

The United States Army Reserve 2008 Posture Statement

Submitted by

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The annual Army Reserve Posture Statement is an unclassified summary of Army Reserve roles, missions, accomplishments, plans and programs. The 2008 Army Reserve Posture Statement also addresses the support required by the Army Reserve to accomplish its mission as an operational force during FY09.

Unless otherwise noted, all statistics and facts are current through March 24, 2008.

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Today's Warrior Citizens serve our Nation during an era of persistent conflict - a role unforeseen when the Army Reserve originated on April 23, 1908 as the Medical Reserve Corps. One hundred and sixty civilian physicians comprised this first strategic reserve, one that could be ordered by the Secretary of War to active duty during a time

of national emergency. A century later, the U.S. Army Reserve is a diversified, capable, skill-rich, community-based operational force with an authorized end strength of 205,000 Warrior Citizens.

Throughout our first century of service, our mission was to support the Army to ensure mission success and our Soldiers served with pride and distinction. In the final decade of the 20th century, the Army Reserve was called upon to support training, coalition building and stability missions, as well as foreign and domestic contingency operations. At the dawn of this century, with further demands placed on our Nation's military after September 11, 2001, it became necessary for the Army Reserve to transform to a more fully operational force.

Today, the 21st century Army Reserve Soldier is a Soldier who serves in an expeditionary force that is an integral part of the world's best Army. Yet, as we have done for the past one hundred years, our Soldiers live and work in their civilian communities while volunteering to serve their Nation in the U.S. Army Reserve. In the past six years, 190,796 Army Reserve Soldiers have mobilized and deployed in support of the Global War on Terror. Currently 27,143 Warrior Citizens from communities around the Nation are serving in Iraq, Afghanistan and in 18 other countries. They serve at a time when the stakes for our Nation and our national security are high, the demands on our force are significant, and the need for a strong Army undeniable.

As we move forward in our transformation, we are undergoing the most dramatic change to our force structure, training and readiness since World War II. However, as we continue to transform, one thing does not change – the Army's reliance on our Army Reserve Warrior Citizens' civilian-acquired skills; skills which are critical to the Army's success. As a result of the continuous state of mobilization and a high operational tempo, the Army Reserve has experienced stress on our Soldiers and their units, stress on their Families, stress on their employers and stress on our equipment. We have come to realize that while we remain a committed, professional, All-Volunteer Force, the Army Reserve, like the Active Component, is increasingly out of balance.

To help us build capacity and increase our military effectiveness, we have aligned our needs into four imperatives: to SUSTAIN our Soldiers, their Families and Employers; to PREPARE our Soldiers for success in current operations; to RESET and rebuild readiness for future operations and to TRANSFORM to better meet the demands of the 21st century.

To continue our mission for the next one hundred years, the Army Reserve depends on adequate, essential resources in the FY09 budget and beyond. The firm application of the individual and collective skills resident with Army Reserve Warrior Citizens is essential to the offense, defense and stability operations of this persistent conflict. Operationalizing the Army Reserve meets the needs of the Army Transformation guidelines and strategies and gives taxpayers the confidence we are using their resources wisely and efficiently. We agree with the January 31, 2008 Commission on the National Guard and Reserves characterization of the Nation's Reserve Forces; "*The*

Reserve Components are this nation's insurance policy against unexpected events, provide a daily connection between the military and their civilian communities, constitute a significant pool of pre-trained manpower, and are well-suited for a leading role in homeland response activities. Their value to the nation cannot be overstated."

We will continue to reflect the very best of our Nation by defeating the enemies of freedom and the proponents of terror, by defending our homeland, and by assisting our Nation to build a better future for coming generations. But we cannot fulfill our mission alone; we require continued support from Congress and the American people.

The men and women of the U.S. Army Reserve epitomize what is best about America; it is an honor to serve with them. It is humbling to see the support our Families give to their Soldiers; for while it is the Soldier we recruit, it is their Families that we retain. It is also a privilege to work with the civilian employers who support our Soldiers in their communities; they continue to motivate us to find solutions for managing a shared workforce. Together, our Army Reserve Soldiers, their Families and employers are the strength of the Nation.

Lieutenant General Jack C. Stultz
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Strategic Content

Warrior Citizens: An Integral Part of Today's Army

The quality of our Force is undeniable. Army Reserve Soldiers are Warrior Citizens who contribute to their local communities as they pursue their civilian careers. In uniform, they also contribute to our national security when they train, prepare, watch and listen for a call to arms. Over the last century, Warrior Citizens have repeatedly answered that call and have proven the value of citizens serving in the Army Reserve to achieve national goals. Today, tens of thousands of men and women are in the Army Reserve; when they mobilize, they leave their homes, their Families, and their jobs to serve our Nation. And, over the course of the coming years, thousands more Army Reserve Warrior Citizens will step forward to serve and sacrifice on behalf of their friends and neighbors and the strangers they call countrymen – the citizens of the United States.

Our Warrior Citizens are volunteer members of the best trained, best led and best equipped fighting force our Nation has ever fielded. The 190,796 Army Reserve

Soldiers mobilized since September 11, 2001 demonstrates why Warrior Citizens are among those proud to be called Army Strong.

The men and women of the Army Reserve hail from every corner of this Nation; ordinary Americans volunteering for extraordinary service. They are black (22 percent), white (60 percent), Hispanic (12 percent), and Asian and Pacific Islanders (four percent). Seventy-seven percent are men, 23 percent are women. They are young (46 percent are 17-29 years old) and they are mature (46 percent are aged 30-49). They don the uniform as enlisted Soldiers (81 percent), officers (18 percent) and warrant officers (one percent). Our Warrior Citizens are men and women committed to their Families, their communities and their country. They are the strength of our Nation.

Our Force includes Soldiers like Staff Sergeant Jason Fetty, a civilian pharmacy technician from Parkersburg, W. Va. In the Army Reserve, he is a pharmacy specialist with the 339th Combat Support Hospital in Coraopolis, Pa. When he deployed to Afghanistan in April 2006, he voluntarily transferred from his medical unit to the 364th Civil Affairs brigade to join a Joint Provincial Reconstruction Team.

With just a week left on his one-year tour, Staff Sgt. Fetty encountered a man dressed in a hospital lab coat that forever changed his life. On February 20, 2007, at a ribbon cutting ceremony to open the emergency room his unit constructed at the Khost City Hospital, Staff Sgt. Fetty noticed one of the doctors acting strangely. He said the doctor looked, "crazy in the eyes." After ten months in Khost, he knew a lot of the medical personnel, and he didn't recognize this man, so he confronted him and immediately perceived him as a threat. He was right. The man was a suicide bomber.

Staff Sgt. Fetty knew he couldn't risk hitting an innocent bystander if he were to shoot and miss, so he maneuvered away from the crowd, hoping the suicide bomber would follow. He did. Two other U.S. Soldiers began firing warning shots at the man, still not realizing he was a suicide bomber. After firing a warning shot, Staff Sgt. Fetty shot the man in the legs. He fell, but didn't go down completely so Fetty himself raised his weapon again and struck him in the abdomen. When Staff Sgt. Fetty saw the man slowly put his hand under his lab coat, he knew this was an indicator, something was about to happen. Staff Sgt. Fetty yelled for everyone to get out of the way and he started running. He didn't get far. When the bomb exploded, Staff Sgt. Fetty sustained shrapnel wounds to his face, back, thighs, ankle and elbow. The other two U.S. Soldiers were also wounded, but no one in the large crowd gathered for the ribbon cutting ceremony died; no civilians, no dignitaries, no Soldiers. Staff Sgt. Fetty was awarded the Purple Heart as he recovered from his wounds at the Task Force medical treatment facility at Bagram Airfield. On October 12, 2007, he was also awarded the Silver Star in recognition for his heroic service under fire. He is the first Army Reserve Soldier to earn this distinction for service in Afghanistan. From Staff Sgt. Fetty's perspective, "Anyone would have done what I did if they were put in the same situation."

We are also privileged to have Soldiers like Jennifer J. Johnson in our ranks. She was a nurse practitioner who thoroughly enjoyed her civilian career in medicine; skills she

brought with her when she joined the Army Reserve in 1985. But she felt something was missing; that perhaps nursing was a bridge to an even greater calling. In 2003, she was ordained as a minister and moved from the nurse corps to the chaplain corps in the Army Reserve. Of the 393 chaplains serving in the Army Reserve, only 29 are female. Chaplain Major Johnson says there are many qualities of nursing that are comparable to the ministry, "We guide, we direct, we nurture," she said.

Chaplain Johnson mobilized for one year in July 2006. Twenty-one years after she first joined the Army Reserve, her professional and military careers came full circle when she deployed to Iraq in September of that year. As the chaplain for the military hospital in Tikrit, she provided pastoral care at the 46 bed hospital. There she saw first hand how holistic care - taking care of the emotional and spiritual well being of a patient - helps physical healing. Chaplain Johnson always carried a Prayer Book for U.S. Forces with her - in the operating room, visiting patients or leading a congregation in prayers. She also provided spiritual healing to the medical staff. Like many Soldiers, her military duties kept her away from her family for 15 months. She missed her daughter's first prom, family weddings and funerals and routine family life. But her sense of duty to country by serving in the Army Reserve and her responsibility as a person of faith kept her focused. When she returned from Iraq, she was hired as the chaplain of a large university hospital. Chaplain Jennifer J. Johnson is an example of the kind of strength our Soldiers bring to the Operational Force as well as to her civilian community.

College student Bethany Gunter wanted to challenge herself, mentally and physically, so she joined the Army Reserve; the educational assistance would help defray college expenses. In her Little Rock, Ark. unit she not only found the challenge she sought, she also found a soul mate, Nicholas Horn. After taking a few college courses and working for several years in the plumbing business, he was also ready for a change. He dreamed of being a Soldier and the thought of becoming a husband never entered his mind, until he met Beth. The two Soldiers married shortly before deploying together to Mosul, Iraq, where they served with the 431st Civil Affairs Battalion. There, Specialist Bethany Horn worked in supply, but was trained to drive a 17,000 pound up armored Humvee and to serve as the swiveling turret gunner behind a belt-fed machine gun. Sergeant Nicholas Horn was the operations non-commissioned officer in charge. During his one-year deployment, he was awarded a Bronze Star for saving the life of a civilian injured in a mortar attack.

Bethany said their joint deployment forced them to mature, "We couldn't be kids anymore, our day-to-day objective was to survive and to try to make a difference in Iraq." Nicholas said the deployment reinforced to him the fact that marriage is a team effort, especially in a combat zone. "We worked together 24 hours a day, seven days a week. We saw each other react when mortars hit and we grew to depend on each other; to stay alive as we build our lives together. She's the only battle buddy I'll ever need." They both believe the skills they've learned in the Army Reserve will help them be better leaders in their community as they interact with customers and classmates and to improve their readiness and training with their unit in the Army Reserve.

Our force also includes Soldiers like First Lieutenant Virgilio Villacorta. He's a senior scientist who works in algorithm development and image processing for defense applications. He earned his PhD in Health Sciences and Technology from MIT where his research was on how the brain adapts to acoustic perturbations and resilient speech patterns. He joined the Army Reserve in October 2001 because he wanted to serve his country. He was commissioned in December 2004 and now serves with the 368th Military Intelligence Battalion. He attributes his work in military intelligence to providing him with a better understanding of the technology Military Intelligence units need in the field and how important the design of the technical equipment is to the Soldiers who depend on it. 1st Lt. Villacorta, like many of our Warrior Citizens, came to the Army Reserve with an advanced degree.

These Army Reserve Soldiers are typical of the patriotic men and women who have answered the Nation's call to serve. They are illustrative of why our Warrior Citizens are the strength of our Nation, are an integral part of today's U.S. Army, and deserving of the best possible, most thorough training, resourcing and support from Congress and the American people.

The 21st Century: A Century of Leadership and Strength

The Army Reserve has experienced significant change during our first century of service to the American people. Our military forces support the American people and are connected directly to American communities through Soldiers such as the Warrior Citizens who serve in the Army Reserve.

As we look to the future we know without a doubt we will continue to adapt to change; to transform to a more effective Operational Force and to meet the needs of the Army. Increasingly, we recognize that the uncertain security environment of the future and the challenging fiscal responsibilities faced by our Nation requires more cost-effective, flexible sources of manpower that can be efficiently increased in times of need and reduced in a way that economically preserves capability when requirements diminish. As the Commission on the National Guard and Reserves concluded, "*Fundamental reforms are needed to ensure the Reserve Components are feasible in the short-term while sustainable over the long-term.*" This will impact the pace of the Army Reserve's transformation and how our Force is resourced, manned and trained.

We have entered a dynamic era – an era of extraordinary challenges – an era marked by unprecedented technological and economic advances, expanded globalization, and a burgeoning world population. These advances have resulted in an increased demand on resources such as fresh water, food, and the elements that sustain economic enterprise. As the global community becomes more interconnected, an unstable natural environment and a growing world population will exacerbate the potential for conflict and increase the likelihood of humanitarian crises.

Other contributing factors impacting international stability include the struggle for power involving economic and technological dominance, religious and cultural conformity, and the infrastructure to provide basic human necessities such as food, water, shelter, sanitation, medical care and the economic means to sustain affected populations.

The technological advances of the last century have contributed to an increase in the length and quality of life for many of the world's inhabitants. But technology has proven to be a double-edged sword. While it is used for many productive ends, it may also be leveraged for destructive purposes. Unstable governments and well-financed groups who seek to exploit weapons of mass destruction for diverse aims seriously threaten global peace and must be contained. State on state regional conflicts; failed states competing for internal and external resources; and global terrorism threatens world peace and stability.

The challenges America faces are many and the risks are great. We are in a position that is both envious and dubious. Global leadership demands global responsibility. The United States Army is one of the most far-reaching and capable forces available for the country to tackle global challenges of the 21st century. The United States Army Reserve is an integrated, operational component of the world's greatest Army, ready, willing and able to face these challenges.

The emerging trends of globalization, population growth, resource depletion, climate change and natural disasters, proliferation of weapons of mass destruction, and failed and failing states demonstrate a global environment of dynamic risk. These risks place high demands on our military. The core competencies that reside in the U.S. Army Reserve allow the Active Force to mitigate these risks to achieve national objectives.

The Army Reserve, a valuable component of the Army, is dynamic, flexible and capable; a significant provider of combat support and combat service support to the Total Force. The Army Reserve is well designed and well suited for operations in a global environment of instability. The Army Reserve possesses extensive capabilities to respond to nuclear, biological and chemical weapons threats. Army Reserve Soldiers are uniquely suited, by way of the extensive civilian-acquired skills which compliment military-acquired skills, to participate in missions to defeat threats to security as well as stability and reconstruction operations. The Army Reserve also possesses unique capabilities and resources to address humanitarian contingencies at home or abroad and remains the Nation's first Title 10 responder to provide support and assistance to civil authorities when a disaster or emergency occurs in the United States and its territories.

The Army Reserve is postured to respond and execute, in real time, missions to support the national military strategy. We continue improving the Army Reserve's capability and efficiency. We are in the midst of restructuring and improving our business practices, reducing overhead and fielding more deployable force structure to meet the wide array of missions ongoing or expected in the years ahead.

The 21st century is proving to be a century in need of the capabilities of our Warrior Citizens. The strength of the Nation lies with the strength of her citizens to bear the burden, pay the price, and to commit and sacrifice for the greater good. Army Reserve Warrior Citizens are carrying forth that tradition into a second century of service and sacrifice. We are more fully integrating with the Active Army to leverage our mutual strengths as we effectively and successfully carry out every mission we are called upon to accomplish.

2007 - A Year of Success and Achievement

Two thousand and seven was a year of commitment, sacrifice and change. Although the Army Reserve's FY07 budget of \$6.9 Billion represented only 3.1 percent of the \$221 Billion total Army executed budget, the Army Reserve proved itself a cost effective, successful force, with a global presence. In FY07 we achieved the following:

- ★ Mobilized more than 30,400 Warrior Citizens in support of Operation Enduring Freedom and Operation Iraqi Freedom. Currently, the Army Reserve has 27,143 Warrior Citizens mobilized.
- ★ Recruited 39,055 Soldiers into the Army Reserve.
- ★ Trained 16,479 Soldiers as recruiting assistants through the Army Reserve Recruiting Assistance Program.
- ★ Retained 19,727 Soldiers, which represents 119 percent of our retention goals for first term and career Soldiers.
- ★ Launched the Army Reserve Warrior and Family Assistance Center to provide assistance to Soldiers and their Families supporting more than 900 Warriors in Transition.
- ★ Conducted 165 Strong Bonds programs for 8,500 Soldiers and Family members to enhance Family and community relationships following deployments.
- ★ Initiated contact with business leaders to begin a dialogue on how the Army Reserve and employers can better share the skills of our Warrior Citizens.
- ★ Trained 350 Soldiers, family members and teens using Franklin Covey's "7 - Habits of Highly Effective Families" method to provide tools for Family members to communicate and resolve problems effectively.
- ★ Graduated 33,605 Soldiers from basic, advanced and skill-specific courses and offered 2,797 courses to our Soldiers. Our professional education requirements are essential to ensure that Army Reserve Soldiers remain vital to the world's premier military force.
- ★ Graduated 355 commanders and Command Sergeant Majors and more than 500 company commanders from pre-command courses.
- ★ Inaugurated the first two Army Reserve Enrichment Camps attended by 100 children of Army Reserve Soldiers.
- ★ Accelerated reorganization of the entire Army Reserve Training Structure and Training Commands to ensure synchronization with Army Reserve Training Initiatives.

- ★ Executed two major Warrior Exercises involving more than 8,000 Soldiers at Fort Bliss, Texas and Fort Hunter-Liggett, California. Conducted 16 functional exercises to sharpen Soldiers' technical skills.
- ★ Processed 5,957 Soldiers through the Rapid Fielding Equipment initiative.
- ★ Achieved initial entry rotor wing training for 100 percent of the helicopter pilots residing in the Army Reserve at the U.S. Army Aviation Warfighting Center.
- ★ Moved over 6,700 pieces of unit equipment to regional training centers in support of the Army Reserve Training Strategy.
- ★ Aligned 78 percent of Army Reserve strength into operational and deployable forces.
- ★ Overhauled 4,139 pieces of equipment in the \$144 Million Depot Maintenance program.
- ★ Recapitalized 420 High Mobility Multi-Purpose Wheeled Vehicles and 61 Heavy Expanded Mobility Tactical Trucks.
- ★ Fielded over 17,000 items of equipment to include: 12 Longbow Apache attack helicopters, Medium and Light Tactical Vehicles, Improved Ribbon Bridge and Communications equipment.
- ★ Increased Army Reserve Aviation force structure by two Blackhawk companies.
- ★ Moved to increase Army Reserve operating force by over 16 thousand deployable spaces by reducing and rebalancing force structure from training and support organizations to deployable modular operational units.
- ★ Activated and deployed the 316th Expeditionary Support Command, the primary logistics command supporting multinational forces in Iraq (from "zero to Iraq" in nine months).
- ★ Activated the 11th Theater Aviation Command at Fort Knox, Kentucky, and mobilized and deployed a command and control element with Aviation Task Force 49 in support of Operation Enduring Freedom.
- ★ Activated or converted 386 organizations to new modular structure.
- ★ Initiated the disestablishment of 12 Regional Readiness Commands and the establishment of four Regional Support Commands and 11 Operational Commands to reduce overhead and generate more deployable capability.
- ★ Initiated 23 Base Realignment and Closure (BRAC) and Military Construction Army Reserve (MCAR) projects to build 14 Armed Forces Reserve Centers (AFRC), five Army Reserve Centers, and four training support projects.
- ★ Commissioned two Logistic Support Vessels, including the first watercraft in the U.S. military to be named after an African American; Captain Robert Smalls – a hero from the American Civil War.

Dynamic Change; Challenging Times

As the Army Reserve faces the threats of the 21st century security environment and responds to the Nation's call to serve, we continue to accelerate our transformation to a more effective, efficient and relevant organization. We are carrying out dynamic institutional and operational changes in challenging times. We are not moving forward

blindly, but we are adjusting to current conditions and responding to Army needs, as they develop. However, the current operational tempo is exacting a toll.

Army Reserve Warriors Citizens are experiencing competing demands of civilian careers, Family, and repeated mobilization and deployments. The effect of these demands is most notable with junior noncommissioned officers and mid-grade commissioned officers. The Army Reserve faces a manning shortfall of experience and expertise at the ranks critical to the long-term health and vitality of the force. The Active Component is growing, the economy has been strong, and the prospects of repeated long-term separations in rapid succession are not sitting well with Soldiers' Families and employers. The Army Reserve, and the Nation, must address these challenges to sustain our critical Warrior Citizen capability. This manning shortfall is the Army Reserve's most critical challenge.

The Army's leadership has recognized the challenges impacting the force and taken steps to focus, time, energy, talent and resources to address these challenges. General Casey, the Army Chief of Staff, established seven initiative working groups to tackle the Army's most critical challenges; the Army Reserve is engaged in each of these groups. The seven Army initiatives are:

- ★ Grow the Army
- ★ Enhance support to Soldiers and Families
- ★ Modernize the Force
- ★ Transition the Reserve Component to an operational reserve
- ★ Develop leaders
- ★ Adapt institutional policies, programs, and procedures
- ★ Build strategic communications capability

The Army Reserve is addressing elements of all seven of these Army initiatives, but we are most focused on growth, enhancing support to Soldiers and Families, and transitioning to a more effective operational force. We direct our progress in each of these areas through the organizing construct of four imperatives: SUSTAIN, PREPARE, RESET, TRANSFORM. To continue to succeed and meet the needs of the Nation, we must ensure we recruit and retain the best and brightest for our team, support our Soldiers, their Families, and their employers, and ensure they have the most efficient and effective organizations and processes to successfully accomplish their missions.

We are organizing to address our personnel shortfall and improve the operational effectiveness of our formations. One of the cornerstones of our institutional transformation – the process that is driving much of our change in response to contemporary demands – is to organize Army Reserve units into a deployment cycle to maximize stability, predictability, and resource utilization. To increase the effectiveness of the Army Reserve and improve our contributions to the Active Component, we have aligned our units into synchronized training and force sustainment packages supported by manning, equipping and training processes. Taken together, we call this construct

Army Force Generation (ARFORGEN), which mirrors and is directly aligned to the Army's ARFORGEN model.

When fully implemented, this ARFORGEN process will improve our Force by providing a predictable and rapid capability to synchronize our Soldiers and resources with national and global mission requirements. Based on a five-year training cycle, ARFORGEN involves a structured progression through three successive force pools: Reset/Train, Ready and Available. By establishing these three distinct force pools, the Army Reserve increases unit readiness and ensures a cyclical progression of trained, ready, and cohesive units.

Since 2004, we have aligned 78 percent of our Force into the ARFORGEN process. To fully implement the five-year training model, we need approximately three years of stabilized Army deployment requirements. We have therefore programmed our combat support and combat service support into packages of approximately 35,000 Soldiers annually in the various stages of ARFORGEN.

- *Reset/Train (ARFORGEN years one and two)*. Activities during the first two years focus on obtaining or sustaining individual and squad training as well as refreshing unit leaders. Once these small team and section tasks are complete and leadership set, the unit will focus on sub-unit collective tasks or mission specific tasks.
- *Ready (ARFORGEN years three and four)*. After building on individual and team training, during years three and four, the focus shifts to sustaining those skills and training at higher collective levels in increasingly challenging environments. This phase is designed to reduce post-mobilization training time and to provide unit depth or strategic capability which can be surged to meet unexpected operational demands. Once units are alerted for deployment mission training is reoriented to prepare for specific missions and the conditions the units will likely face. Activities during this phase include unit training to support leaders as they prepare for and conduct full-spectrum operations, growing team capabilities and enhancing individual, collective and organizational learning.
- *Available (ARFORGEN year five)*. During this year in the ARFORGEN cycle, Army Reserve units are available to mobilize and deploy; to execute specific programmed missions; or are standing ready to respond to unexpected events at home or abroad.

Implementing ARFORGEN has proven that the Army Reserve must fully integrate with the development and fielding of Army logistics information and management systems to meet our requirements for maintaining pre-mobilization readiness. ARFORGEN is an effective tool for our force, allowing the Army Reserve to focus on current operations while enabling Soldiers, Families and employers to anticipate future Army requirements as a fully operational force.

Critical Challenges to Operationalize the Army Reserve

As the Army Reserve transforms to a more effective operational force we continue to witness a change in how the American public views not only the Army Reserve, but patriotic responsibilities to serve our Nation. Immediately after September 11th, Americans answered the call to serve. However, after more than six years of war, we recognize there is a compelling need to inspire a new generation to public service with the Army Reserve. Maintaining the Army Reserve as a world-class provider of support and stability capability also requires:

- ★ Timely and predictable funding through base and supplemental budget requests to fund Reserve Personnel, Army (RPA), Operation and Maintenance, Army Reserve (OMAR) and Military Construction, Army Reserve (MCAR).
- ★ Extend recruiting and retention incentives to assure the Army Reserve enlists and retains the best and brightest to man the force.
- ★ Extend incentive pay for healthcare professionals and other specialized occupations to ensure we retain the professional skills we need.
- ★ Support Army Reserve programmed increases for full-time personnel.
- ★ Improved employer partnership initiatives to ensure employers do not bear an undue burden for employing Army Reserve Soldiers.
- ★ Fund Army Reserve Logistics Automation Operations and Maintenance of new equipment training requirements to support the integration of Army Reserve requirements into Army logistics information technology systems.
- ★ Support Army Reserve request for funding for base operation support and facilities, sustainment, restoration and maintenance of Army Reserve facilities.
- ★ Continued funding of depot maintenance to overhaul older generation equipment.
- ★ Continued support to implement the ARFORGEN process; enabling the Army Reserve to completely transform to an operational force.
- ★ Maintaining momentum to achieve Base Realignment and Closure (BRAC) mandates with modern facilities.
- ★ Support the Army Reserve program for secure communication systems to ensure integrated capabilities; tactical to strategic; that are plug-and-play, modular and scalable, to achieve jointness and modularity.
- ★ Fund Army Reserve training program request to sustain four regional training centers and combat support training centers.

SUSTAIN Our Soldiers, Families and Employers

We live in an era in which Army Reserve Soldiers find themselves serving in a persistent conflict. This is the first time in history that our Warrior Citizens, who are patriotic, professional and integral to our All-Volunteer Force, have been engaged in such a long conflict. No longer can Army Reserve Soldiers plan on one weekend a

month and two weeks in the summer to fulfill their annual service/training requirement. The impact of our transformation to an operational force combined with a state of continuous mobilization, has put a strain not only on our force, but the Families and employers whose support is vital to our Warrior Citizens.

Today, the Army depends on the Army Reserve to sustain the tempo of deployments demanded by this persistent conflict. For the Army Reserve to remain a significant asset to the Army, our Nation and the communities where our Soldiers live and work, it is necessary to take care of our most valuable resource – our people. To sustain our force, we must do more to ensure our Soldiers, their Families, and our Soldier's civilian employers are supported through solid programs and supportive communities.

We care about the physical, spiritual and mental health of our Soldiers and their Families. Sustain begins with recruiting high quality men and women and then retaining them *and* their Families as well as partnering with their civilian employers throughout their military careers. Our Soldiers cannot be sharp on the battlefield if their focus is the impact their military service is having on their Families and employers. We must take care of our Families and we must have a relationship with the employers of our Warrior Citizens. Without support from Families and employers, we can not sustain our force. Sustain also reminds us of our moral obligation to take care of our Soldiers who are wounded, injured or ill as well as the Families of our Fallen Soldiers.

Recruit

Our Warrior Citizens must be physically strong, mentally aware, fully trained and equipped and ready to deploy when the Nation calls. In FY07, the Army Reserve surpassed its overall recruiting goal. Although the Army Reserve is solely responsible for meeting our end strength objective, the Army Reserve recruiting mission is shared, thus, we do not have direct control of a recruiting budget that affords us the opportunity to market and advertise to specific Reserve Component demographics. As a result, we rely heavily on targeted initiatives such as Army Reserve-specific advertising and the Army Reserve Recruiting Assistance Program.

- ★ *Army Reserve Recruiting Assistance Program (AR-RAP)*. AR-RAP is a community-based recruiting program launched in July 2007. The program leverages the personal contacts our Soldiers have within their communities. Essentially, every Army Reserve Soldier is now a recruiter who can earn up to \$2,000 for each recruit that contracts and ships to *Basic Combat Training, Basic Officer Leader Course* or for each *Prior Service Soldier* that completes 120 days of unit affiliation and attends a Battle Assembly.

Retain

In an environment of scarce human resources, retaining our Warrior Citizens is a top priority. During FY07, reenlistment of first-term Army Reserve Soldiers reached 155.2 percent of our goal. Our FY07 goal was to reenlist 5,103 first-term Army Reserve Soldiers. We surpassed that number and actually reenlisted 7,887 first-term Army Reserve Soldiers. We also surpassed our career re-enlistment goals; we achieved

103.2 percent of that goal. However, our high operational tempo has resulted in a decline in our end strength. The primary cause of the decline is the number of Soldiers who transfer out of the Army Reserve into the Army and the Army National Guard. In FY07, 7,107 Warrior Citizens transferred to the Active Army; 2,375 to the National Guard. Though still good for the Army, to ensure Army Reserve readiness, and sustain personnel strength of units scheduled for upcoming deployment, the Army Reserve instituted a policy that Soldiers in units transitioning into the fourth year of ARFORGEN are ineligible to voluntarily enlist or to be appointed in the Active Army, Army National Guard, or any other military service.

The Army Reserve offers a variety of incentives through our selected Reserve Incentive Program to retain Soldiers who endure the stress and hardship of multiple mobilizations and deployments. Incentive packages are targeted to specific audiences such as Soldiers with prior service, those who complete 20 years of service, officer and warrant officer accession and affiliation bonuses, enlisted affiliation bonuses and Army civilian-acquired skills bonus programs. Incentives can range from \$7,500 up to \$20,000. An additional Army Reserve retention bonus specifically addresses mid-career officer and non-commissioned officer shortages. Based on critical skill needs of our Soldiers, the Critical Skills Retention Bonus-Army Reserve can pay up to \$50,000 per Soldier for a 3-year service obligation. This incentive is paid out to Captains, Chief Warrant Officer Three, Staff Sergeants and Sergeants First Class who possess a critical military occupation specialty. This incentive authority was part of a recent National Defense Authorization Act FY08 change; the Army Reserve is awaiting approval from the Office of the Secretary of Defense for implementation of enlisted and warrant officer bonuses.

Improve Quality of Life

The most important element in sustaining the Army Reserve is the quality of life we provide our Warrior Citizens and their Families, impacted by their Soldiers' commitment to serve. We work aggressively to support our Soldiers and their Families with services that address healthcare, family programs, education and employment. Support from our communities is vital to our Army Reserve Families, who do not traditionally reside on or near military installations. These Families often have more diverse needs than those of Active Component Soldiers. It is therefore essential that we continue to improve coordination of state and federal agencies, non-profit organizations and the military community to ensure our Warrior Citizen Families have integrated, accessible support available to them.

Seamless Healthcare. Few programs reflect care for Soldiers more directly than health care plans; yet current medical management strategies and structures do not adequately support Army Reserve Soldiers and their Families, who, unlike the Active Component, transition back and forth between their civilian careers and their military careers. The Army Reserve believes that seamless healthcare coverage contributes to the military readiness of our Soldiers by preventing our Soldiers from being "whipsawed" between military and civilian healthcare service providers. In addition, fully supporting Army Reserve Soldiers who live in remote locations continues to be a top priority. The Army Reserve is working with the DoD to determine how best to solicit healthcare

providers to support healthcare coverage for our Soldiers and Families in communities where TRICARE is unavailable.

- ★ Restructured TRICARE Reserve Select (TRS). As of October 1, 2007, Selected Reserve (SELRES) Soldiers became eligible for TRICARE health coverage. TRS is available to Soldiers and their Families regardless of any active duty time served. Benefits of the program include: worldwide availability to most Select Reserve members and their family members; freedom to manage healthcare with no assigned primary care manager; no referrals required; access to care in a military treatment facility on a space-available basis; and comprehensive health care coverage including a TRICARE prescription drug benefit.

Strong Bonds Program. The *Strong Bonds* program offers Soldier/Spouse and single Soldier Family reintegration events after deployment. This training helps Families of deployed and deploying Soldiers deal with the stress that often accompanies a Soldier's deployment. It is a proven, multi-component program under the supervision of the Office of the Chief of Chaplains. As part of this program, the Army Reserve conducted 165 Soldier retreats; serving more than 8,500 Soldiers and Families in FY07. The Army Reserve anticipates conducting a comparable number of programs and outreach in FY08.

Army Reserve Warrior and Family Assistance Center. The Army Reserve Warrior and Family Assistance Center was established in October 2007 to ensure that Warrior Citizens receive appropriate support under the Army Medical Action Plan. This center provides a sponsor to each Army Reserve Soldier and Family currently assigned to a Warrior Transition Unit, Community Based Health Care Organization or Veterans Affairs Poly-Trauma Center. The center also manages a toll-free hotline (866.436.6290) and website (www.arfp.org/wfac) to provide assistance to Army Reserve Soldiers, Families and retirees on a variety of issues, such as medical, financial, administrative, and pastoral concerns.

Family Programs and Services. Our commitment to family readiness is further demonstrated by Army Reserve Family Programs (ARFP) initiatives that continue to develop and evolve to meet the unique needs of our Soldiers and their Families. The Army Reserve is hiring Employer Support Program Managers who will be assigned to 27 major subordinate commands throughout our Force to meet Army Reserve Soldier and Family needs on a full-time basis. Soldiers and their Families can log on to www.arfp.org to learn about other Family program initiatives including:

- ★ Virtual Family Readiness Groups where Army Reserve Families can utilize the information and resources provided by the Army's Integrated Family Support Network. Funding and staffing have increased, allowing more face-to-face as well as telephonic and virtual contact with Families.
- ★ Virtual Installations. The Army Reserve will conduct a pilot test of our Virtual Installation in May 2008. Virtual Installations will consolidate our services and

- allow Families to stay in touch, stay informed and stay together. The Virtual Installation represents a conglomerate of Families, volunteers, associations, military programs, and civic organizations such as the American Legion and Veterans of Foreign Wars. Services that will be available online include registering for ID cards, enrollment in TRICARE and the ability to get counseling or support, financial assistance, job placement or to take classes.
- ★ Outreach. Army Reserve staffers are able to share information, conduct education and training, and provide appropriate crisis response, conflict resolution, or referral to an appropriate helping agency. The first issue of "Family Strong," a full-color quarterly publication providing Family readiness information was distributed to 22,000 households of deployed Army Reserve Soldiers in the fall of 2007. Future issues will be distributed to the entire Army Reserve population.
 - ★ Welcome Home Warrior Citizen Award Program. This award was created to publicly recognize the sacrifices that Army Reserve Soldiers and their Families have made to the Global War on Terror. Since the program's inception in FY04, 124,887 awards have been delivered to Soldiers, their Families and their employers.
 - ★ Child and Youth Services. Child and Youth Services ensures children of our Warrior Citizens understand how their family dynamics may change when a parent is mobilized. Programs and initiatives are designed to meet the needs of children and young adults and include child care, leadership and development conferences and Army Reserve Enrichment Camps. These camps provide youth an opportunity to learn new skills, develop relationships and learn more about the Army Reserve. The Army Reserve will host five Enrichment Camps in 2008.
 - ★ Operation Purple® Camps are free one-week residential camping programs funded by the National Military Family Association. The camps bring together children who have a parent or guardian experiencing some stage of a deployment. During the summer of 2007, 566 children of Army Reserve Soldiers attended these camps; four camps were hosted by Children and Youth Services in partnership with Boys & Girls Clubs of America and 4-H. The Army Reserve will host eight Operation Purple ® Camps (in partnership with national organizations dedicated to serving youth) in 2008.
 - ★ Civilian Education for Soldiers. Education benefits clearly enhance the development of Army Reserve Soldiers as well as our ability to retain Soldiers. During FY07, 28,115 Army Reserve Soldiers used tuition assistance and 1,265 participants earned degrees.

Warrior Care and Transition

The Army Reserve will never forget its moral obligation to our injured and wounded Soldiers and their Families. At the core of our service, Army Reserve Warrior Citizens are Army Strong. It is the duty of every Soldier to care for their fellow Soldiers in time of battle and in time of healing; our actions exemplify the strength of our Force as it supports the strength of the Nation. It is also the duty of every Soldier who is wounded, injured or ill to focus their energies on healing as intently as they focused on their

mission in theater. The Warriors in Transition Program assists disabled Soldiers who suffered severe injuries on or after September 11, 2001, and who have been awarded (or are likely to receive) an Army disability rating of at least 30 percent. Assistance is provided from initial casualty notification through the Soldier's assimilation into civilian community services (for up to five years after medical retirement).

- ★ Warrior Transition Units (WTUs): Injured Army Reserve Soldiers who are on active duty healing are assigned to WTUs. The Army Reserve has approximately 1,400 Soldiers in these units. We made available 380 Soldiers to assist the WTU full-time staff in manning these units and providing continuous, dedicated support to these Warriors in Transition. All Soldiers' assigned to WTUs are given this mission:

"I am a Warrior in Transition. My job is to heal as I transition back to duty or continue serving the Nation as a Veteran in my community. This is not a status, but a mission. I will succeed in this mission because I AM A WARRIOR AND I AM ARMY STRONG."

Support to Families of Our Fallen Solders

In support of Operation Enduring Freedom and Operation Iraqi Freedom, 155 Warrior Citizens have paid the ultimate sacrifice and given their lives in service to their Nation; each with a Family back home. We recognize the distinguished service, selfless acts of bravery and leadership and the ultimate sacrifice these Soldiers and their Families have made for the cause of freedom. As part of our commitment to the Families of our fallen comrades, the Army Reserve conducts a memorial service to honor their loved one's sacrifice, offers chaplain support, and offers ongoing support to help the Family through their period of mourning and beyond, with follow-on counseling, support and services. The Warrior Citizens of the United States Army Reserve will never leave a fallen comrade. We also will never forget Staff Sergeant Keith "Matt" Maupin currently listed as missing and captured and Sergeant Ahmed K. Altaie who is missing in action.

Employer Partnerships

The Army Reserve Employer Relations Program fosters better understanding between commands, Soldiers and the Soldiers' civilian employer. Building enduring partnerships with the civilian employer community is vital to Soldier readiness and positively impacts retention. It would be impossible for the Army Reserve to sustain our Force without the support of the nearly 44,000 businesses who employ our Warrior Citizens in communities around the country. Employers who hire Army Reserve Soldiers earn a great return on their investment: they benefit from the values, experiences and leadership skills that Warrior Citizens bring to the workplace. A solid partnership requires efforts and sacrifices from all parties through an open and candid dialogue based on a clear appreciation of each party's interests and requirements.

In FY07, the Army Reserve focused its efforts on alleviating the burden on corporate America when their employees, our Warrior Citizens, mobilize and deploy. We are working to enhance employer support through a systemic blending of grass-roots objectives: mitigation, mediation, employer outreach and awareness, and Soldier-

employer relations. Throughout FY08 we will continue to develop and improve employer relations with the following initiatives:

- ★ Hiring Employer Support Program Managers for assignment to 27 major subordinate commands throughout the Army Reserve. These managers will participate with state-level Committees for Employer Support of the Guard and Reserve to proactively engage with employers on behalf of the Army Reserve's Warrior Citizens. These managers will provide commanders with the expertise and support required to carry out the employer relations initiatives established by the leadership of the Army Reserve.
- ★ "*Partnering with Industry.*" The Army Reserve is experiencing increased challenges and demands in providing personnel to meet mission requirements abroad and in support of domestic civil authorities. In a tight labor market, employers such as local law enforcement, interstate trucking companies and medical care facilities are competing for the same qualified pool of talent as the Army Reserve. We continue to look for opportunities to build enduring partnerships with industry and to focus our efforts on "Optimizing a Shared Workforce" with and between the Army Reserve and civilian employers. Army Reserve Aviation has found success by partnering local medical facilities with new air ambulance (MEDEVAC) companies and providing mutual benefits through the credentialing of common but critical skills sets in a shared labor pool.
- ★ Establishing the Employer Outreach General Officer Steering Committee to ensure Army Reserve Soldiers remain competitive in both their military and civilian careers. The committee is comprised of general officers who engage with the business community to foster relationships and exchange ideas and methods to support a strong Army Reserve.
- ★ An initiative currently being reviewed is the creation of a virtual "Job Bank" for Soldiers. This Job Bank would create a direct and focused link between employers and Soldiers in targeted career fields and specialties across a wide spectrum of positions.

To sustain our Warrior Citizens, their Families and their employers, throughout FY08 and beyond, the Army Reserve will continue to identify incentives, initiatives, and legislative changes to increase recruiting and retention and minimize attrition as we transform to a more effective operational force. We cannot realize long-term success as a force if we cannot create a stimulating environment that fosters growth and personal satisfaction. We must continue to maintain and improve the quality of life for our Soldiers, Families, and employers. This requires sustained and predictable funding to meet our manning objectives. Our focus on the imperative of Sustain will help bring the Army Reserve into balance and will support our full transformation to an effective, capable, sustainable, and enduring operational force.

PREPARE Soldiers for Success in Current Operations

The PREPARE imperative is defined as the readying of Soldiers, units, and equipment to succeed in the current operational environments of Iraq and Afghanistan and the 18 other countries where Army Reserve Soldiers serve. Our military success in the Global War on Terror is dependent on our ability to prepare and equip Army Reserve Soldiers as full cohesive units for current and future operations. Our Warrior Citizens serve the Nation as an operational force for which they were neither designed nor resourced; as a result, our primary focus is on the demands of current operations. We consume readiness as fast as we build it.

Our mission is enduring: to provide necessary forces and capabilities to the combatant commanders in support of national security and defense strategies. Growing and transforming the force during an era of persistent conflict is driving the need for increased resources to train Soldiers and units; we risk failure if faced with a rate of change that exceeds our capability to respond.

As outlined earlier in this Posture Statement, Army Reserve Soldiers are organized into a five-year cyclical manning, equipping and training process, ARFORGEN, to increase the effectiveness of the Army Reserve and to improve our contributions to the Army.

Train Soldiers and Units

We have updated the Army Reserve training strategy over the past year. The update was necessary to accommodate the continued maturation of Army ARFORGEN plans and concepts, to implement the Army Campaign Plan, to execute DoD mobilization policies and to prepare for the dynamic environment Soldiers and units will face. To accomplish this, we revised the following:

- ★ *Command Relationships.* The U.S. Army Reserve Command (USARC) continues to grow into its new role as a direct reporting unit to Headquarters, Department of the Army (previously USARC was a major subordinate command of U.S. Forces Command). This has resulted in additional responsibility and more direct accountability to Army senior leadership for all matters attendant with providing, maintaining, training, equipping and the readiness of Army Reserve forces.
- ★ *Post Mobilization Training Time.* During the first quarter of FY07, the Secretary of Defense announced a policy to limit involuntary mobilization of Reserve Component members to a maximum of one year, inclusive of post mobilization training. The goal is to provide predictability to Reserve Component Soldiers, their Families and their employers so they can better prepare for recurring mobilizations. This necessitated a streamlining of pre- and post -mobilization training to increase time in theater conducting combat and support operations. Thus far, the Army has supported our request for additional pre-mobilization training time to perform theater specified required

training – 17 days in the fourth year of ARFORGEN. Training performed to standard during pre-mobilization will not be repeated at the mobilization station.

- ★ *Army Reserve Generating Force Transformation.* FY07 was a year for dramatic and fundamental change for training organization, certification and support to the Army Campaign Plan. The Army Reserve became the certifying official for all Army Reserve pre-mobilization training. Upon mobilization the Army continues to validate deployment readiness. Additionally six Institutional Training Divisions were reorganized into a three division structure consisting of initial entry training, the Army school system and battle command staff training. These changes to our generation force resulted in reducing non-deployable headquarters structure, yet we retained essential training capabilities.
- ★ *Regional Training Centers (RTCs).* The Army Reserve began to field the first of four RTCs where units can train Soldiers and leaders on tasks that are too difficult to execute at Army Reserve Centers. On November 1, 2007, Fort Hunter-Liggett, Calif., was established as the first of these centers. Training began later that month with over 100 Army Reserve units scheduled to attend pre-deployment training in 2008. Major training conducted at these centers includes weapons qualifications, convoy operations and live fire. Three additional centers will be established in 2008: Fort Dix, N.J., Fort McCoy, Wis., and a location to be determined in the Southeast. These centers are crucial enablers to reduce post mobilization training time, improve pre-mobilization training and enhance readiness of Army Reserve forces.

Collective Training

- ★ In 2007, the Army Reserve continued to improve pre-mobilization collective training; most visibly through the execution of two Warrior Exercises and the continued refinement of functional exercises. Warrior Exercises are ARFORGEN year three events which focus on collective war-fighting skills in eight-day, continuous-operation, field-training exercises that replicate the process of mobilization, deployment and employment in theater. In FY07, more than 8,000 Army Reserve Soldiers participated in Desert Warrior at Fort Bliss, Texas and Pacific Warrior at Fort Hunter-Liggett, Calif. We also conducted 16 functional exercises to sharpen Soldiers' technical skills in a tactical environment. Functional exercises are ARFORGEN year two events which feature branch specific training in a field environment at the small team level. For instance, the Quartermaster Liquid Logistics Exercise is the prime venue to train Army Reserve petroleum, oil and lubricant and water units. The exercise replicates theater-level petroleum and water operations to include storage, distribution and production.
- ★ Collective medical training at Fort McCoy, Wis., Camp Parks, Calif., and Fort Gordon, Ga., provide Soldiers with hands-on training on the latest theater-specific equipment.

Throughout FY07, as we continued to support a train-alert-deploy model we realized that the Army's current installation inventory was not capable of meeting demand for training to standard Combat Support and Combat Service Support units. Additionally, the Army's Combat Training Center community could neither sufficiently meet the Army Reserve training strategy requirement that all deploying units receive a "Combat Training Center-like" experience, or the new mandate to complete many formally post-mobilization training requirements during pre-mobilization training.

As a result, in addition to the Regional Training Centers, the Army Reserve is developing concepts for Combat Support Training Centers.

- ★ The Combat Support Training Center program will provide the Army and Army Reserve with the ability to design training scenarios, simulate theater operations in a contemporary environment, and provide exercise exit evaluation for the Army Reserve's performance of Combat Support and Combat Service Support missions across the full spectrum of operating environments.

The Ready Response Reserve Units initiative is a pilot program designed to create units capable of meeting short notice requirements from combatant commanders. Test units are manned with volunteer Soldiers who are willing to serve on "part-time active duty" – more than 39 days but less than 365 days per year. This is a key initiative to fill gaps in force structure capabilities. Once this pilot program validates its proof of principle, it can be expanded and synchronized with ARFORGEN to fill gaps in high-demand, low density units. At present, the current pilot directed by the Assistant Secretary of the Army for Manpower and Reserve Affairs, has identified three categories of units to test. These include: Early Entry Operations, Known Surge Operations, and Sustainment Operations; all scheduled to begin October 1, 2008.

Develop Agile and Adaptive Leaders

Army Reserve Senior Leaders serve in Army Reserve Operational and Functional formations and at all levels of Army Commands throughout the force. They bring a unique blend of civilian acquired skills and honed warrior leader attributes to the fight. The Army Reserve continues to explore avenues to increase the primary war-fighting skills through direct management, development and utilization of our senior leaders from the Active Guard and Reserve (AGR), Troop Program Unit (TPU) and Individual Mobilization Augmentee (IMA) ranks.

- ★ *The Senior Leader Training Program:* The Senior Leader Training Program develops the intellectual and strategic thinking skills senior leaders need to implement, manage and lead change in the Army Reserve. Topics covered include strategic leadership skills, ethical decision making, critical thinking and Army Reserve transformation. The program focuses on general officer and colonel-level leaders with seminars that assist subordinate commanders in working through transformation and organizational change.
- ★ *Pre-Command Courses:* The Army Reserve upgraded brigade and battalion pre-command courses to enhance training to prepare field grade commanders and command sergeant majors to lead Army Reserve Soldiers.

Equipping Soldiers

The Army Reserve is committed to providing our Warrior Citizens with the best, most technologically advanced equipment available when they train and deploy. We are implementing innovative initiatives and programs to support the Army Reserve Training Strategy to concentrate equipment and sustainment capabilities at regional training sites.

During FY07, the Army Reserve was able to mobilize all of its sourced units and elements while meeting pre-mobilization training objectives. The existence of theater provided equipment relieved some pressure on the Army Reserve to find Modular Force compatible equipment for our mobilizing units. However, providing the same equipment for pre-mobilization training has forced the Army Reserve to expend limited resources to move Modular Force compatible equipment between units and training locations. Over 6,700 items were shipped from unit home stations and equipment demobilization sites to pre-mobilization training sites during FY07. We anticipate an approximately 7,000 pieces of equipment to be shipped to pre-mobilization sites in FY08.

The Army Reserve has continued to maintain 90 percent or better availability of its limited inventory for deployment and training through extensive use of overtime and contracting. Much of this success can be attributed to the availability of supplemental funds to contract for support to off-set the shortfall in facilities and manpower and to sustain logistics operations in support of the training and mobilization of “next-deployers.”

The continuing shift of pre-mobilization training objectives under the ARFORGEN process not only continues to add pressure to our aging and limited equipment inventory for training, it could impact our response during a domestic emergency or a second foreign or domestic contingency.

Currently programmed funding for equipment procurement will alleviate this concern, but the equipment procured will not be completely delivered until FY16. At that time, our equipment on hand against unit requirements will increase from the current 68 percent to approximately 85 percent. The programmed funding, however, will only cover current shortages in Modular Force equipment.

Another critical factor in maintaining the readiness of our equipment to support pre-mobilization training and deployment are the national level sustainment programs, such as Recapitalization and Depot Maintenance. The Recapitalization program affected only two major Army Reserve systems, the High Mobility Multi-Purpose Vehicle and the Heavy Expanded Mobility Tactical Truck. The Depot Maintenance program, however, provides the opportunity to extend the service life, reduce life-cycle costs and maintain safe operation of older items required to substitute for Modular Force equipment due to equipment shortages in the Army Reserve.

Homeland Defense and Support to Civil Authorities

As the first Title 10 responder to support civil authorities during a domestic emergency, the Army Reserve is in the best position to respond to an attack that occurs in the U.S. Our personnel and equipment are located in 1200 communities across the Nation. As such, the Army Reserve is an important element of the current DoD "Lead, Support, Enable" Strategy for Homeland Defense and Civil Support. U.S. military forces organize, train, and equip to operate in contaminated environments, as well as manage the consequences of chemical, biological, radiological, or nuclear explosion incidents, on a level unmatched by any other single domestic agency or international partner.

The Chemical, Biological, and Radiological Nuclear Explosion Consequence Management Response Force consists of a rotational pool of Active and Reserve units from each of the services. When assigned to this force rotation, these units are kept on short notice to conduct a secondary mission of domestic consequence management should the need arise. Forces for direct response to the effects of an incident deploy when directed by the President or Secretary of Defense.

The Army Reserve is uniquely positioned to support the Army and protect our homeland with experience, knowledge, capability, and competency. During this persistent conflict, the Army Reserve has the capabilities to keep watch at home and to respond to domestic emergencies. The imperative of Prepare will help bring the Army Reserve back into balance by ensuring our Warrior Citizens are prepared to succeed in current and future operational environments.

RESET Our Equipment to Restore Readiness and Depth for Future Operations

To succeed in current and future operations, the Army Reserve must take deliberate steps to ensure that our force is reset as a result of repeated deployments, and our Families and employers are revitalized between their Soldiers' deployments so they too can sustain the continuous state of mobilization their Warrior Citizens now experience. The Reset imperative now focuses on our equipment with the goal of undoing the

accumulated effects of repeated equipment use by repairing, replacing, and recapitalizing our equipment to rebalance the Force.

In response to the ARFORGEN process, the Army Reserve is building pools of equipment to support the mobilization of Army Reserve units in year five (Available) at strategic deployment Sites, where the equipment is maintained in controlled humidity storage. If no Army Reserve units are mobilized for a contingency, foreign or domestic, the equipment will remain ready for the next cycle. The equipment in the hands of our units will remain with these units, be inducted into national sustainment programs, or redistributed to meet the needs of the Army Reserve units as they enter the Reset/Train phase, or year one.

The Army Reserve does not budget for unplanned requirements. Therefore, should any Army Reserve units be mobilized, supplemental funds will be required to reset the equipment assigned to the mobilized units when they demobilize. These funds will prevent an adverse impact on the Army Reserve's ability to sustain the ARFORGEN process.

A critical enabler for the Army Reserve during Reset is an array of standard Army management information systems, such as the Army Reset Management Tool and supplementary logistics information and management systems developed and fielded by the Army Reserve.

Repair and Replace Equipment

Currently, logistics operations and support for the Reset Program is managed and executed by the Army Materiel Command and the Army Installation Management Command. The FY07 Supplemental budget fully funded the reset of Army Reserve equipment redeployed from Operation Enduring Freedom and Operation Iraqi Freedom. In FY07, the Army Reserve significantly reduced its logistics reset backlog. We recovered, repaired and serviced all redeployed equipment not inducted into national level maintenance by the Reset program. With the shortage of equipment in the Army Reserve, this recovered equipment was immediately transferred from redeployed units to "next deployers" in order to sustain pre-mobilization and pre-deployment training.

In FY07, equipment losses incurred by the Army Reserve during mobilization and deployment were identified to the Army for integration into procurement and redistribution planning. Equipment is programmed for replacement over the next five years. The Reset imperative will contribute to restoring balance to the Army Reserve by reconstituting our equipment to match the operational tempo of this persistent conflict.

TRANSFORM The Army Reserve to Meet the Demands of the 21st Century

Demand for the authorized 205,000 Army Reserve Soldiers continues to verify the value of their contributions to the Total Force. Our transformation to a more effective, integral operational force allows us to meet today's demands and to position the Force for future deployments and contingency operations and commitments at home and abroad. Army Reserve Soldiers, Families and employers continue to be an integral part of this transformation as we form and confirm bonds that support changes in the way we train, equip, resource, and mobilize our Force. The men and women of the Army Reserve are the centerpiece of our transformation. They are the strength of the Army Reserve force and the Nation - as both Soldiers and Citizens.

On January 31, 2008, after releasing two interim reports, The Commission on the National Guard and Reserves submitted its final report to Congress. In it, the Commission concluded, "*The reliance (on the Reserve Components) should grow, even after the demands for forces associated with current operations are reduced.*" The report notes that, "*Their service in the operational force will be required in peacetime, and they will continue to provide a cost-effective means of ensuring that strategic requirements to meet a large wartime threat are also available.....Employing the Reserves in this fashion has proven necessary and effective and they have been relied on in every major military operation since Operation Desert Storm, yet the structural foundations of Reserve Component organization have been changed little to facilitate this employment.*"

Fully integrating with the Active Component and effectively operationalizing the Army Reserve are fundamental to the Transform imperative. The implementation of this imperative will return balance to the Army Reserve as we seek to Grow the Army, modernize, undergo organizational and institutional change and improve communications.

Grow the Army

As the Army Reserve continues to shape our force in preparation to support an era of persistent conflict, the challenge continues to be recruiting enough Soldiers to man units and equip new units with modern equipment compatible with the units and services with whom we integrate and serve. Ready units will enable Soldiers as they train and prepare for deployment. Once activated, these modular units will increase our rotational depth and provide additional flexibility by having units that can be tailored to meet specific mission requirements for the Army.

In FY07, the Army Reserve programmed to make efficiencies and re-integrate 16,000 spaces to build into modular operational units. Additionally, we will also add 1,000 spaces to our Force Structure Allowance. The approximately 17,000 spaces of structure incorporated into our Force will help to mitigate anticipated shortfalls in combat support and combat service support personnel and equipment according to the Total Army Analysis. The Army Reserve resourced force will then be a force structure of 206,000 with an operating force of 145,500, generating force of 48,500 and Trainee, Transient, Holding and Student force of 12,000.

The process of shifting our command and control from generating to operational commands is nearing completion. In the next two fiscal years, we will finalize the disestablishment of the 12 two-star readiness commands and transfer command and control of subordinate units to 11 one and two-star operational and functional commands. This shift enables the Army Reserve to source more operational units from the space savings as a result of reductions in headquarters structure throughout the Army Reserve. Additionally, we will create structure savings as the four two-star Regional Support Commands (RSCs) are established during FY08 to assume the base operations functions in support of more than 1,000 Army Reserve centers throughout the United States. These four RSCs will relieve operational commands of facility/garrison type functions and allow these commands to focus on unit readiness training. The RSCs will be the Army Reserve's link to Installation Management Command to ensure standardization in garrison operations.

Modernize

As a result of historically low levels of modern equipment, the Army Reserve still faces equipping challenges, even though no Army Reserve unit deploys without a full complement of compatible or interoperable deployable equipment. In support of our transformation to an operational force, the Army has committed to spending approximately \$5 Billion in new equipment procurements for Army Reserve deploying Soldiers and next deploying units in scheduled equipment deliveries between July 2007 and June 2010. These deliveries represent some of the Army's most modern systems – such as the biological integrated and detection systems, armored security vehicles and various models of tactical wheeled vehicles.

In FY07 the Army Reserve fielded the joint biological detection system, the self-powered biological warfare agent detection and identification instrument suite, the all-terrain lifter Army system, and various communications equipment and individual weapon systems. The Army Reserve is also gaining aviation capability with the delivery of six of 36 HH 60 MEDEVAC helicopters identified in the Army Campaign Plan and 12 AH-64D Longbow Apache helicopters as part of the attack helicopter conversion program.

The centerpiece of Army transformation as well as the biggest acquisition challenge is the Future Combat Systems (FCS). FCS will link a new generation of 14 manned and unmanned ground vehicles, air vehicles, sensors, and munitions. The architectural platforms within each of the individual systems will be designed simultaneously; and will ensure compatibility and interoperability of combat support and combat service support with the combat forces.

The Army is modularizing all of its formations -- in both the Active and Reserve Components -- representing a net increase of new modern equipment required in all components and allowing the Army to retire several obsolete equipment systems. Modularity seeks to make independent, deployable organizations at the lowest levels possible. Decentralizing logistics support means recreating that capability at unit level. Cooks, mechanics, drivers, equipment operators and warehouse personnel, once concentrated above platoon, company and battalion level are now required to support

independent modular units. This also increases the requirements for equipment, including: trucks, kitchen trailers, materiel handling equipment, computers as well as logistics information and management systems. These are items which often are already in short supply within the Army Reserve. Modularity has put increased stress on a limited inventory of Modular Force and Modular Force compatible equipment available to the Army Reserve.

Organizational Change

Transformation is changing the way logistics support and operations are conducted by the Army Reserve. Command and control and responsibility for unit logistics readiness are being transferred from the Regional Readiness Commands to Operational and Functional Commands, such as the 377th Theater Sustainment Command in New Orleans, La. Four regional support commands will provide logistics support for pre-mobilization training and domestic operations. The operation of Army Reserve maintenance and storage facilities, such as area maintenance support activities, equipment concentration sites and strategic deployment sites, will become the responsibility of the regional commands. Critical enablers include renovated or new facilities and the required logistics information and management technologies for effectively and efficiently managing logistics readiness and operations.

The Army Reserve has a strategic commitment to fulfill the vision of the Army Campaign Plan and by 2013 will have built 77 brigade force equivalents to include 12 multi-functional support brigades (nine sustainment brigades and three maneuver enhancement brigades) and 53 functional support brigades (three Army field support brigades, one chemical brigade, four engineer brigades, three military police brigades, three petroleum, oil, lubricant brigades, one signal brigade, ten medical brigades, two information operations brigades, one theater aviation brigade and 25 regional support groups); eight civil affairs brigades and two psychological operations groups.

- ★ *Base Realignment and Closure Execution:* BRAC 2005 has effectively “flattened” the hierarchy that characterized the Army Reserve force structure during the Cold War. As we convert to operational commands, we currently have five regional support groups with projected gains of two information operations groups, one combat support brigade, two sustainment brigades, one Army field support brigade and seven expeditionary support commands. BRAC represents significant cost efficiencies to the American taxpayer via the Army Reserve; its mandate is to improve the support we provide Soldiers.

Institutional Change

Our transformation to an operational force cannot succeed without institutional change to adapt processes, policies and procedures to meet the realities of current and future needs. A critical aspect of institutional change is our business transformation initiative which challenges the Army Reserve to transform our business methods and culture to apply the best civilian business practices to increase effectiveness and efficiency.

Our Business Transformation Office, established in April 2006 at the U.S. Army Reserve Command, reviews all business processes for waste, inefficiency and duplication and assures best business practices. One of the most effective business improvement methodologies the Army Reserve has adapted from the business world is Lean Six Sigma; a business methodology to define and analyze opportunities and to measure, improve and control performance. In order to maximize the unique skills and certifications Army Reserve Soldiers have that are not normally resident within the Active Component, we have identified over 50 Army Reserve Soldiers highly qualified in Lean Six Sigma methodologies as a result of their civilian occupations. Utilization of civilian acquired skills instead of relying solely on contractors provides a cost avoidance of approximately \$3.5 Million.

Additional best business practice oversight is conducted by the Army Reserve Internal Review Program to evaluate risk; assess internal controls; improve quality, economy, and efficiency; and to foster stewardship. In FY07, more than 350 internal reviews resulted in monetary benefits of over \$34 Million.

The Army Reserve, like the Active Army, is also concerned about problems in Army contracting, and we are, therefore committed to improving our contracting operations across the Army Reserve. Our plan to implement improvement initiatives maintains that Acquisition Planning is critical for this effort to succeed. World class acquisitions don't just happen – they are planned! Planning is the most pivotal activity the Army Reserve must perform in the acquisition process to ensure we get what we want, when we need it, for the most cost-effective, value-added, economical price.

In the military, we are trained to plan for combat. When planning for and conducting combat operations, we focus on the enemy by knowing the enemy, developing plans to keep the enemy foremost in mind, and strategizing war-games that allow us to enhance or adjust the plan once enemy contact is made. As a vital component to the Active Army, the Army Reserve must approach acquisition planning the same way we approach planning for a military campaign. For an acquisition, cost overruns, schedule/delivery delays and performance shortfalls are our enemy. We will develop our acquisition plan via market research, and finally, war-game the acquisition from start to finish applying the Acquisition Planning Process and involving our supporting contracting professionals in every step of the process to ensure contract operations best practices and use of resources.

Communications

The geographic dispersion of the Army Reserve makes communications and information technology (voice, data and video) services the primary means of conducting command and control, managing mobilization timelines, facilitating training data exchange and providing Army Reserve “reach back” capabilities to support the combatant commander and the war fighter. As the Army Reserve transforms to adapt to the emerging modular force structure the Command, Control, Communications, Computers/Information Technology infrastructure supporting the mission must also adapt and expand mobile services to those modular forces.

Over the past two years, we have successfully consolidated information technology services including network operations, authentication, security/protection, email and critical application hosting, which have resulted in significant improvements in terms of systems availability and reliability. In coordination with the Army, the Army Reserve is executing a strategy for network convergence which will provide more robust access and service to Army Reserve mobile forces world-wide, and thereby tremendously improve the availability and security of these systems and application data.

At both organizational and unit levels, the ability to communicate via secure video teleconferencing and secure Internet communication are paramount for deploying forces. Services directly affected by mission changes include expanded bandwidth to relieve network traffic saturation; force protection and home-station command operations for locations within the continental U.S.; secure audio and video connectivity; and support for ongoing reach-back operations providing logistics and personnel support and satellite operations.

Progressive change as outlined in the Transform imperative is essential for the Army Reserve to improve capabilities and to ensure our ability to regain balance as an operational federal force.

Ready for the Next 100 Years

The Army Reserve will require considerable resources and several years to optimize structure and build capacity for the future. Our plan to mitigate near-term risk and regain balance by 2011 centers on the four imperatives described in this report: *Sustain, Prepare, Reset, and Transform*. Recent decisions by the President, the Secretary of Defense, and Congress have accelerated the growth of the Total Force, increased the Army's access to the Reserve Component, and generated momentum needed to restore balance for the Army and the Army Reserve. Due to current operational demands, however, an imbalance exists between our supply of forces and capabilities and the combatant commanders' requirements for them. To enhance readiness for current operational demands and future challenges, we require sustained, predictable funding and operational timelines under ARFORGEN for the foreseeable future.

Although we have adapted our training for counterinsurgency operations in Iraq and Afghanistan, we must rebuild readiness across the Army Reserve to succeed throughout this persistent conflict. Funding for the Army Reserve not only affects equipment readiness, but also Soldier readiness for current and future peacetime military engagements and major combat operations.

SUSTAIN ARMY RESERVE SOLDIERS, THEIR FAMILIES AND THEIR EMPLOYERS

Failure to provide the resources necessary to sustain Army Reserve Soldiers, their Families and their employers jeopardizes the ability for the Army Reserve to respond when the Nation calls. The Army Reserve has been able to manage the risk of mission failure thus far because we have not faced a major contingency operation in conjunction with support to Operation Enduring Freedom and Operation Iraqi Freedom. Such a contingency, especially one in the continental U.S., would compromise the ability of the Army Reserve to train and supply the force for deploying missions. To mitigate this risk we continue a two pronged approach: 1) provide Soldiers, their Families, and their employers the resources, programs and services they deserve and the Army requires, to ensure readiness and sustain the All-Volunteer Force, and 2) to procure modern equipment, appropriate facilities and the full-time support personnel necessary to train the force and maintain equipment.

Failure to motivate our current and future Warrior Citizens to serve their Nation, to take care of our Soldiers, their Families and employers will adversely impact our ability to transform to an operational force.

PREPARE THE ARMY RESERVE FOR SUCCESS IN THE CURRENT CONFLICT

Without an immediate and continuing investment in procuring training dollars and sustaining enough Modular Force equipment to completely equip the Army Reserve, the ability to meet pre-mobilization training and mobilization objectives under the ARFORGEN process will be put at risk. Training on obsolete equipment is ineffective and wasteful. Failure to fund the maintenance now, (including parts, full-time personnel, and storage facilities) of new equipment will be more expensive in the long run. To mitigate this risk, we continue to fund the training resource model, including full-time personnel and the best available equipment. Additionally, we need to fund and fully integrate Army Reserve logistics information technology to sustain future Army requirements.

RESET THE ARMY RESERVE TO REBUILD FOR FUTURE CONTINGENCIES

Shortfalls to repairing and replacing our equipment directly impair unit readiness. Lack of retraining and revitalizing our Soldiers directly impacts personnel readiness (to include Soldier's Families and their employers). Simply put, failure to fully fund resetting the force, to include equipment and people, hinders our ability to perform our Title 10 responsibilities. To mitigate risk during reset we will bring all of our current resources to bear on the problem. We will consolidate repair operations whenever and wherever feasible. We will consolidate training activities where we can. Program support is critical in order to correct equipment shortages incurred as a result of the operational tempo our equipment has endured during this persistent conflict.

TRANSFORM THE ARMY RESERVE TO MEET THE DEMANDS OF THE 21ST CENTURY

By increasing the depth and breadth of its overall capacity, Army Reserve transformation is improving the Army Reserve's ability to execute and support protracted operational requirements. Sustained resources to continue this

transformation will improve the readiness of non-deployed Army Reserve forces, reduce stress on Army Reserve Soldiers, their Families and employers and improve the readiness of Army Reserve equipment and facilities.

Failure to support Army Reserve transformation compromises the Army's ability to develop relevant capabilities to respond to current and future operations. To mitigate this risk the Army Reserve must continue to receive full funding of its budget request and retain flexibility to manage the force.

THE NEXT 100 YEARS

The Army Reserve is a community-based, All-Volunteer federal force. As the Commission on the National Guard and Reserves recently concluded, "*There is no reasonable alternative to the nation's continued reliance on the Reserve.*" To ensure that our force of skill-rich Warrior Citizens remains relevant requires a significant investment from our Nation. Sustaining the Army Reserve requires resources to fund issues such as quality of life, restructuring initiatives, and the ability to provide competitive pay and benefits for our Soldiers. Recruiting and retaining our Warrior Citizens involves support from our communities, Families and employers.

During our first 100 years, the Army Reserve repeatedly provided the most cost-effective federal force to the Nation. To remain a value-added, skill-rich Force that is the strength of the Nation requires your support to the Army Reserve now and in the future. We remain committed as a Force that is Army Strong!