

# **DOD TRANSITION**



**OASD (COMPTROLLER)**

**DECEMBER 1980**

## Resource Allocation and Management

The existing DoD system for developing total resource levels (funds and manpower) and for allocating and managing them starts in the Fall of each year with the drafting of Policy Guidance and continues through various phases for up to 10 years, until appropriated funds are fully expended. As a result, there are always several phases underway at any time.

There are a number of regularized processes dealing with individual elements of the total, such as the Defense Systems Acquisition Review Council (DSARC). The National Foreign Intelligence Guidance and programs are reviewed under supervision from the Director for Central Intelligence, but follow roughly analogous steps. These act as each situation requires, their impact on the overall process depending on the state that process is in. Input is provided from OMB, the NSC and the President.

To provide a perspective on the sequence and timing of events, the following lists the major phases of the annual cycle now just getting underway. Attachments address these in more detail:

Early 1981: Drafting, coordinating and issuing Consolidated (Policy, Program and Fiscal) Guidance (CG) to Defense Components (Military Departments and Defense Agencies).

May 1981: Submission to OSD of Program Objective Memoranda (POM's) by the Components in response to the CG.

- Jun-Jul 1981: Review of issues raised in the POM review and issuance of Program Decision Memoranda (PDM's); and after appeals, Amended PDM's (APDM's).
- August 1981: Budget Guidance (Program and Fiscal) to Defense Components based on the ADPM's and on latest economic (pricing) assumptions.
- Sep 1981: Budget submissions from Components to OSD for joint OMB/OSD review.
- Oct-Dec 1981: Budget scrub of Component proposals; issuance of budget decisions; appeals; Sec Def major issue meetings with Military Departments; Sec Def meeting with President and printing of Budget.
- Jan 1982: Press Briefing and submission of Budget and Defense Report to Congress.
- Feb-Sep 1982: Testimony before Congressional Committees, response to Hill staffs, mark-up of and Conference/passage of: 1st (in April) and 2nd (in September) Budget Resolutions; major DoD and Military Construction Authorization (May) and Appropriation (September) Bills.
- Sep 1982: Issuance of fund authorizations; development of monthly Obligation/Outlay plans; consideration of reprogramming actions among and within appropriations; reporting as required to Congress; and execution of contract and in-house programs. This period ranges from one year for Pay and Operations appropriations to five years for Shipbuilding.

The Defense Resources Board is the principal forum for airing and resolving OSD staff differences on programs and priorities from a requirements viewpoint.

The DRB is comprised of:

Chairman: Deputy Secretary of Defense

Permanent Members: USD(R&E), USD(P), ASD(C), ASD(MRA&L), ASD(PA&E)

Ex Officio: Chairman, JCS

Associate Members: ASD(C<sup>3</sup>I), ASD(ISA), ASD(HA), Advisor for NATO Affairs,  
and a representative of the Director, OMB.

Associate members participate by invitation of the chairman. On occasion, representatives of the Military Services may be invited by the chairman as observers.

The Defense Systems Acquisition Review Council (DSARC) acts as the top level DoD corporate body for system acquisition, providing advice and assistance to the Secretary of Defense. The DSARC is comprised of:

Chairman: Defense Acquisition Executive - USD(R&E)

Permanent Members: USD(P)\*, USD(R&E), ASD(C), ASD(MRA&L), ASD(PA&E),  
Chairman, JCS\*

Principal Advisors: ASD(C<sup>3</sup>I), Advisor for NATO Affairs, DUSD(R&E)AP,  
and others as specified in DoDI 5000.2.

The Cost Analysis Improvement Group (CAIG), acts as the principal advisory body to the DASRC on matters related to cost.

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\* or a specifically designated representative.

Major issue (reclama) meetings with the Military Departments and wrap-up meetings prior to issuance of guidance, of APDM's and of Budget Decisions, or to presentations to the President are normally chaired by the Secretary. Meetings with the President tied to the cycle are normally held in June after OMB's Spring Review, and in December as the budget process concludes.

#### Staff Responsibilities

The ASD(Comptroller) is responsible for the design of, and the automated data base for the entire PPBS; budget justification/execution phases are also the responsibility of the Comptroller, who assigns responsibility for follow-up on and reporting required by DoD and Congressional review of Programs and Budgets.

The USD(Policy) prepares and coordinates Policy Guidance.

The ASD(PA&E) prepares and coordinates Consolidated Guidance, identifies POM issues for DRB/SecDef consideration.

The USD(R&E) and other ASD's prepare those parts of the PG and CG appropriate to their functional responsibility.

The OJCS is responsible for developing the Joint Strategic Objectives Plan (JSOP) as a statement of military requirements related to National Security Policy, and the Joint Program Assessment Memorandum (JPAM) which estimates the risks associated with SecDef guidance and component responses to guidance.

The budget "scrub" is directed by the Comptroller, with viewpoints of OSD DRB members and OMB incorporated in, passed to the Secretary or Deputy Secretary

for decision with the Decision Package Sets by which the budget is scrubbed.

Primary responsibility for legislative liaison rests with the ATSD for Legislative Affairs, with the Comptroller handling liaison with the appropriations committees.

Processes

Attached are more detailed descriptions of and a schedule for the various steps in the internal PPBS process.

Enclosures

RESOURCE ALLOCATION AND MANAGEMENT

- A. PPBS
- B. The JOINT OSD/OMB BUDGET REVIEW
- C. THE COMPTROLLER MISSION
- D. PPBS IMPROVEMENTS
- E. DRAFT DOD I 7045.7 ON PPBS
- F. POM REVIEW
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- J. CONGRESSIONAL ACTIONS, FY 80 & FY 81
- K. CONGRESSIONAL HEARINGS
- L. ACTIONS ON RECOMMENDATIONS IN CONGRESSIONAL COMMITTEE REPORTS AND RELATED AUTHORIZATION AND APPROPRIATION ACTS
- M. REPORTING REQUIREMENTS IN CONGRESSIONAL COMMITTEE REPORTS
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- N. THE PROCESS OF BUDGET EXECUTION
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## SUMMARY OF THE DoD PLANNING, PROGRAMING, AND BUDGETING SYSTEM (PPBS)

The Assistant Secretary of Defense (Comptroller) is responsible for the design, installation and maintenance of PPBS (DoDD 7000.1) which includes responsibility for the establishment, improvement and maintenance of procedural guidance for PPBS (DoDI 7045.7).

The PPBS is a cyclic process containing five distinct, but interrelated, phases; planning, programing, budgeting, execution and accountability. In the first three phases prior decisions are re-examined and analyzed from the viewpoint of the force structure/national security objectives and the current environment (threat, economic, technological, and resource availability) and the decisions are either reaffirmed or modified as necessary. The cycle for a given fiscal year commences in the month of November almost two years prior to the start of that fiscal year. While the execution phase of that fiscal year might appear to be completed 35 months later, in reality obligations and expenditures against that fiscal year's program may continue, for some appropriations, for several years.

### 1. The Planning Phase

In the planning phase the role and posture of the United States and the DoD in the world environment are examined, with particular emphasis on Presidential policies. Some of the facets analyzed are: (a) potential and probable enemy capabilities and threat; (b) potential and probable capabilities of our Allies; (c) alternative U.S. policies and objectives in consideration of (a) and (b); (d) military strategies in support of these policies and objectives; (e) planning force levels that would achieve defense policy and strategy; and (f) planning assumptions for guidance in the following phases of PPBS.

The first step in the PPB is the preparation by JCS, and submission to the Secretary of Defense, of the Joint Strategic Planning Document (JSPD) containing independent JCS military strategy advice and recommendations to be considered in the development of the draft Consolidated Guidance (CG) and subsequent PPBS documents. It contains a concise, comprehensive military appraisal of the threat to U.S. interests and objectives worldwide; a statement of recommended military objectives derived from national objectives; and the recommended military strategy to attain national objectives. A summary of the JCS planning force levels which could successfully execute, with reasonable assurance, the approved national military strategy is included. JCS views on the attainability of the planning force in consideration of fiscal responsibility, manpower resources, material availability, technology and industrial capacity are also stated. The JSPD provides an appraisal of the capabilities and risks associated with programmed force levels, based on the planning forces considered necessary to execute the strategy, and recommends changes to the force planning and programing guidance where appropriate.

After consideration of the military advice of the JCS, as expressed in the JSPD, the next milestone is the Secretary of Defense's Consolidated Guidance (CG). A draft of the CG covering the budget and program years is issued in January to solicit the comments of the DoD Components and to provide a vehicle for an exchange of views on defense policy between the Secretary of Defense, the President, and the National Security Council. The final version of the CG, issued in March, serves as an authoritative statement of the fundamental strategy, issues, and rationale underlying the Defense Program, as seen by the leadership of the DoD. The CG, culminating the planning phase, provides definitive guidance, including fiscal constraints, for the development of the Program Objective Memorandum by the Military Departments and Defense Agencies, and continues as the primary DoD guidance until revised or modified by subsequent Secretary of Defense decisions.

## 2. The Programing Phase

Annually, in May, each Military Department and Defense Agency prepares and submits to the Secretary of Defense a Program Objective Memorandum. POMs are based on the strategic concepts and guidance as stated in the CG and include an assessment of the risk associated with the current and proposed forces and support programs. POMs express total program requirements for the years covered in the CG, and provide rationale for proposed changes from the approved FYDP base. Dollar totals must be within the fiscal guidance issued by the Secretary of Defense. Major issues which are required to be resolved during the year of submission must be identified. Supporting information for POMs is in accordance with the annual POM Preparation Instructions.

After the POMs are submitted, the JCS submits the Joint Program Assessment Memorandum (JPAM) for consideration in reviewing the Military Department POMs, developing Issue Papers, and drafting Program Decision Memorandums. The JPAM provides a risk assessment based on the composite of the POM force recommendations and includes the views of the Joint Chiefs of Staff on the balance and capabilities of the overall POM force and support levels to execute the approved national military strategy. Where appropriate, the Joint Chiefs of Staff recommends actions to achieve improvements in overall Defense capabilities within, to the extent feasible, alternative POM funding levels directed by the Secretary of Defense. In addition, the JPAM develops SALT-constrained forces and provides recommendations on the nuclear weapons stockpiles considered necessary to support these forces, and on the security assistance program.

The programing phase continues in accordance with the following steps:

- a. The POMs are analyzed at the OSD level and Issue Papers are generated which analyze the Service proposals in relation to (1) the Consolidated Guidance, (2) the balance between force structure, modernization, and readiness, and (3) efficiency trade-offs. Significant issues raised by the POMs which require Secretary of Defense resolution are highlighted, decision alternatives are listed, and these alternatives evaluated

as to cost and capacity to implement DoD missions. These "Issue Papers" are developed in coordination with the DoD Components to assure completeness and accuracy of the information contained therein. The views of the JCS on the risks involved in the POMs are considered during preparation of the Issue Papers.

b. Based on the Issue Papers and JCS risk assessment, the Secretary issues Program Decision Memoranda (PDM's) which are transmitted to the DoD Components for analysis and comment as appropriate.

c. Comments on the PDMs may be prepared in a manner prescribed by the submitting activity, but must present precise program impact that may be expected as a result of the decision. If comments on the PDMs express a dissenting view, any additional or clarifying information or justification must accompany the statement to allow a re-evaluation of the issue.

d. Comments submitted by the JCS address the impact on total DoD program balance. JCS provides the Secretary of Defense with an assessment of the risks involved and inherent in the PDMs and an evaluation of strategic implications.

e. Following a staff review of comments on the PDMs, meetings are held by the Secretary of Defense to discuss unresolved issues. If appropriate, Amended Program Decision Memoranda are then issued to incorporate any new decision, or to reiterate the previous decision.

### 3. The Budgeting Phase

With the establishment of program levels in the POM/PDM process, the budgeting phase begins with the DoD Components formulating and submitting, by September 15, detailed budget estimates for the budget year portion of the approved program. The budget estimates include the prior year, current year, and budget year (budget year plus one for authorized programs) in accordance with the Budget Guidance Manual and supplementary memoranda. Budget estimates are prepared and submitted based on the approved program as well as economic assumptions related to pay and pricing policies which are contained either in the PDMs or in separately prescribed detailed budget guidance revised and issued each year. The budget estimates are reviewed jointly by the Office of the Secretary of Defense (OSD) and the Office of Management and Budget (OMB). The entire budget is reviewed to insure the requests are properly priced; to insure production schedules are within production capacity; and to insure that the estimates are consistent with the Secretary's readiness objectives. Approval of the estimates for inclusion in the President's Budget is documented by Secretary of Defense budget decision documents. These decisions will evaluate, adjust and approve all resources in the budget request by decision units and/or packages within the appropriation and budget activity structures. The decisions will include the current year, the budget year, the authorization year (budget year + 1) and an estimate of the resource impact on the three succeeding program years consistent with the President's requirement for multi-year planning estimates.

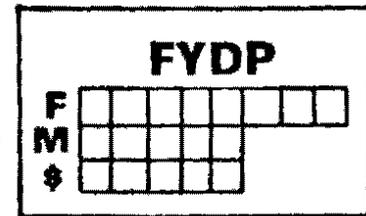
During the course of the budget review, the DoD Components have an opportunity to express an appeal position on each decision. Prior to final decisions, the Service Secretaries and Military Chiefs have the opportunity for a meeting with the Secretary of Defense to present and resolve any outstanding issues of major significance.

The Secretary then presents his budget to the President for consideration within the overall Federal requirements. Changes from that meeting are subsequently incorporated into the DoD submission and decision documentation is finalized. Following the printing process the budget is submitted to the Congress in January. The FYDP is updated to reflect the President's Budget and related resource impact in the "outyears" thereby establishing a consistent base for the ensuing decision cycle.

4. The Execution and Accountability Phases

The execution and accountability phases follow the submission of the budget and its enactment by the Congress. These phases are concerned with: execution of the programs approved by the Congress; the accountability and reporting of actual results for use in monitoring program execution; preparing future plans, programs, and budgets; and supplying financial status information to DoD managers.

# PLANNING PROGRAMMING BUDGETING



JAN

MAR

MAY

JUN

JUL-AUG

SEP

OCT-DEC

JAN

**SECRETARY  
OF  
DEFENSE**

DRAFT  
CONSOLIDATED  
GUIDANCE

CONSOLIDATED  
GUIDANCE

PROGRAM  
DECISION  
MEMOS

BUDGET  
DECISIONS

PRES.  
BUDGET

J  
C  
S

JSPD

R&C

JPAM

R&C

R&C

**MILITARY  
DEPARTMENTS  
& AGENCIES**

R&C

PROGRAM  
OBJECTIVE  
MEMOS

R&C

BUDGET  
ESTIMATES

R&C

JSPD - JOINT STRATEGIC PLANNING DOCUMENT  
JPAM - JOINT PROGRAM ASSESSMENT MEMORANDUM

R&C - REVIEW AND COMMENT

**FYDP SYMBOLS**  
F - FORCES  
M - MANPOWER  
\$ - DOLLARS  
□ - YEARS



THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

MEMORANDUM FOR THE SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF

SUBJECT: PPDS Schedule for the FY 83-87 Cycle

Attached is the schedule for the FY 83-87 cycle of the Planning, Programing and Budgeting System. The sequence is the same as the previous cycle but includes the JCS submission of the Joint Program Assessment Memorandum (JPAM). It also advances the entire schedule one week to allow four weeks following the APDM for preparation of the budget. The tardiness of the budget is a perennial problem we should endeavor to correct and this schedule makes a modest attempt to do so.

Thank you for your efforts during this cycle and let us continue to work together during the next cycle to use the PPB system as effectively as we can.

Enclosure

cc: Under Secretaries of Defense  
Assistant Secretaries of Defense  
General Counsel  
Assistants to the Secretary and Deputy  
Secretary of Defense  
Directors, Defense Agencies

Calendar of Key PPBS Events  
for  
FY1983-87 Cycle

Dec 1, 1980	--	JCS submits Joint Strategic Planning Document (JSPD)
3 weeks		
Dec 22, 1980	--	Components submit written suggestions for
1 week		key Consolidated Guidance (CG) features
Dec 29, 1980	--	SecDef completes review of suggestions and JSPD
3 weeks		
Jan 19, 1981	--	OSD staff submits first draft of CG to SecDef
1 week		
Jan 26, 1981	--	SecDef completes review of first draft of CG
1 week		
Feb 2, 1981	--	Draft of CG sent to Components for comment
3 weeks		
Feb 23, 1981	--	Components send CG comments to SecDef
2 weeks		
Mar 6, 1981	--	SecDef reviews comments in a single meeting
1 week		with Military Depts., and CJCS
Mar 13, 1981	--	SecDef sends revised CG to Components
8 weeks		
May 8, 1981	--	Components submit POMs, update FYDP and Annexes*
4 weeks		
Jun 5, 1981	--	JCS submits Joint Program Assessment Memorandum
1 week		
Jun 12, 1981	--	OSD transmits draft Issue Papers(IPs) for comment
1 week		
Jun 19, 1981	--	Components, OMB, NSC provide IP comments to SecDef.
1 week		
Jun 26, 1981	--	OSD sends revised IPs to SecDef
2 weeks		
Jul 10, 1981	--	SecDef completes review of IPs with OSD staff
1 week		
Jul 17, 1981	--	SecDef sends Program Decision Memoranda (PDMs) to Components
2 weeks		
Jul 31, 1981	--	Components send PDM comments to SecDef
1 week		
Aug 3-7, 1981	--	Military Depts. meet individually with
2 weeks		SecDef, DepSecDef and CJCS
Aug 20, 1981	--	SecDef sends Amended Program Decision Memoranda to Components
4 weeks		
Sep 15, 1981	--	Components submit budget estimates, update FYDP and Annexes

\* Mar 13 - Mar 27 CG Summary drafted, sent to President

## The Joint OSD/OMB Budget Review

The DoD jointly reviews the budget with the OMB staff in order to devote maximum review and analysis time here in the Department. The alternative would require earlier submission by OSD to OMB in order to provide time for independent OMB review. The current joint OSD/OMB review is unique throughout the government and has been for many years.

The Budget is due from all components of the Department of Defense (DoD) on September 15th and is accompanied by an update of the Five Year Defense Program (FYDP) and annexes. Distribution is made to the Office of Management and Budget (OMB) and all participating organizational elements of the Office of the Secretary of Defense (OSD).

Participation in the joint review is open to all elements of the DoD components and OSD staffs. Inputs from participants are solicited by each appropriation director for inclusion in the decision package sets (DPS's); the decision documents ultimately signed by the Secretary/Deputy Secretary of Defense.

In accordance with instructions, budget submissions are converted from three PDM levels into bands with continuous ordinal ranking provided throughout. The decision packages contained in these bands are consistent with those established during the POM review. In order to provide a tentative Secretary of Defense integrated ranking list to OMB by mid-October, the DRB reviews and integrates the component submissions. As a foundation for this action, the Comptroller provides a ranking summary and a narrative description of each decision package as soon as possible after the budget submissions are received. A date for the DRB meeting is announced subsequently.

As a parallel action, the budget scrub proceeds immediately upon receipt of the budget submissions. Since the program has been set in place, the budget is scrubbed thoroughly at all levels to consider matters of pricing, executability, efficiencies, etc. The Comptroller's Decision Package Sets (DPS's) are the vehicle for the budget scrub.

Oftentimes as DPS's are drafted, copies are "floated" for input from participants. Once the DPS takes final form it begins a formal coordination process. Coordination should be obtained from the interested Assistant Secretary/Principal Deputy Assistant Secretary level. All notes, memoranda, letters, or other pertinent appendages become a permanent part of the decision document and are retained in the documentation files. These documents are "close hold" in their "raw" signature form. The document, once coordinated with other OSD staff elements, is processed through the Deputy Assistant Secretary (Program/Budget), a representative of OMB, the Principal Deputy Assistant Secretary (Comptroller) and the Assistant Secretary (Comptroller), to the Secretary/Deputy Secretary of Defense. Subsequent to signature, the decision document is printed and distributed throughout the Department and OMB. In order to protect the confidential nature of DRB and OSD staff coordinations and positions, the document which is printed and distributed consists of only the decision document. This is essential to encourage open debate of issues and objective advice to the Secretary.

As the Secretary/Deputy Secretary approves and returns DPS's, they are translated into the Automated Budget Review System to reflect increases and decreases to the submissions. Periodic status reports are provided to the Secretary/Deputy Secretary as well as the OSD managers and staff and the submitting components. Status is in terms of Total Obligational Authority (TOA), the total cost of a program without regard to year or source of funding; Budget Authority (BA), essentially appropriations requested from the Congress; and Outlays, the net of gross disbursements and collections from customers. These are the three basic measures used throughout the budget community. For comparative purposes, dollar values are inflated and/or deflated to reflect constancy in order to measure year-to-year "real growth" as distinct from inflationary increases.

The status reporting is as frequent as management requires and is structured in hierarchial order relative to level of detail.

While the review is progressing, the Defense Resources Board (DRB) meets periodically to consider the relative ranking priorities of approximately \$20-25 billion of programs ranked by the submitting components. The DRB first integrates the original component rankings by reviewing and approving OSD staff prepared priority ranking proposals (PRP's). Those PRP's not approved by the DRB are discarded. The DRB then meets with the Secretary who approves/disapproves the DRB re-ranking proposals. Subsequent iterations are sometimes appropriate. At the point when the Secretary begins meeting with the President on the overall budget levels, the Secretary oftentimes makes changes to the ranking to insure that the highest priority programs are included within the approved funding level. All such approved ranking changes are reflected daily in the automated system so the budget status reporting is current for both DPS changes and ranking changes.

As the process nears completion, various management summaries are available providing TOA, BA and Outlays in both current and constant budget year dollars. The level of real growth is identified and often debated as are the inflation and pay raise assumptions contained in the budget estimates.

Recognizing that last minute changes are disruptive and sometimes error prone, the Department makes the best advantage of time available to continue the review and decision process. However, once OMB has the budget in print, the word is passed that the budget is locked and changes are no longer permitted.

Attention and staff efforts are then directed to preparing information to release to the Press during the DoD Budget Press Briefing; congressional justifications, the Secretary's posture statement, and other related requirements. The FYDP and annexes are updated to reflect all applicable budget decisions and automated data bases and hard copy justification exhibits in support of the budget are provided to the congressional oversight committees. Reprograming requests which have been reflected in the budget are prepared, staffed and submitted to the applicable committees for approval. Accounting records are adjusted as applicable to be consistent with resources reflected in the current year column of the budget. A series of budget hearings and reprograming hearings dominate subsequent months necessitating a great expenditure of management time appearing before the applicable oversight committees.



COMPTROLLER

ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

18 SEP 1980

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: FY 1982-1986 budget work schedule and budget printing dates

The enclosed schedule is forwarded for your information and action as appropriate. I know that the appropriate sense of urgency prevails within your organization as it does in mine. Please make this schedule available to all personnel within your organization who may be involved in the formulation of the FY 1982-1986 budget.

We intend to work again this year toward making the job as easy and painless as possible within the constraints that exist.

A handwritten signature in cursive script that reads "Jack R. Borsting".

Jack R. Borsting  
Assistant Secretary of Defense

Enclosure

FY 1982-1986 Budget Process Planning Dates

1. Receive Component Submits Sept. 15, 80
2. Begin budget hearings Sept. 17, 80
3. Submit to OMB current services/top line projections Sept. 25, 80
4. Begin update of FYDP Annexes with Service Submissions Sept. 22, 80
5. Begin update of FYDP with Service Submissions Sept. 29, 80
6. DRB receive Ranking Summaries containing service/agency ordinal prioritization to begin familiarization of content Early Oct.
7. DRB, OMB and Services receive Integrated Ranking Summaries reflecting tri-service integrating, compliance corrections and interleaving Oct. 9, 80
8. Process decision package sets: First to SecDef Oct. 10, 80  
Final to SecDef Nov. 14, 80
9. Deadline for ranking proposals from DRB members to to OASD(PA&E) Oct. 17, 80
10. OASD(PA&E) sends PCPs and summaries to DRB principals Oct. 23, 80
11. DRB meeting Oct. 28, 80
12. DRB Chairman sends two-part decision memo to Secretary Oct. 31, 80
13. DPS coordination forwarded to OASD(C) within 1 day Nov. 3, 80
14. Reclamas due on DPSs received by components:  
Submitted to OASD(C) within 3 days Nov. 3, 80  
Submitted to OASD(C) within 2 days Nov. 10, 80  
Submitted to OASD(C) within 24 hours Nov. 17, 80
15. DRB meeting with Secretary to obtain decision on two-part memo Nov. 5, 80
16. Secretary, DRB and Services receive reprioritization Ranking Summaries Nov. 7, 80
17. DRB meeting with Secretary for fine-tuning of Ranking Summaries Nov. 12, 80
18. Secretary, DRB and Services receive fine-tuned Ranking Summaries Nov. 14, 80

19. Outlay forecast for OMB (FY 81-82) Nov. 12, 80
20. Special Budget update for prior year (\$) Nov. 13, 80
21. Secretary's meetings with Services on prioritization Nov. 19-20, 80
22. Wrap-up meeting with Secretary Nov. 21, 80
23. Ranking to DRB and Services; to OMB for Director's meeting with President Nov. 25, 80
24. Special Budget update for prior year (manpower) Nov. 26, 80
25. Director of OMB meeting with the President Week of Dec. 1, 80
26. Deadline for reprinted galley to OMB Dec. 8, 80
27. DRB meeting with Secretary for fine tuning prioritization Dec. 10, 80
28. Secretary of Defense meeting with the President Dec. 12, 80
29. Receipt of last \$ galley proof from the OMB Dec. 13, 80
30. Deadline for return of marked-up \$ galley proof to OMB Dec. 17, 80
31. DoD components submit summary update of FYDP Dec. 19, 80
32. Update FYDP and annexes by program element/line item Jan. 5, 81
33. Budget released to press Jan. 16, 81
34. Delivery of budget to Congress Jan. 19, 81

Office of the Assistant Secretary of Defense  
(Comptroller)

Mission

Title 10, United States Code, Section 136 specifies the Comptroller's responsibilities as follows:

\*S 136. Assistant Secretaries of Defense: appointment; powers and duties; precedence

(a) There are seven Assistant Secretaries of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

(b) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Health Affairs. He shall have as his principal duty the overall supervision of health affairs of the Department of Defense. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of Defense. In addition, one of the Assistant Secretaries shall be the Comptroller of the Department of Defense and shall, subject to the authority, direction, and control of the Secretary--

(1) advise and assist the Secretary in performing such budgetary and fiscal functions and duties, and in exercising such budgetary and fiscal powers, as are needed to carry out the powers of the Secretary;

(2) supervise and direct the preparation of budget estimates of the Department of Defense;

(3) establish and supervise the execution of principles, policies, and procedures to be followed in connection with organization and administrative matters relating to --

(A) the preparation and execution of budgets;

(B) fiscal, cost, operating, and capital property accounting;

(C) progress and statistical reporting; and

(D) internal audit;

(4) establish and supervise the execution of policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

(5) establish uniform terminologies, classifications, and procedures concerning matters covered by clauses (1) - (4).

(c) Except as otherwise specifically provided by law, an Assistant Secretary may not issue an order to a military department unless --

(1) the Secretary of Defense has specifically delegated that authority to him in writing; and

(2) the order is issued through the Secretary of the military department concerned, or his designee....."

These responsibilities are expanded upon in the ASD(C) charter published in DoD Directive 5118.3 of July 11, 1972. It provides:

"The Assistant Secretary of Defense (Comptroller) is the principal staff assistant to the Secretary of Defense for programming, budgeting, auditing, and fiscal functions; for all matters pertaining to organization, management, and administration. He shall provide staff supervision for the Defense Contract Audit Agency and the Defense Audit Agency. In addition, he shall:

A. Provide for the design and installation of resource management systems throughout DoD.

B. Collect, analyze, and report resource management information for the Secretary of Defense and as required for the Office of Management and Budget, the Congress, the General Accounting Office, and other agencies outside of the DoD."

The directive itemizes specific functions, relationships and authorities pertinent to the Comptroller and it includes a listing of the numerous authorities which the Secretary of defense has formally delegated to the Comptroller.



July 11, 1972  
NUMBER 5118.3

ASD(C)

## Department of Defense Directive

**SUBJECT** Assistant Secretary of Defense (Comptroller)

- Refs.:**
- (a) DoD Directive 5118.3, subject as above, January 24, 1966 (hereby cancelled)
  - (b) DoD Directive 5110.1, "Assistant Secretary of Defense (Administration)," July 11, 1964 (hereby cancelled)

### I. GENERAL

Pursuant to the authority vested in the Secretary of Defense, and the provisions of Title 10, United States Code, Section 136(b), one of the Assistant Secretary positions authorized by law is designated Assistant Secretary of Defense (Comptroller) with responsibilities, functions and authorities as prescribed herein. The Assistant Secretary of Defense (Comptroller) shall be the Comptroller of the Department of Defense.

### II. RESPONSIBILITIES

The Assistant Secretary of Defense (Comptroller) is the principal staff assistant to the Secretary of Defense for programming, budgeting, auditing, and fiscal functions; for all matters pertaining to organization, management and administration; and for DoD investigative and security policies. He shall provide staff supervision for the Defense Contract Audit Agency, Defense Mapping Agency and the Defense Investigative Service. In addition, he shall:

- A. Provide for the design and installation of resource management systems throughout the DoD.

- B. Collect, analyze, and report resource management information for the Secretary of Defense and as required for the Office of Management and Budget, the Congress, the General Accounting Office, and other agencies outside of the DoD.

### III. FUNCTIONS

Under the direction, authority, and control of the Secretary of Defense, the Assistant Secretary of Defense (Comptroller) shall:

- A. Coordinate and control the programming process.
- B. Supervise, direct, and review the preparation and execution of the DoD budget.
- C. Establish policies and procedures for:
  - 1. Expenditure and collection of funds administered by the DoD and related fiscal accounting systems.
  - 2. International financial matters.
  - 3. Control of prices for transactions involving the exchange of goods and services by DoD Components.
  - 4. Contract audit and internal audit.
  - 5. Terminologies, classifications, and procedures relating to programming, budgeting, funding, accounting, reporting, auditing, economic analysis, program evaluation, output measurement, and resource management.
  - 6. Management of DoD automatic data systems.
  - 7. Management and control of DoD information requirements.
- D. Conduct:
  - 1. Audit functions and services for the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff, and other DoD Components, as assigned.

2. DoD-wide audits of the Military Assistance Program and other selected areas and functions.
  3. Special audits or audit surveys of selected areas within the DoD as requested or as deemed appropriate.
- E. Serve as DoD liaison with the General Accounting Office and process GAO or other external audit reports and assure appropriate corrective actions.
- F. Provide the Office of the Secretary of Defense with:
1. An Automatic Data Processing capability.
  2. A Central Data Service to accumulate data, provide reports and related analyses and evaluations.
- G. Establish policies, plans, and programs for physical, investigative, industrial, and personnel security matters.
- H. Serve as Chairman of the Defense Investigative Review Council.
- I. Direct and administer the DoD Information Security Program.
- J. Oversee the administration of and provide overall policy guidance for the DoD Industrial Personnel Security Clearance Program.
- K. Act for the Secretary of Defense as United States Security Authority for NATO, SEATO, and CENTO, and as the National Security Authority for security agreements.
- L. Conduct research, develop plans, and recommend organizational structures and management practices that will achieve efficient and economical operation.
- M. Review and validate organizational arrangements and manning levels of offices within the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff and the Defense Agencies.

- N. Provide administrative support for the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff and other organizations as assigned.
- O. Act as Department of Defense coordinator in all matters relating to the improvement of Federal-State relations.
- P. Represent the Secretary of Defense in providing for continuity of Government, military participation in civil and domestic emergencies, and related emergency planning, and coordinate emergency planning within the DoD.
- Q. Establish policy for and supervise DoD audio-visual activities.
- R. Insure that all matters presented to the Secretary of Defense for signature reflect established Presidential and DoD policies and are consistent with interdepartmental and interagency agreements.
- S. Provide policy, guidance, coordination, and supervision for the operation of administrative facilities and services common to all Defense activities at the Seat of Government.
- T. Establish standards and provide policy guidance, coordination, and evaluation of the operation of administrative facilities and services in support of DoD Components as necessary.
- U. Establish, control, and manage the DoD Directive System.
- V. Prepare, maintain and coordinate historical records and reports for the Office of the Secretary of Defense.
- W. Process requests to the Secretary of Defense for Special Air Mission transportation other than for Congressional travel.
- X. Perform such other functions as the Secretary of Defense assigns.

IV. RELATIONSHIPS

- A. In the performance of his functions, the Assistant Secretary of Defense (Comptroller) shall:
1. Coordinate actions, as appropriate, with DoD Components having collateral or related functions in the field of his assigned responsibility.
  2. Maintain active liaison for the exchange of information and advice with other DoD Components, as appropriate.
  3. Make full use of established facilities in the Office of the Secretary of Defense and other DoD Components rather than unnecessarily duplicating such facilities.
- B. The heads of all DoD Components and their staffs shall cooperate fully with the Assistant Secretary of Defense (Comptroller) and his staff in a continuous effort to achieve efficient administration of the DoD, and to carry out effectively the direction, authority, and control of the Secretary of Defense.
- C. The channel of communication with Unified and Specified Commands on matters relating to audit shall be directly between those Commands and the Secretary of Defense. The Assistant Secretary of Defense (Comptroller) is assigned staff responsibility for such matters, and he is authorized to communicate directly in regard to them with Commanders of Unified and Specified Commands. All directives and communications of the Assistant Secretary of Defense (Comptroller) to such Commands which pertain to audit shall be coordinated with the Joint Chiefs of Staff.
- D. DoD Components are defined for the purpose of this Directive to be: the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff, the Military Departments, Defense Agencies and the Unified and Specified Commands.

V. AUTHORITIES

- A. The Assistant Secretary of Defense (Comptroller), in the course of exercising full staff functions and those assigned by Title 10, U.S.C., Section 136(b), is hereby specifically delegated authority to:
1. Issue instructions and one-time directive-type memorandums, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned areas of responsibility. Instructions to the Military Departments will be issued through the Secretaries of those Departments or their designees.
  2. Obtain such reports, information and assistance from DoD Components as may be necessary to the performance of his assigned functions.
  3. Issue policies and instructions which establish procedures for the review and approval of reporting requirements and forms which the Office of the Secretary of Defense or the Defense Agencies propose to place on any Component of the DoD and to designate those requirements which are prescribed by the Office of the Secretary of Defense. Review, and when appropriate, transmit to the Office of Management and Budget those reporting requirements which any Component of the DoD proposes to place upon the public, including Defense contractors.
  4. Request the prompt initiation of reviews by DoD Components of organization and management practices.
  5. Communicate directly with heads of DoD Components.
  6. Exercise such authority vested in the Secretary of Defense as may be required in the administration of DoD security programs.
- B. Specific delegations to the Assistant Secretary of Defense (Comptroller) are in Enclosure 1 to this Directive.

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VI. CANCELLATION

References (a) and (b) are hereby cancelled.

VII. EFFECTIVE DATE

This Directive is effective immediately.

*Kenneth Rush*

Enclosure - 1

1. Delegations of Authority

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### DELEGATIONS OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, the Assistant Secretary of Defense (Comptroller) is hereby delegated, subject to the direction, authority and control of the Secretary of Defense, authority to:

1. Direct and control the Defense Data Elements and Data Codes Standardization Program and monitor application by Department of Defense Components, as prescribed in Department of Defense Directive 5000.11.
2. Supervise the operation of the Military Pay and Allowance Committee as prescribed in Department of Defense Directive 5154.13.
3. Establish and supervise the execution of principles, policies and procedures to be followed in connection with organizational and administrative matters relating to internal and contract audit in the Department of Defense, as prescribed in Department of Defense Directive 7600.2, and under the authority of 10 U.S.C. 136(b).
4. Approve requests to hold cash at personal risk for authorized purposes and to redelegate such authority as deemed appropriate in the administration and control of DoD funds, subject to provisions of Treasury Department Circular No. 1030, "Regulation Relating to Cash Held at Personal Risk Including Imprest Funds by Disbursing Officers and Cashiers of the United States Government", as amended, and under the authority of 10 U.S.C. 136(b).
5. Approve the establishment of accounts for the individual operations financed by management funds and to issue regulations for the administration of accounts thus established pursuant to the authority of 10 U.S.C. 2209.
6. Exercise the powers vested in the Secretary of Defense pertaining to the employment and general administration of civilian personnel (5 U.S.C. 301, 302(b), and 3101).
7. Fix rates of pay for wage board employees exempted from the Classification Act by 5 U.S.C. 5102(c)(7) on the basis of rates established under the Coordinated Federal Wage System, in accordance with the

Federal Personnel Manual, Supplement 532-1, U.S. Civil Service Commission, "Coordinated Federal Wage System", as amended. The Assistant Secretary of Defense (Comptroller), in fixing such rates, shall follow the wage schedules established by the Department of Defense Wage Fixing Authority.

8. Administer oaths of office incident to entrance into the Executive Branch of the Federal Government, or any other oath required by law in connection with employment therein, in accordance with the provisions of 5 U.S.C. 2903(b).

9. (a) Authorize, in case of an emergency, the appointment of an employee of the Office of the Secretary of Defense or of a Defense Agency to a sensitive position for a limited period, for whom a full field investigation has not been completed, in accordance with Executive Order 10450, as amended; and

(b) authorize the suspension of an employee in the interest of the national security in accordance with the provisions of 5 U.S.C. 7532.

10. Approve, as the designee of the Secretary of Defense, the establishment or continuation of advisory committees and the employment of part-time advisers as consultants or experts by any Component of the Department of Defense whenever the approval of the Secretary of Defense is required by law, Civil Service Commission regulation, or DoD issuance, and pursuant to the provisions of 5 U.S.C. 3109(b), 10 U.S.C. 173, and the Agreement between the Department of Defense and the Civil Service Commission on Employment of Experts and Consultants.

11. Enter into contracts for supplies, equipment, personnel and services and provide for contract administration required for assigned activities and, subject to the limitation contained in 10 U.S.C. 2311, make the necessary determinations and findings as required.

12. Purchase or requisition through a Military Department, Defense Agency, or other Government department or agency, or directly, equipment and supplies (5 U.S.C. 301).

13. Establish and use Imprest Funds for making small purchases of material and services, other than personal, when it is determined more advantageous and consistent with the best interests of the Government,

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in accordance with the provisions of DoD Directive 5100.25 and DoD Instruction 7280.1, as revised.

14. Approve contractual instruments for commercial-type concessions at the Seat of Government, and maintain general supervision over commercial-type concessions operated by or through the Department of Defense at the Seat of Government, DoD Directive 5120.18.

15. Act as agent for the collection and payment of employment taxes imposed by Chapter 21 of the Internal Revenue Code of 1954, and, as such agent, make all determinations and certifications required or provided for under Section 3122 of the Internal Revenue Code of 1954 (26 U.S.C. 3122), and Section 205(p)(1) and (2) of the Social Security Act, as amended (42 U.S.C. 405(p)(1) and (2)).

16. Act as custodian of the seal of the Department of Defense and attest to the authenticity of official records of the Department of Defense under said seal (10 U.S.C. 132).

17. Act for the Secretary of Defense before the Joint Committee on Printing, the Public Printer, and the Director of the Office of Management and Budget on all matters pertaining to printing, binding and publications requirements (chapter 11 of title 44, United States Code).

18. Authorize the publication of advertisements, notices or proposals, as required (44 U.S.C. 3702).

19. (a) Establish and maintain appropriate property accounts for OSD and organizations assigned thereto for administrative support (10 U.S.C. 136(b)).

(b) Appoint boards of survey, approve reports of survey, relieve personal liability, and drop accountability for property contained in authorized property accounts that have been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations (10 U.S.C. 136(b)).

20. Establish and administer an active and continuing Records Management Program for the Department of Defense, pursuant to the provisions of 44 U.S.C. 3102.

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21. Clear personnel for access to Top Secret, Secret and Confidential material and information, in accordance with the provisions of Department of Defense Directive 5210.8, as revised, subject: "Policy on Investigation and Clearance of Department of Defense Personnel for Access to Classified Defense Information," and of Executive Order 11652.

22. Authorize and approve overtime work for civilian officers and employees in accordance with the provisions of Section 550.111 of the Federal Personnel Manual, Supplement 990-1 (Book III), U.S. Civil Service Commission, "Civil Service Laws, Executive Orders, Rules and Regulations", as amended.

23. Authorize and approve:

(a) Travel for civilian officers and employees in accordance with the Joint Travel Regulations, Vol. 2, DoD Civilian Personnel, as amended;

(b) Temporary duty travel for military personnel in accordance with the Joint Travel Regulations, Vol. 1, Members of the Uniformed Services, as amended;

(c) Invitational travel to persons serving without compensation whose consultive, advisory or highly specialized technical services are required, pursuant to the provisions of 5 U.S.C. 5703.

24. Approve the expenditure of funds for travel incident to attendance at meetings of technical, scientific, professional or other similar organizations in such instances where the approval of the Secretary of Defense is required by law (5 U.S.C. 4110 and 4111, and 37 U.S.C. 412).

25. Pay cash awards to, and incur necessary expenses for, the honorary recognition of civilian employees of the Government in accordance with the provisions of 5 U.S.C. 4503.

26. Supervise and administer the affairs of welfare and recreation activities (5 U.S.C. 301).

27. Enter into support and service agreements with the Military Departments, other DoD agencies, or other Government agencies, as required (5 U.S.C. 301).

The authorities vested in the delegate named herein may be redelegated by him, as appropriate.

## PLANNING, PROGRAMMING, AND BUDGETING SYSTEM IMPROVEMENTS

The Secretary of Defense, in October 1977, directed that the Defense Department Planning, Programming and Budgeting System (PPBS) be revised to achieve five objectives:

1. To provide an opportunity for early Presidential participation in the process;
2. To permit the Secretary of Defense and the President, based on the advice of all appropriate offices and organizations in the Department of Defense, to play an active role in shaping the defense program;
3. To create a stronger link between planning and programmatic guidance and fiscal guidance;
4. To develop, through discussion, a sound and comprehensive rationale for the program, and
5. To ensure the program is based on sound analysis and contributions for all relevant offices.

The revised system was designed to provide a more coherent basis for guiding the Military Departments in the preparation of their specific program recommendations. It consolidated and reduced to one what in prior years had been three separate forms of guidance from the Secretary of Defense: the Defense Guidance, the Planning and Program Guidance, and the Fiscal Guidance. The revised consolidated guidance was to incorporate an analysis of the rationale for each aspect of the Secretary's guidance to the Services and of the overall defense program.

The Joint Chiefs of Staff and the Military Departments actively participated in the process--from the initial planning to the development of the defense budget to be submitted to the President. The Joint Chiefs of Staff also have modified their system for providing advice and recommendations to the Secretary of Defense in accordance with the opportunities for participation provided by the revised PPBS.

In addition to their participation in the PPBS, the Joint Chiefs of Staff advise the President, the National Security Council, and the Secretary of Defense on a wide range of national security matters. They also are statutory members of the Armed Forces Policy Council.

### JCS, Departments Role

The role of the Joint Chiefs of Staff and the Military Departments in the process included the submission of the JCS Joint Strategic Objectives Plan, pre-draft consultation sessions with the Secretary of Defense, informal comment and review during the drafting process, extensive review and comment (written and face-to-face) on the preliminary draft, review and comment on a subsequent draft, and participation in the presentation of the proposals to the President.

In May 1977, the Joint Chiefs of Staff submitted to the Secretary of Defense the Joint Strategic Objectives Plan, Volume 1 (JSOP I). As in past years, this document included a statement of broad defense objectives, a discussion of the military threat facing the United States, general recommendations concerning strategy and force planning, and a discussion of areas of significant risk. In January 1978, the Joint Chiefs of Staff submitted JSOP II, which included, inter alia, the major force recommendations of the Joint Chiefs of Staff, a comparison of these recommendations with currently programmed forces, and an appraisal of programmed forces. Although JSOP I was submitted and JSOP II was substantially prepared before the revisions in PPBS, these documents provided the Secretary of Defense and the President with the basic views of the Joint Chiefs of Staff on military strategy and force requirements. In light of the changes in the PPBS, additional procedures were adopted to supplement the joint planning process so that the Secretary could, in the revised PPBS, more easily receive the full benefit of the advice, recommendations, and expert capability of the Joint Chiefs of Staff.

In the past, Secretarial guidance had developed in three parts and the JSOP documents were tailored to those parts. JSOP I was prepared prior to the Defense Guidance and assisted the Secretary in making the determinations of policy, strategy, and force planning that were included in the Defense Guidance. The JSOP II provided the Secretary with the JCS views on what should be included in the Planning and Programming Guidance and the Fiscal Guidance. Under the revised system, Secretarial guidance was combined into one document that also included the rationale on which the defense program would be based.

#### PPBS Modifications

When the modifications of the PPBS were first contemplated in the fall of 1977, the Joint Chiefs of Staff and the Secretaries of the Military Departments were asked for their comments, suggestions, and recommendations. After these recommendations and other comments on the PPBS proposal had been submitted, the Secretary of Defense agreed that it was important that the initial step in the annual process should be the responsibility of the Joint Chiefs of Staff and the Military Departments, and that they should have full opportunity to participate in the process throughout. In a memorandum dated Oct. 26, 1977, addressed to the Chairman of the Joint Chiefs of Staff and the Secretaries of the Military Departments, the Secretary of Defense established a procedure for consultative meetings "to give the Services, individually and collectively, an opportunity to give advice, make recommendations, and offer substantive input." The Secretary's memorandum continued:

"Though the revised PPBS is designed to afford the opportunity at several stages, I deem it important that one such opportunity be prior to the first draft of the document. The last thing I want to do is inhibit your initiative or innovation. I envision these meetings as an opportunity for you to present your proposals with respect to the CG and that a dialogue about them will ensue between the Services and the Secretary of Defense."

Those meetings took place in November. Each was attended by the Chairman of the Joint Chiefs of Staff or the Chairman's personal representative. The Secretary of Defense first held three lengthy meetings with, respectively, the Secretary of the Army and Chief of Staff of the Army; the Secretary of the Navy, Chief of Naval Operations and Commandant of the Marine Corps; and the Secretary of the Air Force and Chief of Staff of the Air Force; and staff members they designated to accompany them. A fourth, "wrap-up," meeting was then held with all three Secretaries of the Military Departments, the Chairman of the JCS, and the members of the Joint Chiefs of Staff. At these meetings the Chairman and members of the Joint Chiefs of Staff and the Secretaries of the Military Departments were able to provide directly to the Secretary of Defense prior to the drafting of any guidance, their advice, recommendations and comments.

#### Follow-Up Memoranda

After the meetings, the Army, Navy, and the Joint Chiefs of Staff sent follow-up memoranda to the Secretary of Defense emphasizing the points they considered most important and setting out the areas they believed required special attention. Other memoranda, concerning both the form and the content of the Secretary's guidance, followed.

The preliminary draft of the Secretary's guidance was shaped by the comments of the participants in the initial meetings, the follow-up memoranda, the directions of the Secretary of Defense, and informal comments and advice provided by the JCS and the Services during the drafting process.

The draft that was produced was "preliminary". It was not to have any effect until there had been a complete review and opportunities for comment by the JCS and the Services. It was circulated to the Joint Chiefs of Staff and to the Military Departments for comment in January 1978.

The review and comment period for the Joint Chiefs of Staff and the Military Departments covered four weeks. It was a working document, subject to change, to serve as a focus for debate and discussion. It was designed to provide a document to cover matters raised in the pre-draft meetings and memoranda, and a vehicle for discussion and addition to other considerations not covered in the initial discussions. The integration of matters previously contained in the Defense, Planning and Programming, and Fiscal Guidance documents and the requirement that the rationale for the defense program be subjected to increased analytical rigor demanded a careful consideration by the Joint Chiefs of Staff and the Services. It also provided the Joint Chiefs of Staff and the Military Departments with an opportunity to challenge the premises, reasoning and conclusions of the proposed guidance. If the rationale in the preliminary draft were faulty, the Joint Chiefs of Staff and the Service could focus on weak points in the rationale and suggest alternative guidance with better justification.

As indicated by the Secretary in the memorandum that accompanied the draft for comment and review:

"I want to use the Consolidated Guidance not merely to advise you in the preparation of your POMs (Program Objective Memoranda), but also as a vehicle for debate and dialog over the rationale it contains . . . ."

#### Detailed Comments

The Joint Chiefs of Staff and the Secretaries of the Military Departments submitted detailed comments on the draft. In addition, the Joint Chiefs of Staff provided a strategy section for inclusion, and substantial and useful recommendations on the strategic aspects of the guidance.

The written comments on the draft, the views expressed at the follow-up meetings and the guidance of the Secretary of Defense provided the basis for the next draft, which required development of a justification for all changes made, and a justification of changes that were recommended but not made. The redraft and justifications were then presented to the Secretary for decision and, based on his decisions, a revised draft was completed.

The revised draft was again circulated to the Chairman and members of the Joint Chiefs of Staff and to the Secretaries of the Army, Navy, and Air Force for their personal comment and review. Their comments went directly to the Secretary and Deputy Secretary of Defense for their personal review. As a result of those comments, further changes were made. The draft was then sent to the White House. In May 1978, to assist him in his review, the President met with the Secretary of Defense and the Joint Chiefs of Staff. Following that meeting, the President held further discussions with the Secretary of Defense and the JCS Chairman.

The remainder of the planning, programming and budgeting system followed the basic pattern of prior years. After receiving the draft guidance the Military Departments prepared and submitted their Program Objective Memoranda.

The retention of the above feature of the former PPBS reflects the degree to which the revised PPBS preserved the initiative of the Departments of the Army, Navy, and Air Force. Under the system instituted in the early 1960s, the programming initiative resided in the Office of the Secretary of Defense through Draft Presidential Memoranda (DPMs). These stipulated procurement, force structure and costing in detail. The Military Departments were given an opportunity to comment, but once the DPMs were settled, the Services went directly to the preparation of their detailed budgets. Under the current system, the initial formulation of the defense program continued--as in the past nine years--to be the responsibility of the Military Departments and not of the Office of the Secretary of Defense. Thus, the revised system provided an opportunity for participation of the military professionals in the development of the Secretarial guidance and retained for the Military Departments their basic programming initiative.

The PPBS also was structured to preserve the important role of the Joint Chiefs of Staff in the evaluation of program objectives. In prior years, the JCS had prepared and submitted to the Secretary a Joint Forces Memorandum (JFM) at the time that the POMs were prepared and submitted. The JFM

identified important program objectives and provided an assessment of the risk, in terms of defense strategy, incurred by adopting, or not adopting, certain program objectives. Under the revised PPBS, the Joint Chiefs of Staff have replaced the JFM with a Joint Program Assessment Memorandum (JPAM), which is provided to the Secretary after the POMs are submitted. The JPAM provides JCS advice to the Secretary for his review of the Service POMs, development of Issue Papers, and decisions on specific Service programs. It includes a risk assessment based on an overview of the national military strategy and the force structure recommended in the POMs, as well as recommendations for improvements in the overall defense program through selection of certain programs at alternative POM levels. The JPAM therefore provides the Secretary with more valuable assistance in his consideration of the programs of all three Services. The first JPAM was submitted as part of the present PPBS cycle.

### Issue Papers

After the submission of the POMs, the staff of the Secretary of Defense drafted issue papers which were sent for review and comment to the Joint Chiefs of Staff, the Military Departments, the Office of Management and Budget, and National Security Council. The issue papers then were revised in response to the comments and provided to the Secretary of Defense. Based on the advice provided in the JPAM, his review of the POMs, and the issue papers, the Secretary made the basic program decisions that were then incorporated in the Program Decision Memoranda (PDMs). The PDMs were sent to the Joint Chiefs of Staff and the Military Departments for review and comment. Major comments--at the selection of the members of the Joint Chiefs of Staff and the Secretaries of the Military Departments--became the subject of a series of reclama meetings attended by the Secretary and Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff and representatives of the Services. As a result of the written comments and the reclama meetings, the PDMs were modified and issued as Amended Program Decision Memoranda (APDM).

The drafting of the APDMs marked the second point of Presidential involvement in the system. At that point, the Secretary of Defense with the personal assistance of the Chairman of the Joint Chiefs of Staff prepared a status report for the President describing the major features of the Service POM submissions, the major issues that had been raised and their disposition, and an evaluation of the differences among the defense programs available over a range of funding profiles. The status report was submitted to the President for review and guidance. The ADMs were sent to the Military Departments as the basis for the budget proposals that they are now preparing.

After the pre-draft meetings in November 1977, the Joint Chiefs of Staff initiated an evaluation of their role in the revised PPBS and decided to modify the basic documents through which they provided their formal input to the system. This led to several changes made at JCS suggestion. The first of these changes was the replacement of the JFM with the JPAM. This was accomplished in the first cycle of the revised PPBS, as discussed above.

### Second Modification

The second modification involved a restructuring of the JSOP documents. To replace the JSOP I and II, the JCS created a Joint Strategic Planning Document (JSPD) to be submitted 60 days in advance of the preliminary draft guidance. The JSPD contains a comprehensive appraisal of the military threat to the United States, a statement of recommended military objectives, recommended military strategy to attain the objectives, and a summary of the JCS planning force levels that could execute, with reasonable assurance, the military strategy. It also will include the JCS views on the attainability of the recommended force levels within fiscal constraints, manpower resources, material availability, technology, and industrial capacity. It will incorporate an initial appraisal of the risk associated with programmed force levels and recommendations for changes in the prior Consolidated Guidance. Thus the JSPD will provide comprehensive recommendations by the Joint Chiefs of Staff tailored to the integrated approach of the revised defense planning, programming, and budgeting system.



NUMBER 7045.7

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## Department of Defense Instruction ASD(C)

SUBJECT: The Planning, Programing, and Budgeting System (PPBS)

- References:
- (a) DoD Directive 7000.1, "Resource Management Systems of the Department of Defense," August 22, 1966 (as amended)
  - (b) DoD Instruction 7045.7, "The Planning, Programming and Budgeting System," October 29, 1969 (hereby cancelled).
  - (c) DoD Handbook 7045.7-H, "FYDP Codes and Definitions Handbook"
  - (d) through (h), see Enclosure 1

### A. PURPOSE

This Instruction establishes procedural guidance in support of reference (a) for: (a) submission, analysis, review, and approval of new and revised Department of Defense programs and budgets; (b) the processing and approval of resource changes to the Five Year Defense Program (FYDP); (c) the maintenance and updating of the FYDP structure; and (d) the maintenance and publication of the FYDP Codes and Definitions Handbook (7045.7-H) (reference (c)).

### B. APPLICABILITY AND SCOPE

1. The provisions of this Instruction apply to the Office of the Secretary of Defense, the Military Departments, the Organization of the Joint Chiefs of Staff and the Defense Agencies (hereinafter referred to collectively as "DoD Components").

2. The Secretary of Defense approved programs for the military functions of the DoD for the prior, current, budget and program years are reflected in the FYDP, and planning, programing, budgeting, execution and accountability for the DoD will be consistent with the FYDP. The program years for cost and manpower are the four succeeding years beyond the budget year, for forces they are the seven years beyond the budget year.

C. DEFINITIONS

The terms used in this Instruction are defined in General Accounting Office publication "Terms Used in the Budgetary Process," PAD-77-9, July 1977.

D. KEY PPBS DOCUMENTS

1. Joint Strategic Planning Document (JSPD)

The JSPD will be submitted for use in the development of the draft Consolidated Guidance (CG). It will contain a concise, comprehensive military appraisal of the threat to U.S. interests and objectives worldwide; a statement of recommended military objectives derived from national objectives; and the recommended military strategy to attain national objectives. A summary of the JCS planning force levels which could successfully execute, with reasonable assurance, the approved national military strategy will be included, as well as views on the attainability of these forces in consideration of fiscal responsibility, manpower resources, material availability, technology, and industrial capacity. The JSPD will also provide an appraisal of the capabilities and risks associated with programmed force levels, based on the planning forces considered necessary to execute the strategy, and will recommend changes to the force planning and programing guidance where appropriate.

## 2. Consolidated Guidance (CG)

After consideration of the military advice of the JCS, as expressed in the JSPD, the next milestone is the Consolidated Guidance (CG). A draft of the CG is issued first to solicit the comments of the DoD Components and to provide a vehicle for an exchange of views on defense policy between the Secretary of Defense, the President, and the National Security Council. The final version of the CG serves as an authoritative statement of the fundamental strategy, issues, and rationale underlying the Defense Program, as seen by the leadership of the DoD. The CG provides definitive guidance, including fiscal constraints, for the development of the Program Objective Memoranda by the Military Departments and Defense Agencies.

## 3. Program Objective Memorandum (POM)

Annually, each Military Department and Defense Agency will prepare and submit to the Secretary of Defense a Program Objective Memorandum. POMs will be based on the strategic concepts and guidance as stated in the CG and include an assessment of the risk associated with the current and proposed forces and support programs. POMs will express total program requirements for the years covered in the CG, and must provide rationale for proposed changes from the approved FYDP base. Costs will be within the fiscal guidance issued by the Secretary of Defense. Major issues which are required to be resolved during the year of submission should be identified. Supporting information for POMs will be in accordance with the annual POM Preparation Instructions.

4. Joint Program Assessment Memorandum (JPAM)

The JPAM will be submitted by JCS for consideration in reviewing the Military Departments' Program Objective Memoranda (POMs), developing Issue Papers, and drafting Program Decision Memoranda. It will provide a risk assessment based on the composite of the POM force recommendations and include the views of the Joint Chiefs of Staff on the balance and capabilities of the overall POM force and support levels to execute the approved national military strategy. Where appropriate, the Joint Chiefs of Staff will recommend actions to achieve improvements in overall Defense capabilities within, to the extent feasible, alternative POM funding levels directed by the Secretary of Defense. In addition, the JPAM will develop SALT-constrained forces and provide recommendations on the nuclear weapons stockpiles considered necessary to support these forces, and on the security assistance program.

5. Program Decision Memorandum

a. POMs will be reviewed in accordance with the following:

(1) The OSD Staff will prepare decision (issue) papers on program issues. These "Issue Papers" will be developed in coordination with the DoD Components who will assure completeness and accuracy of the information contained therein. The views of the JCS on the risks involved in the POMs will be considered during preparation of the Issue Papers.

(2) Based on the Issue Papers and JCS risk assessment, the Secretary will issue Program Decision Memoranda (PDMs) which will be transmitted to the DoD Components for analysis and comment as appropriate.

b. Comments on the PDMs may be prepared in a manner prescribed by the submitting activity, but will present the precise program impact

that may be expected as a result of the decision. If comments on the PDMs express a dissenting view, any additional or clarifying information or justification will accompany the statement to allow a reevaluation of the issue.

c. Comments submitted by the JCS will address the impact on total DoD program balance. JCS will provide the Secretary of Defense with an assessment of the risks involved and inherent in the PDMs and an evaluation of strategic implications.

d. Following a staff review of comments on the PDMs, meetings will be held by the Secretary of Defense to discuss major unresolved issues. If appropriate, Amended Program Decision Memoranda (APDMs) will then be issued to incorporate any new decision, or to reiterate the previous decision.

## 6. Budget Estimates

Annually, each DoD Component will submit its budget estimates to the Secretary of Defense in accordance with reference (d), DoDI 7110.1 and 7110.1-M. The budget estimates will include the prior year, current year, and budget fiscal year (budget year plus one for authorized programs) in accordance with currently established procedures. Budget estimates will be prepared and submitted based on the program as approved in the PDMs/APDMs, as well as economic assumptions related to pay and pricing policies which will be contained either in the APDMs or in separately prescribed detailed budget guidance each year.

## 7. Budget Decisions

a. In order to maximize the review and analysis time, DoD and OMB will jointly review the budget estimates. Participation in this joint

review will be open to all elements of the DoD Components and OSD staffs. Inputs from participants will be solicited for inclusion in the Decision Package Sets (DPSs), the decision document ultimately signed by the Secretary/Deputy Secretary of Defense. These decisions will address all of the resources in the budget request and be related to the appropriations and budget activity structure of the Department of Defense. The decisions will include the current year, the budget year, the authorization year (budget year + 1) and an estimate of the resource impact on the three succeeding program years.

b. DPSs, as they are approved by the Secretary/Deputy Secretary, will be translated into the Automated Budget Review System to reflect increases and decreases to the submissions. Periodic status reports will be provided to the Secretary/Deputy Secretary as well as the OSD managers and staff and the submitting components. Status will be in terms of Total Obligational Authority, Budget Authority, and Outlays.

c. While the review is progressing, the Defense Resources Board (DRB) will meet periodically to consider the relative ranking priorities of programs ranked by the submitting components. The DRB will first integrate the original component rankings by reviewing and approving OSD staff prepared Priority Change Proposals (PCPs). Those PCPs not approved by the DRB will be discarded. The DRB will then meet with the Secretary who will approve/disapprove the DRB reranking proposals. The Secretary will make changes to the ranking to ensure that the highest priority programs are included within the approved funding level. All such approved ranking changes will be reflected daily in the automated system so that the budget status reporting will be current for both DPS changes and ranking changes.

d. After review of the tentative budget decisions, DoD Components may identify issues that are serious enough to warrant a major issue meeting with the Secretary of Defense. Subsequent decisions made by the Secretary of Defense will be announced in revisions to previously issued DPSs.

E. PLANNING, PROGRAMING AND BUDGETING SYSTEM SCHEDULE

Publication timing of the various PPBS documents is critical. Since the system represents a dialogue between the many participants, the documents must be issued to allow adequate time for analysis and response. Therefore, a schedule of significant events in the PPBS process for the upcoming calendar year will be initiated and staffed by OASD(C) and issued annually by the Secretary of Defense to establish the dates for:

1. Submission by the Joint Chiefs of Staff of independent military strategy and other military advice considered necessary by the JCS. Such advice will be contained in identified JCS documents which are a formal part of the PPBS.
2. Issuance of Consolidated Guidance (CG).
3. Submission and review of DoD Components' Program Objective Memoranda (POMs), including JCS risk assessment, recommendations on overall force balance and processing of Issue Papers.
4. Issuance of Secretary of Defense PDMs and APDMs.
5. Submission of the DoD budget estimates.
6. Other significant items having an impact on the decision-making cycle.

F. GENERAL SYSTEM DESCRIPTION

Each of the documents mentioned below are described in detail in Section D. Enclosure 2 is a general systems flowchart.

1. The PPBS is a cyclic process containing five distinct, but inter-related, phases; planning, programing, budgeting, execution and accountability.

In the first three phases prior decisions are reexamined and analyzed from the viewpoint of the current environment (threat, political, economic, technological, and resource availability) and the decisions are either reaffirmed or modified as necessary.

2. In the planning phase the role and posture of the United States and the DoD in the world environment are examined, with particular emphasis on Presidential policies. The following facets are analyzed: (a) potential and probable enemy capabilities and threat; (b) potential and probable capabilities of our allies; (c) potential U.S. policies and objectives in consideration of (a) and (b); (d) military strategies in support of these policies and objectives; (e) planning force levels that would achieve defense policy and strategy; and (f) planning assumptions for guidance in the following phases of PPRS.

3. The first step in the PPRS cycle is the submission of the Joint Strategic Planning Document (JSPD) containing independent JCS military strategy advice and recommendations, to be considered when subsequent PPBS documents are developed.

4. Next is the publication of the Consolidated Guidance (CG) which will consider the JCS strategy advice, provide guidance for implementation of Presidential policy decisions and military strategic objectives, and document Secretary of Defense guidance for subsequent program formulation.

5. The DoD Components, using the preceding documents as guidance, develop their proposals for the program years. These proposals, expressed in the Program Objective Memoranda (POMs), represent systematic analysis of missions to be achieved, alternative methods of accomplishing the missions, and the effective application of the constrained resources.

6. After the POMs are submitted, the JCS will provide, in the Joint Program Assessment Memorandum (JPAM), a risk assessment based on the

capability of the composite force level and support program for the Armed Forces to execute the strategy outlined in the CG.

7. The programing phase culminates with the issuance of Program Decision Memoranda (PDMs). Based on previous guidance documents, the POMs are analyzed, Issue Papers are developed and staffed, decisions are expressed in PDMs, and, as necessary, reaffirmed or modified in Amended Program Decision Memoranda (APDMs).

8. With the establishment of program levels in the POM/PDM process, the budgeting phase begins with the DoD Components developing detailed budget estimates for the budget year portion of the approved program. These estimates are reviewed and analyzed during the Joint OMB/DoD Budget Review and are approved in budget decision documents.

9. The execution and accountability phases follow the submission of the budget and its enactment into appropriation acts by the Congress. These phases are concerned with: controlling and monitoring the execution of the budget; the accountability and reporting of actual results for use in monitoring program execution; preparing future plans, programs, and budgets; and supplying financial information to DoD managers.

#### G. FIVE YEAR DEFENSE PROGRAM (FYDP)

##### 1. General

a. The FYDP is a reflection of the Secretary of Defense approved programs for the DoD. It resides in an automated data base which is updated and published at least three times a year. It contains forces, manpower, and total obligational authority (TOA) identified to a program element structure aggregated into ten programs. Program elements generally represent aggregations of organizational entities, therefore reflecting

the primary and support missions of the DoD. Resources are further subdivided by Resource Identification Codes (RICs) which identify force type, manpower type and budget appropriation. See Enclosure 3 for the FYDP concepts and structure. The FYDP is assigned RCS DD-COMP (AR)853.

b. A FYDP Codes and Definitions Handbook (DoD 7045.7-H) is maintained by the ASD(C) and contains the DoD program structure including all approved definitions, codes, and titles used in the FYDP data base as well as program and program element criteria.

c. Program Change Requests (PCRs) will be used to propose out-of-cycle changes to FYDP data that would result in a net change to a DoD Component's resources. Pursuant to Chapter 442 of the Budget Manual (reference (d)), PCRs will be submitted by the gaining organization, to reflect the resource impact of functional transfers. The resource impact of the transfer will be incorporated in the next FYDP update only after having been approved by a PCD. Legal approval for the functional transfer may be accomplished by memorandum or other decision document but must be signed by the Secretary of Defense. PCRs will also be used to propose changes to the FYDP structure definitions and codes which would result in no net change to a DoD Component's resources. See Enclosure 4 for use and preparation of PCRs.

d. Program Change Decisions (PCDs) will be used to reflect Office of the Secretary of Defense decisions on PCRs. See Enclosure 5 for use and preparation of PCDs.

## 2. Other FYDP Usage

a. The FYDP is used extensively as a data base for many related processes, both internal and external to the Department of Defense, but within the Executive branch. Within the Department, in addition to being

one of the official published results of the PPBS process and an operating tool of the DoD manager, it is also widely used as a source of data for both analysis and as an input to alternative ways of displaying and portraying actual and programmed resources. The internal uses include: The Secretary of Defense posture statement; the Manpower Requirements Report; and Defense Planning and Programming Category Reports.

b. As a result of Congressional requests, a special annual publication of the FYDP, containing the prior, current and budget years and a Procurement Annex containing the prior, current, budget and out-years have been developed and provided to various Congressional oversight committee staffs and the Congressional Budget Office (CBO). Since the FYDP outyear programs reflect internal planning assumptions, all other data beyond the budget year are not releasable outside the Executive Branch.

c. The CBO has developed a Defense Resource Model (DRM) for use as an analytical tool in support of alternative levels of Defense resources. Following the budget submission to Congress, budget year data are extracted from the FYDP, according to CBO specifications which aggregate program elements and resource identification codes to unclassified summary levels, for input to the DRM. Data from the DRM are used by CBO to fulfill the legal requirement for mission oriented displays as stipulated in P.L. 93-344, the Congressional Budget and Impoundment Control Act.

### 3. Subsystems and Annexes

There are a number of data bases that contain data that are subsidiary to, or reconcilable with, the data in the FYDP. The sponsoring

office is responsible for design, installation and maintenance of sub-systems and annexes, their data bases, and for compliance with DoDD 5000.19 (reference (h)). Currently they are:

a. RDT&E and Acquisition Data Base

All procurement line items in the P-1, and all program elements in the R-1 are coded in accordance with the USDR&E mission area structure, to be used as the basis for mission area analysis, mission element need statements, and the POM review of all acquisition activities.

Sponsoring Office - OUSDR&E

RCS

b. FYDP Telecommunications Subsystem

This subsystem provides resource management data by telecommunications category and project, R&D project, procurement line item, construction project, and operating resources (including manpower) for use in planning and the POM review.

Sponsoring Office - OASD(C<sup>3</sup>I)

RCS - DD-T(TA)1164

c. RDT&E Annex

The automated RDT&E Annex is the single official reflection of the program elements approved during the review processes. It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.

Sponsoring Office - OASD(C)

RCS - DD-COMP(AR)1092

d. Procurement Annex

The Automated Procurement Annex is the single official reflection of the line item programs approved during the review processes.

It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.

Sponsoring Office - OASD(C)

RCS - DD-COMP(AR)1092

e. Construction Annex

The Automated Construction Annex is the single official reflection of the construction projects approved during the review process. It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.

Sponsoring Office - OASD(C)

RCS - DD-COMP(AR) 1092

H. DECISION IMPLEMENTATION

1. Decisions made by the Secretary of Defense will normally be identified in one of the decision documents described herein. In addition, reprogramming actions in accordance with DoDI 7250.10 (reference (e)) will be reflected, as appropriate, in FYDP updating. Decisions will be implemented by the DoD Components by applying the forces, manpower and cost data to the FYDP data file by program element in accordance with DoDI 7045.8 (reference (f)). The Assistant Secretary of Defense (Comptroller) will issue a PCD directing FYDP updates to be submitted. The PCD will include any special instructions, program structure changes, limitations, and controls necessary for the update.

2. The Defense Systems Acquisition Review Council (DSARC), acting as the top level DoD corporate body for system acquisition, provides advice and assistance to the Secretary of Defense. Milestone decisions made through the major weapon system acquisition process (reference (g)) are based upon review of details of one particular program and reflect the readiness of

that system to progress to the next acquisition phase. The program approved in the DSARC process must compete for funds with other programs in the PPBS resource allocation process. The Secretary of Defense milestone decision is based on specific schedule, cost and operational effectiveness estimates which, if changed significantly, might alter the Secretary of Defense milestone decision. PPBS actions by the DoD Components and the OSD staff, that cause the schedule and cost estimates to change significantly enough to call into question the last milestone decision, shall be explained by the DoD Component or OSD staff element proposing the change in the PPBS document.

I. LIMITATIONS

Approval of programs in either the DSARC process or the PPBS process will not constitute authority to either commit or obligate funds.

J. RESPONSIBILITIES

In the PPBS:

1. The Joint Chiefs of Staff are responsible for developing and submitting to the Secretary of Defense independent military advice and recommendations on strategy, and for providing military advice for achieving national security objectives and for risk assessment.
2. The Under Secretary of Defense for Policy (USDP) is responsible for development of policy guidance in connection with the CG.
3. The Assistant Secretary of Defense (Program Analysis and Evaluation) is responsible for the development of planning and programing guidance based on the policy guidance developed by USDP and on the military strategy advice of the JCS, preparing and promulgating the POM Preparation Instruction, preparing and staffing the CG with DoD Components,

coordinating the POM review, preparing and coordinating the PDMs/APDMs.

4. The Assistant Secretary of Defense (Comptroller) is responsible for the overall PPBS procedures and annual issuance of the PPBS calendar, coordinating the annual budget review, as well as the operational matters relating to maintaining the FYDP.

5. The Defense Resources Board is responsible, during both the POM and budget review/decision processes, for resolving as many issues as possible with the DoD Components, assuring adherence to the fiscal and other mandatory guidance, and precluding the reevaluation of decisions in the absence of new information.

6. All DoD Components are responsible for participating as appropriate in meeting the objectives and requirements of the PPBS.

K. REPORTING REQUIREMENTS

Each OSD office and DoD Component is responsible for compliance with the provisions of DoDD 5000.19, (reference (h)) in their respective areas of responsibility.

L. IMPLEMENTATION AND EFFECTIVE DATE

This Instruction is effective upon issuance. Three copies of each DoD Component's implementing documents will be forwarded to the Assistant Secretary of Defense (Comptroller) within one hundred and twenty days of the date of this Instruction.

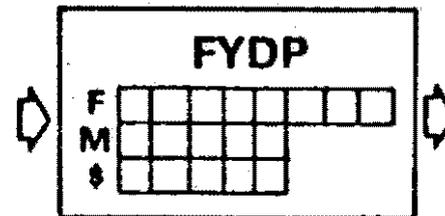
Enclosures:

1. References (d) through (h)
2. PPBS Flow Chart
3. FYDP Concepts and Structure
4. Use and Preparation of Program Change Requests (PCRs)
5. Use and Preparation of Program Change Decisions (PCDs) and  
Decision Package Sets (DPSs)

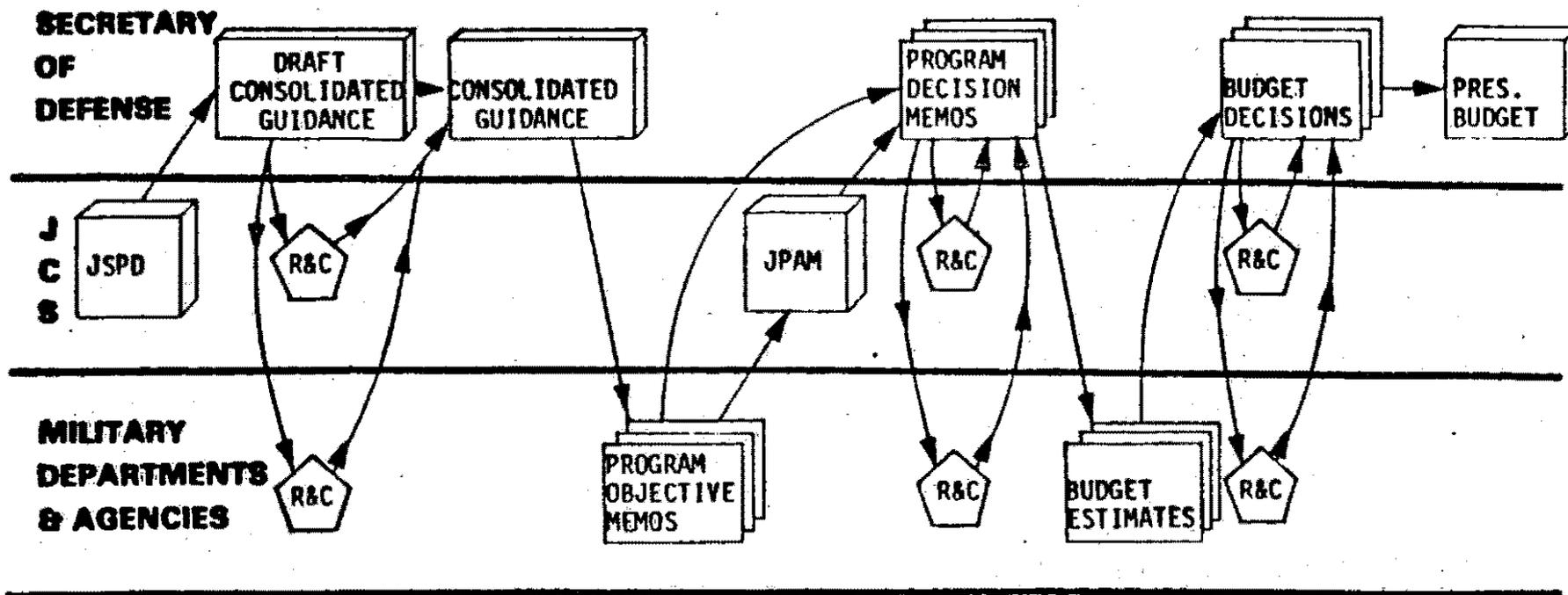
References

- (d) DoD Instruction 7110.1, "Guidance for Preparation of Budget Estimates, Operating Budgets, Financial Plans and Apportionment Requests, and Related Support Material," August 23, 1968, and Manual (7110.1-M)
- (e) DoD Instruction 7250.10, "Implementation of Reprograming of Appropriated Funds," January 10, 1980
- (f) DoD Instruction 7045.8, "Procedures for Updating Program Data in the Five Year Defense Program (FYDP)," to be reissued
- (g) DoD Instruction 5000.2, "Major System Acquisition Procedures," March 19, 1980
- (h) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976

# PLANNING PROGRAMMING BUDGETING



JAN                      MAR                      MAY                      JUN                      JUL-AUG                      SEP                      OCT-DEC                      JAN



JSPD = Joint Strategic Planning Document  
JPAM = JOINT Program Assessment Memorandum

R&C = Review and Comment

FYDP Symbols  
F = Forces  
M = Manpower  
\$ = Dollars  
[ ] = Years

THE FYDP  
CONCEPTS AND STRUCTURE

A. GENERAL

The Five Year Defense Program (FYDP) is the official document which summarizes the Secretary of Defense approved programs (prescribed in Program Decision Memoranda, Program Change Decisions, budget decisions, and other SecDef decision documents) for the Department of Defense. The FYDP, which contains PY, CY, BY and BY + 1 through BY + 4 (BY + 7 for forces), is published three times a year and reflects the total resources programmed by the DoD, by fiscal year. An historical FYDP is published annually, following the POM update of the FYDP, and contains prior year resource data consistent with the official accounting records for fiscal years 1962 through the prior year, as applicable.

The FYDP consists of both force-related mission programs with their organic support, and support-related programs, which include those functions which are not organic to other program elements. It is continually being modified to associate maximum resources practicable with the force-related programs, consistent with DoD management needs. Also, efforts are continuing to improve the system by minimizing allocations of costs which support more than one program or program element.

B. PROGRAMS

A program is an aggregation of program elements which reflects a force mission or a support mission of the DoD and contains the resources

needed to achieve an objective or plan. It reflects fiscal year time-phasing of mission objectives to be accomplished and the means proposed for their accomplishment.

The FYDP is comprised of ten major Defense programs as follows:

- Program 1 - Strategic Forces
- Program 2 - General Purpose Forces
- Program 3 - Intelligence and Communications
- Program 4 - Airlift/Sealift Forces
- Program 5 - Guard and Reserve Forces
- Program 6 - Research and Development
- Program 7 - Central Supply and Maintenance
- Program 8 - Training, Medical, and Other General Personnel  
Activities
- Program 9 - Administration and Associated Activities
- Program 0 - Support of Other Nations

The major programs of the FYDP fall within the general organizational areas of responsibility within the Office of the Secretary of Defense, as shown below. However, since resources in these programs may overlap areas of management and functional responsibility, the programs are not considered to be the exclusive responsibility of any one particular organizational element of the Office of the Secretary of Defense.

1. Program 1 - Strategic Forces

Office of Prime Responsibility: Assistant Secretary of Defense

(Program Analysis and Evaluation)

Strategic forces are those organizations and associated weapon systems whose force missions encompass intercontinental or transoceanic

(Encl 3)

inter-theater responsibilities. Program 1 is further subdivided into Strategic Offensive Forces and Strategic Defensive Forces, including operational management headquarters, logistics, and support organizations identifiable and associated with these major subdivisions.

2. Program 2 - General Purpose Forces

Office of Prime Responsibility: Assistant Secretary of Defense  
(Program Analysis and Evaluation)

General purpose forces are those organizations and associated weapon systems whose force mission responsibilities are, at a given point in time, limited to one theater of operations. Program 2 consists of force-oriented program elements, including the command organizations associated with these forces, the logistics organizations organic to these forces, and the related support units which are deployed or deployable as constituent parts of military forces and field organizations. Also included are other programs, such as the Joint Tactical Communications Program (TRI-TAC), JCS-directed and coordinated exercises, Coast Guard ship support program, war reserve materiel ammunition and equipment, and stock-funded war reserve materiel.

3. Program 3 - Intelligence and Communications

Office of Prime Responsibility: Assistant Secretary of Defense  
(Communications, Command, Control and Intelligence)

Program 3 consists of intelligence, security, and communications program elements, including resources related primarily to centrally-directed Department of Defense support mission functions, such as mapping, charting, and geodesy activities, weather service, oceanography,

aerospace rescue and recovery, special activities, nuclear weapons operations, space boosters, satellite control, aerial targets, etc. Intelligence and communications functions which are specifically identifiable to a mission in the other major programs will be included within the appropriate program.

4. Program 4 - Airlift/Sealift Forces

Office of Prime Responsibility: Assistant Secretary of Defense (Program Analysis and Evaluation).

Program 4 consists of program elements for airlift, sealift, traffic management, and water terminal activities, both industrially-funded and nonindustrially-funded, including command, logistics, and support units organic to these organizations.

5. Program 5 - Guard and Reserve Forces

Offices of Prime Responsibility: Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics); Assistant Secretary of Defense (Program Analysis and Evaluation).

The majority of Program 5 resources consist of Guard and Reserve training units in support of strategic offensive and defensive forces and general purpose forces. In addition, there are units in support of intelligence and security; airlift and sealift; research and development; central supply and maintenance; training, medical, general personnel activities; administration; and support of other nations.

6. Program 6 - Research and Development

Office of Prime Responsibility: Under Secretary of Defense for Research and Engineering.

Program 6 consists of all research and development programs and

activities that have not yet been approved for operational use.

Includes:

a. Basic and applied research tasks and projects of potential military application in the physical, mathematical, environmental, engineering, biomedical, and behavioral sciences.

b. Development, test, and evaluation of new weapon systems, equipment, and related programs.

7. Program 7 - Central Supply and Maintenance

Office of Prime Responsibility: Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics).

Program 7 consists of resources related to supply, maintenance, and service activities, both industrially-funded and nonindustrially-funded, and other activities such as second destination transportation, overseas port units, industrial preparedness, commissaries, logistics and maintenance support, etc. These functions/activities, which are for the most part centrally managed, provide benefits and support necessary for the fulfillment of the DoD programs.

8. Program 8 - Training, Medical, and Other General Personnel Activities

Offices of Prime Responsibility: Assistant Secretary of Defense (Health Affairs); Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics).

Program 8 consists of resources related to training and education, personnel procurement, personnel services, health care, permanent change of station travel, transients, family housing, and other support activities associated with personnel. Excluded from this program is training

(Encl 3)

specifically related to and identified with another major program. Housing, subsistence, health care, recreation, and similar costs and resources that are organic to a program element, such as base operations in other major programs, are also excluded from this program. These functions/activities, which are for the most part centrally managed, provide benefits and support necessary for the fulfillment of the DoD programs.

9. Program 9 - Administration and Associated Activities

Office of Prime Responsibility: Assistant Secretary of Defense (Comptroller).

Program 9 consists of resources for the administrative support of departmental and major administrative headquarters, field commands, and administrative and associated activities not accounted for elsewhere. Included are activities such as construction planning and design, public affairs, contingencies, claims, audiovisual activities, criminal investigations, etc.

10. Program 0 - Support of Other Nations

Office of Prime Responsibility: Assistant Secretary of Defense (International Security Affairs).

Program 0 consists of resources in support of international activities, including Service support to the Military Assistance Program (MAP), foreign military sales, the NATO infrastructure, etc.

C. PROGRAM ELEMENTS

A program element is a primary data element in the FYDP which generally represents aggregations of organizational entities and

(Encl 3)

resources related thereto. Program elements represent descriptions of the various missions of the DoD. They are the building blocks of the programing/budgeting system and may be aggregated and re-aggregated in a variety of ways:

1. To display total resources assigned to a specific program.
2. To display weapon systems and support systems within a program.
3. To select specified resources.
4. To display logical groupings for analytical purposes.
5. To identify selected functional groupings of resources.

The program element concept allows the operating manager to participate in the programing decision process since both the inputs and outputs should be stated and measured in program element terms. Each program element may or may not consist of forces, manpower and dollars, depending on the definition of the element.

#### D. RESOURCE IDENTIFICATION CODES

Resource Identification Codes (RICs) are used to identify the types of resources assigned to each program element. An explanation of the type of RICs follows:

1. Force Codes. The Force Resource Identification Code is a four-digit code used to identify specific hardware items, or weapon systems, by type and model, such as aircraft, missiles, ships, and specific force organizations such as divisions, brigades, battalions, wings, etc.
2. Manpower Codes. The Manpower Resource Identification Code is a four-digit code used to identify officer, enlisted, and civilian manpower in both the active and the guard and reserve establishments. Separate

(Encl 3)

codes permit the recognition of cadets and ROTC enrollees, and identify civilians as either U.S. direct hire, foreign direct hire, or foreign indirect hire.

3. Appropriation Codes. The Appropriation Resource Identification Code is a four-digit code used to identify all appropriation accounts contained in the President's Budget as well as those of a historical nature applicable to the FYDP prior year period. These codes in most cases relate to Treasury-assigned appropriation symbols. The purpose of the resource identification code is to permit identification of the precise kinds of resources included in each element.

Each DoD Component submitting data to the DoD FYDP has been assigned codes for use in reporting such data in response to guidance for updating of the FYDP. The visibility of these resource identification codes by program element allows selection of specific data for analysis and management summary purposes.

Authority of the Principal Deputy Assistant Secretary of Defense (Comptroller) must be obtained prior to making any changes to the RIC structure.

(Encl 4)

INSTRUCTIONS FOR THE USE AND PREPARATION  
OF PROGRAM CHANGE REQUESTS (PCRs)

A. PCRs will be used to request changes requiring a net increase or decrease in a DoD Component's resources as recorded in the latest FYDP, provided the document expressing such a decision, and requiring that increase or decrease, does not provide sufficient detail to permit FYDP updating. A PCR may also be used to request program and program element restructures and/or resource identification codes, or for modification/deletion of such codes in connection with the above actions.

B. PCRs may be originated by DoD Components and submitted to the Secretary of Defense via the ASD(C), over the signature of the head of the Component or his designated representative on DD Form 1570 (Program Change Request) (Att 1 to this Encl) in accordance with the following instructions:

1. PCR Number. DoD Components will assign PCR numbers in consecutive sequence starting with one (1) each calendar year. The Component identifier code as prescribed by DoD 7045.7-H (reference (c)) and a prefix designating the calendar year will precede each number (e.g. N-1-001). Numbers assigned to proposals that are subsequently withdrawn or cancelled will not be reused.

2. Title. DoD Components will assign a brief title to each PCR which adequately describes the subject matter of the request.

3. FYDP "As of" Date. Enter the date of the specific FYDP update on which the proposal is based.

4. Principal Action Officer. Enter the name, organization, and phone number of the individual most knowledgeable of the proposed change.

5. Justification.

a. Functional Transfers

(1) Briefly describe the rationale for the transfer, provide a summary of the functions being transferred, including the organizations involved; and any additional supportive data including a copy of the required approval of the transfer (See paragraph 212.1 and Chapter 442 of the Budget Guidance Manual (reference (d))). A copy of the memorandum of agreement will be attached to the PCR. Detailed displays, in the following format, showing resource net change impact in terms of program elements, manpower, and appropriations will be provided either in the justification section of the PCR or attached to the PCR.

	FY__	FY__	FY__	FY__	FY__
Program Element Code & Title					
Civ Dir Hire	+ 11	+ 12	+ 13	+ 13	+ 13
O&M	+ 220	+ 220	+ 230	+ 230	+ 230

Program Element Code & Title					
Civ Dir Hire	- 11	- 12	- 13	- 13	- 13
O&M	- 210	- 220	- 230	- 230	- 230

Continuation sheets may be used to provide any additional documentation in support of the proposal or to provide any additional clarification deemed appropriate.

(2) The gaining organization is responsible for preparation of PCRs relating to functional transfers.

b. Other PCR Actions Requiring Net Resource Changes. Briefly describe the change which results in the net increase or decrease in the Component's resources. Provide any supportive data or rationale for the change. Detailed resource displays similar in format prescribed for functional transfers in para. B.5.a.(1) above are required.

c. Program Structure Changes. Briefly describe the rationale for the proposal, provide a summary of the resources affected by the change and any additional supportive information that may be of value in assessing the proposal. The following specific information is required:

(1) Proposed Implementation Date. The request must indicate in which FYDP update the proposal, if approved, should be implemented. If a special update is desired, provide detailed justification and explanation as to why the proposal cannot be accommodated during a regularly scheduled update.

(2) Fiscal Years Affected. The FYDP is the single most comprehensive data base in the DoD for prior year information. In order to preserve consistency and to provide comparability with outyear data, structure change proposals should include prior years when the necessary data are available.

(3) Program Element Changes

(a) If new program elements are requested or data are being shifted between/among program elements, net changes in resources for the first unexecuted fiscal year affected will be provided. The format for this display follows and it may be included in the body of the PCR or as an attachment thereto, depending on the number of program elements involved.

(Encl 4)

	Military	Civilian	Invest.	Operating	
<u>FY 82</u>	<u>Manpower</u>	<u>Manpower</u>	<u>\$</u>	<u>\$</u>	<u>Forces</u>
PE 1	+ 100	+ 50	+ 100	+ 5,000	N/A
PE 2	+ 2,000	+ 100	N/A	+ 100,000	+ 6
PE 3	+ 300	+ 500	+ 1,000	+ 250,000	N/A
PE 4	- 2,400	- 650	- 1,100	- 355,000	- 6

It is emphasized that the above data are required for the first unexecuted fiscal year only and will be used to assess the impact of the proposal on the resource content of the programs and program elements affected.

(b) Assessment of the organizational impact of the change will be provided. For example, if the proposal will subdivide a DoD Component's funded activities into several programs or program elements, this information should be provided.

(c) Enclosure 3 provides guidance for programs and program elements. All requests for structure change will be evaluated against this guidance. If the proposal deviates significantly from this guidance, detailed justification for such deviation will be provided.

(d) New or revised program element definitions that will result if the proposal is approved will be appended to the PCR. Revised definitions should include a marked-up version of the current definition as well as a final typed version of the proposed revision. (DD Form 1643, Att 2 to this Encl)

(e) If a program element is being deleted or designated as historical, a brief explanation is required.

(f) Program element title changes should be included

(Encl 4)

in the revised definition, or if the request is for a title change only, it should be so stated and explained in the request.

(4) Resource Identification Code (RIC) Changes. RIC changes (additions, deletions, title changes) should include an explanation and/or existing authorization for the change.

6. Thirty (30) copies of functional transfer PCRs and fifteen (15) copies of all other PCRs will be forwarded to the Director for Program and Financial Control, OASD(C), for processing, staffing and decision. A PCD will be prepared announcing the decision.



PROGRAM ELEMENT DEFINITIONS

(Att. 2 to Encl 4)

<p>Air-Launched Cruise Missile (ALCM) (AGM 86)</p> <p>Includes manpower authorizations, peculiar and support equipment, necessary facilities, and the associated costs specifically identified and measurable to the following: The AGM-86 Air-Launched Cruise Missile (ALCM) is a small unmanned, winged air vehicle capable of sustained subsonic flight following launch from an airborne carrier aircraft. The air vehicle is propelled by a turbofan engine, incorporates a nuclear warhead, is internally guided by an inertial system updated by terrain correlation (TERCOM), and can be programmed to strike a wide variety of preselected ground targets as a result of its accuracy and yield characteristics.</p> <p>Wing Headquarters          Airborne Missile Maintenance          Munitions Maintenance          Field Maintenance          Avionics Maintenance          Weapons System Security</p> <p>Excludes nuclear warhead costs which are borne by the Energy Research and Development Administration. Excludes Research and Development (see PE 64361F).</p>	<p>1 1 1 2 2 F</p>
<p>WWMCCS ADP - NORAD/ADCOM</p> <p>Includes all resources (R&amp;D, investment, and operations) directly associated with ADP support of the World-Wide Military Command and Control System (WWMCCS), as defined in DoD Directive S100.30. Includes those resources devoted to planning, designing, developing, procuring, leasing, programming and operating ADP facilities that are a part of or are in direct support of WWMCCS. Includes, but is not limited to, WWMCCS new standard (Honeywell) ADP systems.</p> <p>Where an ADP center is providing both WWMCCS and non-WWMCCS support, and resources are not readily distinguishable between them, the WWMCCS portion will be determined on the basis of relative workload.</p> <p>WWMCCS - ADP - CONAD Includes all WWMCCS ADP resources at CONAD/NORAD.</p> <p>Excludes Intelligence Data Handling System resources (see PE 310250); WWMCCS architecture (see PE 637350); and resources included in program elements which are part of the Consolidated Telecommunications Program.</p>	<p>1 2 3 1 0</p>

INSTRUCTIONS FOR USE AND PREPARATION OF  
PROGRAM CHANGE DECISIONS (PCDs)  
AND DECISION PACKAGE SETS (DPSS)

A. PROGRAM CHANGE DECISIONS (PCDs).

1. PCDs will be used to reflect Secretary of Defense decisions on PCRs, to provide detailed guidance for updates of the FYDP and related annexes, and other decisions as deemed appropriate by the Secretary.

2. PCDs are formatted in a manner to make them compatible with PCRs, using SD Form 428 (Program Change Decision) (Att 1 to this Enclosure) in accordance with the following instructions.

a. PCD Number. Enter the request number assigned to the PCR. When the PCD is originated without benefit of PCR input, or responds to 2 or more PCRs, the letter X preceding the year will be assigned (e.g., X-1-001). For FYDP update PCDs, and in special cases as determined by OASD(C), the letter Z will be assigned.

b. Implementing Component. Enter the DoD Component designated to implement the decision. When more than one Component is involved, insert "All" or "See Below." In the latter case, specify the Components that are required to implement the decision.

c. Program Element Code. Enter the code as assigned by DoD 7045.7-H, "FYDP Codes and Definitions Handbook." When more than one element is involved, insert "Various" and identify each program element in the body of the decision.

d. Guidance. Enter relevant DoD issuance or official, as appropriate (e.g., DoDI 7045.7, or ASD (Comptroller)).

(Encl 5)

e. Discussion/Evaluation/Decision.

(1) Provide a brief summary of the proposed change as originally submitted by the PCR or outline the objective of the proposed change and provide summary background information to explain why the change is needed.

(2) As necessary, include an evaluation of the logic of the proposed change, and the variances or alternatives considered. Include all significant information that might influence the decision.

(3) Include the actual decision, either approved or disapproved or, as appropriate, the approval of an alternative. If an alternative or modification to the original proposal is being approved, coordination with the Components will be effected and the staffing results indicated in the PCD or covering memorandum. If disapproved, the reasons for disapproval will be stated.

(4) The decision generally will be described in program element terms.

(5) The PCD will specify when the change will be incorporated in the FYDP. If OASD(C) determines a special update to the FYDP is justified, the date for that update will be specified in the PCD.

f. Signature and Date. Normally PCDs will be signed by ASD(C) or his designated representative.

B. DECISION PACKAGE SETS (DPS) - SD Forms 428-1 and 428-1c

1. General. The data applied to the DPS, SD Form 428-1, and its continuation sheet, 428-1c, are variable and will not be confined to a

(Encl 5)

specific pattern. As frequently as possible, the decision will be expressed by use of a single page document, SD Form 428-1.

2. Specific Entries. Enter data in accordance with detailed instructions prescribed by the annual Program/Budget Instructions.

3. Attachments. When an out-year impact (first year beyond the budget year) is apparent, the decision record that accompanies the DPS will express the impact in program element terms.

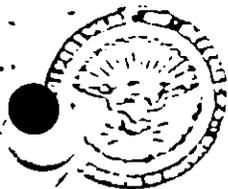
PROGRAM CHANGE DECISION		PCD Number
EMENDING DOD COMPONENT	PROGRAM ELEMENT CODE	GUIDANCE
SIGNATURE AND DATE		

DECISION PACKAGE SET	NUMBER
SUBJECT	DOD COMPONENT
DESCRIPTION	
DECISION	

DECISION PACKAGE SET (Continuation)

NUMBER

CONTINUATION OF CONSIDERATION



THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

MAY 12 1980

MEMORANDUM FOR THE MEMBERS OF THE DEFENSE RESOURCES BOARD

SUBJECT: POM Review

This memo describes in general terms the program review and decision process that will be followed this year. As you will see, it is substantially unchanged from last year. More detailed guidance will be provided later by the ASD(PA&E) who will again take the lead in managing the process. The DRB will continue in its role of examining the major issues raised and presenting recommendations to the Secretary of Defense for decisions. In doing this, the DRB will attempt to eliminate unimportant issues, resolve as many issues as possible with the Services, assure adherence to the fiscal and other mandatory guidance, and preclude the revisiting of decisions in the absence of new information.

Schedule

A schedule is attached. The following explains the sequential steps:

"Thumb-Nail sketches" of Proposed Issues. By May 30th, each of the sponsors of the seven POM Issue Papers will submit to PA&E a brief "thumb-nail-sketch" for each of the issues he proposes to raise in his Issue Paper. Each sketch will outline in the briefest possible way -- 2 or 3 lines -- the alternatives to Service programs that he proposes to include, why (e.g., compliance with SecDef Mandatory Guidance), and an estimate of the financial effects. The ASD(PA&E) will collate these and distribute them to the members of the DRB, who will use them to:

- o Cull out any issues judged to be of lesser importance.
- o In the case of overlapping proposals, decide how they should be combined and restructured.
- o Decide whether modifications of proposed issues -- such as adding or deleting alternatives -- would be desirable.
- o Get a preliminary estimate of the balance -- or lack thereof -- between proposals to add and proposals to subtract money, with the aim of adherence to the fiscal guidance at each level.

To accomplish this, I will call such meetings of the DRB as may seem desirable at the time -- though these are not specifically indicated on the schedule.

Draft Issue Papers Distributed for Review. On a staggered schedule starting June 20th, the draft Issue Papers will be distributed not only to the Services for their review and comment, but also to the other members of the DRB (i.e., other than the sponsor) for their information and comments, if they have any.

Final Issue Papers. A week after distribution of the draft Issue Papers, Service (and any DRB) comments will be collected by the ASD(PA&E) and distributed to the sponsors. The sponsors will modify their Issue Papers accordingly, reflecting those comments they accept, and summarizing in each paper those they reject. The ASD(PA&E) will distribute the final versions of the Issue Papers to the DRB members a week later, together with a summary of the fiscal effects of the proposed alternatives.

DRB Meetings. Two or three days after each Issue Paper is distributed, the DRB will meet to discuss the issues and alternatives, and to develop recommendations for the Secretary of Defense. (Those recommendations may also include deletion of issues judged not to be worth the Secretary's time.)

The recommendations will be forwarded to the Secretary in the form of a two-part memorandum. The first part will briefly summarize all the issues on which there is no disagreement within the DRB. The second part will treat those issues on which the DRB is split, and will include 1) the relevant section of the Issue Paper treating that issue, 2) a summary if necessary of any additional information developed since the drafting of the Issue Paper, and 3) a compilation showing which of the appropriate DRB members recommend which of the alternatives.

Last year, the DRB members were sometimes represented at these meetings by relatively junior substitutes. In addition, what had been intended as a deliberative and advisory body too often took on the tone of a majority-rule election, in which some members seemed to feel compelled to "cast a ballot", regardless of their responsibility for or expertise in the issue under discussion.

To avoid that this year, substitutes will be restricted to the members' principal deputies and, while all members are encouraged to contribute to the discussion, Associate Members' recommendations will be reported only in those cases involving their special responsibility or expertise; Principal Members are asked to abstain from making recommendations merely on a pro forma basis.

The primary goals of this phase of the DRB review are 1) to ensure that all elements of the Defense program are in the appropriate rough order, that is, located in the appropriate band, and 2) to ensure that the resulting fiscal levels remain consistent with the Fiscal Guidance.

Follow-Up Actions. The Secretary of Defense, after reviewing the DRB's two part memo (the schedule also allows for a "wrap-up" meeting with the DRB if he wants one), will indicate his decisions and return them to the ASD(PA&E) for incorporation in the Program Decision Memorandums (PDMs) to be sent to the Services.

This year the Services will again begin preparing their budgets immediately on receiving the PDMs, with the understanding that some modifications may be necessary upon receipt of the APDMs.

Service reclaims will be due two weeks after receipt of the PDAs, followed by the customary meetings with the Secretary prior to issuance of the APDMs, the final budget submissions to OSD being due three weeks later on September 19th.

Though it is not the purpose of this memo to describe the procedures to be followed during the subsequent budget review, I want to emphasize that the DRE will continue to direct and supervise that process, assuring a smooth continuity between the program and budget reviews, the adherence to a common set of decision packages, and that decisions, once made, are not revisited in the absence of new information. During this period there will be two concurrent activities: the budget submissions will be "scrubbed" for efficiencies, executability, costing, etc. at all levels, and the relatively coarse prioritization developed at three levels during the program review will be refined to a continuous ordinal list from the minimum level to the enhanced.

### Special Provisions for the C<sup>3</sup>I Issue Paper

In the past years, the C<sup>3</sup>I Issue Paper has, for understandable reasons, contained a great many issues of a highly specialized nature involving matters of only indirect concern to other offices in OSD. To simplify the process of review of such issues, we have established through common agreement a group of C<sup>3</sup>I program elements that will be handled on a special basis.

For the program elements within that group, the ASD(C<sup>3</sup>I) will be responsible for proposing a modification of the Service proposals in the form of a complete and integrated package. The total cost of that package at the Basic level of the fiscal guidance will equal the aggregate costs of those program elements in the latest FYDP, adjusted pro rata to the degree that the FYDP total does not exactly match the fiscal guidance. Appropriately larger and smaller integrated packages will be developed to correspond to the Enhanced and Minimum fiscal guidance levels.

For that part of the C<sup>3</sup>I Issue Paper, "thumb-nail-sketches" will not have to be prepared for consideration by the DRB. Though the members will be able to challenge any part of the ASD(C<sup>3</sup>I)'s proposal at the C<sup>3</sup>I meeting, it is to be understood that, failing such challenges, the DRB will generally endorse his suggestions.

The remainder of the C<sup>3</sup>I Issue Paper will address non-force structure issues proposed by ASD(C<sup>3</sup>I) that cover programs outside the agreed group of program elements (i.e., elements in which other OSD offices have a direct involvement). It will also contain any proposals for elements within the agreed group that would, if adopted, exceed the cost limits described above, implying the need for offsetting cost reductions elsewhere in the Defense program. C<sup>3</sup>I-related force structure issues will be included in the Strategic, Theater Nuclear, or General Purpose Forces Issue Papers as appropriate.

"Out-of-Court" Settlements

In past years we have been able to resolve some issues "out-of-court" -- by agreement between OSD and a Service without any need for a formal statement of the issue for inclusion in an Issue Paper book, formal comment, recommendations or decision by the Secretary of Defense. Obviously, this can save time and avoid unnecessary effort. I encourage even greater emphasis on "out-of-court" settlements this year. The ASD(PA&E) will be sending you more detailed guidance in this regard.

OMB Participation

The provisions for OMB participation will be similar to last year's; we will be glad to add OMB's alternatives to our issues, or to include any complete OMB issues in our Issue Papers. We welcome such participation not only to improve our program review, but also to minimize the disruption that major programmatic changes can cause if interjected in the late stages of the annual PPBS cycle.

*W. Graham Clayton, Jr.*  
W. Graham Clayton, Jr.

Attachment

CY 1980 PROGRAM REVIEW SCHEDULE

May 16: Service and Defense Agency Program Objective Memorandum (POMs) submitted

May 30 - July 16:

<u>Issue Paper</u>	<u>Issue Paper Sponsor</u>	<u>"Thumb-Nail Sketches" to PA&amp;E</u>	<u>Draft Issue Papers Out for Review</u>	<u>Comments Due</u>	<u>Final Issue Paper Due to DRB</u>	<u>DRB Meeting</u>
1. Strategic Forces	ASD(PA&E)	May 30	June 20	June 27	July 3	July 1
2. Theater Nuclear Forces	ASD(PA&E)	May 30	June 23	June 30	July 7	July 1
3. General Purpose Forces	ASD (PA&E)	May 30	June 24	July 1	July 8	July 1
4. C <sup>3</sup>	ASD(C <sup>3</sup> I)	May 30	June 25	July 2	July 9	July 1
5. RDT&E	USDR&E	May 30	June 26	July 3	July 10	July 1
6. Manpower & Logistics	ASD(MRA&L)	May 30	June 27	July 3	July 11	July 1
7. Intelligence	ASD(C <sup>3</sup> I)	--	--	--	--	July 1

July 17	Wrap-up meeting with Secretary of Defense
July 25	Publish Program Decision Memorandums (PDMs)
August 8	Service Reclamations to PDMs submitted
August 18, 19	Service Reclamation meetings with Secretary of Defense
August 20	Wrap-up meeting with Secretary of Defense
August 27	Publish Amended Program Decision Memorandums (APDMs)

PROGRAM ANALYSIS  
AND EVALUATION

MAY 16 1980

## MEMORANDUM FOR THE DEFENSE RESOURCES BOARD

SUBJECT: PDM Review Procedures

This memo provides the procedures and formats to be used in the program review process described in Secretary Claytor's memo of May 12th. In order to make the process flow as smoothly as possible, please identify two key people for your organization: the person who is going to manage the program review for you and his staff point-of-contact. Please forward these names to my staff point-of-contact, LTC Jeffrey Oster, (Rm 2D278, X70221).

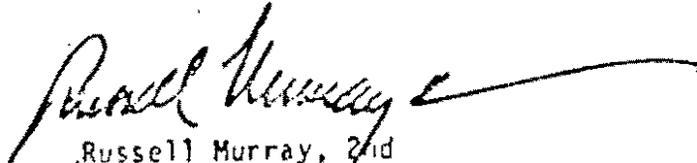
Thumb-Nail Sketches will be used by the Defense Resources Board (DRB) to focus the PDM review on the major issues by culling out issues of lesser importance. Please submit summaries of your proposed issues -- using the format in Enclosure 1 -- by May 30th.

Issue Papers will be the basis of the DRB's recommendations to the Secretary for changes to the Service-proposed programs. Preparation of the Issue Papers will be the same as last year. Submit the final edition of your draft and final Issue Papers --using the format in Enclosure 2 -- to Mr. Charles Pugh, X70395, room 2E313. To provide time for printing and distribution, please submit them two working days prior to the distribution dates shown in the schedule (Enclosure 3). Include transmittal letters for my signature for forwarding the draft Issue Paper to the Services and the final Issue Paper to the DRB.

Out-of-Court settlements are used for resolving issues without taking up the Secretary's time. These settlements are to be recorded on the form specified in Enclosure 4 and must be agreed to by the sponsoring OSD Office, the Military Department or organizations affected, and the ASD(PA&E). These reports are not to exceed two pages. When agreement is reached, the form is prepared by the initiating office and staffed with the other offices. A file copy of all out-of-court settlements will be retained by PA&E.

Issues must be resolved within each Military Department's fiscal guidance. Thus, any issue requiring additional resources can be settled out-of-court only if a suitable offset is identified. Please publish all out-of-court settlements in a separate section of your Issue Paper to inform the Secretary of your agreements.

DoD Fiscal Guidance is to be adhered to throughout the Program Review. To do this, each Issue Paper must provide at least enough program reductions to offset proposed additions. This does not suggest that the aggregate POM funding covered by each Issue Paper will be precisely preserved. The Secretary must have enough flexibility to accept some attractive, but costly proposals and pay for them with lower-priority items. The result of this process may well be a net shifting of funds from one area to another.



Russell Murray, 2nd  
Assistant Secretary of Defense  
Program Analysis & Evaluation

Issue: State as a brief question; e.g., "What is the appropriate mix of prepositioning and airlift programs to increase our capability for rapid deployment of conventional forces?"

Military Department: 2/

Rationale: Explain the major financial or policy significance of the issue.

Cost Summary:

	Costs (FYDF \$ Millions)	
	FY B2	FY B2-86 Total
<u>Absolute Costs by Program Levels</u> <u>3/</u>		
<u>Alternative 1 - POM</u> <u>4/</u>		
Minimum	100	750
Basic Level	150	1080
Enhanced Level	175	1260
<u>Alternative 2</u>		
Minimum	60	450
Basic Level	130	930
Enhanced Level	175	1260

Cost Changes Relative to POM Minimum and Bands

<u>Alternative 1 - POM</u> <u>4/ 5/</u>		
Minimum	100	750
Basic Band	50	330
Enhanced Band	25	180
<u>Alternative 2</u> <u>6/</u>		
Minimum	- 40	-300
Basic Band	+ 20	+150
Enhanced Band	+ 20	+150

- 1/ These issue abstracts are to be brief, straightforward statements.
- 2/ List components involved, including Defense Agencies.
- 3/ The absolute cost at each program level is the total program cost cumulated to that level. For Alternative 1 in the example above, the FYB2 resources in the Minimum total \$100M. The absolute cost of the Basic level (\$150M) is equal to the Minimum (\$100M) plus the Basic band (\$50M), while the Enhanced level (\$175M) is the sum of the Basic level (\$150M) and the Enhanced band (\$25M).
- 4/ Alternative 1 always displays the resources as submitted in the POM.
- 5/ POM resources are displayed by band in Alternative 1 as the base point for the changes proposed in subsequent alternatives. As can be seen in Footnote 3, band totals equal the difference between two successive program levels.
- 6/ For each alternative to the POM, the Minimum, Basic, and Enhanced band values are changes relative to the respective band total displayed in Alternative 1 - POM. The example Alternative 2 in FYB2 reduces the Minimum by \$40M and adds \$20M to both the Basic and Enhanced bands.

## ISSUE FORMAT

### Issue

State as a brief question; e.g., "What is the appropriate mix of prepositioning and airlift programs to increase our capability for rapid deployment of conventional forces?"

### Background

Relate issue to U.S. strategy for meeting the threat; e.g., show trends in program funding and capability in the January 7, 1980 FYDF compared with those introduced in the POM; relevant action on the FY 1981 budget.

### Alternatives

State specific alternatives for decision. Alternative 1 is always the POM. For all other alternatives, describe the changes proposed to the POM. Associated resource impacts are provided in the "Cost and Manpower Summary" table.

If procurement of major equipment is involved, include a table showing procurement quantities and costs for each alternative by year. In a simple procurement issue, (i.e., no R&D or O&S funds involved and only a single major end-item, for instance, the F-25 tactical fighter) quantities may be included in the "Cost and Manpower Summary" table.

### Evaluation of Alternatives

State the impact each alternative (including the POM) would have on U.S. programs and defense capabilities; benefits and costs of each alternative relative to the POM and other alternatives considered.

Enclosure 2

Tab B

Cost and Manpower Summary

Costs (FYDF \$ Millions)

FY82   FY83   FY84   FY85   FY86   FY82-86

Absolute Costs by Program Levels <sup>1/</sup>

Alternative 1 - POM <sup>2/</sup>

Minimum	100	125	150	175	200	750
Basic Level	150	185	220	245	280	1080
Enhanced Level	175	215	255	285	330	1260

Alternative 2

Minimum	60	65	90	105	130	450
Basic Level	130	155	190	210	245	930
Enhanced Level	175	215	255	285	330	1260

Cost Changes Relative to POM Minimum and Bands

Alternative 1 - POM <sup>2/ 3/</sup>

Minimum	100	125	150	175	200	750
Basic Band	50	60	70	70	80	330
Enhanced Band	25	30	35	40	50	180

Alternative 2 <sup>4/</sup>

Minimum	- 40	- 60	- 60	- 70	- 70	-300
Basic Band	+ 20	+ 30	+ 30	+ 35	+ 35	+150
Enhanced Band	+ 20	+ 30	+ 30	+ 35	+ 35	+150

- <sup>1/</sup> The absolute cost at each program level is the total program cost cumulated to that level. For Alternative 1 in the example above, the FY82 resources in the Minimum total \$100M. The absolute cost of the Basic level (\$150M) is equal to the Minimum (\$100M) plus the Basic band (\$50M), while the Enhanced level (\$175M) is the sum of the Basic level (\$150M) and the Enhanced band (\$25M).
- <sup>2/</sup> Alternative 1 always displays the resources as submitted in the POM.
- <sup>3/</sup> POM resources are displayed by band in Alternative 1 as the base point for the changes proposed in subsequent alternatives. As can be seen in footnote 3, band totals equal the difference between two successive program levels.
- <sup>4/</sup> For each alternative to the POM, the Minimum, Basic, and Enhanced band values are changes relative to the respective band total displayed in Alternative 1 - POM. The example Alternative 2 in FY82 reduces the Minimum by \$40M and adds \$20M to both the Basic and Enhanced bands.

	Manpower (000)				
	FY82	FY83	FY84	FY85	FY86
<u>Absolute Strengths by Program Levels</u> <sup>1/</sup>					
<u>Alternative 1 - POM</u> <sup>2/</sup>					
Minimum	10	10	10	10	10
Basic Level	15	15	15	15	15
Enhanced Level	17	17	17	17	17
<u>Alternative 2</u>					
Minimum	5	5	5	5	5
Basic Level	12	12	12	12	12
Enhanced Level	17	17	17	17	17

Strength Changes Relative to POM, Minimum and Bands

<u>Alternative 1 - POM</u> <sup>3/</sup>					
Minimum	10	10	10	10	10
Basic <del>Level</del> Band	5	5	5	5	5
Enhanced <del>Level</del> Band	2	2	2	2	2
<u>Alternative 2</u> <sup>4/</sup>					
Minimum	- 5	- 5	- 5	- 5	- 5
Basic <del>Level</del> Band	+ 2	+ 2	+ 2	+ 2	+ 2
Enhanced <del>Level</del> Band	+ 3	+ 3	+ 3	+ 3	+ 3

- <sup>1/</sup> The absolute strength at each program level is the total program strength cumulated to that level. For Alternative 1 in the example above, the FY82 strength in the Minimum is 10K. The absolute strength of the Basic Level (15K) is equal to the Minimum (10K) plus the Basic band (5K), while the Enhanced level (17K) is the sum of the Basic level (15K) and the Enhanced band (2K).
- <sup>2/</sup> Alternative 1 always displays the resources as submitted in the POM.
- <sup>3/</sup> POM resources are displayed by band in Alternative 1 as the base point for the changes proposed in subsequent alternatives. As can be seen in Footnote 3, band totals equal the difference between two successive program levels.
- <sup>4/</sup> For each alternative to the POM, the Minimum, Basic, and Enhanced band values are changes relative to the respective band total displayed in Alternative 1 - POM. The example Alternative 2 in FY82 reduces the Minimum by 5K and adds 2K to the Basic and 3K to the Enhanced band.

CY 1980 PROGRAM REVIEW SCHEDULE

May 16: Service and Defense Agency Program Objective Memorandum (POMs) submitted

May 30 - July 16:

<u>Issue Paper</u>	<u>Issue Paper Sponsor</u>	<u>"Thumb-Nail Sketches" to PAGE</u>	<u>Draft Issue Papers Out for Review</u>	<u>Comments Due</u>	<u>Final Issue Paper Due to DRB</u>	<u>DR Meet</u>
1. Strategic Forces	ASD(PAGE)	May 30	June 20	June 27	July 3	July
2. Theater Nuclear Forces	ASD(PAGE)	May 30	June 23	June 30	July 7	July
3. General Purpose Forces	ASD (PAGE)	May 30	June 24	July 1	July 8	July
4. C <sup>3</sup>	ASD(C3I)	May 30	June 25	July 2	July 9	July
5. RDT&E	USDRAE	May 30	June 26	July 3	July 10	July
6. Manpower & Logistics	ASD(MRA&L)	May 30	June 27	July 3	July 11	July
7. Intelligence	ASD(C-1)	--	--	--	--	July

July 17	Wrap-up meeting with Secretary of Defense
July 25	Publish Program Decision Memorandums (PDMs)
August 8	Service Reclamas to PDMs submitted
August 18, 19	Service Reclama meetings with Secretary of Defense
August 20	Wrap-up meeting with Secretary of Defense
August 27	Publish Amended Program Decision Memorandums (APDMs)





THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

SEP 10 1980

MEMORANDUM FOR THE MEMBERS OF THE DEFENSE RESOURCES BOARD

SUBJECT: Prioritization During the Budget Review

During the POM review process, we prioritized the defense program into three bands: Minimum, Basic, and Enhanced. We now have to prioritize the elements within the Basic and Enhanced bands, ending up with a ranking of all Consolidated Decision Package Sets (CDPSs) between the highest priority item in the Basic band and the lowest priority item in the Enhanced band. This will be done through the following series of steps:

- o When the Service budget submissions are received, the ASD(C) will distribute component ranking summaries that include a narrative description of each decision package (i.e., each CDPS) to the members of the DRB.
- o At the same time, the ASD(PA&E) will interleave the CDPSs of all the Service submissions (which the Services will have arranged in an ordinal ranking) into a tentative DoD-wide prioritized list. This list will be divided into 8 bands, and distributed to the DRB. It will also serve as the preliminary list that the OMB has requested by October 10th.
- o DRB members will then submit Priority Change Proposals (PCPs) in accordance with the "ground rules" in the attached sheet. The PCPs will be collected, collated, and distributed by the ASD(PA&E) to the DRB members for their review.
- o After considering the PCPs, the DRB will make its recommendations to me in the form of a two-part memo drafted by the ASD(PA&E). One part will summarize those PCPs that meet with no objections from DRB members. The other will report PCPs under contention, indicating which of the DRB members favor and which oppose the PCP. I will indicate my decisions on that memo, as well as any reprioritizations I may want to make apart from those suggested by the DRB.
- o The ASD(PA&E) will report my decisions to the DRB members for their information, and to the ASD(C) for incorporation in his master system.
- o My final list will be due to OMB about November 25th. In addition to the initial DRB prioritization meetings, I plan to hold at least one meeting with the DRB for a final "fine tuning" of the list.

As was the case last year, all program prioritization decisions will be addressed through the DRB using the PCP process described in this memo, while all budget scrubs will be handled through the DPS process. Throughout the budget review, the master list will be maintained by ASD(C), and will be updated to reflect both scrubs and reprioritizations. Obviously, one set of CDPSs will be common to both halves of the process.

Any suggestions that the DRB members may have for improving the prioritization process described here should be sent to the ASD(PA&E) as early as possible.

*Harold Brown*

Attachment

GROUND RULES FOR PRIORITY CHANGE PROPOSALS (PCPs)

1. An individual PCP will deal only with moving a CDPS from one band to another, (e.g., from Band 4 to Band 2), not from one specific space on the list to another (e.g., not from 175th on the list to 87th).
2. PCPs should address CDPSs as an integral unit.
3. Proposals to transfer CDPSs from the Basic to Enhanced band or vice versa will be disallowed except in cases where significant new information has come to light since the POM review. Moving a CDPS into the Minimum will not be allowed in any case.
4. PCPs that recommend splitting a CDPS (i.e., proposing one priority for a portion of the CDPS, and another for the rest) will be accepted in only the most unusual circumstances.
5. All PCPs will be submitted using the Priority Change Proposal format that will be provided by ASD(PA&E).

REFERENCES, Continued

- (d) DoD Instruction 7000.3, "Selected Acquisition Reports (SARs)," April 4, 1979
- (e) DoD Directive 4120.3, "Defense Standardization and Specification Program," February 10, 1979
- (f) DoD Instruction 4120.19, "Department of Defense Parts Control System," December 16, 1976
- (g) DoD Directive 5160.65, "Single Manager Assignment for Conventional Ammunition," November 26, 1975
- (h) DoD Instruction 5000.36, "System Safety Engineering and Management," November 6, 1978
- (i) DoD Directive 6050.1, "Environmental Effects in the United States of DoD Actions" July 30, 1979
- (j) DoD Directive 4155.1, "Quality Program," August 10, 1978
- (k) DoD Directive 3224.3, "Physical Security Equipment: Assignment of Responsibility for Research, Engineering, Procurement, Installation, and Maintenance," December 1, 1976
- (l) DoD Directive 5000.3, "Test and Evaluation," December 26, 1979
- (m) DoD Directive 4100.35, "Development of Integrated Logistic Support for Systems/Equipments," October 1, 1970
- (n) DoD Instruction 5010.19, "Configuration Management," May 1, 1979
- (o) DoD Directive 5000.34, "Defense Production Management," October 31, 1977
- (p) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976
- (q) DoD Directive 4120.21, "Specifications and Standards Application," April 9, 1977
- (r) Military Standard 881A, "Work Breakdown Structures for Defense Materiel Items," April 25, 1975
- (s) DoD Directive 5000.28, "Design to Cost," May 23, 1975
- (t) DoD Instruction 7000.2, "Performance Measurement for Selected Acquisitions," June 10, 1977
- (u) DoD Instruction 5000.33, "Uniform Budget/Cost Terms and Definition," August 15, 1977

MISSION ELEMENT NEED STATEMENT (MENS)  
FORMAT

Prepare MENS in the format shown below. Do not exceed 5 pages, including annexes. Reference supporting documentation.

A. MISSION

1. Mission Areas. Identify the mission areas addressed in this MENS. A need can be common to more than one mission area. When this is the case, identify the multiple mission areas.

2. Mission Element Need. Briefly describe the nature of the need in terms of mission capabilities required and not the characteristics of a hardware or software system.

B. THREAT OR BASIS FOR NEED

Summarize the basis for the need in terms of an anticipated change in the projected threat, in terms of an exploitable technology or in terms of nonthreat related factors (e.g., continuing requirements for new pilots). When the need is based on a threat change, assess the projected threat over the period of time for which a capability is required. Highlight projected enemy force level and composition trends, system capabilities or technological developments that define the quantity or quality of the forecast threat. Include comments by the DIA and provide specific references from which the threat description is derived. Quantify the threat in numbers and capability. If nuclear survivability and endurance are required mission capabilities, include an explicit statement of this fact. When the need is based on exploitation of developing technology, describe the benefits to mission performance.

C. EXISTING AND PLANNED CAPABILITIES TO ACCOMPLISH THIS MISSION

Briefly summarize the existing and planned DoD or allied capabilities to accomplish the mission. This must not be a narrow, one-Service view when looking across a multi-Service or an overlapping mission area, such as air defense. Reference existing documentation, such as force structure documents.

D. ASSESSMENT OF NEED

The most important part of the MENS is the evaluation of the ability of current and planned capabilities to cope with the projected threat. Base the evaluation on one or more of the following factors:

1. Deficiency in the existing capability, such as excessive manpower, logistic support requirements, ownership costs, inadequate system readiness or mission performance.

2. Exploitable technological opportunity.

3. Force size or physical obsolescence of equipment.

4. Vulnerability of existing systems.

E. CONSTRAINTS

Identify key boundary conditions for satisfying the need, such as:

1. Timing of need.

2. Relative priority within the mission area.

3. The order of magnitude of resources the DoD Component is willing to commit to satisfy the need identified. This resource estimate is for initial reconciliation of resources and needs. It is not to be considered as a program cost goal or threshold.

4. Logistics, safety, health, energy, environment, and manpower considerations.

5. Standardization or interoperability with NATO, and among the DoD Components.

6. Potentially critical interdependencies or interfaces with other systems, and technology or development programs.

F. RESOURCE AND SCHEDULE TO MEET MILESTONE I

Identify an approximate schedule and an estimate of resources to be programmed along with the approach proposed for developing alternative concepts for presentation to the Secretary of Defense at Milestone I.

DECISION COORDINATING PAPER (DCP)  
FORMAT

Prepare DCP in the format shown below. Do not exceed 10 pages, including annexes. Reference supporting documentation.

Part I: State the direction needed from the Secretary of Defense, including deviations from the acquisition process contained in DoD Directive 5000.1 (reference (b)) and this Instruction.

Part II: Describe the overall program. The Description and Mission statement contained in the "Congressional Data Sheets" may satisfy this requirement.

Part III: Revalidate the need for the program.

Part IV: Summarize system and program alternatives considered and the reasons why the preferred alternative was selected.

Part V: Summarize the program schedule and acquisition strategy with emphasis on the next phase. The degree of competition should be addressed.

Part VI: Identify and assess issues affecting the Secretary of Defense's milestone decision.

ANNEXES

- A. Goals and Thresholds
- B. Resources - Preferred Alternative
- C. Life-Cycle Cost

	Last Approved by SECDEF <sup>1</sup>		Current Estimate	Recommended to SECDEF At This Milestone <sup>2</sup>	
	Goal (a)	Threshold (b)		Goal (d)	Threshold (e)
<u>COST</u> <sup>3 4</sup>					
RDT&E <sup>5</sup> Procurement Flyaway					
<u>SCHEDULE</u> <sup>4 6</sup>					
Next Milestone IOC					
<u>PERFORMANCE</u> <sup>7</sup>					
Operational Availability <sup>8 9</sup>					
Mission Survivability and Reliability <sup>9 10</sup>					
Weight					
Range					
Speed					
Sortie Rate <sup>11</sup>					
<u>SUPPORTABILITY AND MANPOWER</u> <sup>7</sup>					
Manning <sup>12</sup>					
Maintenance-related R&M <sup>9 13</sup>					
Petroleum, Oil, Lubricant Consumption					
Spares <sup>14</sup>					

- <sup>1</sup> Provide goals and thresholds from last SDOM.
- <sup>2</sup> Explain any changes from columns (a) and (b) in a footnote.
- <sup>3</sup> Provide values for total RDT&E and procurement appropriations and for flyaway/rollaway/sailaway cost. Additional cost elements may be appropriate for individual systems. All cost goals and thresholds will be in constant, base year dollars.
- <sup>4</sup> Add additional stubs as appropriate. The stubs indicated are mandatory.
- <sup>5</sup> Provide both a total RDT&E program goal and threshold. Fiscal year thresholds shall be displayed in a footnote to this Annex and shall total to the overall RDT&E threshold.
- <sup>6</sup> Provide projected date for next milestone and for Initial Operational Capability (IOC). Define IOC by footnote. Additional schedule elements may be added, as appropriate.
- <sup>7</sup> Select appropriate parameters that drive system effectiveness and costs. The stubs indicated are only examples.
- <sup>8</sup> Use readiness-related R&M parameters that constitute operational availability if more appropriate.
- <sup>9</sup> Provide goals and thresholds to be achieved by the next milestone. Predicted survivability growth and R&M growth shall be displayed in a footnote to this annex as a series of intermediate thresholds capable of being measured during development, production, and deployment.
- <sup>10</sup> Include mission maintainability if maintenance will be performed during the mission.
- <sup>11</sup> Include combat utilization rate if different from peacetime utilization rate.
- <sup>12</sup> Include both operators and maintenance personnel.
- <sup>13</sup> Include separate parameters for depot maintenance.
- <sup>14</sup> Use logistic-related R&M parameters, if appropriate.

DCP ANNEX B  
 RESOURCES - PREFERRED ALTERNATIVE  
 (Current Dollars in Millions)

Mar 19, 80  
 5000.2 (Annex B to Encl 3)

	FY 19__ PRIOR	FY 19__	TO COMPLETION	TOTAL PROGRAM					
Acquisition Quantities Development Production Deliveries									
DEVELOPMENT Validation Phase Full-Scale Development Total Development Cost 1 RDT&E Funding (Approved FYDP)									
PRODUCTION System Cost 2 (Long Lead Requirements) Initial Spares Total Procurement Cost 1 Procurement Funding (Approved FYDP)						( )	( )	( )	( )
MILCON During Development During Production Total MILCON MILCON Funding (Approved FYDP)									
Total Program Acquisition Cost 1 RDT&E, Procurement and MILCON Funding (Approved FYDP) (Difference)									
Estimated Other Resources Requirements 3 During Development During Production									
OPERATING AND SUPPORT O&M MILPERS Procurement 4 Total Operating and Support Cost 1									
Total Life Cycle Requirements									

1 Definitions should be in accordance with DoD Instruction 5000.33 (reference (u)).

2 Equal to Weapon System Cost as defined in DoD Instruction 5000.33 (reference (u)); for Shipbuilding, Outfitting and Post Delivery Costs will be included.

3 Other Life Cycle related costs (i.e., Installation, Project Manager Office, Civilian Salaries, etc.) funded by other appropriations; e.g., O&M & MILPERS during Development and/or Production phase. Also, Production Base Support (Industrial Facilities), shore-based training facilities, and other system peculiar costs identified as a separate line item, or as a portion of a separate line item, in another part of the Procurement Budget. Identify the content of this entry.

4 Procurement costs associated with operating and owning a weapon system such as modifications, replenishment spares, ground equipment, etc.

DCP ANNEX C  
LIFE CYCLE COST

CONSTANT DOLLARS (IN MILLIONS)

<u>ALTERNATIVE</u>	<u>DEVELOPMENT</u>	<u>PRODUCTION</u>	<u>OPERATING AND SUPPORT</u>	<u>TOTAL</u>
A 1				
A 2				
A 3				
o				
o				
o				

CURRENT DOLLARS (IN MILLIONS)

<u>ALTERNATIVE</u>	<u>DEVELOPMENT</u>	<u>PRODUCTION</u>	<u>OPERATING AND SUPPORT</u>	<u>TOTAL</u>
A 1				
A 2				
A 3				
o				
o				
o				

INTEGRATED PROGRAM SUMMARY (IPS)  
FORMAT

The IPS summarizes the implementation plan of the DoD Component for the complete acquisition cycle with emphasis on the phase the program is entering. Limit the IPS to 60 pages (inclusive of all annexes except Annex B) with no more than two pages required per topic. When further detail is available in a published study or plan, reference these documents in the IPS and provide them for inclusion in the Milestone Reference File (MRF). Do not classify the IPS higher than SECRET. When possible, display data in numerical or tabular format. The following annexes are mandatory:

- A. Resources - Cost Track Summary
- B. Resources - Funding Profile
- C. Resources - Summary of System Acquisition Costs
- D. Manpower
- E. Logistics

Include the topics indicated below in the IPS. If a specific item cannot be discussed due to the nature or timing of the acquisition process, provide a statement and explanation to that effect.

1. Program History. Summarize previous milestone decisions and guidance, PPBS decisions, and significant Congressional actions affecting the program.

2. Program Alternatives. In addition to the program proposed by the DoD Component in the DCP, briefly describe each DCP alternative program, including its advantages and disadvantages. Do not duplicate data in the IPS annexes.

3. Cost Effectiveness Analysis. Summarize the assumptions, methodology, status, and results of any cost-effectiveness analyses prepared in support of the milestone decision. This section shall contain specific discussions of those aspects of the analyses that relate to the issues identified at the Milestone Planning Meeting. If the analysis supporting the recommended milestone decision is not complete at the time the IPS is submitted, describe the analytical and coordination tasks remaining and provide a schedule for completion of the analysis before the scheduled DSARC meeting.

4. Threat Assessment. Provide an up-to-date summary of the threat, including discussion of CIPs. At Milestones I, II, and III, a reaffirmation of program need shall be included.

5. System Vulnerability. Describe vulnerability to detection, interference, and attack and program actions to minimize these vulnerabilities. Nuclear and nonnuclear survivability and endurance information shall be summarized.

6. Organizational and Operational Concept. Describe the organizational structure associated with the system and the general system operational concept. Describe a typical mission profile or profiles and activity rates (wartime and peacetime).

7. Overview of Acquisition Strategy. Describe the overall strategy to acquire and deploy a system to satisfy the mission need, referring to but not repeating other sections of the IPS. Discuss the rationale for any deviations from acquisition process prescribed in DoD Directive 5000.1 (reference (b)) and this Instruction. Emphasis should be on the next phase of the acquisition process.

8. Technology Assessment. Summarize the degree to which technology planned for use in this program has been demonstrated. Identify technology risks and activities planned to reduce these risks. Discuss nuclear hardening technology and associated risks, as appropriate.

9. Contracting. Provide a summary of information in the contracting plan. At a minimum, include: (a) the overall program contracting plan (introduction and maintenance of competition throughout the system life-cycle and plans for competitive breakout of components by both the government and the contractors); (b) contractor performance under contracts in the current program phase; and (c) major contracts to be awarded in the next program phase (summary of workscope, contract types, sources solicited and selected, scheduled award dates, special terms or conditions, data rights, warranties, estimated cost or price including incentive structures). When appropriate, reference other portions of the IPS or documents in the MRF for additional detail. Do not include contractor sensitive data in this paragraph.

10. Manufacturing and Production. Summarize the system's production plan concentrating on those areas appropriate to the next phase. Refer to DoD Directive 5000.34 (reference (o)). Additionally:

a. At Milestone I. Identify new manufacturing technology needed for each concept considered for demonstration and validation. Also identify deficiencies in the U.S. industrial base and availability of critical materials.

b. At Milestone II. Describe areas of production risk and provisions for attaining a producible design during the Full-Scale Development phase and identify requirements for parts control, long lead procurement, and limited production.

c. At Milestone III. Summarize the results of the production readiness review and address the existence of a manufacturing design. Include nuclear hardening design in the summary, if appropriate. If the review is not complete at the time the IPS is submitted, describe the tasks remaining and provide a schedule for completion prior to the scheduled DSARC meeting.

11. Data Management. Discuss how general engineering and data requirements imposed on contractors shall be selected and tailored to fit the particular needs of the program and the program manager and the degree of configuration management that shall be applied to the program.

a. Application. Identify exceptions to use of approved specification, standards, their related technical and engineering data, special reports, terminology, data elements and codes to be used for program management. Refer to DoD Directive 5000.19 (reference (p)) and to DoD Directive 4120.21 (reference (q)).

b. Work Breakdown Structure (WBS). Identify and explain any deviations from MILSTD 881A (reference (r)).

c. Contractor Data Base. Discuss how the contractor's internal data base shall be validated and used to provide essential information. Discuss also whether or not contractor data products can be used as substitutes for DoD required reports.

d. Levels of Details. Discuss how reporting burdens shall be minimized by using the highest level of the WBS that can serve management needs.

12. Configuration Management. Identify interfacing systems and discuss the degree of configuration management planned for each phase. Also, explain any intended deviations from DoD Directive 5010.19 (reference (n)).

13. Test and Evaluation. Describe test results to date and future test objectives. Based on the Test and Evaluation Master Plan, include a narrative description of the overall test strategy for both Development Test and Evaluation and Operational Test and Evaluation. Refer to DoD Directive 5000.3 (reference (l)).

14. Cost. Address the elements listed below. Make the discussion consistent with Annexes A, B, and C and address such displays in expanded detail, if appropriate.

a. Life-Cycle Cost. Discuss the underlying assumptions pertaining to the life-cycle cost estimates, including the impact of Foreign Military Sales, cooperative development or production, planned production rates, and learning curves for each of the alternatives in the DCP.

b. Cost Control. Discuss cost control plans to include the following items:

(1) Assumptions on which the proposed program cost thresholds were determined.

(2) Proposed Design-to-Cost goals and how they shall be implemented at the contract level. Refer to DoD Directive 5000.34 (reference (o)) and to DoD Directive 5000.28 (reference (s)).

(3) Exceptions to implementation of Cost/Schedule Control Systems Criteria and alternative cost control procedures to be used. Refer to DoD Instruction 7000.2 (reference (t)).

c. Production

(1) Milestone I. Discuss the economics for establishing a second production source for the preferred alternative. Estimate the increased costs or savings from competitive production sources. Production quantities and production rates for this estimate shall be determined at the Milestone Planning Meeting.

(2) Milestones II and III. Provide an analysis of variation in unit cost with production rate which identifies efficient production rates.

d. Programing and Budgeting. Discuss the sources and applications of funds, as necessary, to explain IPS Resource Annex C.

15. Logistics. Summarize information contained in the Integrated Logistics Support Plan and present related management issues and risk areas. Display backup data in Annex E. Refer to DoD Directive 4100.35 (reference (m)). Additionally:

a. At Milestone I

(1) Identify mission requirements (including any NATO member requirements) that significantly impact upon system design features and support concepts.

(2) Identify subsystems and logistic elements that drive support cost and readiness of similar current systems and identify areas for improvement in new system design efforts.

(3) Identify subsystems and major items of equipment that are common to other programs and systems and describe standardization approach.

(4) Define the support concept alternatives to be considered, including the levels of maintenance for each alternative.

(5) Identify major support equipment requiring new development.

(6) Identify new technology items that require advances in repair technology.

(7) Identify all estimated RDT&E funding to be allocated to support planning and analysis by program phase.

b. At Milestones II and III. Update the information provided at the previous milestone. Additionally:

(1) Identify R&M test results to date and the quantitative effect on support resource requirements, such as manpower, spares, depot maintenance, to meet readiness objectives.

(2) Estimate the capability of current and planned support systems to meet logistic objectives, such as resupply time, maintenance turn-around-time, and automatic test equipment production rate and capacity.

(3) Identify contract provisions for logistics support, such as parts control and interim contractor support. Do not repeat information contained in the Contracting section of the IPS.

(4) Identify any subsystems considered for long-term contractor support and the analysis leading to contractor support decisions.

(5) Provide a reference to the document that includes the leadtimes and activation dates for each level of organic support capability.

16. Reliability and Maintainability. Define each R&M parameter that applies to the system proposed in the DCP and summarize R&M achievements of the preceding phase. Describe R&M requirements for the next phase. Additionally:

a. At Milestone I. Establish a tentative design goal (or a range of values) at the system level for each applicable R&M parameter. These goals shall be responsive to projected needs of the mission area and realistic in comparison to measured R&M values of similar systems.

b. At Milestone II

(1) Show that operational R&M problems, typical of similar systems, have been addressed in design, by careful selection of GFE, and by tailoring operating and support concepts.

(2) Identify major GFE elements of the new system and provide some indication of how reliable and maintainable they are in similar applications. State the source of this information.

(3) Establish a specific goal and threshold for each applicable R&M parameter to be attained prior to Milestone III.

(4) Display predicted R&M growth as a series of intermediate points associated with thresholds for full-scale development.

c. At Milestone III. Display predicted R&M growth as a series of intermediate points associated with thresholds for production and deployment.

17. Quality. Summarize the independent quality assessments required by DoD Directive 4155.1 (reference (j)) and provide the status of action taken or in process as a result of the recommendations contained in the independent quality assessments.

18. Manpower. Specify the system activity level used to estimate and compute the system manpower requirements presented in the annex. Indicate whether this activity represents a combat surge, sustained combat, pre-combat readiness, or other posture (specify). Also specify the available hours per person, per month used to compute numbers of people from workload estimates (not required at Milestone I). List any other critical assumptions that have a significant bearing on manpower requirements. Discussion of manpower requirements shall be consistent with Annex D and provide supporting detail as appropriate. Additionally:

a. At Milestone I

(1) Summarize manpower sensitivity to alternative employment concepts being considered.

(2) Identify parameters and innovative concepts to be analyzed during the next phase such as: new maintenance concepts and organization; new concepts or technologies to improve personnel proficiency and performance.

b. At Milestone II

(1) Summarize the significant manpower implications of trade-offs conducted among hardware design, support characteristics, and support concepts.

(2) Explain briefly significant manpower differences in comparison with a reference system, considering design, support concept, and employment objective. The reference system should be one that is being replaced by the new system, performs a similar function, or has similar technological characteristics.

(3) Quantify the sensitivity of manpower requirements to the proposed maintenance related reliability and maintainability goals and to system activity rates.

(4) Describe the sources of manpower for the new system. Summarize projected requirements versus projected DoD Component assets in critical career fields. Identify new occupations that may be required.

(5) Include schedules for:

(a) Further trade-off analyses among design and support elements impacting manpower,

(b) Job task identification,

(c) The manpower analyses planned during full-scale development, and

(d) Planned T&E to verify the manpower estimates and underlying assumptions.

c. At Milestone III

(1) Explain changes from manpower estimates presented at the previous milestone. Quantify manpower sensitivity to the maintenance related reliability and maintainability levels demonstrated, to those proposed, and to system activity levels (including wartime surge).

(2) Identify shortfalls in meeting requirements by occupation. Assess the impact on system readiness of failure to obtain required personnel. Identify new occupations not yet approved and programed into DoD Component personnel and training systems.

(3) Summarize plans for evaluating manpower requirements during follow-on test and evaluation.

19. Training

a. At Milestone I. Identify any significant differences in the training implications of the alternative system considered.

b. At Milestone II and III

(1) Summarize plans for attaining and maintaining the required proficiency of operating and support personnel, quantifying the scope and duration of formal training, time in on-the-job and unit training, use of simulators and other major training devices in formal and unit training and use of other job performance and training aids. Identify anticipated savings from use of simulators or other training devices.

(2) Provide a summary by fiscal year and occupation of all formal training requirements for the proposed system, identifying numbers of personnel trained and training costs (including facility modifications). Separately identify the net impact on special emphasis training programs such as undergraduate flight training.

c. At Milestone III Also

(1) Summarize plans and additional resources required to train the initial component of operating and support personnel for unit conversion to fielded systems.

(2) Summarize plans for training reserve component personnel whose mission requires operation or support of the system.

(3) Reference plans for validation of proficiency criteria and personnel performance.

20. Facilities. Describe any new government or industry facilities required for production or support of the system. Summarize how these facilities are to be made available. Identify cost and schedule constraints, such as training, testing or maintenance, imposed by facilities limitations.

21. Energy, Environment, Health and Safety. Summarize the environmental and energy impacts of developing, producing, and operating the DCP systems alternatives.

a. Specifically, for energy considerations:

(1) At Milestone I. Establish tentative design goals, or range of values, for energy efficiency and substitution at the system level that are responsive to projected needs of the mission area. These goals should be shown in comparison to energy efficiency and substitution capability of similar systems.

(2) At Milestone II. Establish firm energy related goals when appropriate and state trade-offs made between the design, operating concepts, simulators, and any substitution objectives.

(3) At Milestone III. Review energy consumption projections and efficiencies and their sensitivities to system populations.

b. Additionally, prior to the Milestone II and III decisions, summarize the results of system health and safety analyses and assessments and specify actions pending on any unresolved significant system health or safety hazards. Cite management decisions, if any, to accept the risks associated with significant identified hazards.

c. List environmental documentation prepared in accordance with DoD Directive 6050.1 (reference (i)).

22. Computer Resources. Address the following factors:

(a) Interface requirements.

(b) Computer programs and documentation required to support the development, acquisition, and maintenance of computer equipment and other computer programs.

(c) Plans for maintenance and update of software after initial system operating capability has been achieved.

23. International Programs. Summarize action taken with regard to NATO RSI considerations listed in paragraph E.14. of the basic Instruction and identify approved, pending, and potential Foreign Military Sales.

PROGRAM - COST TRACE SUMMARY 1  
(Millions of Dollars)

	FY Constant (Base Year) 5			Escalated 6
	Planning/ Development Estimate 2	SDM (Date) 3	Current Estimate 4	Current Estimate 4
<b>DEVELOPMENT PHASE</b>				
RD&E				
Validation Phase				
Full Scale Development				
Contractors				
(Provide one level of WBS indenture based on program requirements)				
In-House				
(Provide one level of WBS indenture based on program requirements)				
Contingency (Service)				
TOTAL RD&E APPROPRIATION				
MILCON				
O&M 5				
MILPERS 5				
TOTAL DEVELOPMENT PHASE				
<b>PRODUCTION PHASE</b>				
PROCUREMENT				
System Cost 7				
Flyaway				
(Provide one level of WBS indenture based on program requirements)				
Other System Costs				
Initial Spares				
Other Line Item Procurement 8				
TOTAL PROCUREMENT APPROPRIATION				
MILCON				
O&M 5				
MILPERS 5				
TOTAL PRODUCTION PHASE				
TOTAL OPERATING & SUPPORT PHASE				
TOTAL LIFE CYCLE REQUIREMENTS				
AVERAGE ANNUAL SYSTEM O&S COSTS				
No. of Systems:                      No. of Years:				

- 1 Apply footnotes as required to explain the chart. Adjustments to format are authorized to accommodate program; stub entries will be decided on at the initial Milestone Planning Meeting. Definitions should be in accordance with DoD Instruction 5000.33 (reference (a)).
  - 2 Identify basis for estimate and date of SDM.
  - 3 Add columns as necessary for each SDM revision.
  - 4 The preferred alternative or the latest approved baseline cost estimate contained in the SDM will be shown in both constant and current (escalated) estimate columns.
  - 5 Other Life Cycle related costs (i.e., Installation, Project Manager Office, Civilian Salaries, etc.) funded by O&M and MILPERS during Development and/or Production phase.
  - 6 Enter Quantity.
  - 7 Equal to Weapon System Cost as defined in DoD Instruction 5000.33 (reference (a)).
  - 8 Production Base Support (Industrial Facilities), shore-based training facilities, and other system peculiar costs identified as a separate line item, or as a portion of a separate line item, in another part of the Procurement Budget. Identify the content of this entry.
- NOTE:** Reasons for significant variations in estimate should be explained by footnote (e.g., schedule slippage, Congressional funding, etc.).

IPS ANNEX B  
RESOURCES - FUNDING PROFILE <sup>1</sup>  
(Dollars in Millions)

Mar 19, 80  
5000.2 (Annex B to Encl 4)  
Annex to be completed for each alternative:  
1) In Constant (base) year dollars  
2) In Escalated dollars using current  
FYDP rates and ground rules

	FY 19__ PRIOR	FY 19__	TOTAL PROGRAM					
Acquisition Quantities to be Procured <sup>2</sup> Development Production Deliveries								
DEVELOPMENT PHASE RD&E Validation Phase Full Scale Development Phase Other System Costs TOTAL RD&E APPROPRIATION MILCON O&M <sup>3</sup> MILPERS <sup>3</sup> TOTAL DEVELOPMENT PHASE								
PRODUCTION PHASE PROCUREMENT <sup>4</sup> System Cost <sup>5</sup> Flyaway, Rollaway, Sailaway Other System Costs Initial Spares Other Line Item Procurement <sup>6</sup> TOTAL PROCUREMENT APPROPRIATION MILCON O&M <sup>3</sup> MILPERS <sup>3</sup> TOTAL PRODUCTION PHASE								
OPERATING AND SUPPORT PHASE MILPERS O&M Procurement <sup>7</sup> TOTAL OPERATING AND SUPPORT PHASE								

- 1 Apply footnotes as required to explain the chart. Adjustments to format are authorized to accommodate program; stub entries will be decided on at the Initial Milestone Planning Meeting. Definitions should be in accordance with DoD Instruction 5000.33 (reference (u)). Use as many columns as necessary to show every year of acquisition funding and operation and support funding until steady state operations are achieved.
- 2 Identify the number of Development and Production units to be acquired by fiscal year.
- 3 Other Life Cycle related costs (i.e., Installation, Project Manager Office, Civilian Salaries, etc.) funded by other appropriations; e.g., O&M and MILPERS during Development and/or Production phase.
- 4 Enter the costs by appropriation; e.g., Aircraft Procurement, Missile Procurement, Ships Construction Navy, or Other Procurement. If more than one applies, identify it separately.
- 5 Equal to Weapon System Cost as defined in DoD Instruction 5000.33 (reference (u)).
- 6 Production Base Support (Industrial Facilities), shore-based training facilities, and other system peculiar costs identified as a separate line item, or as a portion of a separate line item, in another part of the Procurement Budget. Identify the content of this entry.
- 7 Procurement costs associated with operating and owning a weapon system such as modifications, replenishment spares, ground equipment, etc.

IPS ANNEX C  
RESOURCES - SUMMARY OF SYSTEM ACQUISITION COSTS <sup>1</sup>

<u>SOURCES OF FUNDING</u>	<u>CURRENT DOLLARS (MILLIONS)</u>
Department of the Army	\$XXXXXX
Program Element XXXXX	\$XXXXXX
Program Element XXXXX	<u>XXXXXX</u>
Department of the Navy	XXXXXX
Program Element XXXXX	<u>\$XXXXXX</u>
Department of the Air Force	XXXXXX
Program Element XXXXX	<u>\$XXXXXX</u>
Defense Agencies	XXXXXX
Program Element XXXX	<u>\$XXXXXX</u>
Other U.S. Government	XXXXXX
Other Foreign	<u>XXXXXX</u>
<b>TOTAL FUNDING</b>	<b>\$XXXXXX</b>

<u>APPLICATIONS</u>	<u>CURRENT DOLLARS (MILLIONS)</u>
Major System Equipment	\$XXXXXX
System Project Manager	XXXXXX
System Test and Evaluation	XXXXXX
Peculiar Support Equipment	XXXXXX
Training	XXXXXX
Data	XXXXXX
Operational Site Acquisition	XXXXXX
Industrial Facilities	XXXXXX
Common Support Equipment	XXXXXX
Initial Spares and Repair Parts	<u>XXXXXX</u>
<b>TOTAL FUNDING</b>	<b>\$XXXXXX</b>

<sup>1</sup> Refer to DoD Instruction 5000.33 (reference (u)).

IPS ANNEX D  
MANPOWER

The IPS will have a one page Manpower annex including the following:

A. Current manpower estimate for military force structure:<sup>1</sup>

<sup>2</sup> UNIT TYPE	UNIT MANNING <sup>3</sup>		NO. OF <sup>4</sup> UNITS	PROGRAM TOTALS <sup>5</sup>			OTHER
	PROGRAM ALTERNATIVE	REFERENCE SYSTEM		ACTIVE MILITARY	RESERVE COMPONENT		

B. Contractor<sup>6</sup> support and depot workload (Annual manhours per end item deployed) :

DSARC System      Reference System

Contractor Support (below depot)

Depot Level Workload

C. Net Change in Total Force Manpower associated with the proposed system deployment:

Active Forces      Reserves      DoD Civilians

Number of Authorizations

- 1 Not required at Milestone 1.
- 2 List each unit type that will operate the system/primary system elements, including unit types that provide intermediate maintenance of system components. Examples of unit types are "Tank Battalion," "Munitions Maintenance Squadron," "Avionics Intermediate Maintenance Department."
- 3 For each unit type, show the manning required to satisfy the most demanding mission (normally combat employment, but may be pre-combat readiness for certain naval vessels and systems on alert). Show total unit manning for operating units, organizational level direct support units, and dedicated intermediate support units. For units that provide intermediate level support to many primary systems, such as naval shore based intermediate maintenance departments, show manning equivalent of the man years of work attributable to program the alternative. Denote manning equivalents with an asterisk.

- 4 Number of units of each type in the planned force structure for the program alternative.
- 5 Multiply number of units by unit manning, and equivalent manning by quantity of systems deployed, to obtain total manning required for units operating and/or supporting the program alternative system. Show how these requirements are expected to be satisfied as: active military authorizations, reserve component authorizations, and/or other to be identified in footnote. Unprogramed requirements must be shown as "other."
- 6 Annual man years of below-depot contractor support divided by the planned quantity of the system in the force structure, and the annual man years for depot level maintenance of the system and its components divided by the planned quantity of the system in the force structure. Not required at Milestone I.

IPS ANNEX E  
LOGISTICS

The IPS will have a one-page Logistics Annex. The following provides general format guidance, but should be tailored to meet the needs of each new system.

	New System <sup>1</sup>			Current System <sup>2</sup>
	Alt. 1	Alt. 2	Alt. 3	
1. System Readiness Objectives				
Peacetime Readiness <sup>3</sup>				
Wartime Employment <sup>4</sup>				
2. Design Parameters				
Reliability <sup>5</sup>				
Maintainability <sup>6</sup>				
Built-in-test Effectiveness <sup>7</sup>				
3. Logistics Parameters				
Resupply Time				
Spares Requirement <sup>8</sup>				

- 1 Include one column for each program alternative. For each parameter provide an estimate at system maturity based on analyses and tests to date.
- 2 Identify a comparable system in current operation.
- 3 Appropriate peacetime measures such as Operational Readiness at peacetime utilization rate, supply and maintenance downtime rates.
- 4 Appropriate wartime measure for the system such as sortie generation rate, operational availability at combat utilization rate, station coverage rate.
- 5 Appropriate logistic-related reliability parameters such as mean time between maintenance actions or removals.
- 6 Appropriate maintainability measures for the system such as mean time to repair, maintenance manhours per maintenance action.
- 7 If applicable to the system, include fault detection, fault isolation, and false alarm rates.
- 8 Estimate of spares investment required to meet system readiness objectives at stated logistic-related reliability levels. May be stated as requirement per site or operating unit, or for entire fleet, as appropriate.

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DOD POLICY ISSUANCES RELATED  
TO ACQUISITION OF MAJOR SYSTEMS

A. DEFENSE ACQUISITION REGULATION  
(FORMERLY ARMED SERVICES PROCUREMENT REGULATION)

B. ADMINISTRATION - GENERAL

- 4105.55 (D) Selection and Acquisition of Automatic Data Processing Resources
- 4275.5 (D) Acquisition and Management of Industrial Resources
- 5000.4 (D) OSD Cost Analysis Improvement Group
- 5000.16 (D) Joint Logistics and Personnel Policy and Guidance (JCS Publication No. 3)
- 5000.23 (D) System Acquisition Management Careers
- 5000.29 (D) Management of Computer Resources in Major Defense Systems
- 5100.40 (D) Responsibility for the Administration of the DoD Automatic Data Processing Program
- 5220.22 (D) Department of Defense Industrial Security Program
- 5500.15 Review of Legality of Weapons Under International Law
- 7920.1 (D) Life Cycle Management of Automated Information Systems (AIS)
- 7920.2 (D) Major Automated Information System Approval Process

C. ADMINISTRATION - STANDARDIZATION OF TERMINOLOGY

- 5000.8 Glossary of Terms Used in the Areas of Financial, Supply and Installation Management
- 5000.9 (D) Standardization of Military Terminology
- 5000.11 (D) Data Elements and Data Codes Standardization Program
- 5000.33 Uniform Budget/Cost Terms and Definition

D. COMMUNICATION/INFORMATION MANAGEMENT

- 5000.19 (D) Policies for the Management and Control of Information Requirements
- 5000.20 (D) Management and Dissemination of Statistical Information
- 5000.22 Guide to Estimating Cost of Information Requirements
- 5000.32 DoD Acquisition Management Systems and Data Requirements Control Program
- 5230.3 (D) Information Releases by Manufacturers
- C-5230.3 (D) Public Statements on Foreign and Military Policy and on Certain Weapons (U)
- 5230.4 (D) Release of Information on Atomic Energy, Guided Missiles and New Weapons
- 5230.9 (D) Clearance of Department of Defense Public Information
- 5400.4 (D) Provision of Information to Congress
- 5400.7 (D) Availability to the Public of Department of Defense Information

E. CONTRACT MANAGEMENT

- 1100.11 (D) Equal Employment Opportunity, Government Contracts
- 4000.19 (D) Basic Policies and Principles for Inter-service, Interdepartmental and Interagency Support
- 4105.60 Department of Defense High Dollar Spare Parts Breakout Program
- 4105.62 (D) Selection of Contractual Sources for Major Defense Systems
- 4140.41 Government-Owned Materiel Assets Utilized as Government-Furnished Materiel for Major Acquisition Programs
- 4160.22 (D) Recovery and Utilization of Precious Metals

- 5010.8 (D) DoD Value Engineering Program
- 7800.1 (D) Defense Contract Financing Policy

F. INTEGRATED LOGISTICS

- 4100.35 (D) Development of Integrated Logistic Support for Systems/Equipments
- 4130.2 (D) The Federal Catalog System
- 4140.19 Phased Provisioning of Selected Items for Initial Support of Weapons Systems, Support Systems, and End Items of Equipment
- 4140.40 (D) Basic Objectives and Policies on Provisioning of End Items of Materiel
- 4140.42 Determination of Initial Requirements for Secondary Item Spare and Repair Parts
- 4151.7 Uniform Technical Documentation for Use in Provisioning of End Items of Materiel
- 4151.15 Depot Maintenance Programming Policies
- 5100.63 Provisioning Relationships Between the Military Departments/Defense Agencies and Commodity Integrated Materiel Managers

G. INTERNATIONAL COOPERATION

- 2000.3 (D) International Interchange of Patent Rights and Technical Information
- 2000.9 (D) International Co-Production Projects and Agreements Between the U.S. and other Countries or International Organizations
- 2010.6 (D) Standardization and Interoperability of Weapon Systems and Equipment within the North Atlantic Treaty Organization (NATO)
- 2010.7 (D) Policy on Rationalization of NATO/NATO Member Telecommunication Facilities
- 2015.4 Mutual Weapon Development Data Exchange Program (MWDDEP) and Defense Development Exchange Program (DDEP)
- 2035.1 (D) Defense Economic Cooperation with Canada

- 2045.2            Agreements with Australia and Canada for Qualification of Products of Non-Resident Manufacturers
- 2100.3    (D)    United States Policy Relative to Commitments to Foreign Governments Under Foreign Assistance Programs
- 2140.1            Pricing of Sales of Defense Articles and Defense Services to Foreign Countries and International Organizations
- 2140.2    (D)    Recoupment of Nonrecurring Costs on Sales of USG Products and Technology
- 3100.3    (D)    Cooperation with Allies in Research and Development of Defense Equipment
- 3100.4    (D)    Harmonization of Qualitative Requirements for Defense Equipment of the United States and Its Allies
- 3100.8            The Technical Cooperation Program (TTCP)
- 4155.19            NATO Quality Assurance
- 5100.27    (D)    Delineation of International Logistics Responsibilities
- 5230.11    (D)    Disclosure of Classified Military Information to Foreign Governments and International Organizations
- 5230.17    (D)    Procedures and Standards for Disclosure of Military Information to Foreign Activities
- 5530.3    (D)    International Agreements

H. PLANS - CONSERVATION OF RESOURCES

- 4170.9            Defense Contractor Energy Shortages and Conservation
- 6050.1    (D)    Environmental Effects on the United States of DoD Actions

I. PLANS - MATERIAL AVAILABILITY, WAR RESERVE AND MOBILIZATION

- 3005.5 (D) Criteria for Selection of Items for War Reserve
- 4005.1 (D) DoD Industrial Preparedness Production Planning
- 4005.3 Industrial Preparedness Production Planning Procedures
- 4005.16 (D) Diminishing Manufacturing Sources and Material Shortages (DMSMS)
- 4100.15 (D) Commercial or Industrial-Type Activities
- 4151.16 (D) DoD Equipment Maintenance Program
- 4210.1 Department of Defense Coded List of Materials
- 4210.7 Controlled Materials Requirements
- 4210.8 Department of Defense Bills of Materials
- 4410.3 Policies and Procedures for the DoD Master Urgency List (MUL)
- 4410.4 (D) Military Production Urgencies System
- 5160.54 (D) Industrial Facilities Protection Program - DoD Key Facilities List
- 5220.5 (D) Industrial Dispersal

J. PRODUCTION, QUALITY ASSURANCE, TEST AND EVALUATION

- 4155.1 (D) Quality Program
- 4200.15 Manufacturing Technology Program
- 5000.3 (D) Test and Evaluation
- 5000.34 (D) Defense Production Management
- 5000.38 (D) Production Readiness Reviews
- 5010.20 (D) Work Breakdown Structures for Defense Materiel Items

5160.65 (D) Single Manager Assignment for Conventional Ammunition

K. RESOURCE MANAGEMENT

7000.1 (D) Resource Management Systems of the Department of Defense

7000.2 Performance Measurement for Selected Acquisitions

7000.3 Selected Acquisition Reports (SAR)

7000.10 Contract Cost Performance, Funds Status and Cost/Schedule Status Reports

7000.11 Contractor Cost Data Reporting (CCDR)

7041.3 Economic Analysis and Program Evaluation for Resource Management

7045.7 The Planning, Programming and Budgeting System

7200.4 (D) Full Funding for DoD Procurement Programs

L. TECHNICAL MANAGEMENT - GENERAL

1130.2 (D) Management and Control of Engineering & Technical Services

4630.5 (D) Compatibility and Commonality of Equipment for Technical Command and Control, and Communications

5010.12 Management of Technical Data

5010.19 (D) Configuration Management

5100.30 (D) Worldwide Military Command and Control Systems (WWMCCS)

5100.36 (D) Department of Defense Technical Information

5100.38 Defense Documentation Center for Scientific and Technical Information (DDC)

5100.45 Centers for Analysis of Scientific and Technical Information

5200.20 (D) Distribution Statements on Technical Documents

5200.21 Dissemination of DoD Technical Information



4500.41                    Transportation Container Adaptation and  
                                 Systems Development Management

C-4600.3    (D)            Electric, Counter-Counter Measures (ECCM)  
                                 Policy (U)

4630.5    (D)            Compatability and Commonality of  
                                 Equipment for Tactical Command and  
                                 Control and Communications

5000.28    (D)            Design-to-Cost

5000.36                    System Safety Engineering and Management

5000.37                    Acquisition and Distribution of Commercial  
                                 Products

5100.50    (D)            Protection and Enhancement of Environmental  
                                 Quality

5148.7    (D)            The Joint Tactical Communications  
                                 (TRI-TAC) Program

6055.2                    Personal Protective Equipment



December 26, 1979  
NUMBER 5000.3

USDR&E

## Department of Defense Directive

SUBJECT: Test and Evaluation

- Reference:
- (a) DoD Directive 5000.3, "Test and Evaluation," April 11, 1978 (hereby canceled)
  - (b) DoD Directive 5000.1, "Major System Acquisitions," January 18, 1977
  - (c) DoD Directive 5000.2, "Major System Acquisition Process," January 18, 1977
  - (d) DoD Directive 3200.11 "Use, Management and Operation of Department of Defense Major Ranges and Test Facilities," June 18, 1974
  - (e) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a) and establishes policy for the conduct of test and evaluation in the acquisition of defense systems; designates the Director Defense Test and Evaluation (DDTE) as having overall responsibility for test and evaluation matters within the Department of Defense; defines responsibilities of the DDTE, organization of the Joint Chiefs of Staff (OJCS) and DoD Components; and provides guidance for the preparation and submission of Test and Evaluation Master Plans.

### B. APPLICABILITY AND SCOPE

1. The provisions of this Directive apply to the Military Departments and the Defense Agencies (hereafter referred to as "DoD Components"), the Office of the Secretary of Defense (OSD), the OJCS, and the Unified and Specified Commands. As used herein, the term "Military Services" refers to the Army, Navy, Air Force, and Marine Corps.

2. These provisions encompass major defense system acquisition programs, as designated by the Secretary of Defense under DoD Directive 5000.1 (reference (b)), and apply to all DoD Components that are responsible for such programs. In addition, the management of system programs not designated as major system acquisitions shall be guided by the principles set forth in this Directive.

C. DEFINITIONS

Terms used in this Directive are defined in enclosure 1.

D. POLICIES AND RESPONSIBILITIES

1. General

a. Test and evaluation (T&E) shall begin as early as possible and be conducted throughout the system acquisition process to assess and reduce acquisition risks and to estimate the operational effectiveness and operational suitability of the system being developed. Meaningful critical issues, test objectives, and evaluation criteria related to the satisfaction of mission need shall be established before tests begin.

b. Successful accomplishment of T&E objectives will be a key requirement for decisions to commit significant additional resources to a program or to advance it from one acquisition phase to another. Acquisition schedules, financial plans, and contractual arrangements shall be based on this principle.

c. Dependence on subjective judgment concerning system performance shall be minimized during testing. To the extent permitted by resource constraints and the need for realistic test environments, appropriate test instrumentation will be used to provide quantitative data for system evaluation.

2. Development Test and Evaluation (DT&E). DT&E is that T&E conducted to assist the engineering design and development process and to verify attainment of technical performance specifications and objectives. DT&E is normally accomplished or managed by the DoD Component's materiel development agency. It includes T&E of components, sub-systems, hardware/software integration, related software, and prototype or full-scale engineering development models of the system. T&E of compatibility and interoperability with existing or planned equipment and systems are also included.

a. During the system acquisition phase before the decision Milestone I, DT&E shall be accomplished, when appropriate, to assist in selecting preferred alternative system concepts.

b. Before the Milestone II decision, adequate DT&E shall be accomplished to identify the preferred technical approach, including the identification of technical risks and feasible solutions.

c. Before the Milestone III decision, adequate DT&E shall be accomplished to ensure that engineering is reasonably complete (including survivability/ vulnerability, compatibility, transportability, interoperability, reliability, maintainability, safety, human

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factors, and logistic supportability), that all significant design problems have been identified, and that solutions to these problems are in hand.

d. After the Milestone III decision, DT&E shall be an integral part of the development, acceptance, and introduction of system changes to improve the system, react to new threats, and reduce life cycle costs.

e. For systems that interface with equipment of another DoD Component or that may be acquired by more than one DoD Component, multiservice DT&E may be required. Such testing shall include appropriate participation and support by all affected DoD Components.

f. The DoD Component's developing agency shall structure acquisition programs, make information available, and arrange for the DoD Component's independent operational test and evaluation (OT&E) agency's participation in development testing, as appropriate, to support OT&E objectives.

3. Operational Test and Evaluation (OT&E). OT&E is that T&E conducted to estimate a system's operational effectiveness and operational suitability, identify needed modifications, and provide information on tactics, doctrine, organization, and personnel requirements. Acquisition programs shall be structured so that OT&E begins as early as possible in the development cycle. Initial operational test and evaluation (IOT&E) must be accomplished prior to the Milestone III decision.

a. In each DoD Component there shall be one major field agency, separate and distinct from the materiel developing/procuring agency and from the using agency, responsible for managing operational testing and for reporting test results and its independent evaluation of the system under test directly to the Military Service Chief or Defense Agency Director.

b. OT&E shall be accomplished in an environment as operationally realistic as possible. Typical operational and support personnel will be used to obtain a valid estimate of the users' capability to operate and maintain the system when deployed under both peacetime and wartime conditions.

c. During the system acquisition phase before the Milestone I decision OT&E will be accomplished, as appropriate, to assess the operational impact of candidate technical approaches and to assist in selecting preferred alternative system concepts.

d. Before the Milestone II decision OT&E will be accomplished, as necessary, to examine the operational aspects of the selected alternative technical approaches and estimate the potential operational effectiveness and suitability of candidate systems. Decisions made at Milestone

II to commit funds for production long lead items or limited production must be supported by OT&E results.

e. Before the Milestone III decision, adequate OT&E shall be accomplished to provide a valid estimate of the system's operational effectiveness and suitability. The items tested must be sufficiently representative of the expected production items to ensure that a valid assessment can be made of the system expected to be produced.

f. After the Milestone III decision during initial production and deployment of the system, the DoD Component's OT&E agency will manage follow-on OT&E (FOT&E), as necessary, to ensure that the initial production items meet operational effectiveness and suitability thresholds and to evaluate system, manpower, and logistic changes to meet mature system readiness and performance goals.

g. When systems have an interface with equipment of another DoD Component or may be acquired by more than one DoD Component, multiservice OT&E shall be accomplished. Such testing shall include participation and support by all affected DoD Components. An independent evaluation shall be submitted by the OT&E agency of each participating DoD Component.

h. Throughout the system acquisition process, the DoD Component's OT&E agency shall:

- (1) Ensure that OT&E is effectively planned and accomplished during all acquisition phases.
- (2) Participate in initial system acquisition planning and test design to ensure adequacy of the planned schedules, testing, and resources to meet OT&E objectives and to ascertain which portions of DT&E can contribute to the accomplishment of OT&E objectives.
- (3) Monitor, participate in as appropriate, and review the results of DT&E to obtain information applicable to OT&E objectives.
- (4) Ensure that the operational testing and applicable development testing, and data collected, are sufficient and credible to support its analysis and evaluation needs.
- (5) Provide an independent evaluation of OT&E results at key decision milestones. The Milestone III evaluation shall include recommendations regarding the system's readiness for operational use.
- (6) Bring directly to the attention of its Military Service Chief, or Defense Agency Director, issues which impact adversely upon the accomplishment of adequate OT&E.

4. Combining Development and Operational Testing. Planning for DT&E and OT&E shall be coordinated at the test design stages so that

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each test phase uses resources efficiently to yield the data necessary to satisfy common needs of the materiel developing agency and the OT&E agency. Development and operational tests may be combined when clearly identified and significant cost and time benefits will result, provided that the necessary resources, test conditions, and test data required by both the developing agency and the OT&E agency can be obtained. Participation by the OT&E agency in the planning and execution of tests must be sufficient to ensure that the testing conducted and data collected are sufficient and credible to meet the OT&E agency's requirements. When a combined testing program is chosen, it will normally include dedicated operational test events, and the final period of testing prior to the Milestone III decision will emphasize appropriate separate operational testing managed by the DoD Component's OT&E agency. In all cases, the OT&E agency shall provide a separate and independent evaluation of the test results.

5. T&E for Major Ships of a Class. The long design, engineering, and construction period of a major ship will normally preclude completion of the lead ship and accomplishment of tests thereon prior to the decision to proceed with follow-on ships. In lieu thereof, successive phases of DT&E and OT&E shall be accomplished as early as feasible at land-based or sea-based test installations and on the lead ship to reduce risk and minimize the need for modification to follow-on ships.

a. When combat system complexity warrants, there shall be one or more combat system test installations constructed where the weapon, sensor, and information processing subsystems are integrated in the manner expected in the ship class. These test installations may be land-based, sea-based, or both, depending on test requirements. Adequate DT&E and OT&E of these integrated subsystems shall be accomplished prior to the first major production decision on combat systems. To the degree feasible, first generation subsystems shall be approved for Service use prior to the initiation of integrated operational testing. When subsystems cannot be Service-approved before this integrated operational testing, their operational suitability and effectiveness shall be examined at the test installation as early as possible in the acquisition cycle.

b. For new ship types that incorporate major technological advances in hull or nonnuclear propulsion design, a prototype incorporating these advances shall be employed. If the major technological advances affect only certain features of the hull or nonnuclear propulsion design, the test installation need incorporate only those features. Adequate T&E on such prototypes shall be completed before the first major production decision on follow-on ships.

c. The prototyping of Navy nuclear propulsion plants will be accomplished in accordance with the methods in use by the Department of Energy (DoE).

d. For all new ship classes, continuing phases of OT&E on the lead ship shall be conducted at sea as early in the acquisition process as possible for specified systems or equipment and, if required, for the full ship to the degree feasible.

e. A description of the subsystems to be included in any test installation or test prototype, the schedules to accomplish T&E, and any exceptions to the above policies shall be provided in the initial and any subsequent milestone decision documentation for approval by the Secretary of Defense.

6. Test and Evaluation of Computer Software. The provisions of this Directive apply to the software components of defense systems as well as to hardware components.

a. Quantitative and demonstrable performance objectives and evaluation criteria shall be established for computer software during each system acquisition phase. Testing shall be structured to demonstrate that software has reached a level of maturity appropriate to each phase. Such performance objectives and evaluation criteria shall be established for both full-system and casualty mode operations. For embedded software, performance objectives and evaluation criteria shall be included in the performance objectives and evaluation criteria of the overall system.

b. Decisions to proceed from one phase of software development to the next will be based on quantitative demonstration of adequate software performance through appropriate T&E.

c. Before release for operational use, software developed for either new or existing systems shall undergo sufficient operational testing as part of the total system to provide a valid estimate of system effectiveness and suitability in the operational environment. Such testing shall include combined hardware/software and interface testing under realistic conditions, using typical operator personnel. The evaluation of test results shall include an assessment of operational performance under other possible conditions which were not employed, but which could occur during operational use.

d. The OT&E agencies shall participate in the early stages of software planning and development to ensure that adequate consideration is given to the system's operational use and environment, and early development of operational test objectives and evaluation criteria.

7. T&E for One-of-a-Kind Systems. Some programs, particularly space, large-scale communications, and electronic system programs, involve procurement of a few items over an extended period. For these programs, the principles of DT&E of components, subsystems, and prototype or first production models of the system shall be applied. Compatibility and interoperability with existing or planned equipment shall be tested during DT&E and OT&E. OT&E shall be accomplished prior to the production decision or initial acceptance of the system to

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provide a valid estimate of operational effectiveness and operational suitability. Subsequent OT&E may be conducted to refine estimates and ensure deficiencies are corrected.

8. Production Acceptance Test and Evaluation (PAT&E). PAT&E is T&E of production items to demonstrate that procured items fulfill the requirements and specifications of the procuring contract or agreements. Each DoD Component is responsible for accomplishing PAT&E.

9. T&E Master Plan (TEMP). The DoD Component shall prepare and submit, before Milestone I and each subsequent decision milestone, a TEMP for OSD approval. This broad plan shall relate test objectives to required system characteristics and critical issues, and integrate objectives, responsibilities, resources, and schedules for all T&E to be accomplished. Guidelines for preparation and submission of the TEMP are at enclosure 2.

10. Changes to TEMPs. The DoD Component shall ensure that any significant changes made in the test program after approval are reported promptly to the DDTE, with the reason for change.

11. Acquisition Milestone Decisions. The DDTE provides T&E assessments to support system acquisition milestone decisions. The DoD Components shall, in addition to providing the information specified in DoD Directive 5000.2 (reference (c)) and TEMPs in accordance with enclosure 2, provide the following additional information to the DDTE for use in making T&E assessments. When testing has been accomplished, appropriate test reports shall be provided as early as possible prior to milestone decision points. Other available supporting information including system operational concepts, how tests were accomplished, and test limitations shall be provided upon request of the DDTE. In addition, the DoD Component shall inform the DDTE of significant progress toward, or problems with, meeting significant test objectives during the conduct of test programs.

12. Joint T&E (JT&E) Program. When required and as initiated by the DDTE, JT&E will be conducted. In addition to examining the capability of developmental and deployed systems to perform their intended mission, JT&Es may also be conducted to provide information for technical concepts evaluation, system requirements, system improvements, systems interoperability, force structure planning, developing or improving testing methodologies, and obtaining information pertinent to doctrine, tactics, and operational procedures for joint operations. Testing shall be accomplished in realistic operational conditions, when feasible and essential to the evaluation. Responsibility for managing the practical aspects of each JT&E will be delegated to a specific DoD Component, and supported by forces and material from participating Components.

13. Participation by the Joint Chiefs of Staff (JCS) in JT&E Programs. As the proponent for joint procedures and interoperability

of deployed forces, the JCS have a requirement for JT&E results that provide information on joint doctrine, tactics, and operational procedures. Joint testing objectives will be addressed, when feasible, in conjunction with scheduled JCS exercises to minimize resource impact and provide economies. When JT&E and JCS exercises are integrated, the JCS will participate, as appropriate, in testing involving joint force interoperability to ensure compatibility of exercise and JT&E objectives.

a. The JCS shall annually coordinate, for submission to the DDTE, JT&E nominations by the Joint Staff, the Military Services, and the Commanders in Chief (CINC) of the Unified and Specified Commands. This does not preclude direct nominations to the DDTE from the Military Services or CINCs for JT&E activities that are inappropriate for JCS consideration or out of phase with the JCS nominations.

b. The list of nominations shall be prioritized for each fiscal year. To the extent feasible, it shall identify the participating Military Services, identify tests with potential for integration with JCS exercises, and recommend a lead Service or CINC to conduct the JT&E.

c. Control and OSD sponsorship of JT&E will be exercised by the DDTE. The DDTE, in coordination with the JCS, will task the selected lead Service or, through the JCS, the selected CINC to conduct the test, incorporate the test into joint exercises, as appropriate, appoint a Joint Test Director, develop the test plans, and provide reports, as required.

d. The Military Services, CINCs (if appropriate), and the Joint Staff shall participate in or monitor the JT&E definition and test design efforts, and coordinate the results of these before the commitment of resources.

#### E. WAIVERS

Waiver of the provisions of this Directive may be granted only by the Secretary of Defense.

#### F. EXCLUSIONS

Nuclear subsystem T&E governed by joint DoD/DoE agreements are excluded from the provisions of this Directive.

#### G. RESPONSIBILITIES OF THE DIRECTOR DEFENSE TEST AND EVALUATION

The Director Defense Test and Evaluation shall:

1. Review T&E policy and procedures applicable to the Department of Defense as a whole and recommend changes to the Secretary of Defense.

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2. Coordinate T&E instructions to the DoD Components and resolve T&E management problems between DoD Components.
3. Monitor the T&E planned and conducted by the DoD Components for major acquisition programs and for other programs, as necessary.
4. Manage the consideration and review of TEMPs within OSD, and review and comment on system T&E aspects of DCPs and other documents concerned with system acquisition T&E.
5. For major system acquisition programs, provide to the Defense Acquisition Executive, the Defense System Acquisition Review Council (DSARC), the Worldwide Military Command and Control System Council, as appropriate, and the Secretary of Defense an assessment of the adequacy of testing accomplished, an evaluation of test results, and an assessment of the adequacy of testing planned for the future to support system acquisition milestone decisions.
6. Initiate and sponsor technically and operationally oriented JT&E with specific delegation to appropriate DoD Components of all practical JT&E aspects.
7. Fulfill OSD responsibilities for the Major Range and Test Facility Base (MRTFB) in accordance with DoD Directive 3200.11 (reference (d)).
8. Monitor, to the extent required to determine the applicability of results to system acquisitions or modifications, that T&E:
  - a. Directed by the JCS that relates to the Single Integrated Operational Plan (SIOP) as it affects system technical characteristics.
  - b. Conducted primarily for development or investigation of tactics, organization, or doctrinal concepts that affect system technical characteristics.
9. Review those program elements that relate to DoD Component independent test agency, test facility, and test resource budgets.

#### H. INFORMATION REQUIREMENTS

The reporting requirements prescribed by this Directive are exempt from formal approval and control in accordance with subparagraph VII.D. of enclosure 3 to DoD Directive 5000.19 (reference (e)).

I. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward two copies of implementing documents to the Under Secretary of Defense for Research and Engineering within 120 days.

  
W. Graham Claytor, Jr.  
Deputy Secretary of Defense

Enclosures - 2

1. Definitions
2. Test and Evaluation Master Plan (TEMP) Guidelines

## DEFINITIONS<sup>1</sup>

Acquisition Risk. The chance that some element of an acquisition program produces an unintended result with adverse effect on system effectiveness, suitability, cost, or availability for deployment.

Availability. A measure of the degree to which an item is in an operable and committable state at the start of a mission when the mission is called for at an unknown (random) time.

Combat System Test Installation. A collection of subsystems including weapons, sensor, and information processing equipment, together with their interfaces installed, for the purposes of early testing before the availability of a first production item, at a fixed or mobile test facility designed to simulate the essential parts of the production item.

Critical Issues. Those aspects of a system's capability, either operational, technical, or other, that must be questioned before a system's overall worth can be estimated, and that are of primary importance to the decision authority in reaching a decision to allow the system to advance into the next acquisition phase.

Evaluation Criteria. Standards by which achievement of required operational effectiveness/suitability characteristics, or resolution of technical or operational issues may be judged. At Milestone II and beyond, evaluation criteria must include quantitative goals (the desired value) and thresholds (the value beyond which the characteristic is unsatisfactory).

JT&E Program. An OSD program for JT&E, sponsored by the DDTE, structured to evaluate or provide information on system performance, technical concepts, system requirements or improvements, systems interoperability, improving or developing testing methodologies, or for force structure planning, doctrine or procedures.

Logistic Supportability. The degree to which the planned logistics (including test equipment, spares and repair parts, technical data, support facilities, and training) and manpower meet system availability and wartime usage requirements.

Long Lead Items. Those components of a system or piece of equipment that take the longest time to procure and, therefore, may require an early commitment of funds in order to meet acquisition schedules.

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<sup>1</sup>Terms defined in JCS Pub. 1, "Department of Defense Directory of Military and Associated Terms," are not included except for the term "Vulnerability," for which supplementary information is provided concerning its specific application in this Directive.

Maintainability. The ability of an item to be retained in or restored to specified condition when maintenance is performed by personnel having specified skill levels, using prescribed procedures and resources, at each prescribed level of maintenance and repair.

Multiservice T&E. T&E conducted by two or more DoD Components for systems to be acquired by more than one DoD Component, or for a DoD Component's systems that have interfaces with equipment of another DoD Component.

Operational Effectiveness. The overall degree of mission accomplishment of a system used by representative personnel in the context of the organization, doctrine, tactics, threat (including countermeasures and nuclear threats) and environment in the planned operational employment of the system.

Operational Suitability. The degree to which a system can be satisfactorily placed in field use, with consideration being given availability, compatibility, transportability, interoperability, reliability, wartime usage rates, maintainability, safety, human factors, manpower supportability, logistic supportability, and training requirements.

Pilot Production Item. An item produced from a limited production run to demonstrate the capability to mass produce the item for operational use.

Pre-Production Prototype. An article in final form employing standard parts, representative of articles to be produced subsequently in a production line.

Realistic Test Environment. The conditions under which the system is expected to be operated and maintained, including the natural weather and climatic conditions, terrain effects, battlefield disturbances, and enemy threat conditions.

Reliability. The duration or probability of failure-free performance under stated conditions.

Reliability, Mission. The ability of an item to perform its required functions for the duration of a specified mission profile.

Required Operational Characteristics. System parameters that are primary indicators of the system's capability to be employed to perform the required mission functions, and to be supported.

Required Technical Characteristics. System parameters selected as primary indicators of achievement of engineering goals. These may not be direct measures of, but should always relate to the system's capability to perform the required mission functions, and to be supported.

Survivability. The degree to which a system is able to avoid or withstand a hostile environment without suffering an abortive impairment of its ability to accomplish its designated mission.

Vulnerability. For weapon system acquisition decisions, three considerations are critical in assessing system vulnerability: susceptibility--a system limitation or weakness (may not be exploitable); accessibility--the openness of a system to exploitation by a countermeasures technique; and feasibility--the practicality and probability of an adversary exploiting a susceptibility in combat.

TEST AND EVALUATION MASTER PLAN (TEMP) GUIDELINES

A. SCOPE AND APPLICABILITY

The provisions of these Guidelines encompass major defense system acquisition programs as designated by the Secretary of Defense and certain other important programs for which a TEMP is specifically requested by the DDTE and apply to all DoD Components responsible for such programs.

B. POLICIES AND PROCEDURES

1. The TEMP is the primary document used in the OSD review and decision process to assess the adequacy of the planned testing and evaluation. As such, the TEMP must be of sufficient scope and content to explain the entire T&E program.

2. Each TEMP submitted to OSD should be a summary document of not more than 30 pages, detailed only to the extent necessary to show the rationale for the kind, amount, and schedules of the testing planned. It must, however, relate the T&E effort clearly to technical risks, operational issues and concepts, system performance, reliability, availability, maintainability and logistic requirements, and major decision points. It should also explain the relationship of the various simulations, subsystem tests, integrated system development tests and initial operational tests which, when analyzed in combination, provide confidence in the system's readiness to proceed into the next acquisition phase or into fully capable service. The TEMP must address the T&E to be accomplished in each program phase, with the next phase addressed in the most detail. TEMPs supporting the production and initial deployment decision must include the T&E planned to verify correction of deficiencies, production acceptance testing, and follow-on OT&E.

3. Five copies of a draft TEMP will normally be submitted to the DDTE for OSD review and comment concurrent with submission of the "For Comment" DCP to the Acquisition Executive prior to the planned Decision Milestone I date. This draft will be revised if necessary after review by the DoD Component Acquisition Executive and submitted for OSD coordination at least 15 working days before the DSARC meeting (or decision milestone date if a DSARC meeting is not planned). The TEMP will be updated and submitted in accordance with these procedures before Milestones II and III. OSD approval of the TEMP, or redirection, will be provided following decision milestones.

C. CONTENT OF TEMP

Every TEMP submitted to OSD should contain the same kind of information, and the following format should be used as a guide. If more detail for internal use is desired, DoD Components may supplement the

TEMP with detachable annexes. At DoD Component discretion, Part I may be preceded by a page of administrative information (listing of responsible persons and offices involved in the procurement).

### Part I - Description

1. Mission. Summarize the operational need, mission to be accomplished, and planned operational environment (conditions, natural and induced, in which it will operate). This section should relate directly to the Mission Element Need Statement (MENS) and planned system operational concept.

2. System. Briefly describe the system and how it works, to include:

a. Key functions of the system that permit it to accomplish its operational mission. Include, if practical, a mission/function matrix relating the primary functional capabilities that must be demonstrated by testing to the mission(s) to be performed and concept(s) of operation.

b. Interfaces with other systems that are required to accomplish the mission.

c. Unique characteristics of the system that make it different or better than alternative systems, or that lead to special test requirements (such as hardness to nuclear effects).

3. Required Operational Characteristics. List the key operational effectiveness and suitability characteristics, goals, and thresholds.

4. Required Technical Characteristics. List the key technical characteristics, performance goals, and thresholds.

Note: The characteristics listed in 3. and 4. above should include, but not be limited to, the characteristics identified in the Decision Milestone documentation. Clearly define these characteristics, particularly in the areas of reliability, availability, and maintainability. Indicate the program milestones at which the thresholds will be or have been demonstrated. If an interservice or international program, highlight any characteristics resulting from this circumstance. Prior to Milestone II, while tradeoffs of characteristics are underway, it may not be possible to establish firm goals or thresholds. In this case, those aspects of performance critical to the ability of the system to accomplish its mission should be identified.

5. Critical T&E Issues

a. Technical Issues. Briefly describe key areas of technological or engineering risk that must be addressed by testing.

b. Operational Issues. Briefly describe key operational effectiveness or suitability issues that must be addressed by testing.

## Part II - Program Summary

1. Management. Outline the program and T&E management responsibilities of participating organizations. Highlight arrangements between participants for test data sharing, responsibilities for test management decisions, and management interfaces for multiservice T&E efforts. Discuss the adequacy of the planned test periods and schedule to provide confidence in test results.

2. Integrated Schedule. Display on one page (a foldout, if necessary) the integrated time sequencing of T&E for the entire program and related key events in the acquisition decision-making process. Include events such as program decision milestones, key subsystem demonstrations, test article availability, first flights, critical support resource availability, critical full-up system demonstrations, key OT&E events, first production deliveries, and initial operational capability date.

Part III - DT&E Outline. Discuss all DT&E in sufficient detail so that test objectives are related to the system operational concept and are clearly identified for each phase. Relate the planned testing to the critical technical issues appropriate to each phase. The near-term portion of the plan should contain the most detail; the long-range portions should be as specific as possible. The following information should be included.

1. DT&E to Date. Provide a summary of the DT&E already conducted based on the best available information. This section should set the stage for discussion of planned DT&E. Briefly describe test articles (for instance brassboard, advanced development model), with emphasis on how they differ from the planned production articles. Emphasize DT&E events and results related to required performance characteristics, critical issues, and requirements levied by earlier OSD decisions. Highlight technical characteristics or specification requirements that were demonstrated (or failed to be demonstrated). When simulations are a key part of the DT&E effort, describe how the simulations are confirmed.

2. Future DT&E. Discuss all remaining DT&E planned, beginning with the date of the current TEMP revision and extending through completion of planned production and modifications. Address separately each remaining phase of DT&E, including the following for each phase:

a. Equipment Description. Summarize the equipment's functional capability and how it is expected to differ from the production model.

b. DT&E Objectives. Summarize the specific DT&E objectives to be addressed during this phase. The objectives identified should be the discrete major goals of the DT&E effort, which, when achieved, will provide solutions to critical technical issues and demonstrate that the engineering effort is progressing satisfactorily. Broad, general objectives, such as "demonstrate that the design and development process is complete," are of no value. If the Secretary of Defense decision memorandum requires demonstration of specific technical characteristics in a given phase, identify those characteristics.

c. DT&E Events/Scope of Testing/Basic Scenarios. Summarize the key DT&E events planned to address the objectives. In addition, describe in sufficient detail the scope of testing and basic test scenarios so that the relationship between the testing and the objectives, and the amount and thoroughness of testing, are clearly apparent. Include subsystem tests and simulations when they are key elements in determining whether or not objectives will be achieved. Discuss reliability, availability, and maintainability testing, and define terms.

3. Critical DT&E Items. Highlight all items the availability of which are critical to the conduct of adequate DT&E prior to the next decision point. For example, if the item is not available when required, the next decision point may be delayed. If appropriate, display these critical items on the integrated schedule.

#### Part IV - OT&E Outline

Discuss all planned OT&E, from the earliest IOT&E through the FOT&E during initial production and deployment which addresses operational effectiveness and suitability and identifies deficiencies in the production system, in similar format and detail as that described in the DT&E outline (Part III). In the OT&E to Date section, which sets the stage for discussion of the planned OT&E, relate the test conditions and results to the operational effectiveness and suitability, as appropriate, of the systems being acquired. In this section and in Future OT&E, be sure to discuss the degree to which the test environment, including procedures and threat simulations, is representative of the expected operational environment. Also discuss the reliability testing concept, and the training and background of operational test personnel. In OT&E Objectives, present the major objectives that, when achieved, will establish the operational effectiveness and suitability of the system. Either present the objectives in terms of, or relate the objectives to, the system's operational effectiveness and suitability. In OT&E Events/Scope of Testing/Basic Scenarios, relate the testing to be performed to the OT&E objectives (for instance, specify test outcomes that satisfy the objectives). When development and operational testing are combined, some of Parts III and IV may be combined, as appropriate.

Part V - Production Acceptance Test and Evaluation (PAT&E)

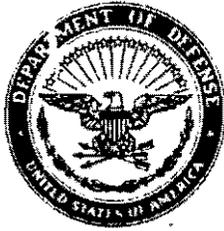
Briefly describe the PAT&E planned to demonstrate that items procured fulfill the requirements and specifications of the procuring contract or agreements.

Part VI - Special Resource Summary

Provide a brief summary of the key resources for DT&E, OT&E, and PAT&E that are unique to the program.

1. Test Articles. Identify the actual number of articles, including key support equipments, of the system required for testing in each phase and for each major type of T&E (DT&E, OT&E, PAT&E). If key subsystems (components, assemblies, or subassemblies) are to be tested individually, identify each such subsystem and the quantity required. Specifically identify prototypes, pilot production, and production models.

2. Special Support Requirements (instrumentation, targets, threat simulations, test sites, facilities). Identify the special support resources required for T&E, and briefly describe the steps being taken to acquire them.



October 30, 1980  
NUMBER 5000.4

## Department of Defense Directive

ASD(PA&E)

SUBJECT: OSD Cost Analysis Improvement Group

- References:
- (a) DoD Directive 5000.4, "OSD Cost Analysis Improvement Group" June 13, 1973 (hereby canceled)
  - (b) DoD Directive 5000.1, "Major System Acquisitions," March 19, 1980
  - (c) DoD Instruction 5000.2, "Major System Acquisition Procedures," March 19, 1980
  - (d) DoD Directive 2010.6, "Standardization and Interoperability of Weapon Systems and Equipment Within the North Atlantic Treaty Organization," March 5, 1980
  - (e) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976
  - (f) DoD Directive 5000.11, "Data Elements and Data Codes Standardization Program," December 7, 1964
  - (g) DoD Instruction 5000.33, "Uniform Budget/Cost Terms and Definitions," August 15, 1977

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a), updating the permanent charter for the OSD Cost Analysis Improvement Group (CAIG).

### B. APPLICABILITY

The provisions of this Directive apply to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (JCS), and the Defense Agencies (herein called "DoD Components").

### C. ORGANIZATION

#### I. Membership. The OSD CAIG shall be composed of:

- a. A Chair appointed by the permanent members of the Defense Systems Acquisition Review Council (DSARC), as defined in references (b) and (c).
- b. One member appointed by each DSARC permanent member. The Chair shall be in addition to these CAIG members.
- c. One member appointed by the Secretary of each Military Department.

d. Ad hoc representatives, as appointed by the CAIG Chair, for special purposes.

e. An Executive Group, made up of the Chair and the OSD/JCS members.

2. Responsibilities. The OSD CAIG shall act as the principal advisory body to the DSARC on matters related to cost. Members of the CAIG shall represent their functional areas in accord with the standing organizational role and mission of their office. The specific responsibilities include:

a. Providing the DSARC with a review and evaluation of independent and program office cost estimates prepared by the DoD Components for presentation at each DSARC. These cost reviews shall consider all elements of system life cycle costs, including research and development, investment, and operating and support.

b. Providing the DSARC with an independent analysis of cost implications of proposed coproduction programs in support of North Atlantic Treaty Organization standardization and interoperability (DoD Directive 2010.6 (reference (d))).

c. Establishing criteria and procedures (enclosure 1) concerning the preparation and presentation of cost estimates on defense systems to the DSARC and CAIG.

d. Maintaining an integrated cost analysis research program, with one of its primary functions to identify to OSD and the DoD Components where efforts are needed to improve the technical capability of the Department of Defense to make cost estimates of all major equipment classes.

e. Developing useful methods of formulating cost uncertainty and cost risk information and introducing them into the DSARC process.

f. Working with the DoD Components to determine what costs are relevant for consideration as part of the DSARC process, and developing techniques for identifying and projecting these costs.

g. Developing and implementing policy to provide for the appropriate collection, storage, and exchange of information concerning improved cost estimating procedures, methodology, and data necessary for cost estimating between OSD staffs, DoD Components, and outside organizations. The collection of information shall be consistent with the provisions of DoD Directive 5000.19 (reference (e)). Existing DoD standard data elements shall be used for all data requirements, when possible, in accordance with DoD Directive 5000.11 (reference (f)).

h. Providing an assessment or recommendations to the DSARC of all cost objectives before their inclusion in approved Secretary of Defense Decision Memoranda or similar documents that give direction to a DoD Component for the acquisition of a major defense system.

i. Helping to resolve issues that arise over the comparability and completeness of cost data to be reported on new cost data collection systems.

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j. Accomplishing other tasks and studies, when requested by the DSARC principals.

3. Administration

a. Members shall be assembled for regular and executive meetings held at the call of the Chair.

b. Minutes shall be prepared for each CAIG meeting, executive and regular.

c. For each DSARC, a report shall be prepared that summarizes the CAIG's review and evaluation of DoD Component independent and program office cost estimates. Only the CAIG executive group shall assist in the preparation of these reports.

d. Special reports shall be prepared to document the results of other CAIG efforts.

D. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward two copies of implementing documents to the Assistant Secretary of Defense (Program Analysis and Evaluation) within 120 days.

*W. Graham Clayton, Jr.*  
W. Graham Clayton, Jr.  
Deputy Secretary of Defense

Enclosure - 1  
Criteria and Procedures for the  
Preparation and Presentation of  
Cost Analyses to the OSD CAIG

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5000.4 (Encl 1)

CRITERIA AND PROCEDURES FOR THE PREPARATION AND PRESENTATION  
OF COST ANALYSES TO THE OSD CAIG

A. OBJECTIVE AND ORGANIZATIONAL RESPONSIBILITY

1. The basic objective of the DoD Component presentations to CAIG is to explain in detail how the independent and program office cost estimates were prepared to permit the CAIG to provide the DSARC with a cost assessment.

2. The independent analysis should be prepared by an organization separate from the control and direction of the program or project office that is directly responsible for the acquisition of the defense system being reviewed.

B. SCOPE OF INDEPENDENT ANALYSIS

1. An independent cost analysis should be prepared for each alternative that will be presented to the DSARC. A complete description of these alternatives should be provided as part of the back-up documentation.

2. The independent analysis should provide a projection for all elements of life cycle costs to include the following:

a. Research and Development (R&D). The cost of all R&D efforts should be estimated regardless of the funding source or management control. Nonrecurring and recurring R&D costs for prototypes and engineering development hardware should be shown separately, where appropriate.

b. Investment. The investment costs should include the costs of the prime hardware and its major subcomponents; support costs such as training, peculiar support, and data; initial spares, and military construction costs (if any). The cost of all related procurements (such as, modifications to existing aircraft or ship platform) should also be estimated, regardless of funding source or management control. Nonrecurring and recurring costs for the production of prime hardware should be shown separately, where appropriate.

c. Operating and Support (O&S). All elements of O&S cost should be estimated. These elements are defined in CAIG-issued O&S guidelines.

3. Use of existing assets or assets being procured for another purpose must not be treated as a free good. The "opportunity cost" of these assets should be estimated, where appropriate, and considered as part of the program cost.

4. When program alternatives have different useful operational lives, the costs should be expressed as an equivalent annual cost or put into some other comparable form.

5. The independent cost analysis should separately show both prior year expenditures and projected costs by cost element.

6. Disposal costs should be included where the cost of demilitarization, detoxification, or long time waste storage problems are different between alternatives.

### C. ANALYTICAL METHODS

1. The techniques used to make the independent cost estimate shall take into account the stage of the acquisition cycle that the defense system is in when the estimate is made (such as, advance development, engineering development, or production). Until actuals are available, the use of parametric costing techniques is the preferred approach to the development of the cost estimates. It is expected that heavy reliance will be placed on parametric, as well as analog and engineering methods, for DSARC I and II reviews, while projections of cost actuals will be predominantly used for preparing independent estimates for DSARC III reviews. A comparison of several cost estimating methods is encouraged.

2. When cost estimating relationships (CERs) already available or newly developed are used to make the cost estimates, the specific form of the CER, its statistical characteristics, the data base used to develop the CER, and the assumptions used in applying the CER are to be provided as back-up. Limitations of the CER as well as other CERs considered but not used shall be discussed. Adjustments for major changes in technology, new production techniques, different procurement strategy, production rate, or business base should be highlighted and explained.

3. For estimates made by analogy or engineering costing techniques, the rationale and procedures used to prepare such an estimate must be documented. This should include actual workload and cost experience used to make the estimate and the method by which the information was evaluated and adjusted to make the current cost estimate. If an analog estimate is made using complexity factors, the basis for the complexity analysis including backgrounds of the individuals making the ratings, the factors used (including the ranges of values), and a summary of the technical characteristics and cost driving elements shall be provided to the CAIG.

4. Actual cost experience on prototype units, early engineering development hardware, and early production hardware for the program under consideration should be used to the maximum extent possible. If development or production units have been produced, the actual cost information is to be provided as part of the back-up.

5. Quantifications of uncertainty by the use of frequency distributions or ranges of cost are encouraged. The probability distributions and assumptions used in preparing all range estimates should be provided.

6. If allowances for contingencies are used, an explanation of how the contingency was determined should be provided. This should include an assessment of the circumstances that must occur for such a contingency to be required.

7. The sensitivity of projected costs to critical program assumptions should be examined. This should include factors such as learning curve assumptions, technical risk or failures (requiring more development effort), changes in performance characteristics, schedule alterations, and variations in testing requirements.

8. Program estimates involving multinational acquisitions will include the impact on costs to the U.S. Government of coproduction, license fees, royalties, transportation costs, and expected foreign exchange rates, as appropriate.

D. PRESENTATION OF COST RESULTS

1. A brief overview of the program to include a description of the hardware involved, program status, procurement strategy (such as, contracting approach, R&D, and production schedules) should be presented.

2. A brief description of each alternative to be presented at the DSARC should be discussed, with the preferred alternative highlighted.

3. The Program Manager or representative should present the CAIG with estimates for each alternative under consideration and explain how they were derived.

4. The independent cost estimates for each alternative should be presented, with an explanation of how they were derived; a comparison by cost category will be made with the Program Manager's estimate, and significant differences examined in detail.

5. The R&D and investment estimates should be shown in both constant and current dollars. O&S estimates should be shown in constant dollars. The constant dollars should be as close as possible to the present budget year. The cost category breakout should be the same at the summary levels as those reported in the Integrated Program Summary (IPS), Annex B (DoD Instruction 5000.2 (reference (c))).

6. When CERs are presented to the CAIG as part of the presentation, use of graphs to present both the basic data and resulting CER is encouraged.

7. The status of Contractor Cost Data Reporting (CCDR) Data Plan, or, if implemented, the status of CCDR reporting and the processing of the cost data on the weapon system being reviewed shall be presented to the CAIG. If the actual costs of the prototype and full-scale development hardware are used as the basis for the projections, the supporting cost-quantity curves should be presented.

8. For purposes of comparing independent estimates with the Program Manager's estimates, the same assumptions, such as, funding schedule, delivery schedule, escalation, and outlay rates, should be used. If the independent analysis team does not believe the Program Manager's assumptions are valid, this fact should be identified and its impact calculated.

9. If the Program Manager's estimate is validated and found to be reasonable, the basis for reaching this conclusion must be presented to the CAIG.

10. A cost track in constant "base year" dollars will be shown between the Program Manager's preferred alternative estimate and the cost estimates approved at previous DSARCs with an explanation of major program changes. The same format as the cost track summary required in the IPS, Annex A (DoD Instruction 5000.2 (reference (c))), may be used.

11. Wherever possible, comparisons will be made on a constant dollar unit cost basis--flyaway, procurement unit, and program acquisition unit as defined in DoD Instruction 5000.33 (reference (g)). Procurement quantities will be identified on all presentations. Subsystem breakouts will be shown in a similar fashion.

12. A comparison will be made of the Program Manager's and the independent estimates for the preferred alternative to all approved Design-to-Cost goals and Decision Coordination Paper (DCP) cost thresholds.

13. O&S costs for each alternative will be compared with one or more existing, reference systems--preferably including the one to be replaced by the new weapon. The following will be addressed:

a. Potential significant force structure, employment, or maintenance changes that are not part of the approved program, regardless of the DoD Component's position on funding such changes.

b. Annual costs for the operational force and for a typical force unit (battalion, squadron) operating the system.

c. Major elements of O&S costs expressed in terms of their basic rates of consumption, such as, petroleum-oil-lubricants in gallons per operating time or distance, personnel end-strength by category and skill, spares consumption per operating hour, or depot cost per overhaul or operating hour.

14. A time-phased life cycle estimate for each alternative under consideration should be presented. Comparison of these numbers with the latest Five-Year Defense Program should be shown and differences explained. Comparison of these numbers with the DoD Component Program Objective Memoranda or Approved Program Decision Memoranda shall also be presented, if appropriate.

#### E. PROCEDURES FOR A CAIG PRESENTATION

1. The "For Comment" draft DCP and IPS provided to OSD 90 days prior to each DSARC will provide the latest cost data and funding profiles available at that time for each alternative. The final DCP and IPS, required to be provided to OSD 15 working days prior to each DSARC, will contain the cost data to be presented to the CAIG and the DSARC.

2. Thirty days prior to the CAIG meeting, the CAIG action officer will meet with the DoD Component representatives and agree on the agenda for the CAIG presentation.

3. The presentation of the DoD Component's independent cost analysis and program office estimates shall be made to the CAIG at least 15 working days prior to all DSARCs unless specifically waived by the CAIG Chair. Copies of the briefing charts, the briefing text (if one is used) and a summary report of the estimates shall be made available at the time of the presentation to the CAIG. At least 20 working days prior to the DSARC, the DoD Component shall provide the CAIG, on an informal basis, two copies of the information and analysis that will be used as the basis for the CAIG briefing.

4. The specific assumptions and calculations used to derive the independent and the Program Manager's cost estimate for each alternative are to be made available to the CAIG. The price escalation indices, such as, annual outlay rates, and weighted total obligational authority rates starting with the base year, shall also be provided. This information is desired as much in advance of the CAIG meeting as possible and in no event shall it be provided later than the time of the CAIG meeting.

5. The DoD Component's organization staffs preparing the cost analyses shall maintain a close liaison with the CAIG staff during the review process to ensure full understanding of the DoD Component estimates.

6. The CAIG final report to the DSARC will be made available to the appropriate DoD Components at the time it is sent to the DSARC. The CAIG staff will be available to fully discuss its analysis and conclusions at that time.



March 19, 1980  
NUMBER 5000.1

USDRE

## Department of Defense Directive

SUBJECT: Major System Acquisitions

- References:
- (a) DoD Directive 5000.1, "Major System Acquisitions," January 18, 1977 (hereby canceled)
  - (b) DoD Directive 5000.2, "Major System Acquisition Process," January 18, 1977 (hereby canceled)
  - (c) DoD Directive 5000.30, "Defense Acquisition Executive," August 20, 1976 (hereby canceled)
  - (d) through (g), see enclosure 1

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a), cancels references (b) and (c), and updates the statement of acquisition policy for major systems within the Department of Defense. This Directive also implements the concepts and provisions of Office of Management and Budget (OMB) Circular A-109 (enclosure 2).

### B. APPLICABILITY

The provisions of this Directive apply to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), and the Defense Agencies. As used in this Directive, the term "DoD Components" refers to the Military Departments and the Defense Agencies.

### C. OBJECTIVES

Each DoD official who has direct or indirect responsibility for the acquisition process shall be guided by the objectives of OMB Circular A-109 (enclosure 2) and shall make every effort to:

1. Ensure that an effective and efficient acquisition strategy is developed and tailored for each system acquisition program.
2. Minimize the time from need identification to introduction of each system into operational use, including minimizing time gaps between program phases.
3. Achieve the most cost-effective balance between acquisition and ownership costs and system effectiveness.
4. Correlate individual program decisions with the Planning, Programming, and Budgeting System (PPBS).

5. Maximize collaboration with United States allies.

6. Integrate support, manpower, and related concerns into the acquisition process.

D. POLICY

1. General. The provisions of this Directive and OMB Circular A-109 (enclosure 2) apply to the acquisition of major systems within the Department of Defense. The principles in this Directive should also be applied, where appropriate, to the acquisition of systems not designated as major. Responsibility for the management of system acquisition programs shall be decentralized to DoD Components except for the decisions retained by the Secretary of Defense.

2. Specific

a. Analysis of Mission Areas. As part of the routine planning for accomplishment of assigned missions, DoD Components shall conduct continuing analyses of their mission areas to identify deficiencies in capability or more effective means of performing assigned tasks. During these ongoing analyses, a deficiency or opportunity may be identified that could lead to initiation of a major system acquisition program.

b. Alternatives to New System Development. A system acquisition may result from an identified deficiency in an existing system, a decision to establish new capabilities in response to a technologically feasible opportunity, a significant opportunity to reduce the DoD cost of ownership, or in response to a new emphasis in defense. Development of a new system may be undertaken after assessment of alternative system concepts including:

(1) Change in United States or North Atlantic Treaty Organization (NATO) tactical or strategic doctrine.

(2) Use of existing military or commercial systems.

(3) Modification or product improvement of existing systems.

c. Designation of Major Systems. The Secretary of Defense shall designate those systems to be managed as major systems. Normally, this shall be done at the time the Mission Element Need Statement (MENS) is approved by the Secretary of Defense. In addition to the criteria set forth in OMB Circular A-109 (enclosure 2), the decision to designate any system as major may be based upon:

(1) Development risk, urgency of need, or other items of interest to the Secretary of Defense.

DSARC PROCESS

THIS SECTION CONTAINS THE DOD DIRECTIVES AND INSTRUCTIONS ON THE:

- (A) MAJOR SYSTEMS ACQUISITIONS
- (B) MAJOR SYSTEMS ACQUISITION PROCEDURES
- (C) OSD COST ANALYSIS IMPROVEMENT GROUP

IT EXPLAINS THE RESPONSIBILITIES, ORGANIZATION AND MEMBERSHIP OF THE DSARC AND THE CAIG.

(2) Joint acquisition of a system by the Department of Defense and representatives of another nation or by two or more DoD Components.

(3) The estimated requirement for the system's research, development, test and evaluation (RDT&E), and procurement funds.

(4) The estimated requirement for manpower to operate, maintain and support the system in the field.

(5) Congressional interest.

d. Affordability. Affordability shall be considered at every milestone. At Milestone 0, the order of magnitude of resources the DoD Component is willing to commit and the relative priority of the program to satisfy the need identified will be reconciled with overall capabilities, priorities, and resources. A program normally shall not proceed into Concept Exploration unless sufficient resources are or can be programmed for Phase 0. Approval to proceed into the Demonstration and Validation phase shall be dependent on DoD Component assurance that it plans to acquire and operate the system and that sufficient RDT&E resources are available or can be programmed to complete development. Approval to proceed into the Full-Scale Development phase shall be dependent on DoD Component assurance that resources are available or can be programmed to complete development and acquisition and to operate and support the deployed system in the manner prescribed by the Secretary of Defense. This assurance will be reaffirmed by the DoD Component prior to receiving approval to proceed into the Production and Deployment phase. Affordability, a function of cost, priority, and availability of fiscal and manpower resources, shall be established and reviewed in the context of the PPBS process. Specific facets of affordability to be reviewed at milestone decision points are set forth in DoD Instruction 5000.2 (reference (d)).

e. Acquisition Time. A primary objective of management shall be to minimize the time it takes to acquire materiel and facilities to satisfy military needs. Particular emphasis shall be placed on minimizing the time from a commitment to acquire an operable and supportable system to deploying it with the operating force. Commensurate with risk, such approaches as developing separate alternatives in high-risk areas, experimental prototypings of critical components, combining phases, or omitting phases should be explored. In those cases where combining or omitting phases are appropriate, authority shall be requested from the Secretary of Defense.

f. Tailoring. OSD and DoD Components shall exercise judgment and flexibility to encourage maximum tailoring in the acquisition process, as described in OMB Circular A-109 (enclosure 2), this Directive, and DoD Instruction 5000.2 (reference (d)), while stimulating a competitive environment. Tailoring of the acquisition process shall be documented in the MENS or the Decision Coordinating Paper. Approval of such tailoring shall be included in the Secretary of Defense Decision Memorandum.

g. Standardization and Interoperability

(1) Equipment procured for the use of personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or at least be interoperable with equipment of other members of NATO. Accordingly, NATO rationalization, standardization, and interoperability (RSI) shall be basic considerations in acquisition of systems having a partial or total application to Europe. Refer to DoD Directive 2010.6 (reference (e)).

(2) Acquisition of equipment satisfying DoD Component needs should also include consideration of intraservice and interservice standardization and interoperability requirements.

h. Logistic Supportability. Logistic supportability shall be a design requirement as important as cost, schedule, and performance. A continuous interface between the program management office and the manpower and logistics communities shall be maintained throughout the acquisition process.

i. Directed Decisions by Higher Authority. When a line official above the program manager exercises decision authority on program matters, the decision shall be documented as official program direction to the program manager. The line official shall be held accountable for the decision.

3. Milestone Decisions and Phases of Activity. Four milestone decisions and four phases of activity comprise the normal DoD acquisition process for major systems.

a. Milestone 0 Decision. Approval of MENS and authorization to proceed into Phase 0--Concept Exploration--which includes solicitation, evaluation and competitive exploration of alternative system concepts. Approval to proceed with Concept Exploration also means that the Secretary of Defense intends to satisfy the need.

b. Milestone I Decision. Selection of alternatives and authorization to proceed into Phase I--Demonstration and Validation.

c. Milestone II Decision. Selection of alternative(s) and authorization to proceed into Phase II--Full-Scale Development--which includes limited production for operational test and evaluation. Approval to proceed with Full-Scale Development also means that the Secretary of Defense intends to deploy the system.

d. Milestone III Decision. Authorization to proceed into Phase III--Production and Deployment.

4. Documentation for Milestone Decisions

a. Milestone 0

Mission Element Need Statement (MENS). Each major system acquisition program requires a MENS approved by the Secretary of Defense. DoD Components shall prepare MENS to document major deficiencies in their ability to meet mission requirements. Joint MENS shall be prepared to document major deficiencies in two or more DoD Components. OSD and the OJCS may also prepare MENS in response to perceived mission area deficiencies. These MENS shall recommend a lead DoD Component to the Secretary of Defense. The MENS, as described in enclosure 2 to DoD Instruction 5000.2 (reference (d)), shall be limited to five pages, including annexes.

b. Milestones I, II, and III

(1) Decision Coordinating Paper (DCP). The DCP provides basic documentation for use by Defense Systems Acquisition Review Council (DSARC) members in arriving at a recommendation for the Secretary of Defense. It includes: a program description, revalidation of the mission need, goals and thresholds, a summary of the DoD Component's acquisition strategy (including a description of and tailoring of standard procedures), system and program alternatives, and issues affecting the decision. The DCP, as described in enclosure 3 to DoD Instruction 5000.2 (reference (d)), shall be limited to 10 pages, including annexes.

(2) Integrated Program Summary (IPS). The IPS summarizes the DoD Component's acquisition planning for the system's life-cycle and provides a management overview of the program. The IPS, as described in enclosure 4 to DoD Instruction 5000.2 (reference (d)), shall be limited to 60 pages, including all annexes except Annex B, Resources - Funding Profile.

(3) Milestone Reference File (MRF). The MRF shall be temporarily established within OSD to provide a central repository for existing program documentation and references for referral during each milestone review.

c. Milestones 0, I, II, and III

Secretary of Defense Decision Memorandum (SDDM). The SDDM documents each milestone decision, establishes program goals and thresholds, reaffirms established needs and program objectives, authorizes exceptions to acquisition policy (when appropriate), and provides the direction and guidance to OSD, OJCS, and the DoD Component for the next phase of acquisition.

## E. RESPONSIBILITIES

1. The Defense Systems Acquisition Review Council (DSARC) shall advise the Secretary of Defense on milestone decisions for major systems and such other acquisition issues as the Defense Acquisition Executive determines to be necessary.

2. The Defense Acquisition Executive (DAE)

a. The DAE shall:

(1) Be the principal advisor and staff assistant to the Secretary of Defense for the acquisition of defense systems and equipment.

(2) Be designated by the Secretary of Defense and shall serve as the permanent member and Chairman of the DSARC.

(3) In coordination with the other permanent members of the DSARC:

(a) Integrate and unify the management process, policies, and procedures for defense system acquisition.

(b) Monitor DoD Component compliance with the policies and practices in OMB Circular A-109 (enclosure 2), this Directive, and DoD Instruction 5000.2 (reference (d)).

(c) Ensure that the requirements and viewpoints of the functional areas are given full consideration during staff and DSARC deliberations, and are integrated in the recommendations sent to the Secretary of Defense.

(d) Ensure consistency in applying the policies regarding NATO RSI for all major systems.

b. The DAE is specifically delegated authority to:

(1) Designate action officers who shall be responsible for the processing of the milestone documentation and who shall monitor the status of major systems in all phases of the acquisition process.

(2) Issue instructions and one-time, Directive-type memoranda in accordance with DoD Directive 5025.1 (reference (f)).

(3) Obtain such reports and information, consistent with the provisions of DoD Directive 5000.19 (reference (g)), as may be necessary in the performance of assigned functions.

3. The Under Secretary of Defense for Policy (USDP) shall be a permanent member of the DSARC. On occasion, the USDP may designate a representative to attend a given DSARC meeting.

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4. The Under Secretary of Defense Research and Engineering (USDRE) is a permanent member of the DSARC and shall be responsible for policy and review of all research, engineering development, technology, test and evaluation, contracting, and production of systems covered by this Directive. On occasion, the USDRE may designate a representative to attend a given DSARC meeting. In addition, the USDRE shall:

a. Monitor, in conjunction with the Assistant Secretary of Defense (Program Analysis and Evaluation) (ASD(PA&E)), DoD Component procedures for analysis of mission areas.

b. Coordinate review of MENS provided by DoD Components.

c. Coordinate, together with Assistant Secretary of Defense (Comptroller) and ASD(PA&E), the interface of the acquisition process with the PPBS.

5. The Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) (ASD(MRA&L)) is a permanent member of the DSARC and shall be responsible for policy on logistic, energy, environment, safety, and manpower planning for new systems and for ensuring that logistic planning is consistent with system hardware parameters, logistic policies, and readiness objectives.

6. The Assistant Secretary of Defense (Comptroller) (ASD(C)) is a permanent member of the DSARC and shall coordinate, together with USDRE and ASD(PA&E), the interface of the acquisition process with the PPBS.

7. The Assistant Secretary of Defense (Program Analysis and Evaluation) (ASD(PA&E)) is a permanent member of the DSARC and shall:

a. Monitor, in conjunction with USDRE, DoD Component procedures for analysis of mission areas.

b. Evaluate cost-effectiveness studies prepared in support of milestone decisions for major system acquisition.

c. Coordinate, together with USDRE and ASD(C), the interface of the acquisition process with the PPBS.

8. The Chairman, Joint Chiefs of Staff (CJCS), or a representative designated by CJCS shall be a permanent member of the DSARC.

9. The principal advisors to the DSARC are listed in DoD Instruction 5000.2 (reference (d)).

10. The Head of Each DoD Component shall manage each major system acquisition assigned by the Secretary of Defense and shall establish clear lines of authority, responsibility, and accountability.

DoD Component Heads shall also:

- a. Appoint a DoD Component acquisition executive to serve as the principal advisor and staff assistant to the Head of the DoD Component.
- b. Establish a System Acquisition Review Council.
- c. Ensure that a program manager is assigned and that a program manager's charter is approved as soon as feasible after Milestone O.
- d. Establish career incentives to attract, retain, motivate and reward competent program managers.
- e. Provide a program manager the necessary assistance to establish a strong program office with clearly established lines of authority and reporting channels between the program manager and the Head of the DoD Component. Where functional organizations exist to assist the program manager, the relationship of the functional areas to the program manager shall be established.
- f. Monitor major system acquisitions to assure compliance with OMB Circular A-109 (enclosure 2), this Directive, and DoD Instruction 5000.2 (reference (d)).

11. The Program Manager shall acquire and field, in accordance with instructions from line authority, a cost-effective solution to the approved mission need that can be acquired, operated, and supported within the resources projected in the SDDM.

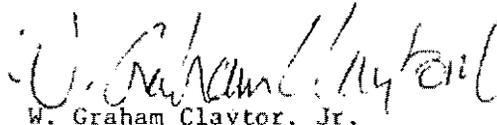
#### F. ORDER OF PRECEDENCE

This Directive and DoD Instruction 5000.2 (reference (d)) are first and second in order of precedence for major system acquisitions except where statutory requirements override. All DoD issuances shall be reviewed for conformity with this Directive or DoD Instruction 5000.2 (reference (d)) and shall be changed or canceled, as appropriate. Conflicts remaining after 90 days from issuance of this Directive shall be brought to the attention of the originating office and the DAE.

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G. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward one copy of implementing documents to the Under Secretary of Defense for Research and Engineering within 120 days.



W. Graham Claytor, Jr.  
Deputy Secretary of Defense

Enclosures - 2

1. References
2. OMB Circular A-109, "Major System Acquisitions," April 5, 1976

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REFERENCES, continued

- (d) DoD Instruction 5000.2, "Major System Acquisition Procedures,"  
March 19, 1980
- (e) DoD Directive 2010.6, "Standardization and Interoperability of  
Weapons Systems and Equipment within the North Atlantic Treaty  
Organization," March 5, 1980
- (f) DoD Directive 5025.1, "Department of Defense Directives System,"  
November 18, 1977
- (g) DoD Directive 5000.19, "Policies for the Management and Control of  
Information Requirements," March 12, 1976



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

Mar 19, 80  
5000.1 (Encl 2)

April 5, 1976

CIRCULAR NO. A-109

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Major System Acquisitions

1. Purpose. This Circular establishes policies, to be followed by executive branch agencies in the acquisition of major systems.

2. Background. The acquisition of major systems by the Federal Government constitutes one of the most crucial and expensive activities performed to meet national needs. Its impact is critical on technology, on the Nation's economic and fiscal policies, and on the accomplishment of Government agency missions in such fields as defense, space, energy and transportation. For a number of years, there has been deep concern over the effectiveness of the management of major system acquisitions. The report of the Commission on Government Procurement recommended basic changes to improve the process of acquiring major systems. This Circular is based on executive branch consideration of the Commission's recommendations.

3. Responsibility. Each agency head has the responsibility to ensure that the provisions of this Circular are followed. This Circular provides administrative direction to heads of agencies and does not establish and shall not be construed to create any substantive or procedural basis for any person to challenge any agency action or inaction on the basis that such action was not in accordance with this Circular.

4. Coverage. This Circular covers and applies to:

a. Management of the acquisition of major systems, including: ° Analysis of agency missions ° Determination of mission needs ° Setting of program objectives ° Determination of system requirements ° System program planning ° Budgeting ° Funding ° Research ° Engineering ° Development ° Testing and evaluation ° Contracting ° Production ° Program and management control ° Introduction.

(No. A-109)

of the system into use or otherwise successful achievement of program objectives.

b. All programs for the acquisition of major systems even though:

(1) The system is one-of-a-kind.

(2) The agency's involvement in the system is limited to the development of demonstration hardware for optional use by the private sector rather than for the agency's own use.

5. Definitions. As used in this Circular:

a. Executive agency (hereinafter referred to as agency) means an executive department, and an independent establishment within the meaning of sections 101 and 104(1), respectively, of Title 5, United States Code.

b. Agency component means a major organizational subdivision of an agency. For example: The Army, Navy, Air Force, and Defense Supply Agency are agency components of the Department of Defense. The Federal Aviation Administration, Urban Mass Transportation Administration, and the Federal Highway Administration are agency components of the Department of Transportation.

c. Agency missions means those responsibilities for meeting national needs assigned to a specific agency.

d. Mission need means a required capability within an agency's overall purpose, including cost and schedule considerations.

e. Program objectives means the capability, cost and schedule goals being sought by the system acquisition program in response to a mission need.

f. Program means an organized set of activities directed toward a common purpose, objective, or goal undertaken or proposed by an agency in order to carry out responsibilities assigned to it.

g. System design concept means an idea expressed in terms of general performance, capabilities, and characteristics of hardware and software oriented either to

operate or to be operated as an integrated whole in meeting a mission need.

h. Major system means that combination of elements that will function together to produce the capabilities required to fulfill a mission need. The elements may include, for example, hardware, equipment, software, construction, or other improvements or real property. Major system acquisition programs are those programs that (1) are directed at and critical to fulfilling an agency mission, (2) entail the allocation of relatively large resources, and (3) warrant special management attention. Additional criteria and relative dollar thresholds for the determination of agency programs to be considered major systems under the purview of this Circular, may be established at the discretion of the agency head.

i. System acquisition process means the sequence of acquisition activities starting from the agency's reconciliation of its mission needs, with its capabilities, priorities and resources, and extending through the introduction of a system into operational use or the otherwise successful achievement of program objectives.

j. Life cycle cost means the sum total of the direct, indirect, recurring, nonrecurring, and other related costs incurred, or estimated to be incurred, in the design, development, production, operation, maintenance and support of a major system over its anticipated useful life span.

6. General policy. The policies of this Circular are designed to assure the effectiveness and efficiency of the process of acquiring major systems. They are based on the general policy that Federal agencies, when acquiring major systems, will:

a. Express needs and program objectives in mission terms and not equipment terms to encourage innovation and competition in creating, exploring, and developing alternative system design concepts.

b. Place emphasis on the initial activities of the system acquisition process to allow competitive exploration of alternative system design concepts in response to mission needs.

c. Communicate with Congress early in the system acquisition process by relating major system acquisition programs to agency mission needs. This communication should follow the requirements of Office of Management and Budget (OMB) Circular No. A-10 concerning information related to budget estimates and related materials.

d. Establish clear lines of authority, responsibility, and accountability for management of major system acquisition programs. Utilize appropriate managerial levels in decisionmaking, and obtain agency head approval at key decision points in the evolution of each acquisition program.

e. Designate a focal point responsible for integrating and unifying the system acquisition management process and monitoring policy implementation.

f. Rely on private industry in accordance with the policy established by OMB Circular No. A-76.

7. Major system acquisition management objectives. Each agency acquiring major systems should:

a. Ensure that each major system: Fulfills a mission need. Operates effectively in its intended environment. Demonstrates a level of performance and reliability that justifies the allocation of the Nation's limited resources for its acquisition and ownership.

b. Depend on, whenever economically beneficial, competition between similar or differing system design concepts throughout the entire acquisition process.

c. Ensure appropriate trade-off among investment costs, ownership costs, schedules, and performance characteristics.

d. Provide strong checks and balances by ensuring adequate system test and evaluation. Conduct such tests and evaluation independent, where practicable, of developer and user.

e. Accomplish system acquisition planning, built on analysis of agency missions, which implies appropriate resource allocation resulting from clear articulation of agency mission needs.

f. Tailor an acquisition strategy for each program, as soon as the agency decides to solicit alternative system design concepts, that could lead to the acquisition of a new major system and refine the strategy as the program proceeds through the acquisition process. Encompass test and evaluation criteria and business management considerations in the strategy. The strategy could typically include: ° Use of the contracting process as an important tool in the acquisition program ° Scheduling of essential elements of the acquisition process ° Demonstration, test, and evaluation criteria ° Content of solicitations for proposals ° Decisions on whom to solicit ° Methods for obtaining and sustaining competition ° Guidelines for the evaluation and acceptance or rejection of proposals ° Goals for design-to-cost ° Methods for projecting life cycle costs ° Use of data rights ° Use of warranties ° Methods for analyzing and evaluating contractor and Government risks ° Need for developing contractor incentives ° Selection of the type of contract best suited for each stage in the acquisition process ° Administration of contracts.

g. Maintain a capability to: ° Predict, review, assess, negotiate and monitor costs for system development, engineering, design, demonstration, test, production, operation and support (i.e., life cycle costs) ° Assess acquisition cost, schedule and performance experience against predictions, and provide such assessments for consideration by the agency head at key decision points ° Make new assessments where significant costs, schedule or performance variances occur ° Estimate life cycle costs during system design concept evaluation and selection, full-scale development, facility conversion, and production, to ensure appropriate trade-offs among investment costs, ownership costs, schedules, and performance ° Use independent cost estimates, where feasible, for comparison purposes.

#### 8. Management structure.

a. The head of each agency that acquires major systems will designate an acquisition executive to integrate and unify the management process for the agency's major system acquisitions and to monitor implementation of the policies and practices set forth in this Circular.

b. Each agency that acquires--or is responsible for activities leading to the acquisition of--major systems will

establish clear lines of authority, responsibility, and accountability for management of its major system acquisition programs.

c. Each agency should preclude management layering and placing nonessential reporting procedures and paperwork requirements on program managers and contractors.

d. A program manager will be designated for each of the agency's major system acquisition programs. This designation should be made when a decision is made to fulfill a mission need by pursuing alternative system design concepts. It is essential that the program manager have an understanding of user needs and constraints, familiarity with development principles, and requisite management skills and experience. Ideally, management skills and experience would include: ° Research and development ° Operations ° Engineering ° Construction ° Testing ° Contracting ° Prototyping and fabrication of complex systems ° Production ° Business ° Budgeting ° Finance. With satisfactory performance, the tenure of the program manager should be long enough to provide continuity and personal accountability.

e. Upon designation, the program manager should be given budget guidance and a written charter of his authority, responsibility, and accountability for accomplishing approved program objectives.

f. Agency technical management and Government laboratories should be considered for participation in agency mission analysis, evaluation of alternative system design concepts, and support of all development, test, and evaluation efforts.

g. Agencies are encouraged to work with each other to foster technology transfer, prevent unwarranted duplication of technological efforts, reduce system costs, promote standardization, and help create and maintain a competitive environment for an acquisition.

9. Key decisions. Technical and program decisions normally will be made at the level of the agency component or operating activity. However, the following four key decision points should be retained and made by the agency head:

a. Identification and definition of a specific mission need to be fulfilled, the relative priority assigned within the agency, and the general magnitude of resources that may be invested.

b. Selection of competitive system design concepts to be advanced to a test/demonstration phase or authorization to proceed with the development of a noncompetitive (single concept) system.

c. Commitment of a system to full-scale development and limited production.

d. Commitment of a system to full production.

10. Determination of mission needs.

a. Determination of mission need should be based on an analysis of an agency's mission reconciled with overall capabilities, priorities and resources. When analysis of an agency's mission shows that a need for a new major system exists, such a need should not be defined in equipment terms, but should be defined in terms of the mission, purpose, capability, agency components involved, schedule and cost objectives, and operating constraints. A mission need may result from a deficiency in existing agency capabilities or the decision to establish new capabilities in response to a technologically feasible opportunity. Mission needs are independent of any particular system or technological solution.

b. Where an agency has more than one component involved, the agency will assign the roles and responsibilities of each component at the time of the first key decision. The agency may permit two or more agency components to sponsor competitive system design concepts in order to foster innovation and competition.

c. Agencies should, as required to satisfy mission responsibilities, contribute to the technology base, effectively utilizing both the private sector and Government laboratories and in-house technical centers, by conducting, supporting, or sponsoring: ° Research ° System design concept studies ° Proof of concept work ° Exploratory subsystem development ° Tests and evaluations. Applied technology efforts oriented to system developments should be performed in response to approved mission needs.

## 11. Alternative systems.

a. Alternative system design concepts will be explored within the context of the agency's mission need and program objectives--with emphasis on generating innovation and conceptual competition from industry. Benefits to be derived should be optimized by competitive exploration of alternative system design concepts, and trade-offs of capability, schedule, and cost. Care should be exercised during the initial steps of the acquisition process not to conform mission needs or program objectives to any known systems or products that might foreclose consideration of alternatives.

b. Alternative system design concepts will be solicited from a broad base of qualified firms. In order to achieve the most preferred system solution, emphasis will be placed on innovation and competition. To this end, participation of smaller and newer businesses should be encouraged. Concepts will be primarily solicited from private industry; and when beneficial to the Government, foreign technology, and equipment may be considered.

c. Federal laboratories, federally funded research and development centers, educational institutions, and other not-for-profit organizations may also be considered as sources for competitive system design concepts. Ideas, concepts, or technology, developed by Government laboratories or at Government expense, may be made available to private industry through the procurement process or through other established procedures. Industry proposals may be made on the basis of these ideas, concepts, and technology or on the basis of feasible alternatives which the proposer considers superior.

d. Research and development efforts should emphasize early competitive exploration of alternatives, as relatively inexpensive insurance against premature or preordained choice of a system that may prove to be either more costly or less effective.

e. Requests for alternative system design concept proposals will explain the mission need, schedule, cost, capability objectives, and operating constraints. Each offeror will be free to propose his own technical approach, main design features, subsystems, and alternatives to schedule, cost, and capability goals. In the conceptual and

less than full-scale development stages, contractors should not be restricted by detailed Government specifications and standards.

f. Selections from competing system design concept proposals will be based on a review by a team of experts, preferably from inside and outside the responsible component development organization. Such a review will consider: (1) Proposed system functional and performance capabilities to meet mission needs and program objectives, including resources required and benefits to be derived by trade-offs, where feasible, among technical performance, acquisition costs, ownership costs, time to develop and procure; and (2) The relevant accomplishment record of competitors.

g. During the uncertain period of identifying and exploring alternative system design concepts, contracts covering relatively short time periods at planned dollar levels will be used. Timely technical reviews of alternative system design concepts will be made to effect the orderly elimination of those least attractive.

h. Contractors should be provided with operational test conditions, mission performance criteria, and life cycle cost factors that will be used by the agency in the evaluation and selection of the system(s) for full-scale development and production.

i. The participating contractors should be provided with relevant operational and support experience through the program manager, as necessary, in developing performance and other requirements for each alternative system design concept as tests and trade-offs are made.

j. Development of subsystems that are intended to be included in a major system acquisition program will be restricted to less than fully designed hardware (full-scale development) until the subsystem is identified as a part of a system candidate for full-scale development. Exceptions may be authorized by the agency head if the subsystems are long lead time items that fulfill a recognized generic need or if they have a high potential for common use among several existing or future systems.

## 12. Demonstrations.

a. Advancement to a competitive test/demonstration phase may be approved when the agency's mission need and program objectives are reaffirmed and when alternative system design concepts are selected.

b. Major system acquisition programs will be structured and resources planned to demonstrate and evaluate competing alternative system design concepts that have been selected. Exceptions may be authorized by the agency head if demonstration is not feasible.

c. Development of a single system design concept that has not been competitively selected should be considered only if justified by factors such as urgency of need, or by the physical and financial impracticality of demonstrating alternatives. Proceeding with the development of a noncompetitive (single concept) system may be authorized by the agency head. Strong agency program management and technical direction should be used for systems that have been neither competitively selected nor demonstrated.

## 13. Full-scale development and production.

a. Full-scale development, including limited production, may be approved when the agency's mission need and program objectives are reaffirmed and competitive demonstration results verify that the chosen system design concept(s) is sound.

b. Full production may be approved when the agency's mission need and program objectives are reaffirmed and when system performance has been satisfactorily tested, independent of the agency development and user organizations, and evaluated in an environment that assures demonstration in expected operational conditions. Exceptions to independent testing may be authorized by the agency head under such circumstances as physical or financial impracticability or extreme urgency.

c. Selection of a system(s) and contractor(s) for full-scale development and production is to be made on the basis of (1) system performance measured against current mission need and program objectives, (2) an evaluation of estimated acquisition and ownership costs, and (3) such factors as

contractor(s) demonstrated management, financial, and technical capabilities to meet program objectives.

d. The program manager will monitor system tests and contractor progress in fulfilling system performance, cost, and schedule commitments. Significant actual or forecast variances will be brought to the attention of the appropriate management authority for corrective action.

14. Budgeting and financing. Beginning with FY 1979 all agencies will, as part of the budget process, present budgets in terms of agency missions in consonance with Section 201(i) of the Budget and Accounting Act, 1921, as added by Section 601 of the Congressional Budget Act of 1974, and in accordance with OMB Circular A-11. In so doing, the agencies are desired to separately identify research and development funding for: (1) The general technology base in support of the agency's overall missions, (2) The specific development efforts in support of alternative system design concepts to accomplish each mission need, and (3) Full-scale developments. Each agency should ensure that research and development is not undesirably duplicated across its missions.

15. Information to Congress.

a. Procedures for this purpose will be developed in conjunction with the Office of Management and Budget and the various committees of Congress having oversight responsibility for agency activities. Beginning with FY 1979 budget each agency will inform Congress in the normal budget process about agency missions, capabilities, deficiencies, and needs and objectives related to acquisition programs, in consonance with Section 601(i) of the Congressional Budget Act of 1974.

b. Disclosure of the basis for an agency decision to proceed with a single system design concept without competitive selection and demonstration will be made to the congressional authorization and appropriation committees.

16. Implementation. All agencies will work closely with the Office of Management and Budget in resolving all implementation problems.

17. Submissions to Office of Management and Budget. Agencies will submit the following to OMB:

(No. A-109)

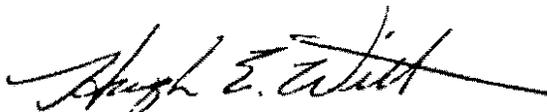
a. Policy directives, regulations, and guidelines as they are issued.

b. Within six months after the date of this Circular, a time-phased action plan for meeting the requirements of this Circular.

c. Periodically, the agency approved exceptions permitted under the provisions of this Circular.

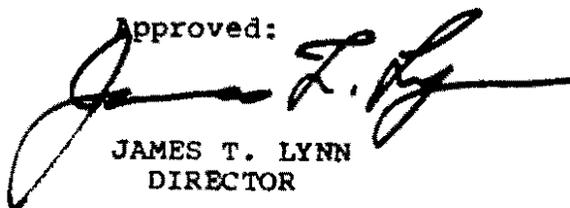
This information will be used by the OMB, in identifying major system acquisition trends and in monitoring implementations of this policy.

18. Inquiries. All questions or inquiries should be submitted to the OMB, Administrator for Federal Procurement Policy. Telephone number, area code, 202-395-4677.



HUGH E. WITT  
ADMINISTRATOR FOR  
FEDERAL PROCUREMENT POLICY

Approved:



JAMES T. LYNN  
DIRECTOR



March 19, 1980  
NUMBER 5000.2

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## Department of Defense Instruction USDRE

SUBJECT: Major System Acquisition Procedures

- References:
- (a) DoD Directive 5000.2, "Major System Acquisition Process," January 18, 1977 (canceled by reference (b))
  - (b) DoD Directive 5000.1 "Major System Acquisitions," March 19, 1980
  - (c) DoD Directive 5000.35, "Defense Acquisition Regulatory System," March 8, 1978
  - (d) through (u), see enclosure 1

### A. PURPOSE

This Instruction replaces DoD Directive 5000.2 (reference (a)) to provide revised supplementary procedures for Department of Defense use in implementation of reference (b).

### B. APPLICABILITY

The provisions of this Instruction apply to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), and the Defense Agencies. As used in this Instruction, the term "DoD Components" refers to the Military Departments and the Defense Agencies.

### C. PROCEDURES

1. Major System Designation. The Secretary of Defense shall designate certain acquisition programs as major systems. The Defense Acquisition Executive (DAE) may recommend candidate programs to the Secretary of Defense at any point in the acquisition process, but normally recommendations shall be made in conjunction with Mission Element Need Statement (MENS) approval. The DAE is authorized to withdraw the designation of "major systems" when changing circumstances dictate. The DAE shall advise the Secretary of Defense before such an action is taken.

2. Major System Listings. The Executive Secretary of the Defense Systems Acquisition Review Council (DSARC) shall, as the agent of the DAE, maintain and distribute a list of designated major systems. Additions and deletions to the list shall be disseminated when changes occur. The Executive Secretary, in conjunction with the Assistant Secretary of Defense (Comptroller) shall maintain a listing of programs for which Selected Acquisition Reports (SARs) are required.

### 3. Milestone 0 Documentation

#### a. Mission Element Need Statement (MENS)

(1) Purpose. A MENS is the document upon which the Milestone 0 decision is based. It identifies and defines: (a) a specific deficiency or opportunity within a mission area; (b) the relative priority of the deficiency within the mission area; (c) the Defense Intelligence Agency (DIA) validated threat forecast or other factor causing the deficiency; (d) the date when the system must be fielded to meet the threat; and (e) the general magnitude of acquisition resources that the DoD Component is willing to invest to correct the deficiency. A MENS is required for each acquisition, including system modifications and additional procurement of existing systems, which the DoD Component anticipates will cost in excess of \$100 million (FY 1980 dollars) in research, development, test and evaluation (RDT&E) funds or \$500 million (FY 1980 dollars) in procurement funds. A MENS is not required for programs, regardless of size, directed toward developing and maintaining a viable technology base.

(2) Scope. The deficiency or opportunity identified in a MENS should be defined as narrowly as possible to allow a reasonable probability of correcting the deficiency by acquiring a single system. Defining a broad architecture of systems to counter projected threats in a mission area is part of the ongoing analysis of mission areas rather than a part of a specific acquisition program. Though the scope of the deficiency identified in a MENS shall be narrowly defined, solutions to the problem shall not be specified. Alternative concepts and associated risks shall be evaluated in the Concept Exploration phase.

(3) Format. Enclosure 2 contains the format of a MENS along with explanatory information regarding its preparation.

#### (4) Processing

(a) DoD Components shall identify all new acquisition starts in the yearly submission of the Program Objective Memoranda (POM). These submissions shall identify those new acquisitions that are likely to exceed dollar thresholds specified above for a MENS. New system acquisitions exceeding the dollar thresholds specified above that have not previously had a MENS reviewed and approved must have a MENS submitted to the DAE no later than POM submission date. Review and approval of MENS before POM submission are encouraged.

(b) The DoD Component shall forward a draft MENS, along with a recommendation as to whether the program should be designated as a major system, to the DAE who shall solicit comments from the OSD staff, OJCS, the other Military Departments and the DIA.

1 When the DAE plans to recommend designation as a major system, comments on the MENS shall be provided to the DoD Component

within 20 workdays of receipt of the draft MENS. Upon receipt of OSD comments, the DoD Component shall revise the MENS and return it to the DAE within 20 workdays for approval action.

2 When the DAE does not recommend designation as a major system, the MENS shall be returned to the appropriate DoD Component or functional organization for milestone decision responsibility on the program.

b. Secretary of Defense Decision Memorandum (SDDM)

(1) When the DAE plans to recommend approval of the MENS and designation of a system as major, the action officer shall prepare a SDDM. The DAE shall forward the SDDM to the Secretary of Defense after formal coordination. The SDDM shall be coordinated with the DSARC permanent members and any advisors the DAE considers appropriate. The Milestone 0 SDDM shall also establish when the next milestone review shall occur.

(2) Upon approval of the MENS by a SDDM and designation of a system as major, the DoD Component may take necessary programing action to incorporate required resources into the Planning, Programing, and Budgeting System (PPBS). Programing action may be taken in parallel with preparation of the MENS. If the requirement is urgent, the MENS should be submitted with a request for reprograming action.

4. Defense Systems Acquisition Review Council (DSARC). The DSARC, acting as the top level DoD corporate body for system acquisition, shall provide advice and assistance to the Secretary of Defense. The following paragraphs set forth organizational and procedural elements of the DSARC process.

a. DSARC Permanent Members and Principal Advisors

(1) Permanent Members

- (a) Defense Acquisition Executive.
- (b) Under Secretary of Defense for Policy or a representative designated by the Under Secretary of Defense for Policy.
- (c) Under Secretary of Defense for Research and Engineering or a representative designated by the Under Secretary of Defense for Research and Engineering.
- (d) Assistant Secretary of Defense (Comptroller).
- (e) Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics).
- (f) Assistant Secretary of Defense (Program Analysis and Evaluation).

(g) Chairman, Joint Chiefs of Staff, or a representative designated by the Chairman, Joint Chiefs of Staff.

(2) Principal Advisors

(a) For communications, command, control, and intelligence (C<sup>3</sup>I) research, engineering, and program matters: Assistant Secretary of Defense (Communications, Command, Control, and Intelligence) (ASD(C<sup>3</sup>I)).

(b) For NATO affairs: Advisor to the Secretary of Defense and Deputy Secretary of Defense on NATO Affairs.

(c) For producibility and acquisition strategy matters: Deputy Under Secretary of Defense for Research and Engineering (Acquisition Policy).

(d) For program matters: Appropriate Deputy Under Secretary of Defense for Research and Engineering.

(e) For defense policy and related operational requirements matters: Appropriate Deputy Under Secretary of Defense Policy.

(f) For threat assessment and substantive intelligence matters: Director, DIA.

(g) For test and evaluation (T&E) matters: Director of Defense Test and Evaluation.

(h) For cost matters: Chairman of the Cost Analysis Improvement Group.

(i) For Logistics Support: Director, Weapons Support Improvement Group.

b. DSARC Reviews. The DAE is responsible for convening formal meetings to facilitate the decision process. Principal advisors shall not attend unless invited by the DAE. Formal DSARC reviews shall normally be held at Milestones I, II and III. In addition, any DoD Component head or DSARC member may request the Chair to schedule a meeting of the DSARC to consider significant issues at any point in the acquisition process for any major system. The Secretary of Defense may, upon the recommendation of the DAE, choose to make his decision and issue a SDDM without a formal council review. Dispensing with the formal review shall be considered by the DAE when the OSD staff review, preliminary to a scheduled review, indicates that there are no substantial issues that would require a DSARC meeting. In this case, the SDDM shall be prepared by the action officer and coordinated in accordance with subparagraph C.4.e.(4). before it is forwarded to the Secretary of Defense for his decision.

c. Milestone Review Process

(1) Milestone Planning Meeting. A planning meeting shall be scheduled by the Executive Secretary and chaired by the action officer six months in advance of each DSARC meeting. The purpose of the Milestone Planning Meeting is to identify the system and program alternatives and the issues and items to be emphasized in the Decision Coordinating Paper (DCP) and the Integrated Program Summary (IPS). DSARC members, DSARC advisors, DoD Components, and the program manager shall be represented at the meeting. After the meeting, the action officer shall prepare a memorandum recording the issues and responsibilities and distribute it to DoD Components, DSARC members, and DSARC principal advisors.

(2) For Comment DCP and IPS. The For Comment DCP and the IPS shall be submitted together by the DoD Component to the DAE three months before to a DSARC meeting. The action officer shall ensure that copies are made available to DSARC members and advisors and to their staffs for review and discussion with the DoD Components. The action officer shall prepare and transmit formal comments to the DoD Component two months in advance of the scheduled DSARC meeting. Every effort shall be made to resolve major issues before the DSARC meeting.

(3) Final DCP and IPS Update. A Final DCP and an update to the IPS shall be submitted by the DoD Component to the Secretary of Defense through the DAE 15 workdays before a scheduled DSARC meeting. The action officer shall provide copies of the Final DCP and the update to the IPS to each DSARC member and advisor.

(4) Pre-Brief Meeting. The position of each DSARC member and advisor on the DCP shall be determined by their staff representatives in time to prepare a presentation to be given to the DAE at the Pre-Brief Meeting. Attendees at the Pre-Brief Meeting shall be prepared to discuss the DCP and to provide specific program recommendations. Following the Pre-Brief Meeting, the action officer shall prepare a recommended position paper and provide copies to the members and principal advisors to the DSARC so that final action can be taken at the executive session after the formal DSARC meeting. Members and principal advisors who have dissenting positions shall be prepared to submit them at the executive session for final resolution.

(5) Post DSARC Action. Within five workdays following the DSARC meeting, the DAE shall submit the SDDM, together with any dissenting positions, to the Secretary of Defense. Normally, the SDDM shall be issued to the DoD Component within 15 workdays following the DSARC meeting.

d. Milestone Planning Schedule

Event	Schedule in Relation to Date of DSARC Meeting
Milestone Planning Meeting	- 6 months
For Comment DCP and IPS	- 3 months
DCP Comments to DoD Components	- 2 months
Final DCP and Update to IPS	- 15 workdays
OSD Cost Analysis Improvement Group (CAIG) Briefing	- 15 workdays
OSD Test and Evaluation (T&E) Briefing	- 15 workdays
OSD Manpower and Logistics Analysis (M&LA) Briefing	- 15 workdays
DIA Report to DSARC Chair	- 10 workdays
DSARC Chair's Pre-Brief Meeting (OSD Staff Only)	- 5 workdays
CAIG Report	- 3 workdays
T&E Report	- 3 workdays
M&LA Report	- 3 workdays
DSARC Meeting	0
SDDM issued to DoD Component	+ 15 workdays

e. Milestone I, II and III Documentation

(1) Decision Coordinating Paper (DCP). The DCP provides the primary documentation for use by the DSARC in arriving at the milestone recommendation. It summarizes the program and the acquisition strategy, the alternatives considered, and the issues. The format of the DCP is in enclosure 3. Notwithstanding any other DoD issuance, additional requirements for information in the DCP shall be issued only by the DAE.

(2) Integrated Program Summary. The IPS summarizes the implementation plan of the DoD Component for the life cycle of the system. The IPS provides information for a management overview of the entire

program. The format of the IPS is in enclosure 4. Notwithstanding any other DoD issuance, additional requirements for information in the IPS shall be issued only by the DAE.

(3) Milestone Reference File (MRF). A MRF shall be established at each milestone to provide a central location for existing program documentation referenced in the DCP and IPS. This working file shall be provided by the DoD Component to the DSARC Executive Secretary at the time the For Comment DCP and IPS are submitted. It shall be used by DoD personnel who need more detailed information.

(4) Secretary of Defense Decision Memorandum (SDDM)

(a) The SDDM documents the Secretary of Defense's milestone decision including approval of goals and thresholds for cost, schedule, performance, and supportability, exceptions to the acquisition process, and other appropriate direction. Before forwarding the SDDM to the DAE, the action officer shall obtain coordination from the DSARC permanent members and such advisors as the DAE considers appropriate for the action. The DAE shall forward the SDDM to the Secretary of Defense for signature.

(b) The action officer shall prepare and coordinate a SDDM to reflect revised thresholds and updated program direction resulting from threshold breaches or projected breaches reported by the DoD Component. The action officer shall also prepare and coordinate a SDDM when programing or budgeting decisions (including congressional direction) affect thresholds or program direction contained in the previous SDDM. This shall be done within 40 workdays after submission of the Presidential Budget to Congress. In the case of congressional direction, the SDDM shall be prepared and coordinated 40 workdays after the legislation is enacted.

f. DSARC Executive Secretary. The DAE shall designate a permanent Executive Secretary who shall administer and coordinate the DSARC process and:

- (1) Maintain and distribute periodic status reports.
- (2) Make administrative arrangements for Milestone Planning Meetings, Pre-Brief Meetings, and DSARC meetings.
- (3) Assemble and distribute necessary documentation.
- (4) Maintain a central reference file for current DCPs, IPSs, and SDDMs.
- (5) Hold the MRF until a SDDM is issued.
- (6) Control attendance at Pre-Brief Meetings and DSARC meetings.

g. Action Officers. The action officer appointed by the DAE for each major system is the lead OSD staff person in the DSARC process and must coordinate both OSD issues and DoD Component positions. Action

officers may be appointed from any OSD functional organization. For example, they may be from the Office of the Under Secretary of Defense for research and Engineering for systems involving research, development, and production, from the Office of the Assistant Secretary of Defense (Comptroller) for general purpose ADP systems, or from the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) for military construction that is designated as a major system. They shall:

- (1) Conduct the Milestone Planning Meeting for assigned major systems.
- (2) Process the DCP and IPS in accordance with this Instruction.
- (3) Present the DSARC Chair's Pre-Brief Meeting.
- (4) Monitor the milestone planning schedule.
- (5) Draft, coordinate, and obtain approval of all SDDMs including those necessitated by PPBS or congressional action.

#### D. DEFENSE ACQUISITION REGULATORY SYSTEM (DARS)

DoD directives, regulations, and instructions that relate to the acquisition process are part of the DARS as stipulated by DoD Directive 5000.35 (reference (c)). The object of this system is to provide detailed functional regulations required to govern DoD acquisition of materials, supplies, and equipment. Program managers shall tailor their programs to DoD issuances that are part of DARS. Principal issuances that relate to major system acquisitions are listed in enclosure 5.

#### E. ACQUISITION PLANNING

Special attention in the development of acquisition planning shall be given to the following matters.

1. Mission Analysis. Mission analysis is any assessment of current or projected U.S. military capability to perform assigned missions. Mission analysis shall normally evaluate the interplay of threat, capability, operations concepts, survivability, and other factors such as environmental conditions which bear on the missions of the various Components of the Department of Defense. The primary objective of mission analysis is the identification of deficiencies, so that appropriate corrective action can be initiated. The scope may vary from a very narrow subject, such as the survivability of a Minuteman silo attacked by a single reentry vehicle, to a very broad subject, such as the ability of the United States to maintain overall strategic deterrence.

2. Operational Requirements. Materials, supplies, and equipment acquired by the Department of Defense shall contribute to or support the operational requirements of the military forces in execution of missions

essential to the current national military strategy or enhance future capabilities of the military forces to achieve national and defense policy objectives. Department of Defense operational requirements should be prioritized based on their effectiveness in furthering policy objectives and strategic and operational concepts, in consideration of threat and other factors, such as environmental conditions, which bear on the missions of the various Components of the Department of Defense.

3. Threat. The effectiveness of a proposed weapon system in its intended threat environment is a fundamental concern of the acquisition effort and shall be considered by the program manager from the outset. An interactive analysis, that is, a study of the system-threat interaction, shall be conducted before Milestone I and shall be updated in greater specificity before each subsequent milestone. The intelligence used for the interactive analysis shall be provided by the DoD Component intelligence organization directly to the program manager and to DIA. Analyzing system concepts and specific systems in this manner allows program managers to identify threat parameters, such as numbers, types, mix, or characteristics of projected enemy systems, that are most critical to the effectiveness of the U.S. system. These Critical Intelligence Parameters (CIPs) shall be provided to the DIA through the DoD Component intelligence organization. The Director, DIA, shall validate threat data before its use in the interactive analysis, review CIPs output, and report the findings and conclusions in writing to the DAE 10 workdays before the DSARC meeting. The DoD Component shall confirm the effectiveness of the U.S. system in its intended threat environment at Milestones II and III.

#### 4. Acquisition Strategy

a. Acquisition strategy is the conceptual basis of the overall plan that a program manager follows in program execution. It reflects the management concepts that shall be used in directing and controlling all elements of the acquisition in response to specific goals and objectives of the program and in ensuring that the system being acquired satisfies the approved mission need. Acquisition strategy encompasses the entire acquisition process. The strategy shall be developed in sufficient detail, at the time of issuing the solicitations, to permit competitive exploration of alternative system design concepts in the Concept Development phase. Additionally, sufficient planning must be accomplished for succeeding program phases, including production, for those considerations that may have a direct influence on competition and design efforts by contractors. The acquisition strategy shall evolve through an iterative process and become increasingly definitive in describing the interrelationship of the management, technical, business, resource, force structure, support, testing, and other aspects of the program.

b. Development of the initial program acquisition strategy shall be completed by the cognizant DoD Component as soon as possible after Milestone 0. The program acquisition strategy is unique for each program and should be tailored by the program manager to the circumstances surrounding the program. Intended exceptions to applicable DoD Directives

and Instructions should be noted in the acquisition strategy summary. Advice and assistance should be sought from business and technical advisors and experienced managers of other major system programs.

c. While the acquisition strategy developed is not a document requiring DAE approval, the program manager shall be required to keep all management levels informed on strategy and shall be required to summarize certain aspects of it at the milestone decision points. At the earliest practical date and no later than Milestone II, the program manager shall be required to have a comprehensive strategy for full-scale development, test and evaluation, and production. The strategy for production shall be updated at Milestone III.

## 5. Management

a. Management Information. Management information shall be limited in all areas of activity to information essential to effective control. Normally, the required information shall be provided from the same data base used by the contractor for management decision making. A realistic work breakdown structure that is limited to the minimum number of levels necessary shall be developed for each program as a framework for planning and assignment of responsibilities, reporting progress, and as a data base in making cost estimates for other systems. A configuration management plan, that is consistent with the work breakdown structure, shall be developed for each program.

b. Programing and Budgeting. Secretary of Defense milestone decisions are based upon review of details of one particular program and reflect the readiness of that system to progress to the next acquisition phase. The program must compete for funds with other programs in the PPBS process. The Secretary of Defense milestone decision is based on specific schedule, cost and operational effectiveness estimates which, if changed significantly, might alter the Secretary of Defense milestone decision. PPBS actions by the DoD Components and the OSD staff, that cause the schedule and cost estimates to change significantly enough to call into question the last milestone decision, shall be explained by the DoD Component or OSD staff element proposing the change in the PPBS document.

c. Estimates. The validity of decisions reached at each milestone depends upon the quality of cost, schedule, performance, and supportability estimates presented at the milestone reviews. Although there is considerable uncertainty early in the acquisition process, every effort must be made to use the best available data and techniques in developing estimates. Bands of uncertainty shall be identified for point estimates. Broad bands of uncertainty shall be expected early in the acquisition process, with smaller bands developed as the program matures and uncertainty decreases. Traceability of successive cost estimates, to include adjustments for inflation and to segregate estimating error from program changes, shall be maintained starting with program cost estimates approved at Milestone I.

(1) A life-cycle cost estimate shall be prepared at Milestone I, using the best available data and techniques. An updated life-cycle cost estimate shall be provided for each subsequent milestone. These cost estimates shall be developed as soon as ongoing development activities permit to eliminate unnecessary delays in the milestone decision process.

(2) Milestone I cost, schedule, performance, and supportability goals shall not inhibit tradeoffs among these elements by the program manager in developing the most cost-effective solution to the mission need.

(3) Goals and thresholds for cost, schedule, performance, and supportability shall be documented in the SDDM. At Milestone II, firm design-to-cost goals shall be established for the system or systems selected for full-scale development. Program accomplishments shall be evaluated against cost, schedule, and supportability goals with the same rigor as the evaluation of technical performance.

d. Thresholds. Threshold values shall be proposed at Milestones I, II, and III by the DoD Component and approved by the Secretary of Defense for cost, schedule, performance, and supportability. These values shall reflect reasonable variances that are acceptable for the goals proposed in the DCP. At Milestone I, threshold values shall be established for only a few items and the distance between the goal and the threshold for individual items may be larger than at subsequent milestones. Program managers are responsible for reporting actual and projected threshold breaches immediately to each line official and the DAE. Following this initial report, the DoD Component shall provide the DAE with an assessment of the problem, a description of the action to be taken to resolve the problem and, if required, a recommendation to establish new threshold values. Approved changes to thresholds shall be documented in a SDDM.

e. Selected Acquisition Reports (SAR). SARs shall be submitted for all major systems in accordance with DoD Instruction 7000.3 (reference (d)). The SAR baseline (Development Estimate) shall be extracted from the goals approved in the SDDM at Milestone II.

f. Use of Government or Not-For-Profit Organizations. When Government laboratories, federally funded research and development centers, educational institutions, and other not-for-profit organizations submit alternative major system design concepts for consideration, care shall be taken to exclude such proposing organizations from participating in the evaluation process on those systems. If further exploration of an alternative system design concept submitted by one of these organizations is appropriate, that concept may be made available to industry to propose on the continued development stages. In selected cases where no capability exists in the private sector or when it may be in the best interest of the Government to do so, DoD research and development centers may be assigned development tasks to complement a major system development. DoD research and development centers may be used as a technical arm of the program management office, especially in matrix management organizations. Typical

assignments may include actions such as studies, analysis, technology development, systems engineering, risk and cost reduction efforts, and development test and evaluation.

g. Affordability

(1) Affordability, the ability to provide adequate resources to acquire and operate a system, is principally a determination of the PPBS process. The ability to provide sufficient resources to execute a program in an efficient and effective manner is a fundamental consideration during milestone reviews. Requests or proposals to proceed into the next acquisition phase shall be accompanied by assurance that sufficient resources are or can be programmed to execute the program as directed by the Secretary of Defense.

(2) The DoD Component shall describe in the MENS the general magnitude of resources it is prepared to commit to acquire a system to satisfy the need. At Milestone I, affordability considerations shall be used as a factor in determining the selection of alternative concepts. At Milestones II and III, a favorable decision shall not be made unless the system's projected life-cycle costs, including product improvement and other modifications, are within the amounts reflected in the latest Five Year Defense Plan/Extended Planning Annex (FYDP/EPA) or unless compensating changes are made to other items in the defense program.

(3) The DoD Component briefing presented to the DSARC at Milestones I, II, and III shall include the following affordability considerations:

(a) Comparison of program resource estimates with latest PPBS projections (including the extended planning annex).

(b) Identification of the relative ranking for this system and the DoD Component's other major systems in the same mission area and general time frame in the latest program or budget submission.

(c) Analysis of variation in unit cost (recurring hardware, flyaway, and procurement) with production rate (Milestones II and III).

(d) Identification of potential offsets necessary to provide the resources to execute the remaining phases of the program where program cost estimates provided to the DSARC exceed latest budget projections. Where joint programs are involved, offset identifications shall not be limited to the lead DoD Component.

h. Timeliness. An objective of any acquisition is to achieve Initial Operational Capability (IOC) within the time dictated by the need or threat. When technical, cost, and supportability risks are low or when the urgency to counter a threat transcends high technical, cost, and supportability risks, DoD Components should give consideration to minimizing acquisition cycle time by planned concurrency. This may include

increasing funding, overlapping, combining, or omitting the phases of the acquisition process or overlapping or combining development T&E with operational T&E. The amount or degree of such concurrency should be based on the extent of potential savings in acquisition time balanced against technical, cost and supportability risks and national urgency in each acquisition program. To achieve timely deployment, consideration may also be given to accepting system performance growth after deployment. When any of the foregoing actions are planned, the risks associated therewith will be discussed in the documentation provided to the DSARC. Further, when tailoring of the acquisition process includes modification or reduction of the number of milestone reviews by the Secretary of Defense, the planned approach must be approved in a SDDM.

i. Joint Programs. When system acquisition programs involve more than one DoD Component, the SDDM shall specify the lead DoD Component and provide explicit guidance on the responsibilities of the participating DoD Components, including threat support. The lead DoD Component shall assign the program manager and request the other participating DoD Components to assign deputy program managers. The lead DoD Component shall also establish the program's objectives by promulgating a program charter after coordination with the other participating DoD Components.

#### 6. Competitive Concept Development

a. Alternative Concept Solutions. Alternative concept solutions to the mission need shall be obtained competitively unless the Secretary of Defense, in approving the MENS, has approved pursuing a single concept. Even when pursuing a single concept, competition should be considered in development of that concept. The widest possible range of acquisition and support alternatives to satisfy the mission need shall be considered. Foreign contractors should be included in solicitations, when feasible and when not prohibited by National Disclosure Policy. At a minimum, solicitations shall outline the need in mission terms, schedule objectives and constraints, system cost objectives, and operating and deployment constraints.

b. Standards and Specifications. Maximum use should be made of architectural standards and functional specifications that include only minimum requirements. Specifications stated in detailed or how to language should be avoided, when possible. The number of government specifications and standards specified or referenced in solicitations shall be minimized. Solicitations should normally not specify standard support concepts. If nonstandard support concepts are proposed, they shall be accompanied with estimates of the cost to implement them.

#### 7. Contracting

a. Pre-Proposal Briefings. Program managers should conduct orientation briefings for all interested participants and, where appropriate,

allow industry to comment on acquisition strategy and drafts of solicitations. The objectives are to remove inhibitors to innovative solutions and to improve the approach to achieving all system objectives.

b. Competition. Competition should be introduced in the Concept Exploration phase and maintained throughout the acquisition cycle as long as economically practical. In addition, both the government and its contractors shall break out components for competition throughout the acquisition cycle to the maximum extent possible. Techniques and procedures that result in cost auctioning between prospective contractors or where technical ideas or data are shared with other contractors without prior authorization of the source are prohibited.

c. Socioeconomic Program Implementation. Government socioeconomic programs must be considered throughout the system acquisition process. Particular emphasis shall be placed on contracting with small and disadvantaged business firms.

## 8. Design Considerations

a. Standardization in Engineering Design. Standardization shall be applied in design during the Demonstration and Validation phase and the Full-Scale Development phase, as appropriate, to reduce cost of production and operational support and to accelerate timely operational readiness through optimum utilization of existing or codeveloped subsystems, equipment, components, parts, and materials common to other systems and available in supply. Standardization shall be optimized to enhance nuclear and nonnuclear survivability and endurance, quality, reliability, maintainability, supportability, and life-cycle cost but shall not compromise essential performance or excessively inhibit the application of new technology and innovative, advanced design. A standardization program, including a parts control program, shall be applied in accordance with methods and objectives described in DoD Directive 4120.3 (reference (e)) and DoD Instruction 4120.19 (reference (f)).

b. Production Planning. From the early phases of the program, consideration shall be given to the costs of production, including total government investment required to ensure adequate production facilities, availability of critical materials, and capability. Affordability must be considered in production planning. The program manager shall also consider means to increase the possibilities for competition during production. When the program requires production of conventional ammunition, early coordination is required with the single manager for conventional ammunition to ensure that the ammunition production plan considered at Milestone II can be executed. Refer to DoD Directive 5160.65 (reference (g)).

c. Operational Concept. The operational concept specifies how the system shall be integrated into the force structure and deployed and operated in peacetime and wartime to satisfy the mission need set forth in the MENS. It establishes required readiness and activity rates and provides the basis for further integrated logistics support planning. An initial

operational concept and system readiness objective must be developed by Milestone I for each alternative and finalized by Milestone II. The operational concept and system readiness objective shall be maintained throughout the program.

d. Manpower and Training

(1) New systems shall be designed to minimize both the numbers and the skill requirements of people needed for operation and support, consistent with system availability objectives. Manpower and personnel factors, to include numbers, occupations, and skill levels of manpower required, shall be included as considerations and constraints in system design. Integration of manpower and personnel considerations with the system shall start with initial concept studies and shall be refined as the system progresses to form the basis for crew station design, personnel selection and training, training devices and simulator design, and other planning related to manpower and personnel.

(2) Where applicable, planning for training shall consider provisions for unit conversion to the fielded system and training of reserve component personnel. Such planning shall consider tradeoffs conducted among equipment design, technical publications, formal training, on-the-job training, unit training, and training simulators and shall develop a cost-effective plan for attaining and maintaining the personnel proficiency needed to meet mission objectives.

(3) After Milestone 0, manpower requirements shall be subjected to tradeoffs with system characteristics and support concepts. Manpower goals and thresholds consistent with projected activity levels, maintenance demands, and support concepts shall be identified by Milestone II. Tradeoffs for maintenance effectiveness among manpower (numbers, occupations, and skill levels), support equipment, system design, and the support structure shall be conducted. The manpower and training requirements to support peacetime readiness objectives and wartime employment shall be developed by Milestone III. These requirements shall be based upon considerations that include available Operational Test and Evaluation results and current field experiences with similar equipment.

e. System Energy Requirements. Energy requirements shall be considered in system selection and design. Major considerations shall be minimum energy usage and the substitution of other energy sources for petroleum and natural gas.

f. Electromagnetic and Other Spectrum Allocation. Planning and coordination for spectrum allocation, compatibility, and use with other systems having related spectra shall be conducted as early as possible for all systems involving intentional radiation or reception of electromagnetic energy, optical energy, acoustic energy, or other types of energy.

g. Deployment Requirements. When deployment is a requirement, transportability shall be a system selection and design factor. The

transportability of individual systems and components and units equipped with such systems in programed military and Civil Reserve Air Fleet aircraft or other transportation modes shall be evaluated. Tradeoffs between transportability and combat effectiveness may be appropriate. Both inter-theatre and intratheatre transportability shall be considered.

h. Safety and Health. System safety engineering and management programs shall be in accordance with the criteria and procedures in DoD Instruction 5000.36 (reference (h)) to ensure that the highest degree of safety and occupational health, consistent with mission requirements and cost effectiveness, is designed into DoD systems.

i. Environment. Environmental consequences of system selection, development, production, and deployment shall be assessed at each milestone, and environmental documentation, prepared in accordance with DoD Directive 6050.1 (reference (i)).

j. Quality. A quality program shall be implemented in accordance with the criteria and procedures set forth in DoD Directive 4155.1 (reference (j)) to ensure user satisfaction, mission and operational effectiveness, and conformance to specified requirements.

k. Security. Physical security requirements shall be incorporated into the design of any system in which security of the system or of its operating or supporting personnel is essential to the readiness and survivability of the system. Deployment of the physical security subsystem shall take into account the requirements of DoD Directive 3224.3 (reference (k)).

9. Reliability and Maintainability (R&M). Goals and thresholds shall be proposed in the DCP at Milestone II for system R&M parameters directly related to operational readiness, mission success, nuclear and nonnuclear survivability and endurance, maintenance manpower cost, and logistic support cost. R&M goals and thresholds shall be defined in operational terms and shall include both contractor furnished equipment (CFE) and government furnished equipment (GFE) elements of the system.

a. R&M goals shall be realistically achievable in service. When possible, operational R&M deficiencies shall be precluded by design of CFE, by careful selection of GFE, and by tailoring of R&M-related operating and support concepts, policies, and planning factors.

b. The R&M thresholds recommended at Milestone II shall be the minimum operational values acceptable to the DoD Component. Thresholds approved in the SDDM at Milestone II shall be achieved before Milestone III. Thresholds approved in the SDDM at Milestone III shall be achieved during initial deployment.

c. R&M growth shall be predicted and graphically displayed in the IPSs prepared for Milestones II and III. The SDDM shall include threshold

values, with specified confidence levels, at interim review points. A threshold breach shall be reported at these points if these threshold values are not achieved.

d. Resources shall be identified for incorporation and verification of R&M design corrections during full-scale development and initial deployment. Assessment of current R&M values and timely corrective action are required until all R&M thresholds approved at Milestone III have been achieved in service or approved by waiver.

10. Test and Evaluation. Test and evaluation shall commence as early as possible. An estimate of operational effectiveness and operational suitability, including logistic supportability, shall be made prior to a full-scale production decision. The most realistic test environment will be chosen to test an acceptable representation of the operational system. Refer to DoD Directive 5000.3 (reference (l)).

11. Logistics. Integrated logistic support plans and programs, including NATO or bilateral allied support, shall be structured to meet peacetime readiness and wartime employment system readiness objectives tailored to the specific system. Beginning early in the system development process, both Department of Defense and industry shall consider innovative manpower and support concepts. Alternative maintenance concepts shall be assessed during concept development and at other appropriate points of the life cycle. Readiness problems and support cost drivers of current systems shall be analyzed to identify potential areas of improvement to be addressed during concept formulation. Program goals shall be based on quantitative analysis and established by Milestone II. Detailed support planning shall be initiated during full-scale development, and firm requirements shall be established before Milestone III. The supportability of a system's nuclear hardness design shall receive explicit consideration. Logistics and manpower planning shall be adjusted based on follow-on T&E and other appropriate reviews. Before Milestone III, the acquisition strategy shall be updated to include follow-on support in accordance with DoD Directive 4100.35 (reference (m)).

12. Computer Resources. Acquisition of embedded computer resources for operational military systems (including command and control systems) shall be managed within the context of the total system.

a. Requirements for interfaces between computers and plans to achieve that interface must be identified early in the life cycle. Plans for software development, documentation testing, and update during deployment and operation require special attention.

b. Computer resource planning shall be accomplished before Milestone II and continued throughout the system life cycle.

c. Computer hardware and software shall be specified and treated as configuration items. Baseline implementation guidance is contained in DoD Instruction 5010.19 (reference (n)).

### 13. Command and Control Systems

a. The major characteristics of command and control systems that require special management procedures are a rapidly evolving technological base, multiple requirements for internal and external interfaces, and reliance on automatic data processing hardware and related software. Such command and control systems differ from other weapon systems: they are acquired in small numbers, in some cases only one of a kind; their operational characteristics are largely determined by the users in an evolutionary process; and commercial equipment exists that can emulate the function. For command and control systems meeting the above criteria, acquisition management procedures should allow early implementation and field evaluation of a prototype system using existing commercial or military hardware and software.

b. Upon the recommendation of the appropriate using command, the DoD Component or the ASD(C<sup>3</sup>I), an alternate acquisition procedure shall be presented for approval by the Secretary of Defense. Following the documentation of a command and control major system requirement in a MENS approved by the Secretary of Defense in a SDDM, the design and testing of such systems should, in most cases, be accomplished in an evolutionary manner. These command and control systems shall be configured initially as prototypes using existing military or commercial equipment to the maximum extent possible and with a minimum of additional software. The designated users should be tasked to test various configurations in an operational environment using prototype and laboratory or test bed equipment and to assume the major responsibility for the Demonstration and Validation phase. In these cases, it shall be necessary for the DoD Component to recommend in the MENS that the Concept Exploration phase be combined with the Demonstration and Validation phase. The end result of combining these phases shall be a definition of a command and control system, including operational software, tailored to meet the commander and user needs and the documentation necessary for operational employment. When these objectives are achieved, the DoD Component shall normally recommend that the system be procured in sufficient numbers for initial fielding. In other cases, the DoD Component may decide to use the results of the test bed to initiate a competitive Full-Scale Development phase.

c. The procedures described in this paragraph are equally applicable to those non-major command and control systems that meet the criteria described above. Developers of such systems should be encouraged to pursue these alternative procedures when appropriate.

14. International Programs: NATO Rationalization, Standardization and Interoperability (RSI). DoD Components shall take action on the following areas and report progress at all milestone reviews.

a. Consider NATO country participation throughout the acquisition process. This includes standardization and interoperability with other NATO weapons systems.

b. Consider NATO doctrine and NATO member threat assessments. In development of MENS, mission needs of NATO members shall be considered. In general, data that cannot be disseminated to foreign nations shall not be included in MENS.

c. Solicit NATO member contractors for bids and proposals on U.S. systems and components when such an opportunity is not precluded by statute or by the National Disclosure Policy.

d. During the evaluation of alternative system concepts, the DoD Component shall:

(1) Consider all existing and developmental NATO member systems that might address the mission need. Identify any performance, cost, schedule, or support constraints that preclude adoption of a NATO system.

(2) Determine testing requirements for NATO member candidate systems recommended for further development or acquisition.

(3) Determine whether a waiver of "Buy American" restrictions is appropriate, when a Secretary of Defense determination has not been made.

(4) Develop plans for further international cooperation in subsequent phases of the acquisition cycle for items such as cooperative development, coproduction, subcontracting, and cooperative testing or exchange of test results.

(5) Recommend U.S. position on third-country sales, recoupment of research and development costs or sharing research and development costs, and release of technology.

e. In subsequent phases of the acquisition cycle, DoD Components shall:

(1) Continue to expand and refine plans for international cooperation.

(2) Develop plans for host nation initial or joint logistics support, if applicable.

#### F. ORDER OF PRECEDENCE

The provisions of DoD Directive 5000.1 (reference (b)) and this Instruction are first and second in order of precedence for major system acquisition except where statutory requirements override. Any Department of Defense issuance in conflict with DoD Directive 5000.1 (reference (b)) or this Instruction shall be changed or canceled. Conflicts remaining after 90 days from issuance of this Instruction shall be brought to the attention of the originating office and the DAE.

G. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward one copy of implementing documents to the Under Secretary of Defense for Research and Engineering within 120 days.

*W. Graham Claytor, Jr.*

W. Graham Claytor, Jr.  
Deputy Secretary of Defense

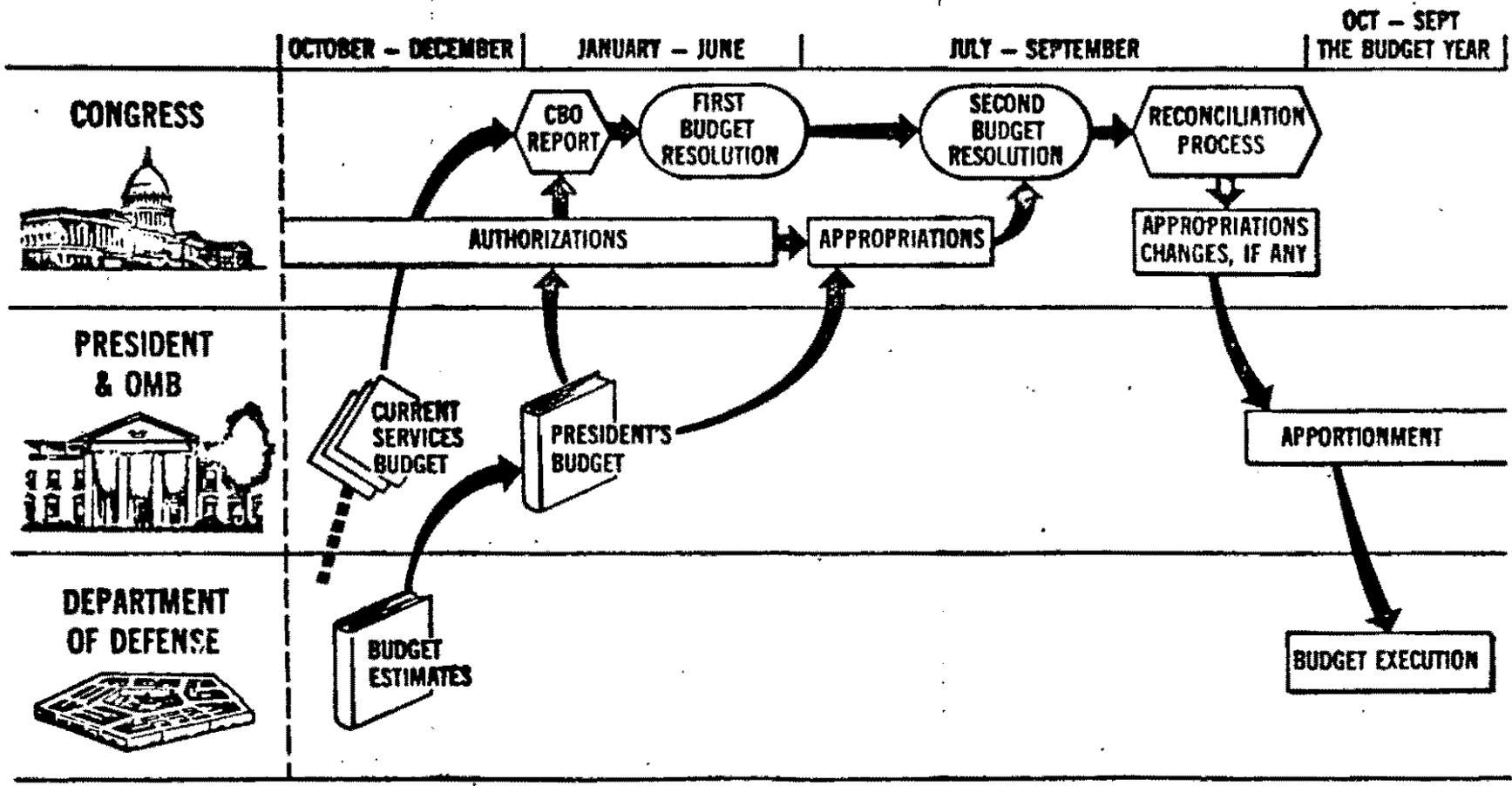
Enclosures - 5

1. References
2. Mission Element Need Statement (MENS) - Format
3. Decision Coordinating Paper (DCP) - Format
4. Integrated Program Summary (IPS) - Format
5. DoD Policy Issuances Related to Acquisition of Major Systems

SUMMARY OF THE CONGRESSIONAL BUDGET PROCESS

- THIS SECTION PROVIDES A BRIEF DESCRIPTION OF THE CONGRESSIONAL BUDGET PROCESS AS ESTABLISHED BY THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.
- THE ACT ESTABLISHES A TIMETABLE FOR VARIOUS PHASES OF THE BUDGET PROCESS.
- THE ACT ALSO ESTABLISHES PROCEDURES FOR CONGRESSIONAL REVIEW OF PRESIDENTIAL IMPOUNDMENT ACTIONS.

# BUDGET PROCESS – NEW STYLE





## THE CONGRESSIONAL BUDGET PROCESS

### Synopsis

P.L. 93-344, The Congressional Budget Act of 1974, established new procedures for Congress to handle appropriations. The essence of the system is the "Concurrent Resolution on the Budget." These Budget Resolutions set forth, on an aggregate basis, the size of the United States Budget; amount of budget authority; level of outlays; level of revenues; surplus or deficit; and change in the debt. This allows Congress the chance to examine the Budget as a whole, and to consider its impact on the national economy. Heretofore, Congress has had no comprehensive overview of the Budget. Rather, appropriation bills were acted upon separately with little attempt to relate revenues to outlays.

The first Budget Resolution is designed to act as a target for Congressional action during the summer--it is not binding, in that Congress may take any action it chooses on appropriations bills. But through periodic scorekeeping reports issued by the Budget Committees and the Congressional Budget Office (all established by P.L. 93-344), Congress may compare amounts in appropriation bills with the targets in the first Budget Resolution. The second Budget Resolution revises or reaffirms the figures in the first Resolution and makes them binding. Thus, the outlay target in the first Budget Resolution becomes a spending ceiling by the second; the revenue target in the first Resolution becomes a "revenue floor" in the second. The second Resolution may also direct other committees of Congress to take actions in compliance with the binding limits in that Resolution. For example, the Appropriations Committee may be directed to rescind amounts already enacted.

The Budget Resolutions also serve a second major purpose: they allow Congress to debate and, if desired, to adjust the priorities inherent in the aggregate figures. This is accomplished by dividing the totals among functional categories, such as Agriculture, National Defense, or Health. As well as adjusting the totals, Congress may adjust the mix.

# HOUSE COMMITTEE ON THE BUDGET

## THE CONGRESSIONAL BUDGET PROCESS

INFORMATION GATHERING, ANALYSIS, AND PREPARATION OF  
1ST BUDGET RESOLUTION

ADOPTION OF 1ST  
BUDGET RESOLUTION

CONGRESSIONAL ACTION  
ON SPENDING BILLS

ADOPTION OF  
2ND BUDGET RES.  
AND RECONCILIATION

OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
	10		31 <small>Approv. last week in Jan.</small>		15	15	15				7th day after Labor Day 15 25	
<p>Previous Fiscal Year Reports (Sec. 501)</p>	<p>President Submits Current Services Budget (Sec. 605(a))</p>	<p>Jt. Economic Committee Reports Analysis of Current Services Budget to Budget Committees (Sec. 605(b))</p>	<p>President Submits Budget 115 days after Congress convenes (Secs. 601, 603, 604)</p>	<p>BUDGET COMMITTEES HOLD HEARINGS BEGIN WORK ON 1ST BUDGET RESOLUTION (Sec. 301(f))</p>	<p>All Committees and Jt. Committees Submit Estimates and Views to Budget Committees (Sec. 301(k))</p>	<p>BUDGET COMMITTEES REPORT 1ST BUDGET RESOLUTION (H.R. OR S. RES.) BEFORE APR. 15 (Sec. 301(l))</p>	<p>CONGRESS COMPLETES ACTION ON 1ST BUDGET RESOLUTION (Sec. 301(b))</p> <p>Deadline for Committees to Report Authorizations BPs (except exceptions and waiver procedure) (Sec. 407(a)(2))</p>	<p>CONGRESS ENACTS APPROPRIATIONS AND SPENDING BILLS CBD Issues Periodic Scheduling Reports Comparing Congressional Action with 1st Budget Resolution (Sec. 303(b))</p> <p>As Possible, CBD Cost Analyses and 5 Year Projections With Accompanying AS Reported Public BAs, Except Appropriation Bills. (Sec. 403)</p> <p>Reports on New Budget Authority and Tax Expenditure Bills Must Contain Comparisons With 1st Budget Resolution and 5-Year Projections (Sec. 303(e))</p>	<p>BUDGET COMMITTEES PREPARE 2ND BUDGET RESOLUTION AND REPORT</p>	<p>CONGRESS COMPLETES ACTION ON 2ND BUDGET RESOLUTION (Sec. 310(a)(1))</p> <p>CONGRESS COMPLETES ACTION ON 1ST BUDGET AND SPENDING AUTHORITY BILLS OR RESOLUTIONS (Sec. 310(a)(2))</p> <p>Thereafter, Neither House May Consider Any Bill or Amendment, or Conference Report, That Results in An Increase Over Budget Outlay or a Reduction in Revenue Level, Adopted in 2nd Resolution (Sec. 311(a))</p>	<p>FISCAL YEAR BEGINS</p> <p>Congress May Not Adopt Until it Completes Action on 2nd Budget Resolution and Reconciliation Measure, If Any (Sec. 310(f))</p>	
<p>CBD 5-Year Projection Report (As soon as possible after Oct. 1) (Sec. 301(e))</p>			<p>Legislation Providing Contract or Borrowing Authority Must Be Made Subject to Amounts Provided in Appropriation Acts (Sec. 403(a))</p>			<p>CBD Report to Budget Committees (Sec. 302(f))</p> <p>HOUSE AND SENATE CONSIDER 1ST BUDGET RESOLUTION (Sec. 305)</p> <p>CONFERENCE ACTION AND ADOPTION OF CONFERENCE REPORT (Sec. 307)</p> <p>Conference Report Joint Explanatory Statement Allocates Total Levels of Budget Authority and Outlays Among Committees (Sec. 302(b))</p>		<p>Before Adoption of 1st Budget Resolution, Neither House May Consider New Budget Authority or Spending Authority Bills, Revenue Changes, or Debt Limit Changes (except exceptions, and waiver procedure) (Sec. 312(a)(1))</p> <p>Before Reporting 1st Regular Appropriation Bill, House Appropriations Committee to Extent Possible, Make up all Regular Appropriation Bills and Submit Summary Report to House, Comparing Proposed Outlays and Budget Authority Levels (Sec. 303)</p> <p>After Adoption of 1st Budget Resolution, Each Committee Subdivides Its Allocation Among Its Subcommittees, and Promptly Reports such Subdivisions to Its House (Sec. 302(b))</p>		<p>If a Committee Reports New Entitlement Legislation That Exceeds Appropriate Allocation in Latest Budget Resolution, It Shall Be Referred to the Appropriations Committee with Instructions to Report Its Recommendations Within 15 Days. (Sec. 401(b)(2))</p>		

THE CONGRESSIONAL BUDGET AND IMPOUNDMENT  
CONTROL ACT OF 1974

THE CONGRESSIONAL BUDGET PROCESS

Title III of the Act establishes a timetable for various phases of the congressional budget process, prescribing the actions to take place at each point. Following is a description of the elements of the congressional budget timetable set forth in Section 300 of the Act:

Action to be completed

On or before Nov. 10 ----- President submits current services budget

Submission of a current services budget is the first element in the timetable. This document estimates the budget authority and outlays needed to carry on existing programs and activities for the next fiscal year under certain economic assumptions. Its purpose is to give the Congress, at the earliest date possible (just one month after the current fiscal year has begun), detailed information with which to begin analysis and preparation of the budget for the upcoming fiscal year.

Thus, the Congressional Budget Office (CBO) and the House and Senate Budget Committees begin work on new budget projections based on the current fiscal year's levels. To help them evaluate the President's projections, the Act requires the Joint Economic Committee to report to the Budget Committees by December 31 on the estimates and economic assumptions in the current services budget.

Action to be completed

On or before 15th day ----- President submits his budget  
after Congress meets

The President's budget is required to be submitted 15 days after the Congress convenes. This budget remains one of the major factors in the development of the congressional budget. Shortly after its submission, the two Budget Committees begin hearings on the budget, the economic assumptions upon which it is based, the economy in general, and national budget priorities. Participants at these hearings include Administration officials, Members of Congress, and representatives of various national interest groups.

Action to be completed

On or before Mar. 15 ----- Committees and joint committees  
submit reports to Budget Committees

An important step in the budget process is the submission of the views and recommendations of all standing committees of the House and Senate.

These reports are due March 15, one month in advance of the reporting date of the first concurrent resolution on the budget. These reports are important to the proper functioning of the budget process and, accordingly, are made mandatory by the Act. They provide the Budget Committees with an early and comprehensive indication of committee legislative plans for the next fiscal year. These reports contain the views and estimates of new budget authority and outlays to be authorized in legislation under their jurisdictions which will become effective during the next fiscal year.

In addition, the Joint Economic Committee is directed to submit a report with its recommendations as to the fiscal policies that would be appropriate to achieve goals of the Employment Act of 1946.

Action to be completed

On or before Apr. 1 ----- CBO submits report to Budget Committees

The CBO is required to submit its report to the Budget Committees on or before April 1. This report deals primarily with overall economic and fiscal policy and alternative budget levels and national budget priorities.

Action to be completed

On or before Apr. 15 ----- Budget Committees report first concurrent resolution on the budget to their Houses

April 15 is fixed by the Act as the deadline for reporting by the Budget Committees of the first concurrent resolution on the budget. This date allows a maximum of one month for floor consideration in each House, conference between the two Houses, and adoption of conference reports, required to be completed by May 15.

The concurrent resolution sets forth the following:

1. The appropriate levels of total budget authority and outlays for the next fiscal year, both in the aggregate and for each major functional category of the budget.
2. The appropriate budget surplus or deficit for the next fiscal year.
3. The recommended level of Federal revenues and recommended increases or decreases in revenues to be reported by appropriate committees.
4. The appropriate level of the public debt and recommended increases or decreases to be reported by appropriate committees.
5. Any other matters deemed appropriate to the congressional budget process.

In addition, the report on the resolution compares the Budget Committee's revenue estimates and budget authority and outlay levels with the estimates and amounts in the President's budget. It also identifies the recommended sources of revenues; makes five-year budget projections; and indicates significant changes, if any, in Federal aid to States and localities.

The first budget resolution for a given fiscal year establishes targets for budget authority and outlays for each of the major functional categories, as well as for the five major budget aggregates--revenues, budget authority, outlays, deficit, and public debt. These budget targets, which represent a congressional determination of appropriate fiscal policy and national budget priorities, guide the Congress in its subsequent spending and revenue decisions. With the adoption of the second concurrent budget resolution, the aggregate budget authority, outlays, and revenue levels become binding.

Following adoption of the budget resolutions, the Budget Committee, aided by the CBO, provides up-to-date scorekeeping reports to inform Members as to how congressional action on spending and revenues compares with the budget aggregates and functional targets in the resolution.

Action to be completed

On or before:

May 15 -----	Committees report bills authorizing new budget authority
May 15 -----	Congress completes action on first concurrent resolution on the budget

May 15 is a key date in the new budget process for two reasons:

First, it is the deadline for the reporting of legislation authorizing new budget authority, a requirement imposed by Section 402 of the Act. Authorization measures reported after that date may be considered in the House only if an emergency waiver reported by the Rules Committee is adopted. Exempted from this May 15 reporting requirement are entitlement bills and omnibus social security legislation.

This reporting deadline is an important part of both the overall budget process and a prerequisite to the timely enactment of appropriation bills. In addition, section 607 of the Act requires advance submission by the Executive Branch of proposed authorizing legislation (that is, submission at least one year and 4½ months in advance of the fiscal year to which it applies); and the statement of managers on the Budget Act legislation expresses its expectation that the Congress will develop a pattern of advance authorizations for programs now authorized on an annual or multi-year basis.

Second, May 15 is the deadline for the adoption of the first budget resolution by the Congress; and prior to its adoption, neither House

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may consider any revenue, spending, entitlement, or debt legislation. The only measures permitted to be considered prior to the adoption of the first resolution are those involving advance budget authority or changes in revenues which first become effective following the fiscal year dealt with in the first resolution.

In addition to the various matters required to be included in the resolution, the Act also provides for important material to be included in the joint statement of managers accompanying the conference report.

The joint statement must distribute the allocations of total budget authority and outlays contained in the resolution among the appropriate committees of the House and Senate. For example, if the conference report allocates \$7 billion in budget authority and \$6 billion in outlays for a certain functional category, the statement of managers must divide those amounts among the various committees of the House and Senate with jurisdiction over programs and authorities covered by that functional category. Each committee to which an allocation is made must, in turn, further subdivide its allocation among its subcommittees or programs, and promptly report such subdivisions to its House.

	<u>Action to be completed</u>
On or before 7th day after Labor Day	Congress completes action on bills and resolutions providing new budget authority and new spending authority

The next critical date in the budget process is the 7th day after Labor Day, the deadline for completing action on all regular budget authority and entitlement bills. The only exception to this requirement is for appropriations bills whose consideration has been delayed because necessary authorizing legislation has not been timely enacted.

This deadline is of critical importance for the budget process. While most spending legislation is expected to be acted upon in the months immediately following the adoption of the first resolution on May 15, it is crucial for all spending bills to be completed by the deadline date. The reason is that by the 7th day after Labor Day only three weeks will remain until the start of the new fiscal year, and during those weeks Congress must adopt a second budget resolution and undertake and complete a reconciliation process, if necessary.

Thus, even a small delay in completing authorizing and spending legislation can upset the timing of remaining budget actions (adoption of the second resolution and completion of the reconciliation process). Congress would then be forced into continued reliance on "continuing resolutions," a major defect sought to be corrected by the new budget process.

Action to be completed

On or before:

- Sept. 15 ----- Congress completes action on second required concurrent resolution on the budget.
- Sept. 25 ----- Congress completes action on reconciliation bill or resolution, or both, implementing second required concurrent resolution

September 15 and 25 are, respectively, the dates for adoption of the second resolution and completion of the reconciliation process, the final phase of the new budget process.

The Act sets no deadline for reporting this second resolution. The date probably will vary from year to year depending on when action is completed on the various spending bills.

The second resolution affirms or revises, on the basis of new information and data, changed economic circumstances, and Congress' spending actions, the matters contained in the first resolution (that is, the "target" levels of budget authority and outlays, total revenues, and the public debt limit). In addition, the second resolution may direct the committees with jurisdiction over any changes to the House. The changes may include rescinding or amending appropriations and other spending legislation, raising or lowering revenues, making adjustments in the debt limit, or any combination of such actions.

For example, the resolution might call upon the Appropriations Committees to report legislation rescinding or amending appropriations, and the Ways and Means and Finance Committees to report legislation adjusting tax rates or the public debt limit. In addition, other committees may be called upon to report certain actions.

Implementing legislation solely within the jurisdiction of one committee is reported to the House or Senate by that Committee. However, if more than one committee is directed to report certain actions, then the committees submit their recommendations to the Budget Committees which compile the various actions, without substantive change, into a single reconciliation measure. This special procedure is necessary to expedite completion of the reconciliation process.

The Congress may not adjourn sine die until it has completed action on the second resolution and the reconciliation process. Furthermore, after adoption of the second resolution and completion of the reconciliation process, it is not in order in either House to consider any new spending legislation that would cause the aggregate levels of total budget authority or outlays adopted in that resolution to be exceeded, nor to consider a measure that would reduce total revenues below the levels in the resolution. Such legislation is subject to a point of order.

Of course, Congress may adopt a revision of its most recent resolution at any time during the fiscal year. In fact, the framers of the Budget Act anticipated that, in addition to the May and September resolutions, Congress may adopt at least one additional resolution each year, either in conjunction with a supplemental appropriations bill or in the event of sharp revisions in revenues or spending estimates brought on by major changes in the economy.

Action to be completed

On or before Oct. 1 ----- Fiscal year begins

The completion of reconciliation actions brings the budget timetable to a close, five days before the start of the fiscal year on October 1.

\* \* \* \* \*

The congressional budget timetable sets firm dates for key elements of the new system. Certain parts of the budget process cannot move ahead unless other actions are completed. Appropriations cannot be considered until the first budget resolution is adopted and necessary authorizations have been enacted. Reconciliation actions cannot be undertaken until action is completed on appropriation bills and the second budget resolution. Thus, failure to complete a particular action on schedule affects later actions as well. In short, the four main phases of the budget process (authorizations, budget resolutions, spending measures, and reconciliations) must be completed by the dates assigned to them in the Act.

THE CONGRESSIONAL BUDGET AND IMPOUNDMENT  
CONTROL ACT OF 1974

IMPOUNDMENT CONTROL

Title X of the Act establishes procedures for congressional review of Presidential impoundment actions. This is a companion feature of the new budget control system. The title recognizes two types of impoundment actions by the Executive Branch: rescissions and deferrals.

Rescissions must be proposed by the President whenever he determines that (1) all or part of any budget authority will not be needed to carry out the full objectives of a particular program; (2) budget authority should be rescinded for fiscal reasons; or (3) all or part of budget authority provided for only one fiscal year is to be reserved from obligation for that year. In such cases, the President submits a special message to the Congress requesting rescission of the budget authority, explaining fully the circumstances and reasons for the proposed action. Unless both Houses of the Congress complete action on a rescission bill within 45 days, the budget authority must be made available for obligation.

Deferrals must be proposed by the President whenever any Executive action or inaction effectively precludes the obligation or expenditure of budget authority. In such cases, the President submits a special message to the Congress recommending the deferral of that budget authority. The President is required to make such budget authority available for obligation if either House passes an "impoundment resolution" disapproving the proposed deferral at any time after receipt of the special message.

Rescission and deferral messages are also to be transmitted to the Comptroller General who must review each message and advise the Congress of the facts surrounding the action and its probable effects. In the case of deferrals, he must state whether the deferral is, in his view, in accordance with existing statutory authority. The Comptroller General is also required to report to the Congress reserve or deferral actions which have not been reported by the President; and to report and reclassify any incorrect transmittals by the President.

If budget authority is not made available for obligation by the President as required by the impoundment control provisions, the Comptroller General is authorized to bring a civil action to bring about compliance. However, such action may not be brought until 25 days after the Comptroller General files an explanatory statement with the House and Senate.

The President is also required to submit monthly cumulative reports of proposed rescissions, reservations, and deferrals. These reports, to be published in the Federal Register, explain fully the factors that prompted the various impoundment actions.

## BUDGET TIMETABLE

### On or before:

November 10.....  
15th day after Congress meets .....

March 15.....

April 1.....

April 15.....

May 15.....

May 15.....

7th day after Labor Day.....

September 15.....

September 25.....

October 1.....

### Action to be completed:

President submits current services budget.  
President submits his budget.

Committees and joint committees submit reports to  
Budget Committees.

Congressional Budget Office submits report to Budget  
Committees.

Budget Committees report first concurrent resolution on  
the budget to their Houses.

Committees report bills and resolutions authorizing new  
budget authority.

Congress completes action on first concurrent resolution  
on the Budget.

Congress completes action on bills and resolutions pro-  
viding new budget authority and new spending author-  
ity.

Congress completes action on second required concur-  
rent resolution on the budget.

Congress completes action on reconciliation bill or reso-  
lution, or both, implementing second required concur-  
rent resolution.

Fiscal year begins.

## CONGRESSIONAL HEARINGS

The President's Budget will probably be transmitted to the Congress on January 19, 1981. Hearings begin immediately after that with the Armed Services Committees and then the Appropriations Committees hearing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with the Defense Posture. Service Secretaries and Chiefs usually follow with the Military Department Posture Statements. Posture hearings are usually completed by mid-to-end-February and then detailed hearings follow.

Attached listings of the calendar year 1980 House and Senate Defense and Military Construction Appropriation Subcommittee hearings are illustrative of the type of hearings held by these committees each year.

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS  
CALENDAR YEAR 1980

February 4 & 5  
10 AM/1:30 PM (4th)  
9:30 AM (5th)

FY 81 Defense Posture Statement - Honorable  
Harold Brown

February 5 & 6  
1:30 PM (5th)  
9:30 AM/1:30 PM (6th)

FY 81 Army Posture Statement - Honorable  
Clifford L. Alexander, Jr.

February 19 & 20  
9:30/1:30 (19th)  
9:30 (20th)

FY 81 Navy Posture Statement - Honorable  
Edward Hidalgo

February 20 & 21  
1:30 PM (20th)  
9:30/1:30 (21st)

FY 81 Air Force Posture Statement - Honorable  
Hans M. Mark

February 26  
9:30 AM/1:30 PM

FY 81 Defense Budget Overview - Honorable  
Fred P. Wacker

February 27  
10:00 AM/1:30 PM

FY 81 Research, Development & Acquisition  
Posture Statement - Honorable William J. Perry

February 28  
9:30 AM/1:30 PM

FY 81 Research, Development & Acquisition  
Posture Statement - Honorable William J. Perry

March 4  
9:30 AM/1:30 PM

European Command - Gen. Bernard W. Rogers

March 5  
9:30 AM/1:30 PM

Strategic Air Command - Gen. Richard H. Ellis

March 6  
9:30 AM/1:30 PM

Readiness Command - Gen. Volney F. Warner

March 11  
1:30 PM

Signals Intelligence Processing - Adm. B. R. Inman

March 12  
9:30 AM/1:30 PM

General Defense Intelligence Program Processing  
Overview - Gen. Eugene Tighe  
Imagery Processing - Dir., National Photographic  
Interpretation Center  
National Foreign Assessment Center Processing -  
Dep. Dir., National Foreign Assessment Center  
Human Intelligence Processing - Associate Dep.  
Dir. for Operations (CIA)  
National Foreign Intelligence Program Overview -  
Adm. Stansfield Turner

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

March 13 9:30 AM	Intelligence Related Activities Overview - Hon. Gerald P. Dinneen
March 13 1:30 PM	Use of the Space Shuttle - Hon. Hans Mark
March 18 10:00 AM/1:30 PM	TENCAP - Dr. James H. Babcock
March 19 9:30 AM	Special Activities, Air Force - Air Force witnesses
March 19 1:30 PM	Special Activities, Navy - Navy witnesses
March 19 2:45 PM	Defense Intelligence Agency Budget Request - DIA witnesses
March 24 9:30 AM	Tactical Cryptologic Program - Admiral Inman
March 24 10:45 AM	CIA Budget - Mr. Frank Carlucci
March 24 1:30 PM	Air Force Intelligence Related Activities - Air Force witnesses
March 25 9:30 AM/1:30 PM	Central Intelligence Agency - CIA witnesses
March 26 9:30 AM	Navy/Marine Corps Intelligence Related Activities - Navy and Marine Corps witnesses
March 26 1:30 PM	Army Intelligence Related Activities - Army witnesses
March 26 3-4 PM	Project BETA, and BETA Reprogramming - Dr. Harry L. Van Trees
April 1 9:30 AM-12 NOON	FY 81 Defense Manpower Overview - Hon. Robert B. Pirie
April 1 1:30 PM	Navy & Marine Corps Manpower Programs - VADM Robert B. Baldwin
April 1 2:30 PM	Army Manpower Programs - Mr. William D. Clark
April 1 3:30 PM	Air Force Manpower Programs - Mr. Joseph Zengerle

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

April 2 10:00 AM/1:30 PM	Implementation of FY 79 and FY 80 Congressional Actions in Military Personnel and O&M Areas - Mr. Joseph Sherick
April 15 10:00 AM/1:30 PM	Army RDT&E Programs - Army Witnesses
April 16 9:30 AM/1:30 PM	Navy RDT&E Programs - Navy Witnesses
April 21 1:00 PM	FY 80 DoD Supplemental Request - Hon. Harold Brown
April 22 9:30 AM/1:30 PM	FY 80 Army Supplemental Request - BG Corey Wright
April 23 9:30 AM	FY 80 Reprogrammings (Intel. Community & Air Force)
April 23 11:00 AM/1:30 PM	FY 80 Air Force Supplemental Request - MG George M. Browning
April 24 9:30 AM/1:30 PM	FY 80 Navy Supplemental Request - RADM T.J. Hughes
April 28 1:30 PM/2:30 PM	Hostage Rescue Situation - Honorable W. Graham Clayton, DepSecDef
April 29 9:30 AM/1:30 PM	Subcommittee Markup of '80 Supplemental
April 30 9:30 AM/1:30 PM	Air Force RDT&E Programs - LTG Kelly H. Burke
May 1	FY 80 Reprogrammings - Intelligence
May 5 10 AM	Air Force RDT&E Programs (Cont'd from Apr. 30) - LTG Kelly H. Burke
May 6 1:30 PM	FY 80 Reprogrammings - Air Force and DMA
May 7 9:30 AM/1:30 PM	DoD Transportation Activities - Mr. Paul Hyman
May 8 9:30 AM	Full Committee Markup of FY 80 Supplemental
May 12 1:30 PM	DoD Medical Activities - Hon. John Moxley

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

May 13 9:30 AM	FY 80 Reprogrammings - Army
May 14 9:30 AM/1:30 PM	Navy Shipbuilding - VADM J. H. Doyle, Jr.
May 15 9:30 AM/1:30 PM	MX Program - Hon. William J. Perry
May 20 10:00 AM/1:30 PM	O&M - Air Force - BG Richard D. Murray
May 21 9:30 AM/1:30 PM	
May 22 9:30 AM/1:30 PM	Telecommunications, Command & Control - Hon. Gerald P. Dinneen
May 28 9:30 AM	Wheeled Vehicles - Hon. Percy A. Pierre
May 28 1:30 PM	Anti-Armor Weapons - Mr. Robert A. Moore
June 2 2:00 PM	Hostage Rescue Mission - Hon. W. Graham Claytor
June 3 10:00 AM/1:30 PM	Tactical Aircraft & Air-to-Air Missiles - Army & Marine Corps witnesses
June 4 9:30 AM/1:30 PM	Navy & Air Force witnesses
June 5 9:30 AM/1:30 PM	Procurement Practices - Mr. Dale W. Church
June 10 10:00 AM/1:30 PM	Operation and Maintenance, Army - Army witnesses
June 11 9:30 AM	Ballistic Missile Defense - Army witnesses
June 12 9:30 AM/1:30 PM	Marine Corps Missions/Operations/Modernization and Rapid Deployment Force Requirements - Marine Corps witnesses
June 17 10:30 AM/2:30 PM	Guard and Reserve Programs - Honorable Harold W. Chase
June 18 9:30 AM	Army Guard and Reserve Mobilization Process - MG Emmett H. Walker, Jr.
June 18 10:00 AM	FY 80 Air Force Reprogrammings - Air Force witnesses

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

June 18 1:30 PM	Air Guard and Reserve Programs - MG John T. Grice
June 18 2:00 PM	FY 80 Reprogrammings - Army, Navy, and OSD witnesses
June 19 9:30 AM/1:30 PM	Ammunition Programs - BG Lawrence Skibbie
June 24 9:30 AM	General Provisions and Language - Mr. Manuel Briskin
June 25 9:30 AM/1:30 PM	Operation and Maintenance, Navy - RADM Thomas J. Hughes
June 26 1:30 PM	Subcommittee Markup of Reprogrammings Heard on June 18
June 30 & July 1	Outside Witnesses
Sept. 18 9:30 AM	FY 80 Mil Pers Reprogrammings - Mr. Dube
Sept. 23 9:30 AM	FY 1980 Navy & Air Force Reprogrammings - Navy and Air Force witnesses
Oct. 1 10:30 AM	FY 80 Below Threshold Reprogramming on 30mm Gun POD - Air Force witnesses

HOUSE APPROPRIATIONS MILITARY CONSTRUCTION SUBCOMMITTEE HEARINGS  
CALENDAR YEAR 1980

February 26 9:30 AM	FY 81 Defense Budget Overview - Mr. John R. Quetsch
February 26 1:30 PM	Intelligence Overview - Mr. John R. Hughes
February 27 9:30 AM/1:30 PM	FY 81 Military Construction Program Overview - Mr. Perry Fliakas
February 28 10:00 AM	Program Oversight - Mr. Perry Fliakas
February 28 1:30 PM	Army Master Restationing Plan - Army witnesses
March 4 9:30 AM/1:30 PM	Planning and Design Program - Mr. Perry Fliakas
March 5 9:30 AM/1:30 PM	Pollution Abatement, Energy Conservation, and Safety Programs - Mr. George Marienthal
March 6 9:30 AM/1:30 PM	Medical Construction Programs - Mr. Vernon McKenzie
March 11 10:00 AM	Defense Posture in the Pacific - Mr. Perry Fliakas
March 11 & 12 1:30 PM (Closed)	Host Nation Support - LTG Richard H. Groves
March 12 9:30 AM/1:30 PM	NATO Construction Program - MG William Read
March 13 9:30 AM/1:30 PM	Strategic Programs: Cruise Missile, Space Shuttle, Trident - MG William Gilbert
March 18 10:00 AM/1:30 PM	Real Property Maintenance - Mr. Perry Fliakas
March 19 9:30 AM/1:30 PM	FY 81 Family Housing Program - Mr. Perry Fliakas
March 24 1:30 PM	FY 81 Defense Agencies Mil Con Program - Mr. Perry Fliakas
March 24 3:00 PM	FY 81 Reserve Components Mil Con Program - Hon. Harold W. Chase

HOUSE APPROPRIATIONS MILITARY CONSTRUCTION SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

March 25  
1:30 PM

MX Program - Hon. Harold Brown

March 26  
9:30 AM/1:30 PM

MX Program - Air Force witnesses

March 27  
9:30 AM

FY 81 Army Mil Con Program - MG William Read

March 27  
1:30 PM

FY 81 Air Force Mil Con Program - MG William Gilbert

April 1  
10:30 AM/1:30 PM

FY 81 Navy/Marine Corps Mil Con Program -  
RADM D. G. Iselin

April 2  
9:30 AM/1:30 PM

Outside Witnesses

April 24  
9:30 AM

FY 80 Supplemental and FY 81 Amendment -  
Mr. Perry Fliakas

July 30  
10 AM

Pending FY 80 Reprogrammings - Service witnesses

SENATE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS  
CALENDAR YEAR 1980

March 12  
10:00 AM  
FY 81 Defense Posture Statement - Hon. Harold Brown

March 26  
10:00 AM  
FY 81 Air Force Posture Statement - Hon. Hans Mark

March 26  
2:00 PM  
FY 81 Navy Posture Statement - Hon. Edward Hidalgo

March 27  
10:00-11:00 AM  
FY 81 Navy RDT&E Request - Hon. David E. Mann

March 27  
11:00-12:00 AM  
FY 81 Navy Procurement Request - Other than  
Shipbuilding - V/Adm. W. L. McDonald

March 27  
2:00 PM  
FY 81 Navy Procurement Request including Shipbuilding -  
V/Adm. James H. Doyle, Jr.

April 1  
10:00 AM  
FY 81 Army Posture Statement - Hon. Clifford Alexander

April 1  
2:00 PM  
FY 81 Research, Development & Acquisition Posture  
Statement - Hon. William J. Perry

April 2  
2:00 PM  
FY 81 Defense Manpower Overview - Hon. Robert B. Pirie

April 3  
2:00 PM  
FY 81 Defense Budget Overview/O&M Overview/  
General Provisions - Mr. John R. Quetsch

April 17  
10:00 AM  
FY 81 Army Procurement and RDT&E Request -  
Hon. Percy Pierre

April 18  
10:00 AM  
FY 81 Air Force Procurement and RDT&E Request -  
LTG Kelly H. Burke

April 24  
10:00 AM  
Intelligence Community - Director of Central  
Intelligence

April 28  
10:00 AM  
FY 81 Defense Budget Overview/O&M Overview/  
General Provisions - Mr. John R. Quetsch

May 8  
2 PM  
FY 80 Supplemental Request - Mr. John R. Quetsch

May 13  
2 PM  
Subcommittee Markup of FY 80 Supplemental

May 15  
10:30 AM  
FY 81 Defense Agencies Request - Directors of  
DCA, DLA, DMA, DNA, DARPA

SENATE APPROPRIATIONS DEFENSE SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

- July 25  
2 PM                      Central Intelligence Agency - Honorable Frank C. Carlucci
  
- July 25  
3 PM                      Special Activities, Air Force - Honorable Robert J. Herman
  
- July 31  
2 PM                      FY 81 Defense Intelligence Programs (NSA & DIA) - VADM Bobby Inman
  
- July 31  
3 PM                      FY 81 Defense Intelligence Programs (C3I & Policy) - Hon. Gerald P. Dinneen
  
- Sept. 24  
10 & 2                    Public Witnesses

SENATE APPROPRIATIONS MILITARY CONSTRUCTION SUBCOMMITTEE HEARINGS  
CALENDAR YEAR 1980

March 3  
10 AM  
Overview of FY 81 Military Construction  
(Overall request, summary of each Service  
request, highlights of program items of  
special interest) - Mr. Perry Fliakas

March 4  
2 PM (Closed)  
(Joint hearing  
with SASC)  
Defense Posture in the Pacific - Mr. Perry Fliakas

March 5  
1 PM (Closed)  
(Joint hearing  
with SASC)  
Defense Posture in Indian Ocean/Persian Gulf -  
Mr. Perry Fliakas

March 10  
10 AM  
Strategic Programs - Navy (Poseidon Conversion -  
Trident Construction, East Coast Trident Site) -  
Navy witnesses

March 10  
2 PM  
Strategic Programs - Air Force (Space Shuttle,  
MX, ALCMs) - MG William Gilbert

March 18  
2 PM  
Defense Agencies FY 81 Military Construction  
Program - Mr. Perry Fliakas

March 18  
3 PM  
Family Housing/Quality of Life - Mr. Perry Fliakas

March 24  
2 PM  
(Joint hearing  
with SASC)  
Energy Policy - Mr. George Marienthal

March 26  
2 PM  
Facilities in Support of General Purpose Forces -  
MG William Read

March 26  
3:30 PM  
Logistics/Air-and Sea-Lift/Supply - MG William Read

April 17  
2:00 PM  
(Joint hearing  
with SASC)  
Space Shuttle - Cost Variations and Reprogrammings -  
Air Force witnesses

April 17  
2:30 PM  
(Joint hearing  
with SASC)  
FY 80 Supplemental and FY 81 Amendment -  
Mr. John Rollence

SENATE APPROPRIATIONS MILITARY CONSTRUCTION SUBCOMMITTEE HEARINGS (CONT'D)  
CALENDAR YEAR 1980

April 18 2:00 PM	Medical Construction Programs - Mr. Vernon McKenzie
April 22 9:30 AM	FY 81 Reserve Components Military Construction Program - LTG LaVern Weber
April 30 1:30 PM (Joint hearing with SASC)	NATO-Long-Term Planning/Infrastructure/US Direct and Prefinancing in Support of NATO - Mr. Perry Fliakas
May 6 10:00 AM	Alternative Basing Modes for MX - Hon. Harold Brown
May 15 2:00 PM	Nuclear Storage and Security - MG William Read

ACTIONS ON RECOMMENDATIONS IN CONGRESSIONAL COMMITTEE REPORTS  
AND RELATED AUTHORIZATION AND APPROPRIATION ACTS

OASD(C) is responsible for the development of a Defense Department position or statement of action taken on each matter on which the Armed Services or Appropriations Committees make a recommendation or indicate particular concern in their reports on DoD authorization and appropriation requests. (See DoD Directive 5545.2 and DoD Instruction 5545.3 for background and guidance.)



August 20, 1979  
NUMBER 5545.2

## Department of Defense Directive

ASD(C)

**SUBJECT:** DoD Policy for Congressional Authorization and Appropriation Actions

- References:**
- (a) DoD Directive 5545.2, "Review and Implementation of Congressional Actions on Authorization and Appropriation Acts Affecting DoD and Related Congressional Reports," September 19, 1974 (hereby canceled)
  - (b) DoD Instruction 5545.3, "DoD Procedures for Congressional Authorization and Appropriation Actions," July 5, 1979

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a); and establishes policies and responsibilities for handling Congressional action items designed to expedite the publication of DoD position statements.

### B. APPLICABILITY

The provisions of this Directive apply to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), and the Defense Agencies (hereafter referred to as "DoD Components").

### C. POLICY

House, Senate, and Conference Reports on Authorization and Appropriation Acts affecting the Department of Defense shall be reviewed by DoD Components to identify each Congressional recommendation or suggestion, reporting requirement, and expression of concern to recommend a DoD position on the item. Thereafter, a Secretary of Defense-approved policy position shall be established, and implementing action, when required, shall be taken within the Department of Defense. The approved statements shall serve as the DoD position on each item, and shall be the source of data for the Secretary of Defense's Congressional Reference Book and other matters.

#### D. RESPONSIBILITIES

1. The Secretaries of the Military Departments and the Directors of Defense Agencies, or their designees, shall:

a. Review each Congressional report to identify specific action items, as described in section C., applicable to the reviewing DoD Component or to the Department of Defense as a whole, and submit informally to the Assistant Secretary of Defense (Comptroller)(ASD(C)).

b. Evaluate each action item, and develop a statement of the action taken on those items assigned to each DoD Component. When appropriate, recommend a DoD position on each item in accordance with instructions in DoD Instruction 5545.3 (reference (b)).

2. The Under Secretaries of Defense; the Assistant Secretaries of Defense, the General Counsel, DoD; the Assistants to the Secretary of Defense; and the Chairman of the Joint Chiefs of Staff shall:

a. Take action as set forth in D.1.a. and b.

b. Review Military Departments' and Defense Agencies' evaluations and recommendations on their immediate areas of responsibility, and coordinate these submissions and the action items and General Provisions assigned to their activity with other OSD and OJCS elements.

c. Submit to the ASD(C) a summary statement of action taken and, when appropriate, a DoD position for approval by the Secretary of Defense, in accordance with DoD Instruction 5545.3 (reference (b)).

d. Prepare the guidance necessary for implementing the policy decisions of the Secretary of Defense.

3. The Assistant Secretary of Defense (Comptroller) shall:

a. Review all Acts and related reports to identify and assign items requiring action by DoD Components, and ensure that all actions have been selected.

b. Coordinate Congressional action items to be assigned to the cognizant DoD Component in advance of formal tasking.

c. Act as the focal point to receive all submissions, under D.1.a. and D.2.a., and recommendations from the Military Departments and Defense Agencies, and refer these to the office of primary responsibility within the OSD or OJCS.

d. Coordinate a DoD position or policy recommendation, and publish a complete set of the statements of action and DoD position reflecting Secretary of Defense approval.

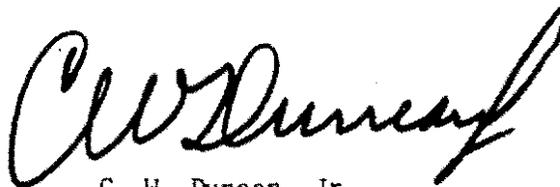
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e. Ensure that all Congressional requests for reports or other specific information are identified and assigned to an appropriate DoD organizational element for compliance.

f. Issue detailed guidance, including due dates, for the implementation of this Directive.

E. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward two copies of implementing instructions to the Assistant Secretary of Defense (Comptroller) within 120 days.



C. W. Duncan, Jr.  
Deputy Secretary of Defense

D. PROCEDURES AND RESPONSIBILITIES

1. General

a. After extracting the action items and before preparing transmittal statements, each DoD Component shall coordinate informally with the Assistant Secretary of Defense (Comptroller) (ASD(C)) to verify that all relevant items have been selected.

b. The ASD(C) shall conduct a joint session with the Military Departments and those OSD offices having primary interest (principally the Under Secretary of Defense for Research and Engineering, Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), and Assistant Secretary of Defense (Program Analysis and Evaluation)) to determine the DoD Component to be assigned primary responsibility for action on each item, and to prepare the statements of action taken and DoD position statements.

c. When action applies to a DoD Component other than the Component assigned primary action, the Component may respond on that portion of the action that affects its own activities by submitting a transmittal statement to the office having primary responsibility within 10 calendar days of receipt of action assignments from the ASD(C).

2. The Secretaries of the Military Departments and the Directors of Defense Agencies shall:

a. Upon issuance of the Congressional reports related to Authorization and Appropriation Acts affecting the Department of Defense, review each report thoroughly to identify specific action items, extract pertinent information containing views of the Congress on the operations of the Military Department/Defense Agency, and submit a statement informally to the ASD(C). Particular emphasis shall be placed on directed or suggested actions. When applicable, reference shall be made to similar actions in prior years. General Provisions are excluded from the Military Department/Defense Agency review.

b. Prepare a statement for transmittal to the ASD(C) containing action taken and, when appropriate, a DoD position on those assigned items that require action at the Military Department/Defense Agency level. Submit these statements to the ASD(C) in accordance with the instructions and format prescribed in enclosures 2 and 3 and within the time schedule established in section E.

3. The Principal Staff Assistants and the Chairman of the Joint Chiefs of Staff shall:

a. As office of primary responsibility, review action statements proposed by the Military Departments/Defense Agencies, including a determination as to whether the action or DoD position is consistent



July 5, 1979  
NUMBER 5545.3

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## Department of Defense Instruction<sup>ASD(C)</sup>

SUBJECT: DoD Procedures for Congressional Authorization and Appropriation Actions

- References: (a) DoD Instruction 5545.3, "Review and Implementation of Congressional Actions on Authorization and Appropriation Acts Affecting DoD and Related Congressional Reports," September 19, 1974 (hereby canceled)
- (b) DoD Directive 5545.2, "Review and Implementation of Congressional Actions on Authorization and Appropriation Acts Affecting DoD and Related Congressional Reports," September 19, 1974

### A. REISSUANCE AND PURPOSE

This Instruction reissues reference (a); establishes the procedures for handling Congressional action items; and prescribes uniform procedures to be followed by DoD Components assigned responsibility in reference (b) for:

1. Reviewing and identifying specific recommendations contained in House, Senate, and Conference Reports on the Authorization and Appropriation Acts listed in enclosure 1, and for taking positive action on each recommendation, to include the development and issuance of policy directives, instructions, and any other action required by these reports.
2. Identifying subject matter on which information must be furnished to the Congress, and developing the data in such a manner as to respond fully to the Congressional request.
3. Implementing, through appropriate media, the General Provisions of the Authorization and Appropriation Acts listed in enclosure 1, and maintaining central control of actions taken as a result of recommendations in these Acts and related Congressional reports.

### B. APPLICABILITY

The provisions of this Instruction apply to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), and the Defense Agencies (hereafter referred to as "DoD Components").

### C. DEFINITION

As used herein, the term "Principal Staff Assistants" means the Under Secretaries of Defense, the Assistant Secretaries of Defense, the General Counsel, DoD, and the Assistants to the Secretary of Defense.

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with existing policy, and, if not, whether existing policy needs to be changed or the proposed policy disapproved. This shall include coordination with appropriate OSD/OJCS offices.

b. Prepare a statement for transmittal to the ASD(C) summarizing the action taken by the Military Departments/Defense Agencies and, when appropriate, a DoD position for approval by the Secretary of Defense. The instructions and format prescribed in enclosures 2 and 3 shall be followed.

c. Prepare a statement for transmittal to the ASD(C) containing action taken and, when appropriate, a DoD position for approval by the Secretary of Defense on assigned General Provisions and on those assigned action items that require action at the OSD/OJCS level but not at the Military Department/Defense Agency level. The instructions and formats prescribed in enclosures 2, 3, and 4 shall be followed.

d. Prepare the necessary DoD issuances or policy statements required to implement the policy decisions of the Secretary of Defense and the General Provisions of the Authorization and Appropriation Acts.

4. The Assistant Secretary of Defense (Comptroller) shall:

a. Independent of the review conducted by the other DoD Components, review each Authorization and Appropriation Act and related Congressional reports to identify specific action items to be extracted by the OSD, the OJCS, the Military Departments, and the Defense Agencies.

b. Serve as the central point to receive all submissions under paragraph D.2.a.

c. Assign to the OSD/OJCS office of primary responsibility all General Provisions and those action items that require action at the OSD/OJCS level but not at the Military Department/Defense Agency level, and assign those action items requiring action by the Military Departments/Defense Agencies.

d. Furnish the office of primary responsibility 2 copies of the General Provision that requires review to determine if there is any change to the "action taken" statement for the previous year. Any changes that are necessary may be made on the copy furnished. If the General Provision is new, the "action taken" statement shall contain an implementing statement. There is no necessity to retype the General Provision language.

e. Upon receipt of action statements proposed and submitted by the Military Departments/Defense Agencies, verify that relevant items have been included, and then forward to the OSD/OJCS office of primary responsibility.

f. Coordinate and consolidate statements of action taken and DoD position statements for official dissemination indicating Secretary of Defense approval.

g. Furnish a complete set of statements of actions and DoD position reflecting Secretary of Defense approval to appropriate officials of the Department of Defense, General Accounting Office, and to members of the Congressional Committees.

h. Ensure that the Assistant to the Secretary (Legislative Affairs) receives statements of action and DoD position statements as required for inclusion in the Secretary of Defense Congressional Reference Book.

i. Maintain a complete central control record of action items being processed, and monitor the implementation of this Instruction.

#### E. DUE DATES

To have an approved DoD position for use in Congressional Hearings and other policy determinations, this time schedule shall be followed:

1. Military Departments/Defense Agencies and OSD/OJCS staff offices shall transmit the action statements, described in paragraphs D.2.b. and D.3.c., to the ASD(C) as directed by the ASD(C).

2. OSD/OJCS staff offices shall finalize and transmit the action statements, described in paragraph D.3.b., to the ASD(C) within 8 calendar days after receipt.

3. General Provisions, described in paragraph D.3.c., shall be finalized and returned to the ASD(C) within 10 calendar days after receipt.

#### F. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward two copies of implementing instructions to the Assistant Secretary of Defense (Comptroller) within 120 days.

*Fred P. Wacker*

Fred P. Wacker  
Assistant Secretary of Defense  
(Comptroller)

Enclosures - 4

1. List of Authorization and Appropriation Acts Affecting DoD, and Related Congressional Reports for Review and Implementation
2. Instructions for Preparing Action Statements
3. Sample Format--Action Statements Other than General Provisions
4. Sample Format--Action Statements--General Provisions

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5545.3 (Encl 1)

LIST OF AUTHORIZATION AND APPROPRIATION ACTS AFFECTING DOD,  
AND RELATED CONGRESSIONAL REPORTS FOR REVIEW AND IMPLEMENTATION

A. CONGRESSIONAL ACTIONS

House of Representatives, Senate, and Conference Committees'  
Reports:

Department of Defense Appropriation Authorization Act

Department of Defense Appropriation Act

Military Construction Authorization Act

Military Construction Appropriation Act

Supplemental Appropriation Authorization Acts (Department of  
Defense)

Supplemental Appropriation Acts (Department of Defense)

Concurrent Resolutions on the Budget

Budget Rescission Bills

B. GENERAL PROVISIONS

Department of Defense Appropriation Authorization Act

Department of Defense Appropriation Act

Military Construction Authorization Act

Military Construction Appropriation Act

Supplemental Appropriation Authorization Acts (Department of Defense)

Supplemental Appropriation Acts (Department of Defense)

INSTRUCTIONS FOR PREPARING ACTION STATEMENTS

1. The formats for preparing action statements are shown in the following enclosures:

Enclosure 3, Other than General Provisions  
Enclosure 4, General Provisions

2. Action statements pertaining to items other than General Provisions shall include a listing of references to the applicable Congressional reports and a narrative summary of the "Recommendation or Action Indicated by Congressional Committee(s)." The title shall be selected as descriptive of the subject matter. Action statements pertaining to General Provisions shall include a verbatim extract of the provision.

3. Statements of action taken, or DoD position, shall be prepared in the same type of language used for preparing witness statements; that is, succinct and directly responsive to the point at issue and suitable for use by the Secretary and Deputy Secretary of Defense, the Secretaries of the Military Departments, and other officials in appearances before Congressional Committees.

4. Directives, regulations, or other official promulgations and studies that pertain to the action, shall be referred to or quoted in the action statement. Copies of such referenced items shall be attached to both the General Provision and action item statements.

5. Statements shall be single spaced and prepared on 8 by 10-1/2 inch paper with 1-inch top and left margins and 1/2-inch bottom and right-hand margins. Organization, preparer's name and extension, and date of preparation should appear in the lower right-hand corner of each statement. Originating office and other reviewing offices that make a substantive change shall be listed. All action statements shall be unclassified; classified material may be submitted to serve as back-up data.

6. Forward 2 copies of the General Provision and an original and 2 copies of each action item statement with the appropriate enclosures to the Assistant Secretary of Defense (Comptroller) by transmittal memorandum signed at the level designated in implementing instructions.

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SAMPLE FORMAT

ACTION STATEMENTS OTHER THAN GENERAL PROVISIONS

DLGN 41 AND 42 NUCLEAR FRIGATES

House Budget Committee Report, First Concurrent Resolution, Page 36  
House Armed Services Committee Report, Pages 35-40  
Conference Armed Services Committee Report, Pages 27, 28, 42  
House Appropriations Committee Report, Second Supplemental (1978) Page 5  
House Appropriations Committee Report, Page 174  
Senate Appropriations Committee Report, Pages 22, 159-161  
House Appropriation Committee Report, Military Construction, Page 2  
P.L. 95-485, Appropriation Authorization Act, Section 203

Recommendation or Action Indicated by Congressional Committee(s)

The President's FY 1974 budget did not include a request for authorization for Nuclear Powered Frigates (DLGN). In its report each year, for the past 8 years, the HASC has presented in detail its reasons for believing it is necessary for the security of the United States that the Navy be provided with nuclear frigates to accompany nuclear carriers. The Committee feels that additional nuclear frigates are needed. The House authorized advance procurement funds in the amount of \$79 million to provide long lead-time items for the nuclear frigates DLGN 41 and DLGN 42. The Senate receded from its position and accepted the House authorization. In addition, the Senate accepted the restrictive language providing that the \$79 million could be used only for the procurement of long lead-time items for the DLGNs 41 and 42. That language further provided that contracts for these long lead-time items be entered into as soon as practicable unless the President fully advises the Congress that the construction of these vessels is not in the National interest.

Action Taken

The FY 1974 program has been placed on contract and the FY 1975 President's Budget requests \$244.3 million to fully fund DLGN-41 and to provide additional advance procurement funding for DLGN-42. Funds to complete DLGN-42 are programmed in FY 1976.

DoD Position

(Include appropriate statement when applicable)

OASD(C))DASD(P/B)<sup>1</sup>  
S.KETTERING, x72124  
3/20/74<sup>2</sup>

<sup>1</sup>Enter on last page only.

<sup>2</sup>Month/Day/Year - in numbers only

(NOTE: Omit page numbers when submitting final format)

Jul 5, 79  
5545.3 (Encl 4)

SAMPLE FORMAT

ACTION STATEMENTS -- GENERAL PROVISIONS

GENERAL PROVISIONS  
DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1974  
PL 93-155, November 16, 1973

SURVIVOR BENEFIT PLAN-AMENDMENT

Section 804. Section 3(b) of Public Law 92-425 (86 Stat. 711) is amended by --

- (1) striking out in the first sentence "before the first anniversary of that date" and inserting in lieu thereof "at any time within eighteen months after such date", and
- (2) striking out in the second sentence "before the first anniversary of" and inserting in lieu thereof "at any time within eighteen months after".

Action Taken

Section 804 of the Department of Defense Appropriation Authorization Act for FY 1974 extended for 6 months (until March 20, 1974) the period within which retired members of the uniformed services could elect to participate in the Survivor Benefit Plan. The Military Departments have publicized the extension to enable potential participants to elect into the Plan.

The provision will be fully executed on March 20, 1974.

OASD(MRA&L)MPP  
MAJ. JONES, X54132  
2/4/74<sup>1</sup>

<sup>1</sup>Month/Day/Year - in numbers only

NOTE: "DoD Position" is not required.



COMPTROLLER

ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301

8 APR 1975

MEMORANDUM FOR Secretaries of the Military Departments  
Chairman of the Joint Chiefs of Staff  
Director of Defense Research and Engineering  
Assistant Secretaries of Defense  
General Counsel  
Director, Telecommunications & Command and Control Systems  
Assistants to the Secretary of Defense  
Directors of the Defense Agencies

SUBJECT: Identification and Control of Reports Generated by Congressional Armed Services and Appropriations Committees

- References:
- a. DoD Directive 5545.2, "Review and Implementation of Congressional Actions on Authorization and Appropriation Acts Affecting DoD and Related Congressional Reports," September 19, 1974.
  - b. DoD Instruction 5545.3, "Procedures for the Annual Review and Implementation of Congressional Actions on Authorization and Appropriation Acts Affecting DoD and Related Congressional Reports," September 19, 1974.
  - c. DoD Directive 5000.19, "Policies for the Management and Control of DoD Information Requirements," June 1, 1973.

DoD Directive 5545.2 (reference a) and DoD Instruction 5545.3 (reference b) assign responsibility and establish procedures for identifying and implementing each of the actions required by the Congress in their reports on the annual defense authorization and appropriation legislation. Such actions as required by the Congress frequently include the preparation and submission of one-time or recurring reports to the Congress. Often, these reports are required at a date prior to the completion of the publication of action item statements under the provisions of references a and b.



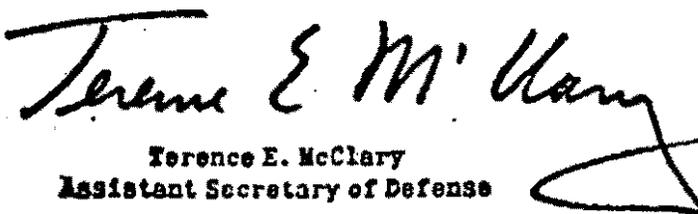
Reports of this nature are also subject to the policies and procedures in DoD Directive 5000.19 (reference c). Accordingly, it has been determined that the procedures for administering the reports control function under this latter directive should also be utilized in establishing a positive control system that will assure timely preparation and submission of this particular group of reports.

It has been the practice under DoD Instruction 5545.3 (reference b) for each DoD component to conduct a review of Congressional Armed Services and Appropriations Committee reports to identify action items which need to be addressed. Subsequently, in a joint session conducted by the ASD(C) action item officer, an agreement has been made to determine the DoD component to be assigned primary responsibility for action on each item. In this regard, we would also like to continue to ensure that all responses to action items are prepared in a timely manner.

It is now planned that immediately upon release of any Congressional Armed Services or Appropriations Committee Report, a preliminary review will be made by the ASD(C) action item officer, with such assistance as may be necessary from his counterparts in the DoD components, specifically for the purpose of identifying any potential one-time or recurring reporting requirements. These items will then be referred to the Directorate for Information Operations and Control for analysis consistent with the provisions of DoD Directive 5000.19 (reference c). The ASD(C) action item officer will then convene a meeting of representatives from the applicable DoD component staff offices to: (1) consider possible alternatives for fulfilling the reporting requirement (e.g., using available similar or substitute data); (2) assign report control symbols, as appropriate; and (3) designate the office of primary responsibility for each report. If Conference Committee action addresses any of the reporting requirements and necessitates a revision to the previously established requirement, the ASD(C) action item officer will again convene a meeting of DoD component representatives to update the action required.

An action item report control calendar will then be developed and maintained to insure that reporting due dates are met. Copies of the control calendar will be distributed to the appropriate Defense Component information management control office/information focal points as designated by reference (c). If a reporting date cannot be met, a request for extension of the due date must be addressed to the applicable Committee. ASD(C) coordination is required on all reports, or requests for extensions, to the Appropriations Committees.

Your cooperation in implementing this procedure will be greatly appreciated and should facilitate our ability to react promptly to these important congressional requirements.



Terence E. McClary  
Assistant Secretary of Defense

REPORTING REQUIREMENTS IN CONGRESSIONAL COMMITTEE REPORTS

OASD(C) reviews congressional committee reports to:

- o Assure that actions and reporting requirements levied by the Congress are satisfied.
- o Control those congressional actions requiring a report through maintenance of a reports calendar.

(See ASD(C) memorandum, April 8, 1975, for background and guidance)

HAC SURVEYS AND INVESTIGATIONS STAFF

OASD(C) maintains relationships with the Surveys and Investigations (S&I) Staff -- the investigating arm of the House Appropriations Committee. (See DODI 5500.16, December 8, 1976, for background and guidance.)

- o Establishes focal point in OSD and Services for all new S&I studies.
- o Serves as contact point with House Appropriations Committee for obtaining S&I reports.



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ASD(C)

## Department of Defense Instruction

**SUBJECT** Relationship with the Surveys and Investigations Staff,  
House Appropriations Committee

- References:
- (a) Section 202(b) of the Legislative Reorganization Act of 1946, P.L. 79-601 (2 U.S.C. 72a)
  - (b) DoD Directive 5118.3, "Assistant Secretary of Defense (Comptroller)," July 11, 1972
  - (c) DoD Directive 5400.4, "Provision of Information to Congress," February 20, 1971
  - (d) DoD Directive 5200.1, "DoD Information Security Program," June 1, 1972
  - (e) OMB Circular No. A-10, "Responsibilities for Disclosure with Respect to the Budget," November 12, 1976
  - (f) Deputy Secretary of Defense memorandum, August 27, 1969, subject: "GAO Review of Weapons Systems Programs - Access to Records"

### I. PURPOSE

This Instruction establishes policies and procedures governing the relationship of Department of Defense Components (see III) with the Surveys and Investigations Staff (S&I Staff), House Appropriations Committee.

### II. BACKGROUND

- A. The Surveys and Investigations Staff, House Appropriations Committee, was established, pursuant to section 202(b) of the Legislative Reorganization Act of 1946, P.L. 79-601, (2 U.S.C. 72a) (reference (a)), to conduct surveys and investigations of the organization and operation of any Executive Branch agency deemed necessary to assist the House Appropriations Committee in actions concerning matters coming under its jurisdiction. Inquiries conducted under this authority have been a major source of information for the House Appropriations Committee in their action on Defense appropriation requests and in recommendations for DoD action which are set forth in the reports on appropriation bills.
- B. The regular S&I Staff comprises a small nucleus of professional and clerical personnel, usually about eight individuals, augmented by contract personnel and by personnel detailed from various Federal Government agencies. This provides a staff of skilled investigators with expertise in various areas. Department of Defense has, on occasion, provided personnel for this staff. Arrangements are made for reimbursement to an agency for personnel detailed to the Staff. Normally, investigators are

not assigned to work on inquiries involving the agency from which they are detailed. The S&I Staff reports directly to the Chairman of the Appropriations Committee and is completely separate from committee staffs that deal individually with agency budget requests.

- C. In conducting inquiries, it is not the practice of S&I Staff teams to provide a draft copy of their report to the agency for comment. Moreover, S&I Staff team chiefs or members are not required to reveal the nature of their criticism at exit interviews nor to indicate what will be included in their final report. Reports on inquiries conducted by the S&I Staff are made to the Chairman of the Appropriations Committee. While the Department may routinely request copies of the final report, such copies may not be released except by authority of the Chairman or a majority of the Committee. In some cases, reports are withheld indefinitely.

### III. APPLICABILITY AND SCOPE

The provisions of this Instruction apply to the Office of the Secretary of Defense, the Military Departments, the Organization of the Joint Chiefs of Staff, the Defense Agencies, and the Unified and Specified Commands (hereinafter referred to as "DoD Components").

### IV. RESPONSIBILITIES

- A. The Assistant Secretary of Defense (Comptroller) in the role of principal staff advisor to the Secretary of Defense for ". . . budgeting, auditing, and fiscal functions" pursuant to Section II, DoD Directive 5118.3 (reference (b)), is responsible for establishing administrative procedures covering the relationship of DoD Components with the S&I Staff, serving as the principal liaison representative of the Department of Defense with the S&I Staff, and making such arrangements as are necessary to facilitate the conduct of inquiries by the S&I Staff. In carrying out this authority, the Special Assistant, Office of the Assistant Secretary of Defense (Comptroller), is designated as the individual who will coordinate with all other DoD Components those matters related to S&I Staff inquiries and direct S&I Staff members who are conducting inquiries to the appropriate organizations and individuals within the Department of Defense.
- B. Each principal staff assistant to the Secretary of Defense or in the Organization of the Joint Chiefs of Staff is responsible for Defense-wide coordination of inquiries involving their respective functional areas. When notification of an impending inquiry has been received from the Special Assistant, OASD(C), each principal staff assistant to the Secretary of Defense or the Director of the Joint Staff will designate and advise the Special Assistant, OASD(C), of the office within that organization and the individual from that office who will serve as the OSD or JCS Staff Coordinator for that particular inquiry.

- C. Each Secretary of a Military Department and Director of a Defense Agency is responsible for all arrangements that are necessary for S&I Staff teams to conduct inquiries within each department or agency. These arrangements will include the designation of an office to receive all notifications of impending inquiries; assignment of responsibility to a specific organization and individual within the Military Department or Defense Agency for dealing with the S&I Staff and with the OSD Staff Coordinator on each inquiry as it is announced; advising the Special Assistant, OASD(C), and the OSD Staff Coordinator, as appropriate, of individuals who are to be contacted by Surveys and Investigations Staff personnel; and reporting to the Special Assistant, OASD(C), on the status and results of each inquiry.

V. POLICIES AND PROCEDURES

- A. Inquiries are initiated by majority vote of a subcommittee of the House Appropriations Committee, with participation by both the subcommittee Chairman and the Ranking Minority Member. Upon approval of the Chairman and Ranking Minority Member of the House Appropriations Committee, the request for an inquiry is directed to the S&I Staff for action. The Chief, Surveys and Investigations Staff, House Appropriations Committee, will advise the Secretary of Defense by letter of the impending inquiry. Information copies of such letters will be provided to the Assistant Secretary of Defense (Public Affairs), the Assistant Secretary of Defense (Legislative Affairs), General Counsel, Organization of the Joint Chiefs of Staff, the Military Departments, and any interested Defense Agency. Following such notification, the Special Assistant, Office of the Assistant Secretary of Defense (Comptroller), will determine the office of primary responsibility and request that an individual from that office be designated as the OSD Staff Coordinator. The Special Assistant, OASD(C), will then forward the name of the individual designated as OSD Staff Coordinator to the S&I Staff. Henceforth, the OSD Staff Coordinator will become the principal coordinator between the S&I team and DoD for the conduct of that particular inquiry.
- B. If the subject of the inquiry is in a functional area under the jurisdiction of the Joint Chiefs of Staff, the Director of the Joint Staff will designate the individual who will serve as Staff Coordinator for that particular inquiry. In those instances, the JCS Staff Coordinator will perform the same duties and assume the same responsibilities that are otherwise assigned in this Instruction to the OSD Staff Coordinator.
- C. The Special Assistant, OASD(C), will also advise the Principal Deputy Assistant Secretary of Defense (Comptroller) of each inquiry as it is received. If the PDASD(C) determines that there are significant budgetary implications in an inquiry, a member of that staff may be appointed as Budget Monitor to assist and advise

the OSD Staff Coordinator on budgetary matters. The OSD Staff Coordinator will keep the Budget Monitor advised of the progress of the inquiry.

- D. The Special Assistant, OASD(C), will also inform the designated representative or central coordinating office in the Military Department concerned of each inquiry as it is received. Each Defense Agency will also be advised of each inquiry in which it has an interest. A Military Department or Defense Agency individual will then be designated as the principal coordinator within that organization for matters pertaining to the inquiry. Such individuals will normally be from the same functional area as the OSD Staff Coordinator.
- E. As appointments are made, the Special Assistant, OASD(C), will notify the Chief, Surveys and Investigations Staff, of the names of Department of Defense individuals who are to be contacted to get the inquiry underway.
- F. The Chief, Surveys and Investigations Staff, will furnish the Special Assistant, OASD(C), a list of the names of S&I Staff investigators who will be participating in an inquiry. The Special Assistant, OASD(C), will then obtain the security clearance of each investigator from the Assistant Secretary of Defense (Legislative Affairs) or the Office of the Deputy Assistant Secretary of Defense (Administration), OASD(C), Attn: Security Division, and provide a listing of investigators and their security clearance to the OSD Staff Coordinator, the Military Department central coordinating offices, and any Defense Agency that may be involved in the inquiry.
  - 1. While the inquiry is underway, the OSD Staff Coordinator will assure that DoD personnel who will be contacted by S&I Staff members have been notified, in advance, of their security clearance. In addition, the Security Division will provide a security clearance certification to the appropriate security office for each DoD Component or Defense contractor that is to be contacted by S&I Staff members.
  - 2. Any question that may arise concerning the security clearance of S&I Staff members should be resolved promptly. When necessary, the security clearance of any S&I Staff member may be verified by direct contact with the ODASD(A), OASD(C), Attn: Chief, Security Division, telephone 697-7171.
- G. Surveys and Investigations Staff teams will be advised to contact the OSD Staff Coordinator when the inquiry is commenced for the purpose of arranging visits to DoD facilities and obtaining required information. The OSD Staff Coordinator will take the lead in making such arrangements and will arrange for travel and appointment schedules with Military Department coordinators or with other Department of Defense offices. When the S&I Staff team requests information or data from the OSD staff or JCS, the OSD Staff Coordinator will secure

such information or data. This will enable the OSD Staff Coordinator to be knowledgeable of the material being requested and at the same time preclude unnecessary administrative delays in obtaining the information or data. The OSD Staff Coordinator will request that the S&I Staff team advise on any unresolved problems that may arise in the conduct of the inquiry. All possible steps will be taken to assure that S&I Staff members receive full cooperation of DoD organizations in conducting the inquiry.

- H. It is the practice of Surveys and Investigations Staff teams to visit DoD installations by themselves. Accordingly, the OSD Staff Coordinator or Military Department and Defense Agency coordinators should not arrange for DoD officials to accompany S&I teams except in unusual circumstances, or when the S&I team chief requests that DoD officials accompany them.
- I. Each Military Department and Defense Agency will designate an office as the initial point of contact and central coordinating office on all matters concerning the activities of the S&I Staff. Upon being advised by the Special Assistant, OASD(C), that notification of an impending inquiry has been received, the Department or Agency central coordinating office will (1) notify the appropriate staff offices of the pending inquiry, and (2) initiate the action to designate an individual to serve as the principal coordinator with the S&I Staff for that particular inquiry. Since it is usually desirable for the Department or Agency coordinator to be in the same functional area as the OSD Staff Coordinator, the Department or Agency central coordinating office will ascertain from the Special Assistant, OASD(C), who will be the OSD Staff Coordinator before finalizing the Military Department or Defense Agency appointment.

#### VI. REPORTING

- A. Each Military Department or Defense Agency involved in any inquiry will submit a monthly report, in duplicate, no later than the 15th day of the following month, to the Special Assistant, OASD(C), on the status of each inquiry.
- B. This progress report will include a description of any controversial issues, their resolution, and any corrective actions taken as a result of the inquiry.
- C. The Special Assistant, OASD(C), will immediately distribute the copies of Military Department or Defense Agency reports to the applicable OSD Staff Coordinators.
- D. Each OSD Staff Coordinator will notify the Special Assistant, OASD(C), promptly of any unusual or controversial matters not covered in the Military Department or Defense Agency reports.

- E. The Special Assistant, OASD(C), will maintain a list indicating the status of all inquiries that are pending, in progress, or completed during the current year and other pertinent information. This list will be reproduced quarterly for distribution to ASD(C), ASD(LA), ASD(PA), General Counsel, the Military Departments, and other interested staff offices.
- F. The reporting requirements prescribed in A., above, are assigned Report Control Symbol DD-COMP(M)

VII. PROVISION OF INFORMATION TO S&I STAFF MEMBERS

- A. The provision of information and data to S&I Staff members, will be subject to the prevailing rules and customs for providing information direct to the House Appropriations Committee (DoD Directive 5400.4, reference (c)). It is the policy of the Department of Defense to extend maximum cooperation and provide all needed information to S&I Staff members in their conduct of inquiries subject to the following conditions:
  - 1. Classified information that is pertinent to the subject of the inquiry will be properly safeguarded and provided only in accordance with the policies and regulations established under DoD Directive 5200.1, "DoD Information Security Program" (reference (d)).
  - 2. Budget estimates and supporting materials for any given fiscal year will not be provided prior to transmittal of the President's Budget for that year to the Congress. Thereafter, any material provided to the Appropriations Committee may be furnished. OMB Circular A-10, (reference (e)), establishes the policies with respect to any premature disclosure of Presidential recommendations.
  - 3. Instructions issued by the Deputy Secretary of Defense in his memorandum of August 27, 1969 (reference (f)), concerning the release of out-year financial planning data, will be observed.
  - 4. Any information which is recognized by law as privileged will not be released. For example, the non-factual information, i.e., recommendations and conclusions contained in Inspector General reports and special investigation reports, is generally considered to be information which is privileged and therefore not releasable.
- B. The conditions cited above in paragraphs A.1-4. which may preclude the provision of data to S&I Staff members should arise infrequently. When such conditions do arise, it should normally be possible to satisfy requests for such data by some alternate means that are acceptable to both the requestor and the

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Department of Defense. Defense personnel will, therefore, exert every possible effort to discover such alternate means. However, in those cases where requests for data cannot be satisfied by some alternate means, there will be no disclosure of material described above, or final refusal to disclose such material, except in accordance with the procedures set forth in paragraph IV.B.2. of DoD Directive 5400.4 (reference (c)).

VIII. EFFECTIVE DATE AND IMPLEMENTATION

This instruction is effective immediately. Two copies of implementing documents shall be forwarded to the Assistant Secretary of Defense (Comptroller) within 60 days.



Assistant Secretary of Defense  
(Comptroller)

# **THE PROCESS OF BUDGET EXECUTION**



**Office of The  
Assistant Secretary of Defense  
(Comptroller)**

# ***THE PROCESS OF BUDGET EXECUTION***

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- THIS BRIEFING DEALS WITH THE MATTER OF DEPARTMENT OF DEFENSE UNOBLIGATED AND UNEXPENDED BALANCES – A SUBJECT WHICH IS FREQUENTLY DISCUSSED AND OFTEN MISUNDERSTOOD.
- JUST AS IN THE SUBTITLE FOR THIS BRIEFING, THERE IS OFTEN A TENDENCY TO ATTACH A SUBJECTIVE QUALITY TO THESE TERMS.
- THESE TERMS ARE FREQUENTLY USED IN AN ABSTRACT WAY AND ADDRESSED AS IF THEY WERE A MEANS TO AN END.
- IT IS IMPORTANT TO UNDERSTAND THE PROCESS OF BUDGET EXECUTION, BECAUSE UNOBLIGATED AND UNEXPENDED BALANCES BECOME AN ARITHMETIC DERIVATIVE.

# **THE PROCESS OF BUDGET EXECUTION**

## **UNOBLIGATED AND UNEXPENDED BALANCES**

# ***EVENTS IN THE EXECUTION PROCESS***

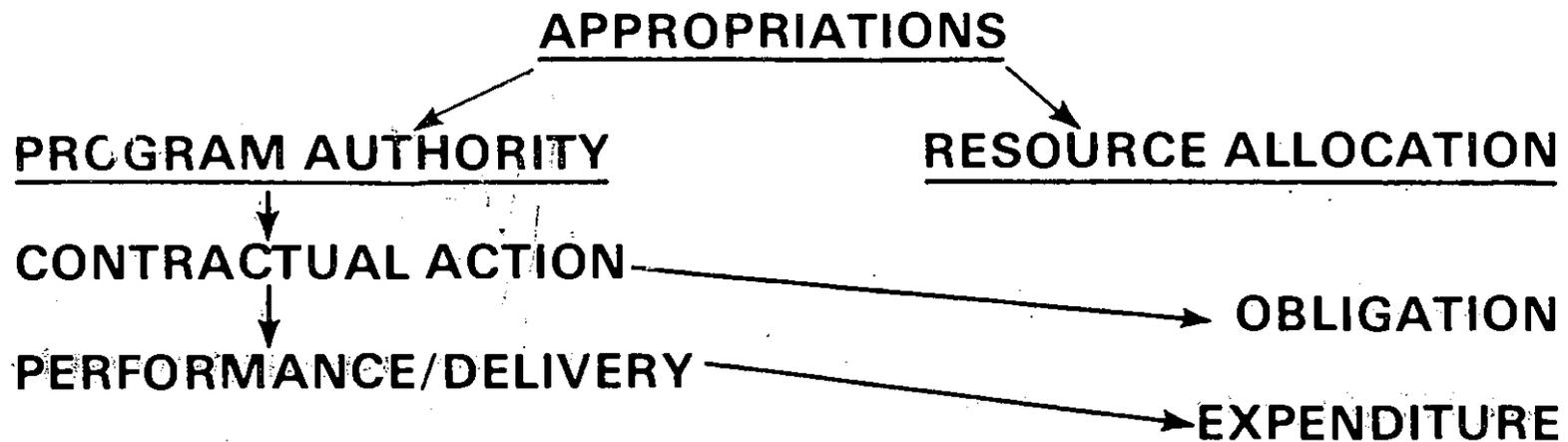
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- THE LEGISLATIVE PROCESS PROVIDES BOTH THE AUTHORITY AND THE RESOURCES TO ACCOMPLISH DEPARTMENT OF DEFENSE PROGRAM OBJECTIVES.
- THE PROCESS IS EVENT ORIENTED.
- CONTRACTUAL ACTION INVOLVING PERSONAL SERVICES OR MATERIEL RESULTS IN OBLIGATIONS.
- PAYMENTS FOR PERFORMANCE RENDERED OR DELIVERY OF MATERIEL RESULTS IN EXPENDITURES.

# ***EVENTS IN THE EXECUTION PROCESS***

## PROGRAM PROCESS

## FISCAL RESULTS



# **TIME PHASING OF THE EXECUTION PROCESS**

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- IF THE EVENTS IN THE EXECUTION PROCESS WERE COMPLETED ENTIRELY WITHIN EACH FISCAL YEAR, THERE WOULD BE NO UNOBLIGATED OR UNEXPENDED BALANCES.
- IF WE WERE DEALING ENTIRELY WITH OPERATING PROGRAMS IN THE DEPARTMENT OF DEFENSE BUDGET, THERE WOULD BE NO UNOBLIGATED BALANCES AT THE END OF EACH YEAR AND ONLY MODEST UNEXPENDED BALANCES.
- NEITHER OF THE FOREGOING TWO CONDITIONS APPLIES SINCE THE BUDGET DEALS ALSO WITH MAJOR CAPITAL INVESTMENTS.
- CONGRESS FULLY FUNDS THE CAPITAL INVESTMENTS APPROVED IN THE ANNUAL BUDGET, AND RECOGNIZES THE TIME PHASING REQUIREMENTS OF THE ACQUISITION PROCESS BY PROVIDING APPROPRIATION OBLIGATION LIFE SPANS AS APPROPRIATE TO THE VARIOUS FUNCTIONAL AREAS.



## ***TIME PHASING OF THE EXECUTION PROCESS***

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### **OPERATIONS**

- 1 YEAR APPROPRIATION LIFE
- 100% OBLIGATED IN 1ST YEAR
- 87% EXPENDED IN 1ST YEAR

### **R&D**

- 2 YEAR APPROPRIATION LIFE
- 93% OBLIGATED IN 1ST YEAR
- 58% EXPENDED IN 1ST YEAR

### **PROCUREMENT (EXCL. SHIPBUILDING)**

- 3 YEAR APPROPRIATION LIFE
- 76% OBLIGATED IN 1ST YEAR
- 13% EXPENDED IN 1ST YEAR

### **SHIPBUILDING**

- 5 YEAR APPROPRIATION LIFE
- 51% OBLIGATED IN 1ST YEAR
- 5% EXPENDED IN 1ST YEAR

### **MILITARY CONSTRUCTION**

- 5 YEAR APPROPRIATION LIFE
- 75% OBLIGATED IN 1ST YEAR
- 11% EXPENDED IN 1ST YEAR

**DEPARTMENT OF DEFENSE BUDGET**  
**MILITARY FUNCTIONS UNOBLIGATED**  
**AND UNEXPENDED BALANCES**

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- THE TIME SPAN REQUIRED FOR ORDERLY BUDGET EXECUTION IS SUCH THAT THERE WILL AND SHOULD BE BALANCES.
- UNOBLIGATED BALANCES REPRESENT PROGRAMS, OR PORTIONS OF PROGRAMS, WHICH HAVE NOT YET BEEN PLACED UNDER CONTRACT.
- WE WOULD EXPECT THE UNOBLIGATED BALANCES TO PERTAIN TO CAPITAL INVESTMENT PROGRAMS IN GENERAL AND TO THE MAJOR PROCUREMENT AREA IN PARTICULAR.
- IT IS IMPORTANT TO RECOGNIZE THAT BY FAR THE LARGER PORTION OF UNEXPENDED BALANCES REPRESENTS PROGRAMS WHICH HAVE REACHED THE CONTRACTUAL ACTION STAGE OF THE EXECUTION PROCESS. THESE BALANCES REPRESENT LEGAL OBLIGATIONS AGAINST WHICH PAYMENT MUST ULTIMATELY BE MADE.

**DEPARTMENT OF DEFENSE BUDGET  
MILITARY FUNCTIONS UNOBLIGATED  
AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

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	<u>6/30/73</u>	<u>6/30/74</u>	<u>6/30/75</u>	<u>9/30/76</u>	<u>9/30/77</u>	<u>9/30/78</u>	<u>9/30/79</u>	<u>EST. 9/30/80</u>	<u>EST. 9/30/81</u>
UNOBLIGATED BALANCES	12.7	15.1	16.7	21.0	20.0	21.3	23.0	24.4	23.8
OBLIGATED BALANCES	26.9	28.5	27.1	30.3	42.7	52.4	60.9	70.4	86.4
UNEXPENDED BALANCES	39.6	43.6	43.9	51.3	62.7	73.6	83.9	94.8	110.1

# **DOD UNOBLIGATED BALANCES END OF FISCAL YEAR, 1978-81**

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- THE TRENDS AND BALANCES IN THE AREAS OTHER THAN PROCUREMENT ARE FAIRLY CONSTANT.
- THE RDT&E PROGRAM IS INCREMENTALLY FUNDED AND OBLIGATES ON THE ORDER OF 93% IN THE INITIAL YEAR.
- MILITARY CONSTRUCTION, WHILE FULLY FUNDED AS A CAPITAL INVESTMENT, IS A RELATIVELY SMALL PORTION OF THE TOTAL DEPARTMENT OF DEFENSE BUDGET AND THE BALANCES ARE ACCORDINGLY MODEST.
- THE INDUSTRIAL FUNDS ARE REVOLVING FUNDS WHICH FINANCE THE OPERATIONS OF SHIPYARDS, ARSENALS, DEPOTS, AND OTHER COMMERCIAL AND INDUSTRIAL TYPE OF INHOUSE DOD ACTIVITIES.
- THE STOCK FUNDS ARE ALSO REVOLVING AND MANAGEMENT FUNDS WHICH FINANCE THE PURCHASE OF CONSUMABLE MATERIALS FOR RESALE TO THE MILITARY SERVICES AND OTHER AUTHORIZED CUSTOMERS. CONSUMABLE MOBILIZATION RESERVE MATERIALS ARE ALSO PURCHASED THROUGH THE STOCK FUNDS.
- AS EXPECTED THE LARGEST PORTION OF OUR UNOBLIGATED BALANCES APPLIES TO THE PROCUREMENT APPROPRIATIONS WHEREIN WE FINANCE THE ACQUISITION OF AIRCRAFT, MISSILES, SHIPS, TRACKED COMBAT VEHICLES, AND OTHER WEAPONS AND MATERIAL.

**DOD UNOBLIGATED BALANCES**  
**END OF FISCAL YEAR 1978-81**  
**(\$ BILLIONS)**

	<u>9/30/78</u>	<u>9/30/79</u>	<u>EST.</u> <u>9/30/80</u>	<u>EST.</u> <u>9/30/81</u>
PROCUREMENT	15.8	15.1	17.9	17.9
RDT&E	.9	1.1	1.1	1.3
MILITARY CONSTRUCTION	1.5	1.5	1.5	1.7
FAMILY HOUSING	.2	.2	.1	.2
INDUSTRIAL FUNDS	2.7	3.4	3.2	2.6
STOCK FUNDS	—	1.6	.5	—
TRUST FUNDS	.1	.1	.1	.1
TOTAL UNOBLIGATED BALANCES	<u>21.3</u>	<u>23.0</u>	<u>24.4</u>	<u>23.8</u>

# **PROCUREMENT APPROPRIATIONS UNOBLIGATED BALANCES**

- WITHIN THE PROCUREMENT AREA THE NAVY SHIPBUILDING PROGRAM ACCOUNTS FOR THE LARGEST SINGLE PORTION OF THE UNOBLIGATED BALANCES.
- BALANCES IN OTHER APPROPRIATIONS VARY DEPENDING UPON THE NATURE AND SIZE OF THE PROGRAM.
- A COMPARISON OF THE BALANCES, EXCLUSIVE OF SHIPBUILDING, WITH THE PROGRAM VALUE EACH YEAR INDICATES THAT THE RELATIONSHIPS ARE STABLE AND REASONABLY PREDICTABLE. THE FOLLOWING TWO CHARTS PROVIDE AN AGING ANALYSIS OF BOTH UNOBLIGATED AND UNEXPENDED BALANCES IN THESE AREAS.

**PROCUREMENT APPROPRIATIONS  
UNOBLIGATED BALANCES  
(\$ MILLIONS)**

	<u>9/30/78</u>	<u>9/30/79</u>	EST. <u>9/30/80</u>	EST. <u>9/30/81</u>
AIRCRAFT, ARMY	183	193	234	236
MISSILES, ARMY	130	197	301	334
WPNS. AND TR. COMBAT VEH., ARMY	310	336	394	511
AMMUNITION, ARMY	452	479	520	577
OTHER, ARMY	802	750	715	897
AIRCRAFT, NAVY	1,031	1,306	1,096	1,589
WEAPONS, NAVY	998	878	847	976
SHIPBUILDING, NAVY	6,550	6,317	8,090	6,173
OTHER, NAVY	734	830	761	885
MARINE CORPS	130	207	143	198
AIRCRAFT, AIR FORCE	2,770	2,227	2,857	3,033
MISSILES, AIR FORCE	825	589	956	1,370
OTHER, AIR FORCE	752	599	839	986
DEFENSE AGENCIES	145	152	143	91
<b>TOTAL UNOBLIGATED BALANCES</b>	<u><u>15,812</u></u>	<u><u>15,062</u></u>	<u><u>17,897</u></u>	<u><u>17,854</u></u>
<b>UNOBLIGATED BALANCES: AS A PERCENT OF AVAILABILITY</b>	32.0%	30.7%	33.8%	29.6%

**ANALYSIS OF PROCUREMENT  
(EXCLUDING SCN)  
UNOBLIGATED AND UNEXPENDED BALANCES**

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- APPROXIMATELY THREE-FOURTHS OF THE UNOBLIGATED BALANCES REPRESENT APPROPRIATIONS THAT ARE NO MORE THAN ONE YEAR OLD.
- ON THE ORDER OF 80% OF THE UNEXPENDED BALANCES REPRESENT APPROPRIATIONS THAT ARE NO MORE THAN TWO YEARS OLD.



**ANALYSIS OF PROCUREMENT  
(EXCLUDING SCN)  
UNOBLIGATED AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>71</u>	<u>72</u>	<u>73</u>	<u>74</u>	<u>75</u>	<u>76</u>	<u>77</u>	<u>78</u>	<u>79</u>	<u>80</u>	<u>81</u>
<u>UNOBLIGATED BALANCE</u>	6.5	5.1	5.4	6.7	7.5	10.2	9.3	9.3	8.7	9.8	11.7
1ST YEAR BALANCE	6.5	3.5	3.4	5.5	5.9	8.4	7.1	6.8	6.2	7.3	8.9
2ND YEAR BALANCE		1.6	2.0	1.2	1.6	1.8	2.2	2.4	2.6	2.5	2.8
<u>UNEXPENDED BALANCE</u>	17.9	17.3	18.1	18.4	18.4	22.4	28.9	34.9	39.9	45.3	53.7
1ST YEAR BALANCE	17.9	11.4	12.2	11.6	11.6	16.4	19.0	21.6	22.8	25.4	29.9
2ND YEAR BALANCE		5.9	4.1	4.9	5.0	4.2	7.8	9.8	11.7	12.6	14.4
3RD YEAR BALANCE			1.8	1.1	1.1	1.0	1.2	2.5	3.7	5.0	5.6
4TH YEAR BALANCE				.8	.3	.3	.4	.4	1.0	1.4	2.4
PRIOR YEARS					.4	.5	.5	.6	.7	.9	1.4

# ***ANALYSIS OF SCN UNOBLIGATED AND UNEXPENDED BALANCES***

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- IN THE CASE OF SHIPBUILDING, THE AGING PATTERN VARIES BECAUSE OF THE MORE EXTENDED ACQUISITION CYCLE.



**ANALYSIS OF SCN  
UNOBLIGATED AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>71</u>	<u>72</u>	<u>73</u>	<u>74</u>	<u>75</u>	<u>76</u>	<u>77</u>	<u>78</u>	<u>79</u>	<u>80</u>	<u>81</u>
<b><u>UNOBLIGATED BALANCE</u></b>	2.0	2.6	3.2	4.0	4.9	4.6	5.6	6.6	6.3	8.1	6.2
1ST YEAR BALANCE	2.0	1.4	1.4	2.0	2.7	2.0	3.1	2.9	2.2	3.8	3.0
2ND YEAR BALANCE		1.2	.9	.8	1.4	1.5	1.5	2.3	1.8	1.7	1.7
3RD YEAR BALANCE			.9	.7	.4	.9	.5	1.1	1.5	1.3	.7
4TH YEAR BALANCE				.5	.4	.2	.4	.2	.8	1.3	.8
5TH YEAR BALANCE							.1	.1			
<b><u>UNEXPENDED BALANCE</u></b>	5.5	6.6	7.5	8.9	9.1	10.2	13.2	15.8	16.5	18.9	20.6
1ST YEAR BALANCE	5.5	2.7	2.8	3.2	3.1	4.1	5.6	5.6	4.3	6.5	6.0
2ND YEAR BALANCE		3.9	2.1	2.2	2.6	2.4	3.4	4.9	4.8	3.2	5.6
3RD YEAR BALANCE			2.6	1.7	1.7	1.8	1.9	2.8	3.7	3.7	2.3
4TH YEAR BALANCE				1.8	1.0	1.1	1.2	1.2	1.9	2.9	2.7
PRIOR YEARS					.7	.8	1.1	1.3	1.8	2.6	4.0

# **AIRCRAFT EXECUTION**

## **(BASED ON FY 1976 A-10 PROGRAM)**

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- TO ILLUSTRATE THE TIME-PHASED ASPECT OF BUDGET EXECUTION, THIS CHART SUMMARIZES CONTRACTUAL ACTION FOR THE FY 1976 A-10 AIRCRAFT PROGRAM.
- FOURTEEN SEPARATE CONTRACTS WERE INVOLVED.
- APPROXIMATELY 70% OF THE PROGRAM WAS OBLIGATED IN THE FIRST YEAR, AND THE REMAINDER WAS OBLIGATED IN APPROXIMATELY EQUAL INCREMENTS DURING THE SECOND AND THIRD YEARS.
- WHILE THE PRECISE PHASING FOR INDIVIDUAL PROGRAMS WILL VARY, WE ARE ABLE TO RELY UPON AGGREGATED HISTORICAL DATA TO MAKE REASONABLY ACCURATE BUDGET PROJECTIONS.

**AIRCRAFT EXECUTION**  
(BASED ON FY 1976 A-10 PROGRAM)

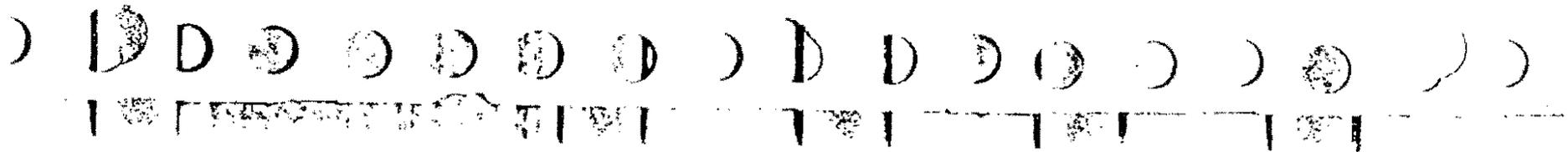
**\$ IN MILLIONS**

<u>AIRCRAFT</u>	<u>PROGRAM</u>	<u>ACTUAL OBLIGATIONS</u>		
		<u>YR. 1</u>	<u>YR. 2</u>	<u>YR. 3</u>
AIRFRAME	<u>156</u>	<u>135</u>	<u>149</u>	<u>156</u>
ENG. CHANGE ORD.		(9)	(5)	(-)
RESERVE FOR INCENTIVES		(3)	(-)	(-)
RESERVE FOR ESCALATION		(7)	(2)	(-)
RESERVE FOR CLAIMS		(2)	(-)	(-)
ENGINES	<u>54</u>	<u>40</u>	<u>47</u>	<u>54</u>
ENGINE ACCESSORIES		(6)	(2)	(-)
RESERVE FOR INCENTIVES		(2)	(2)	(-)
RESERVE FOR ESCALATION		(6)	(3)	(-)
ELECTRONICS	<u>5</u>	<u>4</u>	<u>5</u>	<u>5</u>
GFE		(1)	(-)	(-)
SUPPORT	<u>65</u>	<u>14</u>	<u>36</u>	<u>65</u>
TRAINING EQUIPMENT		(12)	(5)	(-)
GROUND EQUIPMENT		(32)	(20)	(-)
DATA		(7)	(4)	(-)
OTHER	<u>13</u>	<u>12</u>	<u>13</u>	<u>13</u>
ORDNANCE		(1)	(-)	(-)
PROGRAM	<u>293</u>			
TOTAL OBLIGATIONS	-	205	250	<u>293</u>
UNOBLIGATED	-	(88)	(43)	(0)

# ***DEPARTMENT OF DEFENSE BUDGET FY 1979 OBLIGATIONS AND OUTLAYS***

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- ESTIMATES OF OBLIGATIONS EACH YEAR INCLUDE BOTH THE DIRECT (APPROPRIATED FUND) PROGRAM AND THE REIMBURSABLE (CUSTOMER) PROGRAM.
- OUTLAY ESTIMATES DEPEND HEAVILY UPON HISTORICAL DATA SINCE DISBURSEMENTS ARE MADE AT NUMEROUS CENTRALIZED FISCAL LOCATIONS, AND NOT THROUGH THE INDIVIDUAL PROGRAM MANAGER ORGANIZATIONS.
- THIS CHART COMPARES THE FY 1979 ACTUALS TO THE ESTIMATES REFLECTED IN THE FY 1980 PRESIDENT'S BUDGET (JANUARY 1979).
- AFTER ADJUSTING THE PLANS ONLY FOR APPROPRIATIONS AND CUSTOMER ORDERS WHICH FAILED TO MATERIALIZE, THE ACTUAL OBLIGATIONS FOR FY 1979 WERE AT 100.1% OF THE ESTIMATE AND OUTLAYS AT 102.8%.



**DEPARTMENT OF DEFENSE BUDGET  
FY 1979 OBLIGATIONS AND OUTLAYS  
(\$ BILLIONS)**

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	<u>OBLIGATIONS</u>	<u>OUTLAYS</u>
PLAN	169.9	112.4
ADJUSTED AVAILABILITY	<u>-1.1</u>	<u>-5</u>
REVISED PLAN	168.8	111.9
ACTUAL	169.0	115.0
ACTUAL AS % OF REVISED PLAN	100.1%	102.8%

# **FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**

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- OUR UNEXPENDED AND UNOBLIGATED BALANCES ARE IN FACT LARGE BUT THEY ARE PREDICTED AND PREDICTABLE.
  - THE BALANCES FOR THE TOTAL FEDERAL GOVERNMENT ARE EVEN MORE IMPRESSIVE, WITH A PROJECTED TOTAL UNEXPENDED BALANCE EXCEEDING FOUR-FIFTHS OF A TRILLION DOLLARS BY END FY 1981.
  - DOD ESTIMATED BALANCES FOR FY 1979 (WHICH ENDED 9/30/79) COMPARE FAVORABLY WITH THE ACTUAL RESULTS.
  - THE FY 1979 ESTIMATES VS ACTUAL FOR OTHER AGENCIES UNDERSCORES THE FACT THAT WE ARE DEALING WITH ESTIMATES AND NOT A PRECISE SCIENCE.

**FEDERAL GOVERNMENT UNOBLIGATED  
AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>9/30/78</u>	<u>9/30 79 AS FORECAST JANUARY 1979</u>	<u>9 30 79</u>	<u>EST. 9 30 80</u>	<u>EST. 9 30 81</u>
<b>FEDERAL FUNDS</b>					
<b>UNOBLIGATED BALANCES</b>					
DOD MILITARY	21.2	22.4	22.9	24.4	23.7
OTHER AGENCIES	<u>101.0</u>	<u>65.6</u>	<u>85.8</u>	<u>104.4</u>	<u>103.7</u>
FEDERAL GOVERNMENT TOTAL	122.1	88.0	108.7	128.8	127.3
<b>UNEXPENDED BALANCES</b>					
DOD MILITARY	73.4	96.6	83.7	94.7	110.0
OTHER AGENCIES	<u>386.6</u>	<u>398.0</u>	<u>409.4</u>	<u>471.1</u>	<u>511.4</u>
FEDERAL GOVERNMENT TOTAL	460.1	484.6	493.1	565.8	621.4
<b>TRUST FUNDS</b>					
<b>UNOBLIGATED BALANCES</b>					
DOD MILITARY	.1	.1	.1	.1	.1
OTHER AGENCIES	<u>135.6</u>	<u>149.7</u>	<u>148.3</u>	<u>158.3</u>	<u>169.8</u>
FEDERAL GOVERNMENT TOTAL	135.8	149.8	148.4	158.4	169.9
<b>UNEXPENDED BALANCES</b>					
DOD MILITARY	.2	.2	.2	.2	.1
OTHER AGENCIES	<u>179.1</u>	<u>199.3</u>	<u>195.0</u>	<u>209.4</u>	<u>225.2</u>
FEDERAL GOVERNMENT TOTAL	179.3	199.5	195.1	209.5	225.4
<b>TOTAL FEDERAL FUNDS &amp; TRUST FUNDS</b>					
<b>UNOBLIGATED BALANCES</b>					
DOD MILITARY	21.3	22.5	23.0	24.4	23.8
OTHER AGENCIES	<u>236.6</u>	<u>215.3</u>	<u>234.1</u>	<u>262.7</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	257.9	237.8	257.1	287.2	297.2
<b>UNEXPENDED BALANCES</b>					
DOD MILITARY	73.6	86.8	83.9	94.8	110.1
OTHER AGENCIES	<u>565.8</u>	<u>597.3</u>	<u>604.3</u>	<u>680.5</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	639.4	684.1	688.2	775.3	846.8

# **FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**

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- THIS CHART HELPS TO ILLUSTRATE THAT WE ARE DEALING WITH THE PHENOMENON OF LARGE NUMBERS.
- AS A RESULT OF PROGRAM GROWTH TO A DEGREE AND INFLATION TO A LARGER DEGREE, THE BALANCES MUST BE EXPECTED TO GROW.
- DOD UNOBLIGATED BALANCES OF \$13.0 BILLION AND UNEXPENDED BALANCES OF \$36.0 BILLION A DECADE AGO WERE VERY LARGE NUMBERS.
- CONVERTING THESE FY 1971 BALANCES TO CONSTANT FY 1981 PRICES MAKES THEM EVEN MORE IMPRESSIVE.



**FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**  
**(\$ BILLIONS)**

	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>	EST. <u>FY 1980</u>	EST. <u>FY 1981</u>
<b>CURRENT PRICES</b>											
<b>UNOBLIGATED BALANCES</b>											
DOD MILITARY	13.0	11.9	12.7	15.1	16.7	21.0	20.0	21.3	23.0	24.4	23.8
OTHER AGENCIES	<u>161.9</u>	<u>165.3</u>	<u>174.3</u>	<u>219.2</u>	<u>271.5</u>	<u>247.7</u>	<u>233.8</u>	<u>236.6</u>	<u>234.1</u>	<u>262.7</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	<u>174.8</u>	<u>177.2</u>	<u>187.0</u>	<u>234.3</u>	<u>288.3</u>	<u>268.7</u>	<u>253.8</u>	<u>257.9</u>	<u>257.1</u>	<u>287.2</u>	<u>297.2</u>
<b>UNEXPENDED BALANCES</b>											
DOD MILITARY	36.0	35.9	39.6	43.7	44.0	51.4	62.6	73.6	83.9	94.8	110.1
OTHER AGENCIES	<u>224.9</u>	<u>233.7</u>	<u>254.1</u>	<u>379.0</u>	<u>462.9</u>	<u>490.2</u>	<u>526.3</u>	<u>565.8</u>	<u>604.3</u>	<u>680.5</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	<u>260.9</u>	<u>269.5</u>	<u>293.7</u>	<u>422.7</u>	<u>506.9</u>	<u>541.5</u>	<u>589.0</u>	<u>639.4</u>	<u>688.2</u>	<u>775.3</u>	<u>846.8</u>
<b>CONSTANT 1981 PRICES</b>											
<b>UNOBLIGATED BALANCES</b>											
DOD MILITARY	27.2	23.6	23.5	25.9	26.6	31.3	27.5	27.0	26.9	26.4	23.8
OTHER AGENCIES	<u>339.1</u>	<u>327.3</u>	<u>322.7</u>	<u>376.1</u>	<u>432.2</u>	<u>369.7</u>	<u>321.0</u>	<u>300.4</u>	<u>273.9</u>	<u>283.8</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	<u>366.3</u>	<u>350.9</u>	<u>346.2</u>	<u>402.0</u>	<u>458.8</u>	<u>401.0</u>	<u>348.5</u>	<u>327.4</u>	<u>300.8</u>	<u>310.2</u>	<u>297.2</u>
<b>UNEXPENDED BALANCES</b>											
DOD MILITARY	76.9	73.8	78.6	79.2	70.0	76.4	86.9	95.4	99.8	103.2	110.1
OTHER AGENCIES	<u>480.2</u>	<u>480.4</u>	<u>504.5</u>	<u>686.7</u>	<u>736.6</u>	<u>728.3</u>	<u>730.4</u>	<u>733.5</u>	<u>719.0</u>	<u>741.0</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	<u>577.1</u>	<u>554.2</u>	<u>583.1</u>	<u>765.9</u>	<u>806.7</u>	<u>804.7</u>	<u>817.3</u>	<u>828.9</u>	<u>818.8</u>	<u>844.2</u>	<u>846.8</u>

# **GAO REVIEW IN 1977 OF DOD UNOBLIGATED BALANCES**

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- WITHIN DOD PROGRAM PERFORMANCE IS MONITORED ON A CONTINUOUS BASIS.
- IN 1977, AT THE REQUEST OF THE CONGRESSIONAL BUDGET COMMITTEES, THE GENERAL ACCOUNTING OFFICE (GAO) CONDUCTED A SPECIAL REVIEW.
- THE CONCLUSIONS ON THIS CHART WERE INCLUDED AMONG THE PRINCIPAL GAO FINDINGS.

**GAO REVIEW IN 1977 OF DOD  
UNOBLIGATED BALANCES**

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- GAO DID NOT FIND EVIDENCE THAT THE BUILD-UP IN UNOBLIGATED BALANCES FOR DEFENSE'S PROCUREMENTS BETWEEN JULY 1, 1972, AND SEPTEMBER 30, 1976, REPRESENTED A DEFENSE INABILITY TO PERFORM ITS PROGRAMS
- MOST OF THE INCREASE IN DEFENSE'S PROCUREMENT UNOBLIGATED TOTAL WAS DUE TO PROGRAMMED GROWTH RATHER THAN AN OBLIGATION RATE DECLINE
- THERE WAS NO EVIDENCE THAT ALLOWANCES FOR ENGINEERING CHANGE ORDERS AND INFLATION WERE OVERESTIMATED

## **SUMMARY**

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- A NEGATIVE CONNOTATION SHOULD NOT BE ATTACHED TO THE EXISTENCE OF UNOBLIGATED AND UNEXPENDED BALANCES. MISIMPRESSION EXISTS AMONG MANY THAT THESE BALANCES ARE COMPARABLE TO NON-INTEREST BEARING CASH IN AN INDIVIDUAL'S CHECKING ACCOUNT.
- COMPLETE ABANDONMENT OF THE FULL FUNDING PRACTICE WOULD MAKE LESS THAN ONE-FIFTH OF THE TOTAL UNEXPENDED BALANCES DISAPPEAR WHILE ADDING CONSIDERABLE COMPLICATIONS TO THE ANNUAL BUDGET PROCESS.
- ABANDONMENT OF THE FULL FUNDING PRINCIPLE WOULD ALSO REQUIRE THE DEVELOPMENT OF ANOTHER TERM COMPARABLE TO BUDGET AUTHORITY IN ORDER TO PROVIDE VISIBILITY WITH RESPECT TO THE TRUE LIABILITY OF THE FEDERAL GOVERNMENT.

## ***SUMMARY***

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- UNOBLIGATED AND UNEXPENDED BALANCES PROVIDE A USEFUL MEASURE OF FEDERAL GOVERNMENT COMMITMENTS
- SUCH BALANCES DO NOT REPRESENT IDLE CASH
- TAX POLICIES AND TREASURY BORROWING PRACTICES ARE BASED UPON AMOUNTS TO BE EXPENDED WITHIN EACH FISCAL YEAR
- UNEXPENDED BUT OBLIGATED BALANCES CAN BE REDUCED BY CANCELLATION OF CONTRACTS
- UNEXPENDED AND UNOBLIGATED BALANCES CAN BE REDUCED BY CANCELLATION OF PROGRAMS OR BY ABANDONING THE CONGRESSIONAL PRINCIPLE OF "FULL FUNDING" CAPITAL INVESTMENTS

# **BUDGET EXECUTION FLEXIBILITIES**



**Office of The  
Assistant Secretary of Defense  
(Comptroller)**

# **BUDGET EXECUTION FLEXIBILITIES**

- REPROGRAMING
- TRANSFER AUTHORITY
- FOREIGN CURRENCY FLUCTUATION
- EMERGENCY AND EXTRAORDINARY EXPENSES
- SECTION 3732 DEFICIENCY AUTHORITY
- WORKING CAPITAL FUNDS TRANSFER AUTHORITY
- PERMANENT AUTHORITY
- FUNCTIONAL TRANSFERS
- EMERGENCY MILITARY CONSTRUCTION
- MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS
- TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH
- TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES  
CONSTRUCTION
- CONSTRUCTION PROJECTS COST VARIATIONS
- RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR  
DESTROYED
- MINOR CONSTRUCTION

# **REPROGRAMING**

## **Example of Use**

A \$44.0 MILLION REPROGRAMING REQUEST WAS APPROVED TO CREATE AN ADVANCE BUY LINE IN THE BACK-UP TITAN III BOOSTER PROGRAM IN FY 1980. THE OVERALL GOAL OF THE PROGRAM WAS TO TAKE INITIAL STEPS TO MAINTAIN CRITICAL TITAN III PRODUCTION CAPABILITY UNTIL INITIAL OPERATIONAL CAPABILITY OF THE SPACE SHUTTLE THROUGH ACQUISITION OF LONG-LEAD ITEMS. SOURCES OF FUNDING FOR THE INCREASE WERE FROM PROCUREMENT AND RDT&E APPROPRIATIONS.

# REPROGRAMING

- APPLIES TO APPROPRIATIONS IN THE ANNUAL DOD APPROPRIATION ACT - MILITARY PERSONNEL, OPERATION & MAINTENANCE, PROCUREMENT, AND RESEARCH AND DEVELOPMENT.
- BASED UPON AGREEMENTS BETWEEN DOD AND THE CONGRESSIONAL ARMED SERVICES AND APPROPRIATIONS COMMITTEES.
- PROVIDES FLEXIBILITY TO REVISE THE PROGRAMS WITHIN AN APPROPRIATION.
- SOME ACTIONS MAY BE APPROVED BY THE MILITARY DEPARTMENTS AND DEFENSE AGENCIES; OTHERS REQUIRE APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION OF, OR PRIOR APPROVAL BY, THE CONGRESSIONAL COMMITTEES SPECIFIED.
- A SUMMARY REPORT OF ALL REPROGRAMING ACTIONS IS SUBMITTED TO THE CONGRESS SEMIANNUALLY.
- CONSIDERABLE PRESSURE FROM THE COMMITTEES TO MINIMIZE REPROGRAMING. SECTION 743 OF THE 1980 ACT STATES THAT "NO PART OF THE FUNDS IN THIS ACT SHALL BE AVAILABLE TO PREPARE OR PRESENT A REQUEST TO THE COMMITTEES ON APPROPRIATIONS FOR THE REPROGRAMING OF FUNDS, UNLESS FOR HIGHER PRIORITY ITEMS, BASED ON UNFORESEEN MILITARY REQUIREMENTS, THAN THOSE FOR WHICH ORIGINALLY APPROPRIATED AND IN NO CASE WHERE THE ITEM FOR WHICH REPROGRAMING IS REQUESTED HAS BEEN DENIED BY THE CONGRESS."



## APPROVAL AND/OR NOTIFICATION REQUIREMENTS FOR REPROGRAMING ACTIONS

OOO COMPONENT ACTION	OSO ACTION			
OOO INSTRUCTION 7250.10 DATED JANUARY 10, 1980 "IMPLEMENTATION OF REPROGRAMING OF APPROPRIATED FUNDS," REQUIRES PRIOR APPROVAL OF THE SECRETARY OF DEFENSE OR THE DEPUTY SECRETARY OF DEFENSE FOR THE FOLLOWING:	OBTAIN PRIOR APPROVAL OF HOUSE & SENATE COMMITTEES ON		NOTIFY HOUSE AND SENATE COMMITTEES ON	
	ARMED SERVICES	APPROPRIATIONS	ARMED SERVICES	APPROPRIATIONS
<p>II. <u>ACTIONS REQUIRING NOTIFICATION TO THE COMMITTEES</u></p> <p>A. <u>MILITARY PERSONNEL</u> - REPROGRAMING INCREASE OF \$5 MILLION OR MORE IN A BUDGET ACTIVITY.</p> <p>B. <u>OPERATION AND MAINTENANCE</u> - REPROGRAMING INCREASE IN ANY BUDGET ACTIVITY OF \$5 MILLION OR MORE</p> <p>C. <u>PROCUREMENT</u> - REPROGRAMING INCREASE OF \$5 MILLION OR MORE IN A LINE ITEM OR THE ADDITION TO THE PROCUREMENT LINE ITEM DATA BASE OF A PROCUREMENT LINE ITEM OF \$2 MILLION OR MORE.</p> <p>D. <u>ROT&amp;E</u> - REPROGRAMING INCREASE OF \$2 MILLION OR MORE IN ANY PROGRAM ELEMENT, INCLUDING THE ADDITION OF A NEW PROGRAM OF \$2 MILLION OR MORE, OR THE ADDITION OF A NEW PROGRAM ESTIMATED TO COST \$10 MILLION OR MORE WITHIN A 3 YEAR PERIOD.</p> <p>E. REPROGRAMING ACTIONS INITIATING NEW PROGRAMS OR LINE ITEMS WHICH RESULT IN SIGNIFICANT FOLLOW ON COSTS EVEN THOUGH INITIAL ACTIONS ARE BELOW \$5 MILLION AND \$2 MILLION THRESHOLDS IN A THRU D ABOVE.</p>			1/	YES
			YES	YES
			1/	YES

1/ YES, IF ACTION INVOLVES AN APPROPRIATION FOR WHICH FUNDS HAVE BEEN AUTHORIZED UNDER 10 USC 138. THE REPROGRAMING ACTION IS FORWARDED TO THESE COMMITTEES AND IS MARKED "INFORMATION COPY" ONLY WHEN FUNDS (EXCEPT ROT&E) CITED AS SOURCES OF FINANCING WERE SUBJECT TO AUTHORIZING LEGISLATION. ALL REPROGRAMING ACTIONS WHICH CITE ROT&E FUNDS AS A SOURCE OF FINANCING REQUIRE ARMED SERVICES COMMITTEE APPROVAL.

## APPROVAL AND/OR NOTIFICATION REQUIREMENTS FOR REPROGRAMMING ACTION

DOD COMPONENT ACTION	OSD ACTION			
<p>DOD INSTRUCTION 7250.10 DATED JANUARY 10, 1980 "IMPLEMENTATION OF REPROGRAMING OF APPROPRIATED FUNDS," REQUIRES APPROVAL OF THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER) FOR THE ACTIONS IN SECTION III</p>	OBTAIN PRIOR APPROVAL OF HOUSE & SENATE COMMITTEES ON		NOTIFY HOUSE AND SENATE COMMITTEES ON	
	ARMED SERVICES	APPROPRIATIONS	ARMED SERVICES	APPROPRIATIONS
<p><u>III. ACTIONS CLASSIFIED AS AUDIT-TRAIL-TYPE CHANGES (INTERNAL REPRDGRAMINGS)</u></p> <p>RECLASSIFICATIONS REPORTING CHANGES IN AMOUNTS, BUT NOT IN THE SUBSTANCE OF THE PROGRAM NOR FROM THE PURPOSES ORIGINALLY BUDGETED FOR, TESTIFIED TO, AND DESCRIBED IN THE BUDGET JUSTIFICATIONS SUBMITTED TO THE CONGRESSIONAL COMMITTEE.</p>	N/A	N/A	N/A	N/A
<p><u>IV. QUARTERLY REPORTING ON NEW STARTS</u></p> <p>ADVANCE NOTIFICATION ON BELOW THRESHOLD REPROGRAMINGS FOR NEW PROGRAMS OR LINE ITEMS NOT OTHERWISE REQUIRING PRIOR APPROVAL OR NOTIFICATION ACTION IS MADE BY LETTER DIRECTLY TO THE COMMITTEES BY THE DOD COMPONENT INVOLVED. THESE ITEMS ARE THEN REPORTED QUARTERLY ON A OD FORM 1416-1, SPECIAL QUARTERLY REPORT OF PROGRAMS, WHICH ALSO INCLUDES ACTIONS PREVIOUSLY CONSIDERED BY THE COMMITTEES AS PRIOR APPROVAL OR NOTIFICATION ACTIONS.</p>	N/A	N/A	YES	YES

**DEPARTMENT OF DEFENSE**  
**REPROGRAMING ACTIONS, FY 1970-1979**  
(\$ MILLIONS)

<u>REQUESTED</u>	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>
NUMBER OF ACTIONS	129	132	82	56	24	45	43	55	66	60 <sup>b/</sup>
NUMBER OF LINE ITEMS	299	275	185	129	37	194	110	112	115	159
DOLLAR VALUE OF PROGRAM	\$2,431	\$3,266	\$1,866	\$1,453	\$ 219	\$1,446	\$ 791	\$ 1,036	\$ 1,237	\$ 1,163
(GENERAL TRANSFER AUTHORITY)	-	(348)	(803)	(789)	(75)	(758)	(225)	(452)	(733)	(428)
<u>APPROVED</u>										
DOLLAR VALUE OF PROGRAM	2,385	3,146	1,680	1,255	200	1,166	687	728	1,032	956
(GENERAL TRANSFER AUTHORITY)	-	(280)	(694)	(672)	(65)	(533)	(167)	(230)	(688)	(383)
<u>COMPARISON</u>										
VALUE OF TOTAL DEFENSE PROGRAM <sup>a/</sup>	74,000	71,247	74,632	76,701	79,141	82,095	92,561	105,548	113,409	125,199
% OF REPROGRAMING INCREASES	3.3%	4.4%	2.3%	1.6%	0.3%	1.4%	.7%	.7%	1.0%	.8%
(GENERAL TRANSFER AUTHORITY)	-	4.0%	1.3%	0.8%	0.2%	0.6%	.2%	.2%	.6%	.4%
<u>BELOW THRESHOLD REPROGRAMINGS<sup>c/</sup></u>										
NUMBER OF ACTIONS						1,864	2,186	1,396	1,087	1,468
TOTAL \$ VALUE						787	1,210	1,578	1,063	1,357

<sup>a/</sup> EXCLUDES MILITARY CONSTRUCTION, FAMILY HOUSING, MILITARY ASSISTANCE, CIVIL FUNCTIONS, AND CIVIL DEFENSE.

<sup>b/</sup> EXCLUDES 4 ACTIONS FORMALLY WITHDRAWN.

<sup>c/</sup> DATA NOT AVAILABLE PRIOR TO FY 75

**DEPARTMENT OF DEFENSE**  
**REPROGRAMING ACTIONS FOR FISCAL YEARS 1970-1979**  
**(\$ MILLIONS)**

	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>
NUMBER OF ACTIONS FORWARDED TO CONGRESS	129	132	82	56	24	45	43	55	66	60 <sup>a/</sup>
(PRIOR APPROVAL ACTIONS)	(41)	(47)	(42)	(38)	(16)	(28)	(30)	(36)	(42)	(37)
(NOTIFICATION ACTIONS)	(88)	(85)	(40)	(18)	(8)	(17)	(13)	(19)	(24)	(23)
<u>\$ REQUESTED BY TITLE</u>										
MILITARY PERSONNEL	\$ 54	\$ 366	\$ 287	\$ 222	\$10	\$ 192	\$75	\$ 33	\$ 52	\$ 27
RETIRED PAY, DEFENSE	-	-	-	-	-	-	-	-	-	15
OPERATIONS & MAINTENANCE	212	585	697	923	88	438	168	129	544	276
PROCUREMENT	1,744	1,792	669	224	82	674	501	763	476	625
ROD&E	421	523	213	84	39	22	47	111	165	189
REVOLVING & MANAGEMENT FUNDS	-	-	-	-	-	120	-	-	-	-
CLAIMS, DEFENSE	-	-	-	-	-	-	-	-	-	31
TOTAL REQUESTED BY DOD	2,431	3,266	1,866	1,453	219	1,446	791	1,036	1,237	1,163
(PRIOR APPROVAL ACTIONS)	(950)	(1,222)	(916)	(984)	(148)	(1,085)	(402)	(683)	(902)	(846)
(NOTIFICATION ACTIONS)	(1,481)	(2,044)	(950)	(469)	(71)	(361)	(389)	(352)	(335)	(316)
TOTAL APPROVED BY CONGRESS	2,385	3,146	1,614	1,255	200	1,166	687	728	1,032	956
(PRIOR APPROVAL ACTIONS)	(904)	(1,105)	(751)	(816)	(129)	(804)	(320)	(430)	(837)	(727)
(NOTIFICATION ACTIONS)	(1,481)	(2,041)	(863)	(439)	(71)	(360)	(367)	(298)	(195)	(229)

<sup>a/</sup> EXCLUDES 4 ACTIONS FORMALLY WITHDRAWN

# **TRANSFER AUTHORITY**

- SECTION 734 OF THE 1980 DOD APPROPRIATION ACT PROVIDES A GENERAL AUTHORITY FOR TRANSFERS, NOT TO EXCEED \$750 MILLION DURING FY 1980 BETWEEN APPROPRIATIONS OR FUNDS AVAILABLE TO DOD FOR MILITARY FUNCTIONS (EXCEPT MILITARY CONSTRUCTION). DOD HAS REQUESTED THAT CONGRESS INCREASE THIS LIMITATION.
- AUTHORITY TO TRANSFER MAY NOT BE USED UNLESS FOR HIGHER PRIORITY ITEMS BASED ON UNFORESEEN MILITARY REQUIREMENTS.
- REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE THAT SUCH ACTION IS IN THE NATIONAL INTEREST AND APPROVAL BY OMB.
- PROVIDES THAT THE SECRETARY OF DEFENSE SHALL NOTIFY CONGRESS PROMPTLY OF ALL TRANSFERS.
- THE USE OF THIS AUTHORITY IS ALSO SUBJECT TO THE PRIOR APPROVAL OF THE APPROPRIATIONS COMMITTEES UNDER THE REPROGRAMMING PROCEDURES.

# **TRANSFER OF AUTHORITY**

## **Example of Use**

THIS AUTHORITY, USED IN CONJUNCTION WITH THE REPROGRAMMING SYSTEM, ENABLED THE MOVEMENT OF \$13 MILLION TO THE MISSILE PROCUREMENT, AIR FORCE ACCOUNT TO ACCELERATE DELIVERY SCHEDULES FOR SATELLITE FLIGHT MODELS 9 THROUGH 12 TO MAINTAIN A VIABLE DEFENSE SATELLITE COMMUNICATION SYSTEM SPACE SEGMENT. FUNDS PROGRAMMED IN THE OTHER PROCUREMENT, AIR FORCE ACCOUNT FOR BOMBS, SPACETRACK, AND FIRST DESTINATION TRANSPORTATION WERE USED AS A SOURCE OF FINANCING.

# **TRANSFER AUTHORITY**

- SECTION 734 OF THE 1980 DOD APPROPRIATION ACT PROVIDES A GENERAL AUTHORITY FOR TRANSFERS, NOT TO EXCEED \$750 MILLION DURING FY 1980 BETWEEN APPROPRIATIONS OR FUNDS AVAILABLE TO DOD FOR MILITARY FUNCTIONS (EXCEPT MILITARY CONSTRUCTION). DOD HAS REQUESTED THAT CONGRESS INCREASE THIS LIMITATION.
- AUTHORITY TO TRANSFER MAY NOT BE USED UNLESS FOR HIGHER PRIORITY ITEMS BASED ON UNFORESEEN MILITARY REQUIREMENTS.
- REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE THAT SUCH ACTION IS IN THE NATIONAL INTEREST AND APPROVAL BY OMB.
- PROVIDES THAT THE SECRETARY OF DEFENSE SHALL NOTIFY CONGRESS PROMPTLY OF ALL TRANSFERS.
- THE USE OF THIS AUTHORITY IS ALSO SUBJECT TO THE PRIOR APPROVAL OF THE APPROPRIATIONS COMMITTEES UNDER THE REPROGRAMMING PROCEDURES.

# **FOREIGN CURRENCY FLUCTUATION**

## **Example of Use**

THE EXCHANGE RATE FOR THE DEUTSCHEMARK USED TO COMPUTE THE FY 1980 FINANCING REQUIREMENTS FOR THE APPROVED PROGRAM IN GERMANY WAS \$2.24. THE JANUARY 1980 EXCHANGE RATE WAS DOWN TO \$1.71. THE FOREIGN CURRENCY FLUCTUATION ACCOUNT WOULD BE USED TO PROVIDE ADDITIONAL DOLLARS TO BUY THE SAME PROGRAM AT THE NEW RATE.

CONVERSELY, THE EXCHANGE RATE FOR THE LIRA USED TO COMPUTE THE FY 1980 FINANCING REQUIREMENTS FOR THE APPROVED PROGRAM IN TURKEY WAS \$17.67. THE JANUARY 1980 RATE WAS UP TO \$70.00. IN THIS CASE, ACCORDING TO LAW, THE ADDITIONAL FUNDS GENERATED BY THE HIGHER RATE CANNOT BE USED IN TURKEY TO BUY ADDITIONAL PROGRAM, BUT MUST BE RETURNED TO THE FOREIGN CURRENCY FLUCTUATION ACCOUNT.

# **FOREIGN CURRENCY FLUCTUATION**

- FUNDS ARE APPROPRIATED TO THE FOREIGN CURRENCY FLUCTUATION, DEFENSE, ACCOUNT FOR TRANSFER TO MILITARY PERSONNEL AND OPERATION AND MAINTENANCE APPROPRIATIONS (AVAILABLE FOR DEFENSE ACTIVITIES IN FOREIGN COUNTRIES) TO FINANCE INCREASED OBLIGATIONS DUE TO DOWNWARD FLUCTUATIONS IN THE CURRENCY EXCHANGE RATES (FROM THOSE USED IN BUDGET PREPARATION).
- FUNDS MUST BE TRANSFERRED INTO THIS ACCOUNT WHEN UPWARD FLUCTUATIONS IN CURRENCY EXCHANGE RATES RESULT IN SUBSTANTIAL NET GAINS IN THE MILITARY PERSONNEL AND OPERATION AND MAINTENANCE APPROPRIATIONS
- THE INTENT IS BOTH TO SHIELD OPERATING PROGRAMS FROM SIGNIFICANT LOSSES AND TO RECOUP SIGNIFICANT GAINS TO PREVENT WINDFALL INCREASES BEING USED TO FINANCE WHAT MIGHT BE LOW PRIORITY PROGRAMS, OR PROGRAMS WHICH WERE NOT REVIEWED AND APPROVED BY THE CONGRESS.
- THE SECRETARY OF DEFENSE HAS AUTHORITY TO APPROVE THESE TRANSFERS. AN ANNUAL REPORT TO THE CONGRESS ON ALL TRANSFERS MADE TO OR FROM THIS APPROPRIATION IS REQUIRED.

# **EMERGENCIES AND EXTRAORDINARY EXPENSES LIMITATION**

## **Example of Use**

**IN ADDITION TO SUPPORTING PROGRAMED  
AND TARGET OF OPPORTUNITY INTELLIGENCE  
EFFORTS, THIS LIMITATION ALSO COVERS  
REPRESENTATION ALLOWANCES.**

# **EMERGENCIES AND EXTRAORDINARY EXPENSES**

- **WITHIN THE OPERATION AND MAINTENANCE APPROPRIATION FOR THE DEFENSE AGENCIES, AND FOR EACH OF THE MILITARY DEPARTMENTS, AN AMOUNT IS SPECIFIED FOR EMERGENCIES AND EXTRAORDINARY EXPENSES. (LESS THAN \$5 MILLION ANNUALLY PER COMPONENT).**
- **THESE FUNDS ARE USED FOR COVERT PURPOSES AND FOR EXPENSES NOT OTHERWISE AUTHORIZED TO BE PAID FROM DEFENSE APPROPRIATIONS. THEY MAY BE USED ON THE APPROVAL OF THE SECRETARY OF THE RESPECTIVE MILITARY DEPARTMENT, OR THE SECRETARY OF DEFENSE IN THE CASE OF THE DEFENSE AGENCIES APPROPRIATION. THE APPROPRIATE SECRETARY MUST CERTIFY THAT THE USE OF THE MONEY IS NECESSARY FOR CONFIDENTIAL MILITARY PURPOSES.**
- **LEGISLATION REQUIRES THE SECRETARY OF DEFENSE TO SUBMIT A REPORT OF EXPENDITURES UNDER THESE LIMITATIONS ON A QUARTERLY BASIS TO THE COMMITTEES ON ARMED SERVICES AND APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES.**

# **SECTION 3732 DEFICIENCY AUTHORITY**

## **Most Recent Example of Use**

**THIS AUTHORITY GENERALLY REFERRED TO AS THE "FEED AND FORAGE ACT" WAS INVOKED IN FISCAL YEAR 1980 IN THE OPERATION AND MAINTENANCE ACCOUNTS. ITS USAGE PROVIDED FOR ADDITIONAL FUEL AND TRANSPORTATION COSTS DUE TO UNANTICIPATED FUEL PRICE INCREASES.**

## **SECTION 3732 DEFICIENCY AUTHORITY**

- UNDER SECTION 3732 OF THE REVISED STATUTES (41 USC 11), THE DEPARTMENT OF DEFENSE HAS LIMITED AUTHORITY TO ENTER INTO OBLIGATIONS ON A DEFICIENCY BASIS.
- ITS APPLICATION IS LIMITED TO THE NECESSITIES OF THE CURRENT YEAR UNDER CIRCUMSTANCES IN WHICH APPROPRIATIONS FOR CLOTHING, SUBSISTENCE, FORAGE, FUEL, QUARTERS, TRANSPORTATION, OR MEDICAL AND HOSPITAL SUPPLIES ARE EXHAUSTED.
- APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION TO THE CONGRESS IS REQUIRED.
- WHEN THE FULL EXTENT OF THE DEFICIENCIES ARE KNOWN, A REQUEST MUST BE SUBMITTED TO THE CONGRESS FOR FUNDS TO COVER SUCH DEFICIENCIES.
- THIS STATUTE WAS USED AT THE TIME OF THE BERLIN AND CUBAN CRISES. IT WAS USED IN FY 1980 TO COVER INCREASED FUEL AND RELATED TRANSPORTATION COSTS.
- THERE HAVE BEEN A NUMBER OF RECENT ATTEMPTS WITHIN THE CONGRESS TO REPEAL THIS STATUTE.

# **WORKING CAPITAL FUNDS TRANSFER AUTHORITY**

## **Example of Use**

UNDER THE PROVISIONS OF THIS AUTHORITY, DURING FY 1980, CASH BALANCES OF \$13 MILLION IN THE DEFENSE STOCK FUND AND \$48 MILLION IN THE ARMY STOCK FUND WERE TRANSFERRED TO THE NAVY AND AIR FORCE STOCK FUNDS TO PROCURE WAR RESERVES.

# **WORKING CAPITAL FUNDS TRANSFER AUTHORITY**

- SECTION 736 OF THE 1980 DOD APPROPRIATION ACT AUTHORIZES THE TRANSFER OF CASH BALANCES BETWEEN WORKING CAPITAL FUNDS OF THE DEPARTMENT OF DEFENSE (STOCK FUNDS AND INDUSTRIAL FUNDS).
- USE OF THIS AUTHORITY REQUIRES APPROVAL BY THE SECRETARY OF DEFENSE AND OMB.

**PERMANENT AUTHORITY**

**UNFUNDED CONTRACT AUTHORITY**

**Example of Use**

ON A RECURRING BASIS UNFUNDED CONTRACT AUTHORITY IS USED IN THE STOCK FUNDS TO MAINTAIN REQUIRED LEVELS OF INVENTORY BY OBLIGATING CONTRACTS/PURCHASE ORDERS IN SUCH AMOUNTS TO ACCOMMODATE PROCUREMENT AND ADMINISTRATIVE LEAD TIMES, RISING INFLATION, AND OTHER STOCKAGE REQUIREMENTS TO SATISFY CUSTOMER ORDERS IN A TIMELY MANNER.

THE OUTSTANDING VALUE OF UNFUNDED CONTRACT AUTHORITY AT THE END OF FY 1979 WAS \$4 BILLION.

## **PERMANENT AUTHORITY**

### **UNFUNDED CONTRACT AUTHORITY**

- U.S. CODE TITLE 10, 2210 (b) PROVIDES THAT "OBLIGATIONS MAY, WITHOUT REGARD TO FISCAL YEAR LIMITATIONS, BE INCURRED AGAINST ANTICIPATED REIMBURSEMENTS TO STOCK FUNDS IN SUCH AMOUNTS AND FOR SUCH PERIODS AS THE SECRETARY OF DEFENSE, WITH THE APPROVAL OF THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, MAY DETERMINE TO BE NECESSARY TO MAINTAIN STOCK LEVELS CONSISTENTLY WITH PLANNED OPERATIONS FOR THE NEXT FISCAL YEAR."
- UNFUNDED CONTRACT AUTHORITY OBLIGATIONS ARE LIQUIDATED BY REIMBURSEMENTS FROM CUSTOMER ORDERS.

# **FUNCTIONAL TRANSFERS**

## **Example of Use**

IN APRIL, 1979 THE FEDERAL COBOL  
COMPILER TEST SERVICE WAS TRANSFERRED  
FROM THE DEPARTMENT OF THE NAVY TO  
THE GENERAL SERVICES ADMINISTRATION  
(GSA). \$149,000 WAS TRANSFERRED FROM  
THE OPERATION AND MAINTENANCE, NAVY,  
ACCOUNT, TO GSA TO SUPPORT THIS  
FUNCTIONAL TRANSFER.

# ***FUNCTIONAL TRANSFERS***

- **UNDER 10 USC 126, AUTHORITY EXISTS TO TRANSFER FUNDS FROM ONE APPROPRIATION ACCOUNT TO ANOTHER IN CONNECTION WITH THE TRANSFER OF RESPONSIBILITIES FROM ONE ORGANIZATION TO ANOTHER.**
- **THIS AUTHORITY HAS BEEN USED IN THE CASE OF REORGANIZATION ACTIONS.**
- **SUCH TRANSFERS ARE SUBJECT TO APPROVAL BY THE SECRETARY OF DEFENSE AND OMB.**

# **EMERGENCY MILITARY CONSTRUCTION**

## **Example of Use**

A RECENT USE OF THIS AUTHORITY WAS TO PROVIDE \$4,400,000 TO THE NAVY FOR DREDGING OF THE THAMES RIVER IN CONNECTICUT TO PROVIDE ADEQUATE CHANNEL DEPTH FOR TRANSIT OF THE FIRST TRIDENT SUBMARINE FROM ITS CONSTRUCTION SITE, ELECTRIC BOAT DIVISION OF GENERAL DYNAMICS CORPORATION, TO LONG ISLAND SOUND FOR SEA TRIALS.

## **EMERGENCY MILITARY CONSTRUCTION**

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION ACT PROVIDES EACH OF THE MILITARY DEPARTMENTS WITH AUTHORITY OF \$20,000,000 TO PROCEED WITH CONSTRUCTION OF FACILITIES MADE NECESSARY BY CHANGES IN MISSIONS AND RESPONSIBILITIES WHICH HAVE BEEN OCCASIONED BY (1) UNFORSEEN SECURITY CONSIDERATIONS, (2) NEW WEAPONS DEVELOPMENTS, (3) NEW AND UNFORESEEN RESEARCH AND DEVELOPMENT REQUIREMENTS, (4) IMPROVED PRODUCTION SCHEDULES, OR (5) REVISIONS IN THE TASKS OR FUNCTIONS ASSIGNED TO A MILITARY INSTALLATION OR FACILITY OR FOR ENVIRONMENTAL CONSIDERATIONS.
- USE OF THIS AUTHORITY REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE THAT DEFERRAL OF SUCH CONSTRUCTION FOR INCLUSION IN THE NEXT MILITARY CONSTRUCTION AUTHORIZATION ACT WOULD BE INCONSISTENT WITH INTERESTS OF NATIONAL SECURITY. ALSO, THE SECRETARY INVOLVED IS REQUIRED TO NOTIFY THE CONGRESSIONAL ARMED SERVICES COMMITTEES.
- FUNDS TO FINANCE SUCH CONSTRUCTION MUST BE REPROGRAMED, WITH THE CONCURRENCE OF THE COMMITTEES ON APPROPRIATIONS, FROM SAVINGS OR FROM LESSER PRIORITY MILITARY CONSTRUCTION PROJECTS.

# **MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS**

## **Example of Use**

RECENTLY, UNDER THIS AUTHORITY, \$8.6 MILLION WAS APPROVED FOR CONSTRUCTION OF FACILITIES AT DIEGO GARCIA TO SUPPORT THE INCREASED TEMPO OF OPERATIONS IN THE INDIAN OCEAN.

# **MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS**

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION AND APPROPRIATION ACTS CONTAIN AUTHORITY WHICH PERMITS THE TRANSFER OF FUNDS FROM THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION TO OTHER APPROPRIATIONS OF THE DEPARTMENT OF DEFENSE WHICH ARE AVAILABLE FOR MILITARY CONSTRUCTION. THE PROJECTS TO BE FINANCED MUST BE DETERMINED TO BE VITAL TO THE SECURITY OF THE UNITED STATES.
- IN FY 1981, \$30 MILLION HAS BEEN PROGRAMED UNDER THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION TO PROVIDE FINANCING FOR THIS AUTHORITY.
- USE OF THIS AUTHORITY REQUIRES APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION OF THE COMMITTEES ON ARMED SERVICES OF BOTH THE HOUSE AND SENATE. COMMENCING WITH THE FY 1980 MILITARY CONSTRUCTION APPROPRIATIONS ACT, THE HOUSE APPROPRIATIONS COMMITTEE HAS MADE THE UTILIZATION OF CONTINGENCY FUNDS SUBJECT TO PRIOR APPROVAL REPROGRAMING.

# **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH**

## **Example of Use**

FUNDS FOR MISSILES AND RELATED EQUIPMENT IN THE RDT&E, DEFENSE AGENCIES APPROPRIATION WERE TRANSFERRED TO RDT&E, ARMY FOR BALLISTIC MISSILE DEFENSE (DEFENDER).

## **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH**

- THE ANNUAL DOD APPROPRIATION ACT PROVIDES AUTHORITY TO TRANSFER FUNDS BETWEEN THE RDT&E, DEFENSE AGENCIES APPROPRIATION AND OTHER APPROPRIATIONS FOR PROGRAMS RELATED TO ADVANCED RESEARCH
- THIS AUTHORITY IS INTENDED TO APPLY TO PROGRAMS MONITORED BY THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY
- USE OF THE AUTHORITY REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE
- THERE HAS BEEN NO USE OF THE AUTHORITY IN RECENT YEARS

# **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES CONSTRUCTION**

## **EXAMPLE OF USE**

THIS AUTHORITY WAS USED FOR CONSTRUCTION ON KWAJALEIN ISLAND IN SUPPORT OF THE BALLISTIC MISSILE RANGE TO PROVIDE A CAPABILITY FOR TESTING BALLISTIC MISSILE WARHEADS AND DECOY BODIES AT GREAT DISTANCES. THE TRANSFER WAS TO MILITARY CONSTRUCTION FROM RDT&E (ARPA) BY DECREASING OTHER LOWER PRIORITY ADVANCED RESEARCH PROJECTS.

## ***TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES CONSTRUCTION***

- PUBLIC LAW 89-188 AUTHORIZED THE SECRETARY OF DEFENSE TO CONSTRUCT FACILITIES REQUIRED FOR ADVANCE RESEARCH PROJECTS NOT TO EXCEED A CUMULATIVE COST OF \$20 MILLION. TO DATE, \$8 MILLION OF THIS AUTHORITY HAS BEEN USED AND \$12 MILLION REMAINS AVAILABLE.
- THE FUNDS REQUIRED TO FINANCE THIS AUTHORITY ARE BUDGETED FOR, ALONG WITH OTHER ADVANCE RESEARCH FUNDS, UNDER THE RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES APPROPRIATION. UPON APPROVAL TO CONSTRUCT AN ADVANCE RESEARCH FACILITY, THE NECESSARY FUNDS ARE TRANSFERRED TO THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION.
- THIS TRANSFER AUTHORITY IS RESTATED ON AN ANNUAL BASIS IN THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION LANGUAGE. THERE IS NO REQUIREMENT TO NOTIFY CONGRESS OF ITS USE.

# **CONSTRUCTION PROJECTS COST VARIATIONS**

## **Example of Use**

**RECENTLY, IT WAS NECESSARY TO USE THIS AUTHORITY TO ACCOMMODATE A 54% INCREASE (FROM \$118,200,000 TO \$181,900,000) IN THE COST OF THE SPACE TRANSPORTATION SYSTEM (STS) LAUNCH COMPLEX AT VANDENBERG AIR FORCE BASE, CALIFORNIA.**

## **CONSTRUCTION PROJECTS COST VARIATIONS**

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION ACT PROVIDES THAT THE MILITARY DEPARTMENTS AND DEFENSE AGENCIES MAY INCREASE STATION AUTHORIZED TOTALS FOR CONSTRUCTION BY 5% IN CONUS AND 10% FOR OUTSIDE THE UNITED STATES. IF ONLY ONE PROJECT (FACILITY) IS AUTHORIZED FOR A STATION, AN INCREASE OF 25% MAY BE APPROVED. SUCH INCREASES ARE PERMITTED ONLY WHEN (1) THEY ARE REQUIRED FOR THE SOLE PURPOSE OF MEETING UNUSUAL VARIATIONS IN COST AND (2) THEY COULD NOT HAVE BEEN REASONABLY ANTICIPATED.
- INCREASES IN EXCESS OF THE ABOVE PERCENTAGES CAN BE INCURRED ONLY AFTER APPROVAL BY THE SECRETARY OF DEFENSE, NOTIFICATION OF THE COMMITTEES ON ARMED SERVICES OF THE SENATE AND HOUSE OF REPRESENTATIVES, AND EITHER (1) THIRTY DAYS HAVE ELAPSED FROM DATE OF NOTIFICATION, OR (2) BOTH COMMITTEES HAVE INDICATED APPROVAL.
- SUCH INCREASES ARE TO BE FUNDED FROM SAVINGS FROM OTHER CONSTRUCTION PROJECTS. FOR PROJECTS COSTING IN EXCESS OF \$500,000, COST INCREASES EXCEEDING 25% OR \$1,000,000, WHICHEVER IS LESSER, ARE SUBJECT TO PRIOR APPROVAL REPROGRAMMING BY THE COMMITTEES ON APPROPRIATIONS. IN NO EVENT MAY THE TOTAL AMOUNT AUTHORIZED FOR AN APPROPRIATION BE EXCEEDED BECAUSE OF COST VARIATIONS.

# **RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR DESTROYED**

## **Example of Use**

**RECENT USE OF THIS AUTHORITY WAS FOR RESTORATION OF A TITAN II MISSILE COMPLEX AT MCCONNELL AFB, KANSAS, WHICH WAS DAMAGED AND RENDERED INOPERATIVE BY A MASSIVE OXIDIZER SPILL.**

## **RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR DESTROYED**

- **10 U.S.C. 2673 PROVIDES AUTHORITY FOR THE MILITARY DEPARTMENTS TO RESTORE OR REPLACE FACILITIES THAT HAVE BEEN DAMAGED OR DESTROYED BY FIRE, FLOODS, HURRICANES OR OTHER "ACTS OF GOD."**
- **THE LEGISLATION REQUIRES THAT EACH USE OF THIS AUTHORITY BE APPROVED BY THE SECRETARY OF DEFENSE, AND THAT THE COMMITTEES ON ARMED SERVICES OF THE SENATE AND HOUSE OF REPRESENTATIVES BE NOTIFIED.**
- **FUNDS TO FINANCE SUCH CONSTRUCTION MUST BE REPROGRAMED FROM SAVINGS OR FROM LOWER PRIORITY PROJECTS. SUCH REPROGRAMING REQUIRES THE PRIOR APPROVAL OF THE COMMITTEES ON APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES.**

# **MINOR CONSTRUCTION**

## **Example of Use**

IN MAY, 1980, THE DIRECTOR, DEFENSE MAPPING AGENCY, APPROVED A \$377,000 PROJECT FOR ALTERATION OF FACILITIES AT FORT SAM HOUSTON, TEXAS, TO ACCOMMODATE THE RELOCATION OF THE HEADQUARTERS, INTER-AMERICAN GEODETIC SURVEY, FROM THE PANAMA CANAL ZONE TO THE CONTINENTAL UNITED STATES.

# **MINOR CONSTRUCTION**

- **AUTHORITY IS PROVIDED BY 10 U.S.C. 2674 TO CONSTRUCT FACILITIES COSTING \$500,000 OR LESS WHICH ARE NOT OTHERWISE AUTHORIZED BY LAW**
- **APPROPRIATIONS AVAILABLE FOR MILITARY CONSTRUCTION MAY BE USED FOR SUCH CONSTRUCTION, GENERALLY REFERRED TO AS "MINOR CONSTRUCTION". IN ADDITION, FUNDS AVAILABLE FROM APPROPRIATIONS FOR OPERATION AND MAINTENANCE MAY BE USED FOR ANY PROJECT COSTING NOT MORE THAN \$100,000.**
- **THE LEGISLATION REQUIRES THAT PROJECTS COSTING \$300,000 OR MORE BE APPROVED BY THE SECRETARY OF THE MILITARY DEPARTMENT OR DIRECTOR OF DEFENSE AGENCY CONCERNED AND, FURTHER, THAT PROJECTS COSTING \$400,000 OR MORE BE APPROVED BY THE SECRETARY OF DEFENSE.**
- **AN ANNUAL DETAILED REPORT IS REQUIRED TO BE SUBMITTED TO THE COMMITTEES ON ARMED SERVICES AND APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES ON THE USE MADE OF THIS AUTHORITY. IN ADDITION, THESE COMMITTEES MUST BE NOTIFIED IN WRITING AT LEAST 30 DAYS BEFORE ANY FUNDS ARE OBLIGATED AGAINST ANY PROJECT COSTING MORE THAN \$300,000.**

## BACKGROUND PAPERS

THIS SECTION CONTAINS A NUMBER OF BACKGROUND PAPERS AND FACT SHEETS ON SUBJECTS OF PARTICULAR INTEREST. INCLUDED ARE:

1. Impact of Executive Order 12036 (National Foreign Intelligence Program) on PPBS
2. Financing of procurement - full funding
3. Aircraft procurement, advance procurement
4. Exemption of DoD Appropriations from apportionment
5. Apportionment on a Deficiency Basis
6. General Transfer Authority
7. Section 3732 Authority
8. Reprograming of Appropriated Funds
9. Military Construction Appropriations Legislation and Administration
10. Unbudgeted Inflation in Stock Fund Prices
11. Budgeting for Inflation in Operation and Maintenance Appropriations
12. Civilian Personnel Ceilings
13. Restraints/Limitations Imposed by the Congress
14. Authorizing of O&M Appropriations

BACKGROUND PAPER

Topic: Impact of Executive Order 12036 (National Foreign Intelligence Program) on DOD PPBS

Discussion:

o E.O. 12036 of January, 1978 prescribes "full and exclusive" authority for the Director of Central Intelligence (DCI) over National Foreign Intelligence Program (NFIP) resource levels. The DCI manages NFIP formulation through the Intelligence Community (IC) Staff.

o The Defense Intelligence Program constitutes the bulk of the NFIP. Resources for it are programed in approximately 32 DOD program elements and budgeted in a variety of DOD appropriations involving OSD, the Military Departments, DIA and NSA.

o Annually each Spring, the President approves an explicit fiscal ceiling for the NFIP, to be accommodated within fiscal guidance levels prescribed for the agencies whose budgets will include NFIP resources. Changes in NFIP fiscal guidance levels, unless accompanied by parallel changes in fiscal guidance levels for DOD, can cause increases or decreases in allowances for non-Intelligence DOD programs, but not vice versa. Similarly, approved resource levels for the Defense portion of the NFIP may be changed by DCI decisions during the subsequent program and budget reviews, or by Presidential decisions made later, before the budget is finalized. Normally, these fluctuations are not accompanied by changes to overall DOD allowance levels, and must be accommodated by changing non-Intelligence program levels.

o To preserve the "full and exclusive" authority of the DCI over NFIP resources, we fence the Defense Intelligence Program during the DOD PPB cycle. DCI program decisions are reflected in the SECDEF Program Decision Memoranda or Amended Program Decision Memoranda, often in separate Intelligence issuances. DCI budget decisions are recorded in standard Decision Package Sets, whereby the SECDEF approves the inclusion in the DOD budget of Defense Intelligence Program resources approved by the DCI.

o The IC Staff program/budget review process is similar to ours. OMB, the Office of the Assistant Secretary of Defense (Command, Control, Communications and Intelligence), and this office participate in it. During the Fall, joint hearings are held, followed by formulation of budget issues for DCI consideration.

o The Secretary of Defense has the right, under terms of E.O. 12036, to appeal DCI budget decisions to the President, should he feel that DOD interests are adversely impacted.

o Separate NFIP Congressional Justification Books are prepared by the program managers under IC Staff direction. The DCI takes the lead in justification of NFIP requests to the Congress, including appeals on Congressional action. NFIP budget proposals are reviewed by the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, which initiate authorizing legislation, and the House and Senate Appropriations Committees. For items covered by 10 U.S.C. 138, the Armed Services Committees include NFIP fiscal and manpower resources in their authorizing legislation also.

o Under E.O. 12036, the Secretary of Defense has day-to-day management responsibility (including financial management) for the Defense Intelligence Program. Resource realignments must, however, be approved by the DCI.

Summary: E.O. 12036 has created the unusual situation wherein another party, the DCI, controls resource level determinations for a significant portion of the Defense program.

June 11, 1980  
Directorate for Construction

## FINANCING OF PROCUREMENT PROGRAMS

Department of Defense procurement programs are presented and financed on a full funded basis consistent with the expressed wishes of the Congress.

The concept of full funding was initially applied to Navy shipbuilding authorized by the act of March 10, 1951 (65 Stat. 4). Prior to enactment of the act, the Navy shipbuilding program operated under contract authorizations with funds appropriated in annual increments as estimated to be required for contract expenditures during the budget year. After the passage of the act, the Congress appropriated funds for the entire cost of the Navy shipbuilding programs.

This principle has been applied to all procurement programs since that time.

In a letter dated May 15, 1957, to the Secretary of Defense, Congressman Mahon, as Chairman of the Department of Defense Subcommittee, House Committee on Appropriations, stated, in part, that:

"The general prevailing practice of this Committee is to provide funds at the outset for the total estimated cost of a given item so that the Congress and the public can clearly see and have a complete knowledge of the full dimensions and cost of any item or program when it is first presented for an appropriation.

"During the course of these hearings, the Committee has learned that one or more contracts have been executed for materiel on a partially funded basis with the apparent expectation of completing the financing by ultimately fully obligating the transactions with succeeding years appropriations."

\* \* \* \* \*

"It is recommended that all necessary action be taken to prevent such practice in the future and to insure that procurement funds are administered so as to accomplish the full program for which the appropriation was justified."

On May 21, 1957, the Secretary of Defense issued DOD Directive 7200.4 which stated the concept of full funding.

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### Financing of Procurement Programs (Continued)

Application of the full funding concept has been monitored closely by Congress over the years. In 1968, Congress requested the General Accounting Office to conduct a review to determine whether DOD was complying fully with the policy. A favorable report was issued by GAO in February 1969 and DOD Directive 7200.4 was updated and strengthened on October 30, 1969. The HAC report (93-662, Pg 147) on the 1974 Budget request re-emphasized the importance of the full funding principle. The Department of Defense strongly supports this Congressional policy of full funding and believes that the one time savings in New Obligational Authority would not compensate for the disadvantages inherent in incremental funding of procurement appropriations.

Specific disadvantages are:

- . **Loss of visibility and controls built into present program** year full funding.
- . Potential for disruption of scheduled and approved program execution if projected timing of obligations vary.
- . Commits future Congresses to finance the balance of incremental starts, thereby reducing Congressional impact on annual budgets.
- . Invalidates present reprogramming procedures and arrangements, which are built on principle of full funding.
- . Would require significant funding of contingent liability termination costs not required under a full funding system.
- . Would create serious uncertainties for contractors, since total programs would not be funded at time of authorization and appropriations. They would be bidding on partial programs.
- . Would increase difficulty of administering programs under Continuing Resolution Authority (CRA) in view of varying obligation patterns and changing program requirements.
- . Would create serious problems with contractors responsible for weapons system integration, since funding would be out of phase with responsibilities.
- . Production planning would be seriously disrupted.

### Financing of Procurement Programs (Continued)

. Would increase number of line items by the number of program years for which funding is required (varying between 3 to 5 years), thereby greatly increasing number of line items Congress would have to address. This would also result in loss of program year integrity which exists under the present full funding system.

. In view of recent Congressional action terminating continuing appropriations in favor of multiple year accounts, most procurement items would be financed in three separate and distinct appropriations - 5 in the case of ship programs. This could require a complete revamping of government and industry accounting systems.

. The total effect would be to completely restructure the budget and financial management system within the DOD and throughout Defense industry. This would lead to the same unmanageable situation that existed prior to 1957. Congressional control over programs would be decreased. Defense program management would be greatly complicated - returning to a situation which was corrected by Congressional direction 23 years ago.

## FACT SHEET

### Aircraft Procurement, Advance Procurement

- o Service current and proposed budgeting practices for Aircraft Advance Procurement items are inconsistent with DoD Directive 7200.4 Full Funding of DoD Procurement Programs.
- o DoD 7200.4 states "... permit the procurement of long leadtime components (underlining added) in advance of the fiscal year in which the related end item (aircraft) is to be procured ... It is important that proposals for advance procurement be made on a selective basis with consideration of the applicability of the components as spares in the event that the prospective program fails to materialize."
- o At one time services were consistent with the directive.
- o Increasing leadtimes in early 70's have caused the services to deviate from the Full Funding Policy (increases from 18 months to 30 and 40 months).
- o Air Force: All advance procurement for A-10, F-16, F-15, E-3A is funded at Termination Liability levels with the exception of some GFE (Government Furnished Equipment).
- o Navy: Same as Air Force for all major programs.
- o Army: Advance Procurement is fully funded (components) in FY 1981 budget, but Army is proposing in POM 1982 to fund UH-60 advance procurement on the basis of termination liability.
- o Navy and Air Force Aircraft DPS (FY 1981 budget cycle) directed services to full fund advance procurement in POM 82.
- o Recent Air Force and Navy correspondence request relief from that direction due to the funding that would have to be diverted to fully fund advance procurement and the resultant major impact on on-going programs.
- o Congress provided advance procurement funds for the F-18 in the FY 1980 budget (termination liability) and recommended services budget in this fashion (Armed Services Conference Committee Report).
- o Costs to Fully Fund Advance Procurement: During the FY 1981 budget cycle Air Force estimated the additional cost to fully fund advance procurement at over \$770 million. Navy indicated it would be over a billion.

### ALTERNATIVES:

#### A. Direct Services to Full Fund Advance Procurement.

Pros: Consistent with existing directives.

Cons: Unless significant TOA increases are granted, this alternative will require services to reduce aircraft quantities to full fund advance procurement thereby stretching out programs and increasing costs and will require reduction of other mod, spares or support programs.

- B. Direct Services to Fully Fund Advance Procurement for those items that are otherwise useable as spares if procured at the component level and to budget for Air Frame Structure long lead at the termination liability level since structure is not useable as spares. This would require revision of 7200.4.

Pros: Would result in a directive that is similar to the current directive but one that recognized unique aircraft procurement problems and related full funding at the component level to only those components otherwise useable as spares if program cancelled. Would also result in funding requirements of a lesser magnitude (20 to 40 percent) than full funding with less disruption.

Cons: Would still require some disruption and would result in significantly greater administrative and contract effort to determine what components are required and to write and negotiate such contracts.

- C. Allow Aircraft Advance Procurement on a total termination liability basis. Requires revision of 7200.4.

Pros: Minimizes program disruption, consistent with recent congressional direction, recognizes unique problems with aircraft advance procurement.

Cons: Opens door for all other procurement programs to fund in this fashion which could have serious implications in monitoring and controlling ship procurement costs if Navy subsequently pressed for funding of ship advance procurement at the termination liability level.

## FACT SHEET

### Exemption of Department of Defense Appropriations from Apportionment

#### DEFINITION

Section 714(A) of the FY 1980 DoD Appropriations Act (and similar general provisions in earlier acts) provides that the President may exempt appropriations, funds, and contract authorizations from the provisions of subsection (c) of R.S. 3679. This exempts the accounts from apportionment controls. Invocation of this provision does not permit obligation in excess of available resources but does permit obligations to be incurred at an increased rate.

#### MOST RECENT USE

The last time this authority was invoked was for the Army, Navy, and Air Force O&M accounts on February 27, 1980, by President Carter for increased fuel and stock fund costs.

#### HOW INVOKED

- The Secretary of Defense requests OMB to request the President to exempt specific appropriations from apportionment.
- OMB forwards the request to the President who determines that the specific appropriations are exempt.
- The Secretary of Defense notifies the Congress that the authority has been exercised.
- The DoD Components involved are advised of the exemption and any related reporting requirements.
- Internal DoD fund release documents are adjusted to reflect the exemption from apportionment.

OASD(C)P&FC  
June 13, 1980

## FACT SHEET

### Apportionment on a Deficiency Basis

#### DEFINITION/BACKGROUND

In certain instances, the law (Anti-Deficiency Act) permits requests to anticipate the need for supplemental budget authority. Generally, the permissions are based on laws enacted subsequent to the basic act that require expenditures beyond administrative control; emergencies involving safety of human life, property, or human welfare; and pay increases granted to wage-board employees. Provision is also made to apportion on a deficiency basis where other laws may be enacted that authorize apportionments that anticipate the need for supplemental estimates of appropriation (e.g. a continuing resolution that authorizes deficiency apportionments necessitated by civilian and military pay increases). This latter category is used annually in DoD accounts which are impacted by pay. Further explanations of the other categories can be found in Section 43.2 of OMB Circular A-34.

#### HOW INVOKED

- Upon advancement of the fall budget review to the point where it is known which accounts will require a pay supplemental, a memo to the Secretary of Defense is prepared requesting his determination that apportionment on a deficiency basis is necessary. Retired pay increases based on the CPI also qualify.
- The Services submit reapportionment requests to align the accounts with the current year column of the budget. The DD 1105's contain a prescribed footnote that "This apportionment request indicates a necessity for a supplemental appropriation now estimated at \$xx,xxx,xxx." A copy of the Secretary's determination is attached to each DD 1105 and the original is provided to OMB (no transmittal).
- The amount in the footnote must be in exact agreement with the President's Budget Request.
- OMB approves the request, including a similar footnote, and usually adjusts the amount of the pay raise from the 4th Quarter obligation phasing.

OASD(C)P&FC  
June 13, 1980

## FACT SHEET

### General Transfers

#### DEFINITION/BACKGROUND

Program execution and unforeseen military requirements leading to a need for additional resources in excess of those available within an appropriation account can be financed by reducing or eliminating lower priority programs in other accounts and transferring the funds.

General transfer authority authorizing the Secretary of Defense to transfer up to a statutory amount of working funds or funds made available by appropriation to the DoD for Military functions (except Military Construction) between appropriations, funds or any subdivision was included in the FY 1971 DoD Appropriation Act. Transfer authority had previously been available under provisions of the Emergency Fund, Defense.

#### UTILIZATION

- The use of general transfer authority by the Department of Defense requires a determination by the Secretary of Defense that such action is necessary in the national interest and requires approval by the Office of Management and Budget. Transfers must be made to higher priority items but in no case to items for which funds have been denied by Congress.
- The reduction or elimination of programs to generate resources for transfer and the increase in or initiation of programs must be approved by applicable Congressional Committees on reprogramming requests prior to the actual transfer of resources.
- The amount of transfer authority is established annually in the DoD Appropriation Act and expires at the end of the fiscal year.
- Amounts of transfer authority available and amounts used.

	\$ Millions	
	<u>Available</u>	<u>Used</u>
FY 1972	750	694
FY 1973	750	672
FY 1974	625	65
FY 1975	750	533
FY 1976	750	167
FY 1977	750	230
FY 1978	750	688
FY 1979	750	383
FY 1980	750	

OASO(C)P&FC  
June 13, 1980

## FACT SHEET

### Section 3732, Revised Statutes

#### AUTHORITY

Title 41, United States Code, Section 11, as amended.  
Appropriation Bills each fiscal year often expand upon the Code.

#### DEFINITION

Section 3732, Revised Statutes, authorizes military departments to incur obligations in excess of available appropriations in procuring or furnishing clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies not to exceed the necessities of the current fiscal year (DoDD 7220.8, August 16, 1956).

#### HISTORY OF USE

The Department of Defense has invoked the authority in seven fiscal years since 1960:

#### FY

#### Circumstance Requiring Use

1962	Berlin Airlift
1966	Southeast Asia
1967	Pending enactment of Supplemental Appropriations
1968	Pending enactment of Supplemental Appropriations
1969	Pending enactment of Supplemental Appropriations
1972	Southeast Asia
1978	Pending enactment of Supplemental Appropriations

#### HOW INVOKED

- Memorandum from Military Department to the Secretary of Defense
- "Recognition of the need" from the Secretary of Defense to the Secretary of the Military Department
- Immediate notification to the Speaker of the House and President of the Senate
- Concurrently advise OMB

#### REPORTING

Estimated obligations incurred pursuant to the subject authority are required to be reported quarterly to the Congress.

## FACT SHEET

### Reprogramming of Appropriated Funds

DoD Directive 7250.5, January 9, 1980, states the DoD reprogramming policies relating to the appropriation accounts covered by the DoD Appropriations Act.

DoD Instruction 7250.10, January 10, 1980, implements the policies of DoDD 7250.5 and reflects recognition by the Congress of the practice of reprogramming DoD funds covered in the DoD Appropriation Acts as a necessary, desirable, and timely device for achieving flexibility in the execution of Defense programs.

#### 1. History

Reprogramming procedures have been in effect to some extent since the early 1960s but, in consultation with the congressional committees, have been formalized, refined and modified to meet changing needs. Both DoDD 7250.5 and DoDI 7250.10 were revised in January 1980, (previous revision was in January 1975). These policies are based on long-standing agreements between DoD and the Congressional Armed Services and Appropriations Committees.

#### 2. Provisions

a. Actions Requiring Prior Approval of Congressional Committees: Reprogramming actions involving the application of funds, regardless of amount, which:

(1) Increases the procurement quantity of an individual aircraft, missile, naval vessel, tracked combat vehicle, and other weapon or torpedo and related support equipment for which funds are authorized under 10 USC 138.

(2) Affects an item that is known to be or has been designated as a matter of special interest to one or more of the congressional committees.

(3) Involves the use of general transfer authority.

b. Actions Requiring Notification to Congressional Committees: Actions involving changes in the application of funds in significant amounts (thresholds) as agreed upon with the committees and outlined in DoDI 7250.10, as follows:

Military Personnel and Operations & Maintenance	An increase of \$5 million or more in a budget activity.
---	--

Procurement	An increase of \$5 million or more in a procurement line item, or the addition to the procurement line item data base of a procurement line item of \$2 million or more.
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RDT&E	An increase of \$2 million or more in any program element, including the addition of a new program of \$2 million or more, or the addition of a new program the cost of which is estimated to be \$10 million or more within a 3-year period.
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c. Actions Internal to DoD: These actions are audit-trail type actions processed within DoD when not otherwise constrained by law or other provisions within DoDI 7250.10, and include reclassification actions not involving any changes from the purposes justified in budget presentations to Congress. These actions are approved by the ASD(C).

### 3. Major Changes in Last Revision

a. Special Interest Items: Prior to FY 1980, when an item was reduced by congressional action, it was considered to be an item of "special interest" by the Congress and could not be increased without prior committee approval. The revision established the policy that noncontroversial dollar adjustments would no longer cause an item to be of "special interest".

b. Appeals to Committees on Reprogramming Decisions: Prior to the latest revision, there was no specified policy on how to appeal an adverse committee decision or how to amend a pending request. The revision established a policy that committee decisions may be appealed by the Secretary or Deputy Secretary of Defense, and that any DoD action on a reprogramming request taken after its submission to the committees is subject to the same review and approval procedures as the original action.

c. New Starts: Advance letter notification to the Appropriations Committees is required on all below-threshold new starts. These "new starts" are below-threshold reprogrammings for new programs or line items not otherwise requiring prior approval of, or notification action to, the committees. Previously, DoD could initiate these actions on its own authority and inform the committees later on a quarterly report. The Appropriations Committees directed that notification be made in advance. This is done by letter directly to the committees by the DoD component involved after advance coordination with OASD(C).

d. Source of Funds: Complete identification of the detail of the sources of funds on each reprogramming action is now required. Previously, DoD did not have to formally identify the individual programs which were being reduced or canceled when the funds came from another appropriation account. As a practical matter, the programs being decreased can be of equal, or sometimes greater, significance to the committees than the program or item being increased. This has become a rather significant point with the Authorization (Armed Services) Committees since, as a general trend, funds have been transferred from the procurement accounts to the operating accounts.

### 4. Some Current Issues

Proposed for inclusion in the latest DoDI 7250.10 were increases to the dollar thresholds which require notification action to the committees. These thresholds have not been revised in the past two decades. By increasing the thresholds, the number of reprogrammings submitted to the Committees could be reduced considerably. However, this proposal was not accepted by all of the committees. New thresholds proposed were:

Military Personnel and Operation and Maintenance	An increase of \$10 million or more.
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## Procurement

An increase of \$10 million or more in a procurement line item, or the addition of a new item of \$5 million or more.

## RDT&amp;E

An increase of \$5 million or more in any program element, or the addition of a new program element of \$5 million or more, or a new program element which is estimated to be \$25 million or more within a three-year period.

There were mixed reactions to the need for the increases within DoD. The Military Departments pressed strongly for the increases. Within OASD(C) were the following reactions:

- Procurement Directorate felt that the approved thresholds for Procurement were not overly restrictive since the majority of Procurement reprogramings far exceed the \$5 million threshold; therefore, a doubling would not benefit the Department.

- R&D Directorate strongly supported efforts to revise reprogramming thresholds since current thresholds do not keep pace with inflation.

- Military Personnel Directorate does not encounter significant problems at the \$5 million threshold at the budget activity level. Typically, increases and decreases within a budget activity can be netted against each other and, with application of pay supplementals, programs can be balanced without exceeding the budget activity thresholds.

- Operations Directorate indicated that the current O&M thresholds are satisfactory, and cautioned that any efforts to increase them could trigger committee imposition of line item controls in O&M.

#### 5. Some "Open" Items

- In proposing the new thresholds, ASD(C) secured the agreement of SAC, HASC, and SASC to raise the thresholds to the new limits. HAC objected to the reprogramming process based on the "newness" of the Subcommittee Chairman. ASD(C) was invited to reintroduce the subject with Mr. Addabbo after the Chairman had a year of experience with the system. This year of experience, although not specifically identified, could be identified as FY 1980. This would provide a "window" for reintroducing the subject to HAC at the close of FY 1980.

- There are still problems attendant with clear-cut identification of "special interest" items. SAC and HASC presently show listings of such items in their committee reports. SASC has given us specific guidance on what to consider special interest items. This places the decision on DoD of identifying HAC special interest items, where, if we judge in error, can lead to criticism.

OASD(C)P&FC  
June 13, 1980

## BACKGROUND PAPER

Topic: Military Construction Appropriations Legislation and Administration

Discussion:

o The annual legislation for Military Construction programs is provided under authorization and appropriation acts which are separate and distinct from the acts providing legislation for the balance of Defense programs. There are currently thirteen separate construction appropriations covered under existing or proposed (FY 1981) legislation. A listing of these, with brief description, is included at the end of this background paper.

o Under current legislation, funds appropriated annually for military construction programs remain available for obligation for five years (including the fiscal year for which enacted). The two exceptions are the amounts appropriated annually for Family Housing operation and maintenance (one year life) and the Homeowners Assistance Fund (available until expended), discussed further in the attachment.

o The total FY 1981 request for military construction appropriations is \$5.4 billion.

o The lead review in Congress is undertaken by four Subcommittees chartered to focus on installations and facilities. These include two Subcommittees on Armed Services (House and Senate) and two on Appropriations (House and Senate). Their review is exhaustive, involving examination and hearings at the level of the individual construction project. Congressional mark-up is also at the level of the individual project.

o Rather broad flexibility is available to the Defense Department in the program execution phase, but under rather tight Congressional oversight which is imposed either in the form of prior Congressional notification and/or reprogramming procedures. Subject to these, we are provided authority to: (1) restore facilities damaged or destroyed through accident or natural disaster; (2) undertake (within certain limitations) urgent or emergency projects required in the interest of national security, and which cannot be delayed until the next budget cycle; (3) exceed the dollar amounts justified to Congress for individual construction projects, and (4) undertake, within lump sums provided annually, projects costing \$500,000 or less which are not otherwise authorized by law (generally referred to as "minor construction").

o In-house, program administration and execution follows the same level of review (project detail) imposed during the program and budget review leading to development of the President's budget. For military construction, the OMB apportionment process controls apportionment of funds at the level of the individual construction project. Under this system, each project is re-validated as to need prior to release of funds to the Defense component. Requirements to use unobligated balances remaining at the end of each fiscal year are monitored throughout the life of each appropriation.

### Family Housing, Defense

o This appropriation finances the cost of construction of on-base housing for military families, leasing of off-base housing units, and the operation and maintenance of the total family housing inventory. This account is unique in that it is both an investment and operating account. Funds appropriated for the investment portion remain available for obligation for a period of five years, whereas funds appropriated for maintenance and operation remain available for obligation only until the end of the fiscal year of enactment. A third feature of this appropriation is that it provides annual amounts in excess of \$100 million for retirement of mortgage debt incurred in the 1950's when Defense purchased substantial interests in privately owned housing. The indebtedness is being retired as slowly as possible because of the extremely favorable interest rates (4-4 1/2%).

### Homeowners Assistance Fund, Defense

o This program provides, in accordance with Public Law 89-754, assistance to military and civilian employee homeowners by reducing losses on resale values of their homes incurred as a result of the closure of military installations or reduction in the scope of operations at such installations.

### Foreign Currency Fluctuation, Construction, Defense

o This appropriation was established in FY 1980 as a Congressional initiative with initial capitalization of \$125 million. The funds were made available for transfer only to military construction accounts to help compensate for loss in the purchasing power of dollars budgeted as a result of unfavorable fluctuation of the dollar relative to other currencies. All of the funds provided have been transferred to the regular construction accounts. No additional funds are being sought in the FY 1981 President's budget.

June 11, 1980  
Directorate for Construction

## Military Construction Appropriations

### Active Forces:

Military Construction, Army  
Military Construction, Navy  
Military Construction, Air Force

o These appropriations finance facilities needed to support the active forces, including air, fleet and troop operations, training, equipment maintenance, bachelor housing, medical and dental services, research efforts, and community support such as clubs, theatres, post exchanges and the like.

### Reserve Forces:

Military Construction, Army National Guard  
Military Construction, Air National Guard  
Military Construction, Army Reserve  
Military Construction, Naval Reserve  
Military Construction, Air Force Reserve

o These appropriations finance those facilities needed to support the training and readiness of the Guard and Reserve forces including armories, reserve centers and facilities for storage and maintenance of equipment.

### Defense Level Accounts:

Military Construction, Defense Agencies

o This appropriation provides funds for construction of facilities for the Defense Agencies, which provide common-service support to the military departments in such areas as logistics, intelligence and mapping, and construction of facilities to support selected activities which do not fall under the purview of the Defense Agencies, but nonetheless serve requirements of more than one military service such as the overseas dependent school program and certain operational, training and research functions.

### NATO Infrastructure

o This appropriation provides funds for the United States share of the NATO Infrastructure program, a program which provides those minimum essential dedicated wartime facilities required to support the deployment and operation of NATO military forces, including U.S. forces committed to NATO. The program is financed collectively by NATO member countries in accordance with a negotiated cost sharing formula. NATO Infrastructure is proposed to be established as a new and discrete appropriation in the FY 1981 President's budget. Currently, it is a separate budget activity under the appropriation "Military Construction, Defense Agencies".

### Unbudgeted Inflation in Stock Fund Prices

Stock Fund price stabilization policy for nonfuel related purchases requires that standard prices be updated annually based on actual product procurement cost experienced during the year of execution. Actual user cost is then adjusted by approved surcharges or a stabilization factor, which takes into account an estimate for anticipated inflationary price growth, changes in transportation rates, efficiencies in operations, etc. approved during the budget year review.

The current system is an improvement over our previous pricing system, since it enables customers to more readily execute planned purchases and the stock fund manager to maintain stock fund cash levels. However, there remains a major difference from our price/rate stabilization policy relative to fuel sales and services provided by industrial fund activities. Sales prices/rates in both these areas are established during the budget year review and customer related funds are adjusted accordingly. These budgeted sales rates remain fixed or stabilized when the fiscal year commences and variances in cost experienced during the execution, whether plus or minus, are considered during subsequent budget year reviews.

By allowing the stock fund manager to update the cost "baseline" to reflect actual versus programmed inflationary price growth, we force customers or program managers to effect program changes in order to accommodate the "baseline" update. We should eliminate this disruptive factor and implement a price stabilization policy which will not cause unbudgeted user cost increases.

### Budgeting for Inflation in Operation and Maintenance Appropriation

Beginning in FY 1978, the Congress, by Public Law 94-361, authorized the Department of Defense to include in the budget estimates for operating funds an estimate of price growth anticipated in the cost of goods and services. Prior to FY 1978, price increases occurring subsequent to submission of the President's budget had to be offset through program reductions.

In determining the amounts required to offset the impact of increased costs, the Department uses the most recent economic assumptions provided by the administration. The FY 1981 President's budget, as amended, reflects a general inflation factor of 9.7 percent. A slightly higher rate for purchases from the DoD Stock Funds and for purchased utilities has been included. To the extent that actual inflation exceeds these predictions, program reductions will be required. For each (one) percent that inflation exceeds the budgeted rate, an additional \$300 million in the operating accounts will be required - either through supplemental appropriations or by program reductions.

Program areas that lend themselves to the flexibility required to cope with inflation are, for the most part, those programs directly related to readiness. For example, flying hours, ship steaming hours, and unit training are controllable programs at the lowest organizational level and therefore are the first to suffer when inflation exceeds the budgeted amount.

## Civilian Personnel Ceilings

Limits as to the total number of civilian personnel the Department may employ have been a continuing problem for several years. Congress authorizes the total number of civilian personnel we may have during a given fiscal year. OMB also places various restrictions on civilian employment in terms of full time permanent positions and from time-to-time other categories. Some hiring restrictions are imposed by the President in his fiscal guidance, limiting the total number of civilian personnel the Department may budget for in a given fiscal year. Each of these ceiling actions seriously limit the Department's flexibility in managing its many programs. We have continually opposed the implementation of ceiling limits on civilian personnel. We consider personnel to be a resource not a program. We feel the total amount of funds available should control the number of people a manager is able to employ. This would obviously give each manager the flexibility to manage his program by managing his dollar resources. If contracting certain functions out to private industry become cost effective, we could do so. If however, it becomes more cost effective to accomplish the task in house we could obtain the personnel required without the restrictions of a ceiling on personnel. The Department operated without civilian ceilings in FY 1973 and FY 1974 and it worked very well. GAO has also supported the elimination of civilian ceilings. At the same time, we could protect matters of special congressional interest such as headquarters by controlling the total number of personnel in the headquarters function. This could satisfy the congressional concern, but still provide the Department with enough flexibility to better manage its programs.

If, however, it is not possible to eliminate ceilings, we have an internal OSD staff problem in that OASD MRA&L manages the ceiling limitations while the Comptroller manages the fiscal resources. These two functions should be combined and we feel they should be managed by this office.

## Restraints/Limitations Imposed by the Congress

In the review and markup of the Defense budget, Congressional Committees oftentimes impose certain restraints or limitations in the form of funds reductions or limitations without regard or an appreciation of program impact or the capability within Defense to effect policy changes. For example, the FY 1980 House Appropriations Committee report effected adjustments relative to resources requested for Studies and Analyses, employee compensation claims, foreign national pay raises and use of civilian personnel sick leave. Also specific language appended to the Defense Bill limited expenditures relative to funds appropriated for travel and transportation activities. Resources requested for compensation claims are based on actual claim settlements negotiated by the Department of Labor. Foreign national pay raises are effected via State Department country-by-country agreements. Policy governing the use of sick leave is promulgated by the Office of Personnel Management. Dialogue on the part of the Defense Department with other agencies concerning these areas does take place and can be effective. However, resource requirements are based on policy external to Defense. Funding adjustments become in fact unprogrammatic reductions; for example, we have no option but to finance foreign national pay raises negotiated by State.

Limitations such as that imposed on travel and transportation expenditures become disruptive and often impact on direct readiness related training. We do not regard travel and transportation as a program. It is a vehicle for accomplishing logistic support of operating forces and moving both people and supplies to perform training activities. The Department has had a problem in conveying to the Congressional Appropriations Committee members and staff appreciation of this problem.

Authorization of Operation and Maintenance (O&M) Appropriation

The House Armed Services Committee has proposed addition of a Section (802) in the FY 1981 House Report on the Authorization Bill for prior authorization beginning in FY 1982. This proposal stems primarily as a reaction to service comments that the House Appropriations Committee as well as OSD and the Office of Management and Budget have effected reductions in the O&M budgets which impact readiness areas. Congress has maintained there was no intention to reduce readiness areas in any of their adjustments and that such effects occur from misapplication of specific non-readiness reductions.

Notwithstanding the merit of the rationale for service application of congressional reductions, it appears likely authorization of O&M will occur. It will cause the following:

- Constrain flexibility in program execution in accounts subject the dynamics and urgency of rapidly changing requirements not only from national security considerations but also from price (inflation) impacts.

- Complicate and lengthen the budget and reprogramming process. We must satisfy two additional committees - hearings and responses to staff questions. Also, developments after authorization, but before appropriation, will require additional authorization action. New authorization will also be necessary before requesting additional funds through notification reprogrammings, supplementals and amendments.

- Increase Department staff requirements in order to be responsive to four committees. This is important because of significant reductions in headquarters staff over the past decade. Departmental accounting systems will need, perhaps significant, modification to meet identification and tracking requirements of authorization level detail. This will also drive up overhead costs.

DEFENSE MAPPING AGENCY

The attached documents were provided to the Carter-Reagan Transition team by the Defense Mapping Agency. No documents have been withheld.



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# ORGANIZATION

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# BRIEFING

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# BOOK

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December  
1980

**The Defense Mapping Agency**

U.S. Naval Observatory, Bldg. 56, 34th & Mass. Avenues, N.W.,  
Washington, D.C. 20305

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SECTION I

ORGANIZATIONAL STRUCTURE, FUNCTIONS AND PERSONNEL

## THE DEFENSE MAPPING AGENCY (DMA)

### A. An Introduction

The Agency was established in 1972 to provide mapping, charting, and geodetic (MC&G) support to the Armed Forces and all other national security operations. DMA also serves the needs of the U.S. Merchant Marine worldwide and of navigators generally on the high seas.

The approximately 8,500 people of the Agency are situated in forty locations around the world. They provide a wide variety of maps and charts and information about the size and shape of the earth needed for aerospace and ocean navigation and for the tactical and strategic operations of the Armed Forces. DMA has cooperative mapping agreements with more than fifty nations for the mutual exchange of MC&G information.

More than half of DMA's production is other than conventionally printed maps and charts, including products on film and magnetic tape for use in specialized machine-reading equipment. DMA materials are used extensively in support of the Nation's weapon systems, aerospace and ocean navigation trainers and for experimental purposes in deriving new items to satisfy valid MC&G needs. Scientific data and information affecting the safe passage of vessels and aircraft throughout the Free World are exchanged with the civil community and countries with navigational interests.

### B. Organizational Structure

DMA is a separate DoD agency under the direction, authority, and control of the Under Secretary of Defense for Research and Engineering. The Director of DMA is responsible to the Joint Chiefs of Staff (JCS) for operational

matters within their cognizance, as well as requirements associated with the joint planning process. The Chairman of JCS is authorized to task and communicate directly with DMA.

The Director of DMA is program manager and coordinator of all DoD MC&G resources, including Army and Marine topographic units and Navy hydrographic survey resources not assigned to DMA. Under the 1972 charter establishing DMA, the Director is also responsible for managing MC&G research, development, test and evaluation for the Department of Defense.

DMA maintains close alliance with civilian agencies in the U.S. Government engaged in MC&G activities, and works closely with various national and international scientific and operational organizations in the MC&G field.

The Agency is organized into a Headquarters and five components. The Headquarters is at the U.S. Naval Observatory, Washington, D.C. The five components consist of two production centers, a distribution office, a school, and a special component, the Inter American Geodetic Survey.

The Aerospace Center (DMAAC) with headquarters in St. Louis, Missouri, has about 3,700 people charged with the responsibility for products and services for aerospace weapon systems and flight navigation.

The 3,900 people of the Hydrographic/Topographic Center (DMAHTC) with headquarters at Brookmont, Maryland, are primarily concerned with products and services that support land combat and naval weapon systems. The Center also carries out statutory responsibilities for providing nautical products to mariners in general.

The Office of Distribution Services (ODS) at Brookmont, Maryland, and 12 other facilities, including two large distribution centers, provide DMA products to users. This distribution function employs approximately 400 people, who are organized to move quickly into shift operation for crisis deliveries night or day. Some DMA products are also available to the public through authorized sales agents and the National Ocean Survey.

DMA operates the Defense Mapping School (DMS) at Fort Belvoir, Virginia, with approximately 190 civilian and military personnel. The school provides technical training to members of the Military Services in MC&G-related skills.

DMA's Inter American Geodetic Survey (IAGS), headquartered at Fort Sam Houston in San Antonio, Texas, is responsible for a cooperative mapping and charting program conducted jointly with the national mapping agencies in Latin America. IAGS operates a cartographic school in the Panama Canal area to assist Latin American cartographic agencies in the training of their production personnel. IAGS has about 100 people working throughout Central and South America. Through this program many DoD MC&G products are provided at a fraction of the cost that would otherwise be incurred for DMA to produce. Such programs also enhance the national security of the participating Latin American countries.

### C. Functions

DMA's mission is to provide the Armed Forces the maps, charts, and geodetic products, data, and services essential to military operations and planning, including safe and accurate land, sea, and air navigation. Products, such as digital topographic data, are becoming an integral part of strategic and tactical weapons systems and are vital to their effectiveness. In fact, accurate, current, and timely DMA products are needed for every conceivable type of military operation. The soldier and marine depend upon DMA topographic

maps and combat charts; air crews depend upon DMA aerial navigation charts and flight information publications; naval forces depend upon DMA nautical charts and navigational publications. Weapon Systems depend upon DMA's precise positioning of launch and target points, modeling of gravity effects on missiles, and development of accurate terrain elevation and vertical obstruction data. DMA also has a statutory responsibility to support the civil maritime community with up-to-date and adequate navigational materials. DMA's major functions can be summarized as follows:

1. Advise the Secretary of Defense and the Joint Chiefs of Staff on MC&G matters.
2. Manage the DMA and non-DMA/DoD/MC&G resources.
3. Collect MC&G data worldwide.
4. Produce and distribute maps, charts, and related data worldwide.
5. Maintain the Department of Defense libraries of MC&G data.
6. Advise DoD research and development agencies on the need for MC&G basic research and exploratory development.
7. Conduct MC&G research and development programs in advanced and engineering development phases.

D. Personnel

A summary of manpower and strengths and man-years for DMA is as follows:

1. End Strength:

	<u>1980</u>	<u>1981</u>	<u>1982</u>
Military	444	444	444
Civilian	<u>8,039</u>	<u>8,130</u>	<u>8,244</u>
TOTAL	8,483	8,574	8,688

2. Man-Years:

Military	444	444	444
Civilian	<u>8,017</u>	<u>8,227</u>	<u>8,338</u>
TOTAL	8,461	8,671	8,782

Manpower Authorizations for FY 1981 are Provided by

DMA Component and Geographical Location

<u>Component/Location</u>	<u>FY 1981</u>		<u>Total</u>
	<u>Military</u>	<u>Civilian</u>	
<u>HO DMA</u>			
Washington, D.C.	36	152	188
Los Angeles, California	1	--	1
TOTAL	37	152	189
<u>DMAAC</u>			
St. Louis, Missouri	44	3,427	3,471
London, England	--	1	1
Jakarta, Indonesia	--	1	1
Houston, Texas	--	2	2
Washington, D.C.	--	5	5
Wright Patterson AFB, Ohio	1	--	1
Quincy, Illinois	--	1	1
Los Angeles, California	--	1	1
Kansas City, Missouri	1	196	197
TOTAL	46	3,634	3,680
<u>DMAHTC</u>			
Brookmont, Maryland	50	2,841	2,891
Feltham, England	1	--	1
Canberra, Australia	1	--	1
Bay St. Louis, Mississippi	1	--	1
Dakar, Senegal	--	1	1
Tokyo, Japan	--	2	2
New Orleans, Louisiana	--	1	1
New York, New York	--	1	1
Omaha, Nebraska	--	5	5
El Segundo, California	--	1	1
Louisville, Kentucky	1	257	258
Providence, Rhode Island	1	271	272
San Antonio, Texas	1	239	240
F. E. Warren AFB, Wyoming	82	76	158
Vandenburg AFB, California	12	4	16
White Sands, New Mexico	2	40	42
Patrick AFB, Florida	5	5	10
TOTAL	157	3,744	3,901
<u>DMS</u>			
Ft. Belvoir, Virginia	128	68	196
<u>IAGS</u>			
San Antonio, Texas	7	59	66
Panama	2	44	46
Other Latin American Countries	2	36	38
TOTAL	11	139	150

FY 1981 Manpower Authorizations by Geographic Location  
(Continued)

<u>Component/Location</u>	FY 1981		<u>Total</u>
	<u>Military</u>	<u>Civilian</u>	
<u>DMAODS</u>			
Brookmont, Maryland	6	185	191
Clearfield, Utah	--	74	74
Philadelphia, Pennsylvania	--	98	98
Mainz-Kastel, Germany	16	5	21
Molesworth, England	3	--	3
Naples, Italy	4	--	4
Norfolk, Virginia	5	2	7
Jacksonville, Florida	1	3	4
San Diego, California	4	2	6
Hickam AFB, Hawaii	8	21	29
Cubi Point, Philippines	7	--	7
Atsugi, Japan	7	--	7
Panama	4	3	7
TOTAL	<u>65</u>	<u>393</u>	<u>458</u>
<u>SUMMARY</u>			
HQ DMA	37	152	189
DMAAC	46	3,634	3,680
DMAHTC	157	3,744	3,901
DMS	128	68	196
IAGS	11	139	150
DMAODS	<u>65</u>	<u>393</u>	<u>458</u>
TOTAL	<u>444</u>	<u>8,130</u>	<u>8,574</u>

SECTION II

IMMEDIATE MAJOR ISSUES

DMA has no major issues that must be faced by the new administration immediately or soon after 20 January 1981.

SECTION III

PROGRAM SUMMARIES

TAB A Budget  
TAB B Support to Major Weapon Systems  
TAB C Cruise Missile  
TAB D RDJTF  
TAB E PERSHING II  
TAB F MX  
TAB G Terrain Analysis  
TAB H FIREFINDER  
TAB I Crisis Support  
TAB J International Agreements  
TAB K Research and Development

TAB A

BUDGET

In the aggregate for O&M, Procurement, RDT&E, and Military Construction, DMA has requested \$369 million for fiscal year 1982. This is an increase of \$25 million over the fiscal year 1981 request of \$344 million. Of the increase, approximately \$11 million is for statutory pay increases and inflation. The remaining \$14 million reflects net program growth to improve military force readiness; support the special requirements of the Rapid Deployment Force; enable DMA to accomplish currently approved production programs in support of such weapon systems as the Cruise Missile, FIREFINDER, and Pershing II; and provide Terrain Analysis data to operational commanders. Provision is also made for the production of digital data needed by mission planners to construct optimum flight routes for air space penetration to target areas and to support training for air crews in flight simulators. In addition, the increase supports the initiation of research and development efforts required to meet the accuracy goal for the MX missile system. An appropriation summary follows.

<u>FUNDING</u> (Dollars in Millions)	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>
Appropriation:			
Operation and Maintenance	\$ 267	\$ 297	\$ 323
Procurement	18	25	9
RDT&E	20	20	26
Military Construction	<u>1</u>	<u>2</u>	<u>11</u>
TOTAL	\$ 306	\$ 344	\$ 369

TAB B

SUPPORT TO MAJOR WEAPON SYSTEMS

The following chart reflects the type of support DMA is providing to major weapon systems.

	<u>PRECISE POSITIONS</u>	<u>DIGITIZED TERRAIN</u>	<u>DIGITIZED CULTURE</u>	<u>MAPS/CHARTS</u>
MINUTEMAN	X			X
POSEIDON/TRIDENT	X			X
Cruise Missile	X	X		X
SRAM	X			X
PERSHING	X	X	X	X
F-111	X	X	X	X
A-6	X	X	X	X
E-2C	X	X	X	X
EA-6B	X	X	X	X
B-52	X	X	X	X
C-130	X	X	X	X
F-16	X	X	X	X
FIREFINDER	X	X		X
AWACS		X		
LORAN	X	X		X
Ground Radar	X	X		X

TAB C

CRUISE MISSILE

We are on schedule with production of the two basic types of digital data for the cruise missile. The first of these, the Digital Terrain Elevation Data (DTED), will be used for missile route penetration planning to the target. The second type, Terrain Contour Matching (TERCOM) data, is similar to DTED but much more detailed for use in missile guidance. TERCOM is produced for selected areas and is used in the missile's on-board computer to update the inertial guidance system to assure accurate penetration to the target. The Vertical Obstruction Data (VOD) portion of support to the Cruise Missile Program is needed for low level penetration of air defenses. This effort is in the development phase. We have completed hiring and training the 160 employees authorized by the Congress for the task. VO data are being produced to support tests and analyses by the Joint Cruise Missile Project Office and the Joint Strategic Target Planning Staff that will better define DMA capabilities, VOD product specifications and area requirements. Regular production of VOD will commence in April 1981.

RAPID DEPLOYMENT JOINT TASK FORCE (RDJTF)

Since the organization of the Rapid Deployment Joint Task Force, extensive mapping and charting shortfalls were recognized in the RDJTF areas of interest. DMA has the responsibility to provide support to all U.S. military organizations, thus it has the responsibility to support the RDJTF with map and chart products. DMA, with special provision of resources from OSD, is already providing the RDJTF with maps of various scales, aeronautical and nautical charts, and other items. The entire RDJTF map and chart requirement is programmed and scheduled to be satisfied by 1986. The FY 81 budget request provides DMA additional resources, including 150 civilian positions, to produce those MC&G products urgently required to support RDJTF objectives.

TAB E

PERSHING II

The PERSHING II (P-II) missile will feature a radar terminal guidance capability. A digital pregenerated radar scene of the target area will be correlated with the actual scene produced by the missile's radar to determine the missile's location. This information is used by the guidance system to correct the vehicle trajectory in its terminal phase and guide the missile to the target with a high degree of accuracy. DMA will generate reference scenes for preplanned targets using the PERSHING II Reference Scene System (PRESS). Reference scenes for non-preplanned targets will be generated in the field by the Reference Scene Generation Facility (RSGP) using Operational Data Bases (ODB's) produced by DMA.

DMA will support the PERSHING II system in both the Test and Evaluation (T&E) and operational phase. Support in the T&E phase will consist of the following:

1. Experimental reference scenes and ODB for laboratory testing, captive flight tests, and live missile flights.
2. Surveying support for the Huntsville Test Area, North Carolina Test Area, North East Test Area, and White Sands Missile Range.
3. Associated Mapping, Charting and Geodesy (MC&G) products and services as identified by the PERSHING II Project Management Office.

Support in the operational phase will consist of supplying reference scenes for preplanned targets, operational data bases for the entire PERSHING II operational area, and point positioning data bases for the precise location of non-preplanned targets.

MX

The Missile-X (MX), currently to be deployed in CY 86 in the Nevada-Utah-Arizona area, will require DMA to provide geodetic and gravity survey support, Earth Gravity Model (EGM) development, Launch Region Gravity Model (LRGM) development and improved target positioning.

A preliminary assessment of MX survey requirements has been made. Geodesy and Geophysics (G&G) accuracy/trade-off studies have been completed and a preliminary DMA MX G&G Support Plan is in development. DMA's MX support has included assistance in launch areas and site determination studies, and improved techniques for geodetic and geophysical measurement.

Current support of MX includes gravity surveys for site validation/selection and preliminary gravity field modeling. DMA is currently programming to provide the necessary support consistent with the currently postulated accuracy requirements and system availability schedule.

TAB G

TERRAIN ANALYSIS

The DMA FY 81 budget request includes resources approved by the Secretary of Defense to transfer total responsibility for production of terrain analysis data from the Defense Intelligence Agency to DMA. The resources will enable DMA to support the battlefield commander with both a comprehensive thematic data base showing soils, vegetation, inland hydrography, and surface materials and standard terrain analysis products associated with mobility and visibility on the battlefield.

FIREFINDER

FIREFINDER is an Army-developed system consisting of artillery and mortar locating radars designed to detect the trajectories of multiple incoming artillery and mortar rounds and, in near real time, accurately determine the location of the weapons that are firing. These locations, then, are processed for immediate counterfire, as appropriate. The Army will deploy both radar systems while the Marine Corps will use the shorter range mortar locating radar alone. The Army has programmed approximately one billion dollars for RDTE and procurement for the system.

DMA's MC&G support to FIREFINDER consists of digitized terrain elevation data (DTED) used by the radar's computer to determine the precise location of the weapon being fired. The use of digital data eliminates human error and significantly speeds up the weapon location process. The total cost of DMA support in FY 82-86 will be approximately 15 million dollars and 400 man-years of effort.

TAB I

CRISIS SUPPORT

During the past year, DMA has prepared and provided emergency MC&G products to support DoD elements dealing with crisis situations. Past responses have been completed in time frames of two (2) hours to thirty (30) days as dictated by the urgency of the crisis. DMA support to the hostage situation in Iran was the most intensive and prolonged of any such situation in recent history.

Listed below are samples of crisis support requests received and serviced by DMA over the past year:

- Iran - Joint Chief of Staff (JCS)
  - National Military Intelligence Center (NMIC)
  - Military Airlift Command (MAC)
  - European Command (EUCOM)
  
- Nicaragua - National Military Intelligence Center (NMIC)
  - Readiness Command (REDCOM)
  - Southern Command (SOUTHCOM)
  
- El Salvador - National Military Intelligence Center (NMIC)
  - Southern Command (SOUTHCOM)

INTERNATIONAL AGREEMENTS

Defense Mapping Agency has exchange agreements, cooperative agreements, exchanges under the International Hydrographic Organization, and/or facsimile reproduction exchange agreements with 78 countries.

The term Exchange Agreement, as used by DoD, implies an exchange of information and maps or charts. Usually, a small number of maps or charts are exchanged gratis. Other maps, charts and publication materials are exchanged, most often on a quid-pro-quo or reimbursement basis. It may include sharing of MC&G production programs.

The term Cooperative Agreement is used to further define DoD/DMA MC&G agreements and implies mutual programming, sharing of work and end products, establishing U.S. MC&G operations in the host country, and, usually, common use of products by the U.S. and the country concerned. Upon cessation of cooperative terms, map exchange items usually continue.

Nautical charts of many foreign countries are obtained by the Defense Mapping Agency through agreements established under the sponsorship of the International Hydrographic Organization (IHO), in Monaco. In addition, facsimile reproduction exchange agreements are maintained with a number of countries, including some members and non-members of the IHO.

DMA has been invited by the People's Republic of China (PRC) to send a delegation to visit several PRC mapping institutions. A three-man delegation from DMA will be hosted by the PRC National Bureau of Surveying and Mapping (NBSM) on a 10-day visit in December 1980, including the Guangdong Provincial

Bureau of Surveying and Mapping, the Wuhan College of Geodesy, Photogrammetry and Cartography, and the NBSM Center in Beijing. One purpose of the visit is to discuss areas for possible cooperation in the exchange of mapping, charting and geodetic products.

TAB K

RESEARCH AND DEVELOPMENT

Our R&D objectives are to improve DMA's capability to collect essential data, to fully exploit available and new source materials, to improve product accuracies, to decrease response time for MC&G support, and to continue automating many of our labor intensive production processes. The R&D program is structured to achieve a balanced effort toward meeting these objectives with emphasis on exploiting technological developments in areas of potential high payoff. Total funding remains relatively level between fiscal years 1980 and 1981. A major driver in the R&D program is the development of ground and satellite receivers that use GPS for accurate and rapid DMA point position surveys and satellite positioning. DMA's products are becoming a more significant and integral part of emerging advanced weapons systems. To meet these new technological requirements and need dates, a major R&D thrust is the development of digital technologies for timely exploitation of source material.

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MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF DEFENSE (ADMINISTRATION)

SUBJECT: Request for Information

Reference: Your memorandum dated November 25, 1980, subject as above.

Attached at Enclosures 1 and 2 is the information requested in your memorandum. Enclosure 1 addresses personnel data requested in paragraphs 4 thru 7, Tab A, your memorandum. Enclosure 2 addresses data also requested in Tab A under paragraphs 3, 5, 8, and 9 in the budget, program, and general information categories.

FOR THE DIRECTOR:

2 Enclosures a/s

SIGNED

CLARK T. LEHMANN  
Colonel, USA  
Chief of Staff

cc:  
USDRE

FOR FILING TO:

Encl 2

PERSONNEL<sup>1</sup>

Items 1, 2, and 3. Information to be provided by the OSD Staff.

Item 4. No SES personnel have been hired since 1 November 1980. DMA anticipates hiring two SES personnel prior to 21 January 1981. The proposed selections have been approved by OSD and are awaiting approval of managerial qualifications by OPM. The proposed SES selections are: William P. Durbin, to be Assistant Deputy Director for Plans and Requirements, Headquarters DMA, Washington, D.C. and Thomas O. Seppelin, to be Deputy Director for Programs, Production and Operations, DMA Aerospace Center, St. Louis, Missouri.

Item 5. HQ DMA has not hired any experts or consultants since 1 November 1980 and does not anticipate hiring any prior to 21 January 1981.

Item 6. HQ DMA has no contract identified as consulting services in Budget Exhibit PB-21.

Item 7. Following is the on-board strength data requested for HQ DMA:

	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	<u>Position Vacancies</u>
MIT	35	38	32	36	1
Civ (FTP)	<u>137</u>	<u>139</u>	<u>131</u>	<u>140</u>	<u>6</u>
Total	172	177	163	176	7

Items 8 and 9. Information to be provided by the OSD Staff.

1

BUDGET, PROGRAM & GENERAL INFORMATION

Items 1 and 2. Information will be provided by the OSD Staff.

Item 3. The budget information requested for DMA is listed below:

<u>Funding</u>	<u>FY1980</u>	<u>FY1981</u>
	(\$ in Thousands)	
O&M		
Civilian Personnel	\$195,069	\$216,023
Travel	3,360	4,275
Transportation of Things	3,163	3,143
Utilities and Rents	10,203	11,269
Communications	4,724	5,035
Purchased Equipment Maintenance	2,348	3,590
Printing and Reproduction	5,721	7,303
Other Purchased Services	28,197	30,343
Supplies	12,720	15,514
Equipment	744	850
TOTAL	<u>\$266,249</u>	<u>\$297,345</u>
Procurement	18,479	25,324
R&D	20,012	20,172
Mil Con	825	1,500
Family Housing	<u>37</u>	<u>28</u>
	<u>\$305,602</u>	<u>\$344,369</u>

NOTE: The data shown above is the FY80 and FY81 columns of the FY 1982 Basic Budget Request except for the FY 1980 O&M and Family Housing data which reflects actual obligations.

Item 4. Information will be provided by the OSD Staff.

Item 5. DMA is not involved in establishing rules or similar regulatory type actions.

Item 6 and 7. Information will be provided by the OSD Staff.

Item 8. DMA has not issued any environmental impact statements in either draft or final form since 1 November 1980 and does not expect to issue any prior to 30 June 1981.

Item 9. None.

Item 10 and 11. Information will be provided by the OSD Staff.

1  
Numbered responses keyed to the paragraph number in the report.

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8 January 1981

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MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF DEFENSE (ADMINISTRATION)

SUBJECT: Request for Information

- References:
- a. DASD(A) memorandum dated November 25, 1980, subject as above.
  - b. DMA memorandum dated 17 December 1980, subject as above.
  - c. Telephone conversation of 6 January 1981 between John Wilson, ODASD(A), and Colonel Lehmann, DMA.

Referenced telephone conversation (reference c.) requested further information from DMA regarding the number of employees in Headquarters, DMA. This information was provided in reference b., but did not break down the assigned personnel by office/directorate, as this information is not available for prior years. Since the number of assigned personnel is very close to our authorized levels, attached is the manpower authorization for the last four fiscal years by office/directorate. Position vacancies as of 31 December 1980 are also provided to permit easy transition from authorized strength to on-board strength for FY 80. These differences are representative of prior years.

FOR THE DIRECTOR:

1 Enclosure a/s

CLARK T. LEHMANN  
Colonel, USA  
Chief of Staff

cc:  
OUSDRE (ATTN: LTC Hollander)

TO:

HQ DMA

Manpower Authorized\*

<u>Organization</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	<u>Position Vacancies</u>
Director's Office					
Military	4	4	4	3	-
Civilian	4	4	4	5	-
Chief of Staff					
Military	5	5	5	7	-
Civilian	26	26	26	25	1
Comptroller's Office					
Military	1	1	1	1	-
Civilian	24	24	24	24	-
Personnel Office					
Military	2	2	1	1	-
Civilian	13	13	13	13	1
Programs, Production & Operations Directorate					
Military	10	10	9	9	1
Civilian	42	42	41	41	2
Plans & Requirements Directorate					
Military	12	12	12	12	-
Civilian	16	16	16	16	1
Systems & Techniques Directorate					
Military	5	5	5	5	-
Civilian	16	16	21	21	-
TOTAL HQ DMA					
Military	39	39	37	38	1
Civilian	141	141	145	145	5

\*On-board data is not available for past years by organization within HQ DMA; hence, the authorized strength is provided.

23 December 1980

CC

MEMORANDUM FOR DEPUTY GENERAL COUNSEL, DEPARTMENT OF DEFENSE

SUBJECT: Synopsis and Status of Significant Litigation Pending in the  
Defense Mapping Agency

1. In reference to your letter of 15 December 1980, enclosed please find a listing of significant lawsuits which this Agency is currently involved in and a brief chronology and synopsis of the issues involved in each.
2. Should you desire additional information regarding any of these matters, please feel free to call me at 254-4431.

FOR THE DIRECTOR:

SIGNED

Enclosures a/s

EDWARD J. OSLOY  
General Counsel

DEFENSE MAPPING AGENCY  
OFFICE OF GENERAL COUNSEL

SYNOPSIS AND STATUS OF SIGNIFICANT LITIGATION

George H. Lee v. General Nicholson, C.A. No. 80-1048  
(D.D.C. April 25, 1980).

Title VII case. Litigation report filed 13 June 1980. Status call held 17 November 1980. Discovery has been extended to 1 March 1981 and another status call has been set for February 1981. Answers to plaintiff's interrogatories filed, defendant presently preparing interrogatories for plaintiff.

SS MAYAGUEZ - Seamen's injuries, May 12, 1975  
Alfred J. Rappenecker, et al. v. USA, N.D. Cal.  
Civil Nos. 76-298 WWS; 76-422 WWS; 77-565 WWS; 77-939 WWS

These are actions by former crewmen of the SS MAYAGUEZ against the United States under the Suits in Admiralty Act. Plaintiffs are seeking damages for personal injuries allegedly suffered during United States military operations in response to the seizure of the MAYAGUEZ by Cambodian gunboats on May 12, 1975. Plaintiffs are advancing two theories of liability against the Government: (1) negligence in undertaking and executing the military operation and (2) breach of a duty to warn the MAYAGUEZ of the danger of such a capture. Government witnesses were deposed the week of 10 November and the skipper, CAPT Miller was deposed 21 November. Pre-trial was held December 19, 1980 and a tentative trial date has been set for January 12, 1981 in San Francisco, CA. Enclosed are copies of the Memorandum of Opinion and Order of July 8, 1980 and a copy of the Plaintiffs and Defendants Pre-trial Statements.

Barbara J. Hobbs v. United States, C.A. No. 79-0477  
(D.D.C. 14 February 1979).

Suit was filed by Barbara J. Hobbs, a former employee of DMAHC to recover monies withheld by DMA (2 weeks pay and 4 weeks accumulated annual leave). Monies were withheld because Ms. Hobbs violated the terms of a training contract signed on July 7, 1977 which provided that upon completion of her training she would continue to serve in the DoD for a period of not less than 27 months unless involuntarily separated. Plaintiff was given a RIF notice on 15 June 1978 and voluntarily terminated her employment with DMA on 16 September 1978. Plaintiff alleges that the RIF action constitutes an involuntary separation within the meaning of the contract. DMA's position is that she violated the terms of the contract by voluntarily leaving government service and is, therefore, obligated to pay back DMA dollars spent on her training.

This is to our knowledge a case of first impression. Motions for Summary Judgment have been filed, no trial date has been set. The Court granted plaintiff's motion to amend the complaint. DMA's answer has been filed.

Chamberlain & Seibold v. Defense Mapping Agency, Civil No. SA 77 CA 140 (W.D. Tex. 17 May 1977).

This is a suit by 2 DMAHTC (San Antonio) employees alleging denial of promotions because of age. Proposed pretrial orders filed, however, no trial date has been set. Awaiting instructions from judge. Currently drafting summary judgment motion to get case moving and awaiting trial date.

Churchill Chia-Chu Sze v. Director, Defense Mapping Agency, Civil No. K-79-353 (D. Md. 31 January 1979).

By Court Order of 31 January 1979 case was transferred from the U.S. District Court for the District of Columbia to the District of Maryland (Baltimore). Agency advised that Sze filed motion alleging DMA violated Court Order of 5 November 1979. That Order said that the old standards should be used for one year (5 November 1979 - 5 November 1980) on any promotion announcements for which Sze would be eligible to apply. Sze claims he was qualified for at least one position and that the Agency failed to evaluate him in accordance with those old standards. The old qualification standards were: experience, education, awards and training, however, the Knowledge, Skills, Abilities and Personal Characteristics (KSAP) method was used to evaluate candidates under PVA 80-111, a GS-12 position for which Sze was eligible to apply. Court may order further relief. However, DMA's position is that KSAPs merely change the format in which a person's "resume" is presented, therefore, it is not a substantive change. Agency currently preparing answer.

SS PIONEER COMMANDER - Stranding of Vessel, August 13, 1977  
United States Lines, Inc. v. U.S.A. SDNY 79 Civ. 4209 (RJW)

This is a case involving the grounding of the ship SS PIONEER COMMANDER off the coast of Northern Scotland. Plaintiff is alleging the grounding occurred due to an error on a DMA nautical chart. Agency to file answer to Request for Production. Case still in discovery. Both sides have interrogatories and requests for production. DMA's answer has to be coordinated with at least three different government agencies. A copy of the Litigation Report is enclosed.

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FILED  
JUL 8 1977  
CLERK, U. S. DIST. COURT  
SAN FRANCISCO

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

ALFRED J. RAPPENECKER, ALBERT  
MINICHIELLO, DARRYL V. KASTL,  
FRANK CONWAY, and RAYMOND PAUL  
FRIEDLER, JR.,

Plaintiffs,

NO. C-76-0298-WWS

v.

UNITED STATES OF AMERICA,  
Defendant.

CAROL A. SCHMIDT, As  
Administratrix of the Estate  
of EARL C. GILBERT,

Plaintiff,

NO. C-76-0422-WWS

v.

UNITED STATES OF AMERICA,  
Defendant.

JUAN P. SANCHEZ and WILBERT N.  
BOCK,

Plaintiffs,

NO. C-77-0565-WWS

v.

UNITED STATES OF AMERICA,  
Defendant.

FRANCIS PASTRANO,

Plaintiff,

NO. C-77-0939-WWS

v.

UNITED STATES OF AMERICA,  
Defendant.

MEMORANDUM OF OPINION  
AND ORDER

*De 2*

2 against the United States under the Suits in Admiralty Act  
3 (SIAA), 46 U.S.C. Section 742. Jurisdiction exists under  
4 28 U.S.C. Section 1333(1). Plaintiffs seek damages for  
5 personal injuries allegedly suffered during United States  
6 military operations in response to the seizure of the  
7 Mayaguez by Cambodian gunboats on May 12, 1975. They advance  
8 two theories of liability against the government: (1) neg-  
9 ligence in undertaking and executing the military operation  
10 and (2) breach of a duty to warn the Mayaguez of the danger  
11 of such a capture.<sup>1/</sup>

12 At a status conference on December 28, 1979, the Court  
13 directed plaintiffs to show cause why it had jurisdiction of  
14 the claims stated. The parties filed memoranda and affidavits  
15 and appeared at a hearing on February 29, 1980. At that  
16 hearing the Court expressed its tentative view that the  
17 claim of negligence by the government in connection with the  
18 military operation presented a nonjusticiable political  
19 question. At the Court's invitation, the parties then  
20 submitted supplementary pleadings on the propriety of  
21 summary judgment in favor of the government.

22 I. Factual Background

23 The Mayaguez, a privately owned cargo vessel operating  
24 under American registry was seized by Cambodian gunboats on  
25 May 12, 1975, as it passed within 3 miles of the Poulo Wai  
26 Islands in the Gulf of Thailand, 60 miles from the Cambodian  
27 coast. The ship had departed Hong Kong on May 8, bound for  
28 Sattahip, Thailand, carrying United States military cargo  
29 and other freight. At the time, Cambodia, as well as  
30 Thailand and Vietnam, claimed sovereignty over the Poulo Wai  
31 Islands.

32 Immediately after learning of the seizure, the United

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United States government undertake surveillance of the Mayaguez and its crew, who were being held on the nearby Cambodian island of Koh Tang. On May 13, after making demands for return of the vessel and the crew through the media and diplomatic channels, President Ford "directed the United States Armed Forces to isolate the island and interdict any movement between the ship or the island and the mainland, and to prevent movement of the ship itself, while still taking all possible care to prevent loss of life or injury to the U.S. captives." (Letter dated May 15, 1975, from President Ford to the Speaker of the House.) Plaintiffs claim that they were injured during engagements between U.S. military aircraft and the boat on which the crew of the Mayaguez was being transported from Koh Tang Island to the mainland.

Plaintiffs have alleged that agencies of the United States had notice, before the Mayaguez left Hong Kong for Sattahip, of similar hostile acts by Cambodia against vessels in waters near the Poulo Wai Islands. In traveling near the Poulo Wai Islands, the Mayaguez followed a trade route described in official publications of the United States government. Means were available to the government to warn ships in port at Hong Kong or at sea, by radio, of the risk of attack or seizure. No such warning was broadcast in advance of the seizure of the Mayaguez.

## II. Liability Based on Military Operations

Plaintiffs argue that the government may be held liable under the SIAA for negligence in undertaking and executing the military operations. This claim raises two issues: (1) whether it is barred by an implied "discretionary function" exception to the waiver of sovereign immunity in the SIAA and (2) whether it presents nonjusticiable political questions.

### A. Discretionary Function Exception

Had this action been brought before 1960, a district

1 court could not have entertained it under the Federal Tort  
2 Claims Act (FTCA) which contained an exception for claims  
3 based upon the performance of discretionary functions of  
4 government. 28 U.S.C. Section 2680(a). In 1960, Congress  
5 amended SIAA to eliminate conflict and confusion concerning  
6 the respective jurisdiction of the district courts and Court  
7 of Claims over actions against the government arising out of  
8 admiralty matters. See the discussion in De Bardeleben  
9 Marine Corp. v. United States, 451 F.2d 140, 143-44 (5th  
10 Cir. 1971). As a result of the amendment, the district  
11 courts were given jurisdiction over "cases [against the  
12 government] where . . . if a private person or property were  
13 involved, a proceeding in admiralty could be maintained . . ."  
14 46 U.S.C. Section 742. Referring to the legislative history  
15 of the amendment, the court in De Bardeleben said:

16 The Senate Report indicates that the  
17 purpose "of the amendments is to make  
18 as certain as possible that suits brought  
19 against the United States for damages  
20 caused by vessels and employees of the  
21 United States through breach of contract  
22 or tort can be originally filed in the  
23 correct court so as to proceed to trial  
24 promptly on their merits." And in  
25 another part of the Report we learn  
26 that the purpose of the bill, as  
27 amended, is to authorize the transfer  
28 of cases between the U.S. district  
29 courts and the Court of Claims, and  
30 vice versa. "The bill also clarifies  
31 confusing language now existing in  
32 section 2 of the Suits in Admiralty  
33 Act." Senate Report, supra, at p.  
34 3583. 451 F.2d at 145.

35 The effect of the amendments, enacted to achieve these  
36 purposes, was to extend the waiver of sovereignty to cases  
37 brought against the United States under the SIAA. In taking  
38 this action, Congress was silent on whether the exceptions  
39 which would have applied had the case been brought under the  
40 FTCA would apply under the SIAA.

41 The issue whether the discretionary function exception  
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1 found in the FTCA should be implied under the SIAA has been  
2 addressed by four courts of appeals. The First and Seventh  
3 Circuits have held that such an exception must be implied.  
4 Bearce v. United States, 614 F.2d 556, 559-60 (7th Cir.  
5 1980); Gercey v. United States, 540 F.2d 536, 539 (1st Cir.  
6 1976), cert. denied, 430 U.S. 954 (1977). In doing so, they  
7 relied on the narrow purpose of the 1960 amendment to  
8 eliminate jurisdictional conflict and confusion, and on the  
9 uncalled-for results should the many legislative and ad-  
10 ministrative judgments concerning the public interest in  
11 maritime matters be subject to independent judicial review.  
12 See also United States v. United Continental Tuna Corp., 425  
13 U.S. 164, 176 (1976), commenting on the limited purpose of  
14 the 1960 amendments.

15 The Fourth Circuit, in Lane v. United States, 529 F.2d  
16 175 (4th Cir. 1975), stated that a discretionary function  
17 exception could not be imported into the SIAA. It did so,  
18 however, without discussion of the considerations on which  
19 the First and Seventh Circuits relied. The statement may,  
20 in any event, have been unnecessary to the decision because  
21 other provisions of law imposed a duty on the United States  
22 to mark sunken vessels. Finally, in De Bardleben, supra,  
23 the Fifth Circuit rejected importation of the discretionary  
24 function exception in what clearly was dictum. 451 F.2d at  
25 146.<sup>2/</sup>

26 The question appears to be one of first impression in  
27 this circuit. The Court is persuaded by the reasoning of  
28 the Bearce and Gercey decisions. To subject to judicial  
29 scrutiny policy decisions made at the highest level of  
30 government simply because the action was brought under the  
31 SIAA rather than the FTCA would go far beyond the limited  
32 purpose of the 1960 amendments and lead to "an intolerable

1 state of affairs." Gercey, supra, 540 F.2d at 539.

2 Having determined that an exception for discretionary  
3 functions must be implied under the SIAA, the Court finds  
4 that the decision to undertake the rescue operation and its  
5 execution fall within that exception. The decision itself  
6 involved a "basic policy judgment as to the national interest"  
7 see Gercey v. United States, supra, 540 F.2d at 539; the  
8 discretionary function exception which immunizes that  
9 decision against judicial scrutiny extends also to acts of  
10 subordinates in carrying it out according to official  
11 directions. See Dalehite v. United States, 346 U.S. 15, 35-  
12 36 (1953).

13 Plaintiffs' claims based on the government's alleged  
14 negligence in the conduct of the rescue operation are  
15 therefore not actionable under the SIAA.

16 B. Justiciability

17 An alternate ground for dismissing the claims based  
18 on the conduct of the military operations is that these  
19 claims present nonjusticiable questions. Under the political  
20 question doctrine, nonjusticiability is "primarily a function  
21 of the separation of powers." Baker v. Carr, 369 U.S. 186,  
22 210 (1962). In that decision, the Supreme Court defined the  
23 elements which serve to identify nonjusticiable political  
24 questions:

25 Prominent on the surface of any case held  
26 to involve a political question is found  
27 a textually demonstrable constitutional  
28 commitment of the issue to a coordinate  
29 political department; or a lack of  
30 judicially discoverable and manageable  
31 standards for resolving it; or the  
32 impossibility of a court's undertaking  
independent resolution without expressing  
lack of the respect due coordinate branches  
of government; or an unusual need for  
unquestioning adherence to a political  
decision already made; or the potentiality  
of embarrassment from multifarious pro-  
nouncements by various departments on one  
question. 369 U.S. at 217.

1 More recently ( Justice Powell, concurri( in Goldwater v.  
2 Carter, \_\_\_ U.S. \_\_\_, 100 S.Ct. 533, 534 (1979), summarized  
3 the relevant factors as follows:

4 (i) Does the issue involve resolution of  
5 questions committed by the text of the  
6 Constitution to a coordinate branch of  
7 government? (ii) Would resolution of  
8 the question demand that a court move  
9 beyond areas of judicial expertise?  
10 (iii) Do prudential considerations  
11 counsel against judicial intervention?

12 In deciding to undertake the rescue operation the  
13 President exercised his authority over the conduct of  
14 foreign relations; in implementing the decision he exercised  
15 his powers as commander in chief. See United States v.  
16 Curtiss-Wright Corp., 299 U.S. 304, 318-19 (1936)(dictum);  
17 The Prize Cases, 67 U.S. (2 Black) 635, 670 (1862).<sup>3/</sup> Not  
18 every question involving the exercise of these powers is  
19 necessarily nonjusticiable as a political question. "[A]  
20 discriminating analysis of the question posed [is required],  
21 in terms of the history of its management by the political  
22 branches, of its susceptibility to judicial handling in the  
23 light of its nature and posture in the specific case, and of  
24 the possible consequences of judicial action." Baker v. Carr,  
25 supra, 369 U.S. at 211-12.

26 Plaintiffs contend that the President acted negligently  
27 in the exercise of his power, arguing that Cambodia's  
28 seizure of the Mayaguez in its territorial waters did not  
29 violate international law.<sup>4/</sup> But that contention is beside  
30 the point. It has long been settled that the underlying  
31 factual or legal determinations on the basis of which the  
32 President conducts the foreign relations of the United  
33 States are not subject to judicial scrutiny. Williams  
34 v. Suffolk Insurance Co., 38 U.S. (13 Peters) 415, 419-20  
35 (1839) (determination by executive branch that the Falkland  
36 Islands were not within sovereignty of Buenos Ayres); Doe

1 V. Braden, 57( .S. (16 Howard) 635, 656( / (1854)(determina-  
2 tion by the President that the King of Spain had power to  
3 nullify a prior land grant by the Duke of Alagon); see also,  
4 Oetjen v. Central Leather Co., 246 U.S. 297, 302-3 (1918).  
5 Under the doctrine of separation of powers, the making of  
6 those determinations is entrusted to the President. They  
7 must be accepted by the judicial branch in the carrying out  
8 of its functions. Henkin, Foreign Affairs and the Constitu-  
9 tion 214 (1972). Thus, the claim that the President was  
10 negligent in treating Cambodia's seizure as illegal is  
11 nonjusticiable.

12 That conclusion finds support in the reasoning of the  
13 Court in Baker v. Carr, supra:

14 (1) The responsibility for dealing with foreign  
15 nations over such matters as the seizure of American persons  
16 and property is clearly committed to the President, United  
17 States ex rel. Keefe v. Dulles, 222 F.2d 390 (D.C. Cir.  
18 1954), cert. denied, 348 U.S. 952 (1955);

19 (2) There are no judicially discoverable and manage-  
20 able standards for resolving the present issue, cf. C&S Air  
21 Lines v. Waterman Steamship Corp., 333 U.S. 103, 111 (1948);

22 (3) Adjudication would involve a range of initial  
23 policy determinations of a kind clearly for nonjudicial  
24 discretion;

25 (4) For the Court to undertake an independent resolu-  
26 tion would likely reflect lack of respect due a coordinate  
27 branch of government;

28 (5) Multifarious pronouncements by various departments  
29 on the question create a potential of embarrassment.

30 Plaintiffs contend further that the President acted  
31 negligently in deciding to use military force to effect the  
32 rescue rather than pursuing diplomatic means. The same

1 consideration (that bar reexamination of the premises of the  
2 President's foreign policy decision to demand immediate  
3 return of the vessel and crew bar reexamination of the  
4 decision to employ military force. The President, as  
5 commander in chief, is "necessarily constituted the judge of  
6 the existence of the exigency, in the first instance, and is  
7 bound to act according to his belief of the facts." Martin  
8 v. Mott, 25 U.S. (2 Wheat.) 19, 30 (1827); see, Henkin,  
9 supra, at 214.

10 Certainly it is not the function of the  
11 Judiciary to entertain private litigation -  
12 even by a citizen - which challenges the  
13 legality, the wisdom, or the propriety of the  
14 Commander-in-Chief in sending our armed  
15 forces abroad or to any particular region.

16 Johnson v. Eisentrager, 339 U.S. 763, 789 (1950) (rejecting  
17 inter alia a challenge to the legality of the presence of  
18 American troops in China and affirming the dismissal of a  
19 habeas corpus petition by a non-resident alien who had been  
20 tried and convicted of war crimes).<sup>5/</sup>

21 The indicia of Baker v. Carr apply with equal force  
22 here. The responsibility for the use of military forces is  
23 clearly committed to the President by the Constitution.<sup>6/</sup>  
24 There are no standards for this Court to judge the reason-  
25 ableness of the President's actions. His decisions neces-  
26 sarily involved a range of policy determinations entrusted  
27 to his discretion. And the prudential considerations  
28 identified in Baker v. Carr also strongly oppose independent  
29 judicial determination whether the use of military force was  
30 reasonable.<sup>7/</sup>

31 Finally plaintiffs contend that a claim for negligence  
32 may in any case be based on the manner in which military  
33 personnel carried out the President's order. But the same  
34 considerations which preclude judicial examination of the  
35 decision to act must necessarily bar examination of the

1 manner in which that decision was executed by the President's  
2 subordinates. The textual commitment to the President as  
3 commander in chief of authority for military decisions  
4 entails that his decisions may be implemented without  
5 judicial scrutiny. Durand v. Hollins, 8 F. Cas. 111 (No.  
6 4186) (C.C.S.D.N.Y. 1860); cf. Dalehite v. United States,  
7 supra, 346 U.S. at 35-36. Moreover, courts lack standards  
8 with which to judge whether reasonable care was taken to  
9 achieve tactical objectives in combat while minimizing  
10 injury and loss of life. See Da Costa v. Laird, 471 F.2d  
11 1146, 1155 (2d Cir. 1973).<sup>8/</sup>

12 The Court concludes that plaintiffs' claims arising out  
13 of the military operations fall within the class of claims  
14 arising out of determinations entrusted to the executive  
15 branch and not subject to review by the courts, and are  
16 therefore nonjusticiable.

### 17 III. The Failure to Warn

18 Plaintiffs also seek to hold the government liable for  
19 failing to issue a warning about the danger of seizure by  
20 Cambodian forces in the waters near the Poulo Wai Islands.  
21 They argue that the government had cause to issue such a  
22 warning and that the master of the Mayaguez reasonably  
23 relied on its absence in charting the freighter's course.

24 The controlling principle is stated in Indian Towing  
25 Co. v. United States, 350 U.S. 61, 69 (1955):

26 The Coast Guard need not undertake the  
27 lighthouse service. But once it exercised  
28 its discretion to operate a light on  
29 Chandeleur Island and engendered reliance  
30 on the guidance afforded by the light, it was  
31 obligated to use due care to make certain  
32 that the light was kept in good working  
order; and, if the light did become extin-  
guished, then the Coast Guard was further  
obligated to use due care to discover this  
fact and to repair the light or give warning  
that it was not functioning. If the Coast  
Guard failed in its duty and damage was there-  
by caused to petitioners, the United States  
is liable under the Tort Claims Act.

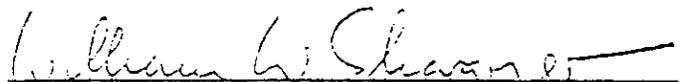
1 Whether the issuance of broadcast and written warnings  
2 by the government from time to time and the publication of  
3 sailing directions engendered reasonable reliance and  
4 whether the government's failure to warn of risks of seizure  
5 was negligent are mixed questions of law and fact which  
6 cannot be adjudicated on summary judgment. A trial must be  
7 held on those issues. In so holding, the Court intimates no  
8 view on the merits of this claim.

9 Accordingly, defendant's motion for summary judgment is  
10 granted with respect to all claims arising out of the  
11 military operations and denied without prejudice as to the  
12 claims based on defendant's failure to warn.

13 The parties are directed to appear for a preliminary  
14 pretrial conference on August 8, 1980 at 3 p.m., and to  
15 confer in advance with respect to the scope of the trial and  
16 dates for pretrial and trial.

17 IT IS SO ORDERED.

18 DATED: July 8, 1980

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21 WILLIAM W SCHWARZER  
22 United States District Judge  
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1 FOOTNOTES (

2 1/ Plaintiffs' opening memorandum advanced a third  
3 theory: that the military rescue operation and failure to  
4 warn breached the government's duty of good faith as a  
5 shipper of goods aboard the Mayaguez. However, the carriage  
6 of goods owned by the United States was a mere coincidence  
7 that did not contribute to the risk of seizure or any  
8 consequent injury to the crew. The cases cited by plaintiffs  
9 do not support the proposition that because the government  
10 was a shipper of goods it owed the Mayaguez any special care  
11 in issuing navigational warnings or in the choice of diplo-  
12 matic or military tactics after the seizure. Plaintiffs'  
13 brief relies on the bill of lading as the basis for a  
14 contractual duty on the part of the government, but it cites  
15 no promise in the bill of lading that might have been  
16 breached by the government's conduct. The fact that the  
17 government was a shipper of goods on the Mayaguez adds  
18 nothing to plaintiffs' other theories of liability.

19 2/ The Court in De Bardeleben, in rejecting an implied  
20 discretionary function exception under the SIAA, feared that  
21 it would produce irrational and unintended distinctions,  
22 pointing to cases in which liability was imposed upon the  
23 United States for the operation of military vessels. 451  
24 F.2d at 146 n.15. The cases cited, however, involve claims  
25 based upon the negligent operation of vessels which, as  
26 operational acts, would fall outside the scope of the  
27 discretionary exception. See, Gercey v. United States,  
28 supra, 540 F.2d at 539 n.4.

29 3/ Cf. Goldwater v. Carter, supra, 100 S.Ct. at 535:

30 The present case involves neither review  
31 of the President's activities as  
32 Commander-in-Chief nor impermissible  
33 interference in the field of foreign  
34 affairs.

(Justice Powell, concurring).

35 4/ According to the authority relied on by plaintiffs,  
36 the dispositive issue under international law would be  
37 whether it was reasonably necessary under the circumstances  
38 for Cambodia to seize the Mayaguez to find out if it threat-  
39 ened Cambodian security. J. Paust, The Seizure and Recovery  
40 of the Mayaguez, 85 Yale L.J. 774, 785-95 (1976).

41 5/ See also The Prize Cases, supra; Atlee v. Laird, 347  
42 F. Supp. 689 (E.D. Pa. 1972), aff'd without opinion, 411  
43 U.S. 911 (1973); Luther v. Borden, 48 U.S. (7 Howard) 1, 43  
44 (1849), quoted in Baker v. Carr, supra, 369 U.S. at 221:

45 After the President has acted and  
46 called out the militia, is a Circuit  
47 Court of the United States authorized  
48 to inquire whether his decision was  
49 right? . . . If the judicial power  
50 extends so far, the guarantee contained  
51 in the Constitution of the United States  
is a guarantee of anarchy, and not of

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6/ The proposed text of Article 1, Section 8, clause 11 was amended in the Constitutional Convention to give Congress the power to "declare" war, striking the word "make", for the express purpose of leaving to the executive "the power to repel sudden attacks." 2 M. Farrand, The Records of the Federal Convention of 1787, at 318-19 (rev. ed. 1937), quoted in Note, Congress, the President, and the Power to Commit Forces to Combat, 81 Harv.L.Rev. 1771, 1773 n.16 (1968).

7/ Plaintiffs also contend that a private right of action may be implied under the War Powers Resolution of 1973, 50 U.S.C. § 1541-48. The difficulty with plaintiffs' case, however, is not the lack of a cause of action but the lack of justiciability of their claims in view of the separation of powers doctrine. The War Powers Resolution does not affect that doctrine or diminish the authority of the decisions relied on by the Court. This does not, of course, imply any view about the justiciability of other cases under the War Powers Resolution.

8/ Plaintiffs' reliance on cases which determine the limitations of the immunity doctrine applicable to military officers is beside the point. Immunity may afford an absolute or qualified defense to government officials against otherwise valid claims for damages. The Court holds here, however, that no such claims have been presented in connection with the conduct of the military operations.



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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

ALFRED J. RAPPENECKER, ALBERT  
MINICHIELLO, DARRYL V. KASTL  
and FRANK CONWAY,

Plaintiffs,

v.

UNITED STATES OF AMERICA,

Defendant.

CAROL A. SCHMIDT, as Administratrix  
of the Estate of EARL C. GILBERT,

Plaintiff,

v.

UNITED STATES OF AMERICA,

Defendant.

JUAN P. SANCHEZ and WILBERT N. BOCK,

Plaintiffs.

v.

UNITED STATES OF AMERICA,

Defendant.

FRANCIS PASTRANO,

Plaintiff,

v.

UNITED STATES OF AMERICA.

Defendant.

CIVIL NO. C-76- 298 WWS  
CIVIL NO. C-76- 422 WWS  
CIVIL NO. C-77-0565 WWS  
CIVIL NO. C-77-0939 WWS

PLAINTIFF'S PRETRIAL  
STATEMENT

1           Come now plaintiffs and file the following Pretrial  
2 Statement in this action.

3           1. Parties: Plaintiffs are 7 crew members of the  
4 SS MAYAGUEZ and one Administrator representing the Estate of an  
5 8th crew member. The defendant is the United States of America.

6           2. Jurisdiction and Venue: These action are brought  
7 against the United States under the Suits in Admiralty Act (SIAA),  
8 46 U.S.C. Section 742. Jurisdiction exists under 28 U.S.C. Section  
9 1333(1). Venue is proper and undisputed.

10           3. Substance of the Action: Plaintiffs seek damages for  
11 personal injuries suffered in captivity by Cambodia and as a  
12 foreseeable consequence of their rescue during United States  
13 military operations in response to the seizure of the MAYAGUEZ by  
14 Cambodian gunboats on May 12, 1976. Plaintiffs expect to prove  
15 liability based on negligence of the government in failing to warn  
16 the MAYAGUEZ of the danger of capture and detention, with prior  
17 knowledge of recent similar hostile military and political activi-  
18 ties by Cambodia constituting a hazard to navigation in the Gulf  
19 of Thailand.

20           4. Undisputed Facts: On May 12, 1975, the American  
21 merchant vessel MAYAGUEZ and her crew were seized and detained in  
22 navigable waters by Cambodian nationals within the 12 mile terri-  
23 torial sea of the Foulo Wai Islands claimed by Cambodia which are  
24 located about 60 miles off the Cambodian coast in the Gulf of  
25 Thailand.

26           Long prior to the seizure of the vessel, the United States  
27 as authorized by statute (10 U.S.C. §§7391, 7392 and 44 U.S.C.  
28 §1336 undertook to warn American merchant ships by radio broad-  
29 cast and written notice of natural and man-made hazards to naviga-  
30 tion, including domestic and foreign military and political  
31 activity affecting shipping throughout the world

1 The defendant with prior knowledge of  
2 hostile military and political activities by Camb  
3 ship seizures and detentions in the same area of  
4 Thailand failed to warn the MAYAGUEZ under establis  
5 procedures of the hazard to navigation thereat.

6 The government publishes various nautical  
7 document known as Sailing Directions for the Western  
8 the South China Sea (PUB 93) and Radio Navigational  
9 which all American mariners are required by the United  
10 Coast Guard to carry aboard their ship on foreign voyages and  
11 the government intends United States flag vessels to  
12 documents are required to be kept current and up-to-date  
13 information supplied through radio broadcast and written  
14 to mariners also published and disseminated by the United  
15 government.

16 American mariners including the master of the  
17 rely on the government to issue timely warnings of both  
18 and man-made hazards to navigation, including military  
19 political activities known to the United States so that  
20 change the course of their ship or take other corrective  
21 to avoid injury to life and property at sea.

22 The dereliction of duty of the government in failing  
23 warn the MAYAGUEZ of the hazard to navigation of which it had  
24 prior knowledge was a proximate cause or a substantial factor  
25 in causing the capture and detention of the vessel with consequen  
26 tial injuries to the plaintiff crew members in this case.

27 5. Disputed Factual Issues: Plaintiffs do not believe  
28 there are any disputed facts on the liability issue.

29 6. Relief Sought: Plaintiffs pray damages as follows:  
30 Alfred J. Rappenecker, Three Hundred Fifty Thousand  
31 \$350,000.00 Dollars plus special damages or comfort or gratuity

1           The defendant with prior knowledge of recent similar  
2 hostile military and political activities by Cambodia, including  
3 ship seizures and detentions in the same area of the Gulf of  
4 Thailand failed to warn the MAYAGUEZ under established government  
5 procedures of the hazard to navigation thereat.

6           The government publishes various nautical charts, a  
7 document known as Sailing Directions for the Western Shores of  
8 the South China Sea (PUB 93) and Radio Navigational Aids (PUB 117B)  
9 which all American mariners are required by the United States  
10 Coast Guard to carry aboard ship on foreign voyages and upon which  
11 the government intends United States flag vessels to rely. These  
12 documents are required to be kept current and up-to-date by  
13 information supplied through radio broadcast and written notices  
14 to mariners also published and disseminated by the United States  
15 government.

16           American mariners including the master of the MAYAGUEZ  
17 rely on the government to issue timely warnings of both natural  
18 and man-made hazards to navigation, including military and hostile  
19 political activities known to the United States so that they may  
20 change the course of their ship or take other corrective action  
21 to avoid injury to life and property at sea.

22           The dereliction of duty of the government in failing to  
23 warn the MAYAGUEZ of the hazard to navigation of which it had  
24 prior knowledge was a proximate cause or a substantial factor  
25 in causing the capture and detention of the vessel with consequen-  
26 tial injuries to the plaintiff crew members in this case.

27           5. Disputed Factual Issues: Plaintiffs do not believe  
28 there are any disputed facts on the liability issue.

29           6. Relief Prayed: Plaintiffs pray damages as follows:

30           Alfred J. Rappenecker Three Hundred Fifty Thousand  
31 \$350,000.00 Dollars, plus special damages or comfort or profits

1 Albert Minichiello, Three Hundred Fifty Thousand  
2 (\$350,000.00) Dollars; plus special damages to conform to proofs;  
3 Darry V. Kastl, Two Hundred Fifty Thousand (\$250,000.00)  
4 Dollars, plus special damages to conform to proofs;  
5 Frank Conway, Three Hundred Fifty Thousand (\$350,000.00)  
6 Dollars; plus special damages to conform to proofs;  
7 Carol A. Schmidt, As Administratrix of the Estate of  
8 Earl S. Gilbert, Two Hundred Fifty Thousand (\$250,000.00) Dollars;  
9 Juan P. Sanchez, Three Hundred Fifty Thousand  
10 (\$350,000.00) Dollars, plus special damages to conform to proofs;  
11 Wilbert N. Bock, Two Hundred Fifty Thousand (\$250,000.00)  
12 Dollars, plus special damages to conform to proofs;  
13 Francis Pastrano, Two Hundred Fifty Thousand  
14 (\$250,000.00) Dollars, plus special damages to conform to proofs.  
15 Determination of the issue of damages has been deferred  
16 pending trial of the liability issue.

17 7. Points of Law: The points of law involved in this  
18 case are set forth in the Memorandum of Opinion and Order of the  
19 Court filed July 8, 1980 herein. Plaintiffs have reserved  
20 exceptions to those portions of the Order regarding the govern-  
21 ment's liability based on Military Operations (including any  
22 Discretionary Function Exception and the question of Justiciability  
23 thereunder).

24 Consequential damages which flow from defendant's  
25 negligent failure to warn resulting in the seizure of the vessel,  
26 include damages caused during foreseeable rescue attempt by  
27 U.S. Military forces, since capture invites rescue.

28 See: Prosser, Torts 4th Ed. p. 207.

29 8. Previous Motions: Plaintiffs' Motion for an Order  
30 Compelling Defendant to Answer Interrogatories and Produce  
31 Documents for Inspection heard before the Honorable Lloyd H. Burke  
32 or later - 1977 was granted or later - 1977

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1 government warnings regarding hazards to navigation.

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3 Hydrographic Department (adverse witness by deposition), expert  
4 and factual witness on government maritime warning procedures.

5 (d) Richard K. Bank, former director of Office of  
6 Maritime Affairs, U.S. Department of State (adverse witness by  
7 deposition), expert and factual witness on government warnings to  
8 Mariners and American Shipping.

9 (e) Elmer B. Staats, Comptroller General of the United  
10 States (by Official Government Report and Public Record entitled  
11 "Seizure of the Mayaguez, Part IV," dated October 4, 1976,  
12 published by the U.S. Government Printing Office, Document No.  
13 76-33.) Factual witness on findings regarding Mayaguez incident.

14 10. Exhibits, Schedules and Summaries: Plaintiffs  
15 may introduce the following exhibits:

16 (1) The Report of the Comptroller General of the  
17 United States submitted to the Subcommittee on International  
18 Political and Military Affairs, Committee on International  
19 Relations entitled "Seizure of the Mayaguez" Part IV, Government  
20 Printing Office Publication No. 76-33.

21 (2) The original nautical charts from the SS MAYAGUEZ  
22 which were plotted by Captain Charles Miller and his staff  
23 officers.

24 (3) The Sailing Directions for Western Shores of South  
25 China Sea, Publication No. 93 for 1975.

26 (4) Radio Navigation Aids, Publication No. 1175  
27 1974 and 1975.

28 (5) The memorandum of Bert W. Rein to Joseph J. Staats  
29 dated February 9, 1971 with attachment - Pages 47 and 48  
30 Report of the Comptroller General of the United States -  
31 to Warn U.S. Mariners of Potential Political/Military Hazards

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2 (19) The letter of Richard K. Bank to Captain John L.  
3 Butts, Assistant Commander Naval Intelligence Command, dated  
4 October 7, 1975, marked as plaintiffs' Exhibit 5 to the deposition  
5 of Richard K. Bank.

6 (20) The booklet, Currents in the South China, Jarva,  
7 Celebes and Sulu Seas, publication No. 236, dated 1945 published  
8 under the Authority of the Secretary of the Navy.

9 (21) Analysis Defense Mapping Agency Daily Memoranda  
10 Pacific Edition (Hydropacs) from April 2, 1975 through June 2,  
11 1975, marked as defendant's Exhibit A to the deposition of  
12 Henrik E. Sievers taken December 1, 1980.

13 (22) Standing Orders, of Henrik Sievers to all  
14 licensed Deck Officers, USCG Rules and Regulations - M&P  
15 Agreement.

16 (23) Nautical Chart No. 92380 plotted by Captain T.  
17 Parrish and Captain Henrik Sievers.

18 (24) Defendant's response to Plaintiffs' Request for  
19 Admissions dated January 1, 1980.

20 11. Further Discovery or Motions: None contemplated on  
21 liability issue.

22 12. Stipulations: Plaintiffs' exhibits are genuine  
23 and may be admitted into evidence as marked without further  
24 foundation.

25 13. Amendments, Dismissals: Plaintiffs reserve the  
26 right to amend their complaint regarding respective amounts of  
27 damages according to the proofs. Plaintiff Friedler requests a  
28 discontinuance and voluntary dismissal of his claim against the  
29 defendant.

30 14. Settlement Discussions: The government is unwilling  
31 to discuss settlement at this time.

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1 JUAN P. SANCHEZ and  
2 WILBERT N. BOCK,

3 Plaintiffs,

CIVIL NO. C-77-565-WWS

4 v.

5 UNITED STATES OF AMERICA,

6 Defendant.

7 FRANCIS PASTRANO,

8 Plaintiff,

CIVIL NO. C-77-939-WWS

9 v.

10 UNITED STATES OF AMERICA,

11 Defendant.

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18 PRETRIAL STATEMENT OF

19 DEFENDANT

20 UNITED STATES OF AMERICA  
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(U.S. DEPT. OF SERVICE BY MAIL - 1972a OF 15 D. C. 14)

I, the undersigned, declare that I am a citizen of the United States over the age of eighteen years and not a party to the within action; my business address is 113 - 2nd Street S. A. Florence, California 94115

I secured a true copy of the [redacted] by placing some in an envelope, sealing [redacted] and depositing said envelope in the U.S. Mail at [redacted] California on the 8th day of December 1980 said envelope was addressed as follows and certify under penalty of perjury that the foregoing is true and correct.

  
EILEEN LIEGL

Warren A. Schneider, Esq.  
Torts Branch, Civil Div.  
U.S. Dept. of Justice  
16152 Federal Bldg.  
P.O. Box 36028  
459 Golden Gate Ave.  
San Francisco, CA 94102

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(If HOF OF SERVICE BY MAIL - 10701 OF 25 C. C. P.)

I, the undersigned, do hereby certify that I have a copy of the United States over the age of eighteen years and not a party to the within action; my business address is 193 - 2nd Street  
San Francisco, CA 94103

I secured a true copy of the [redacted] by placing same in an envelope, sealing [redacted] and depositing said envelope in the U.S. Mail at San Francisco, California on the 8th day of December 1980 said envelope was addressed as follows; and certify under penalty of perjury that the foregoing is true and correct.

  
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San Francisco, CA 94102

1 of Southeast Asia in which the MAYAGUEZ operated was one of the  
2 hostilities and disputes among the various nations was well known  
3 to officials of Sea-Land, and to the Master and crew of the MAYAGUEZ,  
4 including the plaintiffs herein.

5       Shortly before the attack on the MAYAGUEZ, there had been  
6 reports of attacks on other vessels. These reports had come to the  
7 attention of certain agencies of the United States Government, but  
8 not to the attention of personnel in the Defense Mapping Agency or  
9 the Maritime Affairs Branch, Department of State, the two agencies  
10 directly involved in the decision as to whether or not a warning  
11 should be issued. These officials did not know of these earlier  
12 incidents until after the seizure of the MAYAGUEZ. Thus, no naviga-  
13 tional warnings concerning these attacks had been issued by the  
14 United States. The first incident, a reported attack on a South  
15 Korean vessel, the MASAN, about a week before the seizure of the  
16 MAYAGUEZ, was promptly reported by Lloyd's of London and by Singapore  
17 Radio, which was monitored by the MAYAGUEZ.

18       The United States Government issues two types of navigational  
19 warnings. One is called a "Special Warning" which is reserved for  
20 severe incidents, such as the outbreak of war. These are issued  
21 very infrequently. In fact, less than 40 substantive ones had been  
22 issued between 1948, when they started, until the seizure of the  
23 MAYAGUEZ.

24       The second navigational warning issued by the United States is  
25 called Hydrolants or Hydropacs, depending on the area of the world  
26 desired to be covered. These contained basic navigational informa-  
27 tion, e.g., changes in lights and buoys, the reporting of wrecks,  
28 shoals, etc. They were also used to report scheduled naval exercises,  
29 gunnery tests, missile firings, etc. On very rare occasions they  
30 were used to report the possibility of hostile actions, but, prior  
31 to the MAYAGUEZ seizure, only when the information was based on

32       information from U. S. Government agencies such as the Coast

1 Federal Tort Claims Act was to be implied in cases arising under  
2 the Suits in Admiralty Act.

3 (i) Witnesses to be Called:

4 Defendant may call at trial on the issue of liability, either  
5 live or by way of deposition, the following individuals, reserving  
6 rebuttal or impeachment witnesses:

7 (1) Mr. O. L. Martin, Defense Mapping Agency;

8 (2) Mr. Richard Bank, formerly of Office of Maritime  
9 Affairs, Department of State;

10 (3) Any witnesses listed by plaintiffs.

11 (j) Exhibits, Schedules and Summaries:

12 EXHIBITS - MAYAGUEZ

13 A. - Chart No. 93280 from MAYAGUEZ;

14 B. - Chart No. 3132 from MAYAGUEZ;

15 C. - Operations Center Log, U. S. Department of State, for  
16 May 4, 1975 (portions);

17 D. - Operations Center Log, U. S. Department of State,  
18 for May 12- 15, 1975 (portions);

19 E. - Portions of Sailing Directions, Gulf of Thailand (Pub. 93);

20 F. - Radio Navigational Aids, Pub. 117;

21 G. - Bowditch, American Practical Navigator;

22 H. - "Limits in the Seas - National Claims to Maritime Juris-  
23 dictions" - State Department Pub. No. 36;

24 I. - July 1972 Pilot Chart;

25 J. - Notices to Mariners;

26 K. - Daily Memoranda;

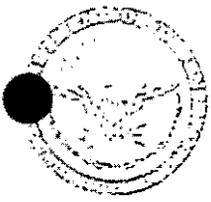
27 L. - Draft of Special Warning #45;

28 M. - Special Warning #45;

29 N. - Lloyd's publications on attack on MASAN;

30 O. - Any exhibit listed by plaintiffs.

31 Defendant reserves its right to amend or supplement this list of  
32 exhibits depending on the issues raised by plaintiffs.



DEFENSE MAPPING AGENCY  
HYDROGRAPHIC/TOPOGRAPHIC CENTER  
WASHINGTON, D.C. 20310

REPLY TO  
ATTENTION OF:

LITIGATION REPORT

United States Lines v. United States of America  
Civil Action No. 79 CIV 4209, U.S.D.C., S.D.N.Y.

BACKGROUND

The Defense Mapping Agency, through a series of delegations of authority, is responsible for the statutory duties imposed by 10 U.S.C. §§7391-7394 to generally "improve means of navigating vessels of the Navy and merchant marine by providing . . . accurate and inexpensive nautical charts, sailing directions, books on navigation . . ."

Pursuant to this statutory duty, the Hydrographic/Topographic Center of the DMA publishes a number of aids to navigation, among which are Lists of Lights and Fog Signals, Hydrographic Charts, Sailing Directions and periodic Notices to Mariners.

The particular Aid to Navigation which is questioned by the complaint herein is H.O. Pub 114, "List of Lights and Fog Signals for the British Isles, English Channel and North Sea," issue of 1976. At the time of the stranding of Pioneer Commander, the characteristics of the Pentland Skerries Light on Muckle Skerry were listed in Pub 114 as stated in the complaint. Our best information is that the actual characteristics of the light were also as alleged in the complaint.

*loc 5*

FACTUAL NARRATIVE

STRANDING. The facts surrounding the stranding of Pioneer Commander are derived from the Report of the Coast Guard Investigating Officer (Tab A), which is the only source available to us so far.

Briefly stated, while transiting Pentland Firth from east to west at night, the Master of Pioneer Commander claims to have incorrectly identified Pentland Skerries Light on Muckle Skerry as the Duncansby Head Light. As a result, his actual position was some three and a half miles north of where he believed he was, and the ship grounded in Pentland Skerries.

PENTLAND SKERRIES LIGHT. At the time of the stranding, Pentland Skerries Light was listed by DMA in Pub 114, "List of Lights and Fog Signals, British Isles, English Channel and North Sea," August 1976 edition, as:

Gp. Fl. W. (3)  
period 30s  
fl. 0.4s, ec. 0.1s  
fl. 0.4s, ec. 0.1s  
fl. 0.4s, ec. 28.6s (Tab B)

This characteristic has been listed for Pentland Skerries Light since 1965, before which it was described as:

Gp. Fl. W. (3)  
period 30s  
fl. 4s, ec. 1s  
fl. 4s, ec. 1s  
fl. 4s, ec. 16s (Tab C)

No documentation has yet been found for the 1965 change.

At the time of the stranding, the Pentland Skerries Light was listed in the British Admiralty "List of Lights and Fog Signals, British Isles and North Coast of France" as:

Gp. Fl. (3) W 30s, with a note,

fl. 0.4, 3 times in quick succession. (Tab D)

By letter of 3 October 1977 to the law firm of Hill, Dickenson and Co., the British Northern<sup>1</sup> Lighthouse Board gave the characteristics of the Pentland Skerries Light as:

Flash 0.4 sec  
Eclipse 5.6 sec  
Flash 0.4 sec  
Eclipse 5.6 sec  
Flash 0.4 sec  
Eclipse 17.6 sec

Total 30.0 sec (Tab C, Encl 17)

The Northern Lighthouse Board also advised in the same letter that the light was "flashing to character." (Ibid)

#### SUGGESTED ANSWER

The agency suggests the following answer to the complaint, recognizing that certain information must come from Military Sealift Command.

#### ANSWER

#### FIRST DEFENSE

Answering specifically the numbered paragraphs of the complaint, utilizing the same paragraph numbering, defendant states as follows:

1. Deny.

2. Admit.

3. Defendant is without knowledge or information sufficient to form a belief as to the truth of the averment that Pioneer Commander was tight, staunch, strong and seaworthy and properly manned, equipped and supplied until the stranding complained of. Admit remainder of the allegations in this paragraph.

4. Admit defendant United States of America is a sovereign state. Deny that defendant has consented to be sued on the cause or causes of action set forth in the complaint by Act of Congress of March 9, 1920 (46 U.S.C. §§741 et seq.) known as the Suits in Admiralty Act, 1920, as amended and supplemented, or by the Act of Congress of August 2, 1946 (22 U.S.C. §§1346(d) et seq.), as amended and supplemented.

5. Defendant is without knowledge or information sufficient to form a belief as to the truth of the allegations of the last sentence of this paragraph, but insofar as an answer may be deemed to be required, deny the last sentence. The remainder of this paragraph contains mixed conclusions of law and allegations of fact which contain plaintiff's characterization of its action herein. Insofar as an answer may be deemed to be required, deny, except to admit that the quotations cited from Pub's 114 are accurate as to a portion

of Pub's 114, and the Court is referred to the full texts thereof for a complete and accurate statement of their contents.

6. (TO BE PROVIDED BY MSC)

7. Deny.

8. Deny.

9, et seq. Answer to second cause of action to be provided by Military Sealift Command.

#### SECOND DEFENSE

The complaint fails to state a claim upon which relief can be granted.

#### THIRD DEFENSE

The Court lacks jurisdiction over the subject matter of this action because it is in effect a suit against the United States to which it has not consented.

#### FOURTH DEFENSE

Plaintiff has failed to exhaust its administrative remedies.

#### FIFTH DEFENSE

The injuries and/or damage alleged in the complaint were not proximately caused by a negligent or wrongful act or omission of an employee of the United States.

ANALYSIS OF ANSWER

FIRST DEFENSE

1. We suggest denying all jurisdictional averments in the complaint because we believe the question of waiver of sovereign immunity has not clearly been settled for chart-making and navigation-aid activities engaged in by DMA. This suggestion only applies to the first cause of action. At any rate, we would rather keep a jurisdictional challenge open by denying the averments in the complaint.

3. There is no reason for the Government to admit the good condition of the ship solely on plaintiff's averment, especially when a ship has stranded. There is always the possibility of uncovering some failure or malfunction during discovery.

4. Same considerations as answer no. 1. Even if waiver of sovereign immunity is found by the Court, the remedies of the Federal Tort Claims Act and the Suits in Admiralty Act are arguably mutually exclusive. It may be to our advantage to get a definitive ruling as to which applies.

5. Even though the factual allegations of this paragraph vis-a-vis the characteristics of lights as published and as actually flashing are correct, our actions throughout are characterized as "negligent" which we cannot admit.

7-8. Self explanatory.

## SECOND DEFENSE

This is pro forma to preserve any dispositive type motions which may become available after discovery.

## THIRD DEFENSE

This is suggested as an affirmative defense consistent with denials of jurisdiction.

## FOURTH DEFENSE

No administrative claim had been presented to DMA before the filing of this action. We do not know whether one had been presented to MSC.

## FIFTH DEFENSE

Even if the factual allegations of the complaint are proved, our argument is that the listing in Pub 114 of the Pentland Skerries Light was not the proximate cause of the stranding.

## DISCUSSION

A number of questions are raised by the Coast Guard Investigative Report (Tab A) which can only be answered by extensive discovery.

The Master of Pioneer Commander asserts that he consulted H.O. Pub 114 to familiarize himself with the lights he would encounter in Pentland Firth. Duncansby Head Light was correctly described in Pub 114 as:

Fl. W  
period 6s  
fl. 0.7s, ec. 5.3s, (Tab B)

yet the Master did not identify it.

The character of both the Pentland Skerries and Duncansby Head Lights were correctly listed in Pub 114, viz Pentland Skerries group flashing 3 times in a 30 second period; Duncansby Head continuously flashing in 6 second periods. The Master erroneously identified the characteristics of both lights.

It also seems highly unlikely that an experienced captain would mistake the land mass of S. Ronaldsay for Muckle Skerry, as asserted in the Investigative Report. The former is a considerable land mass in comparison with the latter.

Further, the ship's position and the radar range at the time of this misidentification indicates that both Muckle Skerry and S. Ronaldsay were showing on the screen.

The investigation also reveals that Pioneer Commander identified the loom of a flare on Flotta Island. There is a question of whether his subsequent course was consistent with the perceived Duncansby Head Light in relation to the flare on Flotta Island.

It seems axiomatic that the misidentification of Pentland Skerries Light would have been immediately apparent to the

Master after the stranding, yet in the "Report of Vessel Casualty or Accident - CG 2692," dated almost 2 weeks after the stranding, no recommendations for corrective safety measures were made in the block provided on the form.

(Tab B).

#### CAUSATION

We believe it will be difficult for plaintiff to establish the essential element of causation based on the single issue of the Pentland Skerries Light listing. Among the difficulties he must surmount (in addition to those already alluded to), are:

a. Duncansby Head and Pentland Skerries Lights are listed consecutively on the same page in Pub 114 (Tab B). The Master failed to identify Duncansby Head Light, which was correctly listed and flashing to character. There is no light in the entire Firth that was flashing according to the precise description given for Pentland Skerries Light, and no other lights in the area which flashed to the character of Pentland Skerries Light (Gp. Fl. W (3) 30s). The character of the light was properly described. (Ibid).

b. The aids to navigation provided by DMA consist of a number of materials, including charts, sailing directions and the light list. Of all these aids, plaintiff is urging that

a minor deviation in one particular listing caused his stranding. If plaintiff was attempting to transit Pentland Firth based on this single aid, with all the others available to him, gross negligence is suggested. Further, the Coast Guard investigation indicates that at the time of the stranding (virtually at the entrance to the Firth), fog was closing in from the northwest (Tab A, p. 3, para. 11). DMA's Pub 141, "Sailing Directions (Enroute) for Scotland" (Tab E) clearly warns: "Extreme caution is necessary when navigating Pentland Firth in hazy weather and passage through the strait should not be attempted in fog." (Ibid, p. 211).

It is virtually certain that many other discrepancies will emerge as discovery is had. In the meantime, DMA is continuing its investigation for further information which will aid in the defense of this suit.

Based on information in the Coast Guard Investigation Report, it appears that the Master of the Pioneer Commander made a quick and mistaken identification of a single navigational aid. He then continued for over an hour and twenty minutes to mistake a group flashing 3 every 30 seconds light for a flashing 6 second light. He failed to adjust his radar to the appropriate range for making a landfall. He neglected

to use the most appropriate scale chart for an intended passage so close to land and he failed to make use of other navigational aids in the area.

INDEX OF TABS

Record of Coast Guard Investigation . . . . .	Tab A
DMA Pub 114, List of Lights and Fog Signals . . . . .	Tab B
Correspondence File between DMA and Kirilin, Campbell, and Keating . . . . .	Tab C
Admiralty List of Lights . . . . .	Tab D
DMA Pub 141, Sailing Directions (Enroute) . . . . .	Tab E

Memo To File

Subj: SCOTT, Arthur, Lic #454718, Z-360265-D1; possible negligence resulting in the grounding of the SS PIONEER COMMANDER in the vicinity of Muckle Skerry in Pentland Firth on 13 August 1977.

1. The casualty investigation into the grounding of the SS PIONEER COMMANDER concluded that the cause of the casualty was that the master based his navigation on an incorrectly identified aid to navigation.

2. The master was interviewed by the undersigned and the Senior Investigating Officer on 17 January 1978 as to his actions prior to the casualty. It was determined that Captain Scott had consulted Navigational Publication NO 114; advanced a fix on the chart (approx. 20 minutes before the casualty); maintained a lookout for lights in the area and made an identification on one (1) flashing aid; consulted radar as the vessel approached the passage; took bearings on the light, and plotted two (2) LOP's.

3. In spite of these actions, the subject vessel grounded approximately 3.5 miles North of the estimated position. Careful investigation has disclosed unique factors which undermined the master's piloting efforts. For example, it has been determined that NO 114 incorrectly listed the characteristics of the Muckle Skerry light. (The Hydrographic Office has corrected this listing as a result of this casualty.) This error led the master to believe that the light sighted was in fact another aid further South. This prejudiced the master in interpreting the radar which showed scattered blips in an area later confirmed to be open water. These blips were persistent (probable overfalls due to shoal waters) and appeared to be Pentland Skerries.

4. Further investigation has disclosed that the master used due care in navigating the SS PIONEER COMMANDER prior to the grounding. As there is no evidence of actions of misconduct, negligence, inattention to duty, or incompetence, it is recommended that this investigation be closed to file.

*Daniel J. Zedan*  
DANIEL J. ZEDAN

*Mon 10*



Officer in Charge  
Marine Inspection  
BATTERY PARK BUILDING  
New York, NY 10004

16732/031557/BWC

DEC - 6 1977

From: Investigating Officer, New York  
To: Commandant (C-PHI-1/83)  
Via: (1) Officer in Charge, Marine Inspection, New York  
(2) Commander, Third Coast Guard District (m)

Subject: SS PIONEER COMMANDER, O.N. 290905; grounding in Pentland Firth, Scotland  
on 13 August 1977 with no personnel injuries

Findings of Fact -

1. At approximately 0150 on 13 August 1977, the SS PIONEER COMMANDER grounded in Pentland Skerries, Pentland Firth, U.K. There was no loss of life or injury as a result of the casualty.

2. Vessel data is as follows:

At 0150, the vessel obtained its last known position fix during the time the vessel was in the Pentland Skerries. The vessel then sank. The vessel's OFFICIAL NUMBER is 290905. The vessel's name is PIONEER COMMANDER. The vessel's SERVICE is Freight. The vessel's GROSS TONS is 11,105.

NET TONS: 6,616

LENGTH: 531 ft.

BREADTH: 75.2 ft.

DEPTH: 29.3 ft.

PROPELLSION: Steam

HORSEPOWER: 22,500

HOME PORT: New York

OWNER/OPERATOR: United States Lines, Inc.

Address: 100 Broadway, New York, NY 10004

MASTER: Arthur Scott

Address: 205 79th St., North Bergen, NJ 07047

Lic #454718, Master; Oceans any gross tons. (10)

LAST INSPECTION: Completed 29 January 1977

Port: Charleston, S.C.

Weather at the time of the casualty was as follows:

Weather: Patchy fog with steadily decreasing visibility

Visibility: 5 miles

Winds: East at 2 knots

I.C. 87 rpt 16732/071657

Air Temperature: 52°F  
Sea Temperature: 58°F  
Sea Conditions: 1 foot from the east  
Swell: None

4. All times in this report are zone description -1.

5. THE SS PIONEER COMMANDER is equipped with the following electronic navigational aids:

Radar: RCA, 10 cm model CRM-N2A-30  
Decca: Decca Mark 12 navigator  
Loran: A and C, Sperry Mark 6  
Gyro: Sperry Mark 14 Mod-2A  
RDF: RCA Radio Marine AR 8714A  
Fathometer: Bloodworth ES 116A

6. At 2130 on 11 August 1977 the SS PIONEER COMMANDER departed Bremerhaven, Germany enroute Bayonne, NJ at a speed of 16 knots. At the time of departure, the drafts of the vessel were recorded as 17'01" forward and 23'05" aft.

7. At 2200, the vessel obtained its last Decca position fix during the transit of the North Sea due to the loss of the southern chain. The vessel then commenced to DR its position till landfall. The Captain stated that the fathometer aboard the vessel was secured because the intended track line did not pass over any bottom configurations which would yield any navigational information.

8. At 0000 The Master of the SS PIONEER COMMANDER went to the bridge. He stated that it is his custom to be on the bridge two hours prior to making a landfall. Also on the bridge was the third officer, Mr. Charles Starr, Lic 5481435, who was the watch officer.

9. The Master of the SS PIONEER COMMANDER stated that he consulted H. O. Pub. 114 to ascertain the characteristics of the lights he expected to encounter during the transit of Pentland Firth. H. O. Pub. 114 described the characteristics of the Pentland Skerries Light on Muckle Skerry as follows: Gp. Fl. W. (3) period 30s, fl. 0.4s, ec. 0.1s, fl. 0.4s, ec. 0.1s, fl. 0.4s, ec. 28.6s, H. O. Pub. 114 described the characteristic of Duncansby Head Light as follows: Fl. W. period 6s, fl. 0.7s, ec. 5.3s.

10. At 0015, the loom of an uncharted gas flare from an oil refinery on Flotta Island was sighted. At 0030, the loom of a light which appeared to flash every six seconds was sighted. Based on the six second period, the light was identified by the Master and the mate on the bridge as Duncansby Head Light (Pub. 114 List of Lights No. 7320). The light characteristics were observed visually and were not checked by a stop watch. At 0035, the Master suggested to the mate on watch that he come a little right based on a visual bearing on the six second flashing light. The mate on watch gave an order to come right to a new heading. The Captain then increased the amount of change and the vessel steadied up on a course of 320°T. At that time it was understood by both officers on the bridge that the Master had assumed navigational control of the vessel. The vessel was

I.O. NY rpt 16732/931657

still approximately 20 miles from land by DR and the visibility was good. There was no indication of land on the radar. Both the Master and Mr. Starr have stated that they do not recall the radar range setting at this time. Both officers attempted to visually locate Pentland Skerry Light on Muckle Skerry (Pub. 114 List of Lights No. 7230) without success.

11. At 0100, a bearing 310°T was obtained on the light they had concluded was Duncansby. The Master and Mr. Starr stated that the light on Muckle Skerry still had not been sighted. At 0125, the vessel changed course to 310°T based on the visual bearing. At 0138, the vessel obtained a radar contact which was identified as Muckle Skerry by the Master. The radar was on the six mile scale at the time. Based on the radar contact, identified to be Muckle Skerry, the vessel came to the new course of 295°T to open the target on radar. At this time, visibility started to decrease due to fog, which was closing in from the northwest.

12. At 0148, the vessel changed course to 320°T based on a relative bearing taken by seaman's eye of the flashing light. This course change was a change to the base course for passage through Pentland Firth. As the vessel standsted on the new course, a quick flashing light was sighted off the starboard bow. During attempts to obtain a fix from the two available aids to navigation, the vessel grounded.

13. At approximately 0150 the SS PIONEER COMMANDER grounded in a position 117°T range, one mile from Muckle Skerry Light. The vessel came to a stop, aground by her midbody, her bow and stern were in good water. The vessel had been making 15 knots since departing Bremerhaven and had not slowed her speed prior to the grounding.

14. Subsequent to the casualty, the Hydrographic Office issued a change to the published characteristic of Pentland Skerry Light on Muckle Skerry. This change appears in Notice to Mariners number 47 dated 19 November 1977. The characteristic listed is changed to Gp. Fl. W. (3) period 30s, fl. 0.4s, ec. 5.6s, fl. 0.4s, ec. 5.6s, fl. 0.4s, ec. 17.6s. (See enclosure 2).

15. The SS PIONEER COMMANDER was refloated on 20 August 1977 with the aid of commercial tugs after extensive lightering and ballasting operations.

16. Permanent repairs to the vessel are being made under the cognizance of the Officer in Charge, Marine Inspection, Rotterdam in the United Kingdom.

17. An agent for the Northern Lighthouse Board, the English agency responsible for the light on Muckle Skerry, has defined the characteristic for the aid to be Gp. Fl. W. (3) period 30s, fl. 0.4s, ec. 5.6s, fl. 0.4s, ec. 5.6s, fl. 0.4s, ec. 17.6s. The Northern Lighthouse Board has further stated that on the night of the casualty, the aid was watching properly. The characteristic of Pentland Skerry Light has not been changed since prior to January 1977. (See enclosure 4).

031  
CONCLUSIONS

1. The master of the SS Pioneer Commander incorrectly identified the aid to navigation on Muckle Skerry as the aid to navigation on Duncansby Head.
2. Contributing to the incorrect identification was the incorrect listing in H.O. Pub for the characteristic of Pentland Skerries Light on Muckle Skerry.
3. The master of the SS Pioneer Commander incorrectly identified a radar image of land as Muckle Skerry instead of S Ronaldsay Island.
4. The proximate cause of the casualty was that the master of the SS Pioneer Commander based his navigation on an incorrectly identified aid to navigation during his transit of the area in the vicinity of Muckle Skerry in the Pentland Firth.
5. There is evidence of negligence on the part of the master of the SS Pioneer Commander Captain Arthur Scott, Lic. No. 45471E, in that he failed to maintain, or cause to be maintained, an accurate plot of the vessel's progress during the approach to Pentland Firth.

Recommendations

1. It is recommended that further investigation under the Suspension and Revocation Proceedings be initiated in the case of Arthur Scott, master of the SS Pioneer Commander concerning his part in the casualty.
2. It is recommended that this casualty investigation be closed.

D. W. Gold

Encl: (1) CS Form 2692 re Pioneer Commander  
(2) Schematic representation of light characteristics of lights in the vicinity of Pentland Firth.  
(3) PORTION OF NO CHART 35141

FIRST ENDORSEMENT ON I.O. rpt 16732/031657

From: Officer in Charge, Marine Inspection, New York  
To: Commandant (G-MMI-1/83)  
Via: Commander, Third Coast Guard District (m)

1. Further investigation under the Suspension and Revocation Proceedings has been initiated in the case of Arthur Scott (MIO NY case no 64135)
2. Forwarded, approved.

HTB

I.O. NY rpt 16732/031657

- Conclusions -

1. The Master of the SS PIONEER COMMANDER incorrectly identified the aid to navigation on Muckle Skerry as the aid to navigation on Duncansby Head.
2. H. G. Pub. 114 did not list the correct characteristic for Pentland Skerry Light on Muckle Skerry on the date of the casualty.
3. The Pentland Skerry Light on Muckle Skerry was watching properly on the date of the casualty.
4. The correction to the characteristic listed for Pentland Skerry Light was not published until 19 November 1977 and was not known to the Master of the SS PIONEER COMMANDER on the date of the casualty.
5. Contributing to the incorrect identification was the incorrect listing in H. G. Pub. 114 for the characteristic of Pentland Skerries Light on Muckle Skerry.
6. The Master of the SS PIONEER COMMANDER incorrectly identified a radar image of land as Muckle Skerry instead of S Ronaldsay Island.
7. The proximate cause of the casualty was that the Master of the SS PIONEER COMMANDER based his navigation on an incorrectly identified aid to navigation during his transit of the area in the vicinity of Muckle Skerry in the Pentland Firth.
8. There is evidence of negligence on the part of the Master of the SS PIONEER COMMANDER, Captain Arthur Scott, Lic. No. 454718, in that he failed to maintain or cause to be maintained, an accurate plot of the vessel's progress during the approach to Pentland Firth.

- Recommendations -

1. It is recommended that further investigation under the Suspension and Revocation Proceedings be initiated in the case of Arthur Scott, Master of the SS PIONEER COMMANDER, concerning his part in the casualty.
2. It is recommended that this casualty investigation be closed.

D. W. GOLD

- Encl: (1) CG 2692 re SS PIONEER COMMANDER  
(2) Schematic representation of light characteristics of lights in the vicinity of Pentland Firth  
(3) Portion of Chart No. 35141  
(4) Ltr from Northern Lighthouse Board dtd 3 Oct 1977

031647



SEP 7 1977

# United States Lines, Inc.

ONE BROADWAY, NEW YORK, N. Y. 10004 • (212) 344-5800 CABLE: SEASOFT

MARINE INSPECTION OFFICE  
NEW YORK, N. Y.

RECEIVED  
U. S. COAST GUARD

ss Pioneer Commander  
Voyage # 71/16  
Newcastle Upon Tyne,  
25 August 1977

SEP 07

MARINE INSPECTION OFFICE  
NEW YORK

Officer In Charge of Marine Inspection  
Port of New York, N.Y.  
United States Coast Guard  
Battery Park Building  
New York, N.Y. 10004

Dear Sir,

Enclosed please find original and two copies of CG 2692 - Report of Vessel Casualty or Accident - for this vessel, grounded in Pentland Firth, U.K. at 0150 hours (0050 GMT) on 13 August 1977. It is requested that you advise the U.S. Coast Guard of any further information regarding this incident. The vessel was refloated at 0327 hours (0227 GMT) on 20 August 1977, and proceeded under own power to Lyness Wharf, Hoy Island, Orkney (Scapa Flow) for bottom inspection and surveys. Left Lyness Wharf at 1600 hours 23 August 1977. Arrived Newcastle upon Tyne, U.K. at 1212 hours 24 August 1977 for further surveys and possible repairs. I have the good fortune, after refloating my vessel, to report no loss of life nor personal injury to the member of my crew.

Respectfully yours,

Captain Arthur Scott,  
Master, ss Pioneer Commander

Copies: Master's File  
USL, New York.

... (14)  
 ...  
 ...

without delay, in the Officer in Charge, Marine Inspection, in whose district the casualty occurred, or in whose district the vessel first arrived after such casualty.

2. If the person making the report to a licensed officer <sup>1577</sup> required to be made by such officer, he must make the report in writing and in person to the proper Marine Inspector. If because of distance it may be inconvenient for such an officer to submit the report in person, he may submit the required number of copies by mail. However, to avoid delay in investigations, it is desired that reports be submitted in person.

3. This form should be completed in full; blocks which do not apply to a particular case should be indicated as "N/A". If answers are unknown or none, they should be indicated as such. All copies should be signed.

Report all deaths and injuries, which incapacitate in excess of 72 hours, on CG-924E whether or not there was a vessel casualty.

Attach separate Form CG-924E to this report for each person killed or injured and incapacitated in excess of 72 hours as a result of the vessel casualty reported herein.

TO: **Officer in Charge, Marine Inspection, Port of New York, N.Y.** DATE SUBMITTED: **25 August 1977**

**I PARTICULARS OF VESSEL**

1. NAME OF VESSEL <b>SS PIONEER COMMANDER</b>	2. OFFICIAL NUMBER <b>290905</b>	3. HOME PORT <b>New York, N.Y.</b>	4. NATIONALITY <b>U S A</b>
5. TYPE OF VESSEL (Ft., passenger, etc.) <b>Freighter</b>	6. PROPULSION (Steam, diesel, etc.) <b>Steam</b>	7. GROSS TONNAGE <b>11,105</b>	8. REGISTERED LENGTH OR L. O. A. <b>560' 06"</b>
9. HULL MATERIALS <b>Steel</b>	10. YEAR BUILT <b>1963</b>	11. RADIO EQUIPMENT <input checked="" type="checkbox"/> TRANSMIT <input checked="" type="checkbox"/> RECEIVE <input checked="" type="checkbox"/> VOICE <input checked="" type="checkbox"/> C (Key)	
12. (a) RADAR EQUIPPED <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		(b) IF YES, RADAR OPERATING AT TIME OF CASUALTY <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
13. (a) CERTIFICATE OF INSPECTION ISSUED AT PORT OF <b>Charleston, S. C. U.S.A.</b>		(b) DATE CERTIFICATE OF INSPECTION ISSUED <b>29 January 1977</b>	
14. (a) NAME OF MASTER OR CAPTAIN (Indicate which) <b>Arthur Scott</b>		(b) DATE OF BIRTH <b>24 Nov. 1921</b>	(c) LICENSED BY COAST GUARD <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
15. (a) NAME OF PILOT (If on board at time of accident) <b>N/A</b>		(b) PILOT SERVING UNDER AUTHORITY OF LICENSE ISSUED BY <input type="checkbox"/> USCG <input type="checkbox"/> STATE <input type="checkbox"/> FOREIGN	
16. (a) NAME OF OWNER(S), OPERATOR(S) OR AGENT (Indicate which) <b>UNITED STATES LINES, INC.</b>		(b) ADDRESS OF OWNER(S), OPERATOR(S), OR AGENT <b>One Broadway, New York, N.Y. 10004</b>	

**II PARTICULARS OF CASUALTY**

17. (a) DATE OF CASUALTY <b>13 August 1977</b>	(b) TIME OF CASUALTY (Local or zone) <b>0150</b>	(c) ZONE DESCRIPTION <b>Minus 1</b>	(d) TIME OF DAY <input type="checkbox"/> DAY <input checked="" type="checkbox"/> NIGHT <input type="checkbox"/> TWILIGHT	
18. LOCATION OF CASUALTY (Latitude and longitude; distance and TRUE bearing from charted object; dock; anchorage, etc.) <b>Position: Lat: 58° 34.1' N; Long: 02° 53.6' W.</b>				
19. BODY OF WATER (Geographical name) <b>Pentland Firth, U.K.</b>	20. RULES OF THE ROAD APPLICABLE <input checked="" type="checkbox"/> INTERNATIONAL <input type="checkbox"/> OTHER (Specify)			
21. (a) DID CASUALTY OCCUR WHILE UNDERWAY: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO				
(b) IF YES, LAST PORT OF DEPARTURE <b>Bremerhaven, Germany</b>		(c) IF YES, WHERE BOUND WHEN CASUALTY OCCURRED <b>Bayonne, N.J. U.S.A.</b>		
22. (a) WEATHER CONDITIONS WHEN CASUALTY OCCURRED: <input type="checkbox"/> CLEAR <input type="checkbox"/> PARTLY CLOUDY <input type="checkbox"/> OVERCAST <input checked="" type="checkbox"/> FOG <input type="checkbox"/> RAIN <input type="checkbox"/> SNOW <input type="checkbox"/> OTHER (Specify)				
(b) VISIBILITY (Miles, yards, ft., etc.) <b>From moderate to zero</b>	(c) WIND DIRECTION <b>East</b>	(d) FORCE IN KNOTS <b>2 knots</b>	(e) CUSTY <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	(f) AIR TEMPERATURE <b>52°F</b>
23. (a) SEA CONDITIONS WHEN CASUALTY OCCURRED <b>Light sea</b>	(b) SEA WATER TEMP (If available) <b>58°F</b>	(c) HEIGHT OF SEA <b>1 foot</b>	(d) DIRECTION OF SEA <b>East</b>	(e) HEIGHT OF SWELL <b>N/A</b>
24. (a) NATURE OF CARGO (Specify) <b>Motor vehicles and Containers</b>		(b) AMOUNT OF DRY CARGO (Long tons) <b>757 Tons</b>	(c) AMOUNT OF BULK LIQUID (Long tons) <b>N/A</b>	(d) AMOUNT OF DECK LOAD (Long tons) <b>22 1/2 Tons</b>
25. (a) DRAFT FORWARD <b>17' - 01"</b>		(b) DRAFT AFT <b>25' - 05"</b>		
26. (a) TYPES OF LIFESAVING EQUIPMENT USED, IF ANY <b>N/A</b>		(b) NO LIVES SAVED WITH LIFE-SAVING EQUIPMENT <b>None</b>		(c) LIFESAVING EQUIPMENT SATISFACTORY <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (If no, explain in)

Pentland O.

PC

ESTIMATED LOSS/DAMAGE TO OTHER PROPERTY \$  
(Specify whether vessel, deck, hold, etc.)

29. NATURE OF THE CASUALTY (Circle one or more of the following. Give pertinent details in Item 30.)	
COLLISION WITH OTHER VESSEL(S) (Specify)	EXPLOSION/FIRE (Other)
	GROUNDING
	FOUNDER (Sinking)
COLLISION WITH FLOATING OR SUBMERGED OBJECTS	CAPSIZING WITHOUT SINKING
COLLISION WITH FIXED OBJECTS (Piers, bridges, etc.)	FLOODING, SWAMPING, ETC. WITHOUT SINKING
COLLISION WITH ICE	HEAVY WEATHER DAMAGE
COLLISION WITH AIDS TO NAVIGATION	CARGO DAMAGE (No vessel damage)
COLLISION (Other)	MATERIAL FAILURE (Vessel structure)
EXPLOSION/FIRE (Involving cargo)	MATERIAL FAILURE (Engineering machinery, including main propulsion, auxiliaries, boilers, evaporators, deck machinery, electrical, etc.)
EXPLOSION/FIRE (Involving vessel's fuel)	
FIRE (Vessel's structure or equipment)	EQUIPMENT FAILURE
EXPLOSION (Boiler and associated parts)	CASUALTY NOT NAMED ABOVE
EXPLOSION (Pressure vessels and compressed gas cylinders)	

30. DESCRIPTION OF CASUALTY (Events and circumstances leading to casualty and present when it occurred. Attach diagram and additional sheets, if necessary)

Grounded in Pentland Firth on Skerries, Bearing 177°T, Dist. 1 mile from Muckle Skerry Light.

31. DAMAGE (Give brief general description and state if vessel is a total loss)

Unknown at this time. Subject to dry dock examination. Re-floated 20 August 1977 at 0327 (-1) hours. Proceeded to Lyness Wharf, Scapa Flow for inspections and to Newcastle-Upon-Tyne for surveys and repairs. Arrived Newcastle 1212 (-1) hours 24 August 1977.

I.O. NOTE The vessel's bottom plating was set in and holed in various locations. There is damage to internals and tank-top plating concentrated in number three and number four holds.

III ASSISTANCE AND RECOMMENDATIONS

32. AUTO ALARM TRANSMITTED BY YOUR VESSEL:  YES  NO MAYDAY broadcast and answered.

33. (a) ASSISTANCE RENDERED BY STATIONS AND VESSELS (Include Coast Guard and other stations and vessels)

Orkney radio, Orkney and Wick radio Scotland, performed valuable assistance in communications via VHF radio.

(b) OTHER ASSISTANCE RENDERED

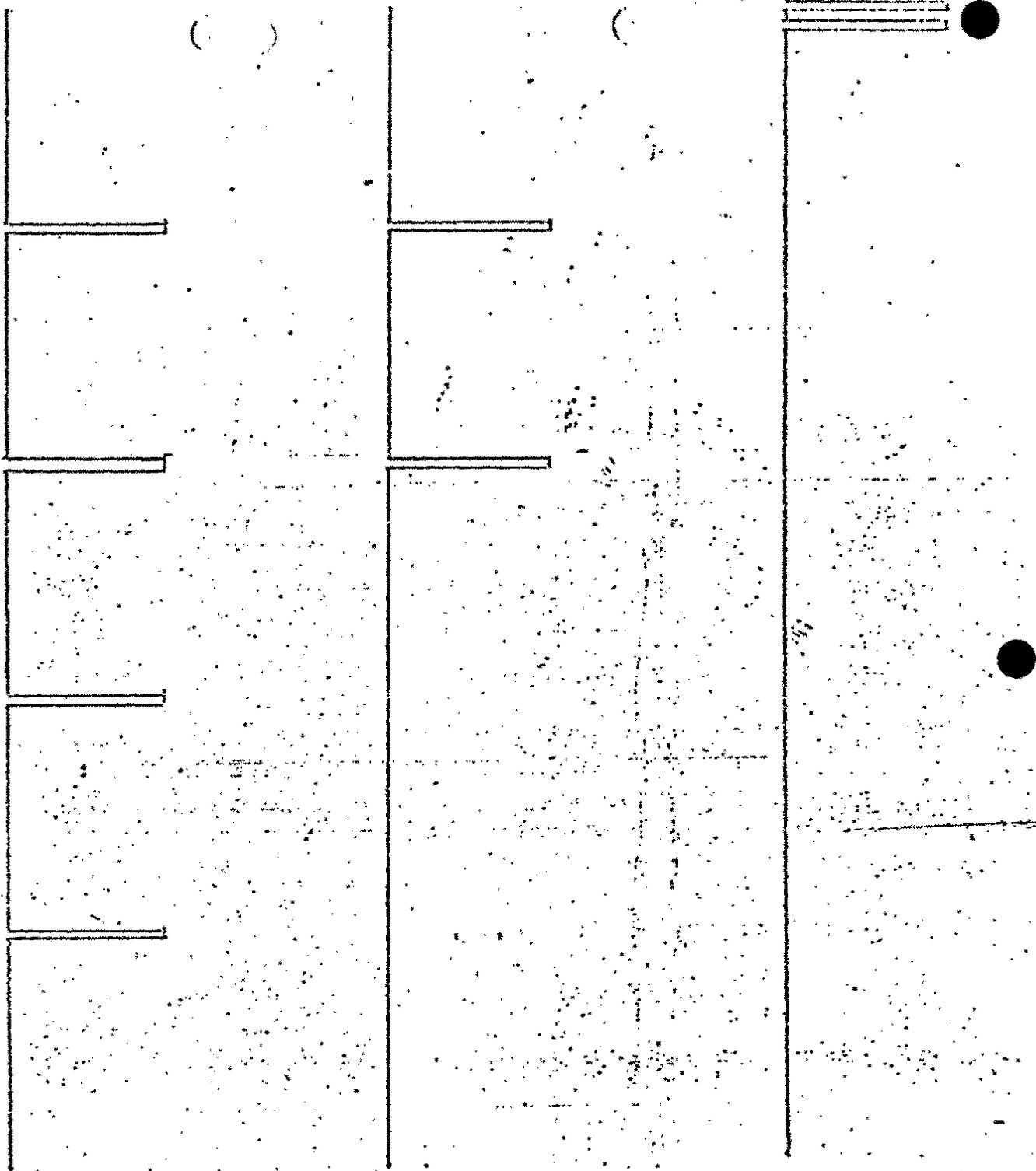
Wick, Scotland, lifeboat and Longhope, Orkney, lifeboat stood by.

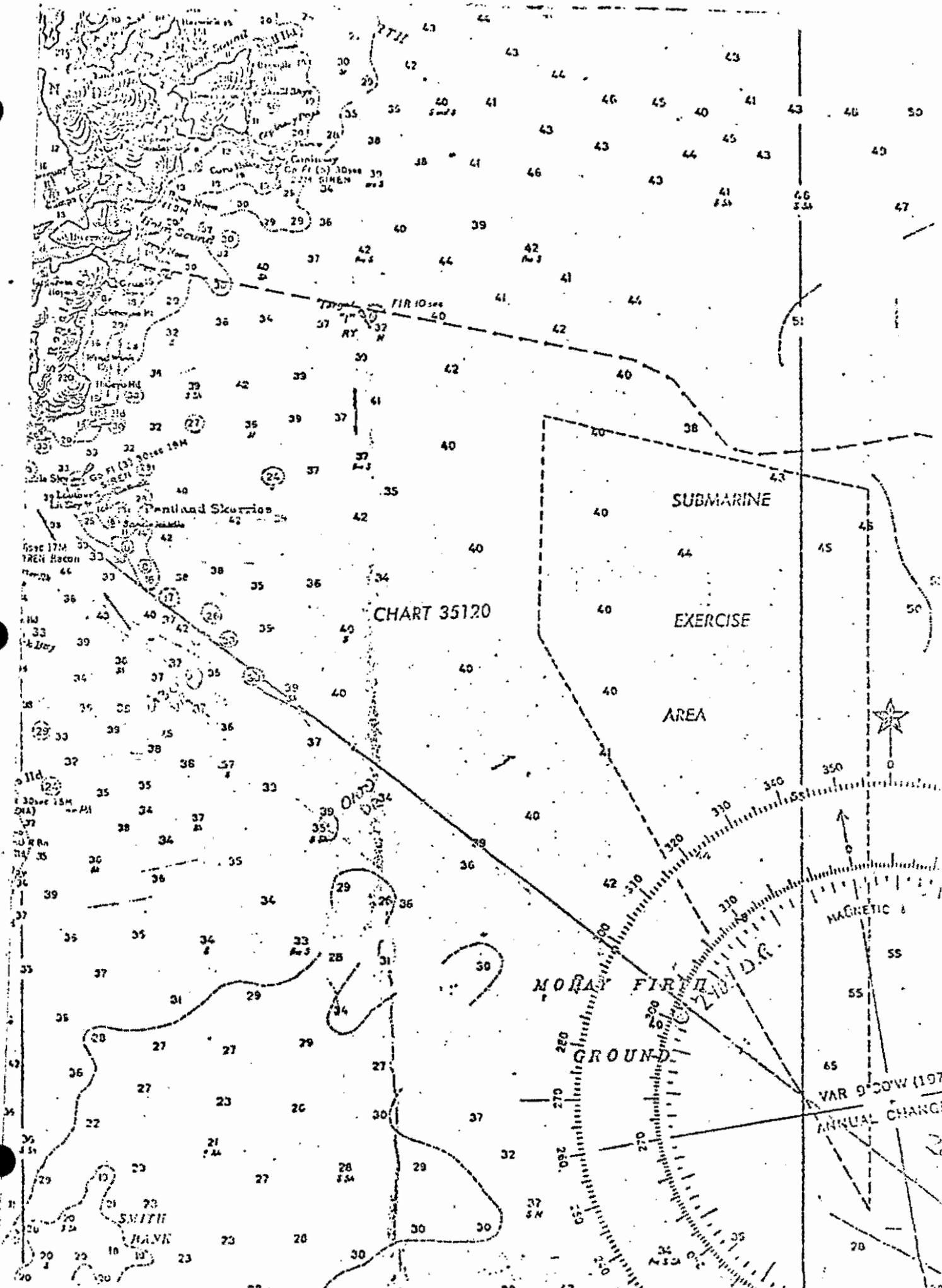
34. RECOMMENDATIONS FOR CORRECTIVE SAFETY MEASURES PERTINENT TO THIS CASUALTY (Include explanation of unsatisfactory lifesaving equipment)

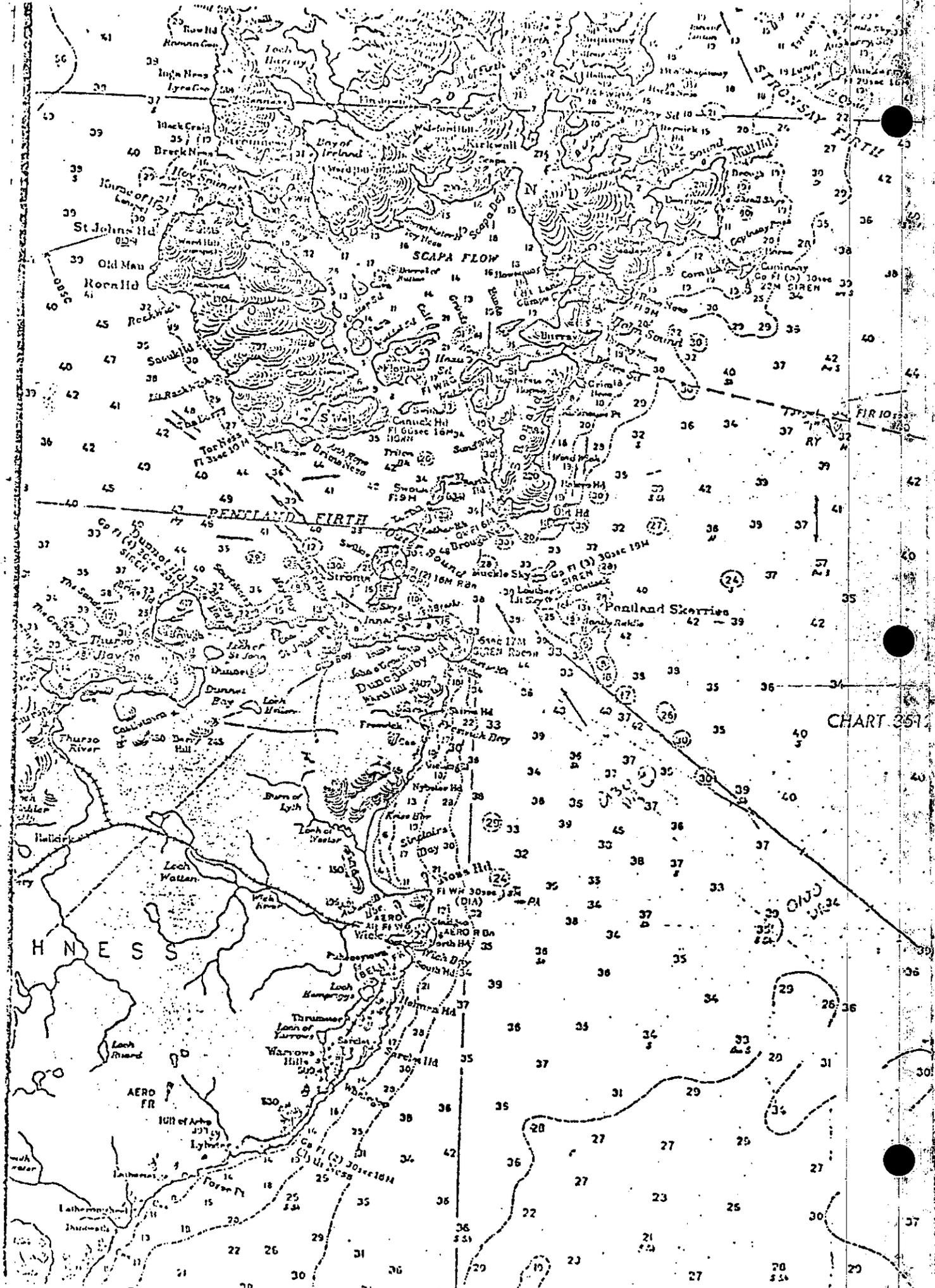
None at this time.

TITLE: Arthur Scott, Master, SESPIONEER COMMANDER

SIGNATURE: *AScott*







# Notice to Mariners

PUBLISHED WEEKLY BY THE  
DEFENSE MAPPING AGENCY HYDROGRAPHIC CENTER

PREPARED JOINTLY WITH THE  
NATIONAL OCEAN SURVEY AND U.S. COAST GUARD

*W. J. Ryan  
Room 1  
H. H. H.*



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NOV 17 1977

MARINE INSPECTION OFFICE  
NEW YORK, N.Y.

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19 NOVEMBER

SECTION II  
CORRECTIONS TO PUB 112, LIST OF LIGHTS, 21 MAY 1977 EDITION— Continued

15310 F 2502	San Miguel Island, about 200 feet from NW, extremity.	12 43 123 35	Gp. Fl. W. (3)..... period 15 <sup>s</sup>	222 68	5	Concrete tower; 36.....	Visible 6°-255°.	47/77
16863	— W. breakwater.....	37 03 129 25	Fl. G..... period 3 <sup>s</sup>	36 11	2	White quadrangular iron framework; 27.		47/77
18870 F 4478	— E. head of detached breakwater.	35 41 129 28	Fl. G..... period 5 <sup>s</sup>	30 9	2	White square iron framework tower; 22.		47/77
18930 F 4470	— Head of S. breakwater ...	36 30 129 27	Fl. G..... period 3 <sup>s</sup>	33 10	2	White square iron tower; 30.		47/77
18950 F 4475	— No. 1 Light, head of W. breakwater.	.....	Fl. G..... period 3 <sup>s</sup>	30 9	5	White square iron framework structure; 32.		47/77
22000 F 3600	Hsiung-Ti Tso .....	23 32 117 41	Gp. Fl. W. (3)..... period 6 <sup>s</sup>	.....	5	.....		47/77
24235 F 2833.7	Pulau Perhentian Besar ....	5 53 102 45	Fl. W..... period 7 <sup>s</sup>	145 44	5	Pedestal on rock .....		47/77
33000 K 0104	— Extension of S. breakwater.	35 57 25 39	Fl. W..... period 2 <sup>s</sup>	.....	.....	.....	Mark's works in progress (1977)	47/77

CORRECTIONS TO PUB 113, LIST OF LIGHTS, 15 JANUARY 1977 EDITION

8355 E 0516	Cap Louate.....	42 55 3 03	Gp. Fl. W. (2)..... period 10 <sup>s</sup> fl. 0.2 <sup>s</sup> , ec. 7.3 <sup>s</sup> fl. 0.2 <sup>s</sup> , ec. 2.3 <sup>s</sup>	216 66	21	White pyramidal tower, red top; 57.		47/77
15251	— Refuge harbor, lead of west mole.	.....	F. R.....	26 8	4	Pile, red and white bands...		47/77
15252	— Head of wharf.....	.....	F. R., F. G. (vert.)	43 13	4	Pile, red and black bands...		47/77
41351 D 3424	— Marcus Island, S. side...	33 03 17 53	Gp. Fl. W. (2)..... period 10 <sup>s</sup> fl. 5 <sup>s</sup> , ec. 2.5 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 6.5 <sup>s</sup>	59 18	10	Lattice mast.....		47/77
41356 D 5813	— Eland Point.....	33 04 17 58	Fl. W..... period 5 <sup>s</sup>	114 35	9	Metal framework tower.....		47/77

CORRECTIONS TO PUB 114, LIST OF LIGHTS, 6 AUGUST 1977 EDITION

2330 A 3562	Pentland Skerries, on Muckle Skerry.	58 41 2 55	Gp. Fl. W. (3)..... period 30 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 5.6 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 5.6 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 17.6 <sup>s</sup>	170 52	19	White tower; 118.....	Siren (old lighthouse) 1 bl. cv. 90° Distress signals.	47/77
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Note.—\*Indicates that column in which a correction has been made or new information added.

KIRLIN, CAMPBELL & KEATING

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NEW YORK, N.Y. 10005

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WU 12-8108

November 30, 1977

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DDF-P86-4911

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OF COUNSEL

CHARLES MAECHLING, JR.  
G. BROCAWEL METLIN

OUR REF. 84928

WILLIAM A. SRECHAN  
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DAVID W. MARTOWSKI  
JOSEPH F. RYAN, JR.  
DONALD J. DANILEK  
ERNESTO V. LUZZATTO

BY HAND

Officer in Charge  
Marine Inspection  
United States Coast Guard  
Battery Park Building  
New York, N. Y. 10004      Attention: Lt. Gold

SS PIONEER COMMANDER  
Stranding, August 13, 1977  
Your Ref: 16732/031657/DNG

Dear Lt. Gold:

Pursuant to our telephone conversation this morning, we received the following information concerning the Muckle Skerry Light from our correspondent counsel in England:

"RE YOUR TELEX 11TH OCTOBER. DETAILS OF PENTLAND SKERRIES LIGHT IN RELEVANT PUBLICATION (ADMIRALTY LIST OF LIGHTS AND FOG SIGNALS, VOLUME A.1977, BRITISH ISLES AND NORTH COAST OF FRANCE) AS FOLLOWS:-

1. NO. 3562
2. NAME-POSITION PENTLAND SKERRIES, MUCKLE SKERRY (N)
3. LAT./LONG 58 41.4  
2 55.4
4. CHARACTERISTICS GP.FL (3)W 30S  
INTENSITY SIREN 90 S.
5. ELEVATION 52 METRES
6. LUMINOUS RANGE 25
7. STRUCTURE HEIGHT IN WHITE TOWER 36 METRES
8. REMARKS FL 0.4, 3 TIMES IN QUICK SUCCESSION.  
DISTRESS SIGNALS.

"THE PUBLICATION IS STATED TO BE CORRECTED TO  
ANM WEEKLY EDITION NO. 1/77 DATED 15TH JANUARY 1977.

OUR ENQUIRIES AFTER THE STRANDING REVEALED THAT NO  
CORRECTIONS REGARDING ENTRY FOR PENTLAND SKERRIES LIGHT  
HAD BEEN MADE SINCE DATE OF PUBLICATION UP TO 13TH AUGUST

Subsequent to that, we received a copy of a letter from  
the Northern Lighthouse Board to our correspondent counsel which  
details the characteristics of Muckle Skerry Light and we enclose  
a copy for your reference.

If you have any further questions, please do not hesitate  
to call us.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

By:   
Harry A. Gotimer

HAG:tfc.

Enc.

PUB. 114

# LIST OF LIGHTS

AND FOG SIGNALS

1976

( 28 August)

**IMPORTANT**  
THIS PUBLICATION SHOULD  
BE CORRECTED EACH  
WEEK FROM THE  
NOTICE TO MARINERS

BRITISH ISLES, ENGLISH CHANNEL  
AND NORTH SEA



PUBLISHED BY THE DEFENSE MAPPING AGENCY  
HYDROGRAPHIC CENTER  
WASHINGTON, D.C. 20390

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic	(5) Height	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector. Remarks. Fog signals
SCOTLAND—NORTH COAST							
7320 A 3558	Dunconby Head.....	N. W. 58 39 3 01	Fl. W. .... period 6 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 5.3 <sup>s</sup>	220 67	17	White tower; 36.....	Siren: 5 bl. ev. 2 min. Racon.
7330 A 3562	Pentland Skerries, on Muckle Serry.	58 41 2 55	Gp. Fl. W. (3) ..... period 30 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 28.6 <sup>s</sup>	170 52	19	White tower; 118.....	Siren (old lighthouse) 1 bl. ev. 90 <sup>s</sup> Distress signals.
7340 A 3564	Lothar Rock .....	58 44 2 59	Qk. Fl. W. ....	36 11	6	Black pyramidal beacon; 40.	
7350 A 3568	Stroma, Swilkie Point .....	58 42 3 07	Gp. Fl. W. (2) ..... period 20 <sup>s</sup> 2 fl. each 0.5 <sup>s</sup>	85 26	16	White tower; 74.....	Horn: 2 bl. ev. 60 <sup>s</sup> in quick suc- cession. Radio-beacon. Distress signals.
7360 A 3574	Dunnet Head .....	58 40 3 22	Gp. Fl. W. (4) ..... period 30 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 14 <sup>s</sup>	346 105	20	White stone tower; 66 .....	Siren: 3 bl. in quick succession ev. 90 <sup>s</sup> .
7370 A 3578	Holburn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. W. R. .... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 9 <sup>s</sup>	75 23	W. 15 R. 11	White tower; 55 .....	W. 198°-358°, R.—shore. Horn: 1 bl. ev. 20 <sup>s</sup> .
7372 A 3590	Strath Point .....	58 36 4 01	Fl. W. .... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.5 <sup>s</sup>	146 45	18	White low tower on white dwelling; 45.	Diaphone; 4 bl. ev. 90 <sup>s</sup> .
7380 A 3592	Thurso, N. head of break- water.	58 36 3 30	F. R. ....	15 5	4	Red post; 10 .....	Shown from Sept. 1 to Apr. 30.
7390 A 3582	— Front .....		F. G. ....	15 5	4	White post; 10.....	
7390.1 A 3582.1	— Rear, about 195° from front.		F. G. ....	20 6	4	White post; 15.....	
7400 A 3584	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W. ....	10 3	4	White post; 9.....	Shown from Aug. 1 to May 31.
7401 A 3583	— Outer pier .....	58 37 3 33	Qk. Fl. R. ....		3	.....	
7410 A 3586	— Head of W. pier .....		F. R. ....	10 3	4	White circular tower; 9 ... f	Shown from Aug. 1 to May 31.

SCOTLAND—ORKNEY ISLANDS

7420 A 3586	Swona, near SW. extremity...	58 44 3 04	Fl. W. .... period 8 <sup>s</sup> fl. 2 <sup>s</sup> , ec. 5 <sup>s</sup>	57 17	9	White tower; 22.....	Obscured 210°-261°.
7430 A 3600	Tor Ness, S. side of Hoy Island.	58 47 3 13	Fl. W. .... period 3 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 2 <sup>s</sup>	64 20	9	White tower on concrete base; 22.	
7440 A 3602	Carrick Head .....	58 47 3 08	Fl. W. .... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.4 <sup>s</sup>	115 35	17	White tower; 73.....	Storm signals. Horn: 1 bl. ev. 30 <sup>s</sup> . Distress signals.

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N.Y. 10005

212-732-5520

CABLEGRAMS "VASEFIELD NEWYORK"

TELEX: ITT 422210

WU 62344

WU 12-8188

February 23, 1979

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RESIDENT PARTNERS

RONALD A. CAPONE  
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OF COUNSEL

CHARLES MACCHLING, JR.

Director,  
DMA Hydrographic Center  
Washington, D.C. 20390

OUR REF. 84928

Re: Freedom of Information Act Request

Dear Sir:

On behalf of our client, United States Lines, Inc., and pursuant to the Freedom of Information Act (5 U.S.C. §552) and your regulations implementing it (15 C.F.R. Part 295), we hereby request that you furnish us with copies of the following documents. The term "records" as used herein shall be defined as in accordance with 15 C.F.R. Part 295 § 295.4, and shall include the British Admiralty weekly Notices to Mariners if used by your agency.

1. With regard to Muckle Skerry Light contained in the List of Lights, Pub. 114, 1976 Edition, Light No. 7915, all records referred to or relied upon in preparation of that entry, as well as all changes from 1938 to the present.
2. With regard to Pentland Skerries Light on Muckle Skerry contained in the List of Lights, Pub. 114, 1976 Edition, Light No. 7330, all records referred to or relied upon in preparation of that entry, as well as all changes from 1938 to the present.

This request constitutes notice of demand for production of the above-referenced documents for purposes of inspection and copying. If for any reason it is determined that any documents requested herein will not in whole or in part be complied with, prompt notice of any action taken is solicited. In addition, the

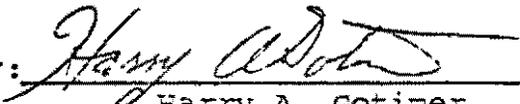
undersigned requests notice as promptly as possible of all documents or portions of documents which can and will be made available and that all documents which will not be made available be indexed and identified by stating the title, author, date, nature of such material, and the reason(s) for nonavailability.

This demand shall be considered an appeal from any decision denying any portion of this request, and prompt notice of the action taken with respect to such appeal is requested.

Please advise the undersigned of the cost imposed pursuant to your regulations for complying with this request and it shall be promptly paid.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

By:   
Harry A. Gotimer

HAG:tfc.



DEFENSE MAPPING AGENCY  
HYDROGRAPHIC/TOPOGRAPHIC CENTER  
WASHINGTON, D.C. 20315

REPLY TO  
ATTENTION OF:  
DMAHTC-CO

12 MAR 1979

Kirlin Campbell and Keating  
ATTN: Harry A. Gotimer, Esq.  
120 Broadway  
New York, NY 10005

Your reference: 84928

Dear Mr. Gotimer: .

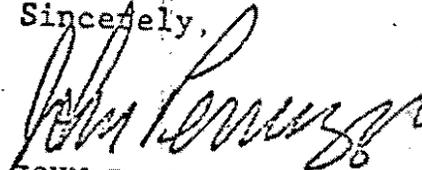
We refer to your letter of 23 February 1979 in which you requested inspection and copying of documents relating to Muckle Skerry Light and Pentland Skerries Light, under the Freedom of Information Act.

Your letter was received in the cognizant office of this Center on 8 March 1979, and it will be necessary to search for, collect and examine a number of records to comply with your request.

We will advise you as soon as the available documents have been identified and the costs determined, so that you can decide whether you wish to inspect them or have copies sent to you.

Please note the change in our name and address which became effective on 18 September 1978.

Sincerely,

  
JOHN E. PERRUZZI  
Counsel

Blind cc:  
NV

## DIRECTIONS

**General.**—Large vessels, with sufficient power to stem an unfavorable tide, will experience no difficulty in navigating Pentland Firth. The shores are danger-free beyond a short distance off, and the channels are wide and deep. Outer Sound is the channel generally used, although Inner Sound may be used when the tidal currents are unfavorable.

At night Outer Sound only should be used. The light on Muckle Skerry in range with the light on the N end of Stroma, bearing 094°, leads through the W entrance of Pentland Firth. When about 2 miles W of the light on Stroma, vessels should edge N so as to give the light a berth of about ½ mile. After passing the island of Stroma, vessels should gradually bring the light on the S end of the island of Swona to bear 326° astern, maintaining this bearing to pass between Duncansby Head and Pentland Skerries.

In hazy weather extreme caution is necessary, and in foggy weather, vessels from W should not proceed E of Strathy Point, which lies about 20 miles W of the W entrance point.

Vessels proceeding W through Inner Sound, during the strength of the E current, after passing Huna Ness, should keep somewhat N, in order to avoid being set toward Quoys Ness and into Gills Bay.

**Directions—Low-Powered Vessels.**—The following directions are given for low-powered vessels that may experience some difficulty in navigating the firth. A pilot should be employed by those low-powered vessels that are not familiar with the navigation of the firth.

The term, low-powered vessels, applies to vessels capable of a speed of no more than 10 knots.

Vessels approaching from W with the E current, when within 1½ miles of Stroma, and intending to pass through Inner Sound, should keep Duncansby Head bearing less than 110° and open S of Mell Head, to avoid getting out of the fair current. No special directions are necessary until well up to St. John's Point, when Inner Sound should be used if at the early part of the current, and Outer Sound if at the latter part. Vessels must take care in the latter case to avoid the eddy on the E side of Stroma, and to keep in mid-channel between Duncansby Head

and the Pentland Skerries so as to retain the last of the E current.

Outer Sound is always to be preferred by large vessels because of its width and the rate of the fair current, but not of course with an adverse current.

Vessels approaching from W during the W current, if the sea is not too heavy, should approach Dunnet Head to a distance of about ½ mile, and then steer directly for the center of Stroma, under which there will be less sea and current. Vessels that cannot stem the adverse current should keep near the E side of Dunnet Head, haul into Brough Bay, and keep within ½ mile of the coast thence to St. John's Point. When thus far, if the current continues strong, they should stand right across the race named the Merry Men of Mey into the eddy W of Stroma. Thence, from close under Mell Head, they should steer across into Gills Bay, and along the coast, within ½ mile of it, until Duncansby Head has been rounded. Alternately they may keep to the N side of the channel, for on either side of Inner Sound slack water and possibly a fair eddy current will be experienced while the main current in the center of Inner Sound is W.

Vessels approaching from W in thick weather are advised to heave to abreast Strathy Point, and on no account should attempt to pass through the firth.

Vessels approaching from W, at night, if Holborn Head has been identified before dark, are advised to anchor in Scrabster Road and await the E current. With normal visibility and a fair current the directions given for full-powered vessels will apply.

Vessels approaching from SE, during the easterly current, should keep close to the coast northward of Freswick Bay, the N entrance point of which is located about 3 miles S of Duncansby Head Light, for along this coast to Duncansby Head there are 10 hours of slack water, and there is probably also a N eddy, during part, at least, of this period. By doing this a vessel will be ready to round the head at the turn of the current, whereas by keeping in mid-channel over toward the Pentland Skerries, where the SE current continues for about 1 hour after high water at Dover, the risk is run of being carried SE. In rounding Duncansby Head, care must be taken to avoid the several dangers lying close off it.

20 MAR 1979

DMAHTC-NVS G.R.DeYoung/GS/14/73149/bhf/16 Mar 79/R.S. None

Kirlin, Campbell & Keating  
Attn: Mr. Harry A. Gotimer, Esq.  
120 Broadway  
New York, N.Y. 10005

Your Reference: 84928

Dear Mr. Gotimer:

In response to your request of 23 February 1979, in which you requested inspection and copying of documents relating to Muckle Skerry Light and Pentland Skerries Light, the following is submitted:

MUCKLE SKERRY LIGHT (PUB. 114, NO. 7915)

Muckle Skerry Light was first published by this Center as an addition to Pub. 114 in Weekly Notice to Mariners No. 46, dated 14 November 1964 (Enclosures 1 and 2), and incorporated in Change 4 to Pub. 114, dated 26 December 1964 (Enclosure 3). The source of this information was the British Admiralty Weekly Notice to Mariners No. 38 of 1964, Sections II and V. Individual Admiralty Notice to Mariners are not retained by this Center, therefore we are unable to provide copies of the original source material. However, the British Admiralty does provide this Center with bound copies of the chart correction portion (Section II) annually. A copy of the British Notice establishing Muckle Skerry Light is provided (Enclosure 4).

The range and candlepower of Muckle Skerry Light was amended in Change 13 to Pub. 114, dated 21 October 1967 (Enclosure 5). Presumably the source for this correction was the British Admiralty List of Lights, Volume A of that era. This Center does not retain obsolete or canceled foreign List of Lights, consequently we are unable to confirm or provide a copy of this source.

The international number for Muckle Skerry Light was changed in Change 18, dated 28 June 1969 (Enclosure 6). The source for all international numbers is the British Admiralty List of Lights of the era. As stated above, obsolete or canceled foreign List of Lights are not retained.

The candlepower of Muckle Skerry Light was deleted in the 1973 edition of Pub. 114 (Enclosure 7) and the height in meters added. These changes were editorial format changes only, with no reference made to other documents.

At the time of this writing there has been no known change to Muckle Skerry Light since the 1973 edition of Pub. 114.

PENTLAND SKERRIES LIGHT (PUB. 114, NO. 7330), (FORMERLY PUB. 33)

Pentland Skerries Light as carried in the 1937 edition of H.O. Pub. 33 is provided as Enclosure 8. The first modification to this entry was in the 1948 edition of H. O. Pub. 33 (Enclosure 9), when the index number was changed. This was an editorial change with no reference made to other documents.

The next published change occurred in the 1954 edition of H.O. Pub. 33 (Enclosure 10) when the international number was added. The source for the international number was the British Admiralty List of Lights of that era (not retained). At the same time the index number was again changed and light characteristic editorialized without reference to other documents.

The candlepower, structure description and fog signal characteristic description were amended in the first edition (November 1959) of Part III to H.O. Pub. 33 (Enclosure 11). The source material for these amendments was not retained.

The structure description and remarks column were amended in the Third Edition of Pub. 114 dated 14 September 1963 (Enclosure 12). The source material for these amendments was not retained.

The next change pertaining to Pentland Skerries Light was in Change 5 of 27 March 1965 (Enclosure 13). Your Office was advised of this amendment in our letter of 14 November 1977.

The international number and remarks column were amended in Change 18 of 28 June 1969 (Enclosure 14), again source material was not retained.

Height in meters was added to Pentland Skerries Light in Change 20 issued January 1971 (Enclosure 15) and the candlepower was deleted from the 1973 edition of Pub. 114 (Enclosure 16). These were editorial format changes where reference to other documents was not made.

The next and final change to Pentland Skerries Light was provided as Attachment B to your letter of 14 October 1977 (Enclosure 17). This information was published in Notice to Mariners No. 47 of 19 November 1977 (Enclosure 18), and included in the 1978 edition of Pub. 114 (Enclosure 19).

DMA Instruction 5400.7A requires that a charge of two hundred sixty-four dollars be assessed for providing copies of these documents. Please make your check in this amount payable to the Treasurer of the United States and forward it to the undersigned.

Sincerely,

15/

JOHN E. PERRUZZI  
Counsel

19 Enclosures a/s

cc:  
NV  
DMAHQ-Counsel  
DMAHTC-Counsel  
NVS

(6071) ORKNEY ISLANDS—North Ronaldsay—Nonster—Light changed.—  
The light ( $59^{\circ}21'25''$  N.,  $2^{\circ}26'25''$  W. approx.) has been changed to *Ok. Fl. R.*  
(N.M. 46/64.)

(N.M. 37 (1728), London, 1964.)  
H.O. Chart 4465.  
H.O. Pub. 114, No. 7730.  
H.O. Pub. 34, 1950, page 188.

(6072) SHETLAND ISLANDS—Out Skerries—Muckle Skerry—Light estab-  
lished.—A light, *Gp. Fl. W.R.G.* (3) 19 sec. 44 ft. 10, 6, 6 M. has been established  
4.13 miles  $282^{\circ}30'$  from Out Skerries Light ( $60^{\circ}25'30''$  N.,  $0^{\circ}43'30''$  W. approx.).  
The light shows *white* from  $046^{\circ}$  to  $192^{\circ}$ , *red* thence to  $272^{\circ}$ , *green* thence to  $348^{\circ}$ ,  
*white* thence to  $373^{\circ}$ , *red* thence to  $046^{\circ}$ . It is shown from a white framework  
tower, 11 feet high.

(N.M. 38 (1788), London, 1964.)  
H.O. Charts 4656, 4669, 4442, 4243.  
H.O. Pub. 114, No. 7915.  
H.O. Pub. 34, 1950, page 314.

(6073) ENGLAND—East coast—River Thames Entrance—East Swin—  
Wreck.—A depth of 6 fathoms 3 feet "Wreck" will be charted 1.28 miles  $002^{\circ}00'$   
from Little Sunk Beacon ( $51^{\circ}41'55''$  N.,  $1^{\circ}24'50''$  E. approx.).

(N.M. 37 (1728), London, 1964.)  
H.O. Chart 4473.  
H.O. Pub. 35, 1951, page 212.

(6074) NORTH SEA—Belgium—Wester Schelde—Zeebrugge approach—  
Buoy moved and numbered.—The lighted buoy ( $51^{\circ}20'50''$  N.,  $3^{\circ}12'18''$  E.  
approx.) has been moved and reestablished in  $51^{\circ}20'57.5''$  N.,  $3^{\circ}12'52.5''$  E. and  
numbered "22."

(Cancel N.M. 40 (5180) 1964.)

(A.N. 15 (168), Ostende, 1964.)  
H.O. Chart 4994.  
H.O. Pub. 36, 1953, page 116.

No.	Name and location	Position, lat., long.	Character of light power	Height above water (feet)	Color (day and night)	Structure, special signals	Remarks, Remarks, Day signals.
7730 A1771	— Nouster, on head of pier.	60 21 2 20	Qk. Fl. R.	18			Shown from Aug. 1 to Apr. 30. 40/04.
7015 A1810	Mucklo Skerry U.	60 20 0 52	Gp. Fl. W.R. G. (2) period 10* fl. 0.3*, cc. 1* fl. 0.3*, cc. 8.4* Cp. W. 600 R. 120 G. 120	44	W. 10 R. 6 G. 6	White framework tower; 11.	W. 40°-192°, R.-272°, G.-348°, W.-353°, R.- 40°. 46/04.
13120 A1101	South Stack	53 18 4 42	Fl. W. period 10* fl. 0.5*, cc. 9.5* Cp. 2,500,000	197	20	White circular tower, dwellings; 91.	Obscured to the N. by North Stack. Tele- phone for lifesaving. Distress signals. Horn: 1 bl. cv. 30*. 40/04.
20160 D0118	NOORD HINDER LIGHTSHIP	51 39 2 33	Gp. Fl. W. (2) period 10* fl. 0.3*, cc. 2.2* fl. 0.3*, cc. 7.2* Cp. 1,300,000	52	12	Red hull, name on sides, black letters on white.	Reserve light F.W. with 2 W. flares cv. 10 min. Diaphone: 2 bl. cv 30*. Reserve whistle. Radiohexacon. Storm signals. 46/04.

Note.—\*Indicates that column in which a correction has been made or new information added.

No.	Name and location	Position lat. long.	Characteristic and power	Height of light above high water (feet)	Visi- bility (nau- tical miles)	Structure, height (feet)	Sector, Remarks, Fog signals
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SCOTLAND-SHETLANDS

7870 A 2796	Ross Head, E. point U.	N. W 60 11 1 08	Cp. Fl. W. R. G. (3) .. period 18" fl. 0.5", ec. 1.5" fl. 0.5", ec. 1.5" fl. 0.5", ec. 13.5" Cp. W. 500 R. 300 G. 200	33	10	White tower; 22.....	G. from land-173°, E.-196° R.-241°, W.-264°, G.-9° W.-land.
7880 A 2795	Mull of Eswick, 0.5 mile from N. extremity. U.	60 16 1 06	Fl. -W. R. G. .... period 3" fl. 0.5", ec. 2.5" Cp. W. 1,500 R. 500 G. 300	164	15	White tower; 22.....	G. 148°-200°, W-214°, R.-241° W.-29°, R.-land.
7890 A 2802	WHALSAY: Symbister Ness, 600 yards from SW. point. U.	60 20 1 02	Cp. Fl. W. R. (2)..... period 12" fl. 0.5", ec. 1.5" fl. 0.5", ec. 9.5" Cp. W. 500 R. 200	37	10	White tower; 22.....	W. 3°-197°, R.-215°, obsc-3°.
7900 A 2804	Suther Ness..... U.	60 22 1 03	Fl. W. R. G. .... period 3" fl. 0.5", ec. 2.5" Cp. W. 1,500 R. 500 G. 300	27	9	White tower; 22.....	W. from land-41°, G.-123° W.-206°, R.-235°, obsc. elsewhere.
7910 A 2808	Out Skerries, Bound Skerry ..	60 25 0 43	Fl. W. .... period 60" fl. 5", ec. 55" Cp. 159,000	185	18	White tower 98.....	Radiotelephone. Gun: 1 report ev. 30°.
7915 A 2810	Muckle Skerry .. U.	60 26 0 52	Cp. Fl. W. R. G. (2) .. period 30" fl. 0.3", ec. 1.0" fl. 0.3", ec. 8.5" Cp. W. 600 R. 120 G. 120	44	W. 10 N. 6 G. 6	White framework tower, 11 ..	W. 46°-192°, R.-252°, G.-348° W.-353°, R.-46°.

ADMIRALTY NOTICES TO MARINERS

1784. WEATHER BULLETINS FOR SHIPPING ISSUED ON THE B.B.C. LIGHT PROGRAMME.

Former Notice 1379(P)/64 cancelled.

The mid-day "5-minute" shipping forecast on weekdays on 200 kc/s (1500 metres) is now broadcast at 1355 clock time.

Hydrographic Department. (H. 2254/64.)

\*1785. SCOTLAND, E. COAST—RIVER FORTH—Forth Road Bridge—Construction completed.

Former Notice 453(T)/64 cancelled.

The Forth Road bridge is shown in *Large Corrections to Charts 116 and 119*, dated 4th September, 1964, which will be available shortly. *Charts 114<sup>a</sup> and 114<sup>b</sup>* will be corrected by a Notice to Mariners with Blocks.

Hydrographic Department. (H. 6372/58.)

\*1786. SHETLAND ISLES—OUT SKERRIES—Muckle Skerry—Light established.

(1) A light, *Gp. Fl. (2) W.R.G. 10 sec. 41 ft. 10, 6, 6 M.*, is to be inserted in position 252½° 4.13 miles from Out Skerries light (60° 25' 30" N., 0° 43' 35" W. approx.). It is shown from a white framework tower, 11 feet in height.

(2) Sectors are to be inserted at the new light in (1) as follows:—*White* from 045° to 192°, *Red* thence to 272°, *Green* thence to 348°, *White* thence to 353°, *Red* thence to 046°.

Charts [*Last correction*].—3059 [2051/63]—1118<sup>a</sup> & L(D6) 1118<sup>a</sup> [2053/63]—219 & L(D6) 219 (1) [1329/64].

Light List Vol. A/64, 2810. North Sea Pilot Vol. I 1960 p. 153.

Northern Lighthouse Board Notice 11/64. (H. 3073/64.)

\*1787. WALES, S. COAST—BRISTOL CHANNEL—SWANSEA BAY—Port Talbot—Information about Docking Signals.

(1) A small circle "*Docking Sig: (see Note)*" is to be substituted for the light-star "*Docking Sig: 2 F.G. (Vert!) (Occas!)*" (51° 34' 55" N., 3° 48' 10" W. approx.).

(2) The accompanying note is to be inserted under the title of the plan.

Chart [*Last correction*].—1161 (plan, Swansea Bay) [1418/64].

Docks Manager, Port Talbot, & Hydrographic Department. (H. 3759/60.)

London.  
19th September, 1964.

E. G. IRVING, Rear-Admiral,  
Hydrographer of the Navy.

## H. O. 114

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic and power	(5) Height (feet)	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector, Remarks, Fog signals
SCOTLAND-SHETLANDS							
	LERWICK:	N. W.					
7850 A 2784	— North Ness .....	60 10 1 09	F. W. R. G. .... Cp. under 100	14	5	Column, 10 .....	W. from shore—158°, R.—216°, Y.—274°, G.—306°.
7860 A 2786	— Loope Bay, N. of North Ness, U.		Fl. W. .... period 3" fl. 0.5", ec. 2.5"	14	5	Concrete beacon; 20 .....	Shown from Aug. 1 to Apr. 30.
7865 A 2788	— N. entrance, front .....	60 11 1 09	F. R. ....	30		Red and orange triangular daymark.	
7865.1 A 2788.1	— Rear, 135 yards 215° from front.		F. R. ....	55		Red and orange triangular daymark.	
7870 A 2784	Rova Head, E. point .....	50 11 1 08	Gp. Fl. W. R. G. (2) .. period 15" fl. 0.5", ec. 1.5" fl. 0.5", ec. 1.5" fl. 0.5", ec. 13.5" Cp. W. 500 R. 300 G. 200	33	8	White tower; 22 .....	G. from land—173°, W.—196°, R.—241°, Y.—264°, G.—9°, W.—land.
7880 A 2794	Mull of Eswick, 0.5 mile from N. extremity, U.	60 16 1 06	Fl. W. R. G. .... period 3" fl. 0.5", ec. 2.5" Cp. W. 1,500 R. 500 G. 300	164	W. 9 R. 6 G. 6	White tower; 22 .....	G. from land—200°, W.—207°, R.— 241°, W.—23°, R.—40°, W.—land.
	WHALSAY:						
7890 A 2807	Symbister Ness, 650 yards from SW. point, U.	61 20 1 02	Gp. Fl. W. R. (2) .... period 12" fl. 0.5", ec. 1.5" fl. 0.5", ec. 9.5" Cp. W. 500 R. 200	37	W. 8 R. 6	White tower; 22 .....	W. 3°—197°, R.—215°, obsc.—3°.
7900 A 2804	Suther Ness .....	60 22 1 02	Fl. W. R. G. .... period 3" fl. 0.5", ec. 2.5" Cp. W. 1,500 R. 500 G. 300	37	W. 10 R. 8 G. 7	White tower; 22 .....	W. from land—41°, G.—123°, W.—206°, R.—235°, obsc. elsewhere.
7910 A 2808	Out Skerries, Dound Skerry ..	60 25 0 43	Fl. W. .... period 60" fl. 5", ec. 55" Cp. 159,000	245	18	White tower 95 .....	Radiotelephone. Gun; 1 report ev. 30".
7915 A 2810	Muckle Skerry .....	60 26 0 52	Gp. Fl. W. R. G. (2) .. period 10" fl. 0.3", ec. 1.0" fl. 0.3", ec. 8.4" Cp. W. 300 R. 100 G. 100	44	W. 7 R. 5 G. 5	White framework tower; 11 ..	W. 46°—192°, R.—272°, G.—346°, W.—353°, R.—46°.

H. O. 114

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic and power	(5) Height (feet)	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector, Remarks, Fog signals
SCOTLAND-SHETLANDS							
	LERWICK:	N. W.					
7850 A 3784	— North Ness .....	60 10 1 09	F. W. R. G. .... Cp. under 100	14	5	Column; 10 .....	W. from shore—153°, R.—216°. W.—274°, G.—306°.
7860 A 3784	— Loofta Baa, N. of North Ness. U.		Fl. W. .... period 3 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 2.5 <sup>s</sup>	14	5	Concrete beacon; 20 .....	Shows from Aug. 1 to Apr. 30.
7865 A 3788	— N. entrance, front .....	60 11 1 09	F. R. ....	30		Red and orange triangular daymark.	
7865.1 A 3788.1	— Rear, 115 yards 215° from front.		F. R. ....	55		Red and orange triangular daymark.	
7870 A 3784	Rova Head, E. point .....	60 11 1 03	Cp. Fl. W. R. G. (3) .. period 15 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 1.5 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 1.5 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 13.5 <sup>s</sup> Cp. W. 500 R. 300 G. 200	33	W. 8 R. 7 G. 6	White tower; 22 .....	G. from land—173°, W.—196°. R.—241°, W.—264°, G.—9°. W.—land.
7830 A 3784	Mull of Eswick, 0.5 mile from N. extremity. U.	60 16 1 06	Fl. W. R. G. .... period 3 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 2.5 <sup>s</sup> Cp. W. 1,600 R. 190 G. 190	164	W. 9 R. 6 G. 6	White tower; 22 .....	G. from land—200°, W.—207°, R.— 241°, W.—25°, R.—40°, W.—land.
	WHALSAY:						
7890 A 3802	Symbister Ness, 600 yards from SW. point. U.	60 20 1 02	Cp. Fl. W. R. (2) .... period 12 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 1.5 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 9.5 <sup>s</sup> Cp. W. 500 R. 200	37	W. 8 R. 6	White tower; 22 .....	W. 3°—197°, R.—215°, obsc.—3°.
7900 A 3804	Suther Ness .....	60 22 1 00	Fl. W. R. G. .... period 3 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 2.5 <sup>s</sup> Cp. W. 1,500 R. 500 G. 300	27	W. 10 R. 8 G. 7	White tower; 22 .....	W. from land—41°, G.—123°. W.—206°, R.—215°, obsc. elsewhere.
7910 A 3808	Out Skerries, Bowd Skerry ..	60 25 0 43	Fl. W. .... period 60 <sup>s</sup> fl. 5 <sup>s</sup> , ec. 55 <sup>s</sup> Cp. 150,000	145	18	White tower; 98 .....	Gun: 1 report ev. 30°.
7915 A 3810	Mackie Skerry .....	60 26 0 52	Cp. Fl. W. R. G. (2) .. period 10 <sup>s</sup> fl. 0.3 <sup>s</sup> , ec. 1.0 <sup>s</sup> fl. 0.3 <sup>s</sup> , ec. 4.4 <sup>s</sup> Cp. W. 300 R. 100 G. 100	44	W. 7 R. 5 G. 5	White framework tower; 11 ..	W. 46°—192°, R.—272°, G.—348°. W.—353°, R.—46°.

PUB. 114

# LIST OF LIGHTS AND FOG SIGNALS

## 1973

### BRITISH ISLES, ENGLISH CHANNEL AND NORTH SEA

Published by the Defense Mapping Agency  
Hydrographic Center



**IMPORTANT**  
THIS PUBLICATION SHOULD  
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	(1) Name and location	(2) Position lat. long.	(3) Characteristic	(4) Height	(5) Range (miles)	(6) Structure, height (feet)	(7) Sector, Remarks, Fog signals
SCOTLAND—SHETLANDS							
7810 A 3724	Kirtabister Ness, Bressay Sound.	N. W. 60 07 1 07	Cp. Fl. W. (2) ..... period 30" fl. 0.3", ec. 4.4" fl. 0.3", ec. 25.0"	105 <sup>0</sup> 32	16	White tower; 53	Siren: 2 bl. in quick succession ev. 90". Radioluccon.
LERWICK:							
7820 A 3778	— Twageos Point .....	60 09 1 08	Fl. W. .... period 6" fl. 2", ec. 4"	25 8	6	White beacon; 12	
7830 A 3780	— Elbow near outer end of breakwater.		F. W. G. ....	16 5	4	Columns on concrete base; 12.	G. 150°-320°, W.-150°.
7840 A 3787	— Victoria Pier, elbow .....		F. R. ....	16 5	4	Column; 15	A F. R. light is shown from SE. corner and from S. side of Victoria Pier (occasional).
7841 A 3787	— Victoria Pier, head .....		Ok. Fl. G. .... 60 fl. per min.	16 5	1		
7842 A 3787	— North Jetty .....		Ok. Fl. R. .... 60 fl. per min.	16 5	1		
7845 A 3783.4	— Oil Jetty Head, SW. corner.	60 10 1 09	Cd. Fl. W. ....	17 5		Post; 8	
7850 A 3784	— North Ness .....	60 10 1 09	F. W. R. G. ....	14 4	5	Column; 10	W. from shore-158°, R.-216°, W.-274°, G.-306°.
7860 A 3786	— Loofta Baa, N. of North Ness.		Fl. W. .... period 3" fl. 0.5", ec. 2.5"	14 4	5	Concrete beacon; 20	Shown from Aug. 1 to Apr. 30.
7865 A 3787	— N. entrance, front .....	60 11 1 09	F. R. ....	30 9		Red and orange triangular daymark.	
7865.1 A 3788.1	— — Rear, 115 yards 215° from front.		F. R. ....	35 17		Red and orange triangular daymark.	
7870 A 3784	Rova Head, E. point .....	60 11 1 08	Cp. Fl. W. R. G. (3) .. period 18" fl. 0.5", ec. 1.5" fl. 0.5", ec. 1.5" fl. 0.5", ec. 13.5"	33 10	W. 8 R. 7 G. 6	White tower; 22	G. from land-173°, W.-196°, R.-241°, W.-264°, G.-9°, W.-land.
7880 A 3786	Mull of Eswick, 0.5 mile from N. extremity .....	60 16 1 06	Fl. W. R. G. .... period 3" fl. 0.5", ec. 2.5"	164 50	W. 9 R. 6 G. 6	White tower; 22	G. from land-200°, W.-207°, R.- 241°, W.-28°, R.-49°, W.-land.
WHALSAY:							
7890 A 3802	— Symbister Ness, 600 yards from SW. point.	60 20 1 02	Cp. Fl. W. R. (2) .... period 12" fl. 0.5", ec. 1.5" fl. 0.5", ec. 9.5"	37 11	W. 8 R. 6	White tower; 22	W. 3°-197°, R.-215°, obac.-3°.
7900 A 3801	— Suther Ness .....	60 22 1 00	Fl. W. R. G. .... period 3" fl. 0.5", ec. 2.5"	27 8	W. 10 R. 8 G. 7	White tower; 22	W. from land-41°, G.-123°, W.-206°, R.-235°, obac. elsewhere.
7910 A 3808	Out Skerries, Bound Skerry ..	60 25 0 43	Fl. W. .... period 20" fl. 0.5", ec. 19.5"	148 45	18	White tower; 58	Hom: 1 bl. ev. 45".
7915 A 3870	Huckle Skerry .....	60 26 0 52	Cp. Fl. W. R. G. (2) .. period 10" fl. 0.3", ec. 1.0" fl. 0.3", ec. 8.4"	44 13	W. 7 R. 5 G. 5	White framework tower; 11	W. 46°-192°, R.-272°, G.-348°, W.-353°, R.-46°.

FEB 5 1937

N 6.8:  
33 937

H. O. No. 33

1937

# LIST OF LIGHTS

AND FOG SIGNALS

Volume IV

BRITISH ISLANDS, ENGLISH CHANNEL  
AND NORTH SEA

Corrected to January 1, 1937

ISSUED UNDER THE AUTHORITY OF THE  
SECRETARY OF THE NAVY



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1937

For sale by the Hydrographic Office, Washington, D. C.

Price 30 cents

## SCOTLAND—EAST COAST

No.	Name and location	Position, lat. N., long. W.	Characteristic and power	Height of light above high water (feet)	Visi- bility (stat- ute miles)
1982	Friswick, on pier.....	58 35 3 04	F. W..... Cp. under 100.	5	5
1984	Duncansby Head.....	58 39 3 01	Fl. W..... period 6". flash about 0.7", ecl. 5.3". Cp. 30,000.	220	20

## SCOTLAND—NORTH COAST

1986	Pentland Skerries, on Muckle Skerry.	58 41 2 55	Gp. Fl. W..... 3 flashes, period 30". flash 4", ecl. 1". " 4", " 1". " 4", " 10". Cp. 20,000.	170	10
1990	Lothar Rock..... U.	58 44 2 59	Gp. Fl. W..... 2 flashes, period 10". flash 1", ecl. 1". " 1", " 7". Cp. 400.	35	10
1992	Stroma, Swilkie Point.....	58 42 3 07	Gp. Fl. W..... 6 flashes, period 30". flash 0.7", ecl. 1.7". " 0.7", " 1.7". " 0.7", " 1.7". " 0.7", " 1.7". " 0.7", " 17.3". Cp. 156,000.	104	10
1994	Dunnet Head.....	58 40 3 22	Gp. Fl. W..... 4 flashes, period 30". " 1", ecl. 4". " 1", " 4". " 1", " 4". " 1", " 14". Cp. 141,000.	340	25
1998	Holburn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. W., with R. sec- tor, period 10". flash about 1", ecl. 9". Cp. W. 15,000, R. 8,000.	75	14
2000	Thurso, N. head of break- water.	58 36 3 30	F. R..... Cp. under 100.	15	5
2002	Serabster Harbor, head of E. pier.	58 37 3 32	F. W..... Cp. under 100.	10	0
2004	— Head of W. pier.....		F. R..... Cp. under 100.	10	5

## SCOTLAND—EAST COAST

No.	Structure; height (feet)	Sectors. Remarks. Fog signals
1982	Post; 5.....	Fishing light. Occasional.
1984	White tower; 38.....	Siren; 5 blasts, of 2.5" duration in quick suc- cession, every 2 min.

## SCOTLAND—NORTH COAST

1980	White tower; 118.....	Siren (old lighthouse); blast 7", silent 83".
1990	Black pyramidal beacon with cage; 40.	
1992	White tower; 74.....	Siren; 2 blasts of 3" each, in quick succession, every min.
1994	White stone tower; 60...	Lloyd's and storm signal stations. Siren; 3 blasts (low, high, low) of 3" each, in quick succession, every 2 min.
1998	White tower; 55.....	White from about 108° to 358°; red thence to land SE. of the light. Telephone for life saving purposes. Gun (70 yards N. of light); one report every 20".
2000	Post; 10.....	Visible from 03° to 319°. Shown from Sept. 1 to Apr. 30.
2002	Post; 8.....	Shown from Aug. 1 to May 31.
2004	White circular tower; 0...	

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A 202,23:  
33848

H. O. PEN No. 33  
1948

# LIST OF LIGHTS

AND FOG SIGNALS

Volume IV

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Corrected to January 1, 1948

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SECRETARY OF THE NAVY



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON: 1948

## SCOTLAND

No.	Name and location	Position, lat. P., long. W.	Characteristics and power	Height of light above high water (feet)	Visibility (nautical miles)
2000	Wick: — SE. corner of pier between Outer and Inner Harbor.	58 28 8 01	F. R.		
2002	— Front, near root of S. pier.		P. R. Cp. under 100.	10	
2004	— Rear, 22 yards from front light.		P. R. Cp. under 100.	23	
2006	Noss Head	58 29 3 03	Fl. W., with R. sector, period 30°. Flash from 2.5 to 5°. Cp. W. 93,000, R. 37,000.	175	18
2010	Kelso Harbor	58 31 3 07	F. W. Cp. under 100.	12	5
2012	Auckingill, front	58 31 3 05	F. W. Cp. under 100.	53	
2014	— Rear, on shore, 230 yards from front light.		F. W. Cp. under 100.	107	
2016	Froswick, on pier	58 35 3 04	F. W. Cp. under 100.	8	5
2020	Duncansby Head	58 30 3 01	Fl. W. period 6°. Flash about 0.7°, ecl. 5.3°. Cp. 30,000.	220	20

## SCOTLAND

2010	Pentland Skerries, on Mackay Skerry.	58 41 2 55	Gp. Fl. W. 3 flashes, period 30°. Flash 4°, ecl. 1°. " 4° " 1°. " 1° " 10°. Cp. 20,000.	170	10
2012	Lothor Rock	58 44 2 59	Gp. Fl. W. 2 flashes, period 10°. Flash 1°, ecl. 1°. " 1° " 7°. Cp. 400.	35	10

## EAST COAST

No.	Structure; height (feet)	Sector, Remarks, Fog Signal
2000		
2002	Mast; 11	Range lights for harbor entrance. Not visible until harbor entrance is open.
2004	Lantern on building; 19	
2006	White stone tower; 60	Ran from 191° to the land W. of the light; whirrs elsewhere. Telephone for life-saving purposes. Siren; 3 blasts of 3° duration each in quick succession every 90°.
2010	Bracket on building	Shown at tide time when fishing boats are expected.
2012	Tower; 12	Range lights, shown when fishing boats are at sea.
2014	Window of house	
2016	Post; 5	Fishing light. Occasional.
2020	White tower; 35	Siren; 5 blasts, of 2.5° duration in quick succession every 2 min.

## NORTH COAST

2010	White tower; 118	Siren (old lighthouse); blast 7°, silent 13°.
2012	Black pyramidal beacon with cage; 40	

951

MC DEC 1954

H. O. Pub. No. 33

1954

# LIST OF LIGHTS

## AND FOG SIGNALS:

v. 4  
Volume IV

### BRITISH ISLES, ENGLISH CHANNEL AND NORTH SEA;

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UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1954

Sold by the U. S. Navy Hydrographic Office, Washington 25, D. C.

Price \$4.00

Enclosure 10

No.	Name and location	Position, lat. long.	Characteristic and power	Height of light above high water (feet)	Visibility (nautical miles)	Structure, height (feet)	Sector, Remarks, Fog signals
ENGLAND—EAST COAST							
7320 A 1474	Duncansby Head.....	N. W. 58 35 3 01	Fl. W..... period 6" fl. 0.7", ec. 5.3" Cp. 30,000	220	20	White tower; 36.....	Siren; 5 quick blasts ev. 2 min.
SCOTLAND—NORTH COAST							
7330 A 1475	Pentland Skerries, on Muckle Skerry.	58 41 2 55	Gp. Fl. W. (3).. period 30" fl. 4", ec. 1" " 4", " 1" " 4", " 16" Cp. 29,000	170	10	White tower; 118.....	Siren; (old lighthouse) blast 7", silent 23".
7340 A 1476	Lothar Rock..... U.	58 44 2 59	Gp. Fl. W. (2).. period 10" fl. 1", ec. 1" " 1", " 7" Cp. 400	35	10	Black pyramidal bea- con with cage; 40.	
7350 A 1477	Stroma, Swilkie Point..	58 42 3 07	Gp. Fl. W. (6).. period 30" fl. 0.7", ec. 1.7" " 0.7", " 17.3" Cp. 150,000	101	16	White tower; 74.....	Siren; 2 quick blasts ev. 60". Radiobeacon.
7360 A 1478	Dunnet Head.....	58 49 3 22	Gp. Fl. W. (4).. period 30" fl. 1", ec. 4" " 1", " 4" " 1", " 4" " 1", " 14" Cp. 141,000	346	25	White stone tower; 66..	Storm signals.
7370 A 1479	Holburn, Little Head, W. side of, Thurso Bay.	58 37 3 32	Fl.—W. R..... period 10" fl. 1", ec. 9" Cp. W. 15,000, R. 8,000	75	14	White tower; 55.....	W. 198°-358°; R.—land SE. of the light. Tele- phone for life-saving. Gun (70 yards N. of light): 1 report ev. 20"
7380 A 1480	Thurso, N. head of breakwater.	58 36 3 30	F. R..... Cp. under 100	15	6	Post; 10.....	Shown from Sept. 1 to Apr. 30.
7390 A 1481	— Front.....		F. G.....	15	6	White post.....	
7390.1 A 1481.1	— Rear.....		F. G.....	20	5	White post.....	Range lights, about 195°.
7400 A 1482	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W..... Cp. under 100	10	8	Post; 9.....	Shown from Aug. 1 to May 31.
7410 A 1483	— Head of W. pier.....		F. R..... Cp. under 100	10	5	White circular tower; 9..	

No.	Name and location	Position (lat. long.)	Characteristic and power	Height of light above high water (feet)	Visi- bility (nau- tical miles)	Structure, height (feet)	Sections, Remarks, Fog signals
<b>SCOTLAND—EAST COAST</b>							
7270 A 2528	VICK: — Head of S. pier, front	N. W. 58 26 3 05	F. R. Cp. 100	37	8	White octagonal tower; 35	A F. G. light is shown from pilot's lookout at South Head when dangerous to enter the bay. Storm signals.
7270.1 A 2529	— Rear, on N. pier 120 yards 285° from front.		F. G. Cp. under 100	43	6	White beacon, 40	Bell: 2 quick strokes ev. 10" A F. W. light 21 feet above high water is shown from a post at head of pier. Siren: (North Head) 1 blast ev. 30". Radio direction finder.
7280 A 2534	— Near root of S. pier, front.		F. R. Cp. under 100	16		Mast; 11	
7280.1 A 2536	— Rear, 22 yards 234° from front.		F. R. Cp. under 100	23		Lantern on building; 19	
7290 A 2544	Hess Head	58 28 3 03	Fl.—W. R. period 30" fl. from 2.5° to 5° Cp. W. 93,000 R. 37,000	175	18	White stone tower, dwell- ings; 60.	R. 191°—land W. of the light. W. 191°. Telephone for liferaising. Siren: 3 quick blasts ev. 90"
7300 A 2543	— AVIATION LIGHT	58 28 3 05	Alr. Cp. Fl.—W. G. (4). period 5" fl. G. 0.7°, ec. 0.6° fl. W. 0.7°, ec. 0.6° fl. N. 0.7° fl. S. 0.7°, ec. 4.1°				
7310 A 2542	Keisa Harbor	58 31 3 07	F. W. Cp. under 100	14	5	Bracket on building	Shown for fishing boats.

**SCOTLAND—NORTH COAST**

7320 A 2550	Dunrobin Head	58 29 3 01	Fl. W. period 5" fl. 0.7°, ec. 5.3° Cp. 30,000	220	20	White square tower, dwelling; 26.	Siren: 5 blasts ev. 2 mins.
7330 A 2562	Pentland Skerries, on Muckle Skerry.	58 41 2 55	Cp. Fl. W. (3) period 30" fl. 4°, ec. 1° fl. 4°, ec. 1° fl. 4°, ec. 16° Cp. 710,000	170	10	White circular tower, dwelling; 115.	Siren: (old lighthouse) 1 blast ev. 90".
7340 A 2564	Lotber Rock	58 44 2 59	Cp. Fl. W. (2) period 10" fl. 1°, ec. 1° fl. 1°, ec. 7° Cp. 400	35	10	Black pyramidal beacon with cage, 40.	
7350 A 2563	Stroma, Sailkie Point	58 42 3 07	Cp. Fl. W. (6) period 30" fl. 0.7°, ec. 1.7° fl. 0.7°, ec. 17.3° Cp. 150,000	104	16	White tower, 74	Siren: 2 quick blasts ev. 60". Radiobeacon.

PUB. NO. 114

21052

THIRD EDITION

D203,22:114/763

# LIST OF LIGHTS AND FOG SIGNALS:

## BRITISH ISLES, ENGLISH CHANNEL AND NORTH SEA

September 14, 1963.

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No.	Name and location	Position lat., long.	Characteristic and power	Height of light above high water (feet)	Visi- bility (nau- tical miles)	Structure, height (feet)	Sound, Remarks, Fog signals
SCOTLAND-NORTH COAST							
7320 A 2358	Duncansby Head.....	N. W 58 39 3 01	Fl. W ..... period 6 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 5.3 <sup>s</sup> Cp. 30,000	229	23	White tower; 36.....	Siren 5 bl. ev. 2 min. Telephone.
7330 A 2362	Panlland Skerries, on Muckle Skerry.	58 41 2 55	Cp. Fl. W. (3) ..... period 30 <sup>s</sup> fl. 4 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 4 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 4 <sup>s</sup> , ec. 16 <sup>s</sup> Cp. 710,000	170	19	White tower; 118.....	Siren (old lighthouse) 1 bl. ev. 90 <sup>s</sup> . Radiotelephone. Distress signals.
7340 A 2364	Leith Rock .....	58 44 2 59	Cp. Fl. W. (7) ..... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 7 <sup>s</sup> Cp. 400	35	10	Black pyramidal beacon; 40.	
7350 A 2368	Strome, Swilkie Point .....	58 42 3 07	Cp. Fl. W. (6) ..... period 30 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 1.7 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 17.3 <sup>s</sup> Cp. 150,000	104	15	White tower; 74.....	Siren 2 quick bl. ev. 60 <sup>s</sup> . Radiobeacon. Radiotelephone.
7360 A 2374	Dunnet Head.....	58 40 3 22	Cp. Fl. W. (4) ..... period 30 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 14 <sup>s</sup> Cp. 141,000	346	25	White stone tower; 66 .....	Storm signals. Siren 3 bl. in quick succession ev. 90 <sup>s</sup> .
7370 A 2386	Hulbarn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl.—W. R ..... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 9 <sup>s</sup> Cp. W. 15,000 R. 5,000	75	14	White tower; 55.....	W. 195°-153°, R.-land. Siren 1 bl. ev. 20 <sup>s</sup> . Telephone. Distress signals.
7372 A 2380	Stretly Point.....	58 36 4 01	Fl. W ..... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.5 <sup>s</sup> Cp. 1,500,000	135	17	.....	Diaphone; 4 bl. ev. 50 <sup>s</sup> .
7380 A 2388	Thurso, N. head of break- water.	58 35 3 30	F. R ..... Cp. under 100	15	5	Red post; 10.....	Shown from Sept. 1 to Apr. 30
7390 A 2387	— Front .....	.....	F. G .....	15	5	White post; 10.....	
7390.1 A 2382.1	— Rear, about 195° from front.	.....	F. G .....	20	5	White post; 15.....	
7400 A 2386	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W ..... Cp. under 100	10	6	Post; 9.....	Shown from Aug. 1 to May 31.
7410 A 2386	— Head of W. pier.....	.....	F. R ..... Cp. under 100	10	5	White circular tower, 9 .....	Shown from Aug. 1 to May 31.

No.	Name and location	Position lat., long.	Characteristic and power	Height of light above high water (feet)	Visi- bility (nau- tical miles)	Structure, height (feet)	Sector, Remarks, Fog signals
SCOTLAND-NORTH COAST							
7320 A 2520	Duncansby Head	N. W. 58 39 1 01	Fl. W. period 6" fl. 0.7", ec. 5.3" Cp. 30,000	220	21	White tower; 30.	Siren 5 bl. ev. 2 mins. Telephone.
7330 A 2542	Pentland Skerries, on Muckle Skerr.	58 41 2 55	Cp. Fl. W. (3) period 3" fl. 0.4", ec. 0.1" fl. 0.4", ec. 0.1" fl. 0.4", ec. 25.6" Cp. 710,000	170	19	White tower; 113.	Siren (old light use) 1 bl. ev. 99". Radiotelephone. Distress signals.
7340 A 2544	Locher Rock	58 44 2 59 U.	Cp. Fl. W. (2) period 10" fl. 1", ec. 1" fl. 1", ec. 7" Cp. 400	35	10	Black pyramidal beacon; 10.	
7350 A 2549	Stroma, S. side Point	58 42 3 07	Cp. Fl. W. (6) period 3" fl. 0.7", ec. 1.7" fl. 0.7", ec. 17.3" Cp. 150,000	134	16	White tower; 74.	Siren 2 quick bl. ev. 60". Radiobeacon. Radiotelephone.
7360 A 2574	Dunnet Head	58 40 3 22	Cp. Fl. W. (4) period 30" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 14" Cp. 111,000	345	25	White stone tower; 66	Telephone. Siren 3 bl. in quick success ev. 90".
7370 A 2589	Holburn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. — W. R. period 10" fl. 1", ec. 0" Cp. W. 15,000 R. 2,000	75	14	White tower; 55.	W. 193"-355", R. — land. Siren 1 bl. ev. 20". Telephone. Distress signals.
7372 A 2590	Strathy Point	58 38 4 02	Fl. W. period 20" fl. 0.5", ec. 19.5" Cp. 1,000,000	135	17		Diaphone; 4 bl. ev. 90".
7380 A 2580	Thurso, N. head of brack- water.	58 39 3 30	F. R. Cp. under 100	15	5	Red post; 10.	Shown from Sept. 1 to Apr. 30.
7390 A 2587	— Front		F. G.	15	5	White post; 10.	
7390.1 A 2582.1	— Rear, about 195° from front.		F. G.	20	5	White post; 15.	
7400 A 2581	Serabster Harbor, head of E. pier.	58 37 3 33	F. W. Cp. under 100	10	6	Post; 9.	Shown from Aug. 1 to May 31.
7410 A 2586	— Head of W. pier		F. R. Cp. under 100	10	5	White circular tower; 9.	Shown from Aug. 1 to May 31.

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic and power	(5) Height (feet)	(6) Range (miles)	(7) Structure, height (feet)	(8) Sectors, Remarks, Fog signals
SCOTLAND-NORTH COAST							
7320 A 3538	Duncansby Head	N. W. 58 39 3 01	Fl. W. .... period 6" fl. 0.7', ec. 5.3" Cp. 30,000	220	17	White tower, 36	Siren: 5 bl. ev. 2 min.
7330 A 3567	Pentland Skerries, on Muckle Skerry,	58 41 2 55	Co. Fl. W. (3) ..... period 30" fl. 0.4', ec. 0.1" fl. 0.4', ec. 0.1" fl. 0.4', ec. 28.6" Cp. 710,500	170	19	White tower, 115	Siren (old lighthouse) 1 bl. ev. 90" Distress signals.
7340 A 3588	Lotber Rock U.	58 44 2 59	Co. Fl. W. (2) ..... period 10" fl. 1', ec. 1" fl. 1', ec. 7" Cp. 400	15	8	Black pyramidal beacon, 40.	
7350 A 3568	Sroma, Swilkie Point	58 42 3 07	Co. Fl. W. (5) ..... period 30" fl. 0.7', ec. 1.7" fl. 0.7', ec. 1.7" fl. 0.7', ec. 1.7" fl. 0.7', ec. 1.7" fl. 0.7', ec. 1.7" Cp. 156,000	104	16	White tower, 74	Siren: 2 quick bl. ev. 60" Radiobeacon.
7360 A 3578	Dunnet Head	58 40 3 22	Co. Fl. W. (4) ..... period 30" fl. 1', ec. 4" fl. 1', ec. 4" fl. 1', ec. 4" fl. 1', ec. 14" Cp. 141,000	346	20	White stone tower, 66	Siren: 3 bl. in quick succession ev. 90".
7370 A 3578	Halbura, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. W. R ..... period 10" fl. 1', ec. 9" Cp. W. 15,500 R. 2,000	75	14	White tower, 35	W. 198°-256°, R. land. Siren: 1 bl. ev. 20" Distress signals.
7372 A 3580	Seroby Point	58 36 4 01	Fl. W. .... period 20" fl. 0.5', ec. 19.5" Cp. 1,600,000	146	18	White low tower on white dwelling, 45.	Diaphone: 4 bl. ev. 90".
7380 A 3580	Thurso, N. head of break- water.	58 36 3 30	F. R ..... Cp. under 100	15	4	Red post, 10	Shows from Sept. 1 to Apr. 30.
7390 A 3587	— Front		F. G ..... Cp. under 100	15	4	White post, 10	
7390.1 A 3587.1	— Rear, about 195° from front.		F. G ..... Cp. under 100	20	4	White post, 15	
7400 A 3584	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W ..... Cp. under 100	10	4	White post, 9	Shows from Aug. 1 to May 31.
7410 A 3586	— Head of W. pier		F. R ..... Cp. under 100	10	4	White circular tower, 9	Shows from Aug. 1 to May 31.

(1) No.	(2) Name and location	(3) Position lat., long.	(4) Characteristic and power	(5) Height feet	(6) Range miles	(7) Structure, height (feet)	(8) Sector, Remarks, Fog signals
SCOTLAND-NORTH COAST							
7320 A 3558	Duncansby Head	S. 8 56 39 1 01	Fl. W. period 6" fl. 0.7 <sup>s</sup> , ec. 5.3 <sup>s</sup> Cp. 31,500	200 67		17 White tower, 36	Siren: 5 bl. ev. 2 min. Racon.
7310 A 3567	Pentland Skerries, on Muckle Skerry.	58 41 2 55	Co. Fl. W. (3) period 30" fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 26.6 <sup>s</sup> Cp. 710,000	170 52		19 White tower; 118	Siren: fold lighthouse 1 bl. ev. 90" Distress signals.
7340 A 3564	Lothar Rock	58 44 2 59	Co. Fl. W. (2) period 10" fl. 1 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 7 <sup>s</sup> Cp. 400	35 11		8 Black pyramidal beacon; 40.	
7350 A 3566	Stroma, Sweline Point	58 42 3 07	Co. Fl. W. (6) period 30" fl. 0.7 <sup>s</sup> , ec. 1.7 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 17.3 <sup>s</sup> Cp. 158,000	104 32		16 White tower; 74	Horn: 2 quick bl. ev. 60" Radiobeacon.
7360 A 3570	Dunnet Head	58 40 3 22	Co. Fl. W. (4) period 30" fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 14 <sup>s</sup> Cp. 141,000	346 105		20 White stone tower; 66	Siren: 3 bl. in quick succession ev. 90"
7370 A 3579	Holburn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. W. R. period 10" fl. 1 <sup>s</sup> , ec. 9 <sup>s</sup> Cp. W. 15,000 R. 2,000	75 23		14 White tower; 55	W. 19E°-35E° R.-land. Siren: 1 bl. ev. 20" Distress signals.
7372 A 3580	Storöy Point	58 35 4 01	Fl. W. period 20" fl. 0.5 <sup>s</sup> , ec. 19.5 <sup>s</sup> Cp. 1,000,000	156 45		16 White lighthouse on white dwelling, 45.	Diaphane: 4 bl. ev. 90"
7380 A 3582	Thurso, N. head of Break- water.	58 35 3 50	F. R. Cp. under 100	15 5		4 Red post; 10	Shown from Sept. 1 to Apr. 30.
7390 A 3583	— Front		F. G. Cp. under 100	15 5		4 White post; 10	
7390.1 A 3582.1	— Rear, about 195° from front.		F. G. Cp. under 100	21 6		4 White post; 15	
7400 A 3584	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W. Cp. under 100	10 3		4 White post; 9	Shown from Aug. 1 to May 31.
7410 A 3585	— head of W. pier		F. R. Cp. under 100	10 3		4 White circular tower; 9	Shown from Aug. 1 to May 31.

PUB. 114

LIST OF LIGHTS  
AND FOG SIGNALS

1973

BRITISH ISLES, ENGLISH CHANNEL  
AND NORTH SEA

12 SEP 1973

Published by the Defense Mapping Agency  
Hydrographic Center



IMPORTANT  
THIS PUBLICATION SHOULD  
BE CORRECTED EACH  
WEEK FROM THE  
NOTICE TO MARINERS.

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic	(5) Height	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector. Remarks. Fog signals
SCOTLAND—EAST COAST							
7260 A 3534	Cryth Ness .....	N. W. 58 19 3 13	Cp. Fl. W. (2) ..... period 30" fl. 0.4", ec. 2.1" fl. 0.4", ec. 27.1	148 45	16	White tower, red band; 42..	
	VICK: — Head of S. pier, front....	58 26 3 05	F. R. ....	38 12	5	White octagonal tower; 35..	Port and storm signals. Bell; 2 quick strokes ev. 10" (during fishing season).
7270.1 A 3534.1	— Rear, on N. pier 197 yards 225° 15' from lrool		F. G. ....	44 13	4	Metal framework tower; 40 .	A F. W. light 18 feet above high water is shown from a post at head of pier.
7280 A 3534	— Near roof of S. pier, front.		F. R. ....	18 5		Mast; 11.....	
7280.1 A 3534.1	— Rear, 72 yards 234° from lrool		F. R. ....	26 8		Lantern on building; 19.....	
7290 A 3544	Noss Head.....	58 23 3 03	Fl. W. R. .... period 30" fl. from 2.5" to 5"	175 53	19	White stone tower; 60 .....	R. shore—191°, W.—shore. Diophane: 3 quick bl. ev. 50". Distress signals.
7300 A 3544	— AVIATION LIGHT .....	58 28 3 05	Alt. Cp. Fl. W. G. (4) . period 8" fl. G. 0.7", ec. 0.6" fl. W. 0.7", ec. 0.5" fl. W. 0.7", ec. 0.5" fl. G. 0.6", ec. 4.1"				

SCOTLAND—NORTH COAST							
7320 A 3554	Duncansby Head.....	58 39 3 01	Fl. W. .... period 6" fl. 0.7", ec. 5.3"	220 67	17	White tower; 36.....	Siren: 5 bl. ev. 2 min. Racon.
7330 A 3562	Parriland Skerries, on Muckle Skerry.	58 41 2 55	Cp. Fl. W. (3) ..... period 30" fl. 0.4", ec. 0.1" fl. 0.4", ec. 0.1" fl. 0.4", ec. 28.6"	170 52	19	White tower; 118.....	Siren: (old lighthouse) 1 bl. ev. 90". Distress signals.
7340 A 3564	Lather Rock .....	58 44 2 59	Qc. Fl. W. ....	36 11	6	Black pyramidal beacon; 40.	
7350 A 3568	Stroma, Swilkie Point .....	58 42 3 07	Cp. Fl. W. (2) ..... period 20" 2 fl. each 0.5"	104 32	16	White tower; 74.....	Horn: 2 bl. ev. 60" in quick suc- cession. Radiobeacon. Distress signals.
7360 A 3574	Dunnet Head .....	58 40 3 22	Cp. Fl. W. (4) ..... period 30" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 14"	346 105	20	White stone tower; 66 .....	Siren: 3 bl. in quick succession ev. 90".
7370 A 3578	Holburn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. W. R. .... period 10" fl. 1", ec. 9"	75 23	14	White tower; 55 .....	W. 198°—358°, R.—lead. Siren: 1 bl. ev. 20". Distress signals.
7372 A 3580	Storöy Point.....	58 36 4 01	Fl. W. .... period 20" fl. 0.5", ec. 19.5"	146 45	18	White low tower on white dwelling; 45.	Diophane: 4 bl. ev. 90".



NORTHERN LIGHTHOUSE BOARD  
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Telephone 031-226 7051  
Telex 72551 (Lighthouse Edin)

84928

Hill, Dickinson & Co  
Equity & Law House  
47 Castle Street  
LIVERPOOL  
L2 9UB

Your reference  
JDC  
Our reference  
JRW/DS  
Date  
3 October 1977

Dear Sir

PENTLAND SKERRIES LIGHTHOUSE  
STRANDING OF "PIONEER COMMANDER"

I write to acknowledge receipt of your letter of  
23 September 1977 and in reply to inform you that:-

- (a) The character is produced by a revolving 4th Order  
(250mm focal distance) lens
- (b) The short dark period between flashes in the group  
is 5.6 secs so that the whole cycle of 30 secs is  
made up as follows:

Flash	0.4 sec	} All rounded to nearest tenth of a second
Eclipse	5.6 secs	
Flash	0.4 sec	
Eclipse	5.6 secs	
Flash	0.4 sec	
Eclipse	17.6 secs	
<u>TOTAL</u>	30.0 secs	

Our information is that the light was flashing to  
character.

Yours faithfully

J R Welsh, Secretary

SECTION II  
CORRECTIONS TO PUB 112, LIST OF LIGHTS, 21 MAY 1977 EDITION— Continued

15310 F 3507	Son Miguel Island, about 200 feet from SW. extremity.	12 43 123 35	Cp. Fl. W. (3)..... period 15 <sup>s</sup>	227 68	5 Concrete tower; 36..... .	Visible 6°-228°.	47/77
16263	— V. breakwater.....	37 01 129 25	Fl. G..... period 3 <sup>s</sup>	36 11	2 White quadrangular iron framework; 27. .		47/77
18370 F 4439	— E. head of detached breakwater.	36 41 129 28	Fl. G..... period 5 <sup>s</sup>	30 9	2 White square iron framework tower; 22. .		47/77
18930 F 4420	— Head of S. breakwater...	36 30 129 27	Fl. G..... period 3 <sup>s</sup>	33 19	2 White square iron tower; 30. .		47/77
18950 F 4423	— No. 1 Light, head of W. breakwater.	.....	Fl. G..... period 3 <sup>s</sup>	30 9	5 White square iron framework structure; 32. .		47/77
22000 F 3000	Hsiung-Ti Tao .....	23 32 117 41	Cp. Fl. W. (3)..... period 6 <sup>s</sup>	.....	5 .....		47/77
24235 F 2855, 7	Pulau Perhentian Besar ....	5 53 102 42	Fl. W..... period 7 <sup>s</sup>	145 44	5 Pedestal on rock .....		47/77
39000 K 0104	— Extension of S. breakwater.	33 57 25 39	Fl. W..... period 2 <sup>s</sup>	.....	.....	Marks works in progress (1977).	47/77

CORRECTIONS TO PUB 113, LIST OF LIGHTS, 15 JANUARY 1977 EDITION

8355 E 0528	Cop Leucate.....	42 55 3 03	Cp. Fl. W. (2)..... period 10 <sup>s</sup> L. 0.2 <sup>s</sup> , ec. 7.3 <sup>s</sup> L. 0.2 <sup>s</sup> , ec. 2.3 <sup>s</sup>	216 66	21 White pyramidal tower, red top; 57. .		47/77
15251	— Refuge harbor, head of west mole.	.....	F. R.....	26 8	4 Pile, red and white bands.. .		47/77
15252	— Head of wharf.....	.....	F. R., F. G. (vert.).	43 13	4 Pile, red and black bands.. .		47/77
41351 D 2434	— Marcus Island, S. side...	33 03 17 58	Cp. Fl. W. (2)..... period 10 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 2.5 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 6.5 <sup>s</sup>	59 18	10 Lattice mast .....		47/77
41356 D 2823	— Eland Point.....	33 04 17 58	Fl. W..... period 5 <sup>s</sup>	114 35	9 Metal framework tower..... .		47/77

CORRECTIONS TO PUB 114, LIST OF LIGHTS, 6 AUGUST 1977 EDITION

7330 A 3582	Pentland Skerries, on Kuckle Skerry.	58 41 2 55	Cp. Fl. W. (3)..... period 30 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 5.6 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 5.6 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 17.6 <sup>s</sup>	170 52	19 White tower; 118.....	Siren (old lighthouse) 1 bl. ev. 90 <sup>s</sup> . Distress signals.	47/77
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Note.—\*Indicates last column in which a correction has been made or new information added.

PUB. 14

# LIST OF LIGHTS

## AND FOG SIGNALS

1978

(4 November)

**IMPORTANT**  
THIS PUBLICATION SHOULD  
BE CORRECTED EACH  
WEEK FROM THE  
NOTICE TO MARINERS

BRITISH ISLES, ENGLISH CHANNEL  
AND NORTH SEA



PUBLISHED BY THE DEFENSE MAPPING AGENCY  
HYDROGRAPHIC/TOPOGRAPHIC CENTER  
WASHINGTON, D.C. 20315

Fog signals

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic	(5) Height	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector, Remarks, Fog
<b>SCOTLAND—EAST COAST</b>							
7290 A 3544	Moss Head	N. W. 58 29 3 03	Fl. W. R. period 30" fl. from 2.5" to 5"	175 53	W. 19 R. 17	White stone tower; 60	R. above—191°, W.—above. Diaphone: 3 quick bl. ev. 1 Distress signals.
7300 A 3543	— AVIATION LIGHT	58 28 3 05	Alt. Co. Fl. W. G. (4) period 8" fl. G. 0.7", ec. 0.6" fl. W. 0.7", ec. 0.6" fl. V. 0.7", ec. 0.6" fl. G. 0.6", ec. 4.1"				
<b>SCOTLAND—NORTH COAST</b>							
7320 A 3550	Duncansby Head	58 39 3 01	Fl. W. period 6" fl. 0.7", ec. 5.3"	220 67	17	White tower; 36	Siren: 5 bl. ev. 2 min. Rocon.
7330 A 3549	Pentland Skerries, on Muckle Slerry.	58 41 2 55	Co. Fl. V. (3) period 30" fl. 0.4", ec. 5.6" fl. 0.4", ec. 5.6" fl. 0.4", ec. 17.6"	170 52	19	White tower; 118	Siren (old lighthouse) 13; 90" Distress signals.
7340 A 3544	Locher Rock	58 44 2 59	Co. Fl. W.	36 11	6	Black pyramidal beacon; 40.	
7350 A 3548	Stroma, Swithie Point	58 42 3 07	Co. Fl. W. (2) period 20" 2 fl. each 0.5"	85 25	16	White tower; 74	Flare: 2 bl. ev. 60" in quick cession. Radiobeacon. Distress signals.
7360 A 3574	Dunnet Head	58 40 3 22	Co. Fl. V. (4) period 30" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 4" fl. 1", ec. 14"	346 105	20	White stone tower; 65	Siren: 3 bl. in quick succession ev. 90"
7370 A 3572	Holborn, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl. V. R. period 15" fl. 1", ec. 9"	75 23	W. 15 R. 11	White tower; 55	W. 106°—158°, R.—above. Flare: 1 bl. ev. 20"
7372 A 3560	Strawby Point	58 36 4 01	Fl. W. period 20" fl. 0.5", ec. 19.5"	146 45	18	White low tower on white dressing; 45.	Diaphone: 4 bl. ev. 90"
7380 A 3560	Thurso, N. head of break- water.	58 36 3 30	F. R.	15 5	4	Red post; 10	Shown from Sept. 1 to Nov. 31
7390 A 3563	— Front		F. G.	15 5	4	White post; 10	
7390.1 A 3572.1	— Rear, about 195' from front.		F. G.	20 6	4	White post; 15	
7400 A 3564	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W.	10 3	4	White post; 9	Shown from Aug. 1 to Nov. 31
7401 A 3563	— Outer pier	58 37 3 33	Co. Fl. G.	19 6	4	Post	
7410 A 3566	— Head of W. pier		F. R.	10 3	4	White circular tower; 9	Shown from Aug. 1 to Nov. 31

175°, abac. —79°  
shown on chart

to Mar. 31.

shown

shown.  
See ev. 10"  
season).

not above high  
water at

23

KIRLIN, CAMPBELL & KEATING

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CABLEGRAMS 'VASEFIELD NEWYORK'

TELETYPE 422210

WUI 62344

WU 12-5108

January 30, 1978

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OUR REF. 84928

Defense Mapping Agency  
Hydrographic Center  
Washington, D. C. 20390

Attention: Mr. Glenn R. DeYoung,  
Chief  
Navigation Information Division

SS PIONEER COMMANDER  
Your Ref: Serial 7284/NVI

Dear Sirs:

Thank you for your letter of 24 January 1978. We are asking our British correspondents to pursue inquiries in the United Kingdom.

We appreciate your cooperation.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY: *Richard H. Brown*

RHB:tfc.

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N.Y. 10005

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CABLEGRAMS 'VASEFIELD NEWYORK'

TELETYPE 422218

WU 62344

WU 12-8198

January 6, 1978

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ERNESTO V. LUSIATTO

Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. De Young  
Chief  
Navigation Information Division

Re: Request for information  
concerning List of Lights  
Pentland Skerries  
Your Ref: Serial 7273/NVI

Dear Sirs:

We refer to previous correspondence in this matter,  
most recently our letter of December 12, 1977.

We have now heard through our British correspondents  
from the Northern Lighthouse Board, 84 George Street, Edinburgh,  
EH2 3DA, Scotland that Pentland Skerries Light has been showing  
its present characteristics since 1958. If that is correct, it  
would appear that you or your predecessor agency have been  
publishing incorrect information on the light since prior to  
March 1965. Specifically, to summarize our understanding, the  
situation was that you or your predecessor agency, before March  
1965, showed Pentland Skerries Light's characteristics to be:

Flash 4 seconds	Eclipse 1 second
Flash 4 seconds	Eclipse 1 second
Flash 4 seconds	Eclipse 16 seconds.

You changed this in March 1965 to:

Flash 0.4 second	Eclipse 0.1 second
Flash 0.4 second	Eclipse 0.1 second
Flash 0.4 second	Eclipse 29.6 seconds.

1/6/78  
84928

Meanwhile, according to the Northern Lighthouse Board, since 1958 the light in fact was operating:

Flash 0.4 second	Eclipse 5.5 seconds
Flash 0.4 second	Eclipse 5.6 seconds
Flash 0.4 second	Eclipse 17.6 seconds.

We enclose a copy of the pertinent page (240) of the Admiralty List of Lights and Fog Signals, Volume A for 1977, NP 1974, British Isles and North Coast of France showing that Pentland Skerries Light is described simply as "fl 0.4, 3 times in quick succession." The true characteristics described above are not published (at least not currently), and we learned them only by inquiry to the Northern Lighthouse Board.

Frankly, we are very puzzled as to how two wrong descriptions of the light's characteristics got into the U.S. publications, and we hope that can be cleared up. To that end:

- (1) We should be greatly obliged if you could let us have any information you have as to the characteristics your publications indicated for Pentland Skerries Light going back to, say, 1938 and also let us know, if possible, the sources for any changes that may have taken place since 1938.
- (2) You wrote earlier that you could not identify the source for the March 1965 change. However, can you tell us in general what documents (presumably British) you rely on for information as to these lights, from what agencies you have been receiving such information over the years, and the types of the publications (notices, Admiralty lists, letters, etc.) on which you generally rely.

We are trying to find out from the Northern Lighthouse Board what characteristics the light was showing before 1958.

We regret having to trouble you again. However, if possible, we do wish to understand the situation, and anything you can do to help will be appreciated.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY: *Richard W. Brown*

RHB:gt

Enclosure

## WICK - (cont'd)

3537	- Jetty, SE corner	SS 26-4 3 04-9	FR	6	..	Metal mast 4	FR on Harbour Quay not visible from seaward
3540	-- North Head	SS 26-6 3 03-5	Siren 30s	..	..	..	bl 4, TD
3543	-	SS 27-7 3 04-5	AeroAlitGpFl(4) GWG 8s	..	..	..	Gfl 0-7, ec 0-6, Wfl 0-7, ec 0-6, Wfl 0-7, ec 0-6, Gfl 0-6, ec 4-1
3544	North Head (N)	SS 28-8 3 03-0	Fl WR 30s	53	W20 R17	White stone tower 18	fl 2-5 to S. R shore-191°, W191°-shore
		..	Dia(3) 90s	..	..	..	3 bl each of 2-5 in quick succession

## Scotland - North Coast and Orkney Islands

## PENTLAND FIRTH

3555	- Duncansby Head (N)	SS 38-6 3 01-4	Fl W 6s	67	17	White tower 11	fl 0-7, Racon
		..	Siren (5) 120s	..	..	..	bl 2-5, 5 times in quick succession
3562	- Pentland Skerries, Muckle Sherry (N)	SS 41-4 2 55-4	GpFl(3)W 30s	52	25	White tower 36	fl 0-4, 3 times in quick succession; Distress signals
		..	Siren 90s	..	..	White tower	bl 7
3564	- Lather Rock (N)	SS 43-8 2 55-5	QkFl W	11	6	Black pyramidal beacon 12	
3565	- Swons, Near SW end (N)	SS 44-2 3 00-3	Fl W 2s	17	9	White tower 9	fl 2 Vis 261°-210°(300°)



DEI USE MAPPING AGENCY  
HYDROGRAPHIC CENTER  
WASHINGTON, D.C. 20390

24 JAN 1978

Serial 7284/NVI

Mr. Richard H. Brown, Jr.  
Kirlin, Campbell & Keating  
120 Broadway  
New York, N.Y. 10005

Dear Mr. Brown:

Reference is your letter 84928 of 6 January 1978.

Since 1938 the only changes to the characteristics of Pentland Skerries Light known to this Center are those you are presently aware of. That is the change made in March 1965, and the correction provided in your letter of 14 October 1977. This latest correction was published in our Notice to Mariners No. 47 dated 19 November 1977.

In general, source material available to this Center for information pertaining to lights in the concerned area is that of the Admiralty Notice to Mariners and the Admiralty List of Lights and Fog Signals. It should be noted, however, that intermittently we do receive authoritative information from third parties such as was provided in your earlier correspondence.

Sincerely,

  
GLENN R. DEYOUNG  
Chief  
Navigation Information Division



KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N. Y. 10005

212-732-5520

CABLEGRAMS "VASEFIELD NEWYORK"  
TELEX ITT 422210  
WUI 02344  
WU 12-0108

December 12, 1977

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Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. De Young  
Chief  
Navigation Information Division

Re: Request for information  
concerning List of Lights  
Pentland Skerries  
Your Ref: Serial 7273/NVI

Dear Sirs:

Thank you for your letter of 8 December 1977.

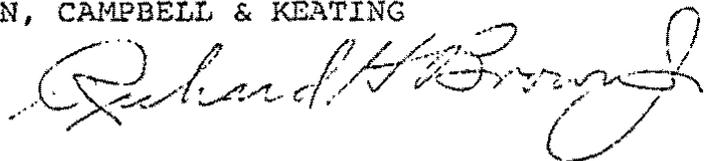
At present we have no further questions. As mentioned earlier, we are making inquiries of the English authorities, and it is conceivable that further information from them may cause us to address you again.

We very much appreciate your cooperation.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY:



RHB:tfc.

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N.Y. 10005

212-732-5520

CABLEGRANS "VASEFIELD NEWYORK"  
TELEX: ITT 422210  
WU 02344  
WU 12-0188

December 1, 1977

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OUR REF. 84928

Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. De Young  
Chief  
Navigation Information Division

Re: Request for information  
concerning List of Lights  
Pentland Skerries  
Your Ref: Serial 7253/NVI

Dear Sirs:

Thank you very much for your letter of November 28, 1977  
and its enclosure.

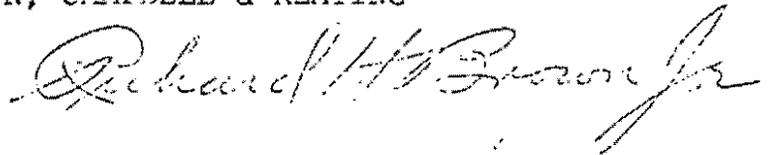
We regret that every communication from you seems to  
inspire another question from us. However, we would very much  
appreciate it if you would tell us whether there is any possi-  
bility of identifying the individual who made the changes with  
regard to Pentland Skerries Light on your working standard. In  
that connection, it appears to us that the changes may have been  
initialed or the individual may be otherwise identifiable.

We very much appreciate your cooperation.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY:



RHB:tfc.



DEFENSE MAPPING AGENCY  
HYDROGRAPHIC CENTER  
WASHINGTON, D.C. 20370

8 DEC 1977

Serial 7273/NVI

Kirling, Campbell & Keating  
120 Broadway  
New York, N.Y. 10005  
Attn: Mr. Richard H. Brown Jr.

Dear Sirs:

Reference is your letter 84928 of 1 December 1977.

I have examined Pub. 114, Change 5 working standard, and cannot find any initials or other markings that would indicate the individual who made the correction to Pentland Skerries Light.

Similarly, personnel now in the working area have no recollection of the incident.

It is regretted that I am unable to fulfill your request.

Sincerely,

  
GLENN R. DEYOUNG  
Chief  
Navigation Information Division



CABLEGRAMS "VANCEFIELD NEW YORK"  
TELEX: 111 422510  
WUI 62344  
WU 12 6158

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N. Y. 10005

212-732-5520

November 17, 1977

WASHINGTON OFFICE  
THE CONNECTICUT BUILDING  
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WASHINGTON, D. C. 20036  
202-296-4911

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ERNESTO V. LUZZATTO

OUR REF. 84928

Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. De Young  
Chief  
Navigation Information Division

Re: Request for information  
concerning List of Lights  
Pentland Skerries  
Your Ref: Serial 7253/NVI

Dear Sirs:

With reference to your letter of 14 November 1977 a question has occurred which we should have mentioned in our acknowledgment.

We would appreciate it if you could tell us what characteristics were indicated for Pentland Skerries Light prior to the correction in Change 5 of March 1965. If you could furnish us a Xerox copy of the appropriate page in the List of Lights indicating the characteristics prior to that change, we would very much appreciate it.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY: *Richard H. Brown*

RHB:tfc.



DEFENSE MAPPING AGENCY  
HYDROGRAPHIC CENTER  
WASHINGTON, D.C. 20390

28 Nov 1977

Serial 7266/NVI

Kirling, Campbell & Keating  
120 Broadway  
New York, N.Y. 10005  
Attn: Mr. Richard H. Brown Jr.

Dear Sirs:

This is in response to your letter of 17 November 1977, requesting the characteristics of Pentland Skerries Light prior to the correction in Change 5 of March 1965.

Prior to the above date the characteristics of Pentland Skerries Light was carried in Pub. 114 as Gp. Fl. W. (3), period 30 seconds, fl. 4 seconds, eclipse 1 second, flash 4 seconds, eclipse 1 second, flash 4 seconds, eclipse 16 seconds. A xerox copy of the appropriate Pub. 114 page on issue prior to Change 5 is enclosed. This copy is taken from our working standard, in preparation for Change 5, which accounts for the hand markings on the page.

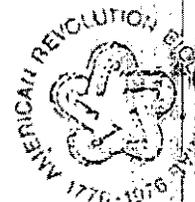
Sincerely,

  
GLENN R. DEYOUNG  
Chief  
Navigation Information Division

Enclosure a/s

cc: Code CO  
B. C. Wimbush

Coordinated with DMAHQ Counsel



No.	Name and location	Position lat. long.	Characteristic and power	Height of light above high water (feet)	Visi- bility (nau- tical miles)	Structure, height (feet)	Signals, Remarks, Fog sig.
SCOTLAND-NORTH COAST							
7320 A 2538	Duncansby Head.....	N. W. 58 39 3 01	Fl. W..... period 6 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 5.2 <sup>s</sup> Cp. 30,000	220	20	White tower; 36.....	Siren 3 bl. ev. 2 min. Telephons.
7330 A 2537	Peenland Skerries, on Muckle Slony.	58 41 2 53 <i>2 48</i> <i>2 48</i> <i>0 15</i>	Cp. Fl. W. (3)..... period 30 <sup>s</sup> fl. 4 <sup>s</sup> , ec. 3 <sup>s</sup> fl. 6 <sup>s</sup> , ec. 3 <sup>s</sup> fl. 6 <sup>s</sup> , ec. 15 <sup>s</sup> Cp. 710,000	170 <sup>5</sup>	19	White tower; 113.....	Shown (old lighthouse) 1 bl. 90 <sup>s</sup> . Radiotelephone. Distress signals.
7345 A 2564	Lather Rock.....	58 44 2 59	Cp. Fl. W. (2)..... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 7 <sup>s</sup> Cp. 400	55	10	Black pyramidal beacon; 10.	
7350 A 2558	Oronsa, Skinnie Point.....	58 42 3 07	Cp. Fl. W. (6)..... period 30 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 1.7 <sup>s</sup> Cp. 156,000	10 <sup>5</sup>	15	White tower; 74.....	Siren 2 quick bl. ev. 60 <sup>s</sup> . Radiotelephone. Radiotelephone.
7360 A 2573	Dunnet Head.....	58 40 3 22	Cp. Fl. W. (4)..... period 30 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 14 <sup>s</sup> Cp. 141,000	345	25	White stone tower; 66.....	<del>Telephone</del> Siren 3 bl. in quick succession ev. 90 <sup>s</sup> .
7370 A 2593	Halbar, Little Head, W. side of Thurso Bay.	58 37 3 32	Fl.—W. R..... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 9 <sup>s</sup> Cp. W. 15,000 R. 8,000	75	14	White tower; 55.....	W. 198°-330°, R.—land. Siren 1 bl. ev. 20 <sup>s</sup> . Telephons. Distress signals.
7372 A 2590	Scroby Point.....	58 35 4 01	Fl. W..... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.5 <sup>s</sup> Cp. 1,600,000	135	17	.....	Diaphone; 4 bl. ev. 50 <sup>s</sup> .
7380 A 2580	Thurso, N. head of break- water.	58 35 3 30	F. R..... Cp. under 100	15	5	Red post; 10.....	Shown from Sept. 1 to Apr. 31
7390 A 2582	— Front.....	.....	F. G.....	15	5	White post; 10.....	
7390.1 A 2582.1	— Rear, about 155° from East.	.....	F. G.....	20	5	White post; 15.....	
7400 A 2584	Scrabster Harbor, head of E. pier.	58 37 3 33	F. W..... Cp. under 100	10	6	Post; 9.....	Shown from Aug. 1 to May 31.
7410 A 2576	— Head of W. pier.....	.....	F. R..... Cp. under 100	10	5	White circular tower; 9.....	Shown from Aug. 1 to May 31.

28

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N. Y. 10005

212-732-5520

CABLEGRAMS: VASEFIELD NEWYORK

TELEX: 177 422210

WU 62344

WU 12-0188

November 16, 1977

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Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. DeYoung,  
Chief  
Navigation Information Division

Re: Your Serial 7262/NVI

Dear Sirs:

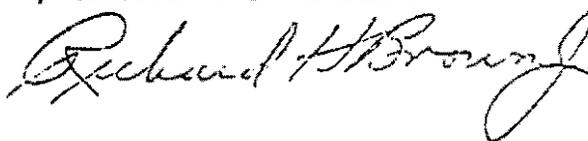
Thank you for your letter of 14 November 1977 concerning  
Pentland Skerries Light.

We appreciate your cooperation in this matter and will  
let you know if we have need to make any further inquiries.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY:



RHB:tfc.

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N.Y. 10005

212-732-5520

CABLEGRAMS "VADFIELD NEWYORK"

TELEK: ITT 42219

WU 02344

WU 12-0188

November 1, 1977

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OUR REF. 84928

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ERNESTO V. LLIZATTO

Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Attention: Mr. Glenn R. De Young  
Chief  
Navigation Information Division

Re: Request for information  
concerning List of Lights  
Pentland Skerries  
Your Ref: Serial 7253/NVI

Dear Sirs:

Thank you for your letter of 27 October 1977.

Your letter is most helpful and we appreciate your writing. However, we would further appreciate it if we could have some additional specific information.

1. You write that the characteristics of Pentland Skerries Light, as shown in Pub. 114, "have remained unchanged for some period of time." We would appreciate it if you could tell us when those characteristics, i.e., the characteristics described on page 1 of our October 14, 1977 letter, were first published in Pub. 114 or its predecessor.

2. You also write that "Corrective information for navigational lights in these waters is taken from United Kingdom sources ..." We presume that the description of characteristics contained in Pub. 114 was obtained from a United Kingdom source. Is that correct? If so, we would appreciate your identifying the source so that our correspondent English solicitors may make the necessary inquiries in the United Kingdom.

3. Finally, now that you have received information from us indicating that the Pentland Skerries Light's characteristics may differ from those found in Pub. 114, is it correct to infer that you will check with the United Kingdom authorities to verify such a difference and ascertain when it first came into being? If so, we would appreciate learning what they tell you about it.

We thank you for your assistance so far and would appreciate your further advices.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

By:

*Richard H. Brown, Jr.*  
Richard H. Brown, Jr.

RHB:tfc.

14 NOV 1977

299

Serial 7262/NVI G.R.DeYoung-CS/14/31335/bhf/14 November 17/R.S. ~~2005~~

Kirlin, Campbell  
and Keating  
120 Broadway  
New York, N.Y. 10005

Dear Sir:

This is in reply to your letter of 1 November 1977, requesting additional information regarding the characteristics of Pentland Skerries Light.

Our records show that the characteristics of Pentland Skerries Light was corrected in Change 5, of March 1965. Due to the length of time involved, our records no longer show the actual source for this corrective change.

Notice to Mariners No. 47 of 19 November 1977 corrected the characteristics of this light. This correction was based upon the information furnished by your Office, subsequently, we do not plan on contacting British sources unless unforeseen circumstances arise.

Sincerely,

/s/

GLENN R. DEYOUNG  
Chief  
Navigation Information Division

bc: DMAHQ-Code CO

LPA3(2 cys)  
NV Read  
Ofc. of Recd  
NVI Comeback

Coordinate with DMAHQ-Code CO

CABLEGRAMS WASHINGTON NEW YORK  
TELEX: ITT 422216  
WUI 62344  
WU 12-8158

30  
WILLIAM A. SHEEHAN  
ELMER C. HADDY  
LOUIS J. GUZMANO  
WALTER P. HICKEY  
MARSHALL P. KEATING  
RICHARD H. BROWN, JR.  
JAMES J. HIGGINS  
ALEXANDER L. PUGANI  
RICHARD H. SOMMER  
DANIEL J. DOUGHERTY  
WILLIAM J. O'BRIEN  
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JOSEPH F. RYAN, JR.  
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ERNESTO V. LUZZATTO

KIRLIN, CAMPBELL & KEATING

ONE TWENTY BROADWAY

NEW YORK, N. Y. 10005

212-732-5520

October 14, 1977

WASHINGTON OFFICE  
THE CONNECTICUT BUILDING  
1150 CONNECTICUT AVE., N.W.  
SUITE 1100  
WASHINGTON, D.C. 20036  
702-296-4211

RONALD A. CAMPBELL  
RUSSELL T. KEEL  
STUART S. DYE  
ROBERT J. HICKEY  
JAMES P. MOORE  
RESIDENT PARTNERS

OF COUNSEL  
CHARLES M. AECHLING, JR.

OUR REF. 85062

Defense Mapping Agency  
Hydrographic Center  
Washington, D.C. 20390

Re: SS PIONEER COMMANDER  
Stranding, Pentland Skerries  
August 13, 1977

Request for information  
concerning List of Lights

Dear Sirs:

We are attorneys for United States Lines, Inc., owner of the PIONEER COMMANDER, with respect to the above-mentioned stranding.

In connection with our investigation we have learned of an apparent discrepancy between the description of the characteristics of Pentland Skerries Light in the lists of lights and the light's actual characteristics. We would appreciate it if you could answer the questions set forth below.

As indicated in Attachment A, the characteristics, as described in Pub. 114, List of Lights and Fog Signals for the British Isles, English Channel and North Sea, of Light No. 7330 (Pentland Skerries) are:

Gp. Fl. W. (3), period 30s  
Fl 0.4s, EC 0.1s  
Fl 0.4s, EC 0.1s  
Fl 0.4s, EC 28.6s.

So far as we can determine, there has been no subsequent published change to those characteristics in Notices to Mariners or elsewhere. Our questions are:

Question 1: What is the specific source and date of your information that Pentland Skerries Light had the above-described characteristics?

Question 2: (a) Have you received any information that there has been any change in the light's characteristics from those stated above? (b) If so, please tell us the source(s) and date(s) of such information.

Question 3: (a) Have you issued any notice of any change in the light's characteristics from those stated above? (b) If so, please describe such notice and give the date thereof.

In answering Questions 1 through 3, we would appreciate it if you could also furnish Xerox copies of any documents you refer to. We would be happy to pay any charges in connection with your response to our requests.

---

We should point out that Messrs. Hill, Dickinson & Co., an English firm of solicitors who also represent the PIONEER COMMANDER interests, have made and are making inquiries of the British authorities as to the light's characteristics. They have received a reply from the Northern Lighthouse Board dated October 3, 1977 (copy enclosed as Attachment B) indicating that the light's characteristics were:

Fl 0.4s, Ec 5.6s  
Fl 0.4s, Ec 5.6s  
Fl 0.4s, Ec 17.6s  
Total 30 seconds.

As you can see, this differs from the information in Pub. 114. Attachment B does not say when the light commenced showing those characteristics. Moreover, we are informed that the British Admiralty List of Lights and Fog Signals, Volume A.1977, British Isles and North Coast of France describes the light as "Gp. Fl. (3) W 30s" and "Fl. 0.4, 3 times in quick succession" without further detail as to precise periods of flash and eclipse. So far as we know, there has been no modification of that description, at least prior to the stranding. The description seems inconsistent with the description in Attachment B, but does seem consistent with the description in Attachment A. Messrs. Hill, Dickinson are inquiring

further in England as to these apparent discrepancies and uncertainties.

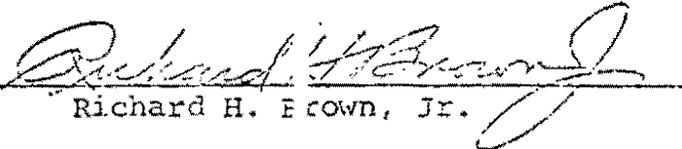
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We trust that you will be able to answer the above questions and look forward to your advices.

Very truly yours,

KIRLIN, CAMPBELL & KEATING

BY:

  
Richard H. Brown, Jr.

RHB:tfc.

Encls.

cc (w/o enc.):

Messrs. Hill, Dickinson & Co.

Attention: M. John Maxwell, Esq.

ATTACHMENT A

(from PUB. 114)

(1) No.	(2) Name and location	(3) Position lat. long.	(4) Characteristic	(5) Height	(6) Range (miles)	(7) Structure, height (feet)	(8) Sector, Remarks. Fog signals
<b>SCOTLAND-NORTH COAST</b>							
7320 A 3558	Dunconby Head.....	N. W. 58 39. 3 01	Fl. W. .... period 6 <sup>s</sup> fl. 0.7 <sup>s</sup> , ec. 5.3 <sup>s</sup>	220 67	17	White tower; 35.....	Siren: 5 bl. ev. 2 mins. Recan.
7330 A 3552	Pentland Skerries, on Ruckie Shoery.	58 41 2 55	Gp. Fl. W. (3) ..... period 10 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 0.1 <sup>s</sup> fl. 0.4 <sup>s</sup> , ec. 28.6 <sup>s</sup>	170 52	19	White tower; 118.....	Siren: (old lighthouse) 1 bl. ev. 90 <sup>s</sup> . Distress signals.
7340 A 3554	Lothar Rock .....	58 44 2 59	Gk. Fl. W. ....	35 11	6	Black pyramidal beacon; 40.	
7350 A 3568	Stroma, Swilkie Point .....	58 42 3 07	Gp. Fl. W. (2) ..... period 20 <sup>s</sup> 2 fl. each 0.5 <sup>s</sup>	85 25	15	White tower; 74.....	Horn: 2 bl. ev. 60 <sup>s</sup> in quick suc- cession. Radiobeacon. Distress signals.
7350 A 3574	Dunnet Head .....	58 40. 3 22	Gp. Fl. W. (4) ..... period 50 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 4 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 14 <sup>s</sup>	346 105	20	White stone tower; 66 .....	Siren: 3 bl. in quick succession ev. 90 <sup>s</sup> .
7370 A 3576	Bolton, Little Head, W. side of Thurso B. y.	58 37 3 52	Fl. W. R. .... period 10 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 9 <sup>s</sup>	75 23	W. 15 R. 11	White tower; 55 .....	W. 198°-358°, R.-shore. Horn: 1 bl. ev. 20 <sup>s</sup> .
7372 A 3560	Strathy Point.....	58 35 4 01	Fl. W. .... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.5 <sup>s</sup>	146 45	18	White low tower on white dwelling; 45.	Dicophon: 4 bl. ev. 90 <sup>s</sup> .
7380 A 3569	Thurso, N. head of break- water.	58 36 3 30	F. R. ....	15 5	4	Red post; 10.....	Shown from Sept. 1 to Apr. 30.
7390 A 3582	— Front .....		F. G. ....	15 5	4	White post; 10.....	
7390.1 A 3582.1	— Rear, about 195° from front.		F. G. ....	20 6	4	White post; 15.....	
7400 A 3584	Scrabster Harbor, head of E. pier.	58 37 3 30	F. W. ....	10 3	4	White post; 9.....	Shown from Aug. 1 to May 31.
7401 A 3583	— Outer pier .....	58 37 3 33	Gk. Fl. R. ....		3	.....	
7410 A 3586	— Head of W. pier .....		F. R. ....	10 3	4	White circular tower; 9 .....	Shown from Aug. 1 to May 31.
<b>SCOTLAND-ORKNEY ISLANDS</b>							
7420 A 3586	Swona, near SW. extremity ...	58 44 3 04	Fl. W. .... period 5 <sup>s</sup> fl. 2 <sup>s</sup> , ec. 6 <sup>s</sup>	57 17	9	White tower; 22.....	Obscured 210°-261°.
7430 A 3600	Tor Ness, S. side of Hoy Island.	58 47 3 18	Fl. W. .... period 3 <sup>s</sup> fl. 1 <sup>s</sup> , ec. 2 <sup>s</sup>	64 20	9	White tower on concrete base; 22.	
7440 A 3603	Cantick Head .....	58 47 3 08	Fl. W. .... period 20 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 19.4 <sup>s</sup>	115 35	17	White tower; 73.....	Store signals. Horn: 1 bl. ev. 30 <sup>s</sup> . Distress signals.
7420.4 A 3566.4	— N. head .....	58 45 3 03	Gp. Fl. W. (3) ..... period 10 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 1 <sup>s</sup> fl. 0.5 <sup>s</sup> , ec. 6.5 <sup>s</sup>	54 16	10	Column; 6 .....	

ATTACHMENT B



NORTHERN LIGHTHOUSE BOARD  
64 George Street Edinburgh EH2 3DA  
Telegrams Lighthouse Edinburgh  
Telephone 031-226 7051  
Telex 72551 (Lighthouse Edin)

84928

Hill, Dickinson & Co  
Equity & Law House  
47 Castle Street  
LIVERPOOL  
L2 9UB

Your reference  
JDG  
Our reference  
JRW/DS  
Date  
3 October 1977

Dear Sir

PENTLAND SKERRIES LIGHTHOUSE  
STRANDING OF "PIONEER COMMANDER"

I write to acknowledge receipt of your letter of  
23 September 1977 and in reply to inform you that:-

- (a) The character is produced by a revolving 4th Order  
(250mm focal distance) lens
- (b) The short dark period between flashes in the group  
is 5.6 secs so that the whole cycle of 30 secs is  
made up as follows:

Flash	0.4 sec	} All rounded to nearest tenth of a second
Eclipse	5.6 secs	
Flash	0.4 sec	
Eclipse	5.6 secs	
Flash	0.4 sec	
Eclipse	17.6 secs	
<u>TOTAL</u>	30.0 secs	

Our information is that the light was flashing to  
character.

Yours faithfully

*J.R. Welsh*

J R Welsh, Secretary

Serial 7253/RVK G.R.DeYoung/GS/14/31335/bhf/27 October 77/R.S.2900

Mr. Richard H. Brown, Jr.  
Kirlin, Campbell & Keating  
120 Broadway  
New York, N.Y. 10005

Dear Mr. Brown:

This is in reply to your letter 85062 of 14 October 1977,  
requesting details regarding the correct characteristics of  
Pentland Skerries Light.

The characteristics, as shown in Pub. 114, for this light  
have remained unchanged for some period of time. Corrective  
information for navigational lights in these waters is taken  
from United Kingdom sources, since they are the prime authority  
for that area.

Until receipt of your letter (Attachment B), this Center had  
not received information regarding any changes or alterations  
to Pentland Skerries Light.

We hope the above information will be of help to you.

Sincerely,

/s/

GLENN R. DEYOUNG  
Chief  
Navigation Information Division

NOTE: Coordinated with  
Mr. B. Wimberly (Code CO)  
who advised reply be made on low key

bc: Mr. B.C. Wimberly  
Code CO  
Defense Mapping Agency  
Bldg. 56, Naval Observatory  
Washington, D.C. 20305

cc: LAA3 (2 cys)  
NV Read  
Ofc of Rcd ←  
NVI Comeback

25

Admiralty

# LIST OF LIGHTS

and Fog Signals

*See <sup>BA</sup> NMA 40/8 for  
Corrections until new  
Ed ~~A~~ arrives*

VOLUME ~~A~~ 1977

## BRITISH ISLES AND NORTH COAST OF FRANCE

FROM DUNKERQUE TO  
ENTRANCE TO  
GOULET DE BREST  
INCLUDING NORTH SEA OIL &  
GAS PRODUCTION INSTALLATIONS

*Corrected to ANM Weekly  
Edition No 1/77 dated  
15th January 1977*

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N/W

## Scotland - East Coast

## WICK--(contd)

3537	- Jetty, SE corner	58 26.4 3 04.9	F R	6	..	Metal mast	FR on Harbour Quay not visible from seaward
8538	- Harbour Quay	58 26.4 3 05.1	FR	..	..	4	Mach end of slipway
3540	- North Head	58 26.6 3 03.5	Siren 30s	..	..	..	bl 4. TD
3543	-	58 27.7 3 04.5	AcroAlGpFl(4) CWVG 8s	..	..	..	Gfl 0.7, ec 0.6, Wfl 0.7, ec 0.6, Wfl 0.7, ec 0.6, Gfl 0.6, ec 4.1
3544	Noss Head (N)	58 28.8 3 03.0	Fl WR 30s Dia(3) 90s	53	W20 R17	White stone tower 18	fl 2.5 to 5. R shore-191°, W191°--shore 3 bl each of 2.5 in quick succession

## Scotland - North Coast and Orkney Islands

## PENTLAND FIRTH

3558	- Duncansby Head (N)	58 38.6 3 01.4	Fl W 6s Siren (5) 120s	67	17	White tower 11	fl 0.7. Racon bl 2.5, 5 times in quick succession
3562	- Pentland Skerries. Muckle Skerry (N)	58 41.4 2 55.4	GpFl(3)W 30s Siren 90s	52	25	White tower 36 White tower	fl 0.4, 3 times in quick succession Distress signals bl 7
3564	- Lothar Rock (N)	58 43.8 2 58.5	QRFl W	11	6	Black pyramidal beacon 12	
3566	- Swona. Near SW end (N)	58 44.2 3 04.1	Fl W 8s	17	9	White tower 7	fl 2. Vis 261°-210°(309°)

CHANGE NO. 1 10 JAN. 76	PUB. 141
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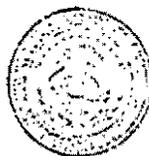
LOOSE LEAF CHANGE PAGES FOR CORRECTING

SAILING DIRECTIONS  
(ENROUTE)

FOR

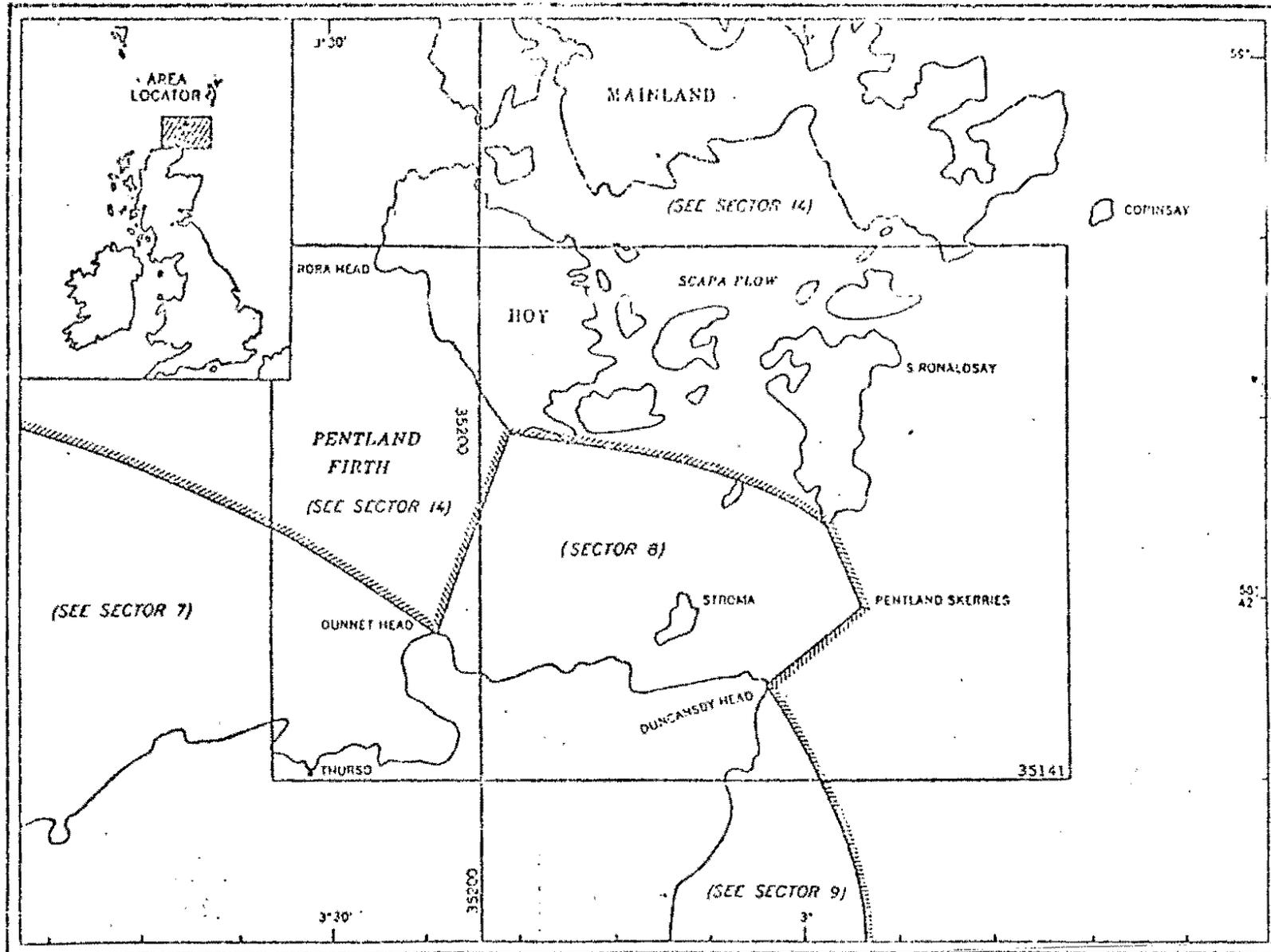
SCOTLAND

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Additional chart coverage may be found in N 5. No. 1-N, Catalog of Nautical Charts.

## SECTOR 8

### PENTLAND FIRTH

**PLAN.**—Pentland Firth is described in this sector. The sequence is from west to east.

The south side of the firth from Dunnet Head to Duncansby Head is described first, then the north side, from Tor Ness to Cantick Head.

**General.**—Pentland Firth is the strait separating the Orkney Islands from the N coast of Scotland. The strait is about 15 miles long in an E—W direction, and Outer Sound, the main channel, lying between the islands of Stroma and Swona, is about 2 $\frac{3}{4}$  miles wide and has depths of 54.8m (30 fm) to 73.1m (40 fm). Inner Sound, a channel about 1 $\frac{1}{2}$  miles wide and with general depths of over 21.9m (12 fm), lies between Stroma and the coast of Scotland.

Pentland Firth is deep and comparatively danger-free, but because of the rapidity of the tidal currents and the unusual conditions resulting therefrom, its navigation can be particularly difficult and hazardous at times. A careful study of the tidal currents should be made before navigating Pentland Firth. The tidal currents in the Outer Sound attain a velocity of 7 to 9 knots, and those in the Inner Sound may attain a rate of 4 to 5 knots. The latter channel is naturally preferable when the current is adverse.

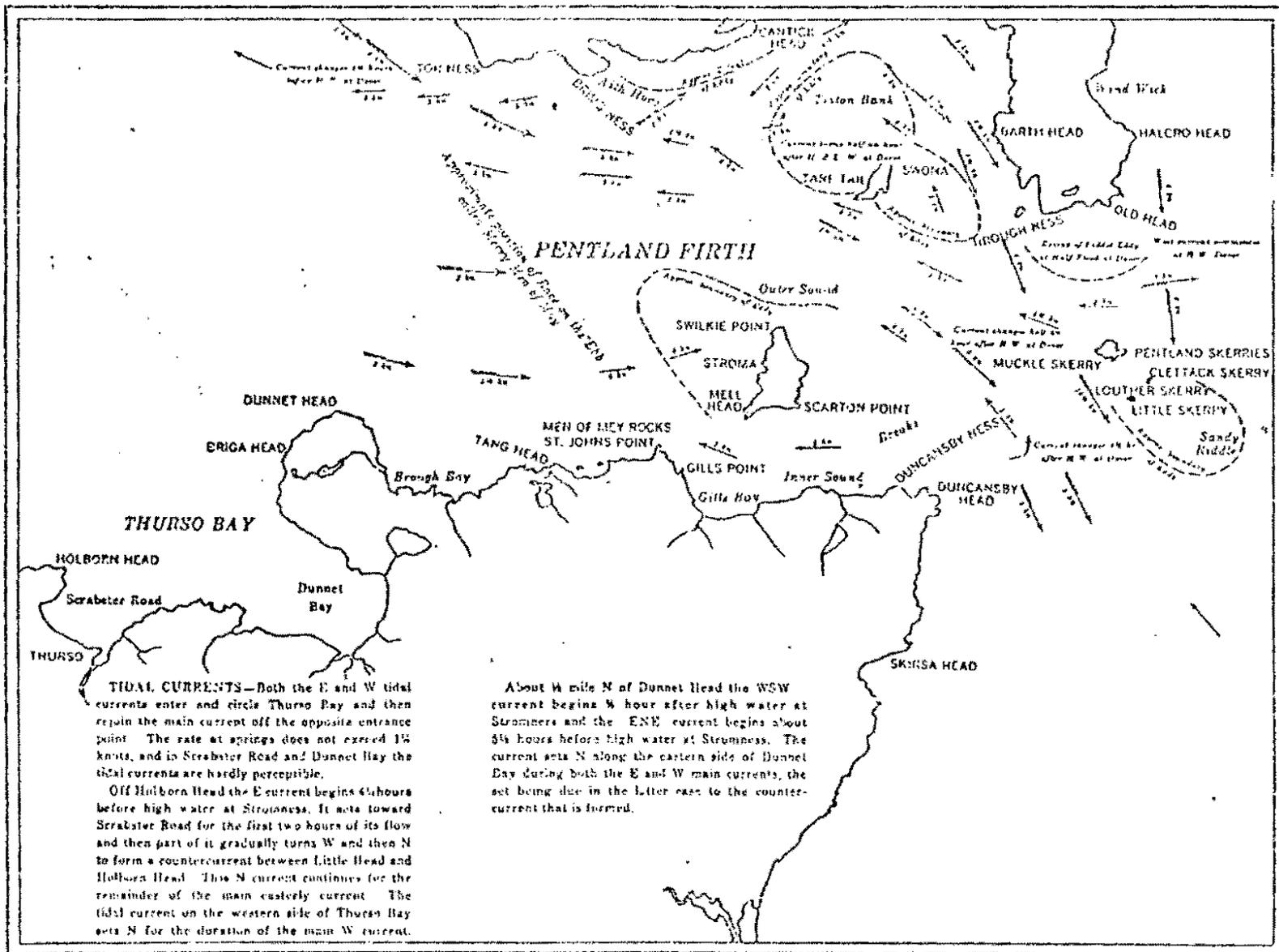
When the sea is smooth and the wind light Pentland Firth is not dangerous, but vessels can easily get into difficulty when encountering the heavy seas that are raised when strong winds and swells oppose the strong tidal currents.

The rapid change from smooth to rough water and the distinct lines of demarcation between the currents and countercurrents and eddies that prevail in the vicinities of the islands and skerries are notable characteristics of Pentland Firth. Even large vessels passing from one current into another may be violently swung around. Vessels entering Pentland Firth should be prepared for rough weather.

Extreme caution is necessary when navigating Pentland Firth in hazy weather and passage through the strait should not be attempted in fog. In the latter event vessels should remain to the westward of Strathy Point.

**Note.**—Peculiarities concerning the audibility of fog signals in Pentland Firth have been noted. At times the fog signals were less audible when a ship was proceeding toward a fog signal with the stream than against the stream.

The likelihood of hearing the fog signal has been found to be considerably less on the west-going than on the east-going current for vessels approaching Muckle Skerry from the eastward.



SECTOR B—CURRENTS

## CURRENTS

**Tidal Currents.**—The tidal currents for Pentland Firth are shown as insets on the current charts for the Orkney Islands in Sector 14.

**Tidal Currents—General Information.**—The strong tidal currents, and the tide rips, overfalls, countercurrents, and eddies resulting therefrom, can seriously impede navigation through Pentland Firth. The wide variations in the set and drift of the tidal currents, and the variability in the extent of the rips and countercurrents, make it difficult to allow for their effects with any degree of accuracy. Over a comparatively small area there may be an appreciable difference in the direction and strength of the currents.

**Main Currents in Pentland Firth.**—The main Easterly current sets through Outer Sound and passes N and S of Pentland Skerries, the S branch setting SE between the skerries and Duncansby Head.

The N part of the main E current sets NE between South Walls and the island of Swona, partly branching N in Scapa Flow and partly turning S between Swona and South Ronaldsay and rejoining the main midchannel current setting through Outer Sound.

The S part of the main E current sets toward the island of Stroma. Close W of the island it divides, partly setting NE, and continuing as the main current, and partly turning SE and thence through Inner Sound and rejoining the main current off Duncansby Head.

The main W current enters Pentland Firth N and S of Pentland Skerries, the branch S of the skerries setting past Duncansby Head in a NW direction. The main body of the current sets through Outer Sound. Westward of Pentland Skerries the N part of the main current branches N to pass between Swona and South Ronaldsay and then W, passing N of Swona and joining the current setting S out of Scapa Flow. These combined currents then set SW between Swona and South Walls and merge into the main W current setting through Outer Sound.

The S part of the main W current separates at the island of Stroma, partly passing through Outer Sound and partly setting S of the island through Inner Sound. This latter branch sets NW out of Inner Sound and then W through the W part of Pentland Firth.

**Note.**—There is little current at the sides of the channel, and both currents begin 3 hours later than in midchannel. This situation is probably due to countercurrents.

## TIDE RIPS—OVERFALLS

In Pentland Firth there are two areas where tide rips occur during both the E and W currents, two areas where they occur during the E current only, and one area where they occur during the W current. The Bore of Duncansby and the Swilkie occur during both the E and W tidal currents. The West Bore of Huna and the Swona Flood Eddy Race occur during the E current. The Merry Men of Mey, a race, occurs during the W current in Pentland Firth.

**The Bore of Duncansby.**—This tide rip and overfall is caused by the current running over the foul ground extending NW from Duncansby Ness. It begins 5¼ hours before high water at Stromness and while the W current is still running. It extends toward Pentland Skerries. When the E current begins about 3¼ hours before high water at Stromness, the area of broken water gradually shifts around to the NW. About ½ hour before high water at Stromness, when the E current is strongest, the rips extend beyond the 9.4m (31 ft.) depth near the outer extremity of foul ground, the sea breaking heavily over this depth until about 2½ hours after high water at Stromness.

**The Swilkie.**—This tide rip, which occurs off Swilkie Point, the N extremity of Stroma, is caused by the countercurrents along the E or W side of Stroma meeting with the main current running through Outer Sound. Rips and whirlpools, which are very heavy when strong winds oppose the main current, are formed. The Swilkie is present at all times except near slack water.

**The West Bore of Huna.**—This tide rip occurs when the E current is deflected by the island of Stroma through Inner Sound and toward Huna Ness. It is dangerous during N and SE gales.

**Swona Flood Eddy Race.**—This area of broken water is raised when the general E current N of Swona turns SE and meets the N countercurrent setting along the E side of the island. The rips and whirlpools extend SE from North Head, the N extremity of Swona.

**Merry Men of Mey.**—This rip extends entirely across the W end of Pentland Firth during the strength of the W current. It begins about 2¼ hours after high water at Stromness and when the current begins to set W through Inner Sound. For the first hour of the W current the rips extend W from the Men of Mey Rocks toward Dunnet Head. As the velocity of the current increases the rips gradually trend NW toward Tor Ness on the opposite side of Pentland Firth, and at the strength of the current the rips extend clear across the W end of the firth. Even in fine weather the rips create a heavy and broken sea. During the last two hours of the main W current through the firth the rips become detached from the Men of Mey Rocks, leaving a passage between the rocks and the broken sea. During W gales or swells and when the current is strongest a terrific turbulence across Pentland Firth is created. This band of broken water forms a natural breakwater, and vessels of sufficient power to avoid being set into it can safely navigate to the E of the Merry Men of Mey.

#### COUNTERCURRENTS IN PENTLAND FIRTH

During strong tidal currents a countercurrent is setup behind nearly every salient point as the main current sets past.

In the following description the term "eddy" is often synonymous with the term "countercurrent."

**Eddies—Easterly Current.**—In Pentland Firth there are seven principal eddies or countercurrents during the eastgoing current.

**Brough Bay Eddy.**—This countercurrent is formed when the E current sets past Dunnet Head. It sets N along the land between Brough Bay and Dunnet Head during all but about the first half hour of the E current.

**Gills Bay Eddy.**—The countercurrent in Gills Bay is caused by the E current in Pentland Firth setting past St. John's Point. It sets N between Gills Bay and St. John's Point for about the last 3 hours of the E tidal current.

**Stroma Flood Eddy.**—This eddy, which actually consists of two countercurrents, extends as far as 1 mile E from the E side of Stroma. Part of the main current setting around each end of the island circles around towards its E side

and follows the coast, rejoining the main current off each extremity.

**Swona Flood Eddy.**—This eddy extends up to nearly 2 miles SE from the E side of the island of Swona. It is similar to the Stroma Flood Eddy.

**Switha Eddy.**—The island of Switha lies NE of Cantick Head, the SE extremity of South Walls, and is separated from it by Cantick Sound. The current setting S out of Cantick Sound forces the main E current along the S side of South Walls away from the land and then sets towards Brims Ness as a countercurrent. The current out of Cantick Sound begins at about the time of high water at Stromness. The countercurrent extends as far as ¾ mile offshore.

**Liddel Eddy.**—This countercurrent along the S coast of South Ronaldsay is caused by the main E current being forced away from the land by the current setting S along the E side of South Ronaldsay, the latter current begins about 2 hours before high water at Stromness and as it increases in force it pushes the main E current offshore and runs W toward Lothar Rock. The countercurrent increases in size until about ¼ hour before high water at Stromness it occupies about half the area between South Ronaldsay and Muckle Skerry, and by 1½ hours after high water at Stromness and near the end of the E current through Pentland Firth there is only a very narrow band of E current close N of Muckle Skerry.

**Pentland Skerries Flood Eddy.**—This NW countercurrent forms on the SE side of Pentland Skerries, and it may extend up to 3 miles SE from Little Skerry and Clattack Skerry. Its rate seldom exceeds 1½ knots.

**Eddies—Westerly Current.**—The four main countercurrents set up by the westgoing current in Pentland Firth are described next.

**Pentland Skerries Ebb Eddy.**—During the main W current in Pentland Firth small eddies are formed to the W of Muckle Skerry and to the NW of Little Skerry and Clattack Skerry.

**Lothar Rock Eddy.**—This countercurrent forms W of Lothar Rock. The main W current curves around the rock and towards the W side of South Ronaldsay, finally setting into Bur Wick, the small bay lying NE of Lothar Rock.

**Swona Ebb Eddy.**—This countercurrent is similar to Swona Flood Eddy, only it occurs on

the W side of the island. During the strength of the main W current, it may extend up to about 3 miles NW from the island.

Stroma Ebb Eddy.—This countercurrent may extend to the Merry Men of Mey, about 2½ miles NW of Stroma, during strength of the W current. It is similar to the Stroma Flood Eddy.

NAVIGATIONAL AIDS

Electronic Navigation.—The following rates apply to this position 58°42' N., 3°20' W.

Loran A.—The probable skywave error of 1L0 is 2820 yards. The probable groundwave errors of 1L6, 1L7 and 1S1 are 230, 910, and 185 yards, respectively. The crossing angles between 1L0 and 1L6, 1L0 and 1L7, 1L0 and 1S1, 1L6 and 1L7, 1L6 and 1S1, 1L7 and 1S1 are 50°, 25°, 65°, 25°, 90°, and 35° respectively.

Loran C.—The probable groundwave errors for 7970 W, 7970X, 7970Y, and 7970Z are 15, 35, 80, and 110 yards respectively. The crossing angles between W and X, W and Y, W and Z, X and Y, X and Z, Y and Z, are 42°, 82°, 62°, 39°, 19°, and 20° respectively.

Omega.—The probable errors of A-B, A-D, B-D, B-H, and C-H are 670, 1415, 665, 1255, and 865 yards respectively. The crossing angles between A-B and A-D, A-B and B-D, A-B and B-H, A-B and C-H, A-D and B-D, A-D and B-H, A-D and C-H, B-D and B-H, B-D and C-H, B-H and C-H are 47°, 0°, 44°, 27°, 44°, 82°, 75°, 47°, 37°, and 17° respectively.

PILOTAGE

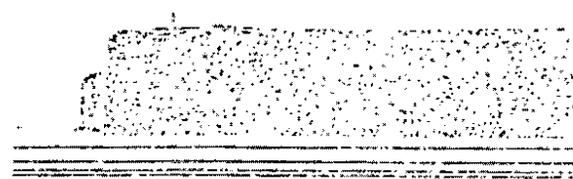
Pilots.—There are no licensed pilots for Pentland Firth available locally, however, the services of pilots for deep-sea and coastwise navigation may be obtained on application to the Forth Pilotage Authority at Leith.

PENTLAND FIRTH.—SOUTH SIDE

Coast.—From Dunnet Head, the SW entrance point to Pentland Firth, the coast trends generally SSE 1¾ miles and then E 2 miles, forming Brough Bay. Depths in the bay range from 14.6m (8 fm) to 36.5m (20 fm), but its

rocky bottom makes it unsuitable as an anchorage.

Except for The Cleets (Clettis) of Brough, two rocky islets in the SW corner of the bay, the bay is free of dangers beyond a distance of 400 yards offshore.



VIEW OF DUNNET HEAD

DUNNET HEAD (58°40' N., 3°22' W.), the N extremity of Scotland and the SW entrance point to Pentland Firth, is a sheer cliff, 122m (400 ft.) high, lying about 2¼ miles NNE of Rough Head. The coast between these two points consists of steep cliffs.

A light is shown on Dunnet Head.

SCARFERRY POINT (58°39' N., 3°17' W.), this double-headed point, 9m (30 ft.) high, forms the E entrance point to Brough Bay.

Between Scarferry Point and St. John's Point the coast is fringed by a reef up to 500 yards offshore. Mey Bay, a small, shallow bight, lies about midway between the points.

ST. JOHN'S POINT (58°49' N., 3°21' W.), a rugged headland 14.6m (16 ft.) high, is located about halfway between Dunnet Head and Duncansby Head, the NE extremity of Scotland. Mey Hill rises to a height of 72m (235 ft.) immediately S of St. John's Point.

The Men of Mey Rocks, a group of partly drying and above-water rocks, lie close N of St. John's Point. The outermost, a sunken rock, is about 400 yards offshore.

Off-lying Banks.—A bank with depths of 14.6m (8 fm) to 15.3m (10 fm) lies about 1½ miles NW of St. John's Point. Another bank 2½ miles NNW of the point has depths of 21.9m (12 fm) to 36.5m (20 fm).

GILLS BAY (58°39' N., 3°09' W.) is entered between Crees Head and Quoys (Quoyis) Ness.

b  
 35/77

The light is backed by steeply sloping hills and fringed by a reef, but there are no dangers more than 400 yards offshore.

The rocky, sandy bottom is poor holding ground.

A depth of 7.3m (4 fm) lies about one mile ENE of Quays Ness, almost ½ mile offshore.

**DUNCANSBY NESS** (58°29' N., 3°03' W.) is a low grassy point fringed by a reef, a drying rock lies 300 yards NW of the point. There is a rocky depth of 9.4m (31 fm) at the N end of a rocky tongue that extends about a mile NNW from Duncansby Ness.

Duncansby Head lies almost a mile ESE of Duncansby Ness, it is described with the coast S of it in Sector 9.

#### ISLANDS

**Stroma** (58°41' N., 3°07' W.).—The island of Stroma, some two by one miles in extent in a general N.—S direction, lies on the S side of Pentland Firth about 1½ miles N of the mainland. It is separated from Scotland by the Inner Sound. The W side of the island consists almost entirely of cliffs with sunken and drying rocks extending up to 150 yards offshore. The E side of Stroma is mostly flat rock. Cairn Hill, the summit of the island 49m (162 ft.) high, lies close NW of Scarton Point the SE end of the island. A small pier and landing place is located on the S side of the island W of Scarton Point.

**STROMA SKERRIES** extend 400 yards S from Mell Head, the SW extremity of Stroma. These drying rocks are steep-to on their W sides and shelving on their S and E sides.

**Beacon.**—A black pyramidal beacon, 40 feet high, consisting of iron pillars topped by a cylindrical cage, marks the SW limits of Stroma Skerries.

**Anchorage.**—An anchorage area of limited extent lies off the S side of Stroma. Vessels can anchor in 14.6m (8 fm), shalls, with Mell Head bearing 267° and the small pier on the S side of the island bearing 013°. There is very little tidal current at the anchorage, but the countercurrent attains a velocity of about one knot.

**SWILKIE POINT** (58°42' N., 3°07' W.) is the N extremity of Stroma. Stroma Light is shown on the point.

**Swona** (58°45' N., 3°05' W.).—Swona Island, about half the size of Stroma, lies on the N side of Pentland Firth. The E side of the island is cliffy and steep-to, the W side is low and fringed with rocks. Werbister Hill, the summit of the island is 41m (134 ft.) high. Detached rocks lie up to 300 yards off the W and SE sides of the island.

A light is shown on the N side of Tarf Tail the SW extremity of Swona.

**Triton Bank**, a rocky depth of 36.5m (20 fm) lies 1¼ miles NW of North Head, the N point on Swona.

**Pentland Skerries** (58°41' N., 2°55' W.).—Pentland Skerries are the islets and rocks lying in the fairway of the E entrance to Pentland Firth. The entrance through the firth leads either N or S of the skerries.

**MUCKLE SKERRY**, the largest and northermost of the Pentland Skerries, is a flat grassy islet, 15m (50 ft.) high. Reefs up to 200 yards wide fringe the islet and Bow, a sunken rock with a depth of less than 1.8m (6 ft.), lies close off its NW side.

A light is shown on Muckle Skerry.



**LITTLE SKERRY**, a rocky islet 6m (20 ft.) high, lies ¾ mile SSE of Muckle Skerry. Rocks extend W 400 yards from the W end of Little Skerry.

Depths in the channel between the islets range from 21.9m (12 fm) to 36.5m (20 fm).

**CLETTACK SKERRY**, a group of above-water rocks, and **LOUTHER SKERRY**, an above-water rock with sunken rocks extending 200 yards SW from it, lie respectively about ¾ mile and ½ mile NE of Little Skerry. The passages between the islets are foul.

A bank ½ mile wide between the 36.5m (20 fm) curves extends 3½ miles SE from Little

## DIRECTIONS

**General.**—Large vessels, with sufficient power to stem an unfavorable tide, will experience no difficulty in navigating Pentland Firth. The shores are danger-free beyond a short distance off, and the channels are wide and deep. Outer Sound is the channel generally used, although Inner Sound may be used when the tidal currents are unfavorable.

At night Outer Sound only should be used. The light on Muckle Skerry in range with the light on the N end of Stroma, bearing  $094^{\circ}$ , leads through the W entrance of Pentland Firth. When about 2 miles W of the light on Stroma, vessels should edge N so as to give the light a berth of about  $\frac{1}{2}$  mile. After passing the island of Stroma, vessels should gradually bring the light or the S end of the island of Swona to bear  $326^{\circ}$  astern, maintaining this bearing to pass between Duncansby Head and Pentland Skerries.

In hazy weather extreme caution is necessary, and in foggy weather, vessels from W should not proceed E of Strathly Point, which lies about 20 miles W of the W entrance point.

Vessels proceeding W through Inner Sound, during the strength of the E current, after passing Huna Ness, should keep somewhat N, in order to avoid being set toward Quoys Ness and into Gills Bay.

**Directions—Low-Powered Vessels.**—The following directions are given for low-powered vessels that may experience some difficulty in navigating the firth. A pilot should be employed by these low-powered vessels that are not familiar with the navigation of the firth.

The term, low-powered vessels, applies to vessels capable of a speed of no more than 10 knots.

Vessels approaching from W with the E current, when within  $1\frac{1}{2}$  miles of Stroma, and intending to pass through Inner Sound, should keep Duncansby Head bearing less than  $110^{\circ}$  and open S of Mel Head, to avoid getting out of the fair current. No special directions are necessary until well up to St. John's Point, when Inner Sound should be used if at the early part of the current, and Outer Sound if at the latter part. Vessels must take care in the latter case to avoid the eddy on the E side of Stroma, and to keep in mid-channel between Duncansby Head

and the Pentland Skerries so as to retain the last of the E current.

Outer Sound is always to be preferred by large vessels because of its width and the rate of the fair current, but not of course with an adverse current.

Vessels approaching from W during the W current, if the sea is not too heavy, should approach Dunnet Head to a distance of about  $\frac{1}{2}$  mile, and then steer directly for the center of Stroma, under which there will be less sea and current. Vessels that cannot stem the adverse current should keep near the E side of Dunnet Head, haul into Brough Bay, and keep within  $\frac{1}{2}$  mile of the coast thence to St. John's Point. When thus far, if the current continues strong, they should stand right across the race named the Merry Men of Mey into the eddy W of Stroma. Thence, from close under Mel Head, they should steer across into Gills Bay, and along the coast, within  $\frac{1}{2}$  mile of it, until Duncansby Head has been rounded. Alternately they may keep to the N side of the channel, for on either side of Inner Sound slack water and possibly a fair eddy current will be experienced while the main current in the center of Inner Sound is W.

Vessels approaching from W in thick weather are advised to heave to abreast Strathly Point, and on no account should attempt to pass through the firth.

Vessels approaching from W, at night, if Holborn Head has been identified before dark, are advised to anchor in Scrabster Road and await the E current. With normal visibility and a fair current the directions given for full-powered vessels will apply.

Vessels approaching from SE, during the easterly current, should keep close to the coast northward of Freswick Bay, the N entrance point of which is located about 3 miles S of Duncansby Head Light, for along this coast to Duncansby Head there are 10 hours of slack water, and there is probably also a N eddy, during part, at least, of this period. By doing this a vessel will be ready to round the head at the turn of the current, whereas by keeping in mid-channel over toward the Pentland Skerries, where the SE current continues for about 1 hour after high water at Dover, the risk is run of being carried SE. In rounding Duncansby Head, care must be taken to avoid the several dangers lying close off it.

## FUNCTIONS AND RESPONSIBILITIES

THIS SECTION PROVIDES THE FOLLOWING:

- . A MISSION STATEMENT FOR THE ASSISTANT SECRETARY (COMPTROLLER) AND THE CHARTER OF HIS OFFICE.
- . A DESCRIPTION OF THE DOD PLANNING, PROGRAMMING, BUDGETING SYSTEM.
- . A DISCUSSION OF THE CONGRESSIONAL BUDGET PROCESS AS ESTABLISHED BY THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.
- . A LISTING OF ALL APPROPRIATIONS AND FUNDS AVAILABLE TO THE DEPARTMENT OF DEFENSE
- . AN EXPLANATION OF THE FUNDING FLEXIBILITIES THAT ARE AVAILABLE TO THE DEPARTMENT.

Office of the Assistant Secretary of Defense  
(Comptroller)

Mission

Title 10, United States Code, Section 136 specifies the Comptroller's responsibilities as follows:

"§ 136. Assistant Secretaries of Defense: appointment; powers and duties; precedence

(a) There are nine Assistant Secretaries of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

(b) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Health Affairs. He shall have as his principal duty the overall supervision of health affairs of the Department of Defense. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of Defense. In addition, one of the Assistant Secretaries shall be the Comptroller of the Department of Defense and shall, subject to the authority, direction, and control of the Secretary --

(1) advise and assist the Secretary in performing such budgetary and fiscal functions and duties, and in exercising such budgetary and fiscal powers, as are needed to carry out the powers of the Secretary;

(2) supervise and direct the preparation of budget estimates of the Department of Defense;

(3) establish and supervise the execution of principles, policies, and procedures to be followed in connection with organization and administrative matters relating to --

(A) the preparation and execution of budgets;

(B) fiscal, cost, operating, and capital property accounting;

(C) progress and statistical reporting; and

(D) internal audit;

(4) establish and supervise the execution of policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

(5) establish uniform terminologies, classifications, and procedures concerning matters covered by clauses (1) - (4).

(c) Except as otherwise specifically provided by law, an Assistant Secretary may not issue an order to a military department unless --

(1) the Secretary of Defense has specifically delegated that authority to him in writing; and

(2) the order is issued through the Secretary of the military department concerned, or his designee. . . ."

These responsibilities are expanded upon in the ASD(C) charter published in DoD Directive 5118.3 of July 11, 1972. It provides:

"The Assistant Secretary of Defense (Comptroller) is the principal staff assistant to the Secretary of Defense for programming, budgeting, auditing, and fiscal functions; for all matters pertaining to organization, management, and administration. He shall provide staff supervision for the Defense Contract Audit Agency and the Defense Audit Service. In addition, he shall:

A. Provide for the design and installation of resource management systems throughout DoD.

B. Collect, analyze, and report resource management information for the Secretary of Defense and as required for the Office of Management and Budget, the Congress, the General Accounting Office, and other agencies outside of the DoD."

The directive itemizes specific functions, relationships and authorities pertinent to the Comptroller and it includes a listing of the numerous authorities which the Secretary of Defense has formally delegated to the Comptroller.

## SUMMARY OF THE DoD PLANNING, PROGRAMING, AND BUDGETING SYSTEM (PPBS)

The Assistant Secretary of Defense (Comptroller) is responsible for the design, installation and maintenance of PPBS (DoDD 7000.1) which includes responsibility for the establishment, improvement and maintenance of procedural guidance for PPBS (DoDI 7045.7).

The PPBS is a cyclic process containing five distinct, but interrelated, phases; planning, programing, budgeting, execution and accountability. In the first three phases prior decisions are re-examined and analyzed from the viewpoint of the force structure/national security objectives and the current environment (threat, economic, technological, and resource availability) and the decisions are either reaffirmed or modified as necessary. The cycle for a given fiscal year commences in the month of November almost two years prior to the start of that fiscal year. While the execution phase of that fiscal year might appear to be completed 35 months later, in reality obligations and expenditures against that fiscal year's program may continue, for some appropriations, for several years.

### 1. The Planning Phase

In the planning phase the role and posture of the United States and the DoD in the world environment are examined, with particular emphasis on Presidential policies. Some of the facets analyzed are: (a) potential and probable enemy capabilities and threat; (b) potential and probable capabilities of our Allies; (c) alternative U.S. policies and objectives in consideration of (a) and (b); (d) military strategies in support of these policies and objectives; (e) planning force levels that would achieve defense policy and strategy; and (f) planning assumptions for guidance in the following phases of PPBS.

The first step in the PPB is the preparation by JCS, and submission to the Secretary of Defense, of the Joint Strategic Planning Document (JSPD) containing independent JCS military strategy advice and recommendations to be considered in the development of the draft Consolidated Guidance (CG) and subsequent PPBS documents. It contains a concise, comprehensive military appraisal of the threat to U.S. interests and objectives worldwide; a statement of recommended military objectives derived from national objectives; and the recommended military strategy to attain national objectives. A summary of the JCS planning force levels which could successfully execute, with reasonable assurance, the approved national military strategy is included. JCS views on the attainability of the planning force in consideration of fiscal responsibility, manpower resources, material availability, technology and industrial capacity are also stated. The JSPD provides an appraisal of the capabilities and risks associated with programmed force levels, based on the planning forces considered necessary to execute the strategy, and recommends changes to the force planning and programing guidance where appropriate.

After consideration of the military advice of the JCS, as expressed in the JSPD, the next milestone is the Secretary of Defense's Consolidated Guidance (CG). A draft of the CG covering the budget and program years is issued in January to solicit the comments of the DoD Components and to provide a vehicle for an exchange of views on defense policy between the Secretary of Defense, the President, and the National Security Council. The final version of the CG, issued in March, serves as an authoritative statement of the fundamental strategy, issues, and rationale underlying the Defense Program, as seen by the leadership of the DoD. The CG, culminating the planning phase, provides definitive guidance, including fiscal constraints, for the development of the Program Objective Memorandum by the Military Departments and Defense Agencies, and continues as the primary DoD guidance until revised or modified by subsequent Secretary of Defense decisions.

## 2. The Programing Phase

Annually, in May, each Military Department and Defense Agency prepares and submits to the Secretary of Defense a Program Objective Memorandum. POM's are based on the strategic concepts and guidance as stated in the CG and include an assessment of the risk associated with the current and proposed forces and support programs. POMs express total program requirements for the years covered in the CG, and provide rationale for proposed changes from the approved FYDP base. Dollar totals must be within the fiscal guidance issued by the Secretary of Defense. Major issues which are required to be resolved during the year of submission must be identified. Supporting information for POMs is in accordance with the annual POM Preparation Instructions.

After the POMs are submitted, the JCS submits the Joint Program Assessment Memorandum (JPAM) for consideration in reviewing the Military Department POMs, developing Issue Papers, and drafting Program Decision Memorandums. The JPAM provides a risk assessment based on the composite of the POM force recommendations and includes the views of the Joint Chiefs of Staff on the balance and capabilities of the overall POM force and support levels to execute the approved national military strategy. Where appropriate, the Joint Chiefs of Staff recommends actions to achieve improvements in overall Defense capabilities within, to the extent feasible, alternative POM funding levels directed by the Secretary of Defense. In addition, the JPAM develops SALT-constrained forces and provides recommendations on the nuclear weapons stockpiles considered necessary to support these forces, and on the security assistance program.

The programing phase continues in accordance with the following steps:

- a. The POMs are analyzed at the OSD level and Issue Papers are generated which analyze the Service proposals in relation to (1) the Consolidated Guidance, (2) the balance between force structure, modernization, and readiness, and (3) efficiency trade-offs. Significant issues raised by the POMs which require Secretary of Defense resolution are highlighted, decision alternatives are listed, and these alternatives evaluated

as to cost and capacity to implement DoD missions. These "Issue Papers" are developed in coordination with the DoD Components to assure completeness and accuracy of the information contained therein. The views of the JCS on the risks involved in the POMs are considered during preparation of the Issue Papers.

b. Based on the Issue Papers and JCS risk assessment, the Secretary issues Program Decision Memoranda (PDM's) which are transmitted to the DoD Components for analysis and comment as appropriate.

c. Comments on the PDMs may be prepared in a manner prescribed by the submitting activity, but must present precise program impact that may be expected as a result of the decision. If comments on the PDMs express a dissenting view, any additional or clarifying information or justification must accompany the statement to allow a re-evaluation of the issue.

d. Comments submitted by the JCS address the impact on total DoD program balance. JCS provides the Secretary of Defense with an assessment of the risks involved and inherent in the PDMs and an evaluation of strategic implications.

e. Following a staff review of comments on the PDMs, meetings are held by the Secretary of Defense to discuss unresolved issues. If appropriate, Amended Program Decision Memoranda are then issued to incorporate any new decision, or to reiterate the previous decision.

### 3. The Budgeting Phase

With the establishment of program levels in the POM/PDM process, the budgeting phase begins with the DoD Components formulating and submitting, by September 15, detailed budget estimates for the budget year portion of the approved program. The budget estimates include the prior year, current year, and budget year (budget year plus one for authorized programs) in accordance with the Budget Guidance Manual and supplementary memoranda. Budget estimates are prepared and submitted based on the approved program as well as economic assumptions related to pay and pricing policies which are contained either in the PDMs or in separately prescribed detailed budget guidance revised and issued each year. The budget estimates are reviewed jointly by the Office of the Secretary of Defense (OSD) and the Office of Management and Budget (OMB). The entire budget is reviewed to insure the requests are properly priced; to insure production schedules are within production capacity; and to insure that the estimates are consistent with the Secretary's readiness objectives. Approval of the estimates for inclusion in the President's Budget is documented by Secretary of Defense budget decision documents. These decisions will evaluate, adjust and approve all resources in the budget request by decision units and/or packages within the appropriation and budget activity structures. The decisions will include the current year, the budget year, the authorization year (budget year + 1) and an estimate of the resource impact on the three succeeding program years consistent with the President's requirement for multi-year planning estimates.

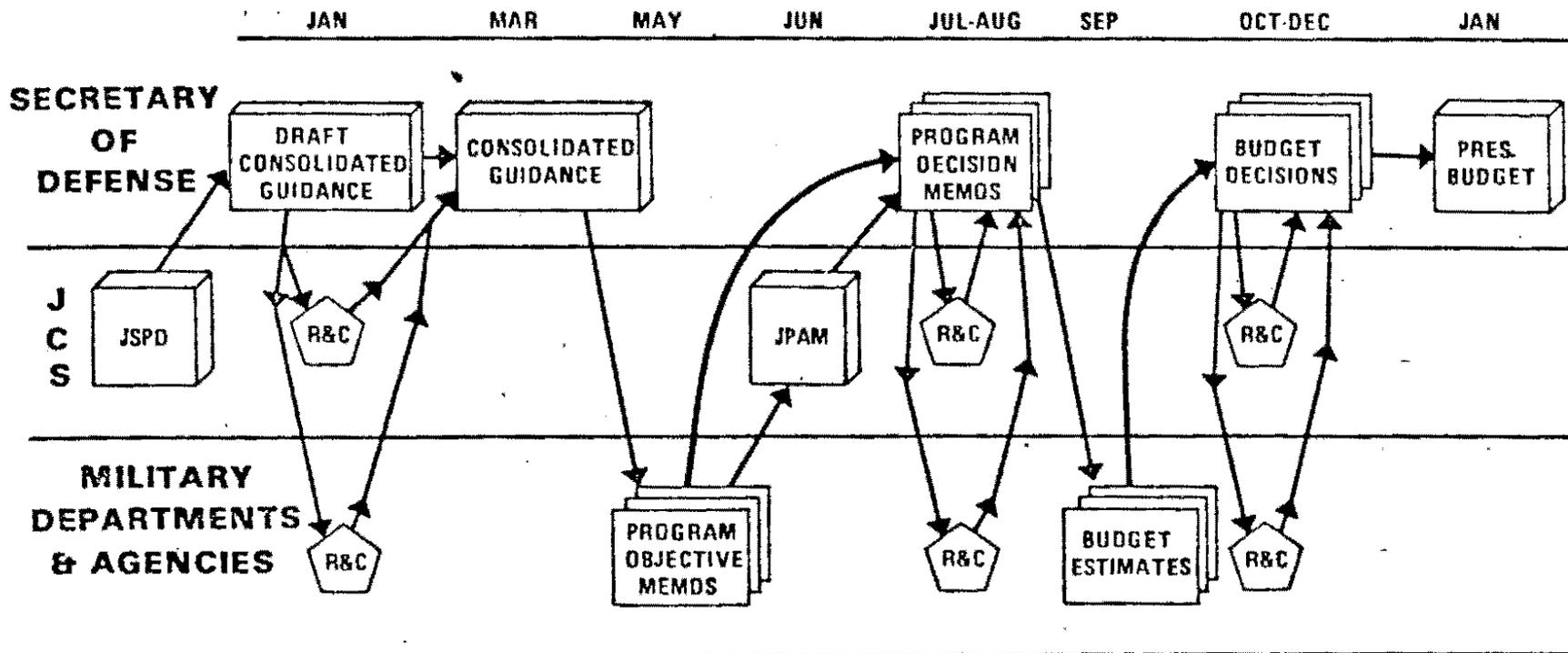
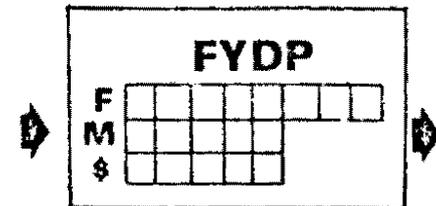
During the course of the budget review, the DoD Components have an opportunity to express an appeal position on each decision. Prior to final decisions, the Service Secretaries and Military Chiefs have the opportunity for a meeting with the Secretary of Defense to present and resolve any outstanding issues of major significance.

The Secretary then presents his budget to the President for consideration within the overall Federal requirements. Changes from that meeting are subsequently incorporated into the DoD submission and decision documentation is finalized. Following the printing process the budget is submitted to the Congress in January. The FYDP is updated to reflect the President's Budget and related resource impact in the "outyears" thereby establishing a consistent base for the ensuing decision cycle.

#### 4. The Execution and Accountability Phases

The execution and accountability phases follow the submission of the budget and its enactment by the Congress. These phases are concerned with: execution of the programs approved by the Congress; the accountability and reporting of actual results for use in monitoring program execution; preparing future plans, programs, and budgets; and supplying financial status information to DoD managers.

# PLANNING PROGRAMMING BUDGETING



JSPD = JOINT STRATEGIC PLANNING DOCUMENT  
 JPAM = JOINT PROGRAM ASSESSMENT MEMORANDUM

= REVIEW AND COMMENT

**FYOP SYMBOLS**  
 F = FORCES  
 M = MANPOWER  
 \$ = DOLLARS  
 = YEARS

## The Joint OSD/OMB Budget Review

The Budget is due from all components of the Department of Defense (DOD) on September 15th and is accompanied by an update of the Five Year Defense Program (FYDP) and annexes. Distribution is made to the Office of Management and Budget (OMB) and all participating organizational elements of the Office of the Secretary of Defense (OSD).

The DoD jointly reviews the budget with the OMB staff in order to devote maximum review and analysis time here in the Department. The alternative would require earlier submission by OSD to OMB in order to provide time for independent OMB review. The current joint OSD/OMB review is unique throughout the government and has been for many years.

Participation in the joint review is open to all elements of the DoD components and OSD staffs. Inputs from participants are solicited by each appropriation director for inclusion in the decision package sets (DPS's); the decision documents ultimately signed by the Secretary/Deputy Secretary of Defense.

Oftentimes as DPS's are drafted, copies are "floated" for input from participants. Once the DPS takes final form it begins a formal coordination process. Coordination should be obtained from the interested Assistant Secretary/Principal Deputy Assistant Secretary level. All notes, memoranda, letters, or other pertinent appendages become a permanent part of the decision document and are retained in the documentation files. These documents are "close hold" in their "raw" signature form. The document, once coordinated with other OSD staff elements, is processed through the Deputy Assistant Secretary (Program/Budget), a representative of OMB, the Principal Deputy Assistant Secretary (Comptroller) and the Assistant Secretary (Comptroller), to the Secretary/Deputy Secretary of Defense. Subsequent to signature, the decision document is printed and distributed throughout the Department and OMB. In order to protect the confidential nature of DRB and OSD staff coordinations and positions, the document which is printed and distributed consists of only the decision document. This is essential to encourage open debate of issues and objective advice to the Secretary.

As the Secretary/Deputy Secretary approves and returns DPS's, they are translated into the Automated Budget Review System to reflect increases and decreases to the submissions. Periodic status reports are provided to the Secretary/Deputy Secretary as well as the OSD managers and staff and the submitting components. Status is in terms of Total Obligational Authority (TOA), the total cost of a program without regard to year or source of funding; Budget Authority (BA), essentially appropriations requested from the Congress; and Outlays, the net of gross disbursements and collections from customers. These are the three basic measures used throughout the budget community. For comparative purposes, dollar values are inflated and/or deflated to reflect constancy in order to measure year-to-year "real growth" as distinct from inflationary increases.

The status reporting is as frequent as management requires and is structured in hierarchial order relative to level of detail.

While the review is progressing, the Defense Resources Board (DRB) meets periodically to consider the relative ranking priorities of approximately \$20-25 billion of programs ranked by the submitting components. The DRB first integrates the original component rankings by reviewing and approving OSD staff prepared priority ranking proposals (PRP's). Those PRP's not approved by the DRB are discarded. The DRB then meets with the Secretary who approves/disapproves the DRB re-ranking proposals. Subsequent iterations are sometimes appropriate. At the point when the Secretary begins meeting with the President on the overall budget levels, the Secretary oftentimes makes changes to the ranking to insure that the highest priority programs are included within the approved funding level. All such approved ranking changes are reflected daily in the automated system so the budget status reporting is current for both DPS changes and ranking changes.

As the process nears completion, various management summaries are available providing TOA, BA and Outlays in both current and constant budget year dollars. The level of real growth is identified and often debated as are the inflation and pay raise assumptions contained in the budget estimates.

Recognizing that last minute changes are disruptive and sometimes error prone, the Department makes the best advantage of time available to continue the review and decision process. However, once OMB has the budget in print, the word is passed that the budget is locked and changes are no longer permitted.

Attention and staff efforts are then directed to preparing information to release to the Press during the DoD Budget Press Briefing; congressional justifications, the Secretary's posture statement, and other related requirements. The FYDP and annexes are updated to reflect all applicable budget decisions and automated data bases and hard copy justification exhibits in support of the budget are provided to the congressional oversight committees. Reprograming requests which have been reflected in the budget are prepared, staffed and submitted to the applicable committees for approval. Accounting records are adjusted as applicable to be consistent with resources reflected in the current year column of the budget. A series of budget hearings and reprograming hearings dominate subsequent months necessitating a great expenditure of management time appearing before the applicable oversight committees.

## PLANNING, PROGRAMMING, AND BUDGETING SYSTEM IMPROVEMENTS

The Secretary of Defense, in October 1977, directed that the Defense Department Planning, Programming and Budgeting System (PPBS) be revised to achieve five objectives:

1. To provide an opportunity for early Presidential participation in the process;
2. To permit the Secretary of Defense and the President, based on the advice of all appropriate offices and organizations in the Department of Defense, to play an active role in shaping the defense program;
3. To create a stronger link between planning and programmatic guidance and fiscal guidance;
4. To develop, through discussion, a sound and comprehensive rationale for the program, and
5. To ensure the program is based on sound analysis and contributions for all relevant offices.

The revised system was designed to provide a more coherent basis for guiding the Military Departments in the preparation of their specific program recommendations. It consolidated and reduced to one what in prior years had been three separate forms of guidance from the Secretary of Defense: the Defense Guidance, the Planning and Program Guidance, and the Fiscal Guidance. The revised consolidated guidance was to incorporate an analysis of the rationale for each aspect of the Secretary's guidance to the Services and of the overall defense program.

The Joint Chiefs of Staff and the Military Departments actively participated in the process--from the initial planning to the development of the defense budget to be submitted to the President. The Joint Chiefs of Staff also have modified their system for providing advice and recommendations to the Secretary of Defense in accordance with the opportunities for participation provided by the revised PPBS.

In addition to their participation in the PPBS, the Joint Chiefs of Staff advise the President, the National Security Council, and the Secretary of Defense on a wide range of national security matters. They also are statutory members of the Armed Forces Policy Council.

### JCS, Departments Role

The role of the Joint Chiefs of Staff and the Military Departments in the process included the submission of the JCS Joint Strategic Objectives Plan, pre-draft consultation sessions with the Secretary of Defense, informal comment and review during the drafting process, extensive review and comment (written and face-to-face) on the preliminary draft, review and comment on a subsequent draft, and participation in the presentation of the proposals to the President.

In May 1977, the Joint Chiefs of Staff submitted to the Secretary of Defense the Joint Strategic Objectives Plan, Volume 1 (JSOP I). As in past years, this document included a statement of broad defense objectives, a discussion of the military threat facing the United States, general recommendations concerning strategy and force planning, and a discussion of areas of significant risk. In January 1978, the Joint Chiefs of Staff submitted JSOP II, which included, inter alia, the major force recommendations of the Joint Chiefs of Staff, a comparison of these recommendations with currently programmed forces, and an appraisal of programmed forces. Although JSOP I was submitted and JSOP II was substantially prepared before the revisions in PPBS, these documents provided the Secretary of Defense and the President with the basic views of the Joint Chiefs of Staff on military strategy and force requirements. In light of the changes in the PPBS, additional procedures were adopted to supplement the joint planning process so that the Secretary could, in the revised PPBS, more easily receive the full benefit of the advice, recommendations, and expert capability of the Joint Chiefs of Staff.

In the past, Secretarial guidance had developed in three parts and the JSOP documents were tailored to those parts. JSOP I was prepared prior to the Defense Guidance and assisted the Secretary in making the determinations of policy, strategy, and force planning that were included in the Defense Guidance. The JSOP II provided the Secretary with the JCS views on what should be included in the Planning and Programming Guidance and the Fiscal Guidance. Under the revised system, Secretarial guidance was combined into one document that also included the rationale on which the defense program would be based.

#### PPBS Modifications

When the modifications of the PPBS were first contemplated in the fall of 1977, the Joint Chiefs of Staff and the Secretaries of the Military Departments were asked for their comments, suggestions, and recommendations. After these recommendations and other comments on the PPBS proposal had been submitted, the Secretary of Defense agreed that it was important that the initial step in the annual process should be the responsibility of the Joint Chiefs of Staff and the Military Departments, and that they should have full opportunity to participate in the process throughout. In a memorandum dated Oct. 26, 1977, addressed to the Chairman of the Joint Chiefs of Staff and the Secretaries of the Military Departments, the Secretary of Defense established a procedure for consultative meetings "to give the Services, individually and collectively, an opportunity to give advice, make recommendations, and offer substantive input." The Secretary's memorandum continued:

"Though the revised PPBS is designed to afford the opportunity at several stages, I deem it important that one such opportunity be prior to the first draft of the document. The last thing I want to do is inhibit your initiative or innovation. I envision these meetings as an opportunity for you to present your proposals with respect to the CG and that a dialogue about them will ensue between the Services and the Secretary of Defense."

Those meetings took place in November. Each was attended by the Chairman of the Joint Chiefs of Staff or the Chairman's personal representative. The Secretary of Defense first held three lengthy meetings with, respectively, the Secretary of the Army and Chief of Staff of the Army; the Secretary of the Navy, Chief of Naval Operations and Commandant of the Marine Corps; and the Secretary of the Air Force and Chief of Staff of the Air Force; and staff members they designated to accompany them. A fourth, "wrap-up," meeting was then held with all three Secretaries of the Military Departments, the Chairman of the JCS, and the members of the Joint Chiefs of Staff. At these meetings the Chairman and members of the Joint Chiefs of Staff and the Secretaries of the Military Departments were able to provide directly to the Secretary of Defense prior to the drafting of any guidance, their advice, recommendations and comments.

#### Follow-Up Memoranda

After the meetings, the Army, Navy, and the Joint Chiefs of Staff sent follow-up memoranda to the Secretary of Defense emphasizing the points they considered most important and setting out the areas they believed required special attention. Other memoranda, concerning both the form and the content of the Secretary's guidance, followed.

The preliminary draft of the Secretary's guidance was shaped by the comments of the participants in the initial meetings, the follow-up memoranda, the directions of the Secretary of Defense, and informal comments and advice provided by the JCS and the Services during the drafting process.

The draft that was produced was "preliminary". It was not to have any effect until there had been a complete review and opportunities for comment by the JCS and the Services. It was circulated to the Joint Chiefs of Staff and to the Military Departments for comment in January 1978.

The review and comment period for the Joint Chiefs of Staff and the Military Departments covered four weeks. It was a working document, subject to change, to serve as a focus for debate and discussion. It was designed to provide a document to cover matters raised in the pre-draft meetings and memoranda, and a vehicle for discussion and addition to other considerations not covered in the initial discussions. The integration of matters previously contained in the Defense, Planning and Programming, and Fiscal Guidance documents and the requirement that the rationale for the defense program be subjected to increased analytical rigor demanded a careful consideration by the Joint Chiefs of Staff and the Services. It also provided the Joint Chiefs of Staff and the Military Departments with an opportunity to challenge the premises, reasoning and conclusions of the proposed guidance. If the rationale in the preliminary draft were faulty, the Joint Chiefs of Staff and the Service could focus on weak points in the rationale and suggest alternative guidance with better justification.

As indicated by the Secretary in the memorandum that accompanied the draft for comment and review:

"I want to use the Consolidated Guidance not merely to advise you in the preparation of your POMs (Program Objective Memoranda), but also as a vehicle for debate and dialog over the rationale it contains . . . ."

#### Detailed Comments

The Joint Chiefs of Staff and the Secretaries of the Military Departments submitted detailed comments on the draft. In addition, the Joint Chiefs of Staff provided a strategy section for inclusion, and substantial and useful recommendations on the strategic aspects of the guidance.

The written comments on the draft, the views expressed at the follow-up meetings and the guidance of the Secretary of Defense provided the basis for the next draft, which required development of a justification for all changes made, and a justification of changes that were recommended but not made. The redraft and justifications were then presented to the Secretary for decision and, based on his decisions, a revised draft was completed.

The revised draft was again circulated to the Chairman and members of the Joint Chiefs of Staff and to the Secretaries of the Army, Navy, and Air Force for their personal comment and review. Their comments went directly to the Secretary and Deputy Secretary of Defense for their personal review. As a result of those comments, further changes were made. The draft was then sent to the White House. In May 1978, to assist him in his review, the President met with the Secretary of Defense and the Joint Chiefs of Staff. Following that meeting, the President held further discussions with the Secretary of Defense and the JCS Chairman.

The remainder of the planning, programming and budgeting system followed the basic pattern of prior years. After receiving the draft guidance the Military Departments prepared and submitted their Program Objective Memoranda.

The retention of the above feature of the former PPBS reflects the degree to which the revised PPBS preserved the initiative of the Departments of the Army, Navy, and Air Force. Under the system instituted in the early 1960s, the programming initiative resided in the Office of the Secretary of Defense through Draft Presidential Memoranda (DPMs). These stipulated procurement, force structure and costing in detail. The Military Departments were given an opportunity to comment, but once the DPMs were settled, the Services went directly to the preparation of their detailed budgets. Under the current system, the initial formulation of the defense program continued--as in the past nine years--to be the responsibility of the Military Departments and not of the Office of the Secretary of Defense. Thus, the revised system provided an opportunity for participation of the military professionals in the development of the Secretarial guidance and retained for the Military Departments their basic programming initiative.

The PPBS also was structured to preserve the important role of the Joint Chiefs of Staff in the evaluation of program objectives. In prior years, the JCS had prepared and submitted to the Secretary a Joint Forces Memorandum (JFM) at the time that the POMs were prepared and submitted. The JFM

identified important program objectives and provided an assessment of the risk, in terms of defense strategy, incurred by adopting, or not adopting, certain program objectives. Under the revised PPBS, the Joint Chiefs of Staff have replaced the JFM with a Joint Program Assessment Memorandum (JPAM), which is provided to the Secretary after the POMs are submitted. The JPAM provides JCS advice to the Secretary for his review of the Service POMs, development of Issue Papers, and decisions on specific Service programs. It includes a risk assessment based on an overview of the national military strategy and the force structure recommended in the POMs, as well as recommendations for improvements in the overall defense program through selection of certain programs at alternative POM levels. The JPAM therefore provides the Secretary with more valuable assistance in his consideration of the programs of all three Services. The first JPAM was submitted as part of the present PPBS cycle.

### Issue Papers

After the submission of the POMs, the staff of the Secretary of Defense drafted issue papers which were sent for review and comment to the Joint Chiefs of Staff, the Military Departments, the Office of Management and Budget, and National Security Council. The issue papers then were revised in response to the comments and provided to the Secretary of Defense. Based on the advice provided in the JPAM, his review of the POMs, and the issue papers, the Secretary made the basic program decisions that were then incorporated in the Program Decision Memoranda (PDMs). The PDMs were sent to the Joint Chiefs of Staff and the Military Departments for review and comment. Major comments-- at the selection of the members of the Joint Chiefs of Staff and the Secretaries of the Military Departments--became the subject of a series of reclama meetings attended by the Secretary and Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff and representatives of the Services. As a result of the written comments and the reclama meetings, the PDMs were modified and issued as Amended Program Decision Memoranda (APDM).

The drafting of the APDMs marked the second point of Presidential involvement in the system. At that point, the Secretary of Defense with the personal assistance of the Chairman of the Joint Chiefs of Staff prepared a status report for the President describing the major features of the Service POM submissions, the major issues that had been raised and their disposition, and an evaluation of the differences among the defense programs available over a range of funding profiles. The status report was submitted to the President for review and guidance. The ADMs were sent to the Military Departments as the basis for the budget proposals that they are now preparing.

After the pre-draft meetings in November 1977, the Joint Chiefs of Staff initiated an evaluation of their role in the revised PPBS and decided to modify the basic documents through which they provided their formal input to the system. This led to several changes made at JCS suggestion. The first of these changes was the replacement of the JFM with the JPAM. This was accomplished in the first cycle of the revised PPBS, as discussed above.

### Second Modification

The second modification involved a restructuring of the JSOP documents. To replace the JSOP I and II, the JCS created a Joint Strategic Planning Document (JSPD) to be submitted 60 days in advance of the preliminary draft guidance. The JSPD contains a comprehensive appraisal of the military threat to the United States, a statement of recommended military objectives, recommended military strategy to attain the objectives, and a summary of the JCS planning force levels that could execute, with reasonable assurance, the military strategy. It also will include the JCS views on the attainability of the recommended force levels within fiscal constraints, manpower resources, material availability, technology, and industrial capacity. It will incorporate an initial appraisal of the risk associated with programmed force levels and recommendations for changes in the prior Consolidated Guidance. Thus the JSPD will provide comprehensive recommendations by the Joint Chiefs of Staff tailored to the integrated approach of the revised defense planning, programming, and budgeting system.

ASSISTANT SECRETARY OF DEFENSE COMPTROLLER

The attached documents represent all of the issue papers prepared by the ASD(C) for the Reagan Transition team. Nothing has been omitted or deleted from the documents.

ASSISTANT SECRETARY OF DEFENSE  
COMPTROLLER

## PURPOSE

- . THIS BOOK PROVIDES INFORMATION CONCERNING CERTAIN KEY ASPECTS OF THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER).
- . THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER) IS A STATUTORY POSITION ESTABLISHED PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 136. HE IS THE PRINCIPAL STAFF ASSISTANT TO THE SECRETARY OF DEFENSE FOR PROGRAMMING, BUDGETING, AUDITING, ACCOUNTING, AND OTHER FISCAL FUNCTIONS; FOR ALL MATTERS PERTAINING TO ORGANIZATION, MANAGEMENT, AND ADMINISTRATION. HE ALSO PROVIDES POLICY SUPERVISION FOR THE DEFENSE CONTRACT AUDIT AGENCY AND THE DEFENSE AUDIT SERVICE.
- . THE COMPTROLLER HAS BEEN ONE OF THE MORE STABLE FUNCTIONS WITHIN THE DEPARTMENT WITH JUST 8 INDIVIDUALS OCCUPYING THE POSITION FROM THE PERIOD 1948 THROUGH 1980.

ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)

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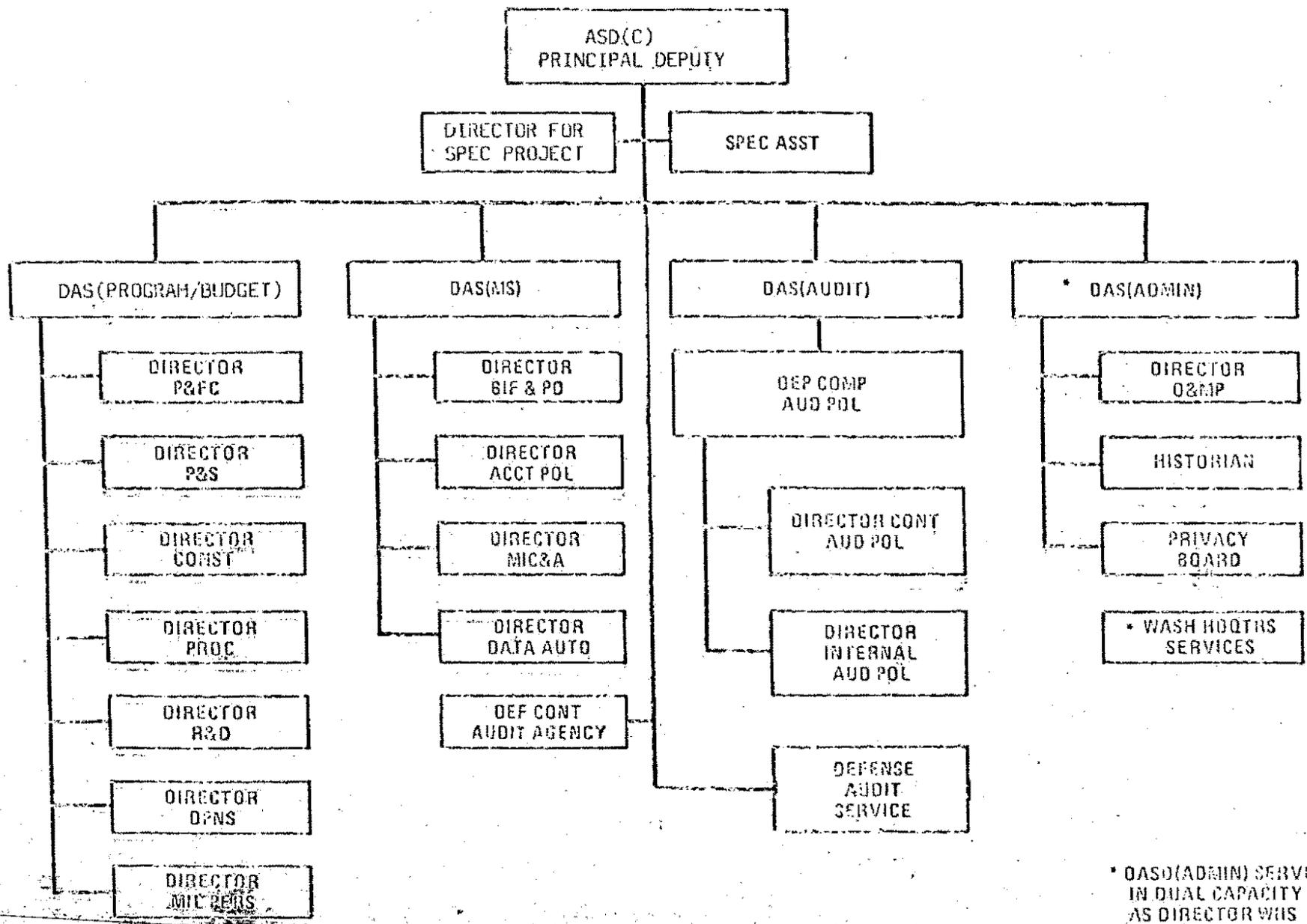
- A. DoD Organization Chart
- B. Personnel Summary
- C. Functions and Responsibilities
  - 1. Mission and Charter
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  - 4. Appropriations Structure
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- 2. DASD(Management Systems)
- 3. DASD(Audit)/Defense Audit Service
- 4. DASD(Administration)
- 5. Defense Contract Audit Agency (DCAA)





\* OASD(ADMIN) SERVES  
IN DUAL CAPACITY  
AS DIRECTOR WHS

SUMMARY OF AUTHORIZED PERSONNEL

	<u>CIVILIAN</u>		<u>MILITARY</u>		<u>TOTAL</u>
	<u>P</u>	<u>C</u>	<u>P</u>	<u>C</u>	
ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)	5	5	5	1	16
PRINCIPAL DEPUTY ASSISTANT SECRETARY	1	1			2
DEPUTY ASSISTANT SECRETARY (PROGRAM/BUDGET)	59	16			75
DEPUTY ASSISTANT SECRETARY (MANAGEMENT SYSTEMS)	51	14			65
DEPUTY ASSISTANT SECRETARY (AUDIT)	<u>12</u>	<u>3</u>	<u>1</u>	<u>-</u>	<u>16</u>
SUBTOTAL	128	39	6	1	174
DEPUTY ASSISTANT SECRETARY (ADMINISTRATION)	<u>14</u>	<u>5</u>	<u>3</u>	<u>1</u>	<u>23</u>
TOTAL	142	44	9	2	197

Defense Contract Audit Agency authorized personnel - 3,575

Defense Audit Service authorized personnel - 403

Washington Headquarters Service authorized personnel - 406

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
(COMPTROLLER)

PERSONNEL SUMMARY

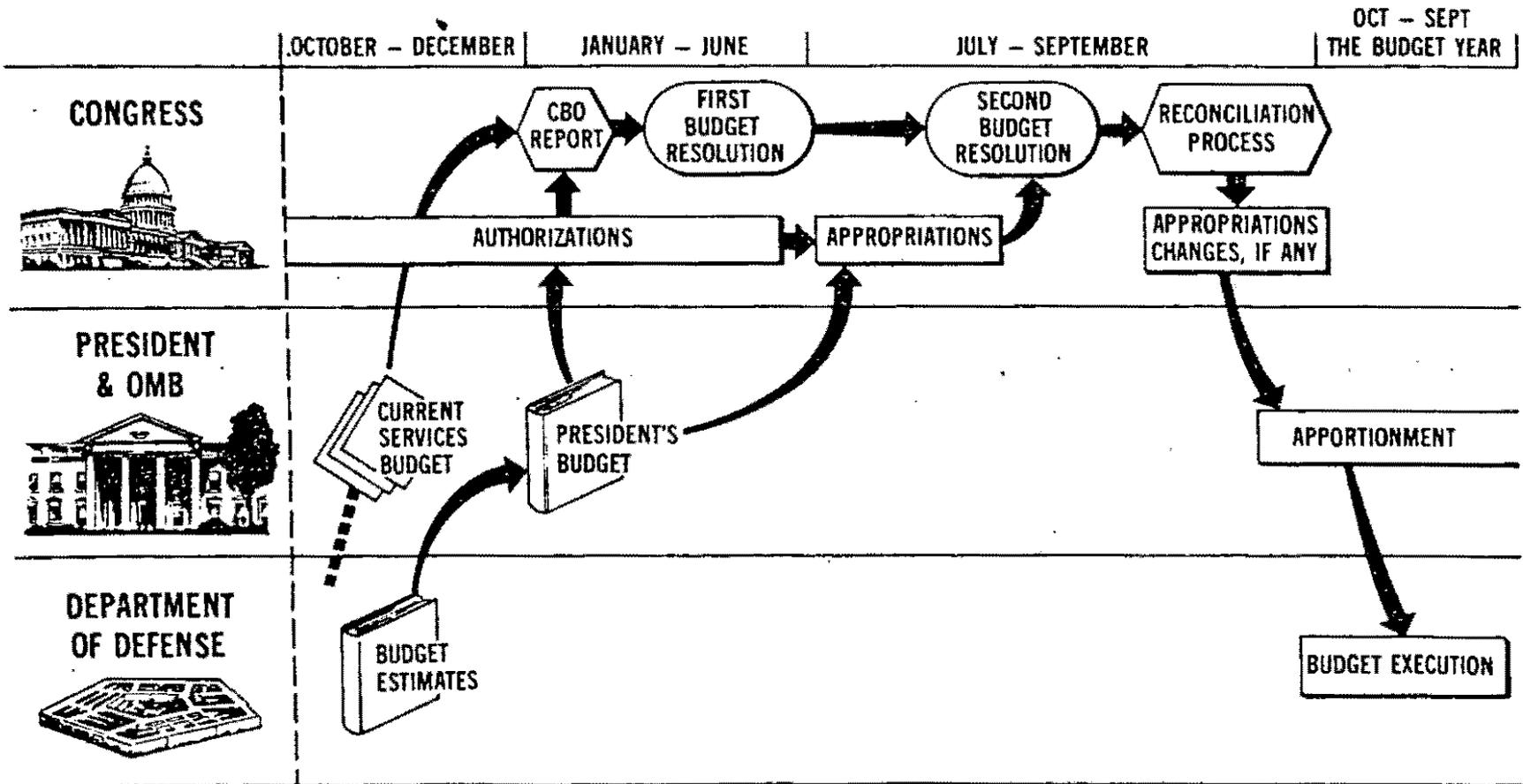
<u>GRADE/RANK</u>	<u>IMMED.</u> <u>OFFICE</u>	<u>PRIN.</u> <u>DEP.</u>	<u>DASD</u> <u>(P/B)</u>	<u>DASD</u> <u>(MS)</u>	<u>DASD</u> <u>(AUDIT)</u>	<u>DASD</u> <u>(ADMIN)</u>	<u>TOTAL</u>
LEVEL IV	1						1
ES-5		1					1
ES-4	2		12	7	2	4	27
ES-2				1			1
ES-1			1				1
GS-15			39	21	9	6	75
GS-14			2	9		1	12
GS-13	1		5	5			11
GS-12				1			1
GS-11						2	2
GS- 9	2	1			1		4
GS-1-8	2		16	14	2	5	39
TOTAL	<u>8</u>	<u>2</u>	<u>75</u>	<u>58</u>	<u>14</u>	<u>18</u>	<u>175</u>
0-6						2	2
0-5	1					1	2
0-4	2			1	1		4
TOTAL	<u>3</u>			<u>1</u>	<u>1</u>	<u>3</u>	<u>8</u>
E-7						1	1
E-3	1						1
TOTAL	<u>1</u>					<u>1</u>	<u>2</u>
GRAND TOTAL	<u>12</u>	<u>2</u>	<u>75</u>	<u>59</u>	<u>15</u>	<u>22</u>	<u>185</u>

The difference between the total of 197 on the Summary of Authorized Personnel and the 185 on this sheet (Personnel Summary) is authorized spaces not filled.

SUMMARY OF THE CONGRESSIONAL BUDGET PROCESS

- . THIS SECTION PROVIDES A BRIEF DESCRIPTION OF THE CONGRESSIONAL BUDGET PROCESS AS ESTABLISHED BY THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.
- . THE ACT ESTABLISHES A TIMETABLE FOR VARIOUS PHASES OF THE BUDGET PROCESS.
- . THE ACT ALSO ESTABLISHES PROCEDURES FOR CONGRESSIONAL REVIEW OF PRESIDENTIAL IMPOUNDMENT ACTIONS.

# BUDGET PROCESS – NEW STYLE



THE CONGRESSIONAL BUDGET AND IMPOUNDMENT  
CONTROL ACT OF 1974

THE CONGRESSIONAL BUDGET PROCESS

Title III of the Act establishes a timetable for various phases of the congressional budget process, prescribing the actions to take place at each point. Following is a description of the elements of the congressional budget timetable set forth in Section 300 of the Act:

Action to be completed

On or before Nov. 10 ----- President submits current services budget

Submission of a current services budget is the first element in the timetable. This document estimates the budget authority and outlays needed to carry on existing programs and activities for the next fiscal year under certain economic assumptions. Its purpose is to give the Congress, at the earliest date possible (just one month after the current fiscal year has begun), detailed information with which to begin analysis and preparation of the budget for the upcoming fiscal year.

Thus, the Congressional Budget Office (CBO) and the House and Senate Budget Committees begin work on new budget projections based on the current fiscal year's levels. To help them evaluate the President's projections, the Act requires the Joint Economic Committee to report to the Budget Committees by December 31 on the estimates and economic assumptions in the current services budget.

Action to be completed

On or before 15th day ----- President submits his budget after Congress meets

The President's budget is required to be submitted 15 days after the Congress convenes. This budget remains one of the major factors in the development of the congressional budget. Shortly after its submission, the two Budget Committees begin hearings on the budget, the economic assumptions upon which it is based, the economy in general, and national budget priorities. Participants at these hearings include Administration officials, Members of Congress, and representatives of various national interest groups.

Action to be completed

On or before Mar. 15 ----- Committees and joint committees submit reports to Budget Committees

An important step in the budget process is the submission of the views and recommendations of all standing committees of the House and Senate.

These reports are due March 15, one month in advance of the reporting date of the first concurrent resolution on the budget. These reports are important to the proper functioning of the budget process and, accordingly, are made mandatory by the Act. They provide the Budget Committees with an early and comprehensive indication of committee legislative plans for the next fiscal year. These reports contain the views and estimates of new budget authority and outlays to be authorized in legislation under their jurisdictions which will become effective during the next fiscal year.

In addition, the Joint Economic Committee is directed to submit a report with its recommendations as to the fiscal policies that would be appropriate to achieve goals of the Employment Act of 1946.

Action to be completed

On or before Apr. 1 ----- CBO submits report to Budget Committees

The CBO is required to submit its report to the Budget Committees on or before April 1. This report deals primarily with overall economic and fiscal policy and alternative budget levels and national budget priorities.

Action to be completed

On or before Apr. 15 ----- Budget Committees report first concurrent resolution on the budget to their Houses

April 15 is fixed by the Act as the deadline for reporting by the Budget Committees of the first concurrent resolution on the budget. This date allows a maximum of one month for floor consideration in each House, conference between the two Houses, and adoption of conference reports, required to be completed by May 15.

The concurrent resolution sets forth the following:

1. The appropriate levels of total budget authority and outlays for the next fiscal year, both in the aggregate and for each major functional category of the budget.
2. The appropriate budget surplus or deficit for the next fiscal year.
3. The recommended level of Federal revenues and recommended increases or decreases in revenues to be reported by appropriate committees.
4. The appropriate level of the public debt and recommended increases or decreases to be reported by appropriate committees.
5. Any other matters deemed appropriate to the congressional budget process.

In addition, the report on the resolution compares the Budget Committee's revenue estimates and budget authority and outlay levels with the estimates and amounts in the President's budget. It also identifies the recommended sources of revenues; makes five-year budget projections; and indicates significant changes, if any, in Federal aid to States and localities.

The first budget resolution for a given fiscal year establishes targets for budget authority and outlays for each of the major functional categories, as well as for the five major budget aggregates--revenues, budget authority, outlays, deficit, and public debt. These budget targets, which represent a congressional determination of appropriate fiscal policy and national budget priorities, guide the Congress in its subsequent spending and revenue decisions. With the adoption of the second concurrent budget resolution, the aggregate budget authority, outlays, and revenue levels become binding.

Following adoption of the budget resolutions, the Budget Committee, aided by the CBO, provides up-to-date scorekeeping reports to inform Members as to how congressional action on spending and revenues compares with the budget aggregates and functional targets in the resolution.

Action to be completed

On or before:

May 15 -----	Committees report bills authorizing new budget authority
May 15 -----	Congress completes action on first concurrent resolution on the budget

May 15 is a key date in the new budget process for two reasons:

First, it is the deadline for the reporting of legislation authorizing new budget authority, a requirement imposed by Section 402 of the Act. Authorization measures reported after that date may be considered in the House only if an emergency waiver reported by the Rules Committee is adopted. Exempted from this May 15 reporting requirement are entitlement bills and omnibus social security legislation.

This reporting deadline is an important part of both the overall budget process and a prerequisite to the timely enactment of appropriation bills. In addition, section 607 of the Act requires advance submission by the Executive Branch of proposed authorizing legislation (that is, submission at least one year and 4½ months in advance of the fiscal year to which it applies); and the statement of managers on the Budget Act legislation expresses its expectation that the Congress will develop a pattern of advance authorizations for programs now authorized on an annual or multi-year basis.

Second, May 15 is the deadline for the adoption of the first budget resolution by the Congress; and prior to its adoption, neither House

may consider any revenue, spending, entitlement, or debt legislation. The only measures permitted to be considered prior to the adoption of the first resolution are those involving advance budget authority or changes in revenues which first become effective following the fiscal year dealt with in the first resolution.

In addition to the various matters required to be included in the resolution, the Act also provides for important material to be included in the joint statement of managers accompanying the conference report.

The joint statement must distribute the allocations of total budget authority and outlays contained in the resolution among the appropriate committees of the House and Senate. For example, if the conference report allocates \$7 billion in budget authority and \$6 billion in outlays for a certain functional category, the statement of managers must divide those amounts among the various committees of the House and Senate with jurisdiction over programs and authorities covered by that functional category. Each committee to which an allocation is made must, in turn, further subdivide its allocation among its subcommittees or programs, and promptly report such subdivisions to its House.

Action to be completed

On or before 7th day ----- Congress completes action on bills  
after Labor Day and resolutions providing new budget authority and new spending authority

The next critical date in the budget process is the 7th day after Labor Day, the deadline for completing action on all regular budget authority and entitlement bills. The only exception to this requirement is for appropriations bills whose consideration has been delayed because necessary authorizing legislation has not been timely enacted.

This deadline is of critical importance for the budget process. While most spending legislation is expected to be acted upon in the months immediately following the adoption of the first resolution on May 15, it is crucial for all spending bills to be completed by the deadline date. The reason is that by the 7th day after Labor Day only three weeks will remain until the start of the new fiscal year, and during those weeks Congress must adopt a second budget resolution and undertake and complete a reconciliation process, if necessary.

Thus, even a small delay in completing authorizing and spending legislation can upset the timing of remaining budget actions (adoption of the second resolution and completion of the reconciliation process). Congress would then be forced into continued reliance on "continuing resolutions," a major defect sought to be corrected by the new budget process.

Action to be completed

On or before:

- Sept. 15 ----- Congress completes action on second required concurrent resolution on the budget
- Sept. 25 ----- Congress completes action on reconciliation bill or resolution, or both, implementing second required concurrent resolution

September 15 and 25 are, respectively, the dates for adoption of the second resolution and completion of the reconciliation process, the final phase of the new budget process.

The Act sets no deadline for reporting this second resolution. The date probably will vary from year to year depending on when action is completed on the various spending bills.

The second resolution affirms or revises, on the basis of new information and data, changed economic circumstances, and Congress' spending actions, the matters contained in the first resolution (that is, the "target" levels of budget authority and outlays, total revenues, and the public debt limit). In addition, the second resolution may direct the committees with jurisdiction over any changes to the House. The changes may include rescinding or amending appropriations and other spending legislation, raising or lowering revenues, making adjustments in the debt limit, or any combination of such actions.

For example; the resolution might call upon the Appropriations Committees to report legislation rescinding or amending appropriations, and the Ways and Means and Finance Committees to report legislation adjusting tax rates or the public debt limit. In addition, other committees may be called upon to report certain actions.

Implementing legislation solely within the jurisdiction of one committee is reported to the House or Senate by that Committee. However, if more than one committee is directed to report certain actions, then the committees submit their recommendations to the Budget Committees which compile the various actions, without substantive change, into a single reconciliation measure. This special procedure is necessary to expedite completion of the reconciliation process.

The Congress may not adjourn sine die until it has completed action on the second resolution and the reconciliation process. Furthermore, after adoption of the second resolution and completion of the reconciliation process, it is not in order in either House to consider any new spending legislation that would cause the aggregate levels of total budget authority or outlays adopted in that resolution to be exceeded, nor to consider a measure that would reduce total revenues below the levels in the resolution. Such legislation is subject to a point of order.

Of course, Congress may adopt a revision of its most recent resolution at any time during the fiscal year. In fact, the framers of the Budget Act anticipated that, in addition to the May and September resolutions, Congress may adopt at least one additional resolution each year, either in conjunction with a supplemental appropriations bill or in the event of sharp revisions in revenues or spending estimates brought on by major changes in the economy.

Action to be completed

On or before Oct. 1 ----- Fiscal year begins

The completion of reconciliation actions brings the budget timetable to a close, five days before the start of the fiscal year on October 1.

\* \* \* \* \*

The congressional budget timetable sets firm dates for key elements of the new system. Certain parts of the budget process cannot move ahead unless other actions are completed. Appropriations cannot be considered until the first budget resolution is adopted and necessary authorizations have been enacted. Reconciliation actions cannot be undertaken until action is completed on appropriation bills and the second budget resolution. Thus, failure to complete a particular action on schedule affects later actions as well. In short, the four main phases of the budget process (authorizations, budget resolutions, spending measures, and reconciliations) must be completed by the dates assigned to them in the Act.

# HOUSE COMMITTEE ON THE BUDGET

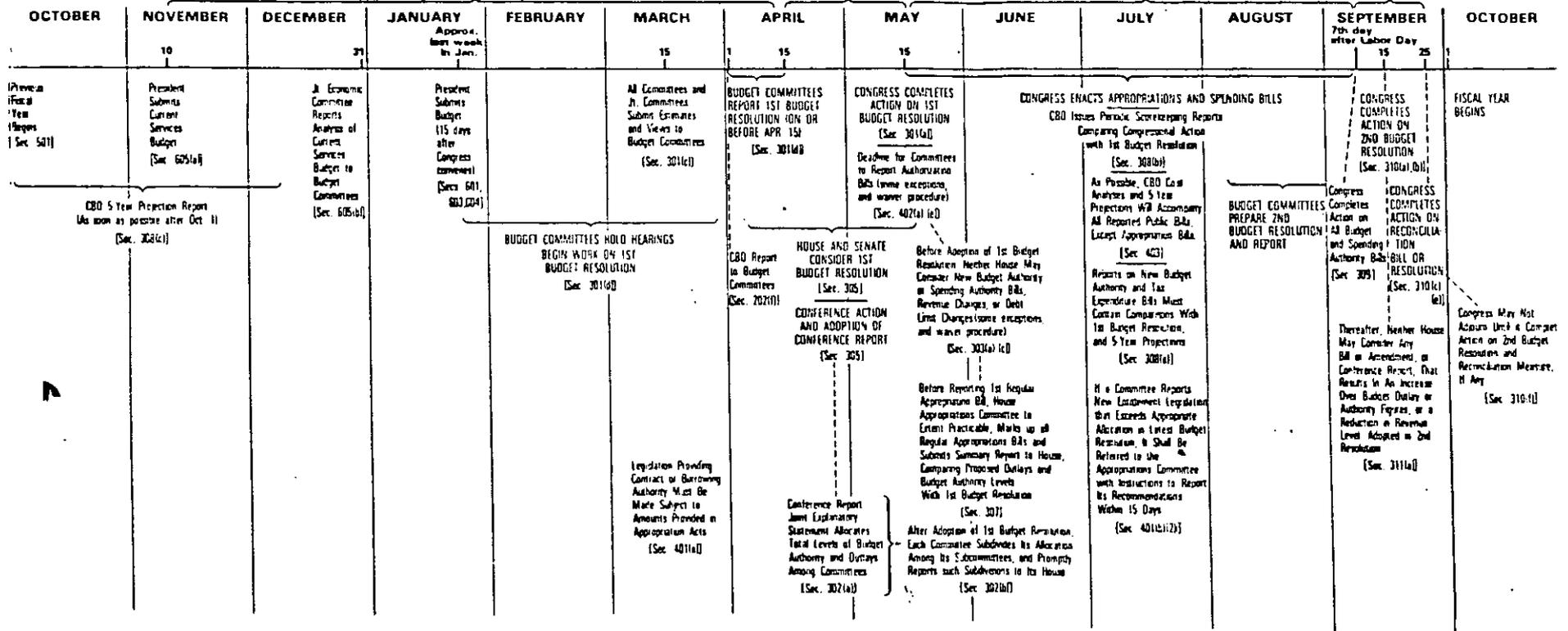
## THE CONGRESSIONAL BUDGET PROCESS

INFORMATION GATHERING, ANALYSIS, AND PREPARATION OF  
1ST BUDGET RESOLUTION

ADOPTION OF 1ST  
BUDGET RESOLUTION

CONGRESSIONAL ACTION  
ON SPENDING BILLS

ADOPTION OF  
2ND BUDGET RES.  
AND RECONCILIATION



THE CONGRESSIONAL BUDGET AND IMPOUNDMENT  
CONTROL ACT OF 1974

IMPOUNDMENT CONTROL

Title X of the Act establishes procedures for congressional review of Presidential impoundment actions. This is a companion feature of the new budget control system. The title recognizes two types of impoundment actions by the Executive Branch: rescissions and deferrals.

Rescissions must be proposed by the President whenever he determines that (1) all or part of any budget authority will not be needed to carry out the full objectives of a particular program; (2) budget authority should be rescinded for fiscal reasons; or (3) all or part of budget authority provided for only one fiscal year is to be reserved from obligation for that year. In such cases, the President submits a special message to the Congress requesting rescission of the budget authority, explaining fully the circumstances and reasons for the proposed action. Unless both Houses of the Congress complete action on a rescission bill within 45 days, the budget authority must be made available for obligation.

Deferrals must be proposed by the President whenever any Executive action or inaction effectively precludes the obligation or expenditure of budget authority. In such cases, the President submits a special message to the Congress recommending the deferral of that budget authority. The President is required to make such budget authority available for obligation if either House passes an "impoundment resolution" disapproving the proposed deferral at any time after receipt of the special message.

Rescission and deferral messages are also to be transmitted to the Comptroller General who must review each message and advise the Congress of the facts surrounding the action and its probable effects. In the case of deferrals, he must state whether the deferral is, in his view, in accordance with existing statutory authority. The Comptroller General is also required to report to the Congress reserve or deferral actions which have not been reported by the President; and to report and reclassify any incorrect transmittals by the President.

If budget authority is not made available for obligation by the President as required by the impoundment control provisions, the Comptroller General is authorized to bring a civil action to bring about compliance. However, such action may not be brought until 25 days after the Comptroller General files an explanatory statement with the House and Senate.

The President is also required to submit monthly cumulative reports of proposed rescissions, reservations, and deferrals. These reports, to be published in the Federal Register, explain fully the factors that prompted the various impoundment actions.

## APPROPRIATION STRUCTURE

. THIS SECTION CONTAINS A LISTING OF ALL APPROPRIATIONS AND FUNDS AVAILABLE TO THE DEPARTMENT OF DEFENSE.

. ANNUAL BUDGET REQUESTS ARE ADDRESSED IN TWO SEPARATE APPROPRIATIONS ACTS:

. DEPARTMENT OF DEFENSE APPROPRIATIONS ACT

CONTAINS FUNDS FOR MILITARY PERSONNEL, RETIRED MILITARY PERSONNEL, OPERATION AND MAINTENANCE, PROCUREMENT, RESEARCH, DEVELOPMENT, TEST & EVALUATION, SPECIAL FOREIGN CURRENCY, AND REVOLVING AND MANAGEMENT FUNDS.

. MILITARY CONSTRUCTION APPROPRIATIONS ACT

CONTAINS FUNDS FOR MILITARY CONSTRUCTION AND FAMILY HOUSING.

APPROPRIATION TITLE

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY  
MILITARY PERSONNEL, NAVY  
MILITARY PERSONNEL, MARINE CORPS  
MILITARY PERSONNEL, AIR FORCE  
RESERVE PERSONNEL, ARMY  
RESERVE PERSONNEL, NAVY  
RESERVE PERSONNEL, MARINE CORPS  
RESERVE PERSONNEL, AIR FORCE  
NATIONAL GUARD PERSONNEL, ARMY  
NATIONAL GUARD PERSONNEL, AIR FORCE

RETIRED PAY, DEFENSE

OPERATION AND MAINTENANCE

OPERATION & MAINTENANCE, ARMY  
OPERATION & MAINTENANCE, NAVY  
OPERATION & MAINTENANCE, MARINE CORPS  
OPERATION & MAINTENANCE, AIR FORCE  
OPERATION & MAINTENANCE, DEFENSE AGENCIES  
OPERATION & MAINTENANCE, ARMY RESERVE  
OPERATION & MAINTENANCE, NAVY RESERVE  
OPERATION & MAINTENANCE, MARINE CORPS RESERVE  
OPERATION & MAINTENANCE, AIR FORCE RESERVE  
OPERATION & MAINTENANCE, ARMY NATIONAL GUARD  
OPERATION & MAINTENANCE, AIR NATIONAL GUARD  
RIFLE PRACTICE, ARMY  
CLAIMS, DEFENSE  
COURT OF MILITARY APPEALS, DEFENSE  
FOREIGN CURRENCY FLUCTUATION  
XIII OLYMPIC WINTER GAMES

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY  
MISSILE PROCUREMENT, ARMY  
PROC. OF WEAPONS & TRACKED COMBAT VEHICLES, ARMY  
PROCUREMENT OF AMMUNITION, ARMY  
OTHER PROCUREMENT, ARMY  
AIRCRAFT PROCUREMENT, NAVY  
WEAPONS PROCUREMENT, NAVY  
SHIPBUILDING AND CONVERSION, NAVY  
OTHER PROCUREMENT, NAVY  
PROCUREMENT, MARINE CORPS  
AIRCRAFT PROCUREMENT, AIR FORCE  
MISSILE PROCUREMENT, AIR FORCE  
OTHER PROCUREMENT, AIR FORCE  
PROCUREMENT, DEFENSE AGENCIES

RESEARCH, DEVELOPMENT, TEST & EVALUATION

RDT&E, ARMY  
 RDT&E, NAVY  
 RDT&E, AIR FORCE  
 RDT&E, DEFENSE AGENCIES  
 DIRECTOR OF TEST AND EVALUATION, DEFENSE

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY  
 MILITARY CONSTRUCTION, NAVY  
 MILITARY CONSTRUCTION, AIR FORCE  
 MILITARY CONSTRUCTION, DEFENSE AGENCIES  
 NATO INFRASTRUCTURE  
 MIL CON, ARMY NATIONAL GUARD  
 MIL CON, AIR NATIONAL GUARD  
 MIL CON, ARMY RESERVE  
 MIL CON, NAVAL RESERVE  
 MIL CON, AIR FORCE RESERVE

FAMILY HOUSING, DEFENSE

FAMILY HOUSING, CONSTRUCTION  
 FAMILY HOUSING, DEBT PAYMENT  
 FAMILY HOUSING, OPERATIONS  
 FOREIGN CURRENCY FLUCTUATION, CONSTRUCTION, DEFENSE  
 HOMEOWNERS ASSISTANCE FUND, DEFENSE

SPECIAL FOREIGN CURRENCY PROGRAMREVOLVING AND MANAGEMENT FUNDS

DEFENSE PRODUCTION GUARANTEES, ARMY  
 DEFENSE PRODUCTION GUARANTEES, NAVY  
 DEFENSE PRODUCTION GUARANTEES, AIR FORCE  
 LAUNDRY SERVICE, NAVAL ACADEMY  
 NAVAL WORKING FUND  
 ARMY STOCK FUND  
 NAVY STOCK FUND  
 MARINE CORPS STOCK FUND  
 AIR FORCE STOCK FUND  
 DEFENSE STOCK FUND  
 ARMY INDUSTRIAL FUND  
 NAVY INDUSTRIAL FUND  
 MARINE CORPS INDUSTRIAL FUND  
 AIR FORCE INDUSTRIAL FUND  
 DEFENSE INDUSTRIAL FUND  
 ARMY MANAGEMENT FUND  
 NAVY MANAGEMENT FUND  
 AIR FORCE MANAGEMENT FUND

DEDUCTIONS FOR OFFSETTING RECEIPTS

OFFSETTING RECEIPTS, ARMY  
 OFFSETTING RECEIPTS, NAVY  
 OFFSETTING RECEIPTS, AIR FORCE  
 OFFSETTING RECEIPTS, DEFENSE

DEFENSE-WIDE CONTINGENCIES  
CIVILIAN AND MILITARY PAY RAISES.

OTHER LEGISLATION  
OTHER MILITARY ENTITLEMENTS  
UNIFORMED SERVICES RETIREMENT MODERNIZATION  
MILITARY PERSONNEL TRAVEL ALLOWANCES

TRUST FUNDS  
TRUST FUNDS, ARMY  
TRUST FUNDS, NAVY  
TRUST FUNDS, AIR FORCE  
TRUST REVOLVING FUNDS, ARMY  
TRUST REVOLVING FUNDS, NAVY  
TRUST REVOLVING FUNDS, AIR FORCE  
  
INTRAGOVERNMENTAL TRUST FUND, NAVY

# **THE PROCESS OF BUDGET EXECUTION**



**Office of The  
Assistant Secretary of Defense  
(Comptroller)**

# ***THE PROCESS OF BUDGET EXECUTION***

- THIS BRIEFING DEALS WITH THE MATTER OF DEPARTMENT OF DEFENSE UNOBLIGATED AND UNEXPENDED BALANCES – A SUBJECT WHICH IS FREQUENTLY DISCUSSED AND OFTEN MISUNDERSTOOD.
- JUST AS IN THE SUBTITLE FOR THIS BRIEFING, THERE IS OFTEN A TENDENCY TO ATTACH A SUBJECTIVE QUALITY TO THESE TERMS.
- THESE TERMS ARE FREQUENTLY USED IN AN ABSTRACT WAY AND ADDRESSED AS IF THEY WERE A MEANS TO AN END.
- IT IS IMPORTANT TO UNDERSTAND THE PROCESS OF BUDGET EXECUTION, BECAUSE UNOBLIGATED AND UNEXPENDED BALANCES BECOME AN ARITHMETIC DERIVATIVE.

**THE PROCESS OF BUDGET EXECUTION**

**THE**

**UNOBLIGATED AND UNEXPENDED BALANCES**

**AND**

**UNOBLIGATED**

**AND**

**UNEXPENDED BALANCES**

# ***EVENTS IN THE EXECUTION PROCESS***

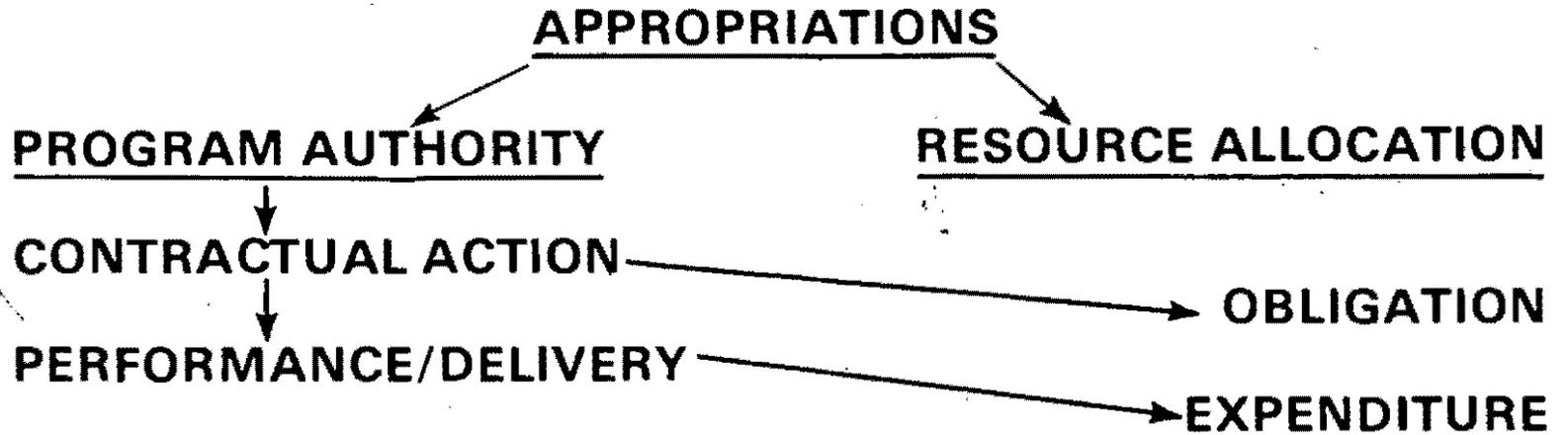
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- THE LEGISLATIVE PROCESS PROVIDES BOTH THE AUTHORITY AND THE RESOURCES TO ACCOMPLISH DEPARTMENT OF DEFENSE PROGRAM OBJECTIVES.
- THE PROCESS IS EVENT ORIENTED.
- CONTRACTUAL ACTION INVOLVING PERSONAL SERVICES OR MATERIEL RESULTS IN OBLIGATIONS.
- PAYMENTS FOR PERFORMANCE RENDERED OR DELIVERY OF MATERIEL RESULTS IN EXPENDITURES.

# ***EVENTS IN THE EXECUTION PROCESS***

## **PROGRAM PROCESS**

## **FISCAL RESULTS**



## ***TIME PHASING OF THE EXECUTION PROCESS***

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- IF THE EVENTS IN THE EXECUTION PROCESS WERE COMPLETED ENTIRELY WITHIN EACH FISCAL YEAR, THERE WOULD BE NO UNOBLIGATED OR UNEXPENDED BALANCES.
- IF WE WERE DEALING ENTIRELY WITH OPERATING PROGRAMS IN THE DEPARTMENT OF DEFENSE BUDGET, THERE WOULD BE NO UNOBLIGATED BALANCES AT THE END OF EACH YEAR AND ONLY MODEST UNEXPENDED BALANCES.
- NEITHER OF THE FOREGOING TWO CONDITIONS APPLIES SINCE THE BUDGET DEALS ALSO WITH MAJOR CAPITAL INVESTMENTS.
- CONGRESS FULLY FUNDS THE CAPITAL INVESTMENTS APPROVED IN THE ANNUAL BUDGET, AND RECOGNIZES THE TIME PHASING REQUIREMENTS OF THE ACQUISITION PROCESS BY PROVIDING APPROPRIATION OBLIGATION LIFE SPANS AS APPROPRIATE TO THE VARIOUS FUNCTIONAL AREAS.



## ***TIME PHASING OF THE EXECUTION PROCESS***

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### **OPERATIONS**

- 1 YEAR APPROPRIATION LIFE
- 100% OBLIGATED IN 1ST YEAR
- 87% EXPENDED IN 1ST YEAR

### **R&D**

- 2 YEAR APPROPRIATION LIFE
- 93% OBLIGATED IN 1ST YEAR
- 58% EXPENDED IN 1ST YEAR

### **PROCUREMENT (EXCL. SHIPBUILDING)**

- 3 YEAR APPROPRIATION LIFE
- 76% OBLIGATED IN 1ST YEAR
- 13% EXPENDED IN 1ST YEAR

### **SHIPBUILDING**

- 5 YEAR APPROPRIATION LIFE
- 51% OBLIGATED IN 1ST YEAR
- 5% EXPENDED IN 1ST YEAR

### **MILITARY CONSTRUCTION**

- 5 YEAR APPROPRIATION LIFE
- 75% OBLIGATED IN 1ST YEAR
- 11% EXPENDED IN 1ST YEAR

**DEPARTMENT OF DEFENSE BUDGET**  
**MILITARY FUNCTIONS UNOBLIGATED**  
**AND UNEXPENDED BALANCES**

---

- THE TIME SPAN REQUIRED FOR ORDERLY BUDGET EXECUTION IS SUCH THAT THERE WILL AND SHOULD BE BALANCES.
- UNOBLIGATED BALANCES REPRESENT PROGRAMS, OR PORTIONS OF PROGRAMS, WHICH HAVE NOT YET BEEN PLACED UNDER CONTRACT.
- WE WOULD EXPECT THE UNOBLIGATED BALANCES TO PERTAIN TO CAPITAL INVESTMENT PROGRAMS IN GENERAL AND TO THE MAJOR PROCUREMENT AREA IN PARTICULAR.
- IT IS IMPORTANT TO RECOGNIZE THAT BY FAR THE LARGER PORTION OF UNEXPENDED BALANCES REPRESENTS PROGRAMS WHICH HAVE REACHED THE CONTRACTUAL ACTION STAGE OF THE EXECUTION PROCESS. THESE BALANCES REPRESENT LEGAL OBLIGATIONS AGAINST WHICH PAYMENT MUST ULTIMATELY BE MADE.

**DEPARTMENT OF DEFENSE BUDGET  
MILITARY FUNCTIONS UNOBLIGATED  
AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>6/30/73</u>	<u>6/30/74</u>	<u>6/30/75</u>	<u>9/30/76</u>	<u>9/30/77</u>	<u>9/30/78</u>	<u>9/30/79</u>	<u>EST. 9/30/80</u>	<u>EST. 9/30/81</u>
UNOBLIGATED BALANCES	12.7	15.1	16.7	21.0	20.0	21.3	23.0	24.4	23.8
OBLIGATED BALANCES	26.9	28.5	27.1	30.3	42.7	52.4	60.9	70.4	86.4
UNEXPENDED BALANCES	39.6	43.6	43.9	51.3	62.7	73.6	83.9	94.8	110.1

## **DOD UNOBLIGATED BALANCES END OF FISCAL YEAR, 1978-81**

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- THE TRENDS AND BALANCES IN THE AREAS OTHER THAN PROCUREMENT ARE FAIRLY CONSTANT.
- THE RDT&E PROGRAM IS INCREMENTALLY FUNDED AND OBLIGATES ON THE ORDER OF 93% IN THE INITIAL YEAR.
- MILITARY CONSTRUCTION, WHILE FULLY FUNDED AS A CAPITAL INVESTMENT, IS A RELATIVELY SMALL PORTION OF THE TOTAL DEPARTMENT OF DEFENSE BUDGET AND THE BALANCES ARE ACCORDINGLY MODEST.
- THE INDUSTRIAL FUNDS ARE REVOLVING FUNDS WHICH FINANCE THE OPERATIONS OF SHIPYARDS, ARSENALS, DEPOTS, AND OTHER COMMERCIAL AND INDUSTRIAL TYPE OF INHOUSE DOD ACTIVITIES.
- THE STOCK FUNDS ARE ALSO REVOLVING AND MANAGEMENT FUNDS WHICH FINANCE THE PURCHASE OF CONSUMABLE MATERIALS FOR RESALE TO THE MILITARY SERVICES AND OTHER AUTHORIZED CUSTOMERS. CONSUMABLE MOBILIZATION RESERVE MATERIALS ARE ALSO PURCHASED THROUGH THE STOCK FUNDS.
- AS EXPECTED THE LARGEST PORTION OF OUR UNOBLIGATED BALANCES APPLIES TO THE PROCUREMENT APPROPRIATIONS WHEREIN WE FINANCE THE ACQUISITION OF AIRCRAFT, MISSILES, SHIPS, TRACKED COMBAT VEHICLES, AND OTHER WEAPONS AND MATERIAL.

**DOD UNOBLIGATED BALANCES  
END OF FISCAL YEAR 1978-81  
(\$ BILLIONS)**

	<u>9/30/78</u>	<u>9/30/79</u>	<u>EST. 9/30/80</u>	<u>EST. 9/30/81</u>
PROCUREMENT	15.8	15.1	17.9	17.9
RDT&E	.9	1.1	1.1	1.3
MILITARY CONSTRUCTION	1.5	1.5	1.5	1.7
FAMILY HOUSING	.2	.2	.1	.2
INDUSTRIAL FUNDS	2.7	3.4	3.2	2.6
STOCK FUNDS	—	1.6	.5	—
TRUST FUNDS	.1	.1	.1	.1
<b>TOTAL UNOBLIGATED BALANCES</b>	<b>21.3</b>	<b>23.0</b>	<b>24.4</b>	<b>23.8</b>

# **PROCUREMENT APPROPRIATIONS UNOBLIGATED BALANCES**

- 
- WITHIN THE PROCUREMENT AREA THE NAVY SHIPBUILDING PROGRAM ACCOUNTS FOR THE LARGEST SINGLE PORTION OF THE UNOBLIGATED BALANCES.
  - BALANCES IN OTHER APPROPRIATIONS VARY DEPENDING UPON THE NATURE AND SIZE OF THE PROGRAM.
  - A COMPARISON OF THE BALANCES, EXCLUSIVE OF SHIPBUILDING, WITH THE PROGRAM VALUE EACH YEAR INDICATES THAT THE RELATIONSHIPS ARE STABLE AND REASONABLY PREDICTABLE. THE FOLLOWING TWO CHARTS PROVIDE AN AGING ANALYSIS OF BOTH UNOBLIGATED AND UNEXPENDED BALANCES IN THESE AREAS.

**PROCUREMENT APPROPRIATIONS  
UNOBLIGATED BALANCES  
(\$ MILLIONS)**

	<u>9/30/78</u>	<u>9/30/79</u>	<u>EST. 9/30/80</u>	<u>EST. 9/30/81</u>
AIRCRAFT, ARMY	183	193	234	236
MISSILES, ARMY	130	197	301	334
WPNS. AND TR. COMBAT VEH., ARMY	310	336	394	511
AMMUNITION, ARMY	452	479	520	577
OTHER, ARMY	802	750	715	897
AIRCRAFT, NAVY	1,031	1,306	1,096	1,589
WEAPONS, NAVY	998	878	847	976
SHIPBUILDING, NAVY	6,550	6,317	8,090	6,173
OTHER, NAVY	734	830	761	885
MARINE CORPS	130	207	143	198
AIRCRAFT, AIR FORCE	2,770	2,227	2,857	3,033
MISSILES, AIR FORCE	825	589	956	1,370
OTHER, AIR FORCE	752	599	839	986
DEFENSE AGENCIES	145	152	143	91
<b>TOTAL UNOBLIGATED BALANCES</b>	<u><u>15,812</u></u>	<u><u>15,062</u></u>	<u><u>17,897</u></u>	<u><u>17,854</u></u>
<b>UNOBLIGATED BALANCES: AS A PERCENT OF AVAILABILITY</b>	32.0%	30.7%	33.8%	29.6%

**ANALYSIS OF PROCUREMENT  
(EXCLUDING SCN)  
UNOBLIGATED AND UNEXPENDED BALANCES**

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- APPROXIMATELY THREE-FOURTHS OF THE UNOBLIGATED BALANCES REPRESENT APPROPRIATIONS THAT ARE NO MORE THAN ONE YEAR OLD.
- ON THE ORDER OF 80% OF THE UNEXPENDED BALANCES REPRESENT APPROPRIATIONS THAT ARE NO MORE THAN TWO YEARS OLD.

**ANALYSIS OF PROCUREMENT  
(EXCLUDING SCN)  
UNOBLIGATED AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>71</u>	<u>72</u>	<u>73</u>	<u>74</u>	<u>75</u>	<u>76</u>	<u>77</u>	<u>78</u>	<u>79</u>	<u>80</u>	<u>81</u>
<u>UNOBLIGATED BALANCE</u>	6.5	5.1	5.4	6.7	7.5	10.2	9.3	9.3	8.7	9.8	11.7
1ST YEAR BALANCE	6.5	3.5	3.4	5.5	5.9	8.4	7.1	6.8	6.2	7.3	8.9
2ND YEAR BALANCE		1.6	2.0	1.2	1.6	1.8	2.2	2.4	2.6	2.5	2.8
<u>UNEXPENDED BALANCE</u>	17.9	17.3	18.1	18.4	18.4	22.4	28.9	34.9	39.9	45.3	53.7
1ST YEAR BALANCE	17.9	11.4	12.2	11.6	11.6	16.4	19.0	21.6	22.8	25.4	29.9
2ND YEAR BALANCE		5.9	4.1	4.9	5.0	4.2	7.8	9.8	11.7	12.6	14.4
3RD YEAR BALANCE			1.8	1.1	1.1	1.0	1.2	2.5	3.7	5.0	5.6
4TH YEAR BALANCE				.8	.3	.3	.4	.4	1.0	1.4	2.4
PRIOR YEARS					.4	.5	.5	.6	.7	.9	1.4

# ***ANALYSIS OF SCN UNOBLIGATED AND UNEXPENDED BALANCES***

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- IN THE CASE OF SHIPBUILDING, THE AGING PATTERN VARIES BECAUSE OF THE MORE EXTENDED ACQUISITION CYCLE.

**ANALYSIS OF SCN  
UNOBLIGATED AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>71</u>	<u>72</u>	<u>73</u>	<u>74</u>	<u>75</u>	<u>76</u>	<u>77</u>	<u>78</u>	<u>79</u>	<u>80</u>	<u>81</u>
<b><u>UNOBLIGATED BALANCE</u></b>	2.0	2.6	3.2	4.0	4.9	4.6	5.6	6.6	6.3	8.1	6.2
1ST YEAR BALANCE	2.0	1.4	1.4	2.0	2.7	2.0	3.1	2.9	2.2	3.8	3.0
2ND YEAR BALANCE		1.2	.9	.8	1.4	1.5	1.5	2.3	1.8	1.7	1.7
3RD YEAR BALANCE			.9	.7	.4	.9	.5	1.1	1.5	1.3	.7
4TH YEAR BALANCE				.5	.4	.2	.4	.2	.8	1.3	.8
5TH YEAR BALANCE							.1	.1			
<b><u>UNEXPENDED BALANCE</u></b>	5.5	6.6	7.5	8.9	9.1	10.2	13.2	15.8	16.5	18.9	20.6
1ST YEAR BALANCE	5.5	2.7	2.8	3.2	3.1	4.1	5.6	5.6	4.3	6.5	6.0
2ND YEAR BALANCE		3.9	2.1	2.2	2.6	2.4	3.4	4.9	4.8	3.2	5.6
3RD YEAR BALANCE			2.6	1.7	1.7	1.8	1.9	2.8	3.7	3.7	2.3
4TH YEAR BALANCE				1.8	1.0	1.1	1.2	1.2	1.9	2.9	2.7
PRIOR YEARS					.7	.8	1.1	1.3	1.8	2.6	4.0

# **AIRCRAFT EXECUTION**

## **(BASED ON FY 1976 A-10 PROGRAM)**

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- TO ILLUSTRATE THE TIME-PHASED ASPECT OF BUDGET EXECUTION, THIS CHART SUMMARIZES CONTRACTUAL ACTION FOR THE FY 1976 A-10 AIRCRAFT PROGRAM.
- FOURTEEN SEPARATE CONTRACTS WERE INVOLVED.
- APPROXIMATELY 70% OF THE PROGRAM WAS OBLIGATED IN THE FIRST YEAR, AND THE REMAINDER WAS OBLIGATED IN APPROXIMATELY EQUAL INCREMENTS DURING THE SECOND AND THIRD YEARS.
- WHILE THE PRECISE PHASING FOR INDIVIDUAL PROGRAMS WILL VARY, WE ARE ABLE TO RELY UPON AGGREGATED HISTORICAL DATA TO MAKE REASONABLY ACCURATE BUDGET PROJECTIONS.

**AIRCRAFT EXECUTION**  
**(BASED ON FY 1976 A-10 PROGRAM)**  
**\$ IN MILLIONS**

<u>AIRCRAFT</u>	<u>PROGRAM</u>	<u>ACTUAL OBLIGATIONS</u>		
		<u>YR. 1</u>	<u>YR. 2</u>	<u>YR. 3</u>
AIRFRAME	<u>156</u>	<u>135</u>	<u>149</u>	<u>156</u>
ENG. CHANGE ORD.		(9)	(5)	(-)
RESERVE FOR INCENTIVES		(3)	(-)	(-)
RESERVE FOR ESCALATION		(7)	(2)	(-)
RESERVE FOR CLAIMS		(2)	(-)	(-)
ENGINES	<u>54</u>	<u>40</u>	<u>47</u>	<u>54</u>
ENGINE ACCESSORIES		(6)	(2)	(-)
RESERVE FOR INCENTIVES		(2)	(2)	(-)
RESERVE FOR ESCALATION		(6)	(3)	(-)
ELECTRONICS	<u>5</u>	<u>4</u>	<u>5</u>	<u>5</u>
GFE		(1)	(-)	(-)
SUPPORT	<u>65</u>	<u>14</u>	<u>36</u>	<u>65</u>
TRAINING EQUIPMENT		(12)	(5)	(-)
GROUND EQUIPMENT		(32)	(20)	(-)
DATA		(7)	(4)	(-)
OTHER	<u>13</u>	<u>12</u>	<u>13</u>	<u>13</u>
ORDNANCE		(1)	(-)	(-)
PROGRAM	<u>293</u>			
TOTAL OBLIGATIONS	-	205	250	<u>293</u>
UNOBLIGATED	-	(88)	(43)	(0)

# **DEPARTMENT OF DEFENSE BUDGET FY 1979 OBLIGATIONS AND OUTLAYS**

---

- ESTIMATES OF OBLIGATIONS EACH YEAR INCLUDE BOTH THE DIRECT (APPROPRIATED FUND) PROGRAM AND THE REIMBURSABLE (CUSTOMER) PROGRAM.
- OUTLAY ESTIMATES DEPEND HEAVILY UPON HISTORICAL DATA SINCE DISBURSEMENTS ARE MADE AT NUMEROUS CENTRALIZED FISCAL LOCATIONS, AND NOT THROUGH THE INDIVIDUAL PROGRAM MANAGER ORGANIZATIONS.
- THIS CHART COMPARES THE FY 1979 ACTUALS TO THE ESTIMATES REFLECTED IN THE FY 1980 PRESIDENT'S BUDGET (JANUARY 1979).
- AFTER ADJUSTING THE PLANS ONLY FOR APPROPRIATIONS AND CUSTOMER ORDERS WHICH FAILED TO MATERIALIZE, THE ACTUAL OBLIGATIONS FOR FY 1979 WERE AT 100.1% OF THE ESTIMATE AND OUTLAYS AT 102.8%.

**DEPARTMENT OF DEFENSE BUDGET  
FY 1979 OBLIGATIONS AND OUTLAYS  
(\$ BILLIONS)**

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	<u>OBLIGATIONS</u>	<u>OUTLAYS</u>
PLAN	169.9	112.4
ADJUSTED AVAILABILITY	<u>-1.1</u>	<u>-5</u>
REVISED PLAN	168.8	111.9
ACTUAL	169.0	115.0
ACTUAL AS % OF REVISED PLAN	100.1%	102.8%

# **FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**

- OUR UNEXPENDED AND UNOBLIGATED BALANCES ARE IN FACT LARGE BUT THEY ARE PREDICTED AND PREDICTABLE.
- THE BALANCES FOR THE TOTAL FEDERAL GOVERNMENT ARE EVEN MORE IMPRESSIVE, WITH A PROJECTED TOTAL UNEXPENDED BALANCE EXCEEDING FOUR-FIFTHS OF A TRILLION DOLLARS BY END FY 1981.
- DOD ESTIMATED BALANCES FOR FY 1979 (WHICH ENDED 9/30/79) COMPARE FAVORABLY WITH THE ACTUAL RESULTS.
- THE FY 1979 ESTIMATES VS ACTUAL FOR OTHER AGENCIES UNDERSCORES THE FACT THAT WE ARE DEALING WITH ESTIMATES AND NOT A PRECISE SCIENCE.



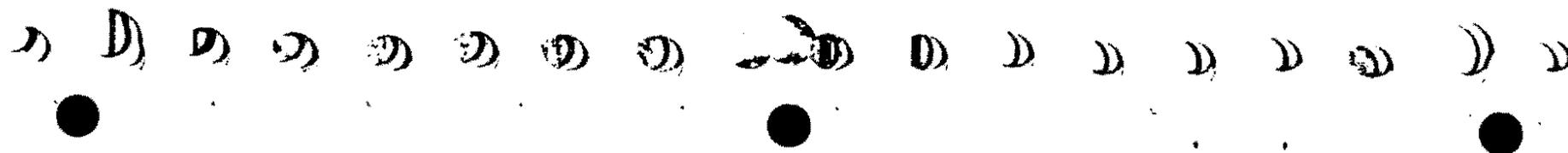
**FEDERAL GOVERNMENT UNOBLIGATED  
AND UNEXPENDED BALANCES  
(\$ BILLIONS)**

	<u>9/30/78</u>	9/30 '79 AS FORECAST JANUARY <u>1979</u>	<u>9 30 '79</u>	EST. <u>9 30 80</u>	EST. <u>9 '30 81</u>
FEDERAL FUNDS					
UNOBLIGATED BALANCES					
DOD MILITARY	21.2	22.4	22.9	24.4	23.7
OTHER AGENCIES	<u>101.0</u>	<u>65.6</u>	<u>85.8</u>	<u>104.4</u>	<u>103.7</u>
FEDERAL GOVERNMENT TOTAL	<u>122.1</u>	<u>88.0</u>	<u>108.7</u>	<u>128.8</u>	<u>127.3</u>
UNEXPENDED BALANCES					
DOD MILITARY	73.4	96.6	83.7	94.7	110.0
OTHER AGENCIES	<u>386.6</u>	<u>398.0</u>	<u>409.4</u>	<u>471.1</u>	<u>511.4</u>
FEDERAL GOVERNMENT TOTAL	<u>460.1</u>	<u>484.6</u>	<u>493.1</u>	<u>565.8</u>	<u>621.4</u>
TRUST FUNDS					
UNOBLIGATED BALANCES					
DOD MILITARY	.1	.1	.1	.1	.1
OTHER AGENCIES	<u>135.6</u>	<u>149.7</u>	<u>148.3</u>	<u>158.3</u>	<u>169.8</u>
FEDERAL GOVERNMENT TOTAL	<u>135.8</u>	<u>149.8</u>	<u>148.4</u>	<u>158.4</u>	<u>169.9</u>
UNEXPENDED BALANCES					
DOD MILITARY	.2	.2	.2	.2	.1
OTHER AGENCIES	<u>179.1</u>	<u>199.3</u>	<u>195.0</u>	<u>209.4</u>	<u>225.2</u>
FEDERAL GOVERNMENT TOTAL	<u>179.3</u>	<u>199.5</u>	<u>195.1</u>	<u>209.5</u>	<u>225.4</u>
TOTAL FEDERAL FUNDS & TRUST FUNDS					
UNOBLIGATED BALANCES					
DOD MILITARY	21.3	22.5	23.0	24.4	23.8
OTHER AGENCIES	<u>236.6</u>	<u>215.3</u>	<u>234.1</u>	<u>262.7</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	<u>257.9</u>	<u>237.8</u>	<u>257.1</u>	<u>287.2</u>	<u>297.2</u>
UNEXPENDED BALANCES					
DOD MILITARY	73.6	86.8	83.9	94.8	110.1
OTHER AGENCIES	<u>565.8</u>	<u>597.3</u>	<u>604.3</u>	<u>680.5</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	<u>639.4</u>	<u>684.1</u>	<u>688.2</u>	<u>775.3</u>	<u>846.8</u>

# **FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**

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- THIS CHART HELPS TO ILLUSTRATE THAT WE ARE DEALING WITH THE PHENOMENON OF LARGE NUMBERS.
- AS A RESULT OF PROGRAM GROWTH TO A DEGREE AND INFLATION TO A LARGER DEGREE, THE BALANCES MUST BE EXPECTED TO GROW.
- DOD UNOBLIGATED BALANCES OF \$13.0 BILLION AND UNEXPENDED BALANCES OF \$36.0 BILLION A DECADE AGO WERE VERY LARGE NUMBERS.
- CONVERTING THESE FY 1971 BALANCES TO CONSTANT FY 1981 PRICES MAKES THEM EVEN MORE IMPRESSIVE.



**FEDERAL GOVERNMENT UNOBLIGATED AND UNEXPENDED BALANCES**  
**(\$ BILLIONS)**

	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>EST</u> <u>FY 1980</u>	<u>EST</u> <u>FY 1981</u>
CURRENT PRICES											
UNOBLIGATED BALANCES											
DOD MILITARY	13.0	11.9	12.7	15.1	16.7	21.0	20.0	21.3	23.0	24.4	23.8
OTHER AGENCIES	<u>161.9</u>	<u>165.3</u>	<u>174.3</u>	<u>219.2</u>	<u>271.5</u>	<u>247.7</u>	<u>233.8</u>	<u>236.6</u>	<u>234.1</u>	<u>262.7</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	<u>174.8</u>	<u>177.2</u>	<u>187.0</u>	<u>234.3</u>	<u>288.3</u>	<u>268.7</u>	<u>253.8</u>	<u>257.9</u>	<u>257.1</u>	<u>287.2</u>	<u>297.2</u>
UNEXPENDED BALANCES											
DOD MILITARY	36.0	35.9	39.6	43.7	44.0	51.4	62.6	73.6	83.9	94.8	110.1
OTHER AGENCIES	<u>224.9</u>	<u>233.7</u>	<u>254.1</u>	<u>379.0</u>	<u>462.9</u>	<u>490.2</u>	<u>526.3</u>	<u>565.8</u>	<u>604.3</u>	<u>680.5</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	<u>260.9</u>	<u>269.5</u>	<u>293.7</u>	<u>422.7</u>	<u>506.9</u>	<u>541.5</u>	<u>589.0</u>	<u>639.4</u>	<u>688.2</u>	<u>775.3</u>	<u>846.8</u>
CONSTANT 1981 PRICES											
UNOBLIGATED BALANCES											
DOD MILITARY	27.2	23.6	23.5	25.9	26.6	31.3	27.5	27.0	26.9	26.4	23.8
OTHER AGENCIES	<u>339.1</u>	<u>327.3</u>	<u>322.7</u>	<u>376.1</u>	<u>432.2</u>	<u>369.7</u>	<u>321.0</u>	<u>300.4</u>	<u>273.9</u>	<u>283.8</u>	<u>273.5</u>
FEDERAL GOVERNMENT TOTAL	<u>366.3</u>	<u>350.9</u>	<u>346.2</u>	<u>402.0</u>	<u>458.8</u>	<u>401.0</u>	<u>348.5</u>	<u>327.4</u>	<u>300.8</u>	<u>310.2</u>	<u>297.2</u>
UNEXPENDED BALANCES											
DOD MILITARY	76.9	73.8	78.6	79.2	70.0	76.4	86.9	95.4	99.8	103.2	110.1
OTHER AGENCIES	<u>480.2</u>	<u>480.4</u>	<u>504.5</u>	<u>686.7</u>	<u>736.6</u>	<u>728.3</u>	<u>730.4</u>	<u>733.5</u>	<u>719.0</u>	<u>741.0</u>	<u>736.6</u>
FEDERAL GOVERNMENT TOTAL	<u>577.1</u>	<u>554.2</u>	<u>583.1</u>	<u>765.9</u>	<u>806.7</u>	<u>804.7</u>	<u>817.3</u>	<u>828.9</u>	<u>818.8</u>	<u>844.2</u>	<u>846.8</u>

# **GAO REVIEW IN 1977 OF DOD UNOBLIGATED BALANCES**

- WITHIN DOD PROGRAM PERFORMANCE IS MONITORED ON A CONTINUOUS BASIS.
- IN 1977, AT THE REQUEST OF THE CONGRESSIONAL BUDGET COMMITTEES, THE GENERAL ACCOUNTING OFFICE (GAO) CONDUCTED A SPECIAL REVIEW.
- THE CONCLUSIONS ON THIS CHART WERE INCLUDED AMONG THE PRINCIPAL GAO FINDINGS.

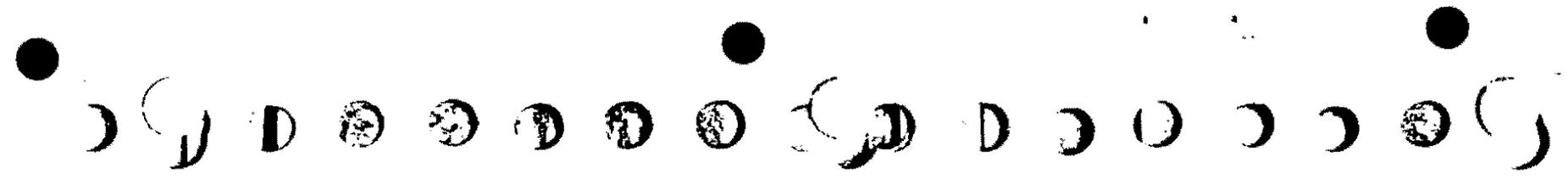
**GAO REVIEW IN 1977 OF DOD  
UNOBLIGATED BALANCES**

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- GAO DID NOT FIND EVIDENCE THAT THE BUILD-UP IN UNOBLIGATED BALANCES FOR DEFENSE'S PROCUREMENTS BETWEEN JULY 1, 1972, AND SEPTEMBER 30, 1976, REPRESENTED A DEFENSE INABILITY TO PERFORM ITS PROGRAMS
- MOST OF THE INCREASE IN DEFENSE'S PROCUREMENT UNOBLIGATED TOTAL WAS DUE TO PROGRAMMED GROWTH RATHER THAN AN OBLIGATION RATE DECLINE
- THERE WAS NO EVIDENCE THAT ALLOWANCES FOR ENGINEERING CHANGE ORDERS AND INFLATION WERE OVERESTIMATED

## **SUMMARY**

- A NEGATIVE CONNOTATION SHOULD NOT BE ATTACHED TO THE EXISTENCE OF UNOBLIGATED AND UNEXPENDED BALANCES. MISIMPRESSION EXISTS AMONG MANY THAT THESE BALANCES ARE COMPARABLE TO NON-INTEREST BEARING CASH IN AN INDIVIDUAL'S CHECKING ACCOUNT.
- COMPLETE ABANDONMENT OF THE FULL FUNDING PRACTICE WOULD MAKE LESS THAN ONE-FIFTH OF THE TOTAL UNEXPENDED BALANCES DISAPPEAR WHILE ADDING CONSIDERABLE COMPLICATIONS TO THE ANNUAL BUDGET PROCESS.
- ABANDONMENT OF THE FULL FUNDING PRINCIPLE WOULD ALSO REQUIRE THE DEVELOPMENT OF ANOTHER TERM COMPARABLE TO BUDGET AUTHORITY IN ORDER TO PROVIDE VISIBILITY WITH RESPECT TO THE TRUE LIABILITY OF THE FEDERAL GOVERNMENT.



## ***SUMMARY***

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- UNOBLIGATED AND UNEXPENDED BALANCES PROVIDE A USEFUL MEASURE OF FEDERAL GOVERNMENT COMMITMENTS
- SUCH BALANCES DO NOT REPRESENT IDLE CASH
- TAX POLICIES AND TREASURY BORROWING PRACTICES ARE BASED UPON AMOUNTS TO BE EXPENDED WITHIN EACH FISCAL YEAR
- UNEXPENDED BUT OBLIGATED BALANCES CAN BE REDUCED BY CANCELLATION OF CONTRACTS
- UNEXPENDED AND UNOBLIGATED BALANCES CAN BE REDUCED BY CANCELLATION OF PROGRAMS OR BY ABANDONING THE CONGRESSIONAL PRINCIPLE OF "FULL FUNDING" CAPITAL INVESTMENTS

# **BUDGET EXECUTION FLEXIBILITIES**



**Office of The  
Assistant Secretary of Defense  
(Comptroller)**

# **BUDGET EXECUTION FLEXIBILITIES**

- REPROGRAMING
- TRANSFER AUTHORITY
- FOREIGN CURRENCY FLUCTUATION
- EMERGENCY AND EXTRAORDINARY EXPENSES
- SECTION 3732 DEFICIENCY AUTHORITY
- WORKING CAPITAL FUNDS TRANSFER AUTHORITY
- PERMANENT AUTHORITY
- FUNCTIONAL TRANSFERS
- EMERGENCY MILITARY CONSTRUCTION
- MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS
- TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH
- TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES  
CONSTRUCTION
- CONSTRUCTION PROJECTS COST VARIATIONS
- RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR  
DESTROYED
- MINOR CONSTRUCTION

# **REPROGRAMING**

## **Example of Use**

A \$44.0 MILLION REPROGRAMING REQUEST WAS APPROVED TO CREATE AN ADVANCE BUY LINE IN THE BACK-UP TITAN III BOOSTER PROGRAM IN FY 1980. THE OVERALL GOAL OF THE PROGRAM WAS TO TAKE INITIAL STEPS TO MAINTAIN CRITICAL TITAN III PRODUCTION CAPABILITY UNTIL INITIAL OPERATIONAL CAPABILITY OF THE SPACE SHUTTLE THROUGH ACQUISITION OF LONG-LEAD ITEMS. SOURCES OF FUNDING FOR THE INCREASE WERE FROM PROCUREMENT AND RDT&E APPROPRIATIONS.

# REPROGRAMING

- APPLIES TO APPROPRIATIONS IN THE ANNUAL DOD APPROPRIATION ACT - MILITARY PERSONNEL, OPERATION & MAINTENANCE, PROCUREMENT, AND RESEARCH AND DEVELOPMENT.
- BASED UPON AGREEMENTS BETWEEN DOD AND THE CONGRESSIONAL ARMED SERVICES AND APPROPRIATIONS COMMITTEES..
- PROVIDES FLEXIBILITY TO REVISE THE PROGRAMS WITHIN AN APPROPRIATION.
- SOME ACTIONS MAY BE APPROVED BY THE MILITARY DEPARTMENTS AND DEFENSE AGENCIES; OTHERS REQUIRE APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION OF, OR PRIOR APPROVAL BY, THE CONGRESSIONAL COMMITTEES SPECIFIED.
- A SUMMARY REPORT OF ALL REPROGRAMING ACTIONS IS SUBMITTED TO THE CONGRESS SEMIANNUALLY.
- CONSIDERABLE PRESSURE FROM THE COMMITTEES TO MINIMIZE REPROGRAMING. SECTION 743 OF THE 1980 ACT STATES THAT "NO PART OF THE FUNDS IN THIS ACT SHALL BE AVAILABLE TO PREPARE OR PRESENT A REQUEST TO THE COMMITTEES ON APPROPRIATIONS FOR THE REPROGRAMING OF FUNDS, UNLESS FOR HIGHER PRIORITY ITEMS, BASED ON UNFORESEEN MILITARY REQUIREMENTS, THAN THOSE FOR WHICH ORIGINALLY APPROPRIATED AND IN NO CASE WHERE THE ITEM FOR WHICH REPROGRAMING IS REQUESTED HAS BEEN DENIED BY THE CONGRESS."

**APPROVAL AND/OR NOTIFICATION REQUIREMENTS  
FOR REPROGRAMMING ACTION**

DOD COMPONENT ACTION	OSD ACTION			
DOD INSTRUCTION 7250.10 DATED JANUARY 10, 1980 "IMPLEMENTATION OF REPROGRAMING OF APPROPRIATED FUNDS," REQUIRES PRIOR APPROVAL OF THE SECRETARY OF DEFENSE OR THE DEPUTY SECRETARY OF DEFENSE FOR THE FOLLOWING:	OBTAIN PRIOR APPROVAL OF HOUSE & SENATE COMMITTEES ON		NOTIFY HOUSE AND SENATE COMMITTEES	
	ARMED SERVICES	APPRO- PRIAT.	ARMED SERVICES	APPRO- PRIAT.
1. <u>ACTIONS REQUIRING PRIOR COMMITTEE APPROVAL</u>  A. ANY REPROGRAMING TO INCREASE THE <u>PROCUREMENT QUANTITY OF AN INDIVIDUAL            AIRCRAFT, MISSILE, NAVAL VESSEL, TRACKED            COMBAT VEHICLE, OTHER WEAPON OR TORPEDO            AND RELATED SUPPORT EQUIPMENT FOR WHICH            FUNDS ARE AUTHORIZED UNDER 10 USC 138.</u>  B. ANY REPROGRAMING ACTION INVOLVING THE APPLICATION OF FUNDS, IRRESPECTIVE OF THE AMOUNT, TO ITEMS IN WHICH ANY ONE OR MORE OF THE CONGRESSIONAL COMMITTEES IS KNOWN TO HAVE A SPECIAL INTEREST; ALSO ANY REPROGRAMING ACTION WHICH, BY NATURE OF THE ACTION, IS KNOWN TO BE OR HAS BEEN DESIGNATED AS A MATTER OF SPECIAL INTEREST TO ONE OR MORE COMMITTEES, E.G. REPROGRAMING FOR TRANSFERS PURSUANT TO THE GENERAL TRANSFER AUTHORITY IN DOD APPROPRIATION ACTS.	YES	YES		
1/ YES, IF ACTION INVOLVES AN APPROPRIATION FOR WHICH FUNDS HAVE BEEN AUTHORIZED UNDER 10 USC 138. THE REPROGRAMING ACTION IS FORWARDED TO THESE COMMITTEES AND IS MARKED "INFORMATION COPY" ONLY WHEN FUNDS (EXCEPT ROT&E) CITED AS SOURCES OF FINANCING WERE SUBJECT TO AUTHORIZING LEGISLATION. ALL REPROGRAMING ACTIONS WHICH CITE ROT&E FUNDS AS A SOURCE OF FINANCING REQUIRE ARMED SERVICES COMMITTEE APPROVAL.	1/	YES		

## APPROVAL AND/OR NOTIFICATION REQUIREMENTS FOR REPROGRAMING ACTIONS

DOD COMPONENT ACTION	OSD ACTION			
DOD INSTRUCTION 7250.10 DATED JANUARY 10, 1980 "IMPLEMENTATION OF REPROGRAMING OF APPROPRIATED FUNDS," REQUIRES PRIOR APPROVAL OF THE SECRETARY OF DEFENSE OR THE DEPUTY SECRETARY OF DEFENSE FOR THE FOLLOWING:	OBTAIN PRIOR APPROVAL OF HOUSE & SENATE COMMITTEES ON		NOTIFY HOUSE AND SENATE COMMITTEES ON	
	ARMED SERVICES	APPROPRI- ATIONS	ARMED SERVICES	APPROPRI- ATIONS
II. <u>ACTIONS REQUIRING NOTIFICATION TO THE COMMITTEES</u>				
A. <u>MILITARY PERSONNEL</u> - REPROGRAMING INCREASE OF \$5 MILLION OR MORE IN A BUDGET ACTIVITY.				YES
B. <u>OPERATION AND MAINTENANCE</u> - REPRDGRAMING INCREASE IN ANY BUDGET ACTIVITY OF \$5 MILLION OR MORE.				YES
C. <u>PROCUREMENT</u> - REPROGRAMING INCREASE OF \$5 MILLION OR MORE IN A LINE ITEM OR THE ADDITION TO THE PROCUREMENT LINE ITEM DATA BASE OF A PROCUREMENT LINE ITEM OF \$2 MILLION OR MORE.			1/	YES
D. <u>ROT&amp;E</u> - REPROGRAMING INCREASE OF \$2 MILLION OR MORE IN ANY PROGRAM ELEMENT, INCLUDING THE ADDITION OF A NEW PROGRAM OF \$2 MILLION OR MORE, OR THE ADDITION OF A NEW PROGRAM ESTIMATED TO COST \$10 MILLION OR MORE WITHIN A 3-YEAR PERIOD.			YES	YES
E. REPROGRAMING ACTIONS INITIATING NEW PROGRAMS OR LINE ITEMS WHICH RESULT IN SIGNIFICANT FOLLOW ON COSTS EVEN THOUGH INITIAL ACTIONS ARE BELOW \$5 MILLION AND \$2 MILLION THRESHOLDS IN A THRU D ABOVE.			1/	YES

1/ YES, IF ACTION INVOLVES AN APPROPRIATION FOR WHICH FUNDS HAVE BEEN AUTHORIZED UNDER 10 USC 138. THE REPROGRAMING ACTION IS FORWARDED TO THESE COMMITTEES AND IS MARKED "INFORMATION COPY" ONLY WHEN FUNDS (EXCEPT RDT&E) CITED AS SOURCES OF FINANCING WERE SUBJECT TO AUTHORIZING LEGISLATION. ALL REPROGRAMING ACTIONS WHICH CITE RDT&E FUNDS AS A SOURCE OF FINANCING REQUIRE ARMED SERVICES COMMITTEE APPROVAL.

## APPROVAL AND/OR NOTIFICATION FOR REPROGRAMMING ACTION

DOD COMPONENT ACTION	OSD ACTION			
DOD INSTRUCTION 7250.10 DATED JANUARY 10, 1980 "IMPLEMENTATION OF REPROGRAMING OF APPROPRIATED FUNDS," REQUIRES APPROVAL OF THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER) FOR THE ACTIONS IN SECTION III	OBTAIN PRIOR APPROVAL OF HOUSE & SENATE COMMITTEES ON		NOTIFY HOUSE AND SENATE COMMITTEES ON	
	ARMED SERVICES	APPROPRI- ATIONS	ARMED SERVICES	APPROPRI- ATIONS
III. <u>ACTIONS CLASSIFIED AS AUDIT-TRAIL-TYPE CHANGES (INTERNAL REPROGRAMINGS)</u>  RECLASSIFICATIONS REPORTING CHANGES IN AMOUNTS, BUT NOT IN THE SUBSTANCE OF THE PROGRAM NOR FROM THE PURPOSES ORIGINALLY BUDGETED FOR, TESTIFIED TO, AND DESCRIBED IN THE BUDGET JUSTIFICATIONS SUBMITTED TO THE CONGRESSIONAL COMMITTEE.	N/A	N/A	N/A	N/A
IV. <u>QUARTERLY REPORTING ON NEW STARTS</u>  ADVANCE NOTIFICATION ON BELOW THRESHOLD REPROGRAMINGS FOR NEW PROGRAMS OR LINE ITEMS NOT OTHERWISE REQUIRING PRIOR APPROVAL OR NOTIFICATION ACTION IS MADE BY LETTER DIRECTLY TO THE COMMITTEES BY THE DOD COMPONENT INVOLVED. THESE ITEMS ARE THEN REPORTED QUARTERLY ON A OO FORM 1416-1, SPECIAL QUARTERLY REPORT OF PROGRAMS, WHICH ALSO INCLUDES ACTIONS PREVIOUSLY CONSIDERED BY THE COMMITTEES AS PRIOR APPROVAL OR NOTIFICATION ACTIONS.	N/A	N/A	YES	YES

**DEPARTMENT OF DEFENSE**  
**REPROGRAMING ACTIONS, FY 1970-1979**  
(\$ MILLIONS)

<u>REQUESTED</u>	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>
NUMBER OF ACTIONS	129	132	82	56	24	45	43	55	66	60 <sup>b/</sup>
NUMBER OF LINE ITEMS	299	275	185	129	37	194	110	112	115	159
DOLLAR VALUE OF PROGRAM (GENERAL TRANSFER AUTHORITY)	\$2,431 -	\$3,266 (348)	\$1,866 (803)	\$1,453 (789)	\$ 219 (75)	\$1,446 (758)	\$ 791 (225)	\$ 1,036 (452)	\$ 1,237 (733)	\$ 1,163 (428)
<u>APPROVED</u>										
DOLLAR VALUE OF PROGRAM (GENERAL TRANSFER AUTHORITY)	2,385 -	3,146 (280)	1,680 (694)	1,255 (672)	200 (65)	1,166 (533)	687 (167)	728 (230)	1,032 (688)	956 (383)
<u>COMPARISON</u>										
VALUE OF TOTAL DEFENSE PROGRAM <sup>a/</sup>	74,000	71,247	74,632	76,701	79,141	82,095	92,561	105,548	113,409	125,199
% OF REPROGRAMING INCREASES (GENERAL TRANSFER AUTHORITY)	3.3% -	4.4% 4.0%	2.3% 1.3%	1.6% 0.8%	0.3% 0.2%	1.4% 0.6%	.7% .2%	.7% .2%	1.0% .6%	.8% .4%
<u>BELOW-THRESHOLD REPROGRAMINGS</u> <sup>c/</sup>										
NUMBER OF ACTIONS						1,864	2,186	1,396	1,087	1,468
TOTAL \$ VALUE						787	1,210	1,578	1,063	1,357

<sup>a/</sup> EXCLUDES MILITARY CONSTRUCTION, FAMILY HOUSING, MILITARY ASSISTANCE, CIVIL FUNCTIONS, AND CIVIL DEFENSE.

<sup>b/</sup> EXCLUDES 4 ACTIONS FORMALLY WITHDRAWN.

<sup>c/</sup> DATA NOT AVAILABLE PRIOR TO FY 75

**DEPARTMENT OF DEFENSE**  
**REPROGRAMING ACTIONS FOR FISCAL YEARS 1970-1979**  
**(\$ MILLIONS)**

	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>
NUMBER OF ACTIONS FORWARDED TO CONGRESS	129	132	82	56	24	45	43	55	66	60 <sup>a/</sup>
(PRIOR APPROVAL ACTIONS)	(41)	(47)	(42)	(38)	(16)	(28)	(30)	(36)	(42)	(37)
(NOTIFICATION ACTIONS)	(88)	(85)	(40)	(18)	(8)	(17)	(13)	(19)	(24)	(23)
<b><u>\$ REQUESTED BY TITLE</u></b>										
MILITARY PERSONNEL	\$ 54	\$ 366	\$ 287	\$ 222	\$10	\$ 192	\$75	\$ 33	\$ 52	\$ 27
RETIRE PAY, DEFENSE	—	—	—	—	—	—	—	—	—	15
OPERATIONS & MAINTENANCE	212	585	697	923	88	438	168	129	544	276
PROCUREMENT	1,744	1,792	669	224	82	674	501	763	476	625
RDT&E	421	523	213	84	39	22	47	111	165	189
REVOLVING & MANAGEMENT FUNDS	—	—	—	—	—	120	—	—	—	—
CLAIMS, DEFENSE	—	—	—	—	—	—	—	—	—	31
TOTAL REQUESTED BY DOD	2,431	3,266	1,866	1,453	219	1,446	791	1,036	1,237	1,163
(PRIOR APPROVAL ACTIONS)	(950)	(1,222)	(916)	(984)	(148)	(1,085)	(402)	(683)	(902)	(846)
(NOTIFICATION ACTIONS)	(1,481)	(2,044)	(950)	(469)	(71)	(361)	(389)	(352)	(335)	(316)
TOTAL APPROVED BY CONGRESS	2,385	3,146	1,614	1,255	200	1,166	687	728	1,032	956
(PRIOR APPROVAL ACTIONS)	(904)	(1,105)	(751)	(816)	(129)	(804)	(320)	(430)	(837)	(727)
(NOTIFICATION ACTIONS)	(1,481)	(2,041)	(863)	(439)	(71)	(360)	(367)	(298)	(195)	(229)

<sup>a/</sup> EXCLUDES 4 ACTIONS FORMALLY WITHDRAWN

# **TRANSFER OF AUTHORITY**

## **Example of Use**

**THIS AUTHORITY, USED IN CONJUNCTION WITH THE REPROGRAMMING SYSTEM, ENABLED THE MOVEMENT OF \$13 MILLION TO THE MISSILE PROCUREMENT, AIR FORCE ACCOUNT TO ACCELERATE DELIVERY SCHEDULES FOR SATELLITE FLIGHT MODELS 9 THROUGH 12 TO MAINTAIN A VIABLE DEFENSE SATELLITE COMMUNICATION SYSTEM SPACE SEGMENT. FUNDS PROGRAMMED IN THE OTHER PROCUREMENT, AIR FORCE ACCOUNT FOR BOMBS, SPACETRACK, AND FIRST DESTINATION TRANSPORTATION WERE USED AS A SOURCE OF FINANCING.**

# **TRANSFER AUTHORITY**

- SECTION 734 OF THE 1980 DOD APPROPRIATION ACT PROVIDES A GENERAL AUTHORITY FOR TRANSFERS, NOT TO EXCEED \$750 MILLION DURING FY 1980 BETWEEN APPROPRIATIONS OR FUNDS AVAILABLE TO DOD FOR MILITARY FUNCTIONS (EXCEPT MILITARY CONSTRUCTION). DOD HAS REQUESTED THAT CONGRESS INCREASE THIS LIMITATION.
- AUTHORITY TO TRANSFER MAY NOT BE USED UNLESS FOR HIGHER PRIORITY ITEMS BASED ON UNFORESEEN MILITARY REQUIREMENTS.
- REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE THAT SUCH ACTION IS IN THE NATIONAL INTEREST AND APPROVAL BY OMB.
- PROVIDES THAT THE SECRETARY OF DEFENSE SHALL NOTIFY CONGRESS PROMPTLY OF ALL TRANSFERS.
- THE USE OF THIS AUTHORITY IS ALSO SUBJECT TO THE PRIOR APPROVAL OF THE APPROPRIATIONS COMMITTEES UNDER THE REPROGRAMMING PROCEDURES.

# **FOREIGN CURRENCY FLUCTUATION**

## **Example of Use**

THE EXCHANGE RATE FOR THE DEUTSCHEMARK USED TO COMPUTE THE FY 1980 FINANCING REQUIREMENTS FOR THE APPROVED PROGRAM IN GERMANY WAS \$2.24. THE JANUARY 1980 EXCHANGE RATE WAS DOWN TO \$1.71. THE FOREIGN CURRENCY FLUCTUATION ACCOUNT WOULD BE USED TO PROVIDE ADDITIONAL DOLLARS TO BUY THE SAME PROGRAM AT THE NEW RATE.

CONVERSELY, THE EXCHANGE RATE FOR THE LIRA USED TO COMPUTE THE FY 1980 FINANCING REQUIREMENTS FOR THE APPROVED PROGRAM IN TURKEY WAS \$17.67. THE JANUARY 1980 RATE WAS UP TO \$70.00. IN THIS CASE, ACCORDING TO LAW, THE ADDITIONAL FUNDS GENERATED BY THE HIGHER RATE CANNOT BE USED IN TURKEY TO BUY ADDITIONAL PROGRAM, BUT MUST BE RETURNED TO THE FOREIGN CURRENCY FLUCTUATION ACCOUNT.

## **FOREIGN CURRENCY FLUCTUATION**

- FUNDS ARE APPROPRIATED TO THE FOREIGN CURRENCY FLUCTUATION, DEFENSE, ACCOUNT FOR TRANSFER TO MILITARY PERSONNEL AND OPERATION AND MAINTENANCE APPROPRIATIONS (AVAILABLE FOR DEFENSE ACTIVITIES IN FOREIGN COUNTRIES) TO FINANCE INCREASED OBLIGATIONS DUE TO DOWNWARD FLUCTUATIONS IN THE CURRENCY EXCHANGE RATES (FROM THOSE USED IN BUDGET PREPARATION).
- FUNDS MUST BE TRANSFERRED INTO THIS ACCOUNT WHEN UPWARD FLUCTUATIONS IN CURRENCY EXCHANGE RATES RESULT IN SUBSTANTIAL NET GAINS IN THE MILITARY PERSONNEL AND OPERATION AND MAINTENANCE APPROPRIATIONS
- THE INTENT IS BOTH TO SHIELD OPERATING PROGRAMS FROM SIGNIFICANT LOSSES AND TO RECOUP SIGNIFICANT GAINS TO PREVENT WINDFALL INCREASES BEING USED TO FINANCE WHAT MIGHT BE LOW PRIORITY PROGRAMS, OR PROGRAMS WHICH WERE NOT REVIEWED AND APPROVED BY THE CONGRESS.
- THE SECRETARY OF DEFENSE HAS AUTHORITY TO APPROVE THESE TRANSFERS. AN ANNUAL REPORT TO THE CONGRESS ON ALL TRANSFERS MADE TO OR FROM THIS APPROPRIATION IS REQUIRED.

# EMERGENCIES AND EXTRAORDINARY EXPENSES LIMITATION

## Example of Use

IN ADDITION TO SUPPORTING PROGRAMED  
AND TARGET OF OPPORTUNITY INTELLIGENCE  
EFFORTS, THIS LIMITATION ALSO COVERS  
REPRESENTATION ALLOWANCES.

# **EMERGENCIES AND EXTRAORDINARY EXPENSES**

- **WITHIN THE OPERATION AND MAINTENANCE APPROPRIATION FOR THE DEFENSE AGENCIES, AND FOR EACH OF THE MILITARY DEPARTMENTS, AN AMOUNT IS SPECIFIED FOR EMERGENCIES AND EXTRAORDINARY EXPENSES. (LESS THAN \$5 MILLION ANNUALLY PER COMPONENT).**
- **THESE FUNDS ARE USED FOR COVERT PURPOSES AND FOR EXPENSES NOT OTHERWISE AUTHORIZED TO BE PAID FROM DEFENSE APPROPRIATIONS. THEY MAY BE USED ON THE APPROVAL OF THE SECRETARY OF THE RESPECTIVE MILITARY DEPARTMENT, OR THE SECRETARY OF DEFENSE IN THE CASE OF THE DEFENSE AGENCIES APPROPRIATION. THE APPROPRIATE SECRETARY MUST CERTIFY THAT THE USE OF THE MONEY IS NECESSARY FOR CONFIDENTIAL MILITARY PURPOSES.**
- **LEGISLATION REQUIRES THE SECRETARY OF DEFENSE TO SUBMIT A REPORT OF EXPENDITURES UNDER THESE LIMITATIONS ON A QUARTERLY BASIS TO THE COMMITTEES ON ARMED SERVICES AND APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES.**

# **SECTION 3732 DEFICIENCY AUTHORITY**

## **Most Recent Example of Use**

**THIS AUTHORITY GENERALLY REFERRED TO AS THE "FEED AND FORAGE ACT" WAS INVOKED IN FISCAL YEAR 1980 IN THE OPERATION AND MAINTENANCE ACCOUNTS. ITS USAGE PROVIDED FOR ADDITIONAL FUEL AND TRANSPORTATION COSTS DUE TO UNANTICIPATED FUEL PRICE INCREASES.**

## **SECTION 3732 DEFICIENCY AUTHORITY**

- UNDER SECTION 3732 OF THE REVISED STATUTES (41 USC 11), THE DEPARTMENT OF DEFENSE HAS LIMITED AUTHORITY TO ENTER INTO OBLIGATIONS ON A DEFICIENCY BASIS.
- ITS APPLICATION IS LIMITED TO THE NECESSITIES OF THE CURRENT YEAR UNDER CIRCUMSTANCES IN WHICH APPROPRIATIONS FOR CLOTHING, SUBSISTENCE, FORAGE, FUEL, QUARTERS, TRANSPORTATION, OR MEDICAL AND HOSPITAL SUPPLIES ARE EXHAUSTED.
- APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION TO THE CONGRESS IS REQUIRED.
- WHEN THE FULL EXTENT OF THE DEFICIENCIES ARE KNOWN, A REQUEST MUST BE SUBMITTED TO THE CONGRESS FOR FUNDS TO COVER SUCH DEFICIENCIES.
- THIS STATUTE WAS USED AT THE TIME OF THE BERLIN AND CUBAN CRISES. IT WAS USED IN FY 1980 TO COVER INCREASED FUEL AND RELATED TRANSPORTATION COSTS.
- THERE HAVE BEEN A NUMBER OF RECENT ATTEMPTS WITHIN THE CONGRESS TO REPEAL THIS STATUTE.

# **WORKING CAPITAL FUNDS TRANSFER AUTHORITY**

## **Example of Use**

**UNDER THE PROVISIONS OF THIS AUTHORITY, DURING FY 1980, CASH BALANCES OF \$13 MILLION IN THE DEFENSE STOCK FUND AND \$48 MILLION IN THE ARMY STOCK FUND WERE TRANSFERRED TO THE NAVY AND AIR FORCE STOCK FUNDS TO PROCURE WAR RESERVES.**

## **WORKING CAPITAL FUNDS TRANSFER AUTHORITY**

- SECTION 736 OF THE 1980 DOD APPROPRIATION ACT AUTHORIZES THE TRANSFER OF CASH BALANCES BETWEEN WORKING CAPITAL FUNDS OF THE DEPARTMENT OF DEFENSE (STOCK FUNDS AND INDUSTRIAL FUNDS).
- USE OF THIS AUTHORITY REQUIRES APPROVAL BY THE SECRETARY OF DEFENSE AND OMB.

# **PERMANENT AUTHORITY**

## **UNFUNDED CONTRACT AUTHORITY**

### **Example of Use**

ON A RECURRING BASIS UNFUNDED CONTRACT AUTHORITY IS USED IN THE STOCK FUNDS TO MAINTAIN REQUIRED LEVELS OF INVENTORY BY OBLIGATING CONTRACTS/PURCHASE ORDERS IN SUCH AMOUNTS TO ACCOMMODATE PROCUREMENT AND ADMINISTRATIVE LEAD TIMES, RISING INFLATION, AND OTHER STOCKAGE REQUIREMENTS TO SATISFY CUSTOMER ORDERS IN A TIMELY MANNER.

THE OUTSTANDING VALUE OF UNFUNDED CONTRACT AUTHORITY AT THE END OF FY 1979 WAS \$4 BILLION.

## **PERMANENT AUTHORITY**

### **UNFUNDED CONTRACT AUTHORITY**

- U.S. CODE TITLE 10, 2210 (b) PROVIDES THAT "OBLIGATIONS MAY, WITHOUT REGARD TO FISCAL YEAR LIMITATIONS, BE INCURRED AGAINST ANTICIPATED REIMBURSEMENTS TO STOCK FUNDS IN SUCH AMOUNTS AND FOR SUCH PERIODS AS THE SECRETARY OF DEFENSE, WITH THE APPROVAL OF THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, MAY DETERMINE TO BE NECESSARY TO MAINTAIN STOCK LEVELS CONSISTENTLY WITH PLANNED OPERATIONS FOR THE NEXT FISCAL YEAR."
- UNFUNDED CONTRACT AUTHORITY OBLIGATIONS ARE LIQUIDATED BY REIMBURSEMENTS FROM CUSTOMER ORDERS.

# **FUNCTIONAL TRANSFERS**

## **Example of Use**

**IN APRIL, 1979 THE FEDERAL COBOL  
COMPILER TEST SERVICE WAS TRANSFERRED  
FROM THE DEPARTMENT OF THE NAVY TO  
THE GENERAL SERVICES ADMINISTRATION  
(GSA). \$149,000 WAS TRANSFERRED FROM  
THE OPERATION AND MAINTENANCE, NAVY,  
ACCOUNT, TO GSA TO SUPPORT THIS  
FUNCTIONAL TRANSFER.**

## ***FUNCTIONAL TRANSFERS***

- **UNDER 10 USC 126, AUTHORITY EXISTS TO TRANSFER FUNDS FROM ONE APPROPRIATION ACCOUNT TO ANOTHER IN CONNECTION WITH THE TRANSFER OF RESPONSIBILITIES FROM ONE ORGANIZATION TO ANOTHER.**
- **THIS AUTHORITY HAS BEEN USED IN THE CASE OF REORGANIZATION ACTIONS.**
- **SUCH TRANSFERS ARE SUBJECT TO APPROVAL BY THE SECRETARY OF DEFENSE AND OMB.**

# **EMERGENCY MILITARY CONSTRUCTION**

## **Example of Use**

**A RECENT USE OF THIS AUTHORITY WAS TO PROVIDE \$4,400,000 TO THE NAVY FOR DREDGING OF THE THAMES RIVER IN CONNECTICUT TO PROVIDE ADEQUATE CHANNEL DEPTH FOR TRANSIT OF THE FIRST TRIDENT SUBMARINE FROM ITS CONSTRUCTION SITE, ELECTRIC BOAT DIVISION OF GENERAL DYNAMICS CORPORATION, TO LONG ISLAND SOUND FOR SEA TRIALS.**

## ***EMERGENCY MILITARY CONSTRUCTION***

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION ACT PROVIDES EACH OF THE MILITARY DEPARTMENTS WITH AUTHORITY OF \$20,000,000 TO PROCEED WITH CONSTRUCTION OF FACILITIES MADE NECESSARY BY CHANGES IN MISSIONS AND RESPONSIBILITIES WHICH HAVE BEEN OCCASIONED BY (1) UNFORSEEN SECURITY CONSIDERATIONS, (2) NEW WEAPONS DEVELOPMENTS, (3) NEW AND UNFORESEEN RESEARCH AND DEVELOPMENT REQUIREMENTS, (4) IMPROVED PRODUCTION SCHEDULES, OR (5) REVISIONS IN THE TASKS OR FUNCTIONS ASSIGNED TO A MILITARY INSTALLATION OR FACILITY OR FOR ENVIRONMENTAL CONSIDERATIONS.
- USE OF THIS AUTHORITY REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE THAT DEFERRAL OF SUCH CONSTRUCTION FOR INCLUSION IN THE NEXT MILITARY CONSTRUCTION AUTHORIZATION ACT WOULD BE INCONSISTENT WITH INTERESTS OF NATIONAL SECURITY. ALSO, THE SECRETARY INVOLVED IS REQUIRED TO NOTIFY THE CONGRESSIONAL ARMED SERVICES COMMITTEES.
- FUNDS TO FINANCE SUCH CONSTRUCTION MUST BE REPROGRAMED, WITH THE CONCURRENCE OF THE COMMITTEES ON APPROPRIATIONS, FROM SAVINGS OR FROM LESSER PRIORITY MILITARY CONSTRUCTION PROJECTS.

# **MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS**

## **Example of Use**

**RECENTLY, UNDER THIS AUTHORITY, \$8.6 MILLION WAS APPROVED FOR CONSTRUCTION OF FACILITIES AT DIEGO GARCIA TO SUPPORT THE INCREASED TEMPO OF OPERATIONS IN THE INDIAN OCEAN.**

# **MILITARY CONSTRUCTION CONTINGENCY AUTHORITY AND FUNDS**

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION AND APPROPRIATION ACTS CONTAIN AUTHORITY WHICH PERMITS THE TRANSFER OF FUNDS FROM THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION TO OTHER APPROPRIATIONS OF THE DEPARTMENT OF DEFENSE WHICH ARE AVAILABLE FOR MILITARY CONSTRUCTION. THE PROJECTS TO BE FINANCED MUST BE DETERMINED TO BE VITAL TO THE SECURITY OF THE UNITED STATES.
- IN FY 1981, \$30 MILLION HAS BEEN PROGRAMED UNDER THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION TO PROVIDE FINANCING FOR THIS AUTHORITY.
- USE OF THIS AUTHORITY REQUIRES APPROVAL BY THE SECRETARY OF DEFENSE AND NOTIFICATION OF THE COMMITTEES ON ARMED SERVICES OF BOTH THE HOUSE AND SENATE. COMMENCING WITH THE FY 1980 MILITARY CONSTRUCTION APPROPRIATIONS ACT, THE HOUSE APPROPRIATIONS COMMITTEE HAS MADE THE UTILIZATION OF CONTINGENCY FUNDS SUBJECT TO PRIOR APPROVAL REPROGRAMING.

# **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH**

## **Example of Use**

FUNDS FOR MISSILES AND RELATED EQUIPMENT IN THE RDT&E, DEFENSE AGENCIES APPROPRIATION WERE TRANSFERRED TO RDT&E, ARMY FOR BALLISTIC MISSILE DEFENSE (DEFENDER).

## **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH**

- THE ANNUAL DOD APPROPRIATION ACT PROVIDES AUTHORITY TO TRANSFER FUNDS BETWEEN THE RDT&E, DEFENSE AGENCIES APPROPRIATION AND OTHER APPROPRIATIONS FOR PROGRAMS RELATED TO ADVANCED RESEARCH
- THIS AUTHORITY IS INTENDED TO APPLY TO PROGRAMS MONITORED BY THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY
- USE OF THE AUTHORITY REQUIRES A DETERMINATION BY THE SECRETARY OF DEFENSE
- THERE HAS BEEN NO USE OF THE AUTHORITY IN RECENT YEARS

# **TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES CONSTRUCTION**

## **EXAMPLE OF USE**

THIS AUTHORITY WAS USED FOR CONSTRUCTION ON KWAJALEIN ISLAND IN SUPPORT OF THE BALLISTIC MISSILE RANGE TO PROVIDE A CAPABILITY FOR TESTING BALLISTIC MISSILE WARHEADS AND DECOY BODIES AT GREAT DISTANCES. THE TRANSFER WAS TO MILITARY CONSTRUCTION FROM RDT&E (ARPA) BY DECREASING OTHER LOWER PRIORITY ADVANCED RESEARCH PROJECTS.

## ***TRANSFER AUTHORITY RELATED TO ADVANCE RESEARCH FACILITIES CONSTRUCTION***

- PUBLIC LAW 89-188 AUTHORIZED THE SECRETARY OF DEFENSE TO CONSTRUCT FACILITIES REQUIRED FOR ADVANCE RESEARCH PROJECTS NOT TO EXCEED A CUMULATIVE COST OF \$20 MILLION. TO DATE, \$8 MILLION OF THIS AUTHORITY HAS BEEN USED AND \$12 MILLION REMAINS AVAILABLE.
- THE FUNDS REQUIRED TO FINANCE THIS AUTHORITY ARE BUDGETED FOR, ALONG WITH OTHER ADVANCE RESEARCH FUNDS, UNDER THE RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES APPROPRIATION. UPON APPROVAL TO CONSTRUCT AN ADVANCE RESEARCH FACILITY, THE NECESSARY FUNDS ARE TRANSFERRED TO THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION.
- THIS TRANSFER AUTHORITY IS RESTATED ON AN ANNUAL BASIS IN THE MILITARY CONSTRUCTION, DEFENSE AGENCIES APPROPRIATION LANGUAGE. THERE IS NO REQUIREMENT TO NOTIFY CONGRESS OF ITS USE.

# **CONSTRUCTION PROJECTS COST VARIATIONS**

## **Example of Use**

RECENTLY, IT WAS NECESSARY TO USE THIS AUTHORITY TO ACCOMMODATE A 54% INCREASE (FROM \$118,200,000 TO \$181,900,000) IN THE COST OF THE SPACE TRANSPORTATION SYSTEM (STS) LAUNCH COMPLEX AT VANDENBERG AIR FORCE BASE, CALIFORNIA.

## **CONSTRUCTION PROJECTS COST VARIATIONS**

- THE ANNUAL MILITARY CONSTRUCTION AUTHORIZATION ACT PROVIDES THAT THE MILITARY DEPARTMENTS AND DEFENSE AGENCIES MAY INCREASE STATION AUTHORIZED TOTALS FOR CONSTRUCTION BY 5% IN CONUS AND 10% FOR OUTSIDE THE UNITED STATES. IF ONLY ONE PROJECT (FACILITY) IS AUTHORIZED FOR A STATION, AN INCREASE OF 25% MAY BE APPROVED. SUCH INCREASES ARE PERMITTED ONLY WHEN (1) THEY ARE REQUIRED FOR THE SOLE PURPOSE OF MEETING UNUSUAL VARIATIONS IN COST AND (2) THEY COULD NOT HAVE BEEN REASONABLY ANTICIPATED.
- INCREASES IN EXCESS OF THE ABOVE PERCENTAGES CAN BE INCURRED ONLY AFTER APPROVAL BY THE SECRETARY OF DEFENSE, NOTIFICATION OF THE COMMITTEES ON ARMED SERVICES OF THE SENATE AND HOUSE OF REPRESENTATIVES, AND EITHER (1) THIRTY DAYS HAVE ELAPSED FROM DATE OF NOTIFICATION, OR (2) BOTH COMMITTEES HAVE INDICATED APPROVAL.
- SUCH INCREASES ARE TO BE FUNDED FROM SAVINGS FROM OTHER CONSTRUCTION PROJECTS. FOR PROJECTS COSTING IN EXCESS OF \$500,000, COST INCREASES EXCEEDING 25% OR \$1,000,000, WHICHEVER IS LESSER, ARE SUBJECT TO PRIOR APPROVAL REPROGRAMMING BY THE COMMITTEES ON APPROPRIATIONS. IN NO EVENT MAY THE TOTAL AMOUNT AUTHORIZED FOR AN APPROPRIATION BE EXCEEDED BECAUSE OF COST VARIATIONS.

# **RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR DESTROYED**

## **Example of Use**

**RECENT USE OF THIS AUTHORITY WAS FOR RESTORATION OF A TITAN II MISSILE COMPLEX AT MCCONNELL AFB, KANSAS, WHICH WAS DAMAGED AND RENDERED INOPERATIVE BY A MASSIVE OXIDIZER SPILL.**

## **RESTORATION OR REPLACEMENT OF FACILITIES DAMAGED OR DESTROYED**

- 10 U.S.C. 2673 PROVIDES AUTHORITY FOR THE MILITARY DEPARTMENTS TO RESTORE OR REPLACE FACILITIES THAT HAVE BEEN DAMAGED OR DESTROYED BY FIRE, FLOODS, HURRICANES OR OTHER "ACTS OF GOD."
- THE LEGISLATION REQUIRES THAT EACH USE OF THIS AUTHORITY BE APPROVED BY THE SECRETARY OF DEFENSE, AND THAT THE COMMITTEES ON ARMED SERVICES OF THE SENATE AND HOUSE OF REPRESENTATIVES BE NOTIFIED.
- FUNDS TO FINANCE SUCH CONSTRUCTION MUST BE REPROGRAMED FROM SAVINGS OR FROM LOWER PRIORITY PROJECTS. SUCH REPROGRAMING REQUIRES THE PRIOR APPROVAL OF THE COMMITTEES ON APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES.

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# **MINOR CONSTRUCTION**

## **Example of Use**

IN MAY, 1980, THE DIRECTOR, DEFENSE MAPPING AGENCY, APPROVED A \$377,000 PROJECT FOR ALTERATION OF FACILITIES AT FORT SAM HOUSTON, TEXAS, TO ACCOMMODATE THE RELOCATION OF THE HEADQUARTERS, INTER-AMERICAN GEODETIC SURVEY, FROM THE PANAMA CANAL ZONE TO THE CONTINENTAL UNITED STATES.

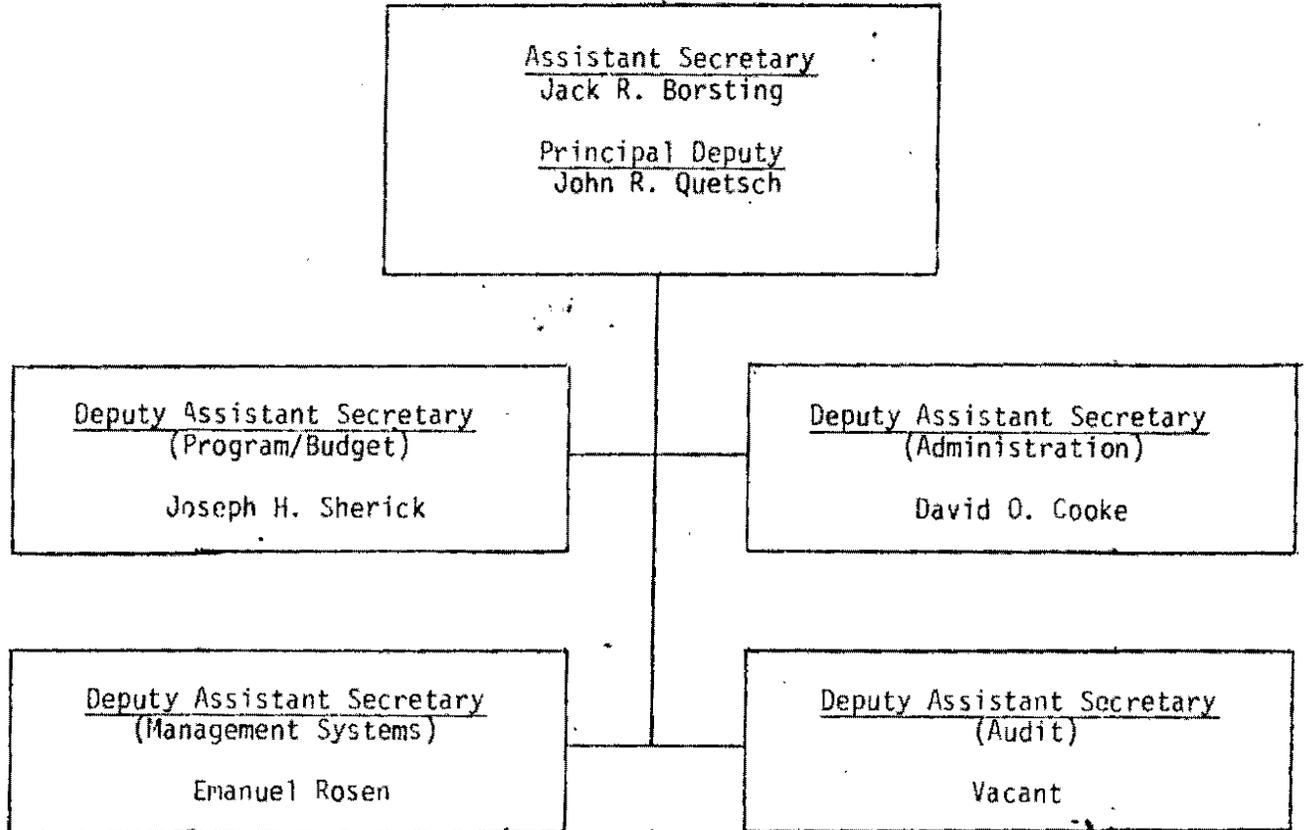
# **MINOR CONSTRUCTION**

- **AUTHORITY IS PROVIDED BY 10 U.S.C. 2674 TO CONSTRUCT FACILITIES COSTING \$500,000 OR LESS WHICH ARE NOT OTHERWISE AUTHORIZED BY LAW**
- **APPROPRIATIONS AVAILABLE FOR MILITARY CONSTRUCTION MAY BE USED FOR SUCH CONSTRUCTION, GENERALLY REFERRED TO AS "MINOR CONSTRUCTION". IN ADDITION, FUNDS AVAILABLE FROM APPROPRIATIONS FOR OPERATION AND MAINTENANCE MAY BE USED FOR ANY PROJECT COSTING NOT MORE THAN \$100,000.**
- **THE LEGISLATION REQUIRES THAT PROJECTS COSTING \$300,000 OR MORE BE APPROVED BY THE SECRETARY OF THE MILITARY DEPARTMENT OR DIRECTOR OF DEFENSE AGENCY CONCERNED AND, FURTHER, THAT PROJECTS COSTING \$400,000 OR MORE BE APPROVED BY THE SECRETARY OF DEFENSE.**
- **AN ANNUAL DETAILED REPORT IS REQUIRED TO BE SUBMITTED TO THE COMMITTEES ON ARMED SERVICES AND APPROPRIATIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES ON THE USE MADE OF THIS AUTHORITY. IN ADDITION, THESE COMMITTEES MUST BE NOTIFIED IN WRITING AT LEAST 30 DAYS BEFORE ANY FUNDS ARE OBLIGATED AGAINST ANY PROJECT COSTING MORE THAN \$300,000.**

## ORGANIZATION

- THIS SECTION CONTAINS AN ORGANIZATION CHART FOR THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER).
- FOLLOWING THE ORGANIZATION CHART IS A CAPSULE SUMMARY OF EACH OF THE DEPUTY ASSISTANT SECRETARY FUNCTIONS.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
(COMPTROLLER)



OFFICE OF THE ASSISTANT SECRETARY OF  
DEFENSE (COMPTROLLER)

JACK R. BORSTING

Executive Assistant - LTC John L. Finan, USAF  
Special Assistant - Graydon I. Lose  
Director Special Projects - Michael Sovereign  
Assistant for Administration - David D. Gurganus

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	5	5	10
Clerical	<u>5</u>	<u>1</u>	<u>6</u>
Total	10	6	16

Advises and assists the Secretary of Defense in the performance of the Secretary's programming, budgetary, and fiscal functions and organizational and administrative matters pertaining to these functions.

Provides for the design and installation of resource management systems throughout the DoD, as assigned.

Collects, analyzes, and reports resource management information to the Secretary of Defense and, as required, to the General Accounting Office and other agencies outside the DoD.

Advises and assists the Secretary of Defense in matters pertaining to general administration of the Department, organizational and management planning, DoD Privacy Program, Historical Records and Reports for OSD.

OFFICE OF THE PRINCIPAL DEPUTY ASSISTANT  
SECRETARY (COMPTROLLER)

John R. Quetsch

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	1	-	1
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	2	-	2

Maintains cognizance of all major issues and actions related to the OASD(Comptroller) and acts for the Assistant Secretary in his absence.

Advises and assists the Assistant Secretary on the entire range of financial functions within the Department of Defense.

JACK RAYMOND BORSTING  
ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)  
Biography

Dr. Jack R. Borsting, previously the Provost and Academic Dean at the Naval Postgraduate School in Monterey, California, was nominated by President Jimmy Carter on 11 June 1980, to be Assistant Secretary of Defense (Comptroller). He was confirmed by the United States Senate on 31 July 1980, and was sworn in by the Secretary of Defense on 12 August 1980.

Born in 1929, in Portland, Oregon, he received a B.A. degree in mathematics from Oregon State University in 1951. This was followed by an M.A. (1952) in mathematics and a Ph.D. (1959) in mathematical statistics from the University of Oregon.

He assumed the position of Provost and Academic Dean at the Naval Postgraduate School in 1974. Prior to that he was Professor and Chairman of the Department of Operations Research and Administrative Sciences at the Naval Postgraduate School. Before assuming the Chairmanship of the Operations Research Department, he was a professor in the Mathematics Department. Other academic positions he has held include Visiting Professor at the University of Colorado at Boulder, Visiting Distinguished Professor at the Oregon State University and teaching positions at the University of Oregon.

During the years 1954-1956 he served with the Air Force as a Nuclear Weapons Project Officer engaged in the development of practice weapons at the Air Force Special Weapons Center at Albuquerque, New Mexico.

Dr. Borsting is Past President of the Operations Research Society of America (ORSA). He is Honorary Treasurer of the International Federation of Operations Research Societies, and previously held the office of ORSA's liaison representative to the International Federation of Operations Research Societies. Previously he held other positions with ORSA including Secretary and Council Member. He is also a Past President of the Military Operations Research Society and is a Fellow of the American Association for the Advancement of Science. He has been a director of the Western Association of Collegiate Schools of Business.

He has been a member of various Advisory Boards and Panels including: Advisory Board Member of the Navy Personnel Research and Development Center, San Diego; Planning Committee member, Unified Science and Mathematics for Elementary Schools, Educational Development Corporation (National Science Foundation Project). He is listed in Who's Who in America and the American Men of Science.

Dr. Borsting is married to the former Peggy Anne Nygard. They have one daughter, Lynn Carol Borsting, and one son, Eric Jeffrey Borsting.

John R. Quetsch  
Principal Deputy Assistant Secretary of Defense  
(Comptroller)

Mr. John R. Quetsch, a native of Oak Park Illinois, attended Public and Parochial schools there. He was graduated from the University of Notre Dame with a Bachelor of Arts Degree in political science in 1952.

Mr. Quetsch joined the Department of the Navy as a management intern in 1952. Except for two years (1952-54) in the Army, primarily in Korea with the 9th Infantry Regiment, he has served continuously with the Department of Defense since that time.

From 1955 to 1962, Mr. Quetsch worked as a budget analyst for the Bureau of Ships in operations, research, procurement, industrial fund and military assistance programs. In 1962, he joined the Operation and Maintenance Directorate in the Office of the Assistant Secretary of Defense (Comptroller), reviewing service and defense agency programs. In 1965, he was appointed Director for Operations, responsible for integrating the military personnel, operation and maintenance, and industrial fund budget functions and controlling civilian employment levels. He became Principal Assistant to the Deputy Assistant Secretary (Program/Budget) in 1974 and DASD(P/B) in 1976. Mr. Quetsch was appointed to his present position of Principal Deputy Assistant Secretary of Defense (Comptroller) on September 2, 1976.

Mr. Quetsch is married to the former Mary Fritch of South Bend, Indiana. They have five sons and two daughters and reside in McLean, Virginia.

GRAYDON I. LOSE  
Special Assistant to the  
Assistant Secretary of Defense (Comptroller)

Mr. Graydon I. Lose was born in Middleburg, Pennsylvania on July 12, 1932. He was graduated from Susquehanna University, Selinsgrove, Pennsylvania, in 1954 with a degree of Bachelor of Science in business administration. He did graduate study in management at Temple University and was awarded the degree of Master of Business Administration from American University in 1967. Mr. Lose served with U.S. Army Counterintelligence in Korea from 1954 to 1956.

In August 1957, Mr. Lose began his civil service career as a staff auditor with the U.S. Army Audit Agency in Baltimore. In June 1959, he joined the Comptroller's office of the Middletown Air Materiel Area at Olmsted Air Force Base in Pennsylvania as a staff accountant and became a supervisory accountant a year later.

Mr. Lose transferred to Headquarters, United States Air Force, in September 1962 and became a systems accountant with the Accounting and Finance Directorate. During 1965-1966, he held a position as Senior Associate with the Defense Systems Division of the Bunker-Ramo Corporation. From April 1966 to June 1967, Mr. Lose was the Deputy Chief of the Agency Financial Reports Office at Headquarters, National Aeronautics and Space Administration.

In June 1967, Mr. Lose joined the Office of the Assistant Secretary of Defense (Comptroller) as a Program Analyst in the Management Systems Development office. In 1969, he became a Budget Analyst for the Deputy Comptroller for Plans and Systems, and then in 1972 became the Deputy Director for Program and Financial Control in the Program/Budget office.

In July 1974, Mr. Lose became the Special Assistant to the Assistant Secretary of Defense (Comptroller) and handles liaison with the congressional Appropriations Committees.

ASD(COMPTROLLER)  
PDASD(COMPTROLLER)

DASD(PROGRAM/BUDGET) ES 4  
Joseph H. Sherick

DIRECTOR, PROGRAM & FIN CONTROL ES 4  
Clyde O. Glaister  
DEPUTY DIRECTOR P&FC ES 4  
John W. Melchner

DIRECTOR, PLANS & SYSTEMS ES 4  
John W. Beach  
DEPUTY DIRECTOR P&S ES 1  
Robert J. Lieberman

DIRECTOR, CONSTRUCTION ES 4  
Allen D. South

DIRECTOR, PROCUREMENT ES 4  
Richard A. Harshman  
DEPUTY DIRECTOR PROCUREMENT ES 4  
Stephen A. Trodden

DIRECTOR, RESEARCH & DEVELOPMENT ES 4  
David J. Hegaler  
DEPUTY DIRECTOR R&D ES 4  
Nelson W. Eaton

DIRECTOR, OPERATIONS ES 4  
Donald B. Shycoff  
DEPUTY DIRECTOR OPERATIONS ES 4  
Frank L. McLaughlin

DIRECTOR, MILITARY PERSONNEL ES 4  
L. Paul Dube

OFFICE OF THE DEPUTY ASSISTANT SECRETARY  
(PROGRAM/BUDGET)

Joseph H. Sherick

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	1	-	1
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	3	-	3

Directs and supervises:

- The programming system of the DoD.
- The establishment of budgetary principles, policies, systems and procedures.
- The formulation, management, and execution of the budget of the DoD.
- The development of financing policy within the DoD.
- An automated management system to support the programming and budgeting processes.

JOSEPH H. SHERICK

Mr. Joseph H. Sherick was appointed to the position of Deputy Assistant Secretary of Defense (Program/Budget), Office of the Assistant Secretary of Defense (Comptroller), January 27, 1980.

Mr. Sherick is a career civil servant who began his Federal service as a Budget Analyst at the Frankford Arsenal in 1950 and served for nine years in various financial management positions in the field and at the Department of Army Headquarters. In 1959, he joined what is now the Office of Management and Budget in the Executive Office of the President, where he held the position of Assistant to the Chief of the Military Division. From 1966 to 1968, he served as the Comptroller of the Defense Atomic Support Agency (now the Defense Nuclear Agency). In 1968, he was selected as the Budget Director for Research and Development in the Office of the Assistant Secretary of Defense (Comptroller). He served in this capacity until April 1973, when he was appointed as the Deputy Comptroller of the Army. He became Deputy Comptroller (Program/Budget) in the Office of the Assistant Secretary of Defense (Comptroller) in October 1976 and held this position until he was selected for his current position.

Mr. Sherick served in the Navy from 1942 to 1946. He attended Temple University, where he earned a Bachelor of Arts Degree in 1949 and his Juris Doctor Degree in 1958. He is a member of the Bar in the District of Columbia and Virginia.

He is the recipient of the Exceptional Civilian Service Medal of the Defense Atomic Support Agency (Defense Nuclear Agency), the Secretary of Defense Meritorious Civilian Service Medal, with Palm, and the Exceptional Civilian Service Medal of the Department of the Army.

DIRECTORATE FOR PROGRAM AND FINANCIAL CONTROL

Director

Clyde O. Glaister

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	13	-	13
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	15	-	15

Prepares policies, plans, and guidance for the maintenance, extension, and improvement of the DoD Planning, Programming, Budgeting System (PPBS).

Prepares the annual calendar year action schedule for the Program/Budget Review.

Prepares policies and objectives to guide development and implementation of subsystems to the Five-Year Defense Program.

Analyzes current and projected financial and quantitative data to ascertain financial requirements and progress in terms of obligations and expenditure rates in DoD appropriations and reports on significant trends and conditions therein.

Prepares and continuously reviews the estimates of obligations, expenditures, and estimates of annual carry-over of availability for all funds appropriated to the DoD.

Prepares fiscal reports, special financial statements, charts, and graphs required in support of budget presentation, studies, and economic analyses.

Establishes reprogramming procedures, conducts technical review, and processes reprogramming actions to the Congress.

Develops and operates computer systems and programs supporting the budget process.

Develops, reviews, and analyzes the Five-Year Defense Program (FYDP).

Operates and controls the Defense Programming System to include: reviewing and processing of all Program Objective Memoranda (POM), advising and assisting primary action offices in the preparation of proposed Program Change Decision (PCD's), and processing the Program Change Decisions of the Secretary to the DoD components.

Participates in special program studies and reviews.

Clyde O. Glaister  
Director for Program and Financial Control

Mr. Clyde O. Glaister, a native of New Kensington, Pennsylvania was born on April 6, 1935. He attended public schools in Vandergrift, Pennsylvania and LaSalle and American Universities. He began his career in government with the U.S. Air Force Headquarters staff in 1954. Since 1961 he has served in the Office of the Secretary of Defense, returning to the Air Force for a short period in 1965 and 1966. In 1967 he rejoined the OSD Comptroller staff as a program analyst initially concentrating his efforts on the Five Year Defense Program. Subsequent involvement in the budget formulation process led to overall responsibility for the DoD Planning, Programing, and Budgeting System.

In 1974 he was appointed Deputy Director and in 1976 appointed Director for Program and Financial Control. In this capacity he is responsible for: policies, plans and guidance for maintenance, extension, and improvement of the PPBS; preparation of the annual calendar; development of annexes to the FYDP; liaison with the congressional oversight committees on Mission Budgeting; preparation of obligation and outlay estimates for the DoD budget; overall financial control of the Secretary's budget review and formulation process providing daily status of the impact of the Secretary's decisions on component requests; monitoring, controlling and reporting status of congressional oversight committee review of the budget; controlling the Treasury warrants and OMB apportionment of appropriations enacted; establishing policies and procedures for the DoD reprogramming system, keeping the department and the Congress apprised of the status of congressional actions; monitoring overall financial plans and reporting to the Comptroller and Secretary the status of program execution; responsible for accounting system integrity and consistency with established policy including solvency of accounts and initial determination of violations of the punitive statutes regarding obligations and expenditures; developing and operating time-shared computer systems designed to support the above processes.

Mr. Glaister is married to the former Carole Sue Main of Upper Sandusky, Ohio. They have two daughters, Dana and Diana, and reside at 2017 Soapstone Drive, Reston, Virginia.

March 1980

DIRECTORATE FOR PLANS AND SYSTEMS

Director John W. Beach

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	7	-	7
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	9	-	9

Establish budget principles, policies, and procedures covering formulation, presentation, and execution of the DoD budget. Maintain continuous surveillance of Defense budgetary levels to ensure conformance with Congressional budget resolutions.

Develop aggregate financing policy within DoD, e.g., to measure the effects of inflation and pay raises. Prepare budget amendments and supplementals as needed.

Project alternative levels of Defense budgetary resources based on different pay and price level assumptions. Prepare current services estimates indicating the budgetary resources needed to maintain current program levels.

Prepare DoD appeals to Congressional authorization and appropriation actions.

Develop economic studies and analyses to show the impact of outside economic events on Defense budgets and programs. Conversely, measure and evaluate the impact of Defense spending on overall economic activity. This includes econometric forecasting techniques.

Prepare budget submissions, Congressional testimony, Congressional action items, and other related material.

Report to and advise NATO allies on trends in U.S. Defense budgetary resources.

Maintain surveillance of the impact of DoD transactions entering the International Balance of Payments.

JOHN W. BEACH (John)

Director for Plans & Systems  
Office of Assistant Secretary  
of Defense (Comptroller)  
Room 3A862, The Pentagon  
Washington, DC 20301  
(202) 697-9171

Syracuse University (B.S., 1960 and MPA, Economics, 1965).  
U.S. Army Quartermaster Corps, 1962-1964; further graduate training  
economics and mathematics, American and George Washington Universities  
(1966-1970).

In present position since April 1979. Directs Department of Defense  
budget review procedures dealing with authorization and appropriation  
requests from the Congress. Prepares formal statements and other  
materials for Defense officials to present to the Congress dealing with  
Defense budget. Develops forecasts of Defense budget under alternative  
pay and price level assumptions.

Selected Federal Management Intern, 1965.  
Secretary of Defense Meritorious Civilian Service Medal - 1975

DIRECTORATE FOR CONSTRUCTION

Director Allen D. South

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	5	-	5
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	7	-	7

Reviews, evaluates, and makes recommendations on DoD Components' Program Objective Memoranda, budget requests, apportionment requests, and budget execution plans for all military construction, family housing appropriations of the DoD, and for the areas of national intelligence and other classified programs.

Monitors the execution of the budget for the military construction and family housing appropriations.

Manages the Defense Homeowner's Assistance Fund.

Monitors the financial execution of intelligence and classified programs and participates in the Defense Intelligence Programs Reviews.

Biographical Sketch

Allen D. South

Born in Canton, South Dakota on March 30, 1923.

Educated in the State of Missouri public school system. Graduated from the Central Business College, Sedalia, Missouri in 1942.

Entered the Army in 1943 and served in the European theater until being discharged in 1945.

Became a civilian employee of the Department of Navy and served in various positions in the Comptroller field at Great Lakes, Illinois; transferring to Navy Headquarters, Washington, DC in 1957, serving there until 1964.

Joined the staff of the Office of Assistant Secretary of Defense (Comptroller) in 1964, held various positions in Program/Budget, being promoted to the Director for Construction in 1969, the position currently held.

DIRECTORATE FOR PROCUREMENT

Director      Richard A. Harshman

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	10	-	10
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	12	-	12

Reviews, evaluates, and makes recommendations on DoD Components' Program Objective Memoranda, budget requests, apportionment requests, and budget execution plans for all procurement appropriations and stock funds of the DoD.

Monitors the execution of the budget for the procurement appropriations and stock fund accounts.

Biographical Sketch  
Richard A. Harshman

Mr. Harshman was born in Frederick, Maryland on September 7, 1935. He attended public schools in Arlington County, Virginia graduating from Washington-Lee High School in 1953. Mr. Harshman attended Richmond Professional Institute in Richmond, Virginia, 1954-56 and graduated from American University of Washington, D.C., in 1958 with a B.S. in Business Finance. He completed several graduate courses at American and George Washington Universities.

Mr. Harshman was employed as a Cost Accountant with the Stone Paper Tube Company, an industrial concern in Mt. Ranier, Maryland, for the period 1959-61. He then entered U.S. Government service with the Department of the Air Force Comptroller in 1961. Mr. Harshman was chosen to be a Junior Professional Assistant (JPA) and placed in an accelerated advancement program as a budget analyst trainee. He moved into more responsible positions in the Air Force financial management field, first as a financial analyst and then a budget analyst for tactical missile programs. His experience during this period centered on budget execution and computation of requirements for Air Force missile procurement programs. In 1968, Mr. Harshman accepted a budget analyst position with the Assistant Secretary of the Navy (Financial Management) with program and budget responsibility for the Shipbuilding and Conversion appropriation. After a year with the Navy financial organization he was selected to be a senior budget analyst with the Assistant Secretary of Defense (Comptroller) in the Procurement Directorate.

Mr. Harshman moved through ever-increasing complex program review responsibility within the Procurement Directorate, first in the electronics and communications programs, then tactical missile procurement and finally all strategic ICBM and Cruise missile procurement. He was promoted to the position of Deputy Director of the organization in November, 1971. After two years of service, Mr. Harshman was selected to be Director of the Procurement Directorate for the Assistant Secretary of Defense (Comptroller).

Mr. Harshman is married to the former Myra Springer of Arlington, Virginia, has two sons and resides in Fairfax, Virginia.

DIRECTORATE FOR RESEARCH AND DEVELOPMENT

Director

David J. Hessler

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	6	-	6
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	7	-	7

Reviews, evaluates, and makes recommendations on DoD Components' Program Objective Memoranda, budget requests, apportionment requests, and budget execution plans for all research, development, test, and evaluation appropriations of the DoD.

Monitors the execution of the budget for research, development, test, and evaluation appropriations.

Biographical Sketch  
David J. Hessler

David J. Hessler was born in the District of Columbia on January 22, 1929. He attended St. Johns College Prep School, Georgetown University and was graduated from the University of Maryland in 1952 with a Bachelor of Science degree.

After graduation, he accepted a position as an analyst with the Assistant Secretary of State for Economic Affairs. From there in 1953 he was promoted to the Bureau of Security and Consular Affairs in the Department of State to take charge of their budget and administrative affairs.

In June, 1955, he transferred to the Department of Defense, accepting a position in the Research and Development Division of the Navy's Bureau of Ordnance, with responsibility for review of the field establishment budget for the Bureau's R&D facilities. Following a year and a half in BUORD, in 1957 he was promoted to the Navy Comptroller's Office. During the period 1957-60 he accepted positions of increasing responsibilities in the budget field including review and analysis of the Navy's Shipbuilding Program.

In June, 1960, he was appointed as a senior budget examiner in the Procurement Directorate of the Assistant Secretary of Defense Comptroller with responsibility for the Shipbuilding, Safeguard, and Ballistic Missile Programs.

In June, 1969, he was appointed Special Assistant to the Principal Deputy Assistant Secretary of Defense (Comptroller) with primary responsibility for the review of our military assistance programs for South Vietnam and Laos.

On May 18, 1973, he was appointed to his present position as Director for Research and Development (GS-17) in the Office of the Deputy Assistant Secretary of Defense (Comptroller). In this capacity he is responsible for the review of Department of Defense budget and apportionment requests relating to Research, Development, Test and Evaluation programs.

Mr. Hessler is married to the former R. Joyce McCabe. They have two daughters, Louise who is married to Lt. Robert J. Van Hooser (USA) and Diane who lives with them in Chevy Chase.

December 8, 1976

DIRECTORATE FOR OPERATIONS

Director Donald B. Shycoff

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	12	-	12
Clerical	<u>3</u>	<u>-</u>	<u>3</u>
Total	15	-	15

Reviews, evaluates, and makes recommendations on DoD Components' Program Objective Memoranda, budget requests, apportionment requests, and budget execution plans for the annual cost of operations and industrial funds of the DoD.

Monitors the execution of the budget for the operations accounts and industrial funds.

Coordinates overall operations justification to the Congress.

BIographical SKETCH  
DONALD B. SHYCOFF

Mr. Donald B. Shycoff was born in Haverhill, Massachusetts. He graduated from Syracuse University in 1953 with a Bachelor's degree in Political Science and attended post graduate school at the University of Illinois. Mr. Shycoff began his government career with the Navy Department in 1957.

Mr. Shycoff joined the Office of the Secretary of Defense (Comptroller) staff as an analyst in 1966. He was designated Director for Military Personnel in August 1973. He became Director for Operations in the Office of the Deputy Assistant Secretary of Defense (Program/Budget) in April 1974. The Directorate for Operations is responsible for review and analysis of budget programs and estimates for operation and maintenance and industrial funds of the Military Departments and Defense Agencies, including the related military and civilian manpower requirements.

Mr. Shycoff has received numerous awards and he received the Meritorious Civilian Service award in December 1975.

DIRECTORATE FOR MILITARY PERSONNEL

Director

Lawrence P. Dube

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	5	-	5
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	7		7

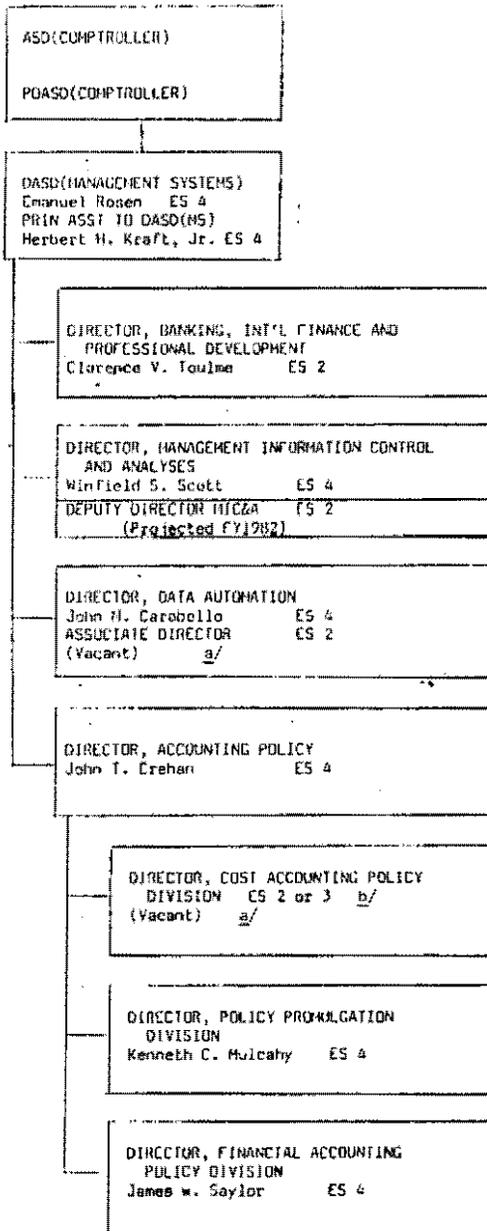
Reviews, evaluates, and makes recommendations on DoD Components' Program Objective memoranda, budget requests, apportionment requests, and budget execution plans for active duty military personnel, Reserve personnel, and retired military personnel appropriations of the DoD.

Monitors the execution of the budget for the appropriations identified above.

BIOGRAPHICAL SKETCH OF LAWRENCE P. DUBE

Mr. Dube was born in Nashua, New Hampshire in 1938. He received his BA Degree at the University of New Hampshire majoring in Political Science.

He began his career in the Federal Government in 1962 working in the budget field for various offices in the Department of Navy until 1968 when he joined the Comptroller staff in the Office of the Secretary of Defense (Operations Directorate). He became Director, Military Personnel in April 1974.



- a/ Selection made by Management; in administrative processing and OPM review.  
 b/ ES 2 if possible; if not, ES 3, as required under current guidelines.

OFFICE OF THE DEPUTY ASSISTANT SECRETARY  
(MANAGEMENT SYSTEMS)

Principal Assistant Emanuel Rosen  
Herbert H. Kraft, Jr.

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	2	-	2
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	4	-	4

Directs and supervises:

The development and implementation of the program for improving management systems in DoD.

The development of policies, systems and procedures for the management and accounting of resources and operations.

Military banking, credit union and international financial matters.

The policies and procedures for the procurement, use, and management of automatic data processing in DoD.

The development of information and analyses to assist DoD managers in appraising Defense performance.

Management information and reporting systems, both in DoD and by contractor, in support of weapon systems acquisition.

Control of management information systems within OSD and DoD.

The development of DoD-wide policies and plans for education and professional development in the Comptroller area.

EMANUEL ROSEN  
BIOGRAPHICAL SKETCH

Mr. Rosen was born in Brooklyn, New York and attended the New York City Public Schools. He received his Bachelor of Arts degree from Brooklyn College and a Master of Arts degree in Economics from Columbia University. Subsequently, he attended various institutions in the Washington area studying budgeting, business administration and defense systems analysis.

Mr. Rosen started his government career as a management intern in the Department of the Navy's Bureau of Ships in 1953. He subsequently held various positions in the Department of the Navy as a budget analyst, budget officer and system designer. In his last position with the Department of the Navy, he was Director, Budget Policy and Procedures Division in the Office of Navy Comptroller.

In March 1975, he assumed the position of Principal Assistant for Management Systems in the Office of the Assistant Secretary of Defense (Comptroller).

On February 6, 1979, he was appointed to the position of Deputy Assistant Secretary of Defense for Management Systems.

Mr. Rosen is a resident of Potomac, Maryland.

## BIOGRAPHICAL SKETCH

MR. HERBERT H. KRAFT, JR.

Mr. Herbert H. Kraft, Jr., was designated Principal Assistant to the Deputy Assistant Secretary of Defense (Management Systems) effective 25 March 1979. Mr. Kraft assists in directing a staff of systems accountants, financial experts and other professionals engaged in the development and oversight of DoD policy for accounting, automatic data processing, information control including acquisition management information and the provision of financial services on military installations worldwide, including serving as focal point with Treasury, OMB, CAO, GSA and NBS on all related policy and procedural matters.

Born on August 8, 1932, in Philadelphia, Pennsylvania, Mr. Kraft attended Philadelphia public schools, graduating from Central High School in 1950. He then attended Muskingum College, New Concord, Ohio, and was graduated cum laude with a Bachelor of Arts Degree in History and Economics in 1954. He continued his education at the Woodrow Wilson School of Public and International Affairs at Princeton University, graduating in 1956, with the Master in Public Affairs Degree.

In July 1956, he joined the Office of the Secretary of Defense as an Executive Trainee. From October 1956 to October 1959, he served on active duty with the U. S. Army. Mr. Kraft has served continuously since 1959 with the Office of the Secretary of Defense in progressively more responsible positions, as a program analyst, audit reports analyst, budget analyst, and financial economist. In June 1973, Mr. Kraft was named Special Assistant to the Principal Deputy Assistant Secretary of Defense (Comptroller), and later in January 1975 became the Director for Banking, International Finance and Professional Development, his most recent position.

Mr. Kraft attended the Industrial College of the Armed Forces, graduating in June 1970. While at the Industrial College, he also earned the degree of Master of Science in Business Administration from the George Washington University. In addition to his other academic training, he has attended the Federal Executive Institute, the Defense Resources Management Education Center, and the DoD Computer Institute.

He is married to the former Louise H. Knoke of New Rochelle, New York. They reside with their three children in Vienna, Virginia.

DIRECTORATE FOR BANKING, INTERNATIONAL FINANCE  
AND PROFESSIONAL DEVELOPMENT

Director

C. V. Toulme

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	9	-	9
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	11	-	11

Develops, monitors, and implements, as required, policies and procedures for the delivery of banking and credit union services at military installations in the United States and overseas. Exercises direct control over the following aspects of military banking at overseas installations:

Determination of banking services to be provided and the fees and charges for those services.

Arranging for funding of banking services and selection of institutions to provide those services.

Continued oversight and periodic on-site review of military banking income, expense, and customer service.

Develops and monitors policies and prepares reports pertaining to such financial matters as custody, use and disposal of foreign currencies.

Establishes and monitors DoD policies and systems for the development and maintenance of a professional Comptroller organization through planned career staffing, development, and utilization, through transmission of the latest developments in financial and resource management to DoD schools; and through sponsorship of experimental and pilot seminars and symposia.

## BIOGRAPHICAL SKETCH

### MR. CLARENCE V. TOULME

Mr. Toulme was designated Director for Banking, International Finance and Professional Development, Office of the Assistant Secretary of Defense (Comptroller) effective 25 May 1980. Prior to that time, he was associated with the Office of the Assistant Secretary of the Army (Installations, Logistics, and Financial Management).

Mr. Toulme is responsible for developing and monitoring DoD policies and procedures for banks and credit unions which operate on DoD installations worldwide. In addition, he develops policies governing the use of certain foreign currencies by DoD agencies and other designated foreign financial matters in which DoD has interest. He is responsible for the formulation and development of education, training and career development programs for financial and resource management specialists throughout DoD.

Prior to his association with the Office of the Assistant Secretary of the Army, Mr. Toulme was on active duty with the United States Army assigned to the Finance Corps. In addition to various assignments at CONUS installations, he served in Europe, Canada, and Vietnam.

He is a graduate of Bowling Green College of Commerce, holding a Bachelor of Science degree in accounting. In addition, he has attended the Armed Forces Staff College, Norfolk, Virginia, and the Department of Defense Computer Institute, Washington.

Mr. Toulme resides with his family in McLean, Virginia.

DIRECTORATE FOR MANAGEMENT INFORMATION  
CONTROL AND ANALYSIS

Director                      Winfield S. Scott

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	17	-	17
Clerical	<u>4</u>	<u>-</u>	<u>4</u>
Total	21	-	21

Develops policies for management and control of the DoD information program to comply with applicable public laws and OMB Circulars. Represents DoD in development of related Federal policies and criteria.

Develops and monitors the DoD-wide information management improvement program.

Develops policies for the DoD Data Element and Code Registration and Standardization Program. Serves as the approval authority for standard data elements and codes within DoD.

Develops policies for management information reporting and management systems in support of weapons systems acquisitions, including those subject to Selected Acquisition Report (SAR) requirements.

Develops policies and promulgates criteria for cost and schedule management control systems used by Defense contractors. Monitors implementation of contractor cost performance reporting systems.

Develops policies for the preparation and dissemination of statistical information used for management purposes in the Department of Defense and transmitted to Congress, the public and other Government agencies.

Prepares summaries of management information and analyses for the Secretary of Defense and key OSD officials on a periodic basis.

Provides OASD(C) membership and support to CAIG activities.

BIOGRAPHY

WINFIELD S. SCOTT is Director for Management Information Control and Analysis, Office of the Comptroller (DoD). He is responsible for providing leadership and direction in the development and administration of management information systems, acquisition management cost performance measurement systems, summary executive management information systems, and DoD information control.

He came to the Office of the Secretary of Defense (OSD) after retirement from the Army as a Brigadier General. Mr. Scott's first assignment in OSD was that of Special Consultant to the Deputy Secretary of Defense (DepSecDef) and Advisor to the Chairman of the Acquisition Advisory Group, a panel of experts commissioned by the DepSecDef to review major weapons systems acquisition management interfaces within the Department of Defense and make appropriate recommendations. His last assignment in the Army was that of organizer and first Commandant of the Defense Systems Management School, a school established by the Honorable David Packard, when he was the Deputy Secretary of Defense, for the express purpose of improving weapons systems acquisition management in the Department. Immediately prior to his duties as Commandant, Mr. Scott served: as Tri-service Project Manager for the 2.75 inch Rocket System for three years; a three-year tour of duty as principal Mid-range Logistic Planner on the staff of the J-4 of the Organization of the Joint Chiefs of Staff; Ordnance Officer, Military Assistance Command, Vietnam and Senior Ordnance Advisor to the Chief of Ordnance, Republic of Vietnam Armed Forces; and in a series of logistic and operational assignments with the United States for over 20 years.

He received a B.S. in Military Engineering from the United States Military Academy, an M.S. in Electrical Engineering from Northwestern University, and an MBA from George Washington University. He also attended the Management Program for Executives, Graduate School for Business, University of Pittsburgh.

Contact at: Directorate for Management Information Control and Analysis  
Office of the Assistant Secretary of Defense (Comptroller)  
Department of Defense  
Washington, D.C. 20301  
(202) 697-6107

10/10/79

DIRECTORATE FOR DATA AUTOMATION

Director      John M. Carabello

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	7	-	7
Clerical	<u>2</u>	<u>-</u>	<u>2</u>
Total	9	-	9

Develops and oversees the implementation of policies, plans and standards associated with the administration of the DoD ADP Program.

Serves as liaison for DoD with other Government agencies, Congress and private industry on broad national and federal ADP policy issues.

Provides advice and analysis regarding the continuation, termination or redirection of major automated information systems throughout DoD.

Conducts studies aimed at strengthening ADP resource management throughout DoD.

Works with USDR&E and ASD(C<sup>3</sup>I) staff to improve the management of computer resources embedded in major weapons systems.

BIOGRAPHY

JOHN M. CARABELLO is the Director for Data Automation in the Office of the Assistant Secretary of Defense (Comptroller). He is responsible for developing policies and plans for the administration of Defense ADP resources.

He was promoted to his present position in September 1977 after serving from September 1973 as the Director of ADP Policy, Technology and Standards -- one of the three Divisions he now heads. Prior to joining the Office of the Assistant Secretary of Defense (Comptroller) in 1970, he worked in the Navy's Office of Information Systems Planning. He entered the public service with the Department of the Navy as a Federal Management Intern in 1965.

He completed his undergraduate studies at Albright College in 1964. In 1977, he received an M.P.A. degree in management systems from the University of Southern California.

DIRECTORATE FOR ACCOUNTING POLICY

Director                      John T. Crehan

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	16	-	16
Clerical	<u>4</u>	<u>-</u>	<u>4</u>
Total	20	-	20

Develops accounting policies, principles, and standards. Reviews and recommends for approval financial management systems integrating accounting, financial reporting, appropriated funds, working capital funds, and property of the DoD. These policies and principles govern:

The integration of resource management and financial systems.

Use of working capital funds.

Cost accounting and transfer pricing.

Collections and expenditures of funds.

The administrative control of funds.

Uniform account structures and classification.

Financial inventory accounting and reporting for expense and investment items, including Government-owned property in possession of contractors.

Pricing of foreign military sales and user charges.

Accounting for nonappropriated funds.

BIOGRAPHICAL SKETCH

JOHN T. CREHAN

Mr. John T. Crehan is the Director for Accounting Policy, OASD (Comptroller). He was appointed to that position on February 12, 1975. Prior to joining OSD, Mr. Crehan was with the Defense Contract Audit Agency (DCAA), where he held various positions in its Headquarters offices at Cameron Station, Alexandria, Virginia. His last assignment with DCAA was as the Regional Manager of the New York Region. Mr. Crehan has also served with the U.S. Army Audit Agency, and a national firm of Certified Public Accountants. He holds a BS degree from Duquesne University and is a Certified Public Accountant. He is a member of the American Institute of Certified Public Accountants, the Association of Government Accountants, and the Armed Services Military Comptrollers Association.

ASD(COMPTROLLER  
PDASD(COMPTROLLER

DASD(AUDIT) ES 4  
(Vacant)

DEPUTY COMPTROLLER FOR  
AUDIT POLICY ES 4  
\* Raymond E. Schmidt

DIRECTOR, CONTRACT AUDIT  
POLICY ES 4  
\* Raymond E. Schmidt

DIRECTOR, INTERNAL AUDIT  
POLICY ES 4  
Charles D. Woehrle

\* Deputy Comptroller for Audit Policy and acts as Director, Contract Audit Policy

OFFICE OF THE DEPUTY ASSISTANT SECRETARY  
(AUDIT)

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	1	1	2
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	2	1	3

Directs and supervises:

-- Contracts Audit and Internal Audit policies and plans.

-- The planning, development, and issuance of policies and procedures for the guidance and direction of DoD audits of interservice and Defense-wide programs, the Security Assistance Program, and other significant areas concerning either DoD activities or contractor costs.

-- The coordination of audit programs and schedules within the DoD internal audit organizations and between the DoD internal audit organizations and the GAO.

-- The providing of advisory internal audit service to the Office of the Secretary of the Defense and other DoD components.

-- The performance of special audits of selected areas by Defense audit organizations.

-- The evaluation of GAO and other audit reports, the preparation of comments thereon and the follow-up on corrective actions.

-- Liaison with the GAO, State Department, and military department activities on matters relating to internal audits of the Security Assistance Program and interservice and special audits performed or directed.

BIOGRAPHICAL SKETCH

James H. Curry

Mr. Curry was selected on December 21, 1979, as the Deputy Director of the Defense Audit Service (DAS). In this position he is responsible for all operational aspects of DAS and works closely with the Director on policy matters.

Mr. Curry previously held the Regional Manager's position in Europe with DAS. Prior to that he headed up the Pacific Office with OSD Audit during the Vietnam Conflict. In 1971 he was awarded the Medal for Civilian Service in Vietnam by Ellsworth Bunker.

Mr. Curry began his Government auditing career with the General Accounting Office in 1959. He subsequently held positions in the General Services Administration and with OSD Audit before his present assignment with the Defense Audit Service. Mr. Curry is a graduate of Susquehanna University, and received a Masters of Business Administration from the University of Pennsylvania. He is a Certified Public Accountant and a Certified Internal Auditor.

Mr. Curry is a native of Hershey, Pennsylvania. He is married and the Curry's have one son, who is currently enrolled in Gettysburg College.

Currently, Mr. Curry is holding the position of Acting Deputy Assistant Secretary of Defense(Audit) and Acting Director, Defense Audit Service.

DEPUTY COMPTROLLER FOR AUDIT POLICY

Raymond E. Schmidt

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	1	-	1
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	2	-	2

Develops policies and plans for contract and internal auditing within the DoD.

Analyzes, evaluates and coordinates audit organizations, programs, operations and reports of the DoD.

Sponsors periodic planning meetings of DoD internal audit groups to coordinate audits of common functions or activities.

Summarizes for key officials highlights of internal audit reports from Defense components and provides follow-up information on action taken on significant matters included in audit reports.

Provides guidance on recruiting, career development and staff management of auditors.

Prescribes audit cognizance assignments for Defense agencies and joint activities.

Participates in development of procurement policies, especially cost principles relating to contract auditing.

Represents the DoD audit community in governmental audit and professional organization meetings concerned with current audit trends.

RAYMOND E. SCHMIDT

Biographical Sketch

After World War II service as a pilot in the China-Burma-India theater, Mr. Schmidt was a corporate auditor for the Reynolds Metals Company, Richmond, Virginia until his recall to active duty with the U.S. Air Force during the Korean War.

Mr. Schmidt joined the staff of the U.S. Air Force Auditor General in a civilian capacity in 1953 and performed both internal and contract audit assignments at its District Headquarters in New York City, and at field locations within the District, including offices at the ITT Federal Laboratories and RCA Corporation. He was Chief of the New Jersey Branch Office, USAF Auditor General, from 1964 to 1965 when he transferred to the newly established Defense Contract Audit Agency.

Joining the Office of the Assistant Secretary of Defense (Comptroller) in 1966, Mr. Schmidt has had responsibility for audits of Defense agencies and Defense-wide interservice audits of assigned functional areas. He is currently Assistant for Audit Policy as well as Director, Contract Audit Policy.

Mr. Schmidt received a BS degree in Business Administration with high honors from Rutgers University where he majored in accounting. He is a member of the Association of Government Accountants, Northern Virginia Chapter. A native of New Jersey, he currently resides in Fairfax County, Virginia, with his wife Catherine and their five children.

DIRECTORATE FOR INTERNAL AUDIT POLICY

Director Charles D. Woehrle

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	6	-	6
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	7	-	7

Develops policies and objectives with respect to internal auditing in the DoD.

Provides technical guidance to the DoD internal audit organizations as representative of the ASD(Comptroller).

Assures that all Defense components and activities are subject to appropriate internal audit coverage.

Monitors and coordinates the audit activities of the DoD audit components, including their joint programming activities. Chairs periodic programming meetings.

Reviews the operations of the Defense internal audit organizations for conformance with DoD audit policies and objectives.

Reviews internal audit reports for compliance with DoD audit reporting standards, and disseminates significant audit results and trends to the Secretary of Defense and Deputy Secretary of Defense and to interested DoD officials.

Provides guidance on staff qualifications, recruiting, career development and staff management, and develops and directs DoD joint audit training activities.

Provides assistance and guidance with respect to any matters relating to the effective performance of the internal audit mission.

BIOGRAPHICAL SKETCH

Charles D. Woehrle

Director for Internal Audit Policy

Charles D. (Chuck) Woehrle was appointed to the position of Director for Internal Audit Policy on January 1, 1978. He has served the DoD Comptroller and the Deputy Assistant Secretary of Defense (Audit) since 1967, 6 years in the management of interservice audits, and six in the development and monitoring of DoD internal audit policies. Mr. Woehrle's professional accounting background also includes 12 years of supervisory level audit experience with the Army Audit Agency and 6 years of senior level experience with a firm of Certified Public Accountants.

Mr. Woehrle is a graduate of St. Louis University (Bachelor of Science with major in finance and accounting). He is a Certified Internal Auditor and is an active member of the Association of Government Accountants, currently serving as Chairman of the National Task Force on Operational Auditing and as a member of the National Education Board. He has developed an AGA course on Operational Auditing and conducts lectures on the subject at DoD and AGA auditor training courses. He is a member of the Board of Directors of the Pentagon Federal Credit Union and formerly served as chairman of its supervisory (audit) committee.

He served as an officer and an aviator with the U.S. Marine Corps in combat during World War II and the Korean conflict.

Mr. Woehrle was born in Overland, Missouri. He and his wife, the former Bettie Copeland, reside in Vienna, Virginia.

DIRECTORATE FOR CONTRACT AUDIT POLICY

Director Raymond E. Schmidt

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	4	-	4
Clerical	-	-	-
Total	4	-	4

Develops policies and procedures to be followed in matters relating to audit of Defense contractors' records; and provides technical guidance to the Defense Contract Audit Agency (DCAA) as representative of the ASD (Comptroller). Reviews and evaluates audit instruction developed by DCAA to assure consistency with DoD policies.

Evaluates the effectiveness of contract audit support of procurement by determining the degree of utilization by procurement and the adequacy of the support furnished, for the purpose of recommending changes in policy.

Participates with DUSD(R&E) staff in the development of procurement regulations or instructions related to contract audit or contract cost practices. Services on standing Armed Services Procurement Regulation subcommittees or ad hoc committees.

Evaluates GAO reports and DoD responses which involve contract audits.

Participates in developing DoD position on proposed issuances by the Cost Accounting Standards Board. Participates in developing implementing instructions on standards, rules or regulations issued by the Board.

Maintains liaison with ASD offices, military departments, Defense agencies, Government groups, industry groups, university groups and public accounting associations/firms with respect to matters affecting the pricing or costing of contracts or the auditing of costs incurred or proposed thereunder.

ASD(COMPTRROLLER)  
PDASD(COMPTRROLLER)

DASD(ADMINISTRATION) ES 4  
David O. Cooke

DIRECTOR, ORGANIZATIONAL AND  
MANAGEMENT PLANNING ES 4  
Arthur H. Ehlers

HISTORIAN ES 4  
Alfred Goldberg

DIRECTOR, DEFENSE PRIVACY  
BOARD ES 4  
W. T. Cavaney

OFFICE OF THE DEPUTY ASSISTANT SECRETARY  
(ADMINISTRATION)

D. O. Cooke

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	2	-	2
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	3	-	3

The Deputy Assistant Secretary of Defense (Administration) serves as the principal staff assistant within the Office of the Secretary of Defense for administration and management matters, and as such:

Carries out assigned coordinating responsibilities and special assignments for the Secretary and Deputy Secretary of Defense and for the Assistant Secretary of Defense (Comptroller).

Advises the Secretary and Deputy Secretary of Defense on organizational and management matters in the DoD.

Directs Washington Headquarters Services which:

Provides administrative support to OSD, OJCS, and other assigned activities within the NCR.

Provides policy supervision and manages common facilities and services within the NCR.

October 1979

DAVID O. COOKE  
Deputy Assistant Secretary of Defense  
(Administration)

Mr. Cooke has been involved in Defense management since 1958 when he was a member of Secretary of Defense McElroy's task force on reorganization which led to the passage of the DoD Reorganization Act of 1958. In 1959 he developed a DoD policy reference book for Secretary of Defense Gates and in 1960 served on special DoD reorganization study groups under Mr. Gates.

In January 1961, Mr. Cooke was assigned to the Office of Organizational and Management Planning. This was the office responsible during the McNamara era for the establishment of the Defense Intelligence Agency, the Defense Supply Agency, the Defense Contract Audit Agency and other major organizational changes in Defense. In the summer of 1964, Mr. Cooke became Director of Organizational and Management Planning and in January 1969 he was named Deputy Assistant Secretary of Defense (Administration).

Among the major Defense reorganizations in the 1970's for which Mr. Cooke had responsibility for planning and implementing were the Defense Civil Preparedness Agency, the Defense Mapping Agency and the Defense Investigative Service, as well as overall DoD headquarters realignments. As Chairman of the Defense Investigative Review Council from 1971-78, he played a major role in shaping both policy and programs for counterintelligence and related investigatory activities. He has been a principal DoD spokesman before Congressional committees on these policies and programs as well as related security matters.

Mr. Cooke has frequently served as the senior Defense representative on important interagency groups, including the Interagency Classification Review Council, President Ford's Intelligence Operations Group, and the National Study Commission on Records and Documents of Public Officials. He is the Defense member of the interagency Assistant Secretaries' Management Group.

As the Deputy Assistant Secretary of Defense (Administration) Mr. Cooke serves in a dual capacity as the Director, Washington Headquarters Services (WHS) which was established as a field activity of the Office of the Secretary in 1977. The WHS mission is to provide administrative and operational support to certain Defense activities in the National Capital Region. Such support includes budget and accounting, personnel management, office services, security, records management, travel, computer services, information and data systems and other administrative support.

Mr. Cooke has been awarded the DoD Distinguished Service Medal -- the highest department career award -- three times. He also holds the Secretary of Defense Medal for Outstanding Public Service -- an award rarely conferred on a career official.

Mr. Cooke is a graduate of New York State University College at Buffalo, New York (B.S., 1941) and received an M.S. from New York State University at Albany, New York in 1942. He received his law degree from the George Washington University Law School in 1950 where he was a member of the Law Review and Order of the COIF. He is a member of the District of Columbia Bar, the Court of Appeals for the District of Columbia and the Court of Military Appeals.

Mr. Cooke is a retired Captain, United States Navy. During his active duty he served in a wide variety of assignments mainly involving legal duties.

Mr. Cooke is married to Marion McDonald Cooke, also a lawyer. They have three children: Michole, Lot and David. He currently resides at 1412 23rd Road South, Arlington, Virginia.

Mr. Cooke is a member of the American Bar Association, the U. S. Maritime Law Association, the Federal Bar Association, and the American Society for Public Administration.

By virtue of his very high level experience in the Pentagon since 1957, Mr. Cooke is familiar with Defense problems across the board and has developed close personal relationships with most of the present civilian and military leaders within DoD.

DIRECTORATE FOR ORGANIZATIONAL AND  
MANAGEMENT PLANNING

Director                      Arthur H. Ehlers

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	7	2	9
Clerical	<u>2</u>	<u>1</u>	<u>3</u>
Total	9	3	12

Conducts studies, develops plans, and recommends changes with respect to DoD organization structure and management practices.

Provides policy guidance, planning, and coordination for the DoD Emergency Preparedness Program.

Supervises and coordinates the DoD Committee Management Program.

Analyzes and controls manpower requirements for OSD, OJCS, and activities assigned to OSD for administrative support.

ARTHUR H. EHLERS.

Title: Director for Organizational and Management Planning,  
Office of the Assistant Secretary of Defense (Comptroller)

Responsibilities:

Directs a staff within the Office of the Secretary of Defense having responsibility to conduct reviews, make evaluations, and develop recommendations for the Secretary concerning the organization, functions, and management of DoD activities and programs.

Background:

- 18 years of Federal service
- Began as civilian personnel specialist under the Army Chief of Staff
- Tour with Dept of HEW -- assigned a variety of management and personnel responsibilities
- Entered Office, Secretary of Defense 1965 with similar responsibilities
- Moved to present organization in 1969
- Became Director 1973

HISTORICAL STAFF

Historian      Alfred Goldberg

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	3	-	3
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	4	-	4

Prepares and maintains historical records and reports for OSD.

Coordinates the historical activities of the DoD.

Represents the DoD on matters related to history.

Performs special assignments.

ALFRED GOLDBERG  
OSD HISTORIAN

U.S. Army and Army Air Forces - 1942-46 - Private to Captain

U.S. Air Force Reserve - 1946-78

Ph.D - The Johns Hopkins University - 1950

U.S. Air Force Historical Division - 1946-65

Chief of Current History Branch - 1950-63

Senior Historian - 1963-65

Visiting Fellow - Kings College, University of London, 1962-63

Social Science Council Research Fellowship - 1962-63

Staff Member, Warren Commission - 1964

Lecturer, University of Maryland - 1953-65

Lecturer, UCLA - 1968

Lecturer, University of Southern California - 1966-69

Rand Corporation - Senior Staff Member, 1965-73

OSD Historian - 1973-

Publications:

Co-author, The Army Air Forces in World War II (7 vols.)

Editor, A History of the U.S. Air Force, 1907-1957

Co-editor, The Department of Defense: Documents on Establishment and Organization, 1944-1978

Articles and reviews in books, journals, and encyclopedias

DEFENSE PRIVACY BOARD

W. T. Cavaney

	<u>Civ</u>	<u>Mil</u>	<u>Total</u>
Professional	2	1	3
Clerical	<u>1</u>	<u>-</u>	<u>1</u>
Total	3	1	4

Directs and administers the DoD Privacy Program under the Deputy Assistant Secretary of Defense (Administration). The Privacy Program was established by DoD Directive 5400.11 to ensure compliance with the Privacy Act of 1974 (5 U.S.C. 552a).

DoD policy for the Privacy Program is developed by the Defense Privacy Board. The Chairman is the Deputy Assistant Secretary of Defense (Administration); members consist of representatives from the Military Departments, the Defense Logistics Agency, the Assistant Secretary of Defense (MRA&L), and the General Counsel of the DoD. The Director of the Defense Privacy Office serves as Executive Secretary of the Board. The Chairman speaks for the Board on policy matters; the Executive Secretary on administrative matters.

## BIOGRAPHY

William T. Cavaney

Mr. Cavaney is a native of Chicago, Illinois, and a graduate of the University of Chicago where he received an AB and JD. He is a member of the Illinois Bar. During World War II he served on active duty as a Naval Reserve Officer. He has been employed in various Components of the Department of Defense, as an investigator, attorney, intelligence and security analyst and is currently Executive Secretary of the Defense Privacy Board.

DEFENSE CONTRACT AUDIT AGENCY

The Defense Contract Audit Agency authorized personnel strength is 3,575

FACT SHEET  
DEFENSE CONTRACT AUDIT AGENCY  
(DCAA)

DCAA was established as a separate agency in the Department of Defense in 1965 by DoD Directive 5105.3b; prior to that time its functions were performed by the three military departments and DLA. It was created principally to provide more independence, objectivity and consistency in advisory audit recommendations to procurement personnel regarding contractor costs, and to effect other operating improvements. Its Director is responsible to the Assistant Secretary of Defense (Comptroller).

The Agency audits about 9,600 business enterprises, including many large defense contractors such as Lockheed, Boeing, General Dynamics, and McDonnell Douglas. The results of the audits are provided to procurement and contract administration components for use in negotiation, administration and settlement of contracts and subcontracts. These contract audit services are also furnished a number of other Government agencies to avoid duplication. DCAA is the only Agency with which defense contractors deal on audit matters.

The principal specific functions of the Agency are:

Review of pricing proposals (in FY 79 the Agency reviewed about 29,000 proposals for approximately \$98 billion),

Audit of costs incurred under Government contracts (approximately \$34 billion audited in FY 79),

Review of the adequacy of contractors' accounting and financial management systems and estimating procedures,

Review of contractors' compliance with regulations and promulgated standards of the Cost Accounting Standards Board established by Public Law 91-379, and

Audit of contractors' compliance with Public Law 87-653 ("Truth in Negotiations").

In fiscal year 1979 savings as a result of audit recommendations were \$3.4 billion, representing a return of 33 to 1 on amounts expended for operation of the Agency. DCAA audits include reviews of the economy and efficiency of contractor operations; in 1972 the General Accounting Office confirmed the appropriateness of the longstanding practice of DCAA to include such reviews in its audit programs, and in 1975 recommended the Agency give them greater priority.

Approximately 3,400 persons are employed in 390 locations throughout the United States and overseas; 77 field offices are located in the plants of the larger contractors. Operations are highly decentralized--audit reports are signed and released at the field office level; supervision is provided through six regional offices and the Headquarters in Cameron Station, Alexandria, Virginia.

Over 80 percent of DCAA's personnel are auditors, GS-510, for which recruiting is normally from college graduates with accounting majors. About 560 are certified public accountants and many others are training for the examination.

Progressive programs for technical guidance and professional career development are maintained--a contract audit manual is published by Headquarters; a training facility for contract auditing is operated in Memphis, Tennessee; a cadre of auditors conducts research in advanced audit techniques, especially those in which computers are involved; training and career development of all auditors is carefully planned and monitored; and a program for development of top executives is maintained through a system of education, on-the-job training, evaluation and counseling, and rotational assignments. The DCAA executive development program was recently surveyed by the Civil Service Commission and received an unusual outstanding rating accompanied by letters of commendation from the Chairman of the Civil Service Commission and the Secretary of Defense.

The Director is Mr. Frederick Neuman, CPA; Mr. Charles O. Starrett, Jr., CPA, is the Deputy Director.

10779

FREDERICK NEUMAN  
Biographical Sketch

Frederick Neuman is the Director of the Defense Contract Audit Agency (DCAA). This Agency is responsible for all contract auditing in the Department of Defense, and also performs this service for many other Federal departments and agencies.

After graduating from the College of the City of New York with a Bachelor of Business Administration degree, he was associated with a firm of Certified Public Accountants in that city for about four years. In 1942, he accepted a position as auditor with the old Army Air Corps in Pennsylvania. He remained with the Army Air Corps audit organization until it was absorbed by the U.S. Army Audit Agency (USAAA) in 1946. He served with the USAAA until January 1965, where his last position was Chief, Procurement Audits Division of the Headquarters office in Washington, D.C.

In January 1965, he was appointed to the planning group which was formed to establish DCAA. He held four prior positions of high responsibility in the Headquarters organization of the newly formed Defense Agency before being appointed to his present post as Director on 1 August 1976.

Mr. Neuman is a Certified Public Accountant in the State of New York, a charter member of the New York Association of Government Accountants (AGA), formerly a member of the Washington Chapter (AGA), and currently a member of the Montgomery-Prince Georges Chapter (AGA). He has served as chairman of several committees at the national level of AGA, and is National President-Elect for the 1979-1980 term.

He is active as a speaker at many professional meetings and serves as a panel member during various seminars on professional subjects. For many years Mr. Neuman has been a guest lecturer at the Defense Systems Management School at Fort Belvoir, Virginia, and the U. S. Army Judge, Advocate General's School at Charlottesville, Virginia. In addition, he lectures at university-sponsored educational programs as well as those conducted by professional organizations.

In recognition of his contributions and excellent performance, Mr. Neuman received many awards and citations during his Government career. In 1970 he was given the Distinguished Civilian Service Award and Gold Medal for his performance in the Defense Contract Audit Agency during the period July 1965 through December 1970. On 18 December 1979 he was awarded the Secretary of Defense Meritorious Civilian Service Medal.

48872

DEFENSE COMMUNICATIONS AGENCY

The attached documents were provided to the Carter-Reagan Transition team by DCA. The memorandum for the Special Assistant to the Secretary of Defense dated 5 December 1980 has the budget figures for FY 1981 and 1982 deleted as this information is considered classified within the meaning of Executive Order 12065 and withheld under the provisions of 5 USC 552(b)(1). DCA further advises that this information will be declassified upon publication of the President's budget, which is expected in February 1981.

The Initial Denial Authority is Mr. John T. Whealen, General Counsel, Defense Communications Agency.



DEFENSE COMMUNICATIONS AGENCY  
WASHINGTON, D. C. 20305

18 November 1980

IN REPLY  
REFER TO: 600

MEMORANDUM FOR LTC J. BASHMORE  
Deputy Executive Assistant, ASD(C3I)

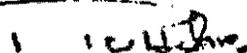
SUBJECT: Request for Information

Reference your phone call with Ms Duda this date. The following documents are enclosed:

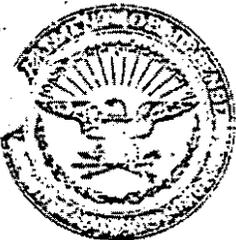
- a. DoDD 5100.41, Executive Agent Responsibilities for the National Communications System, July 23, 1979.
- b. DoDD 5105.19, Defense Communications Agency, August 10, 1978.
- c. Defense Communications Agency Organization Chart.
- d. National Communications System Organization Chart.
- e. Defense Communications Agency Direct Budget Plan (funds for the DoD portion of the NCS are included in the DCA budget).

FOR THE DIRECTOR:

5 Enclosures a/s

  
ROBERT W. HELMS  
Comptroller

*Encl 1*



July 23, 1979  
NUMBER 5100.41

## Department of Defense Directive <sup>ASD(C<sup>3</sup>I)</sup>

SUBJECT Executive Agent Responsibilities for the National Communications System

- References:
- (a) DoD Directive 5100.41, "Arrangements for the Discharge of Executive Agent Responsibilities for the National Communications System (NCS)," January 19, 1972 (hereby canceled)
  - (b) DoD Directive 5137.1 "Assistant Secretary of Defense (Communications, Command, Control, and Intelligence)," March 11, 1977
  - (c) Multiaddressee Memorandum from the President, "Establishment of the National Communications System," August 21, 1963 (28 FR 9413)
  - (d) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a) to comply with organizational changes set forth in reference (b).

### B. APPLICABILITY

The provisions of this Directive apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereafter referred to as "DoD Components").

### C. BACKGROUND

1. By reference (c), the President directed that a National Communications System (NCS) be established and developed by linking together, improving, and extending, on an evolutionary basis, the communications facilities and components of the various Federal agencies. The objective of the NCS is to provide necessary communications for the Federal Government under all conditions ranging from a normal situation to national emergencies and international crises including nuclear attack. The President further directed that the Secretary of Defense serve as Executive Agent for the NCS.

2. This Directive establishes organizational relationships and delegates functions within the Department of Defense for the discharge of the responsibilities assigned to the Secretary of Defense as Executive Agent for the NCS (reference (c)).

#### D. RESPONSIBILITIES

1. Pursuant to the authority vested in the Secretary of Defense, The Assistant Secretary of Defense C<sup>3</sup>I by DoD Directive 5137.1 (reference (b)) is designated the principal staff assistant to the Secretary of Defense in his role as Executive Agent, NCS, with responsibilities as set forth in reference (b).

2. The Director, Defense Communications Agency (DCA), shall be the Manager, NCS. Under the staff supervision of the Assistant Secretary of Defense (C<sup>3</sup>I), the Manager, NCS, shall perform the principal, unified technical planning for the establishment and development of and exercise operational guidance over the NCS. Specifically, the Manager shall:

a. Make reports and furnish recommendations on matters concerning the NCS to the Executive Agent, through the Assistant Secretary of Defense (C<sup>3</sup>I). Specific reporting requirements, as they are developed and prescribed, shall be processed and approved consistent with the policies and criteria of DoD Directive 5000.19 (reference (d)).

b. Develop and recommend the design and detailed plans for establishing and developing the NCS.

c. Provide participating NCS agencies with technical advice and assistance related to their assigned tasks in the development and operation of the system.

d. Allocate, reallocate, and arrange for restoration of communications facilities to authorized users based on approved requirements and priorities.

e. Develop operational plans and provide operational guidance with respect to all elements of the NCS, including (1) the prescription of standards and practices as to operation, maintenance, and installation; (2) the maintenance of necessary records to ensure effective utilization of the NCS; and (3) the exercise and test of system effectiveness.

f. Submit, to the Executive Agent, through the Assistant Secretary of Defense (C<sup>3</sup>I), reports and recommendations which have an impact on the Defense Communications System or on other responsibilities of the Secretary of Defense in order that appropriate elements of the Department of Defense may provide their comments and recommendations thereon.

g. Accomplish other assigned NCS tasks.

#### E. AUTHORITY

To discharge the functions assigned herein the Manager, NCS, subject to the staff supervision of the Assistant Secretary of Defense (C<sup>3</sup>I) is authorized to:

Jul 23, 79  
5100.41

1. Issue NCS instructions and directive-type memoranda in writing pertaining to the unified technical planning for and operational guidance of the NCS.
2. Employ the DCA staff and field organizations in carrying out NCS responsibilities.
3. Request reports, information, and assistance, including personnel, from the agencies participating in the NCS when necessary.
4. Obtain reports, information, and assistance from all DoD Components when necessary.
5. Establish procedural arrangements for the execution of assigned functions.
6. Communicate directly with all agencies participating in the NCS; with all DoD Components; and, after appropriate clearance, with representatives of other nations.
7. Provide such logistic support for the representatives of the participating agencies who are serving on a full-time basis, as the Manager, NCS, considers appropriate.

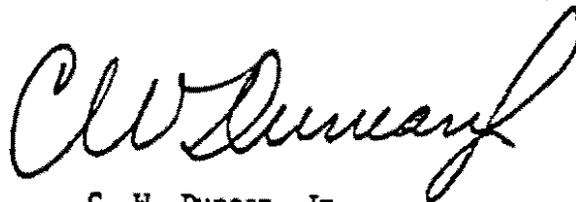
F. RELATIONSHIPS

In the performance of their NCS functions, the designees of the Executive Agent, working through the NCS representatives designated by the participating agencies, shall:

1. Coordinate actions with participating agencies having collateral or related responsibilities for installation, operation, maintenance, and modification of NCS elements or NCS subsystems.
2. Maintain appropriate liaison with participating agencies for the exchange of information and findings.

G. EFFECTIVE DATE

This Directive is effective immediately.



C. W. Duncan, Jr.  
Deputy Secretary of Defense



August 10, 1978  
NUMBER 5105.19

ASD(C)

## Department of Defense Directive

**SUBJECT** Defense Communications Agency (DCA)

- References:**
- (a) DoD Directive 5105.19, "Defense Communications Agency (DCA)," September 18, 1967 (thereby ~~cancelled~~ October 8, 1974)
  - (b) Title 10, United States Code, Section 125
  - (c) through (g) see enclosure 3

### A. REISSUANCE AND PURPOSE

This Directive reissues reference (a) to redefine the mission, responsibilities, authorities, and command relationships of the Defense Communications Agency (DCA) and its Director.

### B. GENERAL

Pursuant to the authority vested in the Secretary of Defense and the provisions of reference (b), DCA is established as an agency of the DoD and is placed under the direction, authority, and control of the Assistant Secretary of Defense (Communications, Command, Control and Intelligence)(ASD(C<sup>3</sup> I)). Guidance with regard to military and communications doctrine, operational policies and procedures shall be furnished to the Director, DCA, by the JCS.

### C. DEFINITIONS

Terms used in this Directive are defined in enclosure 1.

### D. MISSION

The mission of the DCA is to:

1. Perform system engineering for the Defense Communications System (DCS) and insure that the DCS is planned, improved, operated, maintained, and managed effectively, efficiently, and economically to meet the long-haul, point-to-point, and

switched network telecommunications requirements of the National Command Authorities (NCA), the DoD, and, as authorized and directed, other governmental agencies.

2. Provide system engineering and technical support to the National Military Command System (NMCS) and the Minimum Essential Emergency Communications Network (MEECN). Provide other engineering and technical support to the Worldwide Military Command and Control System (WWCCS), as assigned.

3. Perform system architect functions for current and future Military Satellite Communications (MILSATCOM) systems.

4. Provide analytical and automated data processing (ADP) support to the Joint Chiefs of Staff, the Secretary of Defense, and other DoD components, as directed and authorized.

5. Procure leased communications circuits, services, facilities, and equipment for the DoD, where authorized, and for other Government agencies as directed by the Secretary of Defense. Initiate or process actions relating to regulatory and tariff matters, including rates for communications facilities leased by the DoD.

6. Perform those functions and carry out those responsibilities, assigned by such other directives as may be issued by competent authority, that are not explicitly addressed in this Directive or that may be issued to add to, delete, or modify the contents of this Directive.

#### E. ORGANIZATION

The DCA shall consist of a Director, a headquarters establishment, and such subordinate units, facilities, and activities as established by the Director or specifically assigned to the agency by the Secretary of Defense or by the Joint Chiefs of Staff acting by authority and direction of the Secretary of Defense.

#### F. RESPONSIBILITIES

1. The Director, DCA, shall:

a. Command, organize, direct, and manage the DCA and its field organizations in accordance with assigned missions.

b. Within assigned authorities, insure systems responsiveness to the requirements of the NCA, the DoD, the Joint Chiefs of Staff, the Commanders of the Unified and Specified Commands, and all other authorized users, to include management of communications support for the national emergency preparedness functions.

c. Function as a principal adviser to the ASD(C<sup>3</sup> I) on the DCS and as an adviser to the Secretaries of the Military Departments, the Joint Chiefs of Staff, the Commanders of the Unified and Specified Commands, and other DoD components on assigned mission responsibilities.

d. Execute such tasks for the National Communications System (NCS) as may be assigned and directed by the Secretary of Defense in his capacity as Executive Agent, NCS.

e. Provide appropriate planning documents to the ASD(C<sup>3</sup> I), the Deputy Under Secretary of Defense for Policy and the Joint Chiefs of Staff.

f. Develop or recommend, as appropriate, research, development, test, and evaluation (RDT&E) programs or projects required to accomplish the assigned mission. Manage DCA-funded RDT&E programs. Monitor the status of, coordinate, and provide guidance for RDT&E programs, for which DCA is assigned responsibility, that are included in the programs of other DoD components.

g. Develop and promulgate procedures to insure the continuing supervision, review, and approval of acquisition, implementation, and engineering actions necessary to carry out approved plans and assigned missions.

h. Perform financial management functions relating to DCA-funded programs. As requested by the ASD(C<sup>3</sup> I), assist in the OSD review of programs and budgets supporting DCA missions. Maintain the Communications Services Industrial Fund.

i. Develop technical standards, in coordination with the Military Departments and all other appropriate DoD Agencies for the DCS and other systems, as assigned and directed.

j. Exercise through the DCA Operations Control Complex operational direction over the DCS either directly, over technical control facilities, switching centers, and other DCS operating elements, or through the appropriate Military Service operation and maintenance manager.

k. Provide communications support to the OJCS and provide direct ADP support for: the Joint Chiefs of Staff and OSD analysis and simulation studies, operation of the command centers of the NMCS, and other appropriate tasks from OSD and the Joint Chiefs of Staff and their designated representatives.

l. Provide computer software programs for the DCS and the NMCS, as required.

m. Establish, in coordination with the Military Departments, equipment levels for DCS switching centers, including the cryptographic equipment that supports the DCS.

n. Allocate, reallocate, and direct restoral of subsystems, trunks, circuits, channels and networks of the DCS for the authorized users of the system, based on approved requirements and in accordance with established priorities and procedures. The restoration of service requiring use of available resources not currently in operation or committed will be coordinated with the Joint Chiefs of Staff or the appropriate operation and maintenance managers of the Military Departments.

o. Perform subsystem/project engineering as specifically assigned within mission responsibilities.

p. Perform the centralized engineering and management function for all nontactical offbase DoD multiplex systems.

q. Coordinate actions with other DoD components and governmental agencies having collateral or related functions in the field of its assigned responsibility.

r. Coordinate communications security requirements other than communications security monitoring policy, which is not within the purview of this Directive, with the National Security Agency, the Military Departments, and the Joint Chiefs of Staff.

s. Maintain active liaison for the exchange of information and advice with all DoD components and other governmental agencies.

t. Make full use of established facilities of the DoD components and other departments of the Government, rather than unnecessarily duplicating such facilities.

u. Establish requirements for and recommend assignment of responsibility for preparation of logistic engineering, and other support plans.

v. Analyze and evaluate the performance of the DCS according to prescribed standards and practices, including the conduct of on-site performance evaluation visits. Inform users and operating elements regarding system status and make recommendations for improvements.

w. Recommend the composition and identity of the DCS to the ASD(C<sup>3</sup> I) in coordination with the Joint Chiefs of Staff.

x. Coordinate in the management of resources allocated for the National Military Command System (NMCS) ADP support with supported users.

y. Forward copies of requirements to the ASD(C<sup>3</sup> I) and the Deputy Under Secretary of Defense for Policy. The latter official shall confirm and set priorities for such requirements.

Aug 10, 78  
5105.19

2. The Deputy Under Secretary of Defense for Policy shall provide guidance on matters of communications policy, requirements, and priorities.

3. The Chairman, Joint Chiefs of Staff (for the Joint Chiefs of Staff) under the authority and direction of the Secretary of Defense shall:

a. Provide guidance and, as appropriate, tasking to the Director, DCA, on military and communications doctrine and operational policies and procedures with regard to the development and operation of the Defense Communications System.

b. Review and provide recommendations to the ASD(C<sup>3</sup> I) or to the Director, DCA, as appropriate, on DCS plans, subsystem/project plans, ADP support plans, other joint communications plans and related programing documents, and for those functions where DCA is responsive to the Joint Chiefs of Staff, review and provide recommendations on the joint manpower program submitted by DCA.

c. Provide advice to the ASD(C<sup>3</sup> I) regarding the mission, functions, and responsibilities of the Director, DCA.

d. Provide guidance and direction on matters pertaining to the planning, design, maintenance, testing and evaluation on systems software for the WWMCCS standard ADP systems.

e. Develop and submit Joint Chiefs of Staff ADP requirements and priorities to the DCA.

f. Provide policy and guidance concerning the utilization and implementation of MILSATCOM systems.

g. Provide guidance concerning the relationships between the Commanders of the Unified and Specified Commands and DCA.

h. Provide operational direction and guidance to the Director, Defense Communications Agency, on matters related to:

(1) Ensuring that adequate and responsive communications support is provided the National Command Authorities, the JCS/OJCS, Unified and Specified Commanders, and the Military Departments, and that interfaces between DCS and tactical communications are maintained.

(2) Providing systems engineering and technical support for the operation of the National Military Command System (NMCS) and the Minimum Essential Emergency Communications Network (MEECN).

(3) Providing analytical and automated data processing (ADP) support to the JCS.

(4) Providing centralized technical support to the JCS, Military Departments, Defense Agencies and Unified and Specified Commands for the WWMCCS standard ADP program.

1. Provide advice to the Deputy Under Secretary of Defense for Policy regarding matters of communications policy, requirements, and priorities.

4. Commanders of Unified and Specified Commands shall:

a. Assess the responsiveness of the DCS to their operational needs. Conduct and participate in exercises and technical tests of the DCS and other communications systems.

b. Develop agreements to delineate clearly the command/operational relationships with the DCA field organization, within the commander's area of responsibility, to insure mutual responsiveness and coordination of effort.

5. The Secretaries of the Military Departments, in support of the DCA mission, shall:

a. Provide, within the limitation of available resources, full support and assistance to the Director, DCA, in accomplishing his mission. The operating elements of the DCS will be responsive to the operational direction of the Director, DCA.

b. Accomplish related functions in support of systems, subsystems, programs, and projects for which DCA is responsible; such as planning, programming, budgeting, funding, providing detailed engineering, procuring, transporting, installing, testing, accepting, manning, activating, deploying, operating, maintaining, training, administering, conducting research and development, and providing logistic support.

c. Obtain DCA concurrence on advance procurement plans and provide to DCA, for review and approval, technical specifications, statements of work, and, prior to execution, proposed contract changes impacting on configuration, cost, performance, or schedules of all systems for which DCA is responsible. Request DCA representation on source selection advisory councils and source selection evaluation boards for such systems, subsystems, and projects.

d. Advise the Director, DCA, of shortages of funds, personnel, facilities, or materials that would prevent effective operation and maintenance of existing systems or prevent or delay scheduled implementation of new subsystems/projects.

e. Submit long-haul, point-to-point telecommunications requirements to DCA for possible satisfaction within the DCS.

Aug 10, 78  
5105.19

6. Other Defense Agencies within their assigned areas of responsibility shall:

a. Provide, within the limitation of available resources, full support and assistance to the Director, DCA, in accomplishing his mission.

b. Submit their long-haul, point-to-point, telecommunications requirements to the DCA for possible satisfaction within the DCS.

G. AUTHORITY

The Director, DCA, or his designee, is specifically delegated authority to:

1. Command the DCA and its field organizations.
2. Establish DCA headquarters and field organizations and, within overall authorized manpower, allocate military and civilian spaces among such organizations in accordance with the policy of the Office of the Secretary of Defense.
3. Have free and unrestricted communications with all elements of DoD, as well as with other organizations having national command, control, and communications responsibilities.
4. Exercise management control and operational direction of the DCS and redelegate such authority over DCS facilities and resources, as appropriate.
5. Establish the single control and reporting system for operational direction of the DCS and designate those DCS stations which shall function as reporting/reported-on stations within the system. DCA will coordinate information to be reported with the Military Departments to insure their requirements for DCS information are satisfied. Specific reporting requirements, as they are developed and prescribed, will be processed and approved consistent with the policies and criteria of DoD Directive 5000.19 (reference (c)).
6. Exercise subsystem/project management or management control over the activities of the Military Departments, the Unified and Specified Commands, and all of the other DoD Agencies in those areas of endeavor that directly support the establishment and progressive improvement of the DCS and provide technical support of the NMCS.
7. Prescribe, in coordination with appropriate DoD components, procedures, principles, standards, and practices to accomplish the assigned mission.

8. Prescribe interface parameters and standards, monitor the installation status of new facilities, specify data and reports required for system traffic engineering and traffic management, and provide DCS traffic management service with respect to subscriber terminal facilities accessing the DCS and as required to protect network integrity or to serve better the user's needs. In those cases where resource implications prevail, exercise of this authority requires mutual agreement with the Military Department or Defense Agency concerned, and the Assistant Secretary of Defense (Comptroller) when in excess of Military Department or Defense Agency resource authority or availability.

9. Obtain, in coordination with the appropriate DoD components, such plans, reports, and information as are required to accomplish the DCA mission.

10. Exercise the administrative authorities contained in enclosure 2 of this Directive.

#### H. ADMINISTRATION

\* 1. The Director and Vice Director, DCA, will be commissioned officers \*  
\* of suitable general or flag rank appointed by the Secretary of Defense from \*  
\* officers of the Armed Forces on active duty. The Deputy Director, DCA, \*  
Military Satellite Communications System, will be appointed in accordance  
with DoD Directive 5105.44 (reference (d)).

2. The appointment of other personnel to the DCA will be subject to the approval of the Director, DCA.

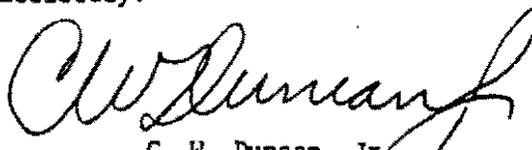
3. The DCA will be authorized such personnel, facilities, funds, and other administrative support as deemed necessary by the Secretary of Defense.

4. The Military Departments and other DoD components shall, within available resources, provide support as necessary to the DCA.

5. Personnel, facilities, equipment, and other support required to maintain and operate specific elements of the DCS and other national communications facilities as assigned, for which a Military Department or any other DoD component has been assigned responsibility, shall be provided from resources available to the Military Department or DoD components.

#### I. EFFECTIVE DATE

This Directive is effective immediately.

  
C. W. Duncan, Jr.  
Deputy Secretary of Defense

Enclosures - 3

1. Definitions
2. Delegation of Authority
3. References

DEFINITIONS

1. Defense Communications System (DCS)

a. The DCS is a composite of DoD owned and leased telecommunications subsystems and networks comprised of facilities, personnel, and material under the management control and operational direction of the DCA. It provides the long-haul, point-to-point, and switched network telecommunications needed to satisfy the requirements of DoD and certain other Government agencies.

b. The DCS includes fixed, transportable, and mobile facilities as appropriate. It consists of:

(1) Switching/relay facilities, to include associated software, of the general purpose (common user) networks such as AUTOVON, AUTODIN, and Automatic Secure Voice Communications (AUTOSEVOCOM).

(2) Transmission media/circuits, which provide user/subscriber connection into or interconnect the switching/relay facilities of the DCS general purpose (common user) networks, or which interconnect the switching/relay facilities and/or the user/subscriber terminals in special purpose and operational (dedicated) networks which are authorized use of the DCS.

(3) The assets of the Defense Satellite Communications System, except any portions which are specifically excluded from the DCS.

c. The DCS does not include:

(1) The mobile/transportable communications facilities organic to Army forces, Air Force forces, fleets, and Fleet Marine forces.

(2) Ship/ship, ship/shore/ship, air/air, ground/air/ground, and other tactical telecommunications as defined in DoD Directive 4630.5 (reference (a)).

(3) Post, camp, base, and station user/subscriber facilities.

(4) The on-site telecommunications facilities associated with or integral to weapon systems and to missile launch complexes.

d. The above definition of the DCS is amplified as follows:

(1) Generally, the interface point of post, camp, base, or station (fixed or mobile) facilities (non-DCS) with the DCS is established at the main distribution frame of the user/customer facility. In specific cases, if required, the interface point may be any other point agreed to between the DCA and the Services or as prescribed by the ASD(C<sup>3</sup> I) or the Joint Chiefs of Staff.

(2) Telecommunications for weapon destruct at missile and air defense launch and firing complexes and for command, countdown, control, and range safety are non-DCS, unless specifically included; however, the establishment of standards for interface with the DCS is a DCA responsibility.

(3) Consoles and display devices integral to Unified and Specified Commands, their Component headquarters, and the Military Services' operations centers are non-DCS. The communications interfaces with these facilities, when operated with DCS communications, must be operationally and technically compatible with the DCS. Prescribing such interface standards is a DCA responsibility.

(4) The DCS includes those telecommunications required to interconnect the National Command Authorities (NCA), the Joint Chiefs of Staff, and Commanders of Unified and Specified Commands with the general purpose networks.

2. Operating Elements of the DCS. Organizations and units of DoD Components that operate and maintain DCS facilities.
3. DCA Field Organizations. Those elements of the DCA that are under the command of the Director, DCA, but are organizationally separate from the DCA headquarters.
4. Worldwide Military Command and Control System (WWMCCS). As defined in DoD Directive 5100.30 (reference (f)).
5. National Military Command System (NMCS). As defined in DoD Directive 5100.30 (reference (f)).
6. NMCS Technical Support. The engineering and ADP support efforts requisite to insure that NMCS functional requirements and performance objectives are met. Also see DoD Directive S-5100.44 (reference (h)).
7. Military Satellite Communications (MILSATCOM) Systems. As defined in DoD Directive 5105.44 (reference (d)).
8. The Minimum Essential Emergency Communications Network (MEECN). For purposes of this Directive, MEECN is defined as a composite of designated WWMCCS communications assets that, netted together, provide assurance that decisions of the NCA can be delivered from the NCA to US Forces during all periods of stress.
9. MEECN Technical Support. The engineering and support effort requisite to insure that the functional requirements and performance objectives of the Joint Chiefs of Staff are met. It includes system analysis, development and supervision of technical plans and tests, technical interface recommendations, and recommendations for development efforts to meet system objectives as assigned.

10. Operational Direction. The authoritative direction necessary to insure effective operation of the DCS. It includes authority to: direct the operating elements of the DCS, assign tasks to those elements, and supervise the execution of those tasks; allocate and reallocate DCS facilities to accomplish the DCA mission; develop technical standards, practices, methods, and procedures for the performance and operation of the DCA.
11. Management Control. The review, evaluation, coordination, and guidance of management actions necessary to fulfill the responsibilities outlined in this Directive.
12. Subsystem. A functional component of a system which provides a specific capability.
13. Project. An undertaking to analyze, plan, improve, modify, expand, or otherwise change a portion of a system. A project may pertain to elements of a subsystem, an entire subsystem, or a number of related subsystems or elements thereof.
14. Subsystem/Project Management. The continuing review, guidance, and approval, as appropriate, of actions taken in the development, processing, and implementation of approved subsystems/projects.
15. The DCS Plan. A master plan for the evolutionary development and improvement of the DCS in fulfilling communications requirements of the DoD and other Government agencies as authorized and directed. The DCS Plan will cover the period from the budget year to 10 years in the future and will be in consonance with the Joint Strategic Planning System.
16. Subsystem/Project Plan (S/PP). A plan which supports the processing of major telecommunications requirements. Normally it provides justification for the acquisition of a new subsystem, or modification of an existing subsystem, portions thereof, or a combination of related subsystems.
17. Management Engineering Plan (MEP). The control document to effect program implementation by all participating organizations. It is a compilation of documents which places in context the plans, schedules, costs, and scope of all work and resources to be provided by each participating organization. It identifies or specifies subsystem configuration, performance, and interface requirements; technical and operational standards and specifications; type of equipment to be used; work statements required; logistic support planning, integrated testing, and training; management approach to implementation; assignment of responsibility for conduct of all effort; a schedule for task accomplishment; and progress reports required.

Aug 10, 78  
5105.19 (Encl 1)

18. Implementation/Installation Plan (I/IP). The document which provides such detail as is necessary to serve as a guide for the implementation phase. It specifies the efforts required by participating organizations, establishes detailed schedules, and includes or identifies, as appropriate, supporting plans and documents containing technical and performance specifications, detailed work statements, applicable standards, advanced procurement plans, logistics, training, installation and test plans, and supporting facility requirements. The I/IP responds to and supports the MEP.

19. Systems Engineering. The application of recognized engineering skills, techniques, and principles to the development of system concepts, associated technical design, and performance criteria used in planning, engineering, and implementing a system.

20. Subsystem/Project Engineering. That initial engineering necessary to support the development of the S/PP and similar plans and, subsequent to S/PP approval, the additional engineering refinements needed to define explicitly subsystem configuration, performance, reliability, maintainability, and other values or thresholds applicable to each subsystem component. This additional engineering, which may be included either in the MEP or issued separately, prescribes specific technical guidance for preparation of equipment specifications, control specifications, and other engineering detail to be included in the I/IP.

21. Detailed Engineering. That engineering necessary to prepare complete equipment and software technical design or performance specifications which provide a basis for procurement, design/development, and test and acceptance. It also includes that engineering performed to accomplish site surveys and to install and check out subsystem elements or components.

Aug 10, 78  
5105.19 (Encl 2)

DELEGATION OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, the Director, Defense Communications Agency (DCA), or, in the absence of the Director, the person acting for him is hereby delegated, subject to the direction, authority, and control of the Secretary of Defense and in accordance with Department of Defense (DoD) policies, directives, and instructions and pertinent Office of the Secretary of Defense regulations, authority as required in the administration and operation of DCA to:

1. Exercise the powers vested in the Secretary of Defense by Sections 301, 302(b), and 3101 pertaining to the employment, direction and general administration of DCA civilian personnel.

2. Fix rates of pay for Wage Board employees exempted from the Classification Act by Section 5102(c)(7) of Title 5 of the U.S.C. on the basis of rates established under the Coordinated Federal Wage System. DCA, in fixing such rates, shall follow the wage schedules established by the DoD Wage Fixing Authority.

3. Establish such advisory committees and employ such part-time advisers as approved by the Secretary of Defense for the performance of DCA functions pursuant to the provisions of 10 U.S.C. 173, 5 U.S.C. 3109(b), the Federal Advisory Committee Act (Public Law No. 92-463, October 6, 1972), and the agreement between the DoD and the Civil Service Commission on employment of experts and consultants, dated July 22, 1959.

4. Administer oaths of office incident to entrance into the executive branch of the Federal Government or any other oath required by law in connection with employment therein, in accordance with the provisions of the Act of June 26, 1943, as amended (5 U.S.C. 2903(b)) and designate in writing, as may be necessary, officers and employees of DCA to perform this function.

5. Establish a DCA Incentive Awards Board and pay cash awards to and incur necessary expenses for the honorary recognition of civilian employees of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts, or services, benefit or affect DCA or its subordinate activities in accordance with DoD Directive 5120.15, dated December 3, 1965. (Act of September 1, 1954, as amended (5 U.S.C. 4503) and Civil Service regulations.)

6. In accordance with the provisions of the Act of August 26, 1950, as amended, (5 U.S.C. 7532); Executive Order 10450, dated April 27, 1953, as amended; and DoD Directive 5210.7, dated September 2, 1966 (as revised):

- a. Designate any position in DCA as a "sensitive" position.
- b. Authorize, in case of emergency, the appointment of a person to a sensitive position in the agency for a limited period of time for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.
- c. Authorize the suspension, but not terminate the services, of an employee in the interest of national security in positions within DCA.

7. Clear DCA personnel and such other individuals as may be appropriate for access to classified material and information in accordance with the provisions of DoD Directive 5210.8, dated February 15, 1962 (as revised), "Policy on Investigation and Clearance of DoD Personnel for Access to Classified Defense Information," and of Executive Order 11652, dated March 8, 1972, as implemented by National Security Council Directive, dated May 17, 1972, and the provisions of DoD Directive 5200.1-R, "Information Security Program Regulation," dated November 15, 1973.

8. Act as agent for the collection and payment of employment taxes imposed by Chapter 21 of the Internal Revenue Code of 1954, and, as such agent, make all determinations and certifications required or provided for under Section 3122 of the Internal Revenue Code of 1954 (26 U.S.C. 3122) and Section 205(p)(1) and (2) of the Social Security Act, as amended (42 U.S.C. 405(p)(1) and (2)), with respect to DCA employees.

9. Authorize and approve overtime work for DCA civilian officers and employees in accordance with the provisions of Section 550.111 of the Civil Service regulations.

10. Authorize and approve:

- a. Travel for DCA civilian officers and employees in accordance with Joint Travel Regulations, Volume 2, Department of Defense Civilian Personnel, dated July 1, 1965, as amended.

- b. Temporary duty travel only for military personnel assigned or detailed to DCA in accordance with Joint Travel Regulations, Volume I, for Members of the Uniformed Services, dated November 1969, as amended.

- c. Invitational travel to persons serving without compensation whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to or in connection with DCA activities, pursuant to the provisions of Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 5703).

Aug 10, 78  
5105.19 (Encl 2)

11. Approve the expenditure of funds available for travel by military personnel assigned or detailed to DCA for expenses incident to attendance at meetings of technical scientific, professional, or other similar organizations in such instances where the approval of the Secretary of Defense or a designee is required by law (37 U.S.C. 412). This authority cannot be redelegated.
12. Develop, establish, and maintain an active and continuing Records Management Program, pursuant to the provisions of Section 506(b) of the Federal Records Act of 1950 (44 U.S.C. 3102), the Freedom of Information Act (5 U.S.C. 552), and the Privacy Act (5 U.S.C. 552(a)).
13. Establish and use Imprest Funds for making small purchases of material and services other than personal for the DCA when it is determined more advantageous and consistent with the best interests of the Government, in accordance with the provisions of DoD Instruction 5100.71, dated March 5, 1973, and the Joint Regulation of the General Services Administration - Treasury Department - General Accounting Office, entitled "For Small Purchases Utilizing Imprest Funds."
14. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals, as required, for the effective administration and operation of the DCA (44 U.S.C. 3702).
15. Establish and maintain appropriate Property Accounts for the DCA. Appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for the DCA property contained in the authorized Property Accounts that has been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.
16. Promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, DCA, pursuant to subsections III.A. and V.B. of DoD Directive 5200.8, dated August 20, 1954 (as revised).
17. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of regulations, instructions, and reference documents, and changes thereto, pursuant to the policies and procedures prescribed in DoD Directive 5025.1, dated November 18, 1977.
18. Enter into support and service agreements with the Military Departments, other DoD agencies, or other Government agencies, as required, for the effective performance of responsibilities and functions assigned to the DCA.

Aug 10, 78  
5105.19 (Encl 2)

19. Exercise the authority delegated to the Secretary of Defense by the Administrator of the General Services Administration with respect to the disposal of surplus personal property.

20. Enter into and administer contracts, directly or through a Military Department or other Government department or agency, as appropriate, for supplies, equipment, and services required to accomplish the mission of the DCA. To the extent that any law or Executive Order specifically limits the exercise of such authority to persons at the Secretarial level of a Military Department, such authority will be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

21. Enter into contracts for leasing communications facilities for periods not to exceed 10 years as prescribed in DoD Directive 5100.32, dated September 6, 1974.

The Director, DCA, may redelegate these authorities, as appropriate, and in writing, except as otherwise specifically indicated above or as otherwise provided by law or regulation.

This delegation of authority is effective immediately.

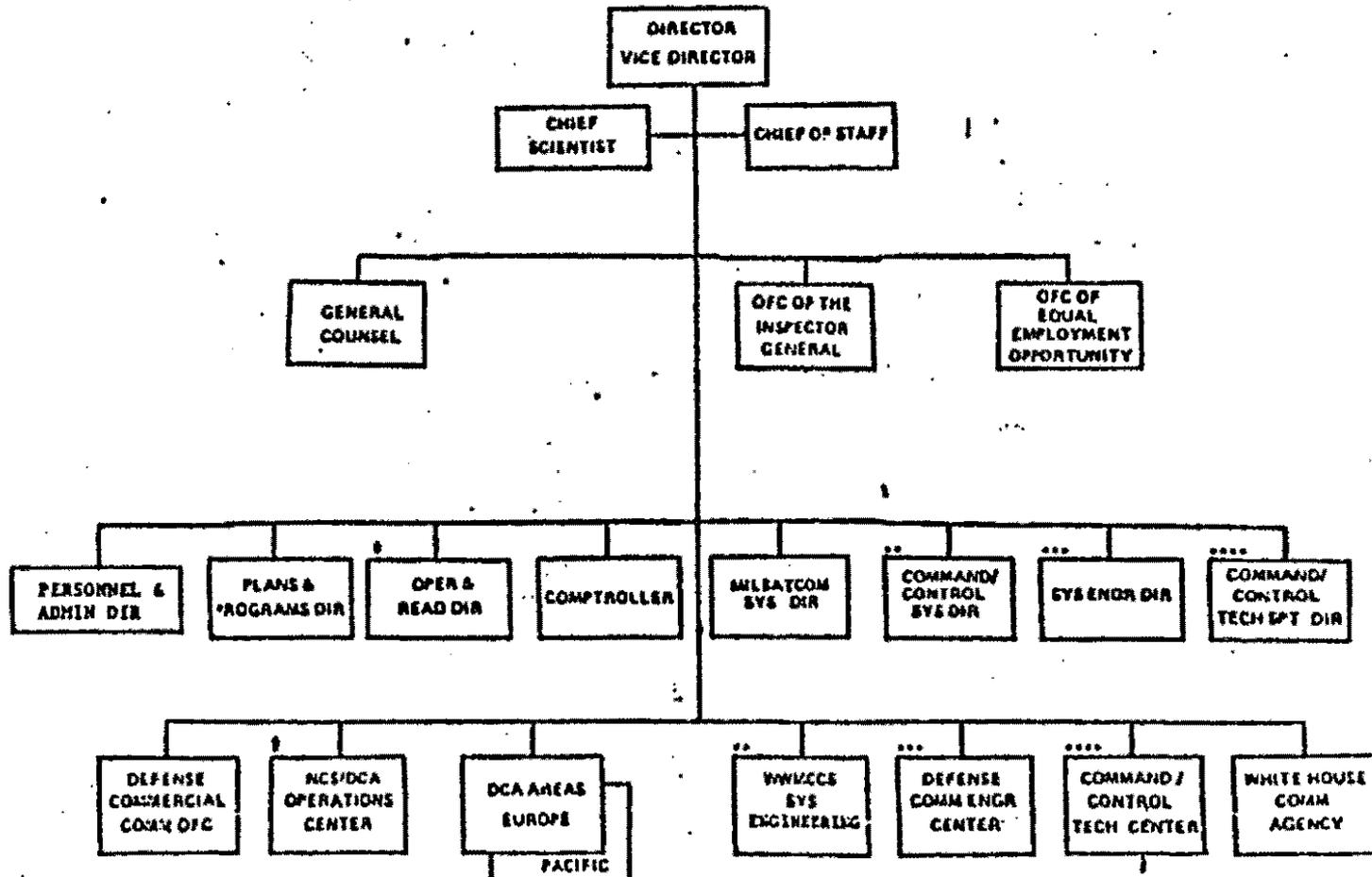
Aug 10, 1978  
5105.19 (Encl 3)

References Continued

- (c) DoD Directive 5000.19, "Policies for the Management and Control of DoD Information Requirements," March 12, 1976
- (d) DoD Directive 5105.44, "Military Satellite Communications (MILSATCOM) Systems Organization," October 9, 1973
- (e) DoD Directive 4630.5, "Compatibility and Commonality of Equipment for Tactical Command and Control, and Communications," January 28, 1967
- (f) DoD Directive 5100.30, "World-Wide Military Command and Control System (WWMCCS)," December 2, 1971
- (g) DoD Directive S-5100.44, "Master Plan for the National Military Command System" (U), June 9, 1964



# DEFENSE COMMUNICATIONS AGENCY



\* DEP DIR, OPERATIONS & READINESS/COMMANDER, NCS/DCAOC

\*\* DEP DIR, COMMAND & CONTROL SYSTEMS/WWCCS SYSTEM ENGINEER

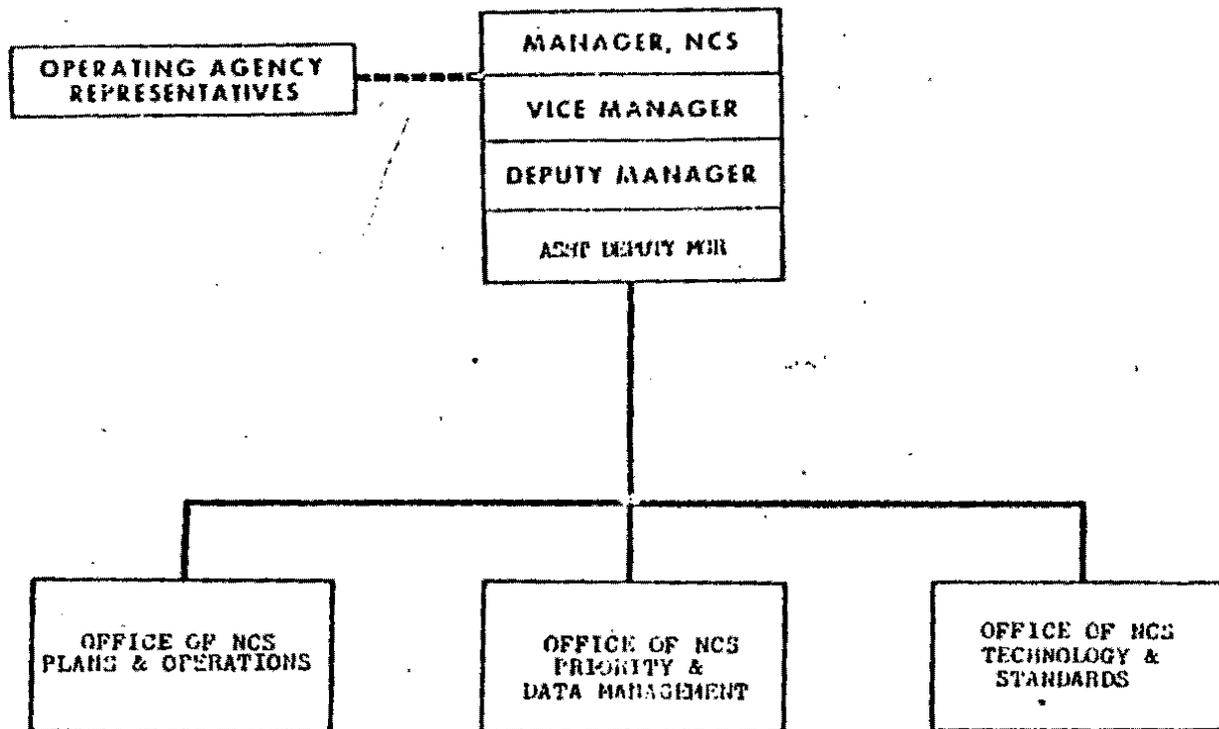
\*\*\* DEP DIR, SYSTEMS ENGINEERING/DIRECTOR, DCFC

\*\*\*\* DEP DIR, COMMAND & CONTROL TECHNICAL SUPPORT/DIR, CCTC

level c



# NATIONAL COMMUNICATIONS SYSTEM ORGANIZATION



Encl d

DEFENSE COMMUNICATIONS AGENCY

DIRECT BUDGET PLAN (TOA)

(Thousands of Dollars)

<u>Appropriation Account Title</u>	<u>Direct Budget Plan (TOA)</u>	
	<u>FY 1980 Estimate</u>	<u>FY 1981 Estimate</u>
O&M, Defense Agencies	103,744	125,334
Operations (Total)	(133,918)*	(159,719)
Procurement, Defense Agencies	6,635	7,053
RDT&E, Defense Agencies	46,383	58,254
MILCON, Defense Agencies	-	-
CSIF (RMS Basis)	( 1,142)*	(1,249)
Total (Budget Basis)	156,762	190,641
TOTAL (RMS Basis)	(188,078)*	(226,275)

\* Includes cost of military resources

634

5 December 1980

MEMORANDUM FOR THE SPECIAL ASSISTANT TO THE SECRETARY OF DEFENSE

SUBJECT: Transition Information

The briefing material requested in your November 11, 1980 memorandum is enclosed. Please contact Mr. Goodrum, phone number 692-2877, if there are any questions regarding the material.

FOR THE DIRECTOR:

SIGNED

R. M. MARTONE  
Deputy Comptroller

1 Enclosure a/s

Copy To:  
Under Secretary of Defense, Research and Engineering  
Assistant Secretary of Defense, Communications, Command,  
Control and Intelligence

UNCLASSIFIED WHEN  
ATTACHMENTS ARE DETACHED

*Encl 2*

DEFENSE COMMUNICATIONS AGENCY

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DOCUMENT BECOMES UNCLASSIFIED

## DEFENSE COMMUNICATIONS AGENCY

### I. Introduction

The Defense Communications Agency (DCA) is an agency of the Department of Defense under the direction, authority and control of the Assistant Secretary of Defense (Communications, Command, Control and Intelligence) (ASD(C<sup>3</sup>I)). The Military Departments support DCA in the accomplishment of its mission by performing tasks in support of approved plans and programs, operating communications facilities, and advising DCA on problems and requirements.

### RESPONSIBILITIES OF THE DIRECTOR, DCA

The Director of the Defense Communications Agency (DCA) has responsibilities which encompass major DoD communications and command and control functions. These include the Defense Communications System, the World-Wide Military Command and Control System the various Military Satellite Communications Systems and the National Communications System. In addition, the Director of DCA has separate and distinct responsibilities as Manager of the National Communications System and Chairman of the Military Communications-Electronics Board. A description of the functions which he performs in support of these major responsibilities follows.

#### A. Defense Communications System (DCS)

1. Ensures that the DCS is managed, planned, engineered, established, improved, and operated as a system to effectively and economically meet the long-haul, point-to-point telecommunications requirements of the National Command Authorities, the Department of Defense, and other governmental agencies, as directed.

2. Advises the Secretary of Defense and the Secretaries of the military departments, the Joint Chiefs of Staff, and the commanders of the unified and specified commands on matters concerning the DCS.

#### B. World-Wide Military Command and Control System (WWMCCS)

1. Serves as Director of the WWMCCS Systems Engineering effort for DoD. In this capacity, he is responsible for the general system engineering necessary to ensure that the National Command Authorities can effectively direct United States forces in any type of conflict.

2. Provides centralized technical support to all DoD elements for the WWMCCS standard ADP systems.

3. Provides for the technical system design, systems engineering, and technical supervision of technical support to the National Military Command System (NMCS), an element of WWMCCS, and to other related systems.

4. Provides analytical and ADP support to OSD, JCS and other DoD components.

C. Military Satellite Communications (MILSATCOM)

Under policy and guidance provided by ASD(C<sup>3</sup>I) through the JCS, serves as the MILSATCOM system architect for accomplishing system functions applicable to the totality of DoD satellite communications. In executing these functions he defines the system performance criteria for MILSATCOM systems, and in collaboration and coordination with the DoD Components, establishes overall goals for MILSATCOM systems, and prepares long-term system plans containing appropriate alternatives and options to meet system goals.

D. National Communications System (NCS)

Serves as Manager of the NCS. As manager of the NCS, he is responsible for the execution of such tasks as may be assigned and directed by the Secretary of Defense.

E. Leased Communications

Procures leased communications services, facilities and equipment through the Communications Services Industrial Fund (CSIF) for all of DoD and for other governmental agencies as may be designated by the Secretary of Defense; and performs rate and tariff surveillance over such actions.

F. Military Communications-Electronics Board (MCEB)

As Chairman of the MCEB, he coordinates on military communications-electronics matters among DoD components, between DoD and other U.S. Governmental departments and agencies, and between DoD and representatives of foreign nations.

G. White House Communications Agency (WHCA)

The White House Communications Agency is responsible for providing immediate communications support to the President at all times. The Director, DCA is responsible for programing, budgeting, funding and technical support for WHCA. A detailed description of the role of WHCA will be addressed by the Military Assistant to the President.

## II. MAJOR SYSTEMS

### Defense Communications System (DCS)

The DCS is a single, integrated communications system, composed of both government-owned and leased facilities. DoD communications which provide local service on camps, posts, and stations, or which are tactical systems organic to field commands, or are integral to specified weapon systems are not a part of the DCS. The DCS has 610 communications operations facilities which serve users at approximately three thousand locations worldwide. The primary purpose of the DCS is to provide communications so that the military commanders from the President on down will be able to direct U. S. military forces. Effective command and control (C<sup>2</sup>) requires more than the ability to transmit an order to "Charge!" Backing up any such capability is a communications system which can be used to order parts, coordinate personnel movements, and arrange by message or phone all the details that make any worldwide organization operate. Therefore, the DCS provides the means to connect command posts, weather networks, intelligence networks, dispersed tactical units, headquarters supply agencies, large automated data processing centers, facsimile machines, and people - all by electronic communications.

### World-Wide Military Command and Control System (WWMCCS)

The WWMCCS is the World-Wide Military Command and Control System that provides the means for operational direction and technical administrative support involved in the function of command and control of U.S. military forces. More specifically, the WWMCCS consists of command and control (C<sup>2</sup>) subsystems which enable the National Command Authority (i.e., the President and the Secretary of Defense), the Joint Chiefs of Staff, and military commanders at appropriate subordinate levels to direct and control the operations of U.S. military forces. The DCS directly supports the Worldwide Military Command and Control System (WWMCCS) ADP program with over 500 dedicated data circuits to the National Military Command Center (NMCC). Alternate NMCC, National Emergency Airborne Command Post (NEACP), Unified and Specific Commands, transportation operating agencies, and the military services.

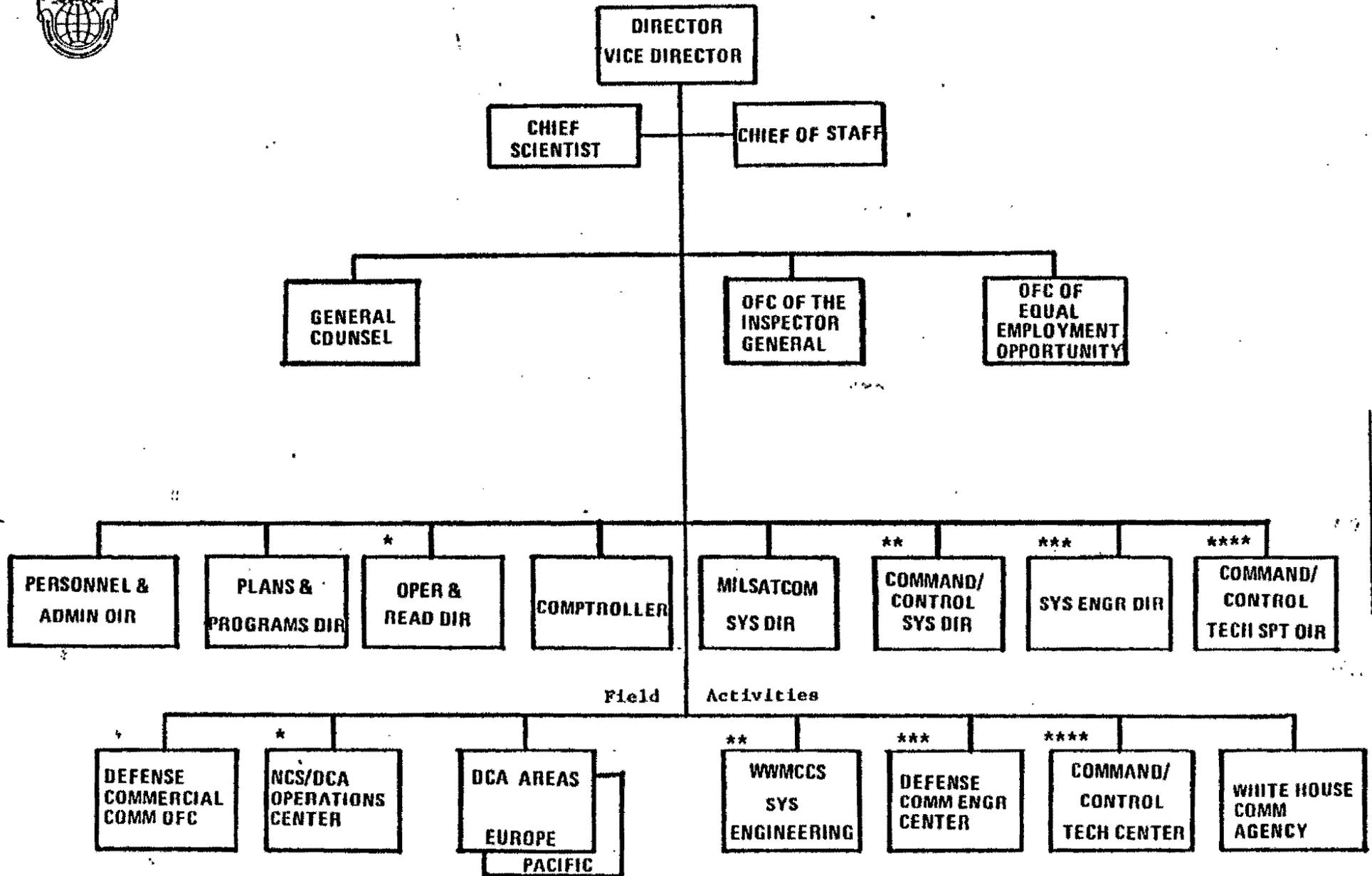
### National Communications System (NCS)

The NCS is a confederation in which certain Federal agencies participate with their assets to provide necessary communications for the Federal Government under all conditions ranging from a normal situation to national emergencies and international crises, including nuclear attack. The primary assets of the NCS include telecommunications networks of the Departments of State, Defense, Interior, Commerce, Energy and the Federal Aviation Administration, the General Services Administration, the Central Intelligence Agency, the National Aeronautics and Space Administration, the Federal Emergency Management Agency, and the International Communication Agency.

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# DEFENSE COMMUNICATIONS AGENCY



III. ORGANIZATION CHART

\* DEP DIR, OPERATIONS & READINESS/COMMANDER, NCS/DCADC  
 \*\* DEP DIR, COMMAND & CONTROL SYSTEMS/WWMCCS SYSTEM ENGINEER

\*\*\* DEP DIR, SYSTEM ENGINEERING/DIRECTOR, DCEC  
 \*\*\*\* DEP DIR, COMMAND & CONTROL TECHNICAL SUPPORT/DIR, CCTC

IV. KEY STAFF MEMBERS

Director

Lieutenant General William J. Hilsman, USA

Vice Director

Major General John H. Jacobsmeyer, Jr., USAF

Chief Scientist/Associate Director, Technology

Dr. Irwin L. Lebow

Deputy Director, Personnel and Administration

Mr. Harlis D. Starnes

Deputy Director, Plans and Programs

Brigadier General Frank H. Baker, USA

Deputy Director, Operations and Readiness

Brigadier General Thomas C. Nelson, USA

Comptroller

Mr. Robert W. Helms

Deputy Director, Military Satellite Communications Systems

Captain Ralph L. Spaulding, USN (Acting)

Deputy Director, Command and Control Technical Support

Brigadier General Donald J. Bowen, USAF

Deputy Director, Command and Control Systems

Mr. David R. Israel

Deputy Director, Systems Engineering

Colonel George R. Whitley, USA

Commander, White House Communications Agency

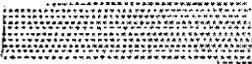
Brigadier General Josiah Blasingame, Jr.

Deputy Manager, National Communications System

Mr. Joseph Rose

V. DEFENSE COMMUNICATIONS AGENCY  
SUMMARY BUDGET ESTIMATES

<u>Appropriation/Account Title</u>	<u>(\$ in Thousands)</u>	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E, Defense Agencies		
Procurement, Defense Agencies		
Military Construction, Defense Agencies		
O&M, Defense Agencies		
Total (Budget Basis)		



DEFENSE COMMUNICATIONS SYSTEM

BUDGET ESTIMATES  
for FY 1981-1982

The DCS resources summarized below provide for (1) the day-to-day operation of the existing system and (2) support the evolutionary development and implementation of a secure, interoperable Defense Communications System for use in a peace-time to post-attack environment.

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
<u>ARMY</u>		
Research and Development		
Procurement		
Military Construction		
Operations and Maintenance		
Military Personnel		
TOTAL		
<u>NAVY</u>		
Research and Development		
Procurement		
Military Construction		
Operations and Maintenance		
Military Personnel		
TOTAL		
<u>AIR FORCE</u>		
Research and Development		
Procurement		
Military Construction		
Operations and Maintenance		
Military Personnel		
TOTAL		
<u>DCA</u>		
Research and Development		
Procurement		
Military Construction		
Operations and Maintenance		
Military Personnel		
TOTAL		

DEFENSE COMMUNICATIONS SYSTEM

BUDGET ESTIMATES (CONTINUED)  
for FY 1981-1982

(\$ Millions)  
FY 1981      FY 1982

OTHER DEFENSE AGENCIES

Research and Development  
Procurement  
Military Construction  
Operations and Maintenance  
Military Personnel

TOTAL

SUMMARY

Research and Development  
Procurement  
Military Construction  
Operations and Maintenance  
Military Personnel

TOTAL

MANPOWER

Military  
Civilian

TOTAL

COMMUNICATIONS SERVICES INDUSTRIAL FUND (CSIF)

BUDGET ESTIMATES  
for FY 1981-1982

DCA operates the CSIF which acquires leased communications services for dedicated point-to-point requirements and funds the operation of the common-user networks (such as the DoD Automated Voice Network and the Automatic Digital Network) with subsequent recoupment of costs from the military departments through the use of pre-determined and published monthly rates. CSIF funds programmed for FY 1981 and FY 1982 are as follows:

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
ARMY		
NAVY		
AIR FORCE		
DEFENSE AGENCIES		
NON-DEFENSE AGENCIES		
TOTAL		

WORLDWIDE MILITARY COMMAND AND CONTROL SYSTEM

BUDGET ESTIMATES  
for FY 1981-1982

The DCA resources summarized below are also included as a part of the Defense Communications Agency Summary Budget Estimates. These WWMCCS resources provide for systems engineering and technical support to the National Military Command System, technical support for WWMCCS standard ADP systems and analytical support to OSD and JCS. In addition, they provide for the system engineering of the WWMCCS and the management of the central development and acquisition of standard WWMCCS Information System components and the CINC initiatives funding.

DCA

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E		
PROC		
MILCON		
O&M		
MILPERS		
TOTAL		

In its role as WWMCCS System Engineer, DCA reviews the programs and budgets of the military departments and others, as they pertain to WWMCCS, and provides recommendations to OSD on these programs and budgets.

Those portions of the military department budgets identified by WWMCCS program elements are summarized below:

ARMY

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E		
PROC		
MILCON		
O&M		
MILPERS		
TOTAL		

BUDGET ESTIMATES (CONTINUED)  
for FY 1981-1982

NAVY

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E		
PROC		
MILCON		
O&M		
MILPERS		
TOTAL		

AIR FORCE

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E		
PROC		
MILCON		
O&M		
MILPERS		
TOTAL		

WMCCS budgets of the JCS, USMC, DNA and others are not included by individual breakout, but they are included in the following WMCCS total:

WMCCS TOTAL

	(\$ Millions)	
	<u>FY 1981</u>	<u>FY 1982</u>
RDT&E		
PROC		
MILCON		
O&M		
MILPERS		
TOTAL		

WMCCS MANPOWER (END STRENGTH IN UNITS)

MILITARY	
CIVILIAN	
TOTAL	

VI. MANPOWER AUTHORIZATIONS

	<u>Officers</u>	<u>Enlisted</u>	<u>Total Military</u>	<u>Civilian</u>	<u>Total</u>
HQ, DCA	130	21	151	387	538
Field Activities	364	1009	1373	1261	2634
TOTAL DCA	494	1030	1524	1648	3172

VII. ISSUES

There are no issues which require special attention soon after January 9, 1981.

17 DEC 1980

634

MEMORANDUM FOR THE ASSISTANT SECRETARY OF DEFENSE COMPTROLLER (ADMINISTRATION)

SUBJECT: Transition Information

Reference: (a) ASDC(A) Memo, Request for Information, 25 Nov 80

Information requested pertaining to personnel is forwarded in enclosure 1; information pertaining to budget, program and general information is in enclosure 2. Questions on this input may be referred to Mr. Goodrum, phone number 692-2877.

FOR THE DIRECTOR:

Signed

2 Enclosures a/s

R. W. HELMS  
Comptroller

Copy To:  
ASD(C<sup>3</sup>I)

*Incl 3*

Personnel Information

Question #4 1. Name and title of anticipated SES hire:

David Signori  
Deputy WWMCCS System Engineer (System Definition and Analysis)

Question #5 2. Hq DCA has hired the following individual consultants on the dates indicated:

Kenneth L. Jordan - 5 November 1980  
Cecil J. Waylon - 24 November 1980

a. These individuals provide advice and consultation to the Deputy Director, Military Satellite Communications System Office, in connection with the development of a goal architecture for the next generation satellite communications system.

b. These individuals will be supervised by Dr. Irwin Lebow, DCA Chief Scientist and Associate Director.

Question #6 3. Hq DCA does not anticipate contracting with any firm for consulting services, as defined in OMB Circular A-120, between 1 November 1980 and 21 January 1981.

Question #7 4. a. Hq DCA manpower end strength authorizations for FY 77-81 are as follows:

<u>FY</u>	<u>Military</u>	<u>Civilian</u>	<u>Total</u>
77	138	391	529
78	149	378	527
79	150	383	533
80	149	383	532
81	152	380	532

4. b. On 30 November 1980 there were 10 military and 37 civilian vacant positions in Hq DCA.

Budget, Program and General Information

Question #3 1. The DCA internal operating budgets for FY 80 and 81 are as follows. (Note: FY 81 budget is still subject to change.)

<u>Appropriation</u>	<u>(\$ in Thousands)</u>	
	<u>FY 80</u>	<u>FY 81</u>
RDT&E	46,383	58,254
Procurement	6,635	7,053
Military Construction	0	0
Operations & Maintenance	<u>103,744</u>	<u>125,334</u>
Total	<u>156,762</u>	<u>190,641</u>

Question #5 2. DCA will not publish any regulatory type actions or amendments during the period 1 November 1980 - 21 January 1981.

Question #8 3. DCA will not issue any draft or final environmental impact statements during the period 1 November 1980 - 21 January 1981.

Question #9 4. A list of DCA reports which are provided to organizations outside DoD is attached as Tab A.

REPORT TITLE	AUTHORITY	DUE DATE
Continuation of Pay for Disabling, Job-Related Traumatic Injuries Sustained by Federal Employees (0063-DOL-QU)	20 CFR 10.206	NLT 30 calendar days after end of calendar quarters
Report of DoD Civilians Employed by OSD and the Defense Agencies (0144-DOL-QU)	DoDI 7730.29	NLT 30 calendar days after end of calendar quarters
Interagency Reporting Requirements for Occupational Injuries, Illnesses and Accidents (1146-DOL-XX)	DoDD 1000.3, E.O. 11807, 29 CFR 1960.6/7/8	NLT 60 calendar days after end of calendar year
Report on Government Employment and Payrolls (DL/DCA(M)1)	DOL Bulletin #31	NLT 10 days after end of each month
Federal Telecommunications Information in Support of Federal Emergency Plan D (0089-DoD-SA)	Annex C-XI to Plan D (Telecommunications)	15 Dec, 15 Jun
Report on Budget Execution - FAA (BUDGET(M)1024-A)	OMB Circular A-34	NLT 10 days after end of each month
Reporting of Federal Outlays by Geographic Location (1167-OMB-AN)	DoDI 7710.3	NLT 45 days after the end of fiscal year
Inventory of Circuits by FAA Regions (0185-DOT-MO)	FAA Order 4441.13	NLT 10 days after end of each month

REPORT TITLEAUTHORITYDUE DATE

Annual Summary of Records Holdings  
(1094-GSA-AN)

FPMR 101-11.102-7

NLT 30 days after the close  
of each fiscal year

Agency Report of Motor Vehicle  
Data  
(1102-GSA-AN)

DoDI 4500.39

Within 60 days of the end  
of each fiscal year

Quarterly Report of ADP Service  
Provided to Another Agency or  
Obtained from a Commercial Service  
(1106-GSA-QU)

FPMR 101-32.470-1

NLT the 15th of Jan, Apr,  
Jul, & Oct of each year

Annual Report on Federal Advisory  
Committees  
(1121-GSA-AN)

FPMR 101-11.1203

NLT 60 days after the end  
of each fiscal year

Pre-Complaint Counseling Report  
(1038-EEO-MO)

FPM Ltr 713-19,  
30 Jan 73

Within 15 calendar days of  
close of each calendar month

Report on Discrimination Complaint  
Processing  
(1039-EEO-MO)

FPM Ltr 713-19,  
30 Jan 73

Within 15 calendar days of  
close of each calendar month

Report on Federal Employees  
Occupational Health, Alcoholism  
and Drug Abuse Problems  
(0058-OPM-AN)

CSC Bulletin 792-20,  
20 Oct 76

By 31 January of each year

Work-Years and Personnel Costs  
for DoD Civilian Employment  
(0197-OPM-AN)

DoDI 7720.22

By November 8 of each year

<u>REPORT TITLE</u>	<u>AUTHORITY</u>	<u>DUE DATE</u>
Monthly Report of Federal Civilian Employment (1032-OPM-MO)	DoDI 7730.18, CSC Bul 312-5	NLT the 15th day following the month of the report period
Monthly Payroll Report of Federal Civilian Employment (1033-OPM-MO)	DoDI 7730.18, CSC Bul 291	NLT the 15th day following the month of the report period
Report on Temporary Summer Employment (1035-OPM-MO)	DoDI 7730.18, CSC Bul 308-24	NLT the 15th day following the month of the report period
Annual Report of Training Activities (1056-OPM-AN)	CSC Bul 410-86	NLT 15 Nov for the fiscal year ending on the previous 30 Sep
ω Incentive Awards Program (1059-OPM-AN)	FPM Chap 451, Subchapter 24	NLT 15 Nov for the fiscal year ending on the previous 30 Sep
List of Recognitions and Agreements (1060-OPM-AN)	DoDD 1426.1, CSC Bul 711.33	NLT 15 Nov for the fiscal year ending on the previous 30 Sep

12 ✓

DEFENSE LOGISTICS AGENCY

The attached documents represent all of the issue papers prepared by DLA for the Reagan Transition team. Nothing has been omitted or deleted from the documents.



DEFENSE LOGISTICS AGENCY

HEADQUARTERS  
CAMERON STATION  
ALEXANDRIA, VIRGINIA 22314

4 DEC 1980

IN REPLY  
REFER TO DLA-L

MEMORANDUM FOR THE SPECIAL ASSISTANT TO THE SECRETARY OF DEFENSE

SUBJECT: Transition Coordination

Reference your memorandum of November 11, 1980, subject: Transition Coordination.

Attached at Enclosure 1 is a brief description of the mission and organization of the Defense Logistics Agency as well as some general budget information. At Enclosure 2 are the following fact sheets concerning some of the major issues facing the Agency:

Implementation of the Recommendations of the DoD Task Force to Study Audit, Inspection, and Investigative Components in the Department of Defense

Mobilization Requirements Determination and Sustainability of U.S. Forces

The Realignment of the DLA's Defense Contract Administration Region Headquarters

Realignment of Item Management Assignments

Military Construction Planning Fund Requirements for Fiscal Year 1981

2 Encls

GERALD J. POST  
Lieutenant General, USAF  
Director

Copy to: ASD(MRA&L)

## Defense Logistics Agency

The Defense Logistics Agency (DLA) was established as the Defense Supply Agency in October of 1961.

The Agency employs approximately 48,000 civilian and military personnel at its headquarters (approximately 900) in Alexandria, Virginia, twenty-five primary level field activities and almost 600 other locations (170 overseas) throughout the world.

The Agency is headed by a three-star military officer appointed by the Secretary of Defense and approved by the President. He is the director of an operational military logistics organization responsible for providing responsive, effective and economical worldwide support to the Military Services and other DoD components, Federal civil agencies, foreign governments and others. The Director represents the Agency and the Department of Defense at the highest echelons of government, including relationships with: Congress, the DoD and Military Departments, senior representatives of foreign governments, industry and the public at large.

### The Defense Logistics Agency

- . operates a wholesale distribution system for assigned items
- . provides contract administration services in support of the Military Services and other DoD components, NASA, other Federal civil agencies, and foreign governments
- . administers logistics programs, including
  - .. the Federal Catalog System
  - .. the Defense Materiel Utilization Program
  - .. Executive Agent for Materiel Redistribution via the Defense Redistribution Activity
  - .. the DoD Excess, Surplus, and Foreign Excess Personal Property Disposal Program
  - .. the DoD Precious Metals Recovery Program
  - .. the DoD Retail Interservice Support Program
  - .. the DoD Industrial Plant Equipment Program and School Loan Program
  - .. the DoD-wide program for redistribution/reutilization of excess automatic data processing equipment
  - .. monitoring DoD/GSA supply relationships
  - .. the DoD Military Standard Logistics Systems, including the Defense Automatic Addressing System

- .. the Technical Report Services (Data Bank Services)
- .. Program Manager for the Defense Energy Information System
- .. DoD Coordinated Acquisition Program
- .. operating the Military Parts Control Advisory Groups for standardization of parts at the system equipment design stage
- .. assigned logistics operations pertinent to the National Civil Preparedness Program
- .. assigned aspects of the DoD Food Service Management Program
- .. DoD-wide Interchangeable/Substitutable Program
- .. Logistics Data Element Standardization and Management Program
- .. DoD Hazardous Material Data System
- .. Commercial Commodity Acquisition Program
- .. Commercial Item Support Program
- .. providing manpower data support to DoD and other government agencies
- .. operating DoD Automated Placement Programs

The approximately 48,000 personnel authorized to the Defense Logistics Agency are assigned at the Headquarters and:

- . six commodity oriented Supply Centers or inventory control points. Two of which have collocated depots.
- . five Service Centers
- . four independent Defense Depots
- . nine Defense Contract Administration Regions that geographically divide the United States

Of this number, approximately 1,100 are military, from all four Services, with 15 General and Flag Officers.

DLA receives approximately 25 million requisitions per year with almost 20 million of these being filled directly with assets stocked in the DLA distribution system. The Agency administers contracts with a face value of over \$88 billion. Yearly direct obligations include:

- . over \$1 billion in the operation and maintenance appropriations
- . over \$17 million in the Research Development Test and Evaluation Appropriation

- . over \$7 million in the Procurement Defense Agencies Appropriation
- . over \$16 million in the military construction area
- . over \$23 million in the Defense Industrial Fund
- . over \$11 billion in the Defense Stock Fund

SUBJECT: Implementation of the recommendations of the DoD Task Force to study audit, inspection, and investigative components in the Department of Defense.

DISCUSSION: In 1979, statutory positions of Inspectors General were established in a number of civilian agencies to marshal these agencies' resources to combat fraud and waste. In the same law that set up these positions (P.L. 95-452), the Congress, recognizing the existing resources and the unique mission and structure of DoD, required the establishment of a Task Force, independent of DoD, to study the operation of the audit, investigative, and inspection elements in DoD which engage in the prevention and detection of fraud, waste, and abuse.

The Task Force issued a report of its study dated 1 May 1980 and recommended against a statutory, independent position of DoD Inspector General but did urge that an office be set up by DoD to give direction to DoD efforts against fraud and waste. Additionally, the Task Force recommended that the Defense Audit Service and Defense Investigative Service report to this new office. Substantial additional resources were identified as being needed by DIS to carry out its criminal investigative mission. The Task Force recommended against any organizational move for the Inspectors General of the Military Departments and for the Defense Logistics Agency.

DLA, with its large logistics missions and world-wide operations is a major consumer of audit, inspection, and investigative resources. DLA

is served very well with the organizational placement of its own Inspector General and strongly urges that the structure remain intact. DLA recognizes that improvements can be made in the direction of DoD's internal audit and investigative activities.

ACTION REQUIRED:

1. Establish a DoD office to provide general policy guidance for the internal audit and criminal investigative activities of the DoD agencies charged with these functions.
2. Assign the Defense Audit Service and Defense Investigative Service to the supervision of this new office.
3. Substantially augment the criminal investigative capabilities of the Defense Investigative Service. The Task Force recommended that DIS provide greatly increased investigative support to the Defense agencies but noted that it is not adequately staffed to meet even its current requirements.
4. A team set up by the DoD General Counsel and Comptroller and representing DLA, DCAA, DIS, and DAS was established to support OSD efforts to implement the Task Force recommendations. This team should be provided direction to complete its assignment which is in abeyance during the transition.

SUBJECT: MOBILIZATION REQUIREMENTS DETERMINATION AND SUSTAINABILITY  
OF U.S. FORCES

DISCUSSION: To successfully carry out our overall strategic concepts for national defense, U.S. combat forces must be able to deploy in a timely manner with sufficient critical and essential items to sustain them until resupply can be effected.

. Mobilization planning is geared to OPLAN execution and establishment of a specific number of days of war reserve stocks that should be maintained either in the theater of operations or in CONUS.

. Requirements determination for repair parts has not received as much attention as other more visible items such as munitions, petroleum products, subsistence; therefore, there is a lack of identification of repair parts that should be pre-stocked.

. Where definitized requirements have been made known, the necessary commitment of funds, resources and facilities has not been totally made; therefore; serious deficiencies occur across the range of known requirements.

Both requirements determination and sustainability of forces with known requirements need more emphasis and support within the DoD, OMB and the Congress. In mobilization and wartime, the factors that determine our capability to sustain combat forces center on the availability of military essential items that can only be met by war reserve stocks. Maintaining substantial quantities of War Reserve materiel, munitions and fuels in our peacetime inventories to support combat forces in war is a costly but essential element of materiel readiness and a prime factor in sustaining U.S. forces once they are deployed.

RECOMMENDATION: Increase emphasis on identification of requirements, by item, to execute OPLAN. Concurrently, sustainability deficiencies need to be reviewed and commitment of resources to stock, modernize or expand facilities, or other actions necessary to have a viable response posture should be made.

SUBJECT: The Realignment of the Defense Logistics Agency's Defense Contract Administration Region Headquarters

DISCUSSION:

- The Agency currently operates nine Region Headquarters located in Atlanta, Boston, Chicago, Cleveland, Dallas, Los Angeles, New York, Philadelphia and St. Louis.

- Responsible for providing contract administration for the Department of Defense on approximately 272,000 contracts.

- March 1979, the Department of Defense announced the realignment of the current nine Regions into five in order to achieve efficiencies and economies in operation.

- Region headquarters at New York and Philadelphia would be closed in FY 1981; Cleveland and Dallas would be closed in FY 82.

- Annual recurring savings estimated at \$14M.

- Intense Congressional resistance to the closures emanated from those localities identified to lose jobs (New York, Philadelphia, Cleveland, Dallas)

- Congressmen Edgar and Dougherty (Pennsylvania)

- Senator Glenn, Congresswoman Oaker (Ohio)

- Congressman Frost (Texas)

- October 1979, the Department of Defense announced a change to the previous closures.

- Chicago Regional Headquarters would close in lieu of Cleveland.

- August 1980, the Department of Defense announced a second change.

- Atlanta Regional Headquarters would close in lieu of Philadelphia..

- September 1980, the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics requested the Defense Logistics Agency review the previous decision to close the New York Region in lieu of the Boston Region and to examine the workload and geographic boundaries associated with the East Coast Defense Contract Administration Regions (New York, Boston, Philadelphia and Atlanta).

- A report will be provided to the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) in the Spring of 1981.

- Since the East Coast Regions are best examined as part of the total system, the review has been expanded to include all nine Regions.

•• The Defense Logistics Agency will consider alternative organizational structures, projected increases in defense contracting and computer systems which support the Defense Contract Administration Services Regions' activities.

• Due to the foregoing, the level of Congressional interest has increased.

- Senators Nunn and Talmadge, Congressman McDonald (Georgia)
- Senator Thurmond (South Carolina)
- Senators Tower and Bentsen (Texas)
- Senators Percy and Stevenson, Congressmen Annunzio, Hyde and Crane (Illinois)
- Congressman Addabbo (New York)
- Senator Kennedy (Massachusetts)

ACTION REQUIRED:

• Because of Congressional concern generated by the controversy that surrounds base realignments, the new Administration should become familiar with the issue and support the Department of Defense decisions that achieve efficiencies and economies in operation.

**SUBJECT: Realignment of Item Management Assignments**

**DISCUSSION:**

- A proposal to transfer the Item Management responsibility for approximately 1.1 million consumable items from the Military Services to the Defense Logistics Agency (DLA) was forwarded to the Deputy Secretary of Defense for decision in June 1980.
- This proposal has the potential to produce an annual savings of \$110 million through the reduction of personnel spaces required by the Services to accomplish the responsibility. DLA would accomplish the responsibilities with some 3,735 fewer personnel spaces than the Military Services.
- The proposal was made in December 1978 by the Deputy Secretary of Defense and forwarded to the Military Services, the Defense Logistics Agency, the Defense Nuclear Agency, and the National Security Agency for their comments and concurrence.
- The Military Services objected to the proposal on several grounds. The Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, directed a review of the proposal by the Defense Audit Service to either validate or reject the Military Services objections.
- The Defense Audit Service review rejected the objections of the Services based on reduced supply support effectiveness if the Defense Logistics Agency became the Item Manager. The Defense Audit Service review did adjust the potential savings downward from \$124 million per year to a savings of \$110 million per year and reduced the projected manpower spaces saved from 4,912 to 3,735.
- To date, no decision has been announced.

**ACTION REQUIRED:** Because of Congressional concern generated by potential job loss in Congressional districts that result from functional realignments -- and the equal concern regarding the potential operational savings and related impact upon military readiness -- the new Administration should become familiar with the case and make an early decision on this issue.

SUBJECT: Military Construction Planning Fund Requirements for Fiscal Year 1981

DISCUSSION:

Congressional action approved only half of DoD's request of \$14 million in planning and design funds for Defense Agencies. Defense Logistics Agency's (DLA) request for design funds, alone, exceeds this \$7 million approval.

Planning and design funds required for DLA's Fiscal Year 1981 are as follows:

	<u>(\$000)</u>
Complete Design - FY 81-82 Programs	3,650
Initiate Preliminary Design - FY 83 Program	+ 4,350
	<u>\$8,000</u>
Initiate Preliminary Design - FY 84 Program	+ 1,800
	<u>\$9,800</u>
Less Funds On Hand	- 1,500
	<u>\$8,300</u>

Design funds for FY 81 exceed the normal fiscal year cost levels to support increased fuel storage facilities as follows:

	<u>Total Project Cost</u>
FY 83 complete preliminary design (Guam)	\$57 million
FY 84 initiate preliminary design (Alaska)	\$88 million

ACTION REQUIRED:

Appropriate additional military construction design funds.

DEFENSE INVESTIGATIVE SERVICE

The attached documents were provided to the Carter-Reagan Transition team by the DIS. The documents are provided in their entirety.

7 JAN 1981

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF DEFENSE (ADMINISTRATION),  
OASD(C)  
Attention: Mr. Wilson

SUBJECT: Information for the Transition Team

- REFERENCE: (a) Defense Investigative Service Memorandum,  
"Request for Information," dated December 18, 1980.
- (b) FONECON between Mr. Wilson and Mr. Sproul,  
January 6, 1981.

Attached is information regarding personnel assigned to the Defense  
Investigative Service (DIS) Headquarters as requested in reference b.

*[Signature]*  
BERNARD J. DONNELL  
Director

Attachment  
Personnel Strengths

*[Signature]*  
LTC Anderson

yes 1/7/81  
VO2HO

VO003

VO000

*[Signature]*  
VO500  
1/7/81

FULL-TIME PERMANENT PERSONNEL ON-BOARD DURING LAST FOUR YEARS

<u>DIS Headquarters</u>	<u>End of FY</u>				<u>Vacancies as of 5 Jan 81.</u>
	<u>77</u>	<u>78</u>	<u>79</u>	<u>80</u>	
Office of the Director			4	4	0
Office of the Inspector General			4	1	2
Office of Information and Legal Affairs			5	8	1
Investigations Directorate			12	10	2
Management and Resources Directorate			34	40	6
Information Systems Directorate			4	4	0
Personnel and Security Directorate			37	41	4
<b>TOTAL</b>	<b><u>125*</u></b>	<b><u>105*</u></b>	<b><u>100</u></b>	<b><u>108</u></b>	<b><u>15</u></b>

\*Breakout of on-board strength by directorate and special staff not available for FY77 and 78.

MR. SPROUL/cm/31427/31 Dec 80

December 31, 1980

MEMORANDUM FOR THE SPECIAL ASSISTANT TO THE SECRETARY OF DEFENSE

SUBJECT: Transition Coordination

REFERENCE: (a) Special Assistant to the Secretary of Defense Memorandum,  
"Transition Coordination," dated November 11, 1980

(b) Telecon Col Klick, December 30, 1980

Briefing materials for the President-elect's defense transition team are provided in accordance with reference. This material is provided in two parts:

1. Talking Paper on actions to reduce the personnel security investigations backlog, Attachment 1.
2. Briefing Book on the organization and functions of the Defense Investigative Service, Attachment 2.

We stand ready to be of further assistance should the requirement arise.

  
BERNARD J. O'DONNELL  
Director

2 Attachments

1. Talking Paper
2. Briefing Book

TALKING PAPER

DISHQ/36613  
1 December 1980

SUBJECT: Actions to Reduce Personnel Security Investigations Backlog

1. BACKGROUND:

a. During the last three years, requests for personnel security investigations (PSI) have increased by 19 percent, causing a 145 percent increase in the PSI pending caseload. Coupled with a decrease of 2 percent in the number of authorized personnel, this impact has resulted in an increase of 63 percent in the time required to complete the average case from 70 days to 114 days. The maximum acceptable completion time demanded by requesters is 65 days. This increase in average case completion time would have been greater had it not been for a 9 percent increase in the productivity of DIS agents during the last three year period. We do not anticipate further productivity increases in the future, unless we do it at the expense of quality.

b. The increase in workload is due primarily to an increase in clearance requirements for DoD contractors. The continued development of sophisticated military hardware systems will keep the PSI workload at a high level. If DIS is to provide timely investigative service in the future, it will need continued budgetary support.

2. SUMMARY

a. To reduce the rise in the number of PSI backlog, Deputy Secretary of Defense Claytor approved on 16 October 1980, 304 additional personnel authorizations for DIS in FY 81 in support of the PSI program and granted a waiver of the two-for-one hiring restrictions.

b. Until such time new investigators are hired and trained, the case completion times will continue to increase beyond the present turnaround time peaking sometime in mid-FY81. Based on the budgeted workload, the increase in resources will enable DIS to stop the case backlog escalation and eventually reduce the average PSI completion time within the next five years to approximately 65 days. The achievement of this goal would of course be affected by changes in the budgeted workload. To achieve the goal of a 65 day average completion time sooner than FY 1985, assuming requests for PSIs remain constant, DIS will require additional resources.



DEFENSE INVESTIGATIVE SERVICE  
1900 HALF STREET, S.W.  
WASHINGTON, D.C. 20324

18 DEC 1980

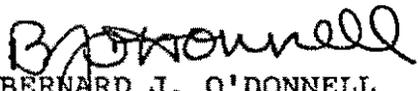
MEMORANDUM FOR THE DEPUTY ASSISTANT SECRETARY OF DEFENSE  
(ADMINISTRATION), OASD (C)

SUBJECT: Request for Information

REFERENCE: (a) Deputy Assistant Secretary of Defense  
Memorandum, "Request for Information,"  
dated November 25, 1980

In accordance with reference above, the following information, keyed to paragraphs listed in TAB "A," is provided in two parts:

1. Personnel - Attachment 1.
2. Budget, Program, and General Information - Attachment 2.

  
BERNARD J. O'DONNELL  
Director

2 Attachments  
1. Personnel Info.  
2. Budget, Program  
and Gen. Info.

PERSONNEL

4. No Senior Executive Service personnel, supergrades, or Schedule C employees have been hired since November 1, 1980. With the possible exception of the Director's position, which is temporarily filled by a reemployed annuitant, DIS has no plans to appoint anyone to one of these three types of positions prior to January 21, 1981.

5. None

6. None

7. The following chart represents the DIS full-time permanent strength on the designated dates:

<u>DATE</u>	<u>CIVILIAN STRENGTH</u>	<u>MILITARY STRENGTH</u>
09/30/76	1148	643
09/30/77	1409	371
09/30/78	1422	197
09/30/79	1490	227
09/30/80	1497	177

As of 12/12/80, the authorizations and assigned strengths are provided as follows:

<u>PROGRAM</u>	<u>ALLOCATED AUTHORIZATIONS</u>		<u>ASSIGNED STRENGTHS</u>		<u>VACANCIES</u>	
	<u>Civ</u>	<u>Mil</u>	<u>Civ</u>	<u>Mil</u>	<u>Civ</u>	<u>Mil</u>
*Industrial Security Program	726	15	545	13	181	2
Investigations	1931	130	1691	148	240	0
TOTAL	<u>2657</u>	<u>145</u>	<u>2236</u>	<u>161</u>	<u>421</u>	<u>2</u>

\*This program was transferred to DIS from the Defense Logistics Agency on October 1, 1980.

BUDGET, PROGRAM AND GENERAL INFORMATION

3. Internal operating budget for FY80 (Actual) and FY81 (Estimated) as shown in the FY82 budget submission is as follows (shown in thousands):

<u>Object Class.</u>	<u>FY80</u>	<u>FY81</u>
11.1 Perm. Pos.	29,476	50,336
11.3 Other than Perm.	61	97
11.5 Other Pers. Compens.	242	282
Total Per. Compens.	<u>29,779</u>	<u>50,715</u>
12.1 Personnel Benefits	3,218	6,357
21.1 Travel	564	2,027
22.0 Transportation	191	705
23.1 Fed. Bldg. Fund	1,092	1,699
23.2 Rent, Commo. & Utilities	1,227	1,573
24.0 Printing	83	347
25.4 Contracts	834	1,076
25.6 Other	836	2,315
26.0 Supplies	1,061	1,492
31.0 Equipment	44	248
Total Direct	<u>38,929</u>	<u>68,554</u>
Reimbursement	<u>8</u>	<u>10</u>
Total Obligational Authority	<u>38,937</u>	<u>68,564</u>

5. None

8. None

9. None

9 DEC 1980

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF DEFENSE (ADMINISTRATION),  
OASD(C)  
Attention: Art Ehlers

SUBJECT: Information for the Transition Team

REFERENCE: (a) Deputy Assistant Secretary of Defense Memorandum,  
"Information for the Transition Team," dated  
December 4, 1980.

In accordance with reference above, a detailed Defense Investigative Service (DIS) organizational chart and listing of assigned personnel filling key positions and their grades are provided as Attachments 1 and 2.

Signed

BERNARD J. O'DONNELL  
Director

- 2 Attachments  
1. Organization Chart  
2. Personnel Listing

*[Signature]*  
LTC Anderson

*[Signature]*  
V0200

*[Signature]*  
V0003

*[Signature]*  
V0000

*[Signature]*  
V0500

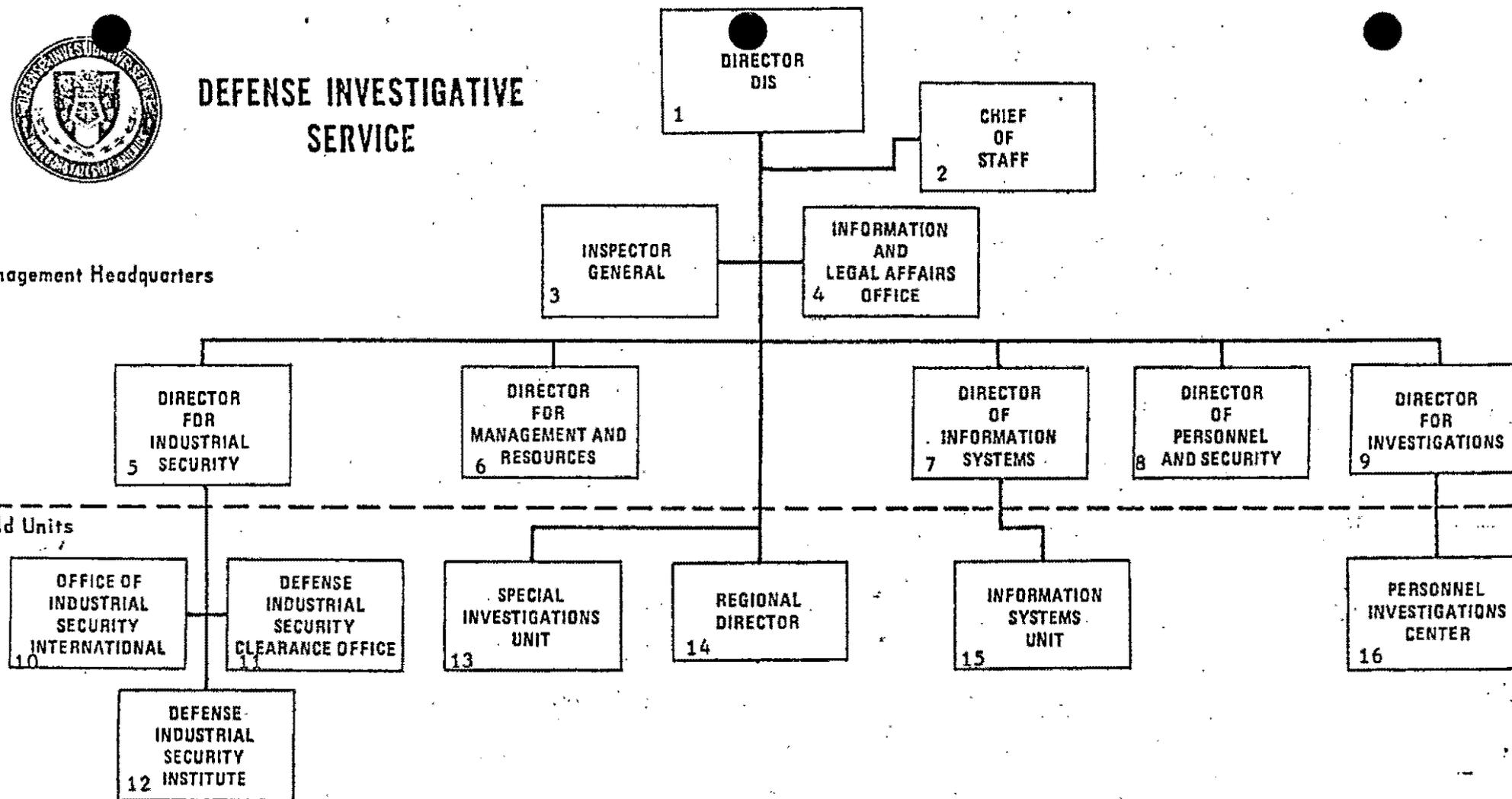
12/9



# DEFENSE INVESTIGATIVE SERVICE

Management Headquarters

Field Units



APPROVED:

*B. J. [Signature]*

Director  
Defense Investigative Service

Senior Civilian and Military Personnel  
Assigned to DIS  
(Keyed to Organizational Chart)

1. Bernard J. O'Donnell, SES-4
2. John L. Sproul, GS-15
3. Vacant, GS-14
4. Dale L. Hartig, LT Col, USA
5. Frank Larsen, GS-15
6. Dr. Frederick E. Taylor, GS-15
7. Francis R. Cappelletti, GS-15
8. M. Arnold Werner, GS-15
9. Bernard H. Steacy, SES-4
10. Michael Craig, GS-14 (Brussels, Belgium)
11. Jonathan S. Van Horn, Col, USA (Columbus Ohio)
12. Jay M. Russell, Col, USAF (Richmond VA)
13. William G. Dupree, GS-15
14. Ten regional directors:
  - Arthur J. Sullivan, GS-15 (Boston MA)
  - John N. Held, GS-15 (Philadelphia PA)
  - Donald P. Barron, GS-15 (Washington DC)
  - Norman H. Hempel, GS-15 (Norfolk VA)
  - William G. Bell, Jr., GS-15 (Chicago IL)
  - William L. Diven, LT Col USAF (Kansas City MO)
  - Frederick E. Robey, Jr., GS-15 (New Orleans LA)
  - Howard G. Willis, Col, USAF (San Antonio TX)
  - William R. Clayton, GS-15 (San Francisco CA)
  - David L. McDonald, GS-15 (Los Angeles CA)
15. Robert Cameron, GS-14 (Baltimore MD)
16. James V. Richie, GS-15 (Baltimore MD)

DEFENSE INVESTIGATIVE SERVICE

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ORGANIZATIONAL DEVELOPMENT	3
SUMMARY OF HEADQUARTERS FUNCTIONS	4
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## INTRODUCTION

The Defense Investigative Service is a separate agency of DoD under the direction, authority and control of the General Counsel. Its mission is to conduct (1) personnel security investigations, (2) law enforcement investigations for DOD components as authorized by the General Counsel, (3) other investigations and related operations as directed by the General Counsel; and (4) to administer assigned defense industrial security programs on behalf of the Department of Defense and other federal departments and agencies as directed. This information brief contains a synopsis of the origin of DIS, its organizational development, and current status.

THE ORIGIN OF DIS

A Blue Ribbon Defense Panel, in 1970, stated that DoD personnel security investigative work was a non-combatant function in which some consolidation might lead to savings. This observation was based upon the conclusion that the military services were duplicating locations, geographical coverage and communications, as well as overhead, administration and training. The matter was not initially pursued within Defense, but was further studied within the Office of Management and Budget (OMB), resulting in 1971, with an OMB recommendation and approval by the President, the creation of an "Office of Defense Investigation."

On 5 November 1971, a White House press release (Attachment 1) announced the approval by the President of various proposals relating to the reorganization of the national intelligence community. Two major proposals affecting DOD related to consolidation of the defense mapping agencies and the consolidation and restructuring of the cryptologic activities. The third major item resulted in the creation of the Defense Investigative Service (DIS); the press release stated that an "Office of Defense Investigation (ODI)" would be established to consolidate DOD personnel security investigations.

Better management, more efficient use of resources, and qualitative improvements were the reasons advanced for the directed changes.

The role of the new "Office of Defense Investigation" was not specifically detailed in the documentation underlying the press release, and the Secretary of Defense established a study group to determine what that role should be. In the ensuing weeks, several functional alternatives were considered:

Personnel Security Investigations (PSIs) only,  
PSIs and Counterintelligence (CI), and  
PSIs/CI/and Criminal Investigations.

These alternatives were staffed through the military departments and the Joint Chiefs of Staff, and recommendations were made to the Secretary of Defense.

Finally, on 29 December 1971, the Secretary of Defense issued a memorandum establishing the Defense Investigative Service. The Secretary assigned responsibility for the Defense investigative program, for the staff supervision of DIS, and for program management of its resources to the Assistant Secretary, Comptroller. He, thus, clearly separated the Personnel Security Investigative function from the Intelligence function within DOD.

He prescribed a phased course of action for the planning and activation of the Service and designated existing field resources and certain activities for transfer. In this initial directive, the Secretary also expressed the intention to study the future transfer of additional functions to DIS.

DIS was established by the Secretary on 1 January 1972 to function initially as a planning group.

On 18 April 1972, the Charter was published in the form of DOD Directive 5105.42. This established DIS as a separate operating agency under the direction of the Secretary of Defense. It also prescribed the overall organization, mission, responsibilities, functions and authorities of the new agency.

The most significant features of the Charter were that:

a. DIS was created essentially to provide personnel security investigative services to DOD.

b. When DIS disclosed matters of a significant criminal and counter-intelligence nature during the course of a PSI, the case was to be referred to that governmental agency having investigative or disciplinary jurisdiction.

c. DIS geographical area of responsibility was limited to the 50 states and the Commonwealth of Puerto Rico.

d. DIS could be called upon for investigative support in any specific area the Secretary of Defense might direct.

The existing National Agency Check Center (NACC), the Defense Central Index of Investigations (DCII), and portions of field elements of the three military Service investigative agencies engaged in PSIs were designated for consolidation. Also to be transferred to the auspices of DIS were those elements of the headquarters and supporting activities of the three Services that were engaged in the supervision, control, and processing of personnel security investigations.

Space for the headquarters, operating centers, and support activities was procured in the Forrestal Building, Washington, DC, and at Fort Holabird, Baltimore, MD, where DIS acquired the former Army Intelligence School Building.

Perhaps the most complex matter involved in the planning was the identification of military service field resources for transfer to DIS. In each military department, the PSI function was integral to a larger functional area performed by a major investigative organization. But in each case the

mission, make up, and total functions of the organization were unique. Furthermore, each of these service investigative agencies enjoyed non-reimbursable base support, the cost of which was not included in the investigative activities' program element. Thus, the transfer of resources could not be accomplished by whole units and activities. Each related organizational structure had to be split in proportion to its various missions, and recombined into DIS elements and residual service elements.

On 1 May 1972, DIS took over case control of some DoD PSIs and operational control of the NACC. On 2 October 1972, DIS became fully operational, forming its field organization from portions of the existing military Service investigative agencies.

In meeting one of the basic goals set at the creation of DIS, the resource consolidations resulted in many net savings to the government. For example, in personnel, the three military departments had programmed some 3,378 spaces for the PSI mission in FY 1973. The initial DIS authorization was for 3,000 or some 378 fewer spaces than originally programmed. As a result of the transfer of the PSI function, the three military departments were able to deactivate some 400 operating locations and 421 subordinate operating elements, while the DIS field organization consisted of only 246 such elements. Also, DIS required 243 fewer vehicles than the Services. Similar net savings were realized in other mission-related material and facilities.

December 1980

Organizational Development

The Defense Investigative Service (DIS) consists of a management headquarters, 10 regional offices and several unique entities: The Special Investigations Unit; the Personnel Investigations Center; the Information System Unit; the Defense Industrial Security Clearance Office; the Defense Industrial Security Institute; and the Office of Industrial Security, International.

The headquarters and Special Investigations Unit are located at 1900 Half Street, SW, Washington, DC, while the Personnel Investigations Center and the Information Systems Unit are located nearby at Baltimore, MD. The remaining units are widely separated: The Defense Industrial Security Clearance Office is at Columbus, OH; Defense Industrial Security Institute, Richmond, VA; the Office of Industrial Security, International, Brussels, Belgium; and the 10 regional offices are located at Boston, MA; Philadelphia, PA, Alexandria, VA; Norfolk, VA; New Orleans, LA; Chicago, IL; Kansas City, MO; San Antonio, TX; San Francisco, CA; and Los Angeles, CA. At Attachment 2 and 3 are the current organizational charts. At Attachment 4 is a current map of the DIS field organization and its boundaries.

The headquarters emphasizes a highly centralized organization and reflects the desire to relieve field units of administrative burdens to allow concentration on investigations.

The Special Investigations Unit (SIU) supervises and controls criminal investigations and fraud prevention surveys for all DoD agencies, as

part of its mission to provide the full range of criminal investigation support, and other selected investigative tasks the General Counsel may direct.

The Personnel Investigations Center (PIC) initiates, controls, closes and disseminates all Personnel Security Investigations conducted for the Department of Defense and its components, while retaining the original file in the Investigative Files Repository. Its organizational chart is provided at Attachment 5.

The Information Systems Unit (ISU), located at Baltimore, MD, maintains and operates the agency ADP systems.

The Office of Industrial Security, International, provides advice, guidance and assistance on industrial security matters to contractors and U.S. interests in Europe, the Middle East and Africa.

The Defense Industrial Security Institute develops and presents courses of instruction on industrial security matters to personnel of DoD, other U.S. government personnel and industry in support of the Industrial Security Program, DoD Information Security Program and the program for safeguarding of conventional arms, ammunition and explosives.

The Defense Industrial Security Clearance Office determines the eligibility of industrial personnel for access to classified information. Its organizational chart is provided at Attachment 6.

The regional offices and their subordinate field offices provide guidance and limited administrative and logistical support to their subordinate elements. Each region also has supervisory responsibilities for criminal investigations conducted by their subordinate elements.

Under the direction of the Regional Director of Industrial Security, or the Cognizant Industrial Security Officer, as it is often called, each regional office is responsible for processing and granting facility security clearances; processing owners, officers, directors, and executive personnel of facilities involved in security clearance actions; adjudication of cases involving foreign ownership, control or influence, and taking appropriate action relative to security violations and compromises; acting as catalyst on classification management problems; and maintaining operational statistical data.

Field offices and their assigned resident agencies perform the basic missions of DIS. Elements responsible for personnel security investigations receive cases from the PIC, conduct the investigations under the supervision of a Special Agent-in-Charge, and return completed cases to the PIC where they are reviewed for sufficiency and released to requesters. These field elements also receive criminal investigative leads from the SIU or other field components. In addition, those field elements which are assigned to support a local unit of the Defense Logistics Agency (DLA) may initiate criminal investigations upon receipt of a request from the DLA unit. Criminal investigation reports require approval of the Regional Director of Investigations, who, in turn, forwards them to the SIU and requester as appropriate. The Special Agent-in-Charge of a field office has authority over subordinate resident agencies, and the field office provides centralized clerical support for offices within their jurisdiction.

Industrial security representatives located at the industrial security field offices and resident agencies are the day-to-day contact point between assigned industrial facilities and the Cognizant Industrial Security Office (Regional Director of Industrial Security). They are responsible for conducting facility security clearance surveys; recurrent industrial security inspections; industrial facility protection surveys; inspections of possessors of conventional arms, ammunition, and explosives manufactured for DOD; and administrative inquiries to security violations and/or compromises of classified information. The industrial security representative's primary role is that of an advisor and assistant to industrial facilities in maintaining acceptable standards of information protection, facility protection, personnel protection and safeguarding conventional arms, ammunition and explosives.

The present organizational structure has undergone several major changes since DIS was formed in 1972, the most recent being the takeover of the Defense Industrial Security Program. Some of these changes deserve mention.

DIS was organized with a management headquarters and a Special Investigations Center (responsible for supervising all issue-oriented PSI and criminal cases) in the Forrestal Building; a Personnel Investigations Control Center, National Agency Check Center, and a Support Systems Center at Fort Holabird; and 20 district headquarters with 161 subordinate field offices and 83 subordinate resident agencies in the field.

A series of reorganizations have taken place commencing with the inactivation of six districts in July 1975 prompted mainly by directed manpower reductions. Subsequent recommendations by the Surveys and Investigations staff of the House of Representatives' Appropriations Committee and additional manpower decrements caused the inactivation of four more districts in April 1976. The remaining 10 district headquarters were reorganized as regional field offices with reduced administrative overhead while assuming an operational role.

In January 1976, the separate National Agency Check Center and the Support Systems Center were merged with the Personnel Investigations Center resulting in a reduction in supervisory and managerial positions.

In October 1977, at the direction of OSD, the Special Investigations Center was also merged with the Personnel Investigations Center, and the Special Investigations Unit was established to supervise the conduct of criminal investigations and fraud prevention surveys falling within the purview of DIS.

In regard to the latter, DIS, in its earliest days, was periodically called upon by OSD to conduct criminal or other special investigations of a very complex nature. Personnel of the Special Investigations Center at the Forrestal Building performed these investigations in addition to processing issue-oriented cases. Later, in May 1974 when DIS was designated, along with the military services, to provide criminal investigative support to DLA, management of criminal investigations was included in the duties of one sub-unit of the SIC.

In October 1977, this function was assigned as the sole responsibility of the newly identified Special Investigations Unit.

In November 1979 DIS was directed to provide personal protection for the National Security Advisor to the President. Accordingly, 18 special agents, with six used as "reserves" have been trained, furnished firearms and deputized as US Marshals to perform this duty. The protection extends to the principal when he leaves White House grounds, including travel to foreign countries.

In July 1980, DIS, for the first time in its history, commenced a formal training program to instruct its new agents in a basic Personnel Security Investigations Course, a functional responsibility previously held by the Air Force Office of Special Investigations (AFOSI). The basic training, previously conducted at the Forrestal Building, is now being conducted at the classroom facilities of the Defense Industrial Security Institute, Richmond, VA, a recent DIS acquisition.

Effective 1 October 1980, at the direction of the Deputy Secretary of Defense, administration of the Defense industrial security programs was transferred from the Defense Logistics Agency (DLA) to the DIS. As part of this action, DLA was directed to transfer 648 spaces. Subsequent efforts have resulted in an additional 88 spaces being allocated by OSD for this function. The next effect of this action was to set in motion the process of arresting and eventually reversing the dangerous erosion which these programs had experienced for the past several years as a result of increased workload and reduced resources. Steps have been taken to realign

industrial security cognizance functions under the 10 regions of DIS with program management being handled by a staff at DIS headquarters under a Director for Industrial Security. To avoid turbulence among assigned personnel and assigned contractors, existing Cognizant Security Offices remained in place with the exception of Chicago which was consolidated into the Cleveland Office. Steps have also been taken to reestablish a Cognizant Security Office in San Francisco and to establish a new Cognizant Security Office in Washington, D.C. These latter offices will become operational in early 1981 and the overall success of this effort will be directly contingent upon unrestricted filling of all vacancies.

SUMMARY OF HQ FUNCTIONS

KEY PERSONNEL

Director	Bernard J. O'Donnell
Chief of Staff	John L. Sproul
Inspector General	Vacant
Chief, Information and Legal Affairs Office	LtCol Dale L. Hartig, USA
Legal Advisor	Edmund F. McBride, Jr.
Director for Information Systems	Francis R. Cappelletti
Director for Investigations	Bernard H. Steacy
Director for Industrial Security	Frank Larsen
Director For Management and Resources	Frederick E. Taylor
Director for Personnel and Security	M. Arnold Werner
Director, Special Investigations Unit	William G. Dupree
Director, Personnel Investigations Center	James V. Richie
Regional Directors	
Boston, MA	Arthur J. Sullivan
Philadelphia, PA	John N. Held
Washington, DC	Donald P. Barron
Norfolk, VA	Norman H. Hempel
Chicago, IL	William G. Bell, Jr.
Kansas City, MO	LtCol William L. Diven, USAF
New Orleans, LA	Frederick E. Robey, Jr
San Antonio, TX	Col Howard G. Willis, USAF
San Francisco, CA	William R. Clayton
Los Angeles, CA	David L. McDonald

December 1980

DIRECTOR

DEFENSE INVESTIGATIVE SERVICE

Provides a single, centrally directed personnel security investigative (PSI) service for the Office of the Secretary of Defense, military departments, Office of the Joint Chiefs of Staff, unified and specified commands, the Defense agencies, and other U.S. government agencies when authorized by the General Counsel. Administers on behalf of the Department of Defense and other departments and agencies, programs for the safeguarding of classified information and conventional arms, ammunition and explosives entrusted to industry and furnishes advice and assistance to designed "key facilities" in plant protection, emergency preparedness and restoration planning.

Provides criminal investigative and fraud prevention survey support to the Defense Logistics Agency (DLA) and all DoD agencies; conducts special investigations as directed by the General Counsel. Provides clearances of industrial facilities and personnel; conducts surveys and inspections of industrial facilities and provides specialized training for industry and government.

Investigative activity is limited to the 50 states, the District of Columbia, and the Commonwealth of Puerto Rico. In all other types of investigations, the assigned mission is performed in geographic areas as authorized by the General Counsel. While surveys and inspections of industrial facilities are limited to the U.S., its territories and possessions, personnel security clearances for industry are handled worldwide as is liaison with cleared personnel, U.S. activities, foreign governments and NATO.

Is responsible for operation of a consolidated Personnel Investigations Center; manages the Defense Central Index of Investigations; operates the Defense Industrial Security Clearance Office which processes and grants personnel security clearances for contractor personnel; the Defense Industrial Security Institute which provides specialized security training courses; and the Office of Industrial Security, International in Brussels, Belgium which provides service to contractors, U.S. activities, foreign governments and NATO.

Biographical sketch of the Director is reflected on the next page.

BERNARD J. O'DONNELL, ES-04  
Director  
Defense Investigative Service

Mr. O'Donnell was born on 27 September 1923 in Quincy, Massachusetts. During World War II, he served with the Army Air Corps. He graduated from Boston University in 1949 with a degree of Bachelor of Science in Business Administration, and in 1966 he was awarded the degree of Master of Business Administration from Xavier University, Cincinnati, Ohio.

From 1950 to 1954, he was a Special Agent of the Federal Bureau of Investigation. In August 1954, he joined the Air Force Office of Special Investigations (AFOSI) at the Headquarters in Washington, D. C. He was assigned as a supervisor of espionage and counterespionage cases, and subsequently became chief of the section controlling these cases. During 1955 and 1956, in addition to his duties with AFOSI, he served as a member of the Military Personnel Security Committee at Hq U. S. Air Force. In August 1956, he was assigned to Europe where he served as Special Assistant to the Chief, Counterintelligence Division, AFOSI Hq, U. S. Air Forces in Europe (USAFE), and later was appointed as a Special Assistant to the Director of AFOSI (USAFE), with specific responsibility for all liaison with the United States and foreign intelligence, security and police agencies throughout the European theater of operations. In July 1960, he was reassigned to Wright-Patterson AFB, Ohio, where he became Chief, Procurement Investigations Division of AFOSI District 5. He was later appointed Chief, Criminal Investigations Division, of that district and served in that capacity until September 1969 when he was transferred to AFOSI Hq as Chief, Fraud Investigations Division. In August 1970, Mr. O'Donnell was designated Director of the AFOSI Personnel Investigations Control Center. While in that capacity, his Directorate was designated action office for both the Air Force and the Joint Chiefs of Staff in preparing the first Charter for the Defense Investigative Service (DIS). During the initial planning for the DIS, he was Chairman, Investigative Control Center Committee, with responsibility for establishing the mechanics for centralizing the control of all personnel security investigations conducted by DoD investigative agencies, developing standards and instructions for field investigative operations and instructions for the users of DIS services. Mr. O'Donnell was the first Assistant Director for Operations of DIS, which became operational on 1 October 1972, and served in that capacity until his appointment as Acting Director on 16 March 1975. He was appointed to the position of Director, Defense Investigative Service, effective 21 March 1976.

During his career, Mr. O'Donnell has completed investigative training administered by the FBI, AFOSI and Army CID, in addition to Air Force Command and Staff School, the Seminar Program of the Air War College, and the Industrial College of the Armed Forces. In January 1975, he completed the program in Executive Leadership and Management at the Federal Executive Institute. In May 1980, he completed the U. S. Secret Service Dignitary Protection Seminar.

December 1980

INSPECTOR GENERAL

The Inspector General (IG) serves as the confidential representative of the Director, DIS. The IG inquires into and reports on matters affecting the performance of mission, state of discipline, standardization and economy of operations, and performs additional duties as may be prescribed by the Director. The IG is responsible for the IG Complaint System and the DIS Inspections System as well as the DIS Staff Visit Program, and the program for inspection of DIS organizations by non-DIS personnel.

This group also provides a quality review of investigative matters at the Personnel Investigations Center, at the field elements, and of the reports of investigation that comprise the completed product -- the personnel security investigation.

The overall objective of IG inspections is to determine effectiveness and efficiency; to eliminate unnecessary tasks and functions; to eliminate internal organizational fragmentation and supervisory layering; to promote more efficient use of personnel, as well as to ascertain causative factors for deficiencies; and to make realistic recommendations substantiated by facts (noncompliance with policies and directives, low morale, poor working conditions, etc.).

CHIEF, OFFICE OF INFORMATION AND LEGAL AFFAIRS

Plans and coordinates implementation of the Freedom of Information Act and the Privacy Act of 1974, and administers the release of information in response to requests submitted under either Act. Plans, develops and implements policies, plans and procedures for the Defense Central Index of Investigations (DCII). Prepares, reviews, and releases summaries, extracts, and reports of investigative information for use by boards, courts, and other administrative proceedings. Is responsible for the accreditation of DOD components and other federal agencies for access to DIS files and the DCII. Is responsible for the release of investigative files in the National Capitol Region to accredited federal agencies which do not maintain liaison with the Personnel Investigations Center, and manages the agency's history and public information program.

Reviews agency policy, procedures, and directives for legality and propriety. Monitors legislation, both proposed and enacted, U.S. Supreme Court decisions, and other significant court decisions which may affect the operations and administration of the Defense Investigative Service. Interprets Public Laws, Executive Orders, and DOD Directives. Coordinates and monitors all items of Congressional interest and all responses to Congressional inquiries (except appropriation matters). Serves as liaison for legal matters with DOD General Counsel, General Counsel of the military departments, the Judge Advocates General, and U.S. Attorneys. Monitors and assists in the preparation of the defense of all suits brought against agency personnel which

result from the performance of official duties. Provides assistance and advice on legal questions which arise in the course of the conduct of criminal investigations. Provides the Director with advice on Freedom of Information and Privacy Act requests and appeals.

December 1980

DIRECTOR FOR INFORMATION SYSTEMS

Advises the DIS Director, the staff, and field activities concerning automated data processing (ADP), micrographics, data communications, word processing systems, and those manual systems that are affected by or interface with the technical areas mentioned. Manages the overall programs pertinent to these technical areas, to include establishment of objectives, risk management, and performance evaluation. Evaluates and approves ADP, micrographics, data communications, and word processing requirements. Provides policy and staff technical guidance, as well as management control, as required, over such systems. Works in close liaison with DOD, GSA, OMB, NBS, and other agencies on all matters affecting DIS policy regarding the technical areas mentioned. Conducts feasibility/procurement studies of new systems. Directs the evaluation of vendors' proposals and the subsequent selection process. Plans and initiates new automated data systems. Serves as senior ADP policy official. Reviews and evaluates all requests for ADP hardware, software, and ADP services. Is responsible for the acquisition of ADP software, equipment, and related services; deals directly with DOD, GSA, other government technical/procurement agencies and contract administrators to acquire ADP equipment/services or to modify contracts. Manages the DIS segment of the Defense ADP Re-utilization Program for replacement/disposition of ADP equipment. Is responsible for planning, budgeting, and reviewing the ADP and micromation programs for DIS. Exercises management control of and provides operational direction to the Information Systems Unit (V0900). Exercises technical control and operational cognizance of Investigative Files Division (IFD) microform activities.

DIRECTOR FOR INVESTIGATIONS

The Director for Investigations is the primary planning and policy making level within DIS for the establishment of policy and procedures for all DIS investigations and other related operations. Specifically, the Director for Investigations provides staff supervision and guidance for investigative matters within DIS; personally supervises and conducts highly sensitive investigations or protective service operations as required by the Director; represents the Director, DIS in conferences and meetings with members of OSD, congressional committees and their staffs, and other agencies, with authority to speak for and make commitments for the Director, with respect to DIS investigative matters and policy; assists DoD components in the establishment of programs which utilize DIS operational products; provides assistance to the schools of DoD investigative agencies by monitoring the curriculum and lectures on the procedures, techniques, and reporting of all DIS investigations and operations to assure their currency, objectivity, and effectiveness; formulates policy for operational training requirements of the assigned agents and conducts the necessary liaison to assure DIS enrollment in the appropriate federal investigative agency training schools; plans (operationally) and executes the training of new special agents at the DIS Basic PSI Course; assures the maximum possible security of DoD and its facilities through execution of all DIS investigations and operations; and analyzes statistical data covering investigations and operations conducted by DIS and provides reports to OSD relating to trends and forecasts. Material from these reports is used to determine manning and equipment needs, cost on investi-

gations and/or operations, and other items vital to the existence of the agency. In this regard, the Director for Investigations monitors the statistical data, workloads, personnel allocations and the intangibles impacting on DIS investigative operations, and coordinates with the Director for Personnel and Security and the Director for Management and Resources to insure that appropriate actions are taken to enhance operational effectiveness.

DIRECTOR FOR INDUSTRIAL SECURITY

The Director for Industrial Security serves as the highest technical authority and advisor to the Director, Defense Investigative Service in the administration of the Defense Industrial Security Programs: the Defense Industrial Security Program (DISP), the Arms, Ammunition and Explosives (AA&E) Program, and the DoD Industrial Facilities Protection Program (DIFPP). Jointly with the Director, plans, directs, and supervises the development of programs; education and training programs for civilian, military and contractor personnel engaged in industrial security activities; clearance of facilities and personnel for access to classified information; protection of international classified data and ADP security. Establishes goals and objectives for these programs and determines operating guidelines, approaches and modes of operation. Incumbent maintains continuous liaison with Office of the DUSD(PR) and Office of the General Counsel with respect to presenting policy proposals for discussion and approval and matters related to denials and revocations of personnel clearances. Represents the Director, DIS at high level policy meetings with pertinent OSD offices, other agencies serviced, all departments and agencies within DoD, investigative agencies, head of contractor firms, facilities and organizations, as well as representatives of international bodies and foreign governments. At such meetings, presents the Director's position in controversial areas and makes decisions for DIS and OSD, as appropriate. In consonance with the national policy of supporting U.S. industry in foreign marketing activities and in support of mutual weapons production under international defense cooperation, the incumbent maintains close liaison with defense representatives of North American and Mediterranean areas, major U.S. commands overseas, and international security programs. Director for Industrial Security monitors statistical data, workloads, personnel allocations and the intangibles impacting on DISP operations and coordinates with the Directors for Personnel and Security and Management and Resources to insure that appropriate actions are taken to enhance operational effectiveness.

Three DoD security programs involving facilities are administered by the Director for Industrial Security.

Defense Industrial Security Program: To assure the safeguarding of classified information entrusted to American industry by the U.S. and foreign governments, the Defense Industrial Security Program provides clearances for thousands of industrial facilities and over a million industrial personnel. Thousands of inspections are conducted annually to assist contractors to establish and maintain information security systems adequate for the protection of classified information. In addition to the entire defense establishment, this service is provided for 16 other federal departments and agencies as well as designated foreign governments. An Industrial Security Cognizant Security Office is located in each DIS region headquarters.

The Defense Industrial Security Clearance Office (DISCO), a DIS headquarters field extension office, determines the eligibility of contractor personnel for access to classified information belonging to the United States, to international treaty organizations and to foreign governments. This office, located in Columbus, Ohio, maintains nationally centralized eligibility records of industrial personnel, plants and other facilities for access to classified information.

The Office of Industrial Security, International (OISI), a second DISHQ field extension of Industrial Security provides industrial security assistance to representatives of U.S. industry in connection with their marketing, liaison, technical assistance and contracting activities when conducted outside the U.S., its possessions and trust territories. Included in this assistance is maintaining personnel security clearance and security assurance records for cleared employees assigned overseas; processing visit requests to U.S., international pact organization and foreign government activities and to foreign industrial firms; providing secure

transmission channels and storage facilities for classified material; and conducting security briefings and orientations as may be required. The OSI is located in Brussels, Belgium.

The Defense Industrial Facilities Protection Program: This program, assigned for administration in 1973, was designed to develop and promote physical protection of industrial facilities within the United States which are important to defense production and mobilization of military operations (key facilities). Through periodic surveys, DIS provides security advice to management of the "key facilities" concerning overall physical security of their facilities and emergency preparedness measures that should be taken to prevent destructive acts, minimize damage or restore facilities and production in the event of damage. Each year thousands of physical security surveys of these designated "key facilities" are conducted.

Safeguarding of Arms, Ammunitions, and Explosives Program: Another DIS responsibility is inspection of over 300 DoD prime and subcontractors having possession or custody of conventional arms, ammunition, and explosives in connection with defense contracts. These inspections are designed to ensure these items are adequately safeguarded to preclude theft, misappropriation or loss.

The Defense Industrial Security Institute, a third DISHQ field extension office located in Richmond, VA, presents courses of instruction, both resident and extension, concerning the Industrial Security Program, the Industrial Facilities Protection Program and the DoD Information Security Management Program (classification management and safeguarding classified information). Eight separate courses of instruction are offered to U.S. government employees, representatives of industry, and selected foreign governments. A ninth course is offered only by invitation for representatives of selected foreign governments.

Methodology - The documents used by DIS to implement the DoD Industrial Security Programs are DoD 5220.22R (Defense Industrial Security Regulation (ISR)) as implemented by DLAM 8500.1 (Industrial Security Operating Manual (ISOM)); DoD 5160.54-R (Industrial Facilities Protection Regulation (IFPR)) implemented by DLAM 5160.1 (Industrial Facilities Protection Operating Manual (IFPOM)); and DODI 5100.84 (Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives at Contractor Facilities).

DoD 5220.22-R (ISR) sets forth policies, practices, and procedures of the Industrial Security Program used internally by the DoD to insure maximum uniformity and effectiveness in its application throughout industry. This regulation also implements the security policies established by the DUSD (Policy Review) and establishes the procedures, requirements and practices concerned with the effective protection of classified information in the hands of industry, including foreign classified information which the U.S. government is obligated to protect in the interest of national security. DoD 5220.22-M, Industrial Security Manual (ISM), as a companion document to the ISR, contains detailed security requirements to be followed by U.S. contractors for safeguarding classified information. The ISM is made applicable to industry by execution of the DoD Security Agreement (DD Form 441) and by direct reference in the "Military Security Requirements" Clause in the contract. DLAM 8500.1 (ISOM) provides uniform guidance concerning the implementation of the ISR and ISM by Cognizant Security Offices in each DIS region.

DoD 5160.54-R (IFPR) implements the facility protection policies established by the ASD(C) and establishes the procedures, requirements, and practices concerned with (1) the comprehensive, valid identification and selection by the DoD components of those facilities which are of outstanding importance to defense production, defense mobilization, or military operations (i.e., "DoD Key Facilities") and

(2) the provision of advice and guidance concerning the application of physical security and emergency preparedness measures to participating DoD Key Facilities.

DODI 5100.84 prescribes standards for safeguarding certain categories of sensitive arms, ammunition, and explosives in the custody of or being manufactured by DoD contractors.

DIRECTOR FOR MANAGEMENT AND RESOURCES

Is responsible for various functions performed in the Budget, Accounting, Manpower and Logistics, and Administration Divisions. Coordinates and exercises staff supervision over the development, administration, review, and analysis of:

1. Financial plans, budget submissions, Program Objective Memorandums, and the Five-Year Defense Plan;

2. The distribution of funds, disbursement of checks and cash payments, and the cost accounting system;

3. Organizational structures, management engineering, manpower programming, and manpower utilization;

4. Supply and procurement systems, transportation and vehicle fleet management and control, facilities and space allocation, inter-service support agreements, and the occupational safety program;

5. Administrative procedures, publications, forms, orders, printing, correspondence, records, mail, graphic services, and general support;

6. Represents the Director in pertinent matters before OSD, OMB, and the Congress; and

7. Serves as principal advisor on the above matters to the Director, his staff, and field elements of the Agency.

The functional areas involving budget, manpower and logistics are discussed in more detail in sections 11, 12 and 15.

The Accounting and Administration Divisions perform a variety of functions in support of the investigative and inspection missions.

The Accounting Division provides centralized accounting, disbursing, and related support to the 265 operating locations. The DIS accounting system, supported by an Air Force B4700 computer located at Andrews AFB, MD, was approved by the Comptroller General of the United States in June 1975, only the second DoD accounting system to obtain such approval. The system encompasses all activities funded by and outlays chargeable to appropriations made available to the DIS. The system is designed to collect accounting data by using activity cost center concept in the accounting classification structure. Various audits have been conducted by "outside audit agencies" during the past several years without any adverse findings.

The Administration Division is comprised of three branches: 1) Publications, Forms and Orders; 2) Graphics; and 3) Correspondence, Records and Support.

The Publications, Forms and Orders Branch provides coordinated support to all DIS elements. DIS has an active Forms Management Program pursuant to the provisions of Public Law 90-620, revised. In 1979 a new forms and publications distribution system was established which reduced administrative support workload in the field by 50 percent. Transfer of the industrial security mission from the Defense Logistics Agency has added significantly to the support required from this Branch.

The Graphics Branch provides dedicated support to the headquarters and Special Investigations Unit and limited support to the field activities. During FY 1980 about 350 work orders were performed. About 60 percent of the support is for personnel security investigations. This branch is the focal point for audiovisual reports to OASD(PA) and Defense Audiovisual Agency(DAVA) and for the dissemination of guidance from them. Transfer of the industrial security mission from the Defense Logistics Agency included an audiovisual activity at the Defense Industrial Security Institute in Richmond, Virginia. During FY 1980 this activity

had an inventory of about \$27,000 and operated at a cost of about \$24,000.

The Correspondence, Records and Support Branch is responsible for the DIS records management program. Title 44-3102 of the United States Code requires each federal agency to have an active and continuing records management program. DIS was the first DoD agency to have a comprehensive records schedule approved by the National Archives Records Service (NARS). The DIS records management program entails control over the creation, maintenance and use of agency records and the separation of documents of temporary value from those of permanent value. Since beginning operations in 1972, records holdings have about doubled (from 3,375 to 7,500 cubic feet). In addition we have control of over 4,000 cubic feet of records stored at the Federal Records Center in Suitland, Maryland. Transfer of the industrial security mission is expected to add another 5,000 cubic feet to an active records holdings. This branch is also responsible for postal operations which are expected to increase by about 40 percent because of the industrial security mission transfer.

December 1980

DIRECTOR FOR PERSONNEL AND SECURITY

The Director for Personnel and Security is responsible for the development and implementation of plans, policies, and procedures for the management and administration of personnel and security programs involving civilian employees and military members assigned to the Defense Investigative Service (DIS). The responsibilities include the Equal Employment Opportunity (EEO) Program.

To discharge its numerous responsibilities, the directorate is organized geographically and functionally into three staff offices, three operating offices, and four divisions. The functions of these organizations are described below:

Staff Offices

Program Office: This office plans and develops all personnel and security programs consistent with DIS, Department of Defense (DOD), and Office of Personnel Management (OPM) requirements and goals regarding recruitment and placement, pay and position management, employee-management relations, employee development, performance, and personnel administration. Higher echelon policies, goals, regulations, and statutes in the above-listed areas are interpreted and supplemented when necessary. This office also provides primary staff advice and assistance to the Director for Personnel and Security and conducts reviews

and analyses of personnel and security operations to assess overall program effectiveness.

EEO Office: The EEO Officer advises the Director for Personnel and Security, who is also the Director of Equal Employment Opportunity, on program progress and recommends actions to assure that all personnel actions are free from discrimination and reflect affirmative action. The EEO Officer also establishes and maintains an effective discrimination complaint processing system. The EEO Officer is assisted by EEO investigators, the Federal Women's Program Manager and the Hispanic Employment Program Manager and by EEO Counselors assigned nation-wide throughout the organization.

Systems Requirements Office: This office analyses all personnel and security operations with a view toward enhancing directorate effectiveness and responsiveness through automation. This office also reviews changes to personnel and security programs before they are implemented so that existing or projected ADP capabilities are considered. An additional responsibility of this organization is its function as liaison point between directorate and ADP personnel and the role of staff advisor to the Director for Personnel and Security and members of the staff concerning ADP-related matters.

Operating Offices:

Administration and Services Office: This office processes personnel actions, maintains central personnel records and files, and maintains the suspense files for periodic actions and recurring reports. The staff provides information and determines entitlement in individual cases with respect to employee benefit programs including, but not limited to: leave, health benefits, life insurance, retirement, and unemployment compensation.

Holabird Personnel Operations Office: As the on-site personnel operating office in Baltimore, Maryland, this office provides personnel support to the 450 (approximate) employees assigned to the Personnel Investigations Center, Information Systems Unit, and two small, non-DIS activities with whom we have a servicing agreement.

DISCO Personnel Operations Office: This office provides on-site personnel support to the 180 (approximate) employees of the Defense Industrial Security Clearance Office, Columbus, Ohio.

Operating Divisions:

Classification, Employee Relations, and Training Division: The members of this division process position actions (establish, change, and cancel) and work with supervisors and managers to ensure that position descriptions accurate-

ly reflect the duties being performed. This office determines and assigns a title, classification series, and grade to all civilian positions and provides agency expertise in pay matters. The division is also responsible for advising managers, supervisors, and employees toward the resolution of job-related and personal problems. The employee relations function also encompasses the following program areas: labor relations, leave and absence, hours of duty, conduct and discipline, appeals, grievances, performance appraisals, suggestions, and incentive awards. Training and employee development are also the responsibility of this division. In July 1980, the DIS conducted its first basic agent training course; previously this training had been presented by the Air Force Office of Special Investigations.

Examining and Recruitment Division: This division is responsible for the recruitment and placement activities of the DIS. It administers the merit promotion program and members of the division serve as advisors to employees, supervisors, and managers in the area of recruitment and placement. Since July 1980, this division has been issuing certificates of eligibles to fill Investigator, GS-1810-09, positions DIS-wide as the result of a delegation of this authority from the Office of Personnel Management. Plans are underway to expand this authority to include Investigators, at the GS-5 and 7 levels and Personnel Security Specialist, GS-080-05, 07, and 09's. Although this represents a significant increase in the workload of the division, the accelerated responsiveness to management it provides more than justifies the additional effort.

Military Personnel Division: This division administers all personnel programs involving members of the Army and Air Force who are assigned to DIS. These programs include assignment and reassignment of personnel, promotions, and awards. Military authorizations are being gradually converted to civilian positions. Total civilianization will occur in FY83.

Security Division: This division develops policies and procedures for the execution of DIS personnel security, document security, and physical security programs. It provides staff assistance to DIS Headquarters and subordinate activities in the implementation of these security programs. The Security Division controls and issues badges and credentials to special agents and credentials to industrial security representatives.

In the area of personnel management and administration, a symbiotic relationship exists between the Directorate for Personnel and Security and the administrative officers in the ten regions. Although this latter group oversees all administrative and logistic functions of that region, their involvement in personnel matters is significant. This relationship is most prevalent in recruitment activities but is present to varying degrees in all personnel activities.

INVESTIGATIVE POLICY AND PROGRAMS

The Defense Investigative Service (DIS) is a federal law enforcement and personnel security investigative agency. In addition, DIS conducts "such other investigations as the General Counsel may direct." These missions or programs have evolved separately and will be discussed here and in subsequent paragraphs as separate programs although the same policies, at times, apply to both, and the personnel managing programs are generally the same.

Personnel Security Investigation (PSI) Program: A PSI is an investigation to determine a person's eligibility for access to classified information, assignment or retention in sensitive duties. Personnel security investigations include investigations of subversive affiliations, suitability information, or hostage situations conducted for the purpose of making personnel security determinations. They also include investigations of allegations that arise subsequent to adjudicative action and require resolution to determine an individual's current eligibility for access to classified information, or assignment to or retention in a sensitive position. The personnel security investigation is designed to develop information pertaining to an individual's loyalty, character, emotional stability, trustworthiness, and reliability by inquiring into the activities of that individual. The nature and scope of inquiry is determined by governmental directives, Executive Orders and Department of Defense issuances. Authorities utilize the information developed by a PSI

as a basis for determining whether military, civilian and contractor personnel may be granted access to classified information; or whether entry to restricted areas, access to nuclear weapons, security eligibility or acceptability for assignments to, or retention in, sensitive civilian positions and acceptance, or retention, as a member of the armed forces is clearly consistent with the interests of national security.

A history of the federal PSI program is traced in the Project 10 report of the Domestic Council Committee on the Right of Privacy. PSI's were originally instituted to enforce the Civil Service Act of 1883 and were used between World War I and 1939, to determine the reliability of federal employees, such as postmasters and law enforcement officers. During World War II, military personnel could be summarily removed on security grounds. The Federal Loyalty Program was established by E.O. 9835 in 1946 which authorized removal for disloyalty. Public Law 81-733, in 1950, authorized suspension or removal on security grounds by the Defense and Justice Departments and other agencies and departments designated by the President. In 1953, E.O. 10450 (described subsequently) was issued to replace E.O. 9835 and extended the security provisions of PL 81-733 to all agencies. E.O. 10450 remains the basic authority for PSI's.

Within the DOD, E. O. 10450 governs the conduct of PSI's on federal civilian employees. E. O. 10865 governs the investigations of industrial personnel who require access to classified information. Industrial and federal civilian employees account for less than one-half of the PSI's conducted by DIS. The majority of DIS PSI's are conducted on military personnel who are investigated under directives issued by the Secretary of Defense.

The three categories of personnel investigated by DIS (civilian, military and industrial) may be investigated for various reasons depending on the program in which they are involved. The basic PSI program, involving access to classified information, is detailed in DOD Directive 5200.2R, Personnel Security Program. Other reasons for PSIs are presidential support activities, access to nuclear weapons, and access to sensitive compartmented information. Each of these is governed by a directive, and DIS conducts the investigation necessary to fulfill the requirements of those directives. It is noted that DIS may only conduct PSI's on DOD affiliated personnel in accordance with guidance contained in DOD Directive 5200.27.

DIS conducts five types of PSI's on the three categories of personnel who fall within the purview of the DOD security program. The individual's required level of clearance, position and/or access dictates the type of investigation which is conducted. Those investigations are:

a. National Agency Check (NAC) - The NAC consists of the search of the investigative indices/files of US governmental agencies/activities at the national level. The agencies which are checked are governed by the individual's personal history and activities.

b. Background Investigation (BI) - The BI is an inquiry into the activities of an individual consisting of a NAC, other records reviews, and interviews of knowledgeable associates.

c. Special Background Investigation (SBI) - The SBI is an inquiry into the activities of an individual (who has been nominated for participation in a special program) which is designed to meet the investigative requirements of the Director of Central Intelligence Directive (DCID) 1/14, approved 13 May 1976, DOD Instruction 5220.28, DOD Directive 5210.55 or similar DOD issuances. The SBI consists of all of the elements of a BI and additional investigative inquiries as directed by the respective instruction/directive (e.g., neighborhood inquiries and substantial increase of the time frame to be investigated).

d. Periodic Reinvestigation (PR) - The PR is designed to update a previously conducted BI or SBI based upon specific DOD directives relating to certain specified programs and/or activities, and pertains to individuals who have continuously held such positions since their previous investigations.

e. Special Investigative Inquiry - A Special Investigative Inquiry is a personnel security investigation conducted for one of the following purposes:

(1) To supplement a BI, SBI, or PR that has been closed out to the requester but subsequently found to be incomplete.

(2) To prove or disprove allegations relating to the criteria set forth in DOD Regulation 5200.2-R, except current criminal activities, that have arisen concerning a person upon whom a personnel security determination has been previously made and who, at the time of the allegation, holds a security clearance or otherwise occupies a position that requires a trustworthiness

determination. This includes investigations referred to in previous years as "complaint" investigations, now also referred to as "post-adjudicative investigations." (Special Investigative Inquiries are scopes as necessary to address the specific matters requiring resolution in the case concerned and generally consist of record checks and/or interviews with potentially knowledgeable persons, including the subject of the investigation.)

Methodology (DISM 20-1) - The document used by DIS to implement the DOD personnel security program is DIS Manual 20-1. DISM 20-1 outlines the basic policies, procedures, definitions, methods, techniques and reporting formats for PSI's. It is used by all DIS investigators to direct them in the conduct of PSI's and the proper means of reporting those investigations. It defines minimum standards necessary to satisfy investigative requirements of applicable instructions and directives. DISM 20-1 is amended routinely to accommodate changing guidelines and directives of DOD and the executive and legislative branches.

Attempts to streamline the PSI program and to make it more responsive have been many-faceted. Administrative standardization for requesters of PSI's was directed by Deputy Assistant Secretary of Defense (Administration), on 10 September and 31 December 1974. At the same time, those memoranda instructed all requesters to limit their requests to those that were clearly essential. DASD (Admin) Memorandum, 15 July 1974, eliminated the requirement for most Periodic Reinvestigations (PRs) and curtailed the scope of PRs which were not otherwise eliminated. Deputy Secretary of Defense Ellsworth's Memorandum, dated 3 May 1976, significantly reduced the scope of background investigations; permitted the use of telephone and letters to obtain information

under certain limited conditions; established uniform coverage for all Special Background Investigations (SBI); established guidelines for preliminary interviews of applicant/nominees to sensitive compartmented information prior to initiation of the SBI; and placed limitations on requests for investigations and retrieval of prior investigative files.

In order to more efficiently utilize investigative resources, DoD has, on three separate occasions, restated the single agency concept for domestic personnel security investigations. In the last statement (DASD (Admin) Memorandum, dated 25 November 1977), DoD set forth clarifying guidance to the effect that DIS will investigate "subversive affiliations, suitability information and hostage situations whenever such investigation is required for personnel security purposes," and providing there is an absence of a criminal or counterintelligence allegation under another agency's jurisdiction.

The Director of Central Intelligence Directive (DCID) 1/14, effective 13 May 1976, changed the minimum investigative requirements for all individuals who require access to Sensitive Compartmented Information.

Privacy Restrictions - In recent years the gathering, use and storage of personal information by the federal government has been restricted by various federal and state laws and regulations. These restrictions have affected the ability of DIS to gain ready access to information considered essential to personnel security adjudications. Education, medical and employment record information are all affected by these restrictions, and access to criminal history record information has been curtailed and even prohibited in some instances (e.g., the State of Massachusetts does not permit DIS to have access to police records.)

The Privacy Act, further described below, has had the greatest impact on DIS. Part of its impact is caused by those (in and out of government) who do not understand the Act and withhold information in the belief it is required. While most other enactments and restrictions of institutions do not totally deny DIS the information, they often impose restrictions on its use and require signed releases from the subject, both of which may detract from the timely completion and substance of the investigative product.

The amended Freedom of Information Act which became effective in February 1975 required DIS to make various types of records available, placing its operations and activities in the public domain. This Act initially had a substantial impact on DIS, but has played a relatively minor role since September 1975 when the Privacy Act of 1974 went into effect. The Privacy Act, which provides for release of personal information to the subjects of personnel security investigations, now accounts for the vast majority of requests for release of DIS records.

While the Privacy Act had little impact on the security afforded our investigative records due to the procedures already in effect, it did have a great impact on the conduct of PSI's. In implementing the provisions of the Privacy Act, DIS informs all interviewees and records custodians that all information they provide during an interview or records check, including their identity, may be released to the subject of an investigation upon the individual's request. The Act allows DIS to withhold from release to the subject the identity and any information that would tend to identify

a "confidential source." Unfortunately, the requirements of the Act have resulted in an increased number of sources who express the desire to remain confidential which reduces the value of such information for adjudicators.

When interviewing a subject, DIS special agents are required to advise the subject of the following four points:

- (1) The authority by which DIS is collecting the information;
- (2) The main purpose for which the information is gathered;
- (3) The routine uses that DIS will make of the information; and
- (4) The voluntary nature of disclosing such information to DIS.

Another impact the Privacy Act has had on DIS is the increase in personnel resources required to process approximately 200 requests per month from individuals who wish to review their investigative files.

Criminal Investigative Program. The Charter of Defense Investigative Service, DOD Directive 5105.42, dated 18 April 1972, tasked this organization with functions in addition to the PSI mission. These responsibilities were to conduct "such other special investigations as the Secretary of Defense may direct" and to "render appropriate assistance to investigative, law enforcement, intelligence, counterintelligence and other US and foreign government activities."

Secretary of Defense Laird, in a letter dated 29 December 1971, stated:

"In the near future, I intend to appoint a Study Group with a view toward determining whether the DIS functions should be expanded to include counterintelligence and criminal investigation." (Attachment 7).

Accordingly, much of the original planning as to organization was done with the expectation that additional missions could be forthcoming. Steps taken in furtherance of this position included the following: All new civilian agents during DIS formative years were trained in a basic criminal investigative course taught by AFOSI; field structure of 20 districts with a headquarters staff including experienced operations officers in each district, gave DIS the capacity to respond to criminal investigative requirements throughout CONUS; Special Investigations Center in Washington, DC, was staffed to monitor not only PSIs but also any criminal investigations with a professional cadre of criminal investigators; and all special agent personnel were trained and qualified with handguns. It should also be noted that most of the investigators transferred to DIS had prior extensive criminal and/or counterintelligence investigative training and experience.

The issue of an expanded mission for DIS remained unsettled in the ensuing years because the Study Group envisioned by Secretary Laird was never convened. The November 26, 1974 Audit Report of the Directorate for MA and Overseas Audits (OASD Comptroller) recommended "that the study proposed by the SECDEF be conducted to determine whether the DIS functions should be expanded to include counterintelligence and criminal investigations." The House Appropriations Committee Surveys and Investigations

Staff Report of December 16, 1974, expressed concern that the aforementioned study had not been undertaken and was not high on any then current list of priorities within OSD. It went on to observe that some OSD officials favored expansion of the DIS mission while others opposed such expansion.

In May 1974, a memorandum from Deputy Secretary of Defense Clements concerning investigative support to DLA on matters of property disposal, bulk petroleum and subsistence activities required that the DIS and the military investigative agencies provide, as required, criminal investigations and survey support to designated elements of DLA. It was not until December 1975, however, that the expectations of additional missions for DIS were clarified in a memorandum by Secretary of Defense Clements which stated that the DIS mission would remain primarily PSIs. Nevertheless, DOD has continued to call for DIS to provide investigative support to DLA and to other DOD agencies.

Through the years from 1972, DIS has been requested to conduct special investigations by the Secretary of Defense. One such case in 1975 consisted of DIS operating a nationwide task force to investigate irregularities in DOD meat procurement which resulted in numerous convictions and fines involving military personnel and civilian contractors. These cases and the other DLA support amounted to less than one percent of the total DIS workload and less than five percent of total staff years.

In December 1977, DIS was placed under the control of the DOD General Counsel. Previously the DIS was under the staff supervision of the Assistant Secretary of Defense (Comptroller). Certain DOD directives (including DOD Directive 5105.42) had to be revised to accommodate that change.

The new DOD Directive 5105.42, dated 19 July 1978, redefined the DIS mission with respect to criminal investigations. It described DIS as "a federal law enforcement and personnel security investigative agency." Further, DIS was directed to "conduct within the fifty states, District of Columbia, and Commonwealth of Puerto Rico, when authorized by the General Counsel, law enforcement investigations of activities involving DOD components or DOD contractors and conduct other such investigations as the General Counsel may direct."

Since the withdrawal of the Federal Bureau of Investigation from routine apprehension of deserters, DOD has published a revised DOD Directive 1325-2, "Desertion and Unauthorized Absenteeism," which calls upon DIS to only assist the military services in their liaison with local law enforcement agencies so as to encourage active participation in such agencies. DIS is also called upon to participate in an annual evaluation of the program and to recommend appropriate changes.

As set forth in Section 12, the DIS special agent force will eventually be civilianized. In the interim, in July 1979, DIS has removed its military investigative personnel from all involvement in criminal investigations due to the potential for violating the Posse Comitatus Act (in that military personnel are prohibited from enforcing civilian law). Secondly, the US Attorney General revised the categories of federal law enforcement officers who are authorized to request search warrants by adding DOD civilian agents who are not subject to military direction.

Currently, a new DIS Manual 20-2 which will promulgate policy on criminal investigation activities, has been prepared in draft and is being staffed for publication.

PERSONNEL INVESTIGATIONS CENTER

Functions of the Personnel Investigations Center (PIC) include the initiation, management, review and dissemination of all Personnel Security Investigations (PSIs), including the management of the Defense Investigative Service Files Repository. As previously stated, the PIC is located in Baltimore, MD, and has an authorized strength of 364 personnel. A recent reorganization, completed at the end of fiscal year 1979, divided the PIC into four separate divisions and an Operations Management Office to monitor overall activities. The division functions are as follows:

The Investigations Division has four branches. Each branch has modular units (teams consisting of Team Chief, 7 controllers and 4 administrative personnel) which individually are responsible for all phases of controlling the PSIs. Specifically, they receive requests for investigation from the approximately 2700 authorized DoD requesters. They review the request package for sufficiency, retrieve prior files, if indicated, identify the field activities to conduct respective leads and dispatch leads (via DIS action/lead sheets) via the United States Postal Service. The teams provide input to the automated data system which provides the ADP products necessary for the management, control and accountability of investigations. The teams are responsible for receipt and review of completed investigative reports which are forwarded directly from field units. The completed work is reviewed for investigative sufficiency, the requirement for additional leads and referral to other agencies. Upon final receipt of all reports, the teams disseminate completed investigations directly to requesters.

The Investigative Files Division operates the DIS Investigative Records Center which receives and maintains all investigative files created by or for DIS. This division also reproduces and dispatches investigative information/files to authorized requesters worldwide as appropriate.

The National Agency Check (NAC) Division receives requests for NACs from authorized requesters, or from the PIC Investigations Division when a BI in progress also requires a NAC. The NAC Division reviews the requests for sufficiency, retrieves prior files, if any, dispatches requests for record checks to the appropriate National Agencies (e.g., FBI, CIA, INS), reviews the final product for sufficiency and provides it to the requester by mail (or electronically when the requester is Army or the Defense Industrial Security Clearance Office).

The Support Services Division supervises and develops policies and procedures governing PIC logistic, administrative and security matters.

PIC uses the Defense Case Control System (DCCS) (further explained in Section 14) to manage work flow. Based upon a valid request for investigation, PIC begins its function by bringing individual requests under control by assigning a control number to each request and entering this number into the supporting automated system's data bank. DIS accountability begins at this point. This action triggers an automatic demand upon the DCII (an index reference to investigations DoD wide, regardless of type (PSI, CI, criminal, special)). This automatic query determines whether or not prior investigative files exist elsewhere, either in DIS or the three services. If there are such files, a request is made to the appropriate repository.

The request for investigation and prior file, if any, is screened to determine the investigative requirements and identification of the field unit or units which are to conduct the leads. The leads are then sent directly to the appropriate DIS field office or resident agency via a DIS action lead sheet which includes the subject's Statement of Personal History (SPH)/Personnel Security Questionnaire (PSQ) and any necessary prior file data. The field elements receive guidance and control on cases directly

from PIC. The field generated reports of investigation are reviewed for investigative sufficiency. If the investigation lacks sufficient coverage, additional leads are generated. In the same vein, if the field develops new leads, they are laterally sent by that office to the appropriate unit. Every lead on the case, regardless of origin, is entered in the DCCS for case management/lead accountability. Similarly, once the case is completed, it is closed in the DCCS and accountability in the DCII is charged to the Investigative Files Division. The original is then retained for file and the requester notified of the results either by annotation on the DD Form 1879 or by a copy of the complete investigation.

The PIC uses the NAC Case Control System (NCCS) for all NACs. The NCCS is similar to the DCCS in that it maintains accountability of all NACs opened in the system, identifies the various agencies which must be contacted, and records the results of each agency checked.

The timely completion of quality investigations at reasonable costs is a continuing objective. The centralization of investigative control introduced a number of advantages, which could not be achieved under the former system, which delegated control to the services. DIS, through coordination with the Deputy Assistant Secretary of Defense (DASD) (Security Policy), was able to implement uniform standards of investigative criteria, scoping and reporting format which simplified adjudication procedures by the services and DoD agencies. Succinctly stated, the ultimate advantage of centralized control lies in the ability to respond more quickly with greater flexibility and singleness of purpose. Equally important is the fact that the entire DoD personnel security program can now be surveyed from the vantage point of a central control office and weaknesses or discrepancies not previously apparent under fragmented control can be detected and remedied. Such a system allows

the development of a valid statistical base for appraising implementation  
of the DoD personnel security program.

THE DEFENSE INDUSTRIAL SECURITY CLEARANCE OFFICE

The Defense Industrial Security Clearance Office (DISCO) became operational on 1 March 1965 for the purpose of determining on a nationally centralized basis the eligibility of industrial personnel for access to U.S. and foreign classified information. Although DISCO is the principal granter of clearances, complex cases involving issues are referred to OSD for final decision. The DISCO, a field extension of the Director for Industrial Security, DIS, is physically located as a tenant activity at the DLA Defense Construction Supply Center, Columbus, Ohio. At the time of its establishment, DISCO inherited the assets and personnel security clearance workload of approximately 115 Army, Navy, and Air Force offices. It also absorbed from the Army the Central Index File containing the industrial security clearance records of approximately 16,000 contractor facilities and 1.5 million individuals working in those facilities. The Central Index File became the nucleus of the filing system which is now computerized at DISCO. Currently DISCO is authorized 191 personnel to accomplish assigned missions.

The organizational structure of DISCO is comprised of the Office of the Chief, three divisions and an Operations and Analysis Office. The Personnel Clearance Division is the largest division within DISCO and handles almost 90 percent of the clearance workload. This division establishes the in-process personnel security record and initiates investigative requests, performs all functions relating to the facility address file and updates and maintains the personnel security clearance file, grants and/or transfers personnel security clearances and assurances for industrial and certain other personnel when no (or only minor) adverse information exists, and processes visit requests for U.S. contractor personnel for international assignments and for foreign nationals visiting U.S. facilities.

The Adjudication Division determines the eligibility of personnel for an industrial security clearance when other than minor adverse information exists, and refers cases, as necessary, to a higher level recommending denial, suspension or revocation. Additionally, this division acts on clearance requests involving immigrant aliens and "special access" programs and determines psychiatric referrals in all DoD industrial personnel security cases.

The Clearance Support Division as the name implies provides common centralized administrative and mission support services such as maintaining a central file repository, controlling ADP product outputs, etc.

DEFENSE INDUSTRIAL SECURITY CLEARANCE OFFICE  
PERSONNEL CLEARANCES SUMMARY

FISCAL YEAR	GRANTED	TERMINATED
1977	134,575	116,644
1978	140,530	119,697
1979	146,963	96,530
1980	156,383	113,990

ACTIVE CLEARANCES ON FILE AT DISCO: (30 Sep 80) 854,165

TOP SECRET	75,419
SECRET	773,104
CONFIDENTIAL	5,262
LTRS OF ASSURANCE -	380

COMPANY GRANTED CONFIDENTIAL CLEARANCES - 327,503

TOTAL INDUSTRY PERSONNEL CLEARED - 1,181,668

DEFENSE INDUSTRIAL SECURITY INSTITUTE

The Defense Industrial Security Institute is a jointly staffed activity established by the Secretary of Defense and administered by the Defense Investigative Service (DIS) as an activity of the Directorate for Industrial Security.

The Institute presents courses of instruction, both resident and field extension, relating to the Defense Industrial Security Program, the Defense Industrial Facilities Protection Program, and the Defense Information Security Program.

Institute courses are scheduled for U.S. government personnel plus employees and representatives of U.S. industry. An orientation conference has also been established for representatives of selected foreign governments.

Industrial security training was first conducted in 1955 by the U.S. Army as DoD Executive agent at Ft. Holabird, Maryland.

Responsibility for industrial security training was transferred to the Defense Supply Agency (DSA) in 1965; however, the Army continued to conduct the training for DSA at Ft. Holabird.

In January 1972, the Defense Industrial Security Institute opened in Richmond, Virginia as a field activity of DSA to conduct industrial security training for the DoD.

Responsibility for the information security training mission was assigned to the Institute in April 1973; the industrial facilities protection training mission was assigned in June 1973.

The Institute offers nine courses. A brief description of these courses appears at Attachment 8.

Since 1972, more than 17,000 students have graduated from courses offered by the Institute.

During FY 80, a total of 3,173 students attended Institute courses.

1,666 (53%) were from DoD

99 (3%) were from other government agencies

1,408 (44%) were from private industry

Field extensions accounted for 2,340 or almost three-fourths (74%) of all Institute graduates during FY 80.

The most popular Institute course in FY 80 was the Information Security Management Course which was attended by 1,523 personnel, representing 48% of all graduates.

In March 1979, the Institute was assigned responsibility for developing security education materials and presenting counterintelligence awareness briefings for industrial contractor personnel. These efforts will:

provide contractor personnel in private industry with a centralized source for security training materials;

alert key personnel in private industry as to nature and scope of the threat posed by visitors/agents from Communist Bloc nations;

benefit more than 1,000,000 persons in private industry who are cleared to work with classified information;

The faculty is comprised of three military and seven civilian instructors. Six other personnel are assigned in a support capacity. Three personnel are assigned to the Security Education Division.

On 1 October 1980, the Defense Industrial Security Institute, along with the total industrial security function, was transferred from the Defense Logistics Agency to the Defense Investigative Service (DIS). The Institute serves as host for training courses, symposiums, and conferences sponsored by the DIS.

SPECIAL INVESTIGATIONS UNIT

The Special Investigations Unit headed by a director, is a field activity located at DISHQ with an authorized strength of 14 agents and three administrative personnel. Its primary function includes the supervision, control and conduct of law enforcement investigations requested by the Defense Logistics Agency (DLA), other DOD agencies and as directed by the General Counsel. Investigations range from security compromise cases, crimes against persons and property cases to fraud cases. Other functions include: providing support to other law enforcement agencies which have primary jurisdiction in investigations involving DOD personnel; conducting fraud prevention surveys for the Defense Logistics Agency with special emphasis on detection of crime conducive conditions in the agency's management, procurement, security and automated data processing systems and recommendations for corrective action; providing investigative expertise on unique high level OSD projects and participating in governmental conferences on law enforcement issues, particularly white collar crime; acting as DIS coordinator and contact point with appropriate officials at OSD, DOJ, FBI, DLA, DCAA, DAS, and Congressional staffs relative to DOD criminal investigations and other sensitive matters.

Authority for the SIU's mission was created by the Deputy Assistant Secretary of Defense (Administration) memorandum of May 7, 1974, which apportioned criminal investigative support to DLA among the military service investigative agencies and DIS. In FY 80, this support to DLA alone translated to a workload consisting of 220 criminal investigations and 15 fraud prevention surveys.

The SIU's investigative role in fraud investigations is further covered in Section 10.

DEFENSE INVESTIGATIVE SERVICE'S INITIATIVES

IN COMBATTING FRAUD, WASTE AND ABUSE

IN DOD AGENCIES

Background. The Defense Investigative Service (DIS) has been successfully involved in combatting fraud within the Defense agencies and investigating fraud matters that involve more than one military department or a single military department when directed by the DOD General Counsel.

The Special Investigations Unit (SIU) of DIS is the focal point covering this program. It provides the supervision, control and coordination of all criminal investigations. This unit makes the initial contact directly with the Criminal Division, Department of Justice (DOJ), and/or the United States Attorneys concerning major fraud investigations. This direct relationship has developed over several years and has resulted in significant fraud prosecutions of major DOD contractors. This relationship began in 1975 in response to the Secretary of Defense's concerns about alleged wide-spread fraud in the subsistence procurement program. DIS, under the guidance of the DOJ, directed an investigative task force or "team approach" consisting of contract specialists, auditors and investigators from the military departments. This innovative approach of a team concept has been very successful in obtaining substantial prosecutions. In fact, DIS has approximately 40 major criminal investigations it is conducting under the direct guidance of DOJ or a local US Attorney. A substantial amount of these cases involve significant allegations of contract fraud. In instances of these types of cases, DIS employs the "team concept."

Even though DIS's investigative role is small, it has purposefully concentrated limited investigative resources on significant incidences of contract and procurement fraud in major DOD programs. These efforts also parallel the recent DOJ's report on "National Priorities for the Investigation and Prosecution of White Collar Crime."

DIS's primary efforts in combatting fraud is directed first towards criminal prosecution, second, civil actions, and third, administration action such as price adjustments and warrant actions. A corollary objective of DIS fraud investigations is to identify and spot those management practices and system weaknesses through fraud prevention surveys which can be regarded as crime conducive or exploitable.

Coordinating with Defense Agencies. The DIS, Defense Audit Service (DAS), Defense Contract Audit Agency (DCAA) and the Defense Logistics Agency (DLA) periodically meet to discuss mutual matters and in particular to review the progress of fraud cases referred from these particular agencies. Representatives from DOJ also attend to discuss what actions are necessary to successfully conclude these investigations.

DIS also conducts surveys in conjunction with the DAS in such areas as OCHAMPUS Medical Program, survivor benefit entitlements, retired military pay and dependent entitlement to military hospital services. When DAS discovers irregularities in such programs, it will request DIS to make a more thorough investigation to determine if any fraud is involved. If suspected fraud surfaces, an investigation is opened. Recently a 22 count criminal indictment was

rendered against a medical counselling facility for making false statements, mail fraud, aiding and abetting and conspiracy to defraud. Also, DIS has numerous such fraud cases pending involving these programs.

Interface with Other Federal Law Enforcement Agencies. The DIS has always maintained a close association with other federal law enforcement agencies. This association has further been accentuated with the advent of the Inspector General's Act of 1978. Currently, DIS is working jointly with several executive department IGs pertaining to fraud matters. In addition, there are many areas in which certain agencies have exclusive or concurrent jurisdiction, particularly involving the Federal Bureau of Investigation (FBI). In the past, such cases were referred automatically to the FBI, however, with the Attorney General's pronouncements that the FBI cannot do the job alone, and in particular, that DOD has available investigative and auditing resources, there is a concerted effort among the affected agencies to investigate these fraud matters on their own or jointly with each other. Presently, DIS is working with several federal agencies on multi-million dollar fraud cases involving DOD programs.

Investigative Team Concept. Depending on the nature of the investigation, the SIU will form a team consisting of several agents, auditors, specialists, or an attorney from the procurement activity. The team members will meet periodically to discuss the progress of the investigation and make preparation for referral to the Fraud Section of DOJ or the appropriate US Attorney. Upon acceptance for prosecution, the team members will work exclusively on these investigations for periods of time which may exceed several years.

Currently, DIS has several such joint fraud investigations involving multi-million dollar contracts. As a result of this innovative approach, DIS successfully completed an investigation wherein a major US company was fined over \$700,000 which was the highest adjudged criminal fine ever in the District of Massachusetts. Further, the company is to repay approximately two million dollars of questionable costs to the government. These investigative results are unprecedented for a Department of Defense (DOD) investigative element and conclude over two years of joint investigative efforts by DIS and the DOJ.

Fraud Prevention Surveys. One of the major initiatives employed by DIS to combat fraud and waste is the use of fraud prevention surveys. The DLA headquarters selects certain areas of internal operations or control systems that they feel may be susceptible to any form of criminal activity or weaknesses. A survey team usually consisting of three or more DIS agents, a specialist and an auditor on occasion will interview key operational personnel, review inspections, investigative and audit reports. This examination will also include the actual testing of the internal controls. DIS in conducting these surveys emphasizes the "audit trail" approach to test a system's internal control. DIS recently completed surveys of sophisticated computer operations and has surveys scheduled this FY. Surveys generally take two to three weeks to complete. Final survey reports denote specific deficiencies, observations and recommendations to correct them.

Fraud Awareness Training. DIS does not have its own training program in law enforcement investigations. DIS relies on educational programs offered by

other federal law enforcement agencies. Its agents receive advance fraud training at the White Collar Crime Seminar, FLETC, Glynco, Georgia. Due to the expertise DIS has developed in conducting complex procurement fraud investigations, DIS provides instructors for the White Collar Crime Seminar. Specialized training is received through several DOD educational programs and DLA.

The SIU recently hosted two seminars presented by the DOJ's Civil Division and its Public Integrity Section. Representatives from several DOD agencies were in attendance.

DOD Hotline. On 2 April 1979, the DIS established the DOD Hotline System, under the direction of the Office of General Counsel, Office of the Secretary of Defense (OSD). The service acts as the point of contact (POC) for DOD related allegations/complaints of fraud, waste or abuse. As the POC, the DIS is responsible for processing and forwarding information received through DOD Hotline channels to the applicable DOD components for investigation and other action as deemed appropriate.

DIS operates the hotline at its Washington, DC headquarters. DIS also operates as the POC between the General Accounting Office (GAO) and DOD for all DOD related calls received by the GAO Hotline Task Force on fraud, waste and abuse. DIS exercises no evaluation or analysis role in the GAO hotline process.

The DOD element to whom the hotline item was referred is the final authority over what administrative action is directed in cases involving substantive allegations of wrongdoing that are declined by the US Attorney's Office for prosecution in favor of administrative action.

Since the inception of the program through 30 September 1980, DIS has received 631 calls via the DOD Hotline and referred 364 to DOD components. The total number of referrals received from GAO since the beginning of the program is 834. Several ongoing cases, which involve government contracts, may result in substantial savings or recoupment of public funds, when they are completed. However, these investigations are necessarily long termed and detailed in nature.

The DOD Hotline telephone numbers are: Toll Free (800) 424-9098; National Capital area 693-5080. Hours of operation are 0800-1630 (EST).

## BUDGET

The operations of this agency are funded by three direct appropriations-- Operation and Maintenance, Defense Agencies (O&M, DA), Procurement, Defense Agencies (P, DA) and Military Construction, Defense Agencies (MC, DA). The O&M, DA appropriation pays our civilian work force (about 83% of the budget), the rents, communications (telephones and mail), buys the supplies needed for daily operations, the repair and maintenance of our equipment, and, assundry costs. The P, DA appropriation finances the procurement of equipment costing more than \$1,000 per item. Our major procurements consist primarily of motor vehicles to replace those being disposed of because of age or excess mileage, thus, the size of this appropriation fluctuates with the size and relative condition of our vehicle fleet. No MC, DA funds are included in the FY 1981 - FY 1985 Program Objective Memorandum. A one-time requirement to improve the heating in our building in Baltimore, Maryland was in the FY 1980 budget. This satisfies our construction requirements for the foreseeable future.

Assigned military personnel receive their basic pay and allowances from their parent services. The above appropriations, however, do finance their support costs (supplies, travel, perdiem, etc) while they are working for this agency.

Our FY 1981 budget, submitted to the Congress during January 1980, is \$4.9 million greater than the current estimate for FY 1980. This amount includes \$.4 million for inflation and annualization of pay increases occurring during FY 1980 offset by the saving of one less day of pay in FY 1981. Excluding these amounts the net increase is \$4.5 million. This increase is primarily for (1) \$1.7 million for the first phase of a three year program to convert all the military positions to civilian positions as the military rotate out

of the agency (2) \$2.7 million for an increase of 95 civilian positions to close about 11,000 cases more than in FY 1980 and level off the increasing average case completion times at 109 days. Both these increases require major increases in the agency's travel and transportation of things accounts to fund training of new civilian agents and relocate the new hires to the location of the work.

Since the submission of the FY 1981 President's Budget in January 1980, OSD has directed two actions which are not reflected in the resource numbers in this section. The actions were: (1) OSD directed the transfer of the Industrial Security Program from the Defense Logistics Agency (DLA) to the Defense Investigative Service (DIS) in FY 1981; and (2) added 313 civilian positions in FY 1981, an advancement of FY 1982 approved resource levels, to address current program problems (225 for Personnel Security Investigative Program and 88 for Industrial Security Program). The funds to support these actions are under review by CASD(C) and will be determined during the FY 1981 Revised and FY 1982 Budget Estimates Review.

SUMMARY OF RESOURCES IN FY 1981 PRESIDENT'S BUDGET

	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>
<u>Appropriations (\$ in thousands)</u>			
Operation and Maintenance, Defense Agencies	34,639	38,094	43,010
Military Personnel Expenses	4,572	3,975	3,127
Sub-total	(39,211)	(42,069)	(46,137)
Procurement, Defense Agencies	93	545	674
Military Construction, Defense Agencies	..	260	..
Total	<u>\$39,304</u>	<u>\$42,874</u>	<u>\$46,811</u>
<u>Employment (End Strength)</u>			
Civilian Personnel	1,505	1,540	1,689
Military Personnel	227	200	130
Total	<u>1,732</u>	<u>1,740</u>	<u>1,819</u>
<u>Performance Criteria</u>			
<u>Personnel Security Investigations</u>			
Cases opened	152,974	156,900	156,900
Cases closed	146,277	144,373	155,438
Cases pending, end of year	33,898	46,425	47,887
Leads accomplished	2,346,883	2,306,102	2,482,848
Agent work years	864	837	888
Leads per agent, per month	226	230	233
Average case completion times (days)	71	96	109
<u>National Agency Checks</u>			
Cases closed	769,474	793,777	791,608
<u>Law Enforcement Investigations</u>			
Cases opened	189	215	254
Cases closed	150	146	146
Cases pending, end of year	135	204	312
<u>Surveys (Crime Prevention and Detection)</u>			
Cases opened	17	18	24
Cases closed	18	18	18
Cases pending, end of year	5	5	11
<u>Other Investigations</u>			
Cases opened	13	17	22
Cases closed	13	17	22
Cases pending, end of year	0	0	0

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CURRENT FIVE YEAR DEFENSE PLAN

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>Dollars (\$000)</u>					
Military Personnel Expenses	3,127	1,865	641	...	...
Operation & Maintenance, DA	43,000	45,536	47,950	49,200	49,634
Sub-total	(46,127)	(47,401)	(48,591)	(49,200)	(49,634)
Procurement, DA	674	761	1,321	1,678	1,169
Construction, DA	...	...	...	...	...
Total	<u>\$46,801</u>	<u>\$48,162</u>	<u>\$49,912</u>	<u>\$50,878</u>	<u>\$50,803</u>
<u>Personnel</u>					
Civilian	1,689	1,754	1,817	1,816	1,819
Military	130	65	...	...	...
	<u>1,819</u>	<u>1,819</u>	<u>1,817</u>	<u>1,816</u>	<u>1,819</u>

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SUMMARY OF OSD AND CONGRESSIONAL RESPONSES  
TO DIS OPERATING-BUDGET REQUESTS

Fiscal Year	Action	Funds		Personnel		
		Q&M, DA	Proc, DA	Civilian	Military	Total
1974	DIS Request	21,187	138	1,250	1,750	3,000
	OSD Approved	20,694	138	1,212	1,750	2,962
	Appropriated	20,320	138	1,160	1,750	2,910
1975	DIS Request	26,523	674	1,422	1,504	2,926
	OSD Approved	25,541	674	1,315	1,315	2,630
	Appropriated	25,401	674	1,315	1,315	2,530
1976	DIS Request	28,385	1,142	1,490	1,020	2,510
	OSD Approved	28,437	1,142	1,470	1,000	2,470
	Appropriated	25,397	1,142	1,205	600	1,805
1977	DIS Request	7,121	...	1,494	1,016	2,510
	OSD Approved	7,119	...	1,474	996	2,470
	Appropriated	6,144	...	1,209	596	1,805
1978	DIS Request	28,706	731	1,420	700	2,120
	OSD Approved	28,600	731	1,405	400	1,805
	Appropriated	28,000	731	1,405	400	1,805
1979	DIS Request	31,408	513	1,526	300	1,826
	OSD Approved	30,500	513	1,490	300	1,790
	Appropriated	29,846	513	1,490	300	1,790
1980	DIS Request	33,525	93	1,541	200	1,741
	OSD Approved	33,600	93	1,569	200	1,769
	Appropriated	33,600	93	1,569	200	1,769
1981	DIS Request	35,898	545	1,569	200	1,769
	OSD Approved	35,310	545	1,542	200	1,742
	Appropriated	38,094	545	1,540	200	1,740
1981	DIS Request	43,028	674	1,581	130	1,711
	OSD Approved	43,010	674	1,689	130	1,819
	Appropriated					

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MANPOWER

The FY 1981 and FY 1982 budgets provide for 2,802 personnel (2,657 civilians and 145 military), or an increase of 1,062 over the 1,740 authorized for FY 1980. The increase includes 741 authorizations for the Defense Industrial Security Program (ISP) and 17 associated supporting manpower spaces transferred from the Defense Logistics Agency effective in fiscal year 1981. The increase also includes 304 additional authorizations for the Personnel Security Investigations (PSI) Program.

The original FY 1973 authorizations, solely for the PSI Program, provided for 3,000 personnel (1,250 civilians and 1,750 military). The FY 1980 budget had provided for 1,740 personnel, including 1,540 civilians and 200 military for the PSI mission. Thus, over a period of seven years the DIS had suffered a decrease of 1,260 personnel, or 42 percent of its original allocations for PSI. During the same period of time, the number of personnel security investigations opened each year had increased by 15 percent.

Beginning in FY 1979 we experienced a great increase in the number of requests for investigations resulting in an alarming increase in case completion times and the backlog of uncompleted cases. Thus the 304 additional authorizations referred to above are part of a long-range plan to reduce case completion times to 65 days by FY 1985.

By the end of FY 1983 DIS will have completely civilianized the workforce under a Civilianization Program which was started by DIS in FY 1974 and continued by OSD and the Congress.

WORKLOADS

The primary investigative mission of DIS is to conduct personnel security investigations (PSI). About 98 percent of the DIS street agents are devoted to this mission. Requests for PSIs have increased about 15 percent since FY 1974, the first full year of DIS operations.

The latest DIS charter of 19 July 1978 placed DIS under the authority, control, and direction of the General Counsel of the Department of Defense and established DIS as a federal law enforcement agency as well as a personnel security investigative agency. The criminal cases, fraud prevention surveys and the special investigations workload factors reflect the impact of the law enforcement function on the DIS charter.

The DIS charter is currently undergoing revision to incorporate the latest transfer of the industrial security mission to DIS which went into effect on 1 Oct 1980.

SUMMARY OF WORKLOAD FY 1974 TO PRESENT  
(Cases Opened)

	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Actual</u>	<u>FY 1976</u> <u>Actual</u>	<u>FY 1977</u> <u>Actual</u>	<u>FY 1978</u> <u>Actual</u>	<u>FY 1979</u> <u>Actual</u>	<u>FY 1980</u> <u>Actual</u>
Personnel Security Investigations	151,426	148,614	131,418	142,919	146,757	145,111	174,090
National Agency Checks	840,721	930,016	861,210	908,806	766,677	767,000	903,502
Special Investigations	*	*	10	13	3	3	13
Criminal Investigations	-	38	65	105	199	189	220
Fraud Prevention Surveys	-	11	11	6	17	13	15

\*A total of 12 special investigations were opened during FY 1974 and 1975 but we do not know how many in each year.

CHANGE IN DIS PSI WORKLOAD FY 74 TO FY 80  
(Cases Opened)

	FY 1974 Actual	FY 1980 Actual	FY 1980 (Over (+)/ Under (-) FY 1974	
			<u>Number</u>	<u>Percent</u>
Background Investigations	52,645	64,018	+11,373	+ 22
Special Background Investigations	56,675	64,315	+ 7,640	+ 13
Bring-Up Investigations	21,836	19,011	- 2,825	- 13
Expanded NAC	11,691	26,461	+14,770	+126
Limited Inquiries	1,517	36	- 1,481	- 98
Complaint Cases <u>1/</u>	0	249	+ 249	NA
SIC Cases <u>2/</u>	<u>7,062</u>	<u>0</u>	<u>- 7,062</u>	<u>NA</u>
Total PSI	151,426	174,090	+22,664	+ 15
NAC	840,721	903,502	+62,781	+ 7

1/ New type to handle past operation cases.

2/ PSI issue cases formerly controlled by the Special Investigations Center.

INDUSTRIAL SECURITY PROGRAMS WORKLOAD

FY 80

FACILITIES	AA&E	DIFPP	DISP	TOTALS
COGNIZANCE	328	1608	11681	13652
DELETED	26	749	1103	2031
ADDED	13	101	1368	2457
SURVEYS/INSPECTIONS	322	1490	23073	24885

APPROXIMATELY 600 FACILITIES COMMON TO DIFPP & DISP

146 INDUSTRIAL SECURITY REPRESENTATIVES ON BOARD AT END OF FY 80

AUTOMATED DATA PROCESSING SYSTEMS

SCOPE OF ACTIVITY - The Directorate for Information Systems concerns itself with broad areas of policy, planning, supervision, system design, and progress monitoring in the areas of ADP, microform, and telecommunications.

AUTOMATED DATA PROCESSING

Organization - The staff element is located at 1900 Half Street (Buzzard Point). The field operating unit, Information Systems Unit, is located at Baltimore, MD, and is under the operational control of the Director for Information Systems.

Equipment - Currently, the field unit operates an IBM 4341, an interim economic replacement for the IBM 370/145. The latter was installed to replace an older, failure-prone IBM 360/40 inherited from the Army at the time DIS became operational and assumed management of the Defense Central Index of Investigations (DCII). The specified make and model procurement of the IBM 370 by the General Services Administration (GSA) was based on demonstrated need: progressively higher incidence of failure of the principal components (Data Cells) of the IBM 360 computer; increasing workload requiring more powerful processing capability; the requirement to preserve the integrity of the DCII; and the necessity of providing continuing "on demand" service to the Army, Navy, and Air Force investigative agencies (AIRR, USACIDC, NIS, OSI) as well as to a large number of other governmental investigative/security-related organizations (CIA, NSA, DISCO, CSC, FBI, etc.). The equipment

was procured with the provision that it would be replaced at the end of 1978 by an ADP capability acquired through a fully competitive process. The replacement date was extended to November 1980, and then to November 1982, when funding, for DCII-ALPHA Search software development was deferred to the 1982 POM by the DoD Comptroller in February 1980.

Services - The computer performs a number of equally important functions in the operational areas, i.e., processing of information associated with investigative activities such as case handling, management of the index (the DCII), and the processing of National Agency Checks (NACs). It also supports the adjudicative functions of the Army and the Air Force and, on a lesser priority, the administrative and other functional managers of the DIS staff (Personnel and Security, Management and Resources, and Information and Legal Affairs).

a. DCII - The most significant computer service provided to the DIS staff, the investigative agencies of the three military services, and other government agencies is the on-line query capability of the DCII which accounts for approximately 50% of computer system utilization. (Attachment 9). This is an 18-million record automated file of DoD-associated individuals, containing only the requisite personal identifiers (date and place of birth; serial number; Social Security Number; sex) enabling each investigative agency to determine the existence, location, and case number of an investigative file on a subject. Substantive investigative information, i.e., case contents, is not automated. When the existence of an investigative file is indicated by

the DCII response, the requester must then request the appropriate investigative file repository (Army, Navy, Air Force, or DIS) to provide a copy of the dossier. Software capabilities include a name variant search capability to enable the system to respond to a query even though the exact name, spelling and/or other identifying data is not known. The DCII also includes a separate field of information inserted by Army, Air Force, DIA, describing clearance level access authorized the subject in question. The on-line inquiry-retrieval network consists of approximately 39 CRT terminals: 36 in the Washington-Baltimore area, one at Columbus, Ohio (Defense Industrial Security Clearance Office - DISCO), and one at Boyers, Pennsylvania (Office of Personnel Management). The off-line service supports a fairly large number of non-DoD agencies. The DCII contains references not only to personnel security investigations, but also to security level clearances access and to criminal files of all the military service investigative agencies, including DIS.

b. DCCS - The Defense Case Control System (DCCS) is a partially on-line, internal (to DIS only) system whereby all PSI leads and cases are accounted for: case openings, closings, lead assignments, age of leads, location of leads, statistical summaries of trends, case-load for any particular time frame, office of origin, and related data required for planning and management decisions. Currently, the DCCS accounts for PSI cases only; however, the format is such that it can accommodate other types (criminal, counterintelligence) of cases.

c. CICC - The Criminal Investigation Case Control System (CICC) does for the criminal and fraud prevention survey cases what the DCCS does for PSI cases. The DCCS format was such that, with some modification, it has been adapted to the criminal/law enforcement area.

d. NCCS - The National Agency Check Case Control System (NCCS) does for the NACs what the DCCS does for the PSI cases, insofar as DIS internal operations are concerned. Additionally, it prints the Report of NAC (RON) as a computer output in cases where the report contains no derogatory information. This procedure eliminates clerical time required to prepare the final report. A related NAC computer service is the transmission of non-derogatory RONs directly from the DIS computer to the DISCO terminal in Columbus, Ohio. This eliminates approximately six days turnaround time attributed to mail service.

e. JACS - The Joint Adjudication Control System (JACS) is an on-line inquiry and clearance level access file system supporting the centralized adjudication functions of the Army and of the Air Force. Each Department now has four and 14 devices, respectively. Clearance certificates are printed at the terminals, thereby reducing clerical requirements and clearance processing time. DIS support in this area is scheduled to continue to increase. Clearance information will be transmitted via AUTODIN to the Air Force's Military Personnel Center for further dissemination to major commands, numbered Air Forces and unit level organizations.

f. Administrative Management Systems - A listing is provided as Attachment 10.

Relationships - On technical matters, DIS receives direction from and coordinates with the Directorate of Data Automation (DDA) in the Office of the Deputy Assistant Secretary (Management Systems)

OASD(C). On substantive issues, such as type of data to be included in the DCII and Privacy Act impact, the DoD supervising office is the Defense Counterintelligence & Investigative Program Office (DC&IF). On policy-planning matters, the DIS generally deals with the Services directly. On technical production matters, both for internal computer services and for DCII considerations, the Information Systems Unit at Baltimore, MD, works directly with the Services and other DCII customers.

Microform - It was foreseen, at the time DIS became operational in October 1972, that the number of files maintained would eventually number in the millions and, consequently, exceed the storage capacity of the DIS Personnel Investigations Center (PIC), Building 320, Baltimore, MD. In the initial, integrated design of an information handling system for DIS, the Microfiche format was selected as the most versatile microform to interface with the computer and the then-existing telecommunications system. As a result of changing conditions during the years 1972-1975 (manpower, organization, budget, deletion of telecommunications) the configuration of the microfiche system was readjusted to solve the storage problem only. As requesters acquire microform handling capabilities, plans are to distribute Reports of Investigation (ROIs) in microform. As of 31 October 1980, total investigative file holdings amounted to 1,598,000. Of this number, 1,250,000 files are maintained in microform.

Telecommunications - Due to budgetary restrictions, this system was discontinued in December 1975. Planning was redirected to provide for some mode of communications with the field units in FY 1981 if operational requirement demand it.

Distributed Processing - The planning cited above resulted in the presentation to the Director and staff, in the Spring of 1979, of a concept document outlining two basic approaches: one a telecommunications system (three versions were described), the other a distributed processing system. The latter was selected, with DIS-wide implementation contingent upon the successful outcome of a 6-month pilot effort at Region 22 headquarters in Norfolk, VA. The purpose of the distributed processing system is to improve the Reports of Investigation (ROIs) preparation process by shortening the time for its preparation in the field, accounting for all leads daily, standardizing the final report format, providing daily management statistics to the regional director, facilitating the implementation of the courtesy letter program, and simplifying office correspondence preparation through a word processing capability. The principal feature of the proposed system is the connection of a local (field) terminal (CRT, keyboard, printer, disk storage unit) directly to the DIS computer at Baltimore, rather than through a telecommunications switch. ROIs prepared through the use of special computer programs and conforming to given standards may be transmitted directly to the Baltimore computer, with a copy retained in the local disk storage unit; data for the preparation of the ROI would be forthcoming from the computer nightly. Periodically, the regional

director could query his local terminal, to which statistical information would have been transmitted from the Baltimore computer at regular intervals, to obtain necessary case management statistics. In general, the system is designed to preserve integrity of data, account for leads and cases daily, standardize ROI production, and eventually reduce the amount of resources (manpower) required in the preparation of ROIs, courtesy letters, and office correspondence. The system is still in the pilot test mode and operating very successfully.

Industrial Security Management Information Report. This report contains management data which provides operating officials performance information and data. The information is used to highlight and identify existing and potential problem areas. The Industrial Security Management Information Report will be discontinued in FY 82 and integrated with the Industrial Security Management Information System (ISMIS). This system will be implemented in 10 DIS regions but will initially be set up in three regions. The equipment for each location will consist of two CRTs, one printer, and one control unit. In general, the system is designed to provide more and better information concerning workload, performance, and mission accountability. This system is currently managed by DLA, but the services to DIS are paid for by DIS.

December 1980

LOGISTICS

The centrally directed logistic support for DIS is accomplished by a small staff at DIS headquarters and by personnel assigned to each of the 10 regional headquarters. The major areas of oversight concern office space, Interagency Support Agreements (ISAs), motor vehicles, supply management, and safety.

On 1 October 1980, DIS had 304 units spread throughout the 50 states, District of Columbia and Brussels, Belgium (one industrial security office). The units range in size from the largest (the Personnel Investigations Center (PIC)) with 374 authorized personnel, in Baltimore, MD, to 56 one-person resident agencies, located in the various states.

Headquarters, DIS

Special Investigations Unit  
Personnel Investigations Center  
Information Systems Unit  
Office of Industrial Security, International  
Defense Industrial Security Institute  
Defense Industrial Security Clearance Office

Regions (10)

Field Offices (103)  
Resident Agencies (184)

The selection of field unit location and personnel strength is based primarily on workload distribution. This is primarily dictated by

civilian, DoD contractor and military populations. Cost is another factor considered in locating DIS offices. Space on military installations is utilized when available and is paid for through ISAs with the respective hosts. The next least-cost space available is in the form of General Services Administration (GSA) owned or leased facilities. If neither GSA nor military installation space is available, DIS may occupy commercial office space leased by the Office of the Chief of Engineers (OCE), USA.

At each location where DIS can receive support from other government facilities, an ISA is executed. The agreements, in accordance with DOD Manual 4000.19-M, Defense Retail Interservice Support (DRIS) Manual, include support items, as applicable, mainly involving motor vehicle maintenance, ADP support, printing and reproduction, office space, and office maintenance, and utilities. As of 1 October 1980, DIS had 199 ISAs in effect at an approximate face value of \$685,145 and was negotiating additional ISAs to support some 65 additional locations which were added with the transfer of industrial security functions to DIS from the Defense Logistics Agency (DLA).

The basic nature of personnel investigations work requires personal interviews and records checks at locations throughout the United States. To accomplish this, the requirement is for one motor vehicle per field agent. In most instances, due to the nature of investigative work, the use of public transportation is not practical or economical. The DIS fleet totals 1,070 vehicles. Vehicle replacement is budgeted annually and based on DoD criterion of six years or 72,000 miles as the replacement

rule. DIS has a vehicle rotation program to balance vehicle use and aging as much as economically feasible. For example, in 1980 DIS received 102 new compact sedans to replace aged vehicles. Detailed statistics on the age, condition, operating costs, mileage and vehicle accidents are kept by DIS headquarters. DIS engages in safety and energy conservation programs.

FOR IMMEDIATE RELEASE

NOVEMBER 5, 1971

Office of the White House Press Secretary  
-----THE WHITE HOUSE

The White House announced today that the President has directed a number of management steps to improve the efficiency and effectiveness of the U.S. foreign intelligence community.

The President's objectives are to ensure:

- Continuing review of the responsiveness of the U.S. intelligence effort to national needs.
- Strengthened leadership for the community as a whole.
- More efficient use of resources in the collection of intelligence information.
- Elimination of less efficient or outmoded activities.
- Improvement in the quality, scope and timeliness of intelligence information.

The improvements directed by the President follow an exhaustive study conducted at his direction by the staffs of the National Security Council (NSC) and the Office of Management and Budget (OMB) with contributions from the President's Foreign Intelligence Advisory Board (PFIAB), the President's Science Advisor, and the Intelligence Community.

The major management improvements include:

- An enhanced leadership role for the Director of Central Intelligence (DCI) in planning, reviewing, coordinating, and evaluating all intelligence programs and activities, and in the production of national intelligence.
- Establishment of a National Security Council Intelligence Committee, chaired by the Assistant to the President for National Security Affairs. Its members will include the Attorney General, the DCI, the Under Secretary of State, the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs of Staff. The Committee will give direction and guidance on national intelligence needs and provide for a continuing evaluation of intelligence products from the viewpoint of the intelligence user.

- Reconstitution of the United States Intelligence Board , chaired by the DCI, including as members the Deputy Director of Central Intelligence (Vice Chairman); Director of Bureau of Intelligence and Research, State Department; Director of National Security Agency; Director of the Defense Intelligence Agency; representatives of the Secretary of the Treasury and of the Director of the Federal Bureau of Investigation and the Atomic Energy Commission. The Board will advise and assist the DCI with respect to the production of national intelligence, the establishment of national intelligence requirements and priorities, the supervision of the dissemination and security of intelligence material, and the protection of intelligence sources and methods.

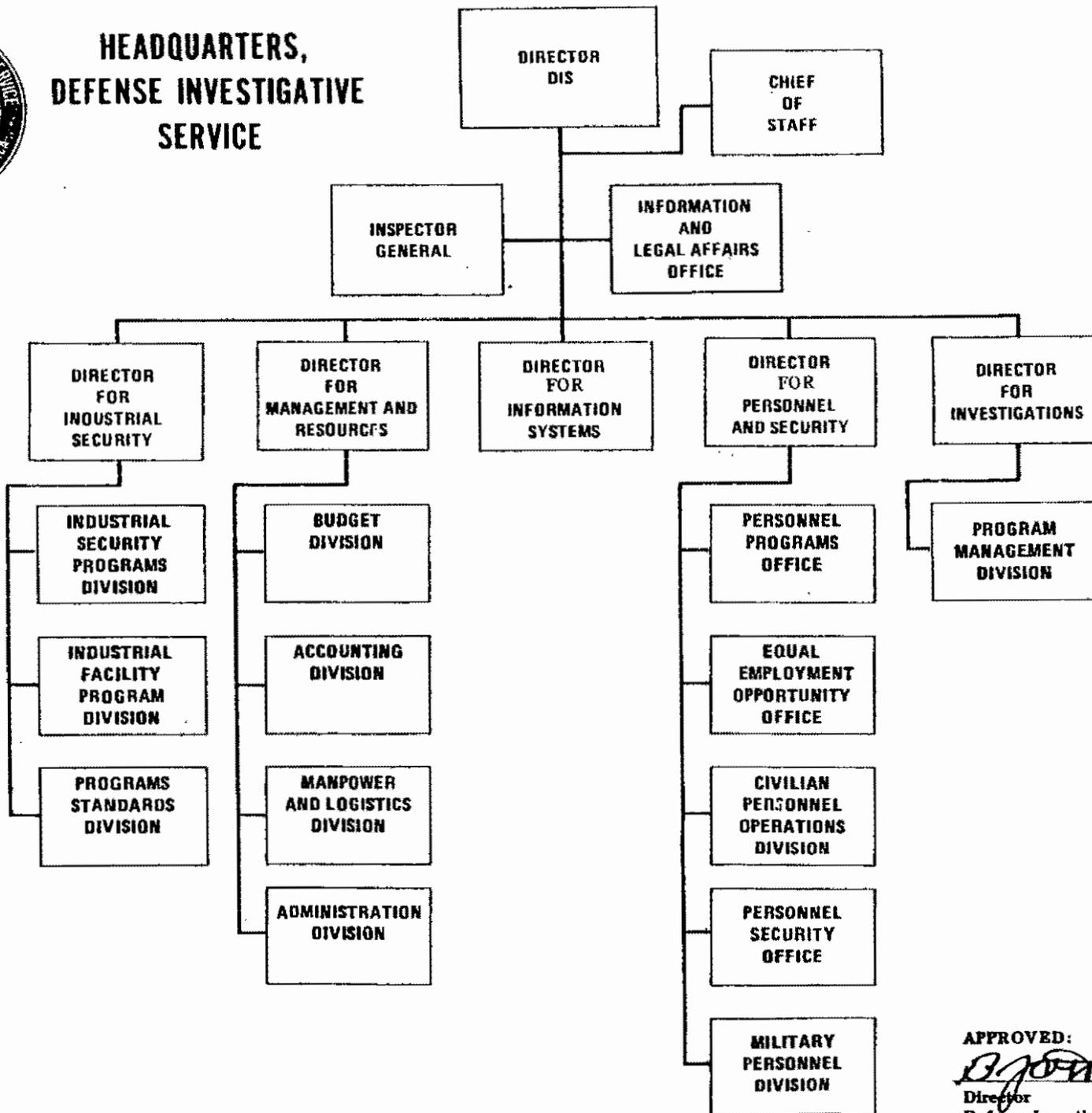
The President has also directed certain changes in the Department of Defense's intelligence organization.

A National Cryptologic Command will be set up under the Director of the National Security Agency. Under this command will be consolidated activities now carried out by separate agencies. A further change is the consolidation of all Department of Defense personnel security investigations into a single Office of Defense Investigations. The President has also directed that a Defense Map Agency be created by combining the now separate mapping, charting and geodetic organizations of the military services in order to achieve maximum efficiency and economy in production.

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# HEADQUARTERS, DEFENSE INVESTIGATIVE SERVICE



Atch 2

APPROVED:

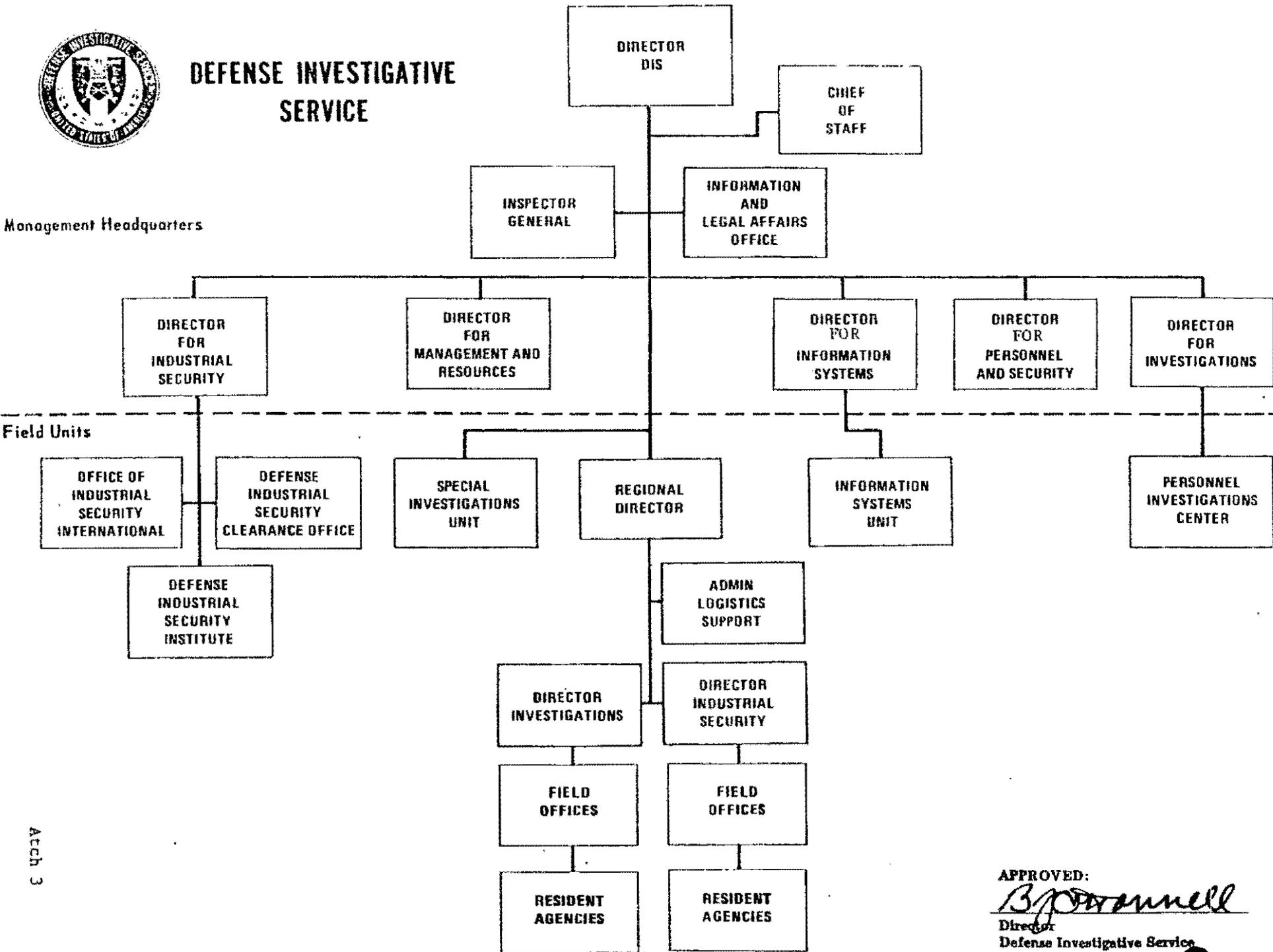
Director  
Defense Investigative Service  
December 1980



# DEFENSE INVESTIGATIVE SERVICE

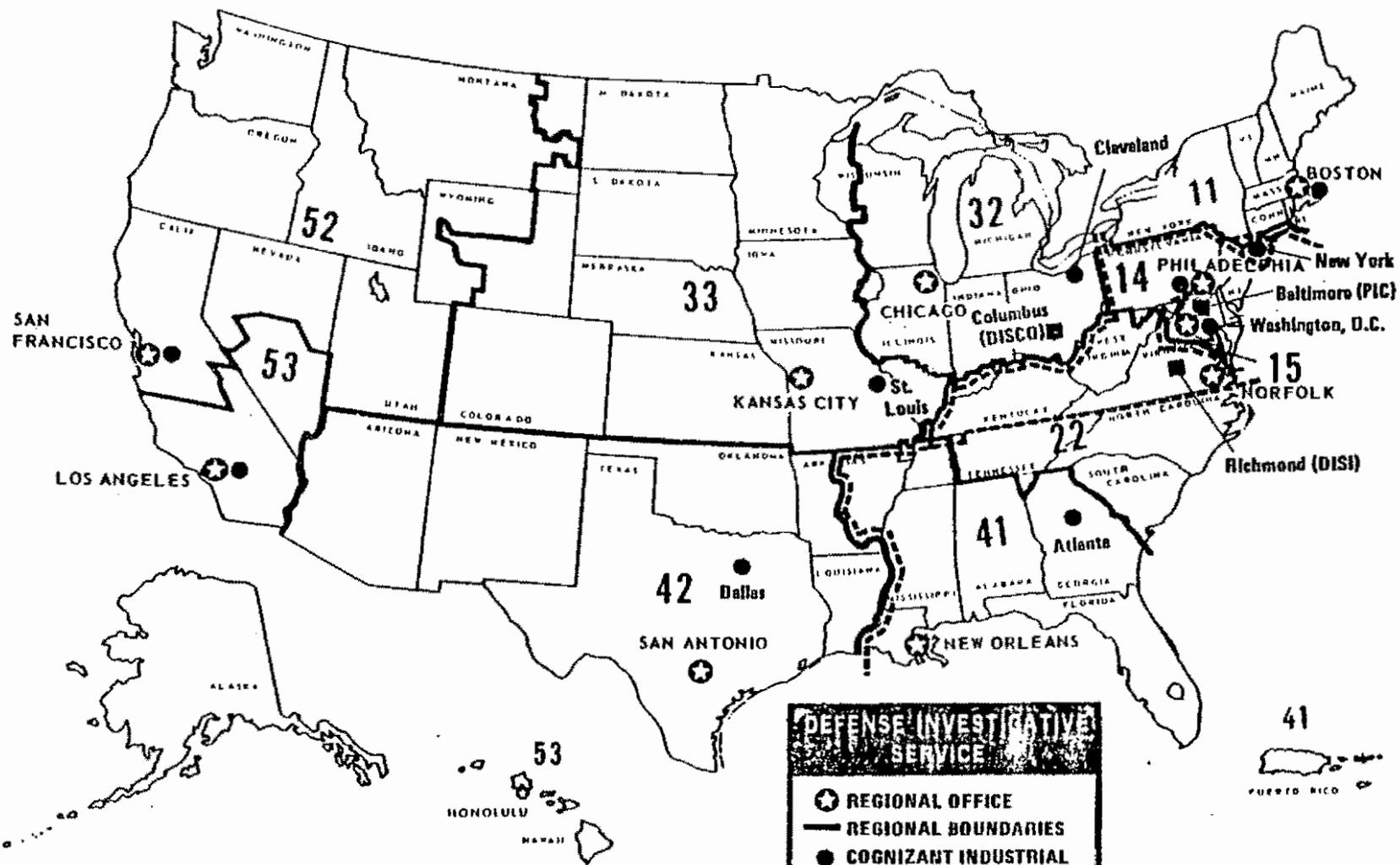
Management Headquarters

Field Units



Acch 3

APPROVED:  
*B. J. Brannell*  
Director  
Defense Investigative Service  
December 1980



**DEFENSE INVESTIGATIVE SERVICE**

- ★ REGIONAL OFFICE
- REGIONAL BOUNDARIES
- COGNIZANT INDUSTRIAL SECURITY OFFICE
- NEW YORK, PHILADELPHIA & ATLANTA INDUSTRIAL SECURITY BOUNDARIES
- SUPPORT ACTIVITIES

DIS FIELD ORGANIZATION  
(EFF 1 OCT 80)

Atch 4

101



DEFENSE INVESTIGATIVE SERVICE  
PERSONNEL INVESTIGATIONS CENTER

OFFICE OF THE DIRECTOR  
PERSONNEL INVESTIGATIONS  
CENTER  
DIRECTOR  
DEPUTY DIRECTOR

OPERATIONS  
MANAGEMENT  
OFFICE

INVESTIGATIONS  
DIVISION

INVESTIGATIVE  
FILES  
DIVISION

SUPPORT  
SERVICES  
DIVISION

INVESTIGATIONS  
BRANCH  
A - D

INVESTIGATIONS  
BRANCH  
G - K

INVESTIGATIONS  
BRANCH  
P - S

INVESTIGATIONS  
BRANCH  
W - Z

FILES/  
MICROMATION  
BRANCH

INQUIRY/  
REVIEW  
BRANCH

MAIL/  
DISTRIBUTION  
BRANCH

SECURITY  
BRANCH

SUPPLY/  
MAINTENANCE  
BRANCH

- TEAM A
- TEAM B
- TEAM C
- TEAM D

- TEAM G
- TEAM H
- TEAM J
- TEAM K

- TEAM P
- TEAM Q
- TEAM R
- TEAM S

- TEAM W
- TEAM X
- TEAM Y
- TEAM Z

NATIONAL AGENCY  
CHECK  
DIVISION

OPENING  
BRANCH

EVALUATION  
BRANCH

CLOSING  
BRANCH

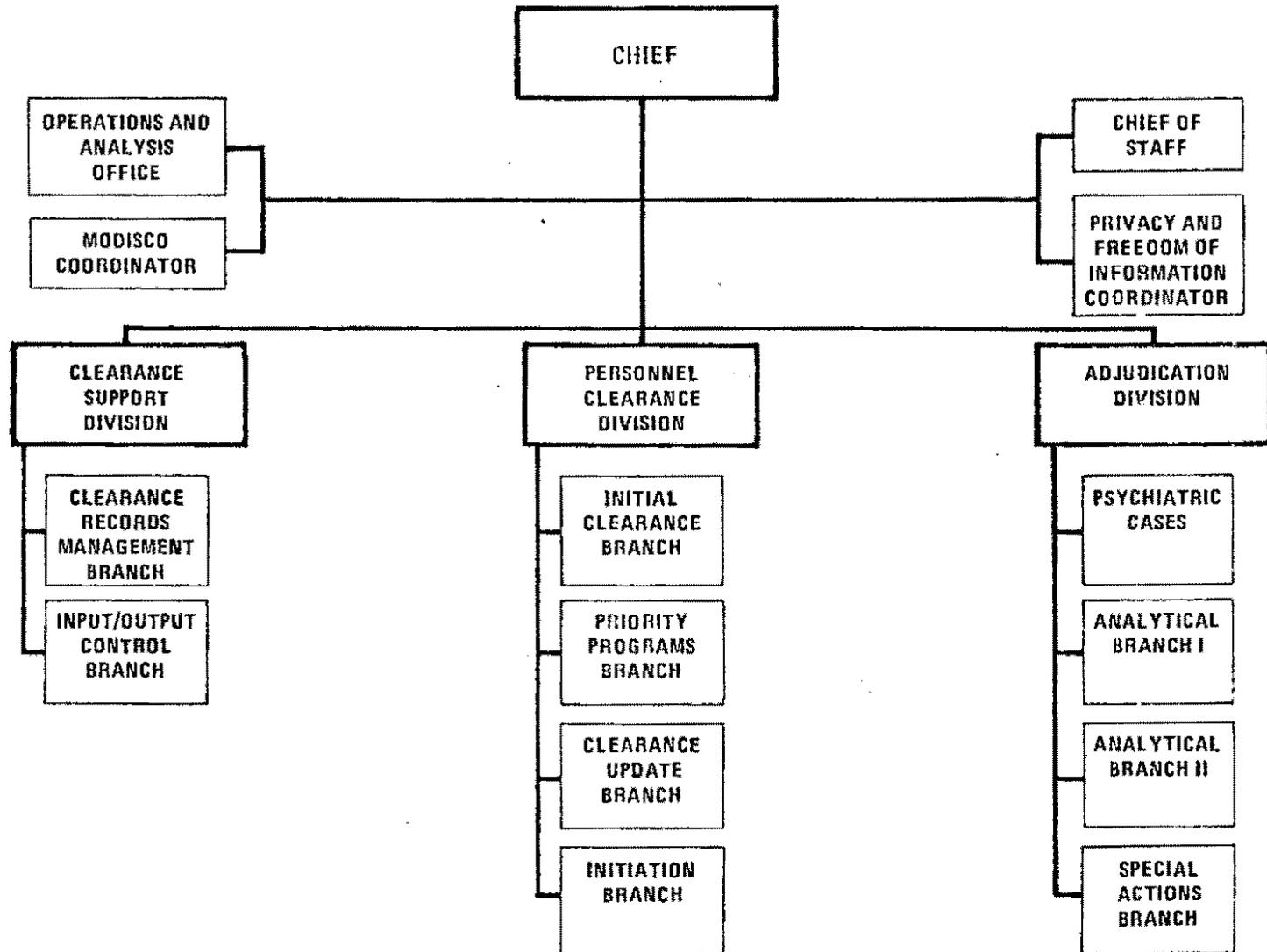
APPROVED:

*B. J. [Signature]*

Director  
Defense Investigative Service  
December 1980



DEFENSE INDUSTRIAL SECURITY CLEARANCE OFFICE



ATCH 6

APPROVED:

Director  
Defense Investigative Service  
December 1980

MEMORANDUM FOR Secretaries of the Military Departments  
Chairman of the Joint Chiefs of Staff  
Director of Defense Research and Engineering  
Assistant Secretaries of Defense  
General Counsel  
Assistants to the Secretary of Defense  
Directors of Defense Agencies

SUBJECT: Establishment of the Defense Investigative Service (DIS)

References: (a) Presidential Memorandum dated November 5, 1971,  
subject: "Organization and Management of the U.S.  
Foreign Intelligence Community"  
(b) SecDef Memorandum of November 10, 1971,  
subject: "DoD Organizational Changes"  
(c) DoD Directive 5200.26, February 17, 1971,  
subject: "Defense Investigative Program"

By reference (a), the President directed establishment of a single office of Defense investigations. In reference (b), I directed the ASD (Comptroller) to develop a plan to accomplish this reorganization.

I have reviewed the plans presented by him and have decided to approve a time-phased course of action creating a Defense Investigative Service (DIS) as a separate Defense Agency reporting directly to the Secretary of Defense. This will be accomplished in three phases:

- On 1 January 1972, the DIS will be established and will function initially as a planning group charged with making necessary arrangements to commence operations on 1 April 1972.
- On 1 April 1972, the case control staff functions of the Military Departments will be consolidated under the DIS, which will assume control of all Personnel Security Investigations (PSI) within the Department of Defense, tasking the Military Department investigative agencies for the field investigative effort. Investigators will remain with the Military Departments. On the same date, the DoD National Agency Check Center (DODNACC) and the Defense Central Index of Investigations (DCI) will be incorporated in the DIS.
- On 1 October 1972, all PSI field investigative resources will be transferred from the Military Departments to the DIS and investigators will be assigned directly

I will appoint a Director of the DIS.

The Assistant Secretary of Defense (Comptroller) will provide policy guidance and staff supervision for the DIS and is delegated responsibility under the provisions of reference (c) to direct, manage, and review the Defense Investigative Program.

Each Military Department will provide as soon as possible to the Director, DIS, five professional and two clerical personnel on a temporary basis to assist the Director in developing organizational structure, program plans, and operating procedures for the DIS. Direct liaison between the Director and appropriate officials designated by the Secretaries of the Military Departments is authorized to effect cross-servicing agreements for the permanent transfer of personnel to the DIS to proceed with the operations of the agency as set forth herein.

The Secretaries of the Military Departments and Director, DIS, through liaison with appropriate Military Departments personnel, jointly, will ensure that effective performance of personnel security investigations continues during the 1 January - 1 April transition period.

In the near future, I intend to appoint a Study Group with a view toward determining whether the DIS functions should be expanded to include counter-intelligence and criminal investigation.

Effective 1 July 1972, the ASD (Comptroller) is assigned Program Manager responsibilities for the Counterintelligence and Investigative activities, ~~now~~ vested in the Director, DIA.

The ASD (Comptroller) will assist the Director, DIS, as necessary, and monitor the progress of implementing actions contained in this memorandum.

## BRIEF DESCRIPTION OF INSTITUTE COURSES

Industrial Security Basic Course: A one-week course available to U.S. government personnel desiring an orientation in the Defense Industrial Security Program (DISP). No security clearance required.

Industrial Security Specialist Course: A six-week course for U.S. government personnel who require training to perform as staff specialists or as industrial security representatives at cognizant security office level. Secret security clearance required.

Industrial Security Career Course: A one-week course for U.S. government industrial security personnel who have been in the DISP for three to five years. Secret security clearance required.

Industrial Security Management Course: A one-week course for civilian personnel employed by contractors who have been issued a facilities clearance under the DISP. Also offered as a field extension. No security clearance required.

Industrial Security Executive Seminar: A one-week course offered for executive level industry and U.S. government personnel involved with the DISP. Held even-numbered years. Attendance is by invitation only. Secret security clearance required.

Industrial Facilities Protection Course: A one-week course for personnel of industrial facilities participating in the Defense Industrial Facilities Protection Program (DIFPP) or personnel of industry and governmental agencies whose duties include national emergency, mobilization, or disaster planning. Also offered as a field extension. No security clearance required.

Industrial Facilities Protection Executive Seminar: A one-week course designated to provide executive level personnel of government and industry who are engaged in the DIFPP a forum for the exchange of ideas and experiences culminating in recommendations for improving the program. Held in odd-numbered years. Attendance is by invitation only. No security clearance required.

Information Security Management Course: A two-week course for U.S. government and industry personnel involved in the administration and safeguarding of classified material. Industry personnel attend the second week only. Also offered as a three-day orientation (field extension). No security clearance required.

International Industrial Security Orientation Conference: A one-week course offered every two years for representatives of selected foreign governments. Attendance is by invitation only.

DEFENSE CENTRAL INDEX OF INVESTIGATIONS (DCII)

- File size is 18-million records
- 39 on-line terminals access the system
- In addition to DoD, the following non-DoD agencies/offices are authorized access:

Executive Office of the President  
Action  
Agency for International Development  
Central Intelligence Agency  
Environmental Protection Agency  
Federal Emergency Management Agency  
International Communication Agency  
Bureau of Engraving and Printing  
Government Printing Office  
Department of Agriculture  
Department of Commerce  
Department of Education  
Department of Energy  
Department of Health and Human Resources  
Department of Housing and Urban Development  
Department of Interior  
Department of Justice  
Department of Labor  
Department of State  
Department of Transportation  
Department of Treasury  
Drug Enforcement Administration  
Federal Bureau of Investigation  
Federal Communication Commission  
Federal Highway Administration  
Federal Trade Commission  
General Services Administration  
Geological Survey National Center  
Goddard Space Flight Center  
National Aeronautics and Space Administration  
Immigration and Naturalization Service  
Internal Revenue Service  
National Park Service  
U.S. Customs Service  
U.S. Postal Service  
U.S. Secret Service  
Library of Congress  
National Labor Relations Board  
Nuclear Regulatory Commission  
Office of Management and Budget  
Office of Personnel Management  
Securities and Exchange Commission  
Small Business Administration

Social Security Administration  
Veteran Administration  
Export - Import Bank of U.S.  
U.S. Arms Control and Disarmament Agency  
U.S. Coast Guard  
U.S. General Accounting Office  
U.S. International Trade Commission

ADMINISTRATIVE MANAGEMENT SYSTEMS

Civilian Personnel Management Information Systems  
Table of Distribution Systems  
DCII Disclosure Accounting System  
Tape Library System  
Military Personnel Management System  
Operator Analysis Reporting System  
Logistics Management Information System  
Job Accounting Report System  
Workload/Manhour Reporting System  
Automated Scoping Guide System  
\*Army Drug Reporting System  
\*Criminal Research and Statistical System  
\*Army Case Control System  
\*\*Joint Adjudication Clearance System  
\*\*\*Mechanization of Contract Administration Services

\*User of reports generated from these systems is the Crime Records Directorate, USACIDC. All other systems listed above generate reports used by DIS staff.

\*\*User of reports generated by this system include all Military Services.

\*\*\*Managed by DLA but services are funded by DIS.



DEPARTMENT OF THE AIR FORCE  
WASHINGTON, D.C. 20330

OFFICE OF THE SECRETARY

January 19, 1981

MEMORANDUM FOR DIRECTOR, FREEDOM OF INFORMATION AND SECURITY REVIEW

SUBJECT: U.S. New and World Report and the Armed Forces Journal  
Freedom of Information Requests for Transition Issue Papers  
(DFOI-81-44; DFOI-81-49)

In response to the November 11, 1980 Memorandum from Special Assistant Secretary of Defense, Peter Hamilton, subject: Transition Coordination, the Department of the Air Force prepared a transition book entitled "Administrative and Personal Orientation for Newly Appointed Officials." All contents of the book have been determined to be releasable. Two copies of the book are enclosed with this memorandum.

No documents have been determined to be partially releasable.

In addition to the enclosures, the Department of the Air Force provided programming and budgeting information in response to Mr. Hamilton's memorandum. The programming and budgeting information is classified in its entirety and is determined not to be releasable because it contains information that, if disclosed, would cause at least identifiable damage to the national security. This information is exempt from disclosure under 5 USC 552(b) (1) and Air Force Regulation 12-30, paragraph 10a. The undersigned is the initial denial authority.

ROBERT W. CRITTENDEN  
Deputy Administrative Assistant



DEPARTMENT OF THE AIR FORCE

WASHINGTON, D. C. 20330

OFFICE OF THE SECRETARY

January 19, 1981

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Deputy Administrative Assistant

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**DEPARTMENT OF DEFENSE**

**Organization Chart**

**DoD Directive 5100.1—Functions  
of the Department of Defense and  
its major components**





January 26, 1980  
NUMBER 5100.1

## Department of Defense Directive

ASD(C)

SUBJECT: Functions of the Department of Defense and its Major Components

- References:
- (a) DoD Directive 5100.1, subject as above, December 31, 1958 (hereby canceled)
  - (b) Title 50, United States Code, Section 401, Section 2 of the National Security Act of 1947, as amended
  - (c) DoD Directive 5158.1, "Organization of the Joint Chiefs of Staff and Relationships with the Office of the Secretary of Defense," January 26, 1980
  - (d) Title 10, United States Code, Section 125, (National Security Act of 1947, as amended)

### A. REISSUANCE AND PURPOSE

1. This Directive reissues reference (a).
2. Under the authority of reference (b), Congress described the basic policy embodied in the Act as follows:

"In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide a Department of Defense, including the three military departments of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force under the direction, authority, and control of the Secretary of Defense; to provide that each military department shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense; to provide for their unified direction under civilian control of the Secretary of Defense but not to merge these departments or services; to provide for the establishment of unified or specified combatant commands, and a clear and direct line of command to such commands; to eliminate unnecessary duplication in the Department of Defense, and particularly in the field of research and engineering by vesting its overall direction and control in the Secretary of Defense; to provide more effective, efficient, and economical administration in the Department of Defense; to provide for the unified strategic direction of the combatant

forces, for their operation under unified command, and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an overall armed forces general staff."

3. To provide guidance in accordance with the policy declared by Congress, the Secretary of Defense, with the approval of the President, hereby promulgates the following statement of the functions of the Department of Defense and its major components.

**B. ORGANIZATIONAL RELATIONSHIPS IN THE DEPARTMENT OF DEFENSE**

1. All functions in the Department of Defense and its component agencies are performed under the direction, authority, and control of the Secretary of Defense.

2. The Department of Defense includes the Office of the Secretary of Defense, the Military Departments and the Military Services within those Departments, the Organization of the Joint Chiefs of Staff, the Unified and Specified Commands, and such other agencies as the Secretary of Defense establishes to meet specific requirements.

a. In providing immediate staff assistance and advice to the Secretary of Defense, the Office of the Secretary of Defense and the Organization of the Joint Chiefs of Staff, though separately identified and organized, function in full coordination and cooperation in accordance with DoD Directive 5158.1 (reference (c)).

(1) The Office of the Secretary of Defense includes the offices of the Under Secretaries of Defense; Assistant Secretaries of Defense; the General Counsel of the Department of Defense; the Assistants to the Secretary of Defense; and such other staff offices as the Secretary of Defense establishes to assist him in carrying out his duties and responsibilities. The functions of the heads of these offices shall be as assigned by the Secretary of Defense in accordance with existing laws.

(2) The Joint Chiefs of Staff, as a group, are directly responsible to the Secretary of Defense for the functions assigned to them. Each member of the Joint Chiefs of Staff, other than the Chairman, is responsible for keeping the Secretary of his Military Department fully informed on matters considered or acted upon by the Joint Chiefs of Staff.

b. Each Military Department (the Department of the Navy to include naval aviation and the United States Marine Corps) shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense. The Secretary of a Military Department shall be responsible to the Secretary of Defense for the operation of such Department as well as its

Jan 26, 80  
5100.1

efficiency. Orders to the Military Departments shall be issued through the Secretaries of these Departments, or their designees, by the Secretary of Defense or under authority specifically delegated in writing by the Secretary of Defense or provided by law.

c. Commanders of Unified and Specified Commands are responsible to the President and the Secretary of Defense for the accomplishment of the military missions assigned to them. The chain of command runs from the President to the Secretary of Defense and through the Joint Chiefs of Staff to the commanders of Unified and Specified Commands. Orders to such commanders shall be issued by the President or the Secretary of Defense, or by the Joint Chiefs of Staff by the authority and direction of the Secretary of Defense. These commanders shall have full operational command over the forces assigned to them and shall perform such functions as are prescribed by the Unified Command Plan and other directives issued by competent authority.

3. The functions assigned hereafter may be transferred, reassigned, abolished, or consolidated by the Secretary of Defense in accordance with the procedures established and the authorities provided in the National Security Act of 1947, as amended (10 U.S.C. 125) (reference (d)).

#### C. FUNCTIONS OF THE DEPARTMENT OF DEFENSE

As prescribed by higher authority, the Department of Defense shall maintain and employ armed forces to:

1. Support and defend the Constitution of the United States against all enemies, foreign and domestic.
2. Ensure, by timely and effective military action, the security of the United States, its possessions, and areas vital to its interest.
3. Uphold and advance the national policies and interests of the United States.
4. Safeguard the internal security of the United States.

#### D. FUNCTIONS OF THE JOINT CHIEFS OF STAFF

The Joint Chiefs of Staff, consisting of the Chairman; the Chief of Staff, U.S. Army; the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; and the Commandant of the Marine Corps, and supported by the Organization of the Joint Chiefs of Staff, constitute the immediate military staff of the Secretary of Defense. The Joint Chiefs of Staff are the principal military advisers to the President, the National Security Council, and the Secretary of Defense. In performance of their functions of advising and assisting the Secretary of Defense, and subject to the authority and direction of the President and the Secretary of Defense, it shall be the duty of the Joint Chiefs of Staff to:

1. Serve as advisers and as military staff in the chain of operational command with respect to Unified and Specified Commands, to provide a channel of communications from the President and Secretary of Defense to Unified and Specified Commands, and to coordinate all communications in matters of joint interest addressed to the commanders of the Unified or Specified Commands by other authority.

2. Prepare strategic plans and provide for the strategic direction of the armed forces, including the direction of operations conducted by commanders of Unified and Specified Commands and the discharge of any other function of command for such commands directed by the Secretary of Defense.

3. Prepare joint logistic plans and assign logistic responsibilities to the Military Services and the Defense Logistics Agency in accordance with those plans; ascertain the logistic support available to execute the general war and contingency plans of the commanders of the Unified and Specified Commands; review and recommend to the Secretary of Defense appropriate logistic guidance for the Military Services which, if implemented, shall result in logistic readiness consistent with the approved strategic plans.

4. Prepare integrated plans for military mobilization.

5. Provide adequate, timely, and reliable joint intelligence for use within the Department of Defense.

6. Review major personnel, materiel, and logistic requirements of the armed forces in relation to strategic and logistic plans.

7. Review the plans and programs of commanders of Unified and Specified Commands to determine their adequacy, feasibility, and suitability for the performance of assigned missions.

8. Provide military guidance for use by the Military Departments, the armed forces, and the defense agencies in the preparation of their respective detailed plans.

9. Participate, as directed, in the preparation of combined plans for military action in conjunction with the armed forces of other nations.

10. Recommend to the Secretary of Defense the establishment and force structure of Unified and Specified Commands in strategic areas.

11. Determine the headquarters support, such as facilities, personnel, and communications, required by commanders of Unified and Specified Commands, and recommend the assignment to the Military Departments of the responsibilities for providing such support.

12. Establish doctrines for unified operations and training, and for coordination of the military education of members of the armed forces.

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5100.1

13. Recommend to the Secretary of Defense the assignment of primary responsibility for any function of the armed forces requiring such determination and the transfer, reassignment, abolition, or consolidation of such functions.

14. Prepare and submit to the Secretary of Defense, for information and consideration in connection with the preparation of budgets, statements of military requirements based upon U.S. strategic considerations, current national security policy, and strategic war plans. These statements of requirements shall include tasks, priority of tasks, force requirements, and general strategic guidance for developing military installations and bases and for equipping and maintaining military forces.

15. Advise and assist the Secretary of Defense in research and engineering matters by preparing: statements of broad strategic guidance to be used in the preparation of an integrated DoD program; statements of overall military requirements; statements of the relative military importance of development activities to meet the needs of the Unified and Specified commands; and recommendations for the assignment of specific new weapons to the armed forces.

16. Prepare and submit to the Secretary of Defense for information and consideration general strategic guidance for the development of industrial mobilization programs.

17. Prepare and submit to the Secretary of Defense military guidance for use in the development of military aid programs and other actions relating to foreign military forces, including recommendations for allied military force, materiel, and facilities requirements related to U.S. strategic objectives, current national security policy, strategic war plans, and the implementation of approved programs; and make recommendations to the Secretary of Defense, as necessary, to keep the Military Assistance Program in consonance with agreed strategic concepts.

18. Provide U.S. representation on the Military Staff Committee of the United States Mission to the United Nations, in accordance with the provisions of the Charter of the United Nations, and representation on other properly authorized military staffs, boards, councils, and missions.

19. Perform such other duties as the President or the Secretary of Defense may prescribe.

#### E. FUNCTIONS OF THE MILITARY DEPARTMENTS AND THE MILITARY SERVICES

1. The chain of command for purposes other than the operational direction of Unified and Specified Commands runs from the President to the Secretary of Defense to the Secretaries of the Military Departments.

2. The Military Departments, under their respective Secretaries and in accordance with sections B. and D., shall:

a. Prepare forces and establish reserves of equipment and supplies for the effective prosecution of war; and plan for the expansion of peacetime components to meet the needs of war.

b. Maintain mobile reserve forces in readiness, properly organized, trained, and equipped for employment in an emergency.

c. Provide adequate, timely, and reliable departmental intelligence for use within the Department of Defense.

d. Organize, train, and equip forces for assignment to Unified or Specified Commands.

e. Recommend appropriate logistic guidance to the Secretary of Defense for their respective Military Departments that, if implemented, will result in logistic readiness consistent with approved strategic guidance; and verify the continuing adequacy of approved logistic guidance and the resources available to their respective Military Departments.

f. Prepare and submit budgets to the Secretary of Defense for their respective Departments; justify budget requests before the Congress as approved by the Secretary of Defense; and administer the funds made available for maintaining, equipping, and training the forces of their respective Departments, including those assigned to Unified and Specified Commands. The budget submissions to the Secretary of Defense by the Military Departments shall be prepared, among other considerations, on the basis of the advice of commanders of forces assigned to Unified and Specified Commands. Such advice, in the case of component commanders of Unified Commands, will be in agreement with the plans and programs of the respective Unified commanders.

g. Conduct research; develop tactics, techniques, and organization; and develop and procure weapons, equipment, and supplies essential to fulfill the functions hereafter assigned.

h. Develop, garrison, supply, equip, and maintain bases and other installations, including lines of communication, and provide administrative and logistic support for all forces and bases.

i. Provide, as directed, such forces, military missions, and detachments for service in foreign countries as may be required to support the national interest of the United States.

j. Assist in training and equipping the military forces of foreign nations.

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k. Assist each other in the accomplishment of their respective functions, including the provision of personnel, intelligence, training, facilities, equipment, supplies, and services.

3. The forces developed and trained to perform the primary functions set forth hereafter shall be employed to support and supplement the other Military Services in carrying out their primary functions, where and whenever such participation shall result in increased effectiveness and shall contribute to the accomplishment of the overall military objectives. As for collateral functions, while the assignment of such functions may establish further justification for stated force requirements, such assignment shall not be used as the basis for establishing additional force requirements.

a. Functions of the Department of the Army

(1) The Department of the Army is responsible for the preparation of land forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Army to meet the needs of war.

(2) The Army, within the Department of the Army, includes land combat and service forces and such aviation and water transport as may be organic therein.

(3) The primary functions of the Army are to:

(a) Organize, train, and equip Army forces for the conduct of prompt and sustained combat operations on land; specifically, forces to defeat enemy land forces and to seize, occupy, and defend land area.

(b) Organize, train, and equip Army air defense units, including the provision of Army forces as required for the defense of the United States against air attack, in accordance with doctrines established by the Joint Chiefs of Staff.

(c) Organize, equip, and provide Army forces in coordination with the other Services, for joint amphibious and airborne operations, and to provide for the training of such forces, in accordance with doctrines established by the Joint Chiefs of Staff.

1 Develop, in coordination with the other Services, doctrines, tactics, techniques, and equipment of interest to the Army for amphibious operations not provided for in E.3.b.(3)(b)3 and E.3.b.(3)(d).

2 Develop, in coordination with the other Military Services, the doctrines, procedures, and equipment employed by Army and Marine Forces in airborne operations. The Army shall have primary

interest in the development of those airborne doctrines, procedures, and equipment that are of common interest to the Army and the Marine Corps.

(d) Provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Army.

(e) Provide forces for the occupations of territories abroad, to include the initial establishment of military government pending the transfer of this responsibility to other authority.

(f) Formulate doctrines and procedures for the organizing, equipping, training, and employment of forces operating on land, except that the formulation of doctrines and procedures for the organization, equipping, training, and employment of Marine Corps' units for amphibious operations shall be a function of the Department of the Navy, coordinating as required by E.3.b.(3)(b)3.

(g) Conduct the following activities:

1 Functions relating to the management and operation of the Panama Canal as assigned by the Secretary or Deputy Secretary of Defense.

2 The authorized civil works program, including projects for improvement of navigation, flood control, beach erosion control, and other water resource developments in the United States, its territories, and its possessions.

3 Certain other civil activities prescribed by law.

(4) The collateral functions of the Army are to train forces to interdict enemy sea and air power and communications through operations on or from land.

b. Functions of the Department of the Navy

(1) The Department of the Navy is responsible for the preparation of Navy and Marine Corps forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Navy and Marine Corps to meet the needs of war.

(2) Within the Department of the Navy, the Navy includes naval combat and service forces and such aviation as may be organic therein, and the Marine Corps includes not less than three combat divisions and three air wings and such other land combat, aviation, and other services as may be organic therein.

(3) The primary functions of the Navy and the Marine Corps are to:

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(a) Organize, train, and equip Navy and Marine Corps forces for the conduct of prompt and sustained combat operations at sea, including operations of sea-based aircraft and land-based naval air components, specifically, forces to seek out and destroy enemy naval forces and to suppress enemy sea commerce, to gain and maintain general naval supremacy, to control vital sea areas, to protect vital sea lines of communication, to establish and maintain local superiority (including air) in an area of naval operations, to seize and defend advanced naval bases, and to conduct such land and air operations as may be essential to the prosecution of a naval campaign.

(b) Maintain the Marine Corps, whose specific functions are to:

1 Provide Fleet Marine forces of combined arms, together with supporting air components, for service with the Fleet in the seizure or defense of advanced naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign. These functions do not contemplate the creation of a second land Army.

2 Provide detachments and organizations for service on armed vessels of the Navy, and security detachments for the protection of naval property at naval stations and bases.

3 Develop, in coordination with the other Military Services, the doctrines, tactics, techniques, and equipment employed by landing forces in amphibious operations. The Marine Corps shall have primary interest in the development of those landing force doctrines, tactics, techniques, and equipment that are of common interest to the Army and the Marine Corps.

4 Train and equip, as required, Marine Forces for airborne operations in coordination with the other Military Services and in accordance with doctrines established by the Joint Chiefs of Staff.

5 Develop, in coordination with the other Military Services, doctrines, procedures, and equipment of interest to the Marine Corps for airborne operations not provided in E:3.a.(3)(c)2.

(c) Organize and equip, in coordination with the other Military Services, and provide naval forces, including naval close air-support forces, for the conduct of joint amphibious operations, and be responsible for the amphibious training of all forces assigned to joint amphibious operations, in accordance with doctrines established by the Joint Chiefs of Staff.

(d) Develop, in coordination with the other Military Services, the doctrines, procedures, and equipment of naval forces for amphibious operations, and the doctrines and procedures for joint amphibious operations.

(e) Furnish adequate, timely, and reliable intelligence for the Navy and Marine Corps.

(f) Organize, train, and equip naval forces for naval reconnaissance, antisubmarine warfare, and the protection of shipping and minelaying, including the air aspects thereof, and controlled mine-field operations.

(g) Provide air support essential for naval operations.

(h) Provide sea-based air defense and the sea-based means for coordinating control for defense against air attack, coordinating with the other Military Services in matters of joint concern.

(i) Provide naval forces, including naval air forces, for the defense of the United States against air attack, in accordance with doctrines established by the Joint Chiefs of Staff.

(j) Furnish aerial photography, as necessary, for Navy and Marine Corps operations.

(4) The collateral functions of the Navy and the Marine Corps are to train forces to:

(a) Interdict enemy land and air power and communications through operations at sea.

(b) Conduct close air and naval support for land operations.

(c) Furnish aerial photography for cartographic purposes.

(d) Participate in the overall air effort, when directed.

(e) Establish military government, as directed, pending transfer of this responsibility to other authority.

c. Functions of the Department of the Air Force

(1) The Department of the Air Force is responsible for the preparation of the air forces necessary for the effective prosecution of war, except as otherwise assigned, and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Air Force to meet the needs of war.

(2) The Air Force, within the Department of the Air Force, includes aviation forces, both combat and service, not otherwise assigned.

(3) The primary functions of the Air Force are to:

(a) Organize, train, and equip Air Force forces for the conduct of prompt and sustained combat operations in the air, specifically,

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forces to defend the United States against air attack in accordance with doctrines established by the Joint Chiefs of Staff, to gain and maintain general air supremacy, to defeat enemy air forces, to control vital air areas, and to establish local air superiority, except as otherwise assigned herein.

(b) Develop doctrines and procedures, in coordination with the other Military Services, for the unified defense of the United States against air attack.

(c) Organize, train, and equip Air Force forces for strategic air warfare.

(d) Organize and equip Air Force forces for joint amphibious and airborne operations, in coordination with the other Military Services, and provide for their training in accordance with doctrines established by the Joint Chiefs of Staff.

(e) Furnish close combat and logistical air support to the Army, to include air lift, support, and resupply of airborne operations, aerial photography, tactical reconnaissance, and interdiction of enemy land power and communications.

(f) Provide air transport for the armed forces, except as otherwise assigned.

(g) Develop, in coordination with the other Military Services, doctrines, procedures, and equipment for air defense from land areas, including the continental United States.

(h) Formulate doctrines and procedures for the organizing, equipping, training, and employment of Air Force forces.

(i) Provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Air Force.

(j) Furnish aerial photography for cartographic purposes.

(k) Develop, in coordination with the other Military Services, tactics, techniques, and equipment of interest to the Air Force for amphibious operations not provided in E.3.b.(3)(b)3 and E.3.b.(3)(d).

(l) Develop, in coordination with the other Military Services, doctrines, procedures, and equipment employed by Air Force forces in airborne operations.

(4) The collateral functions of the Air Force are to train forces to:

(a) Interdict enemy sea power through air operations.

(b) Conduct antisubmarine warfare and protect shipping.

(c) Conduct aerial minelaying operations.

**F. FUNCTIONS OF DoD AGENCIES**

1. Defense Advanced Research Projects Agency (DARPA). See DoD Directive 5105.41, June 8, 1978.

2. Defense Audit Service (DAS). See DoD Directive 5105.48, October 14, 1976.

3. Defense Audiovisual Agency (DAVA). See DoD Directive 5040.1, June 12, 1979.

4. Defense Communications Agency (DCA). See DoD Directive 5105.19, August 10, 1978.

5. Defense Contract Audit Agency (DCAA). See DoD Directive 5105.36, June 8, 1978.

6. Defense Intelligence Agency (DIA). See DoD Directive 5105.21, May 19, 1977.

7. Defense Investigative Service (DIS). See DoD Directive 5105.42, July 19, 1978.

8. Defense Logistics Agency (DLA). See DoD Directive 5105.22, June 8, 1978.

9. Defense Mapping Agency (DMA). See DoD Directive 5105.40, August 10, 1978.

10. Defense Nuclear Agency (DNA). See DoD Directive 5105.31, November 3, 1971.

11. Defense Security Assistance Agency (DSAA). See DoD Directive 5105.38, August 10, 1978.

12. The National Security Agency and the Central Security Service. See DoD Directive S-5100.20, December 23, 1971.

**G. EFFECTIVE DATE**

This Directive is effective immediately.



W. Graham Claytor, Jr.  
Deputy Secretary of Defense

**DEPARTMENT OF THE AIR FORCE**

Organization Chart.

Air Force Mission

Development of the Air Force and its Mission

Functions of the Secretary of the Air Force

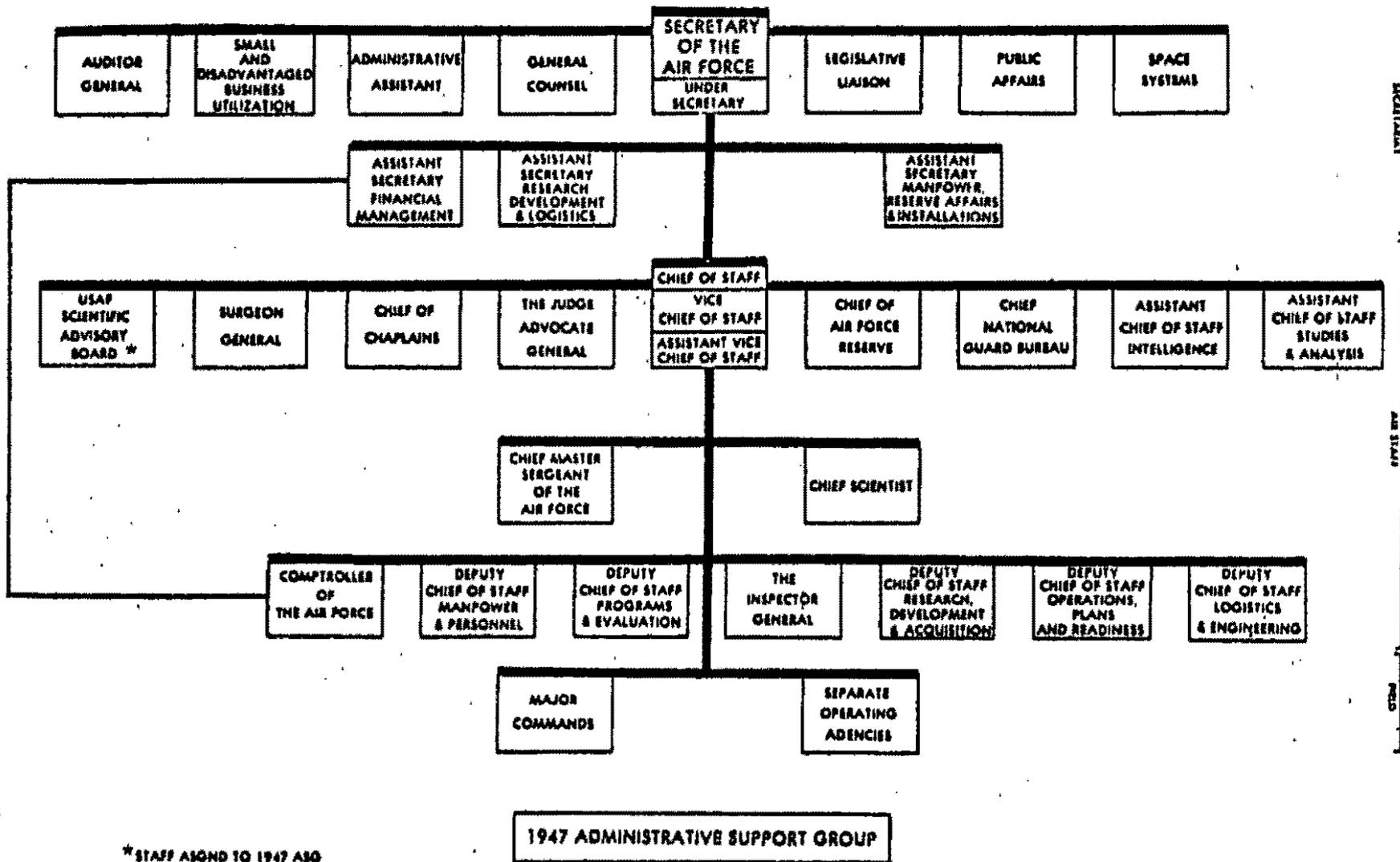
Functions of the Air Staff

Functions of the Major Air Commands

Functions of Separate Operating Agencies

The Organizational Doctrine and Procedural Concept of the

Air Staff



\*STAFF ALIQUID TO 1947 ASG

## AIR FORCE MISSION

Extract from DOD Directive Number 5100.1

**SUBJECT: Functions of the Department of Defense and its Major Components**

### Functions Of The Military Departments And The Military Services

1. The chain of command for purposes other than the operational direction of Unified and Specified Commands runs from the President to the Secretary of Defense to the Secretaries of the Military Departments.

2. The Military Departments, under their respective Secretaries and in accordance with sections B. and D., shall:

a. Prepare forces and establish reserves of equipment and supplies for the effective prosecution of war, and plan for the expansion of peacetime components to meet the needs of war.

b. Maintain mobile reserve forces in readiness, properly organized, trained, and equipped for employment in an emergency.

c. Provide adequate, timely, and reliable departmental intelligence for use within the Department of Defense.

d. Organize, train, and equip forces for assignment to Unified or Specified Commands.

e. Recommend appropriate logistic guidance to the Secretary of Defense for their respective Military Departments that, if implemented, will result in logistic readiness consistent with approved strategic guidance; and verify the continuing adequacy of approved logistic guidance and the resources available to their respective Military Departments.

f. Prepare and submit budgets to the Secretary of Defense for their respective Departments; justify budget requests before the Congress as approved by the Secretary of Defense; and administer the funds made available for maintaining, equipping, and training the forces of their respective Departments, including those assigned to Unified and Specified Commands. The budget submissions to the Secretary of Defense by the Military Departments shall be prepared, among other considerations, on the basis of the advice of commanders of forces assigned to Unified and Specified Commands. Such advice, in the case of component commanders of Unified Commands, will be in agreement with the plans and programs of the respective Unified commanders.

g. Conduct research; develop tactics, techniques, and organization; and develop and procure weapons, equipment, and supplies essential to fulfill the functions hereafter assigned.

h. Develop, garrison, supply, equip, and maintain bases and other installations, including lines of communication, and provide administrative and logistic support for all forces and bases.

i. Provide, as directed, such forces, military missions, and detachments for service in foreign countries as may be required to support the national interest of the United States.

j. Assist in training and equipping the military forces of foreign nations.

k. Assist each other in the accomplishment of their respective functions, including the provision of personnel, intelligence, training, facilities, equipment, supplies, and services.

3. The forces developed and trained to perform the primary functions set forth hereafter shall be employed to support and supplement the other Military Services in carrying out their primary functions, where and whenever such participation shall result in increased effectiveness and shall contribute to the accomplishment of the overall military objectives. As for collateral functions, while the assignment of such functions may establish further justification for stated force requirements, such assignment shall not be used as the basis for establishing additional force requirements.

#### Functions of the Department of the Air Force

(1) The Department of the Air Force is responsible for the preparation of the air forces necessary for the effective prosecution of war, except as otherwise assigned, and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Air Force to meet the needs of war.

(2) The Air Force, within the Department of the Air Force, includes aviation forces, both combat and service, not otherwise assigned.

(3) The primary functions of the Air Force are to:

(a) Organize, train, and equip Air Force forces for the conduct of prompt and sustained combat operations in the air, specifically, forces to defend the United States against air attack in accordance with doctrines established by the Joint Chiefs of Staff, to gain and maintain general air supremacy, to defeat enemy air forces, to control vital air areas, and to establish local air superiority, except as otherwise assigned herein.

(b) Develop doctrines and procedures, in coordination with the other Military Services, for the unified defense of the United States against air attack.

(c) Organize, train and equip Air Force forces for strategic air warfare.

(d) Organize and equip Air Force forces for joint amphibious and airborne operations, in coordination with the other Military Services, and provide for their training in accordance with doctrines established by the Joint Chiefs of Staff.

(e) Furnish close combat and logistical air support to the Army, to include air lift, support, and resupply of airborne operations, aerial

photography, tactical reconnaissance, and interdiction of enemy land power and communications.

(f) Provide air transport for the armed forces, except as otherwise assigned.

(g) Develop, in coordination with the other Military Services, doctrines, procedures, and equipment for air defense from land areas, including the continental United States.

(h) Formulate doctrines and procedures for the organizing, equipping, training, and employment of Air Force forces.

(i) Provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Air Force.

(j) Furnish aerial photography for cartographic purposes.

(k) Develop, in coordination with the other Military Services, tactics, techniques, and equipment of interest to the Air Force for amphibious operations not provided in E.3.b. (3)(b) and E.3.b.(3)(d).

(l) Develop, in coordination with the other Military Services, doctrines, procedures, and equipment employed by Air Force forces in airborne operations.

(4) The collateral functions of the Air Force are to train forces to:

(a) Interdict enemy sea power through air operations.

(b) Conduct antisubmarine warfare and protect shipping.

(c) Conduct aerial minelaying operations.

## DEVELOPMENT OF THE AIR FORCE

### AND

### ITS MISSION

#### Historic Development and Legislative Authority

1947 - With passage of the National Security Act of 1947, the Congress set up three Departments — an Army, a Navy, and an Air Force. These were Executive Departments. As heads of Executive Departments, the Secretaries were members of the Cabinet and of the National Security Council. A Department of Defense was not created, instead these three Executive Departments formed an amorphous body known as the National Military Establishment. At its head was a Secretary of Defense, who was to exercise general authority, direction and control, but the statute stated that all powers not specifically given to the Secretary of Defense were reserved to the Secretaries of the Military Departments.

1949 - Because this organization was not responsive to national needs and the intent of Congress, the 1949 Amendments completely altered the picture. The 1949 Amendments provided for a single executive department known as the Department of Defense. The Secretary of Defense was to be the principal assistant to the President for all DOD matters. Executive branch status for the three departments was withdrawn. They were to be separately administered under the direction, control and authority of the Secretary of Defense. The Department Secretaries also lost Cabinet and National Security Council membership.

1953 - Based on lessons learned in the Korean War, President Eisenhower submitted Reorganization Plan No. 6 to Congress in 1953. It was designed to more clearly spell out the authority and responsibilities of the Secretary of Defense for more efficient direction of DOD. The most significant aspect of the changes to the Air Force were brought out in the President's Message to Congress in submitting the Plan. He said that the Secretaries of the Departments were to be "operational managers" under the direction of the Secretary of Defense.

1958 - The 1958 Amendment provided significant additions to the Secretary of Defense's power. He was given increased responsibility in connection with military operations. The statute specified that all forces committed to unified and specified commands were responsible to the Secretary of Defense and the President. The Military Departments were no longer required to be "separately administered," but were to be "separately organized." From the 1958 Amendments emerged the organizational pattern we have today. There are two separate and distinct chains of command over the Armed Forces. There is the "operational" chain of command from the President and the Secretary of Defense (through the JCS) to the unified and specified commands. There is the "service" or "logistic support" chain from the President and Secretary of Defense to the Secretaries of the Military Departments. The Departments organize, train and equip the forces, but their employment in combat is through the "operational" chain command.

## SECRETARY OF THE AIR FORCE

The Secretary of the Air Force is responsible for and has the authority to conduct all affairs of the Department of the Air Force. He shall conduct the business of the Department in such manner as the President or the Secretary of Defense may prescribe.

### Former Air Force Secretaries

<u>Secretary</u>	<u>Eff date or EDCSA</u>	<u>Termination or sign out date</u>
W. Stuart Symington	18 Sep 47	24 Apr 50
Thomas K. Finletter (Deceased)	24 Apr 50	20 Jan 53
Harold E. Talbott (Deceased)	4 Feb 53	13 Aug 55
Donald A. Quarles (Deceased)	15 Aug 55	30 Apr 57
James H. Douglas, Jr.	1 May 57	10 Dec 59
Dudley C. Sharp	11 Dec 59	20 Jan 61
Eugene M. Zuckert	23 Jan 61	30 Sep 65
Harold Brown	1 Oct 65	14 Feb 69
Robert C. Seamans, Jr.	15 Feb 69	14 May 73
John L. McLucas (Acting)	15 May 73	18 Jul 73
John L. McLucas	19 Jul 73	23 Nov 75
James W. Plummer (Acting)	24 Nov 75	1 Jan 76
Thomas C. Reed	2 Jan 76	5 Apr 77
John C. Stetson	6 Apr 77	18 May 79
Hans M. Mark (Acting)	18 May 79	26 Jul 79
Hans M. Mark	26 Jul 79	

## AIR STAFF

The Air Staff shall furnish professional assistance to the Secretary, the Under Secretary, and the Assistant Secretaries of the Air Force and the Chief of Staff.

The Air Staff shall:

Prepare for such employment of the Air Force and for such recruiting, organizing, supplying, equipping, training, serving, mobilizing, and demobilizing of the Air Force as will assist in the execution of any power, duty, or function of the Secretary or the Chief of Staff.

Investigate and report upon the efficiency of the Air Force and its preparation for military operations.

Prepare detailed instructions for the execution of approved plans and instructions.

Act as agent of the Secretary and the Chief of Staff coordinating the action of all organizations of the Department of the Air Force.

Perform such other duties, not otherwise assigned by law, as may be prescribed by the Secretary.

## MAJOR COMMANDS

### Air Force Communications Command (AFCC)

**Mission:** To provide base and point-to-point communications, flight facilities and air traffic control services primarily to the Air Force but also other agencies, governmental and civil, national and foreign.

### Air Force Logistics Command (AFLC)

**Mission:** To provide worldwide logistics support to the Air Force. This includes procurement, storage, and distribution of supplies and the performance of or arrangement for the performance of depot level maintenance on material.

### Air Force Systems Command (AFSC)

**Mission:** To advance aerospace technology, adapt it into operational aerospace systems, and acquire qualitatively superior aerospace systems and material needed to accomplish the United States Air Force mission.

### Air Training Command (ATC)

**Mission:** To provide individual training for Air Force officers and airmen, and higher education of officers. This includes basic training, and indoctrination for all Air Force recruits; flying training; and technical field, special, and such other training as directed. Education activities operated include the: Air War College, Command and Staff College, Institute of Technology, Extension Course Institute, Leadership and Management Development Center, and Air Force ROTC. It is also charged with the recruiting function for the USAF.

### Alaskan Air Command (AAC)

**Mission:**

1. To conduct, control, and coordinate offensive air operations according to tasks assigned by the Commander-in-Chief, Alaskan Air Command (CINCAL).
2. To provide combat-ready air defense weapon systems, aircraft control and warning elements, and air defense forces within Alaska for employment under the operational control of the CINC, NORAD/CONAD Region.

### Military Airlift Command (MAC)

**Mission:** Provides air transportation for personnel and cargo for all the military services on a worldwide basis. In addition, MAC furnishes weather, rescue, and audiovisual services for the Air Force.

### Pacific Air Forces (PACAF)

**Mission:** To plan, conduct, control and coordinate offensive and defensive air operations in accordance with tasks assigned by the Commander-in-Chief, Pacific Command (CINCPAC).

### **Strategic Air Command (SAC)**

**Mission:** To organize, train, equip, administer, and prepare strategic air forces for combat, including bombardment, missile, special mission, and strategic reconnaissance units and to conduct strategic warning mission for the USAF.

### **Tactical Air Command (TAC)**

**Mission:** To organize, train, and equip forces to participate in tactical air operations. This includes tactical fighter, tactical air reconnaissance, special operations, tactical airlift, close combat air support, logistical air support, and joint amphibious and airborne operations. It is the Air Force component of U.S. Readiness Command and U.S. Atlantic Command. It participates with other services in developing doctrine, procedures, tactics, techniques, training and equipment for joint operations. It provides combat ready air elements to Strike Command.

### **United States Air Forces In Europe (USAFE)**

**Mission:** To plan, conduct, control, and coordinate offensive and defensive air operations in accordance with tasks assigned by the Commander-in-Chief, United States European Command (USCINCEUR).

### **Electronic Security Command (ESC)**

**Mission:** Provides command and control countermeasures products and services (active and passive) in support of HQ USAF and Air Force combat commands. Monitors Air Force communications in all parts of the world to insure compliance with established communication security practices and procedures. Additionally, ESC units occasionally conduct research in communication phenomena in support of various elements of the U.S. Government.

## SEPARATE OPERATING AGENCIES/DIRECT REPORTING UNITS

### Air Force Accounting And Finance Center (AFAFC)

**Mission:** To provide policy and develop systems requirements for Air Force financial accounting, disbursing, and reporting matters; develop all accounting and finance manuals for the Air Force; delegate as required, specific procedural development to major commands; provide technical supervision, advice, and guidance to Air Force accounting and finance field activities; accomplish centralized Air Force accounting and finance operational functions; and perform functions delegated by higher authority such as the Department of Defense Pay Manual (DODPM).

### Air Force Audit Agency (AFAA)

**Mission:** To provide all levels of Air Force management with an independent, objective, and constructive evaluation of the effectiveness and efficiency with which managerial responsibilities (including financial, operational, and support activities) are carried out.

### Air Force Inspection And Safety Center (AFISC)

**Mission:** To determine the status of operational readiness within the commands; evaluate the effectiveness and efficiency of management systems; define problems impeding the effective accomplishment of the Air Force mission; monitor Air Force-wide aircraft, missile and space, nuclear, explosives and ground accident prevention programs; and provide factual information upon which to base corrective actions.

### Air Force Intelligence Service (AFIS)

**Mission:** To provide specialized operating and support intelligence services and timely and reliable aerospace intelligence of primary interest to Headquarters USAF and USAF commanders, worldwide, through the management control of intelligence, special security and communications systems, and intelligence reserve personnel training and utilization programs; research, processing and dissemination of timely intelligence information and intelligence; and direction and performance of specialized collection activities.

### Air Force Manpower And Personnel Center (AFMPC)

**Mission:**

1. To implement Air Force operating policy on the worldwide distribution and management of military personnel, personnel systems, and military personnel records systems.
2. To review war plans and programs, evaluate personnel impact, and develop the capabilities and direct actions required for personnel management during specified contingency operations.
3. To provide for certain civilian personnel operating activities and to develop and maintain Air Force manpower standards through operation of the Air Force Management Engineering Program.

### Air Force Office Of Special Investigations (AFOSI)

**Mission:** To provide criminal, counter-intelligence, personnel security and special investigative services for all Air Force activities; to collect, analyze, and disseminate information of investigative and counter-intelligence significance; and to collect and report information which is pertinent to base security and is available from human sources in the vicinity of oversea US Air Force installations.

### Hq Air Force Reserve (AFRES)

**Mission:** To participate in the formulation of plans and programs which affect AFRES units and their members, and administer those programs; and to provide for personnel administration of the Air Reserve Forces and mobilization of these reserves when needed.

### United States Air Force Academy (USAFA)

**Mission:** To provide instruction and experience to each cadet so that he or she graduates with the knowledge and character essential to leadership and the motivation to become a career officer in the United States Air Force.

### Air Force Engineering And Services Center (AFESC)

**Mission:** To provide specialized engineering and services, technical assistance, and operating support to Air Force bases and organizations. This includes food, laundry, dry cleaning, and linen exchange services; regional civil engineering, and the interdisciplinary civil engineering functions.

### Air Force Commissary Service (AFCOMS)

**Mission:** To provide subsistence support to appropriated and nonappropriated fund food activities and to authorized individual patrons; operates a resale store system to provide service and facilities for the sale of Department of Defense authorized merchandise at the lowest practical price to authorized patrons.

### Air Force Office Of Security Police (AFOSP)

**Mission:** To implement Air Force programs and provide operational policies and practice for the Security of Air Force resources and information and the delivery of law enforcement services.

### Aerospace Defense Center (ADC)

**Mission:** Is the administrative and resource management organization for organizing, training, and equipping Air Force personnel supporting the North American Air Defense Command and Aerospace Defense Command (the Joint Chiefs of Staff specified command) functions.

### Air Force Test And Evaluation Center (AFTEC)

**Mission:** Manages the Air Force Operational Test and Evaluation (OT&E) program; assesses the operation utility of all major and selected non-major Air

Force systems with using, implementing, and supporting commands as required; and is responsible for recommending policy, and for planning, directing, evaluating, and reporting on the Air Force OT&E program.

#### **Albert F. Simpson Historical Research Center (AFSHRC)**

**Mission:** Provides Air Force and DOD-wide military departments and commanders historical assistance in carrying out their assigned missions and responsibilities. Implements the USAF history program (AFR 210-3).

#### **Air National Guard Support Center (ANGSC)**

**MISSION:** To perform the operational and technical tasks associated with manning, equipping, and training Air National Guard units to required readiness levels.

#### **1947 Administrative Support Group (1947 ASG)**

**Mission:**

1. To develop and implement worldwide US Air Force administration policies.
2. To provide essential direct support to HQ USAF and the Air Force Combat Operations Staff (AFCOS), and provide prescribed support to the other activities throughout the National Capital Region.
3. Includes certain Office of the Secretary of the Air Force and Air Staff support functions that receive technical guidance and direction from their respective departmental agencies.

#### **Air Force Combat Operations Staff (AFCOS)**

**Mission:**

1. Provides a readiness-oriented, combat-related structure to support CSAF, as a member of the Joint Chiefs of Staff (JCS), through the Air Force JCS Operations deputy.
2. Serves as the permanent nucleus of a centralized, highly responsive, and integrated combat support structure.
3. Monitors and reports the day-to-day readiness status (JCS Force Status and Identity Report) of US Air Force combat and combat support forces.
4. Provides facilities, procedures, and immediate action staff for supporting unified and specified command operations during periods of crisis, contingency, and exercise situations.

#### **Air Force Legal Services Center (AFLSC)**

**Mission:** AFLSC provides legal services Air Force-wide in the functional areas of military justice, patents, claims and tort litigation, general litigation, labor law, preventive law, and legal aid. It manages personnel programs for active duty and reserve judge advocates, and airmen and civilians assigned to legal services.

It also administers the federal legal information through electronics (FLITE) program for the Air Force, which is the executive agent for the Department of Defense (DOD).

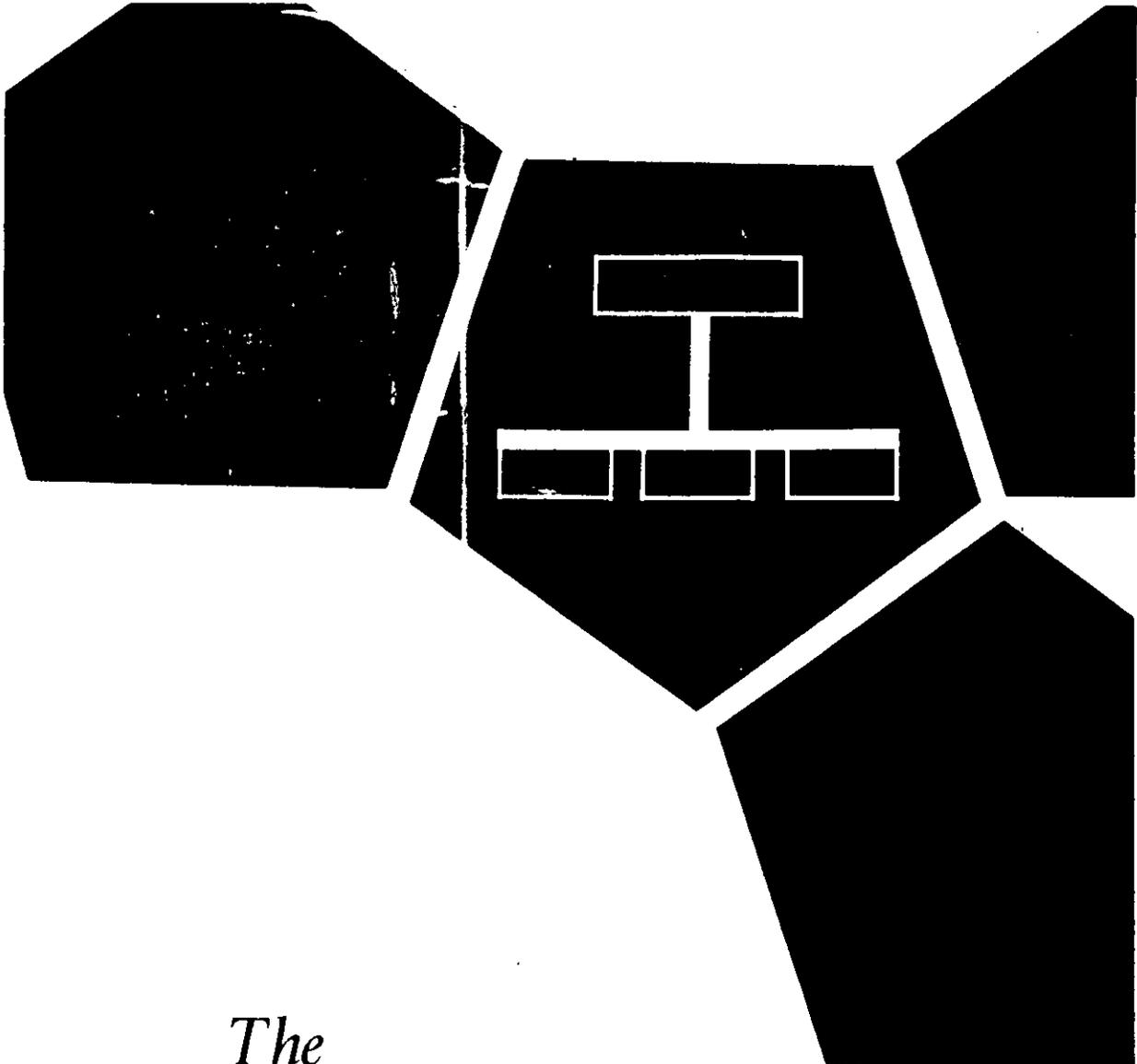
#### **Air Force Medical Service Center (AFMSC)**

##### **Mission:**

1. Assists the Air Force Surgeon General (HQ USAF/SG) in the development of practices and policies relative to the delivery of currently existing and emergent health care in peacetime and wartime environments.
2. Acts as the Air Force Surgeon General's agent for implementation of HQ USAF/SG approved and directed policies, studies, and management/administrative research.
3. Performs studies and research in support of development and implementation of HQ USAF/SG policies.

#### **Air Force Service Information And News Center (AFSINC)**

**Mission:** The Center provides Air Force-wide services to help Air Force commanders in carrying out their missions by planning and executing the US Air Force Internal Information program.



*The  
Organizational Doctrine  
and Procedural Concepts  
of the Air Staff*

DEPARTMENT OF THE AIR FORCE

HP 20-1  
14 November 1980

## *The Air Staff*

*The Air Staff, by law, consists of the Chief of Staff, the Vice Chief, not more than five Deputy Chiefs of Staff, and other military and civilian personnel assigned under directives issued by higher authorities.*

*This pamphlet confines its primary discussion to Air Staff organizational doctrine and operational procedures.*

The  
*Organizational  
and  
Doctrinal  
Procedural Concepts  
of the Air Staff*

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1980

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**DEPARTMENT OF THE AIR FORCE**  
**OFFICE OF THE CHIEF OF STAFF**  
**UNITED STATES AIR FORCE**  
**WASHINGTON, D.C. 20330**



**FOREWORD**

This pamphlet is a reference document that explains basic Air Staff organization and procedures.

The principles addressed have proved to be most useful in the conduct of Air Staff business. Adherence to these principles will aid in improving communication, easing coordination, helping our decision making, and fostering unity of purpose and understanding.

A handwritten signature in black ink, appearing to read "M. L. Boswell".

**M. L. BOSWELL, Lt General, USAF**  
**Assistant Vice Chief of Staff**

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## INTRODUCTION

This pamphlet discusses the three basic elements of Air Staff organization.

- its legal basis.
- the philosophy, based on the legal charter, that guides it.
- the rules that guide members in their daily jobs.

Many readers have had previous Air Staff duty or background in staff work. For them, this pamphlet is a refresher. For officers without Air Staff experience, it provides helpful insight. It does not provide instructions for solving specific problems. This is done in Air Staff standard directives and Headquarters Operating Instructions (HOIs).

## SECTION ONE—THE AIR STAFF UNDER THE LAW

The National Security Act of 1947 is the legal basis for the US Air Force. It made the Air Force an agency of the Department of Defense (DOD). The law is discussed in title 10 U.S.C., sections 8011 through 8079.

The DOD Reorganization Act of 1958 removed the Air Force from the chain of operational command. Its mission now is to organize, train, equip, and support the combat forces in the unified and specified commands. The unified

and specified commanders report to the President and the Secretary of Defense, through the Joint Chiefs. In brief, the act left the Air Force the job of resource management and maintenance of combat readiness.

Air Staff members must be familiar with title 10 U.S.C. The Air Force sections are in one volume in the Pentagon library.

## SECTION TWO—ORGANIZATION OBJECTIVES AND PRINCIPLES

The Air Force organizational objectives and principles are in AFR 26-2. The Air Staff uses five other principles to guide it.

The principles are functionality, integration, flexibility, simplicity, and decentralization.

### Functionality

Jobs are based on well explained specialties.

Organization charts and job descriptions help each member know what he or she must do.

### Integration

Air Staff offices depend on one another; therefore, many tasks must be molded into a single management system. Integration helps managers at all levels make decisions.

### Flexibility

Flexibility lets the Air Staff respond to change. It also helps to rid us of out-of-date functions and procedures. Flexibility implies that we question old ways.

### Simplicity

Simplicity means clear lines of authority, distinct assignment of responsibilities, and a staff large enough for the mission, but no larger. It is the opposite of over-organization.

### Decentralization

Decisions are made at the lowest level possible. Today's

defense problems demand centralized control at the top, but jobs must be performed at lower levels.

## THE AIR STAFF'S ROLE

The Air Staff should retain only jobs that:

- cannot be delegated or decentralized because of law;
- the Secretary of the Air Force and the Chief of Staff need to supervise the Air Force;
- the Chief of Staff needs to represent the Air Force in the Joint Chiefs of Staff (JCS);
- are needed to respond to the Secretary of Defense;
- are required to shape the Air Force of the future.

The Air Staff role (figure 1) is to:

- establish basic policies, programs, and priorities for the Air Force worldwide.
- provide guidance and policy to the major commands.
- analyze resource needs and expenditures.
- obtain, control, and allocate the resources (human, financial, and material) needed for supporting the combat forces.
- conduct inspections in the field to find deficiencies, and to make sure they are corrected.
- guide the development, production, and use of Air Force systems.



Figure 1. The Air Staff Role.

### SECTION THREE—HOW WE ARE ORGANIZED

#### BASIC CONCEPT

The five principles mentioned in section two are basic to the "integrated staff concept." The main element is functionality.

Figure 2 shows the integrated staff concept. This structure meets legal requirements and helps the Chief of Staff complete his job.

Directorates have responsibility for day-to-day Air Staff supervision. The Deputy Chiefs of Staff provide guidance and policy for related groups of directorates.

#### ORGANIZATIONAL LEVELS

Each Air Staff level has a distinct relationship to the Chief of Staff and other Air Staff offices. They are the:

- Chief of Staff and Vice Chief of Staff (including the Assistant Vice Chief of Staff);
- Special Staff Offices;
- Deputy Chiefs of Staff;
- "Assistants For";
- Directorates;
- Divisions;
- Branches; and
- Sections.

The general purpose for each level is discussed below. See HOI 21-10 for details.

#### Chief of Staff

The Chief of Staff is responsible to the Secretary of the Air Force for the Air Force readiness. The Vice Chief of Staff, whose duties are interchangeable according to the wishes of the Chief, helps him. The only exception is that the Chief of Staff is a member of the JCS. This job requires a special alternate, "Operations Deputy for JCS Matters." It is filled by the Deputy Chief of Staff, Operations, Plans & Readiness.

As a member of the JCS, the Chief is a prime military advisor to the President, the National Security Council, the

Secretary of Defense, and the Secretary of the Air Force.

In summary, the Chief of Staff is involved in JCS matters, with outside demands from the public, the Congress, etc. The tasks that are assigned to his position by law cannot be delegated.

#### Vice Chief of Staff

The Vice Chief assists the Chief of Staff, devoting most of his attention to supervising the Air Force.

He is also Chairman of the Air Force Council.

#### Assistant Vice Chief of Staff

The Assistant Vice Chief of Staff supervises and makes sure that the Air Staff operates smoothly. He makes decisions delegated to him by the Vice Chief, signs communications, and resolves differences within the Air Staff. He is a member of the Air Force Council. The Director of Administration helps the Assistant Vice Chief and is also responsible for worldwide administrative policies, procedures, and programs. Figure 2 shows the special placement of this official.

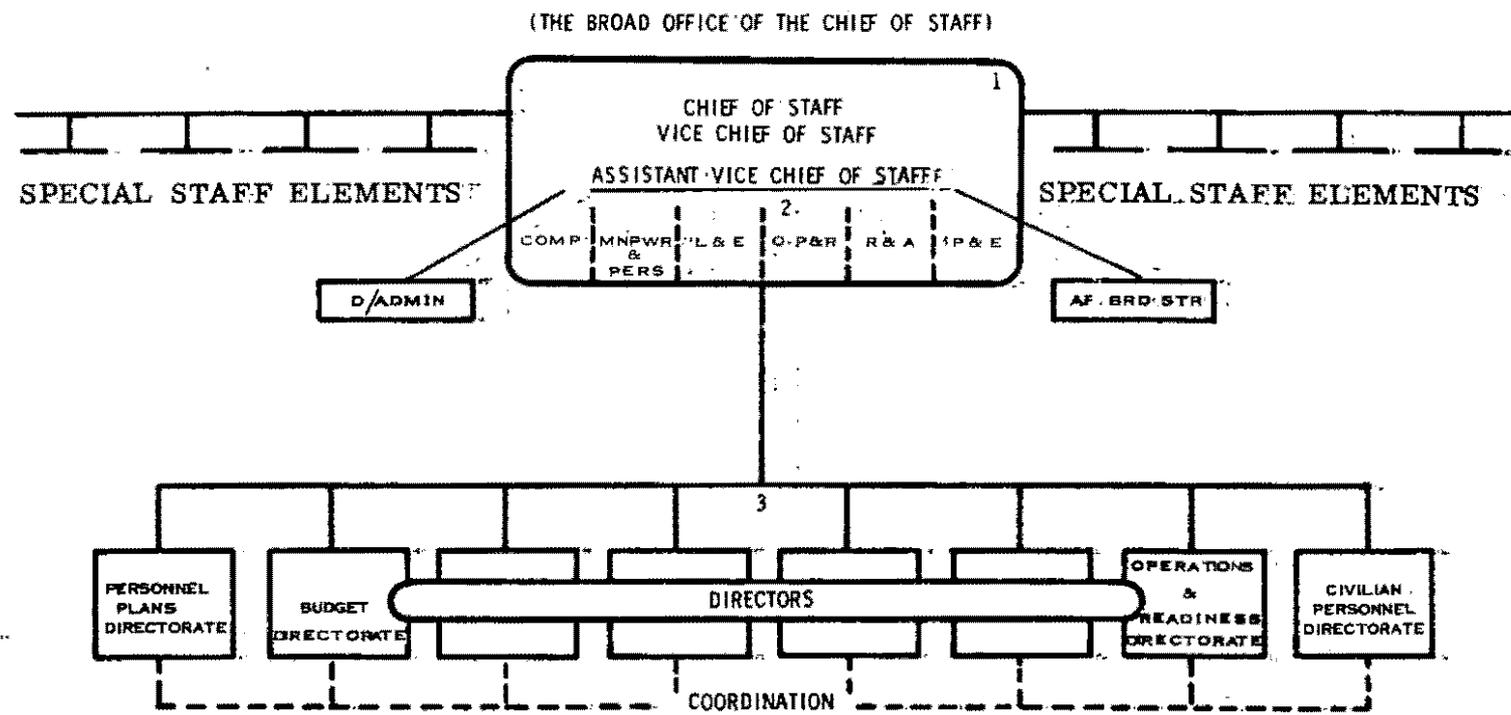
The office that the Chief, the Vice Chief, and the Assistant Vice Chief of Staff occupy is known as the Office of the Chief of Staff (AF/CC).

#### Deputy Chiefs of Staff

The law allows "no more than five Deputy Chiefs of Staff." They are Deputy Chief of Staff (DCS):

- Manpower and Personnel;
- Operations, Plans, and Readiness;
- Programs and Evaluation;
- Research, Development and Acquisition; and
- Logistics and Engineering.

The Deputy Chiefs of Staff (DCSs), including the Comptroller, are mostly policy level coordinators. They are not primarily heads of organizations. They make broad policy, and "Chief of Staff decisions" within their areas of responsibility. They also make sure that their deputies coordinate with other deputies.



NOTE: This figure shows Air Staff relationships. It is not meant as an official organization chart. The charts of the Office of the Secretary, the Air Staff, and the Air Force Board Structure are shown in HP 21-1, DAF Organization and Functions Chartbook.

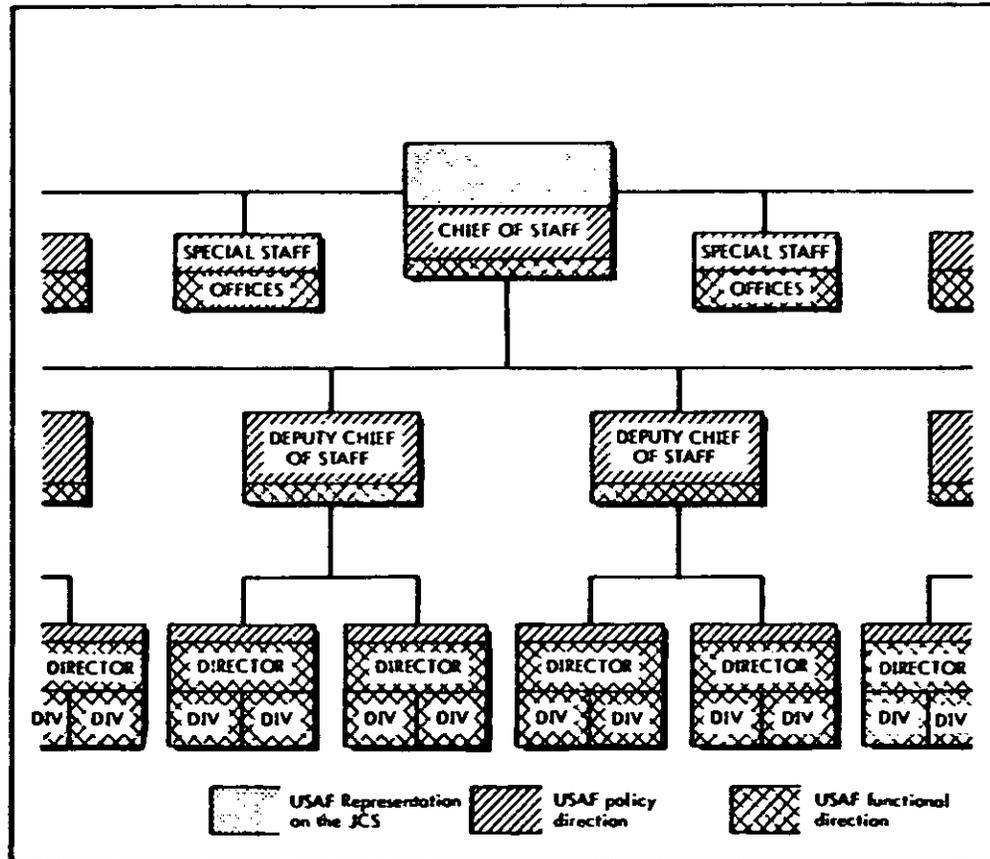


Figure 3. A Schematic of Workload Relationships.

A deputy may refer a matter to the Chief or the Secretary for final resolution. He may also ask the Air Force Council (AFC) to review it.

The Air Staff organization chart shows the deputies' offices between the Chief of Staff and the directors. These offices are not a strict channel of communication (for example, the Chief of Staff's written directives to the Air Staff addressed "TO DEPUTIES, DIRECTORS, AND CHIEFS OF COMPARABLE OFFICES").

#### Special Staff Components

These offices are adjuncts to the Office of the Chief of Staff, independent of the basic staff structure, and responsible directly to the Chief. They advise and support the Chief of Staff and the Air Staff. They also help the Chief make policy and supervise Air Force activities within their specialties. Special Staffs are sometimes thought of as directorates, but they have neither the stature nor the intrastaff relationships. Their chiefs are similar to both the DCS and the director. Like the deputies, they advise both the Chief of Staff and their subordinate elements. Like the directors, they run their elements. Special Staff Offices include:

- Assistant Chief of Staff/Intelligence
- Assistant Chief of Staff/Studies & Analyses
- Surgeon General
- The Judge Advocate General
- The Inspector General

- Chief of Air Force Reserve
- Chief of Chaplains
- Chief, National Guard Bureau

#### Assistant For

An "Assistant For" is part of a DCS. It has a mission that needs temporary emphasis, or is unique and concerns all of the DCS.

#### Directors

Directorates provide functional management. They make policy, review effectiveness, and determine requirements (manpower, financial, and materiel). They also establish priorities, issue guidance, and develop plans, programs, and budgets.

Since one directorate is seldom able to do the whole job, the Air Staff uses an office of primary responsibility (OPR) and an office (or offices) of collateral responsibility (OCR). The OPR has overall task responsibility. He or she gets help from the OCR (or OCRs). This procedure is explained in section four.

Directors refer only the most important matters to higher levels.

#### Divisions and Branches

Divisions and branches are formed according to HOI 21-10. As a rule, divisions have 20 or more people. They can be subdivided into branches of 10 or more people. Divisions

may also remain "unstructured." The unstructured division is used in organizations where branches are too small to justify their own overhead.

#### **Air Force Board Structure**

Functional staff officials make decisions. However, Air Force complexity has made it necessary to form corporate groups to give advice. These groups include the AFC, the Air Staff Board (ASB), and the committees and panels of the ASB. Figure 4 shows how these groups relate to each other and the functional staff. Two additional corporate groups, the Air Force Policy Council and the Secretary of the Air Force Program Reviews, are discussed in section five.

#### **Air Force Council (AFC)**

The AFC advises the Chief of Staff on major matters. It reviews proposals and recommends preferred courses of action. It may refer questions to the Air Staff Board for study or to a DCS or comparable level for further action. The AFC reviews presentations scheduled for Secretary of the Air Force Program Reviews. Membership includes:

- Vice Chief of Staff, USAF (Chairperson)
- Assistant Vice Chief of Staff
- Comptroller of the Air Force
- The Inspector General
- Surgeon General
- Deputy Chief of Staff, Logistics & Engineering
- Deputy Chief of Staff, Manpower & Personnel
- Deputy Chief of Staff, Operations, Plans & Readiness
- Deputy Chief of Staff, Programs & Evaluation
- Deputy Chief of Staff, Research, Development & Acquisition
- Executive Secretary

#### **The Air Staff Board (ASB)**

The ASB reviews, evaluates, and makes recommendations on major Air Force objectives, tasks, and programs. It gives advice at the director level and expedites coordination of complex issues. The ASB may refer an issue to the AFC, a

director, or one of its subelements. Membership includes:

- Director of Programs (Chairperson)
- Director of Budget
- Director of Logistics Plans & Programs
- Director of Medical Plans & Resources
- Director of Operational Requirements
- Director of Personnel Programs
- Director of Plans
- ASC/Studies & Analyses
- Executive Secretary

The ASB has three committees and 13 panels (figure 5). They are:

- a. Force Structure Committee. Projects critical enemy strengths and recommends the composition of forces required.
- b. Program Review Committee. Analyzes the impact of resource limitations on major programs.
- c. Security Assistance Committee. Makes recommendations regarding the release of Air Force resources under the Foreign Military Sales program.
- d. Panels. Study and recommend Air Force programs within their specialty. (See figure 5 for subject areas.)

#### **Director, Air Force Board Structure**

The Director of the Air Force Board Structure provides administrative support to all elements of the Board Structure. The Vice Chief of Staff supervises the Director.

#### **Summary**

The Air Force Board Structure organization is in HP 21-1. The official relationships, responsibilities, procedures, and composition of these groups are covered in HOI 21-18. Air Staff personnel must be familiar with HOI 21-18 and understand that:

- Corporate groups do not make decisions—they make recommendations only.
- Corporate groups do not operate externally—all of their relationships are internal to the Secretary of the Air Force or the Air Staff.

## **SECTION FOUR—AIR STAFF METHODS**

Air Staff action officers must rely on each other. This interdependence does not subordinate an individual. It helps staff officers do their jobs and reach goals more easily.

Air Staff methods assign one office the primary responsibility for each task, regardless of how many offices may be involved. The responsible office deals with the total Air Staff on the matter. It is the office of primary responsibility (OPR). An office is automatically the OPR for tasks that involve its assigned function. When there is no clear functional interest, the Chief of Staff's office assigns an OPR.

The office of collateral responsibility (OCR) is an Air Staff office that has less interest in a specific task. When an office becomes an OCR, it must assist the OPR.

The OPR and OCR concept helps assign responsibility and clarifies working relationships.

#### **Procedures**

The examples below show how the OPR or OCR concept works. Example 1 shows the procedures used to "staff" an

Air Force plan, and example 2 shows how the OPR and OCR relationship can shift. It also shows how the Air Staff supports the Secretary of the Air Force and the Chief of Staff. Example 3 shows how JCS matters are staffed and the Chief of Staff is supported in his role as a member of the Joint Chiefs of Staff.

Example 1. Suppose the Air Staff is making plans for a new training program for the Air Force Reserve. Figure 6 outlines how the Air Staff would organize to staff such a program.

It is an Air Force Reserve program, so the office of the Chief of the Air Force Reserve is the OPR. The OPR must:

- a. Take action to prepare the program.
- b. Get the assistance from OCRs.
- c. Staff a "Chief of Staff viewpoint" for the program.

As OCR in this example:

- a. The Budget Directorate must review funding action.
- b. Supply must issue guidance to support the proposed program.

# THE AIR FORCE BOARD STRUCTURE

## FUNCTIONAL STAFF

## CORPORATE GROUPS

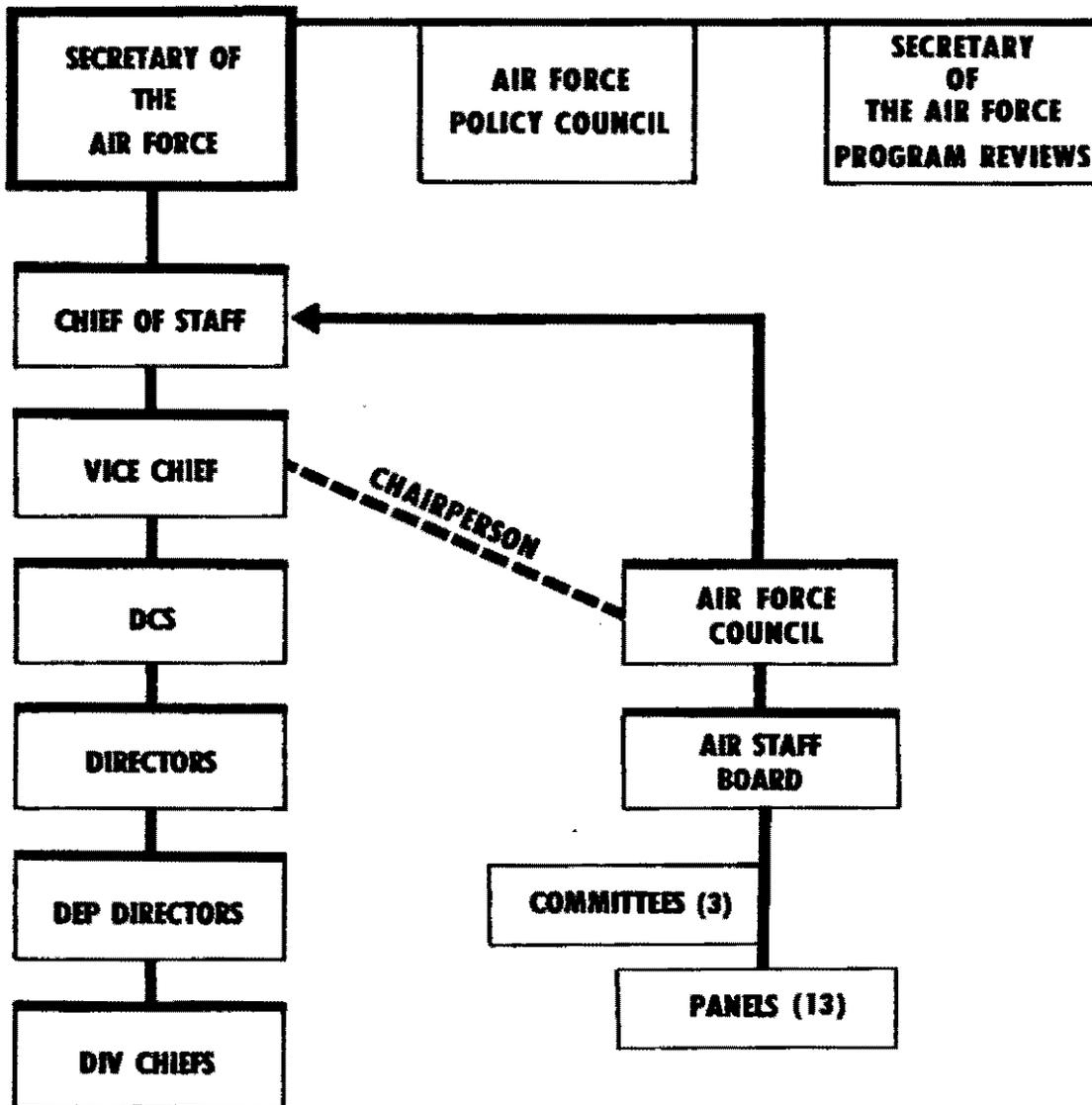


Figure 4. The Air Force Board Structure.

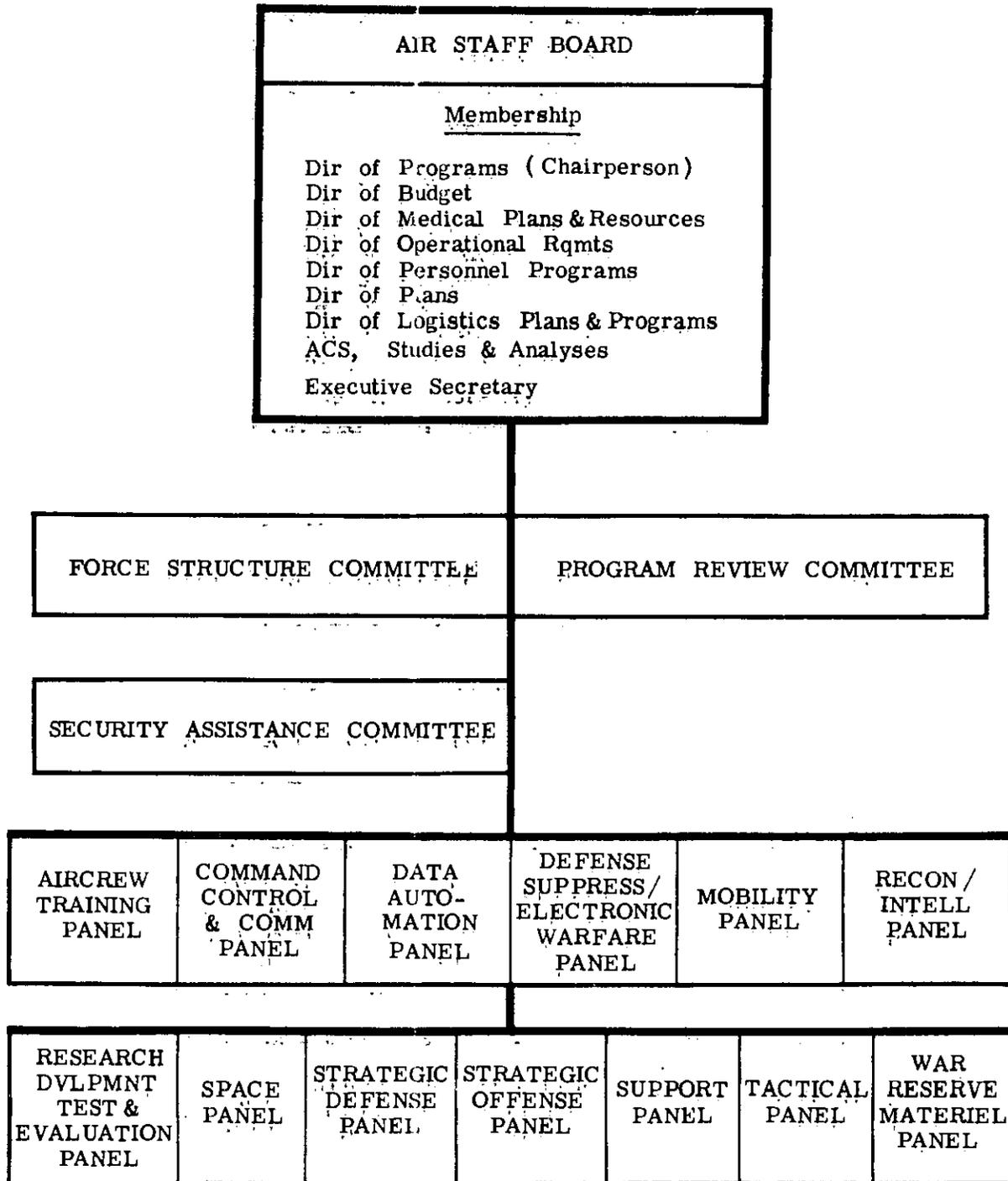


Figure 5. The Air Staff Board.

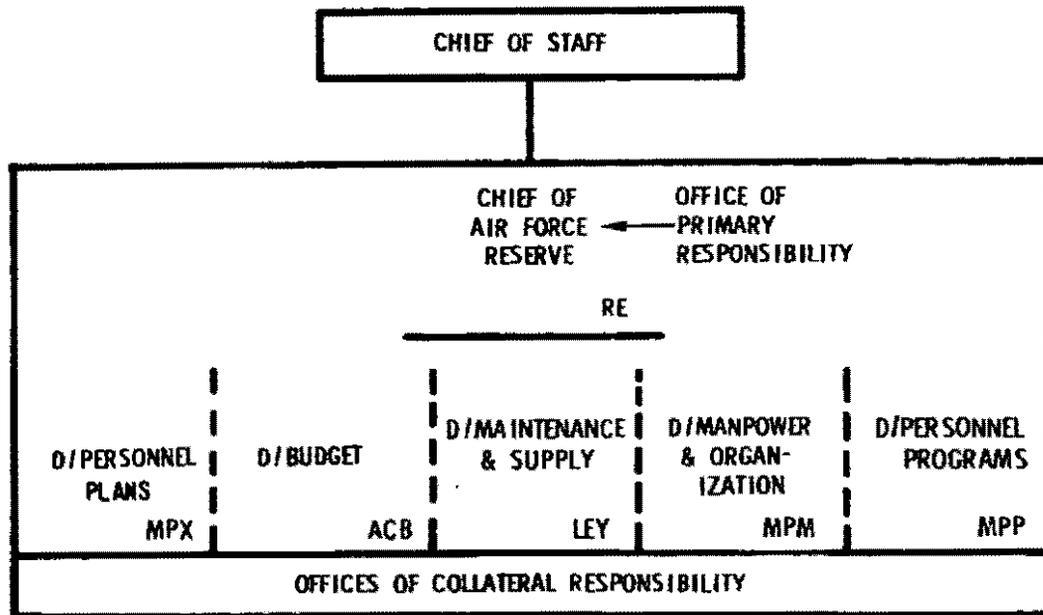


Figure 6. Sample Air Staff Organization for Air Force Reserve Training Program.

c. Manpower and Organization must review manpower requirements, allocate manpower, and plan the organization.

d. Personnel Plans must review long-range Air Force personnel and training objectives.

The number of OCRs varies from problem to problem.

If a program is simple, it could be put in effect by a division chief. In this example, the program is nationwide in scope. Also, reserve matters are of concern to the public, Congress, national organizations, and the states. So, the division chief would submit the plan to the Chief of Air Force Reserve for approval. Any one of the three following officials could approve the program: the Chief of Air Force Reserve, the Vice Chief of Staff, or the Chief of Staff.

Example 2. If a new DOD directive is issued while the proposed program is being staffed, it affects the kinds of equipment used to train reservists. Therefore, the Directorate of Maintenance and Supply, AF/LEY, would become OPR. AF/LEY would review the program and revise it in line with the new directive. It would then recoordinate it among all concerned staff elements. Figure 7 shows the new OPR and OCR line-up.

The Air Staff may become involved in JCS actions in many ways. For example, a study may be proposed by some element of the Joint Staff; the Secretary of Defense may request a JCS position; and a military service or unified or specified command may propose a program to the JCS. Many of these actions are done without a formal report to the JCS; however, an action may result in a report for the JCS by the "flimsy-buff-green" process. This is a staffing pattern that will be explained as we go along. It usually involves the Air Staff and the Chief of Staff. The Deputy Chief of Staff, Operations, Plans & Readiness (AF/XO) is the single point of contact within the Air Staff for all JCS matters. The Assistant Director of Plans for Joint and NSC Matters (AF/XOXJ) is designated the focal point (guidance on matters under JCS consideration is in HOI 11-68).

The next example shows the Chief of Staff support, as a

member of the JCS.

Example 3. If the Secretary of Defense should ask for a JCS position on whether the armed forces should adopt a standard aircraft hangar that would come in three sizes from off-the-shelf blueprints, the Director, Joint Staff, would ask the responsible Joint Staff Directorate to prepare a staffed paper. In this example, the Logistics Directorate (J-4) receives the action. Figure 8 shows the OPR and OCR relationships.

The Director of Engineering and Services (AF/LEE), who is responsible for building specifications and standards, is the Air Staff OPR. The Director of Operations and Readiness is OCR because of the responsibility for proper shelter for "alert" aircraft. The Director of Maintenance and Supply is OCR because of the responsibility for aircraft maintenance throughout the Air Force. The Director of Budget is concerned about cost.

First, a preliminary, informal draft report must be developed. The J-4 Action Officer does this. This first JCS report is called a "flimsy." The Air Staff Action Officer (AO) assigned to the OPR helps write the flimsy.

After the J-4 Director approves the flimsy, it is published as a "buff." The Air Staff AO must now write a formal Air Staff position on the "buff." To do this, the AO coordinates with all interested Air Staff agencies.

The "buff" may not conflict with previous JCS positions, may not be important enough to require the attention of the JCS, and may be concurred in by all services. If so, the Joint Staff can carry out the action in the name of the JCS. If a service position disagrees with the "buff," the "planners" (senior officer from the services and the Joint Staff) try to negotiate. The objective is to produce a coordinated report that can turn "green." If the planners cannot reach an agreed position, the service (or services) still disagreeing must submit a formal statement of nonconcurrence (SONC). The SONC is appended to the "green." Both are sent for JCS consideration (see figure 9).

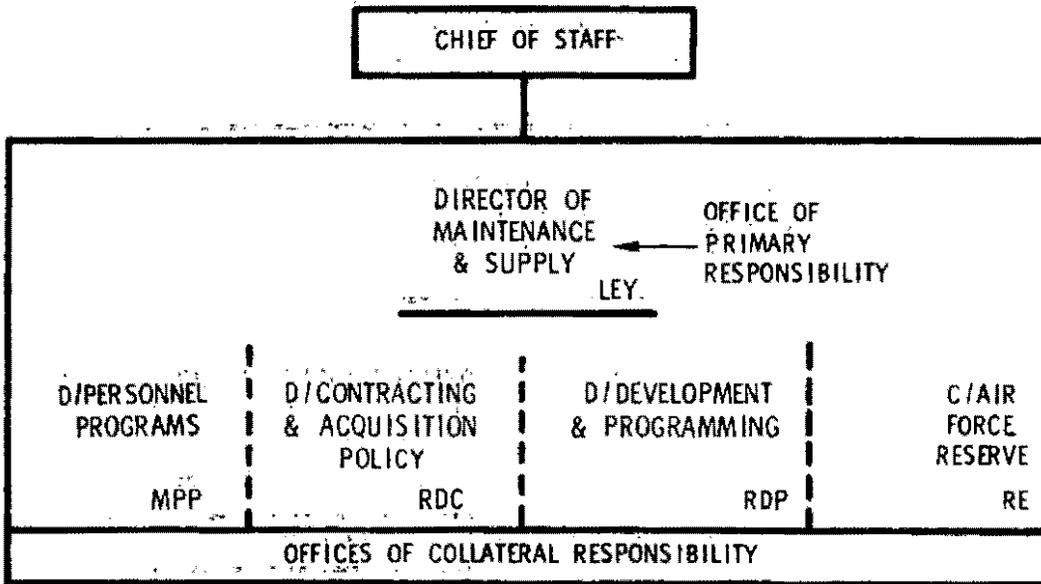


Figure 7. New OPR and OCR Organizational Structure.

Thorough staff work is required when a service nonconcurs. Research, staff study, discussion, and briefings give the Chief of Staff, the Deputy Chief of Staff/Operations, Plans and Readiness, and the Director of Plans the reason the Air Force nonconcurs. They also learn the disadvantages or shortcomings of the Joint Staff paper. "Air Staff coordination on joint matters normally takes precedence over other duties" according to HOI 11-68.

**Teamwork**

Most Air Staff work involves more than one office. Staff officers must function as a team, with the OPR acting as "team captain."

**Coordination**

Coordination promotes integration within the Air Staff. To be successful, action officers must coordinate at the lowest level which has enough information to act on the matter. They must also determine which staff offices have an interest and make sure that all are included in coordination. An OCR must advise the OPR of other offices with secondary interest.

The coordination process in the Air Staff is described in HOI 11-2.

**ACCEPTED WAYS OF DOING BUSINESS ON THE AIR STAFF**

Smooth Air Staff operation depends on certain ways of doing business.

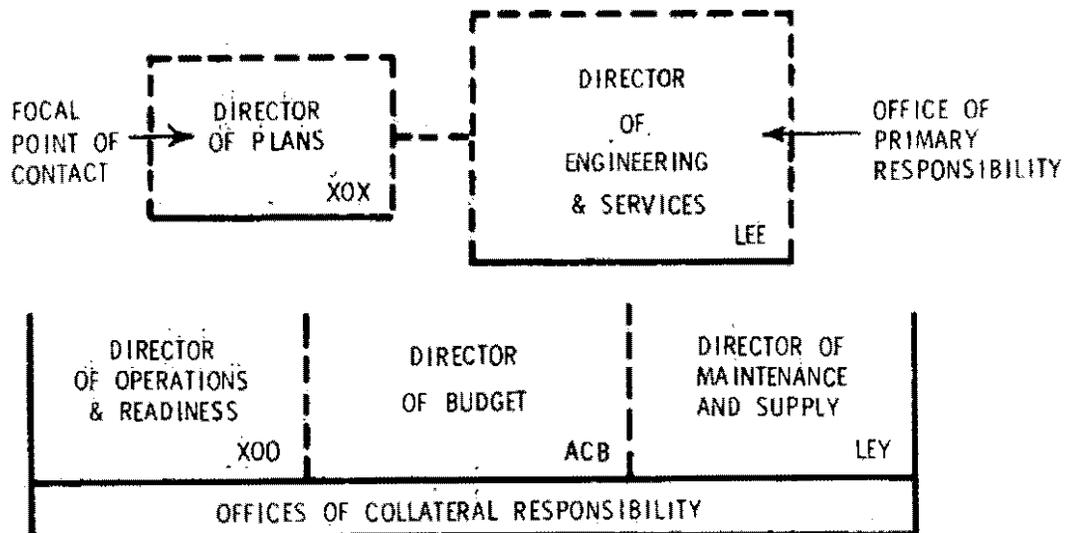
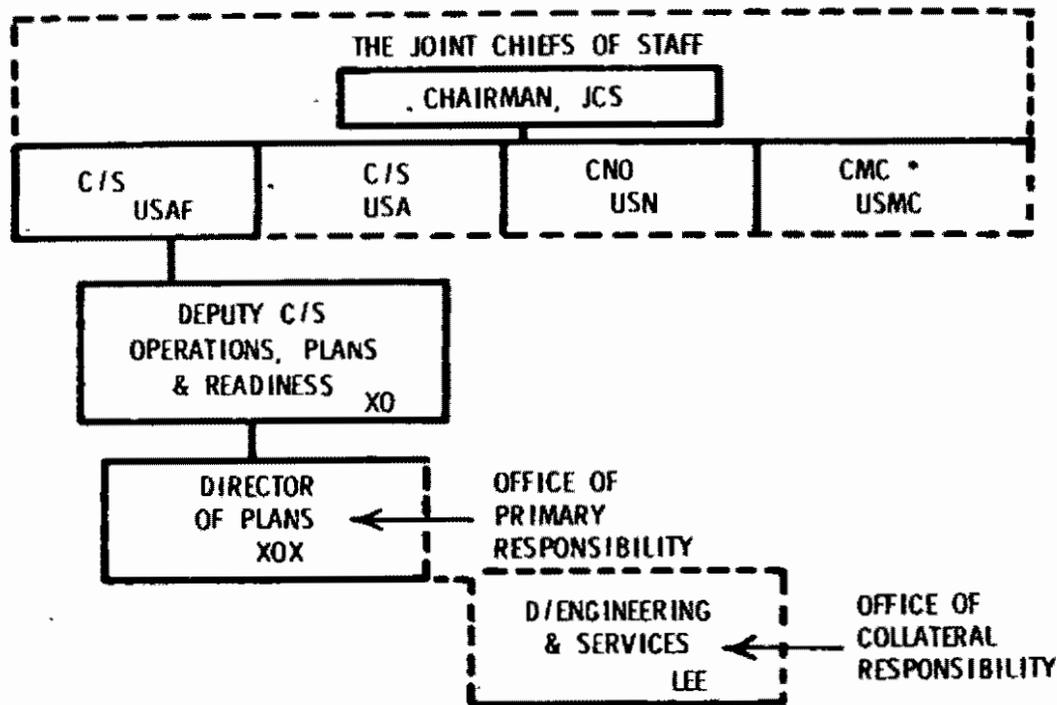


Figure 8. Sample OPR and OCR Relationship for JCS Action.



\* A voting member of the JCS on items of direct interest to the Marine Corps.

Figure 9. Organization for Staffing JCS Actions.

#### Delegation of Authority

Delegation of authority is basic to decentralization. It applies to both Air Staff management and Air Staff or major command problems. Delegation of authority allows action to be completed at the lowest possible level. Guidance on delegating the authority to sign correspondence is in HOI 11-1.

#### Disagreement and Nonconcurrency

Disagreement is bound to occur. Differences of opinion on major policy are healthy. However, internal disagreement should not be disclosed outside the Air Staff.

When an office nonconcurr, the OPR must make every effort to resolve the differences. If the disagreement cannot be resolved, the OPR should send the proposal, and all facts of the nonconcurrency, to the proper level for decision. A nonconcurring official must never detain a staff paper. The OPR must make sure that a paper is staffed with dispatch, even if there are nonconcurrences. After a decision has been made, all concerned must support its implementation.

#### Cross Functional Help

A directorate must help other functions when necessary. For example, the Directorate of Manpower and Organization (AF/MPM) is OPR for organization throughout the Air Force. AF/MPM has the talent and resources peculiar to this function. The Director, therefore, cannot ask another staff element to make a detailed organizational plan without offering assistance. AF/MPM experts should work with the other office to develop a total "Chief of Staff" position.

#### Support Services

Directorates must use central support services. Central

support must not be duplicated.

#### Internal Air Force Relationships

Talk with field activities freely, but always with a "Chief of Staff viewpoint." Confine communication through technical channels (direct contact with counterparts at lower Air Force echelons) to advise, assist, or exchange information. Always communicate policy, for the Chief of Staff, through command channels.

The commander of each field organization is responsible for its activities. Staff members are responsible to the commander, not their counterparts on the Air Staff. Air Force field commanders are responsible to the Chief of Staff.

#### Communications

The Chief of Staff cannot sign all Air Staff communications. Staff officers who are authorized to sign communications do so as agents.

Decentralization of authority requires that all staff officers keep current on the status of important Air Staff proposals, problems, and positions.

The "Daily Staff Digest" is a tool that moves information both laterally and vertically within the Air Staff.

#### Summary

The Air Staff method provides:

- A way of doing business (OPR or OCR) that is used in all staff actions.
- A single manager responsible for each staff transaction.
- A means of coordinating staff actions with ease and dispatch.
- Rapid communication up, down, and across the Air

Staff.

- e. A means for resolving honest differences of opinion.
- f. Cross-functional help.

- g. The "Chief of Staff Viewpoint" in all relationships.
- h. Freedom to communicate freely while maintaining unity of command.

### SECTION FIVE—SECRETARY OF THE AIR FORCE

The Office of the Secretary of the Air Force (OSAF) and the Air Staff are the executive part of the Department of the Air Force.

#### The Office

The Secretary's responsibilities are shared by the immediate staff. The law provides an Under Secretary and ~~up to four~~ **THREE** Assistant Secretaries. They are appointed by the President, with advice and consent of the Senate. There are Assistant Secretaries for Financial Management; Manpower, Reserve Affairs & Installations; and Research, Development & Logistics. OSAF also includes:

- The General Counsel
- Office of Space Systems
- Office of Legislative Liaison
- Office of Public Affairs
- Administrative Assistant

The office is organized in a functional manner.

The Secretary's policy requires that the Air Staff be used to the maximum, which prepares background data, analyses, and alternatives on studies and responses for OSAF and Office of the Secretary of Defense (OSD).

The Secretary personally supervises activities that have vital relationships with the Congress, the Secretary of Defense, other government officials, and the public. The Secretary delegates authority for other matters to civilian assistants and the Chief of Staff. The Secretary's relationships with the Air Staff is limited to broad policy, plans, and programs.

The Under Secretary may act as Secretary during the Secretary's absence and is therefore kept fully informed on all matters. If the Secretary wishes, the Under Secretary and the other principal civilian assistants deal directly with the Air Staff.

Key members of the Air Staff have a day-to-day relationship with these officials. The Comptroller of the Air Force has a very close relationship because of the unique legal position (10 U.S.C. Section 8014).

The Secretary or the assistants help present Air Force proposals to the Secretary of Defense, the Congress, and the public. They also help interpret the views and objectives of the Secretary of Defense to the Air Force.

Staff officers may submit routine information to OSAF personnel, but major policy matters must be processed through AF/CC.

There are detailed instructions for submitting paperwork and presenting oral briefings to OSAF. They are in HOIs 10-2 and 11-24.

Two corporate groups of the Air Force Board Structure support the Secretary of the Air Force.

#### The Air Force Policy Council (AFPC)

The AFPC helps the Secretary of the Air Force resolve

policy questions. It complements the other services' policy groups, and supports the DOD Armed Forces Policy Council. Membership includes:

- Secretary of the Air Force (Chairperson)
- Chief of Staff, USAF
- Under Secretary of the Air Force
- Vice Chief of Staff, USAF
- Asst Secretary, Financial Management
- Asst Secretary, Manpower, Reserve Affairs, & Installations
- Asst Secretary, Research, Development & Logistics
- Asst Vice Chief of Staff, USAF
- Comptroller of the Air Force
- Dep Chief of Staff, Logistics & Engineering
- Dep Chief of Staff, Manpower & Personnel
- Dep Chief of Staff, Operations, Plans & Readiness
- Dep Chief of Staff, Programs & Evaluation
- Dep Chief of Staff, Research, Development & Acquisition
- The General Counsel
- Executive Secretary

#### Secretary of the Air Force Program Reviews (SPR)

This group provides the Secretary of the Air Force with an in-depth evaluation of selected major systems. It reviews all aspects of program development. Authorized attendees are as follows:

- Secretary of the Air Force
- Chief of Staff, USAF
- Under Secretary of the Air Force
- Vice Chief of Staff, USAF
- Commander, Air Force Systems Command
- Commander, Air Force Logistics Command
- Asst Secretary, Financial Management
- Asst Secretary, Manpower, Reserve Affairs & Installations
- Asst Secretary, Research, Development & Logistics
- Comptroller of the Air Force
- Dep Chief of Staff, Operations, Plans & Readiness
- Dep Chief of Staff, Programs & Evaluation
- Dep Chief of Staff, Research, Development & Acquisition
- Dep Chief of Staff, Logistics & Engineering
- The General Counsel
- Director of Public Affairs
- Director of Legislative Liaison
- The Chief Scientist
- Director of Air Force Board Structure
- Executive Secretary
- Program Managers
- Program Element Monitors (PEMs)
- AFSC Systems Officer & A System Program Office (SPO) Officer

### SECTION SIX—EXTERNAL RELATIONSHIPS

#### Secretary of Defense

DOD is part of the Executive Branch of the federal government. It consists of the OSD, the JCS and Joint Staff,

and the three military departments (including the Marine Corps). The unified and specified commands and the Defense agencies are also a part of DOD.

Routine information can be circulated between members of the Air Staff, OSAF, and OSD. Orders are always issued from OSD through the Secretary of the Air Force and the Chief of Staff to the Air Staff. The Air Staff responds to OSD through the same channels, except the Director of Research and Engineering, OSD.

The Director may issue orders direct to the military departments and also direct (R&E) activities that require centralized control (10 U.S.C., section 135). This includes assigning such activities among the three departments.

Instructions for submitting paperwork and presenting oral briefings to the Secretary of Defense (including correspondence for signature) are the same as for the Secretary of the Air Force (see HOIs 10-2 and 11-24).

Staff studies and proposals that are sent to OSD must be prepared according to HOI 10-8. Studies that may change an Air Force program are prepared according to HOI 28-5.

#### Joint Chiefs of Staff (JCS)

Unified and specified commanders receive combat orders from the President, through the Secretary of Defense and the JCS. Such orders are issued only by the President or the Secretary of Defense. The military departments are not included in the chain of command.

Air Staff relationships with the JCS and Joint Staff are

explained in section four, example 3.

#### Defense Agencies

The Defense Nuclear, Defense Communications, Defense Mapping, and Defense Intelligence Agencies support all military departments. Their heads report to the Secretary of Defense, through JCS. All other agency heads report to the Secretary.

Air Staff contact with Defense agencies is like contact with the Office of the Secretary of Defense. There are focal points within the Air Staff for each agency—for example, the Assistant Chief of Staff/Intelligence is the focal point for actions with Defense Intelligence Agency (DIA).

#### Others

We do business with other agencies and organizations that are not mentioned in this pamphlet. However, the proper channel for all Air Staff:

a. Budget matters with the Office of Management and Budget, the Congress, and OSD is done through the Director of Budget. Instructions are in HOI 172-4.

b. Legislative liaison matters that relate to OSD or the Congress is through the Director of Legislative Liaison, OSAF. Procedures are in HOI 11-30.

## SECTION SEVEN—CONCLUSION

Staff officers are assigned to all levels of the Air Staff. They must be objective when preparing staff studies for their superiors, and loyal in supporting the policies of the Secretary of the Air Force and Chief of Staff. Effective staff officers must be skilled and confident within their assigned function and helpful as team members.

Chiefs of Air Staff offices depend on their staffs to present completed staff work. Their time should be free of details and routine actions so that they can consider important decisions.

Staff work is complete when it includes the study of a problem, the presentation of a solution, potential dividends, and recommended action. In some circumstances, which are spelled out in HOI 10-8, completed staff work calls for optional solutions. The solution or proposal is presented in a complete "package"—not in piecemeal fashion.

Guidance is important. Seek it when you are in doubt about instructions. When the assignment is clear, don't expect the Chief to provide answers. This is the staff officer's job. Ask advice only when a complete turnabout occurs or you are faced with an exception to a well established norm.

This does not mean that the action officer can't present a rough draft of a paper. It does preclude "half-baked" ideas. A draft should be logical, objective, and complete in every respect. Never use a draft to shift the burden of solving the problem to the boss.

The test of completed staff work is this: if you were the Chief, would you sign this paper and stake your reputation on it being correct? If the answer is "no," rework the paper until it is complete.

Finally, avoid common pitfalls in your recommendations:

—don't overorganize—it wastes people.

—don't overcentralize—if a function can be carried out in the field, leave it there.

—don't use technical channels to direct action—it violates the authority of the field commanders. Use technical channels only to relay information.

—don't block communication. It hurts productivity, hinders teamwork, impairs morale, fosters misconceptions and results in Air Staff decisions based on incomplete and inadequate information.

#### FOR THE CHIEF OF STAFF

OFFICIAL

VAN L. CRAWFORD, JR., Colonel, USAF  
Director of Administration

#### SUMMARY OF CHANGES

This revision updates HQ USAF organizational titles and relationships.

M. L. BOSWELL, Lt General, USAF  
Assistant Vice Chief of Staff

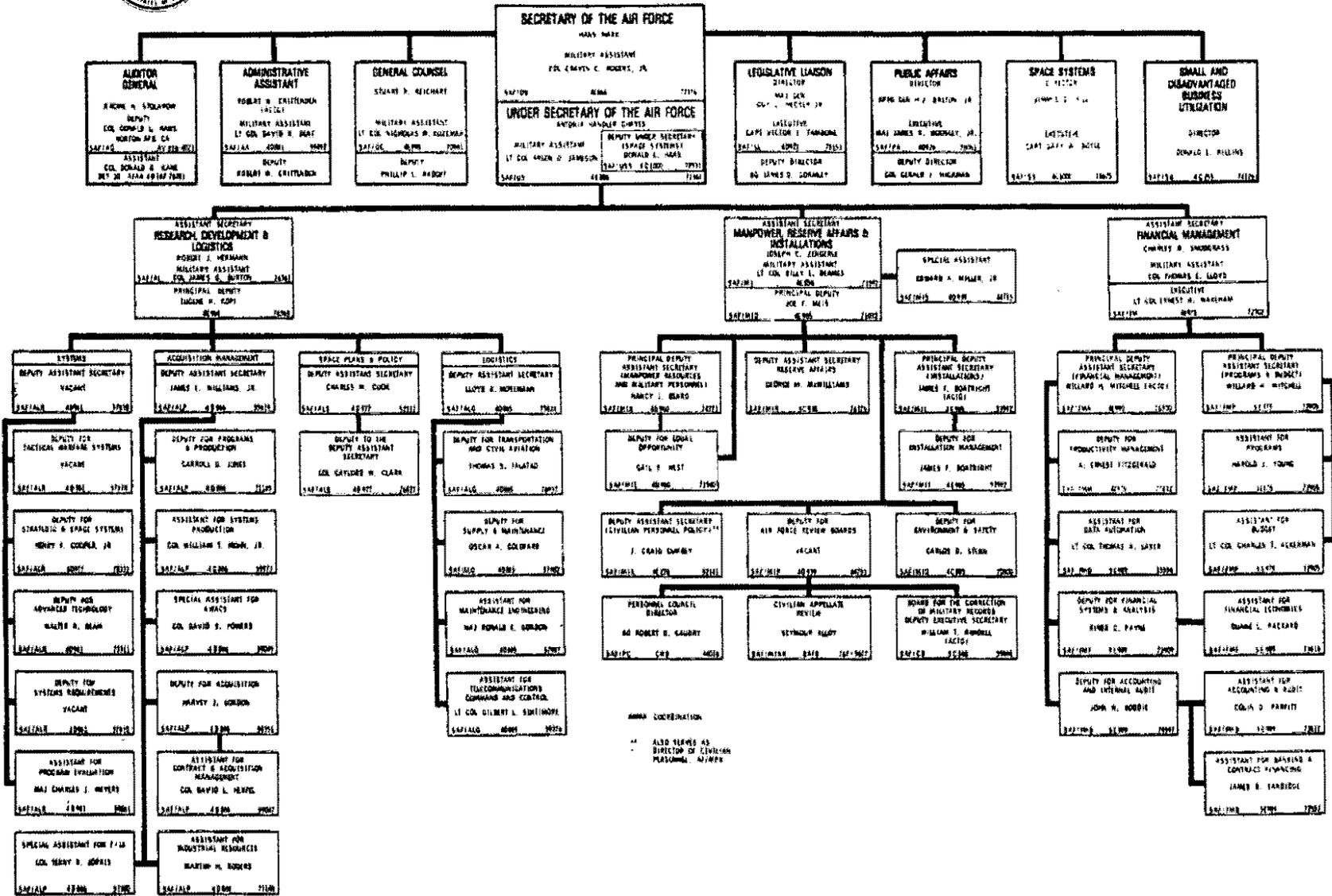
OFFICE OF THE SECRETARY OF THE AIR FORCE

OSAF Organization Chart  
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Functions of the Office of the Secretary and Assistant Secretaries  
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# OFFICE OF THE SECRETARY OF THE AIR FORCE

20 JUNE 1980



**ORGANIZATION AND OPERATION OF THE DEPARTMENT  
OF THE AIR FORCE - THE BASIC STATUTES**

The basis for the internal organization of the Department of the Air Force and for Air Force relationships with the Department of Defense is established by several laws of which the Air Force Organization Act of 1951 and the National Security Act of 1947, as amended, are the most important. The key provisions of those laws may be summarized as follows:

1. The Department of the Air Force is one of the three military departments within the Department of Defense which is an executive department headed by the Secretary of Defense (10 U.S.C. §§101(5), 101(7), 131, 133).

2. The Department is separately organized under the Secretary of the Air Force and operates under the authority, direction and control of the Secretary of Defense (10 U.S.C. §8010).

3. The Secretary of the Air Force is responsible for and has the authority necessary to conduct the affairs of the Department in such manner as the President or the Secretary of Defense may prescribe, and he is responsible to the Secretary of Defense for the operation and efficiency of the Department (10 U.S.C. §8012).

4. The Chief of Staff performs his duties under the direction of the Secretary of the Air Force. He is directly responsible to the Secretary for the efficiency of the Air Force and its preparedness for military operations. He presides over the Air Staff and presents Air Staff plans and recommendations to the Secretary. After Secretarial approval he acts as agent of the Secretary in carrying them into effect (10 U.S.C. §8034).

5. **The Legal Authority of the Secretary.** As an official of a government of limited powers the Secretary's authority to perform an act must be grounded ultimately on a grant of authority in the Constitution or an act of Congress. The basic statutory definition of the responsibilities and authority of the Secretary of the Air Force is set forth in 10 U.S.C. §8012 which provides in part:

The Secretary is responsible for and has the authority necessary to conduct all affairs of the Department of the Air Force, including —

- (1) functions necessary or appropriate for the training, operations, administration, logistical support and maintenance, welfare, preparedness, and effectiveness of the Air Force, including research and development; and
- (2) such other activities as may be prescribed by the President or the Secretary of Defense as authorized by law.

There are, in addition, other statutory grants of authority for the Secretary to perform various functions. These include the statutes granting authority to procure services and supplies and to issue regulations governing the Department. The Secretary may also exercise, under an express or implied delegation, authority relating to Air Force affairs that is vested by the Constitution or statutes in the President. Numerous opinions of the courts, the Comptroller

OFFICE OF THE SECRETARY OF THE AIR FORCE



General, and the Attorney General construe the grants of authority in the Constitution and relevant statutes, and these opinions must be taken into account in determining the extent of the authority of the Secretary to act in a particular matter. Directives issued by other agencies may also control the exercise of the authority of the Secretary, e.g., directives of the Office of Management and Budget, the Secretary of Defense, and the Office of Personnel Management.

Departmental staffing procedures are designed to ensure that before any proposal is submitted to the Secretary of the Air Force for decision, a determination has been made that the Secretary has legal authority to take the proposed action.

6. Delegation of Authority. The Secretary of the Air Force does not have plenary power to delegate his authority to subordinates below the Assistant Secretary level. Many statutes, however, permit the Secretary to delegate all or part of his authority with regard to specific functions. In addition, the Secretary is authorized to "assign such of his functions, powers, and duties as he considers appropriate" to the Under Secretary or an Assistant Secretary of the Air Force (10 U.S.C. §8012(c)). The functions currently assigned to the Under and Assistant Secretaries are spelled out in SAFO 100.1.

## THE OSAF ORDER SYSTEM

Secretary of the Air Force Orders are formal documents by which the Secretary of the Air Force makes specific delegations and assignments of authority and responsibility. They are used in lieu of informal papers (such as memoranda) in cases where the delegations and assignments are not contained in other official publications issued by, or by order of, the Secretary. When appropriate, the provisions of Secretary of the Air Force Orders will be incorporated in applicable official Air Force publications.

Secretary of the Air Force Orders will be issued over the signature of the Secretary or the statutory official in the Office of the Secretary of the Air Force having cognizance over the subject matter of such order.

Each order will be reviewed by the General Counsel of the Department of the Air Force, and any special limitations or provisions affecting the delegation will be fully stated in the published order.

The Administrative Assistant to the Secretary of the Air Force will be responsible for the administration of the Secretary of the Air Force Order system.

A current index of OSAF Orders is attached.

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**SECRETARY OF THE AIR FORCE ORDERS**

**OCTOBER 1980**

**OPR: SAF/AA**  
**Extension 56333**

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<u>Number</u>	<u>Subject</u>	<u>Date</u>	<u>Office of Primary Responsibility</u>
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703.4	Authority to Approve Real Estate Acquisition Directives	5 Mar 74	SAF/MI
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# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

HANS M. MARK

Dr. Hans M. Mark became secretary of the Air Force in July 1979. Prior to his appointment, Dr. Mark was under secretary of the Air Force.

Dr. Mark was born on June 17, 1929, in Mannheim, Germany. He came to the United States in 1940 and became a U.S. citizen in 1945. He attended primary and secondary schools in New York City, earned a bachelor of arts in physics at the University of California, Berkeley, in 1951 and his doctor of physics in 1954 from the Massachusetts Institute of Technology.

Active in teaching since 1952, Dr. Mark taught courses in physics and engineering at Boston University, the Massachusetts Institute of Technology, the University of California at Berkeley and Davis and Stanford University. Concurrently, he was active in research and held a number of administrative appointments. Following completion of his



graduate studies, Dr. Mark remained at the Massachusetts Institute of Technology as a research associate and acting head of the Neutron Physics Group, Laboratory for Nuclear Science, until 1955. He then returned to the University of California as a research physicist at the Berkeley campus, then at the university's Lawrence Radiation Laboratory in Livermore, where he served until 1958.

After two years as an assistant professor of physics at the Massachusetts Institute of Technology, Dr. Mark returned to the Lawrence Radiation Laboratory in Livermore to continue physics research and to head the Laboratory's Experimental Physics Division (1960-1964). During that period he was also first an associate professor (1961-1966) and then professor of nuclear engineering (1966-1969) at the University of California's Berkeley campus. He served as chairman of the Department of Nuclear Engineering and administrator of the Berkeley Research Reactor from 1964 to 1969.

In 1969 Dr. Mark accepted the position of director of the Ames Research Center of the National Aeronautics and Space Administration. As director he managed the center's research and applications efforts in aeronautics, space science, life science and space technology. He also continued his association with the academic community, first as a lecturer in applied science at the University of California, Davis campus, from 1969 to 1973 and since 1973 as a consulting professor of engineering at Stanford University.

OVER

(Current as of July 1979)

Dr. Mark has also been a consultant to government, industry and business. He served as a consultant for, among others, the Institute for Defense Analyses (1958-1961); the National Science Foundation (1966-1969); the U.S. Air Force Scientific Advisory Board (1969-1976); the vice president of the United States (1974-1976); The President's Advisory Group on Science and Technology (1975-1976) and the Defense Science Board (since 1975).

Dr. Mark has written extensively; his articles have appeared in a number of professional and technical journals. He also co-authored a volume on "Experiments in Modern Physics," served as co-editor of "The Properties of Matter Under Unusual Conditions," and was a co-author of "Power and Security."

His major scientific accomplishments include contributions to the precise determination of the wave lengths of nuclear gamma rays, to the development of X-ray astronomy, to various fields of nuclear instrumentation and to the development of more accurate atomic wave functions.

Dr. Mark is a member of Tau Beta Pi, Sigma Xi, Phi Beta Kappa and the National Academy of Engineering. He is a fellow of the American Physical Society and the American Institute of Aeronautics and Astronautics. He also belongs to a number of other professional associations including the American Nuclear Society, the American Geophysical Union, the American Association of University Professors and the Society for Engineering Science, of which he was a director from 1972 to 1976. Dr. Mark holds an honorary doctorate of science degree awarded in 1978 by Florida Institute of Technology.

Dr. Mark is married to the former Marion G. Thorpe. They have two children, Jane and Rufus.



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

ANTONIA HANDLER CHAYES, UNDER SECRETARY, U.S. AIR FORCE

Antonia Handler Chayes became Under Secretary of the Air Force on July 26, 1979. She is the first woman Under Secretary to serve the Armed Forces.

Ms. Chayes has been Assistant Secretary of the Air Force for Manpower, Reserve Affairs and Installations since July 1977. She has administered a military construction budget of almost \$700 million and has been actively involved in the planning and implementation of the Israeli Air Base construction program in support of the Egypt-Israel peace treaty.

At her direction, the Air Force adopted new quality of life and environmental initiatives. Chayes supervised the environmental impact analysis of the M-X missile system and alternative siting options. In order to make criteria for base closings as objective as possible, she directed the development of socio-economic models to predict and assess the impact of Air Force bases on civilian communities.



Because her office has lead responsibility for the "people issues" in the Air Force, Chayes took action to upgrade family housing and dormitory facilities for military personnel, instituted new Air Force-wide safety measures and opened the missile and aircrew operations career fields to women. Ms. Chayes initiated complete revision and reformulation of the Air Force affirmative action plans and improved appellate review procedure for EEO grievances. She played a key role in the passage of the GI Bill Improvement Act which conferred veteran status on Women Airforce Service Pilots who performed military duty during WW II but were never recognized as part of the military.

Chayes has been an articulate spokeswoman for such administration proposals as SALT II, the Panama Canal and lifting the Turkish Arms Embargo. She has participated in several initiatives to increase Japanese and German sharing of support costs of US forces overseas.

Prior to her Air Force appointment, Ms. Chayes was a partner in the Boston law firm of Csaplar and Bok. Her previous professional experience includes the Deanship of Jackson College, Tufts University where she was also an Associate Professor of Political Science. She lectured in law at Yale and Boston University Law Schools and served as Law Clerk to the Honorable Charles E. Wyzanski, Senior Judge, District of Massachusetts.

OVER

(Current as of August 1979)

Ms. Chayes served as Director of Education and Urban Development in the Action for Boston Community Development Agency, and Liaison to the Boston Model Cities Administration from 1966 to 1968. From 1964-1965 she served as a member of the planning staff of the National Institute for Mental Health. In 1963-64 she was a Phillips Foundation Fellow in academic administration; in 1962-63 Director of the Committee on Education, President's Committee on the Status of Women; in 1961-62 a member of the White House staff; and Executive Assistant to Dean Erwin Griswold of the Harvard Law School, 1959-61.

Ms. Chayes, a native of New York City, was born on July 21, 1929. She received her A.B. from Radcliffe College of Harvard University in 1949, graduating magna cum laude with Phi Beta Kappa honors. She attended the Yale Law School from 1949 to 1951 and completed her legal education at George Washington University Law School in 1953, receiving her J.D. with highest honors.

She is a trustee of Wesleyan University, a member of the American Law Institute and the Council on Foreign Relations.

Ms. Chayes is the wife of Abram Chayes, Professor of Law at Harvard University and former Legal Adviser to the United States Department of State. The Chayes have one son and four daughters.



NO: 100.1

DATE: 27 May 1977

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Functions of the Secretary, Under Secretary and the Assistant Secretaries of the Air Force

1. The Secretary of the Air Force, pursuant to 10 U.S.C. 8012, is responsible for and has the authority necessary to conduct all affairs of the Department of the Air Force. Subject to his direction and control, the Under Secretary, and the Assistant Secretaries are authorized to act for and with the authority of the Secretary of the Air Force on any matters within the areas assigned herein. This authority extends not only to actions within the Department of the Air Force, but also to relationships and transactions with the Congress and other governmental and nongovernmental organizations and individuals.

2. Officers and officials of the Air Force will report to the Under Secretary and the Assistant Secretaries regarding matters within their respective cognizance as herein assigned.

3. Pursuant to 10 U.S.C. 8017, the Under Secretary, in the absence of the Secretary, will perform the duties of the Secretary; in the absence of the Secretary and Under Secretary, the Assistant Secretaries in order of their length of service as such will perform the duties of the Secretary.

4. The Under Secretary of the Air Force, as principal assistant to the Secretary, acts with full authority of the Secretary on all affairs of the Department. He is specifically responsible for overall direction, guidance, and supervision of space programs and space activities of the Air Force.

NO: 100.1

DATE: 27 May 1977

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5. The Assistant Secretary of the Air Force (Research, Development and Logistics) is responsible for conceptual efforts on new major programs and for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and programs relative to:

- a. Scientific and technical matters;
- b. Basic and applied research, exploratory development and advanced technology;
- c. Integration of technology with, and determination of, qualitative Air Force requirements;
- d. Research, development, test and evaluation of weapons, weapon systems and defense materiel;
- e. Technical management of systems engineering and integration;
- f. Production and contract management of weapons systems;
- g. Industrial defense program;
- h. Industrial resources and preparedness;
- i. Procurement activities, including required determinations and findings, contracting, and administration and termination of contracts;
- j. Contractors' Equal Employment Opportunity Programs;
- k. Renegotiation affairs, contract appeals, and related activities;
- l. Contract Adjustment Board matters;

NO: 100.1

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- m. Small business matters;
- n. International Cooperation in research, engineering, production and the Canadian Production and Development Sharing Program;
- o. Supply management, including initial and replenishment requirements determinations, storage, distribution, reutilization and disposal of all materiel;
- p. Equipment maintenance and modification management;
- q. International Logistics Program;
- r. Materiel and logistics planning and programming;
- s. Resources Conservation Program;
- t. Standardization and technical data;
- u. Civil aviation, including the Department of Defense Advisory Committee on Federal Aviation, and the Interagency Group on International Aviation;
- v. Transportation, communications, and other related service activities;
- w. Economic utilization policy; and
- x. Commercial or Industrial Activities Program. Under the provisions of OMB Circular A-76 and DOD Directive 4100.15, authority to make decisions:

(1) To continue, discontinue, or curtail activities within the Department of the Air Force covered by the Commercial or Industrial Activities Program.

NO: 100.1

DATE: 27 May 1977

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(2) To approve or disapprove new starts except industrial facility modernization and expansion projects which require Office of the Secretary of Defense approval in accordance with DOD Directive 4275.5, Industrial Facility Expansion and Placement.

The Assistant Secretary of the Air Force (Research, Development and Logistics) has responsibility for directing and supervising those space programs and space activities of the Air Force assigned to him. He also is the Air Force Acquisition Executive.

6. The Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations) shall have as its principal duty the overall supervision of manpower and reserve component affairs and installations management of the Department of the Air Force. General responsibilities include direction, guidance, and supervision over all matters pertaining to the formulation, review and execution of plans, policies and programs relative to:

- a. Air Force Reserve component affairs;
- b. Manpower and organization;
- c. Military and civilian personnel, including procurement, assignment, training, promotion, career development, pay and benefits, utilization, separation, medical care, and all factors affecting morale and well being;
- d. Programs to prohibit discrimination because of age, race, creed, color, sex, or national origin, except programs applicable to contractors;
- e. Civil Air Patrol;
- f. Reserve Officers Training Corps;

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- g. Air National Guard;
  - h. Contracts for personal services and training;
  - i. Travel and per diem allowances;
  - j. Air Force Board for Correction of Military Records;
  - k. Secretary of the Air Force Personnel Council and its component boards, including the Air Force Discharge Review Board, the Air Force Board of Review, the Air Force Personnel Board, the Air Force Disability Review Board, the Air Force Physical Disability Appeal Board, the Air Force Decorations Board, and the Air Force clemency and parole functions;
  - l. Manpower management programs and techniques, to include manpower mix policies and military essentiality issues;
  - m. Installations planning, programming, utilization, and annexation of installations by municipalities;
  - n. Acquisition and disposal of real estate;
  - o. Construction of bases and facilities;
  - p. Family housing resources acquisition, construction, maintenance and disposal;
  - q. Maintenance of real property and provision of utilities services;
  - r. Environmental quality; and
  - s. Occupational Safety and Health.

NO: 100.1

DATE: 27 May 1977

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The Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations) serves as a member of the Reserve Forces Policy Board established by 10 U.S.C. 175(a)(2). The incumbent also serves as a member of the Per Diem, Travel and Transportation Allowance Committee.

7. The Assistant Secretary of the Air Force (Financial Management) is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and program relative to:

- a. The Air Force programming processes and the preparation and validation of all program documentation;
- b. Budgeting and fund management;
- c. Accounting and accounting systems;
- d. Cost control, cost analysis, and cost estimating;
- e. Economic analysis of programs, forces and weapons systems;
- f. Finance, including disbursement and collection of funds;
- g. Contract financing;
- h. The design, standardization, installation and application of management information and control systems including resource management systems, and progress and statistical reporting;
- i. Auditing;

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j. Contracts for services in the financial management area;

k. Automatic Data Processing Programs, and is the Air Force Senior ADP Policy Official in this area serving as the focal point for ADP policy and for the administration of the ADP Programs within the Department, including the development and control of programs for the design, improvement, and standardization of automated data systems in consonance with approved OSD guidelines, and the selection, acquisition, management and use of Automatic Data Processing Equipment and associated software (ADPE/S);

l. Productivity enhancement and measurement; and

m. Management by Objectives program.

The Assistant Secretary of the Air Force (Financial Management) is responsible for directing and supervising the Controller of the Air Force. While the Comptroller is directly responsible to the Assistant Secretary (Financial Management), he has a concurrent responsibility to the Chief of Staff.

Direct channels of communication are authorized between the Assistant Secretary (Financial Management) and (1) the Auditor General, (2) the Assistant Chief of Staff, Communications and Computer Resources, and (3) the Director of Data Automation.

8. In addition to the Under Secretary, each of the Assistant Secretaries is authorized to act for and with the authority of the Secretary of the Air Force as to any matter referred to him which is within the cognizance of another Assistant Secretary when such official is absent or otherwise unavailable to perform the function.

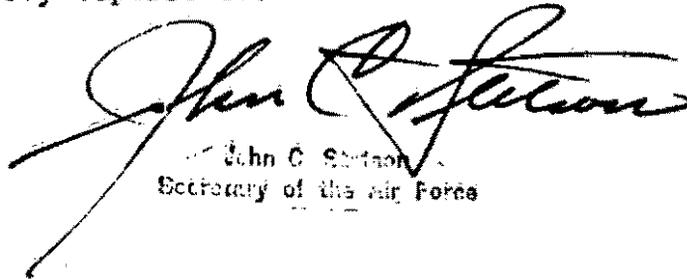
NO: 100.1

DATE: 27 May 1977

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9. This Order is issued in accordance with Air Force Regulation 11-18, dated 18 July 1963, subject: "Delegating or Assigning Statutory Authority."

10. Secretary of the Air Force Order No. 100.1 dated 10 June 1976, is hereby superseded.



John C. Stinson  
Secretary of the Air Force



NO: 100.1

DATE: DEC 11 1978

## SECRETARY OF THE AIR FORCE ORDER

INTERIM CHANGE TO SAF ORDER 100.1

**SUBJECT:** Functions of the Secretary, Under Secretary and  
the Assistant Secretaries

SAF Order 100.1, dated 27 May 1977, is changed as follows:

\* \* \*

7. The Assistant Secretary of the Air Force (Financial  
Management)

a. Responsibilities. Is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review and execution of plans, policies, and programs relative to:

- (1) Budgeting and funds management;
- (2) Economic analysis;
- (3) Cost estimating and cost analysis;
- (4) Management information and control systems;
- (5) Internal auditing (see para 7b(4) below for special relationships);
- (6) Accounting and finance;
- (7) Banking and contract financing;
- (8) Credit unions;
- (9) Contracts for services in the financial management area;

INTERIM CHANGE  
NO: 100.1  
DATE: DEC 11 1978

- 
- (10) The Air Force programming processes;
  - (11) Productivity enhancement and measurement;
  - (12) Management by Objectives program; and
  - (13) Automatic Data Processing (ADP).

b. Relationships.

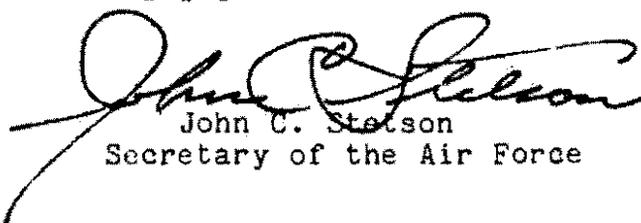
(1) The Air Force Comptroller. The Assistant Secretary of the Air Force (Financial Management) is responsible for directing and supervising the Comptroller of the Air Force. While the Comptroller is directly responsible to the Assistant Secretary (Financial Management), he has a concurrent responsibility to the Chief of Staff.

(2) Deputy Chiefs of Staff. Direct channels of communication are authorized between the Assistant Secretary of the Air Force (Financial Management) and the Deputy Chiefs of Staff when necessary to accomplish specific areas of responsibility.

(3) Director of Computer Resources. Direct channels of communication are authorized between the Assistant Secretary (Financial Management), who is the Senior ADP Policy Official, and the Director of Computer Resources (see also SAFO 560.1).

(4) The Auditor General. The Auditor General, who directs the Air Force Audit Agency, reports to the Secretary of the Air Force and is authorized direct access to the Chief of Staff. The Assistant Secretary (Financial Management) provides supervision on audit policy and management matters.

\* \* \*

  
John C. Stetson  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

ROBERT J. HERMANN

Dr. Robert J. Hermann is assistant secretary of the Air Force for research, development and logistics.

Dr. Hermann was born April 6, 1933, in Sheldahl, Iowa. He received a bachelor of science degree from Iowa State University in 1954, a master of science degree in 1959 and a doctor of philosophy degree in 1963.

He served in the U.S. Air Force from July 1955 to June 1957 as an electrical engineer assigned to the National Security Agency. Following his tour of duty in the Air Force, Dr. Hermann returned to Iowa State University as an instructor in the electrical engineering department. During this time he also served as a consultant to the National Security Agency.

In 1959 he returned to the National Security Agency as chief of the Research and Development Field Laboratory in Frankfurt, Germany. From September 1962 to August 1963, he attended Iowa State University as a member of the agency's fellowship program. From 1963 to 1965, he served as an electrical engineer on the Technical Planning Staff and later in the Office of the Director, Defense Research and Engineering. In 1965 he became chief, Office of Systems Engineering, and in February 1969 was appointed the agency's deputy assistant director for science and technology and acting chief of the Office of Systems Management.

Dr. Hermann served as chief of Systems Engineering and Electronic Intelligence at the National Security Agency from October 1970 to July 1973 when he became the agency's deputy director for research and engineering. In 1974 he was appointed special assistant to the director of the National Security Agency to study signals intelligence support to military operations.

In 1975 Dr. Hermann was assigned as special assistant to General Alexander Haig, supreme allied commander, Europe, for strategic warning and combat information systems. He became deputy under secretary of defense for communications, command, control and intelligence in July 1977 and assumed his current position in July 1979.

Dr. Hermann is married to the former Darlene Lowman; they have a son, Scott, and a daughter, Sherie.



### CURRENT ISSUES:

- . F-16 Follow-on Buy with The Netherlands
- . Defining a credible digital communications system for Tactical Air Force
- . Survivability/endurance of strategic aircraft
- . Planning for high-energy lasers
- . Warning system architecture
- . Emphasizing logistics considerations in the acquisition of new weapon systems and support equipment
- . Survivable C<sup>3</sup>
- . Short and long-range planning for the modernization of logistics ADPE and telecommunications
- . Developing antisatellite weapons policy
- . Establishing an overall depot maintenance posture plan as a vehicle for capital investment and mission assignment
- . Spacecraft nuclear power systems
- . Space Shuttle transition, future launch and backup strategies, and long-term goals for Shuttle operations in support of the DOD
- . Feasibility of accelerating development of space laser systems
- . Funding of NATO ACW&C program by the thirteen participating nations
- . Balancing the F-16 industrial offset among the participating European countries.
- . Inability of the industrial base to provide timely support for our current acquisition and potential surge requirements
- . Tailored acquisitions for space systems
- . Determining the composition and capability of the future TAC fighter force
- . Improving the Strategic Airlift capability
- . Source selection of the C-X aircraft

## PRINCIPAL FUNCTIONS

The Assistant Secretary of the Air Force (Research, Development and Logistics) is responsible for the formulation and execution of Air Force research, development, and logistics policies and programs. As the Air Force Acquisition Executive, he is responsible to the Secretary of the Air Force for all decisions relating to the acquisition of major weapon systems.

**Deputy Assistant Secretary of the Air Force (Systems).** The Deputy Assistant Secretary of the Air Force (Systems) is responsible for making recommendations to and acting in behalf of the Assistant Secretary of the Air Force (Research, Development and Logistics) with regard to:

1. The qualities and quantities of weapon systems needed for Air Force operations.
2. The integration of technology into Air Force weapon systems.
3. The effectiveness of acquired Air Force weapon systems.
4. General research, development, scientific and technology matters.
5. The assessment of development, test and evaluation results relative to weapon system acquisition decisions.

**Deputy Assistant Secretary of the Air Force (Acquisition Management).** The Deputy Assistant Secretary of the Air Force (Acquisition Management) is responsible for making recommendations to and acting in behalf of the Assistant Secretary of the Air Force (Research, Development and Logistics) with regard to:

1. The acquisition process.
2. Air Force acquisition strategies.
3. Air Force weapon system production programs.
4. The assessment of operational test and evaluation results relative to weapon system acquisition decisions.
5. Industrial resources, preparedness and defense programs.
6. Procurement actions, including determinations and findings, contracts, and the administration and termination of contracts.
7. Renegotiation affairs, contract appeals, and related activities.
8. Contract Adjustment Board matters.
9. Small business matters.

**Deputy Assistant Secretary (Logistics):** The Deputy Assistant Secretary (Logistics) is responsible for making recommendations to and

acting in behalf of the Assistant Secretary of the Air Force (Research, Development and Logistics) with regard to:

1. Integrated logistics support planning in the development, acquisition and maintenance of Air Force weapon systems.
2. The integration of logistics planning/programming with force development.
3. The supply management process, including initial and replenishment requirements determinations, storage, distribution, reutilization and disposal of all materiel.
4. Equipment maintenance and modification management.
5. International logistics programs.
6. Transportation management and interfaces with civil aviation.
7. Communications management.

**Deputy Assistant Secretary of the Air Force (Space Plans and Policy).**

The Deputy Assistant Secretary of the Air Force (Space Plans and Policy) is responsible for making recommendations to and acting in behalf of the Assistant Secretary of the Air Force (Research, Development and Logistics) with regard to:

1. Provides technical assistance, policy and operational recommendations to the Secretary of the Air Force in his capacity as the Chairman of the Defense Space Operations Committee (DSOC).
2. Provides staff cognizance for the development of an overall Air Force space program to include:
  - (a) Resources
  - (b) Operational concepts and procedures
  - (c) Organizational approaches
  - (d) Transition strategies for operations, systems and organizational changes
  - (e) Interfaces with other government space programs.
3. Provides staff cognizance for the development and definition of the desired relationships between space and conventional activities.
4. Serves as the primary point of contact between the Air Force Secretariat and other agencies or departments with space activities.



## Biography

# United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

### MR. JOSEPH C. ZENGERLE

Mr. Joseph C. Zengerle is Assistant Secretary of the Air Force for Manpower, Reserve Affairs and Installations, responsible for policies affecting all the military and civilian personnel of the Air Force, all matters pertaining to the Air National Guard and Air Force Reserve, and all the bases and facilities of the Air Force worldwide. He came to this position from the Washington, D.C., law firm of Shea & Gardner.

Mr. Zengerle has been active in promoting fair treatment of Vietnam veterans for the last two and one-half years, and in that connection co-founded a unique national membership organization, the Vietnam Veterans of America. His numerous articles and nationwide television and radio appearances have helped to create public awareness of and consequent improvement in the status of veterans of the Vietnam war era.



Born August 16, 1942, in Jamaica, N.Y., Mr. Zengerle attended elementary and high schools in Pitman, N.J. Upon graduating from the U.S. Military Academy, West Point, N.Y., in 1964, Mr. Zengerle was commissioned as an infantry officer and trained at the U.S. Army's Airborne and Ranger Schools at Fort Benning, Ga., where he was named the outstanding leader of his class.

Mr. Zengerle's military service continued with several assignments in Germany: command of an infantry platoon and company, and adjutant of an infantry battalion, in Augsburg and Berlin; and a tour of duty as the American chief of an allied intelligence organization in Nuremberg.

As a special assistant to the U.S. Commander, Vietnam, in 1968, Mr. Zengerle was an advisor to General William Westmoreland during the Tet offensive and later served in the same capacity for General Creighton Abrams. He completed his Vietnam tour as a unit commander in I Corps.

Mr. Zengerle's last military assignment was with the Office of the Assistant Chief of Staff for Intelligence, Department of the Army, at the Pentagon in 1969. He is a recipient of the Bronze Star Medal.

Married in 1966, Mr. Zengerle and his wife, Lynda, attended law school together at the University of Michigan, Ann Arbor, Mich., from which they both graduated with honors in December 1971. Mr. Zengerle was Note and Comment editor of the Michigan Law Review. In 1972, Mr. Zengerle joined the Washington, D.C., law firm of Arnold & Porter. During this time he also served on the Domestic Task Force of Senator Edmund Muskie's presidential campaign.

Mr. Zengerle next served as law clerk to the Honorable Carl McGowan, Circuit Judge of the U.S. Court of Appeals for the District of Columbia Circuit, in 1972-73. In the following year, Mr. Zengerle was law clerk to the Honorable Warren Burger, Chief Justice of the United States.

His service in this capacity occurred during the 1973-74 term, when the Supreme Court decided the case of United States v. Nixon.

Since late 1974, Mr. Zengerle has been with Shea & Gardner. In 1976, he helped to form and was acting chairman of the Washington Finance Committee for President Carter's election campaign. In 1977, he converted an occasional involvement on behalf of Vietnam veterans into a full-scale undertaking, pro bono publico. Mr. Zengerle's law practice was otherwise divided evenly among the specialities of corporate litigation, banking and administrative law.

He was sworn in as Assistant Secretary of the Air Force by Secretary of Defense Harold Brown on Feb. 15, 1980, with Judge McGowan administering the oath of office.

Mr. Zengerle and his wife, a partner working part-time in the Washington, D.C., law firm of Leighton, Conklin, Lemov & Jacobs, live in Washington with their two young sons, Jason and Tucker.

## **CURRENT ISSUES**

- . **M-X**
  - Environmental Impact Statement
  - Land Acquisition & Construction
- . **Rapid Deployment Force**
  - Basing Requirements
  - Israeli Airbase Construction
- . **Military Construction**
  - Base Realignment Actions
  - Overseas Family Housing Deficiencies
- . **Military Personnel**
  - Compensation
  - Quality of Life Initiatives
  - Retention
  - Total Force Mix
- . **Civilian Personnel**
  - Strength Reduction  
Hiring Freeze
  - High Grade Reductions
  - Pay Reform and Pay Cap
  - Merit Pay Program
- . **Reserve Affairs**
  - Force Modernization
  - Militarization Study
- . **Environment & Safety**
  - Epidemiological Studies (Agent Orange)
  - Pollution Abatement Issues
  - Space Shuttle Noise Impact Studies
- . **Air Force Boards**
  - Reducing case backlogs

## PRINCIPAL FUNCTIONS

### Assistant Secretary of the Air Force

(Manpower, Reserve Affairs & Installations)

Serves as a member of the Reserve Forces Policy Board established by 10 USC 175 (a) (2).

Serves as a member of the Per Diem, Travel and Transportation Allowance Committee.

Provides direction, guidance and supervision over all matters pertaining to the formulation, review and execution of plans, policies and programs.

### Principal Deputy Assistant Secretary

(Manpower, Reserve Affairs & Installations)

Acts for and in the absence of the Assistant Secretary in all the professional and technical areas of manpower and organization, reserve component affairs and installations management. In so acting, performs the full range of duties delegated to the Assistant Secretary by law or Secretarial order.

Functions as principal executive and advisor to the Assistant Secretary.

Coordinate planning, programming and budgeting actions.

### Special Assistant

Responsible for public interface activities supporting major Air Force programs.

Research projects and other functions as assigned.

### Principal Deputy Assistant Secretary

(Manpower Resources & Military Personnel)

Formulation, implementation and management of Air Force policies and programs in areas of military personnel, manpower and organization, education and training, and equal opportunity.

Monitor Air Force programs for military recruitment, assignment, promotion career development, pay and benefits, separations, retirement, medical care, and all factors affecting morale and welfare.

Formulation of appropriate Air Force manpower mix and development of productivity initiatives.

**Principal Deputy Assistant Secretary**  
(Installations)

Responsible to Assistant Secretary for all aspects of the Air Force installations program. Policy determination and SAF coordination and review for: installations planning and programming; acquisition and disposal of real estate; construction of bases, missile sites and other facilities; programming, construction, maintenance, operation, and management of real property. Secretariat focal point for base realignments and economic adjustment impacts.

**Deputy Assistant Secretary**  
(Reserve Affairs)

Assists in the planning, establishing, directing and implementing the formulation of policy in the areas of Reserve Force personnel management, programming, manpower, force structure, readiness planning, budgeting, organization, training, and education.

Responsible for the mobilization and deployment functions within the office of the Secretary of the Air Force.

Provide administrative support to the Air Reserve Forces Policy Committee (ARFP).

Advise the Secretary of the Air Force on all policy matters directly affecting the Air National Guard and Air Force Reserve.

Administer the Title 10 USC Section 265, 9033 ad 8496 officer program.

**Deputy Assistant Secretary**  
(Civilian Personnel Policy)

Formulate civilian personnel policy goals and objectives; to issue Departmental policies, and to monitor and control policy execution through program review and evaluation.

Provide oversight, leadership, and policy guidance for the administration of civilian personnel within the Department of the Air Force for both appropriated and non-appropriated fund personnel.

Serve as Air Force spokesman for civilian personnel administration in communicating and advocating the Administration's views and interests before Congress, other agencies, and the public.

Represent the Department of the Air Force in its dealings with other Federal agencies and instrumentalities as well as in its relations with non-governmental organizations, such as labor groups, for purposes of formulating and modifying Department-wide policies and directions.

**Deputy for Equal Opportunity**

Responsible for policy planning, program guidance and executive direction for all matters within the Department of the Air Force pertaining to

minority and women's rights, equal employment opportunity and treatment/human relations education for military personnel.

#### **Deputy for Environment and Safety**

Serves as the Air Force Safety and Occupational Health Official, designated by the Secretary of the Air Force in accordance with DODD 1000.3. Responsible for implementing the requirements of the Occupational Safety DOD Directives.

Serves as the Air Force single point of contact for the quality of the human environment, designated by the Secretary of the Air Force per DODD 6050.1. Responsible for implementing requirements of the National Environmental Policy Act of 1969, environmental and natural resource protection laws, Executive Orders, and DOD policy.

While not presently a formal responsibility, developing requirements for Secretariat-level involvement in energy-related matters have flowed to SAF/MIQ through various SAF/US memoranda and verbal guidance.

#### **Deputy for Air Force Review Boards**

Coordinate activities of the Air Force Personnel Council, Air Force Board for Correction of Military Records and the AF Civilian Appellate Review Agency. A brief description of these boards is given below.

Review all cases received from the review boards for final decision by the Assistant Secretary to insure due process and fair and impartial adjudication.

Coordinate individual case personnel actions, congressionals or personal complaints made to the Secretary or Assistant Secretary of the Air Force.

Insure central point for coordination of all cases having Presidential, Congressional, Secretarial and other interests concerning individual cases or policies affecting Air Force members or their dependents and civilian employees. Essentially, act as Secretarial ombudsman.

#### **The Secretary of the Air Force Personnel Council**

An administrative agency established under the Assistant Secretary of the Air Force for Manpower, Reserve Affairs and Installations, to assist in the review and recommendation of final actions to the Secretary and to announce final determinations and decisions of the Secretary in certain specifically defined personnel matters wherein the Secretary is charged by law with the final authority. It's functions include:

##### **(1) Discharge Review Board**

Upon application, examines the property and equity of an applicant's discharge and effects changes, where necessary.

(2) **Clemency and Parole Board**

Considers persons confined at the U.S. Disciplinary Barracks for clemency and parole. In addition, former members confined in the Federal prison system or on parole from the Federal prison/Disciplinary Barracks are considered for parole only.

(3) **DOD Civilian/Military Service Review Board**

Reviews and recommends final action to the Secretary to determine if civilian or contractual service rendered by groups to the Armed Forces of the United States shall be considered active military service for the purposes of all laws administered by the Veterans Administration.

(4) **Substitution in Lieu of Board for Correction of Military Records**

Assists the Air Force Board for Correction of Military Records by reviewing and acting on some functions assigned to the Board but for which the composition and expertise of the Council is equipped (i.e., change of reenlistment code requests, and discharge review cases which exceed statutory time limitations of the Discharge Review Board).

(5) **Personnel Board**

Process for a final determination or recommendation to the Secretary a variety of personnel actions in which current policy parameters are exceeded. Includes separation of Air Force Academy cadets; interservice transfer of officers; Regular Air Force appointments; grade determinations, retention of Reserve officers on active status; deferment of mandatory retirement; Survivor Benefit Program determinations; transfers to retired Reserve; dropping officers from the roles of the Air Force; voluntary officer separations through retirement, resignation or early release; certain designated physical disability cases involving both officer and enlisted personnel; and reenlistment code changes.

(6) **Decorations Board**

Acts on individual military awards, unit and organizational awards and civilian awards submitted to the Secretary of the Air Force.

(7) **Physical Disability Appeal Board**

Adjudicates and makes a final determination on physical disability cases in which the individual contests any major findings made by the physical Review Board or the Personnel Board.

(8) **Board of Review**

Examines the cases of officers who have been recommended for removal from the Regular active list by Boards of Inquiry. Officers are

considered for removal for reasons of moral/professional dereliction, in the interests of national security, or for substandard performance of duty.

### **The Air Force Board for Correction of Military Records**

Section 1552, Title 10, U.S. Code authorized the Secretary of the Air Force, under procedures established by him and approved by the Secretary of Defense, and acting through a board of civilians of the Executive part of the Department known as the Air Force Board for Correction of Military Records, to correct any military records of present or former members of the Air Force when he considers it necessary to correct an error or remove an injustice. The Board, which is composed of 29 members, is tasked with the review of all applications that becomes before it to determine whether to:

(1) authorize a personal hearing, (2) recommend to the Secretary that the records be corrected without a hearing, or (3) deny the application without a hearing. There is nothing in the personnel, legal or medical spectrum barred from consideration by the Board. The Board Secretariat staff duties are primarily that of advisors and administrative support to the Board.

### **Air Force Civilian Appellate Review Agency**

Executive Secretariat for Secretary of the Air Force is processing discrimination complaints, appeals and grievances submitted by civilian employees. Decides personal representation disputes, and disputes over acceptability of employee petitions for review. Acts on other matters related to the civilian appellate program as designated by the Office of the Secretary.



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

CHARLES W. SNODGRASS

Mr. Charles W. Snodgrass was appointed assistant secretary of the Air Force for financial management June 18, 1980.

Mr. Snodgrass was born in Marietta, Ohio, Aug. 7, 1940, and attended primary and secondary schools there. In 1965, following military service with the U.S. Navy, he received his bachelor of arts degree in history and political science from Marietta College. He was selected the best graduating student in the history department. He was awarded a master of arts degree in public administration from The American University, Washington, D.C., in 1971.



Mr. Snodgrass entered the Department of Health, Education and Welfare's management intern program in 1965. This three year management development program included intern assignments with the National Institute of Health, Vocational Rehabilitation Administration and the Office of the Secretary of Health, Education and Welfare. He then joined the Office of Management and Budget as a budget examiner in 1968. In addition to evaluating various Department of Labor programs he worked with the White House staff on the project to reform unemployment insurance laws.

Mr. Snodgrass served the House Appropriations committee as a staff assistant to the Agriculture Subcommittee from 1971 to 1974 and was responsible for reviewing budget requests of the Federal Trade Commission, Food and Drug Administration and the Office of Consumer Affairs. From 1974 until his present appointment he served as a staff assistant for the Defense Subcommittee of the House Appropriations Committee with responsibility for reviewing budget requests for all Department of Defense communications and intelligence programs, including budgets of the Central Intelligence Agency and National Security Agency.

Mr. Snodgrass is married to the former Catharina Malmberg of Stockholm, Sweden, and they have two sons Charles Eric and Jay Alexander. They reside in Washington, D.C.

## CURRENT ISSUES

- . Paperwork Reduction Act
- . MX funding
- . FY 82 budget
- . FY 83 Program Objective Memorandum preparation
- . Air Force Symposium on Force Projection
- . Depot Maintenance Cost Accounting
- . Air Force Regulation on Productivity
- . Proposed Productivity Statute (H.R. 8306)
- . General Accounting Office approval of accounting systems
- . Implementation of system for audit followup and resolution of disagreements
- . Integrated plan and audit evaluation of design of Air Force internal control systems
- . Developing visibility of weapon systems operating and support costs
- . Revised funding policies/multi-year procurement/tailored acquisition
- . Preparation/coordination of "think piece" on separate appropriation for satellites/space vehicles
- . Extension of Selected Acquisition Report (SAR) coverage to include Global Positioning System (GPS) and Joint Tactical Information Distribution System (JTIDS)
- . Evaluation and disposition of Boeing Co. complaints about implementation of Cost/Schedule Control Systems Criteria (C/SCSC) on their Air Force programs
- . Development of computer programs to facilitate the analysis of Air Force financial data bases
- . Phase IV acquisition to replace 275 base level computers
- . Near term acquisition/implementation of Air Force Logistics Command's IBM 360/65 computers
- . Long term modernization of all management information system computers in Air Force Logistics Command
- . Modification of Air Force Global Weather Central computers (long term)

- . Pursue initiatives of the Automatic Data Processing Acquisition Improvement Group
- . 82-86 Program Objective Memorandum (POM); relationship between spares, depot programmed equipment maintenance, and overall logistics readiness

## PRINCIPAL FUNCTIONS

### **Principal Deputy Assistant Secretary (Financial Management)**

Acts for and assists the Assistant Secretary (Financial Management) by providing direction, guidance and supervision over all matters pertaining to the formulation, review and execution of plans, policies and programs in all areas of financial management. Provides continuity of Air Force financial management operations from one Administration to another.

### **Principal Deputy Assistant Secretary (Programs and Budget)**

Direct, guide, and supervise all matters pertaining to formulation, review and execution of Air Force long range planning, Air Force Program, and Air Force budget and fund management systems.

Develop and coordinate SecAF/Chief of Staff Guidance Memorandum for preparation of the Air Force Program Objective Memorandum (POM).

Supervise and coordinate Secretariat review of Air Force Program and Budget submissions to include all preliminary phases of review and recommendations to Office of Secretary of Defense program and budget decisions.

Develop improved process for Secretariat/Command Section review of Air Force Program Objective Memorandum, Department of Defense program issues and budget.

Accomplish studies and/or program reviews in support of Planning, Programming and Budgeting System (PPBS).

Develop long range planning process for Air Force in making program guidance and resource allocation decisions.

### **Deputy for Productivity Management**

Air Force Productivity program

Management by Objectives program

### **Deputy for Financial Systems and Analysis**

Management information and control systems (i.e., Selected Acquisition Reports (SAR); Cost/Schedule Control Systems Criteria (C/SCSC); Program Acquisition Report/Secretary's Program Review (PAR/SPR).

Cost estimating and cost analysis

Economic analysis

### **Deputy for Accounting and Internal Audit**

Internal auditing

Banking; credit unions

Accounting and finance

Contract financing

**Assistant for Data Automation**

The Air Force Automatic Data Processing (ADP) Program encompasses planning, development, selection, acquisition, utilization/reutilization, management, operation and review of all Air Force ADP systems.



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

### STUART R. REICHART

Mr. Stuart R. Reichart is the general counsel of the U.S. Air Force. He is the final authority on all Air Force legal matters except military justice.

Mr. Reichart was born Nov. 18, 1924, in New York City. He graduated from Thomas Jefferson High School in New York City and was attending Memphis State College in Tennessee when he entered the U.S. Army Air Forces as an aviation cadet in December 1942. In June 1944 he was commissioned as a second lieutenant upon completing bombardier training at Victorville, Calif. After receiving his commission Mr. Reichart served in the Army Air Forces as a navigator-bombardier with Twentieth Air Force's 73rd Bombardment Wing on Saipan where he participated in 41 B-29 missions. He was released from active duty in November 1945.



After leaving the service Mr. Reichart received a bachelor of laws degree from Brooklyn Law School in 1948 and a master of laws degree from New York University Law School in 1951. He was admitted to practice law in New York state in 1949, the U.S. Supreme Court in 1963, the U.S. Court of Military Appeals in 1963 and the District of Columbia in 1971. From 1949 to 1951, he was a partner in the New York City law firm of Herman, Herzog and Reichart.

In 1951 Mr. Reichart returned to active duty with the newly established U.S. Air Force, and for the next 20 years he served as a judge advocate. His assignments included duties as staff judge advocate, Eastern Air Procurement District, 1951 to 1952; chief, Civil Law, Far East Air Logistics Force, Japan, 1952 to 1955; chief, Procurement Law Division, San Antonio Air Material Area, 1955 to 1958; chief, Review Branch, Procurement Law Division, Air Force Logistics Command, 1958 to 1963; and director of contract law, United States Air Forces in Europe, 1963 to 1966. In addition he served as a member of the Armed Services Board of Contract Appeals from 1966 to 1972.

Mr. Reichart has been an honorary faculty member and has lectured extensively on government contracts at the U.S. Army Logistics Management Center at Fort Lee, Va., since 1961. He also has taught at the University of Dayton in Ohio from 1960 to 1963; Ohio State University from 1960 to 1963; and the University of Maryland from 1967 to 1971.

Mr. Reichart came to the Pentagon in 1972 as assistant general counsel (procurement), Office of the Secretary of the Air Force. In January 1976 he was promoted to the position of deputy general counsel of the Air Force where he served until his appointment as acting general counsel of the Air Force in November 1978. He assumed his current position in April 1979.

During his military service he was awarded the Legion of Merit, Distinguished Flying Cross, Air Medal with five oak leaf clusters and Air Force Commendation Medal with one oak leaf cluster.

Mr. Reichart was married to the late Josephine Alice Klarr of New York City and has one son, Steven.

## OFFICE OF THE GENERAL COUNSEL OF THE AIR FORCE

### I. INTRODUCTION

The Office of the General Counsel (SAFGC) was established by the first Secretary of the Air Force during his first week in office in September 1947. The statement of functions and responsibilities of the office is set out in a Secretary of the Air Force Order, No. 111.1, dated May 24, 1955, a copy of which is attached. That Order provides in part:

1. The general counsel is the final legal authority on all matters arising within or referred to the Department of the Air Force, except those relating to the administration of military justice and such other matters as may be assigned to The Judge Advocate General by Secretary of the Air Force Orders.

The Office provides advice and assistance to all elements of the Air Force, but the keystone of its functions and responsibilities is a close relationship with the Secretary and his principal assistants. As the law office of the Secretary, it takes a broad view of its responsibility in handling matters presented to it. The office seeks to provide carefully considered, practical advice aimed at producing effective solutions. The end product of the work of the office takes many forms and much of its advice and counsel is given orally. In written form, it may involve a formal legal opinion, draft correspondence, draft directives or policy statements, or guidance or decisions on individual cases.

Currently, the office consists of the General Counsel, one Deputy General Counsel, four Assistant General Counsels, plus a staff of 19 lawyers. While it is frequently difficult to pigeon-hole the individual questions or cases referred to the office, since many of them cut across functional lines, normally the work of the office falls into one of the following areas:

Procurement and Research and Development

Personnel — EEO, Labor-Management Relations, Conflict  
of Interest  
Administration  
Fiscal & Financial Management  
Privacy and Release of Information  
Legislation and Congressional Matters  
Air Force Investigative and Intelligence Matters  
International Matters and Civil Aviation

Installations  
Environmental Matters  
Communications

The following sections of this paper contain brief descriptions of the work in these areas and provide illustrations of particular interest, including those matters for which the office has been assigned primary responsibility for action within the Air Force. Where pertinent, the JAG interface/corollary responsibilities are also addressed.

## II. Procurement and Research and Development

### General Description of Responsibilities

This office advises the Secretariat, the Air Staff and field organizations and commands on procurement and R&D matters in the Air Force. The lawyers specializing in procurement and R&D (1) review all procurement actions on which Secretarial approval is required by statute or regulations; (2) assist in the formulation of procurement policy; (3) render legal advice on source selection and other matters related to major procurements; (4) provide legal advice in contract formation, negotiation and administration matters; (5) assist in the preparation of replies to protests against contract award, frequently filed by unsuccessful offerors with the GAO, (6) prepare and edit replies to GAO reports on procurement matters, as well as Congressional inquiries; (7) participate in the negotiation of intergovernmental agreements for joint projects; (8) render advice on tax matters affecting procurement and approve all non-standard contract provisions regarding taxes; and (9) provide legal advice on other procurement and R&D matters as requested by the Secretariat or the Air Staff. Carrying out these responsibilities frequently involves dealing with OSD and the other military services, and with other Government departments and agencies such as NASA, GAO, Department of Labor, Department of Justice, Department of Commerce and the Federal Aviation Agency. The office also assists in drafting legislation affecting procurement as well as the preparation of material required for Congressional hearings with respect to procurement and R&D matters. The office provides two members of the Contract Adjustment Board as well as the counsel for that Board, a member of the Debarment and Suspension Board as well as the counsel to that Board, a member of the Armed Services Tax Group, an advisor to the Air Force Systems Acquisition Review Council (AFSARC) and an "authorized attendee" at the Secretary of Air Force Program Review (SPR). The office also provides the full time Air Force Legal Member on the Defense Acquisition Regulation (DAR) Council. In support of major systems acquisitions, the office participates in Acquisition Strategy Panels, Solicitation Review Boards, and Source Selection Advisory Councils.

### Examples of Current Projects

Significant procurement and R&D projects include:

1. Participating on the Source Selection Advisory Councils (SSAC) for:
  - a. C-X Aircraft;
  - b. Joint Tactical Information Display System (JTIDS);
  - c. NAVSTAR-GPS Ground Segment soon to be selected;

2. Providing advice on other major systems procurements including: MX missile; Air Launched Cruise Missile; Civil Reserve Air Fleet (CRAF) Enhancement; Space Transportation System; F-16 — both USAF and European Participating Government (EPG) purchases; and, other procurement contracts in furtherance of FMS.

3. Representing the Air Force in the defense of all protests against award lodged with the GAO.

4. Consulting with the Air Force Judge Advocate General's Department on significant procurement-related litigation before various courts and boards.

5. Assisting the Department of Justice in the prosecution of significant procurement-related litigation including:

a. Defense of a request to enjoin the continuation of the LANTIRN contract;

b. Appeal of an ASBCA decision on the application of Cost Accounting Standard 403.

### III. Personnel and Fiscal

#### A. Personnel

##### 1. Military personnel (Regular, Reserve, and National Guard personnel)

This office gives advice and assistance on the whole range of military personnel matters such as appointments, promotions, demotions, status, rights, liabilities, retirement, and separation. Review of discharge actions is an important aspect of the military personnel practice. The discharge process is complex and of all the various types of personnel actions, the involuntary discharge is most likely to result in prolonged litigation. Courts now review not only the character of the discharge, but the fact of discharge itself, holding in some cases that the member has been arbitrarily and illegally discharged and is therefore entitled to back pay. Recent cases reviewed by this office include discharges under AFR 36-2 and AFM 39-12 for homosexual acts, drug/alcohol abuse, and civil conviction. The office has recently been involved in defending the Air Force policy on homosexuality and in revising regulations on this subject.

For the past several years, the Air Force has been attempting to resolve the status of members classified as MIA or POW in Southeast Asia. This office reviews proposed status changes for legal sufficiency and assists the Justice Department in defending lawsuits brought by next-of-kin to prevent status changes.

The personnel practice of this office also includes providing final legal guidance for the Air Force Board for the Correction of Military Records. The statutory board is empowered to change any error or injustice present in an individual serviceman's records due either to administrative oversight or unjust decisions by superiors. This office aids the Correction Board in taking all action it desires, within the law. Each year many hundreds of cases are considered and

recent Court of Claims decisions indicate that court's willingness to alter any Correction Board decisions found to be contrary to the weight of the evidence. This office also provides two attorneys to serve as members of the Board for the Correction of Military Records.

## 2. Civilian Personnel and Labor-Management Relations

Civilian personnel matters include both individual cases involving an adverse action (e.g., suspension, separation) and implementation of civilian personnel programs (e.g., the new Senior Executive Service and merit pay for GS 13-15 managers and supervisors, both established by the Civil Service Reform Act of 1978.) We have also been active in developing new Air Force procedures for cases before the Merit Systems Protection Board (MSPB) and for matters related to prohibited personnel practices and whistle-blowers under the jurisdiction of the Special Counsel of the MSPB.

We provide advice to SAF/MI and the Directorate of Civilian Personnel (AF/MPK) on all aspects of labor-management relations. Currently the office is working on the Air Force response to a request by the American Federation of Government Employees to consolidate its bargaining units at the national level.

## 3. Security Programs

This office has played an active part in the development of Air Force programs, both military and civilian. In addition to assisting in the disposition of individual cases, we also assist in the development of overall policies including the preparation of DoD directives and Air Force regulations. In light of recent court decisions, any attempt to separate a person or take other adverse action on security grounds without providing full confrontation and other elements of "due process" may create serious legal and practical problems.

## 4. Standards of Conduct/Conflict of Interest

This office has responsibility for coordination and final disposition of all standards of conduct and conflict of interest problems that cannot be resolved at lower echelons. Pursuant to the Ethics in Government Act of 1978, the General Counsel was selected by the Secretary as the "Designated Agency Ethics Official" with overall responsibility for the Air Force conflict of interest and financial disclosure reporting programs. This office actively participated in preparing current DoD and Air Force directives as well as providing extensive comments to the Office of Government Ethics on proposed new regulations implementing the Ethics in Government Act. We also provide advice on individual cases where standards of conduct or conflict of interest problems arise.

Senior officials (Statutory appointees, SES members and General Officers) must file annual detailed financial disclosure reports (SF 278) which are publicly available at a central Pentagon office. Various other officials also file confidential statements of financial interests (DD Form 1555). This office reviews all forms for members of the Secretariat and maintains custody of the DD Form 1555s.

## 5. Equal Employment Opportunity

The General Counsel's role in Equal Employment Opportunity matters is quite expansive. The office reviews many of the Air Force's final agency decisions in cases involving individual complaints of discrimination and reprisal and all of the requests for attorneys fees. In addition, the office plays an important role in the planning aspects of Equal Employment Opportunity, working closely with SAF/MI to develop programs and plans that will yield an effective Affirmative Action Program without creating reverse discrimination claims. The planning aspect of this office's responsibilities requires a close liaison with both the Office of Personnel Management and the Equal Employment Opportunity Commission.

### B. Administration of the Department

Work on this subject encompasses a wide range of matters pertaining to the administration and organization of the Department of the Air Force, including delegations of authority to and by the Secretary (such as Secretary of the Air Force Orders); claims; gifts to the Department; civilian auxiliaries of the Air Force such as the Civil Air Patrol; and the organizational relationship of the Secretary of the Air Force with the Secretary of Defense and with the Chief of Staff.

### C. Fiscal Matters and Financial Management

In its fiscal practice the office advises the Secretary, the Assistant Secretary for Financial Management and his Deputies, and the Air Staff, particularly the Comptroller,<sup>1</sup> concerning a wide range of questions relating to the receipt, obligation and disbursement of funds. There are few problems that do not, directly or indirectly, involve fiscal questions, and consequently the fiscal practice often cuts across other areas of responsibility within the office.

Some of the more important activities that fall within the office's fiscal practice are: (1) interpreting the annual appropriation acts, and related legislation, to determine the purposes for which appropriated funds may be used and to determine which appropriation should be charged for specific items of expense; (2) aiding in preparing Air Force responses on the use of funds and, when necessary, seeking GAO opinions on fiscal matters; (3) providing advice concerning the preparation and presentation to Congress of appropriation legislation; (4) interpreting the statutes and internal regulations that deal with administrative control of funds (R.S. 3679, 31 U.S.C. 665) and with recording of obligations; (5) rendering advice on accounting and finance policies generally; (6) advising on various contract financing matters, such as advance payments and off-set procedures; and (7) answering questions related to the use and control of nonappropriated funds.

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<sup>1</sup> 10 U.S.C. 8014 establishes the position of Comptroller of the Air Force and specifies his functions. The statute provides that the Comptroller is directly responsible to the Secretary or an Assistant Secretary (presently, under SAFO 100.1, the Assistant Secretary for Financial Management), and may be responsible concurrently to the Chief of Staff.

**D. Privacy Act Program and Release of Information**

SAFGC bears ultimate responsibility for determining the legality of releasing or withholding various types of information concerning Air Force personnel and activities. Of particular importance is our role in interpreting the requirements of the Freedom of Information Act, 5 U.S.C. §552. Questions as to the propriety of withholding information under the Act are frequently reviewed at the request of various Secretariat offices. This office is responsible for providing legal advice and review concerning the policies and procedures governing the collection, safeguarding, maintenance, public notice, use, access, amendment, and dissemination of personal information in systems of records maintained by the Air Force pursuant to the Privacy Act of 1974, 5 U.S.C. §552a. In addition, all appeals to the Secretary regarding access or correction of personal records under AFR 12-35, "Air Force Privacy Program," and the release of information under AFR 12-30, "Disclosure of Air Force Records," are reviewed by this office, with recommendations concerning such appeals being made to SAFAA.

This office also provides assistance to various Air Staff agencies and Secretariat offices in dealing with requests for information from Congressional sources, including the GAO. In extreme cases, these requests could trigger an invocation of "executive privilege," although White House directives currently provide that only the President may assert the privilege as a basis for denying information requested by the Congress.

The Federal Advisory Committee Act requests that meetings of all advisory committees be open to the public unless it is determined that the meetings concern matters listed as exceptions in the Freedom of Information Act. Currently, the determination to close meetings of a particular advisory committee is coordinated with this office.

**E. Legislation and Congressional Matters**

Within the Executive Branch, the Office of Management and Budget (OMB) has primary responsibility for securing departmental and agency coordination on proposed legislation, Executive Orders, and Presidential Proclamations. Within the Department of Defense, the Office of the General Counsel, OSD, is the focal point in this coordination process, while within the Air Force, the Office of Legislative Liaison, Office of the Secretary of the Air Force (SAFLL), exercises this responsibility. This office provides legal advice and assistance to SAFLL in this process, and to other members of the Secretariat and the Air Staff when requested. A legislative proposal is examined in the context of existing statutes and regulations to ascertain whether it is needed and advisable and to determine its probable effect on existing statutes and regulations.

Although not a primary responsibility of this office, we may assist from time to time in preparing Air Force or DoD witnesses for their appearance before Congressional Committees. This assistance may take the form of drafting prepared statements or briefing witnesses prior to their appearances before a Committee. As appropriate, a member of the office may accompany an Air Force or DoD witness at a hearing and may also appear as a witness.

The office also assists in the preparation of replies to individual members of Congress in response to their inquiries concerning proposed legislation before the Congress or other matters involving the Air Force or DoD.

#### **F. Air Force Investigative Matters**

This office has actively participated in DoD-wide reviews of the DoD investigative community. This effort was initially prompted by widespread charges that military investigative personnel were engaged in active surveillance programs in the civilian community and were monitoring certain kinds of political activities. DoD Directive 5200.27 establishes policies prohibiting the acquisition or retention by DoD components of information concerning persons and organizations not affiliated with the Department of Defense. This office periodically reviews OSI activities to insure continuing compliance with legal and policy requirements. The General Counsel serves as the Air Force approval authority on requests for electronic surveillance in criminal investigations.

#### **G. Intelligence**

Executive Order 12036, "United States Intelligence Activities," issued January 26, 1978, requires General Counsels and Inspectors General of agencies within the Intelligence Community to formulate practices and procedures for discovering and reporting to the Intelligence Oversight Board intelligence activities that raise questions of legality or propriety. The General Counsel serves as the senior member of the Air Force Oversight Intelligence Panel. The office provides legal advice to Air Force intelligence components, assists the Inspector General's Intelligence Inspection Team in periodic reviews of Air Force intelligence activities, and serves as liaison with the national Intelligence Oversight Board and with the Defense Inspector General for Intelligence.

#### **IV. International and Civil Aviation**

The General Counsel provides legal advice and assistance to the Secretariat and Air Staff on international matters of interest to the Air Force, such as: (a) operating rights, base rights and status of forces matters; (b) security assistance; (c) international cooperative research and development programs; (d) NATO RSI and other international cooperative acquisition programs, including coproduction and licensing arrangements (e.g., F-16 and NATO AWACS programs); (e) the use and disposition of Air Force property in foreign areas; (f) international aviation matters; (g) law of the sea; (h) military construction overseas; (i) environmental policy overseas; (j) offshore procurement; (k) foreign taxation; (l) international humanitarian assistance; and (m) control and monitoring of nuclear weapons testing.

In the areas of base rights and status of forces agreements (SOFA), our role consists mainly of interpreting existing agreements and related U.S. laws, advising on the authority to negotiate and conclude various forms of agreements, and drafting the text of proposed new agreements and instructions to U.S. embassies and delegations. Agreements include comprehensive base rights and status of forces agreements applicable to all U.S. defense activities in a foreign country (such as the 1979 amendments to the Philippines Military Bases Agreement, and the 1980 Defense Agreement with Turkey), as well as agreements applicable to particular Air Force facilities or providing limited access rights to foreign facilities (such as the recently concluded agreements in the Indian Ocean area).

All Foreign Military Sales (FMS) letters of offer and acceptance (DD Form 1513) prepared in the Air Staff (AF/PAI) are reviewed in this office prior to transmittal to the purchasing foreign government or international organization. Loans of Air Force property to foreign governments under Section 503 of the Foreign Assistance Act (MAP loan) and leases of Air Force property under 10 U.S.C. §2667 are prepared with the assistance of this office. We assist the Air Staff in the drafting and negotiation of cooperative R&D and coproduction agreements, and prepare the legal memoranda required to obtain authority from OSD to negotiate and conclude such agreements. Other types of agreements we work with include officer exchange agreements, scientist and engineer exchange agreements, data and information exchange agreements, unique security assistance agreements such as the Israel air base construction agreements and the NATO Joint Jet Pilot Training Memorandum of Understanding, and multilateral treaties of interest to the Air Force such as the Law of the Sea Convention and the Moon Treaty.

## V. Installations, Environmental, & Communication

### A. Installations

The office provides legal advice to the Secretary, and the Air Staff on matters relating to installations and the entire field of civil engineering. Cases in this area involve (1) interpretation of the Military Construction Authorization and Appropriations Acts; (2) problems arising out of the military construction program; (3) acquisition, use, and disposal of real property; (4) condemnation of private property by the Federal Government; (5) annexation of military bases and by municipalities; (6) Federal jurisdiction over military installations; (7) zoning and land use problems concerning military bases and adjacent areas; (8) family housing programs in the United States and in foreign areas; (9) negotiation of agreements with local airport boards and municipalities for joint use of installations by military and civil aircraft. The office is called upon to give formal legal opinions as well as practical advice on the foregoing matters, investigate problems in the field and make recommendations, and represent the Air Force in negotiations in this area. All proposed real estate actions are coordinated with this office.

By way of illustration, the following are some of the problems on which the office is currently working:

#### 1. Zoning Near Air Force Bases

The noise of jet aircraft and the growing population around many Air Force bases have resulted in many problems. One method of resolving conflicts between the Air Force and adjacent landowners is to acquire an aviation easement, by which the owner is compensated for the diminution in value of his land resulting from the noise and potential danger of low and frequent flights. Another possible method of resolving these conflicts is to zone the land only for uses compatible with aviation. This office conceived the idea of an Air Force-wide program of encouraging local governments to zone for compatible uses, with Air Force purchase of a limited amount of land off the ends of the runways where accident potential bars most uses. Some of the problems encountered are the types of use to be recommended to local zoning commissions, the extent to which the Air Force will be formally represented at zoning hearings, and the limitations that are imposed on Air Force activities by the need to avoid unintentional

takings of property without due process of law. This program has been adopted by the Department of Defense and approved by the Congress.

## **2. Real Estate Systems**

The office examines the form of documents and considers both the legal and policy implications of five to ten real estate actions per week. These include in-leases and out-leases, condemnation assemblies, easements, and property disposals.

## **3. Joint Use Agreements**

With the increasing difficulty of finding sites for civil airports there have been a number of proposals made to the Air Force for civilian use of military airfields jointly with military traffic. This office developed a standard approach to such requests, under which land is leased to the local government at fair market value for construction of civil facilities and a joint use agreement is entered into setting out the terms and conditions of civil use of the flight facilities. We have prepared and negotiated several sets of these agreements and others are in the works.

## **4. Base Closures and Realignments**

Military bases are a major contributor to a local economy. Closing or realignments resulting in reduced missions and manpower are traumatic and resisted by every possible means. When opposition fails, difficult transitional problems result. We have spent countless hours devising and negotiating arrangements for speedy civil re-use of closed facilities, advising on property disposal, and working our arrangements with other Federal agencies to assist new civil users.

## **B. Environmental Matters**

The upsurge of interest in problems of the environment has had a major impact on the Air Force, which is the proprietor of millions of acres of land, over a thousand major and minor installations, and some 10,000 aircraft. Environmental legal problems, once uncommon, have come to play a significant part in the office's workload.

The National Environmental Policy Act (NEPA) has spawned an entirely new body of administrative law. It provides opportunities for both public involvement in Air Force decision-making and a limited form of judicial review. The courts' involvement has been effectively limited to review of procedural matters, including adequacy of environmental impact statements as well as the steps employed in preparing them and conducting public dialogue. However, even this limited review provides opportunities for injunctive relief against Air Force actions that would otherwise be unreviewable and un-enjoinable. Meshing public review into formerly closed decision-making processes continues to be a major problem. NEPA problems have arisen in connection with procurement of aircraft, leasing of new aircraft, base closures, and construction projects, to cite just a few examples. The office has worked closely with OSAF and the Air Staff on developing and refining the Air Force procedures and practices for NEPA implementation. We recently accomplished a complete review and revision of the Air Force's basic directive on compliance with NEPA, AFR 19-2. Even more

effort goes into day-to-day advice on specific problems of legal compliance, including review of environmental impact statements and responses to public challenges to Air Force actions. We also manage, and sometimes participate in litigation involving the Air Force in the environmental field.

Recent pollution control legislation makes the Air Force subject to substantial state and Federal regulation, though its scope is not always clear. We work extensively with the Clean Air Act, the Federal Water Pollution Control Act, the Noise Control Act, the Resource Conservation and Recovery Act, and the Safe Drinking Water Standards Act; advising on their legal and practical implications and dealing with other government agencies and state and local governments in connection with pollution abatement facilities and enforcement actions. We also advise on military Occupational Safety & Health Act applications and regulatory programs including participating heavily in legal aspects of Air Force policy-making regarding the recently expanded OSHA program for Federal Agencies. Members of the office have lectured and spoken widely throughout the Air Force on environmental legal matters in an effort to increase awareness of the effects of new legislation, regulations, and judicial interpretations on Air Force activities.

Deployment of the MX missile system in the Western United States sums up much of this group's work. It involves 200 mobile missiles capable of being housed in 4600 underground shelters, connected by 8-10,000 miles of roads. Two major support bases, with 15-20,000 people on each one, will be required. The system may all be in one contiguous area in Nevada and Utah or West Texas and Eastern New Mexico, or split between the two. We have worked on three major environmental impact statements: devised strategies for land purchase and withdrawal from the public domain; and participated in developing an unprecedented approach to water rights acquisitions, under state, rather than federal, law and procedures. Work on the MX system has become a virtually full-time function for two attorneys in our office and involves all of the others on a frequent basis.

### C. Communications

The office provides advice and counsel with regard to a number of matters in the communications field. This assistance is provided both to officials in the Secretariat and to the Communications Directorate of the Air Staff. The Air Force operates a worldwide communications network, and many of the problems relating to its use present complex legal questions. At the present time, our primary job is rendering advice on day-to-day communication operations, such as proper control of the Government network and lease or disposal of Government communications facilities.

One major continuing matter has been disposal of the White Alice Communications System (WACS) in Alaska. This system consists of an Air Force owned state-wide communication network. At one time the Air Force, through the Alaska Communication System (ACS), was in effect the common carrier for Alaska, providing military and civil communications. With the sale of a portion of the ACS, Air Force involvement with civil communications diminished, but through WACS we continued to provide the long distance service for most small communities in the state. Because of problems concerning ownership of land arising under the Alaska Native Claims Settlement Act, our office devised a plan to lease the system to RCA Alascom, purchaser of ACS and the present common carrier for the state, pending eventual sale.

The five-year lease now in effect provides for RCA either to purchase the land and facilities, making its own arrangements for clear title with any native claimants, or to turn them back to the Air Force for disposal as excess property. Problems under this lease and with the eventual site-by-site sales make this a continuing area of office involvement.



NO: 111.1

DATE: MAY 24 1955

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Functions and Duties of the General Counsel

1. The General Counsel is the final legal authority on all matters arising within or referred to the Department of the Air Force, except those relating to the administration of military justice and such other matters as may be assigned to the Judge Advocate General by Secretary of the Air Force Order.

2. The General Counsel is responsible for furnishing all necessary legal advice and assistance to the Office of the Secretary of the Air Force. The General Counsel is also responsible for providing legal advice and assistance to the Air Staff on all matters relating to:

a. Procurement and disposal of supplies, materials, and equipment, including industrial mobilization and the Mutual Security Program.

b. Procurement of services by contract.

c. Research and development.

d. Acquisition and disposal of real property and its utilization by agencies and persons outside the Department of the Air Force.

e. Construction of military public works.

f. Family housing programs.

g. Budgetary, appropriation accounting, and related fiscal matters, including preparation and presentation to Congress of appropriation legislation.

NC: 111.1

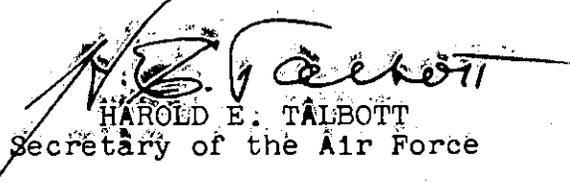
DATE: MAY 24 1955

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h. Civil aviation (except representation in proceedings before administrative bodies provided by the Judge Advocate General).

1. Personnel security programs (except representation on security boards and committees provided by the Judge Advocate General).

3. The General Counsel represents the Secretary of the Air Force in dealing with other departments and agencies of the Government on all matters relating to the negotiation of international agreements affecting the Air Force.

  
HAROLD E. TALBOTT  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

ROBERT J. McCORMICK

Robert J. McCormick is the Administrative Assistant to the Secretary of the Air Force. As the Administrative Assistant, Mr. McCormick is responsible for: administrative and financial support activities for the Office of the Secretary; assuring functional continuity during the transition of senior officials; for various administrative, security, and advisory responsibilities of the Secretary; and for contingency operations. Mr. McCormick was appointed Administrative Assistant to the Secretary of the Air Force on 24 August 1980.

During the five years prior to his return to the Air Force, Mr. McCormick was a member of the National Aeronautics and Space Administration; first as Executive Assistant to the Associate Administrator for Aeronautics and Space Technology, then as Executive Assistant to the NASA Deputy Administrator; and from September 1977 to August 1980, he was the Executive Assistant to the Administrator of NASA.

A native of Boone, Iowa, Mr. McCormick obtained a Bachelor of Science degree in Mechanical Engineering and did graduate work at Texas Technological University, Lubbock, Texas. Mr. McCormick retired from the U.S. Air Force in 1975 after having piloted a variety of aircraft while on assignments in Japan, Korea, France, Vietnam and the U.S. The last ten years of his active duty career were spent in research and development program management.

Mr. McCormick is married to the former Shirley Zerbe of Phoenix, Arizona. They have five children: Elaine, Kathleen, Michael, Tara and Tammy.



# **BIOGRAPHY**

## **United States Air Force**

SECRETARY OF THE AIR FORCE OFFICE OF PUBLIC AFFAIRS WASHINGTON, D. C. 20330

ROBERT W. CRITTENDEN

Robert W. Crittenden is the deputy administrative assistant to the secretary of the Air Force, Washington, D.C. He is responsible for providing assistance in the management and administration of the Office of the Secretary of the Air Force and supervising the performance of internal activities within the office of the administrative assistant.

Mr. Crittenden was born Aug. 14, 1931, in Waco, Texas. He attended San Jose State College in California where he received a bachelor of arts degree in political science in 1962. He is a graduate of the Federal Executive Institute.

During the Korean War he was on active duty as an enlisted member of the U.S. Navy and served on the USS Henrico and the USS Talladega in operations both in Korea and Japan.

His federal service began with the U.S. Air Force in 1962 as a personnel technician at McClellan Air Force Base, Calif. Subsequently he served in a variety of assignments with the Air Force including positions at Headquarters U.S. Air Force, Washington, D.C., and Headquarters Air Force Systems Command, Andrews Air Force Base, Md. He was appointed chief of the Personnel Programs Branch for the Interstate Commerce Commission in 1973 and later moved to the Community Services Administration (the anti-poverty agency) as director of personnel in 1976. Mr. Crittenden participated actively in the Classification and Compensation Society as an elected officer for more than five years and served as president of the society during 1976.

Mr. Crittenden is married to the former Marilyn Perkins of Whitman, Mass. They have two children, Amy and Robert.



## THE ADMINISTRATIVE ASSISTANT

The Administrative Assistant is responsible for the management and administration of the Office of the Secretary of the Air Force. His office assures administrative continuity in the Office of the Secretary during changes of administration or top officials.

The office is designed to provide central support in a variety of functions. It provides worldwide administrative oversight for the Air Force, and the Administrative Assistant and his Deputy serve as senior Air Force officials for the personnel security and information security programs. Contingency funds including official representation funds are managed by this office. In addition, the Administrative Assistant and his Deputy make final determinations on claims against the Air Force, make medical designee determinations, and are the appellate authority for appeals under the Freedom of Information Act and the Privacy Act. Specialized services are provided as follows:

The Civilian Personnel and Personnel Services Branch is responsible for the implementation of all policies and administrative actions relative to the assignment and utilization of civilian personnel assigned to OSAF, including Field Activities, the White House and various committees.

The Military Personnel Branch is responsible for the implementation of all policies and administrative actions relative to the assignment and utilization of military personnel assigned to OSAF including Field Activities, the White House and various committees.

The Travel Branch is responsible for all matters relating to the temporary duty travel of military and civilian personnel assigned to OSAF, its support and field offices, and personnel assigned to the White House, the Vice President's Office and various councils and committees.

The Office Services and Supply Branch is responsible for office space management and for providing required items of equipment and supplies, and furnishing office services to all activities within OSAF.

The Administrative Management Division is responsible for providing administrative planning, systems advice, and support to OSAF functional managers. It also provides a Word Processing Center which is responsible for correspondence preparation for all OSAF personnel assigned in the Pentagon.

The DOD News Clipping and Analysis Service (the Air Force is the Executive Agent) serves the Secretary of the Air Force, the Secretary of Defense, and all elements of DOD as a source of factual and historical information related to their official responsibilities. Conducts special studies and analyses on a wide range of national security issues.



NO: 110.  
DATE: JUL 17 1980

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Authorities and Duties of the Administrative Assistant to the Secretary of the Air Force

1. The Administrative Assistant is responsible for:

a. Management and administration of the Office of the Secretary of the Air Force including advisory services on Departmental management and administrative matters; assures administrative continuity in the Office of the Secretary during changes of top officials; performs various functions and special projects involving matters in the Department as directed by the Secretary; and, conducts studies, inquiries and surveys in response to the needs of the Secretary and his principal assistants.

b. Direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies and programs relative to the Air Force information security program and to the military, civilian, and industrial personnel security and investigative programs.

2. Specific duties of the Administrative Assistant include:

a. administering the contingency funds of the Secretary;

b. developing and maintaining the continuity of operations plan for the Office of the Secretary;

c. under policy guidance of the Office of the Assistant Secretary of Defense (Public Affairs), administering the Department of Defense news clipping service, maintaining research files and providing informational and historical research and news analysis for all elements of the Department of Defense;

d. conducting special projects for the Secretary of the Air Force;

e. controlling the Secretary of the Air Force Order system;

f. providing a focal point for monitoring, coordinating or consolidating Air Force responses or inputs on certain reports for the White House, Secretary of Defense, and other Federal agencies;

g. providing custody and control over use of the Air Force Seal and other authentication devices;

h. reviewing miscellaneous claims against the Air Force including those under the Military Claims Act, and announcing the decision for the Secretary of the Air Force;

i. providing security services for the Office of the Secretary including advisory services on Departmental security matters;

j. as the representative of the Secretary, serving on various boards and committees, such as the Federal Executive Officers Group, the continuity Planning Committee, and the OSD Space Committee for the area encompassing the Seat of Government;

k. announcing medical designations for the Secretary in accordance with AFR 168-6;

l. determining the disposition of appeals to the Secretary under the provisions of the Freedom of Information Act;

m. serving as the final decisional authority on appeals under the Privacy Act;

n. providing administrative and management services for the Office of the Secretary of the Air Force involving:

NO: 110.1  
DATE: JUL 17 1980

organization, manpower, financial management, military and civilian personnel administration, travel and local transportation services and office space allocation and utilization;

o. reviewing and coordinating for the Office of the Secretary significant Air Staff Directorate of Administration proposals concerning Air Force-wide administrative matters.

Serves as a channel of communications and provides representation within the Secretariat, with OSD and other governmental agencies on administrative programs.

3. This Order is issued in accordance with Air Force Regulation 11-18, dated 18 July 1963, subject: "Delegating or Assigning Statutory Authority."

4. Secretary of the Air Force Order No. 110.1, dated April 20, 1976, is hereby superseded.

*Hans Mark*

Hans Mark  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

COLONEL RICHARD F. ABEL

Colonel Richard F. Abel is director of public affairs, Office of the Secretary of the Air Force, Washington, D.C.

Colonel Abel was born Oct. 28, 1933, in Akron, Ohio, and graduated from Saint Ignatius High School in 1951. He graduated from the University of Detroit in 1956 with a bachelor of science degree in business administration and a commission as a second lieutenant in the Air Force through the Reserve Officers' Training Corps program. The colonel completed Squadron Officer School at Maxwell Air Force Base, Ala., in 1962. He also attended graduate school at Boston University.



After receiving his pilot wings in May 1957 at Laredo Air Force Base, Texas, Colonel Abel was assigned to Lackland Air Force Base, Texas, as a training officer and academic instructor in the aviation cadet program; aide-de-camp to Major General Robert Stillman; and leader of the "Warhawk" jet aerobatic team. In June 1962 Colonel Abel was assigned to Williams Air Force Base, Ariz., as an instructor pilot.

He was assigned as an air officer commanding at the Air Force Academy, Colo., from January 1963 to May 1965 when he began his public affairs career as an information services officer. From May 1966 until June 1968, he was assigned as deputy chief of community relations and chief of the Public Affairs Division at the academy. The colonel also was assistant football coach of the Air Force Academy Falcons during this time.

In July 1968 the colonel was assigned to the 7th Air Force in Saigon, Republic of Vietnam, as chief of the Combat News Division in the Directorate of Information. One year later he became a public affairs officer for the commander in chief of the U.S. Pacific Command at Camp H.M. Smith, Hawaii.

Colonel Abel returned to the Air Force Academy in August 1972 as director of the Admissions Liaison Office. From February to March 1973 he was sent to the Pacific area to assist with Operation Homecoming. Colonel Abel made five trips to Hanoi as a public affairs officer to escort returning American prisoners of war from the North Vietnamese prison camps.

From September 1973 to July 1978, he was director of public affairs for the Pacific Command at Camp H.M. Smith. He remained there until July 1978 when he was assigned as special assistant to the chairman, Joint Chiefs of Staff, in Washington, D.C. He assumed his present duties in August 1980.

His military decorations and awards include the Defense Superior Service Medal, Bronze Star Medal, Defense Meritorious Service Medal, Meritorious Service Medal with one oak leaf cluster, Joint Service Commendation Medal with one oak leaf cluster and Air Force Commendation Medal.

(Current as of September 1980)

OVER

The colonel is a member of the National Board of Trustees of the Fellowship of Christian Athletes and the National Public Information Committee for the United Services Organization.

He was promoted to colonel Sept. 1, 1977, with date of rank April 30, 1977.

Colonel Abel is married to the former Ann Voelcker of San Antonio, Texas. They have three daughters and a son.

## PRINCIPAL FUNCTIONS

### 1. Public Affairs Evolution

The Air Force Public Affairs program, like the United States Air Force, had its beginnings many years before the Department was formed in 1947.

a. The Air Force's first news release announced the creation, on August 1, 1907, of an Aeronautical Division in the office of the Army Chief Signal Officer.

b. Illustrious leaders in Air Force history have served at times in key public affairs positions. Among them was Major H. H. Arnold, Chief of the Information Division in 1925, who later headed the United States Army Air Corps during World War II as a 5-star general.

c. When the United States Air Force was formed as a separate service in 1947, Stephen R. Leo, a former Maine newspaperman, served as the first Director of Public Relations for the new office. The Directorate consisted of the Air Information Division under Major General Emmett O'Donnell, Jr., and Legislative Liaison Division under Brig. General John K. Gerhart.

d. In 1952, the Directorate of Public Relations was redesignated the Office of Public Information. A year later, Air Force Vice Chief of Staff General Thomas D. White signed a letter reorganizing a new office called Information Services. This reorganization, for the first time, combined the internal, community relations, and media relations functions.

e. The title became the Office of Information on October 1, 1959.

f. Twenty years later, on October 1, 1979, the Office of Information was redesignated the Office of Public Affairs.

### 2. Public Affairs Objectives

a. Increase Public Understanding. The Air Force Public Affairs program was established to increase the public's understanding and knowledge of the Air Force mission and needs. The public includes members of the Air Force—citizens in uniform. Recognition of public interests and attitudes is essential, since the role of aerospace power in our national defense eventually must be resolved by the citizens of the United States.

This public understanding cannot be achieved without a similar understanding within the Air Force. Each individual in the Air Force, both military and civilian, therefore, must be familiar with the Air Force roles and mission and become a source of reliable information.

b. Primary Objectives. To fulfill its obligations to the American people and to the personnel of the Air Force, the public affairs program has the following primary objectives:

(1) To assist the American people, including Air Force members, in their understanding of:

(a) Threats to the United States and the Free World, and the need for the Air Force to be alert against potential aggression.

(b) The relationship of the Air Force to the other armed services of the United States.

(c) The day-to-day activities of the Air Force and its capability as an instrument of national policy.

(d) The need for continual research, development and modernization of Air Force systems.

(e) The need to attract and retain qualified Air Force personnel.

(f) The essential role of United States aerospace power in foreign relations.

(2) To insure consistency by Air Force personnel when speaking officially or writing about service policy, doctrine or concepts.

c. **Functional Objectives.** To carry out the primary Air Force public affairs objectives, the Air Force public affairs program is divided into three major functions: internal information, media relations, and community relations. Additionally, plans and resources management, and security and policy review activities are vital to successful public affairs functions.

(1) **Internal Information.** The internal information program is administered by the Air Force Service Information and News Center, Kelly AFB, Texas.

(a) The program is designed to: keep Air Force personnel informed about Air Force missions, and about key Air Force, DOD, and national policies, decisions and actions; stress the importance and emphasize their responsibilities as Air Force members; and develop an awareness in all Air Force members of their responsibilities as United States citizens.

(b) Products include the following:

- 1 Base Newspapers
- 2 Air Force News Service
- 3 Base Radio/Television Stations (American Forces Radio and Television Service)
- 4 Mini-Television
- 5 Commander's Call
- 6 "Air Force Now"
- 7 Air Force Policy Letter for Commanders and Supplement thereto

8 Airman Magazine

9 Editorial Products (biographies, fact sheets, speech inserts, pamphlets, brochures, lithographs)

10 Hometown News Releases (through consolidated Army and Air Force Center)

11 Magazine and Book support.

(2) **Media Relations.** Media relations involves collecting, analyzing, and disseminating to the public and news media unclassified, releasable written and audiovisual information about the Air Force and its activities. It:

(a) Makes available, consistent with security restrictions, the full record of the Air Force to the American people.

(b) Reports how the Air Force uses its manpower, material, and money.

(3) **Community Relations.** The community relations function consists of planning, conducting, and evaluating programs and actions which integrate the Air Force into community life. An effective community relations program creates mutual acceptance, respect, appreciation, and cooperation between the Air Force and the community by:

(a) Maintaining effective two-way communication.

(b) Informing members of the community about the Air Force and increasing awareness, understanding, and support of the Air Force mission and the contributions of its people in the community.

(c) Providing Air Force members with information concerning the community—including resources, attractions, customs, and problems—and encouraging participation in civic affairs.

(d) Assisting the Air Force personnel recruiting and retention programs.

(4) **Plans and Resource Management.** This supporting function consists of developing, implementing, and evaluating plans and programs for effective and efficient management of public affairs resources. It involves:

(a) Organization-wide management of resources.

(b) Analyzing all factors which affect the public affairs function at all levels, identifying trends and evaluating courses of action to assure best use of public affairs resources, and developing program guidance.

(c) Monitoring professional career development.

(d) Developing, conducting, and evaluating special public affairs projects.

(5) **Security and Policy Review.** The security and policy review function ensures that information proposed for release through any media meets criteria and provisions for safeguarding national security matters and is in consonance with established departmental and governmental policies and programs. The review function:

(a) Protects Air Force members from inadvertently violating security or policy requirements in official and unofficial releases.

(b) Delegates clearance authority to the lowest echelon competent to evaluate content and implication of the information proposed for release.

(c) Certifies releasability of information proposed for release.

### 3. **Public Affairs Organization**

a. **Director of Public Affairs (SAF/PA).** The Office of Public Affairs is a staff agency of the Secretary of the Air Force. The Director of Public Affairs is directly responsible to the Secretary of the Air Force for operating the Air Force public affairs program. He also serves as public affairs advisor to the Chief of Staff and the Air Staff. This includes planning for, and the direction and supervision of, the Media Relations and Community Relations Divisions, the Office for Security Review, and the Office for Plans and Resources, all located in the Pentagon, Washington, D.C. The Director of Public Affairs also directs and supervises the Commander, Air Force Service Information and News Center (AFSINC), located at Kelly AFB, Texas, and three operating locations of public affairs located in New York City, Los Angeles and Chicago.

(1) **Air Force Service and Information News Center (AFSINC).** In August 1977, the Secretary of the Air Force and the Chief of Staff announced manpower reductions in Air Force departmental staffs to improve management responsibilities. Studies recommended combining special information activities in a single separate operating agency (SOA). The consolidation and relocation to Kelly AFB of the Internal Information Division, Command Services Unit, Hometown News Center, Magazine and Book Branch, and support for metropolitan information functions was approved in April 1978. In 1980, the Magazine and Book Branch was located with the USAF Still Photo Depository at 1221 S. Fern St. in Arlington, Virginia.

(a) AFSINC provides Air Force-wide service to help Air Force commanders carry out their mission by planning and executing the U. S. Air Force internal information program. AFSINC develops, produces, and distributes major print and audiovisual products in support of Air Force information, orientation, motivation and the retention goals.

(b) AFSINC also builds morale and public awareness of the Air Force mission by promptly relating accurate information about Air Force people, systems, and missions to hometown news media and national commercial magazine and book publishers.

(2) **Air Force Public Affairs Operating Locations.** Three operating locations serve the major media centers of New York (AFOPA-NY), Los Angeles (AFOPA-LA), and Chicago/Midwest (AFOPA-MW). These offices are central

points of contact to expedite responses to media and members of the public. Although not chargeable as a cost of Air Force recruiting, the activities of the metropolitan offices contribute significantly to Air Force recruiting efforts through close liaison and direct support. They also provide liaison and advisory support to Public Affairs Reserve Squadrons and Flights.

(a) AFOPA-NY responds to media requests in the New York area, providing photography, written materials, and liaison with newspapers, book and magazine publishers, national news bureaus and networks, and radio and television services. The office also monitors and conducts news conferences and interviews for top Air Force officials, and supports the International Liaison Division, HQ USAF, with protocol missions involving visits of foreign dignitaries.

(b) AFOPA-LA assists the theatrical industry concentrated on the West Coast, both motion picture and radio-television; assists national news media in the Los Angeles area by providing photography and obtaining cleared material; plans and conducts news media tours; and monitors and conducts news conferences and interviews for top Air Force officials. Also, AFOPA-LA coordinates Air Force public affairs activities, both active and reserve, in Southern California.

(c) AFOPA-MW assists Chicago area broadcast and print media; obtains cleared material for national and local news media; plans and conducts news conferences and interviews for top Air Force officials; and accomplishes special public affairs projects as needed. AFOPA-MW also coordinates public affairs activities, both active and reserve, in other major cities of the Mid-West.

b. **The National Guard Bureau, Office of Public Affairs.** This office develops public affairs programs for use by the state National Guard units, and maintains liaison with Air Force, Army, and Department of Defense offices.

c. **Office of Air Force Reserve, Public Affairs Division.** This office provides policy guidance to Headquarters Air Force Reserve and the Air Reserve Personnel Center for their public affairs programs. It serves as the Reserve focal point for liaison with Reserve components of other services, and provides policy guidance and technical assistance for the Air Force Reserve advertising program. The Chief of the Public Affairs Division is the SAF/PA Special Assistant for Air Force Reserve Affairs.

d. **Special Assistants (for Public Affairs).** These officers are assigned to 15 deputates and offices within Headquarters USAF to provide two-way communication on public affairs matters. Special assistants frequently become involved in the planning and preparation of public affairs news releases, responses to query, security review, and coverage of major Air Force programs and projects within their assignment area of responsibility.

e. **Special Public Affairs Units.** SAF/PA provides policy guidance and supervision of several special public affairs units. Among these are:

(1) **Air Force Orientation Group (AFOG).** Located at Wright-Patterson AFB, Ohio, this organization is the official Air Force exhibition unit. It designs, constructs, maintains, transports, and presents exhibits, displays, and other audiovisual materials depicting Air Force progress, activities, missions, equipment, and personnel. AFOG is assigned to the Air Force Logistics Command

(AFLC) for administrative support, but is under the operational control of SAF/PA.

(a) AFOG devotes maximum effort to motivating qualified youth for voluntary service in the USAF. AFOG displays portray the advancement of aerospace power, including its significance and responsibility for the security of the nation, as well as the heritage and tradition of the service.

(b) SAF/PA establishes general policies for budgeting and manning AFOG, and maintains operational control of exhibits and displays.

(2) **Air Force Bands.** SAF/PA establishes overall management policies for Air Force bands. The Bands Branch, part of the Community Relations Division, manages all aspects of the program.

(a) Currently 20 bands: 17 in CONUS and 3 overseas (down from 35 in FY 68). The special band at U. S. Air Force Academy has 96 pieces; most field bands consist of 60, 45 or 35 pieces.

(b) The U. S. Air Force Band at Bolling AFB is under command authority of Hq 76th Airlift Wing (MAC), Andrews AFB. SAF/PA schedules and oversees technical proficiency. It consists of: Air Force Concert Band, Ceremonial Band, Singing Sergeants, Strolling Strings, Airmen of Note, and Mach One.

(3) **USAF Air Demonstration Squadron (Thunderbirds).** Established as the official Air Force air demonstration team, the Thunderbirds--located at Nellis AFB, Nevada--are under the operational, administrative, and logistic control of the Tactical Air Command (TAC).

(a) The team presents precision aerial maneuvers exhibiting the capabilities of modern high performance aircraft and the high degree of professional skill required to operate these aircraft. Its primary objectives are to support Air Force recruiting and retention programs and reinforce public confidence in the U. S. Air Force while demonstrating the professional competence of morale and esprit among Air Force personnel, and support U. S. Air Force community relations programs.

(b) The Community Relations Division reviews all requests for Thunderbird demonstrations for overall community relations desirability, suitability, and timeliness; coordinates with DOD and other agencies; and schedules demonstrations.

(4) **Air Force Museum.** The Air Force Museum, located at Wright-Patterson Air Force Base, Ohio, is under the operational control of the Commander, Air Force Logistics Command. The Secretary of the Air Force, through the Office of Public Affairs, provides policy guidance for the program. The Air Force Museum's mission is to portray the history of the United States Air Force. It does this by exhibiting items associated with historic events, notable achievements, and important technical developments of flight and of the Air Force. There also are 10 local and base level museums which are responsible to the Air Force Museum.

#### **4. Relationship To DoD Public Affairs**

a. **DoD Principles of Public Information.** The Air Force Public Affairs program is based directly on the DOD Principles of Public Information. The ultimate goal of the principles is an open government, with communications flowing freely between the Air Force and American public it serves. Quoted in brief, the principles state:

(1) It will be the Department's basic policy to make available timely, accurate information about plans, budgets, and activities so that the public, the Congress, the press, radio, and television may assess and understand Defense programs. Requests for information from organizations and private citizens will be answered responsively and as rapidly as possible. When necessary, coordination with other Departments and agencies will be accomplished without undue delay. In carrying out this basic policy, the following principles apply:

(a) Information will be made fully and readily available unless its release is precluded by statute (as in application of the Privacy Act or the Freedom of Information Act) or is precluded by current and valid security classification.

(b) Information will be withheld when disclosure would adversely affect national security or threaten the privacy or personal safety of men and women of the Armed Forces.

(c) Information will not be classified or otherwise withheld to avoid criticism or embarrassment.

(2) In some instances, the Department's obligation to provide the public with accurate, timely information on its major programs will require detailed public information planning and coordination within the Department and with other government agencies. The sole purpose of such planning and coordination is to expedite the flow of information to the public; propaganda has no place in Department of Defense public information programs.

(3) The Assistant Secretary of Defense (Public Affairs) is assigned the primary responsibility to carry out this commitment. As such, he serves as the principal assistant for public information and community relations.

b. **DOD Public Affairs System.** the Department of Defense public affairs program seeks to provide the American people maximum information about the Department of Defense, consistent with national security. It tries to contribute to good relations between DOD and all segments of the public at home and abroad. In overseas areas, these activities are carried out in collaboration with the Department of State and the International Communication Agency (ICA), which formerly was the United States Information Agency.

(1) Within the Department of Defense, the combat forces of the United States are organized into specified and unified commands.

(2) Air Force units stationed within unified command thus are subject to both Air Force and unified command guidance, as passed through the major command. Overseas public affairs direction flows from the Assistant Secretary of Defense (Public Affairs) directly to unified commands, bypassing the service directors of public affairs, who also forward guidance and policy to service major commands and separate operating agencies.

(3) Each U. S. Embassy has a country team composed of representatives of the Defense Attache Office, State Department Public Affairs Office, and CIA representatives, and sometimes a senior U. S. military Public Affairs Officer. They oversee public affairs programs and activities within each country to insure support of the country plan objectives.

(4) At all Air Force units, conduct of a public affairs program is a command responsibility at each level of command. Subject to guidance by OASD/PA and/or SAF/PA, and the desires of their commanders, public affairs officers supervise the public affairs program within each command. At base level, public affairs officers supervise and coordinate public affairs activities of subordinate units on base, coordinate with tenant units for their public affairs activities, and advise the base/wing/group commander on matters pertaining to the public affairs program. For units below wing level, these functions may be performed by public affairs representatives, with guidance and assistance provided by the base public affairs officer.

#### **5. What SAF/PA Does For SECAF**

a. At Headquarters USAF level, SAF/PA is a staff agency in the office of the Secretary of the Air Force.

(1) The Director of Public Affairs advises the Secretary, the Chief of Staff, the Secretariat, and the Air Staff on matters related to the public affairs program.

(2) The Director is responsible to the Secretary for operating the Air Force public affairs program. This includes planning for, and supervision of, the internal information, media relations, community relations, and security review programs of the entire Air Force.

(3) The program also includes a planning and resource management function that manages professional training for officers, civilians, and enlisted personnel in the public affairs field. Among these are Air Force participation in the Defense Information School, the Air Force Institute of Technology, Education with Industry and the Air Force Short Course in Communication at the University of Oklahoma.

b. Specific SAF/PA Assistance to the Secretary of the Air Force includes the following:

(1) Offers public advice and counsel.

(2) Keeps current on significant news and happenings (good and bad).

(3) Serves as "devil's advocate" expressing civilian and media points of view.

(4) Provides media training for television and other public appearances.

(5) Makes recommendations for official and semi-official invitations.

(6) Coordinates (with Military Assistants) arrangements for speaking engagements and other public appearances.

- (7) Works with speech writers to develop significant statements.
- (8) Obtains security review of proposed public statements.
- (9) Accompanies (as desired) on trips away from Washington to provide assistance with public affairs/news media activities.
- (10) Recommends appropriate media contacts and provides background books for media encounters.
- (11) Has daily interface with Air Staff and OASD(PA).
- (12) As the Staff Agency responsible for all Air Force Public Affairs activities:
  - (a) Provides an informed and motivated force of officers, airmen and civilians.
  - (b) Works to demonstrate that Air Force is a good neighbor.
  - (c) Helps tell Air Force story through public news media.
  - (d) Provides public affairs inputs to the Air Force Issues Team.
- (13) Works in close harmony with Executive, Military Assistant, Aide, Legislative Liaison and General Counsel to accomplish all of the above.



NO: 113.1  
DATE: OCT 23 1979

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Organization and Functions of the Office of Public Affairs

1. The Office of Public Affairs consists of:
  - a. Office of the Director
    - (1) Office for Security Review
    - (2) Office for Plans and Resources
  - b. Community Relations Division
  - c. Media Relations

2. The Director of Public Affairs, under the direction of the Secretary of the Air Force and the general supervision of the Under Secretary, and consistent with policies established by the Office of the Secretary of Defense, is assigned the authority and responsibility to discharge the duties and functions prescribed herein. This authority extends to relationships and transactions with all elements of the Department of the Air Force and other governmental and nongovernmental organizations and individuals.

3. The Director of Public Affairs advises and assists the Secretary of the Air Force, the Chief of Staff, and all other principal civilian and military officials of the Department of the Air Force, concerning public affairs activities. He is responsible for:

- 
- a. Conducting the operations of the United States Air Force Public Affairs program.
  - b. Planning, directing, and supervising internal and external Public Affairs activities.
  - c. Developing and supervising programs designed to maintain effective community relations.
  - d. Maintaining liaison with counterpart Public Affairs offices of the Office, Secretary of Defense, Army, Navy, and other governmental and industrial organizations.
  - e. Security review and clearance (as the sole agent within the Department of the Air Force) of official information proposed for release through any medium of information or open publication by the Congress, except for information required to be released under the Freedom of Information Act (5 USC 552) and the Privacy Act of 1974 (5 USC 552a).
4. This Order is issued in accordance with Air Force Regulation 11-18, dated 18 July 1963, subject: "Delegating or Assigning Statutory Authority."
  5. Secretary of the Air Force Order No. 113.1, dated April 30, 1976, is hereby superseded.

*Hans Mark*

Hans Mark  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

JIMMIE D. HILL

Responsible for assisting the Secretary of the Air Force in discharging his responsibility for the direction, supervision, policy, security, and control of space systems.

Born 28 December 1933 in Fort Worth, Texas. Attended the University of Wichita and the University of Oklahoma, majoring in Accounting. Mr. Hill entered the Air Force in 1951, receiving his commission through OCS in 1960, and served a total of 23 years. He was involved with a wide variety of Comptroller activities related to weapon systems acquisition through 1966. During the next five years, Mr. Hill was assigned to the Secretary of the Air Force Special Projects Office in Los Angeles. In 1971 he was reassigned to the Office of the Secretary with duty assignments to the CIA and the Intelligence Community Staff, assisting in the management of specialized programs, where he remained until his retirement in February 1974. At that time he accepted a civilian position with the CIA. In September 1974 he left the CIA to become Assistant for Special Programs, Office of the Under Secretary of the Air Force. In this position he was responsible for the financial management of classified space projects. On 12 June 1978, Mr. Hill assumed his current position.

Mr. Hill's Air Force decorations include the Legion of Merit, the Meritorious Service Medal and the Air Force Commendation Medal with three Oak Leaf Clusters. In January 1977 he was awarded the DOD Distinguished Civilian Service Medal. In September 1980 he was selected to receive the Presidential Rank Award of Meritorious Executive.

Mr. Hill resides in McLean, Virginia, with his wife Martho. They have four children: Bill, Loretta, Carol and Patricia.

## OFFICE OF SPACE SYSTEMS

The Office of Space Systems is primarily responsible for assisting in the direction and supervision of selected high priority national space systems. These responsibilities include advice and cognizance of security and operational functions related to selected space activities, both technical and policy aspects. The Director is responsible for maintaining liaison with the Office of the Secretary of Defense, the Joint Chiefs of Staff and other Government Departments and Agencies on space related matters. The Office of Space Systems is chartered to work interdepartmental issues and participates in all major interdepartmental working groups on space related activities. Additionally, the review or creation of substantive space policy are within the purview of the Office of Space Systems.



NO: 115.1

DATE:

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Organization and Functions of the Office of Space Systems

1. There is hereby established the Office of Space Systems in the Office of the Secretary of the Air Force.
2. The Director of the Office of Space Systems is primarily responsible for assisting the Secretary in discharging his responsibility for the direction, supervision, policy, security and control of space systems. He is responsible for maintaining liaison with the Office, Secretary of Defense and other interested Governmental agencies on matters relative to his assigned responsibilities.
3. Secretary of the Air Force Order No. 115.1, dated January 26, 1962, is hereby superseded.
4. This Order is issued in accordance with AFR 11-18 dated July 18, 1963, subject: "Delegating or Assigning Statutory Authority."

HANS MARK  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

MAJOR GENERAL GUY L. HECKER JR.

Major General Guy L. Hecker Jr. is the director of the Office of Legislative Liaison, Office of the Secretary of the Air Force, Washington, D.C.

General Hecker was born March 6, 1932, in Louisville, Ky., and later moved to Mobile, Ala. He graduated from Murphy High School in 1949 and attended the Marion (Ala.) Institute. He graduated from The Citadel in Charleston, S.C., as a distinguished military graduate and with a bachelor of arts degree in 1954. He received a master's degree in international relations from The George Washington University, Washington, D.C., in 1972. He graduated from Squadron Officer School at Maxwell Air Force Base, Ala., in 1958; Royal Air Force Command and Staff College, Andover, England, in 1967; and the National War College, Fort Lesley J. McNair, Washington, D.C., in 1972. He completed the program for management development at Harvard University's Graduate School of Business and, by correspondence, the Industrial College of the Armed Forces.



General Hecker was commissioned through the Air Force Reserve Officers' Training Corps program at The Citadel. He earned his pilot wings in November 1955 at Webb Air Force Base, Texas. He then completed F-86D training at Perrin Air Force Base, Texas, and in June 1956 became an air training officer at the newly established U.S. Air Force Academy, then temporarily located at Lowry Air Force Base, Colo. He was next assigned to the 55th Tactical Fighter Squadron, 20th Tactical Fighter Wing at Royal Air Force Station Wethersfield, England, flying F-100s.

Upon returning to the United States in 1961, General Hecker was assigned to the 4510th Combat Crew Training Group at Luke Air Force Base, Ariz. While at Luke he served as flight commander and later as chief of the Plans, Programming and Scheduling Section, 4510th Combat Crew Training Group.

In 1964 General Hecker was assigned to Headquarters Tactical Air Command, Langley Air Force Base, Va., as a staff officer in fighter operations. He entered the Royal Air Force Command and Staff College in December 1966. After graduation he was assigned to the 90th Tactical Fighter Squadron, 3rd Tactical Fighter Wing, Bien Hoa Air Base, Republic of Vietnam. While there he flew 169 combat missions in the F-100. In August 1969 General Hecker was assigned to Headquarters U.S. Air Force, Washington, D.C., as chief, regular general officer matters, Office of the Deputy Chief of Staff, Personnel.

After graduation from the National War College in 1972, General Hecker was assigned to Plattsburgh Air Force Base, N.Y., as the commander of the 528th Bombardment Squadron, 380th Bombardment Wing, flying FB-111s. In April 1974 he became assistant deputy commander for operations of the 380th Bombardment Wing and in August 1974 became deputy commander for

operations. In July 1975 he assumed the responsibilities of deputy commander for maintenance. In May 1976 General Hecker took command of the 509th Bombardment Wing at Pease Air Force Base, N.H., and in January 1978 became commander of the 45th Air Division, also at Pease.

From December 1978 to April 1980, General Hecker served as special assistant for M-X matters, Office of the Deputy Chief of Staff, Research, Development and Acquisition, Headquarters U.S. Air Force. He assumed his present duties in May 1980.

General Hecker is a command pilot with more than 4,900 flying hours, including 211 combat hours. His decorations and awards include the Silver Star, Legion of Merit with one oak leaf cluster, Distinguished Flying Cross, Bronze Star Medal, Meritorious Service Medal with one oak leaf cluster, Air Medal with nine oak leaf clusters, Air Force Commendation Medal, Republic of Vietnam Gallantry Cross with palm and Republic of Vietnam Armed Forces Honor Medal 1st Class. He also wears the missile badge.

General Hecker assumed the grade of major general June 2, 1980.

He is married to the former Frances Kea of Ruleville, Miss. They have three children: Scott, Michael and Karen.



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

BRIGADIER GENERAL JAMES D. GORMLEY

Brigadier General James D. Gormley is the deputy director of legislative liaison, Office of the Secretary of the Air Force, Washington, D.C. He assists the director in providing advice and assistance to the secretary of the Air Force and other senior officials of the Department of the Air Force concerning Air Force legislative affairs and congressional relations.

General Gormley was born March 24, 1931, in Minneapolis. He graduated from Rapid City (S.D.) High School in 1949. He received a bachelor of arts degree in business in 1953 from the College of St. Thomas, St. Paul, Minn., and a master of business administration degree in 1971 from Auburn University, Auburn, Ala. He is a graduate of Squadron Officer School and the Air War College, both at Maxwell Air Force Base, Ala.

General Gormley was commissioned in 1953 through the Reserve Officers' Training Corps program and received his pilot wings at Greenville Air Force Base, Miss., in October 1954. He served in Japan from early 1955 until 1957, with assignments at Shikotsu Air Force Detachment and Misawa Air Base.

In October 1957 General Gormley was assigned to Ellsworth Air Force Base, S.D., where he served as an interceptor pilot and flight commander with the 54th Fighter-Interceptor Squadron. He transferred to the 5th Fighter-Interceptor Squadron, Minot Air Force Base, N.D., in November 1960 as flight commander. In April 1964 he moved to Tyndall Air Force Base, Fla., as chief of the 4756th Combat Crew Training Squadron's F-106 Academics Section.

In December 1966 he entered F-105 training at Nellis Air Force Base, Nev., and in June 1967 was assigned to the 333rd Tactical Fighter Squadron, Takhli Royal Thai Air Force Base, Thailand. While there he completed 100 F-105 missions over North Vietnam.

General Gormley was assigned in April 1968 to Pacific Command headquarters at Camp H. M. Smith, Hawaii, where he served as aide to the commander in chief, Pacific.

He returned to the United States in June 1970 to attend the Air War College and graduated in May 1971. He was then assigned as deputy chief of the Congressional Investigations Division, Office of the Secretary of the Air Force, Washington, D.C. From July 1972 until April 1975, he was chief, Senate Liaison Office, Directorate of Legislative Liaison, Office of the Secretary of the Air Force.

From May 1975 until January 1977, General Gormley was the vice commander, 93rd Bombardment Wing, Castle Air Force Base, Calif. He returned to Minot Air Force Base as commander of the 5th Bombardment Wing from January 1977 until September 1978 when he became commander of the 57th Air Division. He assumed his present position in September 1979.



(Current as of January 1980)

O V E R

The general is a command pilot with more than 4,000 flying hours in a variety of aircraft. His military decorations and awards include the Silver Star, Legion of Merit, Distinguished Flying Cross with one oak leaf cluster, Air Medal with 10 oak leaf clusters, Joint Service Commendation Medal and the Air Force Commendation Medal with two oak leaf clusters.

General Gornley was promoted to brigadier general March 1, 1979, with date of rank Feb. 26, 1979.

He is married to the former Jane Anne Guthrie, a member of an Air Force family. They have three sons: Michael James, Mark Joseph and Matthew John. His hometown is Rapid City, S.D.

## **OFFICE OF LEGISLATIVE LIAISON**

The Director of Legislative Liaison works directly for the Secretary of the Air Force and is the control point for all Air Force-Congressional relationships. He advises the Secretary, the Chief of Staff, and other USAF officials on all Air Force legislative affairs and congressional activities, except those on appropriations which the Director of Budget (AF/ACB) handles. Inversely, matters of Air Force interest originating in Congress are processed through SAF/LL before the appropriate Air Force agency receives them for action.

### **Legislation Division**

Focal point on all legislative matters (excluding those related to weapons systems and appropriations) affecting the Air Force. Monitors committee/subcommittee actions, hearings, etc., related to the Military Construction Program, manpower and training needs, and legislative requirements in the personnel area.

### **Inquiry Division**

Air Force single point of contact for constituent inquiries (primarily personnel matters) from the White House and Members of Congress. Two branches split the workload by states. Assigns, monitors and expedites Air Staff action in formulating responses. Replies to all inquiries in a timely, factual and responsive manner.

### **Program Liaison Division**

Makes most of the announcements regarding significant matters to interested Senators/Representatives; e.g., base closures; force structure realignments; all factors pertaining to publication of Environmental Impact Statement; contract awards of \$3,000,000 and up; contracting out announcements. Also liaison with OSD and Air Force Office of Information on same subjects.

### **Systems Liaison Division**

Focal point for all Congressional committee inquiries, investigations and legislative activity related to Air Force weapons systems (excluding appropriations matters). Provides for and assists Air Force witnesses at Congressional hearings.

### **Senate And House Liaison Offices**

Initial point of contact between the Air Force and the Houses of Congress. Most of the workload is concerned with constituent problems in which the senators and representatives have more than a routine interest.

### **Legislative Research Office**

Disseminates information concerning congressional activities to the Air Force. Among the documents it publishes are (1) Legislative Digest, (2) a daily Hearing Schedule, and (3) Congressional Committee Book. This office also provides biographical information and legislative background material on Members of Congress, etc.

**Data Operations Center**

Is the focal point within the Air Force for controlling, processing, dispatching and filing all correspondence from/to the President, Vice President, Members of Congress, Cabinet Members and other elected officials.



NO: 112.1  
DATE: MAY 5 1980

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Organization and Functions of the Office of  
Legislative Liaison

1. The Office of Legislative Liaison consists of:

- a. Office of the Director;
- b. Inquiry Division;
- c. Legislation Division;
- d. Systems Liaison Division
- e. Program Liaison Division
- f. Air Operations Office; and
- g. Legislative Research Office.

2. The Director of Legislative Liaison, subject to the direction, control and general supervision of the Secretary of the Air Force, is assigned the authority and responsibility to discharge the duties and functions prescribed herein. This authority extends to relationships and transactions with all elements of the Department of the Air Force and other governmental and non-governmental organizations and individuals.

3. The Director of Legislative Liaison advises and assists the Secretary of the Air Force and all principal civilian and military officials of the Department of the Air Force concerning Air Force legislative affairs and Congressional relations. With the exception of Appropriation and Budget Committee matters, he is responsible for:

- a. Developing, coordinating and supervising the Air Force legislative program;

b. Evaluating and reporting legislative matters pertaining to the Air Force, including dissemination of pertinent legislative information to appropriate Air Force officials and offices;

c. Preparation and coordination of reports, the testimony and related statements on legislation to the Office of the Secretary of Defense, the Bureau of the Budget and the Congress, including scheduling and other arrangements for presentation of legislative testimony before Congressional Committees;

d. Preparation of reports and arranging for presentation of testimony pertaining to real estate and construction projects for approval of the Armed Services Committees;

e. Processing and preparation of replies to inquiries from Committees on Congress, including arranging for presentation of testimony at hearings held by Committees pursuant to their investigative functions;

f. Processing and preparation of replies to correspondence and inquiries from Members of Congress, the Executive Office of the President, and the Office of the Vice President;

g. The release of classified information to the Congress in accordance with policies prescribed by the Secretary of the Air Force;

h. Maintaining cognizance of correspondence and inquiries reflecting criticism of Air Force policy and, where appropriate, instituting recommendations for possible remedial action thereto;

i. Supervising travel arrangements for such Congressional travel as may be designated an official responsibility of the Air Force;

j. Keeping Members and Committees of Congress advised of Air Force activities within their area of interest; and

k. Maintaining direct liaison with the Congress, the Executive Office of the President, and the Office of the Secretary of Defense and other governmental agencies in connection with the aforementioned matters.

NO: 112.1 :-  
DATE: MAY 5 1980

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4. Secretary of the Air Force Order No. 112.1, dated September 1, 1962 is hereby superseded.

*Hans Mark*

HANS MARK  
Secretary of the Air Force



# Biography

## United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

JEROME H. STOLAROW

Mr. Jerome H. Stolarow became Auditor General of the Air Force on July 1, 1980.

Mr. Stolarow was born in Brooklyn, New York on July 13, 1929. He earned a Bachelor of Business Administration degree from the University of Oklahoma in 1951 and a Juris Doctor degree from Georgetown University Law School in 1955. He served on active duty with the Army Counter Intelligence Corps from 1951 to 1953.

Mr. Stolarow was employed by a public accounting firm before beginning his government career with the General Accounting Office (GAO) in 1958. Mr. Stolarow had positions of increasing responsibility in the GAO and was in charge of many of the study efforts of that Office in the areas of military manpower, logistics and procurement. In 1964 he attended the Program for Management Development, Graduate School of Business Administration, Harvard University. In 1969-1970 he attended the Industrial College of the Armed Forces.

In 1971 Mr. Stolarow was named Manager of the Los Angeles Regional Office of the General Accounting Office. In that position he was responsible for directing all of the work of GAO in Southern California, Arizona and Southern Nevada. In 1973 he was promoted to the position of Deputy Director of the Procurement and Systems Acquisition Division and served in that capacity until July 1, 1978, when he was named Director. In that position he was responsible for directing all of the work of GAO, government-wide, relating to major acquisitions, procurement and research and development.

He is a Certified Public Accountant in Oklahoma and the District of Columbia, and a member of the Bar in the District of Columbia. He is a member of the American Institute of Certified Public Accountants and is also a member of the National Board of Advisors of the National Contract Management Association.

Mr. Stolarow is married to the former Rhoda Luddeke of Altoona, Pennsylvania and they are the parents of two daughters.

# **THE AUDITOR GENERAL AND THE AIR FORCE AUDIT AGENCY**

## **Introduction**

The Air Force Audit Agency, a separate operating agency, was created as a result of Public Law; specifically, the Budgeting and Accounting Procedures Act of 1950. Various Department of Defense directives, an Air Force Secretarial Order, Air Force regulations, and Audit Agency directives implement the Public Law.

The Secretary of the Air Force has delegated sole authority for accomplishing internal audits in the Air Force to The Auditor General. The Auditor General reports directly to the Secretary and receives technical guidance and supervision on audit policy and management matters from the Assistant Secretary for Financial Management. The Auditor General has direct access to the Secretariat, the Chief of Staff, the Air Staff, and all other Air Force organizational units and activities, and all the Defense audit organizations. Reporting directly to the Secretary ensures the Auditor General's independence in selecting audit subjects and reporting audit results.

## **Mission**

The mission of the Air Force Audit Agency is to provide all levels of Air Force management with independent, objective, and constructive evaluations of the economy, effectiveness, and efficiency with which management responsibilities (including financial, operation, and support activities) are carried out. The mission statement is derived from Department of Defense Instruction on Audit Policies. In performing its mission, the Air Force Audit Agency complies with an Office of Management and Budget Circular which requires following the Comptroller General's standards for governmental audits.

General standards relate to audit scope, technical proficiency, audit independence, and professional care in auditing. Recent supplements to the general standards provide additional guidance for auditing computer-based systems.

Examination and Evaluation Standards deal with audit planning, supervision, legal and regulatory requirements, internal control evaluations, and the adequacy of evidential matter.

Reporting Standards require timely, written reports of audit. They also stress clarity, accuracy, completeness, fairness, and objectivity in reporting.

## **Scope Of Audit Activity**

The scope of audit activities is as follows:

All Air Force organizational components, functions, activities, and levels of operations are subject to comprehensive audit.

There are no limitations on the Agency in selecting Air Force activities for audit, determining the scope of audit work, and reporting audit results.

## **Audit Programs**

The Air Force Audit Agency uses four basic audit programs. Each is tailored to particular purposes and levels of management. Major characteristics of each program follow:

Centrally directed audits serves the Air Staff and major command management. This program consists of evaluations accomplished concurrently at multiple locations. About 100 centrally directed audits are performed each year. The results of these are summary reports addressed to the management level which can best correct the problems noted. However, the Air Staff, the Secretariat, and the Office of the Assistant Secretary of Defense receive copies of all summary reports.

### **Audit Office Initiated Audits**

Initiative audits are limited to a single installation and often employ audit guides to cover a particular installation-level function or activity; they provide installation-level managers objective evaluations of their day-to-day operations. Results of these audits are reported to installation commanders and appropriate major commanders. These audits may be requested by installation managers or proposed by Air Force Audit Agency area office chiefs at individual Air Force installations. About 1200 initiative audits are performed each year.

### **Commanders Audit Program**

As with initiative installation audits, commanders can use this program to take an active role in identifying areas requiring audit attention.

The Commanders Audit Program provides a consultant-type service in priority problem areas where analysis would exceed a commander's in-house capability. Specific ground rules ensure selectivity in accepting commander requests. As long as these audits do not disclose irregularities such as fraud or violation of public law, the Air Force Audit Agency reports the results only to the requesting commander. About 350 commanders audit program audits are performed each year.

### **Followup Program**

Under current Air Force policy, management has primary responsibility to track and determine what corrective action will be taken in response to all audit findings and recommendations. This does not relieve the auditor of the responsibility for following up on recommendations to determine whether the deficiency still exists. The Air Force Audit Agency selectively follows up on audit recommendations to determine whether management action was effective in eliminating the deficiency. Periodically, the Air Force Audit Agency also reviews management's tracking system to evaluate its effectiveness for ensuring corrective actions are taken.

### **Organization**

The Air Force Audit Agency has about 890 professional auditors and 195 support personnel assigned. In addition to the headquarters at Norton AFB CA and the Assistant Auditor General located in the Pentagon for liaison purposes, the Air Force Audit Agency has two functional directorates and two geographic

regions. This alignment enables the Agency to serve clients who are also dispersed along operational and functional lines.

### **Acquisition & Logistics Directorate**

Headquartered at Wright-Patterson Air Force Base OH, this directorate manages 13 audit production centers including 5 Air Logistic Centers and 3 major buying divisions. The directorate is authorized 295 auditors representing about 34% of total auditor strength. Each of the audit offices at the logistics centers and buying divisions has approximately 30 auditors.

In addition to providing audit service to Air Force Logistics Command and Air Force Systems Command, the Acquisition and Logistics Systems Directorate also provides service to related Air Staff functional elements.

### **Service-Wide Systems Directorate**

The Service-Wide Systems Directorate is headquartered at Andrews Air Force Base MD and has a total manning authorization of 91 auditors. This directorate's primary responsibility is to design and manage centrally directed audits of standard Air Force-wide functions and activities. The directorate accomplishes this mission through five division offices. Two of the offices are located in the Washington D.C. area for ease of access to the Air Staff. The other three offices are located at the Air Force Accounting and Finance Center near Denver CO, and the Manpower and Personnel Center near San Antonio TX.

### **Audit Regions**

The two regions are organized geographically. The Western Region headquarters is located at Norton Air Force Base with audit responsibility extending into the Pacific. Eastern Region, headquartered at Langley Air Force Base VA, has audit responsibility for Europe and the Eastern United States. Each of the regions manages three offices which have major command audit responsibilities and just over 30 installation-level area audit offices. Major command offices are located at Hickam Air Force Base HI, Elmendorf Air Force Base AK, and Offutt Air Force Base NE in Western Region; and at Scott Air Force Base IL, Langley Air Force Base VA, and Ramstein Air Force Base GE in Eastern Region. Installation-level offices are responsible for auditing all Air Force installation-level activities within their geographic area.



NO: 502.1

DATE: 24 July 1978

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Air Force Audit Agency

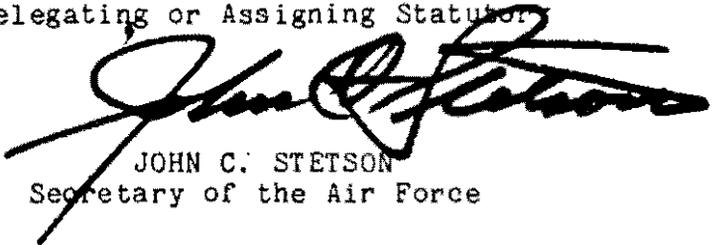
1. In accordance with Secretary of Defense 26 May 1978 Reorganization Order issued pursuant to Section 125 of Title 10, United States Code, the Air Force Audit Agency (AFAA) will report to the Secretary of the Air Force. The Commander of the AFAA, also designated The Auditor General:

a. Is responsible for the internal audit function of the Department of the Air Force under 10 USC 8014 (a)(4), and for liaison with the General Accounting Office, the Deputy Assistant Secretary of Defense (Audit) and other governmental audit agencies on day-to-day operational matters.

b. Will report to the Secretary of the Air Force and will receive staff supervision from the Assistant Secretary of the Air Force (Financial Management). For this purpose, staff supervision is defined as (1) supervision of audit policy and management matters and (2) technical guidance.

c. Is authorized direct access to the Chief of Staff.

2. This Order is effective on 24 July 1978 and is issued in accordance with Air Force Regulation 11-18, 18 July 1963, subject: "Delegating or Assigning Statutory Authority".

  
JOHN C. STETSON  
Secretary of the Air Force



# Biography

# United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

DONALD E. RELLINS

Don Rellins became the Advisor to the Secretary of the Air Force on small and minority business matters in December 1971. He became the first Director of the Air Force Office of Small and Disadvantaged Business Utilization in 1979. He is responsible for establishing and operating a program, as required by law, to insure that a fair proportion of Air Force prime contracts and subcontracts are placed with small business and small disadvantaged firms.

He received a B.S. in Commerce, magna cum laude, from the University of Notre Dame in 1954 and received his Juris Doctor degree from Georgetown University in 1962. He is a Member of the Virginia State Bar Association.

Mr. Rellins has held a variety of positions in government and industry. His industry experience has been with both large and small firms. He has also owned and operated his own small business.

He served with the U.S. Air Force as an officer in the Strategic Air Command during the mid-fifties. Later, he was a cost analyst with U.S. Steel. He has been involved with government contracting and procurement since 1959 as either a contract negotiator, a lawyer, or a procurement analyst.

Immediately before assuming his present position, Mr. Rellins was with the Office of the Assistant Secretary of Defense (Installations & Logistics).

Mr. Rellins was selected as a Congressional Fellow in 1969. Following an extensive orientation, he served on Capitol Hill for one year in various committee and member's office assignments.

**DIRECTOR OF SMALL AND DISADVANTAGED  
BUSINESS UTILIZATION**

The Office of Small and disadvantaged Business Utilization is required by statute (Public Law 95-507). The Director, also by statute, reports directly to the Secretary and is responsible for Air Force implementation and execution of the functions and duties required by Section 8 and 15 of the Small Business Act. The Director:

- a. Advises the Secretary on small business, small disadvantaged business, women-owned business, and labor surplus area matters.
- b. Plans, develops, and directs the Air Force programs on small business, small disadvantaged business, women owned business, and labor surplus areas.
- c. Represents the Air Force on these matters with other Government agencies such as the Small Business Administration and the Department of Commerce, with DOD and the Military Departments and with private industry.
- d. Exercises supervisory authority on these matters over Air Force Small and Disadvantaged Business Utilization Specialists.

The Directorate functions in both a Secretariat and Air Staff capacity. To facilitate management of its field personnel and to provide advice and assistance to the Air Staff, the Directorate is located for administrative purposes in the Office of the DCS (Research, Development and Acquisition).



NO: 650.2

DATE: MAY 18 1979

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Establishment of the Office of Small and Disadvantaged Business Utilization

1. Pursuant to Public Law 95-507, amending the Small Business Act of 1958, there is established in the Department of the Air Force an Office of Small and Disadvantaged Business Utilization. That office shall be headed by a Director of Small and Disadvantaged Business Utilization.

2. The Director of Small and Disadvantaged Business Utilization, when serving in that capacity shall report to the Secretary of the Air Force.

3. The Director of Small and Disadvantaged Business Utilization will receive policy and management guidance from the Assistant Secretary of the Air Force for RD&L and will advise and assist other principal military and civilian officials of the Department of the Air Force in matters relating to Sections 8 and 15 of the Small Business Act of 1958, as amended. The Director is responsible for the:

a. Implementation and execution of the Department of the Air Force's functions and duties under Sections 8 and 15 of the Small Business Act of 1958, as amended;

b. Supervision of the small and disadvantaged business program for the Department of the Air Force;

c. Assignment of at least one small business technical adviser for each office in the Department of the Air Force to which the Small Business Administration has assigned a procurement center representative; and

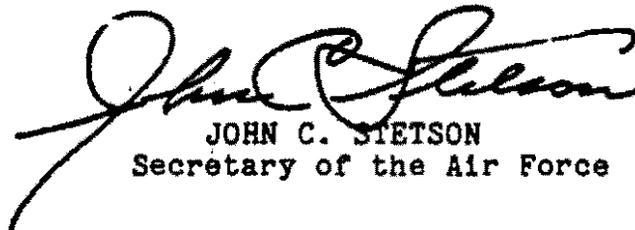
d. Cooperation and consultation with the Small Business Administration with respect to the functions listed in a. above.

NO: 650.2  
DATE: MAY 18 1979

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4. In view of and to facilitate the executive functions of the Director of Small and Disadvantaged Business Utilization, the Office of Small and Disadvantaged Business Utilization will be located in the Office of the DCS (Research, Development & Acquisition).

5. This Order is issued in accordance with Air Force Regulation 11-18, dated 18 July 1963, subject: "Delegating or Assigning Statutory Authority."



JOHN C. STETSON  
Secretary of the Air Force

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## OVERVIEW

The material in this volume is designed to acquaint new statutory officials with a variety of information about available services and supportive functions, answer some questions that seem to be of interest historically, and provide a quick summary of several key personnel issues that need to be highlighted.

Equally important, it provides a quick reference to those new to the government service, for public law requirements such as standards of conduct, conflicts of interest, financial reporting, and other issues which must be carefully observed.

The Office of the Administrative Assistant is described in some detail. It is the management and operational focus within the Secretariat and is designed to provide central support in a variety of functions. It is not a substitute, however, for the internal management activities of each Assistant Secretary. All appointees are urged to avail themselves of the advice and services available from this office.

## PERSONAL ENTITLEMENTS/OBLIGATIONS

### **Standards of Conduct**

- Basic Policy
- Disqualifications
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- Post Employment Restrictions
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- Political Activity

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## PERSONAL ENTITLEMENT/OBLIGATIONS

### Standards of Conduct

#### Basic Policy

The primary sources of Standards of Conduct guidance for Air Force employees are DOD Directive 5500.7 and Air Force Regulation 30-30. The basic policy is that Air Force personnel, including their spouses, minor dependent children, and any other household member, must not take part in any personal, business, or professional activity or receive or retain any direct or indirect financial interest that places them in a position of conflict between their private interests and their responsibilities to the public as Air Force personnel. Any appearance of conflict must also be avoided.

Standards of conduct questions frequently arise concerning accepting gratuities. DOD personnel and their families are prohibited from accepting gratuities from companies doing business with the Department of Defense except in certain limited circumstances. Gratuities include meals, drinks, entertainment, travel, etc. Additional guidance is provided in the attached AFR 30-30 excerpt. Other standards of conduct topics covered in AFR 30-30 include (1) using Government facilities, property and manpower, (2) outside employment, (3) gambling and lotteries, (4) using civilian and military titles in connection with commercial enterprises, and (5) contributions or presents to superiors.

Secretariat personnel with questions relating to their individual circumstances should discuss them with the General Counsel's Office.

#### Disqualifications

Full time government employees are prohibited from taking part in any matter in their official capacity in which they, their spouses, minor children, outside business associate, or person with whom they are negotiating future employment have a financial interest. Violation of this prohibition is a crime punishable by imprisonment for up to two years or a fine of up to \$10,000, or both. This prohibition does not apply when a prior determination has been made that the interest is either too remote, too insubstantial, or too insignificant to affect the integrity of the government employee's service. In situations where the financial interest can not be classified as too remote, too insignificant, or too insubstantial, the government employee must dispose of the interest or must disqualify him or herself from taking official action on any matter connected with that interest. Official action includes decision, approval, disapproval, recommendation, the rendering of advice, investigation, etc. Additional guidance is contained in the attached AFR 30-30 excerpt.

Secretariat personnel possessing financial interests which might conflict with their official responsibilities should discuss their situation with the General Counsel's Office. If it is determined that a conflict might exist, the General Counsel's Office will assist in the preparation of disqualification memoranda.

### Financial Disclosure

The Ethics in Government Act of 1978 requires the annual filing of detailed financial disclosure reports by civilian employees paid at a rate equal to or greater than the minimum GS-16 rate and by military members whose pay grade is at or in excess of 0-7. The initial report is due within 30 days of assuming such a position or, if the position requires the advice and consent of the Senate, within 5 days of the transmittal of the nomination to the Senate. This initial report covers the prior calendar year and the current calendar year up to the date of filing. Additional reports are due annually each May 15th.

Agencies must make these reports available to the public, but it is unlawful for persons to use the reports for commercial purposes, for determining credit ratings, or for soliciting money. The Office of Government Ethics, which was created by The Ethics in Government Act as part of the Office of Personnel Management, has developed a form for reporting this information. Secretariat personnel having questions regarding either the form or their personal circumstances should contact the General Counsel's Office.

### Post Employment Restrictions

The Ethics in Government Act of 1978 amended 18 U.S.C. §207 and provided several new restrictions on the post employment activities of officers and employees of the government. This statute is a criminal statute and provides for penalties of up to \$10,000 or two years imprisonment. Its basic provisions are as follows:

- (a) Lifetime prohibition. Applies to any former officer or employee.
  - May not act as agent or attorney or otherwise represent another or make any communication with an intent to influence concerning any matter involving specific parties in which the individual participated personally and substantially for the Government (Sec. 207(a)).
  
- (b) Regular two year prohibition. Applies to any former officer or employee.
  - May not act as agent or attorney or otherwise represent another or make any communication with an intent to influence concerning any matter involving specific parties which was pending under the individual's official responsibility within a one-year period prior to termination of such responsibility (Sec. 207(b)(i)).
  
- (c) Special-two year "aiding and assisting" prohibition.  
Applies to all Executive Levels I-V, all officers at grade 0-9 and above, and to certain designated SES, 0-7 and 0-8 positions.
  - May not aid, counsel, advise, consult, represent, or assist in representing another by personal appearance before an agency concerning any matter which was pending under his official responsibility or in which he participated per-

sonally and substantially within one year prior to retirement. (Sec. 207(b)(ii)). (Does not require a showing of "an intent to influence").

(d) Special one year "no contact" prohibition. Applies to all Executive Levels I-V, all officers at grade 0-9 and above, and to certain designated SES, 0-7 and 0-8 positions.

- May not, on behalf of anyone, have an oral or written communication with former agency or department with intent to influence on any matters pending before that agency or department, or in which the agency has a direct interest.
- Does not apply to contacts by former senior officials who are elected officials of, or are employed by: a state or local government; a degree-granting institution of higher learning; a hospital or medical research organization.

Attached is matrix that presents the information in a different format. Secretariat personnel with questions relating to their individual circumstances should contact the General Counsel's Office.

#### Personal Liability of Air Force Officials

Government officials are occasionally sued in their personal capacities for actions taken in their official capacities. If the allegation does not involve a Constitutional violation and the official was acting within the outer limits of his or her official responsibilities, the official has an absolute immunity from suit. In suits alleging unconstitutional actions Government officials are entitled to at least a qualified immunity, i.e., a successful defense is made out by a showing of good faith (lack of malice toward the plaintiff personally) and reasonable belief that the conduct complained of was Constitutionally unobjectionable. When Government officials are sued in their personal capacity they may be represented, at no cost to themselves, by the Department of Justice, but any damages awarded the plaintiff must be paid by the official without reimbursement. To date, the relatively small number of awards made have been for only nominal damages.

In most suits alleging deprivation of Constitutional rights, an adequate defense can be established by asserting adherence to prescribed procedures. Even if proper procedures are used, however, a showing of some form of bad faith may result in personal liability. For example, an adverse personnel action accompanied by gratuitous adverse public comment could give rise to liability based on injury to reputation leading to diminished reemployment opportunities. It is also conceivable that a suit could arise out of oral or written responses to requests for recommendations concerning Government employees or former employees. Although officials would have absolute immunity from liability for "pure" defamation (i.e., where no Constitutional violation is involved), they might have to establish good faith and a reasonable belief in the accuracy of their statements if, for example, the alleged defamation were accompanied by an adverse personal action.

### Political Activity

The Hatch Act, 5 U.S.C. §7321 et seq., prohibits most forms of political activity for civilian employees of the government within the Department of Defense. It does not, however, apply to the Secretary and Deputy Secretary of Defense, the Secretaries of the Military Departments, the Under Secretaries of Defense and all other officers or employees appointed by the President, with the advice and consent of the Senate, who determine policies to be pursued by the United States in its relations with foreign powers or in the nationwide administration of Federal Laws.

Civilian officials of the DoD not subject to the Hatch Act are restricted in their political activities by those laws relating to political activities that apply to all citizens. These include the Federal Election Campaign Act Amendments of 1976, Pub. L. No. 94-283. All civilian DoD officials are also prohibited from using official authority or influence for the purpose of interfering with or affecting the result of an election, (5 U.S.C. §7324(a)(1)) or from using federally funded benefits, or the threat of withholding them, for that same purpose (18 U.S.C. §600).

In addition, civilian DoD officials are subject to such policies and precedents pertaining to the political activities of DoD officials as have heretofore been established by the Department of Defense. For many years, it has been the policy of the Department of Defense that its civilian officials not subject to the Hatch Act will refrain from engaging in most aspects of partisan political campaigns. Accordingly, DoD officials — whether covered by the Hatch Act or not — generally may not participate as organizers, speakers, hosts, or the like, in activities sponsored by the campaign committee of a political candidate, or in activities related directly or indirectly or fundraising on behalf of a political candidate.

This policy does not preclude Defense officials from explaining, advocating, or defending policies or actions relating to issues of national defense or foreign policy. Although the discussion of a defense matter may have a clearly discernible similarity to a policy advocated by a political party or candidate, this effort to inform and explain by Department of Defense officials is essential to public understanding of Defense policies and actions and does not come within the prohibition of partisan political activity. Finally, the policy on non-participation in partisan political campaigns does not preclude Defense officials from appearing before a national political committee at its request for clarification or explanation of defense matters.

Employees subject to the Hatch Act are affected by its prohibitions whether on duty, off duty, or in a leave status. Most municipalities and political subdivisions in the Washington, D.C. vicinity have, however, been exempted from certain of the Hatch Act's restrictions. These are listed in 5 CFR §733.124. Employees who reside in these localities may take an active part in political management or in political campaigns in connection with partisan elections for local offices, so long as the participation is as, on behalf of, or in opposition to an independent candidate. In these localities candidacy for or service in public office may not result in interference with the performance of the employee's duties, nor create a conflict or apparent conflict of interest.

Attached is a list of activities prohibited by the Hatch Act and a list of activities not prohibited by it. These lists are not comprehensive and are intended to be general guidance only. Secretariat personnel considering political activities should consult with the General Counsel's Office for guidance on the legality of the intended activity.

### GRATUITIES ADDITIONAL GUIDANCE

1. **General.** This attachment supplements paragraph 5 of the regulation.

2. **Gratuities:**

a. **General Prohibition.** Except as provided in b below Air Force personnel and their immediate families must not solicit, accept, or agree to accept any gratuity for themselves, members of their families, or others (either directly or indirectly from), or on behalf of, any source that:

(1) Is engaged in or seeks business or financial relations of any sort with any Department of Defense Component;

(2) Conducts operations or activities that are either regulated by a Department of Defense Component or significantly affected by Department of Defense decisions; or

(3) Has interests that may be substantially affected by the performance or nonperformance of the official duties of Department of Defense personnel.

b. **Limited Exceptions.** The general prohibition in a above, does not apply to:

(1) The continued participation in employee welfare or benefit plans of a former employer when permitted by law and approved by the proper Standards of Conduct Counselor or Deputy Counselor.

(2) Accepting unsolicited advertising or promotional items that are less than \$5 in retail value.

(3) Trophies, entertainment, prizes, or awards for public service or achievement or given in games or contests that are clearly open to the public generally or that are officially approved for Air Force personnel participation when consistent with 18 U.S.C. 209.

(4) Things available to the public (such as university scholarships covered by AFR 53-18) and free exhibitions by Defense Contractors at public trade fairs.

(5) Discounts or concessions extended Air Force-wide and realistically available to all Air Force personnel.

(6) Participation by Air Force personnel in civic and community activities when any relationship with Defense contractors is remote, for example, taking part in a Little League or Combined Federal Campaign luncheon that is subsidized by a Defense contractor.

(7) Social activities engaged in by Air Force officials and officers in command, or their representatives, with local civic leaders as part of the Air Force community relations programs in the United States and overseas according to AFM 190-9, chapter 4.

(8) DOD personnel taking part in widely attended gatherings of mutual interest to Government and industry, sponsored or hosted by industrial, technical, and professional associations (not by individual contractors) provided that they have been approved according to DOD Instruction 5410.20).

(9) Situations in which (a) Air Force personnel taking part in public ceremonial activities of mutual interest to industry, local communities, and the Air Force serves the interests of the Government; and (b) accepting the invitation is approved by the Air Force major commander concerned. Air Force personnel assigned to HQ USAF or its separate operating locations must obtain such approval from their Deputy Chief of Staff, Staff Agency Head, or the head of a comparable or higher office. Invitations for Air Force personnel assigned to the office of the Secretary of the Air Force must be approved by the Air Force General Counsel.

(10) Contractor-provided transportation, meals, or overnight accommodations in connection with official business if arrangements for Government or commercial transportation, meals, or accommodations are clearly not practical. In any such case, the individual must report, in writing, the circumstances to the supervisor as soon as possible.

(11) Attendance at promotional vendor training sessions if the vendor's products or systems are provided under contract to DOD and the training is to facilitate the use of those products or systems by DOD personnel.

(12) Attendance, or Air Force personnel taking part in gatherings, including social events such as receptions, that are hosted by foreign governments or international organizations, provided that the acceptance of the invitation is approved by the General Counsel or designee. This approval is not required if attendance or participation is authorized by other exceptions, such as those in b(7) above or b(14) below or if the social event involves a routine or customary social exchange with officials of foreign governments in pursuance of official duties.

(13) Customary exchanges of gratuities between Air Force personnel, and their friends and relatives, as well as the friends and relatives of their spouse, minor children and members of their household. This applies only if the circumstances make it clear that it is that relationship, rather than the business of the persons concerned, that is the motivating factor for the gratuity and if it is clear that the gratuity is not paid for by any source described in a above.

(14) Situations in which in the sound judgment of the individual concerned or the individual's supervisor, the Government's interest will be served by Air Force personnel taking part in activities otherwise prohibited. In any such case, a written re-

port of circumstances must be made in advance, or if an advance report is not possible, within 48 hours by the individual or the supervisor to the proper Standards of Conduct Counselor or Deputy Counselor.

**c. Reimbursements:**

(1) The acceptance of accommodations, subsistence, and services furnished in kind, in connection with official travel from other than those sources in 2 a, above is authorized only when the individual is to be a speaker, panelist, project officer, or other bona fide participant in the activity attended and when such attendance and acceptance is authorized by the order-issuing authority as being in the overall Government interest.

(2) Except as indicated in c(1) above, Air Force personnel may not accept personal reimbursement from any source for expenses related to official travel, unless authorized by their supervisor. Reimbursement must be consistent with guidance provided by the proper Standards of Conduct Counselor or Deputy Counselor and according to 5 U.S.C.

4111 or other statutory authority. Reimbursement must be made to the Government by check payable to the Treasurer of the United States. Personnel are reimbursed by the Government according to regulations that relate to reimbursement.

(3) Air Force personnel must not accept, either in kind or for cash reimbursement, benefits that are extravagant or excessive in nature.

(4) If non-US Government sources furnish Air Force personnel accommodations, subsistence, or services in kind according to c above, appropriate deductions must be reported and made in the travel, per diem, or other allowances payable.

**d. Gratuity Disposition.** After the effective date of this regulation, Air Force personnel who receive gratuities, or have gratuities received for them in circumstances that do not conform with this attachment, must promptly report the circumstances to the proper Standards of Conduct Counselor or Deputy Counselor for determining disposition.

make the decision whether a conflicting interest, no matter how insignificant, is or is not sufficient to influence one's own judgment. This decision is the responsibility of and must be made by an official as set out in paragraph 15d.

d. Reports concerning status of Statements of Affiliations and Financial Interests (DD Form 1555) must be submitted no later than 30 November of each year. Each Air Force major commander must notify HQ USAF/JACM, Wash DC that all required statements and annual statements have been filed, reviewed, and any problems resolved or explain the details of outstanding cases.

**14. Reporting Suspected Violations.** Air Force personnel who have cause to believe that other DOD personnel have violated a statute or standard of conduct imposed by this regulation should first bring the matter to their attention. If such persons are supervisors, or the communication is not expected to remedy or does not appear to have remedied the problem, the matter must be discussed with the proper Standards of Conduct Counselor or Deputy Counselor. If appropriate the matter will then be reported according to AFR 124-8.

## SECTION B—CONFLICT OF INTEREST LAWS

### 15. Full-Time Officers and Employees:

a. **Definition.** The term "full-time officer or employee" includes all civilian officers and employees, and all military officers on active duty, except those who are "special Government employees" (see paragraph 16). It does not include enlisted personnel.

b. **Prohibitions.** In general, a full-time officer or employee is subject to the following major prohibitions: (See attachment 3.)

(1) They may not, except in discharging their official duties, represent anyone else before a court or Government agency in a matter in which the United States is a party or has an interest. This prohibition applies both to paid and unpaid representation of another (see 18 U.S.C. 203 and 205).

(2) They may not receive any salary, or supplementation of their Government salary, from a private source as pay for their services to the Government (see 18 U.S.C. 209).

(3) They may not take part (see note) in their governmental capacity in any matter in which they, their spouse, minor child, outside business associate, or person with whom they are negotiating for employment has a financial interest (see 18 U.S.C. 208). Instead of taking part in such a matter, they must disqualify themselves at once according to d below, except as provided in c below.

NOTE: A person may take part through decision,

approval, disapproval, recommendation, giving advice, investigation, or otherwise.

c. **Nondisqualifying Financial Interest.** Officers or employees need not disqualify themselves under b(3) above, if the financial holdings are in shares of a widely held diversified mutual fund or regulated investment company. The indirect interests in business entities of these financial holdings come from ownership by the fund or investment company of stocks in business entities. They are hereby exempted from the requirements of 18 U.S.C. 208 (a), as set out in 18 U.S.C. 208(b)(2), as too remote or inconsequential to affect the integrity of the Government officers' or employees' services.

#### d. Disqualification:

(1) Unless otherwise expressly authorized by action taken under 18 U.S.C. 208, all Air Force personnel who have affiliations or financial interests which create conflicts (or appearances of conflicts) of interest with their official duties must disqualify themselves from any official activities that are related to those affiliations, interests, or the entities involved. A formal disqualification notice must be sent to an individual's superior and immediate subordinates if it appears reasonably possible that the individual's official duties will affect those affiliations, interests, or entities. If individuals cannot adequately perform official duties after such disqualification, they must divest themselves of such involvement or be removed from those positions.

(2) For exemptions under 18 U.S.C. 208b(1) the "official responsible for the appointment" must be the immediate superior of the individual concerned who is serving in the grade of Colonel or above, GS-15 or above, or such other superior who is a full-time US Government officer or employee serving in the grade of Colonel, GS-15, or higher. All cases that involve determinations under 18 U.S.C. 208b(1) must be coordinated with the appropriate Standards of Conduct Counselor or Deputy Counselor.

(3) In addition, if a superior thinks that a subordinate employee may have a disqualifying interest, the superior must discuss the matter with that person and if the superior finds such an interest does exist, the superior must relieve the person of duty and responsibility in the particular matter or take other appropriate action to resolve the conflict. (See attachment 5.)

### 16. Special Government Employees:

a. **Definition.** The term "special Government employee" includes an officer or employee who is retained, designated, appointed, or employed to perform (with or without pay) for not more than 130 days during any period of 365 consecutive days, temporary duties, either on a full-time or intermit-

POST EMPLOYMENT PROHIBITIONS  
 18 U.S.C. 207  
 AS AMENDED BY P.L. 95-521  
 (THE ETHICS IN GOVERNMENT ACT OF 1978)  
 AND P.L. 96-28

If you were	in your subsequent employment	from	to or before	in connection with	which
1. A Government employee (including a special Government employee) or military officer	you are barred for life	acting as agent or attorney or representing any other person in any formal or informal appearance or with intent to influence, making any oral or written communication	any Government department, agency, court or court-martial or any officer or employee thereof	any particular matter involving specific parties	you participated in for the Government personally and substantially
2. A Government employee (including a special Government employee) or military officer	you are barred for two years	acting as agent or attorney or representing any other person in any formal or informal appearance or with intent to influence, making any oral or written communication	any Government department, agency, court or court-martial or any officer or employee thereof	any particular matter involving specific parties	was pending under your official responsibility in your last year of Government employment

If you were	in your subsequent employment	from	to or before	in connection with	which
<p>4. (a) A statutory appointee, (b) a military officer 0-9 or above, or (c) a military officer 0-7 or 0-8 or a civilian in a GS-17 or above position or an SES position, who has significant decision-making or supervisory responsibility, as designated by the Office of Government Ethics.</p>	<p>you are barred for one year</p>	<p>acting as agent or attorney or otherwise representing anyone in any formal or informal appearance before or with the intent to influence making any oral or written communication</p>	<p>the agency in which you served (military departments are separate agencies)</p>	<p>any rule-making or any particular matter</p>	<p>is pending before your agency or in which your agency has a direct and substantial interest</p>

**EXCEPTIONS:**

1. The prohibitions do not apply to making communications solely for the purpose of furnishing scientific or technological information.
2. The prohibitions do not apply if the agency head, in consultation with the Office of Government Ethics, certifies that the former employee or officer has outstanding qualifications in a scientific, technological or other technical discipline and that the national interest would be served by participation in the particular matter.
3. The prohibition in paragraph 4 does not apply to appearances, communications, or representation by former employees who are elected State or local Government officials or whose principal occupation or employment is with a State or local Government agency or instrumentality, an accredited, degree-granting institution of higher education, or a hospital or medical research organization.

## HATCH ACT

### Permissible Activities

- . You have the right to register and vote as you choose in any election. Political activity restrictions do not relieve Federal employees of their obligation as citizens to inform themselves of the issues and to register and vote. Employees are urged to vote by being granted leave under certain circumstances to register or vote.
- . You have the right to express your opinions as an individual, privately and publicly, on all political subjects and candidates as long as you don't take an active part in partisan political management or partisan political campaigns.
- . You may wear a political badge or button or display a political sticker on your private automobile, subject to work-related limitations.
- . You may make a voluntary campaign contribution to a political party or organization.
- . You may accept appointment to public office, provided service in the office will not conflict or interfere with the efficient discharge of your Federal duties.
- . You may participate in a non-partisan election either as a candidate or in support of (or in opposition to) a candidate, and you may, if elected, serve in the office if such service will not conflict or interfere with your Federal duties.
- . You may serve as an election clerk or judge, or in a similar position, to perform non-partisan duties as prescribed by state or local law.
- . You may be politically active in connection with an issue not specifically identified with a political party, such as a constitutional amendment, referendum, approval of a municipal ordinance, or similar issue.
- . You may participate in the non-partisan activities of a civic, community, social, labor, professional, or similar organization.
- . You may be a member of a political party or other political organization and attend meetings and vote on issues, but you may not take an active part in managing the organization.
- . You may attend a political convention, rally, fund-raising function, or other political gathering, but you may not take an active part in conducting or managing such gatherings.
- . You may sign petitions, including nominating petitions, but may not initiate them or canvass for signatures, if they are nominating petitions for candidates in partisan elections.
- . You may petition Congress or any Member of Congress, such as by writing to your Representatives and Senators to say how you think they should vote on a particular issue.

### Prohibited Activities

The general prohibitions on Federal employees are that they may not use their official authority or influence to interfere with or affect the result of an election, and that they may not take an active part in partisan political management or in partisan political campaigns. Additional specific prohibited activities are:

- . You may not be a candidate for nomination or election to a national or state office.
- . You may not become a partisan candidate for nomination or election to public office.
- . You may not campaign for or against a political party or candidate in a partisan election for public office or political party office.
- . You may not serve as an officer of a political party, a member of a national, state or local committee of a political party, an officer or member of a committee of a partisan political club, or be a candidate for any of these positions.
- . You may not participate in the organizing or reorganizing of a political party, organization or club.
- . You may not solicit, receive, collect, handle, disburse, or account for assessments, contributions, or other funds for a partisan political purpose or in connection with a partisan election.
- . Federal criminal statutes impose restrictions concerning contributions in connection with elections for Federal office. Specifically, you may not solicit political contributions from other Federal employees and no person may solicit or receive political contributions in buildings where Federal employees work. Also, one of these criminal statutes restricts your ability to make political contributions to other Federal employees. You should contact the Office of Special Counsel at 1717 H Street, N.W., Washington, D.C. 20419, (202) 653-7140, for advice if you have any questions concerning the requirements of these laws.
- . You may not sell tickets for or otherwise actively promote such activities as political dinners.
- . You may not take an active part in managing the political campaign of a candidate, in a partisan election for public office or political party office.
- . You may not work at the polls on behalf of a partisan candidate or political party by acting as a checker, challenger, or watcher, or in a similar partisan position.

## PERSONAL ENTITLEMENTS/OBLIGATIONS

### Personnel Benefits

#### Pay

Presidential appointees are paid at the following salary rates:

Level I	\$69,630.00
II	60,662.50
III	55,387.50
IV	52,750.00
V	50,112.50

Checks are issued semi-monthly to the Secretary and bi-weekly to all others. Form W-4 designating the number of dependents is executed at the time of appointment and tax is deducted from the bi-weekly pay check.

#### Health Benefits

The cost of the Health Benefits Program (there are 40 different plans, not all of which are available in this area) is shared by both the Government and the Federal employee. The five most popular plans in this area are the Service Benefit Plan (Blue Cross - Blue Shield), the Indemnity Benefit Plan (Aetna), Group Health Association, and the George Washington and Georgetown University Plans. Although these are the five most popular plans, there are others available. For example, Montgomery County Maryland and Columbia, Maryland each have specialized health care plans, however, the Government contributes no more than 75% of the total cost of any type of enrollment. Information on all health care plans can be obtained from the office of the administrative assistant.

<u>Government-Wide Plans</u>	<u>Enrollment Code</u>	<u>Type of Enrollment</u>	<u>In 1981 Employee Pays*</u>
Service Benefit Plan	101	Self Only-High Option	\$14.84
(Blue Cross- Blue Shield)	102	Self & Family-High Option	30.52
	104	Self Only-Low Option	2.46
	105	Self & Family-Low Option	7.14
Indemnity Benefit Plan (Aetna)	201	Self Only-High Option	10.17
	202	Self & Family-High Option	15.11
	204	Self Only-Low Option	3.20
	205	Self & Family-Low Option	7.56

\*Biweekly Rate

<u>Comprehensive Plans</u>	<u>Enrollment Code</u>	<u>Type of Enrollment</u>	<u>In 1981 Employee Pays</u>
George Washington University Health Plan	E51	Self Only-High Option	\$12.00
	E52	Self & Family-High Option	34.65
Georgetown University Community Health Plan	E31	Self Only-High Option	11.76
	E32	Self & Family-High Option	32.44
Group Health Association	501	Self Only-High Option	13.80
	502	Self & Family-High Option	38.27
	504	Self Only-Low Option	5.48
	505	Self & Family-Low Option	19.94

An employee's enrollment continues without change upon retirement on an immediate annuity after 5 or more years of service, or for disability, provided that any of the following conditions are met:

a. The employer has been enrolled in a Health Benefits Plan for the full period of service beginning with his first opportunity to enroll and the date of retirement, or

b. At the time of retirement the employee has been enrolled in a Health Benefits Plan for at least 5 years of service immediately preceding retirement. Employee contributions are deducted from the retirement annuity. The retiring employee who does not qualify will have a temporary 31-days extension of coverage without cost. The employee may then convert to a direct payment plan with the carrier, or

c. The employee must have been enrolled continuously for the full period or periods of service beginning with the enrollment which became effective no later than 31 December 1964.

#### Leave — Sick Leave

**Annual Leave.** Statutory appointees are permitted to take leave from their duties, without limitation, subject to the approval of their agency head.

Individuals serving in Schedule C or SES positions earn annual leave in the same manner and at the same rates as General Schedule employees. The amount of leave earned is dependent upon the length of service as shown in the following schedule:

<u>Creditable Service</u>	<u>Accrual per Year</u>
Less than 3 years of service	13 days
3 to 15 years of service	20 days
15 years or more of service	26 days

The optional insurance is in only one amount - \$10,000 and is only available by election within 31 days from the date of appointment. The cost for this insurance, borne entirely by the employee, is based on age as shown in the following table:

<u>Age Group</u>	<u>Biweekly Premium</u>
Under 35	.60
35-39	1.00
40-44	1.70
45-49	2.40
50-54	3.50
55-59	7.50
60 and Over	9.00

Both the regular and optional insurance are payable, upon death, in the following order: (1) your widow or widower; (2) if no widow or widower, your children; (3) if no children, your parents; (4) if no parents, your estate; (5) if no estate, your next of kin. If you wish it paid in some other way, you may designate one or more beneficiaries. In the case of accidental death, a double indemnity benefit is payable. Dismemberment benefits are payable directly to the employee.

If you leave the Government service, you can convert both the regular and optional life insurance to an individual policy without medical examination or other evidence of good health.

Both the regular and optional life insurance may be continued after you retire on immediate annuity, either for disability or after 5 years or more of service, at least 5 of which are civilian. The regular life insurance is continued free, but you must pay for the optional life insurance until age 65 if you retire before that age. When you are both 65 and retired, the optional life insurance is also free.

#### Employee Compensation

Under the provisions of the United States Employees Compensation Act of September 1, 1916 as amended, the appointee and members of his/her family are entitled to certain benefits in case of injury or death in the performance of official duties. The benefits include disability, disfigurement, dependents benefits, medical services and supplies, vocational rehabilitation and burial expenses, etc.

## PERSONAL ENTITLEMENTS/OBLIGATIONS

### Official Travel

#### Initial Travel and Transportation Expenses

Under 5 U.S.C. § 5723, appropriated funds may be used to pay the "travel expenses of a new appointee ... and transportation expenses of his immediate family and his household goods and personal effects ..." if the appointment is to a position "which the Office of Personnel Management determines there is a manpower shortage or ..." in "the Senior Executive Service ..."

The definition of a "Senior Executive Service Position" under 5 U.S.C. § 3132 excludes positions "required to be filled by an appointment by the President with the advice and consent of the Senate ..." Thus, Presidential appointees do not qualify for payment of transportation expenses under the provision authorizing payment of such expenses to new appointees in the Senior Executive Service.

The Office of Personnel Management has implemented the statutory provision regarding manpower shortage positions in Chapter 571 of the Federal Personnel Manual. In Appendix A of that Chapter, which lists the positions for which a manpower shortage exists, the OPM has determined that:

"No position filled by Presidential appointment is considered to be included in the manpower shortage category."

Since OPM has the statutory authority to make that determination, and in view of this unequivocal statement, it is concluded that appropriated funds may not be used to pay for the travel and transportation expenses of a Presidential appointee to his/her initial duty station.

#### Travel Orders and Reimbursement

Blanket Travel Orders will be issued to authorize official travel to such places, at such times, and for such purposes as the statutory appointee may determine appropriate. Reimbursement for expenses will be authorized at the standard \$50.00 per diem rate for all points in the continental United States, except designated high cost areas in which the per diem rates range from \$54.00 to \$75.00. However, when necessary expenses exceed the per diem rate, you may be reimbursed for actual expenses not to exceed \$75.00 per day. The highest applicable rate will be authorized in your blanket travel orders to facilitate payment for official travel within the continental limits of the United States, excluding Alaska (for which specific area rates are authorized). Specific per diem rates are applicable for each foreign country or area.

### Accompanying Spouse

It is the policy of the Department of Defense that spouses will not be authorized military air transportation except when traveling with their sponsors and only when there is an unquestionable official requirement for such travel. Eligibility is normally limited to the spouses of presidential appointees. Prior approval of the Secretary is required on an individual basis and should be requested through the Administrative Assistant.

### Travel of Other Dependents

When military air transportation provides the only effective means to respond to a personal or medical emergency, or when an eligible official is out of town on personal business and is directed to return, dependents may be authorized travel if commercial accommodations are not readily available. This requires a waiver to policy which must be approved by the Secretary or Deputy Secretary of Defense. The value of the dependent's travel must be reimbursed.

In exercising this policy we must recognize the austerity of the DOD budget and other resources and the need to avoid any action which could be viewed as inconsistent with this austerity and our obligations to the Congress and the American people.

### First Class Travel

In accordance with the Federal Travel Regulations, authority to approve first class air travel has been delegated to the Secretary of the Air Force. This authority has not been further redelegated.

It is the policy of the Government that employees who use commercial air carriers inside or outside the continental United States for official travel will use less-than-first-class accommodations. Only limited exceptions to this policy will be permitted.

Authorization for the use of first-class air accommodations shall be made in advance of the actual travel unless extenuating circumstances or emergency situations make advance authorization impossible. If advance authorization cannot be obtained, the employee shall obtain written approval from the Secretary at the earliest possible time.

The Secretary may authorize or approve the use of first-class air accommodations when:

1. space is not available in less-than-first-class accommodations on any scheduled flights in time to accomplish the purpose of the official travel, which is so urgent that it cannot be postponed;
2. first-class accommodations are necessary because the employee is so handicapped or otherwise physically impaired that other accommodations cannot be used, and such condition is substantiated by competent medical authority;

3. first-class accommodations are required for security purposes or because exceptional circumstances, as determined by the Secretary, make their use essential to the successful performance of an agency mission;

4. less-than-first-class accommodations on foreign carriers do not provide adequate sanitation or health standards;

5. the case concerned qualifies under such other criteria as may be established by the Secretary;

6. The use of first-class accommodations would result in an overall savings to the Government based on economic considerations, such as the avoidance of additional subsistence costs, overtime, or lost productive time that would be incurred while waiting availability of less-than-first-class accommodations.

Requests for the use of first-class air travel are made through the Administrative Assistant to the Secretary.

#### Foreign Travel

Official foreign travel requires passports, visas, immunization shots, and other special arrangements. The office of the Assistant Secretary of Defense (International Security Affairs) must be notified in writing of any anticipated foreign travel that will involve contacts or meetings with foreign government officials at any level or that may require briefings or logistical support by United States embassy or consular personnel, and/or travel into special areas designated by the Department of State. This written notification will be made as much in advance of the foreign travel as possible. No formal arrangements with respect to such trips may be made with officials of foreign governments prior to coordination with State Department officials in the area to be visited, or the Assistant Secretary of Defense (International Security Affairs) has been notified, as specified above, and has authorized such arrangements.

Statutory appointees anticipating official foreign travel should obtain a passport as soon as possible after notification of their appointment. No-fee official passports are issued to appointees and their dependents when authorized to accompany or join their sponsor. No-fee passports may not be used for personal travel from the United States to foreign countries. Visa requirements and processing time vary for each nation and in many cases within a nation according to whether travel is for official, diplomatic or personal reasons and length of stay.

#### Special Air Mission/Military Aircraft

When regularly scheduled commercial flights are not available or will not suffice, military airlift from Special Air Mission or Military Airlift Command resources can be scheduled through the Air Operations Office of Legislative Liaison. However, it must also be shown that the military airlift is cost effective, essential for the accomplishment of a specific mission such as a required inspection trip, or a trip involving the transportation of a large group of official personnel.

## PERSONAL ENTITLEMENTS/OBLIGATIONS

### Special Entitlements

#### Official Vehicles

The Secretary of the Air Force is authorized full-time use of an official car and chauffeur. This vehicle may not be used for other than the actual performance of official duties which include transportation between the place of residence and place of employment, and attendance at official functions. Full-time use of an official vehicle does not include use of the vehicle by the official concerned, members of his family, or others, for private business or personal social engagements. It is best to resolve questions regarding the official nature of a particular use in favor of strict compliance with the restrictions against such use in the statute.

Medium sedans are provided for the Secretary and Deputy Secretary of Defense and the Secretaries of the military departments on a contract rental basis.

An Executive Motor Pool managed by the Office of the Secretary of Defense provides official transportation for the Under Secretary and the Assistant Secretaries between the hours of 0700 and 1930. When determined to be in the best interest of the Government, on a case by case basis, transportation may be provided these officials between domicile and office as well as to and from official functions where a principal's attendance is a requirement of his position. Transportation to and from office or domicile and air terminals will also be furnished upon request although use of commercial taxis with full reimbursement is encouraged.

#### Dining Facilities

All statutory officials are accorded special dining privileges in the Air Force Executive Dining Room. Your letter of invitation will explain billing arrangements, times of service, etc.

#### Medical Care for a Statutory Official

Outpatient Care, including immunization, physical examination, and drugs, can be provided at the Air Force Flight Medicine Clinic on the fourth floor of the Pentagon (Room 4A-750), or at any military facility when traveling. On-duty emergencies: Flight Medicine Clinic, Room 4A-750, phone 69-59283. Off-duty emergencies: Andrews AFB Malcolm Grow Hospital, phone 981-2158/981-5614.

Hospitalization can be provided at Andrews AFB or, when traveling, at any military facility worldwide on a paid basis.

Dental Care is available on an emergency basis when in an official travel status.

Charges vary, depending upon the services provided and are adjusted from time to time, based upon average costs of providing care in Federal facilities.

Currently, these charges range from \$28 per day outpatient care to \$285 per day for hospitalization.

The designation of a physician as a personal medical advisor may be arranged, if desired.

The medical care provided by the Air Force is available only for the statutory official, and cannot be extended to members of the family. However, members of the family can be covered by the various health benefits plans which are partially subsidized by the Government. Additionally, when wives of statutory officials are in an official travel status accompanying their husband overseas, they may obtain required immunizations at the Flight Medicine Clinic, Room 4A-750, from Monday thru Friday, between the hours of 1200-1300, (Phone: 69-59283). They are also entitled to emergency medical and dental care on a reimbursable basis while they are traveling on official business.

#### Officers Clubs

The Secretary of the Air Force, Under Secretary, and all Assistant Secretaries of the Air Force are eligible for honorary membership in the Bolling AFB Officers Club. Honorary members are not assessed any initiation fee or monthly dues. All members are billed monthly for food and beverages.

Appointees interested in membership should advise the Administrative Assistant so that an application may be initiated.

#### Pentagon Officers Athletic Center

Statutory officials may become members of the Pentagon Officers Athletic Center immediately upon approval of the applications by the Board of Governors. The initiation fee is \$10.00 and annual dues are \$108.00 payable in October of each year (members joining after October are assessed pro rata annual dues payable at the time membership is extended). The club provides facilities for squash, handball, badminton, boxing, bowling, masseurs, rowing machines and other conditioning equipment for girth control. Other club facilities include gym lockers, showers (with towel service), indoor swimming pool, indoor golf driving range, a barber shop (offering appointments), and a limited dining room serving breakfast and lunch. The club also provides suggestions for measured jogging routes.

The Center is open daily including weekend and holidays. However, the weekend and holiday hours of operation are normally on a reduced basis. Except for a snack bar on Saturdays, there is no dining service on weekends or holidays.

The Administrative Assistant will arrange membership for appointees who so desire.

#### The Army Navy Country Club

The Army Navy Country Club is a private club with two locations in the National Capital Region. One location is the Arlington, bounded by Glebe Road and Interstate 95, and only a short distance from the Pentagon. This location features complete club house facilities, 19 tennis courts, a 27-hole golf course,

- (c) Records containing trade secrets and other commercial or financial information of a "company propriety" nature.
- (d) Records containing information developed in the course of investigations for purposes of civil or criminal law enforcement.

#### Documents which MAY be Removed

- (1) All personal and private papers which do not contain references to official business.
- (2) Reference books and other personal items brought from private life.
- (3) Papers, typed or written, which relate to official business but are not official records, including diaries, logs, and memoranda of personal telephone calls.
- (4) Extra copies of paper documenting activities while in office unless they contain classified information or information otherwise exempt from public release under the Freedom of Information Act.

#### Office Furnishings

When entering on duty with the Department of the Air Force, statutory officials are provided with a flag identifying personal rank in their office and a flag of the national colors. These flags may be retained at the discretion of the appointee.

The Air Force art collection includes a wide variety of paintings and other art work that is available for display in Pentagon offices. Pictures may be obtained from this collection which reflect the personal taste of each appointee. They may not be retained.

Framing of individual certificates may be arranged by the Office of the Administrative Assistant. Standard frame material is available.

Cleaning or replacement of draperies may be requested from the Administrative Assistant as appropriate. Assistance is also available for obtaining labor pool support in rearranging furniture.

In the main, standard GSA furniture is used in the Air Force. The Administrative Assistant's office can help you review your furniture needs and obtain additional pieces or remove surplus furniture.

#### Parking

A numbered parking space is made available at the Pentagon River entrance for each Air Force statutory official.

A parking pass must be obtained through the Office of the Administrative Assistant and displayed when using this parking space. In

addition, a monthly parking sticker must be purchased and fixed to your parking pass. (Currently, there is a \$10.00 fee for the parking sticker, and this fee will be increased in October 1981). Your secretary can fill out the necessary form for the parking sticker and purchase it on the Pentagon concourse.

### Commissaries and Post Exchanges

Statutory officials are not authorized to use commissaries, base theaters and filling stations or other exchange activities and services in the CONUS. Military personnel and military dependents who are entitled to such privileges are forbidden to make purchases for others and should not be requested to do so. Overseas, in an official travel status, exchange, commissary and theater privileges are extended to civilian employees. All civilian employees in official travel status are entitled to limited post exchange privileges (cigarettes, toiletries, etc.) while occupying Government quarters on military installation.

### Confirmation Of Statutory Appointees

The Senate Committee on Armed Services has jurisdiction in the consideration of appointments in the Defense establishment. The following procedures have been in effect in the past, but are subject to change by the newly constituted Committee. The Committee Standing Orders provide:

"That unless otherwise ordered by the Committee, nominations referred to the Committee shall be held for at least seven (7) days before presentation in a meeting for action. Upon reference of nominations to the Committee, copies of the nomination references shall be furnished each member of the Committee."

Biographies. A nominee is required to submit a biographical sketch to the Committee prior to his personal appearance preparatory to confirmation. This information is helpful to the Committee Members in addressing questions during the "personal appearance" of the nominee. The background sketch of the nominee has, in recent years, been prepared either by the SAFLL Project Officer based upon information provided by the nominee or by SAFAA. In either case, the biography should be approved personally by the nominee before it is delivered by the SAFLL Project Officer to the Senate Armed Services Committee (50 copies).

Financial Statement. The Senate Armed Services Committee has always explored with thoroughness a nominee's private interests which might disqualify an individual from serving as an officer of the Defense Establishment. Such interests are usually of a pecuniary character, such as the possession of capital stock or other equity in business enterprises which have business dealings with the Government and particularly contracts with the Department of Defense. Accordingly, in addition to the biography, the nominee submits to the Committee in

golf shop, tennis shop, and swimming complex. The club's other location is in Fairfax City several miles from the Pentagon. It features limited club house facilities, snack bar, swimming pools, 18 holes of golf and golf shop. The club does not extend full honorary membership to statutory or other officials of the Federal Government. However, the Secretary and all other statutory officials of the Air Force may submit a letter of request for membership (with biography) to the Membership Committee. If vacancies are available, statutory officials will not have to pay the initiation fee normally charged new members but will be required to pay monthly dues of \$95.00 (one and one-quarter (1-1/4) times regular membership dues of \$76.00).

Request for membership should be made through the Administrative Assistant.

## PERSONAL ENTITLEMENTS/OBLIGATIONS

### Miscellaneous

#### Decorations and Gifts from Foreign Governments

DOD Policy requires that no employee shall request or otherwise encourage a gift or decoration. Specific guidance on this policy is provided by DOD Directive 1005.3 (attached) and should be reviewed by all presidential appointees.

#### Disposition of Personal Papers and Official Records

Personal papers are those pertaining solely to an individual's private affairs. Correspondence designated "personal," "confidential," or "private," etc., but relevant to the conduct of public business, is nonetheless an official record subject to the provisions of Federal law pertinent to the maintenance and disposal of such records. Official records are public records and belong to the office, rather than to the officer.

Personnel shall maintain separately from official documents those papers of a private or unofficial nature, which pertain only to their personal affairs, and clearly designate them as nonofficial. Official business mentioned in personal correspondence should be extracted and made a part of the official record.

Presidential appointees and other officials in policy-making positions are encouraged to donate official personal papers, which they created during their tenure in office, to a Presidential Library or National Archives and Records Service for historical retention. The donor may have regular access to these documents.

### Removal of Documents by Officials

#### Documents which MAY NOT be Removed

- (1) The official record copy of any document.
- (2) Any classified document.
- (3) Any copy of a document containing the following types of information exempt from public release under the Freedom of Information Act (sometimes stamped "For Official Use Only.")
  - (a) Any document containing "restricted data" under the Atomic Energy Act.
  - (b) Records containing information from personal, medical and similar files which relate to the personal privacy of individuals.

advance of his appearance a letter concerning his financial holdings and his affiliations which he prepares after consultation with the General Counsel of the Air Force. Nominees must also submit a Standard Form 278, "Financial Disclosure Report," required by the Ethics in Government Act. If it appears to the General Counsel that the nominee has stock holdings or other interests which might serve as a cause for disqualification, arrangements are made by SAFLL with the Chief Counsel of the Armed Services Committee, if necessary, for the General Counsel to discuss the problem with a view to making arrangements satisfactory to the Committee. In most cases the nominee divests himself of any stock which might serve as the basis of a "conflict of interest" charge; but this is not always required. In addition, nominees must completely sever their relationship with their current employer and must have no re-employment rights or other arrangements for future employment.

**Appearance of Nominee.** The Committee Chairman establishes a date for a "personal appearance" by the nominee during which qualifications, background, experience, personal finances, and affiliations with private enterprise are thoroughly explored. Thursday is usually the day of the week designated for such appearances. The two Senators from the home state of the nominee may be present and introduce the nominee to the Committee, although this is not required. A stenographer is present, and all statements of the Committee members and the nominee are recorded. Customarily the Committee votes on nominations in executive session. The record is printed and available to members of the Senate. At the conclusion of the appearance of the nominee before the Committee, the name is reported to the Senate for confirmation or rejection.

**Interrogation by Committee Members.** Often the personal appearance before the Committee begins with a brief information statement by the nominee but a statement is not required. The appearance of the nominee is designed primarily to afford the interested Committee members an opportunity to question the nominee on matters of interest. In this connection, it is appropriate to note that during the interrogation of a former Secretary of Defense the Chairman remarked as follows:

"I would simply like to add, that the Chair hopes that you will take any questions that may be asked of you in the spirit in which they are asked; that is; in the interest of the whole Government of the United States and of every citizen. With respect to any questions that may be asked that might be considered by some to be somewhat personal, the Chair hopes that you will consider them perfectly impersonal and that they are asked because we are all here to serve the Government of the United States and serve our country and that they are asked because we want to be as certain as we can that every citizen no matter how distinguished who volunteers to serve his country can serve it to the best possible advantage. The Chair hopes that you will make any statements in that spirit and answer any questions in that spirit and not as though those questions were directed to you as a citizen and as an individual."

When the nomination comes before the Senate in the regular course of business, the nominee is discussed at the conclusion of which a roll call is taken, and the nominee is either confirmed or rejected. The yeas and the nays are counted, and the result is announced on the floor.

**Senate Confirmation and Presidential Commission** After confirmation of the nominee, a Certificate of Confirmation is issued by the Senate. The Senate confirmation is followed by issuance of a Presidential Commission. The Presidential Commission, when signed, is received by the Office of the Deputy Assistant Secretary (Administration), Office of the Assistant Secretary of Defense (Controller), which immediately transmits the Commission to the Administrative Assistant to the Secretary of the Air Force.



August 20, 1979  
NUMBER 1005.3

ASD(C)

## Department of Defense Directive

**SUBJECT:** Decorations and Gifts from Foreign Governments

- References:**
- (a) DoD Directive 1005.3, "Decorations and Gifts from Foreign Governments," September 16, 1967 (hereby canceled)
  - (b) Title 5, United States Code, Section 7342
  - (c) Department of State Regulation, "Acceptance of Gifts and Decorations from Foreign Governments" (22 CFR 3.1-3.7)
  - (d) through (h), see enclosure 1

### A. REISSUANCE AND PURPOSE

This Directive (1) reissues reference (a) to update policy governing the acceptance and retention of decorations and gifts from foreign governments; (2) implements references (b) and (h) which grants the consent of the Congress to the acceptance of certain gifts and decorations from foreign governments, consistent with the rules and regulations published by the Department of State (reference (c)); and (3) furnishes policy guidance and establishes procedures regarding the receipt and disposition of such decorations and gifts.

### B. APPLICABILITY AND SCOPE

1. The provisions of this Directive apply to the Office of the Secretary of Defense, the Military Departments, the Organization of the Joint Chiefs of Staff, the Defense Agencies, and the Unified and Specified Commands (hereafter referred to as "DoD Components"). The term "Military Services," as used herein, refers to the Army, the Navy, the Air Force, and Marine Corps.

2. Its provisions govern all military and civilian personnel of DoD Components and all spouses (unless legally separated) and dependents as defined in 26 U.S.C. 152 (reference (e)) of the foregoing persons (hereafter called "employees").

3. The provisions of this Directive shall not apply:

a. Where a foreign decoration is presented or awarded posthumously to a former member of the Armed Forces.

b. Where a foreign decoration was awarded for services while the recipient was a bona fide member of the Armed Forces of a friendly foreign nation, provided the award was made prior to employment of the recipient by the U.S. Government.

c. Where a decoration for service in the Republic of Vietnam was accepted on or after March 1, 1961, but no later than March 28, 1974 (DoD Directive 1348.16, reference (d)).

C. POLICY

No employee shall request or otherwise encourage the offer of a gift or decoration. Whenever possible employees are obligated to initially refuse acceptance of gifts or decorations.

1. Gifts of Minimal Value. Table favors, mementos, remembrances, or other tokens bestowed at official functions, and other gifts of minimal value received as souvenirs or marks of courtesy from a foreign government may be accepted and retained by the donee. The burden of proof is upon the donee to establish that the gift is of minimal value as defined in enclosure 3.

2. Gifts of More than Minimal Value. Where a gift of more than minimal value is tendered, the donor should be advised that statutory provisions and DoD policy prohibit employees accepting such gifts, unless the gift is in the nature of an educational scholarship or medical treatment. If it appears that refusal of a gift, other than medical or educational, would be likely to cause offense or embarrassment to the offerer, or could adversely affect the foreign relations of the United States, it may be accepted. The gift then becomes the property of the United States.

a. The gift must be deposited with the employing agency (see enclosure 2) within 60 days for return to the donor, for use within the agency, or for disposal by General Services Administration in accordance with the provisions of enclosure 2.

b. An employing agency may provide, in its implementing regulations, that all gifts must be appraised, and that appraisal shall be conclusive as to the value of the gift. An employing agency may also, by regulation, define minimal value to be less than the figure set in enclosure 3.

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c. An employing agency may require that acceptance and retention of any gift, regardless of value, shall be subject to approval of the agency.

d. An employing agency is not required to report travel or travel expenses, of more than minimal value, which were authorized by that agency under conditions stipulated in paragraph 5., enclosure 2, of this Directive.

### 3. Decorations

a. Decorations which have been tendered in recognition of active field service in connection with combat operations or which have been awarded for outstanding or unusually meritorious performance may be accepted and worn upon receiving the approval of the employing agency. In the absence of such approval the decoration becomes the property of the United States, and shall be deposited with the employing agency for use or disposal in accordance with the provisions of enclosure 2.

b. Approval by the employing agency will be contingent upon a determination that the decoration has been tendered in recognition of active field service in connection with combat operations or for outstanding or unusually meritorious performance (see enclosure 3):

c. Within the Military Services, this authority may be delegated to commanders of major overseas commands who report directly to the headquarters of the Military Service concerned, and to the senior commander of the Military Service concerned in a military operation designated by the Joint Chiefs of Staff and approved by the Secretary of Defense. This authority may not be further delegated.

### D. RESPONSIBILITIES

1. Each employing agency shall establish or assign responsibility to an office for monitoring compliance with this Directive. Such office shall:

a. Establish procedures to ensure employee compliance.

b. Establish procedures for reviewing cases in which there exists evidence of failure of any employee to comply with requirements.

c. Establish disciplinary procedures to ensure compliance with this Directive.

d. Report to the Attorney General, through the General Counsel, DoD, when it is administratively determined that an employee who is the donee of a gift, or is the approved recipient of travel expenses, has failed to comply with the procedures established by 5 U.S.C. 7342 (reference (b)) through actions or circumstances within the donee's control.

2. Each employing agency shall establish a procedure for obtaining an appraisal, when necessary, of the value of gifts and shall designate an official to be responsible for this appraisal as required by 5 U.S.C. 7342 (reference (b)).

3. The Deputy Assistant Secretary of Defense (Administration) shall implement the provisions of this Directive for all personnel for whom the Office of the Secretary of Defense is the employing agency.

4. Each employing agency shall periodically remind employees, as necessary, of the requirements of this Directive. In this connection, each agency shall establish a procedure by which employees may acquire advice and assistance on any question relating to the application or implementation of 5 U.S.C. 7342 (reference (b)).

#### E. ENFORCEMENT

The Attorney General may bring a civil action in any district court of the United States against any employee who knowingly violates title 5 U.S.C. 7342 (reference (b)). The court in which such action is brought may assess a penalty against such employee in an amount not to exceed the retail value of the gift improperly solicited or received, plus \$5,000, in accordance with 5 U.S.C. 7342 (reference (b)).

#### F. PROCEDURES

Procedures for the receipt and disposition of decorations and gifts from foreign governments are provided in enclosure 2.

#### G. INFORMATION REQUIREMENTS

Interagency reporting requirements on decorations and gifts from foreign governments are licensed under IRCN 0216-DOS-AN.

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H. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward one copy of implementing instructions to the Assistant Secretary of Defense (Comptroller) within 90 days.



C. W. Duncan, Jr.  
Deputy Secretary of Defense

Enclosures - 3

1. References
2. Procedures
3. Definitions

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REFERENCES (continued)

- (d) DoD Directive 1348.16, "Foreign Awards to U.S. Military Personnel for Service in Vietnam," March 26, 1974
- (e) Title 26, United States Code, Section 152
- (f) Executive Order 11446, "Authorizing the Acceptance of Service Medals and Ribbons from Multilateral Organizations other than the United Nations," January 16, 1969
- (g) 42 Federal Register 65171 (1977)(to be codified in 41 CFR Part 101-49)
- (h) Title 22, United States Code, Section 2385(H)

## PROCEDURES

1. Processing of Foreign Decorations. When an employee is tendered a foreign decoration, approval of the employing agency will be requested immediately. The request shall contain the title of the decoration; when, where, and by whom it was presented, a statement of the service for which the decoration was awarded, and a copy of the citation. This would include all offers of medals or ribbons by multilateral organizations, other than the United Nations, to members of the Armed Forces pursuant to Executive Order 11446 (reference (f)).

## 2. Use of Disposal of Gifts and Decorations Which Become the Property of the United States

a. Any gift or decoration which becomes the property of the United States under 5 U.S.C. 7432 (reference (b)) may be retained for official use by the employing agency. Agency regulations shall be geared toward (1) avoiding to the maximum extent possible arbitrary action in the approval or retention of gifts for official use, and (2) ensuring that all employees are provided the opportunity for receiving the indirect benefit of gifts retained for official use. Gifts and decorations which have been retained for official use shall be reported to the General Services Administration (GSA) (41 CFR 10149, Subchapter 4 (reference (g))) within 30 calendar days after termination of the official use.

b. Gifts and decorations which have become the property of the United States and which are not desired by the employing agency for retention, or which are not approved for retention in the appropriate agency, should be reported to the GSA within 30 calendar days after deposit of the gift or decoration with the employing agency.

(1) Standard Form 120, "Report of Excess Personal Property," should be completed and forwarded to: General Services Administration (3DP), Washington, D.C. 20407. A sample form and instructions are attached to this enclosure.

(2) The gift or decoration shall be held by the agency until instructions are received from GSA regarding disposition thereof.

c. Whenever the possibility exists that disposal through return to the original donor will adversely affect U.S. foreign relations, the disposing agency shall consult with appropriate officials in the Department of State prior to taking any action.

d. When depositing gifts or decorations, employees may indicate their interest in participating in any subsequent sales of the items by the Government. Before gifts and decorations are sold by the GSA, however, they must be offered for transfer to Federal agencies and for donation to the States. Consequently, each employee should be advised that there is no assurance that an item will be sold or if it is sold, that it will be feasible for the employee to participate in the sale.

3. Recording of Gifts of More Than Minimal Value. Each employing agency shall maintain records of gifts of more than minimal value received by their members from foreign governments. A compilation shall be made each year and transmitted to the Secretary of State no later than January 31. Such listing shall include for each gift of more than minimal value the following information:

- a. The name and position of the employee,
- b. A brief description of the gift and the circumstances justifying acceptance,
- c. The identity of the foreign government and the name and position of the individual who presented the gift,
- d. The date of acceptance of the gift,
- e. The estimated value in the United States of the gift at the time of acceptance, and
- f. Disposition and current location of the gift.

4. Sale or Destruction of Tangible Gifts Valued at \$100 or Less. Employing agencies are authorized to sell or destroy tangible gifts valued at \$100 or less.

5. Travel Expenses. Each employing agency shall promulgate regulations setting forth the criteria which will be applied in determining the propriety of accepting travel expenses of more than minimal value. Such criteria shall include:

- a. The travel must begin and end outside the United States, except where travel across the continental United States is necessarily the shortest, least costly, or only available route to destination.
- b. The travel must be in the best interests of the agency and the U.S. Government considering all the circumstances.
- c. The travel does not contravene any other agency regulation.

Attachments - 2

1. Standard Form 120, "Report of Excess Personal Property"
2. Instructions for Completion of Standard Form 120

S A M P L E

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(Att 1 to Encl 2)

PAGE 1 OF

STANDARD FORM 120 REV APR 1957 GEN SERV ADMIN FPMR (41 CFR) 101-43.311		<b>REPORT OF EXCESS PERSONAL PROPERTY</b>		1 REPORT NO (to be furnished)	2 DATE MAILED 1 Sept 1979	3 TOTAL COST \$
4 TYPE OF REPORT (Check one only of "a", "b", "c", or "d")	a ORIGINAL b CORRECTED	c PARTIAL W/D d TOTAL W/D	(Also check "e" and/or "f" if appropriate)		e OVERSEAS	f CONTRACTORS INV
5 TO (Name and Address of Agency to which report is made) THRU General Services Administration Personal Property Division, National Capital Region Washington, D.C. 20407					6 APPROP. OR FUND TO BE REIMBURSED (if any)	
7 FROM (Name and Address of Reporting Agency) Office, Deputy Assistant Secretary of Defense (Admin.) Rm. 3E843, Pentagon, Washington, D.C. 20301					8 REPORT APPROVED BY (Name and Title) John Jones (have signed) DASD(Admin)	
9 FOR FURTHER INFORMATION CONTACT (Title, Address and Telephone No.) Mrs. Jane Doe - ODASD(Admin) Department of Defense Tel: 695-4506					10 AGENCY APPROVAL (if applicable)	
11 SEND PURCHASE ORDERS OR DISPOSAL INSTRUCTIONS TO (Title, Address and Telephone No.) See 9. above					12 GSA CONTRL NO Same as 1. above	
13 FSC GROUP NO	14 LOCATION OF PROPERTY (if location is to be abandoned give date) Room 3E843 - Department of Defense The Pentagon			15 REIM/REOD YES NO		16 AGENCY CONTROL NO
17 SURPLUS RELEASE DATE						

18 EXCESS PROPERTY LIST							
ITEM NO (a)	DESCRIPTION (b)	COND (c)	UNIT (d)	NUMBER OF UNITS (e)	ACQUISITION COST		FAIR VALUE % (f)
					PER UNIT (f)	TOTAL (g)	
<u>FOREIGN GIFTS AND/OR DECORATIONS</u>							
1.	Gift to Secretary of Defense John Doe: Floral embroidered wall hanging, approx. 40" x 13-1/2", brocade trimming. Presented by Ambassador of Mouse. 15 August 1979 (est. value \$120)						
2.	Gift to Tom Brown, Director, Defense Agency Oval silver dish with floral design on rim, from Minister of Defense, Lion. Presented 15 August 1979. (est. value \$150) <u>DONEE REQUESTS OPTION TO BID IF SOLD.</u>						

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(Att 2 to Encl 2)

INSTRUCTIONS FOR COMPLETION OF STANDARD FORM 120  
"REPORT OF EXCESS PERSONAL PROPERTY"

1. Name, address, and telephone number of the responsible accountable official (see paragraph 9, enclosure 3) in the employing agency (Item 10).
2. Current location of the gift or decoration (Item 14).
3. Name and position of the employee recipient (Item 18).
4. Full description of the gift or decoration (Item 18).
5. Identity of the foreign government and the name and position of the individual who presented the gift or decoration (include date) (Item 18).
6. Estimated value in the United States of the gift or decoration at the time of acceptance, or the appraised value, if known (Item 18).
7. Indication whether the employee recipient is interested in participating in the sale of the gift or decoration if it is sold by GSA (Item 18).

NOTE: The Central Intelligence Agency may delete the information required in 3. and 5. above, if the Director of Central Intelligence certifies in writing to the Secretary of State (through DoD point of contact) that the publication of such information could adversely affect U.S. intelligence sources.

DEFINITIONS

1. Employee. An employee, as defined in title 5, U.S.C. 2105, of a DoD Component, and expert or consultant under contract with a DoD Component, including any individual performing services for an organization utilized according to title 5, U.S.C. 3109 and members of the Military Services (including retired members and reservists) regardless of duty status; the spouses of all such individuals (unless legally separated) and their dependents as defined in title 26, U.S.C. 152.
2. Foreign Government. Includes any unit of a foreign governmental authority (including any foreign national, state, local and municipal government), any international or multinational organization whose membership is composed of any unit of foreign government described above, and any agent or representative of any such unit or organization while acting as such.
3. Gift. Any tangible or intangible present, other than a decoration, tendered by or received from a foreign government.
4. Minimal Value. A retail value in the United States at the time of acceptance, not in excess of \$100 or such amount specified by the Administrator of General Services pursuant to 5 U.S.C. 7342 (reference (b)).
5. Decoration. Any order, device, medal, badge, insignia, emblem or award, tendered by or received from a foreign government.
6. Outstanding or Unusually Meritorious Performance. Performance of duty by an employee determined by the employing agency to have contributed in an unusually significant degree to the furtherance of good relations between the United States and the foreign government tendering the decoration.
7. Employing Agency. The DoD Component in which the recipient is appointed, employed, or enlisted. If a recipient is not so serving, but is a spouse or dependent of a serving individual, then the employing agency is that in which the serving individual is employed.
  - a. Except as provided in b. and c. below, the Military Departments shall be considered the employing agencies for the civilian and military employees of such departments.
  - b. The Office of the Secretary of Defense shall be considered the employing agency for civilian employees and for members of the Armed Forces assigned to duty with the Office of the Secretary of Defense, Organization of the Joint Chiefs of Staff, Defense Advanced Research Projects Agency, Defense Security Assistance Agency, and, as required, other activities not having a specifically designated employing agency.

c. The Defense Agencies shall be considered the employing agencies for their civilian employees and for members of the Armed Forces assigned to duty with such agencies (except DARPA and DSAA, which are covered in subparagraph 7.b., above).

8. Travel Expenses. Costs of transportation, food, and lodging incurred during the travel period.

9. Responsible Accountable Official. The person designated by the employing agency to approve the annual Report of Excess Personal Property.

**ADMINISTRATIVE AND MANAGERIAL SUPPORT**

Organization of the Office of the Administrative Assistant

Services of the Office of the Administrative Assistant

Functions of the Office of the Administrative Assistant

    Civilian Personnel and Personnel Services

    Military Personnel Services

    Travel Services

    Office and Supply Services

    Administrative Management

    Word Processing Center

    DOD News Clipping and Analysis Service

Odds and Ends

ADMINISTRATIVE ASSISTANT

Word-Wide Administrative Oversight  
Contingency Funds  
Personnel Security Policy  
Information Security Policy  
FOI-Privacy Acts  
Awards  
Medical Designee  
Approved of Certain Claims  
Transition Briefings  
Boards & Committees  
Secretariat Budget

**CIVILIAN PERSONNEL**

Time & Attendance  
Parking Control  
Personnel Actions  
Personnel Records  
Manpower Actions  
On-Duty Reports  
Clearances  
Building Passes  
Fund Drives  
Consultants & Experts  
Summer Hires  
Notary Service  
Performance Ratings  
White House & Other Agency Actions  
Employee Counselling  
Overtime Funds  
Details

**MILITARY PERSONNEL**

Personnel Actions  
OERs  
Personnel Records  
On-Duty Reports  
Clearances  
White House & Other Agency Actions  
Employee Counselling  
Mobilization  
Assignees  
Details

**TRAVEL**

Orders  
Passports  
Theater  
Clearances  
Travel Funds  
Key Personnel  
Travel Sch  
Trip Planning

**SUPPLY**

Supplies  
Office Space  
Construction  
Services

**ADMIN SYSTEMS**

Word Processing  
Telephone Directory  
Org Charts  
Biographies  
OSAF Order System

**DOD NEWS  
CLIPPING &  
ANALYSES SVC**

**AF EXEC  
DINING  
ROOM**

**SERVICES OF THE OFFICE OF THE**  
**ADMINISTRATIVE ASSISTANT**

The Administrative Assistant and his staff provide a focal point for a variety of administrative and managerial support activities. Some of the more frequent services requested are listed below, but any other questions or concern not shown may be addressed and every effort will be made to respond to the issue:

- Civilian Personnel Advice
- Military Personnel Advice
- Notary Public Service
- Temporary Assignment of Personnel (Details)
- Manpower Authorizations
- Temporary or Visitor Parking
- Building Passes
- Time and Attendance
- Office Furniture Needs
- Office Supply Requirements
- Office Space Needs
- Office Space Construction or Repair
- Official Representation Fund Requirements
- Rug Cleaning
- Pest Control
- Picture Framing
- Passports
- Telephone Requirements
- Summer Hire Program
- Travel and Overtime Funds
- Biographies
- Telephone Directories
- Official Portraits
- Official entertainment
- Transportation
- Travel Orders
- Travel Planning and Tickets
- Administrative Management Advice
- Word Processing Center Services
- Training and Career Development Advice
- Copier Requirements
- Typewriter Requirements

## **THE ADMINISTRATIVE ASSISTANT**

The Administrative Assistant is responsible for the management and administration of the Office of the Secretary of the Air Force. His office assures administrative continuity in the Office of the Secretary during changes of administration or top officials.

The office is designed to provide central support in a variety of functions. It provides worldwide administrative oversight for the Air Force, and the Administrative Assistant and his Deputy serve as senior Air Force officials for the personnel security and information security programs. Contingency funds including official representation funds are managed by this office. In addition, the Administrative Assistant and his Deputy make final determinations on certain claims against the Air Force, make medical designee determinations, and are the appellate authority for appeals under the Freedom of Information Act and the Privacy Act.

Examples of the wide variety of services provided by the staff of the Administrative Assistant are provided in a separate section of this volume. If there is a need for information or assistance, the office of the Administrative Assistant is often the place to start in getting the answer you need. If the question concerns an Air Force wide policy matter, you may wish to go directly to the subject matter expert within the Secretariat or the Air Staff.

Several specialized functions are established to provide you with management assistance according to your need. These are:

### **Civilian Personnel and Personnel Services**

The civilian personnel and personnel services branch is responsible for the implementation of all policies and administrative actions relative to the assignment and utilization of civilian personnel assigned to OSAF, including Field Activities, the White House and various committees.

Specific responsibilities include: all phases of administration, including maintenance of records relative to employment and utilization of civilian personnel.

Duties performed and records maintained in accomplishing this responsibility include:

- a. personnel placement, employee relations, classification, time and attendance, and training of personnel
- b. federal summer intern and other summer-hire programs
- c. performance ratings, leave, payment and promotion of employees, personnel statistical reports
- d. monitor charity drives and blood program

e. building and parking passes

f. control and supervise the appointment of transportation officers for official automobiles and arrange for visitors' parking and the acquisition of official vehicles.

Administer the program relative to employment of consultants and experts and maintain records on the utilization of such personnel. Provide for secretarial and typist details to OSAF. Maintain personnel authorization vouchers and furnish Notary Public service.

### **Military Personnel Services**

The military personnel branch is responsible for the implementation of all policies and administrative actions relative to the assignment and utilization of military personnel assigned to OSAF including Field Activities, the White House and various committees.

Specific responsibilities include: all phases of administration including maintenance of records relative to employment and utilization of military personnel.

Duties performed and records maintained in accomplishing this responsibility include:

- A. personnel placement
- B. performance ratings; leave and military personnel statistical reports
- C. personnel departures (PCS moves)

Monitor OSAF mobilization program. Monitor and control mobilization assignments. Maintain personnel authorization vouchers. Monitor, control and request master personnel records.

### **Travel Services**

The Travel Branch is responsible for all matters relating to the temporary duty travel of military and civilian personnel assigned to OSAF, its support and field offices, and personnel assigned to the White House, the Vice President's Office and various councils and committees. These include the following:

1. Requesting travel orders, transportation requests, passports and visas, overseas clearances, etc.

2. Determining when prior approval of proposed travel must be obtained from the State Department, Office of the Secretary of Defense, or other organizations, and obtaining such approval.

3. Reviewing and approving travel vouchers to the Finance Office for payment. Recording estimated and actual costs of travel, transportation and per diem as a basis for reports on the travel costs of each office.

4. Preparing and distributing a daily Locator Roster to show which key officials of the Office of the Secretary are on duty and the names of the individuals acting in the absence of those who are on temporary duty or leave.

The Travel Branch is also responsible for all Invitational Travel orders and transportation authorizations for travel requested or sponsored by OSAF.

All travel of dependents must have the prior approval of the Secretary of the Air Force.

All travel of dependents of the Secretary of the Air Force must have prior approval of the Secretary or Deputy Secretary of Defense.

### Office and Supply Services

The office services and supply branch is responsible for all policies and for providing required items of equipment and supplies, and furnishing office services to all activities within OSAF. Specific responsibilities include:

a. Coordinate, procure and supervise all office alterations and/or construction within assigned space areas. Receive and process actions necessary to accomplish building maintenance and repair within assigned areas.

b. Coordinate and supervise the installation of communication services. Prepare various cost studies as required.

c. Acquisition, control, issue and storage of all items of non-expendable equipment and supplies.

d. Act as accountable officer for non-expendable items of equipment and maintain appropriate records as to the assignment of such equipment and supplies.

e. Acquisition, control and issue all items of expendable equipment and maintain records as to utilization and stock levels.

Establish schedules for the maintenance, repair and/or replacement of unserviceable items of office furniture and equipment.

f. Plan, develop and coordinate office space requirements for OSAF.

### Administrative Management

The administrative management division is responsible for providing administrative planning, systems advice, and support to OSAF functional managers.

Specific responsibilities include administering the Secretary of the Air Force order system, performing organizational administration functions, and analyzing office equipment requirements for OSAF.

Duties performed in accomplishing these responsibilities include:

- A) Administering and keeping record copies of Secretarial Orders for delegation of authority
- B) Developing and coordinating the OSAF organizational chart and revisions to the Air Force functions and chart book
- C) Developing and maintaining biographical information for key officials in the Secretariat
- D) Providing technical advice and assistance to OSAF personnel who are upgrading their administrative support systems
- E) Dealing with the Data Services Center in developing data automation requests for administrative record systems.

#### Word Processing Center

The Word Processing Center is responsible for correspondence preparation for all OSAF personnel assigned in the Pentagon.

Specific responsibilities include: typing correspondence from handwritten, typed, or machine-dictated input.

Duties performed in accomplishing this responsibility include:

- A) Orientation for new personnel on services provided by the center.
- B) Dictation training.
- C) Recommending information which should be permanently retained on magnetic media.
- D) Advising OSAF personnel how to prepare documents for optical character recognition.
- E) Communicating with other magnetic media keyboards and computers to transfer information.

#### DOD News Clipping and Analysis Service

Serves the Secretary of the Air Force, the Secretary of Defense, and all elements of DoD as a source of factual and historical information related to their official responsibilities. Conducts special studies and analyses on a wide range of national

security issues for all DoD Agencies as Executive Agent under DoD Directive 5160.52.

Provides research and analyses on media reports and published commentary relating to defense programs, policies and strategies, with emphasis on the roles and missions of the military forces as instruments of national policy. Monitors and supervises the preparation of a number of publications for distribution to key officials.

#### Research Branch

Provides research and reference services as required to all elements of DoD on a wide range of defense and related matters. Maintains extensive archives of published material on all pertinent subjects. Prepares and publishes Friday Review of News (biweekly); and Selected Statements (monthly).

#### Current News Branch

Screens, clips and evaluates published material on defense issues appearing in newspapers and magazines; prepares and publishes the following publications: Current News (Early Bird Edition daily; Main Edition daily; Special Editions Tuesdays and Thursdays; Weekend Edition each Monday); Supplemental Clips (7 editions a week); Equal Opportunity Current News (monthly); Radio-TV Defense Dialog (daily). Work starts at 3:00 a.m.



NO: 710:1

DATE: JUL 17 1980

## SECRETARY OF THE AIR FORCE ORDER

**SUBJECT:** Authorities and Duties of the Administrative Assistant to the Secretary of the Air Force

1. The Administrative Assistant is responsible for:

a. Management and administration of the Office of the Secretary of the Air Force including advisory services on Departmental management and administrative matters; assures administrative continuity in the Office of the Secretary during changes of top officials; performs various functions and special projects involving matters in the Department as directed by the Secretary; and, conducts studies, inquiries and surveys in response to the needs of the Secretary and his principal assistants.

b. Direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies and programs relative to the Air Force information security program and to the military, civilian, and industrial personnel security and investigative programs.

2. Specific duties of the Administrative Assistant include:

a. administering the contingency funds of the Secretary;

b. developing and maintaining the continuity of operations plan for the Office of the Secretary;

c. under policy guidance of the Office of the Assistant Secretary of Defense (Public Affairs), administering the Department of Defense news clipping service, maintaining research files and providing informational and historical research and news analysis for all elements of the Department of Defense;

d. conducting special projects for the Secretary of the Air Force;

e. controlling the Secretary of the Air Force Order system;

f. providing a focal point for monitoring, coordinating or consolidating Air Force responses or inputs on certain reports for the White House, Secretary of Defense, and other Federal agencies;

g. providing custody and control over use of the Air Force Seal and other authentication devices;

h. reviewing miscellaneous claims against the Air Force including those under the Military Claims Act, and announcing the decision for the Secretary of the Air Force;

i. providing security services for the Office of the Secretary including advisory services on Departmental security matters;

j. as the representative of the Secretary, serving various boards and committees, such as the Federal Executive Officers Group, the continuity Planning Committee, and the OSD Space Committee for the area encompassing the Seat of Government;

k. announcing medical designations for the Secretary in accordance with AFR 168-6;

l. determining the disposition of appeals to the Secretary under the provisions of the Freedom of Information Act;

m. serving as the final decisional authority on appeals under the Privacy Act;

n. providing administrative and management services for the Office of the Secretary of the Air Force involving:

NO: 110.1  
DATE: JUL 17 1980

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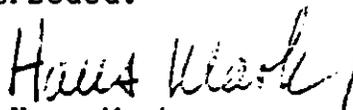
organization, manpower, financial management, military and civilian personnel administration, travel and local transportation services and office space allocation and utilization;

o. reviewing and coordinating for the Office of the Secretary significant Air Staff Directorate of Administration proposals concerning Air Force-wide administrative matters.

Serves as a channel of communications and provides representation within the Secretariat, with OSD and other governmental agencies on administrative programs.

3. This Order is issued in accordance with Air Force Regulation 11-18, dated 18 July 1963, subject: "Delegating or Assigning Statutory Authority."

4. Secretary of the Air Force Order No. 110.1, dated April 20, 1976, is hereby superseded.



Hans Mark  
Secretary of the Air Force

## "ODDS and ENDS"

For your convenience, a number of items have been identified that need to be given attention early in your term. Your secretary can initiate all of these actions through the Administrative Assistant's office.

Executive Dining Room membership can be started pending confirmation. An account must be established.

Parking application must be completed before a pass can be issued. Your secretary can then obtain the paid parking sticker on the concourse.

Building Pass will be issued on appointment. Arrangements for a picture can be made at your earliest convenience.

Travel Orders will be issued when you are appointed.

Official Pictures need to be taken soon after your appointment. A passport picture and picture for your official biography will be taken at the same time.

Passports should be requested shortly after your appointment.

Biography. An official biography is needed. This will be used in connection with your visits to the field.

Official Vehicles may be arranged by your secretary. The office of the Administrative Assistant will provide procedures.

Immunization Card is needed in connection with overseas visits but shots should not be taken until a trip is approved/scheduled.

Door Name Plates with your name and title will be made for each appointee.

Business Cards can be ordered in several formats including the Air Force seal. The current price and delivery is \$6.50 for 500 cards made in approximately 3 to 4 weeks.

Officers Club membership application can be made at your convenience.

Pentagon Officers Athletic Center membership can be arranged immediately if you so desire.

Army Navy Country Club membership can be requested as you deem appropriate.

## **OFFICIAL REPRESENTATION FUNDS**

### **Authority and Basic Policies**

Each year the Congress makes funds available in the Department of Defense Appropriations Act for emergencies and extraordinary expenses (contingencies) which may be expanded on the approval or authority of the Secretary of the Air Force. A portion of the Contingency Fund is used for official representation purposes.

A separate briefing is provided to the Secretary on the overall fund. Other statutory officials, however, should be aware generally of policies now in effect.

1. Representation funds are used to maintain the standing and prestige of the United States by extending official courtesies to certain officials and dignitaries of the United States and foreign countries.

2. The Secretary of the Air Force may authorize the use of representation funds for any purpose he deems appropriate, which conforms to policy set by DOD.

3. All official entertainment must be in keeping with propriety as dictated by the occasion and, in all instances, must be conducted on a modest basis. Guest lists for such functions must be held to the minimum necessary to extend proper courtesy to the guest(s) of honor; however, when guests from outside the Department of Defense are being honored, specified ratios of DOD personnel (including spouses or escorts) to non-DOD guests must be observed.

The Administrative Assistant is responsible for the administration and the propriety of expenditure of contingency funds and for advance approval of such expenditure when required.

### **Hosting Authority**

The authority to host official functions on behalf of the United States Government is delegated to the following officials upon advance approval of the Administrative Assistant on a case-by-case basis: all Air Force statutory officials, the Director of Legislative Liaison, and the Director of Public Affairs. This hosting authority will generally be limited to lunches in the Air Force Executive Dining Room for the following:

(1) individuals or small groups of government officials of foreign countries whose rank, position, function or stature justify official entertainment, (2) members and professional staff personnel of Congress, and (3) members of the news media on certain occasions. Hosting of other functions, including receptions, dinners, and luncheons involving larger groups of people, will be limited to the Secretary and the Under Secretary of the Air Force unless the Secretary specifically designates some other official to act as host.

### DOD Members Who May Be Entertained

If a commander considers it appropriate, these members of the DOD may be entertained at an Air Force installation. However, the entertainment must be limited to that which is minimally required to extend official courtesy when the official is on an official visit to the field.

#### Office of the Secretary of Defense:

Secretary and Deputy Secretary of Defense  
Under Secretaries of Defense  
General Counsel, DOD  
Assistant to the Secretary of Defense  
(Atomic Energy)  
Assistant to the Secretary of Defense  
(Legislative Affairs)  
Advisor to the Secretary and Deputy Secretary  
on NATO Affairs  
Organization of the Joint Chiefs of Staff:  
Chairman, Joint Chiefs of Staff  
Unified and Specified Commanders

#### Military Departments:

Secretaries, Under Secretaries, and Assistant  
Secretaries of the Military Departments  
Chiefs and Vice Chiefs of Staff of the Army and  
Air Force  
Chief and Vice Chief of Naval Operations  
Commandant and Vice Commandant of the Marine  
Corps

#### Defense Agencies:

Directors, Defense Agencies

### Gifts and Momentos

An inventory of gifts and momentos is maintained by the Administrative Assistant for the use of the Secretary and Under Secretary. On occasion other statutory officials may also have a valid need to use the inventory to extend official courtesies in connection with overseas foreign visits. In such cases, the following requirements must be met:

1. The cost of any gift or momento is limited to \$100.00 or less except when specifically approved in advance by the Secretary of the Air Force.
2. The advance approval of the Administrative Assistant is required for:

a. The specific presentation of any gift or memento costing more than \$100.00 by anyone other than the Secretary or Under Secretary or Chief or Vice Chief of Staff:

b. The issuance from stock of the gift or memento costing less than \$100.00 to any person other than the Secretary or Under Secretary or Chief or Vice Chief of Staff.

### Limitations

Official Representation funds will not be used for:

a. Expenses for retirement ceremonies for DOD civilian and military personnel, unless specifically approved in advance by the Secretary of the Air Force.

b. Expenses solely for entertainment of DOD, Air Force, Army, Navy, or Marine Corps personnel unless authorized. (See previous page)

c. Payment of membership fees or dues.

d. Expenses connected with conferences, conventions, seminars, or working groups, except when specifically approved in advance by the Secretary of the Air Force.

e. Expenses which normally are expected to be assumed as a personal obligation.

f. Purchase of gifts, mementos, tokens, and calling cards except for:

(1) Floral wreaths authorized in connection with awards or dedications as on occasions of national holidays in foreign countries.

(2) Mementos of a nominal cost used in connection with official ceremonies, dedications, or functions, but not more than \$100.00 in cost; unless specifically approved in advance by the Secretary of the Air Force.

g. Expenses for classified projects or intelligence purposes.

h. Expenses for any purpose for which an appropriation is otherwise available or to circumvent administrative or legal restrictions on the use of other appropriated funds.

**KEY PERSONNEL MANAGEMENT SYSTEMS**

OSAF Personnel Policy  
The Senior Executive Service  
Merit Pay  
Transition Appointments  
Labor Management Relations  
Personal Secretaries and Assistants  
The Military Promotion System

## OSAF PERSONNEL POLICY

All phases of civilian personnel administration in the Federal Government are conducted within the framework of various laws, executive orders and Office of Personnel Management regulations.

The procedures governing such matters as employment, discipline and separation must be closely adhered to. Consequently, no commitment of employment should be made to an applicant and no adverse action should be initiated against an employee without prior coordination with SAFAA.

## SENIOR EXECUTIVE SERVICE

Title IV of the Civil Service Reform Act of 1978 (PL 95-454) created the Senior Executive Service (SES), a new personnel system for administering executive level civilian employees throughout most of the federal government. The SES, which became operational July 13, 1979, is made up of most positions formerly comprising grades GS-16 to GS-18, most Scientific and Professional positions (STs), and some positions in Executive Levels IV and V. The information provided below summarizes several of the key features of the SES system.

All SES positions are designated either Career Reserved or General. A Career Reserved position can be filled only by a career appointee, and a General position can be filled by either a career or noncareer appointee.

**Pay Schedule:** There are six pay levels authorized within the SES.

ES-1 = \$52,247\*

ES-2 = \$59,996\*

ES-3 = \$55,804\*

ES-4 = \$57,673\*

ES-5 = \$59,604\*

ES-6 = \$61,600\*

\*Payable rate is \$50,112.50 (\$52,750 is payable for individuals in offices or positions that were in level IV of the Executive Schedule before conversion to the SES)

**Bonuses and Ranks:** Career employees in the SES may be recommended for annual performance awards (bonuses) and the award of SES Meritorious and Distinguished Executive ranks. The number of senior executives who may receive bonuses is limited to 25% of the number of SES positions, and the bonus may be no more than 20% of basic pay. In addition, up to 5% of the members of the government-wide SES will be eligible for a Meritorious Executive rank with a stipend of \$10,000, and another 1% may receive Distinguished Executive rank with a stipend of \$20,000.

**Performance Appraisal:** The Civil Service Reform Act requires that each agency establish an SES performance appraisal system. Under this new system performance requirements will be established in consultation with each senior executive, written appraisals will be based on these performance requirements, and the senior executive will have the opportunity to respond in writing. The performance rating must take into account both individual performance and organizational accomplishment. This initial performance appraisal made by the immediate supervisor will be reviewed by a performance review board, which will also recommend action on the award of bonuses.

**Leave:** In recognition of the fact that many senior executives have frequently forfeited annual leave because of their heavy work schedules the Act authorizes members of SES to accumulate annual leave without limitation.

As of 15 November 1980

SENIOR EXECUTIVE SERVICE POSTIONS IN OSAF

ORGANIZATION & POSITION TITLE	INCUMBENT	L	O	RC	POSITION			APPOINTMENT			STATUS
		R	CC	AO	NON	CAR	SES	NON	CAR	LTD	
		PV	CO	AO	SES	RES	GEN	CAR	CAR	LTD	
		AE	UD	ND							
		YL	PE	KE							
<u>SAF/AL</u>											
<u>Asst Secy of the AF</u>											
<u>Research, Development</u>											
<u>&amp; Logistics</u>											
Principal Deputy Asst Secy (R, D&L)	Kopf, Eugene H. \$50,112.50	ES-5	1301	4				X		X	
Dep Asst Secy (Systems)	Vacant	ES-	0301	4				X			
Dep Asst Secy (Acquisition Management)	Williams, J. E. \$50,112.50	ES-4	0301	4				X		X	
Dep Asst Secy (Logistics)	Mosemann, L. K. \$50,112.50	ES-4	0301	4				X		X	
Dep Asst Sec (Space Plans & Policy)	Cook, Charles W. \$50,112.50	ES-4	1301	4				X		X	
Dep for Programs & Production	Jones, Carroll G. \$50,112.50	ES-3	0301	5				X		X	
Dep for Procurement	Gordon, H. J. \$50,112.50	ES-4	0301	5				X		X	
Dep for Transportation & Civil Aviation	Falatko, Thomas S. \$50,112.50	ES-4	2130	5				X		X	
Dep for Supply & Maintenance	Goldfarb, O. A. \$50,112.50	ES-4	0301	5				X		X	
Dep for Advanced Tech	Beam, W. R. \$50,112.50	ES-4	1301	4(5)				X		X	

ORGANIZATION & POSITION TITLE	INCUMBENT	L	O	POSITION			APPOINTMENT			STATUS
		E	C	R	C	S	N	C	C	
		P	C	A	O	NON	CAR	SES	NON	
		A	U	A	N	SES	RES	GEN	CAR	CAR
		Y	P	E	K					
		L	E	E						
<u>SAF/AL</u>										
<u>Asst Secy of the AF</u>										
<u>Research, Development &amp;</u>										
<u>Logistics, (Cont'd)</u>										
Dep for Systems Requirements	Vacant			ES-	5			X		
Dep for Tactical Warfare Systems	Cohen, Victor \$50,112.50			ES-2	1301	5			X	X
Dep for Strategic & Space Systems	Cooper, Henry F. \$50,112.50			ES-4	1301	4(5)			X	X
Dep Dir, Supreme Headquarters Allied Powers Europe, (SHAPE)	Bergman, C. E. \$50,112.50			ES-4	1301	4			X	X
Chief, Communications Division, SHAPE Technical Center, The Hague Netherlands	Lebo, J. A. \$50,112.50			ES-4	1301	6			X	X
<u>SAF/PM</u>										
<u>Asst Secy of the AF</u>										
<u>Financial Management)</u>										
Prin Dep Asst Secy (Financial Management)	Vacant			ES-	0505	4			X	
Prin Dep Asst Secy for Programs & Budget	Mitchell, Willard H. \$50,112.50			ES-5	0301	4			X	X

ORGANIZATION & POSITION TITLE	INCUMBENT	L	O	POSITION			APPOINTMENT			STATUS
		PV	CO	RC	NON	CAR	SES	NON	CAR	
		AE	UD	ND	SES	RES	GEN			
		YL	PE	KE						

**SAF/FM**  
**Asst Secy of the AF**  
**Financial Management,**  
**(Cont'd)**

Dep for Financial Systems & Analysis	Payne, R. C. \$50,112.50	ES-4	0505	5			X		X		Reemployed Annuitant to 1/81
Dep for Productivity Management	Fitzgerald, A. E. \$50,112.50	GS-17	0301	5	X*	X					
Dep for Accounting & Internal Audit	Boddie, J. W. \$50,112.50	ES-4	0510	5			X		X		

**SAF/MI**  
**Assistant Secy of the**  
**AF, Manpower, Reserve**  
**Affairs & Installations**

Prin Dep Asst Secy (M, RA&I)	Meis, J. F. \$50,112.50	ES-5	0301	4				X	X		
Prin Dep Asst Secy for Installations	Vacant \$50,112.50	ES-	0301	4				X	X		
Prin Dep Asst Secy for Manpower Resources and Military Personnel	Bearg-Dyke, Nancy J. \$50,112.50	ES-3	0301	4				X		X	
Dep Asst Secy (Reserve Affairs)	McWilliams, G. M. \$50,112.50	ES-2	0301	4				X		X	
Dep Asst Sec (Civilian Personnel Policy)**	Cumbey, Craig J. \$50,112.50	ES-4	0201	4			X			X	
Dep for Environment & Safety	Stern, C. D. \$50,112.50	ES-4	0301	5				X		X	

\*For current incumbent only  
\*\*Also serve as Director of Personnel  
For Chief of Staff

ORGANIZATION & POSITION TITLE	INCUMBENT	L E A Y	O C U P E	R C A O N D K	POSITION			APPOINTMENT			STATUS
					NON SES	CAR RES	SES GEN	NON CAR	CAR	LTD	
<u>SAP/MI</u>											
<u>Assistant Secy of the</u>											
<u>AF, Manpower, Reserve</u>											
<u>Affairs &amp; Installations</u>											
<u>(Cont'd)</u>											
Dep for Installations Management	Boatright, J. \$50,112.50	ES-4	0301	5		X			X		
Dep for Equal Opportunity	West, Gail \$50,112.50	ES-2	0160	5			X			X	
Deputy for Air Force Review Boards	Lineberger, Joe \$50,112.50	ES-1	0301	5		X			X		
Asst Dep for Base Utilization	Rittenhouse, J. O. \$50,112.50	ES-2	0301	6			X		X		
<u>SAP/GC</u>											
<u>General Counsel, Dept</u>											
<u>of the Air Force</u>											
General Counsel of the Air Force	Reichart, S. R. \$50,112.50	ES-6	0905	4			X		X		
Dep General Counsel	Radoff, Phillip L. \$50,112.50	ES-4	0905	5			X			X	
Asst General Counsel, Procurement	Rak, D. S. \$50,112.50	ES-4	0905	6			X		X		

ORGANIZATION & POSITION TITLE	INCUMBENT	L	O	RC	POSITION			APPOINTMENT			STATUS
		PV	CC	AO	NON	CAR	SES	NON	CAR	LTD	
		AE	UD	ND	SES	RES	GEN	CAR	CAR	LTD	
		YL	PE	KE							
<b><u>SAF/GC</u></b>											
<b><u>General Counsel, Dept</u></b>											
<b><u>of the Air Force,</u></b>											
<b><u>(Cont'd)</u></b>											
Asst General Counsel, Installations	Reynolds, G. C. \$50,112.50	ES-4	0905	6			X		X		
Asst General Counsel, International Matters & Civil Aviation	Allen, B. W. \$50,112.50	ES-3	0905	6			X		X		
Asst General Counsel, Personnel & Fiscal	Willson, W. A. \$50,112.50	ES-4	0905	6			X		X		
<b><u>SAF/AA</u></b>											
<b><u>Office of the Adm Asst</u></b>											
<b><u>to the Secy of the AF</u></b>											
Adm Asst to Secy of Air Force	McCormick, R. J. \$50,112.50	ES-4	0301	5			X		X		
Dep Adm Asst to Secy of Air Force	Crittenden, R. W. \$50,112.50	ES-2	0301	6			X		X		
Special Assistant	Forschler, George \$50,112.50	ES-1	0301	6			X			X	
<b><u>SAF/LL</u></b>											
<b><u>Office of Legislative</u></b>											
<b><u>Liaison</u></b>											
Associate Director of Legislative Liaison	Vacant	ES-	0905	6			X				

ORGANIZATION & POSITION TITLE	INCUMBENT	L	O	R C	POSITION			APPOINTMENT			STATUS
		P V	C C		A O	NON	CAR	SES	NON	CAR	
		A E	U D	N D	SES	RES	GEN	CAR	CAR	LTD	
		Y L	P E	K E							
<u>SAF/AG</u>											
<u>AUDITOR GENERAL</u>											
Auditor General	Stolarow, Jerome H. \$50,112.50	ES-4	510	5			X			X	
<u>SAF/US</u>											
<u>Deputy Under Secy of the</u>											
<u>AF, Space Systems</u>											
Dep Under Secy (Space Systems)	Haas, Donald L. \$50,112.50	ES-5	1301	4				X		X	
<u>SAF/SS</u>											
<u>Office of Space Systems</u>											
Dir, Office of Space Systems	Hill, J. D. \$50,112.50	ES-3	0301	5				X		X	
<u>SAF/SB</u>											
<u>Office of Small and</u>											
<u>Disadvantaged Business</u>											
<u>Utilization</u>											
Dir, Office of Small & Disadvantaged Business Utilization*	Rellins, Donald E. \$50,112.50	ES-4	1102	5			X			X	

\*Position assigned administratively to AF/RD.

AF/CVN  
Office of the Chief  
Scientist

Chief Scientist, US Air Force**	Stear, Edwin B. \$50,112.50	ES-4	1301	4			X			X	
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\*\*This position is filled by non-career appointment, and accordingly,  
is reflected on this OSAF listing.

## MERIT PAY

Title V of the Civil Service Reform Act (CSRA) established the Merit Pay System for supervisors and management officials in grades GS-13, 14 and 15 to be effective in October 1981. Employees who are covered by this system will no longer be eligible for within-grade and quality step increases. The CSRA stipulates that merit pay employees are only entitled to one-half of the yearly October comparability adjustment. The other half of the comparability increase together with the monies that would have been spent for within-grade and quality step increases will be pooled to form the merit pay fund.

Subject to OPM approval and requirements, each agency must establish a merit pay plan which will tie individual performance to the amount of the merit pay adjustment. To meet OPM requirements, the Air Force submitted two separate plans for approval. The Air Force Performance Appraisal Plan was approved on 22 April 1980 and the Merit Pay System was approved 11 September 1980.

The new General Manager Appraisal System (GMAS), which is specifically applicable to employees covered by merit pay, was implemented on 1 October 1980; the first pay out will be in October 1981.

The first performance appraisal period for merit pay employees runs from 1 October 1980 to 30 June 1981, thereafter the rating period will be from 1 July to 30 June of each year. Until conversion to the new system, which will occur at the time of the first pay out, (Oct 81) annual pay adjustments as well as regular and quality step increases will continue under the General Schedule.

The amount of the merit pay adjustment will vary according to the performance rating assigned to the individual; there are five performance levels under the Air Force system. Specific share points equate to each rating beginning with the "fully successful" level. (An individual who falls below this level receives no merit pay). For the higher ratings, "excellent" and "superior," the value of the share points increases substantially. Briefly stated, the mechanics of computing merit pay increases are as follows:

- (1) The employees of each merit pay unit receive a performance rating.
- (2) All the merit pay share points from the performance ratings of the employees in the unit are added together.
- (3) When the amount of the October comparability increases is known each year OPM publishes a Merit Pay Fund Computation Table. As soon as this information is available, the merit pay fund of each merit pay unit is calculated.
- (4) The merit pay share points are divided into the unit merit pay fund to arrive at the share value of each point.
- (5) The share value of a point is multiplied by each individual's rating to determine their portion of the merit pay fund.

## TRANSITION APPOINTMENTS

An agency may establish temporary positions at the GS-15 grade level and below necessary to assist a department or agency head during the period immediately following a change in Presidential Administration, when a new Department or agency head has entered on duty, or at the time of the creation of a new department or agency. Such positions shall be either:

(1) Identical to an existing Schedule C position if intent to vacate that position has been put in writing by management or the present incumbent, such position to be designated as Identical Temporary Schedule C (ITC); or

(2) A new temporary Schedule C position, to be designated New Temporary Schedule C (NTC), when it is determined that the department or agency head's needs cannot be met through establishment of an Identical Schedule C position. The number of NTC positions established by any one agency may not exceed 25% of the total number of permanent Schedule C positions authorized for that agency as of March 31, 1980. In the case of the creation of a new department or agency, the number of NTC positions should be reasonable in light of the size and program responsibilities of that department or agency.

Service under this authority may not exceed 120 days. These positions must be of a confidential or policy-determining character, and are subject to instructions issued by the Office of Personnel Management.

Requests for such action should be made to the Office of the Administrative Assistant.

## LABOR-MANAGEMENT RELATIONS

Over the years, the Air Force labor-management relations program has been marked by dramatic growth. The impact of unionism in the Air Force civilian workforce is reflected in current union representation of over 70% of employees paid from appropriated funds. The program is founded on the concept that employees have the right to representation by recognized unions and are entitled to a voice in the formulation of personnel policies, practices, and decisions affecting general working conditions. Such matters are negotiable and understandings reached may be documented in a written contract between management and the union. Such contracts have the force and effect of regulation and the administration of the contract is subject to review by authorities outside the Air Force.

Because of the authority of non-Air Force agencies to resolve union-management issues by directing corrective action, management must accept and apply the concept of bilateralism in dealing with unions. Additionally, managers must understand and adjust to union relations as a continuing feature in contemporary personnel management. The negotiability of matters pertaining to personnel policies, practices, and working conditions has broadened in scope as the Office of Personnel Management increases agency latitude in implementing personnel management policies. Management must utilize the labor-management relations program as an additional means for improving communications with the workforce and for improving efficiency of its operations.

On 7 February 1972 the Department of Labor certified the AFGE-GAIU (American Federation of Government Employees - Graphic Arts International Union) Council of Hq USAF Locals, AFL-CIO (American Federation of Labor - Congress Industrial Organization) as the exclusive representative for a unit of approximately 2300 non-supervisory, non-professional employees ranging in grade from GS-2 to GS-15 and assigned to positions throughout OSAF and Hq USAF. The AFGE-GAIU Council is composed of American Federation of Government Employees Local 1092 and the International Union Local 98-L. While AFGE represents only employees in the Federal sector it is the largest union in the public sector at this time. GAIU represents employees in both the private and public sector. The terms of the agreement, are binding on the Union and all supervisors and management officials within OSAF and Hq USAF. To date there has been no attempt to organize and represent professional employees or supervisors.

The current labor agreement is attached. Presently, negotiations are underway for a new contract.

**PERSONAL SECRETARIES AND ASSISTANTS**

A limited number of civilian positions are authorized in the Excepted Service (Schedule C). These are confidential or policy-determining positions and not subject to the competition required in the career service or the termination requirement for career employees. Authorized positions are as follows:

Secretary GS-11	Office of the Secretary of the Air Force
Secretary GS-11	Office of the Under Secretary
Secretary GS-10 Secretary GS-9	Assistant Secretary for Research, Development and Logistics
Secretary GS-10 Special Assistant GS-15	Assistant for Manpower, Reserve Affairs and Installations
Secretary GS-10	Assistant Secretary for Financial Management
Secretary GS-9	General Counsel

A military assistant is also authorized for each of the offices listed above. They are governed by the military assignment system.

Any action to employ, terminate, or reassign people in these positions must be taken in close coordination with the Office of the Administrative Assistant.

## THE MILITARY PROMOTION SYSTEM

Currently there are three officer promotion systems

- Temporary Systems

- applies to all officers serving on active duty (Regulars and Reserves)
- determines a member's pay grade and the insignia the officer wears

- Permanent, Regular Air Force, Promotion System

- applies to Regular officers on active duty (there are no Regular officers in the Reserves)
- primarily determines a Regular officer's tenure

- Permanent, Reserve of the Air Force, Promotion System

- applies to Reserve officers both on active duty and not on active duty (includes Guard and Reserve personnel)
- primarily determines a Reserve officer's tenure as a commissioned officer

**NOTE:** The permanent Reserve system closely parallels the permanent Regular system which is discussed in more detail later in this paper.

The 96th Congress enacted the Defense Officer Personnel Management Act (DOPMA) which was signed into law by the President on December 12, 1980. This bill, which amends and/or adds over 400 sections of law, will streamline the management of the officer force and standardize officer management to a large extent for all services. The Air Force was the biggest supporter of this legislation and the final bill adopts much of the Air Force's current management approach for the officer corps. The effective date for DOPMA is September 15, 1981. A summary of the major features of DOPMA follows after a description of the current promotion systems.

### Temporary Promotion System (Regular and Reserve Officers)

The temporary system was established by the 1947 Officer Personnel Act in recognition of a need to supplement the Regular officer force with Reserve officers to fill active duty requirements above the Regular officer ceilings

- o temporary promotion system provides the means for the Air Force to fill its total active duty grade requirements through promotion of all categories of officers (Regular and Reserve)
- o Regular and Reserve officers are considered by the same board and compete with each other for selection to all grades

Promotion opportunities are established by Secretarial policy to provide a reasonable, stable and visible promotion flow consistent with long term AF requirements; promotion phase points ("pin-on" times for due course officers) are a function of grade limitations and attrition (vacancies)

**Permanent Promotion System (Regular Officers Only)**

Permanent promotion system established in anticipation of a small standing force

- o primary purpose was to insure consideration for promotion to the next higher permanent grade at reasonable career points for consideration, and by establishing tenure limits for each permanent grade
  
- o provides for maximum of 69,425 Regular officers and further stipulates maximum percentages by grade

for example, provide that not more than 8% of Regular officers may be in grade of permanent colonel

however, may promote without regard to vacancies to permanent captain, major, and lieutenant colonel if promotion to these grades is occurring at 7, 14, and 21 years promotion list service (PLS), respectively but actual number of Regular officers in each permanent grade may be further constrained by congressional/OSD limitations on total grade strengths as developed in the budgetary process

- o requires consideration for promotion at specified maximum promotion points phased system allows officers enough time between grades to develop and demonstrate potential for promotion and precludes possibility of long stagnation in permanent grade

for promotion to permanent lieutenant colonel and below officers must be considered far enough in advance so that, if selected, they may be promoted upon completion of the following

<u>For Promotion to</u>	<u>Years of Promotion List Service</u>
First Lieutenant	3
Captain	7
Major	14
Lietenant Colonel	21

however, an officer may not be considered more than two years before the date on which it is anticipated that he will be promoted if selected

for promotion to permanent colonel

no maximum promotion point is established for permanent colonel

officer must complete one year in a grade as permanent lieutenant colonel before consideration for permanent colonel

the first consideration for promotion to permanent colonel currently occurs near the 24th year of promotion list service (PLS)

selections must be made only to fill actual or anticipated vacancies

- o by law, promotion to permanent first lieutenant is always under fully qualified method (no board held, commanders identify unqualified officers, SECAF has final decision)
- o 1947 OPA requires selection for promotion to permanent captain through permanent colonel be made by selection board

two methods of selection

fully qualified: board must make a judgment that each officer is or is not qualified to serve in the next higher grade (board may select every officer considered)

best qualified: board nominates or selects officers whose records, when compared with those of other eligible officers, indicate they have the greatest capability and potential to serve in the next higher grade (board aligns eligibles in order of merit listing)

best qualified method of selection provides means for attrition from the Regular Force

- o Selection/nonselection in the permanent promotion system determines tenure for Regular officers

consideration for permanent promotion normally occurs after the point when consideration for promotion to the same temporary grade occurs

with each permanent Regular promotion goes added tenure at least to the point of consideration for the next higher permanent grade

nonselection to permanent first lieutenant (normally at 2-1/2 years PLS) results in separation from active duty at the completion of three years PLS

an officer who twice fails selection to permanent captain or major is separated (with severance pay) or retired (if eligible) from active duty; or by policy he may also resign, not collect severance pay, and continue serving in enlisted status

an officer who fails selection to permanent lieutenant colonel or above may remain on active duty until the tenure point associated with his permanent grade

permanent majors may serve until deferred twice to permanent lieutenant colonel (departure occurs at approximately 22 YOS); permanent lieutenant colonels may serve through 28 years PLS; permanent colonels may serve through 30 years PLS or 5 years in permanent grade, whichever occurs later

## EXECUTIVE SUMMARY

### DEFENSE OFFICER PERSONNEL MANAGEMENT ACT (DOPMA)

**PURPOSE:** Update and make uniform current law relating to officer appointments, promotions, separation and retirement

**EFFECTIVE DATE:** 15 September 1981

#### **MAJOR FEATURES:**

##### Grade Tables

- Permanent field grade tables for the Air Force (about 3% less than OGLA with relief)
  - must meet new limits by 30 September 1982 — half way by 30 September 1981

##### Promotions

- Single system of permanent promotions vice current system where most officers first compete for temporary promotion and then permanent promotion to the same grade
- Active-duty list (ADL)
  - within 6 months after enactment, all officers on active duty (except Section officers, retired officers, etc.) will be placed on an ADL by promotion category
  - seniority on the ADL will be established so as to maintain current relative seniority among active duty officers

##### Tenure and Retirement

- Mandatory retirement for lieutenant colonels and colonels standardized at 28 and 30 years (but can be extended by board action for up to five additional years)
- Permits the selective continuation of twice failed Regular captains up to 20 years service and twice failed majors to 24 years
- Selective early retirement is a new feature
  - permits board selection of up to 30% of 0-5s to be retired prior to 28 years after two nonselects to 0-6 and 30% of 0-6s prior to 30 years after 4 years in grade — but intent is that this authority would be used only in force drawdown
- DOPMA will require 3 years service in grade for voluntary retirement for officers promoted by DOPMA boards

- can be waived by the President in extreme hardship or in other exceptional circumstances

### Constructive Service Credit

- Will only count for entry grade, seniority, and promotion
  - at present constructive credit for medical and dental officers counts for basic pay and retired pay as well as for grade and rank
- Judge advocates and chaplains will enter as first lieutenants and be promoted to captain after one year
  - additional credit authorized for judge advocates if shortages develop
- New formula for computing credit for health professionals
  - major change is that nurses will not get constructive credit for a baccalaureate as they do today

### Other Provisions

- Maximum separation pay for officers involuntarily separated after 5 years service and prior to retirement eligibility increased from \$15,000 to \$30,000
- An all-Regular career force will not be mandated but modifications to existing law will permit the Air Force to implement this feature by policy
- DOPMA will repeal long standing provisions of Title 10 that specify different, but no longer justified, treatment of men and women officers. This will allow, for example, Regular appointment of nurses and medical specialists under the same rules as apply to all other officers. DOPMA does not revise the provisions of Section 8549 of Title 10 which preclude women in the Air Force from assignment to duty in aircraft engaged in combat missions.

**TRANSITION PROVISIONS:** Designed to protect equities of officers now on active duty

### Promotion Provisions

- Officers holding a temporary grade higher than their permanent grade or recommended for promotion to a higher temporary grade will be permanently promoted to the higher grade
  - unless they have been once deferred to a permanent grade — these officers will meet a board to resolve their status
- Reserve officers who hold a higher Reserve grade than their temporary active duty grade will continue to serve in a temporary grade
  - less than 400 such officers now and there won't be any new ones under DOPMA since active duty Reservists will no longer be considered for ROPA promotions

- During the period between enactment and effective date, temporary boards and Regular 0-4 and 0-5 boards will continue as planned

#### Tenure Protection

- Regular majors or Regular major selects on the effective date can serve for minimum of 21 years active commissioned service
- No change for Regular lieutenant colonels — stays at 28 years
- Regular colonels or Regular colonel selects on effective date can stay for 5 years in grade as a Regular colonel if greater than basic 30-year tenure (DOPMA does away with the "or 5 years in grade" rule for colonels)

#### Voluntary Retirement

- Three years time-in-grade rule will not apply to officers not promoted by a DOPMA board
  - but for such officers the current 2-year DOD policy will be in law, effective 15 September 1981

#### Constructive Service Credit

- Officers currently credited with constructive service or in programs leading to an appointment where constructive service would count for pay (MC/DC) will continue to receive this credit

#### **OTHER INITIATIVES:** DOPMA contains several initiatives not related to officer personnel management

- It makes permanent current temporary authority to provide disability retirement and separation entitlements to members with less than eight years service. Current authority expires 30 Sep 82 and, if allowed to expire, the disability retirement entitlement would exist only when the disability was determined to be the proximate result of performing active duty.
- It contains a "per diem equity" amendment designed to eliminate the differences in per diem policies between officers and enlisted members
- It provides a save pay provision for dental officers with over 20 years of service (who have not completed a residency training program or formal education program of 10 or more months) to avoid the 50% reduction in continuation pay contained in the Health Professionals Special Pay Act of 1980
- It will also continue the operation of the special pay system for medical officers in the Reserves as they applied before the enactment of the 1980 Health Professionals Special Pay Act

# Insignia of the United States Armed Forces

## OFFICERS

O-1 O-2 O-3 O-4 O-5 O-6 O-7 O-8 O-9 O-10 SPECIAL

### NAVY

ENSIGN	LIEUTENANT JUNIOR GRADE	LIEUTENANT	LIEUTENANT COMMANDER	COMMANDER	CAPTAIN	COMMODORE*	REAR ADMIRAL* (O-7 & O-8)	VICE ADMIRAL	ADMIRAL	FLEET ADMIRAL

### MARINES

SECOND LIEUTENANT	FIRST LIEUTENANT	CAPTAIN	MAJOR	LIEUTENANT COLONEL	COLONEL	BRIGADIER GENERAL	MAJOR GENERAL	LIEUTENANT GENERAL	GENERAL	GENERAL

### ARMY

SECOND LIEUTENANT	FIRST LIEUTENANT	CAPTAIN	MAJOR	LIEUTENANT COLONEL	COLONEL	BRIGADIER GENERAL	MAJOR GENERAL	LIEUTENANT GENERAL	GENERAL	GENERAL OF THE ARMY

### AIR FORCE

SECOND LIEUTENANT	FIRST LIEUTENANT	CAPTAIN	MAJOR	LIEUTENANT COLONEL	COLONEL	BRIGADIER GENERAL	MAJOR GENERAL	LIEUTENANT GENERAL	GENERAL	GENERAL OF THE AIR FORCE

### WARRANT

#### NAVY

#### MARINES

#### ARMY

#### AIR FORCE

#### COAST GUARD

W-1				
W-2				
W-3				
W-4				



Coast Guard enlisted rating badges are the same as the Navy's for grades E-1 through E-6, E-7a through E-9; have silver specialty marks, angles and stars, and gold chevrons. The badge of the Master Chief Petty Officer of the Coast Guard has a gold chevron and specialty mark, a silver angle and gold stars. Coast Guard officers use the same rank insignia as Navy officers. For all ranks, the gold Coast Guard shield on the uniform sleeve replaces the Navy star.

\* The Navy uses the rank of commodore only in wartime. Currently, Navy officers promoted to pay grade O-7 are given the rank of rear admiral (lower half), which is comparable to that of brigadier general in the other services. Those in pay grade O-8 are designated rear admiral (upper half). The Coast Guard has the same policy.

# Insignia of the United States Armed Forces

## ENLISTED

E-1    E-2    E-3    E-4    E-5    E-6    E-7    E-8    E-9

### NAVY

 SEAMAN RECRUIT	 SEAMAN APPRENTICE	 SEAMAN	 PETTY OFFICER THIRD CLASS	 PETTY OFFICER SECOND CLASS	 PETTY OFFICER FIRST CLASS	 CHIEF PETTY OFFICER	 SENIOR PETTY OFFICER	 MASTER CHIEF PETTY OFFICER	 MASTER CHIEF PETTY OFFICER OF THE NAVY
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### MARINES

(no insignia) PRIVATE	 PRIVATE FIRST CLASS	 LANCE CORPORAL	 CORPORAL	 SERGEANT	 STAFF SERGEANT	 GUNNERY SERGEANT	 FIRST SERGEANT	 SERGEANT MAJOR	 SERGEANT MAJOR OF THE MARINE CORPS
							 MASTER SERGEANT	 MASTER GUNNERY SERGEANT	

### ARMY

(no insignia) PRIVATE	 PRIVATE	 PRIVATE FIRST CLASS	 CORPORAL	 SERGEANT	 STAFF SERGEANT	 SERGEANT FIRST CLASS	 FIRST SERGEANT	 COMMAND SERGEANT MAJOR	 SERGEANT MAJOR OF THE ARMY
			 SPECIALIST 4	 SPECIALIST 5	 SPECIALIST 6	 SPECIALIST 7	 MASTER SERGEANT	 SERGEANT MAJOR	

### AIR FORCE

(no insignia) AIRMAN BASIC	 AIRMAN	 AIRMAN FIRST CLASS	 SERGEANT	 STAFF SERGEANT	 TECHNICAL SERGEANT	 MASTER SERGEANT	 SENIOR MASTER SERGEANT	 CHIEF MASTER SERGEANT	 CHIEF MASTER SERGEANT OF THE AIR FORCE
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**SECURITY**

Security Clearances  
Protection of Classified Material

## SECURITY CLEARANCES

Statutory officials are subject to a full field background investigation by the Federal Bureau of Investigation. The investigative results are provided to the White House. Security clearances for statutory officials are granted by the Department of Defense, DOD Security Division, Washington Headquarters Service.

Personnel security investigations for all other Air Force military and civilian personnel are conducted by either the Defense Investigative Service or the Office of Personnel Management. Executive Order 10450 specifies that all employees of the Executive Branch must be investigated to the level necessary for the sensitivity of the position they occupy. Security clearances for these personnel are issued by the centralized Air Force Security Clearance Office (AFSCO) in the Pentagon.

Clearances for contractor personnel who visit OSAF officials are verified by AFSCO by checking records of the Defense Industrial Security Clearance Office (DISCO) at Columbus, Ohio.

Clearances for OSAF officials who visit private industry facilities are sent by AFSCO in advance of the visit.

Officials who require special access to Sensitive Compartmented Information (SCI) will be indoctrinated by Air Force Intelligence Service.

## PROTECTION OF CLASSIFIED INFORMATION

As a statutory official you have access to the highest levels of classified defense information. In addition to collateral (TOP SECRET, SECRET, and CONFIDENTIAL) material, you may also have access to Sensitive Compartmented Information (SCI) which is especially vital to our national security.

With your access to classified information, you incur a special responsibility to become familiar with the rules established for its protection and to safeguard it at all times. Department of Defense Directive 5200.1-R and the Air Force 205-series of regulations govern the protection of collateral classified information (creation, marking, use, discussion, storage, transmission, handling, etc.). The USAF Intelligence 201-series publications prescribe the rules for protecting SCI. In general, classified documents, letters, messages, and other forms of classified material are clearly identified as such, stamped with distinctive security markings and restrictive handling instructions, and distributed with protective cover sheets attached.

Operations Security (OPSEC) requires that you and those working for you exercise extreme caution when working with classified material. Communications Security (COMSEC) requires that you carefully avoid discussing classified information on insecure telephones. The secure "gray" phone system and the Automatic Secure Voice Communications (AUTOSEVOCOM) system (KY-3 system) are available for classified telephone conversations. You may have a telephone to the Washington Tactical Switchboard, linking Pentagon senior officials and the Air Force Operations Center. This telephone is for official business of a non classified nature.

At social functions and other occasions, where you may frequently come in contact with officials of foreign governments and dignitaries representing national and international agencies, you must be particularly careful not to engage in conversations which might lead to any inadvertent discussion of classified or politically sensitive information. Some foreign officials are espionage agents and are particularly adept at gathering important information from seemingly innocuous conversations. If you ever perceive an effort by any unauthorized individual, foreign or domestic, to obtain classified information from you, such an incident must be reported to the Air Force Office of Special Investigations (OSI).

Inherent in most statutory positions is Original Classification Authority (OCA). The exercise of this authority will require you to balance the need to protect specific defense information against the right of U.S. citizens to know what their government is doing. It is essential to classify information where necessary but only for the length of time required.

Some restrictions are placed on your couriering classified information. To hand-carry classified material overseas on commercial aircraft and to take classified material home, requires specific permission before proceeding. Contact SAF/AA to coordinate these actions.

The AF information security program is subject to periodic inspections by the General Services Administration and Office of the Secretary of Defense. SAF offices are not exempt from these inspections. Semi annual self-inspections, and

annual staff assistance visits by the Hq USAF Security Force, offer the best preparation for these inspections.

A security manager has been appointed in each major SAF office to act as the focal point of the information security program. This officer can define your OCA responsibilities and provide guidance on marking, handling, and storage requirements. Your Security Manager also supervises the program throughout subordinate offices, including security education, self-inspections, physical security measures, and corrective action taken as a result of security infractions. SAF/AA monitors the security programs in all SAF offices.

The AF information security program in the Pentagon is managed by the Security Division, 1947 Administrative Support Group (Hq USAF Security Force). A personal briefing on the services provided is available at your convenience. Security police assistance is also available on a 24-hour basis at extension 78291, room 4D882. Questions regarding Sensitive Compartmented Information should be directed to the Chief, Air Force Special Security Office (AFSSO USAF), at 70671.