

Advance Questions for David J. Berteau,
Nominee to be Assistant Secretary of Defense for Logistics and Materiel Readiness
Draft of November 24, 2014, 9:00 AM

Defense Reforms

The Goldwater-Nichols Department of Defense Reorganization Act of 1986 and the Special Operations reforms have strengthened the warfighting readiness of our Armed Forces. They have enhanced civilian control and clearly delineated the operational chain of command and the responsibilities and authorities of the combatant commanders, and the role of the Chairman of the Joint Chiefs of Staff. They have also clarified the responsibility of the Military Departments to recruit, organize, train, equip, and maintain forces for assignment to the combatant commanders.

- 1. Do you see the need for modifications of any Goldwater-Nichols Act provisions?**

Currently I see no specific changes in the Act that I would recommend.

- 2. If so, what areas do you believe might be appropriate to address in these modifications?**

Currently I see no specific changes in the Act that I would recommend.

Duties

Section 138a of Title 10, United States Code, provides that the Assistant Secretary of Defense for Logistics and Materiel Readiness is to serve as the principal advisor to the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) on logistics and materiel readiness in the Department of Defense.

- 3. If confirmed as Assistant Secretary of Defense, what would you view as your principal responsibilities to the Secretary and the Under Secretary?**

If confirmed, I would fulfill the statutory responsibilities of being the principal advisor on logistics and materiel readiness issues to the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology, and Logistics, and serving as the principal logistics official for the Department of Defense. In this capacity, my responsibilities would include providing oversight and developing policy for all logistics, maintenance, materiel readiness, strategic mobility, and sustainment support programs.

4. If confirmed, what other duties do you expect that the Secretary and the Under Secretary would prescribe for you?

If confirmed, I would be ready to respond to changes of mission and leadership direction. Additionally, I would work to provide superior logistics support to the warfighter and find new ways to provide the goods and services we offer in a more efficient and cost effective manner.

5. What background and experience do you possess that you believe qualifies you to perform these duties?

I have spent the past 35 years working in, studying, and teaching about national security and the Department of Defense. In that time, I have learned first-hand the importance of logistics and materiel readiness to the success of every mission. My specific experience includes 12 years of experience in DoD, including 4 years as Principal Deputy Assistant Secretary of Defense for Production and Logistics. In that capacity, all of the current functions of the Assistant Secretary of Defense for Logistics and Materiel Readiness reported to me, including authority, direction, and control of the Defense Logistics Agency. In addition, I have 15 years of experience at senior executive levels in private industry and 12 years of senior analysis of defense matters, including logistics, contracting, and sustainment for major defense acquisition systems.

6. Do you believe that there are any additional steps that you need to take to enhance your expertise to perform these duties?

While I believe that my experience described above has prepared me for the position of Assistant Secretary of Defense for Logistics and Materiel Readiness, there are many aspects of current DoD operations and analysis of which I need to become more familiar. If confirmed, I would plan to spend sufficient time to become more current in my awareness and understanding of current capacities and capabilities across DoD. I would also plan an extensive series of meetings with and visits to the practitioners and installations in the field, including maintenance depots, arsenals, and engineering centers involved in sustainment.

Relationships

If confirmed, what would your relationship be with:

7. The Secretary of Defense

If confirmed, I would serve as the principal advisor to the Secretary of Defense on logistics and materiel readiness issues within the DoD.

8. The Under Secretary of Defense for Acquisition, Technology, and Logistics

If confirmed, I would serve as the principal advisor to the Under Secretary of Defense for Acquisition, Technology, and Logistics on all logistics and materiel readiness issues in the Department of Defense. I would also monitor, review, and provide oversight of all logistics, maintenance, materiel readiness, and sustainment support programs within the Department of Defense, in accordance with applicable DoD policies. In addition, I would assist the USD (AT&L) in the performance of his duties in any other capacity that he might direct.

9. The Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics

If confirmed, my relationship with the Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics would be the same as that described above in relation to the Under Secretary of Defense for Acquisition, Technology, and Logistics.

10. The Under Secretary of Defense for Personnel and Readiness

If confirmed, I would work closely with the Under Secretary of Defense for Personnel and Readiness so that we can both carry out our statutory obligations relating to readiness and other matters related to logistics, including the logistics workforce.

11. The Director for Logistics (J4), the Joint Staff

If confirmed, my relationship with the Director for Logistics (J4), the Joint Staff, would be based on my role as principal advisor to the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology, and Logistics on logistics and materiel readiness in the Department of Defense, and on the J4 role as the principal advisor to the Chairman of the Joint Chiefs of Staff on logistics and materiel readiness.

12. The Director for Operational Plans and Joint Force Development (J7), the Joint Staff

If confirmed, I would coordinate and exchange information with the Director for Operational Plans and Joint Force Development (J7), the Joint Staff, to ensure that DoD logistics and materiel readiness policies are coordinated with J7 roles and responsibilities advising the Chairman of the Joint Chiefs of Staff on operational planning and joint force development requirements.

13. The Director for Force Structure, Resources, and Assessment (J8), the Joint Staff

If confirmed, I would coordinate and exchange information with the Director for Force Structure, Resources, and Assessment (J8), to ensure DoD logistics and materiel

readiness policies are coordinated with J8 roles and responsibilities advising the Chairman of the Joint Chiefs of Staff on force structure and resource requirements.

14. Commander, U.S. Transportation Command

If confirmed, I would expect to work closely with the Commander, U.S. Transportation Command, to ensure seamless support to meet warfighter requirements.

15. The Defense Logistics Agency

If confirmed, I would exercise authority, direction, and control over the Defense Logistics Agency through its Director.

16. The Army Materiel Command

If confirmed, I would coordinate and exchange information with the Commanding General, Army Materiel Command, to ensure DoD logistics and materiel readiness policies are coordinated with the Commanding General's roles and responsibilities in meeting Army logistics requirements.

17. The Naval Sea Systems Command

If confirmed, I would coordinate and exchange information with the Commander, Naval Sea Systems Command, to ensure DoD logistics and materiel readiness policies are coordinated with the Commander's roles and responsibilities in meeting Navy logistics requirements.

18. The Naval Air Systems Command

If confirmed, I would coordinate and exchange information with the Commander, Naval Air Systems Command, to ensure DoD logistics and materiel readiness policies are coordinated with the Commander's roles and responsibilities in meeting Navy logistics requirements.

19. The Marine Corps Systems Command

If confirmed, I would coordinate and exchange information with the Commander, Marine Corps Systems Command, to ensure DoD logistics and materiel readiness policies are coordinated with the Commander's roles and responsibilities in meeting Marine logistics requirements.

20. The Air Force Materiel Command

If confirmed, I would coordinate and exchange information with the Commander, Air Force Materiel Command, to ensure DoD logistics and materiel readiness policies are

coordinated with the Commander's roles and responsibilities in meeting Air Force logistics requirements.

Major Challenges and Problems

21. In your view, what are the major challenges confronting the Assistant Secretary of Defense for Logistics and Materiel Readiness?

If confirmed, I would anticipate the major challenges to be driven by the defense funding shortfalls that will result under the Budget Control Act caps and the potential return to "sequester-level" funding in Fiscal Year 2016. Beyond that funding challenge, my additional concerns include:

- (1) Ensure that contingency operations forces and functions are provided with the best possible logistics support under available resources.
- (2) Ensure sufficient logistics capability to support future contingency or humanitarian operations.
- (3) Strengthen lifecycle management and long-term logistics planning within the acquisition process and at each Milestone decision.
- (4) Optimize the DoD supply chain so that it is globally responsive to mission needs.
- (5) Ensure that the logistics workforce is trained, experienced, and flexible enough to meet further logistics needs.

22. Assuming you are confirmed, what plans do you have for addressing these challenges?

If confirmed, I would plan to focus my actions on ways to:

- (1) Work to identify and illuminate the consequences of failing to alleviate the impact of Budget Control Act caps in Fiscal Year 2016 and beyond.
- (2) Support and update policies that optimize all elements of the DoD's logistics community, including the private sector and effectively support our warfighters at the best value to the American taxpayer.
- (3) Work with the Military Departments, OSD agencies, program offices, and industry to identify and implement long-term lifecycle management considerations throughout the acquisition process.

Degradation of Equipment Readiness Due to Operations Tempo

The committee has received testimony from senior DOD officials and the military services citing the effects of operations tempo on the materiel readiness of equipment deployed in support of contingency operations.

23. What is your understanding of the extent to which many years of combat operations have impacted the service life of major equipment items?

My research has shown that, on average, major defense acquisition programs today are 50% older than were similar systems at this stage of the 1990s drawdown in defense spending. This is a major concern, and if confirmed, I plan to spend considerable time on this question. I am familiar with public testimony and reports of the impact of high usage of equipment based on an aggressive operational tempo (OPTEMPO), coupled with the harsh environments in which these systems have been operating. If confirmed, I would plan to examine the data regarding the impact of this OPTEMPO on materiel readiness

24. If confirmed, what would your approach be to regenerating materiel readiness that has been degraded by operations tempo after many years of combat?

If confirmed, I would plan to understand the priorities of the Military Services in regenerating materiel readiness, work to validate and secure the funding to support those priorities, and optimizing the capability of DoD to reset and reuse existing systems.

Drawdown, Reset, and Reconstitution

The military departments continue to face major challenges in resetting and reconstituting their equipment as they complete the drawdown of forces in Afghanistan. The military services have repeatedly testified to the committee that they anticipate this effort will continue for several years beyond the end of combat operations.

25. Do you believe that the Army and the Marine Corps have set aside adequate levels of funding in their recent budgets and in future years to meet anticipated reset and reconstitution requirements?

The DoD budget justification material for Fiscal Year 2015 base budget and Overseas Contingency Operations (OCO) funding indicates the need for OCO funding for several years to meet reset and reconstitution requirements. Based on my research and on what I know now, I anticipate the need for OCO funding to continue for several years following completion of contingency operations. If confirmed, I would plan to work with the respective Military Departments to validate and obtain the necessary funding. In addition, reset and reconstitution assessments should cover all of DoD, as this problem might also extend to some Navy and Air Force assets.

26. If not, what steps do you believe the Department should take to ensure that this effort is successfully completed in a timely manner?

If confirmed, and pending the results of the actions outlined in the answer to question 25, I have no additional steps to propose at this time.

Overseas Contingency Operations Funding

The committee has received testimony that the military services will require Overseas Contingency Operations (OCO) funding for multiple years following the end of combat operations in Afghanistan.

27. Given the uncertainty of OCO funding availability in future years, what enduring maintenance capabilities and activities, if any, would you recommend be transferred to base budget requirements?

The challenges of reconciling Overseas Contingency Operations (OCO) funding with base budgets affects all of DoD. This problem is exacerbated by the potential return to “sequester-level” funding in Fiscal Year 2016. Absent relief from the Budget Control Act caps, the need for OCO funding is likely to continue for several years following completion of contingency operations. If confirmed, and to the extent that Congress restores funding through a balanced approach, I would plan to work with the Military Departments to identify and migrate those enduring maintenance capabilities and activities into base budget requirements.

28. What logistics and maintenance activities, if any, would you recommend eliminating that have been funded with OCO over the last decade?

At this time, I have no recommendations for eliminating activities that have been funded with OCO over the last decade. OCO funding levels should support the requirements generated by overseas contingency operations.

29. What impact will the eventual end of OCO funding have on the military services maintenance programs and efforts?

Unless Congress acts to restore needed base budget funding through a balanced approach, any premature elimination or reduction of OCO will negatively impact the Department’s ability to generate readiness to sustain current operations, emerging missions, and long-term national defense priorities.

Sequestration

While the Bipartisan Budget Agreement Act of 2013 gave temporary relief to some of the negative effects of sequestration, the long-term effects of the Budget Control Act of 2011 continue to present significant challenges to the Department of Defense in Fiscal Year 2016.

30. If sequestration remains in law, going into Fiscal Year 2016, what specific capabilities and activities related to logistics and maintenance will be affected?

My research showed that sequestration impacts in Fiscal Year 2013 hit harder on spare parts, consumable items, and logistics support than on many other areas of the defense budget. I would expect a similar impact from a return to “sequester-level” funding in Fiscal Year 2016, with a disproportionate impact on the Military Services’ operations and maintenance accounts -- the primary source of readiness funding. Both the purchase of repair parts and the induction of equipment into organic and private sector facilities for scheduled and nonscheduled maintenance would be directly affected by reductions in operations and maintenance accounts.

Depot Maintenance Strategic Plans

The military departments regularly update their depot maintenance strategic plans to address the appropriate levels of capital investment in facilities and equipment, public-private partnerships, workforce planning and development, and the integration of logistics enterprise planning systems.

31. What is your understanding of the extent to which the military services have updated or revised their depot maintenance strategic plans to address current and future logistics and maintenance requirements?

I am aware that the Military Departments regularly update their depot maintenance strategic plans. While I am familiar with the recently released Army Organic Industrial Base Strategic Plan and the Navy Depot Maintenance Strategic Plan, if confirmed, I would plan to evaluate these plans and those of the other Military Services against their current and future logistics and maintenance requirements.

32. Do you believe that the steps taken by the military services are adequate, or are additional measures needed?

If confirmed, I would plan to review the steps taken with each Military Service and determine their adequacy.

33. What is your understanding of the extent to which the military services have assessed the effects of reset on the baseline budgets, competing demands to reset equipment to meet unit readiness goals, the preservation of core capabilities, and the risk level that organic depot maintenance facilities may be able to accommodate in order to complete reset workload requirements?

If confirmed, I would plan to review with the Military Services their reset plans, funding requirements, and effects on base budgets, readiness, core capabilities, and risk.

34. What is your understanding of the extent to which the depots' plans address the need to manage workload requirements as operations in Afghanistan draw down?

Recent events have demonstrated the need for flexibility in managing workload requirements as operations in Afghanistan draw down. If confirmed, I would plan to meet with the Military Services and review their plans and the funding needed to support them.

35. Do you believe that the steps taken by the military services are adequate, or are additional measures needed?

If confirmed, and pending the results of the actions outlined in the answer to question 34, I would plan to examine whether additional measures might be needed.

36. Congress places great importance on the proper implementation of the laws contained in Chapter 146 of Title 10 U.S.C. Please provide your interpretation and how you would implement, if confirmed, the following statutes: 10 U.S.C. 2460, 10 U.S.C. 2464, 10 U.S.C. 2466, and 10 U.S.C. 2476.

I have read and fully support these statutes. If confirmed, I will work with the Military Departments to ensure that the information is available to achieve readiness goals while maintaining full compliance with the statutes.

37. Do you believe the amounts allocated for the activation of new workloads, including military construction projects, at the covered depots should be included in the calculation to determine the minimum investment of capital budgets as required by 10 U.S.C. 2476?

I believe the minimum investment should be what is needed to meet future sustainment requirements in the most efficient manner. If confirmed, I would plan to examine investments for the activation of new workloads at our depots, shipyards or arsenals that could enhance capabilities and provide benefits to accomplish existing workloads.

38. Do you believe any of the sections included in Chapter 146 of Title 10 U.S.C., or any other statute affecting the depots should be modified? If so, why; and what is your desired outcome?

If confirmed, I have no proposed modifications to any of the sections of this statute.

Condition-Based Maintenance

DOD aviation assets continue to be under high demand and operating well beyond their anticipated flying hours.

39. What is your understanding of the military services' plans related to the transmission, storage, and analysis of data important to improving maintenance efforts, decreasing maintenance and spare part costs, and increasing readiness?

I believe that better use of data is vitally important to improving maintenance efforts, decreasing costs, and increasing readiness. If confirmed, I would plan to examine the efforts of each of the Military Services to improve the transmission, storage, and analysis of such data in support of Condition-Based Maintenance. .

40. What is your understanding of the results of the condition-based maintenance effort thus far in terms of readiness and costs?

If confirmed, I would plan to assess the results and work to ensure that Condition-Based maintenance supports improvements in the cost of readiness.

Prepositioned Stock

As the DOD positions materiel and equipment at locations around the world to enable it to quickly field a combat-ready force, it has been reported by the GAO that DOD plans to expand the use and reporting of its prepositioned equipment beyond combat operations may include training and joint exercises with neighboring countries, humanitarian relief, and reconstruction activities. The National Defense Authorization Act of Fiscal Year 2014 required the DOD to develop overarching strategic guidance and a detailed implementation plan to align the service specific prepositioning programs and create a more joint DOD-wide prepositioning program to achieve efficiencies and minimize unnecessary duplication, overlap, and fragmentation.

41. What is your understanding of the extent to which the Department is working with the military services to develop an integrated requirement for prepositioned stocks that is based on a department-wide strategy?

Prepositioned stocks have demonstrated an ability to improve the overall logistics capability required to ensure critical mission success. The FY14 NDAA requires the development of strategic guidance and an implementation plan. If confirmed, I will work with the Joint Staff, the Services, Combatant Commands, and DLA to meet the requirements of the report to Congress.

42. What are the logistical and maintenance implications of an expanded use of prepositioned stock, particularly in today's constrained budgetary environment?

If confirmed, I would plan to evaluate the impact of prepositioned stocks on logistics operations, including the possibility of reducing the overall transportation costs for missions such as joint/combined exercises and Humanitarian Assistance efforts, especially in large geographic areas like the Pacific.

43. How would you plan to coordinate service efforts to identify and validate the requirements for the expanded use and increase in demand of prepositioned stocks?

If confirmed, I would plan to review current policy and to ensure that the policy provides guidance for validation of expanded use of and demand for prepositioned stock as well as reporting the information necessary to track implementation and prioritize funding to meet shortfalls..

44. Do you believe that the military services have adequately assessed which of the many pieces of nonstandard equipment that were purchased to meet urgent war fighter needs should be added to the prepositioned stock sets?

I believe that the concept of assessing existing equipment for prepositioning potential is a good concept. If confirmed, I would review existing policies and the data on such nonstandard equipment.

45. What additional reset and sustainment resources will be needed to add to these stocks?

If confirmed, I would plan to engage in any ongoing review of prepositioned stock resource requirements. Nonstandard items could create the need for additional support costs, but those could be offset by a reduction in costs for new equipment. Pending the outcome of such a review, I am unaware of any additional resource needs.

46. In your view, have the military services identified adequate funding to meet its plans to reconstitute its prepositioned stocks around the world?

My research has shown significant drawdowns of prepositioned stocks to support operations in Afghanistan and Iraq. If confirmed, I would plan to examine whether policies enable the Military Service's prepositioned stock programs to address requirements within budget constraints.

47. What steps, if any, would you take if confirmed to address these issues?

I believe that prepositioning decisions should be based on strategy, plans, and requirements that are consistent with logistics capabilities. If confirmed, I would plan to work to ensure that policies on prepositioned equipment provide the Military Services with the guidance needed for programming decisions and the data to track implementation and shortfalls.

Defense Logistics Agency Fulfillment of Spare Parts Orders

In the past, the Air Force Logistics Centers (ALCs) have expressed frustration over DLA's inability to deliver some parts on time to the ALCs. Even a small percentage of spare parts that are not delivered on time can ground an aircraft. Some parts can take well over a year to arrive at the ALCs and it appears that DLA will often not order parts until the aircraft reaches an ALC. As a result, the Air Force is sometimes forced to cannibalize a part off of one aircraft to repair another.

48. What is your view of DLA's track record on delivering parts, particularly to the Air Force's ALCs?

I am aware of reports similar to the ones cited above, and it is my understanding that recent reports show progress. If confirmed, I would plan to meet with DLA and each of the Military Services (including the Air Force) to review the processes and progress on parts delivery and to support any actions needed to continue improvement.

49. What changes, if any, do you think are needed to improve DLA's performance in this regard?

If confirmed, I would plan to work to ensure that DLA remains responsive to the Air Force needs as well as to the needs of the other Military Services.

In the past, there have been multiple reports and investigations conducted by the DOD's Inspector General and Government Accountability Office which have identified several instances in which the DLA and military services have significantly overpaid for spare parts.

50. If confirmed, what will you do to ensure the DOD, military services, and other defense agencies do not allow contractors to overcharge for spare parts?

I have read some of the reports cited above, and I recognize that overcharging for spare parts is a major concern. If confirmed, I would plan to examine the guidance, tools, and training currently being used to reduce or eliminate such overcharging and to update

guidance as needed to improve that guidance. I would plan to include in that review the pricing support capability offered by the Defense Contract Management Agency.

51. If confirmed, what will you do to ensure that DOD, military services, and other defense agencies do not acquire excess inventory of spare parts?

I am aware of some of the actions underway within DoD to improve inventory management and to reduce the chance of acquiring excess inventory. I am also aware of ongoing work by the Government Accountability Office with regard to this issue. If confirmed, I would plan to review the Department's strategy to improve inventory management as well as the results of audits and investigations.

52. If confirmed, what will you do to ensure the military services improve the reliability of their spare parts forecasts they submit to the DLA?

There are a number of existing governance entities, such as the Joint Logistics Board, DLA/Service Days, and the Maintenance and Supply Executive Steering Committees, that are designed in part to help improve forecast reliability. If confirmed, I would plan to use those existing groups as part of the process to examine current forecasting. Additionally, I would plan to work with the Military Services to incorporate best practices from across the Department of Defense and to improve forecasting metrics that measure mission support.

Corrosion Prevention and Control

The Government Accountability Office has estimated that the Department spends over \$22.0 billion per year in costs related to corrosion of equipment and infrastructure. While the Department of Defense has established a central corrosion program management office and has institutionalized corrosion prevention and mitigation as a key component of the Department's Planning, Programming, Budgeting, and Execution (PPBE) process, efforts are frequently underfunded.

53. What is your understanding of the challenge to the readiness of the military services as a result of corrosion in equipment and materiel and the extent to which the services are coordinating their efforts?

Corrosion has been a persistent challenge that every weapon system in the DoD has faced, and corrosion has a negative impact on readiness, cost and safety. If confirmed, I would plan to examine current practices and to work with the Military Services, Defense Agencies, and commercial entities to pursue the best solutions at the least cost to the Department.

54. If confirmed, what would be your relationship with the director of the Corrosion Policy and Oversight Office?

If confirmed, I would plan to collaborate and work closely with the Director of Corrosion Policy and Oversight in policy and technology development.

55. If confirmed, how would you assess the implementation and effectiveness of corrosion prevention and control efforts in programs under your purview and, working with other responsible officials, address identified areas of concern?

Corrosion needs to be addressed across the entire life cycle of defense equipment from conception to disposal. If confirmed, I would plan to work with the Director of Corrosion Policy and Oversight and existing corrosion prevention control mechanisms. In addition, I would plan to address corrosion control and prevention as part of the materiel readiness function during design and development of weapon systems.

Asset Tracking, In-transit Visibility, and Radio Frequency Identification

The National Defense Authorization Act for Fiscal Year 2014 directed the Secretary of Defense to complete a comprehensive strategy and implementation plan for improving asset tracking and in-transit visibility across the DOD. In the past, Congress has also supported the DOD's Radio Frequency Identification (RFID) program in order to improve the visibility and identification of, and access to, equipment and supplies.

56. What experience and familiarity do you have with asset tracking, in-transit visibility, and RFID technologies and their implementation?

Asset tracking and in-transit visibility initiatives have been evolving since my previous experience in DoD logistics. If confirmed, I would plan to support the continued use of RFID and other tracking and visibility systems to continue to improve the Department's ability to track assets throughout the logistics supply chain.

In order for RFID technology to be effective, it must be used consistently throughout DOD and the military services. One of the problems highlighted in ongoing contingency operations is a lack of understanding of RFID technology and how to use the devices, particularly in field operations.

57. If confirmed, what actions would you take to ensure that standardized training on the use of RFID and other tracking technologies is being provided to all necessary military and civilian logistics personnel?

Standardized training and usage makes sense. If confirmed, I would plan to review current policy and training to ensure consistency and standardization, across the logistics community, on RFID and its use. I am aware that DoD just published a document titled “Automatic Identification Technology (AIT) for Department of Defense Supply and Transportation Processes.” This document appears to provide a framework and baseline standard to guide DoD organizations in synchronizing the joint use of AIT media in support of DoD operations, and I would plan to begin my review with that.

Data Validation for Depot Maintenance Public-Private Workload Distribution Report

Section 2466 of title 10 U.S. Code directs the Secretary of Defense to submit a report to Congress by April 1 of each year outlining the percent distribution of depot-level maintenance and repair workload between the public and private sectors for the preceding fiscal year and the projected distribution for the current and ensuing physical years. One of the continuing problems noted in the preparation of this report is the validity and accuracy of data submitted by the services. As a result, the actual percentage of work completed at public depots is less than what is reported by the department in some cases.

58. If confirmed, what steps will you take to ensure the accuracy of DOD public-private workload distribution reporting?

Reporting under Title 10, Section 2466, the 50-50 law, is covered by DoD guidance to the Services for collecting workload distribution data, including specific requirements for maintaining supporting documentation and the conduct of internal audits. If confirmed, I would plan to work with the Services to improve accurate reporting, ensure compliance and to send Congress the most accurate data available on depot maintenance and public-private workload distribution.

Defense Personal Property System

After many years of costly development, the Department of Defense in 2009 implemented the Defense Personal Property System (DPS) which is a web-based system for managing personal property moves for all DOD personnel. The DPS incorporates numerous improvements including contractual awards to movers based on satisfactory performance, not lowest bid; full replacement value as the standard for lost, stolen or severely damaged personal property; on-demand web-

based move counseling; and many other features. An important means of evaluating who the best and worst moving contractors are in DPS is satisfaction surveys that should be submitted by DOD personnel who have completed permanent change of station moves.

59. What is your understanding of the cost-efficiency of the DPS and whether its reliance on web-based systems has produced any savings for the Services?

I am aware of the transition to the web-based DPS and its goal of promoting additional competition between shippers in order to drive down costs while providing additional benefits to military Service members and their families. If confirmed, I would plan to examine current and projected benefits and savings as well as the overall performance of the DPS system.

60. What is your understanding of the current return rate of satisfaction surveys by DPS customers?

If confirmed, I would plan to include in the examination cited in my answer to question 59 the return rate of the customer satisfaction surveys.

61. If the rate is below 50 percent, to what do you attribute the inability to achieve a higher rate of return and do you believe that the current rate of return jeopardizes the ability to distinguish good and bad movers?

If confirmed, I would plan to include in the examination cited in my answer to question 59 both parts of this question on the return rate of the customer satisfaction surveys

62. What methods do you think could properly be used to improve the survey return rate?

My experience with overseeing surveys is that there are a number of actions that can be taken to improve return rates, including outreach programs, survey design, and improving the ease of survey completion and submission. If confirmed, I would plan to include this question in the examination cited in my response to question 59.

63. What is your understanding of actions being taken by U.S. Transportation Command and the Services to improve the performance and utility of DPS?

If confirmed, I would plan to include this question in the examination cited in my response to question 59.

Since International Auto Logistics (IAL) took over the shipment of personal vehicles owned by military service members last May, several reports have arisen regarding delays in the shipping and tracking of vehicles.

64. What is your understanding of the performance of IAL since assuming its logistical responsibilities last May?

I am aware of reports regarding unacceptable performance in delivering service members' vehicles on time. If confirmed, I would plan to examine contract requirements and contractor performance, including corrective actions and mechanisms to hold the contractor accountable. The ultimate goal is to ensure performance and delivery of service members' vehicles in a timely and satisfactory manner.

65. If confirmed, what improvements would you make, if any, regarding the performance of IAL?

If confirmed, I would plan to include this question in the examination cited in my response to question 64.

Logistics Routes for the Supply and Drawdown of Forces in Afghanistan

66. What is your assessment of the adequacy and reliability of the current logistics routes available for the supply and drawdown of U.S. forces in Afghanistan?

Based on the information available to me, it appears that the current logistics routes are adequate to support both the resupply of remaining forces and the ongoing drawdown, with multiple routes to mitigate against a single point of failure. If confirmed, I would plan to make it a high priority to take the actions necessary to sustain this adequacy and reliability, particularly with the prospect of changing requirements.

67. What role do you expect to play, if confirmed, in addressing the logistics challenges associated with the drawdown of U.S. forces from Afghanistan?

If confirmed, I would plan to continue to focus on operations in support of Afghanistan. This would be a high priority of me and my staff.

Planning for Contractor Support in Contingency Operations

The Government Accountability Office has previously reported that DOD’s OPLANs often do not include an approved Annex W addressing contract support requirements, contractor management plans, contract oversight processes, and manpower requirements to execute contractor oversight. Moreover, the GAO has found that the few Annexes that do exist merely “restate broad language from existing operational contract support guidance” and fail to identify military capability shortfalls that will require contract solutions or ensure that combatant commanders are aware of even the general scope and scale of contract support that will be needed for an operation.

68. Do you believe that the current level of military planning for contractor support in military operations is adequate and appropriate?

My research has shown that planning for and executing contractor support in military operations is a complex and continuously evolving dynamic. Based on that research, it is my belief that this will remain a work in progress for the foreseeable future. If confirmed, I would plan to examine current DoD processes to develop and apply lessons learned.

69. What steps, if any, would you take if confirmed to improve military planning for contractor support in military operations?

This has been an area of focus for me since my service on the Commission on Army Acquisition and Program Management in Expeditionary Operations in 2007. If confirmed, I would plan to work across DoD to ensure that guidance and doctrine are implemented and that training is sustained for Operational Contingency Support.

Private Security Contractors

Federal agencies including the Department of Defense have spent more than \$5 billion for private security contractors in Iraq and Afghanistan over the last decade. Over this period, there have been numerous reports of abuses by private security contractors.

70. Do you believe the Department of Defense and other federal agencies should reduce their reliance on contractors to perform security functions that may reasonably be expected to require the use of deadly force in highly hazardous public areas in an area of combat operations?

If confirmed, I would plan to examine DoD reliance on private security contractors and DoD roles in supporting such reliance by other federal agencies. I am aware that the Defense Department has implemented several initiatives to promote the responsible provision of security services, including those directed by Congress such as accountability procedures and development and implementation of national standards, and I would plan to include those initiatives in my review. In particular, if confirmed, I would plan to work to ensure these security contractors are properly regulated and supervised and that their roles carefully limited and defined.

71. What steps if any would you take, if confirmed, to ensure that any private security contractors who may continue to operate in an area of combat operations act in a responsible manner, consistent with U.S. defense and foreign policy objectives?

If confirmed, I would plan to include this issue in the examination cited in my response to question 70. In particular, I would plan to work to ensure that Department of Defense instructions remain current, clear, aligned with Combatant Commander guidance and orders, and consistent with U.S. defense and foreign policy objectives.

In addition, if confirmed, I would plan to work to continue to collaborate with the State Department and other governmental agencies to ensure consistent policy is developed and to promote a common international understanding of responsible use and oversight of private security services.

Section 846 of the National Defense Authorization Act for Fiscal Year 2013 requires the Department of Defense to undertake risk assessments and risk mitigation whenever it relies on contractors to perform critical functions in support of overseas contingency operations.

72. What steps will you take, if confirmed, to ensure that the Department fully implements the requirements of section 846?

If confirmed, I would plan to include this issue in the examination cited in my response to question 70, including a review of current policy regarding planning requirements for situations when contractor personnel and equipment are anticipated to support military operations. I would also plan to work with the Joint Staff to ensure that contingency planning includes risk assessment on the intended use of private security contractors. It is my belief that these risk assessments should be continually reassessed during operations.

Life Cycle Costs

73. If confirmed, what steps if any would you take to ensure that life cycle maintenance requirements and sustainment support are considered in the acquisition process for new DOD systems?

If confirmed, I would plan to work with the Milestone Decision Authority and the Military Services to review current Department policy and ensure that guidance addresses life cycle maintenance and sustainment planning and support. I would also plan to continue with the efforts already undertaken by the Department and look at additional areas such as designing for supportability, Core determination, source of repair, and level of repair analysis as part of my responsibility to review program Life Cycle Sustainment Plans. Early consideration of sustainment places additional attention on how design decisions affect the life cycle cost, and I would plan to emphasize sustainment planning as part of all major program reviews. I would also plan to work with others in the Department to ensure our arrangements with industry are incentivizing innovation in areas that improve the Department's ability to maintain its weapon systems and reduce Operating and Support cost.

74. Are you aware of information or concerns that new major weapon systems' operating and support costs may have exceeded estimates?

Rising operating and support costs have always been a concern. I am aware of and fully support the operating and support cost actions addressed in Section 832 of the Fiscal Year 2012 National Defense Authorization Act and, if confirmed, I would plan to work with my counterparts to ensure all appropriate actions are in place to control and manage operating and support costs across a system's life cycle.

75. If confirmed, what actions will you take to ensure rising operating and support costs do not adversely affect the readiness of new equipment and the operational units to which this equipment is issued?

If confirmed, I will work with my Office of the Secretary of Defense, Joint Staff, and Service counterparts to review operating and support cost estimates during acquisition to identify initiatives that can be designed into a system or into the sustainment organization. My focus would be on delivering reliable and maintainable weapon systems that operate for longer periods without failure and that, when they do fail, can return to service more quickly and affordably. This requires supportability attributes be given the same level of attention as other performance attributes of our weapon systems. If confirmed, I would plan to work to ensure that this area continues to be addressed at major reviews and acquisition decisions as well as after fielding those systems.

76. If confirmed, what actions will you take to ensure that the DOD will have the resources to properly maintain the readiness of this new equipment?

If confirmed, I would plan to work with the Joint Staff, Military Services, and the office of the Under Secretary of Defense for Personnel and Readiness to identify all resource requirements during acquisition to maintain the readiness of new equipment. This can partially be accomplished by continuing the existing requirements for sustainment-related Key Performance Parameters and affordability goals. I would also plan to work to ensure that weapon system readiness is managed at a level consistent with the Department's fiscal constraints. I would plan to take an active role in the Program, Planning, and Budgeting System to ensure that the Services readiness accounts are adequate to support our readiness requirements.

The National Defense Authorization Act for Fiscal Year 2009 requires the Department of Defense to conduct life-cycle cost analysis for new capabilities including the fully burdened cost of fuel during the analysis and evaluation of alternatives in the acquisition program design trades.

77. Do you believe that the fully burdened cost of fuel is an appropriate factor for the Department to consider in the evaluation of acquisition alternatives?

I do believe that the inclusion of fully burdened cost of fuel in the analysis of alternatives and other comparative studies is appropriate for creating a fair comparison of the systems under consideration.

Operational Footprint

During combat operations in Afghanistan and around the globe, combat service support units are constantly at risk when transporting supplies.

78. What role do you expect to play, if confirmed, in developing strategies to reduce the logistical footprint of deployed units operating in hostile environments?

If confirmed, I would plan to examine current and future research and development efforts focused on reducing the logistical footprint of deployed units.

Congressional Oversight

In order to exercise its legislative and oversight responsibilities, it is important that this Committee and other appropriate committees of the Congress are able to receive testimony, briefings, and other communications of information.

79. Do you agree, if confirmed for this high position, to appear before this Committee and other appropriate committees of the Congress?

Yes

80. Do you agree, if confirmed, to appear before this Committee, or designated members of this Committee, and provide information, subject to appropriate and necessary security protection, with respect to your responsibilities as the Assistant Secretary of Defense for Logistics and Materiel Readiness?

Yes

81. Do you agree to ensure that testimony, briefings and other communications of information are provided to this Committee and its staff and other appropriate Committees?

Yes

82. Do you agree to provide documents, including copies of electronic forms of communication, in a timely manner when requested by a duly constituted Committee, or to consult with the Committee regarding the basis for any good faith delay or denial in providing such documents?

Yes