

DEFENSE MATERIEL READINESS BOARD INITIAL REPORT

ESTABLISHMENT AND STRATEGIC DIRECTION

Contents

DMRB–A New Approach
DMRB: CONSTRUCT, MEMBERSHIP, ROLES, AND FUNCTIONS
DMRB Board Lead
DMRB Board Secretariat3
DMRB
DMRB Review Group6
DMRB Working Group7
DMRB Organization7
DMRB ISSUE CYCLE TIMELINE AND MEETING SCHEDULE
KEY DOD MATERIEL READINESS PROCESSES AND THEIR RELATIONSHIP TO DMRB
SUMMARY
APPENDIX A. LETTER FROM THE CHAIRMAN OF THE HOUSE COMMITTEE ON ARMED SERVICES
APPENDIX B. SECTION 871, NDAA 2008
APPENDIX C. SECTION 872, NDAA 2008
APPENDIX D. MEMORANDUM ESTABLISHING THE DMRB
APPENDIX E. DMRB MEMBERSHIP NOMINATIONS
APPENDIX F. MEMORANDUM APPROVING DMRB MEMBERS AND DESIGNATING BOARD CHAIR
APPENDIX G. DMRB CHARTER
APPENDIX H. MEMORANDUM REVISING THE DMRB APPOINTED MEMBERSHIP

Figures

Figure 1. DMRB Organization and Process Relationship	. 8
Figure 2. DMRB Process Cycle	. 9

Tables

Table 1. Statutory DMRB Me	mbers	4
Table 2. Other, Non-Statutory	Attendees	5

Assessing DoD Materiel Readiness and the Need for a Defense Materiel Readiness Board

BACKGROUND

In January 2008, Congress, through Section 871, National Defense Authorization Act (NDAA) for Fiscal Year 2008, called for the Secretary of Defense to establish a Defense Materiel Readiness Board (DMRB). The DMRB was to provide "independent assessments of materiel readiness, materiel readiness shortfalls, and materiel readiness plans to the Secretary...and the Congress." For some time prior to the enactment of NDAA 2008, Congress had become increasingly concerned over indications of declining materiel readiness throughout the armed services. Driven by the high tempo of operations during Operations Enduring Freedom and Iraqi Freedom, and underscored by the "lessons learned" in the wake of DoD's domestic response to Hurricane Katrina and, to a lesser extent, Hurricane Rita, the Congress concluded that the materiel readiness posture of the armed forces was deteriorating and that past readiness shortfalls were not being adequately addressed. Congress cited its review of the Joint Quarterly Readiness Reviews (JORR) for calendar year 2007 as evidence for this conclusion. (Appendix A provides a letter from the Chairman of the House Committee on Armed Services to the Secretary of Defense, subsequent to those reviews, expressing concern over the apparent decline in materiel readiness and announcing the provisions in NDAA 2008 that would establish the DMRB.)

DMRB-A NEW APPROACH

In calling for the DMRB, Congress sought to create an entity that would assess and evaluate DoD materiel readiness, along with all plans and policies relating to materiel readiness, independent of existing systems, processes, and forums. This focus on an independent assessment was grounded in Congress' belief that existing systems, processes, and forums were either inadequate to fully identify materiel readiness issues or too slow in responding to them. In either case, Congress concluded that the warfighter on the ground was being directly and negatively impacted as a result. In response, it wanted a fresh look at materiel readiness issues by a senior joint body of experienced professionals. To ensure such an effort, Congress called for the DMRB's membership to be established "from among officers of the Armed Forces with expertise in matters relevant to the function of the Board." (Appendix B shows the full language of Section 871, NDAA 2008, calling for the establishment of the DMRB and defining its purpose and statutory requirements.)

Congress further concluded it was vital that all services and service components receive an equal voice in the DMRB. Realizing the importance of the component

Guard and Reserve programs as part of the total force concept and fully understanding that these entities often face unique materiel readiness issues independent from those of their active counterparts, Congress required their membership in the DMRB.

Emphasizing the DMRB's unique nature and the importance of the statutory requirements placed upon it, Congress also called for a direct reporting link for the board's semiannual reports: "The Board shall submit to the Secretary of Defense (SecDef) a report summarizing its findings and recommendations not less than once every six months. Within 30 days after receiving a report from the Board, the Secretary shall forward the report in its entirety, together with his comments, to the congressional defense committees."

In Section 872, NDAA 2008, Congress took the additional step of establishing the Defense Strategic Readiness Fund as a means to rapidly address critical materiel readiness shortfalls identified by the Secretary of Defense. This section provides specific criteria that must be met for a materiel readiness shortfall to be designated as critical and further states that the Secretary must take into consideration the findings and recommendations of the DMRB in making any such determination. The total funding authorized under this section was \$3B in 2008; however no appropriations to the fund were made in either 2008 or 2009. (Appendix C provides the full language of Section 872, NDAA 2008, establishing the Defense Strategic Readiness Fund and associated criteria and limitations for its use.)

In March 2008, the Deputy Secretary of Defense formally established the DMRB and designated the Deputy Under Secretary of Defense for Logistics and Materiel Readiness, or DUSD(L&MR), as the Board Lead. The Deputy Secretary also called on the Chairman of the Joint Chiefs of Staff (CJCS) to make recommendations for DMRB membership (see Appendix D). In June 2008, the CJCS offered nominations to the Deputy Secretary of Defense for Board Chair and membership (see Appendix E).

In late June 2008, the DUSD(L&MR), acting as Board Lead, approved the list of members nominated by the CJCS and announced his intention to have the Board Chair—Director for Logistics, Joint Staff (DJ4)—convene and host the first meeting of the DMRB (see Appendix F for a copy of the DUSD(L&MR)'s memorandum.)

Following the DMRB's formal establishment, the DUSD(L&MR) focused on the supporting operational structure and staff. Congress had given the Secretary of Defense authority to "assign staff, and request the Secretaries of the military departments to assign staff, as necessary to assist the Board in carrying out its duties." To ensure the DMRB was fully staffed, organized, and prepared to carryout its assigned roles and responsibilities, the DUSD(L&MR) tasked the Assistant Deputy Under Secretary of Defense(Program Support), or ADUSD(PS), to provide all necessary assistance to get the DMRB up and running, including serving as the Board Secretariat.

DMRB: CONSTRUCT, MEMBERSHIP, ROLES, AND FUNCTIONS

The ADUSD(PS) quickly established a construct for how the DMRB would operate; prepared a draft DMRB Charter that would define the DMRB's purpose, authority, scope, mission, objectives, organization, and operating procedures; and established two DMRB staff support entities: DMRB Review Group, consisting of O-7/O-8 (or equivalent) representatives that mirrored the composition of the DMRB, and DMRB Working Group, consisting of O-5/O-6 (or equivalent) representatives, also reflecting the composition of the DMRB. (See Appendix G for a copy of the DMRB Charter.)

The DMRB Charter called for the Working Group to act as the main analytical arm of the DMRB, taking materiel readiness issues assigned to it by either the DMRB Secretariat or DMRB, and conducting the analysis necessary to formulate alternative courses-of-action (COAs) and make actionable recommendations. The Review Group was to act as a "clearinghouse" of sorts, reviewing the output from the Working Group, evaluating and further developing the alternative COAs, approving or returning recommendations to the Working Group for further staffing, and synthesizing related service- or component-specific materiel readiness issues into joint or cross-service issues, where warranted. Additionally, the Review Group would make final recommendations on materiel readiness issues to the DMRB itself, while continuing to scan the horizon, together with the Working Group, for new discrete or systemic materiel readiness issues.

The following subsections define the membership and responsibilities of various DMRB entities.

DMRB Board Lead

The DUSD(L&MR) is the Board Lead. The Board Lead reviews and forwards the findings and recommendations of the DMRB, as submitted by the Board Chair, directly to the Secretary of Defense. The Secretary of Defense then has 30 days to forward the report, in its entirety, to Congress together with any comments deemed appropriate.

DMRB Board Secretariat

The ADUSD(PS) is the Board Secretariat. The Board Secretariat functions as the principle administrative body for the DMRB and its support staff. The Board Secretariat's specific responsibilities include the following:

- 1. Manage the overall agenda of the DMRB
- 2. Accept and forward all recommendations on materiel readiness processes and issues for the DMRB's consideration

- 3. Ensure all materiel readiness recommendations (processes and issues) are properly coordinated through the Working Group and Review Group prior to their presentation to the DMRB
- 4. Manage the assignment of DMRB member nominees and appointees for the Working Group and any related integrated process teams (IPTs), as required, in support of the DMRB's agenda; all such assignments will be based on specific analytical need and the personal qualifications, background, and experience of each nominee and appointee
- 5. Prepare the semiannual reports for DMRB Chair approval and subsequent submission to the Secretary of Defense through the Board Lead.

DMRB

The DMRB, by Section 871, NDAA 2008, is comprised of "uniformed" officers of the armed forces and represented by the following individuals:

- Board Chair: Director for Logistics, Joint Staff (DJ4)
- Statutory Members: Members statutorily required to attend all DMRB meetings, as shown in Table 1.

Component	Office
ARNG	Director, Army National Guard
ANG	Director, Air National Guard
USAR	Chief, Army Reserve
USAFR	Chief, Air Force Reserve
USNR	Chief, Navy Reserve
USMCR	Chief, USMC Reserve
USA	DCS, Logistics, G-4
USAF	DCS, Logistics, Installations and Mission Support (A4/7)
USN	DCNO, Fleet Readiness and Logistics (N4)
USMC	DC, Installations & Logistics

Table 1. Statutory DMRB Members

• Other, Non-statutory Attendees: Other parties who are either invited at the discretion of the DMRB Secretariat or attend of their own volition based on their organizational interest in the DMRB agenda (Table 2 shows representative examples).

Component	Office
Combatant Commands	Combatant Commanders' Logistics Directors (J-4s)
USTRANSCOM	Director, Strategy, Policy, Programs and Logistics (J5/4)
OSD (Defense Agency)	Director, DLA
NGB	Chief of Staff/J-4
OSD	USD(Comptroller)
OSD	USD(Personnel and Readiness)
OSD	DUSD(Industrial Policy)
OSD	Director, Program Analysis & Evaluation
JCS	J-3/7/8

Table 2. Other, Non-Statutory Attendees

The DMRB carries out the statutory requirements of Section 871, NDAA 2008, by providing independent assessments of materiel readiness, materiel readiness shortfalls, and materiel readiness plans to the Secretary of Defense and the Congress. Its specific responsibilities include the following:

- 1. Establish and refine DoD's materiel readiness assessment process, enabled by
 - a. Establishing the DMRB and its processes, and ensuring linkages with other readiness processes
 - b. Assisting the Secretary of Defense in assessing whether the industrial capacity of the DoD and of the defense industrial base is being best utilized to support materiel readiness
 - c. Assessing DoD systems for measuring the status of materiel readiness
- 2. Identify and analyze materiel readiness issues, enabled by
 - a. Assessing the adequacy of current DoD plans, policies, and programs to address shortfalls, sustainment, and improvement of materiel readiness
 - b. Identifying materiel readiness deficiencies caused by shortfalls in weapons systems, equipment, and supplies
- 3. Recommend corrective actions for critical materiel readiness issues (and DoD materiel readiness processes), enabled by
 - a. Recommending materiel readiness funding, metrics, plans, policies, and programs
 - b. Recommending designation of shortfall as "critical" and funding needed to address

- c. Providing independent assessments and recommendations to the Secretary of Defense and Congress every 6 months regarding the materiel readiness of the services pertaining to both issues and processes
- d. Transmitting identified shortfalls to responsible DoD officials to prioritize and address.

DMRB Review Group

The DMRB Review Group consists of one General Officer (O-7/O-8) or Senior Executive Service (SES), nominated by, and representing, each member of the DMRB. All nominations for membership on the Review Group are approved by the Board Secretariat. The Review Group, which is co-chaired by the ADUSD(PS) and the Vice Director for Logistics, Joint Staff (VJ4), reviews materiel readiness issues presented to it and makes recommendations to the DMRB. In addition to the General Officers and Senior Executives appointed by the DMRB members, other DoD organizations may attend Review Group meetings as desired or as specifically requested by the Review Group co-chairs. The Review Group's specific responsibilities include the following:

- 1. Assist the DMRB in carrying out the full scope of its responsibilities
- 2. Support the DMRB direction to improve and maintain materiel readiness and effect the necessary changes to improve DoD's materiel readiness posture
- 3. Determine and advise the DMRB on materiel readiness shortfalls and priorities
- 4. Ensure current and projected materiel readiness shortfalls are identified, defined, and properly analyzed
- 5. Assess whether existing reporting systems and processes are sufficiently capable to enable the DMRB to monitor and measure DoD's overall materiel readiness posture
- 6. Nominate topics for DMRB consideration in accordance with approved DMRB issue submission instructions and provide recommendations to the DMRB on issues requiring review
- 7. Provide guidance to and task the Working Group to address materiel readiness issues
- 8. Establish and oversee the supporting structures and processes necessary to accomplish DMRB functions

- 9. Review, assign priorities, and justify priorities of materiel readiness issues submitted by the Working Group and Board Secretariat
- 10. Recommend COAs on materiel readiness issues to the DMRB through a consensus process.

DMRB Working Group

The DMRB Working Group consists of a minimum of two personnel (primary and alternate), military or department civilian personnel (O-5/O-6 or equivalent), for each DMRB member. Additionally, representatives from other DoD organizations may attend Working Group meetings as desired or as requested by the Working Group co-chairs. The Working Group is co-chaired by representatives designated by the ADUSD(PS) and VJ4. Its primary responsibilities are to perform the requisite study and analysis on materiel readiness processes and issues, and recommend alternative and preferred COAs to the DMRB Review Group. Its specific responsibilities include the following:

- 1. Assist the Review Group in carrying out its responsibilities
- 2. Nominate topics for Review Group consideration in accordance with approved DMRB issue submission procedures and provide recommendations to the Review Group on issues requiring review
- 3. Seek out materiel readiness shortfalls and ensure they are submitted to the Board Secretariat for consideration in the DMRB process
- 4. Request the Board Secretariat establish IPTs, as required, to study and provide recommendations on materiel readiness issues
- 5. Assist the IPTs in developing recommended solutions on materiel readiness issues
- 6. Review, assign priorities, and justify the priorities of materiel readiness issues submitted by the Board Secretariat and Review Group
- 7. Recommend COAs on materiel readiness issues to the Review Group through a consensus process.

DMRB Organization

Figure 1 illustrates the DMRB's overall organization and process relationship.

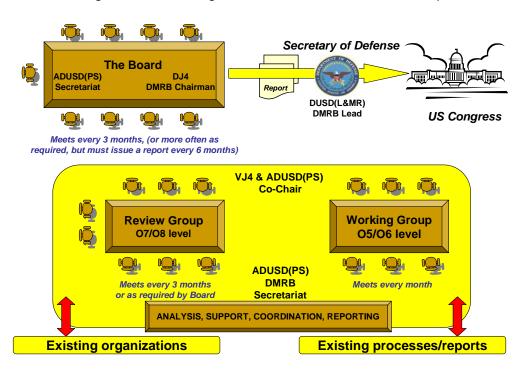


Figure 1. DMRB Organization and Process Relationship

DMRB ISSUE CYCLE TIMELINE AND MEETING SCHEDULE

The ADUSD(PS) developed a DMRB Issue Cycle that permits 4 scheduled meetings annually by the DMRB, 4 by the Review Group, and 12 by the Working Group. Additional unscheduled meetings may be held as the DMRB deems necessary. Each series of three monthly Working Group meetings will culminate in a quarterly Review Group meeting followed shortly by a meeting of the DMRB. This series of five total meetings comprises a DMRB Issue Cycle.

As Figure 2 suggests, DMRB reports are prepared in December and June of each year and delivered to the Secretary of Defense sometime in the following month (January and July). The six total Working Group meetings leading up to a DMRB report are where the analytical work is accomplished and then reflected in the final recommendations made by the Review Group to the DMRB, and ultimately to the Congress in the semiannual report. As the cycle progresses, new materiel readiness issues, identified and approved for study by the Review Group, will be given to the Working Group for analysis at the start of each issue cycle. At the end of each issue cycle, the Working Group will pass the results of its study, analysis, and COA generation, together with any new issues it has identified, back to the Review Group. It is anticipated that a "stock" of materiel readiness issues will accrue after a few cycles such that the Review Group will become increasingly selective in passing only the most relevant materiel readiness issues to the Working Group for analysis.

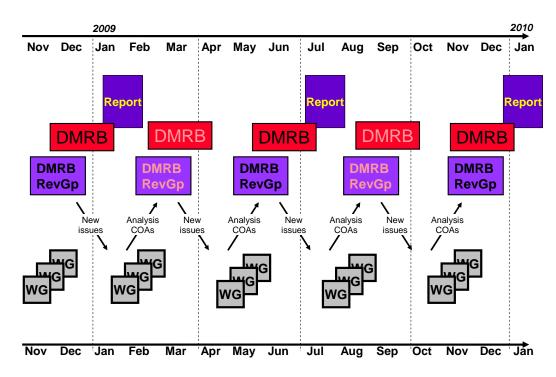


Figure 2. DMRB Process Cycle

The following summaries describe the events that took place and the milestones that were realized during the inaugural DMRB Issue Cycle, which occurred from October to December of 2008:

- Review Group Meeting (9 October 2008): At this meeting, the Review Group was briefed on the DMRB's purpose, structure, operational construct, meeting schedule, and reporting requirements. A draft DMRB Charter prepared by the ADUSD(PS) was submitted to Review Group members for review and comment. In addition, two notional issues were developed and presented to give the members a sense of the kind of discrete materiel readiness issues they would likely address in the future. Also, the co-chairs called for Review Group members to make their final designations for Working Group membership.
- Working Group Meeting (22 October 2008): At this meeting, the Working Group also received a briefing on the DMRB's purpose, structure, operational construct, meeting schedule, and reporting requirements. The draft DMRB Charter was distributed for review and comment, and members were briefed on the Defense Readiness Reporting System (DRRS) by representatives from the Office of the Under Secretary of Defense for Personnel and Readiness, and on key elements of the Programming Planning Budgeting and Execution process by representatives from the Joint Staff. Also, seven additional notional materiel readiness issues were brought forward for discussion by service and component representatives.

- Working Group Meeting (19 November 2008): At this meeting, the Working Group accepted final versions of the seven new notional materiel readiness issue papers. Final comments and observations on the DMRB Charter were submitted for review and consideration by the cochairs. Also at this meeting, a materiel readiness terms-of-reference definition list, a set of materiel readiness issue prioritization criteria, and a standard materiel readiness issue submission form with accompanying instructions were reviewed and approved for potential inclusion in the final version of the DMRB Charter.
- Working Group Meeting (3 December 2008): At this meeting, the Working Group agreed to take one of the submitted issues (it concluded that the issue met the Section 872, NDAA 2008 criteria for being a "critical" materiel readiness issue) forward to the Review Group, along with a recommended COA for addressing the issue. Two other notional issues were proposed to be briefed at the next Review Group meeting, but for informational purposes only, with no firm recommendations for corrective COAs.
- *Review Group Meeting (8 December 2008)*: At this meeting, the Review Group was briefed on the single issue that the Working Group elected to bring forward. (All other notional materiel readiness issues considered by the Working Group, ranked in priority order, were available for consideration at the Review Group's discretion.) The Review Group elevated the single, service-specific issue that was formally briefed up to a DoD-wide issue. It concluded that the issue actually affected all services and was primarily related to the extraordinarily high operating tempo in today's expeditionary, contingency environment.
- DMRB Meeting (18 December 2008): At this meeting, several members expressed concern that the focus of the DMRB process up to this point had been on developing and presenting notional materiel readiness issues that were at a tactical or operational level and could be more appropriately addressed through direct service or component actions, such as modifying budget priorities. The DMRB concluded that the initial focus had indeed been too "tactical," and not sufficiently "strategic," and future efforts should concentrate on analyzing and developing solutions to larger issues, such as the following:
 - Are policies and systems for addressing materiel readiness robust enough for today's complex operational environment?
 - Do they result in the capture of the full spectrum of information required for a comprehensive picture of materiel readiness?
 - > Do they support nimble adaptive planning?

- Do they truly benefit decision makers at all levels—tactical, operational, and strategic?
- If not, how could the DMRB change the policies or reporting procedures to better serve the COCOMs and other senior strategic DoD leaders, as they seek to close all readiness gaps and be prepared to carryout all assigned missions?

By extension, the DMRB believed that it should be investigating how best to interface with and leverage existing materiel readiness reporting procedures to better identify issues for consideration and action, and to maximize its effectiveness in fulfilling statutory requirements. The DMRB further concluded that it should review other DoD systems, bodies, processes and policies dealing with materiel readiness in an effort to lay the foundation for understanding and improving them, as well as to leverage them in accomplishing the DMRB's mandate.

DMRB members also discussed the final composition of the statutory and non-statutory DMRB membership. The lists of members in Tables 1 and 2 of this report show the results of that discussion; they differ only slightly from the list of members in the DUSD(L&MR) memorandum of 26 June 2008 (see Appendix F). Note: On 17 February 2009, the DUSD(L&MR) signed a new memorandum revising the lists of statutory and non-statutory DMRB members (see Appendix H for a copy of that memorandum).

KEY DOD MATERIEL READINESS PROCESSES AND THEIR RELATIONSHIP TO DMRB

To help focus the DMRB on understanding and improving current materiel readiness systems, reports, processes, and entities, the ADUSD(PS), as the Board Secretariat, will launch in-depth analyses of four high-level DoD materiel readiness processes for discussion during the upcoming DMRB Issue Cycle. The goals of those analyses will be to fully understand the current processes, assess their strengths and weaknesses, define their relevance and leverage points into the DMRB process, formulate ideas for improvement, and understand the associated key discrete and systemic materiel readiness issues identified by them over the preceding 6 to 10 months. These processes are the development of the Defense Industrial Policy; the Defense Readiness Reporting System (DRRS); the Global Force Management (GFM) process; and the Chairman's Annual Risk Assessment (CRA), as part of the Chairman's Readiness System (CRS) and Joint Risk Assessment System (JRAS) as explained in CJCSI 3401.01D.

SUMMARY

The product of the first DMRB Issue Cycle could be described as the testing of the efficacy of the DMRB's construct and the establishment of a strategic focus for future DMRB action. The construct established by the ADUSD(PS) via the DMRB Charter has proven to be an effective guide for how the DMRB will accomplish its statutory responsibilities. The construct works; it has been successfully used to staff DMRB support and conduct a full series of DMRB Issue Cycle meetings. During these meetings, the construct facilitated the smooth submission and consideration of nine notional materiel readiness issues. It allowed the Working Group to be able to accomplish its analysis and achieve consensus in setting priorities on the issues brought before it. The construct permitted the most critical issue to rise to the top to be briefed to the Review Group, along with two information-only issue briefs. The Review Group, relying on a broader perspective and greater depth of operational experience and knowledge, successfully applied a comprehensive assessment of the issue, recasting it as a pervasive, DoD-wide issue affecting all services. The DMRB then applied a still broader strategic view of materiel readiness and its ultimate responsibilities under Section 871. Moreover, the DMRB agreed on a way ahead that focuses on a higher order understanding and improvement of the strategic systems, processes, and policies that drive our current materiel readiness posture, while still devoting sufficient time and effort to address those discrete materiel readiness issues that can best be resolved through DMRB actions.

APPENDIX A. LETTER FROM THE CHAIRMAN OF THE HOUSE COMMITTEE ON ARMED SERVICES

This appendix provides a copy of the 30 January 2008 letter from the Chairman of the House Committee on Armed Services to the Secretary of Defense expressing the Committee's concern about the status of materiel readiness.

IKE SKELTON, MISSOURI, CHAIRMAN JOHN SPRATT, SOUTH CAROLINA SOLOMON P. ORTIZ, TEXAS GENE TAYLOR, MISSISSIPPI NEIL ABERCROMBIE, HAWAII MARTY MEEHAN, MASSACHUSETTS SILVESTRE REYES, TEXAS VIC SNYDER, ARKANSAS ADAM SMITH, WASHINGTON ADAM SMITH, WASHINGTON LORETTA SANCHEZ, CALIFORNIA MIKE MGINTYRE, NORTH CAROLINA ELLEN O. TAUSCHER, CALIFORNIA ROBERT A. BRADY, PENNSYLVANIA ROBERT ANDREWS, NEW JERSEY SUSAN A. DAVIS, CALIFORNIA RICK LARSEN, WASHINGTON JIM COOPER, TENNESSEE JIM MARSHALL, GEORGIA MADELEINE Z. BORDALLO, GUAM MARK E. UDALL, COLORADO DAN BOREN, OKLAHOMA BRAD ELLSWORTH, INDIANA NANCY BOYDA, KANSAS PATRICK J. MURPHY, PENNSYLVANIA HANK JOHNSON, GEORGIA CAROL SHEA-PORTER, NEW HAMPSHIRE JOE COURTNEY, CONNECTICUT DAVID LOEBSACK, IOWA KIRSTEN E. GILLIBRAND, NEW YORK JOE SESTAK, PENNSYLVANIA CABRIELLE GIFFORDS, ARIZONA ELIJAH E. CUMMINGS, MARYLAND KENDRICK B. MEEK, FLORIDA KATHY CASTOR, FLORIDA

HOUSE COMMITTEE ON ARMED SERVICES

U.S. House of Representatives

ONE HUNDRED TENTH CONGRESS

DUNCAN HUNTER, CALIFORNIA JIM SAXTON, NEW JERSEY JOHN M. MCHUGH, NEW YORK TERRY EVERETT, ALABAMA ROSCOE G. BARTLETT, MARYLAND HOWARD P. "BUCK" MCKEON. CALIFORNIA MACTER B. JONES, NORTH CAROLINA ROBIN HAYES. NORTH CAROLINA KEN CALVERT. CALIFORNIA JO ANN DAVIS, VIRGINIA JO ANN DAVIS, VIRGINIA JO ANN DAVIS, VIRGINIA J. RANDY FORES, VIRGINIA JEFF MILLER, FLORIDA JEFK MILLER, FLORIDA JOE WILSON, SOUTH CAROLINA FRANK A. LOBIONDO, NEW JERSEY TOM COLE, OKLAHOMA ROB BISHOP, UTAH MICHAEL TURNER, OHIO JOHN KLINE, MINNESOTA CANDICE S. MILLER, MICHIGAN PHIL GINGREY, GEORGIA MIKE ROGERS, ALABAMA THENT FRANKS, ARIZONA THELMA DRAKE, VIRGINIA CATHY MEMORRIS RODGERS, WASHINGTON K. MICHAEL COMBANAY, TEXAS

ERIN C. CONATON, STAFF DIRECTOR

January 30, 2008

The Honorable Robert M. Gates Secretary of Defense 1000 Defense Pentagon Washington, DC 20301-1000

Dear Secretary Gates:

We are writing to express our grave concerns about the readiness posture of the United States Armed Forces and, in particular, the readiness of the U.S. Army. As you may remember, we have on numerous occasions expressed our distress about growing readiness shortfalls and our desire to take every action necessary to restore our military to its full capability. Our review of the most recent Department of Defense quarterly reports detailing the services' readiness posture indicates that the past readiness shortfalls have not improved but are continuing to decline. This situation presents the United States with an alarming strategic risk to our national security that we believe must be addressed.

We have learned that the Army is continuing to report shortages of equipment and personnel which, along with the high operations tempo, make it difficult for units to remain prepared for their full spectrum of combat missions. The Congress has provided funds and statutory authority to address this problem. Provisions in the Fiscal Year 2008 National Defense Authorization Act (NDAA) mandating the creation of the Defense Materiel Readiness Board were intended to address equipment readiness issues to ensure that nothing slows the flow of needed resources to the warfighter on the ground. We feel that this board and the statutory authorities included in the NDAA are important tools that can be used to address declining readiness.

Over the past 30 years the United States has entered into 12 military conflicts, most of which we did not foresee. We must not allow strategic weakness to exist or we risk emboldening those who would seek to do us harm. We simply are taking unacceptable risks in our ability to protect our nation and our interests. We ask that you address this readiness situation and the Administration's plan to mitigate the strategic risk during your testimony before the House Armed Services Committee on February 6.

Secretary Gates January 30, 2008 Page Two

We are very interested in the actions you are taking, your plan for using new authorities, and any additional steps that the Congress can take to help restore our military's readiness. We believe that these readiness issues present a grave risk to our nation that must be addressed now, before the next conflict emerges.

IKE SKELTON Chairman

Sincerely,

Chairman, Readiness Subcommittee

IS: pa

APPENDIX B. SECTION 871, NDAA 2008

This appendix presents a copy of Section 871, NDAA for Fiscal Year 2008.

Subtitle G--Defense Materiel Readiness Board

SEC. 871. ESTABLISHMENT OF DEFENSE MATERIEL READINESS BOARD.

(a) Establishment- Not later than 6 months after the date of the enactment of this Act, the Secretary of Defense shall establish a Defense Materiel Readiness Board (in this subtitle referred to as the `Board') within the Office of the Secretary of Defense.

(b) Membership- The Secretary shall appoint the chairman and the members of the Board from among officers of the Armed Forces with expertise in matters relevant to the function of the Board to assess materiel readiness and evaluate plans and policies relating to materiel readiness. At a minimum, the Board shall include representatives of the Joint Chiefs of Staff, each of the Armed Forces, and each of the reserve components of the Armed Forces. (c) Staff- The Secretary of Defense shall assign staff, and request the Secretaries of the military departments to assign staff, as necessary to assist the Board in carrying out its duties.

(d) Functions- The Board shall provide independent assessments of materiel readiness, materiel readiness shortfalls, and materiel readiness plans to the Secretary of Defense and the Congress. To carry out such functions, the Board shall--

(1) monitor and assess the materiel readiness of the Armed Forces;

(2) assist the Secretary of Defense in the identification of deficiencies in the materiel readiness of the Armed Forces caused by shortfalls in weapons systems, equipment, and supplies;

(3) identify shortfalls in materiel readiness, including critical materiel readiness shortfalls, for purposes of the Secretary's designations under section 872 and the funding needed to address such shortfalls;

(4) assess the adequacy of current Department of Defense plans, policies, and programs to address shortfalls in materiel readiness, including critical materiel readiness shortfalls (as designated by the Secretary under section 872), and to sustain and improve materiel readiness;

(5) assist the Secretary of Defense in determining whether the industrial capacity of the Department of Defense and of the defense industrial base is being best utilized to support the materiel readiness needs of the Armed Forces;

(6) review and assess Department of Defense systems for measuring the status of current materiel readiness of the Armed Forces; and

(7) make recommendations with respect to materiel readiness funding, measurement techniques, plans, policies, and programs.

(e) Reports- The Board shall submit to the Secretary of Defense a report summarizing its findings and recommendations not less than once every six months. Within 30 days after receiving a report from the Board, the Secretary shall forward the report in its entirety, together with his comments, to the congressional defense committees. The report shall be submitted in unclassified form. To the extent necessary, the report may be accompanied by a classified annex.

APPENDIX C. SECTION 872, NDAA 2008

This appendix presents a copy of Section 872, NDAA for Fiscal Year 2008.

SEC. 872. CRITICAL MATERIEL READINESS SHORTFALLS.

(a) DESIGNATION OF CRITICAL MATERIEL READINESS SHORTFALLS.-

(1) DESIGNATION.—The Secretary of Defense may designate any requirement of the Armed Forces for equipment or supplies as a critical materiel readiness shortfall if there is a shortfall in the required equipment or supplies that materially reduces readiness of the Armed Forces and that—

(A) cannot be adequately addressed by identifying acceptable substitute capabilities or cross leveling of equipment that does not unacceptably reduce the readiness of other Armed Forces; and (B) that is likely to persist for more than two years based on currently projected budgets and schedules for deliveries of equipment and supplies.

(2) CONSIDERATION OF BOARD FINDINGS AND RECOMMENDATIONS.-

In making any such designation, the Secretary shall take into consideration the findings and recommendations of the Defense Materiel Readiness Board.

(b) MEASURES TO ADDRESS CRITICAL MATERIEL READINESS

SHORTFALLS.—The Secretary of Defense shall ensure that critical materiel readiness shortfalls designated pursuant to subsection (a)(1) are transmitted to the relevant officials of the Department of Defense responsible for requirements, budgets, and acquisition, and that such officials prioritize and address such shortfalls in the shortest time frame practicable.

(c) TRANSFER AUTHORITY.-

(1) IN GENERAL.—The amounts of authorizations that the Secretary may transfer under the authority of section 1001 of this Act is hereby increased by \$2,000,000,000.

(2) LIMITATIONS.—The additional transfer authority provided by this section—

(A) may be made only from authorizations to the Department of Defense for fiscal year 2008;

H. R. 1585–258

(B) may be exercised solely for the purpose of addressing critical materiel readiness shortfalls as designated by the Secretary of Defense under subsection (a); and(C) is subject to the same terms, conditions, and procedures as other transfer authority under section 1001 of this Act.

(d) STRATEGIC READINESS FUND.

(1) ESTABLISHMENT.—There is established on the books of the Treasury a fund to be known as the Department of Defense Strategic Readiness Fund (in this subsection referred to as the "Fund"), which shall be administered by the Secretary of the Treasury.

(2) PURPOSES.—The Fund shall be used to address critical materiel readiness shortfalls as designated by the Secretary of Defense under subsection (a).
(3) ASSETS OF FUND.—There shall be deposited into the Fund any amount

appropriated to the Fund, which shall constitute the assets of the Fund.

(4) LIMITATION.—The procurement unit cost (as defined in section 2432(a) of title 10, United States Code) of any item purchased using assets of the Fund, whether such assets are in the Fund or after such assets have been transferred from the Fund using the authority provided in subsection (c), shall not exceed \$30,000,000.

(e) MULTIYEAR CONTRACT NOTIFICATION.—

(1) NOTIFICATION.—If the Secretary of a military department makes the determination described in paragraph (2) with respect to the use of a multiyear contract, the Secretary shall notify the congressional defense committees within 30 days of the determination and provide a detailed description of the proposed multiyear contract.

(2) DETERMINATION.—The determination referred to in paragraph (1) is a determination by the Secretary of a military department that the use of a multiyear contract to procure an item to address a critical materiel readiness shortfall—

(A) will significantly accelerate efforts to address a critical materiel readiness shortfall; (B) will provide savings compared to the total anticipated costs of carrying out the contract through annual contracts; and (C) will serve the interest of national security.

(f) DEFINITION.—In this section, the term "critical materiel readiness shortfall" means a critical materiel readiness shortfall designated by the Secretary of Defense under this section.

APPENDIX D. MEMORANDUM ESTABLISHING THE DMRB

This appendix displays a copy of the 6 March 2008 memorandum from the Deputy Secretary of Defense establishing the DMRB.



DEPUTY SECRETARY OF DEFENSE 1010 DEFENSE PENTAGON WASHINGTON, DC 20301-1010

MAR - 6 2008

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY AND LOGISTICS

SUBJECT: Establishment of Defense Materiel Readiness Board

Public Law 110-181, Section 871 of the National Defense Authorization Act for FY 2008, requires the Secretary of Defense to establish a Defense Materiel Readiness Board within 6 months of enactment of the Act (i.e., not later than July 27, 2008). The law states that the Secretary shall appoint the Chairman and the members of the Board from among officers of the Services with expertise in matters relevant to the function of the Board to assess materiel readiness and evaluate plans and policies relating to materiel readiness. At a minimum, the Board shall include representatives from the Joint Staff, each of the Services, and Reserve Components.

The Deputy Under Secretary of Defense (Logistics and Materiel Readiness) (DUSD(L&MR)) is hereby designated to assume the lead for the Board on behalf of the Secretary of Defense. The Board Chair will submit to the Secretary its assessments of materiel readiness and shortfalls as well as evaluations of plans and policies relating to materiel readiness. The DUSD(L&MR) already co-chairs the Office of the Secretary of Defense (OSD) Materiel Readiness Committee, which provides a single point of entry into the Department for the Combatant Commands and Military Departments to address critical war-related materiel readiness issues requiring OSD or higher response or approval.

To meet the deadline for establishing the Board, the Chairman of the Joint Chiefs of Staff is requested to provide recommendations for the Board Chairman and its members not later than March 15. All Board members must be full- or part-time employees of the Federal Government (which includes U.S. Service members).

cc: Secretaries of the Military Departments USD(C) USD(P&R) ASD(LA) GC, DoD DA&M





APPENDIX E. DMRB MEMBERSHIP NOMINATIONS

This appendix shows a copy of the 11 June memorandum from the Chairman of the Joint Chiefs of Staff to the Deputy Secretary of Defense in which the Chairman provided nominations for DMRB Chair and membership.



CHAIRMAN OF THE JOINT CHIEFS OF STAFF

WASHINGTON, D.C. 20318-0999

CM-0312-08 11 June 2008

ACTION MEMO

FOR: DEPUTY SECRETARY OF DEFENSE

SUBJECT: Establishment of Defense Materiel Readiness Board

Pursuant to section 871 of the National Defense Authorization Act for FY 08, and in response to your memorandum,¹ I recommend the following individuals be appointed to serve on the Defense Materiel Readiness Board.

- The Director for Logistics, Lieutenant General Kathleen M. Gainey, will serve as the board chairperson and Joint Staff lead.
- All other appointments are as follows:

Component	Members
NGB	Chief, National Guard Bureau
USAR	Chief, Army Reserve Command
USAFR	Chief, Air Force Reserve Command
USNR	Chief, Navy Reserve Forces Command
USA	DCS, Logistics (G4)
USAF	DCS, Logistics, Installations and Mission Support (A-4/7)
USN	DCNO, Fleet Readiness and Logistics, N4
USMC	DC, Installations & Logistics
DLA	Director
USTRANSCOM	Director, Strategy, Policy, Programs and Logistics (J5/4)
Combatant Commands	Combatant Commanders' Logistics Directors (J4s) (ex-
	officio board members)

RECOMMENDATION: Approve appointment of the individuals listed above to serve on the Defense Materiel Readiness Board.

Approve _____ Disapprove _____ Other

COORDINATION: TAB

Attachment: As stated

Copy to: USD(AT&L)

Reference:

1 OSD 02974-08, 6 March 2008, "Establishment of Defense Materiel Readiness Board"

Prepared By: Lieutenant General Kathleen M. Gainey, USA; Director, J-4; 703-697-7000

APPENDIX F. MEMORANDUM APPROVING DMRB MEMBERS AND DESIGNATING BOARD CHAIR

This appendix presents a copy of the memorandum from the DUSD(L&MR) approving the CJCS's nominations for DMRB members and designating the Director for Logistics, Joint Staff (DJ4), as Board Chair.



DEPUTY UNDER SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS 3500 DEFENSE PENTAGON WASHINGTON, DC 20301-3500

JUN 2 6 2008

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF SECRETARY OF THE ARMY SECRETARY OF THE ARMY SECRETARY OF THE NAVY SECRETARY OF THE AIR FORCE COMMANDER, US TRANSPORTATION COMMAND COMMANDANT OF THE MARINE CORPS CHIEF, NATIONAL GUARD BUREAU CHIEF, ARMY RESERVE CHIEF, AIR FORCE RESERVE CHIEF, AIR FORCE RESERVE COMMANDER, NAVY RESERVE DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Appointment of Members to the Defense Materiel Readiness Board

- Reference: (a) Section 871, National Defense Authorization Act for Fiscal Year 2008
 - (b) DepSecDef Memo March 6, 2008, "Establishment of the Defense Material Readiness Board"
 - (c) CJCS Memo, June 11, 2008, "Establishment of the Defense Material Readiness Board"

Section 871 of the National Defense Authorization Act for Fiscal Year 2008 (Reference (a)), Public Law 110-181, requires the Secretary of Defense to establish a Defense Materiel Readiness Board (DMRB) within six months of enactment of the Act (i.e., no later than July 27, 2008).

Reference (b) directed the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), assume the position of Board Lead, on behalf of the Secretary of Defense, and to report Board findings and recommendations directly to the Secretary of Defense.

In accordance with References (b) and (c), the following positions constitute the Department of Defense Materiel Readiness Board:

(a) Board Chair – Director for Logistics, Joint Staff. The Board Chair shall report all findings and recommendations to the Board Lead.

(b) Members:

ComponentOfficeNGBChief, National Guard Bureau



USAR	Chief, Army Reserve Command
USAFR	Chief, Air Force Reserve Command
USNR	Chief, Navy Reserve Forces Command
USA	DCS, Logistics (G4)
USAF	DCS, Logistics, Installations and Mission Support (A-4/7)
USN	DCNO, Fleet Readiness and Logistics, N4
USMC	DC, Installations & Logistics
DLA	Director
USTRANSCOM	Director, Strategy, Policy, Programs and Logistics (J5/4)
Combatant Commands	Combatant Commanders' Logistics Directors (J4s) (ex- officio board members)

Having met the legislative requirement to establish a DMRB within the mandated timeline, it is my intention for the Board Chair to host the initial meeting of the DMRB within thirty days from the date of this memorandum.

My Point of Contact for this action is Mr. Don Davidson, 703-571-2356 Unclass: <u>Don.Davidson@osd.mil</u> or SIPR: <u>Don.Davidson@osd.smil.mil</u>

Copy to:

UNDER SECRETARY OF DEFENSE (COMPTROLLER) UNDER SECRETARY OF DEFENSE (PERSONNEL AND READINESS) ASSISTANT SECRETARY OF DEFENSE (LEGISLATIVE AFFAIRS) GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE DIRECTOR, ADMINISTRATION AND MANAGEMENT COMMANDER, US CENTRAL COMMAND COMMANDER, US PACIFIC COMMAND COMMANDER, US STRATEGIC COMMAND COMMANDER, US SOUTHERN COMMAND COMMANDER, US SPECIAL OPERATIONS COMMAND COMMANDER, US EUROPEAN COMMAND DIRECTOR FOR LOGISTICS, JOINT STAFF HQDA, DCS Logistics (G4) HQ DAF, DCS, Logistics, Installations and Mission Support (A-4/7) DoN, DCNO, Fleet Readiness and Logistics, N4 HQ USMC, DC, Installations & Logistics USCENTCOM (J4)

USPACOM (J4) USTRANSCOM (J5/4) USSTRATCOM (J4) USSOUTHCOM (J4) USSOCOM (J4) USEUCOM (J4)

APPENDIX G. DMRB CHARTER

This appendix provides a copy of the DMRB Charter and all annexes.

Charter Defense Materiel Readiness Board

<u>1. PURPOSE</u>: This charter establishes the operational procedures of the Defense Materiel Readiness Board (DMRB) and is considered a living document to be updated as required. This charter is maintained in accordance with the DMRB DoD Directive (under development).

<u>2. AUTHORITY</u>: The establishment of the DMRB is required by the FY 2008 National Defense Authorization Act (NDAA), Sections 871 and 872.

<u>3. BACKGROUND</u>: The FY 2008 NDAA, Section 871 (reference Annex A), directed the Secretary of Defense (SecDef) to establish the DMRB to assess Materiel Readiness (MR) and evaluate plans and policies relating to the MR of the United States Armed Forces. Section 872 (reference Annex B) of the FY 2008 NDAA gives the SecDef the authority to designate any requirement of the Armed Forces for equipment or supplies as a critical MR shortfall and provide funding from the Defense Strategic Readiness (DSR) Fund to remedy those shortfalls. For a list of standard definitions as they apply to this document and the DMRB reference Annex C.

<u>4. SCOPE</u>: The Deputy Under Secretary of Defense (Logistics and Materiel Readiness) (DUSD(L&MR)) will assume the function of Board Lead for the SecDef. The Chairman of the Joint Chiefs of Staff (CJCS) will provide recommendations to the SecDef for the Board Chair and Board members.¹ The DMRB members will consist of "uniformed" officers of the Armed Forces with expertise in matters relevant to the function of the Board.²

5. MISSION STATEMENT: The DMRB is established by statute to provide an independent assessment of the MR of the Armed Services and make recommendations, as a result of collaborative effort of the active, guard, and reserve component representatives, to the SecDef and the Congress on remediation of materiel shortfalls. The DMRB will promote materiel improvements across the Armed Services through this process, as well as further assessment of current DoD plans, policies, and programs to ensure that the Joint Force Commander is provided with warfighting forces that have the maximum possible MR. The Board will assess ways to improve the processes for measuring readiness and, in conjunction with other standing entities, assists the SecDef with evaluating the ability of the industrial base to support the needs of the Armed Services.

<u>6. OBJECTIVES</u>: The DMRB shall provide independent assessments of MR, MR shortfalls, and MR plans to the SecDef and the Congress. In carrying out these functions, the DMRB shall,

a. Establish and refine DoD's MR assessment process, enabled by

1) Establishing the DMRB and its processes and ensuring linkages with other readiness processes

¹ Deputy Secretary of Defense Memorandum, March 6, 2008, "Establishment of Defense Materiel Readiness Board"

² DoD OGC Msg, March 27, 2008, "Materiel Readiness Board" states only Uniformed Members of the US Armed Forces may serve as Board members. Board Staff may be both Uniformed Members and civilian personnel

2) Assisting the SecDef in assessing whether the industrial capacity of the DoD and of the defense industrial base is being best utilized to support MR

3) Assessing DoD systems for measuring the status of MR

b. Idenify and analyze MR issues, enabled by

1) Assessing the adequacy of current DoD plans, policies, and programs to address shortfalls, sustainment, and improvement of MR

2) Identifying MR deficiencies caused by shortfalls in weapons systems, equipment, and supplies

c. Recommend corrective actions for critical MR issues (and DoD MR processes), enabled by

1) Recommending MR funding, metrics, plans, policies, and programs

2) Recommending designation of shortfall as "critical" and funding needed to address

3) Providing independent assessments and recommendations to the SecDef and Congress every six months regarding the MR of the Services pertaining to both MR issues and processes

4) Transmitting identified shortfalls to responsible DoD officials to prioritize and address

7. ORGANIZATION:

a. <u>Board Lead</u> – The DUSD(L&MR) is designated as the Board Lead. In this capacity he/she will report findings and recommendations of the Board directly to the SecDef.

b. <u>Board Composition</u> – The Board will be comprised of "uniformed" officers of the Armed Forces and will be represented by the following individuals:

1) Board Chair – The Director for Logistics, Joint Staff (DJ4) will serve as the Board Chair.

2) Statutory Members:

ARNGDirector, Army National GuardANGDirector, Air National Guard	<u>Component</u>	<u>Office</u>
ANG Director, Air National Guard	ARNG	Director, Army National Guard
	ANG	Director, Air National Guard
USAR Chief, Army Reserve	USAR	Chief, Army Reserve
USAFR Chief, Air Force Reserve	USAFR	Chief, Air Force Reserve
USNR Chief, Navy Reserve	USNR	Chief, Navy Reserve
USMCR Chief, USMC Reserve	USMCR	Chief, USMC Reserve
USA DCS, Logistics, G-4	USA	DCS, Logistics, G-4
USAF DCS, Logistics, Installations and Mission Support (A4/7)	USAF	DCS, Logistics, Installations and Mission Support (A4/7)
USN DCNO, Fleet Readiness and Logistics (N4)	USN	DCNO, Fleet Readiness and Logistics (N4)
USMC DC, Installations & Logistics	USMC	DC, Installations & Logistics

3) Other Non-Statutory Attendees (representative examples):

Commanders' Logistics Directors (J-4s)
rategy, Policy, Programs and Logistics (J5/4)
LA
nff/J-4
otroller)
nnel and Readiness)
ustrial Policy)
ogram Analysis & Evaluation

c. <u>Board Staff</u> – The SecDef shall assign staff and request the CJCS and the Service Secretaries to assign staff to assist the Board in carrying out its duties. The principal board staff will consist of a Board Secretariat and two permanent groups whose purpose and mission is to support the DMRB.

1) <u>Board Secretariat</u> – The Assistant Deputy Under Secretary of Defense (Program Support) (ADUSD(PS)) will serve as the Board Secretariat.

2) <u>DMRB Review Group</u> – The DMRB Review Group (DMRB-RvGp) will consist of one General Officer (O-7 or O-8) or Senior Executive Service (SES), nominated by, and to represent, each member of the DMRB. These nominations will be approved by the Board Secretariat. This group will review MR issues presented to it and make recommendations to the Board. In addition to the General Officers and Senior Executives appointed by the DMRB Members, other DoD organizations may attend as desired or required. The DMRB-RvGp will be co-chaired by the ADUSD(PS) and the Vice Director for Logistics, Joint Staff (VJ4).

3) <u>DMRB Working Group</u> – The DMRB Working Group (DMRB-WkGp) will consist of a minimum of two personnel (primary and alternate), military or department civilian personnel (O-5/O-6 or equivalent) for each DMRB member. Additionally, representatives from other DoD organizations may attend as desired or required. The DMRB-WkGp's primary responsibility will be to recommend Courses Of Action (COAs) on MR processes and issues to the DMRB-RvGp. This body will be co-chaired by representatives designated by the ADUSD(PS) and the VJ4.

8. RESPONSIBILITIES:

a. <u>Board Lead</u>. The Board Lead will review and forward the findings and recommendations of the Board, as submitted by the Board Chair, directly to the SecDef.

b. <u>Board Chair.</u> The Board Chair, via the semi-annual report described in 7.c.5 below, will submit to the Board Lead the results of the Board's assessments of MR and shortfalls, evaluations of related plans and policies, as well as recommendations for MR funding, metrics, plans, policies and programs.

c. <u>Board Secretariat</u>. The Board Secretariat will function as the principle administrative body for the DMRB and its support staff. In carrying out this responsibility the Secretariat shall,

1) Manage the overall agenda of the DMRB,

2) Accept and forward all recommendations on MR processes and issues for the Board's consideration,

3) Ensure all MR recommendations (processes and issues) are properly coordinated through the DMRB-WkGp and DMRB-RvGp prior to presenting to the DMRB,

4) Manage the assignment of DMRB member nominees/appointees for the DMRB-WkGp and/or related Integrated Process Teams (IPTs), as required, in support of the Board's agenda. All such assignments will be based on specific analytical need and the personal qualifications, background, and experience of each nominee/appointee,

5) Prepare the semi-annual DMRB reports for DMRB Chair approval and subsequent submission to SecDef through the Board Lead.

d. <u>Review Group.</u> The DMRB-RvGp shall:

1) Assist the DMRB in carrying out its responsibilities,

- 2) Support the DMRB direction to improve and maintain MR and effect necessary changes,
- 3) Determine and advise the DMRB on MR shortfalls and priorities,

4) Ensure current and projected MR shortfalls are identified, well defined, and properly analyzed,

5) Assess whether existing reporting systems and processes are sufficiently capable to enable the DMRB to monitor and measure DoD's overall materiel readiness posture,

6) Nominate topics for DMRB consideration in accordance with the DMRB issue submission instructions and example issue submission (reference Annex D and Annex E respectively), and provide recommendations to the DMRB on issues requiring review,

7) Provide guidance and task the DMRB-WkGp to address MR issues,

8) Establish and oversee the supporting structures and processes necessary to accomplish the DMRB functions,

9) Review MR issues submitted by the DMRB-WkGp and/or the Board Secretariat in accordance with the list of prioritization criteria (reference Annex F),

10) Recommend COAs on MR issues to the DMRB through a consensus process.

e. <u>Working Group</u>. The DMRB-WkGp shall:

1) Assist the DMRB-RvGp in carrying out its responsibilities,

2) Nominate topics for DMRB-RvGp consideration in accordance with the DMRB issue submission instructions and example issue submission (reference Annex D and Annex E respectively) and provide recommendations to the DMRB-RvGp on issues requiring review,

3) Seek out MR shortfalls and ensure they are submitted to the Board Secretariat,

4) Request the Board Secretariat establish IPTs as required to study and provide recommendations on MR issues,

5) Assist the IPTs in developing recommended solutions on MR issues,

6) Review MR issues submitted by the Board Secretariat and/or the DMRB-RvGp in accordance with the list of prioritization criteria (reference Annex F),

7) Recommend COAs on MR issues to the DMRB-RvGp through a consensus process.

<u>9. MEETINGS AND REPORTS</u>: The various components of the DMRB shall meet and report in accordance with the following guidance,

a. Statutory Members must provide a representative at the DMRB meetings and the DMRB Staff meetings (Review Group and Working Group). Other attendees, as referenced in 6.b.3 above, will provide a representative at the DMRB meetings and the DMRB Staff meetings as desired or as requested by the Board Secretariat.

b. The DMRB shall meet quarterly in September, December, March and June subject to the desires of the SecDef. The DMRB is required to prepare and submit a report summarizing its findings and recommendations not less than once every six months. The Board Chair shall approve the report and forward to the Board Lead. The Board Lead will, in turn, review and forward the report to the SecDef. Reports will normally be submitted following the December and June DMRB meetings.

c. The DMRB-RvGp shall meet on the same quarterly cycle as the DMRB but in advance of that body's meeting. As the DMRB's direct support staff, the DMRB-RvGp can be required by the DMRB to meet more frequently if necessary.

d. The DMRB-WkGp will meet monthly in support of the DMRB's requirements and agenda.

e. Semi-annually, the DMRB, with direct assistance from the Board Secretariat, shall prepare an unclassified report of its assessments, findings and recommendations. This report shall be submitted by the Board Chair to the Board Lead for further forwarding to the SecDef. If necessary, the report may be accompanied by a classified annex. In accordance with FY08 NDAA, Section 871, the SecDef shall, within thirty days of receiving the DMRB report, forward the report in its entirety, together with his comments, to the congressional defense committees.

10. PROCESSES/PROCEDURES

a. Submission of MR Issues:

1) <u>Origins and Format</u> – The DMRB will initially focus on analyzing existing MR processes and recommend improvements and integration of the DMRB with those processes. The Board will accept MR issues for review and analysis at any time during the year from any DoD organization. All MR issues must follow the format outlined in Annex D. There is no requirement for the Board to accept only those MR issues raised by the COCOMs. However, it is anticipated that the majority of the DMRB's MR issues will focus on COCOM Integrated Priority List (IPL) submissions, leveraging both the content and format of this established Joint Capability Integration and Development Systems (JCIDS) development process for identifying and addressing gaps in DoD MR. 2) <u>Submission Timeline</u> – MR issues may be submitted at any time during the year. However, the effort necessary for resolution of a MR issue is situational and in most cases will be directly related to the degree of analytical effort required to fully investigate, develop alternative COAs and evaluate and make final recommendations. As a rule-of-thumb, issue submissions should be made at least 90 days prior to the next scheduled DMRB. In most instances this will allow adequate time for the Board Secretariat to review a DMRB MR issue package, forward to the DMRB-WkGp, ensure establishment of the proper analytical support (including DMRB-WkGp establishment of any necessary IPTs), propose COAs, make final recommendations, and support any required movement of DSR Funds by the SecDef for critical MR shortfalls.

b. Interface with Other DoD Processes and Organizations:

1) <u>Linkage and Integration</u> – Although the DMRB is established to provide an independent assessment of DoD MR issues and report its findings and recommendations directly to Congress through the SecDef, it must establish linkages to other DoD processes and organizations concerned with total force readiness in order to completely carry out its responsibilities. Specifically, the Board should link, when appropriate, to existing JCIDS and Capability Portfolio Management (CPM) processes. It must be tied to each COCOM's Adaptive Planning and Execution (APEX) process, the Defense Readiness Reporting System (DRRS), and, perhaps most importantly, it must be tightly integrated with the current Global Force Management (GFM) process. Additionally, the DMRB will coordinate its activity with the Senior Readiness Oversight Council (SROC). When MR issues are impacted by industrial base capacity the DMRB will coordinate with the Office of the Deputy Under Secretary of Defense (Industrial Policy) (DUSD(Industrial Policy)) on recommended COAs.

2) <u>Scheduling for Synergy</u> – The DMRB Secretariat will schedule DMRB quarterly meetings and synchronize its semi-annual reporting cycle to both accept input from, and provide input to, the Joint Staff's capability assessment timeline and processes, Global Force Management Board (GFMB) meetings, and DoD's Planning, Programming, Budgeting, and Execution (PPBE) cycle. The DMRB will give special attention to MR issues arising from the Joint Staff semi-annual deficiency review process, which occurs just before the June and December DMRB meetings. As part of its nonreporting quarterly meetings (September and March), the DMRB will provide feedback directly to the Services on MR issues that can be resolved, in whole or in part, through the Service's PPBE process.

3) <u>Adaptive Planning and Execution</u> – The DMRB will seek to leverage the existing APEX process and the DRRS by reviewing all MR issues that might impact a COCOM's ability to execute and the relevance of the COCOM Concept Plan (CONPLAN) and Operation Plan (OPLAN). The board will provide timely, high-quality, strategic analysis and recommendations on MR issues related to those plans.

4) <u>Global Force Management</u> – The window on readiness provided by the Global Force Management System (GFMS) informs planners on just where additional effort (including the transfer of materiel assets) is needed to achieve desired/required force readiness. However, it does not make specific recommendations on how to *manage* or *improve* theater-wide or global MR. This will be the function of the DMRB. To carry out this role, the DMRB must be tightly integrated with the existing GFMB. GFMB decisions that consider force readiness (but not MR per se) must be complemented with DMRB processes and decisions to provide a continuous and comprehensive MR assessment and management capacity. This effort will allow the DMRB to make recommendations on where and how risk associated with MR is acceptable or unacceptable, as well as how funding might be used to alter the readiness equation to enhance DoD capabilities. This link between MR, operational risk, and mission capability is something that the existing GFMS does not provide.

5) <u>DMRB in a System-of-Systems Readiness Environment</u> – In order for the DMRB to ultimately be successful, it will have to embed itself in a fully networked, system-of-systems model of DoD logistics and MR that includes the DRRS, the GFMS, the Defense Transportation System and the Defense Logistics System. In pursuing such a system-of-systems paradigm the DMRB will help drive a continuous readiness assessment that integrates and seeks to optimize the entire logistics chain.

Subtitle G--Defense Materiel Readiness Board

SEC. 871. ESTABLISHMENT OF DEFENSE MATERIEL READINESS BOARD.

(a) Establishment- Not later than 6 months after the date of the enactment of this Act, the Secretary of Defense shall establish a Defense Materiel Readiness Board (in this subtitle referred to as the `Board') within the Office of the Secretary of Defense.

(b) Membership- The Secretary shall appoint the chairman and the members of the Board from among officers of the Armed Forces with expertise in matters relevant to the function of the Board to assess materiel readiness and evaluate plans and policies relating to materiel readiness. At a minimum, the Board shall include representatives of the Joint Chiefs of Staff, each of the Armed Forces, and each of the reserve components of the Armed Forces. (c) Staff- The Secretary of Defense shall assign staff, and request the Secretaries of the military departments to assign staff, as necessary to assist the Board in carrying out its duties.

(d) Functions- The Board shall provide independent assessments of materiel readiness, materiel readiness shortfalls, and materiel readiness plans to the Secretary of Defense and the Congress. To carry out such functions, the Board shall--

(1) monitor and assess the materiel readiness of the Armed Forces;

(2) assist the Secretary of Defense in the identification of deficiencies in the materiel readiness of the Armed Forces caused by shortfalls in weapons systems, equipment, and supplies;

(3) identify shortfalls in materiel readiness, including critical materiel readiness shortfalls, for purposes of the Secretary's designations under section 872 and the funding needed to address such shortfalls;

(4) assess the adequacy of current Department of Defense plans, policies, and programs to address shortfalls in materiel readiness, including critical materiel readiness shortfalls (as designated by the Secretary under section 872), and to sustain and improve materiel readiness;

(5) assist the Secretary of Defense in determining whether the industrial capacity of the Department of Defense and of the defense industrial base is being best utilized to support the materiel readiness needs of the Armed Forces;

(6) review and assess Department of Defense systems for measuring the status of current materiel readiness of the Armed Forces; and

(7) make recommendations with respect to materiel readiness funding, measurement techniques, plans, policies, and programs.

(e) Reports- The Board shall submit to the Secretary of Defense a report summarizing its findings and recommendations not less than once every six months. Within 30 days after receiving a report from the Board, the Secretary shall forward the report in its entirety, together with his comments, to the congressional defense committees. The report shall be submitted in unclassified form. To the extent necessary, the report may be accompanied by a classified annex.

SEC. 872. CRITICAL MATERIEL READINESS SHORTFALLS.

(a) DESIGNATION OF CRITICAL MATERIEL READINESS SHORTFALLS.—

(1) DESIGNATION.—The Secretary of Defense may designate any requirement of the Armed Forces for equipment or supplies as a critical materiel readiness shortfall if there is a shortfall in the required equipment or supplies that materially reduces readiness of the Armed Forces and that—

(A) cannot be adequately addressed by identifying acceptable substitute capabilities or cross leveling of equipment that does not unacceptably reduce the readiness of other Armed Forces; and (B) that is likely to persist for more than two years based on currently projected budgets and schedules for deliveries of equipment and supplies.

(2) CONSIDERATION OF BOARD FINDINGS AND RECOMMENDATIONS.-

In making any such designation, the Secretary shall take into consideration the findings and recommendations of the Defense Materiel Readiness Board.

(b) MEASURES TO ADDRESS CRITICAL MATERIEL READINESS

SHORTFALLS.—The Secretary of Defense shall ensure that critical materiel readiness shortfalls designated pursuant to subsection (a)(1) are transmitted to the relevant officials of the Department of Defense responsible for requirements, budgets, and acquisition, and that such officials prioritize and address such shortfalls in the shortest time frame practicable.

(c) TRANSFER AUTHORITY.-

(1) IN GENERAL.—The amounts of authorizations that the Secretary may transfer under the authority of section 1001 of this Act is hereby increased by \$2,000,000,000.

(2) LIMITATIONS.—The additional transfer authority provided by this section—

(A) may be made only from authorizations to the Department of Defense for fiscal year 2008;

H. R. 1585–258

(B) may be exercised solely for the purpose of addressing critical materiel readiness shortfalls as designated by the Secretary of Defense under subsection (a); and(C) is subject to the same terms, conditions, and procedures as other transfer authority under section 1001 of this Act.

(d) STRATEGIC READINESS FUND.

(1) ESTABLISHMENT.—There is established on the books of the Treasury a fund to be known as the Department of Defense Strategic Readiness Fund (in this subsection referred to as the "Fund"), which shall be administered by the Secretary of the Treasury.

(2) PURPOSES.—The Fund shall be used to address critical materiel readiness shortfalls as designated by the Secretary of Defense under subsection (a).

(3) ASSETS OF FUND.—There shall be deposited into the Fund any amount appropriated to the Fund, which shall constitute the assets of the Fund.

(4) LIMITATION.—The procurement unit cost (as defined in section 2432(a) of title 10, United States Code) of any item purchased using assets of the Fund, whether such assets are in the Fund or after such assets have been transferred from the Fund using the authority provided in subsection (c), shall not exceed \$30,000,000.

(e) MULTIYEAR CONTRACT NOTIFICATION.-

(1) NOTIFICATION.—If the Secretary of a military department makes the determination described in paragraph (2) with respect to the use of a multiyear contract, the Secretary shall notify the congressional defense committees within 30 days of the determination and provide a detailed description of the proposed multiyear contract.

(2) DETERMINATION.—The determination referred to in paragraph (1) is a determination by the Secretary of a military department that the use of a multiyear contract to procure an item to address a critical materiel readiness shortfall—

(A) will significantly accelerate efforts to address a critical materiel readiness shortfall; (B) will provide savings compared to the total anticipated costs of carrying out the contract through annual contracts; and (C) will serve the interest of national security.

(f) DEFINITION.—In this section, the term "critical materiel readiness shortfall" means a critical materiel readiness shortfall designated by the Secretary of Defense under this section.

Defense Materiel Readiness Board Definitions

Acceptable Cross-Leveling. (NDAA 08, Sec. 872) – The transfer of systems, equipment, components, piece-parts or commodities from one Service, formation, organization, or unit to another such that the receiving service, formation, organization, or unit attains the material requirements necessary to effectively perform its programmed or assigned mission – including contingencies, disaster relief (flood, earthquake, etc.), or other emergencies – and the transferring Service, formation, organization, or unit is not rendered materially incapable of effectively performing its programmed mission or a contingency mission assigned or underway at the time of the transfer.

Acceptable Substitute Capability. (NDAA 08, Sec. 872) – An exchange of one system, equipage, component, piece-part or commodity for another in order to accomplish a Service, formation, organization, or unit programmed or assigned mission – including contingencies, disaster relief (flood, earthquake, etc.), or other emergencies – which does not compromise or significantly degrade that Service's, formation's, organization's, or unit's ability to be "operationally effective" in the performance of that mission.

Critical Materiel Readiness Shortfall. (NDAA 08, Sec. 872) – Those quantities of weapons systems, equipment, and supplies that a Service, formation, organization, or unit is lacking in order to achieve the definition of "Materiel Requirements" below and that A) cannot be adequately addressed by identifying acceptable substitute capabilities or cross-leveling of equipment without unacceptably reducing the readiness of other Services; and B) that is likely to persist for more than two years based on currently projected budgets and schedules for deliveries of equipment and supplies.

Equipment. A part of a system or subsystem for which operation and maintenance can be performed. [JP 1-02] (DoD) – In logistics, all nonexpendable items needed to outfit or equip an individual or organization.

Materiel. [JP 1-02] (DoD) – All items (including ships, tanks, self-propelled weapons, aircraft, etc., and related spares, repair parts, and support equipment, but excluding real property, installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes. See also <u>equipment</u>; <u>personal property</u>.

Materiel Readiness. [JP 1-02] (DoD) – The availability of materiel required by a military organization to support its wartime activities or contingencies, disaster relief (flood, earthquake, etc.), or other emergencies.

Materiel Requirements. [JP 1-02] (DoD) – Those quantities of items of equipment and supplies necessary to equip, provide a materiel pipeline, and sustain a Service, formation, organization, or unit in the fulfillment of its purposes or tasks during a specified period.

Materiel Shortfall. [Modified JP 1-02] – Those quantities of weapons systems, equipment, and supplies necessary to bridge the gap between materiel physically available to a Service, formation, organization, or unit and materiel required to equip, provide a materiel pipeline, and sustain that

Service, formation, organization, or unit in the fulfillment of its purposes or tasks during a specified period. This definition is grounded in the concept of "mission effectiveness". The materiel shortfall bridge represents only those quantities required, above and beyond that which is currently available, for the Service, formation, organization, or unit to effectively perform its programmed or assigned mission (including contingencies, disaster relief (flood, earthquake, etc.), or other emergencies as defined in "Materiel Readiness" above).

Materiel System. [DSMC] – A final combination of subsystems, components, parts, and materials that make-up an entity for use in combat or in support thereof, either offensively of defensively, to destroy, injure, defeat, or threaten the enemy. It includes the basic materiel items and all related equipment, supporting facilities, and services required for operating and maintaining the system.

Military Capability. [JP 1-02] (DoD) – The ability to achieve a specified wartime (win a war or battle, destroy a target set) or contingency objective. It includes four major components: force structure, modernization, readiness, and sustainability. A) Force Structure – Numbers, size, and composition of the units that comprise US defense forces; e.g., divisions, ships, air wings. B) Modernization – Technical sophistication of forces, units, weapon systems, and equipments. C) Unit Readiness – The ability to provide capabilities required by the combatant commanders to execute their assigned missions. This is derived from the ability of each unit to deliver the outputs for which it was designed. D) Sustainability – The ability to maintain the necessary level and duration of operational activity to achieve military objectives. Sustainability is a function of providing for and maintaining those levels of ready forces, materiel, and consumables necessary to support military effort. See also <u>readiness</u>.

Personal Property. [JP 1-02] (DoD) – Property of any kind or any interest therein, except real property, records of the Federal Government, and naval vessels of the following categories: surface combatants, support ships, and submarines.

Readiness. [JP 1-02] (DoD) – The ability of US military forces to fight and meet the demands of the national military strategy. Readiness is the synthesis of two distinct but interrelated levels. A) Unit Readiness - The ability to provide capabilities required by the combatant commanders to execute their assigned missions. This is derived from the ability of each unit to deliver the outputs for which it was designed. B) Joint Readiness - The combatant commander's ability to integrate and synchronize ready combat and support forces to execute his or her assigned missions. See also <u>military capability</u>.

DMRB Issue Submission Preparation Instructions

1. <u>General</u>. These instructions describe the submission format for Materiel Readiness (MR) issues deemed critical by the National Defense Authorization Act (NDAA) 2008, Section 872. The format contains similar information and may resemble an Integrated Priority List (IPL) submittal.

2. <u>Overall Format Instructions</u>. Utilize the instructions below in order to standardize the submissions.

- a. Style: succinct, bulletized prose
- b. Font: 12 point, Times New Roman
- c. Font Style: bold for titles and headers, normal for data entries
- d. Spell out all acronyms when first listed

e. Length: preferably no longer than one page; if needed provide annexes for specific issues/categories

3. <u>Branch/Component</u>. Identify the branch and component submitting the critical MR issue.

4. <u>Issue Title</u>. Designate a short noun title that describes the issue.

5. <u>Internal Priority</u>. Initially, assign the issue a priority of "high", "medium", or "low". As the issue matures and a greater level of analysis is completed an internal ranking within the submitting branch/component will be more appropriate (i.e. 3 of 4).

6. <u>Tier I/II/III Joint Capability Area</u>. Identify, at a minimum, one primary Tier I/II/III capability area to which the capability issue can be mapped. Where appropriate, also identify secondary and tertiary mappings.

7. <u>Synopsis of the Problem</u>. Provide a one-sentence description of the MR issue.

8. Discussion of the Problem.

a. Provide a brief description of the MR issue to include how long it has persisted despite efforts to address it and what previous efforts have been to address the issue (POM, PR, Budget Action, Supplemental, etc.).

b. Service Category – List whether this is a service-specific, multiple service, or DoD wide issue and the total units affected by this issue (if applicable).

c. Mission Analysis/Guidance Source – Cite any studies and/or analyses that were/are the basis for the identification of the MR issue and the strategic guidance document that assigned the mission whose execution is at risk because of the MR issue.

d. Critical Effect – Provide a one sentence description of the critical effect whose achievement is at risk because of the MR issue.

e. Risk – Identify the risk of not mitigating the MR issue on the execution of your current and future missions.

f. Current Resourcing - How is the MR issue currently being resourced?

g. Total Funding Required – List the monetary value needed to address the issue. If an exact dollar amount has not been identified, list the most informed estimate.

h. Proposed Solution/Mitigation Strategy – Where possible, provide a brief description of your recommended strategy for mitigating the issue and identify if the proposed mitigation strategy would completely rectify the issue. Lastly, state whether or not the ability to "phase" a solution exists or if the issue must be accomplished as a "single point" solution.

9. <u>Programmed Capability</u>. If the issue is already addressed (in whole or in part) by an existing programmed capability, what is the most recent approved program strategy, even if not yet implemented, for issue mitigation? Identify the most recent supporting documentation even if issue mitigation does not begin until late in the out-years under an existing program. Address the extent to which this programmed strategy mitigates the issue and what residual mitigation efforts (if any) are required under the DMRB process.

10. <u>Resource Summary and Recommendation</u>. The resource summary will identify the current Program of Record (POR) and a resource estimate, if appropriate, for the recommendation. The recommendation will identify what the resource enhancement will provide above and beyond existing POR, if any.

- 11. DMRB Representatives for this Branch/Component are:
 - a. List the DMRB representative here.
 - b. List the DMRB Review Group representative here.
 - c. List the DMRB Working Group representative here.

12. <u>List the Point of Contact</u>: provide the name, organization, phone number, and unclassified email address for the issue POC.

- Branch/Component: United States Army Reserve
- Issue Title: Main Rotor Blade Shortage
- Internal Priority: 2 of 3 (Low, Medium, High)
- **Tier I/II/III (if applicable) Joint Capability Area:** Force Application/Maneuver
- **Synopsis of Problem:** Blade erosion resulting from sand exposure has decreased the lifespan of rotor blades and created a shortage in theater.
- Discussion of the Problem:
 - Description Rotor blades are being rapidly consumed due to sand exposure. A shortage of rotor blades exists in theater resulting in increased down time for maintenance. Fewer available aircraft means less support of ground operations.
 - **Service Category** Multiple services (all rotarywinged aviation assets)
 - Mission Analysis/Guidance Source N/A
 - **Critical Effect** Daily combat operations will be disrupted and fewer aviation assets will be available unless more rotor blades become immediately available.
 - Risk If not addressed, fewer aircraft will be available to conduct mission support which will increase the risk to ground assets. Additionally, aircrews assume increased risk of mechanical failure during missions.
 - **Current Resourcing** Aviation units are painting or taping the leading edge of rotor blades prior to each flight to prevent erosion. Each CAB has spent the remainder of their FY 08 money on blades.
 - **Total Funding Required** \$XX,XXX,XXX
 - **Proposed Solution/Mitigation Strategy** Establish a staging area in Kuwait to pre-position

aviation benchstock experiencing increased utilization due to the operating environment; decrease excess blades on hand for Continental United States (CONUS) units to support combat operations; maximize hardstand locations for aircraft staging areas to provide decreased sand exposure. These proposed solutions would help mitigate the shortage in theater, but would produce a shortage in CONUS units. This is a phased solution as it requires introducing more rotor blades into the inventory which will take time and cause maintenance to readdress the lifecycle of blades in use outside of theater to determine if more blade time is an acceptable risk to assume before replacing them.

- **Programmed Capability:** No programmed strategy has been approved to address this issue; only tactical-level solutions generated. This issue was not forecasted and, as such, has not been accounted for in our planned funding.
- **Resource Summary and Recommendation:** FY 08 FY 09 FY 10 FY 11 FY 12 FY 13

POR	Х	Х	Х	Х	Х	Х
Enh	Y	Y	Ζ	Ζ	Ζ	
V DO	D	1 1	11 1			

X – POR money already allotted

Y – Enhanced funds requested through DMRB process to access Strategic Readiness Fund resources

Z – POM action to complete resource requirements necessary to mitigate the MR issue across the remainder of the FYDP

- **DMRB representative** LTG Stultz
 - **DMRB RvGp representative** MG Bell
 - **DMRB WkGp representative** COL Resnak
- **Point of Contact for this submission:** LTC John Smith, USAR, 123-4567, john.smith27@us.army.mil

Criteria for MR Issue Consideration/Prioritization

- Severity of the Problem
 - Assessment of Current Risk versus Future Risk; does the MR issue affect ongoing current operations (today) or future operations (tomorrow)?
 - What risk is assumed by foregoing a solution now?
- <u>Complexity of the Problem</u>
 - What is the complexity of the MR issue is the "heart" of the problem to be found at the piece-part, component, equipment or system level?
 - What JCA type(s) and level(s)/tier(s) is/are affected by the MR issue?
 - What is the total number of Service members and/or units affected?
 - Is the issue service-specific, does it involve more than one Service/component, or does it affect all of DoD?
 - Could this issue extend beyond DoD to affect, or potentially affect, Joint or Interagency operations?
 - Is there a linked or embedded training and/or manpower issue associated with the MR issue or is it a "stand alone" material issue?
 - Can the MR issue be addressed as a "single point" fix or does the solution require a "phased" approach over a number of years/time periods?
- History of the Problem
 - What is the overall duration of the MR issue?
 - Have previous or current attempts been made to address the issue?
 - What were/are those efforts (POM/PR, Budget action, supplemental funding, etc.)?
 - o If previously addressed, why did it/they fail to fully rectify the situation?
- Investment in the Problem
 - What is the "Parent" Program of Record associated with the MR issue and what is the "funding profile" of that POR?
 - What is the total money needed to adequately address the issue?
- Feasibility of Recommendations
 - What is the likelihood of success in resolving the problem/MR Issue?
 - Is the issue clearly within in the DMRB arena or would the issue be more properly addressed by another process/board/forum outside the DMRB?

APPENDIX H. MEMORANDUM REVISING THE DMRB APPOINTED MEMBERSHIP

This appendix presents a copy of the 17 February 2009 memorandum from the DUSD(L&MR) revising the membership of the DMRB.



DEPUTY UNDER SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS 3500 DEFENSE PENTAGON WASHINGTON, DC 20301-3500

FEB 17

MEMORANDUM FOR SECRETARY OF THE ARMY SECRETARY OF THE NAVY SECRETARY OF THE AIR FORCE CHAIRMAN OF THE JOINT CHIEFS OF STAFF COMMANDANT OF THE MARINE CORPS CHIEF, NATIONAL GUARD BUREAU DIRECTOR, ARMY NATIONAL GUARD DIRECTOR, AIR NATIONAL GUARD CHIEF, ARMY RESERVE CHIEF, AIR FORCE RESERVE COMMANDER, NAVY RESERVE CHIEF, MARINE CORPS RESERVE

SUBJECT: Revision to Members of the Defense Materiel Readiness Board

References: (a) Section 871, National Defense Authorization Act for Fiscal Year 2008

- (b) DepSecDef Memo, "Establishment of the Defense Materiel Readiness Board", March 6, 2008
- (c) CJCS Memo, "Establishment of the Defense Materiel Readiness Board", June 11, 2008
- (d) DUSD(L&MR) Memo, "Appointment of Members to the Defense Materiel Readiness Board", June 26, 2008

Section 871 of the National Defense Authorization Act (NDAA) for Fiscal Year 2008 (Reference (a)), Public Law 110-181, required the Sceretary of Defense to establish a Defense Materiel Readiness Board (DMRB) within six months of the enactment of the Act.

In accordance with References (b) and (c). I previously appointed members to the DMRB in a memorandum dated June 26, 2008 (Reference (d)).

The DMRB membership is revised to better reflect the language of NDAA FY08, Section 871, Paragraphs (b) and (d) and to provide each Service and component full representation which will better facilitate the overall purpose of the DMRB; to provide independent assessments of Armed Forces materiel readiness processes and issues. The Board is comprised of two groups, Statutory Members and Other Attendees, with organizations providing representatives with relevant expertise:



(a) Statutory Members. Membership directed by the NDAA FY08 includes the following:

Component	Office
ARNG	Director, Army National Guard
ANG	Director, Air National Guard
USAR	Chief, Army Reserve
USAFR	Chief, Air Force Reserve
USNR	Chief, Navy Reserve
USMCR	Chief, USMC Reserve
USA	DCS, Logistics, G-4
USAF	DCS, Logistics, Installations and Mission Support (A4/7)
USN	DCNO, Fleet Readiness and Logistics (N4)
USMC	DC, Installations and Logistics

(b) Other Attendees. Other attendees may attend DMRB functions at their discretion or may be requested to attend by the Board Secretariat. Representative examples of other attendees include the following:

Regional Combatant Commands Combatant Commanders' Logistics Directors (J-4s)
USTRANSCOM Director, Stratcgy, Policy, Programs and Logistics (J-5/4)
OSD (Defense Agency) Director, DLA
NGB Chief of Staff/J-4
OSD USD(Comptroller)
OSD USD(Personnel and Readiness)
OSD DUSD(Industrial Policy)
OSD Director, Program Analysis & Evaluation
JCS J-3/7/8

My Point of Contact for this action is Mr. Don Davidson, 703-571-2356. Unclass: Don.Davidson@osd.mil or SIPR: Don.Davidson@osd.smil.mil.

Jack Ball

cc:

UNDER SECRETARY OF DEFENSE (COMPTROLLER) UNDER SECRETARY OF DEFENSE (PERSONNEL AND READINESS) ASSISTANT SECRETARY OF DEFENSE (LEGISLATIVE AFFAIRS) GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE DIRECTOR, ADMINISTRATION AND MANAGEMENT COMMANDER, U.S. CENTRAL COMMAND COMMANDER, U.S. PACIFIC COMMAND COMMANDER, U.S. STRATEGIC COMMAND COMMANDER, U.S. SOUTHERN COMMAND COMMANDER, U.S. SPECIAL OPERATIONS COMMAND COMMANDER, U.S. EUROPEAN COMMAND DIRECTOR FOR LOGISTICS, JOINT STAFF HQDA, DCS Logistics (G4) HQ, DAF, DCS, Logistics, Installations and Mission Support (A-4/7) DoN, DNCO, Fleet Readiness and Logistics, N4 HQ, USMC, DC, Installations and Logistics USCENTCOM (J4) USPACOM (J4) **USTRANSCOM (J4)** USSTRATCOM (J4) **USSOUTHCOM (J4)** USSOCOM (J4) USEUCOM (J4)