X program?

Mr. DONLEY. As you noted, sir, we did receive a letter from Northrop Grumman indicating their intent not to bid on the current Request for Proposal (RFP) which is out and also indicating that they did not plan to protest the current—

Mr. DICKS. Which was very welcomed.

Mr. DONLEY. The Department's plan going forward is to let this RFP stand. This is the best way for us to get a good proposal from whatever offer comes in.

Obviously, Boeing is in that mix; and we need Boeing or other offerers to bid on the proposal that we have put out and that is on the street today. So our intent is to let that process run its course.

Mr. DICKS. And Boeing has not yet submitted its proposal.

Mr. DONLEY. They have not. I think we have about 62 days left or something close to that in the current RFP.

Mr. DICKS. Obviously, this is a very important program, and our committee has been involved in this thing since 2001, and I don't want to go through the history here. But it does point out one thing that you mentioned as your number five priority and that is what you are going to do about acquisition.

I think we all recognize that the acquisition force within the Air Force and within the Department was cut back too far, and I know that you are increasing the number of people who are involved in acquisition. But when you look at all of the programs that are having difficulty and the Nunn-McCurdy breaches and the escalation in cost that represents, we really have to do this; and we have to get this fixed as soon as possible. Can you give us a sense of what you are trying to do?

I know you are trying to bring back—increase the personnel so you can have more people to handle these programs, but give us a sense of what you are trying to do.

Mr. DONLEY. Well, the acquisition improvement program that the Chief and I put in place just several months after we arrived has several components to it, but I won't go into all of the details.

But the most important element is rebuilding the workforce. We were able to add over 700 personnel to our acquisition workforce last year. We are on track I believe for over 900 [additional] this year. The focus is on bringing back specific expertise—contracting, cost estimating, and systems engineering capabilities that support

the acquisition process—and making sure that we have them appropriately deployed across our product centers and program offices.

In the last year, we have added nine new program executive officers. It puts us at a level roughly comparable to the Army and Navy in terms of numbers of Program Executive Officers (PEOs). But this will help spread the work across a larger number of executives so that they do not have such a broad span of control. They will be able to focus on the programs for which they are responsible and provide improved oversight.

Mr. DICKS. General, do you have any comment on this?

General SCHWARTZ. I would just speak to the thing for which I am responsible, which is the requirements. We have elevated the level at which requirements are validated and, to be sure, we have elevated the level at which changes to requirements are approved. And there will be much greater discipline applied in that respect, sir.

Mr. DICKS. Mr. Tiahrt.

Mr. TIAHRT. Thank you, Mr. Chairman.

In the tanker program, you are going to go through the current schedule; you will get a bid. Do you plan on restructuring the contract itself? Will there be incentives put in place for underruns or anything different than what you plan to do under your current RFP?

Mr. DONLEY. We do plan to incentive performance both with respect to delivery and with respect to fuel burn and performance as well. So it is still anticipated to be a firm fixed price at the very front end and then fixed price and incentive thereafter.

Mr. TIAHRT. Have you looked at production rates? I mean, the optimum rate is not 12 to 15. Have you looked at 25 to 30 as far as a delivery rate per year?

Mr. DONLEY. The RFP is structured to request cost and pricing data on a roughly 15 airplanes per year schedule. Our challenge with alternative approaches, which would add airplanes, is that we would have to budget for increased levels of acquisition.

The good part of that would be that we would get the tanker fleet recapitalized faster, but we would have to spend twice as much money every year to do it. So instead of spending in the neighborhood of \$3½ billion per year, we would be spending closer to \$7 billion a year on tankers; and that is a lot of money. So we have to balance the tanker acquisition with other pressing needs and other mission areas as well.

Mr. TIAHRT. My only concern is that one Air Force officer told me—just to put it in perspective—that the mother of the last pilot of a KC-X hasn't been born yet. The only way we change that is if we start procuring them on a more optimum rate. So perhaps some study will be done so we can see what kind of cost savings. Maybe it is not double the amount. Maybe it is some reduction because of the improvement curve.

Mr. DONLEY. Certainly at some point in the future one might consider a multiyear procurement opportunity. That is still out in the future to be worked at some point. But bumping up procurements at the levels that you are describing requires a lot more budget dollars than we currently have available.

MC-12 AND LIGHT MOBILITY AIRCRAFT

Mr. TIAHRT. There are two programs I want to just briefly touch on, the MC-12 and the light mobility aircraft. The MC-12, Air Force purchased five in fiscal year 2010. My understanding is that the in fleet will be about 25 aircraft.

General SCHWARTZ. Sir, actually 37 total aircraft.

Mr. TIAHRT. Thirty-seven. But there is no request for any aircraft in 2011. Have I got that right?

General SCHWARTZ. Sir, we will complete the purchase and the modification of all of the platforms this year.

Mr. TIAHRT. All 37.

General SCHWARTZ. All 37.

Mr. DONLEY. The last airplanes, sir, as I understand it, are an additional five in the fiscal year 2010 Overseas Contingency Operations (OCO) supplemental.

Mr. TIAHRT. And in the light mobility, I think that is a 60-aircraft fleet. And you have requested 15 in the budget, but there is no RFP issued yet. Is there an RFP date for the light-mobility aircraft?

General SCHWARTZ. Sir, that RFP should be issued later this calendar year. And it is not a 60-airplane fleet. It is a 15-airplane fleet.

Mr. TIAHRT. Maybe I had those turned around. I apologize.

General SCHWARTZ. No. But the key thing is that both for light lift and light strike, those will be 15 aircraft fleets whose primary focus will be not to perform missions for the United States Air Force or the American Armed Forces but, rather, to enable our partners to build partner capacity. And that will be true with a platform that is something that can be readily assimilated by most of the air forces on the planet. I just would comment, sir, that not every air force can afford C-17s.

Mr. TIAHRT. Thank you.

Mr. DICKS. Mr. Visclosky. I am going to run up and vote and come right back. But I am going to turn it over to Mr. Visclosky.

Mr. VISCLOSKY. Thank you, Mr. Chairman.

Mr. Secretary, I may have done this in the past, but I want to congratulate you on your stellar education at USC as a Notre Dame grad. My son finally got through USC about a year ago. So I want to congratulate you on that.

Mr. DONLEY. Congratulations. I understand that would mean you got a pay raise in that deal.

Mr. VISCLOSKY. Yes, sir.

ALTERNATE ENGINE

Mr. Secretary, on the alternative engine, the Department has gone back to the committee with an analysis; and, from our perspective, it would appear to be almost a wash with some of the numbers used by the Department having no backup justification. If it is from your numbers a wash, what would be the continued resistance in not making sure you had a competitive basis here?

Mr. DONLEY. Well, I think, as the Deputy Secretary's communication indicated, this has been closely studied; and it was in some respects a difficult call in the Department. We have looked at this

issue for several years from several different angles; and, in summarizing that, it is the Department's judgment that there is still work to be done on the alternative engine, that the costs that need to be made in the near term cannot yet be seen to be recouped later. The near-term costs are pretty clear. The long-term savings are just not clear enough to warrant the investment in the second engine.

I think another factor this year is the challenge that we are going through in restructuring the F-35 program itself, the underlying program and the fact that this would add additional costs on top of an already large and, to some extent, strained program. So that is where the Department came down on that subject.

Mr. VISCLOSKY. I have to vote. I would yield my time back, but if I could return to this issue.

C-5 RETIREMENTS

Mr. DICKS. Yes, of course. As soon as you come back.

Let us talk about C-5 retirements. Where do we stand on that? I know it is something that the Air Force has wanted to do. I am strongly in support of what you are attempting to do. Give us the status on this.

General SCHWARTZ. Mr. Chairman, we propose in 2011 to retire 17 C-5A aircraft; and we have certain statutory requirements to complete before we can activate that requirement process, including, among other things, to give you the report on the C-5 re-engining program operational test and evaluation (OT&E). That OT&E report is complete, and it will be submitted to our Office of the Secretary of Defense hires, and they will return that report to you sometime late summer or shortly after that.

The key thing, sir, is that the mobility requirement and capability study has recently been delivered to the respective defense committees. It reflects that we have somewhat more capacity than we actually must have, and we find ourselves in the situation where we cannot have too much management reserve. That is the case now with 223 C-17s, ultimately, and the 111 C-5s that are currently in the inventory. The mobility study, sir, has indicated that we need about 32.7 million ton miles of capacity.

Mr. DICKS. 32.7 million ton miles?

General SCHWARTZ. Million ton miles. That equates to the low 300s of large transport aircraft, rather than the 320 plus where we currently are, sir.

Mr. DICKS. I will just tell you—and you know this better than I do. But you get over to Ramstein and you see all of those planes and you realize that, since 2001, all of those air lifters have been moving back and forth around the world. Anything about the logistics effort just to get everything into Afghanistan and get everything out of Iraq, I mean, it is extremely impressive.

But I think up here we worry—and this mobility study should be enlightening for us to take a look at, and I haven't had a chance to take a look at it. But I think there has been some opposition up here I know on the retirement issue. But for money to buy new things and to operate the Air Force, I think we have to do this.

I am going to return to Mr. Visclosky.

General SCHWARTZ. Mr. Chairman, if I might just say, it is not just the money, though. The coin of the realm is actually becoming manpower.

Mr. DICKS. Personnel.

General SCHWARTZ. Absolutely.

Mr. DICKS. Why don't you finish? I will go vote, and then we will go onto Ms. Granger.

ALTERNATE ENGINE

Mr. VISCLOSKY [presiding]. Chairman, thank you very much.

Secretary, if I could return. You had mentioned a shorter-term up front cost but without a clear idea of what the longer term savings might be. Can you quantify that as far as the additional investment in the short term?

Mr. DONLEY. I believe the Department's analysis which was provided to the committee indicated there was probably about a \$2.6 additional billion required in investment in the alternative engine ahead of us and that that had to be factored in to the total cost of potentially moving forward, and that is somewhat different than some of the analysis that the committees had looked at. That was performed by the Cost Assessment Program Evaluation (CAPE) office in the Office of the Secretary of Defense (OSD), and I think that is reflected in the study that has been provided to the committee.

And, again, there is an indication, at least for some of the assumptions made, that there wasn't justification that was cited. I assume our staff could follow up with the Department and get those justifications.

Mr. DONLEY. I believe the summary report provided by the Department was about three or four pages, and there were attachments behind it. What is available—I would be happy to follow up with the staff in terms of any additional info that would be necessary.

General SCHWARTZ. Sir, may I just offer a little—again, perhaps an operator's perspective here. There are three things with regard to alternate engine that concern me.

There is a good argument that competitive pressure is a valuable thing. It is a valid argument in my view. The question is affordability. And the reality for me is, if more engines means less airplanes, that is not a good trade for the United States Air Force. Point one.

Point two is that the reality is that the alternate engine will only be for the United States Air Force. The Navy is not going to have two engines aboard ship. Our international partners are not going to have two engines. So the reality is that if we have an alternate engine and there is a mandate for that, that obligation will ride primarily on the Air Force.

Finally, we are not in 1980 any longer where high performance engines had suspect reliability. At the moment, there are at least two very successful fighter programs that operate on a single engine. The F-22 and the F/A-18-E/F are a case in point.

And so, given those three considerations, I think we need to take a balanced view. That is my best advice, sir.

Mr. VISCLOSKY. General, following up on the proposition that you would end up being unable to secure as many aircraft, is that quantified in the justifications that were submitted to the committee as to how much of a shortfall you would have as far as aircraft from your perspective?

General SCHWARTZ. This is the basic argument, that if you have a fixed program top-lined for the F-35 and you fund the alternate engine out of that top line, it has the inescapable effect of reducing aircraft procurement.

Mr. VISCLOSKY. Have you quantified that in terms of number of aircraft?

General SCHWARTZ. I have not, sir.

Mr. VISCLOSKY. Sir, I am an accounting major. Could I do that myself from the report?

Mr. DONLEY. I think the staff would have enough data to help you work through that calculation.

But, sir, I would reemphasize the comment the Chief just made. Our challenge with this program has been—one of the challenges is that the second engine dollars continue to be directed into the program, have to be absorbed by the program, and that is a significant concern as we are trying to add money to development to support getting back on track with the test program, et cetera. So this program is costing us more going forward, and we need to be careful and cautious and very deliberate about what other capabilities and requirements we put on the program going forward.

Mr. VISCLOSKY. And, General, if I could get back—you mentioned reliability, but I didn't hear in that the question about the possible reliability of the engine. It was that you have at least two other aircraft with a single engine and that has proved reliable.

General SCHWARTZ. Sir, my point was that we have had 20-plus years of development since the days of the so-called engine wars; and engine technology and manufacturing and what have you has progressed during that period. So the reliability of the engines is improved to the extent that at least in two of our frontline fighters we have chosen collectively to not have an alternate engine.

Mr. VISCLOSKY. General, the last point I would make and then just make a brief statement here is I appreciate also the observation that the Navy has no plans to do a second engine and that our international partners would not either. My supposition would be that one of the items in their mind is that there isn't a second engine, that there is no alternative engine permanently fixed in the Air Force's program, so there is no reason to plan for a second engine.

General SCHWARTZ. My point was, though, sir, that it would be one or the other. You will not find both engines in the inventory of those folks that we mentioned.

Mr. VISCLOSKY. Secretary and General, I appreciate your comments. I just must tell you generically—and it holds true for a range of problems. We have had shipbuilding hearings and others—I am very concerned that if we don't have competition in some of these programs, you have a hedge against risks in the future. I think just competition for all of us, as hard as all of us in this room do work, it gives you an extra edge.

And I am very concerned about our manufacturing base, that if we end up having that single supplier—and I understand, also, there is only going to be X number of engines—is why do we only have six shipyards of significance in this country today that are building warships, is to make sure we don't lose that capacity. And I am very concerned about it here on the propulsion side.

Thank you very much, Mr. Chairman.

Mr. DICKS [presiding]. Ms. Granger.

JOINT STRIKE FIGHTER

Ms. GRANGER. Thank you both for being here.

Secretary Donley, in January, Secretary Gates announced the restructuring of the Joint Strike Fighter program. He stated there were no insurmountable problems, technical or otherwise, but is it your assessment that the measures taken so far are sufficient to guarantee success?

I would ask both of you gentlemen the same thing.

Mr. DONLEY. My judgment on this is yes, firmly. This has been a two-year process, and I think the committee is aware because you work so closely with this program. But F-35 has gotten close scrutiny for the last two years. We had an independent estimate delivered at the end of 2008 which indicated that there were challenges with the program, but we weren't sure how serious they were. We weren't sure how quickly the contractor might recover from those challenges. But, nonetheless, Secretary Gates added dollars to the fiscal year 2010 budget for system development.

But we also set in motion a second series of independent estimates which delivered at the end of calendar year 2009, just at the end of last year; and they confirmed the results of the first estimate, that the program indeed was behind.

So after these two years of close assessment, the Secretary settled on the independent estimates going forward, which needed to recognize a slip in the development program, which we have done. So we have taken all of the measures that you would expect us to take, having reached that conclusion. We have added dollars for development. We have also lowered the ramp on production by 122 airplanes across the Future Years Defense Program (FYDP).

That doesn't mean we are stopping production. In fact, the Air Force is requesting 22 aircraft in our budget for procurement this year for the F-35. We have also taken some early production aircraft and moved them over to support a stronger test program.

The essence of this is the production is slightly behind, and that has put the test program behind, and that is really what we want to get through. We want to get through developmental tests. We want to get through operational tests and wring out any potential issues we have with this airplane before we go to full rate production.

So I think the Department actually has done an excellent job in the last six or seven months, especially in getting its arms around this program, and that our visibility and management oversight of this program is now stronger than it has ever been.

Ms. GRANGER. Thank you.

General SCHWARTZ. Ma'am, my take is that we are now in a position that we have less optimism and more realism, and that is a good thing.

Ms. GRANGER. I will take that as positive.

General SCHWARTZ. It is.

Ms. GRANGER. General Schwartz, your long-range plan calls for you to replace older aircraft with the Joint Strike Fighter, the F-15s, the F-16s, A-10s, because of the unique capabilities of the Joint Strike Fighter. Would you comment on what is unique about that?

General SCHWARTZ. There are several aspects of this.

Clearly, it is a generation five fighter and what that implies is it does have low observable qualities which enable it to operate in defended air space with much less likelihood of having a successful intercept by either airborne threats or surface-to-air threats.

But probably as important is that these machines will have sensor integration to the degree that we have only seen in a generation somewhat earlier in the F-22; and it is this capacity to integrate sensors with the low observable capability, in addition to having a highly maneuverable platform and one that, again, can succeed both in air-to-air and in air-to-ground role, that makes the F-35 the right platform on which we should base our future tactical aviation fleet.

Ms. GRANGER. Thank you.

I have one last question about the Joint Strike Fighter. As you know, I have the NAS JRB Fort Worth in my district; and I know that Fort Worth didn't make the short list for the Joint Strike Fighters operational bases in October. Can you tell me what the considerations will be in choosing the maintenance centers of excellence for the Joint Strike Fighter?

I know that Fort Worth's location with Lockheed Martin being located there should be a strong contender. Can you tell me what considerations will be made?

General SCHWARTZ. I think the primary consideration will be the expertise. This is both human capital consideration and prior experience with low observable maintenance and what have you, and at least one of our depots currently has very substantial experience in that respect with the F-22.

So I think the key thing in terms of sustaining the platform will be the workforce considerations, as well as the capacity of the depot to have the right kind of approach and philosophy. Because low-observable maintenance is not plug and chug as it is on traditional aircraft. It is a different formula and requires different skills and a different management strategy. And so I think it will depend both on people and the level of experience that the various candidates have.

Ms. GRANGER. Thank you very much.

Mr. DICKS. I may have missed this while I was out of the room, but I want to go back to ask this question and have you answer it. What are the risks of procuring over 250 aircraft, Joint Strike Fighters, or 14 percent of the total requirement in the low rate initial program?

General SCHWARTZ. Mr. Chairman, I think the risk is that you discover something in tests that is very significant and requires ad-

justments to the machines that are already produced. That is one of the things that the jet analyses, both one and two, I think have helped to smooth out.

There is much less concurrency in this program than there was. It doesn't mean there is zero. If there was zero concurrency, it would be a 15- or 20-year development; and that simply is unacceptable as well. But as the Secretary suggested, we have reduced the production ramp and we have invested in accelerated development and operations tests so that we think that the risks are much, much better balanced than they were previously.

Mr. DICKS. Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. DICKS. Thank you.

NUCLEAR SECURITY

Mr. ROGERS. Last year, I asked you about the two incidents involving nuclear security; and we made some changes in the appropriations. What can you tell us today about the accountability actions that you have taken and if the fiscal year 2011 budget adequately addresses nuclear security?

Mr. DONLEY. Sir, we continue to work this issue. It remains a very high priority for us; and, as I indicated in my opening remarks, I think it is going to require determination and patience going forward.

In the last roughly 1 year to 15 months or so we have had, I think, a total of about 33 inspections. Twelve of those have involved unsatisfactory outcomes that required retesting. That retesting has been accomplished on seven units, and I think we still have a handful, four or five, remaining to be done.

But this is a continuous process, and both the Chief and I are very committed to this work going forward. We are not going to back off on the inspection process. We need to stay with it going forward.

Our Airmen are doing a tremendous job out there. But being certified for nuclear operations and being inspected for nuclear operations is not a once-in-5-year or 10-year process. It is a continuous effort to make sure that we are maintaining the highest standards we can, 365 days a year.

Mr. DICKS. Would you yield just for a second on that?

Mr. ROGERS. Yes.

Mr. DICKS. I assume, though it wasn't said, that this does involve a lot of training of your people. Is that accurate? Are we training these people? Giving them the understanding of what they have to do to succeed in this area?

Mr. DONLEY. I believe we are, Mr. Chairman.

General SCHWARTZ. Absolutely. And I would say as well, just to amplify, that this is tough business. It is an unforgiving business.

And so, sir, you asked about accountability. I don't like counting scalps. That is not what this is about. But we have taken action on seven officers over this period. But that is not the measure of success, in my view. The measure of success is assuring that our folks are well led, they are well trained, as the Chairman indicated, and they execute. That is the name of the game.

Mr. DICKS. Mr. Rogers.

Mr. ROGERS. Well, is it correct to say that over the last year you have had 33 nuclear security inspections and eight of them unsatisfactory? Can you tell us more about that?

General SCHWARTZ. Sir, they ranged from a variety of things. For example, one persistent problem has to do with the personnel reliability program. That is the medical certification for our airmen to perform nuclear tasks. It is a paperwork-intensive process, and any glitch in the paperwork or the channels of communications is a bust. There is no middle ground. And, of course, in the technical operations, that is dealing with either maintenance or loading of weapons and so on, the demands are very stringent; and a deviation is a bust.

So we have had both of those kinds of things occur. And the bottom line is that our inspections now are very demanding. They are invasive, and they do things like 100 percent sampling, which was not the case in the past. And so we are uncovering things that we overlooked before. And I don't apologize for turning over rocks. That is what we have to do.

Mr. ROGERS. So you established the Nuclear Weapons Center?

General SCHWARTZ. We did.

Mr. ROGERS. How is that working out?

General SCHWARTZ. I think very well.

The basic philosophy behind this, sir, was that we had sustainment in the nuclear business distributed amongst three major commands and other activities. The same thing was true on the operations side. And the basic idea here was that the Secretary needed to have an accountable officer on the operations side and on the sustainment side who was personally vested in the performance of the enterprise, and that is now the case. Lieutenant General Frank Klotz is the operational person, and Brigadier General Ev Thomas is the accountable party on the sustainment side. They are carrying a significant load, sir.

Mr. ROGERS. Does your fiscal year 2011 budget adequately address nuclear security, do you think?

General SCHWARTZ. From the Air Force point of view, it does, sir. I would only indicate—and this is not so much in our lane, but it is in the broader appropriations lane—is that there are needs there that really are even outside the Department of Defense (DOD) realm, that are in the Department of Energy realm. And it is important, if I may recommend, for this committee to watch what happens with regard to the nuclear infrastructure that DOE is responsible for and those programs for maintaining the weapons in a safe, reliable state. That that, too, is adequately funded.

Mr. ROGERS. Briefly describe the interaction between DOE and the Air Force in this respect.

General SCHWARTZ. Sir, DOE fundamentally is responsible for the weapons, the weapon, the explosive package, if you will. We are responsible for the delivery systems. And that is the division of labor. There is some overlap there, and you have interfaces and so on. And, obviously, there is close collaboration. We have a brigadier general whose full-time job is to work these matters over at DOE headquarters, just an indication of the significance of this interaction. But to do this all properly requires not only resourcing the DOD side of this properly but, likewise, the DOE side.

Mr. ROGERS. What should we look for on DOE?

General SCHWARTZ. I think questions about sustaining their infrastructure and whether the programs related to DOD weapons—for us, the B61 air delivery weapon—is properly funded. And this has to do with renovations. It is not a new thing. This has to do with replacing time-limited components that age out.

Mr. DONLEY. These are life extension programs for nuclear weapons.

Mr. ROGERS. Mr. Secretary, are you satisfied with the security now?

Mr. DONLEY. I am. We always look for ways to do things better, and we work with the Defense Threat Reduction Agency in this regard. They also oversee our inspections, and they perform the Research and Development (R&D) for the Department of Defense that helps identify areas where both the Air Force and the Navy can improve security. But the long-term safety and reliability of the weapons is critical as we look toward a potential start follow-on agreement and we have to make longer term choices about what we are going to do with our ICBM force, with our bomber forces, and the weapons that go with them. So this close collaboration between the Department of Defense and the Department of Energy on future choices going forward and sustaining capabilities out for another decade and the decade beyond is critical work for our Nation right now.

Mr. VISCLOSKY. Mr. Rogers, if you would yield. I appreciate your line of questioning; and, gentlemen, I appreciate your responses.

As most people probably understand, Mr. Frelinghuysen is ranking on the Energy Subcommittee and I chair it, and I do appreciate the active engagement of the Air Force and others at DOD. Because for too long, from my perspective, what has happened is it has been too easy in the past for DOD to simply say, here is what we need, because the cost is not attributable to them.

Part of the problem we have on Energy is the inability of that Department to manage major construction projects; and what we have been, in a bipartisan fashion, pressing on is make sure we understand what that strategy is and appreciate you doing the review. What do you need with that strategy? That is, again, looking at the long term and now let's define the infrastructure before we start building something again when we can't manage the contract. So I appreciate your line of questioning.

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. DICKS. Mr. Boyd.

Mr. BOYD. Thank you, Mr. Chairman. Mr. Chairman, you look good and comfortable in that chair.

Mr. DICKS. Thank you very much.

STRATEGIC BASING

Mr. BOYD. Secretary Donley, General Schwartz, great to see both of you. Thank you for your service and especially for your kindness to the people down in my area of the world and the trips you have made down there to try to understand a little bit better about who they are and what they do. They all certainly appreciate you, as their bosses, coming down there to visit them.

General Schwartz, in your testimony—or I guess this is a combined testimony, is what it says on the front—you talk about strategic basing and the strategic basing process to ensure basing decisions are made in a manner to support new weapon systems acquisition and delivery schedules as well as organization activation milestones. Can you talk to me a little bit about that or the committee a little bit about who makes up that group? Do you provide oversight and guidance to the group? And who makes the final basic decisions?

Mr. DONLEY. The Strategic Basing Executive Group is made up of several offices in our Air Force headquarters. Our installations and environment offices lead that, but it includes the A3/5, the operations folks, the programming staff, logistics, and other folks on the headquarters staff.

This process was initiated after the Chief and I came in. The previous process in the Air Force was much more decentralized. It was run by our major commands who tended to look at potential bed-downs and basing decisions just within the framework of the bases under their responsibility, and we felt like we needed a much broader approach. We needed an Air Force-wide perspective on basing decisions.

We also needed to bring to bear the expertise of the headquarters and some aspects of our work—environmental work just, for example—where we have a broad perspective of issues across the Air Force that perhaps a major command doesn't have. So we set in motion a process at the headquarters to deliberately review our basing decisions and get the full corporate attention of the Air Force on those decisions.

The Chief and I do oversee that process. We are briefed periodically, actually, every few weeks. We have a very busy year, with a calendar of issues that we are addressing.

Mr. BOYD. So you folks provide the oversight and guidance, and then final basing decisions is made by you guys?

Mr. DONLEY. We do.

Mr. BOYD. I noticed in your testimony that you alluded to the F-35, using that procedure on the F-35. Now, the CAF realignment that we are going through, do you intend to also use it with the F-22 basing decisions?

General SCHWARTZ. Yes, we will. But the F-22 is a somewhat different situation than is a new start program like the F-35. I mean, we have delivered 165 or so airplanes, and we have 25 or so left to go, and so this is a more mature program.

So there are other factors I think that bear on F-22 that overlay the question of basing which you would have with a new program, specifically fleet management, and that at one time the Air Force had in mind 700 or 381 or even 243. We end up with 187, and that is a different animal than a larger fleet. So we will have to make choices on basing for the remaining aircraft and perhaps those that are already bed-down. Our best judgment of how to manage that now smaller fleet which will be 187 aircraft.

Mr. BOYD. But it is your intent to use that basing procedure.

Mr. Chairman, I will save my other questions for the next round.

Mr. DICKS. Thank you.

Mr. Kingston.

JSTARS

Mr. KINGSTON. Thank you, Mr. Chairman.

Secretary Donley, I wanted to ask a little bit about the Joint-STARS system, and what I will do is kind of ask a couple of questions and then let you take it from there.

But I know that the Air Force was studying fleet viability, and I was wondering what the status of that was. And then I understand two of the airplanes are grounded, and I was wondering what their status was. And I also wondered what other platforms might be a viable option, such as the Navy's.

And then, in terms of the engines, as you know, we have appropriated lots of money, \$730 million, for reengineering on 18 aircraft. But I understand now that number is up to \$1.6 billion and not exactly sure what the status of that is and where we are heading with that.

So tell me about the program.

Mr. DONLEY. Right. I appreciate this opportunity, Mr. Kingston.

The Joint Surveillance and Target Attack Radar System (JSTARS), first of all, is providing great capability in the current war fight. It provides ground moving target radar coverage, which is very valuable to operations in Afghanistan and Iraq as well. So this is an important capability going forward.

We faced three issues that were not necessarily connected, and this was the challenge that the Chief and I faced.

The Department had set in motion several years ago a re-engineing program for the JSTARS aircraft. These are Boeing 707 airframes bought used by the United States Air Force almost 20 years ago. So they have a lot of service time on them already. In some cases, their provenance, where they came from and exactly their condition when we took possession of them, is not quite understood in all the detail that we would like. But, suffice to say, these are old airframes. So a re-engineing program had been explored, and the Department was on a path to re-engine these airplanes.

At the same time, however, there are new radars being developed on new platforms with a range of other capabilities that also do ground moving targets and also dismounted targets, which are of high interest in the current war fight. So the future radar systems available to the Department are actually a broad range of alternatives out there that we had yet to decide upon in terms of which radars we would use.

The third issue we had in front of us was the long-term viability of that 707 platform.

So the Chief and I have endeavored to slow the re-engineing process down until we decide what the future of the radar capability is going to be and, as we decide that, also understand the future life span of these aircraft, and how much money are we going to put into these old 707 airframes. So we have an analysis of alternatives under way to assess the ground moving target indicator requirements, and the future radars that we would need, and the alternative platforms on which those radars might be housed. That work won't deliver until next year, but, in the meantime, we should get some updates to inform our way forward.

Also, in the near term, we received direction from the Department of Defense to proceed with the re-engining, two ship sets originally and then two more on top, for a total of four ship sets of engines, new engines to re-engine airplanes. So we are in the process of supporting that direction as well. But it is sort of four ship sets on hold is sort of where we are today on that program. But we still have work to do to finish the development of the re-engining. But we have dollars to do that.

And in the meantime, again, we are putting dollars into sustaining the Joint STARS going forward because it is such an important capability for us now.

I apologize for that long answer, but that is the broad overview.

Mr. KINGSTON. Well, there are actually more questions on it, but I know time doesn't allow. Do I have time, Mr. Chairman?

Mr. DICKS. You can ask another question, certainly.

HH-60 COMBAT SEARCH AND RESCUE

Mr. KINGSTON. On the combat search and rescue helicopter program, I understand that the HH-60G helicopters—we are cutting back on that search and rescue; and I wonder, how do you address that?

General SCHWARTZ. Sir, you are quite right that the fleet of now 100 available helicopters, 96 to be exact, are quite in demand. And just to give you a sense of that, in 2009, we had over 700 saves in Iraq and Afghanistan with our airplanes. And, by the way, there are 16 aircraft that are deployed at the moment. There are 6 in Iraq and 10 in Afghanistan. And they, as I said, over 700 saves.

These are not sort of the traditional combat search and rescue kinds of things. These are picking up Soldiers and Marines and other Airmen outside the wire or coalition partners to ensure that that golden hour after they are wounded is kept sacrosanct as the Secretary of Defense has mandated.

What happened was we were pursuing a platform, the Combat Search and Rescue (CSAR), which, as you are aware, the Secretary cancelled last year. And so what we have agreement on is to recapitalize those HH-60 aircraft not with a new start but essentially with an off-the-shelf kind of capability. We think we can get an airplane that is in production in a competitive fashion that will allow us to recap the CSAR fleet in an affordable manner.

Mr. KINGSTON. We are looking at buying two more helicopters, is that correct?

General SCHWARTZ. Sir, there is actually six in this budget. There is three in the base and three in the Overseas Contingency Overseas request (OCO) for combat losses.

Mr. KINGSTON. That is enough, even with the surge?

General SCHWARTZ. Sir, we need to recap to the 112 aircraft program of record.

Mr. KINGSTON. Thank you, Mr. Chairman.

Mr. DICKS. Mr. Moran.

Mr. MORAN. Thanks very much, Mr. Chairman.

I appreciate the fact that while all of the hullabaloo is going on in other parts of the Capitol you are here visiting us.

Mr. DICKS. It is a better place to be.

CONTRACTING OUT

Mr. MORAN. This subcommittee has asked all of the services to provide us with an estimate of how much of their responsibilities were contracted out, and the Army replied fairly completely. We had the worst problem with the Air Force. As I understand it, we got only an estimate of contracted services.

Now we see in your budget that you plan to do some major hiring. There is an increase of \$1.6 billion for civilian compensation related to insourcing, but there is only a billion dollars left for contractor services. You might address that, and I hope briefly, because I have got a couple of other questions as well.

Go ahead, general or Mr. Secretary, either way.

General SCHWARTZ. Sir, it is important to understand that the insourcing is not completely done with respect to the contract services. For example, there is some 1,300 spaces associated with joint basing where we absorb civilian workforce from other services which increased our population. So it isn't exclusively related to contract services.

Mr. MORAN. But how do you estimate how many contractors you have?

Mr. DONLEY. This is a challenge in the sense that in some cases we do have good visibility into how many contractors are working for us on a contract. Sometimes that is just a fixed amount of dollars that we are putting against the work, and the number of contractors can fluctuate over time depending on the level of services that we are demanding from the contractor.

But I will follow up, Mr. Moran, because there is something—

Mr. DICKS. Will the gentleman yield? Just on that point, it would be one thing if we could find out how many companies, but you are saying contractor. You are talking about every single individual, is that what you just said?

Mr. DONLEY. Sir, I am not familiar with the details of the committee's request and how it was phrased. So if there is something that we owe you there, we will follow up to get after it.

[The information follows:]

The Air Force submitted our Fiscal Year 2008 service contract inventory to the Office of the Secretary of Defense (DPAP) on July 1, 2009, and they forwarded the inclusive inventory lists for the Army, Navy, and Air Force to the House and Senate pursuant to section 2330a Title 10 United States Code on August 4, 2009.

We provided approximately \$21 billion worth of service contracts in this inventory. This amount was not an estimate, but rather a figure pulled from our official contracting system, the Federal Procurement Data System—Next Generation system. We estimated 141,000 contractor full-time equivalents (FTE) for the \$21 billion inventory on standard factor-per-FTE applied across the total obligated amount or on estimates provided by Government personnel closely associated with the contract.

We excluded \$14 billion in the Product and Service Codes (PSC) for research, development, test and evaluation and military construction, consistent with the definition of contract services found in the Fiscal Year 2008 National Defense Authorization Act, Section 806. We also excluded approximately \$3 billion in the PSCs for lease or rental of equipment and facilities and other special services where there is not an FTE or person closely associated with this action. Using the same standard factor-per-FTE methodology described above on these contracts yielded another approximately 75,000 of estimated contractor FTEs. All together, our final estimate is that we had approximately 216,000 contractor FTEs on our estimated \$38 billion worth of service contracts for Fiscal Year 2008.

Mr. DICKS. Mr. Moran.

EOP TRAINING

Mr. MORAN. The authorization, the 2008 NDAA required all services, including the Air Force, to provide contractor inventory; and the Air Force has not done that. So that would be the best to follow up.

The movie *Hurt Locker* just got an Oscar. I kind of was rooting—I thought *Avatar* was a little better. But, anyway, there is some relevance here to the Air Force. Because, as you know, we have an explosive ordnance disposal school; and it functions very well. And in fact there is only a 16 percent failure rate for the Marine Corps, 21 percent for the Navy, but a 47 percent failure rate for the Air Force. There is something wrong there. Almost all of it is for academic reasons. It must be that you are not submitting the quality of personnel to that school that the other services are, and that must account for the failure rate of almost 50 percent.

Do you want to address that, General?

General SCHWARTZ. Congressman Moran, I would only offer this as sort of background.

The Marines, for their Explosive Ordnance Disposal (EOD), their entry level is at the E-5 level. So more mature, they are proven, at least one tour, probably more in the Marine Corps, and so on. We do have some entry level folks go into the EOD field.

Secondly, with respect to the Navy, they start their EOD training after they complete dive training, so they have a filter in front of the EOD training that—I don't know what the exact numbers would be, but it indicates to me that it is not quite apples and apples between us, the Marine Corps, and the Navy.

Nonetheless, your point is that we need to scrutinize the skills and the potential of the folks we send to the EOD school, and we agree with that, and we are working that issue to make sure that of course they are volunteers, and they have an interest in this very demanding and risky discipline, but they need to have the academic skills in order to get there.

Mr. MORAN. Sure. Let me just ask one last question to conclude.

The Air Force chose not to play an integral role in the so-called war on extremism that the other services did. In fact, such missions were termed in lieu of traditional missions. Now, just recently you now referred to them as joint expeditionary tasking.

But I think it would be useful to cite briefly and then for the record the scope of the Air Force's role in this battle against extremism. Because those are the wars that are going on, not any cold war or a traditional role. But it would be useful to know how many airmen are currently deployed in the Central Command area of responsibility; of that, how many are actually serving on the joint expeditionary tasking missions.

General SCHWARTZ. Sir, we have got 30,000 in the United States Central Command area of responsibility. And depending on the time of taking the inventory, it is at 4,700 and growing and will be at 5,300 when the surge is complete in Afghanistan.

By the way, when we changed the name from in lieu of to joint expeditionary tasking, that was very deliberate, sir. The point was this was—if you ask the kids whether they thought what they were doing was worthy, of course they do. They didn't think what they

were doing was in lieu of anything. So we changed the name deliberately. And we are all in, is the short answer.

Mr. MORAN. That is what I want to hear.

Thank you, General. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Mr. DICKS. That is a very good answer. I appreciate that very much.

Mr. Hinchey.

STEWART ANG BASING

Mr. HINCHEY. Thank you very much, Mr. Chairman.

I just wanted to ask you a question about the C-5 retirements and the C-17s coming in. And I understand this question may have been asked before, but I just have a personal interest in it with regard to Newburgh. I was just wondering what the situation is there with regard to the changing that is going on in the context of Newburgh.

General SCHWARTZ. Sir, we have proposed to retire 17 aircraft in this budget submission, 17 C-5s.

In answer to an earlier question, we are using this basing process to determine which installation specifically will lose aircraft and transition to the C-17. And I don't have a specific answer to you whether it is Stewart or not. However, there will be one Air Force Reserve installation and one Air National Guard installation is what it looks like to me now.

Mr. HINCHEY. So this is something that we will learn over a short period of time as to how this evolves?

General SCHWARTZ. You will know that, and you will certainly have advance notice, not late in the game.

ALTERNATIVE ENERGY

Mr. HINCHEY. Thank you very much. I appreciate it.

One of the things that we accomplished there recently was the establishment of what is called the Solar Farm. This is something that is going to generate about half of the energy that is needed there at the Newburgh Air Base, and we are now focusing on coming up with the second half at some point in the future. And I know this is of great interest to you, and I know it is something that you are engaged in.

I wondered if you could just talk a little bit about it in a general way about the intentions and how we are going to be dealing with these energy needs and deal with them more efficiently.

Mr. DONLEY. This is an important priority for our Air Force as you appreciate—I am sure the committee appreciates the Department of Defense is the largest consumer of fossil fuels in the Federal Government, and the Air Force is the largest consumer in the Department of Defense. So our three-pronged strategy here is to increase supplies where we can—to include looking for alternative sources of energy, to reduce demand where we can, and through operational profiles we can find ways to operate more efficiently. We have driven our energy requirements down over the last 5 to 10 years deliberately.

And the third thing, which sort of wraps it all together, really, is to make energy use a consideration in all that we do in peace-

time and wartime operations. We can by our own behavior affect the requirements for energy and also identify alternative sources.

Solar is an important part of that. It is site specific. And one of our most recent initiatives, especially on the solar and wind side, is to get a little bit more proactive in identifying the new technologies that are coming on, working with State and regional and county governments to identify issues early in that permitting process. Because not all of these energy initiatives take place on Air Force property, not all of them take place on Federal property, but they may influence airspace or they may influence our operations. So we need to get more proactive in working with local communities to work through those issues so that we can get both the operational effectiveness we want and the benefits of new energy sources along the way.

Mr. HINCHEY. So this is an issue that is getting really the appropriate amount of attention and it is moving forward in a positive way.

Thank you very much.

Mr. DICKS. Mr. Tiaht.

INSOURCING

Mr. TIAHRT. Thank you, Mr. Chairman.

I guess, if I understood the inserts you write, it is going to take \$1.6 billion increase in civilian competition to do the job that \$1 billion of contracting did.

I think contracting is more efficient, personally. I mean, I don't hire somebody full time when I need somebody to come fix my furnace or take care of the electrical in my house. It just makes sense to contract for some services when you need them and not have somebody there full time.

So I, for one, will try to take some of this pressure off of you guys for insourcing everything. Because I think it is less efficient and an example that was given is 37½ percent less efficient.

LIGHT ATTACK AIRCRAFT

I want to talk about the light attack aircraft. There are two programs now. One is spearheaded by the Navy called Imminent Fury, and the other one is actually the Air National Guard doing a demo project.

I think the requirement is out there for a light attack aircraft, but I think there could be some synergism in moving these programs in a parallel fashion, and I wondered if you would consider looking at that, maybe coordinating with the Navy on coming up with one program. There have been some great advantages shown in the Air National Guard program. If we could make that available for the Navy or somehow coordinate them—and I wanted to put that on your radar screen.

General SCHWARTZ. Sir, as you know, we are participating with the Navy and the Imminent Fury demonstration. That is not an acquisition program. It really is a demonstration which will occur in Afghanistan of that capability. And, as you suggested, there is also a demonstration going on in the Air National Guard, and what we intend to do is this—is in fiscal year 2012 start on the light strike

side, go through the process, develop the requirements, and have a standard acquisition approach which will be competitive.

Mr. TIAHRT. I think we are seeing in procurement—this is probably an age-old knowledge milestone that we seem to avoid on every new contract. If you look at the Presidential helicopter, we knew how to make a helicopter fly, but as soon as we start loading it up with new requirement, all of a sudden it became too heavy to fly in a program sense, not necessarily in an aerodynamic sense.

STREAMLINED ACQUISITION PROCESS

The F-35, I think planned changes—you talk about concurrency, which I think is a good way to proceed, but it seems like we ought to be tighter on the base requirements with planned upgrades at PDM, for example, a bus. If you need a bus down to the weapons pylons, put the bus in. And if you get a more advanced piece of technology for a bus, then you would replace it at the planned program depot maintenance.

I think one of the reasons we get into these elongated, expensive programs is we are not tight enough on the requirements for the underlying aircraft. And I may be mistaken, but aerodynamically it is pretty stable as far as the platform we need well into the future. The changes come from a lot of the avionics or the weapons capability. By holding the line on those growth ideas, we can make those planned upgrades without delaying the program so far and driving the price up. Is that part of the plan of going forward with F-35 and other programs?

Mr. DONLEY. It is. There is a joint executive steering board for the F-35 program which represents all of the leadership, the stakeholders of the program; and they track very carefully the content of the program and both technical and cost trade-offs along the way. So this issue of controlling configuration is critical for F-35 and other programs. It has gotten a lot more attention over the last couple of years, as it should.

General SCHWARTZ. And I would only add, sir, that that approach is what we have in mind for long-range strike. That is to let the platform mature over time. We are not looking to have something necessarily that is 100 percent of what one might conceive of the need but rather to be a little bit less ambitious and then to improve over time.

Mr. TIAHRT. Once the real estate is established inside the aircraft, then you can do a lot of things with—that given envelope is what we need to put some firm—as we go forward, I would like on the next generation bomber, I think that pattern would be very helpful for us.

Thank you, Mr. Chairman. Thank you, guys.

UNDEFINITIZED CONTRACTS

Mr. DICKS. Thank you.

To meet urgent needs, the Department of Defense can authorize contractors to begin work and incur costs before reaching a final agreement on the contract terms and conditions, known as undefinitized contract actions or letter contracts. As of October, 2009, the Department of Defense had 429 contracts that were undefinitized. Of those, over 160 were Air Force contracts, many of

them far exceeding the time permitted to definitize. How are undefinitized contracts different from normal contracts?

Mr. DONLEY. In rough terms, Mr. Chairman, they are shorter. They are able to be put together in a shorter period of time. They still commit the government to funding a program. They still commit a contractor to delivering certain capability. But they are preliminary, and they need to be followed up with a more permanent contract arrangement negotiated in greater detail on both sides. So you could provide the flexibility we need to start contract actions early.

I think our challenge, as the committee is aware, is we have let these Undefinitized Contract Action (UCA) persist for too long and we have used them too easily to bridge over the actual negotiation of contracts that needs to take place to get a better handle on deliverables.

Mr. DICKS. Look. You answered my second question. In your experience, does the benefit of starting work sooner outweigh the loss of control experienced in a UCA?

Mr. DONLEY. I do believe the Department and not just the Air Force, but if I can extend this to the DOD level, we do need UCAs. We do need the flexibility to use this tool.

And it is true that we need to tighten up on this. We have identified the specific areas in the Air Force acquisition process where this is taking too long. We have elevated the approval authorities to undertake UCAs so we sort of staunch the bleeding up front so there should be less rapid growth in the use of UCAs and we should be working down a backlog of existing UCAs and converting those to contracts as quickly as we can.

Mr. DICKS. Does a shortage of contracting officers within the Air Force impact the Air Force's ability to definitize contracts?

Mr. DONLEY. I think it is a factor. I think General Hoffman could provide a much more sharp perspective on this. But we are short on contracting personnel; and, in fact, if you look at the stressed career fields in the United States Air Force, contracting is near the top.

Our contracting folks are operating on a one-to-one dwell in the (USCENTCOM) area of operations and actually were called upon to help the Department work contracting challenges in (USCENTCOM) that arose about three, four, five years ago; and where the Department needed some infusion of contracting expertise, they came to the Air Force to do that. So that has had an impact, and we are trying to build up the contracting workforce in our acquisition improvement program. But I think General Hoffman could provide more detail on that.

General SCHWARTZ. And, sir, if I may just add, by the way, those contracting assessments are joint expeditionary taskings; and they are doing real work for the country. Sir, I might just say, to give you an example, because I know you consider us to be a bad actor in this regard.

And with the Global Hawk program, for example, there are six undefinitized contracts all of which will be definitized before the end of the fiscal year. So it gives you a sense, and I know the staff is watching this carefully for you, but we are bird-dogging it as well.

Mr. DICKS. Good. Your assurance is making me feel better.

But just for the record here, I have to establish this, because this is part of our oversight responsibilities. The FAR states that undefinitized contract actions should be definitized within 180 days of signing the UCA or before completion of 40 percent of the work to be performed, whichever occurs first. However, many of the contracts are not definitized within the required 180-day time period. In some cases, years have passed without definitization and sometimes funds are obligated in excess of the limits normally allowed. For example, at the end of January, the Air Force's aeronautical systems command at Wright-Patterson Air Force Base, there were 87 open UCAs averaging 363 days open, 20 of the 87 in excess of 600 days.

What reasons are there for UCA to not be definitized within the permitted time periods?

Mr. DONLEY. Mr. Chairman, I would like to take that for the record. I think each of those program, each of those contract actions has its own story; and I need to have the experts characterize that for you.

[The information follows:]

The major reasons why undefinitized contract actions are not definitized within the permitted time periods include late submitted or inadequate proposals, audit delays, changes in requirements and personnel constraints.

Mr. DICKS. Okay. Also, one final thing. Receiving a favorable audit from the Defense Contract Audit Agency is also an area that takes too long. What is the Air Force doing to enable the Defense Contract Audit Agency to conduct more timely audits?

Mr. DONLEY. We continue to be in dialogue with the Defense Contract Audit Agency (DCAA) about how they can shorten their process and how we can work together to make that process more efficient.

Mr. DICKS. Yeah. We have a few more questions here on that subject for the record.

Mr. Tiahrt.

LIGHT ATTACK ARMED RECONNAISSANCE

Mr. TIAHRT. Thank you, Mr. Chairman.

This sort of relates to all of us. Gentlemen, I have requested two documents relating to the light attack armed reconnaissance program. Unfortunately, I have been informed that Members of Congress now have to file a Freedom of Information Act request to gain access to any document. Can you please provide my office and this committee with the capability based assessment and the component cost analysis for the LAAR program?

Mr. DICKS. Is this true? Do we have to go—this can't be true.

Mr. DONLEY. Mr. Chairman, I am not aware of any new policies on this subject. I think the issue—and I would let the lawyers answer this more carefully for the record. I believe the issue has to do with requests from individual Members on matters which get close to or cross over into source selection sensitive information.

COMPASS CALL AIRCRAFT

Mr. DICKS. We don't want to do anything, especially, Mr. Tiahrt and I, to cause any problems in that respect, but we certainly want the information for the committee.

I have one more that I wanted to ask; and then if anybody else has a question, we will go to you.

The committee is pleased to note that the Air Force has focused funds on the budget on electronic attack aircraft. But we have some concerns over the plans for converting of 45-year-old aircraft. Specifically, the request includes funds to begin the modification of the WC-130H aircraft into an EC-130H compass call aircraft. This would increase the compass call inventory to 15 aircraft.

You may have gotten into this earlier, but I want to go back to it. The request states that the conversion will cost \$150 million, but it appears the Air Force is only funding a portion of the requirement in fiscal year 2011. Why are we taking an aircraft of this age to do this?

General SCHWARTZ. Sir, it is structurally sound. The compass call mission is not a mission which places great demand on the C-130 airframe because it is in that altitude mission and so on. So this approach was a way to increase the electronic combat capability we need at minimum cost. And it is \$150 million over three years. It is 2011, 2012, and 2013; and it is funded accordingly, sir.

Mr. DICKS. How does the Air Force justify partial funding of the conversion—you are saying it is complete funding? It appears to be incremental funding.

General SCHWARTZ. Sir, I am saying that the program is fully funded.

Mr. DICKS. It is fully funded.

General SCHWARTZ. It is fully funded. I take your point that it is not in one fiscal year, and we will come back to you on the record for that.

[The information follows:]

The initiative to convert a WC-130H to an EC-130H was proposed in early Fiscal Year 2009 and some funding has been included in the Fiscal Year 2011 President's Budget request. Execution of this conversion requires three years. The first year is needed for production engineering and drawings, ordering long lead components, and Group A kits. The second year involves Group B kit production. Actual modification/installation occur in year three. Since these tasks are viewed as distinct and separable, funding for the Group B kits and modification would be early to need in FY11. During the Fiscal Year 2011 Program Objective Memorandum process funding for the three phases is spread across Fiscal Years 2011-2013. Shown below is an updated program office cost estimate for the conversion of a WC-130 to an EC-130H.

\$35.3M—Production engineering/drawing
 \$11.8M—Long lead components
 \$26.6M—Group A kit production
 \$48.3M—Group B kit production
 \$27.9M—Aircraft modification/installation

Production engineering, long lead items and Group A kits are funded in Fiscal Year 2011 (\$73.7M). Group B kits are programmed in Fiscal Year 2012 (\$48.3M) and aircraft modification/installation is programmed in Fiscal Year 2013 (\$27.9M).

COMPASS CALL VIABILITY

Mr. DICKS. This past year the Air Force conducted a fleet viability board review of the existing fleet. What were the results of the review?

Mr. DONLEY. Sir, we have had several. Can I ask which airframe the Chairman is referring to?

Mr. DICKS. This is the same one. This is on the WC-130H aircraft.

General SCHWARTZ. Sir, the C-130 fleet viability is a project that is ongoing for this year. It has not yet reported out. The most recent fleet viability that we did was on the JSTARS that was referred to earlier by Congressman Kingston.

Mr. DICKS. Are there other questions?

Mr. Kingston first. We will go in order.

CYBERSECURITY

Mr. KINGSTON. Thank you, Mr. Chairman.

General, I wanted to ask about cybersecurity, and you may need to follow up if you don't know these numbers. But generally how big of a problem is it? How many break-in attempts do we get each day and into what systems are they worst? Who is doing it? And how often are they successful?

And then, partly provincial, in my hometown, Armstrong Atlantic University has a cybersecurity center which they started about 4 or 5 years ago. I frequently get briefed by them; and I am always astounded, no matter how many times I see, the number of attacks that come in worldwide and the places that they come from and the freelance agents and the organized country effort. It just seems like it is all over the place. I wonder if you could—

General SCHWARTZ. Sir, it is a major issue in our unclassified networks; and we work hard, very diligently, and have, no kidding, some of the best talent working to defend the net. In fact, we stood up an organization called 24th Air Force to do exactly that, to defend the net.

Now, this is both on the unclassified side where we have—I have been speaking for 15 seconds. We probably had 15 attempts to work into the system. We are reasonably secure.

But on the classified side, I would indicate that we are quite secure, very secure. The dilemma is that, as you suggested, there are all kinds of actors out there. There are nation state actors. There are individuals. There is criminal-related activity. There are fun seekers that are doing this, and they certainly take time on DOD networks.

So I think if I had one comment to make to you, sir, is that the Secretary of Defense's initiative to stand up the sub-unified cyber command is an essential undertaking for our Department to put the focus on this as a discipline and as a command entity.

There is some concern that DOD might take over, might move outside dotmil. I don't see that occurring. But within dotmil and perhaps for dotgov, we need to make the best use of all of the talent that is available in agencies within DOD like our 24th Air Force, like the National Security Agency and elsewhere.

Mr. KINGSTON. Aside from the attacks on your main computer programs, what about listening devices or trying to get into individual cell phones or BlackBerrys, that has got to be out there as well?

General SCHWARTZ. It is a counter-intelligence concern and one that we take seriously.

Mr. KINGSTON. How vulnerable do you think Members of Congress are, based on what you know, with our own BlackBerrys as we go on codels or even not leaving the United States?

General SCHWARTZ. I would have to tell you I would say vulnerable.

Mr. KINGSTON. Do you use a BlackBerry?

General SCHWARTZ. I do.

Mr. KINGSTON. Well, is that the inconsistent with what you just said? I am trying to figure out, should I throw mine out or not?

General SCHWARTZ. I don't think you should, but you need to think about what you are using it for, and that really is the guidance that we have provided our people.

Now there are certain folks in the Air Force that won't use a BlackBerry because of the work that they do. In my case, if I get a pulse from the media, it is a vehicle that I use to good effect, in my view.

So we train our people and instruct our people to be judicious. And in some cases they don't get to use it at all because they are in very sensitive positions. My hunch is that a similar sort of protocol applies here on Capitol Hill as well. Folks from the Intelligence Committee, for example, might have different rules than other committees.

Mr. KINGSTON. Thank you.

Mr. DICKS. I think that is one reason we put in this password, which is very annoying, but we had to do it. But it has to be done, and we are doing it.

Mr. Visclosky.

SATELLITE PROGRAMS

Mr. VISCLOSKY. With these thumbs, that password is very, very annoying. It is just hard.

Mr. Secretary, on the satellite programs, you have a number of significant systems and, apparently, there has been some significant schedule growth, cost increases, a lot of which may have to do with unrealistic cost estimates in the first place, questions about technical maturity. Are there simply now too many systems, is there too much program for the monies that you have for the satellite program?

Mr. DONLEY. Sir, again, I think each program has its own story and own history. We had had I think, up until a couple of years ago before Secretary Gates took a closer look at this, we did have a number of satellite systems cued up, especially in the secure Satellite Communications (SATCOM) area where we had more technology perhaps programmed than we could afford. And that resulted in the cancellation of the TSAT, the transformational satellite program.

We have stepped back to focus on the execution of the AEHF program, but we are still looking for opportunities at some point in the

future to insert new technology, much along the lines as Mr. Tiaht described, where and when we are ready to do that and we can afford it.

Again, each of these programs has its own story. I think, right now, we are most concerned with the EELV program, the evolved expendable launch capability that we have enjoyed success with for so many years now. I think it is—I want to say 65 or so. But it is a string of successful launches using EELV.

And we have benefited from some early multiyear contract arrangement which has since expired. On that program, we are looking at significant cost growth, which we are not happy with; and we are looking for alternatives going forward. And we are looking at additional pressure on the solid rocket motor and the industrial base that goes with that. With the changes in National Aeronautics and Space Administration's program, we face some significant challenges in developing an affordable funding profile for space launch support. So that is an area that we are looking at in particular right now.

Mr. VISCLOSKY. I don't know that we will have a hearing on launch per se, but are there a couple of issues and any monetary value that we should know or be particularly concerned about on the launch side before we mark up our bill?

Mr. DONLEY. We will certainly support the committee's schedule as best we possibly can with the latest information that we have on the EELV.

Mr. VISCLOSKY. And on the satellites themselves, is there—getting back to Mr. Rogers' line of questioning before about DOD and DOE—between the Intelligence Committee community and some of the requirements that they are asking for some of these satellites and in a sense overrequesting for capabilities here, given again technology that is available today and the dollars that are available today? Is there a disconnect there?

Mr. DONLEY. Sir, I wouldn't speak specifically to the systems that are procured in the national programs, although I will say that we have a close relationship with the National Reconnaissance Office that has—we have had that close relationship for many years, that continues, and we continue to collaborate on trade-offs where we can between space-based and airborne systems and also identifying capabilities on the DOD side that can be hosted elsewhere in either the Intelligence Community or even on commercial satellites as well. So we are looking for creative alternatives for hosting DOD-required capabilities on different kinds of platforms, rather than just necessarily owning and launching and operating everything ourselves.

And I should add that you will see this play out in the Space Posture Review, which should be delivered to Congress later on this spring, early summertime frame. You will see the policy level discussions and trade-offs on sort of organic government-owned versus international partnerships and commercial partnerships as well and the kind of judgments the Administration is about to make, if you will, on how to strike the appropriate balance in that mix.

INTELLIGENCE, SURVEILLANCE RECONNAISSANCE PERSONNEL

Mr. VISCLOSKY. And we would look for that late spring.

One last line of question, if I could, Mr. Chairman. You had mentioned before, Mr. Secretary, in one of your answers about stress specialties; and you mentioned contracting and acquisition. I understand you also have problems as far as intelligence surveillance and reconnaissance, nuclear missions. What are you doing to address that issue? And again is it a resource issue? Is there something we ought to have particular concern about?

General SCHWARTZ. Sir, what we have done is we have made major moves in the ISR area—I mean, as many as 4,700 spaces—to try to compensate for the demand there. We have moved 2,500 spaces in Fiscal Year 2010 to strengthen the nuclear enterprise. We also moved roughly 2,000 spaces into aircraft and missile maintenance. When we went through the drawdown episode a couple of years ago, we overshot. So we needed to bring that back up to an appropriate level.

Smaller numbers of spaces have gone to the other disciplines. Certainly, as you suggested, contracting, public affairs is a high-demand activity. Security forces is a high-demand activity. Believe it or not, the chaplaincy is a high-demand activity.

And so we are doing the best we can, but I have to tell you, sir—and this is a significant matter for the appropriators—our personnel costs are a major concern to the Secretary and me. To the extent that if we don't watch this and do this carefully, our personnel costs will begin to push out important content elsewhere in the Air Force portfolio. So we need to be judicious, and the bottom line is we are not going to grow because we can't afford it.

So if we have some areas in the Air Force that are expanding, like intelligence surveillance and reconnaissance, we are going to have to shrink in others; and we are going to have to gather manpower and financial resources from within our existing portfolio.

Mr. VISCLOSKY. Gentlemen, thank you.

Thank you, Mr. Chairman.

Mr. DICKS. Ms. Granger.

F-22 RAPTOR AIRCRAFT

Ms. GRANGER. Just a couple of quick questions about the F-22.

General Schwartz, Secretary Gates described the F-22 as the critical hedge against new threat systems such as the Russian fifth generation fighter. I saw in your testimony that you invested \$2 billion in improvements to upgrade the F-22. Is this sufficient to continue the air superiority of the F-22? And tell me a little bit about long-term modernization.

General SCHWARTZ. Ma'am, we are going to have 150 block 3 or block 3½ quality kinds of airplanes. These will be machines at the very top tier of the F-22 capability.

Training aircraft, on the other hand, so-called block 20 aircraft, won't have all of the wherewithal that the operational aircraft will have. So there will be about 28 or so—forgive me—36 of the block 20 airplane and the remainder will be full-up capabilities which will have both air-to-air, for which the airplane was primarily de-

signed, as well as air-to-ground capability. And that is where some of the advancements will come as we go down the line.

It is very important with the smaller fleet we have that we continue to invest in sustaining the F-22, both its low observable qualities, its avionics. We are going to put a different data link on the airplane that is compatible with the F-35. The data link that it currently has is only F-22 specific. In the way we used to think about employing the airplane, that was okay. It is not anymore. It is a secure data link, but we need to have one that can be used throughout the force and particularly among generation five capable fighters.

So those are the kinds of improvements we are making, and I would appeal to the committee to support us on making those 187 airplanes as capable as they can be.

Ms. GRANGER. Thank you very much. And thank you both for appearing and your service. Thank you, Mr. Chairman.

Mr. DICKS. Mr. Boyd.

F-22 BASING

Mr. BOYD. Thank you, Mr. Chairman.

And, General Schwartz, this is a follow-up to what Ms. Granger—you and I have had many discussions about the F-22, and you know of my parochial interest in that. I asked you earlier about the Strategic Basing Executive Steering Group, and you have explained to me that they would be involved.

What I didn't ask you was when, and I have asked you that before, and I felt it would be remiss and you would be very disappointed if I didn't ask you here today.

General SCHWARTZ. With respect to what we will do with the F-22 from a fleet management point of view, that is a summertime frame decision process.

PERSONNEL TRAINING

Mr. BOYD. All right. Okay. Thank you very much, General.

Now, to follow-up on Mr. Visclosky's line of questioning relative to the personnel and your concern about personnel pushing folks out, you are trying to redesign your whole system and scheme of things. The CAF, your reductions there, you have, I understand, according to testimony, 3,600 personnel who will be reassigned, retrained, go into other fields as you do this realignment. About one-sixth or about 600 of those, I think, are coming out of the F-15 schoolhouse area that I have an interest in. There is going to be some retraining requirements there. And my question really is about how long that transition will take. And by the time these airmen are retrained, will those requirements still be available?

General SCHWARTZ. Sir, there will be some retraining, clearly. There will be some sort of immediate transfers where the skill set is not weapon system specific or something along those lines, and it depends on the specific skill. If we are talking about F-15 pilots transitioning to another airplane, it might be six months. With respect to a maintainer moving to an F-16 or another aviation weapons system, it is probably less than six months. So we are talking about within the year basically of having people that would mi-

grate out of their current mission assignments and be applied to others elsewhere in our Air Force.

In more rare cases, you will have the kind of thing where people are making a hard change, maybe, for example, might go from maintenance to becoming a sensor operator on an unmanned or remotely piloted aircraft. That is probably a year plus to do that.

So it depends, sir, but I would emphasize again, and reinforcing the comment that I made earlier, that if we are going to remain relevant and our capabilities are those which the joint team needs now in going forward, we need to begin to make these changes, as painful as they are, sir.

Mr. BOYD. Thank you very much, General Schwartz, Mr. Chairman.

Mr. DICKS. Mr. Rogers.

MOTHBALLED AIRCRAFT

Mr. ROGERS. Tell me, where do you store mothballed aircraft?

General SCHWARTZ. Sir, it is done at Davis-Monthan Air Force Base in Arizona at the so-called graveyard.

Mr. ROGERS. Are those planes useless?

General SCHWARTZ. Not at all. In fact, there are several layers of storage.

Type 1,000 storage, for example, is something that you could bring back quite readily. There are other levels of storage where you get to take spare parts off these machines and they become less and less—the potential of recovering them, obviously, declines over time. So it depends what the status of the specific kind of storage is.

Mr. ROGERS. How many planes do we have in storage?

General SCHWARTZ. Sir, I would have to take that for the record, but it is thousands.

[The information follows:]

Currently, the United States Air Force has 2,205 aircraft in Aerospace Maintenance and Regeneration Group storage.

Mr. ROGERS. I know the chairman may not be interested in this very much, but could some of those planes be reused in the modern day need for new aircraft?

Mr. DONLEY. Sir, my assessment is that that would be very difficult to do and very expensive.

As the Chief outlined, I think there are options for putting aircraft into retirement, where one can put them into storage where for some period of time they can be maintained at a level to be brought back on fairly short notice. That is an expensive proposition. I don't recall off the top of my head—we will get you an answer for the record—whether we have actually done that. It has been discussed, but I am not sure we have actually exercised that option.

[The information follows:]

From Fiscal Year 2006 through Fiscal Year 2009, 109 Air Force aircraft have been regenerated at the Aerospace Maintenance and Regeneration Group to support the United States Air Force, the Department of Defense, and foreign military sales.

Mr. DONLEY. The more common use, as the Chief described it, is to cannibalize these airplanes over time for various spare parts, not

just for the United States Air Force but also for our international partners who, through foreign military sales (FMS) and other programs, are operating generations of aircraft maybe one or two behind the United States and where there are no current production aircraft available to provide a spare parts pipeline. So this is the more common use of these aircraft.

Mr. ROGERS. What would be the oldest aircraft in that fleet?

General SCHWARTZ. Probably one of the ones that the Women's Air Force Service Pilots (WASPs) flew years ago. Sir, I don't know, but I will find out for you.

[The information follows:]

The oldest Air Force aircraft in storage by arrival date is a WB-57F (modified Canberra B-57), serial number 63-13295, which arrived in July 1972.

Mr. DONLEY. They go back to the 1950s, for sure. Old B-52s, for example.

Mr. DICKS. I will just say to the gentleman from Kentucky, if we can use these airplanes or if our allies can use them, I am for using them. If there is a way to do it, that makes sense. Spare parts are very important.

Mr. Hinchey.

COMBAT SEARCH AND RESCUE HELICOPTER

Mr. HINCHEY. Thank you, Mr. Chairman. Just a couple of quick things.

The Air Force I understand is considering a multibillion dollar sole source procurement to replace the aging HH-60G Pave Hawk search and rescue helicopter. How is that going to happen? Is the Air Force conferring a sole source procurement to recapitalize? No?

General SCHWARTZ. No, sir. I think I can speak with authority and say that it will be a competitive process. But I would envision that will not be a development program, at least not a major development program. It will capitalize on something that is currently available and is modified to the combat search and rescue mission set.

UNMANNED AERIAL VEHICLES

Mr. HINCHEY. Okay. Thank you very much.

The unmanned aircraft system is something that has gotten an awful lot of attention and something that, frankly, is very interesting. They are serving in an expanded set of operations in both Iraq and Afghanistan, and I understand that some of them are located in Korea as well. I don't know if that is a fact, but I understand that may be the case. I wondered if you would share your vision of the future for the unmanned aerial system, especially in the counterinsurgency operations but also in the regular combat operations as well.

General SCHWARTZ. Sir, we believe that remotely piloted aircraft (RPA) are a capability that will remain. It is an enduring feature of our Air Force, both for surveillance requirements as well as strike requirements in the right kind of environment. So we see the inventory of these assets growing.

We currently have in the neighborhood of 200 remotely piloted aircraft at different classes in the Air Force that will probably dou-

ble over time. And we will have those both for the irregular warfare mission set that you are familiar with, but it will also be useful in other applications which we haven't completely thought through, for example, suppression of enemy air defenses.

Other capable air forces in the world use these platforms in perhaps different ways than we have currently thought about and we need, again, as part of this growth process, to make sure that we have considered all of the possible applications. RPAs are not anytime, anyplace aircraft. There are certain environments where they simply will not survive. But that is only a part of the potential operating environment.

Mr. DICKS. If the gentleman will yield, it is not just the Air Force. This is the Navy, the Army, Special Forces. Everybody is looking at these and in whole different sizes, shapes and capabilities, is that correct?

Mr. DONLEY. Yes, sir. And many other nations as well.

Mr. DICKS. Mr. Hinchey.

Mr. HINCHEY. Is there a shortage? Is there enough? Do you have enough coming in?

General SCHWARTZ. We are maxing production, sir. There are 48 reapers in this budget, both in the base and in the overseas contingency operations account; and that is all that General Atomics can produce.

Mr. HINCHEY. Just one more question.

Mr. DICKS. Will the gentleman yield on this same point?

We are working on trying to secure the Predators because there was some issue with their vulnerability; isn't that correct?

General SCHWARTZ. Sir, there is no vulnerability with respect to the air-to-air links or the space-borne links; they are all secure, both in terms of command and control as well as the take off sensors.

The issue you address has to do with what is provided in an air-to-ground sense directly to our troops, Airmen, Marines, and what have you on the ground. We are in the process of securing those links.

But this, Mr. Chairman, is one of those cases where you have to balance risk. I would argue that it is better for our kids to know what is around the corner and worry less about whether somebody else is watching that, too. But we will be—in the next two years, we will move dramatically on securing the air-to-ground portion of those links as well.

Mr. DICKS. Okay.

PROMPT GLOBAL STRIKE

Mr. HINCHEY. If I may just ask one last question. The issue of prompt global strike is something that is getting more attention. And I can understand it because of the way things are developing around this planet, and it makes life a little more tense and tenuous. I wonder if you could talk to us just for a couple of minutes maybe about what the situation is, how it is evolving, what progress is being made in reviewing the prompt global strike, what the situation is generally.

General SCHWARTZ. Sir, let me just start, and I am sure the Secretary will have something to add.

When the Secretary mentioned the family of systems earlier with respect to long-range strike, prompt global strike is a part of that family. This is fundamentally what, at least for us, would be a conventional ICBM, something that would have a conventional warhead that we could launch and be on target in a matter of minutes, as opposed to hours or even longer.

In addition, there are certain developmental kinds of capabilities that fall into this category like hypersonic glide vehicles. This is something that is new, and it is developmental, and, in fact, there will be a test in the coming months on the first launch of an experimental hypersonic glide vehicle.

So this is about getting to targets very promptly with high kinetic effect, nonnuclear. There is a place, I think, for that kind of capability. I don't think that that is the sort of thing you would use broadly because fundamentally, what you don't want to have is a 300—let us just say a \$300 million weapon applied against a \$30,000 target. I mean, there is balance in this. But there is a place for prompt global strike, and we in the Air Force will be pursuing this on behalf of DOD.

Mr. DONLEY. I think that the Chief has hit it right on. This is part of this discussion in the Department about the family of systems that we are looking for. The mix of standoff and penetration, the mix of prompt and persistent, the mix of manned and unmanned, and the mix of platforms, weapons, ISR capabilities, and electronic warfare capability, all of those things together make up a long-range strike family, a portfolio, if you will.

So we are taking a closer look at how and where we invest in that portfolio and the sequence. What should we work on first? Where are the threats or opportunities most pregnant that we need to address? What will or should take a little bit longer to decide? And so these are the issues the Secretary has put in motion.

I will say, from a programmatic point of view, the prompt global strike work had been a little bit federated over the last couple of years. There have been a couple of different R&D lines and different projects under that umbrella, and Dr. Carter has asked the Air Force to help pull that together and manage it as a whole going forward. So we are in the process of assuming that responsibility. It started a little bit earlier this winter. So that will give the Air Force a little bit better visibility into the prompt global strike area.

General SCHWARTZ. And I would just add, sir, that this is not just about the Air Force. There are other capabilities. Conventional Trident, for example, is something that is a possibility. So this is not just Air Force business.

Mr. DICKS. On that point, isn't one of the problems is how you would distinguish between a conventional weapon and a weapon that has nuclear warheads? That is one problem with this concept, right?

General SCHWARTZ. Stability is an issue, and there are ways to address that, either by your basing mode or where these would be based, what kind of awareness others might have, and whether it is aboveground or in ground, and so on and so forth. There are a lot of different ways to address the ambiguity issues associated with prompt global strike, and this is not yet completely thought through.

Mr. DICKS. One thing with the B-2, we moved away from using it to deliver nuclear weapons and put it on smart conventional weapons; and I like what you said. In that respect, you have a very inexpensive weapon going after a target; and sometimes, as you well know, on one mission you can take out 26 targets. And if we get to the smaller weapons, even more. So that is a tremendous conventional capability that you have with a penetrating bomber and—but I do like what you said also on the UAVs and using them for suppression of enemy radar. That is not something I had heard about before. It sounds very interesting.

I-22 AIRCRAFT RELIABILITY

I had one question on the reliability issue on the F-22. Thus far this year, the F-22 mission capable rate is only 62 percent. This is significantly below expectation. What is driving those low rates and what is the Air Force doing to improve the rates?

General SCHWARTZ. Sir, a couple of things. This is both process. It is material. It is training. So there are a number of paths related to, in particular, low observable maintenance. There is efforts under way in this response to Congresswoman Granger's question earlier about developing materials that are more durable for the F-22, certainly for the F-35. That is one aspect.

Mr. DICKS. We had the same issue with the B-2.

General SCHWARTZ. Exactly, sir. You understand that.

Mr. DICKS. And then we improved as we went along.

General SCHWARTZ. Improve it as you go along, and clearly we need to continue to do that. Some of this is process, and it has to do with the facility, to have the right kind of facilities where—to use the slang—where you can bake the airplane and accelerate the repair process. So facilities, materiel, training for our youngsters so that they get proficient in identifying their skill so that they stay in the low observable maintenance discipline and not go out as one young man did that I know. He was an award winner at Elmendorf Air Force Base, sir, and ended up going to F-16 at Hill Air Force Base. Probably not the best use of this very fine Airman.

So we have personnel processes that need to attend to as well.

Mr. DICKS. Any other questions?

The committee is adjourned until 1:30 tomorrow, Thursday, March 11th. At that time, we will reconvene for a hearing on Navy posture.

Thank you very much. It was a good hearing, and we appreciate your availability.

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