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MILITARY PERSONNEL LEGISLATIVE PRIORITIES

HEARING

BEFORE THE

MILITARY PERSONNEL SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

HEARING HELD
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MILITARY PERSONNEL LEGISLATIVE PRIORITIES

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY PERSONNEL SUBCOMMITTEE,
Washington, DC, Wednesday, March 17, 2010.

The subcommittee met, pursuant to call, at 2:00 p.m., in room 2118, Rayburn House Office Building, Hon. Susan Davis (chairwoman of the subcommittee) presiding.

OPENING STATEMENT OF HON. SUSAN A. DAVIS, A REPRESENTATIVE FROM CALIFORNIA, CHAIRWOMAN, MILITARY PERSONNEL SUBCOMMITTEE

Mrs. DAVIS. Good afternoon. The meeting will come to order. Today the subcommittee will turn its attention to the important issue of maintaining an all-volunteer force during a protracted war with a focus on end strength, recruiting and retention and families.

Prior to fiscal year 2008, the services experienced a stressed recruiting environment due predominantly to relatively low unemployment, a protracted war, a reduced propensity for youth to serve and a reluctance for influencers to recommend military careers.

The services responded with an increase in spending in order to maintain an all-volunteer force, but not without a reduction in the quality of the force.

It is an unfortunate reality today that the economic hardship that has impacted so many families in America has reversed those trends and caused both recruits and currently serving members to view career opportunities in the military more favorably.

As the service continues to enjoy record recruiting and retention performance, budget managers have sought to reduce resources for those programs.

The committee is extremely concerned about the future of these critical programs and whether the services are postured to react rapidly to an improving economy with the resources that will be necessary to be competitive with a reenergized private sector job market.

Other issues of interest to the subcommittee today include spouse education and employment programs; family readiness before, during, and after deployment; the status of "don't ask, don't tell" study group; reliance of the services on supplemental appropriations; and pay raise and retiree compensation budget proposals.

We have an excellent panel consisting of the undersecretary of defense for personnel and readiness and the four personnel chiefs of the military services to help us explore these issues.

I request that you all keep your remarks, to the extent that you can, oral comments, to three minutes, and we will certainly have time for questions.

Without objection, all written statements will be entered into the record.

Mr. Wilson, would you like to add some remarks?

[The prepared statement of Mrs. Davis can be found in the Appendix on page 31.]

STATEMENT OF HON. JOE WILSON, A REPRESENTATIVE FROM SOUTH CAROLINA, RANKING MEMBER, MILITARY PERSONNEL SUBCOMMITTEE

Mr. WILSON. Mrs. Davis, thank you for welcoming our witnesses, two of whom, General Bostick and General Zilmer, appear before us for the first time in their current capacities.

I want to thank all of you for your service to our nation. Also, I am so grateful to see Secretary Stanley here. He is a graduate of South Carolina State University, which—from my home state—we are very grateful provides the largest number of officers of any historically black college in the United States.

And so we are so proud of the heritage, Secretary, and you also graduated in an excellent year, 1969. I identify with that, so—and you are from my home town—our home town, Charleston.

We have been at war for nine years, and it is a remarkable testament to the efforts of these men and women and their predecessors that the all-volunteer force has weathered the severe wartime trials.

The effort to recruit, retain and in some cases grow the armed forces is never easy in the best of times. During most of the last nine years of conflict, a bad economy and the reality of war made the effort even more difficult.

Nevertheless, each of the military services succeeded to such a degree that in 2009, for the first time since the beginning of the all-volunteer military, every recruiting goal both in quantity and quality was met or exceeded in both the active and reserve components. That is a remarkable achievement, and you and your predecessors deserve a lot of credit.

I personally identify. I represent Parris Island and I represent Fort Jackson, and so I know as the young people come to serve it is so extraordinary to go to graduations and see their family members not recognize the graduates. These young people look like a million dollars.

So thank you for what you do, and I know how fulfilling military service is, with four sons currently serving in the military, and I had the privilege and opportunity to serve 31 years. And the people you get to meet—it is such a wonderful, fulfilling experience of life.

Today's hearing is principally focused on recruiting, retention, and end strength, as well as the department's legislative priorities.

In that context, I would ask Dr. Stanley in his opening oral comment to comment on three legislative issues. First, why it is important for Congress to pass the president's proposal to provide concurrent receipt of military retired pay and VA [Department of Veterans Affairs] disabilities pay for Chapter 61 military disability retirees.

Second, whether the department supports legislation to repeal the widow's tax, which is the required offset between annuities received from the survivor benefit plan and the Veterans Administration payments for dependency and indemnity compensation.

And third, whether the department supports legislation for a retroactive early retirement credit for certain wartime reserve components prior to January the 28th, 2008.

Mrs. Davis, I thank you for holding this hearing and I look forward to the testimony of our witnesses.

[The prepared statement of Mr. Wilson can be found in the Appendix on page 34.]

Mrs. DAVIS. Thank you, Mr. Wilson.

It is now my pleasure to introduce our outstanding panel. First is the Honorable Dr. Clifford L. Stanley, Under Secretary of Defense for Personnel and Readiness.

Thank you for being here.

Lieutenant General Thomas P. Bostick, Deputy Chief of Staff, U.S. Army.

Vice Admiral Mark Ferguson III, U.S. Navy, Chief of Naval Personnel, Deputy Chief of Naval Operations, Total Force.

Lieutenant General Richard C. Zilmer, Deputy Commandant for Manpower and Reserve Affairs, Headquarters, U.S. Marine Corps.

And Lieutenant General Richard Y. Newton III, U.S. Air Force, Deputy Chief Staff Manpower and Personnel, Headquarters, U.S. Air Force.

Thank you all very much.

I want to welcome General Bostick and General Zilmer because this is the first time that you are here in these new roles, and we appreciate your being here. Thank you so much.

And please begin, Secretary Stanley.

STATEMENT OF HON. CLIFFORD L. STANLEY, PH.D., UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS, U.S. DEPARTMENT OF DEFENSE

Dr. STANLEY. Good afternoon, Chairwoman Davis, Mr. Wilson, and Mr. Kline, distinguished members of the panel. We are here today at a military subcommittee—personnel subcommittee. It is an honor to appear before you to speak with you concerning the Department of Defense's [DOD's] personnel programs and readiness.

For the past four weeks now, as the Undersecretary of Defense, I have had the honor of working with and interacting with some of our greatest men and women in uniform, Department of Defense civilians and contractors and families. It is truly a privilege to serve them in this position.

I first want to thank you for your strong support of these men and women over the years. They have fought our wars and protected our interests and our allies around the globe. I look forward to working closely with this committee to improve support for those in uniform, the civilian employees of the department and their families.

In terms of military personnel, the services are experiencing historic successes in recruiting and retention. It is a tribute to both the dedication of our military personnel and the patriotism of our

nation's citizens that we continue to maintain an all-volunteer force of unprecedented quality for more than—after more than eight years of active combat operations.

I am happy to report that we have improved overall entitlements to the point that all of our personnel are paid at or above the 70th percentile of their civilian counterparts.

Our challenge today is—as you have alluded to already, is to maintain this position without imposing greater long-term bills and offsets while using targetable tools such as special pay and bonuses to shape and manage our force.

Similar to our efforts to target and define the impacts of each pay with our active personnel, we must continue to ensure that we support those we have already are serving. But again, we must do so in an equitable manner and one that is consistent with the overall demands of the department.

As an example, the Department continues to oppose efforts to eliminate the offset between the survivor benefit plan and dependency indemnity compensation programs.

Allowing concurrent receipt of the survivor benefit plan and the dependency indemnity compensation without offset would create an inequity with one select group receiving two survivor annuities while survivors of most military retirees and survivors of veterans who died of service-connected cause but were not retired would actively—would receive only one or the other.

At the same time, in seeking that broader equity and department-wide impact, we see a win-win opportunity in expanding the concurrent receipt program to include military disability retirees with less than 20 years of service, regardless of disability rating.

This expansion would cover our most challenged retirees by allowing them to receive retired pay for their years of service performed and VA disability compensation for their future reduced earning capability.

Our military forces maintain an exceptionally high level of readiness, but multiple deployments to Iraq and Afghanistan have certainly increased the stress on our services and their families.

And we have a number of initiatives under way to address the stress and have set clear limits and goals for deployment lengths, the amount of time, or dwell between deployments.

We have also committed to the further improving of support of our military families. For fiscal year 2011, we have requested a 41 percent increase in the family assistance baseline funding across the department.

Unfortunately, we have had some stumbles in this area, and I am sure you are aware of My Career Advancement Account [MyCAA], where the program had some unforeseen, unprecedented but welcome demand in the enrollment. It overwhelmed the infrastructure of the system.

Over the past few weeks, the Department of Defense mapped out solutions for both the short and long term that honors our commitment to our military spouses while accounting for our fiscal realities.

This past Saturday the MyCAA program restarted for over 136,000 spouses currently in the program to continue their career training plans, and we are preparing options for the long-term

management of the program, and we intend to seek input from our program stakeholders before making a final decision on a long-term plan.

With this plan and other programs we oversee, we know we must make a concerted effort to restore our faith and our credibility and confidence in the military spouses, service members and the American public.

The department also is proactively working on child custody issues that our service members may face as a result of their service to our nation, and I appreciate the efforts of the subcommittee in this regard.

Secretary Gates sent letters urging action to each of the governors of the states that have not passed any military-specific child custody legislation. Also, child custody has been listed in the Department's 10 quality-of-life issues presented to the governors and other officials.

I want to stop there and look forward to the questions and get to more—maybe some specifics that Mr. Wilson asked later on. I thank you.

[The prepared statement of Dr. Stanley can be found in the Appendix on page 37.]

Mrs. DAVIS. General Bostick.

STATEMENT OF LT. GEN. THOMAS P. BOSTICK, USA, DEPUTY CHIEF OF STAFF, G–1, U.S. ARMY

General BOSTICK. Good afternoon, Chairwoman Davis, Representative Wilson, Representative Kline, and Representative Snyder. Thank you for the opportunity to appear before you today.

On behalf of our Secretary, the Honorable John McHugh, and our Chief of Staff, General George Casey, I would like to thank you for your unwavering support and demonstrated commitment to our soldiers, our civilians, and our great family members.

Our all-volunteer Army is now in its ninth year of continuous combat operations. And despite the challenges such an incredible demand poses, America's Army remains resilient, professional, and combat-seasoned.

Our senior leadership, however, recognizes the strain this operational tempo has placed on the force and the vital need to restore balance. Consequently, we have set two key objectives in this area. First, to sustain our all-volunteer force in an era of persistent conflict. And second, to provide the best possible care, support, and services for our soldiers, civilians, and family members.

Our first mission is sustaining the force, and that has been to recruit and retain the highest possible quality civilians and soldiers for service in our Army. With the support of Congress and the nation, we are very proud to report that America's Army achieved 104 percent of our recruiting goals for 2009, while also achieving all benchmarks with regard to recruiting highly qualified soldiers.

Moreover, all components of the Army exceeded 105 percent of their reenlistment goals. Your support of incentives have been key to this success. As the pace of economic recovery increases, we will carefully review incentives and seek your support to ensure we remain highly competitive in the evolving job market.

In a related effort, the active Army is implementing a temporary increase to our end strength of up to additional 22,000 soldiers. This measure was approved by the Secretary of Defense in July of 2009 and it addresses the increased number of non-deployables in our formation and helps to ensure the readiness of those deploying. It also improves the dwell time between deployments for our soldiers and families.

Our second mission has been to increase the quality of care, support, and services to the Army team. To this end, we have aggressively pursued a number of programs to better care for and increase the resiliency of our soldiers, civilians and family members.

From increasing behavioral health counselors to address post-traumatic stress syndrome, to pilot programs to improve the delivery of substance abuse counseling and treatment, and a holistic approach to suicide prevention, we are moving on a broad front to address what some have termed the invisible cost of our current conflict.

Consistent with the spirit of our Army values and warrior ethos, we have also pursued the OSD [Office of the Secretary of Defense]-led effort to execute our Sexual Harassment/Assault Response and Prevention Program in order to educate our force on this critical issue; de-stigmatize reporting of incidents, whether in garrison or during contingency deployments; and to ensure that allegations are properly and promptly investigated and resolved.

Together with the other programs such as Comprehensive Soldier Fitness, the Strong Bonds Program, the Army Family Covenant, and expanded survivor outreach services to assist the families of our fallen brothers and sisters, we are putting into place a network of programs to promote resiliency and well-being.

To conclude, I wish to thank all of you for your continued support which has been vital in sustaining an all-volunteer Army through an unprecedented period of continuous combat operations.

With your support, we will continue to work towards restoring balance and sustaining the high quality of our Army for the duration of the current fight and for the foreseeable future.

Chairwoman Davis and members of the subcommittee, I thank you for your generous and unwavering support for our outstanding soldiers, civilians, and their families, and I look forward to answering your questions.

[The prepared statement of General Bostick can be found in the Appendix on page 91.]

Mrs. DAVIS. Thank you.

Admiral Ferguson.

STATEMENT OF VICE ADM. MARK E. FERGUSON III, USN, CHIEF OF NAVAL PERSONNEL, DEPUTY CHIEF OF NAVAL OPERATIONS, U.S. NAVY

Admiral FERGUSON. Chairwoman Davis, Representative Wilson, and distinguished members of the committee, I thank you for the opportunity to appear before you to review our fiscal year 2011 budget request.

The extraordinary people of our Navy are serving around the globe with over 40 percent of our ships currently underway or deployed. Sailors remain engaged in Iraq and Afghanistan, with more

than 21,000 active and reserve sailors serving afloat and ashore in the region.

Demonstrating our operational flexibility, more than 4,000 active and reserve sailors and Navy civilians responded quickly in January to the devastating earthquake in Haiti with our hospital ship Comfort and other naval units.

Current operational demands and a high operating tempo have placed added stress on the force. Providing a comprehensive continuum of care for our sailors and their families, therefore, remains a constant priority. Navy Safe Harbor, the Associated Anchor Program, and our Operational Stress Control Program are critical elements of this continuum of care.

Our leadership remains focused on providing support to our sailors and their families to foster resilience as well as family readiness.

We believe that family readiness and personal readiness supports war fighting capability and directly impacts job performance, satisfaction, and retention. We continue to adapt our personal and family readiness programs to meet the needs of our sailors and their families.

We monitor the health of the force through surveys and retention data which indicate that sailors overall are satisfied with their leadership, their benefits, and their compensation. Your support of our people has made this possible.

We continue to focus our efforts on sustaining this balanced force in terms of seniority, experience, and skill sets. Our fiscal year 2011 end strength request of 328,700 represents a stabilized end strength level to meet our operational commitments.

Like the other services, we continue to be successful in recruiting and retaining high-quality sailors. Targeted investments in special and incentive pays and bonuses are fundamental to this success as we sustain this extraordinary force.

While we must continue to apply targeted bonus programs to selected critical skills, we have been able to make reductions in recruiting and retention bonuses over the last year. We continue to adjust them on a dynamic basis as we respond to changes in the broader economy.

We also continue to benchmark our programs against those in industry and government to ensure we reward our people's service with the very best our nation has to offer.

Your Navy has received 20 national awards over the last 20 months, recognizing accomplishments across the areas of workforce planning, life-work integration, diversity, and training. Our strategic imperative remains to sustain the world's finest naval force.

On behalf of the men and women of the United States Navy and their families who faithfully support them, I would like to extend my sincere appreciation to the committee and the Congress for your unwavering support. Thank you, and I look forward to your questions.

[The prepared statement of Admiral Ferguson can be found in the Appendix on page 108.]

Mrs. DAVIS. Thank you.

General Zilmer.

STATEMENT OF LT. GEN. RICHARD C. ZILMER, USMC, DEPUTY COMMANDANT FOR MANPOWER AND RESERVE AFFAIRS, U.S. MARINE CORPS

General ZILMER. Chairwoman Davis, Ranking Member Wilson, distinguished members of the subcommittee, it is my privilege to appear before you today. I would like to make a few brief points.

First, the Marine Corps achieved unprecedented success in fiscal year 2009, completing our end strength growth to 202,000, two years early. Our challenge now is to shape our force to make sure we have the right grades, experience, and skills necessary to fulfill the operational requirements.

Even with the current economic conditions, we will need to increase retention in targeted and specialized occupational specialties so that we may maintain the vital Marine Corps leadership in critical skills that are necessary.

To accomplish this, we must rely on enlistment and reenlistment incentives, and we appreciate your continued support for these programs.

Second, I want to reiterate that taking care of our Marines and their families remains one of our corps' highest priorities. With your support, we initiated many personnel and family readiness program improvements during fiscal year 2009, and have built these programs in to our baseline budget.

We have hired 400 family readiness officers. We have established school liaison officers at all of our major installations. We are increasing child care spaces. We are improving our already well-regarded exceptional family member program. We are integrating our behavioral health programs to provide a holistic solution to suicide, sexual assault, and combat stress prevention.

Lastly, I know our nation's wounded warriors are a top priority for you, and I can assure you that they are for the Marine Corps as well. Despite the challenges they face as they recover, our wounded, ill, and injured Marines are highly motivated to contribute to our war fighting mission and to our society.

From our recovery care coordinators and other wounded warrior care staff to our Department of Defense best practice Sergeant Merlin German Call Center, we will be there for our wounded warriors through all phases of their recovery.

As we continue to deploy and fight in Afghanistan and other parts of the world, we must always remember that our individual Marines are our most precious asset. Marines are proud of the eagle, globe and anchor and what it represents to our country. With your support, a vibrant Marine Corps will continue to meet our nation's call.

I look forward to answering your questions. Thank you.

[The prepared statement of General Zilmer can be found in the Appendix on page 128.]

Mrs. DAVIS. Thank you.

General Newton.

STATEMENT OF LT. GEN. RICHARD Y. NEWTON III, USAF, DEPUTY CHIEF OF STAFF FOR MANPOWER AND PERSONNEL, U.S. AIR FORCE

General NEWTON. Madam Chairwoman, and Ranking Member Wilson, and distinguished members of the subcommittee, let me add my thanks also for this opportunity to discuss the Air Force efforts related to the fiscal year 2011 budget to ensure we attract, and recruit, and develop, and retain a high-quality and diverse fighting force.

Airmen are the focal point for providing the critical capabilities that the Air Force contributes for winning today's fight, and while the Air Force has innovated technologies and equipment, it is the hard work of our dedicated men and women in uniform and our civilians and the support of our families who underscore our success.

Without a doubt, the tremendous talent of our total force airmen and civilians is the backbone of the United States Air Force. As such, I am focused on ensuring our airmen possess the necessary skills so they can deliver the best possible support to our combatant commanders.

We must ensure we have the proper end strength to meet current, new, and emerging missions. And for fiscal year 2011, our active duty end strength will be 332,200 airmen, with 71,200 airmen in the Air Force Reserve, and 106,700 airmen in the Air National Guard. This is a slight increase for active duty and Air Force Reserve from fiscal year 2010.

Simultaneously, we will continue to strive for balance in our workforce, with particular emphasis on stressed career fields and mission areas that need our attention, such as intelligence and surveillance and reconnaissance, contracting, security forces, to name a few.

For instance, we have added contracting officers to the Air Force list of low retained career fields, and these officers will begin receiving critical skills retention bonuses this year.

The growth in authorized end strength goes hand in hand with an increase in our recruiting efforts, and it goes beyond finding just the right numbers. We must also ensure the right quality and the right skills are present in potential candidates. And in short, we need to be a leading competitor in the search for America's talent.

Despite the weak economy, we expect fiscal year 2011 to be a critical retention environment for several reasons: an increased need to retain specific skill sets in certain specialties, previous end strength decreases and corresponding decreases in—increased operational demands, and new and emerging missions.

Our commitment includes continued support for special pay and allowances to address recruiting and retention concerns in our health professional skills and our most critical war fighting skills such as pair rescue imagery analysis, tactical air control party, explosive ordinance disposal.

Finally, we are committed to taking care of airmen and their families, including our wounded warriors, to whom we have a never-ending obligation. During this Year of the Air Force Family, we tackled a host of issues critically important to our families, such as expanding child care capacity, developing more robust programs

for special needs families, and invigorating the support we provide for developed members' spouses and children.

We have focused these efforts in our Airman and Family Readiness Centers at each of our installations, which serve as a central hub for airmen and family support issues.

The Air Force is fully committed to providing for the nation's defense wherever the mission leads us. Your continued support of our initiatives to attract, develop and sustain talented and diverse airmen, and to care for their families is mission essential, and it is most appreciated.

Our efforts to effectively manage end strength, recruit and retain, develop and care for airmen and their families will ensure we continue to provide the world's finest air space and cyberspace power in the world.

Thank you for your unfailing support to the men and women in the United States Air Force, and I also look forward to your questions.

[The prepared statement of General Newton can be found in the Appendix on page 147.]

Mrs. DAVIS. Thank you very much. We certainly appreciate all of your accomplishments and the incredible men and women who you continue to lead. Thank you very much for that.

You have all, I think, mentioned the need for some flexibility, I think, in recruitment and retention, and certainly there is changing economic conditions. I wonder if you could expand on that further, particularly Secretary Stanley, whether—do you believe that you have all the authorities that you need to really respond to all of these challenges as they occur?

There is some concern, of course, that we sometimes cut back at a time that it is obvious we can do that, but then you need to be able to gear up again. Are there some authorities that you could speak to and that you think could—that we could work with a little closer?

Dr. STANLEY. Chairwoman Davis, if I understand the question correctly, I am not aware of any authorities that we don't have to be able to work together not only with the services but also with Congress to be able to accomplish, I believe, our end strength goals, balancing our force, as we look to the future.

But I will tell you that we look forward to working very closely with the Congress and the services to achieve our end strength balances.

Mrs. DAVIS. Are there any initiatives—and I guess everybody on the panel could speak to this—are there any initiatives that would be even more helpful as you respond to those needs to flex in recruiting and retention?

I might add, General Zilmer, it is my understanding that in terms of bonuses that you actually are looking at a cut in fiscal year 2011 budget of about $300 million. Is that going to be problematic as you look to special career fields where you need that additional support?

General ZILMER. Madam Chairwoman, thank you. We are concerned as—and we are, in fact, bringing down SRBs [Select Reenlistment Bonuses] from fiscal year 2009 through 2011.

Where we are projected right now, we think we can sustain the force, but the importance of still maintaining those SRBs for the critical MOSs [Military Occupational Specialties]—the intelligence, the linguists, the EOD [Explosive Ordinance Disposal]—those will still be necessary, as well as the enlistment bonuses on the front end, to bring in those qualified people.

So we are shaving it down, but we think that is probably about as low as we are going to be able to go and still sustain the quality of the force that we have today.

Mrs. DAVIS. Are there any other comments in terms of specialties that you are looking for?

General BOSTICK. Chairwoman Davis——

Mrs. DAVIS. General Bostick.

General BOSTICK [continuing]. I was going to comment from a recruiting end and really, the opportunities you gave us in National Defense Authorization Act 2006 where we had pilot program authorities. And those pilots were unnamed, but we could go out and develop four different pilots, and we tried different ones.

One, you will remember, was the recruiter incentive pay, where we made the decision that we would pay recruiters based on achieving over the mission that they were required to do. We no longer need that, but I think it is important to have the opportunity to have those pilots on the shelf so that if we want to pursue them that we can.

You also remember the home ownership program that we had. We currently have the military assistance to the national defense, the MAVNI [Military Accessions Vital to National Interest] program—military accessions that are important to the national defense. I think those types of programs—they may narrow an aperture, but it is important to have them available to us.

We have decreased bonuses as well, but we are focusing the bonuses on those critical specialties where we need to recruit significantly.

Mrs. DAVIS. Okay.

Anybody else want to comment? You don't have to, but——

General NEWTON. If I may, ma'am, also we are—this year we have 27 stressed career fields, 11 in our officer ranks, and 16 in our enlisted ranks, and so the—but we believe we have the authorities in our selective enlistment bonus, particularly for our enlisted remains about steady for this year.

But as we look at it in a broad sense, we have met our recruiting goals writ large and our retention goals, but the challenge is within those specialties, those high demands, those stressed career fields—those enablers, if you will, that are required downrange in places like Iraq and Afghanistan.

I would make one comment also of a very select group, and that is our health professionals, and I think all of us are dealing with challenges in the health professional—not only the recruiting but the retention.

But it is also based on a—you know, a limited supply with a great demand, you know, out in the United States as well.

Admiral FERGUSON. I would just say we feel we have the authorities and then we will adjust amounts in response to what happens in the broader economy. Our focus areas are also in those critical

skills—our nuclear operators, the medical personnel, the SEALs, and Special Forces operators, where the training and initial accession criteria are so high that we have to continue to compete for those in the broader economy.

Mrs. DAVIS. Thank you.

I might just quickly—we didn't go on the clock right away, and I am on the clock as well as my colleagues, but if we—I could just wrap up quickly, because, Secretary Stanley, you mentioned My Career Advancement program. We know that that ran into some difficulties.

What do you actually envision in terms of how we move forward with that? Clearly, the need is far greater than we anticipated, so where really should those budget—what should the numbers be?

And are there some other programs that are helping to focus the spousal population to really take a look at some options that they may have that they may not have even thought about and might be in some career fields that we would actually like to have them engage in, but perhaps they haven't had the kind of support to do that?

Dr. STANLEY. Chairwoman Davis, you are absolutely right. First of all, we ran into what I would call the unexpected good thing about a program that became wildly successful and popular.

They are looking at a whole range of options that, first of all, include the use of other programs that can—you know, that can complement MyCAA, still helping out, also looking, though, at how we would fund even what we have if we continue along the same line, which would be up to four billion dollars. And so there are offsets to that as we go forward.

But everything is on the table right now. We made a commitment to bring the rest of it online—I am talking about phase two—by the 1st of April. So within this next week plus, we are actually looking at coming forward with some recommendations to the Secretary and, of course, working with Congress as we work together.

In fact, I will be over here next week talking and working, you know, sort of behind the scene to work this, but you are absolutely right, there is more to this than just the MyCAA in taking care of our families in particular as we move forward.

Mrs. DAVIS. Thank you. I think we might be, you know, happy to look at some authorization language—and maybe there are a few pilots that we might think about in terms of that transition period and really preparing for the next step in a few select areas, so——

Dr. STANLEY. Absolutely.

Mrs. DAVIS [continuing]. Thank you for that.

Mr. Wilson.

Mr. WILSON. Thank you, Madam Chairwoman.

And thank all of you for your testimony, and it really impressed me how sincere you are in your service and, again, the opportunities that you are providing young people to have the privilege and opportunity to serve in the military.

Dr. Stanley, you mentioned the department and military services' concern—and it was referenced by others, too—of the situation of suicides in active and reserve forces. And you indicate that there is a personnel gap analysis by military service.

I am concerned that there is a connection between the access to military health services and the incidence of suicide. How is the Department assisting the military services in providing mental health care to our troops and their families?

Why does the Army have such a significant gap in the number of mental health providers needed and the number assigned?

Dr. STANLEY. Mr. Wilson, what I will do is I will—first of all, I will defer the part of the Army question to our Army representative, but let me just address in macro our concerns dealing with health, the stress that are on our forces, and although suicide happens to be part of the issue, there is a much larger issue here dealing with how we take care of our troops from—everything from dwell time to the stress on the forces and the commitment, pay and compensation.

All these things have some impact on this, and so we are looking at this holistically. We have a quadrennial review that is actually starting here very shortly that will take in part of this.

And the first thing that I did—I hope I mentioned this the last time I was here—was that we brought on someone immediately in the medical profession to help take over the health affairs part temporarily till the candidate got through to make sure that we addressed the issues of health affairs, taking care of our troops and their families primarily.

Those are macro statements as I work my way into learning more about what we can do in working with Congress. This is part of my agenda for coming over next week also to work with you.

Mr. WILSON. All right.

And, General Bostick.

General BOSTICK. Yes. Suicides is a tragic situation in any unit, in any family, and one suicide is too many. Our Vice Chief of Staff of the Army has taken the leadership on this in developing the campaign plan for health promotion, risk reduction and suicide prevention and has laid out an aggressive strategy on the way ahead.

Part of that is counselors. Also, we are looking at alcohol and substance abuse and the counselors that are required there.

Some of the challenge in hiring is due to location and some of the challenge in hiring is this is a small select group that is out there and it is a very competitive environment. But we are working it very hard.

In the area of suicides, we have about 250 counselors in that area. We expect to get up to about 290 in the May time frame. The challenge for us really is that the right requirement, and we are studying with the medical professionals to determine whether the requirement is correct.

And it could be much higher than that. So we are working that closely with the medical professionals and the hiring in my office.

Mr. WILSON. And I want to thank whatever you do, and I wanted to bring to your attention that there is an organization in our community in the Midlands of South Carolina called Hidden Wounds, and they are volunteers.

It was developed by Anna Bigham in memory of her brother, Lance Corporal Mills Palmer Bigham. And yesterday their director, Chris Johnson—Dan Ramsey came by, and they are providing mental health assistance and also suicide prevention assistance, and I

thank them for what they are doing as a safety net and backing up DOD, the services and VA. But I am just grateful for what they have done.

Another interest I have, Secretary Stanley, is the widows tax, and I have run into it where I have met families, the widow, and the children, and it affects them substantially, like $1,000 a month. And so what is the department proposing to help on this?

Dr. STANLEY. And just a question for clarity, are we talking about the survivors' benefits——

Mr. WILSON. Absolutely.

Dr. STANLEY [continuing]. And the indemnity compensation?

Mr. WILSON. That is right, yes. Offset.

Dr. STANLEY. Offset. In my time there—now, I know I represent the Department's position, and as I have said already, I know that the Department's position now is opposed to addressing any repeal or change in where we are looking at this, because there is a 10 percent over—you know, overlay or gap in terms of what is going on at SBP [Survivor Benefit Plan] as well as—the survivors benefit plan as well as what is going on in the indemnity compensation.

I have not personally had an opportunity to look at the numbers, to look at where that—what that really means. And because, as I shared with you offline, I guess—because I have lived this life before, and if I left this world today, I know there might be some impact on my family.

So, I mean, I can own that personally, but I also represent the Department right now, and so I am—I have to state—say that right now. But I am actually committed to working closely with you to move forward.

Mr. WILSON. Well, thank you very much, and of course, Congressman Solomon Ortiz has also been very interested in this issue. Thank you very much.

Mrs. DAVIS. Thank you.

While we are on that, I think one of the perhaps inconsistencies—and you might want to just, for your information—I think we see concurrent receipt being discussed without an offset, and yet we see the SBP–DIC [Survivor Benefit Plan/Dependence and Indemnity Compensation] not being supported in terms of trying to actually, you know, deal with the situation before us.

And so is that an inconsistency or is that—how would you—is it not confusing that one would see it as an inconsistency actually?

Dr. STANLEY. Well, I will be up front with you. In my time here, I see some of that in my studies and am committed to saying, "Okay, here is what I want to say right now," as where the department is.

I haven't been there long enough to say how rigid things are going to be where I am working, but we are going to give this a good, hard look and work with you as we move forward.

The Department's position right now is we don't want to repeal that. But the bottom line is we are going to give it—we are going to continue to work with you. I hope that is not confusing.

Mrs. DAVIS. Yes. Thank you. I think it is really, certainly, a challenge from where we sit, because we are looking at some offsets. I think everybody feels strongly that this is an important thing to

address. And we would like to move forward, and yet we are—we have some constraints now.

Dr. STANLEY. I agree.

Mrs. DAVIS. Thank you.

Dr. Snyder.

Dr. SNYDER. I will just add onto what Mr. Wilson and the chairman said. I mean, we are hearing from military families who had people die overseas, and it is impacting on young parents with young children, and it is a program that they have paid at least part of the premium on. They all recognize they haven't paid all of it, so I think that is why it has got our attention so much of late.

I appreciate you all being here. I have known most of you, I guess, for some time now, and for the last 8½ years you have been in a military that has been at war. You all's careers will end still being serving a nation at war. And that is really unprecedented in our history, and we appreciate your service and of all the folks that work for you.

I wanted to ask—as you know, our—one of our subcommittees has been looking at the professional military education [PME] issues.

Secretary Stanley, if you were trying to judge which of the services are doing the most efficient job of providing professional military education, do you have the ability—do you have numbers that you could look and say, "General Newton, General Zilmer, Admiral Ferguson, General Bostick, I have got your numbers here, it is costing you this much for a 10-month course, or this much for a 12-month course for an individual," or, "The master's degree program that you are offering at an in-residence military PME school is this much, and it is"—I mean, do you have the ability to actually compare apples to apples to apples to apples, or are those numbers non-existent?

Dr. STANLEY. Dr. Snyder, I am smiling because I don't have those numbers right now. Those numbers may be resident in the staff. But I know enough about the different branches of the service to know that we are sort of comparing some apples and oranges when it comes to mission, how we approach the mission, and doing it.

So it is not one of those—even if I had the numbers, I know from my experience that I would have to do some extrapolation in terms of how I would interpret those numbers, and I would obviously ask the services to maybe comment on that.

I hope you understand what I am trying to——

Dr. SNYDER. No, I understand what you are saying, and I understand that it is different learning to fly a C–130 than it is learning to——

Dr. STANLEY. Yes.

Dr. SNYDER [continuing]. Do an infantry operation in the—in the Marine Corps. On the other hand, we have been visiting these schools. A classroom is a classroom. A study group is a study group. A book is a book.

And yet we don't seem to be able to get the numbers to compare—that is what I am talking about comparing, not comparing what are clearly dramatically——

Dr. STANLEY. I understand.

Dr. SNYDER [continuing]. Different activities, and those numbers might be helpful to have——

Dr. STANLEY. I agree.

Dr. SNYDER [continuing]. In terms of helping the services understand whether some of their sister services are being more efficient or less efficient.

For the uniformed personnel, one of the issues that we have spent a lot of time talking about in our study—and we are actually about to release the report here in the next two or three weeks, I hope—is the issue of personnel policies and how that impacts on PME.

And so if you all would discuss given that we are a nation at war, how do your personnel policies impact on your professional military education? How do you select the people to go into a—an in-residence PME course, based on where they are at in their career and what job comes off—comes after, and how good a job do you think you are doing at meeting the combatant commander's request for the level of education that they want for the folks they are getting?

I mean that to be more general than maybe it sounds, but the issue is we have heard some complaints from both students going in that it didn't hit it right in their career, from the folks on the receiving end that maybe they didn't have the educational level that they would have liked to have had when they got to their billet.

General Newton, want to start with you?

General NEWTON. Yes, sir. For the longest of time have selected generally to go to intermediate development education about the top 25 percent, roughly, of our field grade officers at the major level to attend those schools, also giving them the opportunity—a number to—when they graduate from an in-residence—mention Air Command and Staff College—to go on to the School of Applied Aerospace Studies course, the SAAS course, which we found to be very beneficial not only to the individual in their—developing their own potential, but also their ability to go out and serve, as you mentioned, the combatant commanders in a very—at the operational art level and above.

And so we have begun over the past 12 months, however, to be more diligent in tracking those individuals, for instance, at the SAAS course, who receive those degrees to follow them not only on their post assignment from the School of Applied Aerospace Studies but throughout a career now.

That said, to go to those who have—they graduate and they get from intermediate development education [IDE] to those who do senior development education—we closely track them as well.

And as you go from the intermediate school—then you go out to a staff assignment or to a command, and then you have an opportunity, by and large—the IDE graduates then have the opportunity to go to the senior development education program. Those are about our top 15 percent. And those we clearly earmark for command at the colonel level and beyond.

From our view, in terms of how we develop our future leaders, we look to those who have attended an in-residence program either

through the Air Force or the other service in-resident programs starting at the major, and then we track them.

And we generally like to have our senior leaders to have both an intermediate development education opportunity as well as a senior development education opportunity.

All that said, there is a small window of time, as I am sure you have earmarked, in terms of giving our men and women and officers an opportunity to serve not only in those schools but also then perhaps if they wanted to do follow-on scholastic—or scholastic opportunities, say, at a Harvard or to get an MBA at an MIT and so forth.

And so we are wrestling with how to fit all those in, because we greatly value that education development opportunity.

Mrs. DAVIS. Go ahead. That is fine. Anybody else want to——

General BOSTICK. One of the challenges and one of the focus areas for the Army and, the Chief, and the Secretary is to restore balance in the force. And when we talk about balance, we have been very focused, rightly so, on the fight.

In restoring balance, we need to bring the force back to a deployment of one year and redeployment at home station for two years. We would like that to be three years for the active force, but our near-term goal is two years. We think we can do that in 2011.

For the reserve component, back home for four years as the near-term goal, long-term five years. Without that, we are having a tough time on the professional military education.

And the Chief, as one of his objectives, has gone out to TRADOC [Training and Doctrine Command] and General Dempsey and asked him to look at leader development and to look at professional military education and see, within the Army Force Generation model that we have to deploy forces, when can we bring soldiers and leaders into the schools that they need to participate in.

But this is one of the major areas that we are looking at. To answer your question, Senior Service College for the military, for the Army, is a centrally selected board that determines that, for our intermediate level education, all of our captains and majors go through there.

But we are looking at all of that to make sure we are doing the right thing and growing the right leaders for the future assignments that they will have.

Admiral FERGUSON. I would offer that within the Navy unrestricted line communities, which are aviation, submarine, and surface, is that there is a balance between the demands of fleet operational requirements as well as the numbers of individual augmentees and staff officers who we are providing forward in the fight today, combined with JPME [Joint Professional Military Education].

Probably the most limiting case would be our nuclear-trained aviators, who spend 15 to 18 years flying in the cockpit, and then we transition them through the entire nuclear power pipeline, and then grow them to be our aircraft carrier COs [Commanding Officers].

There is a restriction on time that is available for those officers, and so we have to manage it very carefully, and we generally require that any officer prior to going to command in those commu-

nities has to complete JPME I, and then under the current policy that in order to be selected for flag they will have to complete an in-residence JPME II.

And we manage it within the time constraints, and what ends up happening, by community, there are greater opportunities in some, and lesser in others, but balanced with the war fighting and the education that we can do.

General ZILMER. Congressman Snyder, to the first point, I think, again, the metrics that we need to compare about the efficiencies is something that we would be happy to look into and try to find some perspective there that is helpful.

There are a number of factors—whether it is career level, intermediate level or top level school throughout a—an officer's career, we look at the timing, and there are a variety of issues, in order to make sure that we get the officer at the right time to prepare he or she for the future challenges they are going to see in their next expected rank or position they are going to.

The opportunity to go to school is—we can't get everybody into a resident school, although we would like to. But the importance of the education itself—sometimes it is difficult to pull a warrior out of an expectation that he or she will be forward deployed to the—to the theater of operations and then bring them into a school environment.

But it is so important that what we accomplish in that year, if that is the time in the school, that we prepare them for those future challenges that they are going to see.

We perhaps have less control over that as we get to the more senior ranks, the senior Majors, the Lieutenant Colonels, who are now trying to fight those other requirements to also perform a joint tour, also to perform a command opportunity, so our window gets more difficult, so the timing, perhaps, in some cases would appear not to be optimum in some individual cases.

But the education itself and what we are doing to prepare our warriors for the future—arguably, there is not much more—that is more important than that.

Mrs. DAVIS. Thank you.

Thank you, Dr. Snyder. I know that that has been a concern and part of the working group in looking at oversight and investigations, and I think it is rare to have this kind of concentration on the education of our services and the professional military education, so I am really glad that he has taken that on. It has been a challenge, I know.

I wanted to turn—there are always a few issues that are of concern. One is the role of the women in the military. And we are seeing that change. Women recently have been called on to serve on select types of submarines, and we are working through some of those issues.

We know that there is going to be a different role for women perhaps even in Afghanistan. A group has been training in Pendleton. I am wondering what kinds of changes you are generally seeing.

Secretary Stanley, if you could respond, and also personnel chiefs, whether you anticipate any changes concerning the role of women in the military that is being proposed by your respective services.

Dr. STANLEY. Well, I will speak generally, Chairwoman Davis, and then ask the services to be more specific.

I have watched over the years as the role of women has expanded, and I am encouraged by it. I know Congress already has a combat exclusionary law in place, so there are things that women are not allowed to do by law right now.

But having said that, warfare is changing. What used to be a forward edge of the battle area and things like that is not the same anymore. So that evolving right there will tell you that there is going to be some big changes.

But there has also been, I would say, some growth in our services with regard to the role of women and where they are, because ultimately, you know, I can foresee women being at the top of our services, and I will say that very openly in the sense that they are fully engaged. They are a part of our armed forces. And I think that is very important for our total force and our all-volunteer force.

And I will let the services talk.

General BOSTICK. I was a cadet at West Point when women were first allowed to come to the academy, and I have stood in great amazement as we have seen—amazement and pride and joy to see women come through the academy and then the recruits that we brought in, the females, and to see that they are serving in positions of great responsibility, from private to General Dunwoody, a four-star general.

I think it is a great tribute to the services and to women and to our men who support them in their roles. They are doing a terrific job. And our Chief and our Secretary have directed that we take a look at women in the military and their positions and what could be opened up.

We are looking at our three-year cyclic review. That is going to start in April. And we think that would take anywhere from 90 to 120 days. And we will come back to the Secretary and the Chief with recommendations on what could change.

But I would fully expect that their positions that they are serving in now that are closely related to other positions that they are not allowed to serve in but could serve admirably in, and we look forward to——

Mrs. DAVIS. Could you share, how do you get that information? Do you go to individuals? Are there focus groups, surveying? How do you bring in the services, the men and women, to really assess that issue?

General BOSTICK. The way I can tell you, I did a manning review for the Chief, and I went all across the Army and in some of our deployed locations and talked to our senior commanders, and they would like to see in some positions—they feel clearly that there are positions that women could serve in that are not—they are not able to now.

So one is talking to the commanders. The other is we have to go out to our Training and Doctrine Command, General Dempsey, and he will work with all of the different branch proponents, whether it is engineers, MP [Military Police], military intelligence.

And they will take a hard look at the positions that are opened or closed and make recommendations based on what we are seeing

operationally now, because there is no front line, as you know, and we have women serving admirably all across the battlefield.

So they will look at that, make a recommendation and it will come back to the chief and the secretary.

Mrs. DAVIS. Thank you.

Anybody else want to add to that?

Admiral Ferguson.

Admiral FERGUSON. Certainly. We think what we see in the demography of the nation and what is happening with women earning 57 percent of the college degrees, nearly half the advanced degrees, and in our own application process at ROTC [Reserve Officers' Training Corps] and at the Naval Academy, applicants that are women are extraordinarily well qualified, committed to serve. It is 28 percent of the entering ROTC class this year, 20 percent at Annapolis.

We see that it is a talent pool that we cannot ignore in the future to serve the nation. You know, we have made the announcement and notification pending the time for women in submarines on our SSBNs and SSGNs in the officer force.

We announced this year that the first woman admiral will command a carrier strike group. Admiral Nora Tyson will take command this summer. And we see, as the other services, that women are rising to the challenge to serve with great ability and great performance.

Mrs. DAVIS. Thank you.

General Zilmer.

General ZILMER. Madam Chairwoman, while we remain in compliance with the law, if we look back over the recent years and the roles that women have increasingly played in our forces, and we look at the decorations that our women are wearing in combat—Bronze Stars, combat action ribbons, Purple Hearts—we have had women killed in combat.

So clearly, the face of war has changed. The role of women in those war zones has to change by definition. So there is great promise to what our women are going to do today and in the future, and we are willing to be part of any efforts to look at that further. Thank you.

General NEWTON. Madam Chairwoman, I would echo that. We, too, have women who have earned the Purple Heart and been killed in action as well. As we look at the opportunities for a long period of time, opportunities have opened up and remain very wide for women serving in a variety of capacities.

I, too, went to the Air Force Academy when women were—first had the opportunity to go there, and just a few months ago we promoted our first woman Lieutenant General from the Class of 1980, Lieutenant General Janet Wolfenbarger.

And you talk about assessment. I lead the officer development panel for our Chief, and we have—in fact, General Wolfenbarger sits on that panel to help us assess not only from her core acquisition logistics background but also to give us the broad perspective that we need. It is very helpful.

Mrs. DAVIS. Thank you very much.

Mr. Wilson.

Mr. WILSON. Thank you very much, Madam Chairwoman.

And, Secretary Stanley, you have got so many interesting issues on your plate as you come into your position. An issue that has always been of interest to me—it is so uplifting as I see guard members, reservists, active duty serving together. Particularly in theater, you cannot tell—I cannot tell who is what.

But there is a difference on—in their retirement benefits. For guard and reserve, it begins at age 60. We did have a little chink which provided that persons who serve 90-day increments after January the 28th, 2008 that those 90 days could be subtracted from age 60, so that is a start.

And I have got legislation that would make it retroactive to 9/11, and I have previously introduced much more extensive a flat 55, a provision for 55 to be earned one year for every two years over 20. I have tried everything I can, Mr. Secretary.

So that is why just this modest little change—can you comment what your view is about that?

Dr. STANLEY. Yes, Mr. Wilson. First of all, our all-volunteer force, of which the reserve and guard are part of—and this war brings it home probably better than any other time. And then we look at equity and pay and the seriousness that goes into the deliberations regarding that pay equity. That is very significant.

The Quadrennial Review is literally starting almost as we speak, within the next day or so. This is a very top-line, front—it is a priority. It is an issue that we are looking at, because this issue is going to require study, not a delayed study, not something that is saying we are going to kick the can down the road.

But this is not a new issue. This is an issue that has been around for quite some time. And we are going to address it. We are going to work with Congress. I don't know what the answer is right now. But the issue of pay and equity is one that we take very seriously and one that we are going to wrestle with.

And this is one of, as you have already alluded to, many on the plate, but a very significant issue in an all-volunteer force.

Mr. WILSON. And I appreciate you looking into it, because guard and reserve members are very proud to be serving and it just—but that would be very helpful.

Additionally, I believe the department is, Secretary, committed to providing world-class health care to our returning wounded while adopting the new world-class facility standards incorporated in the fiscal year 2010 National Defense Authorization Act.

Will the new Walter Reed National Military Medical Center at Bethesda meet the world-class standards when it opens September 2011?

Dr. STANLEY. Mr. Wilson, I have—since I have been on board in my month, I have actually been trying to add some granularity to the word "world class." I know it is going to be a good facility. I know the commitment is there for it to be a solid, you know, facility.

But I have actually—that has been an issue I have been wrestling with, of finding the definition for "world class." I don't know what that answer is right now as I sit here, but I know that the commitment, the resources, the intent of the department is for it to be, as I have read, world class. I am just personally trying to define that, that understanding.

Mr. WILSON. Well, I have faith in you, and I do believe that military medicine is world class. And I know what it means to service members, so thank you so much.

And I yield the balance of my time.

Mrs. DAVIS. Thank you, Mr. Wilson.

And since Mr. Wilson mentioned guard and reserve and pay equity issues, I wonder if we could just for a second focus on the raises or basically the pay grades of 0.5 percent above the employment cost index which we have been working at for the last 11 years to try and, you know, bring the private and the military together.

And this year I know we are not hearing a recommendation that we bump that up a half a percentage point, and I wonder if you could—could speak to that, whether you think this is a good time to discontinue that practice, and how you think, essentially, that is going to impact the services.

Dr. STANLEY. Well, I would be interested—since I have not talked to the service Chiefs about the impact on the services, I—when I joined the staff, the recommendations were already there. I believe I understand them and understand that what has been recommended by the President will be, in fact, equitable and very supportive of our committed troops as they serve.

I have still a lot to learn about what that impact really is, so I am not answering the question as much as it is understanding that this whole issue of pay and equity is a very serious issue.

Personal opinion, you can't pay people enough. But I am now trying to balance that with all of the things that deal with what we pay, because we are wrestling with how much we can pay. That becomes part of—one of the challenges that we have right now.

But I am going to allow or ask the services maybe to weigh in.

Mrs. DAVIS. Okay. I mean, you can—you can approach it either way. I mean, what impact will it have to increase it by that percentage? Because that obviously has an impact on other services, health care, et cetera.

I think that there is always a push to do that, and because we are looking to do very much what you say—I mean, we agree that we want to make certain that it is fair and that the issues that you face over recruitment and retention are not necessarily based on questions of pay alone but other benefits that people have to, you know, look at as they look at their futures.

Would any of you like to comment on that? I mean, because it may be that we are looking to try and do that this year, or that is the recommendation.

But I think the Congress is—I can assure there is probably going to be some pushback from the Congress on it. We would like to know what you think.

General Bostick, do you have——

General BOSTICK. Well, just in terms of the impact, if we were to raise it another half a percent, it would be about $200 million for the Army in fiscal year 2011 and about $1.3 billion over the POM [personnel operation and maintenance] 2012 to 2017.

We would first like to thank the Congress and the nation for closing the gap in relation to civilian pay. When you look at from

1999 until now, we have gone from about a 13 percent gap down to 2.5 percent.

And the way we are looking at it, like Dr. Stanley said, I think no one would turn down a—an increase in pay, but understanding the fiscal realities, when you look at how we have closed the gap, where we stand today, and you consider the benefits that we provide in housing and in commissary and PX [Post Exchange] privileges and wrap that all together, we actually think we have a surplus when looking at our pay for our soldiers in comparison to the civilians.

Where we would like to focus and keep a lot of energy and resources focused on is in the quality-of-life programs, and we have received a lot of help there as well.

And if you talk to our soldiers and families, the things that are making a difference when they come back from deployment are the quality housing, the quality health care, the access to that health care, education, the schools, counselors. Those sorts of things are very important, especially at this time, for our military.

Admiral FERGUSON. I would agree that in our surveys of our service members and their families, they are very satisfied with their levels of compensation compared to the broader economy at the present time, and that the bill for Navy of the 0.5 percent increase would be about 71 to 72 million dollars and then, you know, that is just in fiscal year 2011.

I agree with General Bostick that the quality-of-life programs, child care, health care, access to it, education, continue to rank at the very top of the concerns that we hear from our service members for their desire to stay with us for a career.

General ZILMER. Likewise, I believe the indications in our first term reenlistments and our subsequent term reenlistments would suggest that our service members and families are very happy with the pay and compensation.

While we haven't advocated for that 0.5 increase above the ECI [Employment Cost Index], just the same we thank you for your interest to ensure that the compensation is appropriate for the great work that they do for us and our nation.

General NEWTON. From the Air Force standpoint, I believe the 0.55 would equate to approximately $90 million for fiscal year 2011. But again, I go back—I think echo all the service personnel chiefs here—is our men and women feel that they are adequately paid and compensated for, but at the same time, the people account does continue to rise with regard to follow-on costs with regard to TRICARE and so forth.

And so what we have focused on in the Year of the Air Force Family is not only the member in uniform but their family members as well. That is where you get a lot of the opportunity to—you know, you recruit the member, you retain the family.

And it has really enabled us to focus on our families who we find that are—that are under a lot of stress as well as the members serving, particularly in high operations tempo environments. So I would ask that—it is a holistic approach that we need to focus on as well.

Mrs. DAVIS. Thank you.

You mentioned families, and we did meet with the Military Family Association earlier this week, and one of the issues that they raised is the extent to which you assess family readiness, not just the service member. And I am wondering whether you have been thinking about that within your services, and is there a way to do that, especially for those in pre- and post-deployment.

The Military Family Association was suggesting that they could help the services more by actually, you know, being asked and being helped, I think, as they are preparing and certainly when—in the post-deployment as well, that they are—what we know from some of the studies that are being done with young people is the extent and the health of—the mental health, really, of the non-deployed parent and how important that is.

Are there some ways that you would really like to try and get at those issues in a way that haven't—hasn't been done before?

General NEWTON. If I may, I will——

Mrs. DAVIS. General Newton.

General NEWTON [continuing]. I will start off. We conducted our—really, it was groundbreaking—our first active duty spouse survey back in 2009. We had RAND go out and do a very thorough review and study. We are going to also do a—we are going to continue that.

We have our second annual Caring for People forum that is going to be occurring here in April. We are actually doing a Caring for People study to understand the challenges that our family members have not only from our spouses' standpoint, not only those on active duty but guard and reserve as well, as well as youth.

And so as we carry forward—and, really, this is what this Year of the Air Force Family has helped us do, is to focus on not only those broad things we do, but where can we close some of those small gaps that have a big impact on individual family members.

The second point I would raise is that this focus has created this sense of community in the Air Force that is so very important, particularly in the high operations tempo environment that we find our men and women serving in. Again, it is not just in active duty. There is guard and reserve as well.

And so the last point I would make, and the point of your question, really, is it is very important that we do the deep data dives and that we continue to analyze and survey our men and women who are serving and find out where are those things that we can close with regard to school liaisons at our base installations, Exceptional Family Member programs.

We are going to hold the—we had been dormant for a while. There is going to be a youth rally that we are going to have. We are going to take—from 81 of our installations the Youth of the Year at those installations are coming to Washington, D.C.

We are going to put on—they don't know this yet, but on the second day of the conference in June, we are going to ask them how they can help their fellow youth out there in the United States Air Force to be more resilient. What are the stresses they are facing and then how can we go ahead and help solve those for them?

Mrs. DAVIS. Thank you.

General ZILMER. Thank you. While we have been amazed by the resilience of the service members themselves, we have been even

more amazed by the resilience of the families throughout this—throughout these last eight years.

And many of our children, service members' children, the spouses, have gone three, four, five, six times with their spouse deployed. That is not done without an impact left at home.

So to the degree that we are looking at a number of new initiatives in terms of counselors at our community services, counselors in the schools where military children are going, attending those schools, programs that in the past have just focused on spouses now allowing children to come in and talk about the deployment stress is certainly recognition that it is something that we have got to put more effort and more understanding into.

The commandant—one of his initiatives when he came—became commandant was we need to get our—all of our family services on a wartime footing, and invest the effort, invest the resources, which we have done.

So we certainly do not take it for granted. So to the degree that we have surveys that provide—inform what we are doing, we are absolutely committed to doing that, to make sure that our families remain as strong and resilient as they have throughout this last eight years.

Mrs. DAVIS. Thank you.

Admiral FERGUSON. We also survey spouses. We did that in 2009. And for some period of time we have been using a report for senior leadership, the three- and four-star level headed by the vice chief of naval operations, what we call the Tone of the Force Report.

And we look at family readiness indicators, but they are not the standard readiness. I mean, are we seeing things such as use of payday loans, bounced checks, use of financial counseling services, domestic abuse or reporting incidents, spousal abuse—those types of parameters.

And we have about 30 of them that we look at to see when we start to see stress levels appear in certain areas, what is the child care waiting list at various bases and facilities, and what we find is the use of those types of metrics elevated to very senior levels allows you to quickly put resources and to focus leadership attention to address those issues before they get severe.

And I think that type of approach we would be welcome to work with the military families group and discuss that with them.

Mrs. DAVIS. All right, thank you.

General BOSTICK. When we look at the Army team, its soldiers' families and civilians and their families, and while some of the initial parts of our programs will focus on soldiers, the intent is really, in all applicable areas, to extend that to our civilians and to all of our family members.

As we look at the stress on the force, we have talked about suicides. We have talked about substance abuse and the need for counselors, and a lot of that is on the reaction end, and where a lot of our focus is today is on the preventive side, to look at the strength of our soldiers and families to assess that, physically, emotionally, socially, spiritually, and with their family.

We start that off with a global assessment tool. You go online. We have had about 390,000 soldiers take it and 1,800 families, so

while it has taken off with the soldiers, the families have worked in parallel. They are able to assess their psychological fitness.

And we have risen the psychological fitness of a soldier and a family and a civilian to the same level as physical fitness, and—which has always been strong for the Army, so we are heavily engaged with our families. They are an important part of our team, as are our civilians.

Mrs. DAVIS. Thank you very much. I appreciate that, because I think, you know, there is obviously a lot more focus on these issues today, and I think that the committee obviously is very concerned, but we hear from so many people out in our districts as well.

And while there are just the most incredible resilience that is being demonstrated out there, the reality is that we have put unbelievable stress on our families, and I think that we need to do everything that we can.

And we certainly hope that you will work with us as well to be certain that we are putting the appropriate resources into that, because it is worth it. Our families are worth it, and we need to continue to do that.

Mr. Wilson, did you have any other questions? Okay.

Thank you so much. We appreciate your all being here. And if we have any additional questions, we will continue to follow up. Thank you very much.

[Whereupon, at 3:16 p.m., the subcommittee was adjourned.]

A P P E N D I X

March 17, 2010

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 17, 2010

Chairwoman Davis Opening Statement
Military Personnel Subcommittee Hearing
Military Personnel Legislative Priorities Overview
March 17, 2009

Today the Subcommittee will turn its attention to the important issue of maintaining an all volunteer force during a protracted war, with a focus on end strength, recruiting and retention, and families.

Prior to fiscal year 2008, the services experienced a stressed recruiting environment due predominantly to relatively low unemployment, a protracted war, a reduced propensity for youth to serve, and a reluctance for influencers to recommend military careers. The services responded with an increase in spending in order to maintain an all volunteer force, but not without a reduction in the quality of the force.

It is an unfortunate reality that the economic hardship that has impacted so many families in America has reversed those trends and caused both recruits and currently serving members to view career opportunities in the military more favorably. As the services continue to enjoy record recruiting and retention performance, budget managers have sought to reduce resources for those programs. The committee is extremely concerned about the future of these critical programs and whether the services are postured to react rapidly to an improving economy with the resources that will be necessary to be competitive with a reenergized private sector job market.

Other issues of interest to the Subcommittee include:

- Spouse education and employment programs.
- Family readiness before, during, and after deployment.
- The status of "Don't Ask, Don't Tell" study group.
- Reliance of the services on supplemental appropriations.
- And pay raise and retiree compensation budget proposals.

We have an excellent panel consisting of the Undersecretary of Defense for Personnel and Readiness and the four personnel chiefs of the military services to help us explore these issues. I would request that all witnesses keep their oral opening statements to three minutes. Without objection, all written statements will be entered into the record.

Mr. Wilson, did you have any opening remarks.

I would like to introduce our panel.

Honorable Dr. Clifford L. Stanley
Under Secretary of Defense for Personnel and Readiness

Lieutenant General Thomas P. Bostick, USA
Deputy Chief of Staff, G-1, Headquarters, U.S. Army

Vice Admiral Mark E. Ferguson, III, USN
Chief of Naval Personnel, Deputy Chief of Naval Operations, Total Force

Lieutenant General Richard C. Zilmer, USMC
Deputy Commandant for Manpower and Reserve Affairs, Headquarters, U.S. Marine Corps

Lieutenant General Richard Y. Newton, III, USAF
Deputy Chief Staff, Manpower & Personnel, Headquarters, U.S. Air Force

I would like to welcome General Bostick and General Zilmer who will be testifying for the first time in their new roles.

Rep. Joe Wilson – Opening Remarks
Military Personnel Subcommittee Hearing
Military Personnel Legislative Priorities
17 March 2010

Mrs. Davis, I join you in welcoming our witnesses, two of whom – General Bostick and General Zilmer – appear before us for the first time in their current capacities. I thank them all for their service to the Nation.

We have been at war for nine years and it is a remarkable testament to the efforts of these men and their predecessors that the all-volunteer force has weathered the severe wartime trials. The effort to recruit, retain and, in some cases, grow the Armed Forces is never easy in the best of times. During most of the last nine years of conflict, a bad economy and the reality of war made the effort even more difficult. Nevertheless, each of the military services succeeded to such a degree

that in 2009, for the first time since the beginning of the all-volunteer military, every recruiting goal, both in quantity and quality, was met or exceeded in both the active and reserve components. That is a remarkable achievement.

Today's hearing is principally focused on recruiting, retention and end strength, as well as the Department's legislative priorities.

In that context, I would ask Dr. Stanley, in his opening oral statement, to comment on three legislative issues:

- **First, why it's important for Congress to pass the President's proposal to provide concurrent receipt of military retired pay and VA disabilities pay for Chapter 61 military disability retirees.**

- **Second, whether the Department supports legislation to repeal the so-called widow's tax – that is the required offset between annuities received from the Survivor Benefit Plan and the Veterans Administration payments for Dependency and Indemnity Compensation.**
- **And, third, whether the Department supports legislation for retroactive early retirement credit for certain wartime reserve component service prior to January 2008.**

Mrs. Davis, I thank you for holding this hearing and look forward to the testimony of our witnesses.

Prepared Statement

of

The Honorable Clifford L. Stanley
Under Secretary of Defense (Personnel and Readiness)

Before the

House Armed Services Military Personnel Subcommitee

March 17, 2010

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON ARMED SERVICES
US HOUSE OF REPRESENTATIVES

Madam Chairwoman, Mr. Wilson and members of this distinguished Subcommittee, thank you for inviting us to testify before you.

As I humbly assume my role as the new Under Secretary of Defense for Personnel and Readiness, I am resolute in my determination to honor, protect and improve the lives of U.S. Airmen, Soldiers, Sailors and Marines. I am here today to describe our mission as I see it and share my thoughts on how compassion, excellence and heightened sense of urgency will help me and my organization fulfill our duty.

I am mindful we are at war and we must prevail. We win when we help our Service members succeed in combat, and be healthy and happy with their families when at ease. We win when our Service members can be confident their families have easy access to the resources and support they need while their loved ones are deployed. Maintaining our incredible All-Volunteer Force (AVF) is our highest priority as we strive to recruit, attract, retain, and reward American's best and brightest, and their families.

ACTIVE DUTY

Recruiting

After more than five years of the most challenging recruiting environment since the inception of the All-Volunteer Force in 1973, the Services emerged in FY 2009 with the most successful recruiting year of the AVF era -- all four active Services and all six Reserve Components achieved both numerical and recruit quality targets for the first time. Previous years were marked by a growing economy, low unemployment, reluctance of influencers of youth (e.g., parents and teachers) to recommend military service, propensity among youth themselves at an all-time low, and increasing recruiting goals of the Army and Marine Corps to support overseas contingency operations. Even in this demanding recruiting environment, the

AVF concept has proven itself with the Services meeting or exceeding recruiting goals since 2005.

While we have had success, the recruiting environment continues to evolve as evidenced by increases in unemployment rates and increased interest in military service among young people. These factors lessen, but do not alleviate, the challenges to maintain recruiting levels.

In FY 2009 all Services exceeded their goal of 163,880 accessions by 5,088, accessing 159,374 first-term enlistees and an additional 9,594 individuals with previous military service.

To date, FY 2010 active duty recruiting efforts show similar success. Through February, all Services have met or exceeded both quantity and recruit quality objectives for the active force. The Army achieved 29,514 of its 28,901 recruiting goal, for a 102% year-to-date accomplishment rate (Table 1). Additionally, for the second year in a row after four years of falling below the 90 percent DoD Benchmark for High School Diploma Graduates, 100% of Army recruits hold that credential.

Table 1. FY 2010 Active Duty Enlisted Recruiting Through February 2010

	Quantity			Quality	
Active Duty Enlisted Recruiting Through February 2010	Accessions	Goal	Percent of Goal	% High School Diploma Graduate (HSDG); *DoD Benchmark = 90 percent*	% Scoring at / above 50th Percentile on Armed Forces Qualification Test; *DoD Benchmark = 60 percent*
Army	29,514	28,901	**102%**	**100%**	**64%**
Navy	14,554	14,554	**100%**	**97%**	**80%**
Marine Corps	10,802	10,746	**101%**	**100%**	**74%**
Air Force	12,949	12,949	**100%**	**99%**	**89%**
DoD Total	67,819	67,150	**101%**	**99%**	**74%**

However, I do not take our recent success for granted, nor do I assume the current environment will continue. While we expect unemployment will decline at some point, other factors remain. Although the overall youth population is large, only a relatively small proportion of American youth is qualified to enlist. It is an unfortunate fact that much of the contemporary youth population is currently ineligible to serve. Medical disqualification, with obesity a large contributing factor, removes 35 percent, drug or alcohol abuse removes 18 percent, and another 23 percent do not meet our standards for reasons including criminal misbehavior, low aptitude scores or having more dependents than can reliably be accommodated in their early career. Other factors impacting recruiting efforts include only 75 percent of our young people graduate with a high school diploma; high numbers of youth going to college directly from high school; and the continuing concerns about overseas contingency operations with its associated high operations tempo.

To meet these challenges, we continually review our recruiting programs to align funding and policies with current realities. Stable and adequate investments in recruiting resources are necessary to maintain long term success. To that end, we must ensure that there are sufficient resources and experienced recruiters in place to prevent a "boom or bust" recruiting cycle. We appreciate this committee's untiring support of our recruiting programs and look forward to working together to ensure future success.

To expand the recruiting pool and assist the Services in meeting a special category of critical readiness needs, the Department initiated a one-year pilot program, Military Accessions Vital to National Interest (MAVNI), allowing the enlistment of up to 1,000 of a select group of non-immigrants who had been in the U.S. for at least two years. Enlistments under this pilot are open only to health care professionals in critically short specialties and individuals with language

skills and cultural backgrounds in a limited list of languages. We are currently reviewing results of this pilot program.

Our continuing recruiting success does not come easily. It remains the result of long hours and hard work by the 15,100 dedicated and professional, active-duty military recruiters. These recruiters often are the sole representative of our military forces in local communities, and they have both my and the Department's most sincere respect and gratitude.

The Montgomery GI Bill (MGIB) has been a cornerstone of our active-duty military recruiting efforts since 1985 and a major contributor to the success of the All-Volunteer Force. This past August we implemented the Post-9/11 GI Bill, the most extensive restructuring of post-service education benefits since the introduction of the original World War II GI Bill. The Post-9/11 GI Bill should enhance our recruiting efforts even more. We hope that the provision in the new program that allows career Service members to transfer their GI Bill to immediate family members, long requested by both members and their families, will mitigate negative retention impacts. Early results look favorable, with over 100,000 career Service members already requesting authority to share their earned educational benefits with their family members. We are monitoring the effects of this implementation very closely to gauge impact on retention, particularly first-term retention.

Military Decorations and Awards

The Department continues to work in concert with the Services to appropriately recognize and laud the accomplishments, both valorous and non-valorous, of our Soldiers, Sailors, Marines and Airmen. In the AVF, appropriately recognizing the accomplishments of our Service members is fundamental to maintaining esprit-de-corps and a motivated force. It is most important that the Services recognize the significant acts and achievements of our Service

members while simultaneously maintaining the time-honored prestige of our most revered military decorations such as the Medal of Honor, Distinguished Service Cross, Navy Cross, Air Force Cross, and Silver Star. I am aware of the concern from some members of Congress in regard to the award of valor decorations and will closely examine the results of the ongoing review and report on the Medal of Honor awards process as requested in the House Armed Services Committee report language that accompanied the National Defense Authorization Act of FY 2010.

Leave and Liberty Enhancements

Given the ongoing operations tempo associated with Operations IRAQI FREEDOM and ENDURING FREEDOM, the Department is acutely aware of the need to provide all Soldiers, Sailors, Marines and Airmen with adequate leave and liberty opportunities, especially during and after deployments, for respite and reintegration, respectively. Service members serving in Iraq and Afghanistan are provided a much needed break from combat through the Rest and Recuperation (R&R) leave program. This vital program provides Service members, who are on long deployments, government funded transportation to the airport closest to their leave destination, and allows them to take 15 days of respite leave in an area of their choosing. For those Service members serving in the most dangerous and arduous areas of the combat zone, the R&R leave is not chargeable which not only recognizes their stressful duty but also provides more accrued leave to utilize upon redeployment for reintegration into their family and community . Additionally, the Post Deployment/Mobilization Respite Absence (PDMRA) program provides Active and reserve component members who are deployed or mobilized above and beyond the Secretary of Defense's established deployment - dwell time ratios with respite non-chargeable administrative absence upon return from deployment or mobilization.

I thank the Congress for passing legislation, through the FY 2010 NDAA, which allows our Service members to temporarily increase, from 60 to 75, the number of leave days authorized for carry over from one fiscal year to the next. This provision will reduce the frequency of lost leave for those Service members who have fewer opportunities to take longer leaves due to the persistent operational demands. The Department continues to monitor leave balances and lost leave to preclude avoidable loss of the benefit.

Retention

For FY 2009, the Department was very successful in attaining enlisted retention goals. All Active Components met or exceeded their respective retention goals in every measurable category. The Services and the Department anticipate continued success in the upcoming year and are already meeting or exceeding the monthly goals for early FY 2010.

Despite the overall strength of enlisted retention over the last few years, there remain critical shortages in many low density / high demand skills and other "hard-to-retain" skills, such as explosive ordnance disposal specialists, linguists, intelligence and counterintelligence analysts, and pararescue operators, that justify the continuation and application of the statutory bonus authorities. The Selective Reenlistment Bonus (SRB) and the Critical Skills Retention Bonus (CSRB) are among the most effective and are authorized by 37 U.S.C. 308 and 37 U.S.C. 355, respectively, as incentives to attract/retain qualified personnel in critical military specialties.

The Department's process to manage bonuses is very well defined. A skill is critical if it meets one or more of the following: (a) technical skills requiring high training and/or replacement costs; (b) skills in high demand in the civilian sector; (c) challenging to recruit into; (d) crucial to combat readiness or capabilities; and (e) low density / high demand (those skills that are in high demand for current operations yet are low density due to less requirements during

peacetime). All requests from the Services must have a rigorous business case that clearly outlines the need for the bonus for that skill, payment amount and method, and expected retention results. Designations do not exceed three years, subject to congressional extension of the statutory bonus authority. The complementary authority of the CSRB is the Selective Reenlistment Bonus (SRB). The SRB is under the authority of the Service Secretaries and is not centrally managed by the Department. However, applications of the bonus authorities are reviewed at the Department and sent as an annual report to Congress.

Stop Loss

The Army is the only Service with members currently extended under the Stop Loss authority. From a peak of 15,758 in 2005, the Army reduced the number of Soldiers affected by Stop Loss to approximately 8,000 at the end of Dec 2009. The Department is progressing as planned to completely end the use of the Stop Loss authority. Army units deploying after January 1, 2010, are no longer using the Stop Loss authority. The Department further expects to reduce the number of Service members on Stop Loss to less than 6,600 by June 2010. This is a 50 percent reduction from February 2009 (date that the Secretary of Defense announced the milestones to end Stop Loss). All use of the Stop Loss authority will end by March 2011.

Two Stop Loss Special Pays have been enacted which allow a payment of up to $500 per month for members whose active duty (retroactive to September 11, 2001) is or was extended by use of the Stop Loss authority. These Pays were appropriated and authorized by the Congress, with the Department's support, to mitigate the impact and disruption that extensive use of Stop Loss had and has on the lives of Service members and their families. The Department implemented both pays, active and retroactive, and appreciates the support of Congress to

compensate members for the unique circumstances presented by the use of this policy, while still preserving our ability to react with discretionary authority as dictated by future circumstances.

Separation Policy

The Department continues to improve military discharge policies in response to conditions of the current war and its effects on those who serve. As we reported to Congress earlier, one such improvement is the addition of increased rigor when using a personality disorder as the basis for administratively separating Service members who had deployed to imminent danger areas. This more rigorous process now includes a review by the Surgeon General of the Military Department concerned, yielding greater confidence that Service members who should be separated due to post-traumatic stress disorder (PTSD) or traumatic brain injury (TBI) are appropriately processed for disability separation as opposed to personality disorder. The immediate evidence of the positive effect of the increased rigor is that the number of personality discharges has decreased from 81 at the policy's promulgation in September 2008 to an average of 16 per month in 2009. Also, in response to Section 512 of the FY 2010 NDAA , the Department is prescribing policy regarding a more in-depth medical examination to assess whether the effects of PTSD or TBI relate to the basis for an administrative separation for those Service members who are pending discharge or who were discharged under conditions other than honorable.

End Strength Management

Meeting end strength is a priority of the Department. The table below depicts the FY 2009 Active Duty authorizations (prescribed and actual) and FY 2010 authorized levels which the Department intends to achieve. The Secretary of Defense has authority granted under the terms of the President's national emergency declaration to increase statutory strength levels

prescribed by the National Defense Authorization Act if needed. The Services have implemented recruiting, retention, and force shaping policies and programs to achieve end strengths for FY 2010. The Department appreciates the Congressional support of the FY 2010 end strength levels. These end strengths will provide the ground forces to meet strategic demands, eliminate the need for the use of Stop Loss, and mitigate persistent capability shortfalls which will reduce stress and demands on Service members and families by increasing dwell time.

Table 2. Active Component End Strength Summary

Component	FY 2009 NDAA/SecDef Prescribed End Strength	FY 2009 Actual End Strength	FY 2010 NDAA End Strength
Army	547,400	553,044	562,400
Navy	326,323	329,304	328,800
Marine Corps	202,000	202,786	202,100
Air Force	330,000	333,408	331,700

Force Development

The Department continues to emphasize joint officer development and has made great strides in implementing the extraordinary authorities authorized in the 2007 NDAA. Active and Reserve component participation continues to grow, and the adjudication of over 3,200 joint experiences from non-traditional joint duty assignments attests to the Department's ability to recognize joint experiences whenever and wherever they occur.

Joint officer management is not the only area of significant improvement for the officer corps. We appreciate the authorities provided by Congress in the FY 2009 and 2010 NDAAs that allow the development of general and flag officers with the joint knowledge and skills necessary to lead and counter emerging threats. This landmark general and flag officer management legislation apportioned general and flag officer authorizations between internal and external Military Service

requirements, ensuring the statutory responsibilities of the Military Departments and the Joint Warfighter can be met.

The enactment of conforming legislation from the Department's 2010 legislative package is also serving to dramatically accelerate the development of joint experience in the reserve components. The legislation expanded on the previously enacted statutory framework affording the Military Departments the opportunities to purposefully develop officers from the reserve components for senior posts in joint warfighting organizations. This delivered on the promise of the charter Goldwater-Nichols legislation by institutionalizing joint officer development through the senior officer grades regardless of component.

Compensation

The Department and the Congress continue their strong commitment to provide a secure standard of living and quality of life to those who serve in uniform. Today, we find ourselves empowered with a never before seen set of flexible and targetable pay authorities which enable the Department to dynamically address recruiting and retention and achieve specific and desirable effects. We also find ourselves with large fixed costs encompassed in our entitlements, and the prospect of continued growth in that area. To secure sufficient personnel for the Armed Forces, the Department must provide a compensation package comparable and competitive in the private sector while at the same time balancing the demands of an all-volunteer force in the context of growing equipment and operations costs.

The Department continues this commitment through the President's request for a 1.4% increase in military pay for all Service members in the FY 2011 budget – an amount that equals earnings increases in the private sector as measured by the Employment Cost Index. Of note, since January 1, 2002 through the January 1, 2010 pay raise, military pay has risen by 42%, the

housing allowance has risen by 83%, and the subsistence allowance has risen by 40%. During this same period, private sector wages and salaries have only risen by 32%. General Accounting Office (GAO) is currently auditing the overall adequacy of military pay, as well as the appropriateness of the benchmarks used to measure any gaps relative to the private sector and its report is due April 2010. We are confident regular military compensation will compare favorably with pay in the private sector. While there is little question that those levels of increase were necessary in the past, the Department now finds itself at a point where discretionary spending offers the best ability to target specific skills, and the quantity and quality of those filling such positions.

Collateral to the GAO review, the President recently commissioned the eleventh Quadrennial Review of Military Compensation. The four themes he has asked the panel to focus on continue the thesis of tailoring pays beyond entitlements to target groups and behaviors. This review, in general terms, will be looking at the compensation package for service performed in combat of hostile areas; compensation for our reserve components in light of current and planned utilization; compensation benefits available to our wounded, those who care for them and the survivors of those fallen; and the pay and incentives for some of our most critical fields, including mental health professionals, special operators, operators of remote systems and those with specialized linguistic skills. With the recently consolidated pay authorities, I am confident in saying Congress has given us the tools we need to address each of these areas; what remains is identifying the best combination of the pays to achieve the ideal combination of outlay to impact. The Department, as always, welcomes the continuance of these authorities, but would be generally opposed to continued entitlement growth beyond indexed levels in the absence of specific goals and outcomes supported by studies such as those just discussed.

Similar to our efforts to target and define the impacts of each pay with our active personnel, we must continue to ensure we support those who have already served, but again, we must do so in an equitable manner and one that is consistent with the overall demands of the Department. As an example, the Department continues to oppose efforts to eliminate the offset between the Survivor Benefit Plan (SBP) and Dependency Indemnity Compensation (DIC) programs. Allowing concurrent receipt of SBP and DIC without offset would create an inequity with one select group receiving two survivor annuities, while survivors of most military retirees and survivors of veterans who died of service connected cause, but were not retired, would receive only one or the other. At the same time, in seeking that broader equity and Department-wide impact, we see a win-win opportunity in expanding the concurrent receipt program to include military disability retirees with less than 20 years of service regardless of disability rating. This expansion would cover our most challenged retirees by allowing them to receive retired pay for their years of service performed and VA disability compensation for their future reduced earning capability.

Overall, the state of military compensation is healthy. We have improved our overall entitlements to the point that all of our personnel are paid at or above the 70th percentile of their civilian counterparts. We have eliminated out-of-pocket expenses for housing to fully cover, on average, the costs of comparable civilian housing. We have gained a new and dynamic set of authorities which we are in the midst of implementing. For the first time, we truly have the ability to target pay with pinpoint accuracy to achieve desired aims and maximize effects of dollars spent. Our challenge today is to maintain this position without imposing greater long term bills, while using our targetable tools to shape and manage our force.

Legislative Fellowship Program:

The Legislative fellowship program is a unique and excellent opportunity for members with great potential to serve to learn the day-to-day functions of the Legislative Branch of Government and is a valuable experience in the professional development of career military members or civilian employees in the Department. The Services and Components assign their Legislative Fellows to appropriate follow-on tours, which the Department monitors for each Fellowship cycle. Typical of the follow-on assignments are positions in: the House and Senate Liaison Divisions of the Services; the Office of the Secretary of Defense (Legislative Affairs); the Combatant Command Headquarters with duties associated with interacting with Congress; Service primary staffs responsible for legislation development and interaction with Congress; and the Staffs of senior leaders. The Secretary of Defense established the maximum number of Legislative Fellows at 100. The 100 Legislative Fellowships are broken out in CY 2011 as follows:

	Military	**Civilians**	**Total**
Army	24	1	25
Navy	20	2	22
Marine Corps	13	2	15
Air Force	32	4	36
Defense Agencies	0	2	2

Legislative Fellows serve no more than 12 months in the House or Senate. The Legislative Fellowship Program is the only program that authorizes Department of Defense personnel to work in Congress on a more than temporary basis and the program and policies are clearly promulgated in a DoD Instruction. Legislative Fellows are selected under Service competitive selection process and approved by the OUSD (P&R).

RESERVE COMPONENT

Achieving the defense strategy articulated in the Quadrennial Defense Review (QDR) requires a vibrant National Guard and Reserve seamlessly integrated into the Total Force. National Guard and Reserve units and individual members are heavily utilized across the full spectrum of current military operations, ranging from combat missions in support of the Global War on Terror to homeland emergencies. The Guard and Reserve have demonstrated their readiness and ability to make sustained contributions, and to prevail in today's wars, the Reserve components must serve in an operational capacity – available, trained, and equipped for predictable routine deployment- as well as a strategic capacity. Preventing and deterring conflict will likely necessitate the continued use of some elements of the Reserve Component (RC) in an operational capacity well into the future, especially in high-demand skill sets. Accordingly, the Department will use the Guard and Reserve where needed as an operational reserve, rather than the "force of last resort," to fulfill requirements for which they are well suited in the United States and overseas. Today's Citizen Warriors have made a conscious decision to serve, with full knowledge that their decision means periodic recalls to active duty under arduous and hazardous conditions.

Consistently averaging about 140,000 National Guard and Reserve members mobilized to support ongoing operations on a daily basis, the Reserve components continue to make significant contributions to the National Defense. The FY 2011 budget provides about $50 billion for pay, training, equipping, and facilities to support the Reserve Components of the Army, Navy, and Air Force in their respective Reserve components as operational Reserve forces. The budget includes an across-the-board pay raise of 1.4%, along with pay and

allowances for over one million personnel. Operating funds support necessary training requirements to ensure deploying personnel are fully mission-ready.

The FY 2011 budget request supports the Department's Ready Reserve totaling about 1.1 million members contributing about 43% of the total military end strength at a cost of about 9% of the total base budget. The Ready Reserve consists of the Selected Reserve (about 838,300), the Individual Ready Reserve (IRR) about (250,000), and the Inactive National Guard (ING) (about 2,000). This budget request includes about $53.3 billion to fund pay and allowances and costs of Reserve component training, incentives, equipment operation and maintenance costs, and readiness training costs for eligible military personnel. This amount includes $5.5 billion for Reserve component equipment procurement, which is funded by the Military Departments as a subset of their Active component procurement budget.

Managed as strategic and operational forces, the total Reserve component structure operates across the continuum of military missions performing both strategic and operational roles in peacetime, wartime, contingency, domestic emergencies and homeland defense operations. As such, the Services organize, resource, equip, train, and utilize their Guard and Reserve components to support mission requirements to the same standards as their Active components. The budget supports preparation of both units and individuals to participate in missions, across the full spectrum of military operations, in a cyclic or periodic manner that provides predictability for the combatant commands, the Services, Service members, their families, and civilian employers, while potentially increasing the Department's overall capacity and reducing costs.

To help reduce Active component "dwell to deployment" ratio, all Reserve components are moving towards a more rotational process, characterized by a period of active service thereby

relieving active force burden, and then followed by an extended period at home. The current mobilization policy issued in January 2007 by the Secretary of Defense mandated involuntary mobilizations be limited to no more than 12 months, which does not include individual skill training days required for mobilization or deployment or terminal leave. The Secretary of Defense also set a goal of not more than one year mobilized in any six year period for the Reserve components. The Services are moving toward this goal as quickly as possible given current operational requirements. Unlike before, when the RCs were usually funded at less than full readiness because they were not first to fight, specific units now must be fully resourced in any given year. This new train-mobilize-deploy construct means that the RCs must be ready, manned, trained, medically and dentally prepared, and equipped when their scheduled availability comes up, and they must be funded accordingly.

Resourcing Operational Reserve Forces

Managing the Reserve Components as operational forces affects training schedules and funding requirements, including medical readiness. In the past, normal training profiles meant training about two days per month plus 14-15 days of active duty for training annually, during which time RC personnel were required to train to the same standards as their Active counterparts. While that training profile remains for some units, current Department policy states that for those with planned deployments, training days prior to mobilization must increase. This training profile, with more training pre-deployment and less post-deployment, minimizes mobilized time away from families and civilian jobs and will require a different resourcing approach. In general, the land based (Army and Marine Corps) Reserve components train according to this new profile, meaning that funds which had been consumed after mobilization from the Active accounts are now required and expended prior to mobilization from the Reserve

accounts. This change in training profiles means a simple comparison to prior year execution funding models can be misleading. For FY 2011, Congress has authorized Reserve component military personnel budgets to be consolidated into a single budget activity, allowing much improved management of Reserve component assets and more agile fund allocation. This flexibility is especially crucial for managing funds for the new operational reserve, and the Department greatly appreciates this Congressional approval.

Equipping and Basing Operational Reserve Forces

The FY 2011 budget requests $5.5 billion for Reserve component equipment, and provides greater transparency and more robust funding for vital equipment needs as the Department continues to ensure that deployed and next-to-deploy units, whether in the Active or Reserve component, receive the highest equipping priority. Effective and realistic readiness training at home requires that the National Guard and Reserve have access to equipment compatible with the Active components and used in the assigned operational environment. Modernization, mission transformation, equipment replacement due to the war losses, and homeland defense are all catalysts for a new approach to equip the Reserve components.

In the past, the Reserve components often relied on cascaded or "hand-me-down" equipment from the Active components and they often were short in their equipment inventories. The FY 2011 budget contains funds needed for Reserve component equipment procurement to continue that transition, repair and replace war-damaged equipment, and to correct longstanding deficiencies. The budget request includes funds for equipment that will not only improve combat readiness but will also allow the National Guard to further improve its ability to respond to local domestic emergencies.

Additionally, the Guard and Reserves previously have been a low priority for receiving

new equipment. But today that standard has changed and these Forces receive the same equipment as their Active counterparts. We have achieved major progress in programming funds and equipping our Reserve components for an operational role. With this operational role comes the requirement for equipment transparency in form of increased visibility and accountability for the National Guard and Reserve in the programming and budgeting process. Institutionalizing this process will ensure an adequate mission capability for foreign and domestics responses and we are proceeding in that direction.

The Reserve components request $ 1.4 billion for military construction (MILCON) projects. These projects will meet both current and new mission requirements for RC operations, readiness, and training facilities.

READINESS AND TRAINING

Deployment and Dwell

Multiple deployments to Iraq and Afghanistan have certainly increased the stress on our Service members and their families. We have a number of initiatives underway to address this stress, and have set clear limits and goals for deployment lengths and the amount of time or "dwell" between deployments.

To that end, we have limited unit deployments to one year in theater, with a minimum of one year between deployments for our Active component. Our goal is to increase the time between deployments to two years for every year deployed, commonly called a 1:2 "dwell" ratio. For the Reserve Component, we have limited the mobilization period to one year, and strive to have a minimum three year break between mobilizations. The goal for Reserve component dwell ratio is one year mobilized with a five year break between mobilizations, or a 1:5 dwell ratio.

Dwell time is driven by the number of forces deployed for missions around the world against the supply of available forces. We have increased the supply of forces by increasing the end-strength for the Army, the Marine Corps, and Special Operations forces. We also expect to make progress toward meeting the dwell goals as we drawdown forces in Iraq.

Defense Mishap Reduction Initiative.

As Chair of the Defense Safety Oversight Council (DSOC), I have been chartered to ensure that the Department is making steady progress toward the Secretary's goal of a 75 percent reduction in all accidents. The Department has made considerable progress to date due to the tremendous effort of our military and civilian leaders. From our 2002 baseline, we have reduced our civilian lost work day rate 41 percent, are down 31 percent in our private motor vehicle

fatality rate, and dropped our Class A aviation accident rate 56 percent.

The DSOC is supporting the Military Departments' pursuit of the Occupational Safety and Health Administration's (OSHA) Voluntary Protection Program (VPP) at more than 200 DoD installations and sites. We have 30 sites that have already attained OSHA's Star recognition and we expect 17 more sites by the end of 2010. Their OSHA Star status designates them as exemplary worksites with comprehensive, successful safety and health management systems, and improved labor/management relations.

We recently completed a comprehensive, data driven assessment to further prevent aircraft crashes, save military lives, and reduce the need for replacement aircraft. The task force, consisting of a variety of experts from across the Department, recommended that the military aviation communities acquire technologies for collision awareness, crash survivability, and risk management. As a result of this important work, the Military Departments are making further investments in hardware and software that will avert aircraft crashes. With your continued support, we can make further progress in preventing injuries, fatalities, and aircraft crashes; and be well on our way towards attaining the Secretary's accident reduction goal.

MILITARY HEALTH SYSTEM

Health Budgets and Financial Policy

The FY 2011 budget reflects several areas of continued emphasis, including the modernization of our medical infrastructure and full funding and support of our Wounded, Ill and Injured programs. The Unified Medical Budget, the Department's total request for health care in FY 2011, is $50.7 billion. This includes the Defense Health Program, Military Personnel, Military Construction, and Medicare-Eligible Retiree Healthcare. Major increases in the budget request include $0.8 billion for medical and general inflation; $1.2 billion for private sector care costs due to an increase in users of TRICARE and an increase in utilization of the TRICARE benefit; $0.6 billion for enhancements for the Direct Care system; and $0.3 billion for modernizing the Department's electronic health record to enable data compatibility for the Virtual Lifetime Electronic Record, and correcting critical system problems, increasing user satisfaction, and improving system reliability and availability.

Our primary and enduring responsibility is to provide the highest quality care to our beneficiaries, using the most current medical evidence to drive our clinical decision-making; and one of our fundamental tenets is that quality of care is also cost-effective. In addition, there are a number of actions we have undertaken and will continue in FY 11 to continue to provide value to the Department and the taxpayer. The ways we are addressing cost effectiveness in FY 11 include:

- continued implementation of Federal Ceiling Pricing of retail pharmaceuticals ($842 million savings);
- continued implementation of the Outpatient Prospective Payment System, which reduces the reimbursement paid for outpatient care at inpatient private sector care facilities ($366 million savings)
- standardization of medical supply chain management across the full range of military health care operations ($27 million savings);

- increasing efforts to identify and detect fraud, waste, abuse, and overpayments to civilian medical providers ($68 million savings); and
- additional VA and DoD facilities sharing – most notably the first fully integrated Joint DoD/DVA healthcare collaboration consisting of the North Chicago Veterans Affairs Medical Center and the Navy Ambulatory Care Center, Great Lakes, Illinois.

Health Affairs/TRICARE Management Activity Strategic Direction

In 2002, the Assistant Secretary of Defense for Health Affairs (ASD/HA) aligned policy and program execution strategies under Health Affairs/TRICARE Management Activity (HA/TMA). In HA/TMA, as in most organizations, the bridge from strategy to execution was challenging, and the organizational alignment, still in effect today, was intended to streamline processes for faster and more effective execution of policies and programs. Under this arrangement, HA is setting clear strategic direction for the Military Health System (MHS) in partnership with the Services.

For the past twelve months, HA/TMA has worked closely with the Service Surgeons General on initiatives that have coalesced around a strategic initiative known as the "Quadruple Aim." Borrowing liberally (and with permission) from the non-profit Institute for Healthcare Improvement's (IHI) "Triple Aim," the Department is focusing on four strategic imperatives:

- Readiness - Ensuring that the total military force is medically ready to deploy and that the medical force is ready to deliver health care anytime, anywhere in support of the full range of military operations, including humanitarian missions.
- Population Health - Improving the health of a population by encouraging healthy behaviors and reducing the likelihood of illness through focused prevention and the development of increased resilience.
- Experience of Care- Providing a care experience that is patient and family centered, compassionate, convenient, equitable, safe, and always of the highest quality.
- Responsibly managing the total health care costs - Creating value by focusing on measuring and enhancing quality healthcare; eliminating inefficiencies; reducing unwarranted variation; and emphasizing investments in health that reduce the burden and associated cost of preventable disease in the long term.

There are many important initiatives that will emerge from this strategic direction. One of the most vital, because it will have effects across all four components of the Quadruple Aim, is the "medical home" concept being piloted by all three Services. This approach takes the existing construct of a primary care manager and enhances it through improved access to care. Features will include 24/7 access to a provider through multiple avenues – that will include leveraging technology to avoid unnecessary visits or emergency room visits. More importantly, it will enhance continuity of care and greatly improve satisfaction with service. The early results from pilot sites are very encouraging, and we are applying lessons learned from these sites to improve the program as we proliferate it across the Department.

With the shared vision of the Quadruple Aim and a revised decision-making process, the MHS is laying the groundwork for a smooth transition under the BRAC-directed co-located medical headquarters in the National Capital Area (affecting HA/TMA and the Services' Surgeons General staffs). The co-location initiative offers significant opportunities to achieve even greater unity of effort.

Mental Health Professionals

Significant effort has been made to recruit additional mental health personnel in order to meet the growing demand for behavioral health services in the Department. Since 2007, the number of active-duty mental health providers has remained relatively constant, yet we expect the Consolidation of Special Pay language (10 USC §335) recently implemented will have a significant effect on retention of psychologists and social workers.

Our work to recruit civilian mental health providers has been very effective. Table 3 shows the Services total mental health needs/requirements as compared to the number of providers on-hand as of the third quarter of FY2009. The Navy and the Air Force compare

assigned personnel versus requirements. The Army's growing needs are not completely reflected by official requirement documents yet, and thus they are identified as "needs." Table 4 shows the significant improvements in total Mental Health personnel that have been made since 2007, including in the TRICARE Network.

Table 3: Mental Health Personnel Gap analysis

Army	Needs	Authorized	Assigned	Assigned/Needs
Psychologist	1,013	595	926	91%
Psychiatrist	474	243	408	86%
Social Worker	1,297	520	1,123	87%
MH Nursing (including NP)	288	152	285	99%
Other Licensed MH Provider (Marriage Family	48	-	46	96%
Tech/Counselor	716	654	586	82%
Total	3,836	2,164	3,375	88%

Navy	Requirements	Authorized	Assigned	Assigned/Requirements
Psychologist	331	331	300	91%
Psychiatrist	176	176	166	94%
Social Worker	176	176	166	94%
MH Nursing (include NP)	130	130	143	110%
Other Licensed MH Provider (OT)	39	39	35	90%
Tech/Counselor	507	507	433	85%
Total	1,359	1,359	1,243	91%

Air Force	Requirements	Authorized	Assigned	Assigned/Requirements
Psychologist	372	372	342	92%
Psychiatrist	145	145	149	103%
Social Worker	405	405	373	92%
MH Nursing (including NP)	102	102	74	73%
Other Licensed MH Provider	0	-	-	0%
Tech/Counselor	828	828	778	94%
Total	1,852	1,852	1,716	93%

Table 4: Total Mental Health Staffing

Location	2007	2008	2009*
Military Facilities**	4,129	4,373	6,061
TRICARE Network Providers***	39,587	45,215	49,807

***Data as of 2nd Qtr 2009**
****Military, Civilians, and Contractors FTEs in MTFs**
*****Represents expansion of mental health providers in TRICARE network including psychiatrists, psychologists, social workers, licensed mental health counselors, and psychiatric nurse practitioners (community based providers)**

Suicide Prevention

The Department's civilian and military leadership remain focused on employing numerous strategies to reduce the incidence of suicide in the Armed Forces. In calendar year (CY) 2009, there were a total of 312 suicides – 285 in Regular Components and 26 in Reserve

Components – marking an increase from 268 in CY 2008. Suicides within the Regular Components increased from 235 in CY 2008 to 285 in CY 2009. Demographic risk factors are: male, Caucasian, E-1 to E-2, younger than 25 years old, GED / less than high school education, divorced, and in the Active Duty Component. Other factors associated with suicide, which are consistent with data from the civilian population, are: substance abuse, relationship problems, legal, administrative (article 15), and financial problems. Although the impact of role of deployment on suicide risk is still under investigation, a majority of suicides do not occur in the theaters of operation.

Table 5: Total Suicides

	2001		2002		2003		2004		2005		2006		2007		2008		2009		Year Total
	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	
Total/Year	166	10.3	171	10.3	190	11	194	11.3	189	11.3	218	13.1	224	13.5	268	16.3	311	18.5	1920
Regular	128	10.6	146	10.3	158	11	171	12	148	10.7	187	13.5	197	14.2	235	16.9	285	20.3	1652
Reserve	13	9.3	25	10.6	32	11.1	23	8	41	14.8	26	10.7	27	10.8	33	12.7	26	9.5	248
OEF	1	*	3	*	4	*	2	*	4	*	3	*	5	*	4	*	6	*	32
OIF	0	*	0	*	27	*	20	*	25	*	31	*	41	*	38	*	35	*	217

*Source: DoD Mortality and Surveillance Division (per 100K)

When a Service member has a problem, he or she can, in most cases, receive confidential help from military and other mental health providers. However, if the individual is unable to perform his/her duties, is homicidal or suicidal, or is in a sensitive duty, the commander will be notified for safety reasons. Resources available to Service members and their families include: confidential problem-solving counseling through Military OneSource, online information and tools at militarymentalhealth.org and afterdeployment.org, confidential pastoral counseling with chaplains, Military Family Life Consultants (active duty and families), military mental health providers, Service-level counseling centers, and access to information and referral to mental health professionals through the Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury (DCoE) Outreach Center.

The Department and Services recognize suicide prevention begins long before an individual exhibits suicidal ideation. Comprehensive programs focus on enhancing resilience and early identification designed to reduce psychological health issues or disorders that may contribute to suicide risk. Leadership at every level receives training on warning signs, resources, healthy lifestyle choices, and actions to take if an intervention is deemed necessary. The Suicide Prevention and Risk Reduction Committee (SPARRC) is a forum for developing/expanding partnerships among the Services, VA, federal and civilian partners. The SPARRC's goal is to improve policies, programs and systems across the Department while providing support for medical, line, and community leaders. Chaired by DCoE, the SPARRC includes representatives from all Services, VA, SAMHSA, CDC, Medical Examiners, Chaplains, Telehealth/Technology and National Guard/Reserves.

The Department also collaborates with VA and the Substance Abuse and Mental Health Services Administration (SAMHSA) on suicide prevention efforts. This includes an annual joint DoD/VA conference on reducing the rate of suicides in the Active Duty Components, Reserve Components, and veteran populations. The January 2010 DoD/VA Suicide Prevention Conference, "Building Strong and Resilient Communities," brought together over 900 Service members, family members, and mental health professionals throughout DoD, VA, and other Federal agencies. The conference highlighted practical tools, personal stories, and ongoing efforts in supporting the community.

The Department's mental health initiatives dovetail with both the Readiness and Population Health components of the Quadruple Aim. We have developed metrics that we closely monitor to determine if our programs are effective and if our policies are being effectively implemented. We are also broadening our view of readiness, to include perspective

on the "readiness" of an entire family for a Service member's deployment. In 2010, we will expand our measures to include this more expansive view of readiness – and consequently, better manage pre-deployment, deployment, and post-deployment activities for the Total Force.

We recognize the number of suicides continues to increase and suicide has a multitude of causes, and no simple solution. There are many potential areas for intervention, and it is difficult to pinpoint the best approach because each suicide is unique. Recognizing this, DoD is tackling the challenge using a multi-pronged strategy involving comprehensive prevention education, research, and outreach. We believe in fostering a holistic approach to treatment, leveraging primary care for early recognition and intervention, and when needed, providing innovative specialty care. The areas of focus to reduce risk include: (1) conducting data collection and analysis to detect contributing risk factors; (2) facilitating partnerships across DoD, federal, and civilian organizations to increase collaboration and communication; (3) reducing stigma and increasing access to resources to provide needed care; and (4) using research to close gaps and identify best practices.

Health Informatics

The DoD's Electronic Health Record (EHR) continues to be a key enabler of military medical readiness; giving healthcare providers secure, 24/7, worldwide access to medical records of our highly mobile patient population. Across the enterprise, the EHR supports uniform, high-quality health promotion and healthcare to more than 9.5 million MHS beneficiaries. Using the EHR, our healthcare providers access the electronic medical records of MHS beneficiaries from any point of care throughout the direct care system.

The MHS Information Management / Information Technology Strategic Plan for 2010 – 2015 provides the roadmap for improving the EHR, and lists EHR improvement as a top IM/IT priority. Using this roadmap, MHS will effectively execute its action plan to stabilize the current system while transitioning to a suite of EHR applications and supporting infrastructure that will improve reliability, speed, user interface and data integrity, and achieve higher satisfaction from all users. These improvements will enhance IT interoperability within the MHS and support planned improvements in electronic health data sharing with VA and our private sector care partners.

For future years, ICIB will prioritize additional health related sharing capabilities or usability enhancements to continue the advancement of DoD/VA interoperability in a manner that supports clinicians in healthcare delivery. The Departments will continue to work together to improve and expand upon the interoperability of appropriate healthcare data as appropriate and necessary.

Virtual Lifetime Electronic Record (VLER)

On April 9, 2009, President Obama announced that DoD and VA would work together to create of a "virtual lifetime electronic record" (VLER) for Service members and Veterans. While the Department and VA already share an unprecedented amount of health care information between the two systems, a very large portion of health care to our beneficiaries comes from private sector contract providers. The DoD, VA, and the Department of Health and Human Services are working together to promote access of electronic health care information for care provided in DoD, VA, and private sector facilities while DoD and VA continue to leverage work already done to improve our capabilities for sharing information.

VLER will rely on the Nationwide Health Information Network (NHIN) as the mechanism to share standards-based health data between DoD, VA, and private sector partners. Well-defined standards are the essential foundation for interoperability among systems. These standards will be guided by the Department of Health and Human Services (HHS) and will be consistent with the NHIN model based on the Federal Health Architecture.

DoD and VA have been active participants and among the leaders in the development of the NHIN working with the HHS Office of the National Coordinator for Health Information Technology. The NHIN will tie together health information exchanges, integrated delivery networks, pharmacies, government health facilities and payers, diagnostic laboratories, providers, private payers, and other stakeholders into a "network of networks." The NHIN provides a national standards-based mechanism for previously unconnected electronic health records and other sources of healthcare information to share information securely while respecting and enforcing mandates for guarding patient privacy.

Working together with HHS and private health care providers, DoD and VA are creating a capability that will take a huge step towards modernizing the way health care is delivered and services are administered for our nation. VLER will allow health care providers access to Service members' and Veterans' military medical records, providing the information needed to deliver high-quality care. VLER will do all of this with the strictest and most rigorous standards of privacy and security, so that our Service members and Veterans can have confidence that their medical records can only be shared at their direction.

VLER is not a large acquisition program nor will VLER result in one single DoD/VA Information Technology (IT) system. Rather, VLER builds on the electronic health care systems already in place in DoD, VA and the private sector. Even if DoD and VA were to embark on a

huge acquisition program to implement a single system, they would still not be able to access the critical information captured by the private sector. The VLER solution is viable for the entire health care community and enables each individual entity to develop and maintain their own internal systems. It creates an opportunity for competition since it uses well-documented standards that can be implemented through a variety of electronic health initiatives that can be linked to the NHIN.

World-Class Medical Care in the National Capital Region

The 2005 Base Realignment and Closure (BRAC) recommendation that realigned operations from Walter Reed Army Medical Center to a new Walter Reed National Military Medical Center (WRNMMC), Bethesda and Fort Belvoir Community Hospital (FBCH), was the Department's first step in a larger effort to transform, realign and significantly enhance the way it delivers healthcare in the National Capital Region (NCR) today and in the future. The Department established the Joint Task Force National Capital Region Medical (JTF CAPMED) in October 2007 as a body to oversee these efforts of the BRAC recommendations. The Department is committed to providing world class health care to our returning wounded while adopting the new world class facilities standards incorporated in the FY 2010 NDAA.

The Department's commitment is demonstrated by the addition of $240 million since the start of this fiscal year and FY 1011 funding for projects identified as necessary to achieving and enhancing those world class standards at the Walter Reed National Military Medical Center. This includes an additional $125 million for the current construction and renovation projects, an additional $35 million for upgrading the operating rooms, and $80 million for additional billeting and associated parking. Congress required the Department submit a plan on how it will achieve the rest of the new standards for world class facilities and that report is in coordination in the

Department now. We will meet the Congressionally-mandated due date. It will respond to questions on aligning operational and budget authorities and identify additional construction and renovation projects to achieve the new facilities standards.

TRICARE Third Generation (T3) Contract Award Protests Status

The TRICARE Third Generation (T3) source selection process started in March of 2008, when the Request for Proposals (RFP) was released. Proposals responding to that RFP were received in June 2008 and the evaluation of those proposals continued until contract award in July 2009. Upon award of the three regional contracts, bidders from each Region filed protests; the North and South protests were filed with the Government Accountability Office (GAO), and the West was filed as an agency-level protest. Work under the T3 contracts in all three Regions was stopped in accordance with the rules regarding protester rights.

The contracting officer is nearing completion of the investigation into issues raised by the North Region protester at GAO, and it is expected that decision will be made public within the next several weeks. Additionally, TRICARE Management Agency (TMA) is finalizing its approach to the South Region protest and it is expected that parties will be notified of the approach within the next several weeks. The West protest remains on hold until the South Region protest is completed and final determinations are made. TMA has assured that there will be no disruptions in beneficiary healthcare. Continued health care coverage for beneficiaries is ensured through extension of the existing contracts with our current contractors.

MILITARY FAMILY SUPPORT AND WOUNDED WARRIOR CARE

This past year, due to the high level interest in supporting military families, resources were increased to institutionalize Service member and family support programs across the Department. A 41% increase in the Defense-wide family assistance baseline funding in FY 2011 from FY 2010 will provide lifelines of support for Service members and their families through outreach to Guard and Reserve members and families, Military OneSource 24/7 accessible family support assistance, referrals for counseling, financial education d training, and access to education, training certification opportunities leading to a portable career for spouses.

To ensure we are on-target in investing in programs needed by Service members and their families, we initiated an extensive strategic planning process to address the current issues facing family readiness programs, beginning with a thorough assessment of existing needs, programs, and related issues. A variety of methods were used to gain input from key players across the system, including family members, support professionals, non-governmental organizations, land-grant universities, and senior DoD leadership.

Child Care

Access to child care remains a top priority for the Department. Efforts are ongoing to meet the needs of our deployed families, including National Guard and Reserve families. We have expanded respite child care options through the YMCA program, offering opportunities for geographically isolated families to help mitigate the stress experienced by the parent at home. These efforts augment the respite child care provided by the Military Services.

We continue to reduce the unmet need for child care, yet are cognizant of the ongoing need to recapitalize our aging child and youth facilities. We need to eliminate barriers to hiring

practices key to expanding our partnerships with community child care providers. The temporary program to use minor military construction authority for the construction of child development centers provided a means to increase the availability of quality, affordable child care for Service members and their families. This authority expired at the end of FY 2009, and we have proposed legislation to reinstate the authority. The legislation would also expand age limit requirements from five years old to twelve years old to include children in school age care programs, broaden the authority to include other family support initiatives (e.g., family center, fitness facilities, etc.), and increase the funding authority to $15M for all projects.

Youth Programs

We are also deeply committed to addressing the needs of our military youth. More than 350 dynamic, innovative and successful youth programs serve more than 500,000 military connected children and youth between the age of 6-18 worldwide. Programs promote positive youth development and prepare pre-teens and teenagers to meet the challenges of military life, adolescence, and adulthood. Partnerships with other youth-serving organizations enable the Department to offer resources in a variety of domains, including physical fitness and sports; arts and recreation; training in leadership; life skills; career/volunteer opportunities; mentoring; intervention; and support services. Programming supports character and leadership development, sound education choices, healthy life skills, the arts, and sports and recreation. Many programs offer summer day camp and youth employment opportunities.

Family Advocacy Programs

The DoD Family Advocacy Program (FAP) plays a key role in addressing familial physical, sexual, and emotional abuse and neglect involving military personnel in the active component as victims and abusers. On each military installation with command-sponsored families, there is a FAP that provides services in prevention, identification, intervention and treatment of child abuse and neglect and domestic abuse. Two key programs, the New Parent Support Program and treatment programs for substantiated spouse abusers have been tied to outcomes for prevention.

Casualty and Mortuary Affairs Programs

The Department remains committed to providing the highest quality of compassionate and caring assistance to families of fallen Service members for as long as they determine assistance is needed. After which, additional assistance can be obtained by a simple phone call or letter written to the appropriate Service Casualty Office. Since early 2006, the Department has worked extensively with the Military Services; the Department of Veterans Affairs; the Social Security Administration; family support organizations; non-profits groups, and more importantly, survivors, to ensure our policies and procedures are standardized to the maximum extent possible, more customer focused, and flexible enough to address unique situations.

While the Department has made many enhancements to the Casualty Assistance Program, we recognize there is always room for improvement and therefore we strive every day to make it better, simpler, more respectful, and more compassionate. As the Secretary stated, "When young Americans step forward of their own free will to serve, they do so with the expectation that they and their families will be properly taken care of should anything happen to them." We listen to those we serve and to those organizations who have dedicated their existence to providing valuable support and services to survivors of the fallen. Together, our collaborative efforts will

ensure our program will continue to be enhanced and our families provided the very best assistance possible.

Military OneSource

Military OneSource (MOS) continues to have a positive impact on Service members and their families. One Source offers a 24-hour/365 day centralized assistance program to provide diverse information and referral services by credentialed counselors to Active Duty, Guard, Reserves and their family members, regardless of physical location or activation status. Assistance can be provided in many languages. Since inception, Military OneSource has experienced exponential expansion. Over 739,000 telephone calls were received in FY 2009, more than doubling the number of calls received in FY 2008. The website received over 4 million visits, almost doubling the number of visits received during the prior year. Nearly one in three Service members uses Military OneSource.

In general, the most common reasons for which a person sought MOS counseling were marital and intimate relationships, stress management, family relationships, and anger management. In addition, MOS financial counseling support is offered in-person and telephonically. In FY 2009, MOS conducted 4,501 financial counseling sessions. The most common reasons for which a person sought financial counseling support from MOS were budgeting and money management, overextension with bills, credit management, loans and consolidating loans, and mortgages and refinancing. In FY 2009, OneSource assisted members and families with almost 600,000 tax filings at no cost to the family.

The Wounded Warrior Resource Center (WWRC), accessed via Military One Source, provides immediate assistance to the wounded and their families with issues related to health care, facilities, or benefits. The WWRC works collaboratively with the Military Services'

wounded warrior programs and the Department of Veterans Affairs to ensure callers are promptly connected to the resources that can help address their needs. In FY09, 1,200 cases for wounded warriors were handled.

Dependents' Education Programs

A key quality of life issue is the education of military children. Service members often make decisions about assignments based on the availability of quality educational opportunities for their children. The Department of Defense Education Activity (DoDEA) provides quality pre-kindergarten through 12th grade educational opportunities and services to eligible military dependents around the globe where DoDEA schools are located. Of the approximately 1.2 million military dependent children, DoDEA educates nearly 85,000 in 192 schools in 12 foreign countries, seven states, Guam, and Puerto Rico with 8,700 educators. DoDEA also assists eligible military dependent students through a tuition reimbursement program for military assigned to overseas locations without a DoDEA school.

The ongoing relocation of military dependent students through force structure changes created a need to enrich and expand partnerships with military-connected communities to ensure the best possible educational opportunities for military dependent children. Through its Educational Partnership Initiative, DoDEA was given expanded authority to assist local education agencies (LEA's) who educate military dependent students through efforts focused on highest student achievement. DoDEA works collaboratively with the Department of Education to ease the transition of military students by sharing experience and expertise with LEAs who educate larger populations of military dependent students.

Data from the Department of Education reports that there are 300 LEAs with a military child enrollment of 5% or more. Of the 300 LEAs with 5% military child enrollment, 153 of the

LEAs are not meeting the state academic standards in reading/language arts and/or math using annual tests aligned to academic indicators. In addition, there is significant research surrounding the psychosocial effects of multiple deployments on school performance and student behavior. In FY 2009, DoDEA extended support through grants focusing on enhancing student learning opportunities to 44 school districts serving approximately 77,000 military children in over 284 schools.

Through new technologies, DoDEA is developing additional academic opportunities for its students. The focused efforts are to expand access to education and provide curricular options to eligible students within DoDEA through the expanded use of distance learning. DoDEA plans to transition its distance learning program into a virtual school program beginning with the implementation of fully accredited virtual high school in School Year In 2010-2011. These tools include real-time audio and video, document sharing, screen sharing and web collaboration to stimulate active teacher-student, student-student and student-content interaction. A "virtual hub" model has been put into place that puts the teachers in locations closer to the students to facilitate interaction that simulate traditional classroom discussion and one-on-one tutoring.

Beginning in 2008, DoDEA implemented a new process for advising decision-making that focuses on highest student achievement and a thorough review of data, implementation, and effectiveness of programs. Part of the advisory process includes educator-led task groups which review and analyze data. DoDEA task groups are convened for various reasons such as instructional and curricular topics, issues of interest from the field, or management needs. All task groups spend considerable time reviewing and analyzing information and data on a specific issue and then, through consensus, developing systemic recommendations sent to the Director to guide future educational actions. Currently, DoDEA has seven on-going task groups.

Korea Tour Normalization

United States Forces Korea (USFK), through the Tour Normalization Program, is aggressively increasing command-sponsored military families on the Korean peninsula for the primary purpose of establishing a higher quality of life for military families. In addition to the housing needs, this impacts educational needs. DoDEA anticipates adding 25 schools in Korea over the next ten years, providing an end state program by 2020 of 31 DoDEA schools in Korea. Student growth is expected to grow from 4,422 DoDEA students currently in the Republic of Korea to 21,758 at the end state. This is approximately a 500% increase in the student population. DoDEA is actively working programmatic details with USFK and local Military Service communities to support this effort.

MWR Support to Troops in Combat

The ability to communicate with family and friends is the number one factor in being able to cope with longer and more frequent deployments. We continue to balance the most effective use of available bandwidth between mission and personal requirements, including wireless access. Currently, Service members have free access to the non-secure military Internet by using their military e-mail address, including aboard ships. They also have free Internet access at over 1,008 MWR Internet Cafes in Iraq and Afghanistan with 9,241 computers and 4,101 Voice Over IP phones (with call rates of less than 4 cents a minute). Another 197 cafes, 2,191 computers and 1,154 phones have been funded for FY10 for use in Afghanistan. To enhance MWR provided services, the Exchanges provide personal information services for a usage fee for this customer convenience. Back home, computers and Internet service located in our family support centers, recreation centers, libraries, and youth centers help ensure families can connect.

DoD-State Initiatives

The Department continues to work with state governments to educate their policy makers on the life-challenges faced by Service members and their families and to ensure that state-level policies do not disadvantage military families' transient life style. States have addressed several key quality of life issues, to include the impact of frequent school transitions experienced by military children, the loss income by military spouses as a result of military moves, and the enforcement of the Congressionally-mandated DoD predatory lending regulation. The response from states has affirmed their commitment to supporting the well-being of the Nation's fighting force. For example, 27 states have joined the Interstate Compact on Educational Opportunity for Military Children, 36 states now provide eligibility for unemployment compensation to military spouses, and 30 states enforce the DoD predatory lending regulation. The Department is continuing this effort in the 2010 session and has added child custody to the slate of issues. In this regard, the Department is asking states to appropriately balance the interests of Service members who are absent due to military service with the best interests of the child by ensuring absences caused by military deployments are not the sole basis for permanent custody decisions and addressing delegation of visitation rights while the Service member is deployed.

Special Needs

The establishment of the Office of Community Support for Military Families with Special Needs was mandated by NDAA 2010. The purpose of the Office is to enhance and support Department of Defense support for military families with special needs to ensure parity across the Services. The Office will be headed by a member of the Senior Executive Services. It will be staffed with personnel in the fields of medicine, education, early intervention, social work, personnel and information technology, as well as members of the armed services to ensure

appropriate representation by the military departments. Currently, plans are underway to identify the specific mix of staff and to create an umbrella Office of Community and Family Support with an emphasis on special needs, which will synchronize all family support needs with those of families with special needs.

Disability Evaluation System (DES)

The DES Pilot simplifies and restructures how Service members are evaluated for continued service and compensation as a result of a wound, injury, or illness. Based on the recommendations of several commissions and task forces, DoD and VA implemented the DES Pilot on November 26, 2007, at three National Capital Region (NCR) locations (Walter Reed, Bethesda, and Malcolm Grow). Since November 2007, this program has been administered jointly by the DoD and VA. The Pilot eliminates duplicate disability examinations and disability ratings by the Departments. The DoD determines fitness for duty; the VA examines and rates for disability. The rating is used by DoD for unfitting conditions and by VA for all service-connected or aggravated conditions. After March 2010, the DES Pilot will operate at 27 locations across the continental United States and Alaska and encompass 47% of all potential Service members' cases. Compared to the legacy system, case processing time has been nearly cut in half (46% decrease) for Active and Reserve Component Service members. The Pilot will be expanded to encompass 100% of the DES by December 2012. The DES Pilot Final Report which includes the results and recommendations for the DES Pilot-model worldwide implementation will be forwarded to Congress by May 31, 2010.

Transition Initiatives

The Department has several initiatives relating to the Department of Defense (DoD) Transition Assistance Program (TAP). We began this fiscal year by convening the first Joint

Interagency Strategic Working Group on the Transition Assistance Program in November 2009. We are also working on several employment initiatives with our partners at the Department of Labor. As an ex-officio member of the Secretary of Labor's Advisory Committee on Veterans Employment, Training and Employer Outreach (ACVETEO), the Department is looking at more efficient ways to connect employers with transitioning Services members, veterans and their spouses. We are also looking at revamping the Department of Labor (DOL) TAP Employer Workshop to make it more dynamic and ensure it is meeting the needs of our warriors. Finally, we continue to collaborate with DOL on how to ensure our wounded, ill and injured are being prepared for and get meaningful jobs.

In addition to our work with DOL, this office assisted with the Office of Personnel Management (OPM) strategic plan as well as an Executive Order signed by the President in November 2009, which directed all Executive Branch Federal Agencies to increase the hiring of veterans. We are pursuing other initiatives like our work with the United States Interagency Council on Homelessness. The Department is assisting the council in developing a Federal Strategic Plan on Homeless. The plan will address ideas and ways to end homeless for our veterans, families, and youth.

One of our most exciting initiatives was joining the social network community with the launching of the DoD TAP Facebook. We are taking advantage of the popularity of social media as another communication resource to promote transition services and benefits to military personnel and their families.

Finally, we have are working to improve outreach and education to all Service members to increase their participation in the Benefits Delivery at Discharge and Quick Start Programs.

These programs allow eligible Service members to submit their application for disability compensation prior to separation or retirement.

CIVILIAN PERSONNEL

National Security Personnel System Transition

The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) repealed the authority for the National Security Personnel System (NSPS) and requires the Department to transition out all employees and positions from NSPS to the appropriate non-NSPS personnel and pay system no later than January 1, 2012. The law provides no employee will suffer any loss of or decrease in pay upon conversion from NSPS.

Planning for terminating NSPS is well under way with the goal of transitioning employees and organizations from NSPS back into their pre-NSPS personnel and pay system during FY 2010. The rules of the gaining pay and personnel system will be followed in determining placement of NSPS employees. Since the majority of the 226,000 employees covered by NSPS will transition to the General Schedule system, government-wide rules issued by the Office of Personnel Management (consistent with title 5, United States Code) are applicable. Until the transition takes place, organizations and employees currently covered by NSPS will continue to follow NSPS regulations, policies, and procedures. While the Department did not transition any bargaining unit employees into NSPS, approximately 900 employees organized after their organizations moved into the system. The Department plans to meet with representatives of national unions representing these NSPS bargaining unit employees to discuss transition issues and will ensure that local collective bargaining obligations are fully satisfied as these employees transition from NSPS back to the General Schedule.

Transition timelines are being determined based on organizational readiness as evidenced by avoidance of undue interruption to mission and hardship to employees; established processes to classify NSPS positions into the appropriate non-NSPS personnel system; existence of an

appropriate performance management system; and information technology capability. Prior to their transition out of NSPS, employees will be informed of their position classification under the non-NSPS personnel system. With limited, approved exceptions, no new appointments to NSPS will be made after March 1, 2010. The Department is tracking transition costs as it did with NSPS implementation costs.

The organization that is guiding and directing transition planning and execution is the National Security Personnel System Transition Office (NSPSTO). The Director, NSPSTO is responsible for the development, coordination, and dissemination of supporting procedures, policies, and tools; and for developing training products and services for use by the Components in training employees and supervisors on all aspects of the transition. In addition, the Department is committed to providing open and frequent communications during the transition. The NSPSTO has redesigned its Web site to publicize up-to-date information on the transition, including transition toolkits that contain a variety of products such as conversion guides, fact sheets, brochures, articles, frequently asked questions, performance management guidance, timelines, and town hall briefings on the transition. The website and communications will be updated periodically as new information becomes available and new products are developed. In addition, the Department will deliver a report to Congress at the end of April 2010, as required by NDAA 2010, that covers the steps taken for the reclassification of NSPS positions and the initial plan for transitioning employees and organizations from NSPS; semiannual reports that cover transition progress will also be provided until all organizations and employees are out of NSPS.

Civilian Strategic Human Capital Planning and Forecasting

With over 760,000 civilian employees, in over 600 occupations, supporting a myriad of critical missions, it is essential the Department have a structured plan to ensure civilian talent is in place to meet current and future mission requirements. To meet this demand, the Department is leading an enterprise-wide effort to establish a more structured, standard approach to Strategic Human Capital Management (SHCM), based on a combined effort of competency assessment and workforce analysis trending. The Department recognizes the need for a civilian workforce with the attributes and capabilities to perform seamlessly in an environment of uncertainty and surprise, execute with a wartime sense of urgency, and create tailored solutions to multiple complex challenges. We are institutionalizing an updated, integrated human capital strategy for the development of talent, that is consistent with 21st century workforce demands and a new generation of workers, and that is competency-focused, performance-based, agile, responsive to mission impacts, and focused on employee engagement and respect.

Civilian Expeditionary Workforce

The Department is working to better employ the talents of our civilian workforce to meet expeditionary mission challenges, especially those not directly related to war fighting. Global security challenges require adequate civilian capacity to conduct complex operations, including those missions that require close military-civilian planning and cooperation in theater. Since 2001, more than 43,000 Department civilians have been involved in contingency operations around the globe. Currently, approximately 5,100 civilian employees are serving in theater.

In response to these imperatives, the Department institutionalized the Civilian Expeditionary Workforce (CEW) to provide deployable civilian experts to support military operations, contingencies, emergency operations, humanitarian missions, disaster relief, and

stabilization and reconstruction operations. The CEW is designed to enhance the Department's ability to work alongside and help build the capacity of partner defense ministries and provide surge support where needed. The CEW encompasses a pre-identified subset of the Department's emergency essential and volunteer civilian workforce by skill sets and capabilities, who are trained, ready, cleared, and equipped for rapid response and quick assimilation into new environments.

Civilians deployed under the CEW receive general and theatre-specific, urban training, and are eligible for the same health care benefits as deployed military personnel, including medical evacuation and access to hospital services in-theatre. With the support of Congress, the Department has obtained important incentives and benefits to help compensate for the inherent risks of deployment. The Department continues to identify pertinent issues and propose fully integrated solutions to ensure force health protection, surveillance, deployment benefits, and medical care for civilians who have been injured, wounded, or have contracted diseases while deployed in support of contingency operations. We have worked in partnership with the Office of Personnel Management, the Department of State, and the Department of Labor to ensure all similarly-situated Federal civilians receive consistent and equitable benefits commensurate with the risks of deployment.

Civilian Leadership Development

The Department is currently working on the recruitment and development of entry-level leaders in conjunction with Section 1112 of the FY 2010 NDAA, which requires the establishment of a DoD Civilian Leadership Program. The Department recognizes the need for an improved model to attract, retain, and deliberately develop civilian leaders to support pipeline readiness and enhance bench strength. In FY 2010, the Department will fully develop the entry-

level program to grow emerging leaders. We will launch an initial program pilot in FY 2011 and expand the pilot and implementation in FY 2012. Our communities of initial focus for this effort include acquisition and finance specialists to meet the Department's needs.

Recruitment for Critical Positions and Competencies

The Department has an aggressive approach for identifying mission critical recruitment requirements, to include health, acquisition, linguists and emerging mission-essentials such as IT specialists in cyber warfare. We have a plan in place and a robust forecasting model that indicates those areas where recruitment surges may be needed. Where such surges are indentified, we craft staffing strategies, such as expedited hiring authority and scholarship programs, to meet those needs. Our integrated approach to Strategic Human Capital Management (SHCM) will prove to enhance our ability to analyze demographic trends, forecast requirements, assess gaps, and further define recruitment and hiring strategies.

Increasing Veterans Opportunities

The Department values the experience and commitment of our Service members and places special emphasis on supporting transitioning Service members, wounded warriors, and veterans in their search for employment. We continue our efforts to actively reach out to our veterans to assist them in their civilian employment search with aggressive outreach programs, transition assistance programs, career and job fairs, and benefits counseling and assistance.

The Department continues this tradition in support of Executive Order 13518, the Veterans Employment Initiative. In January 2010, the Department stood up the DoD Veterans Employment Program Office to promote veterans recruitment, training and development throughout the Department. We are promoting the Veterans Initiative through DoD's Hiring Heroes Program, through which we conduct eight to ten Hiring Heroes Career Fairs throughout

the U.S. for wounded, ill and injured service members, transitioning military, veterans, and their families.

In-sourcing

The Department is on track to reduce the level of contracted support service from the current 39% of our workforce to the pre-2001 level of 26%, and perform those services with full-time government employees. Over the next five years, DoD expects to hire up to 33,400 new civil servants to fill positions established as a result of in-sourcing contracted services. This includes 5,000 acquisition personnel over FY 2010/2011 and 10,000 through FY 2014. On January 4, 2010, the Department submitted to Congress a report on "FY 2010 In-sourcing Initiative and Plans." DoD Components estimated they would establish nearly 17,000 new civilian authorizations in FY 2010 to perform currently contracted work.

There are no artificial limits placed on DoD Components' identification of in-sourcing candidates (i.e., contracted services that would more appropriately be performed by government employees). The Department considers in-sourcing as a well-reasoned part of Total Force management that:

- Rebalances the workforce and rebuilds organic capabilities.
- Ensures that inherently governmental functions that support the readiness/management needs of the Department are performed by government employees.
- Implements Congressional direction on in-sourcing (FY08 NDAA).

Contractors remain a vital part of the Department's Total Force. The Department is not "replacing" or "converting" contractors but rather in-sourcing contracted services – contractors remain a vital source of expertise to the Department and are an integral part of our Total Force.

OTHER PERSONNEL CONCERNS

Foreign Language, Regional, and Cultural Capabilities

The Department is continuing its work to ensure our Commissioned and Non-Commissioned Officers are prepared for a full range of varying and complex missions that our current and future security environment requires which includes building expertise in foreign languages, regional and cultural skills. The FY 2011 budget focuses on sustaining gains achieved in previous years and continuing to build a solid infrastructure in which to meet future demands. Baseline funding of $793 million in FY 2011 supports redirected language and culture instruction to achieve higher proficiencies for the Total Force in these skills. During the most recent programming cycle, the Department committed an additional $29 million in FY 2011 to establish Language Training Detachments to provide and sustain commanders' needs, support the Afghanistan/Pakistan Hands program, and expand the role of English language training for partner nation personnel. The Department's continuing efforts feature the following significant initiatives and accomplishments.

Military Leadership Diversity Commission

As mandated by NDAA 2009, the Department established the Military Leadership Diversity Commission (MLDC) to conduct an independent review and comprehensive evaluation and assessment of policies that provide opportunities for the promotion and advancement of minority members of the Armed Forces, including minority members who are senior officers. Led by General Lester Lyles (ret.), the Commission consists of 26 appointed members to include retired and active duty officers, enlisted, and civilian representation from all the service components and the Coast Guard. The Commission will expand to 32 members.

The Commission conducted its first meeting in Washington, DC in September 2009. Several monthly meetings are planned throughout the country during the independent review, culminating with a written report to the President and Congress no later than September 2010. The report shall include the Commission's findings and conclusions, recommendations for improving diversity within the Armed Forces, and other relevant information and proposals considered appropriate.

Sexual Assault Prevention and Response

The Department's position on sexual assault is a simple one: Sexual assault is a crime that is incompatible with service in the United States Armed Forces. It undermines core values, degrades military readiness, subverts strategic goodwill, and forever changes the lives of victims and their families. To address this crime, the Department has put numerous broad-based programs in place to achieve our vision of enhancing military readiness by establishing a culture free from sexual violence.

The Department's goal is to prevent sexual assault through institutionalized prevention efforts that influence the knowledge, skills, and behaviors of Service members to stop a sexual assault before it occurs. We have developed a comprehensive prevention strategy built around the concept of bystander intervention. Throughout the Department – from the newest recruits to the most senior leaders – Service members are getting educated on the role they can play as individuals in preventing this crime.

In conjunction with prevention, we are working to increase awareness so when a crime does occur, it is reported. We want any victims within the military to come forward, first and foremost, to get treatment, and if so desired, provide details of the crime so the perpetrator can be held accountable.

The Department is committed to ensuring the sexual assault prevention and response program works as intended. This "system accountability" is achieved through data collection, analysis, and reporting of case outcomes. In order to improve data collection, analysis, and case management, the Department initiated the development of the Defense Sexual Assault Incident Database (DSAID). In January 2010, a Request for Proposal was issued to identify a vendor for the database, with selection expected by the fall.

The Department has participated in several external reviews in recent years, most recently by the Government Accountability Office (GAO) and the Defense Task Force on Sexual Assault in the Military Services (DTF-SAMS). DTF-SAMS released their report in December 2009 and GAO released their report in February 2010. We are currently reviewing and responding to their recommendations.

Child Custody

The Department is acutely aware of the problems many of our Service members who have custody of minor children encounter when they are deployed. We have nearly 145,000 single parents in the military. The Department believes the States are in the best position to balance the competing interests within the context of their own domestic relations laws. Approximately 30 States have passed legislation that addresses the special circumstances facing military parents who have custody of children but who are not married to the other parent.

The Department has committed to several efforts to address the unique challenges facing military members who have custody of a child but are not married to the other parent. The Department is working with its State liaisons to encourage those States that have not addressed military child custody issues in their domestic relations laws to do so. The Department is also looking for opportunities to increase participation in and support of the American Bar

Association's Military Pro Bono project, which provides free in-court representation to military members for domestic relations cases (and other cases). Finally, the Department is updating and reissuing its Family Care Plan instruction, which can, if used properly, significantly reduce custody problems.

Federal Voting

The Department vigorously assists our men and women in uniform, their voting-age dependents and U.S. citizens residing overseas to successfully participate in the 2010 primary and general elections. Initial indications are that the Department's programs are having a significant impact: for the 2008 general election, the active duty military voter registration rate exceeded that of the general population's: 77% for the military as compared to 71% for the general population.

Unfortunately, while more than 91% of absentee ballots were successfully returned by general electorate voters in the 2008 general election, only 67% of uniformed services and overseas voter absentee ballots were successfully returned. Unsuccessful return of ballots represents the single greatest point of failure for military and overseas voters, and is largely due to absentee ballots being sent out too close to the election, with insufficient time for the voter to successfully receive, vote and return the ballot by the States' mandated deadlines. In fact, more than 81% of all the voting failure suffered by military and overseas voters was because of ballots transmitted to them, but never returned.

The Department is focusing its voting assistance programs to address the overwhelming point of failure by focusing on those programs that will expedite both the delivery and return of ballots from military and overseas voters. First, the Federal Voting Assistance Program is developing an online wizard that will allow military and overseas voters to receive and mark

their complete federal, State and local ballot online, and then print it out for voter verification, signature of the voter's oath, and postal mail return of the paper ballot. Second, the Military Postal System is also preparing an expedited ballot return system which will return ballots by Express Mail, as well as provide the voter with an online tracking system all the way to delivery to the local election official. The Military Postal System's desired delivery time is no more than seven days from receipt of the ballot from the voter to delivery to the local election official.

The Department is also taking full advantage of the authority granted it under the Military and Overseas Voter Empowerment (MOVE) Act of 2009 to designate all military installation voting assistance offices as National Voter Registration Act voter registration agencies. This will allow the Department to also collect from and mail in for those voters (who desire the assistance), the FPCAs or other registration forms completed by those voters.

The Department has been working closely with States to identify those changes in State law necessary to achieve the requirements of the MOVE Act, and to provide sufficient opportunity for military and overseas voters to successfully complete the absentee voting process.

Conclusion

We face two fundamental, and related, challenges. First, we must continue to attract and retain high quality, motivated individuals for Active and Reserve military service and we must maintain an enthusiastic and skilled civilian workforce. Second, we must weigh sufficiency against the risks of an uncertain future. As we invest in our human capital, we must do so judiciously. While our future challenges may often seem without bounds, our resources are not. We must make hard choices, as a Department and as a Nation, of allocating our resources the best we can to win the war at hand while taking care of our most valuable asset – our men and women in uniform. I look forward to working with this Congress in this effort.

STATEMENT BY

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UNITED STATES ARMY

BEFORE

MILITARY PERSONNEL SUBCOMMITTEE

HOUSE ARMED SERVICES COMMITTEE

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Introduction

Chairwoman Davis, Representative Wilson, Distinguished Members of this Committee, thank you for the opportunity to appear before you on behalf of America's Army. Our greatest heroes are America's most precious resource – our Soldiers. These Soldiers and their Families, backed by our Civilian workforce, represent the very best of America's values and ideals and faithfully shoulder the load that our nation asks of them. This fighting force of 1.1 million Soldiers is continually tested at home and abroad. Our nation's men and women repeatedly step forward and pledge to serve. They recognize the challenges facing our nation, answer the call, and become part of something larger than themselves. Their dedicated service and sacrifice are deserving of the very best services, programs, equipment, training, benefits, lifestyle, and leadership available. Our focus this year centers on restoring the balance, resilience, and sustainment of the force, growth in talent, our ability to meet the national challenges, and the importance of maintaining this strength to meet the demands now and for the future. Thank you for your steadfast commitment to ensuring that the needs of our Soldiers, their Families, and our Civilian workforce are met by supporting our personnel initiatives to ensure growth, sustainment and well being of our All-Volunteer Force.

Strategic Overview

America's Army, strained by over eight years of persistent conflict, remains a resilient force. Our Army, however, is also stretched and out of balance while demand has continued to grow. The Army has added nearly 100,000 more Soldiers since 2004. More than one million of our country's finest men and women have deployed to combat, with over 5,000 lives sacrificed in the line of duty. The Army appreciates your recent support in providing the Army with temporary end strength increase of 22,000 to provide some relief to our stressed force. Even with this temporary increase, we face many challenges ahead, but must remain vigilant and supportive to the needs of our people. We must continue to address these needs and find a way to get our Army back to a balanced force.

End Strength

To alleviate the stress and strain on the force, the Department of Defense authorized the Army a Temporary End Strength Increase (TESI) of up to 22,000 Active Duty Soldiers. Currently the plan is to use 15,000 of the 22,000 with a decision on the remaining 7,000 expected at the end of the 2nd quarter of Fiscal Year 2010. This temporary increase provides additional, primarily skill level one, Soldiers within highly deployed Military Occupational Specialties (MOSs) to combatant commanders. TESI has already increased unit readiness and will provide increased manning and readiness until the end of FY13 when the Army returns to its base end strength level of 547,400 in the active component. While the majority of these additional Soldiers are enlisted, the officer ranks will also experience a slight increase.

Another advantage of TESI is a reduction in the use of Stop Loss. The Army expects to achieve a 50% reduction in the number of Soldiers affected by Stop Loss by June 2010. As of January 2010, 7,861 Soldiers were affected by Stop Loss, a 41% reduction from the January 2009 baseline of 13,217. By January 2011, the Army will have no Soldiers deployed under Stop Loss. However, Soldiers in post-deployment reintegration or demobilization may still be in a Stop Loss status until early Spring 2011. TESI and the implementation of voluntary stabilization programs for each component have made significant contributions to the Army's ability to eliminate Stop Loss, while minimizing the potentially detrimental impact to unit readiness.

We continue to make significant progress in our efforts to restore balance. Increasing time between deployments for our Soldiers and building greater predictability for Soldiers and Families continues to be one of our key concerns. Despite the short term impact of the recent surge of troops to Afghanistan, we expect the ratio of Boots on Ground (BOG) time to Dwell time at 1:2 for the active force and 1:4 for the reserve component to improve as demand decreases. Eventually, increased dwell time will be achieved by lowering the demand on our forces. This will ease the constant pressures on our forces as we move into the rotational cycle of the Army Forces Generation (ARFORGEN) model. The Army Senior Leadership remains committed to meet these

deployment goals while eliminating Stop Loss, and without any increase in tour length for our Soldiers.

Recruiting and Retention (Officer and Enlisted)

Our Soldiers are the Army's most important resources, and our ability to meet the challenges of the current and future operational environments depends on our ability to sustain the All-Volunteer Force. The pace and demand of the operational environment over the last several years has caused us to focus onhigh-volume recruiting with an emphasis on quality benchmarks. The shift in the economy combined with our initiatives in marketing, advertising, and support for our recruiters has allowed us to be more selective. Despite the challenges of an Army engaged in two protracted conflicts, the Army exceeded its enlisted recruiting and retention missions for FY09 and is confident it will meet its goals for FY10. The Army met 104% of its recruiting goals for FY09, while meeting its quality benchmarks for new recruits. Successfully meeting these critical benchmarks moves us closer to restoring balance. As we dedicate ourselves to the FY10 recruiting mission, we will continue to monitor trends and make adjustments as required.

In FY09, with Congressional support, the total Army spent $4.9B on recruiting and retention. In FY10, these programs received $4.4B due to a more favorable recruiting and retention environment. Our FY11 request of $4.6B is based on the need to continue funding contracts written between FY06 and FY09 and to ensure the success of the total Army's recruiting and retention missions. The amount budgeted for contractual payments is anticipated to decrease in FY12 and subsequent years.

Because of this funding, the Army has improved its accessions performance in several key areas. For example, the Army's percentage of "high potential" enlisted Soldiers with a high school diploma has increased by 2.1% since the end of FY09. Additionally, recruits scoring in the upper range (50-99%) on the Armed Forces Qualification Test (AFQT) increased 2.0%; and recruits who scored in the lower range (30% and below) on the AFQT decreased 0.4%. This funding enabled the Army to

decrease the number of ineligibility waivers previously provided for enlistments and appointments. Further, the Army was able to reduce its shortage of Captains in the Regular Army, which provided the opportunity to aggressively target mid-grade shortages in the Reserve Components.

Overall, the Army's programs are effective in recruiting and retaining both Officers and Enlisted Soldiers with critical skills. For Enlisted Soldiers, the Enlistment Bonus (EB), the Selective Reenlistment Bonus (SRB), Critical Skills Retention Bonus (CSRB), Army College Fund (ACF) and the Student Loan Repayment Program (SLRP) remain as proven and effective tools for filling critical skills. The ACF and SLRP are especially effective in attracting high potential recruits who have some college experience or plan to attend college after the Army.

To assist in recruiting critical skills, the Army launched the "Military Accessions Vital to the National Interest" (MAVNI) Pilot Program on February 23, 2009. The purpose of MAVNI is to attract high quality individuals with exceptional skills in health care professions or native speaking skills in at least one of 35 critical foreign languages. MAVNI recruits are non-U.S. citizens who have been legally present in the United States for two or more years and speak a critically needed foreign language or are US licensed health care professionals who meet or exceed all requirements for military service. They do not have US citizenship or permanent residency (i.e. Green Cards). In the 12 months since the program launched, we recruited 788 MAVNI with language skills and 143 health care professionals. Without spending a single dollar on marketing or advertising, the Army received over 12,000 leads for the MAVNI program, and the program received positive media coverage. Of the foreign language speakers recruited, 66% have a Bachelor's degree or higher, and 30% have at least a Master's degree. Half of the MAVNI recruits speak and comprehend the foreign language for which they were recruited at the 3/3 level or higher, which is a high level of fluency that indicates an ability to function in social and professional settings. Their loss from the Delayed Entry Program (DEP) is one-third that of non-MAVNI recruits and there is virtually no attrition rate once in the Service. We have reached the current cap for this pilot program and

will not process any more recruits unless the program is extended by the Secretary of Defense.

Through a separate program, the Army has recruited more than 1,600 Soldiers as military interpreters and translators under the MOS O9L Program. The MOS 09L Program seeks to enlist native speakers of Arabic, Pashtu, Dari, Farsi, and Kurdish into all components of the Army to serve as interpreters in uniform. Combatant Commanders have found them to be force multipliers as they bring high levels of proficiency in these languages as well as first hand cultural knowledge.

In FY09, all components exceeded the annual retention goal. The Active Army achieved 124% of the annual goal, the Army Reserve achieved 105%, of the annual goal, and the Army National Guard achieved 106% of the annual goal. During FY09, retention bonuses were carefully monitored and adjusted to ensure that the Army met its retention goals while remaining fiscally responsible. The economic environment allowed the Army to reduce incentive levels as well as the number of occupations offering bonuses, while focusing on our most critical skills. In addition, use of the Army's Critical Skills Retention Bonus greatly assisted in retaining very experienced senior enlisted Soldiers with invaluable leadership and combat experience. Retention of combat experienced veterans remains critical to current and future readiness. In fact, 39% of all reenlistments occurred while Soldiers were deployed. The Active Army also continued to support and encourage Active Duty Soldiers who elected not to reenlist to transfer to the Reserve Component upon completion of their Active Duty tour.

The Army retention mission is also on track to meet the goals set for FY10. The Active Army has reenlisted 41,262 Soldiers for 68% of the annual goal, the Army Reserve has reenlisted 4,291 for 42% of the annual goal, and the Army National Guard has reenlisted 10,771 Soldiers for 35% of the annual goal. In all components, the Army expects to finish successfully in every category.

The Post 9/11 GI Bill, which took effect August 1, 2009, provides a significantly enhanced level of educational benefits for Active Duty and Reserve Component (RC)

Service Members. Additionally, it serves as a valuable incentive to attract and retain high potential Soldiers of all ranks. The Army expects the Post 9/11 GI Bill to serve as an inducement for college oriented teens to join the Army, while transferability should increase retention within our mid-career (6-10 years of service), category of Soldiers. Although it is too early to fully determine the impact of the Post 9/11 GI Bill on both recruiting and retention, initial signs are positive. In particular, we've kept a watchful eye on the retention of our initial term Soldiers who some feared might separate under expiration of their term of service in order to use their educational benefits. However, the Army exceeded its retention goals for first term Soldiers in FY09 and continues to do so in FY10.

Shortages remain within our officer corps due to overall structural growth of the Army. To correct this, the Army initiated the Captains' Retention Menu of Incentives in September 2007, and has provided $443.6M in funding since FY07 on this incentive program. The goal of the program was to recruit, retain, and manage critical skills to increase the retention of Lieutenants and Captains for three years. The Captains' Retention Menu of Incentives program included a cash option based on the officer's branch, resident graduate school attendance for up to 18 months, or attendance at the Defense Language Institute for one year. As a result, the Army's retention rate for Captains increased in FY08 to 89.1% and again in FY09 to 89.9% in comparison to the ten-year average of 88%. The program guaranteed retention through FY11 of over 16,000 of the 23,000 Captains eligible to participate. The timing of our Captains' Retention Menu of Incentives program, concurrent with the dramatic downturn of the economy and job market, helped support our retention goals. The cash and Defense Language Institute options ended in November 2008. The remaining retention incentive, the Expanded Graduate School Program, was funded at $7.5M in FY10.

The United States Military Academy (USMA) and ROTC both continue to offer pre-commissioning incentives. These consist of offering new officers their Post or Branch of Choice or Graduate Schooling. From FY06 through FY09, there were approximately 6,000 participants. These incentives have increased longevity by 40% for newly-commissioned, high-performing USMA and ROTC officers, and have

improved the historical loss rates of recent years by adding three guaranteed years of active service to these officers' initial obligated service. The specific gain quoted above is based on rates for Active Competitive Category officers remaining on active duty after 8 years of service from their commissioning date. The historical trend rate for continuation at the 8 year point is 47% of officers. The projected rates for year groups who have taken the incentives cited are between 62% and 69% for year groups 2006-2009.

In spite of a dramatically changed recruiting climate, based on the economy, our message to our Soldiers and their Families must resound with assurance that they will be cared for in a manner commensurate with their service and sacrifice. Incentives, bonuses and pay are only part of the equation in creating balance in our Soldiers and Families lives. In the event of a life changing injury or the loss of life, our Soldiers are assured that their Families will receive financial and programmatic support for their loss and sacrifice. This support includes full-earned benefits and disability compensation. The Army is working closely and aggressively with Soldiers and their Families to streamline access to assistance from other Federal Agencies, such as the Social Security Administration, Department of Labor, and Department of Veterans Affairs.

In direct support of President Obama's Veteran's Day Executive Order on employment of veterans in the Federal government, we have begun a Veterans Employment Transition Initiative to streamline, synchronize, and integrate existing policies, programs, and initiatives to assist Soldiers and their families as they transition out of the military. The intent is to ensure that they have timely visibility of every opportunity available to them as they transition to civilian life, whether as Federal workers or as contributing members of the private sector.

The Army carefully manages its resources, reviewing and adjusting incentives at least quarterly to ensure we attract and retain quality individuals in needed occupations, while remaining fiscally responsible to avoid excessive payments. The economic environment has allowed us to reduce incentive amounts and the number of occupations offered bonuses or education incentives. Enlistment Bonuses are at the

lowest levels since the 1990s drawdown. However, we must maintain the flexibility to apply incentives as necessary to retain Soldiers with critical or specialized skills. The continued authorities and funding of these programs by Congress remain critical to the sustainment of the Army.

Individual Ready Reserve Mobilization

The Individual Ready Reserve (IRR) is a category of the Ready Reserve, and is composed of those members of the Ready Reserve who are not serving in Selected Reserve units or assignments, or in the Inactive National Guard. The availability of IRR Soldiers is critical to the Army's mission of providing properly trained and equipped units of sufficient strength to meet contingency operation or mobilization requirements. As of February 28, 2010, there are 59,413 Soldiers in the IRR. Since September 11, 2001, a total of 29,997 Soldiers received mobilization orders and a total of 12,018 Soldiers deployed to the CENTCOM Area of Responsibility. The Army applies specific screening criteria regarding involuntary mobilization of the IRR. These actions align with the January 2007 DOD policy on Utilization of the Total Force and take into account a Soldier's dwell time, Military Service Obligation (MSO), and previous deployments in support of Overseas Contingency Operations (OCO).

An effective IRR program is based on several factors, including the Soldiers' understanding of their obligations, access to benefits and support, and time to adjust personal affairs prior to mobilizations. In an ongoing effort to validate the readiness of the IRR, the Army continues to implement the IRR Muster program. Approximately five months after entering the IRR program, Soldiers will be ordered to muster duty. Afterward, Soldiers are required to muster each year they remain in the IRR. Through the muster program, the Army established a partnership with the Department of Veterans Affairs to use VA medical centers as muster sites for the added opportunity of connecting Soldiers to VA services. During FY09, the Army spent approximately $3.6M to muster 13,500 Soldiers, contributing to 3,300 Soldiers returning to Army Reserve formations. The Army plans to muster 14,000 IRR Soldiers at an estimated cost of

$4.2M in FY10 and expect to impact 3,500 Soldiers returning to Army Reserve Formations.

Quality of Life

Recognizing that the strength of our Army is tied to the strength of Army Families, the Secretary and Chief of Staff of the Army initiated the Army Family Covenant in October 2007, and reaffirmed this commitment by resigning the Covenant this past October. The Covenant institutionalizes the Army's commitment to provide Soldiers and Families a quality of life commensurate with the quality of service they provide to our Nation. The Army Family Covenant incorporates programs designed to build strength and resilience in our Families. These services and programs help mitigate stress from mutiple deployments and frequent military moves.

The Covenant focuses on the following: standardizing Soldier and Family programs; increasing access to and quality of health care; improving Soldier and Family housing; ensuring excellence in our schools and, youth and child care services; expanding education and employment opportunities for Family members; improving Soldier quality of life in recreation, travel, and the Better Opportunities for Single Soldiers (BOSS) program; and improving relationships with local communities and marketplaces.

From FY07 to FY10, the Army more than doubled its investment in Family programs. To ensure they remain enduring, these increases have been included in the FY10 base budget. Furthermore, this funding will increase from $1.7B in FY10 to $1.9B in FY15.

We must never forget that we are one Army made up of Active Duty, National Guard, and Army Reserve components and must often reach "beyond the gates of the garrison" to ensure we support our geographically dispersed Families. We are thankful for all the citizen- and community-based organizations that support our Soldiers and their Families, regardless of their location.

Civilian Personnel and Workforce Development

Department of the Army Civilian employees provide vital support to Soldiers and Families in this era of persistent conflict. They share responsibility for mission accomplishment by delivering combat support and combat service support – at home and abroad. More than ever, Army Civilians are absolutely essential to readiness and a key element in restoring balance. Today, the Army Civilian Corps has nearly 300,000 employees with 3,832 currently serving in harm's way in the U.S. Central Command area of operations.

Since September 11, 2001, we increased the civilian workforce from 222,000 to 263,169 (plus 24,357 Civil Works) due to overseas contingency operations, Defense Health Program increases, Family and Soldier Support initiatives, acquisition workforce growth, in-sourcing functions performed by contractors, military technician increases, and Military-to-Civilian conversions. Future Civilian employee growth is critical to supporting current plans to rebalance the Army to 73 brigade combat teams and associated combat support/combat service support units by FY11.

In FY09, the Army saved significant resources by in-sourcing more than 900 positions to Army Civilians. We plan to in-source 7,162 positions in FY10, and are programmed to in-source 11,084 positions from FY11 to FY15, 3,988 of which are acquisition positions identified in the Army's on-going contractor inventory review process.

The Department of the Army has implemented a Civilian Workforce Transformation plan that will continue to invigorate development of the Civilian Workforce by addressing critical issues of structure, accession, development, retention and succession planning to ease the transition from one generation to the next. Examples of the Army's initiatives in the area of Civilian Workforce Transformation include:

- Structure. Introduction of an enterprise-based, requirements-driven, civilian structure that will better support all phases on the Civilian Human Capital Life-cycle.
- Acquire. An accessions program for all new Army Civilians provided through acculturation training, program evaluation and adjustments tailored to requirements.
- Develop. Progressive, sequential functional/leadership development training for Civilians consistent with Army values.
- Distribute. Central selection and placement of high performing civilians against required Army Enterprise Positions (AEP).
- Sustain. Fully integrated IT structures that support Army career Tracker and Civilian Development Programs.

Adoption of these and other initiatives will provide the Civilian cohort greater flexibility and capability. These initiatives are supported by on-going developmental programs which include the Intern Program of the Army Civilian Training, Education and Development System (ACTEDS); the Army Civilian Fellows Program; the Presidential Management Fellows program; the Senior Fellows Program managed by the Civilian Senior Leader Development Office; and programs for Senior Executive Service members managed by the Civilian Senior Leader Management Office. These efforts are complemented by the Department's adoption of a competency-based human resources management system that focuses on development of verified requirements and enhances accountability for results. When complete the Civilian Workforce Transformation plan will nest within the larger, more comprehensive Manpower and Reserve Affairs (M&RA) Human Capital Strategy.

Army Equal Opportunity Policy

The Army leads the nation in Equal Opportunity (EO) policy and practice. Commanders at all levels are responsible for sustaining positive EO climates within their organizations to enhance Army Readiness. Remaining applicable and relevant within the ever-changing environment in which we operate, the Army is transforming EO policy by integrating and institutionalizing equal opportunity and diversity goals, objectives and training practices. This effort will strengthen the foundation of the Army's Human Capital Strategy. Since FY08, the Army has invested $3.4M and expects to invest

another $1.4M in FY10 for EO personnel and services support, database and survey systems, outreach support, and training contracts for implementation in FY11.

Sexual Assault and Harassment Prevention

The Army's goal is to eliminate sexual assault and harassment by creating a climate that respects the dignity of every member of the esteemed band of brothers and sisters. The Secretary and the Chief of Staff of the Army remain personally involved in reinforcing to all Soldiers and leaders the importance of preventing sexual assault and harassment. Under their guidance and leadership, the Army launched a comprehensive sexual assault prevention strategy that requires leaders to establish a positive command climate where sexual assault is clearly not acceptable. The strategy further encourages Soldiers to execute peer-to-peer intervention personally, and to not tolerate behavior that could lead to sexual assault.

The cornerstone of the Army's prevention strategy is the "I. A.M. Strong" campaign, where the letters *I, A, and M* stand for Intervene – Act – Motivate. The "I. A.M. Strong" campaign features Soldiers as influential role models and provides peer-to-peer messages outlining the Army's intent for all its members to personally take action in the effort to protect our communities. Leaders have embraced "I. A.M. Strong" initiatives and are motivating Soldiers to engage proactively and prevent sexual assault.

The Army's sexual assault prevention strategy consists of four integrated phases and extends through calendar year 2014 as we work to be the nation's leader in sexual harassment and sexual assault prevention.

The Secretary of the Army introduced the "I. A.M. Strong" campaign at the Sexual Assault Prevention Summit in September 2008. The Summit served as a platform to launch Phase I (Committed Army Leadership) by providing training on best practices and allowing command's the opportunity to develop prevention plans to support the Army strategy.

Phase II of the prevention strategy (Army-wide Conviction) includes educating Soldiers to understand their moral responsibility to intervene and stop sexual assault and harassment. Phase II began at the 2009 Sexual Assault Prevention Summit (6-10 Apr 09) during which the Secretary of the Army, Chief of Staff of the Army, and Sergeant Major of the Army addressed attendees, which included over 100 Sergeants Major and 50 General Officers.

Phase III culminates the dedicated effort of leaders and Soldiers under Phase I and Phase II by "Achieving Cultural Change" that truly reflects Army Values and fosters an environment free from sexual harassment and sexual assault.

The final phase is "Sustainment, Refinement and Sharing," during which the prevention program continues to grow while motivating national partners to support our efforts to change generally accepted negative social behaviors; thus eliminating the crime of sexual assault.

With the implementation of the strategy, a likely near-term consequence will be an increase in the number of reported cases as Soldiers' and other victims' propensity to report increases. This increase in cases will require more sexual assault responder support, specifically: advocates, healthcare personnel, investigators, and prosecutors. The Army is already adding more investigators and prosecutors; and is in the procees of training more healthcare personnel to conduct Sexual Assault Forensic Exams. We are also finalizing plans to augment our units at Brigade level and higher with full-time Sexual Harassment/Assault Response and Prevention (SHARP) personnel.

Suicide Prevention Program

The loss of any Soldier is a tragedy, particularly when it could have been prevented. There were 160 suicides by active-duty Soldiers during 2009, continuing the five-year trend of increased suicides within the Army. As a result, we have instituted a multi-level, holistic approach to health promotion, risk reduction and suicide prevention. Although the total number and rate of suicides in the Army remains of deep concern, we should remember each of these suicides represents an individual and a family that has

suffered an irreparable loss---and, as a result, our suicide prevention efforts are focused on directly assisting Soldiers, their Families and our Army Civilians.

On 16 April 2009, the Vice Chief of Staff of the Army (VCSA) signed the *Army Campaign Plan for Health Promotion, Risk Reduction, and Suicide Prevention,* a comprehensive plan setting in motion unprecedented changes in Army doctrine, policy, and resource allocation, as well as immediate guidance to commanders, in order to address the problem of suicides in the overall context of risk reduction and health promotion.

The Army Suicide Prevention Task Force has addressed more than 240 different tasks related to suicide prevention doctrine, organization, training, materiel, leadership, personnel and facilities. Over 90% of these tasks have been implemented.

To build on the Army Campaign Plan's accomplishments during 2009, the Army Suicide Prevention Task Force is leading an effort to review and assess the effectiveness of Army Health Promotion, Risk Reduction and Suicide Prevention programs at all levels. To this end, the Army has partnered with National Institute of Mental Health (NIMH) to conduct a long-term study (Army Study to Assess Risk and Resilience on Servicemembers) of risk and protective factors to inform health promotion and suicide prevention efforts. The VCSA Task Force is also reviewing Army programs at all levels related to health promotion, risk reduction, and suicide prevention to ensure that the programs provide appropriate levels of support; address current problems and risk factors; and are relevant to the needs of Soldiers, their Families, and DA Civilians.

Comprehensive Soldier Fitness Program

The Army's Comprehensive Soldier Fitness (CSF) program is a structured, long-term assessment and development program designed to build the resilience and enhance the performance of the Army's Soldiers, Families, and Civilian Personnel. The CSF program uses individual assessments, tailored virtual training, classroom training and embedded resilience experts to provide Soldiers with the critical skills needed to take care of themselves, their Families and their teammates in this era of persistent

conflict. By developing the five dimensions of strength – physical, emotional, social, spiritual, and family – the CSF program equips Soldiers with the skills to become more self-aware, fit, balanced, confident, and competent, and ultimately better prepared to face the physical and psychological challenges of sustained operations.

Army Substance Abuse Program

The Nation's persistent conflict has created symptoms of stress for our Soldiers, including an increase in alcohol and drug abuse. The Army Substance Abuse Program is a commander's program that uses prevention, education, deterrence, detection, and rehabilitation, to reduce and eliminate alcohol and drug abuse. It is based on the expectations of readiness and personal responsibility.

A team recently returned from deployment to US Army Forces, US Central Command. To support our Commanders, clear and effective procedures for random drug testing in theater are under development, such as the implementation of online tools to train unit prevention leaders and to quickly inform commanders of test results. Another area under development is the review of portable prevention education packages for deployed Soldiers, Soldiers at home, and Soldiers in the RC. Additionally, the Army is conducting a pilot program that provides confidential education and treatment to Soldiers who self-refer to the Army Substance Abuse Program for assistance with alcohol issues. In addition to the pilot program, we are conducting a broader, more detailed study to determine the exact nature and extent of any stigma in the Army associated with substance abuse treatment. This study will run concurrently with the pilot program. The pilot program and detailed study were concluded on March 1, 2010. We are in the process of analyzing the pilot data and expect to report to Congress in late April 2010. We want to ensure that all Soldiers who may need assistance can get assistance without the barrier of stigma.

Congressional Assistance

Recruiting, retention and providing for the well-being of the best Army in the world requires a significant commitment by the American people. The Army is grateful

for the continued support of Congress for competitive military benefits and compensation, along with incentives and bonuses for Soldiers and their Families and for the civilian workforce. These are critical in helping the Army be the employer of choice.

Conclusion

We must maintain an appropriate level of investment to ensure a robust and high-quality Force. The well-being and balance of our Force are absolutely dependent upon your tremendous support. The Army is growing and transforming in a period of persistent conflict. We will do so with men and women of the highest caliber whose willingness to serve, is a credit to this great nation.

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

VICE ADMIRAL MARK E. FERGUSON III, U.S. NAVY

CHIEF OF NAVAL PERSONNEL

AND

DEPUTY CHIEF OF NAVAL OPERATIONS

(MANPOWER, PERSONNEL, TRAINING & EDUCATION)

BEFORE THE

SUBCOMMITTEE ON MILITARY PERSONNEL

OF THE

HOUSE ARMED SERVICES COMMITTEE

ON

MILITARY PERSONNEL LEGISLATIVE PRIORITIES

MARCH 17, 2010

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

Chairwoman Davis, Representative Wilson, and distinguished members of the House Armed Services Committee, it is a pleasure to have the opportunity to review Navy's military personnel legislative priorities. Our FY11 budget request represents a balanced approach to supporting our Sailors and their families, sustaining the pace of current operations, and preserving fleet readiness.

Navy continues to experience strong performance in our recruiting and retention programs, and we expect this success to continue through this fiscal year. Sailors and their families continue to express satisfaction with the quality of Navy life, to include compensation, health care, education and training opportunities, and family support. We are pleased to report that many of our programs have received national recognition during the past year, increasing awareness of the Navy within the American public.

Our FY11 budget request will enable us to continue to meet the operational demands of the fleet and the joint force. Our active budget request of $27.3B consists of $25.5B for Manpower Personnel Navy (MPN) and $1.8B in related Operations and Maintenance Navy (OMN). Our reserve budget request consists of $1.9B for Reserve Personnel Navy (RPN) and $25.7M in related Operations and Maintenance Navy Reserve (OMNR).

Our budget request supports active end strength of 328,700 and reserve end strength of 65,500. Our request includes Overseas Contingency Operations (OCO) funding of $421.5M for 4,400 active Sailors and OCO funding of $49M for reserve Sailors to support the joint force. This funding for additional end strength remains critical to our ability to meet operational demands without adversely impacting fleet readiness or Sailor dwell time.

A Global Navy Forward Deployed

More than 40 percent of our ships are underway or globally deployed. With this sustained operational tempo (OPTEMPO), we are experiencing added stress on the force, but are confident in the steps we are taking to support our Sailors and their families.

Our current readiness posture enabled the rapid response of our aircraft carrier USS CARL VINSON, our hospital ship USNS COMFORT, and numerous other ships, helicopters, and personnel to Haiti to provide humanitarian aid after the devastating earthquake in January. As of February 22, 2010, more than 4,000 active and reserve Sailors and Navy civilians are deployed to Haiti providing medical assistance, distributing food and water, and repairing port facilities and critical infrastructure.

Our Sailors today also remain fully engaged in support of operations in Iraq and Afghanistan. Navy has more than 21,000 active and reserve Sailors on the ground and at sea in the Central Command Area of Responsibility (AOR). Of those 21,000 active and reserve Sailors, more than 7,000 are on the ground supporting Navy, joint force, and coalition operations in Iraq and Afghanistan. As the focus continues to shift from Iraq to Afghanistan, we expect the current demand on our forces to increase.

Our FY11 budget request of $152.6M for Sailor and family care reflects our enduring commitment to balance the personal and professional needs of our Sailors and their families. Additionally, we are expanding our efforts to support the force through a comprehensive "continuum of care."

Tone of the Force Remains Positive

We continue to monitor the health of the force through surveys that assess personal and family-related indicators such as stress, financial health, and command climate, as well as Sailor

and family satisfaction with the Navy. The results indicate that the majority of Sailors remain satisfied with the morale of their commands, the quality of their leadership, education benefits, health care, and compensation. Family satisfaction with the Navy also remains high. Results of our April 2009 Navy Spouse Personal and Family Readiness Survey indicate 75 percent of spouses support their Sailors "staying Navy." Additionally, Navy spouses report satisfaction with both pre-deployment and post-deployment assistance for their families.

Continuum of Care is a Priority

We remain committed to providing our Sailors and their families a comprehensive "continuum of care" that addresses all aspects of medical, physical, psychological, and family readiness. Our FY11 budget request expands this network of services and caregivers to ensure that Sailors and their families receive the highest quality care. Navy Safe Harbor, Navy's Operational Stress Control Program, the Warrior Transition Program, the Returning Warrior Workshop, the Navy Reserve Psychological Health Outreach Program, and Deployment Health Assessments are critical elements of this continuum.

Navy Safe Harbor continues to provide non-medical support for all seriously wounded, ill, and injured Sailors, Coast Guardsmen, and their families through their network of Recovery Care Coordinators and non-medical Care Managers at 16 locations across the country. During the past year, Safe Harbor's enrolled population increased from 387 to 546. The FY11 budget request supports our continuing efforts to provide exceptional, individually tailored assistance to our wounded, ill, and injured. We have increased our support for community reintegration through the Anchor Program, which pairs members with volunteer reservists in their communities, emphasized on-the-job training activities to enhance post-service employability, and expanded outreach to families and caregivers.

Navy's Operational Stress Control (OSC) program provides a comprehensive approach designed to actively promote the psychological health of Sailors and their families throughout a career while reducing the stigma associated with seeking help. To date, Basic OSC Awareness training has been provided to more than 84,000 Sailors at various locations across the country.

The Warrior Transition Program (WTP) was established in Kuwait and provides a place and time for Sailors to decompress and transition from the war zone to life back home. Through small group discussions facilitated by chaplains and medical personnel, Warrior Transition Workshops prepare Sailors for resumption of family and social obligations, return to civilian employment, and reintegration with the community. In FY09, 3,283 workshops with more than 5,500 participants were conducted in Kuwait and through Mobile Care Teams forward deployed in Iraq and Afghanistan.

The Returning Warrior Workshop (RWW) is an important step in the demobilization and reintegration process for the Total Force and their families. The RWW is designed to remove stigma and direct family members to appropriate support programs. Originally developed by and for the Navy Reserve, the RWW has expanded to include Navy active and Marine Corps reserve members and their families. In 2009, more than 1,800 service members and 1,400 family members attended one of 27 RWWs throughout the country. As of 1 January 2010, an additional 15 RWWs, including two for the Marine Corps, have been scheduled under the current contract and 21 more RWWs are planned for the next contract through July 2011.

The Navy Reserve Psychological Health Outreach program was established to improve the overall psychological health and resiliency of Navy Reservists and their families. Each of the five regional reserve commands has a team comprised of two psychological health outreach coordinators and two to four team members. As of the end of January 2010, these teams have

assessed and referred 1,742 reservists to appropriate sources of mental health care and have made 196 visits to Navy Operational Support Centers (NOSCs) around the country, providing basic OSC awareness training to more than 20,200 reservists and staff members.

In addition to these programs, we continue to monitor compliance with the Deployment Health Assessment (DHA) Program to ensure that the psychological needs of Sailors are addressed before and after critical deployment periods. DHA is a DoD-mandated instrument used to screen Sailors prior to deployment and to identify health concerns after deployment with Post-Deployment Health Assessments (PDHA) and Re-assessments (PDHRA). We have released updated policy guidance on the overall deployment health assessment process and continue to work with commands to institutionalize the process across the Fleet. As a result of these changes and increased senior leadership engagement, PDHRA compliance has risen to over 89 percent.

Suicide Prevention is a Leadership Responsibility

Our suicide prevention efforts involve a multi-faceted system of communication, training, and command support designed to foster resilience and promote psychological health among the force. Suicide prevention is an all-hands effort, involving the individual Sailor, family members, peers, and leadership. Navy's calendar year 2009 suicide rate of 13.8 per 100,000 Sailors represents an increase from the 2008 suicide rate of 11.6 per 100,000 Sailors. Although this remains significantly below the national rate for the same age and gender demographic of 19.0 per 100,000[1] individuals, any loss of life as a result of suicide is a tragedy. We remain committed to creating an environment in which stress and other suicide-related factors can be more openly recognized, discussed, and addressed. This includes maintaining a solid foundation

[1] National Center for Injury Prevention and Control (2004). Standardized U.S. suicide rates are adjusted for DON demographics.

of trained and supported suicide prevention coordinators across commands, refreshing mental health provider skills in assessing and managing suicide risk, raising family awareness of suicide risk, warning signs, and support resources, and encouraging Sailors to seek help.

Additionally, Navy continues to develop and enhance programs designed to mitigate suicide risk factors and improve the resilience of the force. These programs focus on substance abuse prevention, financial management, positive family relationships, physical readiness, and family support with the goal of reducing individual stress. We continue to work towards a greater understanding of the issues surrounding suicide to ensure that our policies, training programs, interventions, and communication efforts are meeting their intended objectives.

Sexual Assault: Not in my Navy

Sexual assault is incompatible with our core values, high standards of professionalism, and personal discipline. The Chief of Naval Operations' (CNO) recent message to the force emphasized the importance of all Sailors living the attitude of "Not in my Navy" to the prevention of sexual assault.

In September 2009, the Chief of Naval Operations designated my office as the Executive Agent for the Navy Sexual Assault Prevention and Response (SAPR) program. Under the leadership of the newly designated Director of the Department of the Navy Sexual Assault Prevention and Response Office, we have adopted a multi-faceted approach to raise awareness of effective prevention methods, victim response, and offender accountability. We are working with leaders across the force to enhance training and victim advocacy programs, standardize reporting and case management procedures, and improve investigation and treatment processes. During the past year, program reviews have been conducted by the Government Accountability Office, the Defense Task Force on Sexual Assault in the Military Services, and the Naval

Inspector General to identify program gaps and provide recommendations for improvement. We welcome these recommendations as we refine the Navy SAPR program and promote a culture that is intolerant of sexual assault.

Force Stabilization Continues

Our force stabilization efforts remain focused on maintaining a balanced force in terms of seniority, experience, and skills while staying within our Congressionally authorized end strength. To do this, we will continue to execute the following measures:

- "High-Year Tenure" separations for Sailors at selected paygrades and years of service
- "Perform-to-Serve (PTS)" reenlistment review process that requires conversion to undermanned specialties or separation in Zone A (0-6 years), Zone B (6-10 years), and Zone C (10-14 years)
- One-year time-in-grade retirement waivers for select senior enlisted and officers
- Early transition for enlisted, allowing them to separate up to 12 months before the end of their active obligated service
- Monthly probationary officer continuation and redesignation boards
- Annual performance-based continuation boards for senior enlisted in pay grades E7–E9 with more than 20 years of service.

With these performance-based measures, we expect to meet our FY10 authorized active end strength of 328,800 and reserve end strength of 65,500 by the end of the fiscal year, as well as our active and reserve end strength targets in FY11.

Recruiting and Retention

Navy continues to experience strong performance in our recruiting and retention programs across both the officer and enlisted force. Last year marked the second consecutive

year that Navy has achieved its officer and enlisted recruiting goals in both the active and reserve components. While we anticipate that we will meet our aggregate goals again this year, the increased demand for critical specialties, such as medical, special warfare/special operations, and other ratings in support of OCO will present challenges to meeting recruiting and retention goals in these areas.

We project we will meet our FY10 overall officer and enlisted retention goals. While our retention data indicates we must continue to apply bonus programs to critical skill areas where we have made significant investments in training and education, we have been able to make selected reductions in retention bonuses due to retention behavior.

The opportunity to transfer education benefits of the Post 9/11 GI Bill to a spouse or child is a significant benefit for our Sailors and their families. Approximately 18,000 active duty Navy members and 3,400 reserve Navy members have been approved for transferability. We have not seen an adverse impact to enlisted and officer retention to date. We will continue to evaluate the impact of the Post-9/11 GI Bill on retention as economic conditions change.

Recruiting - Enlisted

In this fiscal year to date, we have met or exceeded our active and reserve recruiting goals each month. We continue to exceed Department of Defense (DoD) quality standards in all recruit categories as shown in the following table:

Table 1. Active and Reserve Component Accessions and Quality

	FY09			FYTD 10 (as of 1 Feb 2010)		
	ATTAINED	**GOAL**	**%**	**ATTAINED**	**GOAL**	**%**
Total Active	35,527	35,500	100.1	11,613	11,572	100.4
Total Reserve	7,793	7,743	100.6	2,309	2,276	101.4
HSDG*	36,491	95%	95.0	12,060	95%	96.5
TSC I-IIIA**	29,704	70%	77.4	9,841	70%	78.8

*HSDG – High School Diploma Graduate; DoD standard is 90%; DoN standard is 95%
**TSC – Test Score Category (Aptitude Level); DoD standard is 60%; DoN standard is 70%

Last year, we were successful in meeting our recruiting goals for nuclear and special warfare/special operations ratings, and are well-positioned to meet this year's targets as shown below. These ratings continue to be our top enlisted recruiting priorities this year.

Table 2. Nuclear and Special Warfare/Special Operations Accessions

	FY09			FYTD 10 (as of 1 Feb 2010)		
	ATTAINED	GOAL	%	ATTAINED	GOAL	%
Nuclear Field	2612	2604	100.3	1,074	1,072	100.2
SPECWAR/SPECOPS	1906	1900	100.3	463	455	101.8

Recruiting - Officer

Navy achieved our active and reserve officer goals as shown in Table 3. We achieved overall active and reserve medical recruiting goals for the second consecutive year. We attribute our success over the last year to adjustments in several monetary incentive programs resulting in higher incentive pays for critical healthcare specialties, higher monthly stipends for the medical and dental Health Professionals Scholarship Programs (HPSP), the availability of multi-year payouts for the Critical Wartime Skills Accession Bonus (CWSAB), and loan repayment for select medical specialties.

Table 3. Active and Reserve Officer Accessions

	FY09			FYTD 10 (as of 1 Feb 2010)		
	ATTAINED	GOAL	%	ATTAINED	GOAL	%
Active General Officer*	1,333	1,321	101	1,296	1,609	80.5
Reserve General Officer*	1,046	971	108	508	1,200	42.3
Active Medical Officer**	808	801	101	418	873	47.9
Reserve Medical Officer**	297	279	106	84	400	21.0

*Does not include accessions from the United States Naval Academy or Naval Reserve Officer Training Corps.
**Medical Officer includes Medical Corps, Nurse Corps, Dental Corps, and Medical Service Corps.

Health care professionals remain a recruiting priority through FY11, especially within the reserve component (RC) where several specialties are currently undermanned. To address shortfalls among reserve health professionals, the FY11 budget request supports an affiliation bonus for prior service reserve nurse corps officers, an accession bonus for certain reserve nurse corps direct commission officers, and expansion of the pilot program to access qualified legal non-citizens with critical medical skills to the RC.

The FY11 budget requests $362.6M for our recruiting programs, which includes accession incentives, advertising, and recruiter support for our active and reserve recruiters. While we continue to leverage social media and other technologies to broaden our outreach efforts, it is the face-to-face contact with recruiters in the field that is the cornerstone of our sustained recruiting success. This accessibility to recruiters in the field remains critical to Navy's ability to attract high-quality, diverse individuals. Our budget request will ensure that the recruiting force remains appropriately sized for our accession mission and has the necessary tools and resources to achieve continued success in the future.

Accession bonuses remain critical to achieving our goals for health professionals, nuclear operators, and special warfare/special operations. To meet increased operational demands for these skill areas, we maintained bonus levels for nuclear officers and health professionals and continue to offer enlisted accession bonuses to special warfare/special operations and other critical ratings where we have been challenged in meeting recruiting targets. Although a favorable recruiting environment has enabled us to reduce the number of enlisted ratings that are eligible to receive an accession bonus from 67 ratings in 2008 to just seven ratings in 2010, these reductions apply to new bonus contracts only. We must maintain the ability to fund residual

payments for those with existing bonus contracts. The budget request includes $128.1M in bonuses, special pays, and incentives, representing a decrease of $6M from FY10.

Retention - Enlisted

Navy continues to experience high retention and reduced attrition across the force. These patterns have continued into this fiscal year as shown in Table 4.

Table 4. Active Navy Retention

Active Navy Retention	FY09 Achievement				FY10 Achievement (as of 31 Jan 2010)			
	Reenlisted	Mission	FY09	FY09 Goals	Reenlisted	Mission	FYTD	FY10 Goals
Zone A (0-6 yrs)	14,295	13,300	107.5%	13,300	4,622	4,300	107.4%	12,600
Zone B (6-10 yrs)	10,123	9,400	107.7%	9,400	3,564	3,300	108.0%	8,300
Zone C (10-14 yrs)	6,477	6,000	108.0%	6,000	2,612	2,426	107.7%	5,800

Overall active duty attrition, defined as Sailors who are discharged prior to the end of their contract, has declined by approximately nine percent from the previous year. Specifically, we have seen declines in misconduct-related discharges by 12 percent, medical/physical discharges by three percent, and training-related discharges by seven percent. Reserve enlisted attrition rates are also trending lower than the historical average of 28 percent.

We have made significant progress over the past year in retaining Sailors in our most critical ratings. For example, in FY09, we met our retention goals for Zone A nuclear operators for the first time in over 30 years. We will continue our efforts to retain Sailors with critical skills that are in high demand in the civilian sector, such as nuclear and cyber, as well as Sailors in specialties that continue to experience high OPTEMPO in support of OCO such as special warfare/special operations and independent duty corpsmen. Our Selective Reenlistment Bonus (SRB) programs remain an important tool to retain these highly-trained Sailors.

As we continuously monitored retention behavior over the past 18 months, we adjusted SRB levels six times, reducing the number of skill areas eligible for SRB by over 50 percent compared to FY09, and reducing bonus levels for those skills eligible for SRB. In our most recent SRB message issued in January, we made minor adjustments to our plan, removing seven skills from eligibility and adding two skills, offering slight increases in SRB levels for 38 skills, and decreasing SRB levels for four skills. We continue to structure our award plan to target high-demand skill sets that remain relatively insulated from changes in the economic environment, to include special warfare/special operations, intelligence, medical, linguists, cryptologists, and nuclear ratings. Our FY11 budget request includes $131.6M for new SRB contracts, a reduction of $22M from FY10.

Retention - Officer

AC and RC officer retention rates have generally increased as a result of targeted incentive pays, improved mentoring, and increased emphasis on life-work initiatives.

Junior officer retention within select communities remains a priority, as junior officer retention is the barometer of the health of the future force. In FY09, the overall loss rate for junior officers decreased from 7.8 percent to 6.6 percent. Additionally, the surface and submarine warfare communities met their retention goals, representing the strongest junior officer retention in five years. Due to high operational demand for support of operations in Afghanistan and Iraq, the retention of junior officers within critical skills sets such as special warfare/special operations, explosive ordnance, intelligence, and civil engineering, remains a priority.

With the exception of Medical Corps physicians, we continue to experience slight improvements in medical community loss rates trends, largely due to competitive incentives and

bonuses. Select subspecialties continue to require attention, to include dentistry, clinical psychology, social work, physician assistants, general surgery, preventive medicine, family medicine, and perioperative nursing. Our FY11 budget request includes $57.7M for special and incentive pays to retain these critical professionals.

During the past year, we conducted comprehensive reviews of many of our special and incentive pay and bonus programs to adjust bonus levels in response to retention behavior. In addition to reviews of Special Duty Assignment Pay (SDAP) and SRB, we have ongoing reviews of officer programs. For example, after reviewing the aviation officer community bonus program, we determined that targeted reductions could be made with acceptable risk to retention goals. A similar review was conducted for the surface warfare officer bonus program and other officer bonus program reviews are ongoing. As we execute these actions, we will continue to monitor retention rates and adjust our incentive programs as necessary.

Learning and Development: Navy's Asymmetric Advantage

Education and training are strategic investments in Navy's Total Force, enabling us to develop a highly-skilled, combat-ready force to meet the demands of the Maritime Strategy and the joint force. In 2009, our 15 learning centers across the country provided advanced skills training to more than 34,000 Sailors each day. We continue to balance existing education and training requirements with growth in important mission areas such as cyber warfare, missile defense, and anti-submarine warfare. We will continue the integration of advanced information technology and cyber training enhancements in FY11. The first phase of these enhancements was brought online in October 2009, with additional modules set to commence in July 2010. Additionally, as a foundation for fleet training, we continue to focus individual training investments in ballistic missile defense, strategic weapons, and Littoral Combat Ships. To

ensure our training remains responsive to emerging requirements and the increasing pace of changing technology, we continue to leverage a blended training approach. This approach integrates experienced Navy instructors, advanced training technology, and state-of-the art delivery systems with modularized content to provide timely and relevant training throughout a Sailor's career. Our FY11 education and training budget request of $1.2B supports our continued investment in curricula, training technology, and instructors for these critical warfighting areas.

We remain committed to the professional development of our Sailors and officers with high-quality education and training programs. Navy offers several college-focused incentives, including the Navy College Fund, tuition assistance, and the Navy College Program for Afloat College Education (NCPACE). Although funding for these programs has been reduced for FY10, we have implemented a number of management controls to ensure we are able to support Sailors' education goals to the maximum extent possible through FY11.

To guide Sailors in their professional development, we created learning and development roadmaps. These roadmaps provide Sailors with detailed information about required training, education, qualifications, and assignments throughout their careers. To date, we have completed 57 of 82 planned enlisted roadmaps, with the remainder scheduled for completion this fiscal year. We continue to leverage civilian credentialing programs through the Navy Credentialing Opportunities Online (COOL) program, bolstering the professional qualifications of Sailors in all ratings and increasing Sailor equity in their professional advancement.

We recognize the importance of providing meaningful and relevant education throughout the career continuum to develop leaders who are strategically-minded, capable of critical thinking, and adept in naval and joint warfare. Officers are afforded the opportunity to pursue

advanced education through the Naval Postgraduate School (NPS), the Naval War College (NWC), other service colleges, and several Navy fellowship and scholarship programs. For the 2009-2010 academic year, more than 1,700 active and reserve officers (resident and non-resident) are enrolled in NPS graduate degree programs, including 227 international students from 44 countries. We expect that approximately 322 officers will complete Phase I of Joint Professional Military Education (JPME) and approximately 259 officers will complete JPME Phase II through in-resident courses in 2010. More than 3,000 non-resident opportunities to receive joint education are planned for FY10 through courses delivered in conjunction with pursuit of a graduate degree at NPS, Fleet seminar programs offered in 20 fleet concentration areas, and electronically via the web or CD-ROM. Additionally, 120 reserve officers may enroll in Advanced Joint Professional Military Education (AJPME), a 40-week blended academic program to obtain JPME Phase II credit. These non-resident opportunities provide the flexibility necessary for active and reserve officers to balance joint education requirements with personal and operational demands.

Cultural, historical, and linguistic expertise remain essential to fostering strong relationships with our global partners and enhancing our ability to effectively execute missions in multinational environments. The FY11 budget request supports continuing efforts to enhance foreign language capabilities and regional expertise across the Total Force. This includes $19.8M for the Navy Foreign Language Proficiency Bonus to incentivize foreign language proficiency in languages critical to Navy's missions around the world. Additionally, our request supports expansion of the Language, Regional Expertise, and Culture (LREC) majors program for NROTC midshipmen and implementation of the AFPAK Hands Program, which will provide the joint force with enhanced language and cultural capabilities in Afghanistan and Pakistan.

Future Initiatives

Developed in collaboration with the Chief of Navy Reserve, the *Navy Total Force Vision for the 21st Century* will guide our efforts to attract, recruit, develop, assign, and retain a highly-skilled workforce. Our vision reaffirms our commitment to the welfare of our Sailors, Navy civilians, and their families. It describes our vision of "a seamless Navy Total Force valued for their service to the nation." Our efforts in support of this vision are aligned to five strategic imperatives, which serve as the framework to define our priorities and guide our investment decisions. To realize our vision, we must be:

- Responsive to the joint warfighter,
- Competitive for the best talent in the nation,
- Diverse,
- A learning organization, and
- A leader in human resource solutions.

A critical component of our vision is the ability to attract, recruit, and retain the nation's best talent to meet Navy's mission through recognition of Navy as a Top 50 organization. Top 50 organizations encourage innovation and focus on performance while taking care of their people through programs and policies that support a culture of trust, respect, communication, and collaboration.

Diversity

Top 50 organizations recognize the value of diverse ideas, perspectives, and experiences to remaining competitive in an increasingly global environment. Navy draws its strength and innovation from the diversity of our nation – a nation that is changing. By 2020, it is projected that minorities will make up over one-third of the nation's workforce. By 2050, they are

projected to comprise 50% of the workforce. To increase accessibility to diverse markets, we are establishing a NROTC unit at Arizona State University-Tempe and have developed a NROTC consortium linking Tuskegee University to an existing unit at Auburn University. We continue to expand our relationships with key influencers and science, technology, engineering, and mathematics (STEM)-based affinity groups to educate our nation's youth about the opportunities available in the Navy. As a result of our outreach efforts, the NROTC class of 2013 joins the U.S. Naval Academy class of 2013 as the most diverse classes in our history. Our efforts in FY10 and FY11 will focus on retaining this talent by building and sustaining a continuum of mentorship opportunities that includes the chain of command, individual communities, peer-to-peer relationships, and affinity groups. We will continue to ensure that all Sailors are provided with opportunities to develop personally and professionally.

Life-Work Integration

Our internal survey data show that organizational support of life-work balance and the availability of flexible career options are key to attracting, recruiting, and retaining the talent of a new generation entering the workplace. Our Sailors and their families continue to benefit from comprehensive parental support programs, to include paternity and adoption leave, extended operational deferment for new mothers, and expanded childcare. We thank Congress for their support of these programs. We continue to assess innovative ways to support life-work balance while meeting mission requirements through initiatives such as Career Intermission, telework, and other flexible work options.

Continuum of Service

Achieving our vision of a seamless Navy Total Force requires us to adopt a continuum of service approach to retention. This approach provides for seamless movement between the

active and reserve components, and civilian workforce, across an individual's career, enabling Navy to continue to leverage their experience and talent in support of the warfighter. We continue to make progress in addressing the barriers impeding a quick and efficient transition between components to meet changing workforce demands. In May 2009, we established the Career Transition Office (CTO) to increase Sailor reserve affiliation rates and optimize the transition process between the active and reserve components. Since the establishment of the CTO, reserve affiliation has increased and transition time has decreased from more than 30 days to nine days. Additionally, we instituted a SELRES option with our PTS initiative, which enables Sailors to choose reserve affiliation prior to leaving active duty without assistance from a recruiter. We continue to work towards our goal of transitioning Sailors between the active and reserve components within 72 hours.

As we continue to make significant strides towards achieving our vision, our efforts are receiving national recognition. Over the past 20 months, Navy has received 19 national awards recognizing our accomplishments across the areas of workforce planning, life-work integration, diversity, and training. In October 2009, Navy received *Workforce Management Magazine's* prestigious "Optimas Award for General Excellence," joining the ranks of previous award winners such as Google, Intel, and Hewlett-Packard. In the 19-year history of this award, only one other government entity has received it. Most recently, Navy was honored by *Training Magazine* with the number 17 position on their prestigious "Top 125" list of the best training organizations in the country. We will continue to seek out external recognition opportunities to benchmark our programs against the best in industry. This recognition showcases Navy as a great place to work in service to our nation.

Conclusion

Our mission remains to attract, recruit, develop, assign, and retain a highly-skilled workforce for the Navy. We continue to:

- Align the personal and professional goals of our workforce with the needs of the joint force, while ensuring the welfare of our Sailors and their families
- Deliver a high-performing, competency-based, and mission-focused force to meet the full spectrum of joint operations
- Provide the right person with the right skills at the right time at the best value to the joint force.

Our FY11 active and reserve budget requests support the critical programs that will ensure continued success in delivering the human component of the Maritime Strategy and key capabilities for the joint force. On behalf of all the men and women in uniform who sacrifice daily and their families who faithfully support them, I want to extend my sincere appreciation for your unwavering support for our United States Navy. Thank you.

Not public until released by the
House Appropriations Committee

STATEMENT

OF

LIEUTENANT GENERAL RICHARD C. ZILMER

DEPUTY COMMANDANT FOR MANPOWER & RESERVE AFFAIRS

UNITED STATES MARINE CORPS

BEFORE THE

SUBCOMMITTEE ON PERSONNEL

OF THE

HOUSE ARMED SERVICES COMMITTEE

CONCERNING

MILITARY PERSONNEL

ON

MARCH 17, 2010

Not public until released by the
House Appropriations Committee

Chairwoman Davis, Congressman Wilson, and distinguished Members of the Subcommittee, it is my privilege to appear before you today to provide an overview on Marine Corps personnel.

I. Your Marines

Americans expect their Marines to be ready to respond when our country is threatened; to arrive on the scene anywhere in the world without notice; and to fight and win our Nation's battles. To this end, the individual Marine is the Corps' most sacred resource. The young men and women who fill our ranks today recognize the global, protracted, and lethal nature of the challenges facing our Nation, and their dedicated service and sacrifice rival that of any generation preceding them.

Over the past several years, sustained deployments in Iraq, Afghanistan, and across the Globe have kept many Marines in the operating forces deployed as much as they have been home. They have shouldered our Nation's burden and done so with amazing resiliency. Marines and their families know that their sacrifices are making a difference, that they are part of something much larger than themselves, and that their Nation stands behind them.

Your Marine Corps is a young force that provides great value to the Nation.

- The average age of a Marine is 25 years old.
- Almost half the enlisted force — 84,830 Marines — are between the ranks of private and lance corporal (pay grades E1- E3).
- Almost 70 percent of our Marines are on their first enlistment - approximately 30,000 have been in uniform for less than a year.
- The ratio of officers to enlisted Marines is 1:9 — the lowest of all the services.

- Over 136,000 Marines (67 percent) are in deploying units (operating forces). Nearly 30,000 Marines are forward deployed, forward based, or on training exercises around the world.

- For 6.5 percent of the baseline Fiscal Year 2010 Defense budget, the Marine Corps provides: 17 percent of the Nation's active ground combat maneuver units; 12 percent of the Nation's fixed wing tactical aircraft; and 19 percent of the Nation's attack helicopters.

II. End Strength

The Marine Corps achieved tremendous success in Fiscal Year 2009. We grew by 4,000 Active Component Marines, enabling us to meet our 202,000 (202K) growth plan two years ahead of schedule.

- Projected end strength at the end of Fiscal Year 2010 is 203,030 (including estimated 292 Reservists who have served on active duty for three of the last four years).

- The Marine Corps must continue to shape the force to meet continuing 202K unit growth through Fiscal Year 2012.

- We continue to enlist and reenlist high quality Marines and expect that the current economic environment will increase enlistments and reenlistments.

- Compensation and incentives - enlistment bonuses and selective reenlistment bonuses - will remain strong influencers on the Marine Corps' ability to enlist and retain Marines in the high skill/high demand occupations.

We appreciate the continued support of Congress in the creation of flexible compensation authorities that allow the Marine Corps to shape your Corps for the 21st Century.

III. Marine Corps Reserve

Our reserves continue to make essential contributions to our Total Force efforts in Overseas Contingency Operations. Over the last few years, as we concentrated on building our Active Component to 202K, we fell short of our Reserve Component authorized end strength of 39,600. However, as the Active Component met its end strength increase goal two years ahead

of schedule, we were able to refocus our recruiting and retention efforts toward achieving our authorized Reserve Component end strength. These efforts included increasing our reserve non-prior service recruiting mission, lowering our attrition, doubling our incentives budget from $12 million to $24 million, and expanding the population eligible to receive incentives. These initiatives enabled us to reduce our end strength shortfall, ending Fiscal Year 2009 at 2.7 percent (1,090) below our authorization (3.1 percent (1,228) if the 138 Selected Reserve Marines who served on active duty for more than three of the last four years are accounted).

By continuing to maintain our focus on the Reserve Component throughout Fiscal Year 2010, we project an end strength of 39,226, a shortfall of less than one percent (prior to accounting for Marines who have served on active duty for more than three of the last four years).

IV. Recruiting

The Marine Corps is unique in that all recruiting efforts (officer, enlisted, regular, reserve, and prior-service) fall under the direction of the Marine Corps Recruiting Command. Operationally, this provides us with tremendous flexibility and unity of command in order to annually meet our objectives.

Our recruiters continue to make their recruiting goals in all areas in support of our Total Force recruiting mission. Our focus is always to recruit quality men and women with the right character, commitment, and drive into our Corps. To meet the challenges in today's recruiting environment, it is imperative that we maintain our high standards both for our recruiters and those who volunteer to serve in our Corps. We must also remain mindful that the Marine Corps needs to reflect the face of our Nation and be representative of those we serve.

- In Fiscal Year 2009, we achieved over 100 percent of our enlisted and officer recruiting goals for both the Regular Component and Reserves.

- In Fiscal Year 2009, we accessed over 98 percent Tier 1 high school diploma graduates and over 69 percent in the upper Mental Groups of I-IIIAs, both exceeding Department of Defense quality standards.

- In Fiscal Year 2010, we will again meet our annual recruiting mission, to include all quality goals. Additionally, we expect to have a strong population of qualified individuals ready to ship to recruit training as we enter Fiscal Year 2011.

- Officer recruiting for our Selected Marine Corps Reserve units is traditionally our greatest challenge. To date, the Officer Candidate Course – Reserve (OCC-R) has proven to be the most successful of our reserve officer recruiting programs. Under this program, individuals attend Officer Candidates School, The Basic School, a Military Occupational Specialty school, and then return to a reserve unit to serve. We commissioned 56 Second Lieutenants in the reserves in Fiscal Year 2009, and we anticipate commissioning up to 75 more this fiscal year.

We thank you for the generous support you have provided to us in the past and look forward to working with you to ensure success in the future.

V. Retention

Retention complements recruiting as one of the vital elements of building and sustaining the Marine Corps. For enlisted retention, we seek to retain the best and brightest Marines in both our first-term and Career Force to provide the proven technical skills, experience, and non-commissioned officer and staff non-commissioned officer leadership needed to meet our demanding mission.

- In Fiscal Year 2009, the Marine Corps reenlisted 16,016 Marines. This achievement represented the second highest retention rate ever, almost 34 percent, among the eligible First Term Alignment Plan (FTAP) population compared to an historical average of 24 percent.

- In Fiscal Year 2009, the Marine Corps also achieved an unprecedented 78 percent retention rate among the eligible career Subsequent Term Alignment Plan (STAP) population, the highest ever, while maintaining all quality standards.

- For Fiscal Year 2010, retention achievement remains on track and exceptionally strong. As of 1 March 2010, we have achieved approximately 90 percent of both our FTAP and STAP goals.

Our continuing retention success remains largely attributable to two important, enduring themes. First, Marines are truly motivated to "stay Marine" because they are doing what they signed up to do — fighting for and protecting our Nation. Second, they understand our service culture is one that rewards proven performance and takes care of its own.

VI. Taking Care of Our Marines and Our Families

With more than 47 percent of our Marines married, we believe that the investment in our families is critical to the long-term health of our institution. When Marines know that their loved ones at home have access to quality housing, healthcare, child care services, and education, they are better prepared to face the rigors of our wartime environment and more inclined to continue their service to our Nation.

Taking care of Marines and their families remains one of our Corps' highest priorities. With the help of Congress, we initiated myriad of personal and family readiness program reforms during Fiscal Years 2008 and 2009. As a result of extensive program assessments and evaluations, we have built these programs into our baseline budget, beginning with a $110M increase in Fiscal Year 2010.

Historically, the Unit, Personal and Family Readiness Program's mission was volunteer-intensive. To ease their burden and make our programs more effective, we recently established over 400 full-time, primary-duty civilian Family Readiness Officers (FROs) to support commanders at the unit level. The program and support structure is designed to work across functional lines to build and sustain the capacity of military families to care for themselves and

each other. The following training programs have been developed and enhanced as an integral element of family readiness reforms:

- Developed LifeSkills training courses that specifically address the challenges of military life in order to increase the resiliency of our Marines and their families,
- Expanded and enhanced our pre-, during, and post-deployment training.
- Broadened the scope of our Lifestyle Insights, Networking, Knowledge and Skills (L.I.N.K.S.) training to include children and extended family members.
- Incorporated Combat and Operational Stress Control (COSC) into our deployment training cycles.

Exceptional Family Member Program (EFMP). We have transformed the EFMP to ensure enrolled family members have access to a continuum of care, while also providing the sponsor an opportunity for a successful career. I am proud to state that the redesigned Marine Corps EFMP has been recognized as a premier, full-service program based on the quality and efficiency of program changes. These changes are having a direct impact on the level of care provided to our exceptional family members, as well as increasing the number of enrollments.

- In 2001, EFMP had 4,500 enrolled family members. The number grew to 6,500 in 2008 and to over 8,900 today. We estimate that there are over 18,000 special needs families in the Marine Corps and that, as a result, EFMP enrollment will continue to increase.
- Family Case Workers are assigned to each enrolled Marine family to assist during relocation, deployments and life events. They also help families gain access to medical, educational and financial support services.
- Enrolled Marine Corps families are given up to 40 hours of respite care per month. The Marine Corps has chosen to underwrite this cost, independent of TRICARE Extended Care Health Option (ECHO), to afford families the full use of their ECHO provided benefit for needed therapies and equipment. To date, enrolled Marine Corps families have been given 250,000 hours of respite care.

School Liaison. Recognizing that military children may relocate several times during their educational years, and that they face unique challenges due to the mobile lifestyle of their

parents, the Marine Corps established school liaisons at all Marine Corps installations. The liaisons have myriad of roles and responsibilities, including:

- Providing resource/referral assistance to school-aged military children and their families.
- Developing Permanent Change of Station (PCS) checklists for Marine Corps families to assist parents in pre-relocation planning and registration in the receiving school district.
- Assisting local school districts in applying for and utilizing federal Impact Aid funding for enrolled military children.
- Working on the Department of Defense/Department of Education K-12 Partnership, which was established to improve education for military children.
- Addressing student transition and support when a parent is deployed.

Child Care. Availability of quality, affordable child care on and off our installations continues to be a major quality of life issue for Marines and their families. Currently, we are providing 11,068 child care spaces, meeting 64 percent of the calculated total potential need based on the reported population. To meet the Department of Defense standard of 80 percent of potential need would require approximately 3,000 additional spaces. I want to thank you for funding an additional 2,615 spaces in recent legislation (American Recovery and Reinvestment Act and Fiscal Year 2009 Overseas Contingency Operations Supplemental), which will go a long way to meeting our child care need; these spaces are scheduled to become available over the next 18-24 months. The Commandant also submitted a Child Development Center project for Twentynine Palms, California, within the Fiscal Year 2011 Unfunded Programs List. In the interim, we are seeking temporary solutions to help meet child care demand at this installation. Other strategies to help meet Corps-wide child care requirements include our continued

partnerships to locate and subsidize child care services to our families who are not located on or near military installations.

Deployed and Warrior Support. To address the increased demands and impact of multiple, sustained deployments on our Marines and their families, we have taken a number of actions, to include:

- Improving communications between Marines and families through the establishment of a Mass Communication Tool, WIFI capabilities aboard all Marine Corps installations, and implementing a Portable Morale Satellite Communications system that provides an internet and web-cam capability to forward operating bases in Afghanistan.
- Partnering with the Army and Air Force Exchange Service to provide in-theater Tactical Field Exchanges, which offer access to a variety of health and comfort items, movies, CDs, and snack foods.

Yellow Ribbon Reintegration Program (YRRP). The Marine Corps has integrated the YRRP within the overall Unit, Personal and Family Readiness Program, with full-time FROs responsible for coordinating YRRP events to our Reserve forces and extended family members. These events include:

- Pre-mobilization – Topics include the development of Family Care Plans, information on counseling services, single service member support, and otherwise preparing Marines and families for deployment and family separation.
- During-mobilization – Topics include Department of Veterans Affairs' benefits, TRICARE health care information, financial management, child care, and return and reunion plans.
- Post-mobilization – Topics focus on reintegration and transition back to family and civilian life. Events are conducted approximately 30, 60, 90 days following demobilization.

Behavioral Health. The vast majority of Marines and their spouses are young; the average age of a Marine is 25 years old and the average Marine spouse is 28 years old. This

youthful demographic introduces societal risks that we aggressively address through our prevention programming. Nevertheless, the Marine Corps has regrettably seen increases in suicides, domestic violence, and sexual assaults, highlighting the need for immediate action and improved behavioral health prevention programs and policies. To this end, we are integrating our Suicide Prevention, Sexual Assault Prevention and Response (SAPR), Substance Abuse Prevention, Combat and Operational Stress Control (COSC), and Family Advocacy programs to better equip our community support professionals to collectively respond to the needs of Marines and their families.

Combat and Operational Stress Control (COSC). Our COSC program provides training and tools that enable our leaders, Marines, and family members to recognize stress reactions, to provide effective mitigation and/or intervention within operational units and in families, and to promote wellness. To further assist leaders with the prevention, rapid identification and early treatment of combat and operational stress, we have taken action to expand our program of embedding mental health professionals in operational units – the Operational Stress Control and Readiness (OSCAR) program – to directly support all active and reserve ground combat elements. This will be achieved over the next three years through the realignment of existing Navy structure supporting the operating forces, and by increasing the Navy mental health provider inventory. The OSCAR capability is also being extended down to all deploying units, but specifically focused and prioritized to support the infantry company level, by providing additional training to OSCAR Extenders (existing medical providers, corpsmen, chaplains, and religious program specialists) to make OSCAR expertise immediately available to more Marines. In addition, we are training senior and junior Marines to function as OSCAR Mentors. In this capacity, they will actively engage Marines who evidence stress reactions and liaison with

trained OSCAR personnel. OSCAR Mentors can help decrease the stigma associated with stress reactions and help Marines "take care of their own."

Suicide Prevention. The Marine Corps is very concerned about the increase in the number of suicides, up from 33 in 2007, to 42 incidents in 2008, and 52 in 2009. The loss of each and every Marine is a tragedy both for the family and our Corps. We know there is no single suicide prevention solution. Therefore, we stay actively engaged in prevention and early identification of problems that may increase the risk of suicide. Leadership at all levels are committed to having an effect on the individual Marine to build resilience, coping skills and encourage help-seeking behavior for distressing life events. The Assistant Commandant, through the Marine Corps Executive Safety Board, continues to make suicide prevention a top priority through the following initiatives:

- NCO/FMF Sailor Leadership Suicide Prevention Training – NCOs are the backbone of the Marine Corps and in the best position to recognize signs of distress in their peers and the Marines they lead. Every NCO has received this half-day, high impact, interactive workshop.
- Revised and revitalized suicide prevention training in recruit training, drill instructor school, and The Basic School.
- Participation in the most comprehensive longitudinal study ever attempted in the field of suicide prevention lead by the Army and the National Institute of Mental Health.

Sexual Assault Prevention and Response (SAPR). The Marine Corps' SAPR program provides care and support to victims of sexual assault, tracks investigations and prosecutions in the military justice system, and holds offenders accountable. Last year, the SAPR Program sustained critical reviews by the Inspector General of the Marine Corps, the General Accounting Office, and a Department of Defense Task Force on Sexual Assault in the Military Services. Additionally, we engaged leadership through a Department of Navy (DoN) Summit and Marine Corps Operational Planning Team (OPT) Summit attended by Marine Corps General

Officers/SES participants. An executive steering committee and working group is being chartered to produce and implement action plans to address identified deficiencies in the areas of staffing, training, leadership engagement, and resourcing. Our senior staff non-commissioned officers are also engaged to help improve our approach to combating sexual assaults. The following provides examples of initiatives that we have taken:

- Hired full-time civilian installation SAPR program managers to assist installation commanders with effective sexual assault prevention efforts.
- Training drill instructors on the need to intervene *before* a sexual assault occurs and to provide values-based training to their Marines.
- Improving the quality of sexual assault litigation training for Judge Advocates who are involved in prosecuting sexual assault cases, and increasing the number who attend specialized training.

Casualty Assistance. The Marine Corps' casualty assistance program is committed to ensuring that families of our fallen Marines are treated with the utmost compassion, dignity, and honor. Our casualty section is a 24-hour-per-day operation manned by Marines trained in casualty reporting, notification, and casualty assistance procedures. We conduct telephonic notification to the next-of-kin of wounded, injured and ill Marines; notifications are typically completed within four hours. We also assist family members with travel to the bedside of their Marine. When a death occurs, we provide in-person notification and assist with burial arrangements, applications for benefits, and with obtaining reports of investigation. Within days of the incident, Marine families are connected to representatives from the Tragedy Assistance Program for Survivors (TAPS). TAPS is recognized nationally as the leading provider of comfort and care to anyone who has suffered the loss of a military loved one. Approximately 60 days following the death of a Marine, the Primary Next of Kin is contacted by representatives from the Marine Corps Long Term Assistance Program (LTAP) to identify and resolve any

residual issues. LTAP representatives are available to the next of kin on an indefinite basis.

Transition Assistance Management Program. Based on the results of our Fiscal Year 2009 Functionality Assessment, we are redesigning the Transition Assistance Management Program which provides mandated transition services to separating and retiring service members and their families. Recognizing that over 65 percent of Marines separate after the first-term and over 80 percent are at the rank of E1-E5, our program restructuring will focus on the following actions:

- Start the transition process up to 24 months prior to their End of Active Service date and keep family members engaged throughout the process;
- Implement job placement services to include one-on-one career coaching and partnerships with organizations such as the Department of Labor (DOL), Marine For Life, and the Department of Veterans Affairs;
- Offer a tiered delivery of services that include Education, Training and Employment/Job Placement assistance;
- Maximize use of educational benefits to and their family members.

VII. Wounded Warrior Regiment

"Etiam in Pugna – Still in the Fight". Despite the challenges they face as they recover, our wounded, ill, and injured Marines are highly motivated to contribute to the Marine Corps war-fighting mission and to our society. To help them achieve, the Marine Corps' Wounded Warrior Regiment provides these Marines and their families and commanders with non-medical care not traditionally resident in an operational unit. The Regiment develops and institutes programs that focus on wounded warriors' abilities to facilitate their recovery from initial treatment to transition assistance including finding civilian employment for those who leave our ranks. The Regiment cares for both combat and non-combat wounded, ill and injured Marines (and Sailors

attached to, or in direct support of, Marine units) and their families through all phases of recovery. The Regiment does not limit its assistance to only the combat-injured. Whether Marines are injured in a training accident, wounded in combat, or become ill – all Marines contribute to the fight and deserve our care and attention.

Recovery Care Coordinators. A Marine's full recovery depends upon thorough care coordination throughout all phases of recovery. The Marine Corps complies with the recovery coordination provisions of the National Defense Authorization Act of Fiscal Year 2008 and has a fully operational recovery coordination program. The Regiment, through its two battalions at Camp Lejeune, North Carolina, and Camp Pendleton, California, commands Recovery Care Coordinators, who are dispersed throughout the country and oversee the execution of Marines' individual comprehensive transition plans - an individual roadmap to reach their set recovery and transition goals. Recovery Care Coordinators serve as the ultimate point of contact for wounded, ill and injured Marines and their families.

Wounded Warrior Battalion Detachments. Working closely with Recovery Care Coordinators are the Wounded Warrior Battalion Detachments, which are located throughout the country at medical treatment facilities and Department of Veterans Affairs' Polytrauma Rehabilitation Centers. The Battalion Detachments assist families with non-medical care issues including pay and entitlements, travel and transportation, and temporary lodging. This critical assistance allows families to focus on their individual Marine's recovery and helps alleviate some of the stress families experience when traveling to their Marine's bedside.

District Injured Support Cells (DISCs). DISCs are locally-dispersed, reserve personnel located throughout the Nation who maintain oversight of the welfare and quality of life for wounded, ill, and injured Marine veterans and reservists as they continue their recovery. They

ensure a smooth transition from a Marine's Recovery Care Coordinator and provide assistance with issues ranging from maintaining sound financial health to receiving information regarding available federal government assistance from the Departments of Labor, Veterans Affairs and Defense.

Marine For Life. Our Marine For Life program supports transitioning Marines, injured or not, as they transition back into the community after leaving active service. The program has increased its national reach after adding employment, education and public affairs specialists to its staff. It is also developing program improvements and increased partnerships in Fiscal Year 2010 and beyond in order to continue to improve the services it provides.

Family Support Staff. The Wounded Warrior Regiment strives to stay tuned into the unique family support requirements of its wounded warriors. For example, families frequently forego employment and education opportunities in order to remain with their loved ones during recovery. Additionally, they often have heightened need for communication, information, and referral services to help them navigate through the various phases of recovery. The Regiment's family support staff - Family Readiness Officers, Family Support Coordinators and chaplains - works with families and family caregivers during their difficult times. The Family Support Staff communicates with Wounded Warrior families through newsletters, regularly-scheduled town hall meetings, and a mass communication tool that quickly disseminates information to those who most need it.

Sergeant Merlin German Wounded Warrior Call Center. Named after a Marine who died of injuries sustained in Iraq in 2005, the Sergeant Merlin German Wounded Warrior Call Center, a Department of Defense Best Practice, receives calls from active duty members, veterans and families seeking assistance in matters of wounded warrior care. The Call Center also conducts

outreach calls to monitor injury recovery and distribute information important to Wounded Warriors and their families on topics such as service disability ratings, medical care, employment counseling, and services offered by charitable organizations. Building upon the success of the Call Center, call cells have been created at both of its battalions.

Augmented by a staff of on-scene psychological health professionals, the Call Center also provides critical assistance to those seeking help for Post Traumatic Stress Disorder and Traumatic Brain Injury. The Regiment's resident clinical services staff includes a psychological health coordinator, traumatic brain injury coordinator and licensed clinical care consultants. This staff coordinates mental health care for individual Marines and family members, provides outreach education on mental health issues, and assists commands with mental health evaluations. Extending this mental health service to reservists, the Regiment can refer reservists to the Reserve Psychological Health Outreach Program; this program provides reservists with mental health assessments, support resources for reservists and families, and training in combat stress control.

Our recovering Marines represent the best of our Nation, and the Marine Corps has a solemn obligation to provide them with world-class care. Apart from war itself, we have no higher calling. To this end, the Marine Corps is grateful for the enduring and faithful support of Congress. We see that support in the approval of funding for planned Marine Resource and Recovery Centers. We see that support in your personal visits to our wounded warriors in the hospital wards and bases around this Nation. We see that support in your words and deeds on behalf of our wounded warriors and their families. We thank you and look forward to working with Congress as we endeavor on behalf of our wounded warriors, who are still very much in the fight.

VIII. Civilian Marines

Civilian Marines continue to provide an invaluable service to the Corps as an integral component of our Total Force. With a population of almost 35,000 appropriated and non-appropriated funded employees and foreign nationals, Civilian Marines work in true partnership with our Marines and play an important role in supporting the mission of the Marine Corps. Flexibility in how we manage and reward our Civilian Marines plays a key role in helping the Marine Corps meet its mission.

The Marine Corps is focused on ensuring that we have a civilian workforce equipped with the leadership skills and technical competencies necessary to meet the challenges of today and in the future. We accomplish this through the following community management and career development initiatives:

- Community management - Our workforce is organized into 21 Communities of Interest (COIs), or occupational specialties, which encompass over 350 civilian job series. COIs provide enterprise-wide communications, collect and share best practices, focus on technical aspects and training needs, and ensure competencies and career paths are developed for each occupational specialty.

- All new civilians attend the Marine Corps Acculturation Program, which teaches them about Marine Corps history, culture, and current command missions.

- Civilians at all levels are involved in mentoring, which affords them the opportunity to learn from peers and more senior level employees through coaching, feedback, advice and counseling on career management and leadership.

- Leadership development programs are available to all civilians and are administered through the Marine Corps University's Lejeune Leadership Institute with support from local commands and installations.

- Civilian employees are encouraged to pursue, complete, or advance their academic degrees through tuition support programs.

National Security Personnel System (NSPS). The Fiscal Year 2010 National Defense Authorization Act repealed the authority for NSPS and requires the Secretary of Defense to

transition all impacted employees back to their previous pay systems by January 1, 2012. As a result, impacted Marine Corps employees will revert back to their legacy performance appraisal systems until the Department of Defense develops a new department-wide system. Although employees may no longer have base salary increases directly linked to their performance appraisal system after transition, the Marine Corps fully intends to utilize any system to increase employee engagement and foster a high performance culture. The Marine Corps will continue to reward and recognize employees for their significant contributions within the constructs of their pay system.

IX. Information Technology

Ensuring accurate, timely pay is the mission of the Marine Corps Total Force System (MCTFS), the Department of Defense's only fully integrated personnel, pay, and manpower system. MCTFS seamlessly serves our active, reserve, and retired members, provides total visibility of the mobilization and demobilization of our reserve Marines, and ensures proper and timely payments are made throughout the process. MCTFS provides one system, one record, regardless of an individual's duty status.

- According to the most recent Defense Finance and Accounting Service's "Bare Facts" report, MCTFS continues to achieve a pay accuracy rate of over 99 percent for both our Active and Reserve Components.
- MCTFS has enabled the Marine Corps to move its pay and personnel administration to a predominately self-service, virtually paperless, secure, web-based environment. In Fiscal Year 2009, individual Marines and their leaders leveraged MCTFS' capabilities to process more than 27 million transactions.

X. Conclusion

As we continue to deploy and fight in Afghanistan and other parts of the world, the Marine Corps will be required to meet many commitments, both at home and abroad. To continue to be successful, we must always remember that our individual Marines are our most precious asset, and we must continue to attract and retain the best and brightest into our ranks. Marines are proud of what they do. They are proud of the "Eagle, Globe, and Anchor" and what it represents to our country. With your support, a vibrant Marine Corps will continue to meet our Nation's call.

Thank you for the opportunity to present this testimony.

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE SUBCOMMITTEE ON MILITARY PERSONNEL

COMMITTEE ON ARMED SERVICES

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: AIR FORCE MILITARY PERSONNEL LEGISLATIVE PRIORITIES

STATEMENT OF: LIEUTENANT GENERAL RICHARD Y. NEWTON, III
DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL
UNITED STATES AIR FORCE

MARCH 17, 2010

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UNITED STATES HOUSE OF REPRESENTATIVES

INTRODUCTION

Today, the United States confronts a dynamic international environment marked by extraordinary security challenges. 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. We are committed to providing our enduring and distinctive capabilities to the Joint Force; prevailing on behalf of our Nation, shoulder-to-shoulder with our Joint teammates.

As the Air Force's Deputy Chief of Staff for Manpower and Personnel, my primary focus is on providing a ready force of Airmen with the necessary skills our combatant commanders need to accomplish their mission, as well as providing first-class development and support to our Airmen and their families. I am driven by the need to attract, recruit, develop, and retain the highest quality and diverse fighting force for the world's most respected Air Force.

DEPLOYMENTS

The Air Force is fully engaged in the nation's fight across the globe. We currently have 38,875 Total Force Airmen deployed as of 25 February 2010. Fully 55% of these deployments are for greater than 179 days (up from 12% in 2004), including 6% for one year or longer. As you might suspect, these percentages are higher for certain highly stressed Air Force specialties such as Explosive Ordnance Disposal, Security Forces, Vehicle Operations, Construction, Tactical Air Control Party, and Office of Special Investigation. Moreover, we facilitated sourcing of 75,887 AEF requirements (31,861 120-Day; 40,951 179-Day; and 3,075 365-Day); plus an additional 2,301 Exercise and 49,300 Expeditionary Combat Support Consolidated Planning Schedule requirements during FY09. In addition, the Air Force filled a total of 7,317 Joint Expeditionary Taskings (JET) in FY09, and we have 5,305 Airmen currently filling JET taskings in support of Operations IRAQI FREEDOM and ENDURING FREEDOM as of 25 February 2010.

NUCLEAR ENTERPRISE

We stood up Air Force Global Strike Command (AFGSC) on 7 August 2009. Consolidating all of our Air Force assets in this critical mission area under a single command will enhance the ability to uphold the high standards required to operate, maintain, secure, and support nuclear deterrence and global strike forces. We continue to fill our key nuclear billets at AFGSC. Also, we are hard at work building a comprehensive plan for the professional development of personnel needed to sustain the nuclear enterprise beyond our watch. We've developed an integrated Human

Capital "Framework" to guide the design, execution, and integration of force management and force development processes for current and future mission needs. We've also developed an initial human capital management plan to include a Career Path Tool to identify, track, and manage expertise Air Force-wide that can be used by Career Field Managers to ensure they have the right person/capability in the right position within the nuclear enterprise. That said, the proof will be in the pudding when we enable AFGSC to reach full operational capability and the command is recognized as the center of nuclear excellence in the DoD. We will continue to follow through with our commitment to strengthen the Air Force nuclear enterprise.

AFGHANISTAN-PAKISTAN HANDS (APH)

Operations in Afghanistan have drawn considerable focus and energy, and we are committed as an Air Force to provide our combatant commanders with the necessary air, space, and cyberspace support, including intelligence, surveillance, and reconnaissance, to meet their mission needs. We are moving out smartly to support the Chairman of the Joint Chiefs of Staff's Afghanistan-Pakistan Hands (APH) program. Approximately half of the nearly 40,000 Airmen currently deployed are supporting Operation ENDURING FREEDOM. Our APH program is designed to provide Air Force personnel who are specially selected for their talent, experience and understanding of the language and culture of the AFPAK region. Fundamentally, their ability to apply their expertise to governance, stabilization, reconstruction and security will contribute to the effective implementation of the APH strategy. These dedicated officers and enlisted members come from a variety of Air Force specialties, including Operations, Intelligence, Civil Engineering, Judge Advocate General, Finance, Security Forces, Logistician, Communications, Contracting, Public Affairs, Acquisitions, and Personnel. Most officer and enlisted requirements come from Civil Engineering and Intelligence career fields. The total APH requirement for all Services is approximately 304 (including 75 for the Air Force), with a desired goal of three cohorts for each requirement (one downrange, one at "home base," and one assigned to a CONUS hub working AFPAK issues). This will require a total of approximately 912 members (225 for Air Force) formally enrolled in the AFH program. Our first group of APH warriors completed their training in February 2010 and is being assigned downrange. We have set the bar high and we will keep delivering.

REMOTELY PILOTED AIRCRAFT (RPA)

The Air Force continues to press on all fronts to deliver high-demand ISR and other urgent capabilities for the U.S. Central Command Area of Responsibility (AOR) as well as all other combatant commands. Airmen are currently flying 41 RPA Combat Air Patrols (CAPs) in the AOR

and the President's FY11 budget supports growth in RPA CAPs to 50 by the end of 2011 and 65 by the end of 2013.

Therefore, it is critical for the Air Force to attract and retain talented officers and enlisted Airmen to operate today's RPAs in order to meet SECDEF combat air patrol requirements. For over 15 years, the Air Force has used rated pilots to remotely pilot its medium- and high-altitude RPAs. Today's operational requirements for both unmanned and manned aircraft demand an extremely high level of aviation professionalism to deliver air power worldwide. It is essential for the Air Force to rapidly grow a professional corps of RPA pilots and sensor operators.

Reaching the goal of 65 CAPs by 2013 will require significant numbers for both the rated and career enlisted aviator communities. For every CAP, it takes approximately 140 Airmen in the loop to operate and deliver actionable intelligence to those that need it. We are adding 2,600 additional professionals to meet the expanding requirements of our global net-centric ISR enterprise. Current resourcing methods of manning RPA authorizations with traditional undergraduate pilot training (UPT) pilots from other manned weapon systems is unsustainable in the long term. The Air Force created a new rated officer Air Force Specialty Code (AFSC) to categorize RPA pilots in a distinct career field and created a unique RPA training pipeline, currently being refined through BETA test classes. The RPA "BETA Test" is a potential future alternative to the current UPT method. The first group of eight BETA test graduates completed their training in September 2009 and is currently in Combat Mission Readiness training at Creech and Cannon AFBs. Through June 2010, a total of 39 additional BETA test students are either currently or projected to be in training. The Air Force also created a new AFSC to categorize enlisted RPA sensor operators in a distinct career field. This career field is a mixture of prior Career Enlisted Aviators and intelligence Airmen who are being trained through a new RPA Sensor Operator Training pipeline.

END STRENGTH AND FORCE MANAGEMENT

As of the FY10 President's Budget (PB), our current approved total force end strength is 686,944 effective FY10. This includes 331,700 Active Duty (AD), 179,044 civilians, 69,500 Reserve; and 106,700 Air National Guard. Increases in AD, civilian, and Reserve end strength in the FY10 budget are a result of new and emerging missions and to support ongoing Air Force missions. These missions include Intelligence, Surveillance & Reconnaissance (Reaper, Distributed Common Ground Systems, and MC-12); Nuclear Enterprise (Air Force Global Strike Command); Cyber Numbered Air Force; Special Operations; Aircraft Maintenance; Acquisition Excellence; Defense Health Program; civilian administrative positions for Squadron Commander's Support Staff; and contractor to civilian conversions.

In the FY11 PB, our programmed total force end strength is 702,669 effective FY11. This includes 332,200 AD, 192,569 civilians, 71,200 Reserve, and Air National Guard end strength remaining at 106,700. The Air Force's FY11 budget request preserved end strength in the face of fiscal constraints, realigned AD and Reserve manpower within existing resources, and grew civilian end strength to meet Air Force priorities. Major manpower drivers include initial investment toward Remotely Piloted Aircraft fleet operational capability to 65 Combat Air Patrols; enhancing cyberspace/irregular warfare/command & control capabilities; and resourcing required Air Force priorities to include Acquisition Excellence, further enhancements to the Nuclear Enterprise, and developing and caring for our Airmen and their families while rebalancing our total force mix for agile combat support.

The current economy has slowed attrition from the Air Force and had the effect of increasing our active duty inventory. As a result, the Air Force is projected to exceed end strength in FY10 by 4,800 personnel (2,200 officers and 2,600 enlisted). However, we will remain within the Secretary of the Air Force's purview of 2% above our authorized active duty end strength. Even though we are approximately half-way through the fiscal year and have reached about 50% of our force management goal as of February 2010, we do not expect to meet the goal of reducing the excess end strength without changes to our Force Management plan during the remainder of FY10. As a result, we plan to expand the existing force management program by decreasing officer and enlisted accessions; increasing USAFA, ROTC, and enlisted service commitment waivers; waiving some education cost recoupment; implementing a Career Intermission Program to allow up to a 3-year sabbatical for officers and enlisted; waiving enlisted time-in-grade requirements for retirement and executing an additional enlisted Date-of-Separation rollback. Fiscal Year 2011 force management initiatives are still under consideration.

RECRUITING, RETENTION, BONUSES, AND INCENTIVE PAYS

To support the efforts of Airmen and to recruit and retain the highest quality Air Force members, the FY11 budget request includes $29.3B in military personnel funding, to include a 1.4 percent pay increase. Our recruiting and retention is strong, but we request $645M for recruiting and retention bonuses targeted at critical wartime skills. These pays are critical as we shape the force to meet new and emerging missions and support the combatant commanders in today's fight.

Officer retention remained strong overall in FY09; however, rated officers and certain health professionals continue to be areas of long-term concern in FY10. The Air Force prudently employs Special and Incentive (S&I) pays to compensate for and incentivize the performance of hazardous and arduous duties, the acceptance of duty in hostile and undesirable locations, and the recruiting and

retention of personnel with specific skills or in specific career fields. Recruiting and Retention S&I pays total $465.9M for active duty in FY10 and we have requested an increase to $480.1M in FY11.

Contracting officers and Control & Recovery (special operations) officers were added to the Air Force's list of low-retained officer career fields. In order to address this issue we began paying them critical skills retention bonuses (CSRB). We project a need in FY11 for additional retention in skills such as Airfield Operations, Public Affairs, Civil Engineering, Intelligence, Logistics Readiness and Special Investigators (Cyber) due to personnel shortages in specific Commissioned Years of Service (CYOS) and high training investment costs. We continue to closely monitor these specialties that are trending towards critical levels and are taking appropriate force management actions to improve retention to appropriate levels.

The overall enlisted force exceeded FY09 retention goal by ~4%. However, we were slightly under in Zone A (17 months through 6 years of service (YOS)) where we hit 95% of our goal, and Zone C (10 YOS through 14 YOS), where we achieved 98% of our goal. Retention was above goal in Zone B (6 YOS through 10 YOS) at 104%.

We made some adjustments in FY10 to positively manage retention. Ninety-one Air Force Specialty Codes currently receive Selective Reenlistment Bonus (SRB) in FY10, up from 87 specialties in FY09. These include two new skills in particular – RPA Sensor Operators and Airborne ISR Operators. We continue to see retention issues in some of our most critical war-fighting skills, to include Tactical Air Control Party, Imagery Analysis, Pararescue, and Explosive Ordnance Disposal. The SRB budget remains consistent with the FY09 level of $231.9M, which includes $141.1M for new contracts. The FY11 SRB budget is $248.2M, which includes similar funding for new contracts but is adjusted for higher anniversary payments.

Additionally, we've implemented several non-monetary initiatives to boost retention. We canvassed the Air Force, from commanders to junior enlisted members, to discover what we can do to improve mission focus, quality of life, and ultimately, retention. An Air Force retention survey was administered in September 2009 to provide Airmen an opportunity to provide feedback on how several elements of Air Force service influence their career decisions. Results from this survey are due by the end of March 2010. Our Civilian Readiness Program has reduced military deployment stress by increasing civilian utilization. And transferability of education benefits under the Post 9/11 GI Bill has been a resounding success.

Recruitment and retention of Health Professions officers continues to be a challenge. Air Force Recruiting Service (AFRS) recruits Fully Qualified (FQ) Health Profession (HP) officers and Health Professional Scholarship Program (HPSP) candidates. In FY06, the Air Force corporately

decided to "grow our own" HPs by focusing on HPSP program versus FQ accessions. In FY09, AFRS executed historic reorganization due to Programmed Budget Decision 720. This resulted in 80% fewer officers (115 down to 24) and 43% fewer HP recruiters (240 down to 136). To mitigate this significant loss, we have routinely employed our HP officers to actively recruit at their professional conferences and seminars.

AFRS accessed approximately 70% of SG FY09 requirements, exceeding FY08 production (62%). We met 100% of the Medical Service Corps goal, 84% for Nurses, and 82% of Dental FQ requirements. Financial incentives (accession bonuses) are key to recruiting FQ HPs. We only met 10% (12/118) of FQ Physician recruiting requirements in FY09; the FY10 requirement is 108. All 12 Physician recruits came in under the Physician Financial Assistant Program (FAP), which provides recipients a $45K annual grant and a $2K per month stipend. Physician recruiting continues to be challenging. The Critical Wartime Skills Accession Bonuses (CWSAB) is not viewed as a true accession bonus because physicians must accept CWSAB or multi-year specialty pay, but not both. Only 10 CWSAB are available versus 108 physician requirements. Additionally, the Air Force met 40% (129/321) of the FQ BSC requirement in FY09; the FY10 requirement is 325, though funding is only available for 81 accession bonuses. Psychology, Pharmacy, Optometry, and Public Health Officer (PHO) continue to be particularly challenging. For the first time this year, we are offering accession bonuses to Psychologists and PHOs.

Although recruitment and retention of medical specialties continues to be a challenge, overall we are well-positioned to meet FY10 retention goals.

YEAR OF THE AIR FORCE FAMILY

My role as the Air Force A1 enables me to serve as the Quality of Service champion for the Air Force. Focusing on providing quality services is vital to the way we take care of our Airmen and their families. The Secretary of the Air Force and Chief of Staff designated July 2009 to July 2010 as the Year of the Air Force Family (YoAFF). It's our opportunity to recognize the sacrifices and contributions of the entire Air Force Family – Total Force Airmen, civilians, spouses, children, extended family members, retirees, and community partners. Our families play a vital role in mission accomplishment. We are actively working to reinforce and reaffirm successes in quality of services, identify potential gaps in developing and caring for Airmen and their families, and renew a sense of community throughout the Air Force.

During YoAFF, leaders at all levels are focusing their attention around four pillars of emphasis: Health and Wellness; Airman and Family Support; Education and Development; and Airman and Family Housing. We've taken significant steps to solicit feedback and gain insight on

common areas for concern. We conducted spread-the-word visits to engage senior leaders at 23 bases across 12 Major Commands, including Air National Guard and Air Force Reserve bases and units. We also conducted the first Air Force-wide survey of spouses in July and August 2009 that aimed to define spouse satisfaction with Air Force life and identify areas of concern. The 2010 Caring for People study, currently in progress, will be a comprehensive Air Force quality of life survey chartered to measure the opinions of our military members, civilians and retirees on a variety of issues. We also just chartered a Single Airmen Working Group in February 2010 and will be hosting a Single Airmen Summit in conjunction with our second annual Caring for People Forum coming up in April 2010. This special event will bring together over 200 helping professionals and representative groups to discuss issues and develop programs to better suit the needs of our single Airmen and the larger Air Force family as a whole.

One of the top priorities for our Airmen continues to be available and affordable child care and improve the transition between schools. We've identified a child care availability gap of 6,400 slots and we will eliminate that gap by FY12 and plans are in place to utilize $80M of the President's stimulus package to design and construct eight additional Child Development Centers (CDCs). We will continue to focus on increased staffing, resourcing, and up-keep of our CDCs to ensure the gap does not resurface. Today, our Air Force Family includes 175K school-age children that generally move six to nine times during their school years. We've committed $6M a year to increase the number of School Liaison Officer (SLO) positions from 28 to 82 by the end of FY11. SLOs develop and coordinate partnerships between local schools, installation leadership, and parents, working to "level the educational playing field" for mobile military families. On that front, we look forward to continued congressional support for the Interstate Compact for Educational Opportunity for Military Children, a partnership between DoD and states which addresses perceived inequities faced by military children when transferring from one school district to another. So far 28 states have adopted the compact, with New Mexico being the most recent just last month. We have also placed increased focus on the Key Spouse Program, and 95 percent of eligible units now have a Key Spouse assigned. Similar to the Ombudsman Program in the Navy and the Family Readiness Group in the Army, key spouses provide critical peer-to-peer support within a unit, helping to increase awareness of installation/community resources, enhance information flow, and improve sense of community among unit families.

EXCEPTIONAL FAMILY MEMBER PROGRAM (EFMP)

We conducted a top-to-bottom review of the Exceptional Family Member Program (EFMP). Approximately 15,000 Airmen have one or more exceptional family members (80% enlisted; 69% E-

5 through E-7). Thirty-five installations have at least 175 special needs families assigned. Special needs families require advocacy and support beyond identification and assignment processes, and the Air Force has identified a gap in services for these families. In early 2009, the Air Force Caring for People Integrated Process Team, and Caring for People Forum identified the need for dedicated support to coordinate a wide range of deployment support activities, including special needs families. Our priority moving forward is to boost manpower and resources to assist in delivery of additional support. We have earmarked staff in our Airman and Family Readiness Centers to provide specific, detailed information to special needs families. We are leveraging Community Action Information Board (CAIB) resources at all levels and assessing compliance standards. In July 2009, the Air Force conducted day-long training for 200 Air Force staff members attending the Special Education Leaders Institute in conjunction with the Military Child Education Coalition (MCEC) Conference. In August 2009 the Air Force, partnering with OSD, was able to support Respite Child Care for families with children enrolled in EFMP and finalized a $7M contract to provide this service with a target implementation of June 2010. In September 2009, the Air Force conducted specialized training at six bases with the highest number of exceptional family members assigned: Langley, Travis, Scott, Wright-Patterson, Lackland, and Ramstein. We've also added a "Family Support" prong to the EFMP to augment the existing Assignments and Special Needs Identification and Assignment Coordination (SNIAC) prongs, bringing us in line with our sister services. The Family Support prong will provide information and referral services available on the base and in the local community, as well as assist with Permanent Change of Station transitions.

AIRMAN RESILIENCY AND CARE FOR WOUNDED WARRIORS

We are concerned about the stress on our Airmen and their families due to increased operations tempo. The Air Force seeks to establish a tiered program to support and enhance the psychological resiliency of Airmen, with initial focus on deploying Airmen. The Air Force Surgeon General sponsored the formation of a Deployment Support Review Group (DSRG), which identified groups of Airmen at elevated risk, based on a combination of Air Force specialty, duty location and deployed mission. Those at elevated risk based on their deployed mission will receive targeted and enhanced training, screening and support. Annually, about 4,000 to 5,000 Airmen would qualify for enhanced deployment support. The DSRG proposed several beneficial steps to augment current Air Force deployment support efforts. These steps include a 2-day transition and decompression program and the establishment of an Air Force Deployment Transition Center (DTC). Selected Airmen will attend a 2-day program at DTC while en-route home from theater. The program would allow for decompression, sleep recovery, weapons and equipment turn-in, counseling and

reintegration, and health screening to include Post-Traumatic Stress and Traumatic Brain Injury assessments. The Deployment Transition Center has been approved for Ramstein AB, Germany and should be ready in July 2010.

Along the same lines, the Air Force is fully committed to care for our brave Airmen, and their families, who are wounded while defending freedom. We provide care, support and assistance through the Air Force Survivor Assistance Program, the Recovery Care Program and the Air Force Wounded Warrior (AFW2) Program – for as long as needed. As of 9 March 2010, there are 664 Air Force members enrolled in AFW2. We launched the Air Force Recovery Care Coordinator (RCC) program and hired 17 new RCCs with funding for an additional 10 RCCs later this year. RCCs provide personalized support to seriously wounded, ill, injured Airmen and their families; and guide Airmen through recovery, rehabilitation, and reintegration processes. We've ensured Family Liaison Officers (FLOs) are assigned to all families experiencing an active duty death and all seriously wounded, ill, and injured who are evacuated from Overseas Contingency Operations and provide personalized, one-on-one support to Airmen and their families. We've increased AFW2 program staff to 12 full-time positions at the Air Force Personnel Center to track and manage the cases of Wounded Warriors and families for life, and advocate for policy and operational practices that would benefit our Wounded Warriors.

In 2009, we conducted a thorough review of Air Force personnel policies on promotions, retraining, classification, assignments, and retention and developed new policies to address Wounded Warrior concerns. The Air Force Chief of Staff signed a policy letter paving the way for retention and retraining of seriously wounded Airmen who desire to remain on active duty. Incorporating Wounded, Ill and Injured Airmen and Families of the Fallen into training courses for Air Force wing and group commanders has proven to be a highly successful initiative. Each class has one wounded, and a family member of a fallen, speak to commanders about the importance of support, what the Air Force did right in their case, and what area could be improved. This is consistently rated the most valuable session for the entire course.

DIGNIFIED TRANSFER

On 6 January 2009, we stood-up the Air Force Mortuary Affairs Operations (AFMAO) Center, consolidating Air Force Mortuary Affairs under a single command headquartered at Dover AFB, Delaware. AFMAO is charged with fulfilling our nation's sacred commitment of ensuring dignity, honor, and respect to our fallen and providing care, service, and support to their families. Its primary mission includes support for all fallen Army, Marine Corps, Navy, and Air Force members, but also extends to all other federal agencies whose members die as part of the war effort.

Additionally, AFMAO is currently supporting Operation UNIFIED RELIEF by providing identification and mortuary services to American citizens who were killed in Haiti during the earthquake. In 2009, AFMAO provided mortuary services for 1,042 of our nation's fallen. AFMAO also provided critical mortuary support to nine aircraft or mass fatality incidents in 2009, including the Fort Hood shootings.

AFMAO is the executive agent for the Secretary of Defense's new policy allowing media and family access to dignified transfers at Dover AFB. The policy went into effect 6 April 2009, and as of 2 March 2010, 435 DTs have taken place. About 74 percent of families have chosen to make the mournful journey with nearly 1,800 family members and friends witnessing the dignified transfers. In 81 percent of the cases, the family chose to allow media access to the event, with 55 percent inviting public media and 26 percent requesting internal DoD coverage only. In an effort to provide better care and support for these families while at Dover AFB, we were proud to open the Center for the Families of the Fallen on 6 January 2010. This facility provides a warm, inviting atmosphere to host family members, and also provides private meeting rooms, a children's room, and a kitchen. The Air Force's commitment to support families of the fallen doesn't end here. In January 2010, the Secretary of the Air Force accepted a gift of a Fisher House to be constructed on Dover AFB, providing lodging for families of the fallen who have traveled to witness the Dignified Transfers. We plan to have the facility constructed and operational by the end of 2010. The Dignified Transfer at Dover AFB is only the beginning of this process; the same meticulous care is constant throughout the continuum of the return of our fallen and care for their families.

CONCLUSION

Today's Airmen are doing amazing things to meet the needs of the joint warfighter, execute the Air Force mission and keep the Air Force on a vector for success against potential future threats in an uncertain world. We are ready and engaged today, but we must continue to invest to ensure tomorrow's air, space, and cyberspace dominance. Our aim is to improve capability while maintaining the greatest combat-ready Air Force in the world. Today's operational needs and fiscal constraints continue to force us to make tough choices about the investment priorities of our Air Force – not shy away from them. These choices drive greater balance into our force structure and skill sets. We must continue to do our part to provide robust support to our combatant commanders and continue to focus on addressing the work-life needs of Airmen and their families.

We appreciate your unfailing support to the men and women of our Air Force, and I look forward to your questions.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 17, 2010

QUESTIONS SUBMITTED BY MRS. DAVIS

Mrs. DAVIS. The Navy has recently announced a proposal to authorize women officers to serve on select types of submarines so you anticipate other changes for women in the military?

Dr. STANLEY. Yes, the Department anticipates future changes for women in the military. The Department is considering a request from the Department of the Navy to allow USMC enlisted and warrant officer women to serve in two Counterintelligence/Human Source Intelligence specialties previously closed to women. The Army is also conducting a 3-year cyclic review of their regulatory guidance for assignment of women. If changes are necessary, the Department will discuss with the Congress and comply with statutory notification requirements.

Mrs. DAVIS. The Department has submitted a supplemental request for $33 billion dollars to fund the surge in Afghanistan, of that $1.9 million is for military personnel accounts. If the supplemental bill is not passed what would the consequences be on the military personnel accounts? In other words—what programs would have to be suspended?

Dr. STANLEY. If the supplemental bill is not passed there would be significant consequences on the military personnel accounts. Reduction to our military personnel account request will give us no choice but to reallocate funds.

Where exactly that degradation to readiness or essential support might occur is difficult to predict. Under any circumstance, it is essential we maintain the viability of the All Volunteer Force, while prosecuting our Nation's wars.

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General BOSTICK. The Army's manpower program, Active, Guard and Reserve, is sized to meet the operational requirements in FY2010. Based on those substantive operational requirements, the Army cannot reduce its strength without putting mission accomplishment at risk. Therefore, if the supplemental is not passed the Military Personnel Army, National Guard Personnel Army and Reserve Personnel Army appropriations will require emergency reprogramming from other appropriations to ensure that the Army payroll can be met. In previous years Army programs such as equipment purchases, Operational Tempo and depot maintenance have taken significant reductions to make sure that Soldiers were paid. These types of reprogramming actions severely hamper operational commanders preparing their units for combat operations.

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Admiral FERGUSON. Of the $1.9B for DOD supplemental request for military personnel, Navy's request is for $40.5 million. The Navy would have to defer $40.5 million in Permanent Change of Station (PCS) orders. Approximately 96% of the Military Personnel, Navy appropriation is comprised of entitlements, either by law or by contract. The PCS program represents most of the remaining 4% of the non entitlement programs. Deferring PCS orders would have a negative impact on unit readiness, morale and training. This delay would also have a fiscal impact to Fiscal Year 2012.

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General ZILMER. Approximately two-thirds of the supplemental request is comprised of special pays and allowances governed by federal statute, to include: Basic Allowance for Housing, Hazardous Duty Pay, Hostile Fire/Imminent Danger Pay,

Family Separation Allowance, and Death Gratuities. As a result, since the Marine Corps would not withhold or curtail such deployment-related pay and allowances, we would be required to find a funding source from other critical programs (to include procurement and operations and maintenance programs) and request Congressional approval to reprogram funds to pay Marines and their families for such entitlements.

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General NEWTON. The Air Force MILPERS supplemental request was $96.8M (Active—$94M; Reserve $1.3M; Guard $1.5M). The Air Force's #1 priority is to support the war effort. If the supplemental bill is not passed, the Air Force must fund the requirements included in the supplemental from our baseline MILPERS account. To source the requirements the Air Force would take the following actions:

a) Curtail military permanent change of station (PCS) moves from Jun to Sep. Cancels approximately 25,000 moves and negatively affects readiness throughout the Air Force and the ability to support emerging mission requirements such as cyber and nuclear. This action could result in freezes to assignments for mission ready personnel worldwide; cancels initial skills and professional military education (PME), graduate, and joint staff officer development; moves associated with normal gains and losses; and creates a long-term financial and force turmoil bow wave into FY11.

b) Curtail Critical Retention Bonuses Likely to lower retention in critical career fields including: Para-rescue, crypto-linguist, combat controller, Explosive Ordnance Disposal, aerial gunners, and air traffic controllers. Negatively impacts readiness in key units supporting OEF/OIF missions.

c) Transfer funds from investment accounts. This action delays capability delivery by stretching programs, increases program costs, and pushes bow wave of weapons system procurement bills into the outyears.

The Air Force urges support for the Department's FY10 supplemental request.

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