

Department of Defense Announces Selected Acquisition Reports

DEPARTMENT OF DEFENSE NEWS RELEASE (APRIL 1, 2010)

The Department of Defense (DoD) has released details on major defense acquisition program cost, schedule, and performance changes since the September 2008 reporting period. This information is based on the Selected Acquisition Reports (SARs) submitted to the Congress for the December 2009 reporting period. (Note: DoD did not submit a full complement of SARs for fiscal 2009 because the fiscal 2010 President's Budget did not include updated outyear funding information.) Read the latest SAR report at www.defense.gov/releases/release.aspx?releaseid=13425.

Army Leverages Private Industry, Academia To Advance Robotics Research

ARMY RESEARCH LABORATORY PUBLIC AFFAIRS (APRIL 21, 2010)

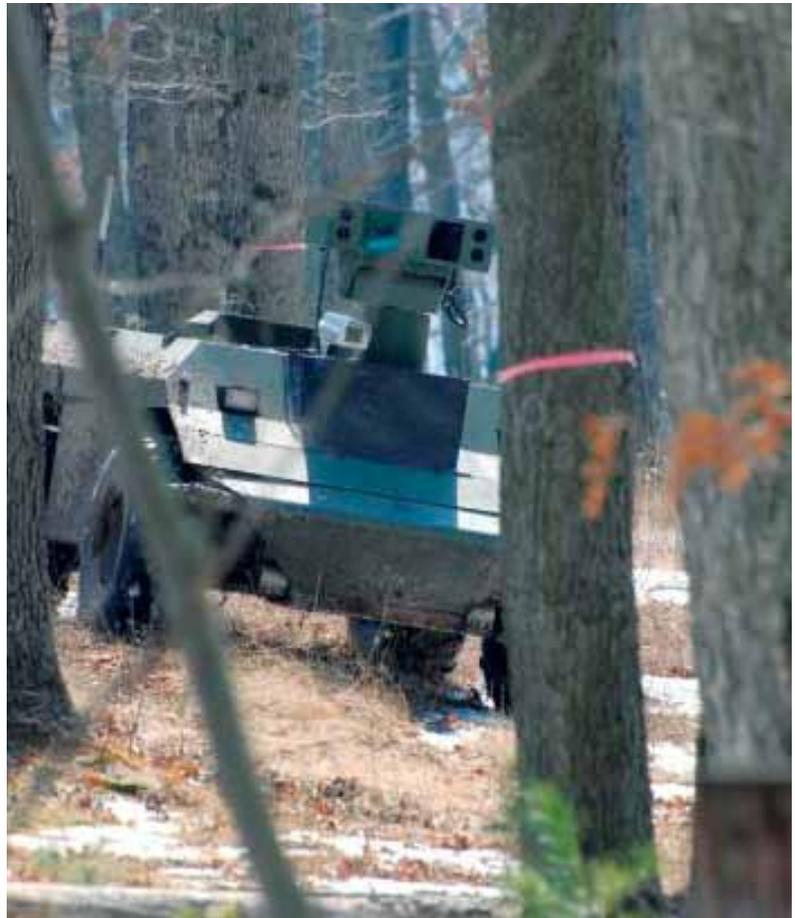
ADELPHI, Md.—Developing smart robots with the ability to work for and alongside soldiers is the ultimate goal of the Army's \$63.2 million investment in a new robotics cooperative agreement with industry and academia over the next five years.

The Robotics Collaborative Technology Alliance is expected to push the research needed to make autonomous robots accomplish more missions and take some of the burden off soldiers on the battlefield, said Army Research Laboratory's Dr. Jon Bornstein, chief of the Robotics Autonomous Systems Division and CTA manager.

It will also have a potential five-year extension with an additional \$66.5 million investment, totaling a possible \$129.7 million.

"I would like to see the CTA research demonstrate an unmanned system that can adapt to a dynamic environment and learn from its experiences," said Bornstein. "I'm really looking forward to this research moving unmanned systems as a tool for the soldier."

Bornstein said he compares his vision of the future use of robots in the Army with the way warfighters work with dogs in K-9 units.



An experimental unmanned vehicle autonomously maneuvers across wooded terrain at Fort Indiantown Gap, Pa. U.S. Army photo

"They're part of the team, and we want these unmanned systems to be part of team. There must be an intuitive bond between the soldier and robot—a trust ... and a certain level of compatibility to develop that capability," he said.

Through the agreement, ARL will be working with a consortium of leading research organizations to break through basic scientific barriers in perception, intelligence, human-robot interaction, dexterous manipulation, and unique mobility.

"Developing technology in these critical areas is crucial to the advancement of future unmanned systems possessing a significant level of autonomy," said Bornstein. "Robots can't be dumb. They must be able to work on their own."

While the Army drives the research direction, it chose a consortium of eight organizations, led by General Dynamics Robotic Systems, to perform under the cooperative agreement.

Boston Dynamics, Carnegie-Mellon University, California Institute of Technology Jet Propulsion Laboratory, Florida A&M University, QinetiQ North America, the University of Central Florida, and the University of Pennsylvania will all work as partners to delve into the cutting-edge research.

ARL uses cooperative agreements to bring together consortiums that develop and execute research plans that share financial, intellectual, personnel, and infrastructure resources from both the government and private sector, and the new agreement is the third robotics-centered CTA the laboratory has leveraged.

Bornstein managed a previous eight and a half years of CTA robotics research. The original CTA focused on command and control of robotics while the newly announced agreement is reaching into intelligence, learning, and robotic-human interaction.

"We accomplished a significant amount of research in our previous CTA," said Bornstein. "We see [that research] filtering into the Army's autonomous systems now."

The Micro Autonomous System Technologies CTA was the second ARL alliance, which focuses on small, hand-held robotics research.

The broader robotics-research picture falls under the auspices of the laboratory's enterprise that focuses on four key areas; perception, intelligence, human-robot interaction, and manipulation and mobility.

"This robotics CTA will be a key part of ARL's Autonomous Systems Enterprise that combines ARL's internal research efforts with external research," Bornstein said.

DoD Acquisition Leader Shares His Priorities

88TH AIR BASE WING PUBLIC AFFAIRS (APRIL 29, 2010)

Derek Kaufman

DAYTON, Ohio—More than 700 military, civilian, and contractor acquisition professionals and defense industry partners discussed challenges they face during the DoD Acquisition Insight Conference held April 20-21 at Sinclair Community College.

Among the many senior executives who shared their perspective was the Pentagon's top acquisition official, Dr. Ashton Carter, under secretary of defense for acquisition, technology and logistics.

"Secretary [of Defense Robert] Gates is insistent that we do things differently," said Carter on the imperative to improve

the way U.S. military weapons and systems are acquired and delivered. "There is no silver bullet here. ... It's not oversight. It's the practice."

The forum, hosted by Defense Acquisition University, is one of the three largest DAU annual training events for military and civilian acquisition professionals.

Carter used real-world development challenges with DoD's largest acquisition program, the F-35 Lightning II Joint Strike Fighter, to illustrate what most urgently needs to be fixed. The complex acquisition program represents the cornerstone of America's stealthy, multi-role fighter force for the Air Force, Navy, and Marine Corps. Many allied nations also plan to buy the F-35, and several are helping to share the cost to develop it.

Despite discipline in keeping F-35 requirements stable, a combination of unforeseen engineering changes and other factors went unacknowledged and virtually unmanaged for two years, resulting in a 30-month delay and \$3 billion in additional program costs, according to one estimate.

"We should have better situational awareness and better early warning about the status of our programs," Carter said.

Once the F-35's problems finally surfaced, DoD and industry officials were able to collaborate and come up with a strategy to reduce the delay to just 13 months, Carter said.

Secretary Gates withheld certain award fees to the contractor and tied earning them back to meeting specific development and production goals and timelines, so taxpayers didn't bear the additional cost burden alone, Carter added.

While he underscored the importance of the industry-government partnership, Carter said a key lesson learned is less reliance on contractor estimates and "a need to strengthen the government's capability for independent technical judgment."

The government must stop the trend of hollowing out DoD's in-house technical capability and then attempting to compensate by adding burdensome oversight, regulation, and documentation requirements, he said.

That's another reason why the acquisition workforce improvement plan is so vital, Carter noted. After years of downsizing and outsourcing, the plan includes a number of concurrent efforts to increase the size of the department's in-house acquisition workforce by nearly 20,000 over the next five years through new recruitment and conversion of

some contractor functions to government positions. Enhancing workforce skills through education and training are also key components, with a focus on systems engineering as one example.

Another strategy Carter said officials can employ to help wrestle in program development costs is to identify when firm fixed-price contracts are appropriate, rather than cost-plus-award-fee contracts. Firm fixed-price contracts should be used when they make sense to the warfighter and the taxpayer, he said. The intent is to reduce and share technical and business risk.

Ultimately, improving acquisition performance should depend on “quality people making quality decisions, rather than a ponderous process and oversight,” Carter said.

Delivering capabilities on time and on cost benefits both U.S. warfighters and taxpayers, Carter said.

“The top priority, the number one priority, is to support the troops.”

Kaufman writes for 88th Air Base Wing Public Affairs.

Air Force Panel Likens DoD Acquisition to Contact Sport

88th AIR BASE WING PUBLIC AFFAIRS (APRIL 29, 2010)

Derek Kaufman

DAYTON, Ohio—The Defense Department’s journey to recapture acquisition excellence took a big step forward during two days of discussions and workforce training held at Sinclair Community College April 20-21.

That was the assessment made by several senior leaders at the DoD Acquisition Insight Conference, which assembled more than 700 military, civilian, and contractor acquisition professionals and defense industry partners.

Sponsored by Defense Acquisition University (Midwest Region), the conference focused principally on providing acquisition experts from Wright-Patterson Air Force Base with a forum to exchange ideas and discuss how to best implement the Weapon Systems Acquisition Reform Act of 2009.



Dr. Ashton Carter, the Pentagon’s top acquisition official, speaks to more than 700 military and civilian acquisition officials and defense industry partners during the DoD Acquisition Insight Conference April 20 at Sinclair Community College in Dayton, Ohio. The conference, sponsored by Defense Acquisition University, focused on challenges faced by the Department of Defense acquisition workforce. Carter is under secretary of defense for acquisition, technology and logistics. DoD photo by Erica Kobren

“In my mind, it’s about continuous process improvement,” said Lt. Gen. Tom Owen, commander of the Aeronautical Systems Center and the Air Force’s program executive officer responsible for buying and modernizing aircraft systems. “We know that what we do is vitally important, so we should work hard to improve our processes.”

Owen’s boss, Gen. Donald Hoffman, commander of Air Force Materiel Command, said it’s important for weapon system program managers to think carefully about program scope. They need to be willing to say no when nice-to-have, emerging weapon systems requirements are proposed late in the game because these ideas lead to cost overruns and delivery delays.

Hoffman created the word “pugnacity” to describe the attitude he wants to see in program managers. They must be hard-nosed enough to ensure well-intentioned but disruptive ideas don’t derail the process. They must defend the boundaries of their program and aggressively execute the agreed plan with their industrial partners or schedule delays and cost increases will creep in.

Virtually everyone acknowledged that years of downsizing and outsourcing left the acquisition workforce out of balance and ill-equipped to deal with a concurrent significant increase in oversight, documentation requirements, and dollar value of contracts written.

The government must stop the trend of hollowing out DoD’s in-house technical capability and then attempting to compensate by adding burdensome oversight, said Dr. Ashton Carter, under secretary of defense for acquisition, technology and logistics.

The DoD acquisition workforce improvement plan, currently in execution, includes a number of concurrent efforts to increase the size of the department’s in-house acquisition workforce through recruitment of people into newly created positions and “in-sourcing” or conversion of contractors to government positions. Hoffman said for his command, AFMC plans to in-source about 4,000 positions.

Enhancing skills of acquisition, technology and logistics workers through education and training and establishing a clear path for their professional development are also key components of the improvement plan. Rebuilding skills in the workforce that have atrophied, like those of budget estimators and system engineers, will take time, but the effort is necessary and worthwhile, senior panel experts said.

“It takes about 10 years to [develop] a good fighter pilot,” retired Air Force Gen. and former Air Force Systems Command Commander Lawrence Skantze said, adding the same is true for a good acquisition professional.

Additionally, a soon-to-be announced major restructure of major AFMC acquisition centers was previewed. In part, it will increase the number of program executive officers to enable better senior-officer-level focus on high-dollar, high-risk programs that warrant additional scrutiny.

Owen—who currently serves as the PEO for aircraft systems—said that will mean five new PEOs at Aeronautical Systems Center, for a total of six. He will remain PEO for B-2, C-17, and F-22 aircraft but will be joined by PEOs for Agile

Combat Support; Fighters & Bombers; Intelligence, Surveillance & Reconnaissance; KC-X; and Mobility.

Sue Payton, former assistant secretary of the Air Force for acquisition, said across AFMC the number of PEOs will go from five to 15.

Payton, Hoffman, and others extolled the value of solid systems engineering, as well as incentive-based contracting with industry to move to firm fixed-price contracts as early as feasible. Funding fewer programs at high confidence levels to enable low-risk development and production to proceed quickly at efficient economies of scale was universally preferred to stretching out weapons buys in tiny lots over many years. Competitive prototyping up front to reduce risk later was another lauded approach.

“The only leverage you have in Air Force acquisition is to say ‘no,’” Payton opined, noting that programs with prioritized, stable requirements and realistically funded for block upgrades are preferred to attempts to go from zero to hero in fielding the perfect weapon system straight out of the starting block.

“This is a contact sport,” said Lt. Gen. Ted Bowlds, commander of the Electronic Systems Center at Hanscom Air Force Base, Mass. It requires active leadership and personal contact, early and often, between acquirers, testers, sustainers, and industry producers, he added.

Transparent, open communication between these communities and sharing detailed analyses using various information technology tools enhances trust and credibility, Owen said.

Gary Bliss, the director of the Pentagon’s Performance Assessment and Root Cause Analysis office, agreed, noting the one unifying theme he’s learned in his reviews of acquisition programs that encountered serious problems was a need for “greater transparency of programs throughout the acquisition chain of command.”

Bliss also said there is no substitute for knowledge of the complex series of rules and policies that drive acquisition decisions.

“Everyone in this room must understand WSARA [the Weapons Systems Acquisition Reform Act of 2009],” he said to the conferees.

Despite its difficulties, when really tested, the acquisition community can perform with incredible agility, Owen noted.

“Some of our most successful programs [came about from being] challenged with doing something really quickly,” he said. The MC-12 Liberty is a notable ASC example, with an entire squadron of ISR aircraft being fielded in less than 10 months from concept to combat.

Kaufman writes for 88th Air Base Wing Public Affairs.

General Seeks Better Ways for Defeating IEDs

ARMY NEWS SERVICE (APRIL 29, 2010)

Melissa Bower

FORT LEAVENWORTH, Kan.—The three-star general directing the Joint Improvised Explosive Device Defeat Organization wants to listen to intermediate-level officers’ ideas for pushing information and technology into Afghanistan.

Lt. Gen. Michael L. Oates visited Fort Leavenworth April 27 to meet with Combined Arms Center directorates, network with visiting Secretary of the Army John McHugh, and learn about the new Mission Command Center of Excellence.

The Joint IED Defeat Organization, or JIEDDO, began in 2006 as an independent Department of Defense entity. Reporting directly to the deputy secretary of defense, Oates said his organization has funding flexibility to help servicemembers survive and defeat IEDs.

Oates said JIEDDO’s focus now is meeting the challenges in Afghanistan.

“The problem in Afghanistan is a little bit different than what we saw in Iraq,” he said. “In Iraq, most of the IEDs were military-grade explosives, and the detonation systems were fairly sophisticated and the volume was very high. In Afghanistan, the IEDs are largely homemade explosives around fertilizer, and the detonation systems are very rudimentary.”

Oates said Afghanistan IEDs are largely pressure-plate, victim-operated, and can be difficult to detect. He also said Afghanistan IEDs are fewer than Iraq, but their use has been increasing over the past year, particularly because of the coalition push into the Taliban center of gravity in the south.



Army Lt. Gen. Michael Oates, director of the Joint Improvised Explosive Device Defeat Organization, talks about what is being done concerning the improvised explosive device threat in Afghanistan, to include improving equipment and detection, April 27, in the Combined Arms Center commander’s conference room at Fort Leavenworth, Kan.

Photo by Prudence Siebert, *Fort Leavenworth Lamp*

“We are very aware of what the threat is in Afghanistan, and we’ve changed some of our training to enable soldiers to survive,” he said.

Defeating IEDs requires training and using new technology. Oates said getting new technology transported to Afghanistan has been an issue.

“There’s a transportation problem of getting anything into Afghanistan,” he said. “So where we had a much more robust infrastructure in Iraq supporting through Kuwait, there’s a transportation challenge for moving people or equipment into Afghanistan. The good news is ... we’ve surged a significant amount of transportation assets to improve that in

the last several months, so I don't think that's going to be a limiting factor."

The other challenge is getting information to soldiers.

"The biggest challenge is being able to push the information all the way down to the lowest level, and that's difficult in Afghanistan because you need bandwidth," he said.

Oates said already, junior leaders are providing JIEDDO with suggestions on how to improve intelligence capabilities and get more intelligence, surveillance, and reconnaissance capabilities at the lower levels. Oates said JIEDDO is working on getting more technology to the fight taking place at the company and institution levels.

"The majors and captains ... are probably the best-trained junior leaders we've had in the Army in decades," he said. "They actually understand the counter-IED fight better than the seniors do."

Oates said one way soldiers can provide JIEDDO with suggestions is through its website <www.jieddo.dod.mil>. Scroll to the bottom of the site and click on "ask JIEDDO."

Oates said JIEDDO is also working with Combined Arms Center elements to help the organization make best use of financial resources provided by Congress.

"Training soldiers gives us the greatest return on investment, so whether it's training battle staff or training leaders or training individual soldiers at combat training centers, we're going to get a great return on that investment of saving lives and in defeating these devices," he said.

Oates also said he was humbled by the service of intermediate-level officers who joined the Army at a time of war, or who stayed with the Army shortly after the war began.

"I know the sacrifice that they've had to put up with," he said. "They're just phenomenal, great Americans, so I'm pretty motivated trying to help them."

Bower writes for Fort Leavenworth Lamp.

Gates Calls For Significant Cuts in Defense Overhead

AMERICAN FORCES PRESS SERVICE (MAY 10, 2010)

Jim Garamone

ABILENE, Kan.—Defense Secretary Robert M. Gates used the occasion of the 65th Anniversary of the Victory in Europe to declare war on duplicative overhead, bloat, and needless spending in the Defense Department.

In a speech at the Eisenhower Library, Gates called for a reduction in overhead for the department, and said he wants the department to take a hard, realistic look at what defense capabilities America really needs in the 21st century.

The Defense Department must take a hard look at every aspect of how it is organized, staffed, and operated, Gates said in the speech.

"In each instance we must ask: First, is this respectful of the American taxpayer at a time of economic and fiscal duress?" he said. "And second, is this activity or arrangement the best use of limited dollars, given the pressing needs to take care of our people, win the wars we are in, and invest in the capabilities necessary to deal with the most likely and lethal future threats?"

The secretary called for a two to three percent reduction in overhead costs in the fiscal 2012 budget request. The money saved can be dedicated to force structure—the formations that fight our nation's wars.

Gates noted that Dwight D. Eisenhower, who served as president from 1953 to 1961, led the Allied armies to victory over Nazi Germany in 1945 and confronted the Soviet Union in some of the coldest days of the Cold War. Given his prestige as a five-star general, Gates said, Eisenhower was able to make the tough choices needed for the U.S. military to be balanced and ready.

Still, Gates continued, Eisenhower maintained "his passionate belief that the U.S. should spend as much as necessary on national defense—and not one penny more," Gates said. "And with his peerless credentials and standing, he was uniquely positioned to ask hard questions, make tough choices, and set firm limits."

The secretary said he doesn't see that willingness inside or outside the Pentagon anymore.

"Looking back from today's vantage point, what I find so compelling and instructive was the simple fact that when it came to defense matters, under Eisenhower real choices were made, priorities set, and limits enforced," he said. "This became increasingly rare in the decades that followed, despite the best efforts of some of my predecessors and other attempts at reform over the years."

Since the terror attacks of 9-11, the Defense base budget—not including money for the wars in Iraq and Afghanistan—has nearly doubled, Gates said. The gusher of money has ended, and given America's difficult economic circum-

stances, military spending on things large and small can and should expect closer, harsher scrutiny, he said.

The secretary is not advocating wholesale cuts. He said the nation is still at war, and some growth must be maintained to fight the battles. Maintaining the brigades, regiments, wings, and ships will require real growth in the defense budget ranging from two and three percent above inflation.

"In this year's budget request, the Defense Department asked for, and I hope will receive, just under two percent—roughly that level of growth," Gates said. But without change, this isn't realistic for the long run. Any change will have to overcome opposition inside the Pentagon and on Capitol Hill.

Gates pointed to the alternative engine for the F-35 Joint Strike Fighter and the C-17 airlifter programs as examples. The department does not want or need these programs, and they were not included in President Obama's defense budget request. Yet Congress may put both programs back in the budget at a potential cost of billions.

"I have strongly recommended a presidential veto if either program is included in next year's defense budget legislation," Gates said.

Regular military healthcare is another budget breaker. Defense Department health care costs have risen from \$19 billion in 2000 to about \$50 billion today. During that time, the premiums for TRICARE, the military health insurance program, have not risen.

"Many working age military retirees—who are earning full-time salaries on top of their full military pensions—are opting for TRICARE even though they could get health coverage through their employer, with the taxpayer picking up most of the tab as the result," the secretary said.

Both Gates and former Defense Secretary Donald H. Rumsfeld tried to implement modest increases in premiums and co-pays to help bring costs under control. Congress and veterans groups opposed these increases and "the proposals routinely die an ignominious death on Capitol Hill," Gates said.

The secretary said he understands these political and fiscal realities, but says there has to be real reform in the way DoD does business.

"For the better part of two years I have focused on the Pentagon's major weapons programs—to make sure we are buying the right things in the right quantities," he said. "Last year, the

department made more than 30 tough choices in this area, cancelling or curtailing major weapon systems that were either performing poorly or excess to real-world needs—about \$330 billion dollars worth as measured over the life of the terminated programs. We also began to overhaul the Pentagon's processes for acquisition and contracting."

Reforming budgeting practices and contracting is a first step, and the department has begun this process, he said. The department is hiring more contracting professionals.

"Another category ripe for scrutiny should be overhead—all the activity and bureaucracy that supports the military mission," Gates said. Overhead makes up roughly 40 percent of the defense budget.

"During the 1990s, the military saw deep cuts in overall force structure—the Army by nearly 40 percent," Gates said. "But the reduction in flag officers—generals and admirals—was about half that. The department's management layers—civilian and military—and numbers of senior executives outside the Services grew during that same period."

While private-sector businesses have flattened and streamlined the middle and upper echelons, the Defense Department continues to maintain a top-heavy hierarchy that more reflects 20th century headquarters superstructure than 21st century realities.

"Two decades after the end of the Cold War led to steep cuts in U.S. forces in Europe, our military still has more than 40 generals, admirals, or civilian equivalents based on the continent," Gates said. "Yet we scold our allies over the bloat in NATO headquarters."

This has bred a bureaucracy with its hands in everything, he said. A request for a military dog-handling team for Afghanistan, for example, must be processed and validated through five four-star headquarters before being approved.

"This during an era when more and more responsibility—including decisions with strategic consequences—is being exercised by young captains and colonels on the battlefield," Gates said.

He gave an example of how difficult it is to make even modest adjustments in the Pentagon. "The Department commissioned a study a few years ago to assess the flag officer requirements of the Services," he said. "The study identified 37 positions—out of more than 1,300 active and reserve billets—that could be reasonably converted to a lower rank. None were downgraded."



Defense Secretary Robert M. Gates speaks to students at the Army Command and General Staff College at Fort Leavenworth, Kan., May 7, 2010. He told students differences between conventional and irregular warfare are becoming “less relevant in the real world.”
Photo credit Cherie Cullen

Gates said he has a few questions: How many of these jobs, headquarters, or secretariats are actually doing a needed mission; and how many are supervising other headquarters and secretariats? How many of the general and flag officer positions or those in the civilian senior executive service could be converted to a lower grade?

How many commands or organizations are conducting repetitive or overlapping functions—whether in logistics, intelligence, policy, or anything else—and could be combined or eliminated altogether?

Finally, these changes have to be done with a realistic look at the threats. “Before making claims of requirements not being met or alleged ‘gaps’—in ships, tactical fighters, personnel, or anything else—we need to evaluate the criteria upon which requirements are based and the wider real-world context,” he said.

“For example, should we really be up in arms over a temporary projected shortfall of about 100 Navy and Marine strike fighters relative to the number of carrier wings, when

America’s military possesses more than 3,200 tactical combat aircraft of all kinds?” he asked.

“Does the number of warships we have and are building really put America at risk when the U.S. battle fleet is larger than the next 13 navies combined, 11 of which belong to allies and partners? Is it a dire threat that by 2020 the United States will have only 20 times more advanced stealth fighters than China?”

Gates said Eisenhower, with his five stars and lifetime of experience in military affairs, asked these same questions and made these choices, and he was able to make them stick.

“Therefore, as the Defense Department begins the process of preparing next’s years Fiscal Year 2012 budget request, I am directing the military services, the Joint Staff, the major functional and regional commands, and the civilian side of the Pentagon to take a hard, unsparing look at how they operate—in substance and style alike,” he said. “The goal is to cut our overhead costs and to transfer those savings to

force structure and modernization within the programmed budget.”

The secretary wants money taken from the “tail” part of the defense dog to the “tooth.” He said he wants enough savings to provide the equivalent of the roughly two to three percent real growth. This would give the department the resources needed to sustain America’s combat power in a time of war and make investments to prepare for an uncertain future.

“Simply taking a few percent off the top of everything on a one-time basis will not do,” Gates said. “These savings must stem from root-and-branch changes that can be sustained and added to over time.”

It is time to act, the secretary said. “What is required going forward is not more study, nor do we need more legislation. It is not a great mystery what needs to change. What it takes is the political will and willingness, as Eisenhower possessed, to make hard choices—choices that will displease powerful people both inside the Pentagon and out.”

Flournoy: Departmental Efficiencies to Begin at Top

AMERICAN FORCES PRESS SERVICE (MAY 13, 2010)

Donna Miles

WASHINGTON—Defense Secretary Robert M. Gates’ call last week for more efficiency and less waste is starting at the top, with Pentagon components being told they’ll lead the rest of the department by example, the secretary’s top policy advisor said here today.

“We have been put on notice; we are going to start this review for efficiencies with ourselves,” Michele Flournoy, under secretary of defense for policy, said during an appearance at the National Press Club.

Flournoy said she’s reviewing her own organizational chart to identify how the office can do its job more efficiently. The ultimate question, she said, is, “Where can we get some savings that we can contribute to the pie?”

“I think every single [Defense Department] component is going to go through that exercise,” Flournoy said. For some components, she said, the review will involve “fundamental, existential questions: ‘Do we need this particular organization that may have been created 40 years ago in the new world we are in?’”

Flournoy emphasized that Gates’ May 8 speech at the Eisenhower Library in Abilene, Kan., was about cutting duplicative overhead, bloat, and needless spending—not capability.

“It’s not [about] defense cuts,” she said. “It’s saying, ‘We have to become more efficient and make better use of taxpayer dollars in how we operate.’”

Broad reviews of how the Defense Department is organized are just one part of the equation, she said. Gates’ mandate also includes reforming the acquisition process, conserving energy, and creating greater efficiencies throughout the department. Savings, she said, would be reinvested where they are most needed to support current security needs and to prepare for future ones.

These efforts began with the fiscal 2010 budget, which Flournoy said represented a “pretty dramatic set of decisions.” The Quadrennial Defense Review and fiscal 2011 budget request build on this start, she added.

Not all the decisions have been popular within the Pentagon or on Capitol Hill, Flournoy conceded.

Gates has made it clear he will recommend that the president veto the fiscal 2011 budget if Congress adds costly items such as more C-17 transport aircraft to it. “We have got to be able to make choices about how to invest our next dollar for the nation’s defense needs,” Flournoy said. “We can’t be forced to buy things we don’t need anymore.”

The defense secretary, Flournoy said, is putting together “far-reaching plans” aimed at improving efficiencies and providing the department with the capabilities needed in the 21st century and beyond. Many proposed changes, she said, will require congressional approval.

“We are putting together a dramatic reform package for export control reforms to update the system. We can’t do it without Congress,” Flournoy said. “We are seeking to overhaul the way we do security assistance. We can’t do it without Congress. We need relief on the healthcare front, and we absolutely have to have Congress to help us.”

Flournoy turned her attention to what many on Capitol Hill have considered a sacred cow—military personnel costs, particularly for healthcare.

The United States has made great progress, particularly since 2001, in closing the gap between military and civilian pay, she said, but the problem is that as a show of support for the force, Congress has regularly increased pay over levels the administration requested.

“What’s happening, cumulatively, is that we are not considering the trade-offs,” Flournoy said. This is particularly trou-

bling in the healthcare arena, she said, with the Defense Department extending TRICARE coverage to military retirees. "We are now in a situation where people in the private sector forgo their private-sector benefits because it is better for them to stay in TRICARE," Flournoy said. "Employers are saying, 'Take the military benefit and then I will give you another benefit instead,' so the government is carrying a lot of weight for the private sector in healthcare.

"If there was an infinite pot of money, that would be fine," she continued. "The problem is there is not an infinite pot of money. So those dollars are dollars we can't invest in equipment that our military needs today, and in the capabilities they are going to need to adapt to the future."

The long-term impact will be devastating, she warned.

"When you look at the budget pie over time, the amount of discretionary spending available for investment is getting smaller and smaller and smaller," she said. "If we don't somehow address this trend, you are going to get to a point where you don't have enough investment dollars to equip the force you need."

Flournoy said Gates is totally "committed to the care and support of our military men and women." However, she added, Gates also is concerned for the military's financial future.

"He feels this stewardship part of his job very deeply," Flournoy said. "But he also feels that part of that is worrying about being able to ensure he can equip the force for the future. And we are on a ... bad trajectory there. We have somehow got to rebalance."

Army Releases 2010 Modernization Strategy

ARMY NEWS RELEASE (APRIL 28, 2010)

The Department of the Army released today the 2010 Army Modernization Strategy (AMS). "The goal of Army modernization is to develop and field the best equipment available to allow our soldiers to be successful against our enemies," said Gen. George W. Casey, chief of staff of the Army. "We must continue to transform into a force that is versatile, expeditionary, agile, lethal, sustainable, and interoperable, so that our soldiers will have a decisive advantage in any fight," Casey said.

The Army plans to achieve its 2010 modernization goals by developing and fielding new capabilities; continuously modernizing equipment to meet current and future capability needs through procurement of upgraded capabilities, reset, and recapitalization; and meeting continuously evolving

force requirements through Army priorities and the Army Force Generation Model.

Equipping individual soldiers and units is a core Army responsibility under Title 10, U.S.C. "Providing all of America's sons and daughters who serve in our Army with the most capable equipment for the battles they're fighting today and are likely to face in the future are the responsibilities that the Army takes seriously and is committed to accomplishing," said Lt. Gen. Robert P. Lennox, deputy chief of staff G-8 and the Army's chief material integration officer.

The complete 2010 AMS is available at: <www.g8.army.mil>.

Army Cancels Non-Line-of-Sight Launch System

DEPARTMENT OF DEFENSE NEWS RELEASE (MAY 13, 2010)

The Department of Defense announced today that it authorized the Army to cancel the Non-Line-of-Sight Launch System and transition management responsibilities for system development and acquisition from the old Future Combat System (FCS) program—currently aligned under Program Executive Office Integration (PEO I)—to the PEOs that already manage similar systems. Both decisions are a result of the Capability Portfolio Reviews, a new process the Army implemented in February.

The Army's vision is to have an effective, affordable, and modernized Army. In pursuit of this goal, the Army's senior leaders recognize the need to be diligent in their efforts to be responsible stewards of the resources provided and to carefully manage existing programs and budgets. With this obligation in mind, the Secretary of the Army directed the under secretary of the Army and the vice chief of staff, Army, to implement a Capability Portfolio Review (CPR) process for a one-year period, effective Feb. 22, 2010.

The intent of this review process is to conduct an Army-wide, all-Components' revalidation of requirements for all Army acquisition programs. The Army holistically examines all existing requirements and makes recommendations to terminate ones that are redundant and outdated. Reviews will focus on eight portfolios: Tactical Wheeled Vehicles, Precision Fires, Air and Missile Defense, Radios and Network, Aviation, Engineer Mobility, Combat Vehicle Modernization, and Intelligence Surveillance and Reconnaissance (ISR). The intent of this revalidation is to eliminate redundancies and to ensure that funds are properly programmed, budgeted, and executed against the programs that yield the most value to the Army.

The review process revalidates the requirement in each portfolio using a wide range of criteria, including: combatant commander requests, wartime lessons learned, the ability to support the Army Force Generation (ARFORGEN) model, the potential for leveraging emerging technologies, and affordability.

The analysis that has resulted from the Capability Portfolio Reviews conducted to date has clearly highlighted the utility of this new process in building an effective and affordable modernization strategy. The resulting recommendations will continue to assist the secretary of the Army in establishing future priorities for investment, research, development and acquisition, and life cycle sustainment.

The Capability Portfolio Reviews have yielded two key results to date, including:

1. The Precision Fires portfolio review examined the balance of high-end precision munitions and lower end, near-precision munitions. A detailed analysis of alternatives determined that the Non-Line-of-Sight Launch System (NLOS-LS) does not provide a cost-effective precision fire capability. The Army intends to pursue other capabilities to engage a moving target in all-weather conditions in order to fulfill the operational requirement defined for the NLOS-LS. As a result, the Army concluded NLOS-LS is no longer required; the secretary of the Army recommended cancellation; and the under secretary of defense for acquisition, technology and logistics approved and authorized the request. Additionally, analysis from the portfolio review concluded a reduction in the number of Excalibur and Accelerated Precision Mortar Initiative rounds was also warranted. The secretary of the Army also recommended approval of these proposed reductions, which the Department approved as well.
2. In conjunction with the Capability Portfolio Reviews, the Army Acquisition Executive is planning to transition management responsibilities for system development and acquisition from the old FCS program currently aligned under Program Executive Office Integration (PEO I) to the PEOs that already manage similar systems. This realignment will allow the systems to more comprehensively be evaluated as part of the Capability Portfolio Review process. Overall, System of Systems Engineering, Integration and Test will remain the responsibility of PEO I. The remainder of PEO I's current portfolio will be transitioned as follows:
 - Network Integration Kit (NIK) to PEO Command, Control and Communications Tactical (PEO C3T)
 - Class I Unmanned Aerial Vehicle (UAV), currently managed separately, to PEO Aviation

- Ground Combat Vehicle (GCV); Small Unmanned Ground Vehicle (SUGV); Multi-mission UGV to Program Executive Office for Ground Combat Systems (PEO GCS)
- Unattended Ground Sensors (UGS) to Program Executive Office for Intelligence, Electronic Warfare & Sensors (PEO IEWS).

The Army remains committed to integrated development of brigade capabilities. While individual systems will remain under various PEOs, PEO I will be given the expanded mission for integration across those PEOs and their associated portfolios. For example, rather than just integrating the Class 1 Unmanned Aerial Systems into the network, PEO I will ensure that all UAS (e.g., ERMP, Shadow, and Hunter) are fully integrated.

The directed framework of the Capability Portfolio Review process serves as a roadmap to achieving an integrated analysis of all portfolios. Additional portfolio areas may be identified and added in the future. The secretary of the Army will continue to rely on this process to help him make informed decisions on behalf of the Army.

DoD Certifies F/A-18 Multi-year Procurement

DEPARTMENT OF DEFENSE NEWS RELEASE (MAY 14, 2010)

Today, the under secretary of defense for acquisition, technology and logistics certified to Congress that the proposed F/A-18 multiyear procurement met statutory requirements, including substantial savings, for 124 F/A-18E/F and EA-18G aircraft. The proposed agreement will run for four years, from fiscal 2010 through 2013.

Now that the Department of Defense has certified the multi-year procurement request, the Department of the Navy will continue to work with Congress to gain necessary legislative authorities required before the Navy may enter into a multiyear contract.

With this multiyear procurement, the Navy Department intends to acquire the remaining program of record for the 515 F/A-18E/F Super Hornets and 114 EA-18G Growlers.

The Navy's fiscal 2011 budget request, sent to Congress Feb. 1, includes \$1.9 billion to buy 22 Super Hornets and \$1.1 billion for 12 Growlers. In fiscal 2012, the Navy plans to buy 24 more Growlers and one Super Hornet, with 25 more Super Hornets in fiscal 2013.

The Department of the Navy is committed to reducing acquisition costs in delivering capability to the warfighter.

Marine Corps Tests New Fighting Vehicle

EMERGING MEDIA, DEFENSE MEDIA ACTIVITY
(MAY 28, 2010)

Christen N. McCluney

WASHINGTON—The Marine Corps is conducting reliability tests on its latest expeditionary fighting vehicle prototypes, the Service's program manager for the effort said yesterday during a "DoD Live" bloggers roundtable.

"[For] the last couple of years, we've been going through a redesign for reliability for the basic system," Marine Corps Col. Keith Moore said.

The EFV, as it's known, is meant to serve as a vehicle bridge for Marines, carrying them from Navy ships through the surf and sand and miles deep into enemy terrain. It will replace the assault amphibious vehicle that was procured in 1972 and will be more than 40 years old when the EFV is fielded.

The new vehicle can launch far from shore, beyond the range of most guns and missiles, and can skim across the water at high speed, allowing Marines to achieve surprise, avoid enemy strengths, and "generate never-before-realized operational tempo across warfighting functions," Moore said.

The first prototype made its debut at the National Museum of the Marine Corps on May 4, on its way to the Marine Corps Amphibious Vehicle Test Branch at Camp Pendleton, Calif. Three EFVs are at Camp Pendleton, and one is at the Aberdeen Test Center in Maryland. The prototypes will undergo more than 500 hours of rigorous testing to ensure that the vehicles are on an expected reliability growth path, Moore explained.

The vehicle at Aberdeen is undergoing testing for safety, human factors, basic automotive functions, and firepower, Moore said. Only one of the three vehicles at Camp Pendleton is currently undergoing testing, but in the next few weeks all three will undergo water- and land-performance tests, he added.

Moore said his team has a set of older prototypes at Camp Pendleton that were outfitted with design changes in the electronics and firepower systems. They'll participate in a



The Expeditionary Fighting Vehicle (EFV) (formerly known as the Advanced Amphibious Assault Vehicle) is a developmental U.S. Marine Corps amphibious vehicle, intended for deployment in 2015. The vehicle is an amphibious armored personnel carrier, launched at sea from an amphibious assault ship beyond the horizon, and able to transport a full Marine rifle squad to shore. It will maneuver cross country with an agility and mobility equal to or greater than the M1 Abrams.

Photo courtesy General Dynamics

combined developmental environmental test this summer to see how they function in hot weather.

"This is the most capable infantry fighting vehicle that will exist in the U.S. inventory at the time it will get fielded," Moore said. "It is a very robust, survivable infantry fighting vehicle that has to meet the Marines' unique requirements." Looking back and finding mistakes in the process was a key part of the prototypes' development, the colonel said.

"At some point, we didn't have a process in place that would have given us early indicators that we were on the wrong track or going awry," he said. Coming up with an orderly process after reviewing the previous design, manufactur-

ing processes, and initial component and subsystem testing allowed the team to create a better set of prototypes, he added.

"We are starting to see the fruit now of having put those good processes into place," he said.

Deployed EMR System Migrates to Afghanistan Network—Usability and Support Boosted

MEDICAL COMMUNICATIONS FOR COMBAT CASUALTY CARE (MC4) PUBLIC AFFAIRS

Bill Snethen

In March, the Medical Communications for Combat Casualty Care (MC4) program and the 7th Theater Tactical Signal Brigade completed the first successful migration of the Army's electronic medical record (EMR) system onto the Afghanistan enterprise network.

The transition enables remote maintenance of systems used to document patient care, restock medical supplies, and conduct medical situational awareness. By adding the system to the Afghanistan network, staff can now easily monitor and repair more than 100 computer systems used throughout treatment facilities in Afghanistan.

Users benefit by way of improved functionality, strengthened security, and greater customer service with less equipment and in-person support required. The effort marks the first time a standard Army management information system (STAMIS) has successfully migrated its system onto the Afghanistan theater enterprise network.

"Our partnership with the 7th Signal Brigade is a significant accomplishment and is almost as important as the initial deployment of the EMR systems in 2003," said Lt. Col. William Geesey, MC4 product manager. "MC4 systems are on the fielded enterprise infrastructure, similar to the network configuration at a garrison installation. The ability to remotely monitor and service computers takes our systems support to an entirely new level."

Joining the network not only streamlines MC4 technical support efforts, but it also eliminates excess equipment. The migration also reduces the coordination required by signal personnel to open firewalls, ports, and Internet access on a system that typically resides outside a theater's domain.

"During a recent trip, I watched MC4 personnel remotely monitor the functionality of EMR systems in use at the various treatment facilities," said Tracy Ellis, MC4 director of operations. "All were 100 percent operational, except for one MC4 computer that contained outdated antivirus soft-

ware. With a couple clicks, an MC4 representative pushed the update to the laptop while the provider entered patient notes, without interruption."

Since MC4 systems joined the Afghanistan network, health-care providers can complete tasks using one laptop as opposed to multiple machines. They can also access their terminals via a common access card, providing single access to their military e-mail account and to shared document repositories to better coordinate patient care.

"The functionality added to MC4 computers helps to promote the use of EMR systems throughout the clinics," Ellis said. "Providers no longer view the computer as a separate entity to use for a specific task. It's now worked into their daily routine."

The migration of EMR systems to the enterprise network offers improved security measures and "the move is win-win for both MC4 and the 7th Signal Brigade," according to Chief Warrant Officer Patrick Quenga, network security engineer and information assurance officer for the Joint Network Control Center-Afghanistan.

"MC4 benefits from the network's robust architecture and automated sensors in place to pick up and eliminate viruses and other malicious activity throughout the enterprise," Quenga said. "The network is now stronger with the addition of the EMR systems. Systems that reside outside of the domain typically operate with outdated security measures. With MC4 systems on the network, we can now perform automated scans for security issues and push software updates without inadvertently breaking the EMR system."

With the success of remote desktop maintenance and support, MC4 plans to expand the capability to additional forward operating bases. Development of policies and standard operating procedures will play a key role in this expansion.

"As we expand the new support model to other locations throughout Afghanistan, and potentially other parts of Southwest Asia, I expect that we'll be able to reduce the number of support personnel we have in theater," Geesey said. "As such, we'll be able to reallocate resources to support other requirements and missions worldwide."

For more information on MC4, visit <www.mc4.army.mil>.

Snethen writes for Medical Communications for Combat Casualty Care (MC4).