

# **Defense Logistics Agency**

## **Fiscal Year 2021 Historical Report**



**The Nation's Combat Logistics Support Agency**

**DLA History Program**

# Defense Logistics Agency

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# **Defense Logistics Agency**

## **Message from the Director**

### **Fiscal Year 2021 Historical Report**

The transition to Fiscal Year 2022 was a special milestone, as it marked the 60<sup>th</sup> anniversary of the Defense Logistics Agency. On Oct. 1, 1961, Army Lt. Gen. Andrew T. McNamara reported for duty as the first director of what was then the Defense Supply Agency. From there he laid the foundation for six decades of quality, proactive, global logistics for our warfighters and our nation by this great agency.

In my first full year in the director's seat, I was pleased with the teamwork and vision of DLA senior leaders in the development of a new 5-year DLA Strategic Plan. Aligned to DoD guidance, the plan emphasizes acquisition modernization management; trust-building with our customers; a deliberate, enterprise approach to whole of government support; the way ahead for employees and the workplace; and above all, warfighter support and readiness.

While the nation and the world remained in the grip of the COVID-19 pandemic, the introduction of vaccines gave hope for light at the end of the tunnel. By the close of the fiscal year, DLA had executed more than 30,000 contract actions totaling more than \$4.5 billion in obligations for COVID-related medical supplies and pharmaceuticals over the course of the pandemic. That includes contracts for more than 832,000 vaccine doses delivered to 92 military treatment facilities in 37 countries.

DLA supported responses to non-COVID-19 events as well, including the Colonial Pipeline cyber-attack, an earthquake in Haiti, an arctic storm affecting the power grid in Texas, damage from Hurricane Ida in Louisiana, and some of the largest Western wildfires in recent memory. In addition, DLA provided food, medicine, and equipment in support of Operations ALLIES REFUGE and ALLIES WELCOME, supporting the withdrawal from the 20-year war in Afghanistan.

These are just a few of DLA's FY 2021 activities and accomplishments described here in detail. For 60 years, generations of DLA employees have served our warfighters and our nation with unparalleled professionalism and dedication. Today's DLA team is part of a long line of patriotic Americans, committed to excellence and the steadfast support of our important customers. It is my hope that this document be used in the future as a valuable reference, and that it will preserve the rich and proud legacy of this great agency and its people.

Warfighter Always!

# Defense Logistics Agency

## Agency Historians

### Fiscal Year 2021 Historical Report

DLA Historian	Dr. Colin Williams
DLA Troop Support	Mr. Christian DeLuca
DLA Land and Maritime	Mr. James Harless
DLA Aviation	Ms. Natalie Skelton, Ms. Cathy Hopkins
DLA Energy	Ms. Irene Smith
DLA Disposition Services	Mr. Jake Joy
DLA Distribution	Ms. Brianne Binder
DLA Human Resources	Ms. Kathy Rhem
DLA Logistics Operations	Mr. Jacob Boyer, Ms. Helen Shansby
DLA Information Operations	Ms. Pati Barnhart, Mr. Bill Dasch
DLA Acquisition	Ms. Kim Villarreal
DLA Finance	Ms. Carol O’Leary, Ms. Maryann Gaudio
DLA Joint Reserve Force	Mr. Luis Carrion
DLA Inspector General	Mr. Andrew “Dutch” Duszynski
DLA Small Business Programs	Ms. Vicki Hahn
DLA General Counsel	Ms. Michele Pavlak
DLA Chaplain	COL Christopher G. Archer
DLA Intelligence	Ms. Linda Uehling
DLA Legislative Affairs	Dr. Cordell Francis
DLA Installation Management	Mr. Shawn Carpenter
DLA Equal Employment Opportunity	Dr. Angela Curtis
DLA Public Affairs	Dr. Colin Williams
DLA Transformation	Mr. Thomas Doyle

# **Defense Logistics Agency**

## **Executive Summary**

### **Fiscal Year 2021 Historical Report**

FY 2020 saw the Defense Logistics Agency step away from COVID-19 support and return to its traditional mission of providing commodities and logistics services to military customers. While DLA Troop Support refilled the Department of Health and Human Service's Strategic National Stockpile and DLA Distribution delivered life-saving vaccines, warfighter support increasingly drove missions.

Leading DLA throughout the fiscal year was its twentieth director, Navy Vice Adm. Michelle C. Skubic. Taking command in July 2020, Skubic inherited not only a robust COVID-19 response but also a supply chain realignment accelerated due to the pandemic and national security missions, such as distributing F-35 Lightning II parts, which it could not stop. Believing changed conditions required refined focus, she led the agency in rewriting its strategic plan.

COVID-19 missions continued as the strategy took form. First Quarter began with the agency obtaining 138 million rapid antigen tests to be delivered to 4,500 public testing sites in twenty states and one territory. It ended with and the Defense Department instructing DLA to distribute Moderna's COVID-19 vaccine to overseas service members and the deployed fleet.

Unpredicted events characterized Second Quarter. After a mob stormed the Capitol, DLA supported the national guard troops called to protect the building by delivering 17,000 cases of bottled water within twenty-four hours and providing fuel for vehicles and heaters. Next, Texas suffered an arctic storm. Unexpected cold froze pipelines and left residents without electricity. DLA Energy provided FEMA with 72,000 gallons of diesel and 33,000 gallons of gasoline.

A new presidential administration dictated actions during Third Quarter. In April, the agency received a White House mandate to deliver 30,900,000 cloth facemasks to 1,400 health care centers and 200 foodbanks. DLA Troop Support and DLA Distribution then coordinated the transfer of 15 million N95 masks, 1 million rapid test kits, and 159 oxygen concentrators to India. The agency also abided by Deputy Defense Secretary Kathleen H. Hicks's new data policy, received designation as the military's integrated manager for document services, and updated exercise plans to support joint staff priorities.

The end of the U.S. mission in Afghanistan dominated Fourth Quarter. Withdrawal started smoothly thanks to DLA Disposition Services processing material, DLA Troop Support closing its subsistence prime vendor contract, and DLA Energy drawing down Defense Fuel Point Kabul. Even as the Taliban took control of the country, DLA fueled planes evacuating refugees and provided protective equipment, vaccines, food, and water to temporary holding facilities.

With the evacuation ongoing, DLA responded to weather events and realized success with its customer support. Weather events began with forest fires over the summer and continued into Fourth Quarter when a 7.2 magnitude earthquake shook Haiti and Hurricane Ida struck Louisiana. Customer support included DLA Aviation working with Fleet Readiness Center East to beat the standard for depot-level maintenance on a presidential V-22 aircraft by 28 days and the Army realizing the agency could perform its acquisition activities in Warren, Michigan, more efficiently. The year ended with the agency completing its supply chain realignment early and beginning its sixtieth anniversary celebration.

# Defense Logistics Agency

## DLA Troop Support Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
TROOP SUPPORT  
700 ROBBINS AVENUE  
PHILADELPHIA, PENNSYLVANIA 19111-5092

October 6, 2021

MEMORANDUM FOR DIRECTOR, DEFENSE LOGISTICS AGENCY, ATTN: DP

SUBJECT: Annual Historical Report Submissions, FY 2021

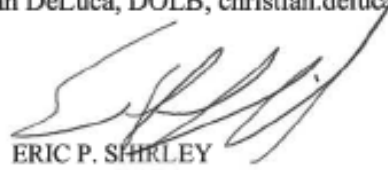
During FY21, DLA Troop Support continued to provide COVID-19 relief to our Nation and abroad while delivering optimal, global supply chain solutions to enable ready, lethal Warfighters and our support other valued partners.

Although I've only been the Commander for a short time, I am very proud and humbled by the accomplishments our world-class workforce was able to achieve over the past year. Their tireless efforts have resulted in \$21B in FY21 sales, our highest ever. Importantly, we also completed the realignment of one (1) of our five (5) distinct supply chains, two (2) full years ahead of schedule, while adhering to all federal, state and local COVID-19 safety guidance and mandates.

As we move forward in FY22, we will continue to support and enable the DLA Strategic Plan and align with DLA's Critical Capabilities and Lines of Effort.

I am confident that the DLA Troop Support workforce is capable, ready and willing to overcome any obstacles that may arise, and we will continue our legacy of providing unparalleled and unwavering support to the Warfighter and other valued partners.

Point of contact for this action is Mr. Christian DeLuca, DOLB, [christian.deluca@dla.mil](mailto:christian.deluca@dla.mil).

  
ERIC P. SHIRLEY  
Brigadier General, USA  
Commander

## **1. Introduction**

The Defense Logistics Agency (DLA) Troop Support FY 21 Annual Historical Report outlines actions taken across Troop Support's five supply chains – Subsistence, Clothing & Textiles, Construction & Equipment, Medical, and Industrial Hardware – as well as the Product Test Center Analytical during FY 21 to support our customers around the globe.

DLA Troop Support collaborates with military services, Combatant Commanders, and a multitude of industry partners to balance Service requirements with industry capabilities in order to meet warfighters' demands.

In addition to direct customer support, DLA Troop Support actively supported the agency's goals to reduce inventory, decrease operating and material costs, improve customer service, and achieve audit readiness.

### **a. Mission**

DLA Troop Support delivers optimal, global supply chain solutions to enable ready, lethal Warfighters and our other valued partners.

### **b. Vision**

A world-class organization and trusted industry partner that provides innovative, responsive and fiscally sustainable supply chain solutions.

### **c. Values**

Leadership, professionalism, and technical knowledge through dedication to duty, integrity, ethics, honor, courage and loyalty.

## **2. Organization and Total Personnel**

DLA Troop Support is one of six DLA major subordinate commands and operates five separate and distinct supply chains: Subsistence, Clothing & Textiles, Construction & Equipment, Medical, and Industrial Hardware. Sales for FY 21 totaled \$21.4 billion, accounting for approximately 54% of all DLA sales. Staffing includes 2,186 civilians and 64 active duty military personnel.

DLA Troop Support provides a wide variety of essential items to members of the armed forces, including utility and dress uniforms, headgear, footwear, personal protective equipment, heraldics, tents and shelters, operational rations and fresh foods, force protection items, diving gear, safety and rescue equipment, fire and emergency equipment, storage, HVAC, plumbing, heavy equipment, metals and lumber, targets for training, pharmaceuticals, medical surgical and equipment items, medical capital equipment, and consumable repair parts.

Using long-term contracts, tailored logistics support programs, prime vendor relationships, and

traditional contracts, DLA Troop Support procures products needed to meet the requirements of warfighters around the globe. The Philadelphia-based MSC also oversees two forward-based commands, DLA Troop Support Europe & Africa and DLA Troop Support Indo-Pacific, headquartered in Kaiserslautern, Germany and Pearl Harbor, Hawaii, respectively, as well as forward-based offices throughout the continental United States. Through this forward presence, DLA Troop Support embeds employees in the continental U.S. and overseas with customers and key industry partners to personally ensure we meet or exceed the needs of our service members.

### 3. Key Personnel

#### a. Headquarters

- (1) Brigadier General Eric Shirley, USA, Commander: Jun 2021-present
- (2) Mr. Richard A. Ellis, Deputy Commander: Jul 2010-present
- (3) Mr. William J. Kenny, Executive Director, Contracting & Acquisition Management: Aug 2010-present
- (4) Mr. Robert A. Ratner, Chief of Staff: Jul 2010-present

#### b. Supply Chains

##### (1) Subsistence

Col. Larry Dean, USA	Director: Jul 2021-present
Gary Shifton	Deputy Director: Aug 2021-present
Lourdes Valentin	Supplier Operations Director: Nov 2018-present
John Sheehan	Customer Operations Director: Jul 2016-present

##### (2) Clothing & Textiles

Col. Matthew Harnly, USAF	Director: Jul 2021-present
Dave Johns	Deputy Director: Sep 2021-present
Steven Merch	Supplier Operations Director: Aug 2016-present
Bruce Carson	Customer Operations Director: Jul 2019-present

##### (3) Construction & Equipment

CAPT Jacqueline Meyer, USN	Director: Jun 2019-present
Thomas Grace	Deputy Director: Apr 2016-present
Marko Graham	Supplier Operations Director: Jul 2018-present
Howard Page	Customer Operations Director: Jul 2016-present

##### (4) Medical

COL Matthew Voyles, USA	Director, Medical: Jun 2018-present
Beth McMaster	Deputy Director: Aug 2019-present
Nora Steigerwalt	Customer Operations Director: Aug 2016-present

Supplier Operations Director: May 2016-present

Col. Adrian Crowley, USAF  
Jessica Wallis  
Gary Shifton

Director: Aug 2017-Oct 2021

Deputy Director: Aug 2021-Oct 2021

Supplier Operations Director: Feb 2014-Aug 2021

### (1) Procurement Process Support

Tina Pitriowski  
John Fafara

Director: Jul 2021-present

Deputy Director: Aug 2018-present

## (2) J3/J5 Operations and Plans

CAPT Jason Warner, USN  
Patrick Owens

Director: Jun 2021-present

Deputy Director: Dec 2018-present

### (3) Product Test Center Analytical

Jamie Hieber

Director: Jul 2014-present

#### 4. DLA Troop Support FY 2021 Command Accomplishments

#### a. Awards and other Recognition

The Medical supply chain obtained the Office of Management and Budget Best-In-Class designation for a fourth medical acquisition program, Medical/Surgical Prime Vendor.

### (1) 2021 Troop Support Hall of Fame Inductees

Every year, former Troop Support employees are nominated for induction into the DLA Troop Support Hall of Fame based on their long-term contributions, outstanding customer service, and exemplary work ethic. Inductees must be at least two years removed from the organization, and no more than 10 years separated.

(a) Thomas Daley was inducted into the DLA Troop Support Hall of Fame, Class of 2020, for his outstanding mission support from 1980 through 2016. Throughout his federal career of 36 years, Mr. Daley was a visionary leader whose acquisition and supplier relations expertise made him an excellent steward of taxpayers' dollars and impacted the organization.

(b) Joan T. Hewes was inducted into the DLA Troop Support Hall of Fame, Class of 2020, for outstanding mission support from 1980 through 2016. Mrs. Hewes left

an indelible impact on DLA as she provided superior customer service to the nation's warfighters for 36 years.

(c) Colonel Donald Buchwald, USA, Retired, was inducted into the DLA Troop Support Hall of Fame, Class of 2020, for outstanding mission support within a military capacity from 2001 to 2005, and as a civilian from 2009 to 2016. Mr. Buchwald's innovative leadership shaped the present and future of the Medical supply chain.

## (2) Public Affairs Community Relations

(a) Many of Troop Support's community relations programs were put on hold due to COVID-19 restrictions

(b) Adopt-A-School Program - Provided videos of our military reading books in support of 2021 Read Across America event.

## 5. DLA Troop Support Supply Chain FY 2021 Accomplishments



### a. Subsistence

(1) The Subsistence supply chain hosted the Fall 2020 Joint Subsistence Policy Board and Class I Global Summit at the DLA Headquarters from Oct 13 to 15.

(2) Fresh shell eggs became available to 28 more Native American tribes thanks to a fresh produce program administered by U.S. Department of Agriculture and DLA Troop Support. A total of 88 tribes can now order eggs through the USDA's fresh fruits and vegetable program.

(3) The final shipment supporting the Navy's Counter-Transnational Criminal Organizations mission in Panama was delivered. The shipment contained 34 pallets of dry and frozen subsistence. It supported three Navy ships and one Coast Guard ship.

(4) The Culinary Outpost Kiosk at Ft Bragg opened on Oct 2021. The kiosk initiative is part of the Army's food modernization program. It provides carry-out, self-serve products to soldiers who want to eat on-the-go. Ten more Kiosks are open with another (Ft. Bliss) to open in Jan 2022.

(5) Eleven Food Trucks are open; another 10 will be delivered in FY22.

(6) Subsistence contracted for more than 860,000 shelf-stable meals to provide disaster relieve through two food banks in Louisiana during Hurricane Laura. Total value: \$3.9 million.

(7) Thanksgiving was different for service men and women throughout the world. Meals were grab-and-go instead of large gatherings in dining facilities. Subsistence made sure warfighters everywhere were able to have a home-cooked meal with all the trimmings. Service members around the world received an estimated: 9,000 whole turkeys, 51,000 pounds of roasted turkeys, 74,000 pounds of beef, 21,000 pounds of ham, 67,000 pounds of shrimp, 16,000 pounds of sweet potatoes, 19,000 pounds of pies and cakes, and 7,000 gallons of eggnog.

(8) The U.S. Department of Agriculture approved states' requests to switch their commodity funds to the DoD Fresh program. The funds for this program are over \$400 million for the year. During the week of Nov 25, Subsistence processed more than 20,000 school orders, more than ever in one week. Locally-grown produce accounts for up to 15% of monthly produce

purchases.

(9) Thousands of service men and women around the world had Christmas dinner in time due to the Troop Support Subsistence team, which had been planning this important meal since spring. Service members around the world received an estimated: 9,000 whole turkeys, 51,000 pounds of roasted turkeys, 74,000 pounds of beef, 21,000 pounds of ham, 67,000 pounds of shrimp, 16,000 pounds of sweet potatoes, 19,000 pounds of pies and cakes, 7,000 gallons of eggnog and many other holiday treats.

(10) A ribbon cutting ceremony was held Jan 28 for the Army Outpost food kiosk at Ft Campbell in Kentucky. DLA Troop Support worked with the Army's Joint Culinary Center of Excellence and prime vendors to establish the kiosk. Customers will be able to get fresh, ready-to-go items, including sandwiches, salads, and heat-and-go entrées. A total of 152 patrons visited the kiosk on its first day. This is the eighth kiosk to open as part of the Army's food modernization project, which also includes a fleet of food trucks stationed in the U.S. and around the world.

(11) The District of Columbia National Guard sent Subsistence an urgent request for bottled water to support troops deployed to protect the Capitol after the Jan 6 riot. The request required joint calls with multiple parties, and resulted in 16,666 cases being delivered, with the first shipments due on Jan 19. By noon that day, approximately 17,000 cases were procured and delivered to Joint Base Anacostia Bolling. The balance was delivered by Jan 20, with an additional 30,000 cases delivered Jan 21-23.

(12) The Garrison Feeding Northeast Team received a short fuse request on Feb 20 to supply 400 cases of bottled water for an Army special exercise in West Virginia, which was not a part of the prime vendor or Market Fresh program. To meet the request, the Market Fresh contracting team reached out to Crook Brothers, the West Virginia produce contractor, who was able to procure the water and make the delivery by noon on Feb 16.

(13) Subsistence received multiple emails, phone calls, texts, and tickets to accommodate changes to distribution caused by snowstorms and frigid weather in the mid-west and southern states. The extreme weather caused many schools to close. Communications between schools, vendors, and DLA specialists ensured all pending orders were accounted for. Deliveries continued, where needed and pending safe road conditions.

(14) A request for delivery in Texas initially stated for Feb 17 by the 7th Logistics Readiness Squadron, Dyess Air Force Base, for service members and employees affected by the power outages and broken pipes caused by the severe winter weather in Texas. The Subsistence customer and contracting teams jumped into action by contacting SYSCO Central Texas who, although initially affected by the ban on highway trailers, was able to support 270 cases of bottled water as soon as the Texas Department of Transportation opened the roads. First delivery was made on Feb 20 and the second delivery was made on Feb 22.

(15) Subsistence received an emergency order for 332 cases of bottled water in support of an exercise for the 1<sup>st</sup> Battalion, 6<sup>th</sup> Marines at Camp Lejeune, North Carolina. The water had to be delivered to a new location on the Marine Corps base. A tailored vendor logistics specialist activated a new MILSTRIP to get the water to the correct location. The correct size and case count was not available on the Pepsi cans and bottles contract, and with the quick turnaround requirement for this water, the team coordinated with the North Carolina subsistence prime vendor, Sysco Raleigh, to ensure delivery in full by the requested delivery date of Mar 1.

(16) A tailored vendor logistics specialist and DLA contracting facilitated an order for bottled water to supplement their tactical potable water containers with bottled water to

remote sites who have no access to potable water. The requirement was for 2,604 cases of water to be delivered over four weeks, from Mar 29 to Apr 19. In coordination with the exercise planner, contracting, and US Foods La Mirada, Miller worked closely with MCAS Yuma, Arizona, for MILSTRIP preparation, product availability, and vendor delivery capability.

(17) Subsistence Food Service Equipment team received notice on Feb 25 of a USS Ross casualty reports document for Griddle Assembly, a "made to order" item. FSE team worked diligently, in conjunction with manufacturing (vendor), distribution and USN partners, to manufacture and expedite delivery to Charleston AFB with onward MILAIR delivery to USS Ross in Rota Spain on Mar 18. The request was awarded, manufactured, and delivered to Rota, Spain within three weeks.

(18) Allocations for the DoD Fresh program are at a record \$500 million, as Subsistence works with its suppliers to distribute produce to U.S. Department of Agriculture customers. This is an increase from the \$371 million allocated to the program last year, and half of this year's funding is already spent. Many schools switched to boxed meals and grab-and-go lunches during the COVID-19 pandemic, and schools required more pre-packaged and individually wrapped items.

(19) DLA Troop Support made sure warfighters all over the world had the religious items and food they needed to mark the Passover and Easter holidays. Subsistence helped ship almost 60,000 pounds of holiday food around the world.

(20) Training for the auto-receipt pilot was held on Apr 13-14 at Ft Stewart, Georgia. The pilot began on April 19. This program falls under the Subsistence Visibility Research and Development Project.

(21) Subsistence provisioned the Operation Guardian Response training exercise at Camp Atterbury, Indiana from Apr 12 to May 8. This exercise trained and evaluated the chemical, biological, radiological, and nuclear defense response in a realistic and live training environment.

(22) The Ft Benning Recovery Center requested 588 cases of bottled water to support soldiers recovering from COVID-19. The request was met in time for the requested delivery date of May 21.

(23) Joint Subsistence Advisory Board met on May 19. The attendees were briefed on the latest regarding the Afghan drawdown. Other topics included future demands for Unitized Group Ration-Es, the "item add" process and updated policies on how customer profiles are established in Subsistence Total Order and Receipt Electronic System. Action items from the previous Joint Subsistence Policy Board were also discussed.

(24) The Subsistence team hosted the new Joint Culinary Center of Excellence Director, MAJ(P) Kimberly Page, and members of her staff on Jun 2 at DLA Troop Support. Several topics were discussed including operational rations, war reserve, national kiosk solicitation, food safety, future CONUS subsistence prime vendor acquisition strategy, and range and depth of future Class 1 summits and GO/FO SES meetings.

(25) The Southwest team, Supplier Operations and the SPV supported Navy accelerated load outs with less than two weeks' notice in San Diego. There were 38 purchase orders (82,779 cases) valued at \$3.2M with no delivery or quality issues reported.

(26) The Northeast team worked with the USS TRUMAN and Fleet Logistics Center Norfolk in managing \$2.5M in urgent orders placed and delivered within three days over a holiday weekend. Orders were placed on May 28 with a delivery date of Jun 2. Extra coordination was required due to the size of the order, available equipment pier-side, the number

of trucks, SYSCO system constraints, along with recurring industry issues with suppliers, warehouse workers and drivers. TVLS, Larry Munoz, worked to ensure the orders were filled to the maximum extent to meet the ship's short timeframe. SYSCO Hampton Roads also made deliveries of 10,880 cases of product to the TRUMAN and 10 other ships on June 2.

(27) The monthly Joint Subsistence Advisory Board met via teleconference on Jun 16. The main agenda topic was a briefing by one of our small business partners, TurnAround Factor Inc., participating in the Subsistence Network Small Business Innovation Research projects. This project's goal is to develop a deployable and scalable group rations platform for kitting unitized group rations that can be quickly deployed in response to emerging missions.

(28) During the fourth quarter, the Subsistence Team worked mission critical issues related to Operation Allies Welcome while ensuring uninterrupted Class I support to warfighters worldwide. Support provided to numerous locations including Ft Lee, Ft McCoy, Ft Bliss, Ft Pickett, Camp Atterbury, Quantico/Upshur, Camp As Sayliyah Qatar, Al Udeid Air Base Qatar, ISA AB, Bahrain, Ramstein AFB, and Rhine Ordnance Barracks. DLA Troop Support personnel have been communicating with vendors and customers to keep up with the increasing requirements, including new items with a focus on halal-certified items. Subsistence surged from 5 to over 25 halal vendors.

(29) Subsistence worked with the Federal Emergency Management Agency to provide 806,000 meals to five food banks in Louisiana in support of those still in need after the effects of Hurricane Ida.

(30) COVID-19 support – Labor shortages in the food service industry, from drivers to warehouse operations for distributors and manufacturers, have led to challenges. Higher freight rates are reflected in the cost of goods, which is passed on to end users. Manufacturers have cut back on the number and volume of the items they produce, and are focusing on items that generate more revenue. This is leading to higher prices and less availability of items. This is expected to continue in the short term.

(31) School districts in Alabama became able to receive deliveries on July 5. The previous method for deliveries was using warehouse issue points.

(32) The CONUS Prime Vendor division implemented two contracts, one with Renzi Foodservice for customers in New York and New Jersey including West Point and Joint Base McGuire-Dix-Lakehurst, and with Sysco Syracuse for Fort Drum, New York.

(33) Provided \$3.5M in support to the Fire Service for the FY 21 fire season.



#### b. Clothing & Textiles (C&T)

(1) Executed contracts for 30 million face masks to support a White House initiative to provide protection against the spread of COVID-19 for adults and adolescents visiting Federally Qualified Health Clinics, USDA Feeding America Food Banks, and various other support organizations.

(2) The C&T Customer Support Division participated in daily conference calls on the coordination and planning of Health and Human Services' personal protective equipment being stored/released from 3PL Travis Warehouse. Teleconferences included personnel from contracting, technical, finance, distribution, and systems. Customer Support provided inputs on the topics of needed data, manual requisition, and efficient release of material. In Octr 2020, 137,394,000 (98%) of the 140,184,000 disposable masks shipped from the 3PL warehouse & 116,658,000 (83%) arrived at final HHS sites.

(3) C&T awarded contracts for 9,312,288 reusable gowns, and 72,544,770 disposable gowns for a total 81,857,058 gowns, sent to the Department of Health and Human Services (HHS) locations in Utah, Mississippi, Kentucky, and Indiana. C&T facilitated daily communication with customer account specialists, procurement, and the 3PL to ensure all parties were updated with pertinent information, to include order tracking.

(4) FEMA Tranche 2, isolation surgical gowns. C&T awarded five surgical gown contracts on 28 Jan 21 (Hilo, Odell, At Ease, Abel, Seaich).

(5) FEMA Tranche 3, disposable coveralls (aka Tyvek Suits). A fixed quantity contract valued at \$7.5M for 1,894,075 each (75,763 cases) of commercial disposable protective coveralls was awarded to Innovative Federal Operations Group (IFOG), a service-disabled small business located in Carlsbad, California. FEMA greatly reduced their requirement from 1,663,525 to 159,400 coveralls. FEMA fully understood the impact of this decision, (i.e. timing of delivery impact, etc). C&T utilized a firm fixed price/quantity contract and worked with the vendor to determine the minimum quantity they can produce and at what place of performance. C&T modified the contract and delivered approximately 160,000 coveralls in May 2021.

(6) C&T continued supporting the receipt and shipment of disposable surgical gowns for FEMA. A total of 1,051,776 gowns were shipped by Jul 15.

(7) All 140 million disposable masks were shipped from the 3PL warehouse & arrived at final HHS sites.

(8) C&T worked with the DLA National Account Managers to prioritize colored masks. C&T processed 9,758 cases (9,758,000 each), including light grey, coyote brown, hunter green, and black. C&T received deliveries from Outdoor Research, Aurora, Propel and BISM to support demands from the military services and 4<sup>th</sup> Estate. C&T also supported requests for white Hanes masks for Demand Surge Site Only. DLA Troop Support released 36,862 cases (18,441,000 masks). C&T provided 431 cases (215,500 each) of an alternate mask for the white Hanes mask which is the Low-Cost Mask. In support of various Surge Testing Site C&T released a total of 6,294 CS (3,147,000 masks).

(9) C&T Individual Equipment Division awarded a long-term (base year with four one-year options) competitive firm-fixed price, indefinite delivery contract for the Modular General Purpose Tent System, plus components (total maximum value of \$192,026,234), to Outdoor Venture Corporation, Stearns, Kentucky, on Nov 5, 2020. Outdoor Venture Corporation is a small business in a Historically Underutilized Business (HUB) zone. This buy encompasses six size/color tents and fourteen separate components. The components are used by the Army, Navy, Air Force and Marine Corps and are considered go-to-war tent items.

(10) C&T awarded a Neck Gaiter contract on Jan 20, 2021 to Meke Corp. in East Earl, Pennsylvania. Contract for a fixed quantity of 99,960 each, total dollar value \$229,908.

(11) For the first time since the establishment of the Marine Corps, female recruits began training at Recruit Depot San Diego, California, Jan 25, 2021. San Diego welcomed about 60 female recruits. C&T facilitated this change by determining stock levels for this initial class and prepositioning items.

(12) A new fixed quantity contract for 9,300 non-ballistic body shields worth \$1,255,500 was awarded to Aardvark Tactical by the original equipment manufacturer, Paulson Manufacturing. The non-ballistic body shield is a commercial off-the-shelf item used by law enforcement personnel for non-ballistic personal protection. This acquisition combined 10 customer direct purchase requests, including 4 priority 02 requisitions, for direct support to Army National Guard units in Camp Murray, Washington, and Richmond, Kentucky.

(13) A long-term contract for a new item to support the Marine Corps, the Pullover Grid Fleece Flame Resistant Shirt, was awarded to Peckham Vocational Industries in Lansing, Michigan. This award is for three years, one base year and two option years. The value of this contract is approximately \$11.7M. The monthly delivery capacity is 5,555 per month. The government will be obligated to order the guaranteed minimum of 10 thousand during the ordering period and can order up to 150 thousand.

(14) The Commercial Item Pilot Program assisted US Army Tank-automotive and Armaments Command (TACOM) in providing 3,000 pair of Extreme cold Weather Mittens to the Indian Army for combat operations near the Sino-Indian Border. These 3,000 mittens were redirected from other US Army Orders and replenished March 2021.

(15) C&T collaborated with U.S. Space Force on its organizational and general officer flags. The DLA Flag Room produced 23 flags in support of this mission. C&T awarded a contract to stock these items. Service heraldry points of contact were advised of flag availability and ordering procedures. C&T continues to monitor ordering and customer requirements.

(16) A contract was awarded Mar 9 for the Unisex and Female Improved Hot Weather Combat Uniform Coats to M&M Manufacturing. M&M is a small business in Lajas, Puerto Rico. The contract is for a 24-month base period and one 24-month exercisable option. This contract was awarded to continue support to the Army after it added the Unisex Improved Hot Weather Combat Uniform to the recruit issue bag. Fielding began on schedule in Aug at Ft Benning and Ft Sill with no reported issues. Ft Leonard Wood began fielding Sep 2021. Ft Jackson is projected to go-live on 1 Oct, with stock positioning planned for Sep.

(17) Mar 12, a new fixed quantity contract for riot control face shields valued at \$686,600 was awarded to Aardvark (La Verne, California) for 9,800 shields from the Original Equipment Manufacturer, Paulson Manufacturing. The riot control face shield is a commercial-off-the-shelf item used by law enforcement for personal protection. This acquisition combines 21 customer direct purchase requests, including 20 (priority 13) requisitions, in support of the National Guard and 1 (priority 2) requisition in support of the U.S. Army North, a component of U.S. Northern Command.

(18) A new long-term contract for Flyers Kit Bag with a total maximum dollar value of \$3.3M was awarded to National Industries for the Blind. The manufacturing agencies are Alabama Industries for the Blind, Westmoreland County Blind Association, Blind Industries & Services of Maryland, and Winston-Salem Industries for the Blind. The award is for a three-year ordering period with tiered pricing and no options with initial deliveries beginning in Jun 2021. The contract ensures consistent influx of inventory to support customer requirements. The Flyers Kit Bag is designed to support airmen by accommodating their flying kit onto their aircraft for missions.

(19) The footwear team awarded a long-term contract for Boot, Extreme Cold Weather (Bunny Boot) to a Canadian Commercial Corporation Mar 23, 2021. This is a life and limb item used in extreme cold weather environments. It will be manufactured by Airboss Defense of Quebec, Canada, an experienced manufacturer of this item. The estimated maximum value is \$15,169,707. The contract is for three years with tiered pricing included for the second and third years. The minimum quantity is 4,000 pairs, with a maximum of 56,700.

(20) On 25 Mar 21, C&T concluded its Palm/Passover mission by delivering 100% of items ordered. C&T received 203 orders for 913 pieces of material. This was the most ever received. Customers have expressed their gratitude for our hard work and customer service.

(21) C&T provided face coverings to federal health centers, food banks, and tribal

organizations. C&T awarded three awards, one (Lot 1) award unrestricted amongst all business types and two (Lot 2 & Lot 3) for small business. Each contract is for a third of the quantity (approximately 8.9 million cloth masks per contract). C&T and Dr. Brooks at the CDC reviewed filtration test reports, vendor labeling and samples. Both parties agreed all three vendors have met standards and are cleared for production and subsequent shipping. As 1 Jul, C&T closed out the effort to provide 30.9 million cloth face coverings to Federally Qualified Health Centers (FQHCs) and food banks.

(22) A new \$16.6 million long-term contract for Black Cap, Synthetic Fleece and Green Microfleece Cap was awarded to Seneca Cayuga, a Source America Non-Profit Agency in Waterloo, New York. The award is a five-year contract with monthly delivery capacity of 44,000 units. The Government is obligated to order the guaranteed minimum quantity of 104,000 and can order up to 529,200 yearly. These items are used by the Army and Air Force.

(23) On May 13, Bluewater Defense, Inc., Small Business/HUBZone certified, was awarded a maximum \$35,505,993 firm-fixed-price, indefinite-delivery/indefinite-quantity contract for Coverall, Mechanics, Operational Camouflage Print (OCP), Type IV. This was a competitive acquisition with three offers received. This is a one-year base contract with four one-year option periods with the ability to order 534,240 coveralls over the life of the contract. Location of performance is in Corozol, Puerto Rico. Using customers are Army and Air Force.

(24) On Friday, May 28, a new contract was awarded to Peckham Vocational Industries, Lansing, Michigan, for the Navy and Coast Guard Storage and Warehouse Facility. The focus is on items in clothing bags for new Navy and Coast Guard recruits along with support to the Government Furnished Material and Non- Government Furnished Material (GFM) program. Peckham was issued a one-year base with three one-year options under the new contract. Total contract maximum dollar value was \$40,400,000. This is a follow-on award to the current contract that expired May 31, 2021 providing seamless warehousing and distribution support to the Warfighter and Whole of Government.

(25) On Jun 21, 2021, a new fixed quantity contract for four components for the Optimized Top Owl (OTO) helmet system, with a value of \$3,162,025 was awarded to Thales Defense & Security, Inc (TDSI), Clarksburg, Maryland. The items are all part numbered from TDSI but are imported from Thales Avionics located in France. The OTO is a Helmet Mounted Sight and Display (HMSD) system for the Marine Corps' H-1 attack and utility helicopter pilots that is a 24-hour day/night all weather helmet-mounted binocular that provides the pilot with a three-dimensional virtual image of the world around the helicopter, even in adverse weather conditions. Deliveries of these components are scheduled to begin in Jun 2022.

(26) The Tentage and Shelters Team awarded a new contract to Weatherhaven Resources, Inc., headquartered in Blaine, Washington. Contracts awarded under this solicitation are long term (base year plus four option years) and have a maximum value of \$800 million (\$200 million per year). This is the first award for Weatherhaven Resources, Inc. under the C&T COTS Tent Program. Delivery Orders will be competed amongst the other contract holders.

(27) A long-term contract for self-inflating sleeping mats valued at \$17.6 million was awarded to Vinyl Technology, a small business located in Monrovia, California. This award has a four year ordering period that will extend support to all branches of the military until 2025. Vinyl Technology is successfully manufacturing this item under the current contract. Vinyl Technology plans to submit its first article testing samples well ahead of schedule and the first delivery is scheduled for Jan 2022. This new award will assist in reducing backorders and providing better support to DLA's customers.

(28) C&T's Air Force Organizational Clothing and Individual Equipment (OCIE) Cell coordinated with Procurement and Product Services to satisfy Air Force Enhanced Small Arms Protective Inserts (ESAPI) unfilled ordering using National Institute for Justice (NIJ) certified laboratories. This project was initiated to expedite support of non-Army requirements, which are not required to be tested at Aberdeen Testing Center. The project was completed in early Jun 2021 and a total of 39,842 ESAPI Plates have been delivered for a total value of \$24,881,727.

(29) C&T's Air Force Organizational Clothing and Individual Equipment Cell coordinated a release schedule for the Pacific Air Force Fire Resistant – Advanced Combat Uniform (FR-ACU) ensemble. On Jun 30, the team began releasing FR-ACU Coats, FR-ACU Trousers, and Advanced Combat Shirts. Total delivery of 174,011 assets valued at \$12,780,439.

(30) C&T fulfilled a backorder by releasing 139,000 Coyote temperate weather boots for the Afghanistan program. Combined Security Transition Command – Afghanistan (CSTC-A), now Deputy Chief of Staff Security Assistance (DCOS SA), and U.S. Army Security Assistance Command (USASAC) approved the action to fill the immediate need. The replacement boots effectively eliminates the need for a 15-month lead time including implementing a new contract vehicle and provides the Afghans a safety net and reserves while they put into operation their own self-sustaining facilities. Furthermore, this helps C&T move closer to finishing out Afghan cases as no other orders for OCIE are projected. The Coyote Boot is no longer an Army Bag Item and therefore action taken reduces big Army's residual bill by \$14.5 million.

(31) On Aug 31, 2021, the Tentage and Shelters Team awarded a contract for the Lightweight Maintenance Enclosure Tent, Green and Tan, and respective components. Award was made to Camel Manufacturing in Pioneer, Tennessee. Award was for a base year and four option periods, for a maximum value of \$50,522,512 million.

(32) DLA successfully modified the Army Aircrew Combat Uniform coat and trouser contract to include a female variant. Female users expressed concern over unisex sizing, which decreased effectiveness and, in specific cases, introduced safety concerns. The Female A2CU, coat and trouser is needed by the U.S. Army and U.S. Air Force to incorporate an efficient tailored cut and fit. A Supply Request Package was received by the Air Force and accepted in Jul 2021. In order to expedite Air Force requisitions, the Coverall/Special Purpose Contracting Team worked with the current A2CU contractor, Aurora, to add the Female Coat and Trouser to the current A2CU production. The modification allows female ordering capability through Jan 2023.

(33) The Tentage and Shelters Team awarded a delivery order to HDT Global (Solon, Ohio) on 26 Aug for thirteen Base-X Model 305 Shelter in support of Afghan Refugees in Kuwait. While this shelter is not stocked and typically has a 180-day production lead-time, the Contracting Team was able to work with HDT in committing to having all thirteen shelters completed and ready for shipment by 31 August meeting the Army's expedited deadline. The Contracting Team also coordinated with Customer Operations to upgrade to Priority 2 prior to issuing the order.

(34) TechTextil North America 2021 Symposium – A C&T industrial specialist represented DLA at Techtextil North America, an industry trade show and symposium, on Aug 23-25 in Raleigh, North Carolina. Companies in attendance represented all levels of the value chain in the textile industry. The symposium gathered the leading experts of the textile industry to discuss topics such as supply chain disruptions, the new ASTM F3502 Face barrier covering

standard, and challenges the industry is addressing around the COVID-19 pandemic.



### (c) Construction and Equipment

(1) C&E continued to play a prominent role in COVID-19 support with ongoing Strategic National Stockpile glove replenishment and close out of other critical PPE support efforts to include Nursing Home PPE, Army PPE, FEMA PPE, and the Battelle Decontamination. FY 21 COVID-19 sales were \$1.03 billion. The C&E Acquisition Planning branch awarded an urgently required Definite Quantity Contract on Oct 6, 2020, for a Disk Drive Unit to DRS Network and Imaging Systems, a large business located in Florida. This is a Fixed Quantity contract with a contract award value of \$3.4 million.

(2) Special-operations equipment remains the C&E flagship tailored logistics program. New generation contracts awarded during FY 21 with Contract Term of five years and a maximum value of \$33 billion and a reduction of six bridge contracts. With over \$4.35 billion in FY 21 sales, this program is contributing more than 60% of overall C&E sales which hit an all-time high of \$7.1 billion in FY 21. As a small business set-aside, it also leads the way in supporting the Agency's Small Business goals. A two-year Indefinite Delivery Purchase order was awarded on Oct 8, 2020. The item is an Aircraft Cockpit Light awarded to Triman Industries. The acquisition will support this high demand C&E item and the KC-135 Aircraft for the foreseeable future.

(3) C&E awarded a competitive TLSP Multiple Award Indefinite Delivery/Indefinite Quantity (IDIQ) contract to Metals USA, TW Metals and Supply Core. The Contract Term is for five years, with a total maximum value of \$900 million. This effort eliminates four bridge contracts.

(4) C&E issued awards under a new Ability One Base Supply Center TLSP to 16 Ability One Non-Profit Agencies. This pilot program supporting the 150 Base Supply Centers throughout the United States supplying Office Products, Cleaning and Janitorial Supplies, Food Service Supplies for Office Use, Hardware and Tools, Workplace Safety Items, Individual Equipment, and Special Orders. The Contract Term is five years, and the maximum value is \$150 million.

(5) The Heavy Equipment Procurement Program (HEPP) team awarded a delivery order to Polaris Sales, Inc. for quantity for 60 MRZR-D4 Utility Vehicles, with Spare Parts Package in the amount of \$2,605,095, delivery of 180 days to support Army TACOM Foreign Military Sales (FMS) for the Country of Lebanon.

(6) An award was expedited for an FSG80 customer-direct item so the V-22 Osprey could be kept operational. A purchase request for rain coating kit was awarded quickly to AMS Network (6PVX3) with a 30-day delivery. The quick award will satisfy a high priority requisition in support of OCNIOUS forces located at Al Udeid AB, Qatar.

(7) 200 military cots orders have been released in support of COVID-19 from depot DLA Distribution Hill, Utah (DDHU). The cots were ordered for the state of South Dakota Department of Corrections. They are being shipped to three prison locations to be used for quarantining inmates for COVID-19.

(8) C&E accepted a MIPR from the U.S. Coast Guard (USCG) at the end of FY 2020 to support IT requirements for their recruit training center. Since then, C&E has been participating in meetings with USCG, Clothing & Textile as well as DLA J6 to define

requirements to support this mission. The Technical and Information (Tech & Info) branch has awarded a contract with delivery date of Dec 30, 2020 to support IT equipment for this effort, including such items as printer, labels, and monitors.

(9) C&E Participated in IT Modernization program specific calls for Lumber, HEPP and containers with the IT Modernization Team. The team is thoroughly mapping out each step of the cradle-to-grave process of a requisition from the input of Supplier Ops and the TVLS's associated with each program. We continue to provide job aids, clarification and other supporting documentation to the team as requested. There will be more follow-up calls in coming weeks, yet to be scheduled.

(10) The solicitation for the Metals Tailored Logistics Support (TLS) renewal acquisition closed on Jan 18, 2021. This solicitation represents a change in acquisition strategy from a single-award prime vendor model to a multiple-award TLS model to maximize competition and obtain the most realistic pricing based on the volatile industry conditions of the metals market. The Source Selection Evaluation Board (SSEB) is convening virtually tomorrow to begin its evaluation of offers received. The target award date is Jul 24, 2021.

(11) On Mar 12, 2021, the Lighting and Hardware Division awarded a firm fixed-price, indefinite-quantity contract, with a two-year base and three-one year option terms, with a maximum value of \$45 million. The contract was awarded to DCM Clean Air Products Inc. for the supply and delivery of 272 parts that are assigned to various HEPA Air Vacuum Systems, Parts and Accessories, used by the military services during corrosion control and nuclear abatement operations. The negotiated cost avoidance on this commercial acquisition is \$3,445,262. These NSNs represent a significant portion of C&E's backorder increase within the last year. The award of this contract will assist in satisfying existing backorders for C&E's items.

(12) The Heavy Equipment Procurement Program (HEPP) team awarded a delivery order to Pierce Manufacturing for 6 each -Structural Pumper, fire trucks in the amount of \$3,533,100 with a delivery of 365 days to support the USMC, Camp Pendleton, California; Barstow, California; Twenty-Nine Palms, California; Albany, Georgia; Camp Lejeune, North Carolina and Miramar, California Fire and Emergency Services.

(13) The Heavy Equipment Procurement Program (HEPP) team awarded a requirements contract to Gaithersburg Farmers Supply, Inc. Gaithersburg is a dealer, and the contract is for the procurement of the Kawasaki, Kubota, and New Holland (manufacturers) Commercial Agricultural Equipment product lines. The contract is for five years. The estimated five-year dollar value is \$111.3 million, and the five-year maximum is \$189.2 million. The contract requires Gaithersburg to cover requirements generated that specifically call for Agricultural Equipment within the Kawasaki, Kubota and New Holland product line and will be competed among the other contractors.

(14) Sixteen awards for the AbilityOne Base Supply Center program were made April 21, 2021. These contracts are for five years with value of \$150 million.

(15) On May 27, 2021, the HEPP team awarded a requirements contract to Lake Erie Portable Screeners, Inc., for its commercial agricultural equipment line. The contract is for five years. Its estimated five-year value is \$111.3 million, and its five-year maximum is \$189.2 million. The contract will be competed against other contracts.

(16) On Jul 28, 2021, a long-term contract option was exercised with Snowbird Environmental Systems Inc. for an air conditioner used on the Landing Craft Air Cushion Assault Craft Unit. This is option year two. Delivery orders totaling \$5.7 million have been placed with a maximum value of \$14 million. This option will ensure continued support for this

important C&E item, while strengthening our relationship with a key industry partner.

(17) The Technical & Information Equipment IST awarded a large buy to Charon Technologies, LLC, with a 270-day delivery schedule. The award valued at \$838,522 was for Portable Monitoring Systems used by Naval Criminal Investigative Services (NCIS) to detect and locate surveillance threats.

(18) The Metals Tailored Logistics Program went live Sep 23, 2021. This marks the transition of a Prime Vendor single-award program to a multiple-award TLSP model to improve pricing and lead times on metals items by virtue of competition.

(19) The National Preparedness Level was lowered to 4 as of Sep 20, 2021. Nationally 65 large fires have burned over 3.154 million acres with two large new fires recently reported. To date, 45,971 wildfires have burned 5,879,222 acres in the United States this year.



#### d. Medical

(1) During FY 21, Medical filled 15,331 orders valued at \$1.47B (FYTD 2021) in support of efforts to mitigate COVID-19. Assignments included acquisition of COVID-19 Rapid Test Kits for HHS, reconstitution of PPE for DoD and DHA, increase in Warstopper contingency stocks and distribution of COVID-19 vaccines to DoD OCONUS locations.

(2) Meridian Medical Technologies (MMT) achieved FDA approval of several lots of Antidote Treatment Nerve Agent Autoinjectors, increasing warfighter stock by thousands of units which were previously difficult to produce and acquire.

(3) On 27 and 28 Oct 2020, DLA Troop Support Medical awarded four contracts to Siemens Medical Solutions USA, Agfa U.S. Corp., Philips North America and the General Electric Company to provide service on radiology systems at all U.S. Air Force Medical Treatment Facilities worldwide. The value of the four contracts was \$12.3 million. All contracts have a one-year period of performance beginning on 1 Nov 2020.

(4) On 12 Nov 2020, the DLA Troop Support Commander co-chaired the Defense Medical Logistics Supply Chain Council with BG Appenzeller from the Defense Health Agency. Meeting participants included personnel from DLA Headquarters, DHA, Office of the Joint Staff Surgeon General, DoD Military Health Services, and Whole of Government partners. This is a bi-annual meeting focused primarily on current and future COVID- 19 operations, as well as supply chain issues of interest to the Defense Medical Logistics Enterprise. .

(5) On 17 Nov 2020, the DLA Troop Support Medical Surgical Prime Vendor (MSPV) Division Chief and Electronic Catalog (ECAT) Branch Chief briefed approximately 100 members of the Coalition for Government Procurement. Participants were told how to participate as either a Prime Vendor, a Distribution and Pricing Agreement Holder, or an ECAT Contract Holder. An update was also provided on Veterans Affairs Medical Centers (VAMCs) that have transitioned to DLA's MSPV Program and the impending Inter-Agency Agreement between the DLA and VA which will pave the way for all VAMCs to transition to DLA's MSPV Program in the next three to four years.

(6) On Jan 20, 2021, the Boise VA Medical Center went "live" with DLA's Medical Surgical Prime Vendor program providing access to DLA's Medical materiel electronic ordering through MSPV and supporting regional care of veterans through the "Veterans' Integrated Service Network (VISN) 20." On Feb 24, VAMC Portland went live including VA Roseburg Healthcare System and its remote site in Eugene, Oregon.

(7) During FY 21, the MSPV Program reduced DLA customers' costs by an

additional \$15.5 million. Added to previous reductions, the cumulative amount since contract inception is now \$84.2 million. The new MSPV Generation V contracts provide higher levels of service, while lowering the distribution fee for all customers from an average of 4.3% to an average of 1.2%.

(8) DLA Troop Support Medical electronically “trapped” more than 23 thousand MILSTRIP orders and processed them through its Electronic Catalog System, reducing customer costs by more than \$4.7 million. More importantly, this process delivered material to the customer in 5 to 7 days, versus the 30 to 60 days for traditional Direct Vendor Delivery. .

(9) DLA Troop Support Medical reduced the cost of pharmaceuticals provided through its National and Global Pharmaceutical Prime Vendor programs servicing the Defense Health Agency's Pharmaceutical Home Delivery Operation, all CONUS and OCONUS Military Treatment Facilities and other DOD customers. These additions bring the total Pharmaceutical Prime Vendor savings to \$328.8 million in FY 2021 and \$2.387 billion since inception of both programs.

(10) On 12 Nov 2020, DLA Troop Support Medical awarded a long-term contract to Baxter Healthcare under the Medical Equipment Electronic Catalog Program for its commercial product line of IV Infusion Pumps. The contract has a five-year base period with no options. The maximum value of the contract is \$40 million.

(11) DLA Troop Support Medical personnel reduced the costs of myriad drugs through the National Contracts Program totaling \$377.5 million in reduced costs through fiscal 2021. This reduction results in a total of \$1 billion reduction for FY 21, and \$2.4 billion since the program began in August 2013.

(12) On 25 Nov 2020, DLA Troop Support Medical have awarded six medical consumables and equipment contracts, valued at \$491 thousand, that requested by U.S. Southern Command to support Suriname. Six product-lines on various contracts were shipped and delivered. This request consisted of life-saving equipment such as suction machines, infusion pumps, and ventilators along with associated medical consumables that aided in the disaster relief and humanitarian assistance.

(13) DLA Troop Support Medical awarded its annual Influenza (Flu) Vaccine contracts for the 2021-2022 season on 23 Feb 2021. The requirement for 3.3 million doses was covered by two separate contracts. One contract was awarded to Seqirus to cover approximately 947 thousand doses, while another was awarded to GSK to cover approximately 2.4 million doses. The Seqirus contract has a guaranteed minimum value of \$11.3 million with a maximum potential of \$22.6 million. The GSK contract has a guaranteed minimum dollar value of \$22.2 million with a maximum potential of \$44.5 million. Deliveries are set to commence on 20 Aug 2021, with Defense Distribution Center Susquehanna as the receiving and forwarding hub.

(14) The flu vaccine program wrapped up a successful 2020 with the manufacturer distributing 3,411,580 doses in support of Medical Readiness.

(15) Air Force Lt Col Dereck Underhill and Vincent Valinotti completed deployments as the Commander and Deputy Commander of DST-EA in support of the Joint Task Force – Horn of Africa and other Class I, II, IV, VIII and IX customers in the region.

(16) On Jan 26, 2021, DLA Troop Support Medical awarded an indefinite delivery, indefinite-quantity contract with a maximum \$49.5 million fixed price, with economic price adjustment, to Genesis Vision, doing business as Rochester Optical. This was a competitive acquisition with one response received. The DLA Troop Support Electronic Catalog system will be the sole means by which orders will be placed, confirmed, and invoiced. Customers include

U.S. Army, U.S. Navy, U.S. Air Force, U.S. Marine Corps, and federal civilian agencies.

(17) DLA Troop Support Medical managed the Joint Special Operations Command's requirement for Medical Equipment, Forward Resuscitative and Surgical Team kits made-to-order kits. The three kits encompass durable, expendable, and non-expendable items. The contract for the kits was awarded to LC Industries and valued at over \$2.2 million. The vendor delivered the kits to Ft. Bragg in early Jan 2021.

(18) On 25 Jan 2021, DLA Troop Support Medical awarded a contract to FedMedical under the Medical Equipment Electronic Catalog program. FedMedical is a small business distributor providing Nonin Medical Pulse Oximeters. The contract has a five-year base period with no options and a maximum value of \$30 million.

(19) On 11 Feb 2021, DLA Troop Support Medical awarded a contract valued at \$61 thousand for five ultra-low freezers to allow Guyana to store COVID-19 vaccines.

(20) Medical Collective Customer Operations Division provided initial Electronic Catalog (ECAT) training to six Bureau of Prisons (BOP) higher-level contracting officials. BOP is initiating a pilot program with Troop Support Medical, bringing in some of its major medical facilities onto DLA's ECAT application. In addition, the BOP requested Fedearl Mall training to six high-level BOP contracting officials.

(21) On 12 Feb 2021, DLA Troop Support Medical awarded a new five-year indefinite-delivery/indefinite-quantity Medical Surgical ECAT contract to Lovell Government Services, LLC with a maximum value of \$9,653,838.

(22) On 9 Feb 2021, DLA Troop Support Medical awarded a new five-year indefinite-delivery/indefinite-quantity laboratory ECAT contract to Abbot Rapid, doing business as Alere, with a maximum value of \$48,750,000. Abbot is a manufacturer of laboratory items including COVID-19 test kits.

(23) On 10 Feb 2021, DLA Troop Support Medical exercised its seventh option with Sklar Corporation. There are currently 665-line items on contract. Contract maximum is \$41.4 million; remaining maximum is \$38.5 million.

(24) On 9 Feb 2021, DLA Troop Support Medical awarded an Electronic Catalog contract to Metro Medical Equipment and Supply, a woman-owned small business. The contract for a five-year period with a maximum value of \$42 million. The final pricing reflects discounts that range from 2.20% to 67% off the manufacturer's commercial list price.

(25) On 26 Feb 2021, DLA Troop Support Medical fulfilled three, urgent Federal Emergency Management Agency (FEMA) Mission Assignment (MA) requests for 41,600 individual COVID-19 test kits valued at \$304 thousand using depot stock allocation. The Abbott BinaxNOW Test Kits supported New York, New Jersey and the U.S. Virgin Islands. On 1 Mar 2021, the BinaxNOW test kits were delivered to Colts Neck, New Jersey and St. Croix, U.S. Virgin Islands, as destination facilities.

(26) On 1 Mar 2021 DLA Troop Support Medical awarded a contract to Atlantic Diving Supply (ADS), Inc. under the Patient Monitoring and Capital Equipment (PMCE) program. ADS is a small business distributor providing the commercial product line of Getinge Heart/Lung Machines. The contract has a five-year base period with a five-year option. The maximum value of the contract is \$100 million.

(27) On 27 Apr 2021, DLA Troop Support Medical used the established First Nation Group Medical Equipment ECAT contract to issue three orders totaling \$776.5 thousand for the U.S. Agency for International Development to help mitigate the COVID-19 crisis in India. Troop Support facilitated the rapid purchase of 704 Philips Respironics Oxygen

Concentrators to assist in the effort and coordinated an expedited delivery of the units to Travis Air Force Base for subsequent shipment to India.

(28) On 25 Mar 2021, DLA Troop Support Medical awarded an Electronic Catalog contract to 3T Federal Solutions LLC, a Veteran Owned Disadvantaged Small Business. The contract period is five-year with a maximum value of the \$35 million. The final pricing reflects discounts that range from 12% to 29% off the manufacturers' commercial list price.

(29) On 4 Apr 2021, DLA Troop Support Medical awarded an Electronic Catalog contract to Hypothermia Devices LLC, doing business as Kelvi, a minority-owned small business. The vendor manufactures Cryo/Thermotherapy products. The contract is for five years with a maximum value of \$5 million. The final pricing reflects 10% off the commercial list price.

(30) On 9 Aug 2021, a Court of Federal Claims (COFC) public opinion was released based on its ruling that the transfer of requirements from the Department of Veterans Affairs (VA) Medical Surgical Prime Vendor (MSPV) 2.0 program to the DLA Troop Support MSPV was unlawful and must stop. Pilot program facilities, including Veterans Integrated Service Network 20 facilities in the Pacific Northwest and the Capt. James A. Lovell Federal Healthcare Center in Chicago, Illinois, would remain under the DLA program.

(31) On 15 Apr 2021, DLA Troop Support Medical awarded a contract to Salus Medical under the Radiology and Imaging Systems program. Salus Medical is a woman-owned small business distributor. This is a five-year base contract with one five-year option period and a maximum value of \$100 million. This is a joint contract with the Veterans Administration.

(32) On 20 Apr 2021, DLA Troop Support Medical awarded a contract to Masimo Corporation under the Patient Monitoring and Capital Equipment program. This is a five-year base contract with one five-year option period and a maximum value of \$100 million.

(33) On 4 Jun 2021, DLA Troop Support Medical awarded a contract to Nuvasive, Inc. for its spinal product line. This was a sole-source acquisition using justification 10 U.S.C. 2304 (c)(1), as stated in Federal Acquisition Regulation 6.302-1. This is a one-year base contract with four one-year option periods. The DLA Troop Support Electronic Catalog System will be the sole means by which orders will be placed, confirmed, and invoiced. Customers include the U.S. Army, U.S. Navy, U.S. Air Force, U.S. Marine Corps, and federal civilian agencies. The contract covers the Continental United States, as well as Alaska, Hawaii, and Puerto Rico with a contract maximum of \$136.9 million.

(34) On 7 Jun 2021, DLA Troop Support Medical entered into a contract with Philips North America to provide the Madigan Army Medical Center at Ft. Lewis, Washington, with a patient monitoring and telemetry system. The value of the contract is \$2.3 million. This was an urgent requirement needed to replace the unsafe equipment in five clinical departments.

(35) On 11 Jun 2021, DLA Troop Support Medical awarded a purchase order to ESSEX for two liquid oxygen storage and distribution units. These units provide an uninterrupted supply of therapeutic oxygen.

(36) On Jun 2, 2021, DLA Troop Support Medical awarded an indefinite purchase order to Scott Med for thermometer covers. The contract is for three years with a maximum amount of \$250 thousand.

(37) On Jun 2, 2021, DLA Troop Support Medical awarded a delivery order to the Lighthouse for the Blind for folding litters. The order was for \$1.7 million.

(38) On 9 and 10 Jun 2021, DLA Troop Support Medical awarded contracts to GE Healthcare to provide maintenance of GE Healthcare radiology systems at Tripler Army Medical Center, Honolulu, Hawaii; Madigan Army Medical Center, Ft. Lewis, Washington; and

the Dwight David Eisenhower Army Medical Center, Ft. Gordon, Georgia. The total value is \$2.5 million.

(39) In Sep 2021, Medical awarded six contracts with a combined maximum value of just over \$2.78 billion for up to 150 million at-home and 400 million point-of-care COVID-19 test kits funded by the Department of Health and Human Service in support of White House initiatives to defeat COVID-19.

(40) In Sep 2021, Medical awarded a contract worth \$34.3 million with an 18-month order period to Fisher Scientific Co., LLC, for nucleic acid amplification COVID-19 test supplies in support of CBP sector stations and associated facilities, emergency intake shelters, Office of Refugee Resettlement shelters and other federally funded customers.



#### e. Industrial Hardware (IH)

(1) On Mar 4, 2020, DLA Troop Support Commander Army Brig. Gen. Gavin Lawrence and IH Director Air Force Col. Adrian Crowley announced the HQ DLA Class IX Supply Chain Realignment Initiative decision to divest the Class IX mission from DLA Troop Support to DLA Aviation and Land & Maritime in an effort to increase they efficiency and effectiveness of Class IX support and to realize \$4-7 billion in agency growth over the three-year phased mission transition. The decision will yield benefits to agency composite Cost Recovery Rates and result in no negative impact to the DLA Troop Support Philadelphia workforce. The realignment, originally targeted for completion in Oct 2022 or until all items and personnel had successfully transitioned from IH, was accelerated in May 2021 to complete 100% transition of IH workload and workforce by Sep 30, 2021. A small contingent of personnel remaining at DLA Troop Support in Philadelphia will be assigned to the “Class IX Support Function (CSF).”

(2) Orchestrated the largest and most complex transfer of NSN ownership in recent DLA history. Synchronized all three Class IX MSCs and HQ elements to ensure the smooth transfer of 914 thousand NSNs from Troop Support IH to DLA Aviation and DLA Land & Maritime while keeping the highest levels of materiel availability for the warfighter. Project also saves DLA 77 full-time equivalent positions. Completed a three-year schedule in 1.5 years! Successfully met all key commitments to nearly 500 IH employees.

(3) During the transfer, IH maintained 38 of 46 original personnel detailed for up to 120 days for COVID-19 relief surge efforts with five in C&E, eighteen in Medical, and fifteen in C&T.

GAINING MSC	COMP FY20	COMP FY21	SCHD FY21	SCHD FY22	NSN TOTAL
Aviation	108K	250K	110K	0K	468K
L&M	230K	0K	216K	0K	446K
<b>Total #</b>	<b>338K</b>	<b>250K</b>	<b>326K</b>	<b>0K</b>	<b>914K</b>
<b>Total %</b>	<b>37%</b>	<b>27%</b>	<b>36%</b>	<b>0%</b>	<b>100%</b>

(4) IH Nuclear Item Support: Critical Item backorders for a B-52 part resolved through industry partnership and collaboration.

(5) The IH Strategic Materiel Sourcing Group awarded three contracts for the FSC 5340 Fully Competitive Hinges Renewal Project covering 14 items with an annual demand value of \$48,755 and achieving \$3,024 in negotiation savings.

(6) Medical Strategic Materiel Sourcing Group (MSG) awarded eight contracts for the FSC 5340 Miscellaneous Items Renewal Project covering 38 items with an annual demand value of \$406,059 with the potential to add an additional 2,320 items via the add/delete clause if demand warrants and cleared nine small purchase PRs in the process.

(7) IH participated in the HQ DLA J3-led core team tasked to investigate the circumstances surrounding the DLA part involved in a high-profile USMC CH-53E mishap. The cross-functional team provided DLA J3 updates via regular staff huddles twice a week. Due to law-enforcement sensitive components, updates were forwarded under separate correspondence and otherwise unavailable.

(8) On Sep 30, 2021, a ceremony was held to celebrate the disestablishment of the IH supply chain where BG Eric P. Shirley, DLA Troop Support Commander officiated a flag retirement ceremony attended by IH Director USAF Col. Adrian Crowley as well as past and present IH leaders and employees.

#### f. Product Test Center Analytics



Quarters	1	2	3	4	FY 21 Total
<b>Total Reports Completed</b>	2011	1464		1683	
Shade	1427	1197		751	
Verification	43	47		55	
Source	516	528		751	
Other	1	3		16	
Proficiency	0	3		3	
Certifications	20	17		21	
Source Untested	5	3		3	

g. FY 21 Sales Breakdown: DLA Troop Support sales for FY 21 totaled \$21.4 billion. Sales by supply chain breakdown as follows:

- (1) Subsistence: \$2.6 billion
- (2) Clothing & Textiles: \$2.4 billion
- (3) Construction & Equipment: \$7 billion
- (4) Medical: \$9.1 billion
- (5) Industrial Hardware: \$210 million

#### h. Process Compliance

(1) Continuous Process Improvements (CPI): completed seven out of nine post-project validations with \$1,579,288 in cost offsets. Completed two new projects: new-to-DLA Hiring Phase I onboarding and PTC Equipment Calibration.

(2) CPI Training: delivered two courses managing curriculum and testing for forty

DLA Troop Support students, pivoting to on-line only delivery for first time. Provided virtual project management training to forty-eight Troop Support students and received Applied Statistic Training for nine DLA Troop Support CPI analysts from the HQ Master Black Belt contractor.

i. Audit Readiness

- (1) Completed 10 of 13 process control memorandum revalidation reviews
- (2) Developed two additional process control memorandums.
- (3) TOD/TOE completed on four PCMs – In progress on 5 – 1 requires no testing
- (4) Developed two corrective action plans for failed key controls
- (5) Assessable Unit Identification – Aligned 286 end-to-end processes
- (6) Provided by Client Requests (PBC) – Submitted 101 PBCs timely – 100%
- (7) Two business process walkthroughs completed with Ernst & Young with positive results. Twenty-eight due outs – 31 documents submitted.

j. Support to Small Business

- (1) Overall awards to small businesses were \$7.5 billion, including \$520 million to small businesses located in Historically Underutilized Business Zones (HUBZones).
- (2) Awards to small disadvantaged and small women-owned businesses totaled \$1.6 billion.
- (3) Awards to veteran-owned small businesses totaled more than \$555 million.
- (4) Other related socioeconomic programs include awarding contracts to non-profit agencies such as those under the AbilityOne Program – National Industries for the Blind (NIB) and SourceAmerica which employ individuals who are blind or have other severe disabilities. DLA Troop Support continued to be a major supporter to these organizations in FY 2021 awarding \$420 million to AbilityOne entities. DLA Troop Support awarded over \$102 million in contracts to Federal Prison Industries in FY 2021.

k. Pricing Division

(1) Pricing

- (a) Processed 359 pricing cases in FY 21
- (b) Subsistence - 35%; C&T - 28%; C&E - 20%; Medical - 17%

(2) CompAd

- (a) Processed 104 Justifications and Approvals in FY 21 (4th qtr)
- (b) Med and C&E = approx. 79% of actions
- (c) Bridge contracts active at the end of FY: C&E - 14; Subsistence – 9

l. Compliance Division (BPB)

- (1) Performed Internal Procurement Management Reviews and the new Internal Acquisition Process Management in response to HQ Agency Management Reviews (AMRs).

- (2) Performed Special Interest reviews on command directed topics
- (3) Performed intense acquisition & pricing reviews on a representative sample of work for each DLA Troop Support contracting officer
- (4) Trained contracting staff on reviews and findings (Acquisition Stand-Down Day DLA Pacific.

Program Metric (plan per year)	Est Actions/Reviews
Contract Quality Reviews (CQR) LG/SM/Mod	690 per year FY 21 Goal Completed 719 FY 21
Price Challenges	80 per year
Biennial Warrant Reviews	460 KOs over 2yrs.
IPMRs/IAMRs	4-5 each over 2yrs.

m. Special Projects Team

(1) COVID-19 Support

Procurement Process Support coordinated with supply chains to provide DLA Troop Support and DLA J7 a report on vendor shut down/impact information by state. The report has been a joint effort with the command, supply chains and procurement all ensuring the status of vendors is current and any issues are immediately addressed.

(2) ULO (Unliquidated orders) (as of Aug 2021)

Status	Line Count	Dollar Value
Valid	54786	\$263,051,752.77
Manual	144270	\$796,623,909.78
Total	199056	\$1,059,675,662.55

(3) Government Purchase Card (GPC)

- (a) DLA Troop Support GPC Web page established: [Government Purchase Card \(GPC\) Program \(dps.mil\)](#)
- (b) 25 Billing/Alternate Billing Officials and 18 Cardholders
- (c) All training is up to date for BO/CH
- (d) Transactions have decreased due to COVID-19 and 100% telework.

(4) Monthly Compliance:

DLA Troop Support	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	YTD
Compliance Conformance Rating:	86%	82%	89%	88%	100%	86%	100%	83%	86%	75%	89%		88%
Total Transactions	17	25	35	21	28	23	43	19	21	24	36	0	292
Number of Sample Transactions Reviewed	7	11	9	8	7	7	12	6	7	8	9	0	91
Number of Compliant Transactions	6	9	8	7	7	6	12	5	6	6	8	0	80

n. Contract Review Division (BPP)

(1) Reviewed high dollar value complex Acquisition Plans, Solicitations, Pre-Negotiation Objectives, Competitive Range Determinations, Price Negotiation Memos, and Source Selection Decisions

(2) Number of cases reviewed by Supply Chain:

Supply Chain/Region	Cases Reviewed
Medical	78
Subsistence	86
Construction and Equipment	41
Clothing and Textiles	69
Europe and Africa	8
Industrial Hardware	1
<b>TOTAL</b>	<b>283</b>

o. Systems & Procedures Division (BPS)

(1) 100 hours of specific topic training related to Policy/ECC/EProcurement/External Systems

(2) Customer Service – more than 5,000 email, Skype and phone requests for Policy/ECC/EProcurement/External Systems assistance

(3) Policy Guidance issued to the Procurement Community.

(a) 9 Contracting Broadcast News (CBNs)

(b) 2 Contract Policy Memorandum (CP Memos)

(c) 5 Clause Change Notices (CCNs)

(d) 10 Procurement Letter Summaries

# Defense Logistics Agency

## DLA Land and Maritime Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**LAND AND MARITIME**  
**P.O. BOX 3990**  
**COLUMBUS, OHIO 43218-3990**

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Land and Maritime FY 21 Annual History Submission

Fiscal Year 2021 brought significant changes and additions to Land and Maritime operational and logistical procurement processes. These changes helped sustain operations and improve logistic capabilities as the COVID-19 health emergency continued. The determination and resiliency of our workforce enabled us to fulfill our Warfighter support mission, while simultaneously assisting in numerous U.S. and global humanitarian operations.

In recognition of our world class workforce and their commitment to superior service, I am proud to include a summary of the notable operational achievements chronicled in our DLA Land and Maritime FY 2021 History submission.

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KRISTEN B. FABRY  
RDML, SC, USN  
Commander

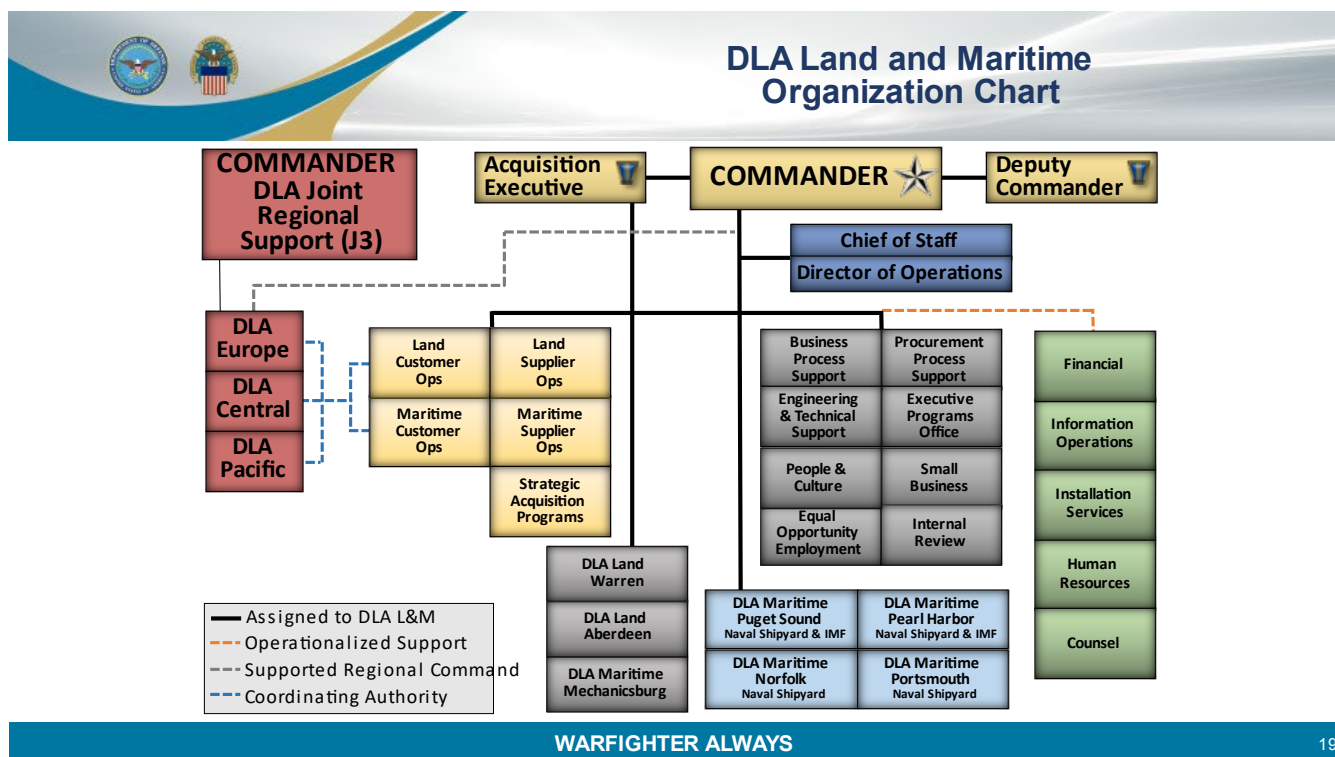
Attachment:  
2021 Land and Maritime History Submission

## 1. Introduction:

Logistics demands change rapidly whether responding to real world military operational requirements or supporting immediate demands for humanitarian assistance. It is DLA Land and Maritime's mission to fulfill those needs by efficiently and effectively providing worldwide logistical support. DLA Land and Maritime primarily supports U.S. military services through dedicated customer relations, while working with numerous suppliers to fulfill requirements for assigned stock classes. Additionally, we provide logistical services to Navy shipyards and Army and Marine Corps industrial sites. Successful accomplishment of the Land and Maritime mission requires a trained, diverse workforce and a professional culture that supports high expectations.

- a. DLA Mission: Deliver readiness and lethality to the Warfighter Always and support our Nation through quality, proactive global logistics.
- b. DLA Vision: As the Nation's Combat Logistics Support Agency and valued partner, we are innovative, adaptable, agile, and accountable – focused on the Warfighter Always.
- c. DLA Why: To serve the Warfighter and our Nation!
- d. Core Values: Leadership, Professionalism, and Technical Knowledge through Dedication to Duty, Integrity, Ethics, Honor, Courage, and Loyalty.
- e. The DLA Land and Maritime Way: We provide Warfighter Logistics Excellence through Accountability, Teamwork, Urgency, Agility and Innovation built upon a Commitment to Integrity, Diversity, and Mutual Trust and Respect.

## 2. Organization

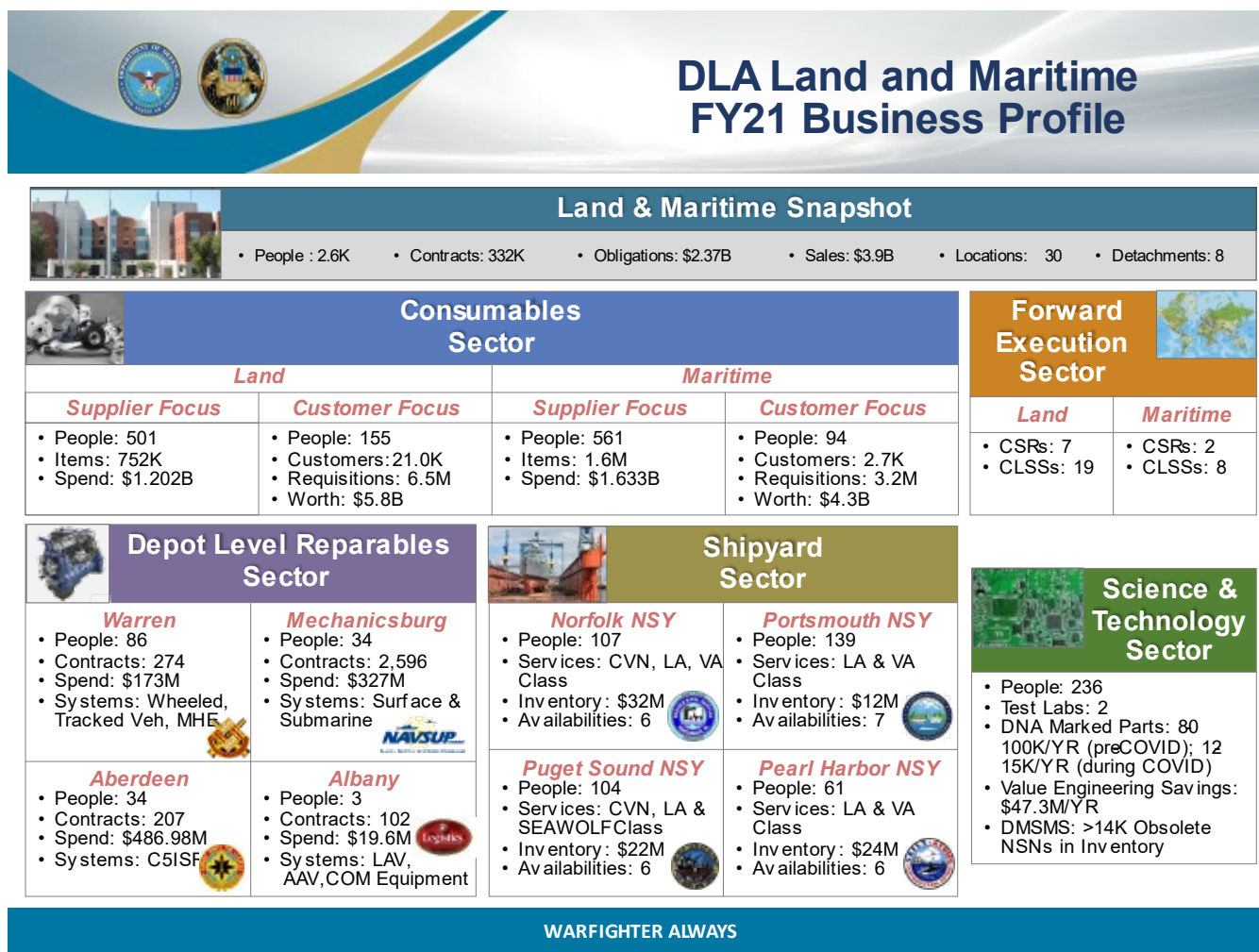


### 3. Key Personnel



- a. Commander: Navy Rear Adm. Kristen Fabry Jul 2020 – present
- b. Deputy Commander: Mr. Kenneth Watson, SES Oct 2019- Present
- c. Acquisition Executive: Mr. Mark Brown, SES Mar 2018- Present
- d. Chief of Staff
  - (1) Air Force Col. Christopher Tooman, USAF Aug 2021 – Present
  - (2) Col. Tooman replaced Navy Capt. Dinis Pimentel as Chief of Staff
- e. Director of Operations: Griff Warren, May 2018 - Present

#### 4. Total Personnel:



#### 5. Historical Narrative

##### a. Warfighter Always

Defense Logistics Agency Land and Maritime improved overall readiness and cost effectiveness in FY 21 by creating solutions that improved relationships with industry partners and customers. Perhaps the greatest example of this was the expansion of its Electronics Product Test Center (PTC) with the grand opening of a new in-house battery testing facility Oct 26. Created over 10 months, the new facility is the tangible result of teams working to improve operational efficiency and save money.

Motivated by the FY19/20 DoD Defense Wide Review, DLA Land and Maritime leveraged its Engineering and Technical Support Directorate to evaluate opportunities for reducing engineering and testing costs. The team chose testing military-grade batteries from several options. In particular, it focused on the BA-5590U, the U.S. Army's legacy 'workhorse'

battery. Transferring testing to the PTC improved DLA Land and Maritime's ability to control costs. The command created detailed testing procedures to support product compliance, and in-house testing allows us to update testing capabilities as necessary. Additional benefits include reduced physical distance from the testing facility, seamless procedures, and reduced cultural differences between customer operations and the contractually required testing location.

Performance that impressive translated into across-the-board readiness improvements for our national defense customers. Maritime's power projection activities included superb management of the DoD's Nuclear Reactor program. Always a dependable resource for the nation's vital nuclear deterrent, DLA Land and Maritime operations sustained superior logistical support above the agencies stated goal for 166 consecutive months and continues that streak as of the close of FY 21. Key logistics support initiatives like these enable the world's most lethal and efficient military to protect America's interests during this era of global power competition.

DLA Land and Maritime built upon this commitment by continuing its support of the Navy submarine mission in Portsmouth. DLA Maritime Portsmouth completed construction of a 29,000-square-foot addition to its maintenance facility. The new Consolidated Global Warehouse facility replaced an older facility that was incapable of meeting mission needs. Its construction completed an \$18.5 million upgrade that provides added servicing capability for U.S. Navy submarines requiring needed maintenance repairs.

#### b. Support to the Nation

DLA Land and Maritime exemplified DLA's overall scope, scale and skills in the acquisition, storage, distribution and surge capabilities in FY 21 with its response to the COVID-19 vaccine distribution. On Mar 30, Land and Maritime personnel at Defense Supply Center Columbus, in partnership with Wright Patterson Air Force Base and Ohio Army National Guard began on-site COVID-19 vaccinations for DSCC personnel. First doses of the Moderna and Pfizer vaccines were administered to associates desiring the vaccine. Volunteers from DLA and DSCC tenant organization workforces assisted with the administrative functions needed to support the vaccination effort.

As the initial public vaccine demand increased, DSCC associates were confronted with the challenging task of navigating public vaccination options for those deciding to receive them. The ability of DLA Land and Maritime, working with our partners to offer the vaccine on site was crucial to providing a safe environment for our workforce. The DSCC vaccination site completed its final day of operations on May 25 after vaccinating 1,148 members of the workforce.

#### c. Trusted Mission Partner

DLA Land and Maritime leveraged collaboration with its industry partnerships during FY 21. These efforts required the command and its industrial partners to exercise creativity in developing procurement procedures to support the nation's military services. These partnerships have proven beneficial for both, reinvigorating the nation's industrial base while measurably improving our operational efficiency.

In FY 21, DLA Land and Maritime provided greater financial transparency through improved cooperation with industry and military decision makers, generating strategic activities that helped America's warfighters realize readiness improvements.

Additionally, DLA Land and Maritime accelerated the FY20-22 project to add ~450 thousand national stock numbers to its managing inventory (approximately 200 thousand additional in FY 21) from Industrial Hardware by moving the transfer of FSC 5340 (160 thousand items) a year early as a result of completing the hiring, onboarding, and training of approximately 200 new associates.

Always seeking to collaborate closer with our industry partners, DLA Land and Maritime hosted a successful, COVID-19 compliant, Industry Round Table on Aug 24 in our building 20 auditorium. Forty-six attendees representing 26 vendors were on site. The event was by invitation only. Vendors were selected by their status as an Alliance partner or having significant spend with DLA Land and Maritime. We were pleased with the robust discussion and interaction following presentations. Forecasting, funding and the requirements future outlook for sustainment were the topics that garnered the most discussion.

As we continued to mitigate risk to our supply chains, on Sep 24, the Defense Criminal Investigative Service recognized DLA Land and Maritime's Counterfeit Material and Unauthorized Product Substitutions (CM/UPS) Team, to include our very own Carol Matheke, for its exceptional work in the Nov 2020 conviction of Robert Klein. Mr. Klein was found guilty of two decades of wire fraud totaling \$1.6 million in lost DoD contracts and \$640,000 of unpaid taxes. The Special Agent in Charge (SAC) of the Northeast Region traveled from Boston, Massachusetts, to make the presentation at the local U.S. Attorney's Office for the Southern District of Ohio. The DLA Land and Maritime deputy commander and DLA Land and Maritime chief of staff were also in attendance. DCIS recognized the CM/UPS team as the standard bearer across DoD for fraud detection and mitigation. Attorney Carol Matheke received individual recognition for her personal efforts extending over a period of 20 years, including 19 separate debarment actions against Mr. Klein and his various businesses. Attorney Matheke's determined pursuit to hold Mr. Klein accountable for his criminal conduct enabled the U.S. Attorney's Office for the Southern District of Ohio to succeed where others had failed. This presentation provided a great opportunity for DLA Land and Maritime's Command to witness first-hand the collaboration between the CM/UPS team, DCIS, and the U.S. Attorney's Office, and the significant impact this teamwork is making across DoD.

#### d. Modernize Acquisition and Supply Chain Management

As stewards of American taxpayer money, DLA Land and Maritime strived to employ results-driven fiscal practices that demonstrated strategic resource management. Integrating efficient procurement practices enhances the readiness of our military services, positioning them to deploy superior lethality.

DLA Land and Maritime incorporated DLA's Automated Indefinite Delivery Contract (AIDC) tool in FY20 as an additional cost reduction initiative. AIDC produced two-fold results, both strengthening industry procurement partnerships and supporting improved military readiness. Merging AIDC into logistics operations, DLA Land and Maritime documented an initial 30% increase in auto award rates, with another 25% awarded with minimal buyer assistance. Leading the efforts in AIDC usage, DLA Land and Maritime awarded nearly 15,000 AIDC awards since the program's inception, 5,250 of which have been fully automated.

#### e. Future of Work

DLA worked with the Marine Corps to complete the third leg of a 2005 Base Realignment and Closure directive requiring the military services to transfer supply, storage, and distribution functions to DLA. DLA Land and Maritime led an industrial supply integration initiative with Marine Corps industrial sites that improved demand planning and forecasting as well as streamlining processes.

On May 6, DLA Land and Maritime awarded a contract to BAE for an End-of-Life Common GPS Module procurement on behalf of the Office of Secretary of Defense. CGMs are used in GPS receivers across multiple weapon systems. The acquisition was for 404,501 with an option for an additional 393,501 to be awarded in FY22, subject to the availability of funds. If all options are exercised, performance will end in 2030 with a valuation of more than \$646 million.

Under the contract, BAE Systems will provide equipment to DoD and U.S. allies through 2030. BAE will manufacture the hardware and manage the inventory on behalf of DLA.

# Defense Logistics Agency

## DLA Aviation

### Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
AVIATION  
8000 JEFFERSON DAVIS HIGHWAY  
RICHMOND, VIRGINIA 23297-5002

October 7, 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN – Historian


SUBJECT: Submission of DLA Aviation FY21 Annual History Input

I'm pleased to be able to share that our dedicated workforce was able to overcome ongoing COVID-19 challenges during FY21 and exceeded expectations in providing worldwide support to our military services, industrial partners and whole of government teammates.

While I continued my taskforce assignment as the Deputy Director of the COVID-19 Supply Chain Task Force with the Federal Emergency Management Agency Headquarters in D.C, until June, my deputy, Mr. Charlie Lilli, our acquisition executive Cathy Contreras, and our directors provided exceptional guidance and leadership.

Throughout this past year, our Aviation team remained resilient and steadfast, applying lessons learned with remote technologies to accomplish seamless support to our warfighters. We built on already strong partnerships with our defense industrial base to streamline processes and generated tailored solutions in the face of unprecedented supply chain challenges, keeping our employees' and warfighters' safety and mission requirements first, always.

The attached report highlights our accomplishments this past year from modernizing and streamlining our business practices, to ongoing process improvements and critical day-to-day interactions with our military and industry partners. Despite a worldwide pandemic, our Aviation team remains focused on the needs of our warfighters, expanding and improving readiness in support of our global interests.

  
DAVID J. SANFORD  
Brigadier General, USAF  
Commander

Attachment:  
1-Annual History Input

## 1. Introduction

DLA Aviation had over \$5 billion in sales, processed 3.9 million customer orders, and conducted business with 3,400 suppliers in support of 12,287 customers during fiscal 2021.

We provide aviation weapons systems and environmental logistics support to the defense aviation community, other federal agencies and partners, and allied nations. This support played a pivotal role in delivering weapons systems solutions and environmental support to our soldiers, Marines, sailors, airmen, guardians, coast guardsmen and other customers.

Headquartered in Richmond, Virginia, DLA Aviation operates at 18 geographically separated sites across the U.S. The team is comprised of more than 4,000 civilian, military, and contract personnel supporting more than 1,879 weapons systems. We are DoD's integrated material manager for more than 1.7 million national stock number items, industrial retail supply, and depot-level reparable acquisitions. DLA Aviation is responsible for supply at six major industrial maintenance, repair, and overhaul facilities for the Air Force and Navy, and for storage operations at three of the sites.

DLA Aviation also operates the federal government's only industrial plant equipment maintenance, repair, and overhaul facility at Mechanicsburg, Pennsylvania. Our major product lines and services are:

Turbine engine components	Cables
Airframe structural parts	Hardware
Flight safety equipment	Maps (digital, and print)
Electrical components	Green products
Aviation lighting	Chemicals, and petroleum products
Bearings	Industrial gases
Commodities	Industrial plant equipment

DLA Aviation - a proud member of the nation's combat logistics support agency.

## 2. Organization



## 3. Key Personnel, and Organizational Changes

a. DLA Aviation Commander Air Force Brig Gen David Sanford was appointed deputy director of the Supply Chain Task Force as of Apr 11, 2020, serving as the as part of the White House Task Force for the COVID-19 Response. He returned to Richmond full time Jun 1, 2021, after a 420-plus-day temporary assignment. He would have rotated out for his next assignment in Jun 2021, but the Air Force extended his assignment at DLA Aviation through Jun 2022.

b. Air Force Col Brian Mayer assumed command of DLA Aviation at Warner Robins, Jun 21, 2021. He replaced Air Force Col. Todd Bean.

c. Air Force Col Jason Kalin assumed command of DLA Aviation at Oklahoma City Aug 13, 2021. He replaced Air Force Col. James Malec, Jr.

d. Steve Kinskie left the position of director of planning to accept an assignment with DLA Headquarters. Kent Ennis is now the director of planning.

e. Kent Ennis left the position of director of business process support to accept the position of director of planning. Spencer Shaffer is now the director of business process support.

f. Calvin Lee retired as deputy director of engineering Dec 2020. Taylor Frazier is the new deputy director.

g. Kathie Rowland retired as the deputy chief of staff for DLA Aviation Jun 2020. Nancy Calvao became the new deputy chief of staff in September.

h. Air Force Col John Waggoner retired as Director of Customer Operations in Oct. 2021. Air Force Col Daniel Willison, Jr. is the new director.

i. DLA Aviation reorganized under General Order 08-20, signed Nov 10, 2020.

(1) Industrial support activities supporting Air Force air logistics complexes, and Navy fleet readiness centers were realigned and established as directorates, reporting to the DLA Aviation commander to improve the effectiveness of industrial operations.

(2) DLA Aviation Procurement Process Support stood up a training division, separating the procurement training requirements from the policy division. The new division is responsible for training procurement DLA Pathway to Career Excellence employees, interns, and the existing procurement workforce.

j. DLA Aviation reorganized under General Order 09-20, signed Jan 26, 2021.

(1) DLA Aviation Audit, Process Compliance and Risk Management Directorate was established to oversee and execute the audit remediation and sustainment, continuous process improvement, risk management and internal controls programs.

(2) The Career Development and Project Support Division was realigned to the Business Process Support Directorate to create supply functional training efficiencies and the Strategic Business Analytics Division was established to centralize data analysis support.

k. In 2020, DSCR awarded a \$98 million DLA Aviation Operations Center Phase 2 military construction project to modernize the installation into a state-of-the-art facility capable of supporting the mission needs of the modern warfighter. Demolition of Building 33 on Defense Supply Center Richmond, Virginia was completed this summer as part of Phase 2 for the Defense Logistics Aviation Operations Center. The Phase 2 building, when completed, will be a 281,064 square-foot facility. The project completion is planned for Dec 2023. These efforts contributed to the installation winning the Commander's-in-Chief Award for 2020.

#### **4. Total Personnel**

a. DLA. Aviation has 3, 883 civilians, 63 active-duty military, 25 reservists, and 171 contractors

b. DLA Aviation headquarters at Richmond, Virginia, has 2,055 civilians, 48 active-duty military, and 79 contractors

c. Aviation employees at 18 geographically separated sites include 1,828 civilians, 15 active-duty military, and 92 contractors

#### **5. Historical Narrative**

Over the past year, DLA Aviation responded with agility and commitment to sustain critical support despite challenges posed by the COVID-19 pandemic. Employees, and leaders embraced new methods, and processes to continue providing weapons systems support while working from remote locations and in new collaborative fora.

#### a. Modernized Acquisition, and Supply Chain Management

Supply chain logistics is a rapidly evolving environment, and we work closely with our industry partners, and military customers to streamline our acquisitions, and business processes to deliver increased readiness. We continually look at processes to analyze data to make informed, risk-based decisions, and develop actionable solutions.

(1) This past year, we focused our modernization efforts on inventory optimization at DLA Aviation at Jacksonville to prevent excess and dormant retail from creating unfilled orders. The initiative, now shared among all DLA Aviation Navy industrial support activities, validated 26,453 national item identification numbers; this resulted in 307 unique NIINs, valued at \$2.4 million, being set aside to fill DLA enterprise requirements.

(2) Our Business Process Directorate fielded new tools in its Center of Parts Activity to anticipate, and overcome potential support issues. The Materiel Supportability Analysis tool, multiple automated dashboards, and retail support metric driver trees fielded during 2021 guided customer support, and sustainment specialists to direct root cause actions.

(3) Partnering with the DLA enterprise Robotic Process Automation program, DLA Aviation Procurement Process Support Directorate collaborated with agency activities and major subordinate commands to improve business processes, increase responsiveness, and manage costs. Management and employees trained two procurement analysts as functional designers and two more as automation developers with enhanced skills in preparing technical design documents and writing system code to automate processes. They worked with internal aviation customers from our supplier operations' directorates to create an automated process they called "Cancel System Generated Quality Notification, and Option Post Award Requests automation to production." This automated process, BOT, identifies post award requests where no further action is required, and cancels the PARs, reducing hundreds of hours of post award administrator workload. DLA Aviation analysts are working with the enterprise RPA program to explore expanding this BOT's capability agencywide.

(4) The Aviation Forging and Casting Assistance Team was able to assist manufacturers in overcoming manufacturing issues using innovative tools, and techniques. Following a report of high casting scrap rates at an important aviation cast parts supplier, AFCAT performed an investigation into potential causes. The team discovered this foundry, and many other DLA suppliers, were not permitted to perform In-Process Weld Rework on castings. AFCAT, and the American Metal Casting Consortium published a Casting Quality Tip outlining how using I-PWR in the production of weldable defense castings can eliminate the high cost, and delays of scrapping repairable, conforming cast metal components. As a result of this endorsement, a DoD prime contractor authorized its aluminum casting supplier to allow I-PWR enabling them to rapidly deliver high quality, cost-effective cast metal components that contribute to warfighter readiness. The success of this effort was highlighted in the Winter 2020 Newsletter of the American Metal Casting Consortium.

#### b. Warfighter Always

(1) The enterprise supply chain realignment effort transferred industrial hardware management from DLA Troop Support to DLA Aviation and DLA Land and Maritime. Items

moved to Aviation included seven federal supply classes under Federal Supply Group 53: Hardware, and Abrasives. Approximately 420,000 national stock numbers transferred as well as management of DLA's Navy industrial product-support vendor and Corpus Christi Army Depot IPV strategic contracts. DLA Aviation used a combination of methods to absorb the additional workload: current employees, internal management reassignments, and new hires. Aviation directorates also assembled a cross functional oversight team to ensure proactive measures were in place before, and after workload transfers. Experience from each transfer shows approximately six months after each transfer was realized, the workload was brought into alignment as a steady state metric alignment with Aviation existing metrics.

(2) General Services Administration discontinued its support of compressed gases to Marine Corps bases and stations in Aug 2021. Support transitioned to DLA Aviation Aug 1, 2021, through its privatized contract with Hudson Technologies Company that includes coverage for approximately 700 NSNs in FSGs 6830 (Industrial Compressed Gases), and 8120 (Cylinders). The \$399 million long-term contract provides worldwide support.

(3) Working with our Air Force customers, and General Electric, we signed a contract to construct, and evaluate an engine part, a sump pump cover, for airworthiness produced using additive manufacturing processes. The cover is now an approved part alternative, and a first for a DoD entity for a metal additive manufactured part to be qualified.

(4) Defense Logistics Agency Aviation at Ogden contracted with Collins Aerospace to refurbish, and reuse carbon heat stacks. The heat stacks are a critical component of the brake systems on Air Force F-16 Fighting Falcon and C-130 Hercules aircraft, but they are also costly. Due to significant cost savings while maintaining 100% warfighter support, Collins Aerospace, the Air Force, and DLA received the 2020 Secretary of Defense Performance Based Logistics Award at the subsystem level.

(5) DLA Aviation at San Diego improved E-2D Advanced Hawkeye aircraft support turnaround time to 220 days. With the E-2D being a new aircraft, and as a single piece flow product line, we estimated the turnaround time at 319 days, but by refining processes, and clearing aged work-in-process throughout fiscal 2021, we shortened turnaround time to 220 days.

(6) DLA Aviation aggressively worked to reduce aged backorders in support of the nuclear enterprise this year, focusing on BOs greater than two years old. The baseline at the beginning of fiscal 2021 was 117 NSNs/338 lines with a targeted 60% reduction based off current contract delivery dates. To date, we have achieved a 63.3% reduction.

(7) DLA Aviation's Breakout Engineering Team explored noncompetitive parts to reduce costs and increase competition. This year they successfully reviewed available technical data for a F-16 wiring harness and were able to obtain engineering support activity approval from the military service to change the part procurement to full, and open competition. Increased competition resulted in a 55% cost reduction, and \$438,000 in savings from the approved procurement award. The team continues to seek overpriced, noncompetitive parts to breakout, thereby lowering cost, and providing more value for every warfighter dollar spent. The value engineering savings-to-date for the first three quarters of fiscal 2021 is \$28,932,826.

(8) The Navy recently purchased 22 F-5 aircraft and 44 engines from the Swiss Government. Aircraft and engines should arrive in Oct/Nov 2021 and will undergo reconfiguration, depot level rework, and modifications prior to being placed into inventory. To support this effort, the Navy is working on providing future depot and operational requirements. For Depot requirements, DLA is working with Fleet Readiness Center, Jacksonville, Florida to ensure the bill of materials is updated and new requirements are loaded to the gross demand plan.

(9) This year the Air Force identified a requirement for a 100% replacement of the center nacelles in the A-10 aircraft. Nacelles are a safety of flight structures that secures engines to the aircraft. The Air Force invested more than \$3 million to ensure available inventory for the replacement, and DLA Aviation is working with our Air Force partners to ensure short-, and long-term support plans are in place.

#### c. Support to the Nation

(1) When the COVID-19 global pandemic began sweeping through the United States in Mar 2020, Defense Logistics Agency Aviation Commander Air Force Brig Gen David Sanford headed to the nation's capital to serve as the deputy director of the Supply Chain Task Force as part of the White House Task Force for COVID-19 Response. Sanford returned to Richmond full time on Jun 1, 2021, after a 420-plus day temporary assignment.

(2) DLA Aviation's Blue Team member participated as a Universal customer account specialist on DLA's Global Response Force Rapid Deployment Team in an exercise in Korea to support the United States Forces Korea's Combined Command Post Training Event 21-2. They were deployed from Aug 7-21, 2021, as the liaison officer for 7th Air Force. DLA Aviation is also prepared to support the agency's GRF RDT with an RDT customer account specialist in support of disaster relief during hurricane or wildfire seasons.

(3) DLA Aviation's DLA Support team ensured a seamless transition of personnel across the globe in support of the agency deployment support teams despite quarantine, and travel restrictions during the pandemic. We prepared fifteen civilian, and two military personnel for global deployment or redeployment. Deployment locations included Kuwait, Afghanistan, Africa, and Romania.

(4) Humanitarian Assistance: 28 Aviation employees volunteered to be detailed in support of the Department of Health, and Human Services (HHS) Unaccompanied Children program based on a USA Jobs announcement in Apr 2021. HHS has put a hold on sending any volunteers to support this effort as of Jun 2021.

#### d. Trusted Mission Partner

(1) Working with the Army's Combined Arms Support Command, we outlined mutual benefits, and details of how a career broadening program would work for Army noncommissioned officer logisticians at Aviation in late 2019 for a program start in 2020. The program enhances Army/DLA relationships by preparing, and training Army logisticians, allowing senior NCOs to work in the Army Customer Facing Division, and other DLA Aviation directorates. The first Army NCO broadener served with us for nine months of 2020, and the memorandum of agreement between Army, and DLA Aviation was renewed in Dec 2020 to extend the program permanently and make it a full 12-month assignment. This program has potential to extend to other DLA MSCs and Army positions within DLA.

(2) DLA Aviation's Army Customer Facing Division worked with Army Materiel Command (AMC) to increase sources through additive manufacturing. Discussions are ongoing to develop business cases and determine feasibility on parts DLA Aviation provided to AMC HQ as candidate population. Identifying parts for additive manufacturing will help offset diminishing manufacturing sources, and material shortages for weapon systems currently supported. The goal of the collaboration is to develop approved additive manufacturing technical data packages that

can be uploaded into an enterprise AM repository called the “Additive Manufacturing Digital Thread.”

e. DLA Critical Capabilities

(1) People, and Culture

(a) The Wheel program serves as a junior leadership consortium granting new supervisors’ exposure to processes outside of their areas of technical expertise. It also shows how their technical areas impact other areas in DLA Aviation. There were five offerings of the Wheel held in fiscal 2021, with 113 participants completing the training. During fiscal 2021, The Wheel was changed from a two week in-person training to a four-day long virtual program because of social distancing restrictions associated with the global pandemic. The goal of the Wheel is to show new supervisors how all the disciplines (the spokes) are attached to the strategic plan (the hub), and supported by areas such as the Command Support, Business, and Procurement Process Support Directorates, and Human Resources (the tires).

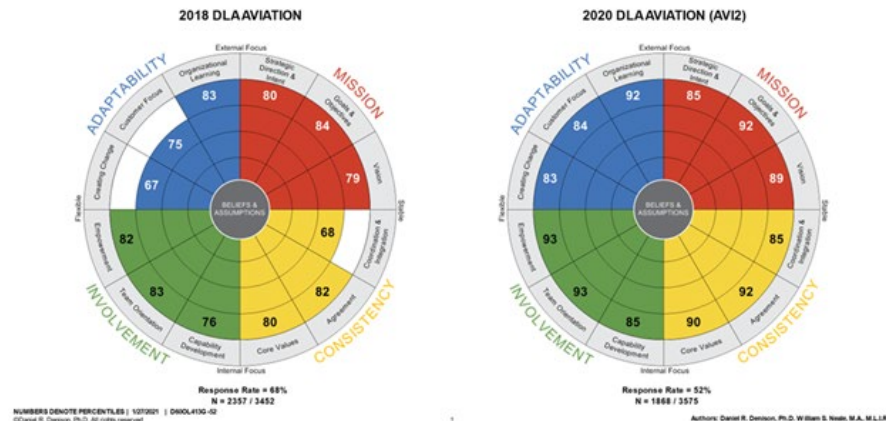
(b) DLA Aviation’s Flash Mentoring program offered an opportunity for junior or apprentice employees to discuss career goals, gain developmental opportunities, and receive guidance on enhancing knowledge and the skills most critical to career. Flash mentoring was held once a quarter during fiscal 2021, with approximately 100 mentees and mentors participating. Because of the COVID-19, sessions were moved to a virtual group forum setting this year. Although lacking the privacy of the face-to-face, one-on-one sessions, virtual mentoring energized the program, allowing mentors and mentees to feed off of one another.

(c) DLA Aviation held seven New Employee Orientations for more than 380 employees in fiscal 2021. According to surveys, new employees overwhelmingly agreed training should be required for every new employee. The course gave employees overviews, frames-of-reference, and real-time information regarding DLA policies, plans, and programs.

(d) The DLA Aviation Executive Mentoring programs (Grades GS-11/12 (Tier II), and GS-13/14 Tier III) developed leadership traits. Mentee-driven individuals learned how to collaborate effectively with mentors, benefiting both mentees and mentors. Despite continuing challenges with COVID-19, 22 mentees graduated from Tier II this year; there are currently 12 mentees in the Tier III programs. One-hundred percent of participants agreed the program facilitated growth and development. Participants have reported the program gave them more exposure in DLA and put them in touch with people they would not have met otherwise.

(e) DLA Aviation’s commitment to investing in its future workforce through training and recruitment was evident this year as the activity budgeted \$250,000 to development programs, college tuition assistance programs, professional development, career enhancing courses, and an internal rotational program. DLA Aviation trained more than 60 Defense Logistic Agency’s Pathways to Career Excellence program pacers, more than 150 new direct hires, and hired 37 college-level interns.

(f) Fifty-two percent of DLA Aviation’s employees completed the 2020 DLA Climate Culture survey. For the first time since the agency began using the Denison Organizational Model 20 years ago, we filled in the color wheel, improving in all 12 quadrants and registering an average 10-point increase. We initiated action plans to sustain the current cultural success while focusing on improvement in strategic direction, and intent, customer focus, capability development, and consistency of cross functional coordination, and knowledge.



## (2) Community Relations

(a) The global pandemic, and related social distancing, required out of the box thinking to support our communities and employees. DLA Aviation Public Affairs worked with DLA Installation Management Richmond's Fire Department and DLA Information Operations Richmond to host a Virtual Angel Tree this past year. DLA employees sponsored 128 angels from local community elementary and high schools.

(b) On Aug 24, 2021, DLA Aviation's commander signed a letter of support to the Secretary of Veterans and Defense Affairs, Richmond office, joining DLA Aviation and DLA Installation Management Richmond to Virginia Security Corridor Sentinel. This program reestablished a positive relationship with the Commonwealth's military liaison office, and established a relationship with the Sentinel Landscape Federal Coordinating Committee. The Virginia Security Corridor Sentinel Landscape is part of the DoD Readiness and Environmental Protection Integration (REPI) program which deals with encroachment issues, resilience, land-use conflicts near installations, and regulatory restrictions to military activity. There are areas on Defense Supply Center Richmond that would fall within the Virginia Security Corridor Sentinel Landscape such as: maintaining/enhancing the visual buffer between the North Gate and Strathmore Road, minimizing/restricting development along the eastern edge of No-Name Creek where we currently have an easement to test for groundwater contamination, and minimizing/restricting development along the southern bank of Kingsland Creek.

## (3) The Equal Employment Opportunity, and Diversity (EEO):

(a) Bi-annual EEO Training was conducted at DLA Aviation Cherry Point where 101 employees and 10 managers participated. The instructor-led training focused on the EEO complaint process, prevention of sexual harassment, and sexual assault.

(b) EEO conducted Employment Learning Innovations Civil Treatment training for 48 managers in one Aviation directorate. Aviation EEO presented interactive vignettes focused on changing employee behaviors in regard to employment law and Title VII of

the Civil Rights Act of 1964, as amended. Topics included workplace bullying, unlawful discrimination, protected categories, respectful workplace, disability awareness, and retaliation.

(c) EEOD participated in DLA Pathways to Career Excellence program Intern and New Employee Orientations, as well as conducting Prevention of Sexual Harassment, Workplace Harassment, and Hostile Work Environment training.

(d) EEOD conducted training with the Office of Counsel for compliance of a EEO settlement for DLA Aviation Leadership, and leadership at DLA Philadelphia.

## **6. Summary: statement with eye toward the future**

Brig Gen Sanford's assignment as commander of DLA Aviation has been extended through Jun 2022. Moving forward, the general's one priority is reconstituting the workforce back into the workplace after a long period of being under an DLA enterprise-wide maximum telework mandate due to COVID-19. We have incorporated lessons learned through virtual work going forward as we work to bring the workforce back together and working in person.

DLA Aviation will also continue to promote a more diversified senior workforce through training and promoting greater awareness of available opportunities.

Budget constraints will be a challenge moving forward but we will continue to look for opportunities to lower costs while minimizing impacts to readiness.

# Defense Logistics Agency

## DLA Energy

### Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**ENERGY**  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6222

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Submission of DLA Energy FY21 Annual History Input

This 2021 History submission is dedicated to the DLA Energy employees who overcame the COVID-19 changes and continued to focus their talent, hard work and time towards supporting the Warfighter and strengthening the service and combatant command readiness and lethality.

This past fiscal year has been full of opportunities for DLA Energy to excel globally. We saw significant increase in operational tempo with support to Operation Allied Refuge, Haiti Humanitarian Assistance and Disaster Relief, and Hurricanes Henri and Ida preparation and response efforts. We are extremely proud of the DLA Energy workforce, answering the call to support the Warfighter and our Nation in times of need. We were well postured in every instance because of the proactive efforts of the collective Energy Directorates and Regional Commands.

As we work through the COVID-19 transition, we are taking steps to make sure our workforce is ready when the time comes to return to the McNamara Headquarters Complex. DLA Energy is taking a strong lead in reintegration initiatives to prepare employees to return to the workplace safely and professionally.

We hope that as people read this report they will better understand all aspects of DLA and how DLA Energy will meet the challenges in a contested logistics environment with near-peer competitors and fiscal constraints to support a growing Whole of Government mission without compromising Warfighter support.

KLESS.DAVID.RO  
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Date: 2021.10.28 14:18:13 -0400

DAVID KLESS, SES  
Deputy Commander

Attachment:  
1-Annual History Input

## 1. Introduction

Operating in a contested environment was the hallmark of 2021. Despite COVID-19, natural disasters, and the cyber-attack of a key U.S. pipeline around the globe, DLA Energy personnel exhibited dedication, flexibility, and teamwork in supporting the Warfighter and Whole of Government. We led several engagements to help build partnerships and proactively tell our story through the Institute for Defense Government Advancement's 14<sup>th</sup> Annual Operational Energy Summit and our first virtual Installation Planning and Review Board over secure means with participants from around the world.

As pandemic conditions improve, DLA Energy took a strong lead in reintegration initiatives to prepare employees to return to the workplace safely and professionally. To help improve communication within our major subordinate command, we introduced "Coffee with the Commander" and "Donuts with the Deputy" sessions offering monthly opportunities for DLA Energy employees to participate in virtual chats with their Commander or Deputy Commander. We also started publishing a bi-weekly newsletter (The Energy Connection) to keep our team connected and help preserve some of the culture that may atrophy in this time of teleworking.

To better prepare our incoming commanders for their upcoming challenges, we hosted a Pre-Command Orientation for five regional commanders on 6-7 May. The orientation focused on an introduction to the different directorates, commands, and their lines of efforts, as well as face-to-face interaction with current regional commanders and other senior leaders from Energy. The orientation culminated in a group mentoring session diving into the art of command.

For over seven and a half decades, DLA Energy has played a major role supporting Warfighters around the world. As years went by, our organization continued to transform as we took on new missions to meet our customer's needs. DLA Energy celebrated its 76th Birthday in coordination with DLA's 60th anniversary.

## 2. Key Personnel

- a. Commander: Brig Gen Jimmy R. Canlas, USAF
- b. Deputy Commander: Mr. David Kless, SES
- c. Chief of Staff: COL Robert R. Rochon, USA
- d. Strategic Communications Group: Col Jim Wilkie, USAF
- e. Director, Customer Operations: Col Eric Haler, USAF
- f. Director, Facility Sustainment Directorate: CAPT Jay Hamilton
- g. Director, Business Process Support: Mr. Tom Turets
- h. Director, Procurement Process Support: Mr. Bruce Blank
- i. Director, Strategic Programs & Initiatives: Ms. Regina Gray
- j. Director, Quality Technical Directorate: Ms. Patricia Wilkins
- k. Director, Supplier Operations: Ms. Gabriella Earhardt
- l. Commander, DLA Energy Americas: COL Raphael Heflin, USA
- m. Commander, DLA Energy Americas East: LTC Christopher Masson, USA
- n. Commander, DLA Energy Americas West: CDR Frank Kim, USN
- o. Commander, DLA Energy Americas North: Maj Barton Land, USAF

- p. Commander, DLA Energy Middle East: LTC Albert Cordova, USA
- q. Commander, DLA Energy Europe & Africa: LTC Benverren Fortune, USA
- r. Commander, DLA Energy South-West Pacific: CDR Christopher Radke, USN
- s. Commander, DLA Energy Hawaii: CDR William M. Jakubowicz, USN
- t. Commander, DLA Energy Japan: Maj Charles Coffman, USAF
- u. Commander, DLA Energy Korea: LTC Jose Medina, USA
- v. Commander, DLA Energy Okinawa: Maj Anthony S. Anderson, USAF

### **3. Total Personnel**

As of Sep 30, 2021, DLA Energy had 1,139 employees (1,093 Civilian and 46 Military).

### **4. Historical Narrative**

A historic winter outbreak that occurred in Feb on Valentine's Week 2021 brought not only snow, sleet, and freezing rain to Southeast Texas, but also extreme cold temperatures that lasted for several days. This was one of the most impactful winter events that brought multiday road closures, power outages, loss of heat, broken pipes, and other societal impacts for the region. DLA Energy Americas East responded to the Federal Emergency Management Agency's call for help providing a total of 140,000 gallons of fuel – 70,000 gallons of winterized diesel and 70,000 gallons of gasoline – to three locations in Dallas, Austin, and San Antonio. In addition, FEMA issued three distribution orders to set up fueling points in Ennis, Tyler and Commerce, Texas.

On May 7th, a ransomware cyber-attack caused the Colonial Pipeline to halt operations to contain the threat. The incident exacerbated an existing nationwide fuel truck shortage and created issues securing trucks for scheduled ground deliveries. During the Colonial Pipeline cyberattack and shutdown, DLA Energy maintained sufficient marine and jet fuel stocks to prevent any impacts to the Warfighter and leaned forward to address truck delivery concerns successfully mitigating all challenges. Following the incident, an after-action meeting was held with personnel from Office of the Under Secretary of Defense for Acquisition & Sustainment, Office of the Under Secretary of Defense for Policy, North American Aerospace Defense Command & U.S. Northern Command, DLA, and DLA Energy. DLA Energy's take-away was to recommend installations assess ground fuel requirements and days of supply and increase storage capacity to strengthen fuel resiliency during national emergencies, disasters, or Defense Support to Civil Authorities events.

DLA Energy bid farewell to its Deputy Commander, Mr. Eric Smith, when he was selected to become the Defense Logistics Agency's Chief of Staff on May 9, 2021. DLA Director Navy Vice Adm. Michelle Skubic selected Executive Director, Operations and Sustainment, DLA Logistics Operations (J-3), David Kless to serve as the DLA Energy Deputy Commander. Since Feb 2018, Mr. Kless has been responsible for the oversight, management, and control of enterprise combat logistics support mission readiness. Ms. Patricia Wilkins, the Director of DLA Energy Quality Technical Directorate, served as the acting DLA Energy Deputy Commander during the interim between Mr. Smith's departure and Mr. Kless's assumption as Deputy Commander in Jul.

In Aug, we saw a significant increase in operational tempo with support to Operation Allies Refuge, Haiti Humanitarian Assistance and Disaster Relief, and Hurricanes Henri and Ida preparation and response efforts. Hurricanes affected the manufacturing capabilities of our Fuel System Icing Inhibitor (FSII) supplier leaving a shortage of inventory. DLA Energy personnel diligently worked to ensure continued support to the Warfighter.

By late Aug 2021, heightened aircraft operational requirements in support of Afghanistan final drawdown and the Non-combatant Evacuation Operations of Operation Allies Refuge invoked increased demand signals for larger amounts of fuel from DLA Energy Defense Fuel Support Points throughout the U.S. Central Command area of responsibility. DLA Energy Middle East Supplier Operations took preemptive action by realigning inventory stocks with anticipated fuel demands upon DFSP Isa Air Base, Bahrain. The team quickly coordinated with the Royal Bahraini Air Force's Fuel Operations Officer in Charge to increase the levels of JP8 on-hand.

## **5. Lines of Effort**

### **a. Warfighter Always**

#### **(1) Fuel System Icing Inhibitor (FSII) Shortage**

In Aug 2021, FSII producer, Dow Chemical temporarily shut down after being hit by Hurricane Ida. The shut down substantially impacted DLA Energy's suppliers' ability to meet FSII demand within the Americas Regions. The team evaluated the on-hand FSII inventory and took steps to mitigate any FSII shortfalls by executing critical internal transfers. Director of Supplier Operations (DSO) secured additional FSII volume from other sources and deliveries were scheduled using a coordinated prioritized list. Swift and decisive action by Americas and DSO prevented any operational impact to the warfighters.

#### **(2) Award of Fuel Storage Services at Port of Darwin, Australia**

DLA Energy awarded a contractor owned, contractor operated fuel storage contract to U.S. based company, Crowley Government Services, Inc., on Sept 13<sup>th</sup>. This requirement is in support of INDOPACOM and was a collaborative effort from OSD, INDOPACOM, and DLA Energy codified through the Australian Department of Defence under the Record of Consultation. Total storage capacity is 1.9 million barrels (78.8 million U.S. gallons) of Turbine Fuel Aviation, comprised of 1.2 million barrels Grade JP-5 (F-44) and 700 thousand barrels of Commercial Jet Fuel, Grade Jet A-1 (F35) with the capability to receive by tanker/barge, store, protect, and ship by marine tanker/barge or U.S. Navy Vessels, and ship by 3<sup>rd</sup> party tank truck for JP-8. The contract has a four-year base performance period, a five-year option period, and an extension provision not to exceed six months. The contract value including the option period and extensions is \$192 million.

#### **(3) Nationwide Carrier Shortage**

DLA Energy Americas East (AME) experienced carrier shortages due to the Texas freeze, the Colonial Pipeline shutdown, and the COVID-19 pandemic. DLA Energy AME

recommended use of pipeline, rail, or barge modes of receipt modes be maximized while stocking to higher inventory levels when carrier assets were available. Additionally, two tender transportation lanes were transitioned to longer term negotiated tender lanes with guaranteed volumes. These actions have helped ensure uninterrupted Warfighter support.

#### (4) Northern Edge

DLA Energy Americas North successfully supported the largest military exercise in Alaska, through the One-Time-Buy program for remote sites of King Salmon, Cold Bay and Allen Army Airfield. Joint Base Elmendorf-Richardson, Eielson Air Force Base, and Ft Wainwright were supported through the annual Bulk program. The joint exercise hosted by US Pacific Air Forces included 250 aircraft, multiple naval vessels, to include the USS Theodore Roosevelt Strike Group, and over 15,000 service members. A total of 8,046,010 gallons of Jet A-1 with additives were issued during the exercise.

#### (5) Colonial Pipeline Cyberattack

On May 7th, a ransomware cyber-attack caused the Colonial Pipeline to halt operations. Colonial Pipeline restored limited operations on May 12th and resumed full operations on May 16th. Defense Fuel Support Points supported by the Colonial Pipeline had sufficient marine and jet fuel stocks to prevent impact to the Warfighter. DLA Energy Americas East also planned and postured for alternate resupply in the event of an extended shutdown. The incident exacerbated an existing nationwide fuel truck shortage and created issues securing trucks for scheduled ground deliveries. All challenges were successfully mitigated.

#### (6) Space X Falcon 9 Rocket Launch

Space X launched U.S. Air Force's 5th third-generation navigation satellite for the Global Positioning System from Cape Canaveral Space Force Station on Jun 17th. The Lockheed Martin built GPS III Space Vehicle 5 satellite will bring new enhanced navigation signals for both military and commercial applications. DLA Energy Aerospace provided 1,105 pounds of high purity hydrazine fuel and 1,950 pounds of dinitrogen tetroxide oxidizer for the satellite payload.

#### (7) Quartermaster Liquid Logistics Exercise 2021 (QLLEX 21)

DLA Energy Americas supported QLLEX 21 from Jun 14-23, by enabling the Army Reserve fuel handlers, transporters, and laboratory specialists to demonstrate their wartime skills in support of real-world fuel missions transporting ~2M gallons of fuel from six Defense Fuel Support Points to 20 designated DoD installations.

#### (8) DLA Energy Okinawa Commissions Multi Buoy mooring via T-5 Tanker

On Jul 26, DLA-Energy Okinawa discharged 1 million gallons of JP-5 from SLNC (Schuyler Line Navigation Company) Goodwill. This was the first T-5 size bulk

petroleum tanker to moor successfully to the new system. This provides DLA Energy Okinawa redundant receipt capabilities.

#### (9) Consolidated Replenishment-at-Sea

DLA Energy worked closely with Military Sealift Command and Navy Sixth Fleet to arrange three consolidated cargo replenishment-at-sea operations off Norway in the Northern Atlantic Ocean. This operation demonstrated the capability to support Warfighter contingency requirements within the Atlantic/Europe/Mediterranean area of responsibility.

#### (10) Baledogle Military Airfield (BMA) Fuel Sustainment during flooding

DLA Energy Europe and Africa sustained fuel deliveries to BMA after flooding caused the primary ground transportation route to become impassible from Oct - Nov 20. DLA Energy allowed for commercial one-time buys for Jet A-1 and DF2 in Nov 2020. These deliveries combined with AFRICOM's support allowed BMA to continue operations unhindered.

#### (11) Commercial Tanker to Tanker Lightering

DLA Energy's Tanker Operations Branch worked with Military Sealift Command to arrange a commercial tanker to tanker lightering of DLA product at the Port of Ulsan, South Korea. This is the first time DLA Energy requested lightering between two, long-term chartered, US flagged, commercial vessels. It demonstrated capability to support Warfighter contingencies.

The same branch worked with Military Sealift Command for a similar lightering operation of DLA owned product at the Oil Tanking Terminal, Jurong Island, Singapore. M/T OVERSEAS BOSTON acting as the mothership, discharging 32,000 barrels F-76 to SLNC PAX for delivery to Kwajalein. This is the first time DLA Energy conducted lightering in Singaporean waters, expanding the ability to support Warfighter contingency requirements by demonstrating lightering at an additional location.

#### (12) Delivered Truck Offload Facility to Andersen AFB, Guam

On Jul 15, 2021, DLA Energy completed a new truck offload facility to support the growing mission requirements of the 36th Wing and maintain U.S. Indo-Pacific Command's "Fight Tonight" readiness posture. Naval Facilities Engineering Command, Marianas, Guam executed the project for \$23.9 million. The project scope was to construct a fuel track offload facility to receive jet fuel (JP-8), capable of offloading six commercial trucks simultaneously. The facility provides an auxiliary method for delivering aviation fuel to the Joint Warfighter, improving the resiliency of the Class IIIB supply chain in the event of maintenance, malfeasance, or contingency operations at one of the DoD's most strategically important bases in the Pacific.

#### (13) Sustain, Restoration and Modernization support to the military services

The Facility Sustainment Directorate provided a record \$902 million in obligations and contract awards in support of the Army, Navy, Air Force and Marine Corps fixed fuels infrastructure at 391 installations and 563 different fueling sites across the globe.

#### (14) Strengthening military partnerships

DLA Energy established a long-term fuel agreement between the U.S. Defense Department and India Ministry of Defence. In May, Ministry of Defence of the Republic of India signed the Fuel Implementing Arrangement (IA) bringing the total number of IAs to forty.

DLA Energy signed a new Fuel Implementing Arrangement with Romania Jan 19. This first-ever fuel agreement with Romania established the terms and conditions for reciprocal fuel sales and purchases between U.S. Defense Department and Romania Ministry of National Defense forces.

#### b. Support to the Nation

##### (1) NASA'S Landsat-9 Launch

On Sep 28, 2021, DLA Energy Aerospace Energy supported NASA's Landsat-9 launch at Vandenberg SFB, California. DLA Energy provided rocket propellant fuel and liquid oxygen for the Atlas V rocket that launched the Landsat-9 satellite, and gaseous nitrogen for pressurization and ground operations as well. The Atlas V rocket delivered the Landsat-9 satellite into a good orbit. The LANDSAT program has provided the longest continuous view of Earth since it began in 1972. This imagery helps land managers and policymakers make informed decisions about natural resources and the environment. The LANDSAT-9 satellite will replace the LANDSAT-7 satellite and continue providing imagery for the foreseeable future. LANDSAT is a partnership between NASA and the U.S. Geological Survey.

##### (2) Hurricane Ida Support to the Federal Emergency Management Agency

On Aug 29, 2021, Hurricane Ida made landfall in Louisiana as a category 4 hurricane. HC Ida moved across Louisiana, Mississippi, and up the East Coast causing significant life-threatening damage. In support of FEMA, the Fuels Contingency Contract was activated on Aug 28, 2021. DLA Energy received and executed two Mission Assignments totaling \$6.05 million to support four Incident Support Base locations. DLA Energy Americas deployed Task Force Americas (TFA) to support FEMA Region VI at England Air Park LA, Meridian MS, Sherwood Forest LA, and Broussard LA. These initial FEMA fuel orders augmented the Louisiana State emergency fuel contractor and resulted in 19 recurring missions. In coordination with the FEMA Fuels Ordering Officer (FOO), TFA arranged for the contingency fuels contractor to act as a transportation company to haul state-owned diesel from a one million USG barge to augment the Louisiana State emergency fuel contractor. TFA also arranged for the contingency fuels contractor to bring in gasoline from outside the impacted area to augment Louisiana State gasoline inventory posture.

##### (3) Agency realignment improves fuel infrastructure support

The 2020 DLA realignment plan merged fuels sustainment, restoration and modernization program management and technical expertise under one command and control umbrella. The latest improvement is the result of coordination between the leak detection program and recurring maintenance program.

### c. Trusted Mission Partner

#### (1) Fuel Sales to non-DoD Aircraft in Support of Operation Allies Refuge

At the onset of OAR, refueling of non-DoD aircraft on DoD bases required a time intensive process (24 hours) for requesting, approving, and paying for fuel sales to support airlift missions. This delay impacted ability to process aircraft and stalled mission support. After coordination among DLA, JSJ4, DoS, U.S. Transportation Command, and U.S. European Command updated policy was pushed out to DoD bases supporting OAR. The improvements ensured timely approval and provided an Air Card work-around for aircraft needing refueling immediately while the formal request completed the administrative process.

#### (2) Support to SOUTHCOM – Haiti Disaster Relief Efforts

On Aug 14, 2021, Haiti was hit by a 7.2 magnitude earthquake. DLA Energy worked closely with U.S. Southern Command fuel planners and leadership in support of U.S. Agency for International Development relief efforts. Within two hours of Joint Task Force Haiti requesting local purchase authority, DLA Energy Direct Delivery Fuels approved and processed the request for a Forward Area Refueling Point at the Port-au-Prince International Airport. This FARP significantly reduced refueling times and improved the efficient use of rotary wing aircraft delivering aid to remote locations.

#### (3) Defense Strategies Institute's 2021 DoD Energy and Power Summit

In Jul 2021, DLA Energy briefed the DoD audience on how DLA is working to address energy supply chain vulnerabilities while also increasing speed to delivery and more. A second event in Jul was a teleconference held with the Deputy Assistant Secretary of Defense for Environment & Energy Resilience (the JS4, liaisons from Exxon Mobil, and the National Organization for Technology Exploration and Delivery consortium). This discussion focused on understanding Exxon Mobil's presence in the Indo-Pacific region and how that may assist with the DoD changing footprint

#### (4) Renewable Energy Buyers Alliance (REBA)

Installation Energy joined will provide access to renewable energy stakeholders. Participation will enable DLA Energy-Installation Energy to leverage peer-to-peer expertise to position itself to support the Department and WoG procurement efforts in the transition to a cleaner zero-carbon, emission free energy future to meet the Administration's clean energy goals.

#### (5) Bulk Petroleum Products Inland/East/Gulf Coast Preproposal Conference

DLA Energy hosted the first virtual Pre-Proposal Conference for its IEG annual procurement program on May 20, 2021. Twenty-five suppliers, including 13 suppliers with small business concerns, attended the event. The PPC allowed DLA Energy to communicate its requirements for the upcoming procurement and build strong partnerships through interface with potential suppliers.

(6) Direct Delivery Fuels program as “Best-in-Class”

In May, the Office of Management and Budget designated DLA Energy’s Direct Delivery Fuels program as "Best-in-Class." Direct Delivery Fuels is designated as the mandatory source for all DoD and federal civilian agency fuel requirements greater than 10,000 gallons per year in the continental U.S. and 20,000 gallons per year outside the continental U.S. The business unit supplies commercial grade aviation, diesel, gasoline, and heating fuels directly to DoD and federal civilian agency customers through three major programs.

(7) NASA’s Perseverance

Fueled by DLA Energy-supplied liquid oxygen and rocket propellant, NASA’s rover Perseverance safely touched down on Mars after a seven-month, 292-million-mile journey on February 18, 2021. Using thrusters fired with DLA Energy hydrazine, the Perseverance is on a two-year mission to find evidence of past life on Mars. As the DoD Integrated Materiel Manager for space and space-related products since 2001, DLA Energy provides 28 different product sources for a variety of DoD, federal, commercial, and research missions.

(8) National Reconnaissance Office rocket launch

A Delta IV Heavy rocket carrying a national security payload, designed, built, and operated by the National Reconnaissance Office, launched from Space Launch Complex-6 at Vandenberg Air Force Base, California on Apr 26, 2021. DLA Energy supplied the liquid hydrogen and liquid oxygen that powered the three United Launch Alliance rocket engines creating a combined total of more than 2.1 million pounds of thrust needed for liftoff.

(9) DLA Energy Texas Arctic Storm Disaster Response

DLA Energy Americas supported the Federal Emergency Management Agency Texas Arctic Storm operations with over 140,000 gallons of fuel (diesel and mogas), throughout Central/Eastern Texas via TFA and DLA Energy’s contingency fuel contract. FEMA issued two fuel Mission Assignments authorizing up to \$7.4 million for DLA ground fuels and services support.

(10) Installation Energy Awards Energy Savings Performance Contract (ESPC) for Cannon AFB

Installation Energy awarded a 24-year contract to Ameresco, Inc., in support of energy assurance needs at Cannon AFB in Jun 2021. The ESPC includes a 1.9 megawatt solar photovoltaic system and five energy conservation measure upgrades to 119 buildings totaling 2.9 million square feet. The project will reduce annual energy consumption by 77,883 million British Thermal Units and an average energy cost savings of \$1.2 million per year.

(11) Exercise African Lion 21 Execution Support

DLA Energy provided Class IIIB to strengthen relationships with partner nations while building U.S. Joint Force Readiness in June 2021. DLA Energy delivered JA1 to Ben

Guerir Air Base and JA1 via AIR Card locations throughout Morocco. Led by Southern European Task Force-Africa, African Lion 21 conducted training focused on Humanitarian Civic Assistance, Joint Force Entry, Field Training, fighter, tanker, bomber, and airlift operations.

#### (12) Army National Guard urgent fuel request for the Presidential Inauguration

DLA Energy Americas received an emergent request on Jan 18, 2021, from the Army G-4 to support the Army National Guard with 9,000 gallons of JAA fuel in preparation for the Jan 20, 2021 Presidential Inauguration. A HEMMET fueler was identified to cover current requirements with an additional 7,500 gallons of fuel being delivered the following day from DFSP Baltimore in advance of the Inauguration.

#### (13) Fuel Implementing Agreements

DLA Energy and United Kingdom Navy Conclude Scotland Fuel Implementing Agreement on Jun 23rd. This is the first agreement supporting Northern tier storage requirements and works in concert with the Fuel Exchange Agreement between DLA Energy and the UK Navy. This Fuel IA solidifies DLA Energy's enduring relationship with the UK MoD and remains in effect for five years with an automatic five-year extension period.

DLA Energy and Lithuania Ministry of National Defence (MND) Fuel Implementing Agreement. On Jan 17, 2021, DLA Energy International Agreements received the signed copy of the Fuel IA DLAE-LTU-01 from Lithuania MND. This Fuel IA is operational as of Jun 3, 2021, and establishes the terms and conditions for reciprocal fuel sales and purchases between U.S. DoD and the Lithuania MND forces around the world.

#### (14) Industry Connections

A quarterly DLA Energy newsletter was released in Jan to the command's suppliers, partners, and industry stakeholders to highlight upcoming procurement opportunities, business unit spotlight stories, and demand planning information. These tools are initiatives under the DLA Industry Engagement Plan and a result of the supplier feedback survey.

#### (15) University of Maine

DLA Energy is teaming with the University of Maine to transform forest residues, sawmill residues, municipal solid waste, and construction wood wastes into a hydrocarbon fuel oil. Since 2016, UMaine has been awarded more than \$20 million in additional congressional funding through the DLA Energy Readiness program to expand and validate fuel production capability using Maine's sustainably harvested renewable forest resources.

#### d. Modernized Acquisition and Supply Chain Management.

(1) Alternative Vessel Inspection and Release Procedures (AVIRP) during COVID-19 – Energy Regions continued to use Quality Technical protocols for uninterrupted operations. Procedures address conditions where pandemic and quarantine prevent Energy Quality Assurance Representative access to board vessels and enter facilities.

(2) DLA Energy Commander Brig Gen Canlas presided over the ribbon cutting ceremony for the Joint Base Elmendorf Richardson, Alaska, petroleum and oil operations facility, Apr 26, 2021. The \$11.5 million FY 2019 military construction project provides a new fuel laboratory, office and administrative space, training rooms, and 35,000 square feet of covered refueler parking. The new facility's location eliminates a 24-mile round trip to refuel aircraft and the laboratory replaces the current facility, which is over 60 years old.

(3) Fuels Manager Defense® 9.3 (FMD) Enhancement. DLA Energy and J62BG approved the deployment of Fuels Manager® Defense version 9.3 in February 2021. The application represents a significant improvement towards fielding the Electronic Point of Sale Device, eliminating security vulnerabilities, and addressing audit issues.

(4) DLA Energy awarded a \$192,375,002 firm-fixed-price contract for a contractor-owned, contractor-operated fuel storage facility in Darwin, Australia. Five companies competed for a contract consisting of a four-year base with one five-year option and the responsibility to receive, store, protect, and ship 1.9 million barrels of aviation grade JP-5 turbine fuel and commercial grade Jet A-1 fuel.

(5) DLA Energy partnered with Alder Energy, LLC, a process technology company developing intellectual property for upgrading fast pyrolysis oil (PO) to advanced pyrolysis oil (APO™). This proprietary technology enables the efficient conversion of energy crops and abundant woody biomass to a green crude oil suitable for conversion by the global refinery industry without equipment modification. The resultant renewable jet, gasoline, and diesel fuels meet the same ASTM quality and military specifications and performance standards of the petroleum products they replace, while reducing lifecycle greenhouse gas emissions by over 70%. The company has been awarded \$4.8 million in congressional funding through the DLA Energy Readiness program to validate commercial scalability of the APO process.

(6) DLA Energy supports several efforts to address climate change in terms of reducing lifecycle greenhouse gas emissions and improving sustainability across multiple industry sectors. DLA Energy identified relevant barriers to commercialization of sustainable alternative fuels along with potential beneficial actions to implement. This information was compiled into a "Social Cost of Greenhouse Gasses/Fuel Costing" briefing for Department senior leadership in Nov. DLA Energy also supports the Sustainable Aviation Fuels (SAF) Grand Challenge issued by the White House and led by the United States Department of Agriculture, Department of Energy, and Department of Transportation. This multi-agency and industry effort aims to develop a roadmap and associated strategies for reaching a domestic production capacity of 3 billion gallons of SAF per year by 2030 and 35 billion per year by 2050.

(7) DLA Energy became the first MSC to participate in the DoD College Acquisition Internship program (DCAIP). DCAIP is a 12 week program designed to assist agencies with offering the best up and coming talent the opportunity to begin government service as an intern while bringing cutting edge methodologies to the DoD workforce.

(8) DLA Energy is helping small businesses succeed awarding \$1.2 billion in contracts in fiscal 2020. For eight consecutive years, DLA Energy has exceeded its small business goals awarding on average 28% of contracts to small firms.

#### e. Future of Work

(1) General Order 07-20 realigns 101 DLA Installation Management positions under the command and control of DLA Energy Facility Sustainment Directorate improving

processes and providing “one voice” to customers. The merging of the fuels SRM project management, POL engineering and environmental technical expertise, and real property talent has yielded over \$902 million in funding obligations in direct support of the Warfighter and the services fueling missions in 2021. Additionally, the transfer of the Installation Management positions to DLA Energy is helping to better support customers and the realignment brings together three different DLA Energy funded organizations into a single chain of command supporting sustainment, restoration, and modernization efforts for standardized processes.

(2) DLA Energy Quality Technical Directorate rescoped its J22 Maritime Confined Spaces Course contract to include a virtual training option. While working with DLA J1 Forward Presence, DLA J6 Information Operations and Spec Rescue (contracted training provider), a viable virtual course was successfully designed, tested, and fielded within two months. On Feb 16-18, 2021, DLA Energy Quality Technical Directorate rolled out and hosted the first virtual DLA Energy J22 Maritime Confined Space Course. The course was a huge success and far exceeded expectation by providing mission-essential training to 25 Quality Assurance Representatives (QAR) from CONUS and OCONUS locations - a true testament to the flexibility and far-reaching capabilities of virtual training. Since the initial roll out in FY 21, there have been three additional Virtual Confined Space Training courses held resulting in 93 employees trained.

(3) DLA Energy began the tracking of certifications within the Learning Management System (LMS). This ensures courses required for the technical quality personnel are automatically loaded and tracked. Saving time spent on the previous manual methods and resulting in proper training assigned to personnel.

#### f. People and Culture

(1) Unconventional virtual ceremony honors DLA Energy acquisition workforce. To recognize the more than 150 employees who had significant career milestones and achievements over the past year, DLA Energy held a virtual Acquisition Workforce Honors Ceremony, 4 Nov.

(2) DLA Energy’s workforce participated in the bi-annual culture climate survey in the fall. DLA Energy led all commands with a 67.6% participation/response rate. A video starring the DLA Energy Commander and Deputy Commander inspired by the "More cowbell" Saturday Night Live skit was produced to encourage survey participation.  
<http://go.usa.gov/x7KGGK>

(3) In Dec 2020, DLA Energy employees won three of the DLA annual employee recognition awards. The DLA Energy Installation Energy Team won the Acquisition Workforce Team Achievement (Team) Award.

(4) DLA Energy held a senior-leader strategic offsite, Apr 6-7 to discuss resourcing to support G-Invoicing, OCONUS hiring, and the recently released DLA Strategic Plan 2021-2026.

(5) More than 400 DLA Energy acquisition professionals participated in a three-day, virtual acquisition symposium Mar 2-4. DLA’s Energy acquisition specialists make up 73.5% of the agency’s workforce covering contracting, lifecycle logistics, production, quality, and manufacturing.

(6) For the fifth consecutive year, DLA Energy employees earned Federal Energy and Water Management Awards for their contributions to energy and water efficiency within the

federal government. Contracting Officer Jacob Vigil received two awards. He was selected for an individual contracting award for his outstanding achievements under our energy savings performance contract (ESPC) program while also being recognized as part of the Air Force team that executed the winning Misawa AB ESPC effort. DLA Energy was recognized for its partnership with the Navy on the Naval Station Guantanamo Bay ESPC effort and the liquefied natural gas (LNG) contract.

(7) DLA Energy achieved 99% of 2020 Combined Federal Campaign goal. DLA Energy's efforts help DLA exceeded its CFC goal of \$260,000 by 16%.

(8) In May DLA honored 46 individuals who achieved Defense Acquisition Workforce Improvement Act (DAWIA) certifications in contracting; purchasing; production, quality and manufacturing; and life cycle logistics. They gained membership in the Defense Acquisition Corp and were approved for Contracting Officer Warrants. Likewise, individuals who attended the Industry Management Course, University of Virginia, Darden School of Business were recognized.

(9) Maj Charles H. Morton, USAF, DLA Energy Americas, won the DLA-level Air Force Field Grade Officer category for the 2020 Individual Logistics Readiness Award. The award recognizes those who excelled in performance and made outstanding contributions to the AF or DoD Logistics Readiness mission

# Defense Logistics Agency

## DLA Disposition Services Fiscal Year 2021 Historical Report

October 15, 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN – Historian

SUBJECT: Submission of DLA Disposition Services FY21 Annual History Input

Another fiscal year in the books means another year of DLA's property disposition professionals demonstrating their unmatched expertise and providing world class support to the entire federal government. I remain extremely proud of our team and contributions to the critical mission of our nation's defense.

As the pandemic's workplace effects lingered through the year, our command's resilience allows us to meet the needs of warfighters and whole-of-government customers. Despite travel restrictions, COVID-19 mitigation measures and dispersed personnel, we received \$8 billion more in property from the services than over the previous year. We processed almost 20,000 more orders for those excess items and saved taxpayers more than \$2.5 billion by expertly reutilizing equipment to units that could use it.

When military units couldn't use it, we found others who could. We transferred \$55 million in equipment to federal agencies. \$98 million in equipment went to firefighting organizations. \$216 million in equipment went to law enforcement. \$222 million to donation recipients. From rural municipalities at the northernmost reaches of Alaska to humanitarian aid partners in Guatemala, we extended the useful life of millions of items. Our efforts supported Americans and our nation's strategic interests around the world while minimizing waste and maximizing taxpayer return.

Our public sales increased by almost \$30 million over the previous year. That scrap and electronics detritus reduced operating costs so the armed services can instead spend their budgets on lethality and readiness. With the warfighter in mind, we also embarked on a two-year Field Office Realignment effort that repurposed our workforce and realigned personnel to under-resourced locations experiencing high workloads. We expect to begin realizing noticeable realignment efficiencies as we move into fiscal 2022 and complete the transition.

Lastly, after 16 years in country, with hundreds of civilian and uniformed deployers having served in Afghanistan, we successfully supported all USFOR-A Go-to-Zero requirements and closed our last remaining property disposal site in June. During the final nine months of ending U.S. operations, we received nearly 40,000 items, removed nearly one million pounds of hazardous waste and reset \$4 million in equipment to maintain readiness at other sites in the CENTCOM AOR.

Our command's annual history submission cannot cover all the outstanding effort and dedication shown by our workforce this year, but I hope that it sufficiently highlights the breadth of work we're accomplishing year in and year out on behalf of our nation and those who sacrifice for it.



MICHAEL O. CANNON  
Director

Attachment:  
1-Annual History Input

## **1. Introduction**

DLA Disposition Services (DS) serves warfighters from more than 60 locations all over the world, supported by a leadership and support team in Battle Creek, Michigan. Field sites receive, account for, classify, segregate, demilitarize, and dispose of excess material received from military units and other customers. Reuse is a customer cost avoidance method that enables them to acquire serviceable excess equipment in lieu of purchasing new material.

In FY 21, material with an estimated acquisition value of \$33.7 billion was turned in to DLA DS. From that stock, there were 129,602 requisitions for 3.56 million usable items worth \$2.54 billion in original acquisition value. Items were provided to the military services, transferred to other federal agencies, or donated to state or local governments and eligible non-profit agencies.

Public sales in FY 21 generated more than \$99.9 million in revenue, which covered a significant portion of the military branches' service-level bills. Although Aqueous Film Forming Foam (AFFF) disposal challenges continued, DLA DS processed over \$2.2 million of the services' polyfluoroalkyl substance (PFAS) hazardous wastes.

With the input of the armed forces' logistics leadership, DLA DS began a bold Field Office Realignment in FY 21 that will close most of its field offices and move approximately 60 full-time employee positions to larger, full-service field activities before the end of FY22. The move is meant to realign personnel to sites with excess workload. The initiative aligned to DOD budget reduction goals while helping shed some infrastructure costs and improving customer wait times.

The ongoing COVID-19 global pandemic continued to present both challenges and opportunities, requiring engaged leadership, individual initiative, and constant communication. The workforce continued to overcome challenges and meet its objectives through mission focus, resiliency, and outstanding teamwork. Specific to COVID-19 response, DLA DS provided over 4.3 million surplus or reuse items worth \$61 million prior to ending response metric tracking.

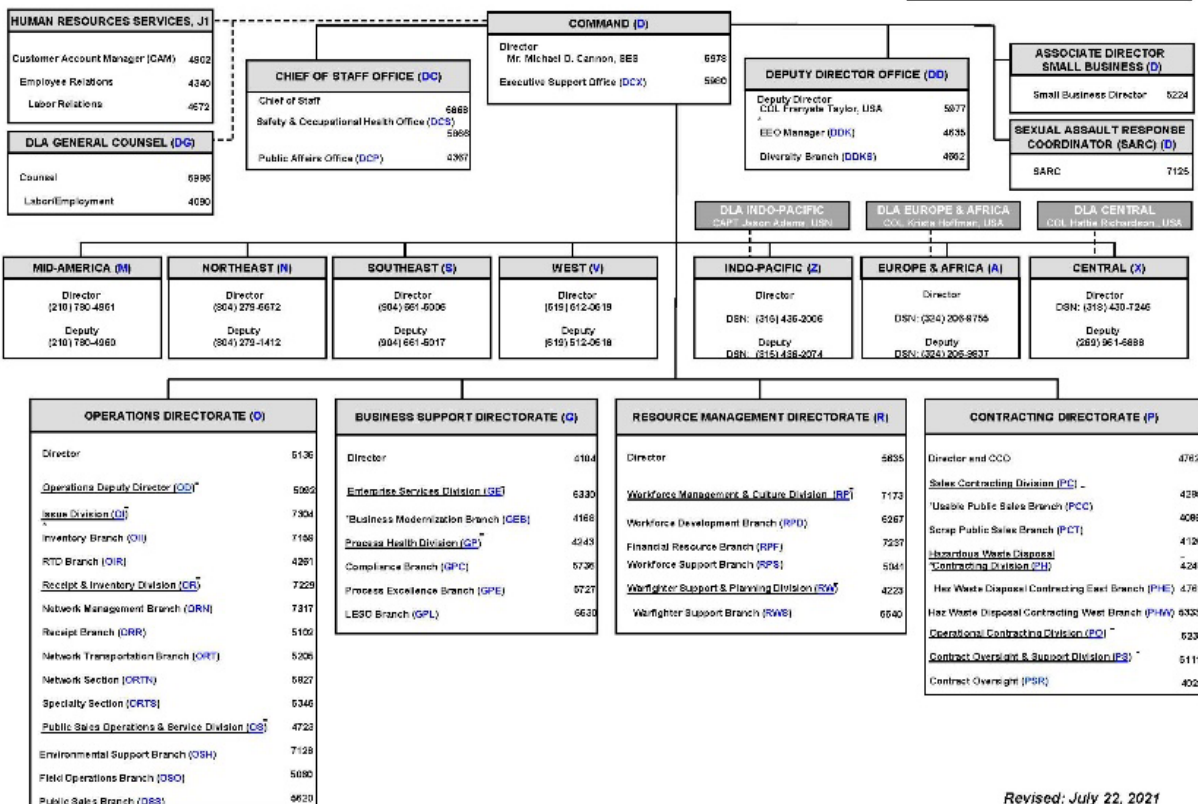
## **2. Organization**

The command's organization continued to rely on a process-centric model adopted in 2019 under the Battle Creek Alignment initiative.

# DLA DISPOSITION SERVICES

74 WASHINGTON AVE N  
BATTLE CREEK, MI 49037-3092  
TELEPHONE: (269) 961-XXXX; DSN: (312) 661-XXXX

SUPPORT SERVICES	
DLA Logistics Information Service	4990
DLA Document Services @ Great Lakes	947-565-3691
DLA Finance (JBB)	7328
DLA Installation Support	4778
DLA Intelligence (DIB)	70104601



Revised: July 22, 2021

## 3. Key Personnel Changes

FY 21 saw fewer key personnel arrive or depart than in FY20. The only significant change was Lt. Col. Juan Talamantes replacing Lt. Col. Mark Logan as Central region director.

## 4. Total Personnel

The global operations of DLA DS are authorized 1,537 civilians, 13 active-duty military, 119 local nationals, and six military reserve units manned by 201 service members – all led by one appointed Senior Executive Service member. These numbers do not include the 25 members of the Law Enforcement Support Office funded by the DoD.

## 5. Historical Narrative

### a. Warfighter Support

#### (1) Divestiture assistance

DLA DS began a 5-year divestiture effort assisting the U.S. Army Museum Enterprise cull duplicate and excess artifacts from its 580,000-item inventory spanning 150 sites. Pilot sites at Virginia's Fort Belvoir and at Alabama's Anniston Army Depot took advantage of Disposal Service Representative (DSR) support to pave the way for all other sites. Reported acquisition numbers for FY 2021 included line items with 5,042 historic pieces.

## (2) Major exercise support

DLA DS planners executed the Contingency Operations Readiness Exercise 2021 in Guam and Battle Creek, Michigan, that was cancelled in FY20 due to the pandemic.

Exercise support priority of effort resided in the INDO-PACOM area of responsibility, with personnel supporting PACIFIC FURY '21, at Camp Smith, Hawaii, and Combined Command Post Training at Camp Humphreys, South Korea. During the CCPT evolution in South Korea, DLA DS deployed a Rapid Deployment Team - Blue planner to provide required training, validate support plans, develop lessons learned, and help achieve exercise objectives.

DLA DS HQ planners coordinated with Disposal Support Directorate Europe and Africa (DSD-EA) and developed a concept of support and objectives to support Defender Europe 21 – a USEUCOM joint-multinational exercise. DSD-EA planned, confirmed, and supported removal and disposal requirements of hazardous waste and scrap materials from 43 exercise locations in 12 countries – from the Balkans to the Baltic states. DSD-EA also supported other exercise requirements, including providing technical and customer assistance during the exercise.

DSD-EA staff participated in the DLA Europe and Africa planning and execution processes, which included participation in daily exercise meetings, submission of reoccurring exercise reports, and input to the exercise after-action review (AAR) process.

## (3) AFFF removal

DLA DS provided hazardous waste contract support for military services removing and disposing AFFF-related wastes including those generated by system changeouts.

As an alternative option to thermal destruction via incineration, DLA DS modified contracts to allow for disposal at landfills regulated under the Environmental Protection Agency (EPA)'s Resource Conservation and Recovery Act. Both dispositions conformed with current DoD policy and EPA guidelines, as the hazardous waste industry and public and private generators of PFAS await final EPA governing standards specific to these materials.

In FY 21 Q1, DLA DS provided unique PFAS removal support to Volk Field Air National Guard Base, Camp Douglas, WI, where their wastewater treatment "biosludge" was determined to contain PFAS. The DLA hazardous waste contractor removed 600,000 gallons of sludge from the (full) holding pond before the winter freeze at a cost of \$930,000.

The sludge was disposed of at a landfill in Iowa. This enabled the base to keep restroom and shower facilities open during a large 500-troop deployment rotation mission.

Later in the year, a DLA DS hazardous waste disposal contractor removed 130,000 gallons of AFFF-impacted water (<1 ppm PFAS) from a holding pond at Tyndall Air Force Base, Florida, using 29 tanker loads. The water was solidified and landfilled at a RCRA Subtitle "C" landfill in Alabama. The work was completed between Jun 14 and Jul 6, 2021, at a cost of \$340,000.

The command further provided technical support to the DoD PFAS Task Force, Freedom of Information Act query responses, and litigation support to the DLA legal team.

#### (4) Afghanistan Retrograde

A 16-year disposal operation in Afghanistan came to an official close with the departure of all DLA DS personnel from the country Jun 24, 2021. At the height of operations, DLA DS operated four main sites, with an additional seven Hub-Based Disposal Operations manned by 48 DOD civilians, 100 Joint Reserve Team members, and 379 services contractors, many of whom were local nationals. Hundreds of civilians and reserve military personnel from across the MSC deployed in support of U.S. Forces - Afghanistan warfighters and coalition partners during the period.

Disposal support was methodically reduced over the course of the year, beginning with the closure of the disposal site at Forward Operating Base Fenty and followed by the site at Kandahar Airfield in Dec. Following the closure of these sites, ongoing customer support was provided by several mobile missions to Camp Brown and Camp Dwyer from Feb through Jun to address remaining retrograde requirements.

Finally, the sites at Hamid Karzai International Airport in Kabul and Bagram Air Base were closed Jun 12 and 20, 2021, respectively, effectively ending all disposal operations in country.

Until the final team members departed, DLA DS received more than 24 million pounds of property (nearly 40,000 line items) that were rendered into scrap and released. Additionally, 745 rolling stock items were either mutilated or demilitarized. DLA DS personnel packaged and removed 970,000 pounds of hazardous waste from Bagram Airfield in accordance with the Basel Convention agreement.

Over \$4 million worth of DLA equipment and supplies were relocated from Afghanistan and reset within DSD Central to support future operations and augment regional capabilities.

#### (5) Field Office Realignment

DLA DS began closing most of its property disposal field offices. Warfighter support services continued unabated, and an overall reduction of customer wait time is expected. Larger field activities saw capability increases as 60 full-time employee positions shift to enhance under-resourced locations and Fort Campbell expands into a full-service small field site. The following property disposal sites were marked for permanent closure:

Aberdeen Proving Ground  
Marine Corps Logistics Base Albany  
Ft Benning  
Ft Bliss  
Blue Grass Army Depot  
Naval Base Kitsap  
Patrick Space Force Base  
Joint Base Charleston  
Marine Corps Air Station Cherry Point

Naval Air Station Corpus Christi \*  
Ft Dix  
Ft Drum  
Dyess Air Force Base  
Malmstrom Air Force Base  
Marine Corps Base Quantico  
Naval Station Great Lakes  
Naval Construction Training Center Gulfport  
Redstone Arsenal  
Ft Jackson  
Kirtland Air Force Base  
Ft Knox  
Nellis Air Force Base  
Offutt Air Force Base  
Tinker Air Force Base \*  
Ft Polk  
Pease Air National Guard Base  
Rock Island Arsenal  
Ft Snelling  
Ft McCoy  
Ft Stewart  
Tobyhanna Army Depot  
Vandenberg Air Force Base  
Watervliet Arsenal  
Wright-Patterson Air Force Base

(Sites denoted with \* will retain agency environmental specialists only)

The realignment of reverse logisticians from field offices to larger field activities was the result of extensive analyses showing that field offices handled just 2.8% of the network's total workload while consuming about 13% of the command's labor costs. The repositioning of manpower is expected to save nearly \$2 million over a two-year period while lowering customer wait time by almost a full day on average and increasing annual property receipts by about 125,000 items.

Six field offices remained open to cover a critical geographic or operational gap. The DLA DS director briefed logistics leaders from each of the armed services and sought military customer feedback before enacting the plan. The DLA director approved the plan in early Apr and employees at affected sites were notified of impending closures after consultation with employee union representatives in late spring.

DLA-DS needed to shrink, as its expected contribution to DLA's overall budget reduction goals was equivalent to losing nearly 20 full-time field positions. Leadership determined that losing customer-facing jobs would diminish the command's ability to deliver the level of help and expertise warfighters have come to expect.

Site closures began occurring on a case-by-case basis during the FY. Site and regional personnel engaged customers to help them understand timelines for local closure and

how to continue turning in property, screen excess equipment, deal with scrap and hazardous materials and schedule transportation.

#### (6) Ship Recycling

DLA DS provided sales contracting support to Navy Sea Systems Command in the recycling of five former Navy ships. The ex-Groves, ex-Barry, ex-Hawes, ex-Ticonderoga, and ex-Adams were towed from Navy Yard, Philadelphia, Pennsylvania, to the contractor's facility in Brownsville, Texas, where recycling and scrapping operations are under way.

NAVSEA provides primary contract oversight in conjunction with DLA DS. This contract represents \$20 million in cost avoidance to the Navy and \$240 million in revenue.

#### b. Global Posture

##### (1) Field Site Improvements and Expansions

In FY 21, several DLA DS site locations received noteworthy expansions and improvements. The DLA DS site in San Joaquin, California, is receiving a new warehouse and updates currently on track for completion by Jan 2022.

The new warehouse is 160,000 square feet, with the potential to allow DLA-DS employees to process between 100,000 and 120,000 line items per year with greater efficiency than the current warehouse. The newly acquired outside storage yard is approximately 13 acres. An additional upgrade is scheduled for FY22 that will provide a consolidated space for conducting operations.

A new warehouse was acquired at the DLA DS site in Barstow, California, through the Warehouse Utilization program that stemmed from a Non-Tactical Warehouse Initiative conducted by the Office of the Secretary of Defense.

The newly acquired warehouse is approximately 130,000 square feet, which doubles the space of the vacated warehouse. The 35% initial design review by the U.S. Army Corps of Engineers was accomplished in Aug. This will provide DLA DS the opportunity to process approximately 100,000 to 120,000 lines per year in support of the warfighter.

The site at Ft Riley, Kansas, underwent a 95% design review in Aug that will facilitate an expansion and renovation of the main warehouse, upgrade and movement of the administrative office, upgrade outside storage to include the addition of multiple three-sided sheds, and provide a new radiation monitor and truck scale.

The main site warehouse in Richmond, Virginia, undertook a 95% design review in August to facilitate rework and reflow. A new outside storage yard is currently awaiting its initial design technical collaboration session. The new outside storage yard is approximately eight acres and increases the footprint 12-fold from what the yard originally offered.

Site renovation and reflow of the entire location in Fort Hood, Texas, was solicited in Sep 2021, with construction expected to begin in Jan or Feb 2022. The project will include the rework of both warehouses, a new truck scale and radiation monitor, multiple three-sided sheds for property storage, a new Material-Handling Equipment (MHE) shed, and new paving work.

The Columbus, Ohio, site is scheduled to become a “super-sized” location, with the former Long-Term Storage warehouse undergoing conversion to process normal property streams. Initial review of the project was accomplished by USACE in July.

## (2) AOR Sales Contractual Support

DLA DS had three sales contractors provide scrap removals at Bagram, Kandahar, HKIA, and FOB Fenty. These contracts ended Jun 30. The contracts resulted in the removal of more than 72 million pounds of scrap material in Afghanistan, generating \$4.6 million in revenue during the FY.

The Operational Contracting Division awarded and administered a contract to provide operational support in Afghanistan. The firm Delta 9 was responsible for assisting DLA DS in redistributing excess property to other DOD activities, transferring excess property to other federal agencies, performing demilitarization services per regulation, and selling excess property to the public as required by Federal Property Management Regulation. Delta 9 provided direct support to the warfighter while on site. In June, the contractor assisted DLA DS personnel in closing operations and successfully demobilized all personnel.

In April, the Hazardous Waste Disposal Contracting Division awarded a contract to Sud Mull GMBH for removal and disposal of military-generated hazardous waste in Afghanistan in support of the troop drawdown. In Jun, the contractor removed 32 shipping containers with approximately 970,000 pounds of waste from Bagram Airfield for transport to a commercial interim storage facility in Kabul, Afghanistan prior to the closing of the base.

## c. Accountability

The Public Sales division awarded two major sales contracts for e-Recycling and surplus term sales in CONUS. The e-Recycling sales contract was a follow-on contract replacing an original contract awarded in Dec. The original contractor won the current contract covering electronics from CONUS, Puerto Rico, Guam, and Hawaii, to be transported by the contractor for demilitarization and disposal at three facilities located in Arizona, Georgia, and Ohio.

DLA-DS embedded personnel at the contractors’ facilities to provide contract oversight. This contract is expected to produce \$58.5 million in revenue during a three-year base period.

The Public Sales division generated \$99.9 million in FY 21, offsetting a significant portion of service-level billing incurred by the armed forces. The Public Sales division sells surplus property as well as scrap at both CONUS and OCONUS locations.

<b>Commodity</b>	<b>QTY</b>	<b>(\$)</b>
Surplus Property Sales	102, 650 DTIDs	\$17.1 million
Useable Items	193,155 DTIDs	\$26.1 million
Rolling Stock	3,723 pieces	\$15.8 million
Hazardous Material Sales	563 DTIDs	\$9.3 million
Scrap	345.5 million lbs.	\$13.8 million
Electronic Scrap	28.3 million lbs.	\$17.8 million

The Surplus Term Sales contracts were awarded in Jun, replacing the previous commercial venture sales contracts for usable property and rolling stock. STS combined rolling and non-rolling stock into these contracts and are expected to produce \$96 million in revenue during the two-year base period.

d. Strong Partnerships

(1) Small Business Goals

DLA DS surpassed expectations the past four years in its successful effort to use small business contractors to the greatest practical extent. FY 21 is the fifth consecutive year that Historically Underutilized Business Zone percentages have declined across the board for DLA in FY 21; DS fell short of its 3% goal this FY.

<u>Category:</u>	<u>Goal</u>	<u>Actual</u>
<b>Small Business:</b>	<b>54.00%</b>	<b>76.24%</b>
<b>SDB:</b>	<b>5.00%</b>	<b>25.98%</b>
<b>WOSB:</b>	<b>5.00%</b>	<b>33.73%</b>
<b>SDVOSB:</b>	<b>3.00%</b>	<b>3.88%</b>
<b>HUBZone:</b>	<b>3.00%</b>	<b>1.28%</b>

To help employees and vendors successfully navigate the process of awarding or competing for DS contracts numerous events were conducted. The events included the Virtual Small Business Training Week, new Contracting 1102 employee training and Small Business Administration-hosted webinars on various program/topics to assist with their forays into competing for our contracts. DS also participated in two virtual Coffee & Contracting outreach events with the Michigan-based Procurement Technical Assistance Center.

The Small Business program received 100% passing rating on an Agency Management Review (AMR). Additionally, numerous high-dollar contract awards were made to small businesses during FY 21, most notably: South Florida HW Removal/Disposal (\$5.1 million); Bragg/Lejeune HW Removal/Disposal (\$7.9 million); Wright Patterson HW Removal/Disposal (\$2.4 million); Guam Scrap DEMIL (\$2.4 million); and Worldwide Customer Interaction Center (CIC) (\$7.4 million).

The results of the AMR and high-dollar contract awards are noteworthy success stories, given the challenging environment for small business concerns during the year. Regulatory compliance continues to have impact on DLA DS' ability to award contracts to small business concerns.

Despite this friction point, DLA DS contracting officers diligently sought and exploited every opening to ensure small businesses were considered for and awarded as many eligible contracts as possible. Their dedication to the mission and the nation are laudable and, in conjunction with the exemplary efforts of the buying staff and the DLA DS Associate Director of

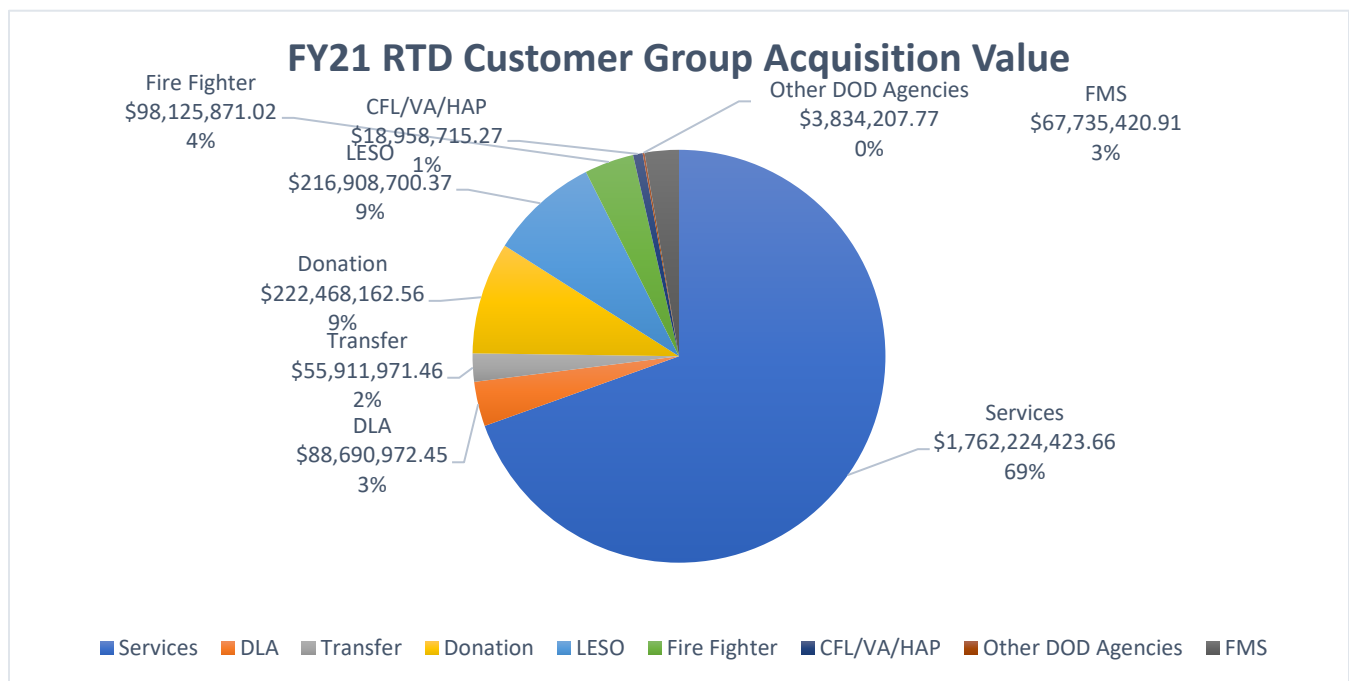
Small Business, have been the primary factor leading to another successful year of exceeding small business expectations.

## (2) Reuse, Transfer and Donation

In fiscal 2021, 129,602 requisitions were made by qualified customers for 3.56 million usable items worth \$2.54 billion in original acquisition value.

The items were provided for reuse by the military services, transfers to other federal agencies or donations to state and local governments and eligible non-profit agencies. Reuse by the armed services and other entities is broken out in the following graphs.

	<b>Numbers Requisition</b>	<b>Monthly Average Req</b>	<b>Each</b>	<b>Acq Val</b>
Army	13764	1147	485939	\$255,885,003
Navy	9056	755	167018	\$68,451,214
Air Force	7453	621	149178	\$1,204,949,778
Marines	2723	227	35829	\$232,841,385
Coast Guard	28	2	282	\$97,043
Armed Services	33024	2752	838246	\$1,762,224,423
DLA	40353	3363	1542373	\$88,690,972
Transfers	5172	431	82979	\$55,911,971
Donations	20255	1688	391355	\$222,468,162
Law Enforcement	16642	1387	194176	\$216,908,700
Firefighter program	3753	313	67530	\$98,125,871
CFL/VA/HAP	5983	1841	264927	\$18,958,715
Other DOD Agencies	441	37	10545	\$3,834,207
Foreign Mil. Sales	3979	332	166565	\$67,735,420
Computers/Learning	338	28	3945	\$2,964,123
Veterans Affairs	5142	429	244366	\$12,028,426
Humanitarian Aid	503	1385	16616	\$3,966,164
FY Total	129602	601	3558696	\$2,534,858,445



#### e. Whole of Government

##### (1) Problematic Property

A partnership was developed with the U.S. Army Corps of Engineers Engineering Research and Development Center to research technologies for disposing of problematic property. Other partners participating in the effort included DLA R&D, Construction Engineering Research Laboratory (CERL), DLA Distribution, and the Air Force Aviation Energy Logistics and Sustainment Policy Division. The group conducted multiple roundtable discussions on tires, PFAS, construction debris, and pyrolysis/Thermolyzer technologies.

The roundtable discussions provided a wealth of information on technologies that are currently available and those still in the development stage. The next step is to narrow topics down to the most relevant to DLA-DS and the military services and to conduct a large-scale symposium that introduces the concepts to senior leaders. The expectation is that DLA can work with the armed services to develop a plan to integrate these emerging technologies to dispose of problematic property streams in an environmentally responsible way.

##### (2) Pandemic response and impact

In FY 21, DLA DS provided \$34.1 million in excess and surplus supplies to customers in support of COVID-19 relief. Approximately 4,754 requisitions were placed for 1.3 million items. DLA DS continues to monitor critical list items to support customer requests.

##### (3) Special programs

###### (a) Computers for Learning

DLA DS managed DoD Computers for Learning. The program transfers excess information technology assets to pre-kindergarten through 12th grade schools and educational non-profit entities.

An example of the many success stories from the program in FY 21 included the Mart Independent School District in Mart, Texas, with 517 students. The district received 144 working tablet computers and two network servers from the disposition site at Red River, Texas. Overall, 301 requisitions were placed for 3,310 items worth \$2,582,887.49.

#### (b) Law Enforcement Support Office

DLA DS continues to manage the DoD Law Enforcement Support Office, facilitating transfer of excess military property to law enforcement agencies across the U.S. and its territories via 1033 authority. Transfers allow greater return on investment for taxpayers, especially in the case of controlled items like tactical vehicles that would otherwise be destroyed.

Currently, more than 8,700 federal, state, and local law enforcement agencies have enrolled in the program. In FY 21, LESO reported reutilization of 198,532 excess DOD items with an acquisition value of \$195 million.

In FY 21, three new requirements were added to Section 1053 of the NDAA and made changes to Title 10 U.S.C. § 2576a. They include adding preference for property transfers for disaster-related emergency preparedness activities; additional training requirements for recipients, to include respecting for the Constitutional rights of citizens, and de-escalation of force; and the prohibition against transferring bayonets, grenades (other than stun and flash-bang grenades), weaponized tracked combat vehicles, and weaponized drones. DLA successfully implemented all requirements within the DLA Memorandum of Agreement set forth in section 1053 of the NDAA in FY 21.

#### (c) Firefighter support

DLA DS supported the U.S. Forest Service's Federal Excess Personal Property program. It offered Forest Service-owned property on loan to state foresters for wildland and rural firefighting. The property is excess DoD equipment transferred to the Forest Service by DLA. It is loaned to state coordinators by the Forest Service, who then loan it to local departments to improve fire programs. In FY 21, there were 3,593 requisitions asking for 66,414 pieces originally worth \$95.2 million.

### f. People and Culture

#### (1) Workforce General Safety

During FY 21, Installation Management instituted safety modernization initiatives and drafted a DLA DS safety manual. The modernization focused on mishap investigation/reporting, inspections, and hazard management and training.

Risk assessments of internal processes were conducted, as well as deliberate risk assessment worksheets created for all processes.

Another area of high focus was to ensure DLA DS and the Hart-Doyle-Inouye Federal Center (HDIFC) maintained a high level of vigilance regarding all COVID-19 related updates and related internal risk management. Installation Management worked directly with facilities management, General Services Administration and DLA DS key leaders to conduct hazard analysis and risk management assessments throughout all phases of recovery.

Installation Management at DLA DS headquarters continued preparing for Voluntary Protection program (VPP) “Star” status recertification scheduled for late 2022. The marketing/video committee also developed various safety educational videos.

The MSC headquarters at the HDIFC in Battle Creek, Michigan, conducted regular meetings of the Return to Work Working Group, comprised of representatives from all HDIFC tenants to include DLA DS headquarters leadership. During these ongoing meetings, the Centers for Disease Control and State of Michigan COVID-19 data was discussed in detail. Each week a report of current data including Stay at Home Orders, 14-Day COVID-19 trends, hospital medical care capabilities and total positive COVID-19 cases were presented. The status of cleaning and disinfecting supplies on hand was also regularly reported.

Discussions included mitigation of the threat to people contracting the virus on or off-site and an emphasis placed on recommended safety measures; wearing of cloth face coverings as directed by local policies, social distancing, hand washing, and other recommended practices.

As DoD and DLA started to implement less restrictive measures, HDIFC started to slowly transition employees back into the building - allowing only 10% incrementally until the building reached full capacity. The facility is currently awaiting further guidance from OSD and DLA on how to proceed in FY22.

## (2) Material Handling Equipment (MHE) Safety

Business Support collaborated with Safety, Installation Management and Training on six lines of effort for the DLA DS MHE Safety Initiative. In coordination with Safety, Operations and DSD field leadership offices, DLA DS increased focus on causative factors leading to MHE-related property damage.

The DLA DS director implemented a “story board” for all regions to brief leadership within five days of any MHE-related incidents. These story boards assisted the safety team by allowing them to gain a better understanding of the circumstances that led to the cause of specific MHE mishaps, such as inattention to detail.

Additionally, some full-time employees were classified as MHE Instructor Certifying Officials, allowing them to develop an increased focus on training, operator record keeping and recertification training.

## (3) Pandemic impact on training

DLA DS had nearly 30 course cancellations in FY 21, including on and off-site courses, public offerings, and video teleconferencing. The command did, however, start face-to-face classes midway through the year, holding over 20 classes for critical deployment training. Each class was restricted in attendees and other protocols such as mask requirements were put in place.

#### (4) Organizational Culture

DLA DS adopted three primary culture focus areas for fiscal 2021: strategic direction and intent, customer focus, and capability development. With all the other challenges the ongoing pandemic brought, keeping employee focus on culture was especially challenging.

#### (5) Strategic Direction

The agency concentrated on communication with employees regarding how their specific mission aligned with and supported the DLA Strategic Plan. While COVID-19 protocols kept most of the workforce on weather and safety leave or teleworking for a large part of the year, DLA DS ensured daily communication between supervisors and those employees who were not physically at their duty stations.

#### (6) Customer Focus

DLA DS repeatedly demonstrated strong commitment and dedication to the warfighter. Throughout 2021, it was imperative that field locations communicate with the military customer specific hours of operations due to restrictions. Additionally, the agency made an extra effort to redefine internal customers which ensured building strong partnerships between fellow DLA employees.

#### (7) Capability Development

It is important for DLA DS to strive to develop its employees. To accomplish this, efforts were made to improve the Individual Development Plan by challenging supervisors to spend time with employees in building realistic training plans. This enabled employees to grow and the agency's bench strength to increase. Improvements in this area have been demonstrated by the agency's ability to balance internal and external hires by promoting within, retaining the workforce, and bringing in new ideas. DLA DS is continuing efforts to build the workforce and has plans to incorporate an internal rotation program, much like the DLA enterprise-wide program.

# Defense Logistics Agency

## DLA Distribution Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
DISTRIBUTION  
5430 MIFFLIN AVENUE  
NEW CUMBERLAND, PENNSYLVANIA 17070-5008

NOV 10 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: DR. COLIN WILLIAMS

SUBJECT: FY21 DLA Distribution Annual History Report

Attached, please find DLA Distribution's FY21 Annual History Report submission.

Our point of contact for any questions is Ms. Stacy Umstead, Deputy Chief of Staff, (717)770-2880.

A handwritten signature in black ink, appearing to read "Perry L. Knight", is positioned above the printed name and title.

PERRY L. KNIGHT, SES  
Deputy Commander

## **1. Introduction**

In FY 21, the DLA Distribution team achieved extraordinary results while responding to a worldwide pandemic – COVID-19, strengthening support to the Combatant Commands abroad, and investing in people and processes throughout the global storage and distribution (S&D) network. In short, Distribution effectively and efficiently provided the best S&D value to the nation’s Warfighters and Whole of Government partners.

### **a. Mission**

Provide an agile, global DoD Distribution network that delivers effective and efficient distribution solutions which enable readiness and extend the operational reach of the combatant commands, military services, and other valued customers.

As a DLA major subordinate command (MSC), DLA Distribution is the leading provider of global distribution support to America’s military through receiving, storing, and issuing supplies, as well as providing other tailored services to increase Warfighter readiness.

DLA Distribution offers best value supply chain solutions through a broad range of services including storage, distribution, customized kitting, and specialized packaging, as well as transportation support and technology development. Distribution is connected directly with operational and industrial partners and is integral to the success of the National Defense Strategy.

### **b. Vision**

An adaptive, innovative organization that always Delivers the Right Things, to the Right Place, at the Right Time.

### **c. Quick Facts**

- (1) Oversees the worldwide operation of a network of 50 plus locations worldwide and an expeditionary capability.
- (2) Employs more than 10,000 personnel, including 7,800 civilians, 127 active-duty military, 190 reserve military, and 1,900 contractors.
- (3) Stores over 2.5 million items valued at more than \$142 billion.
- (4) Services approximately 249,000 customers worldwide.
- (5) Maintains approximately 130 scheduled truck routes.
- (6) In FY 2021, DLA Distribution processed over 14 million transactions.

## **2. Key Personnel**

- (a) Commander: BGen Keith D. Reventlow, USMC
- (b) Deputy Commander: Mr. Perry L. Knight, SES
- (c) Chief of Staff: Mr. Gene S. Surmacz
- (d) Deputy Chief of Staff: Ms. Stacy L. Umstead
- (e) Director, Current Operations (J3): COL Robb Meert, USA
- (f) Director, Distribution Future Operations (J4): Mr. Paul Abel
- (g) Director, Future Plans (J5): Vacant

(h) Director, Acquisition Operations (J7): Ms. Meg Ross

(i) Director, Organization Management (J9): Mr. Ed Visker (Retired Jul 31, 2021)

Currently Vacant

(j) Director, Business Development: Mr. Joe Faris

(k) Equal Employment Opportunity Officer (EEO): Mr. Zachary Carrier

(l) Public Affairs Officer: Ms. Dawn Bonsell

(m) Financial Operations (J8): Mr. Charlton Albright

(n) General Counsel: Mr. John Karns

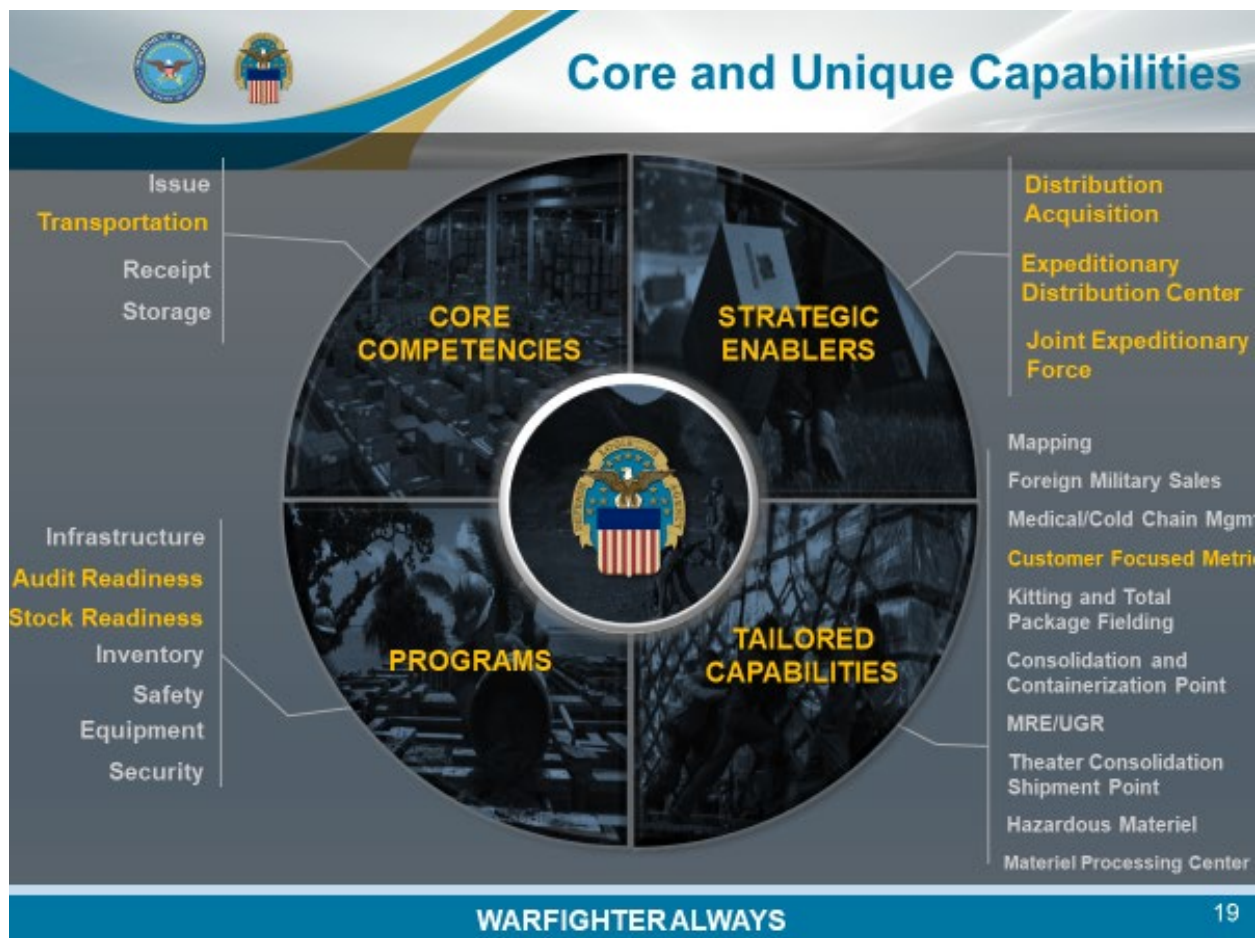
(o) Human Resources Services: Mr. Michael Pier, Customer Account Manager

(p) Information Operations (J6): Mr. Michael Kochera

(q) Installation Support for Distribution: Mr. Victor Montefour

### 3. Organization

#### a. Core and Unique Capabilities



## b. Centers and Sites



## c. Operating Plan

In FY 21, the DLA Distribution Office of Strategic Plans led a cross-staff group to develop the FY22-23 Distribution Implementation Plan (DIP) using the DLA Strategic Plan 2021-2026 as higher-level guidance and Distribution's FY30 Campaign Plan (CP30) as a foundational document. The 10-year CP30 provides a longer-term path forward for Distribution, working hand-in-hand with the initiatives and priorities laid out in the DIP. In order to track progress toward achieving these plans and to facilitate communication throughout the Distribution Network, the Commanding General (CG) oversees weekly Governance briefs that provide status on key Distribution initiatives and programs. The Governance briefs are a recurring forum in which to update the network on DIP and CP30 efforts and ensure Distribution is on track to attain its goals for the FY and beyond.

DLA Distribution will operate in a fiscally constrained environment for the foreseeable future while contending with a reduced workload and COVID-19 constraints. In this environment, Distribution's focus remains leading DoD global distribution into the future through modernized capability, agile organization, a highly skilled workforce, and compelling

innovation in support of the Warfighter. The CP30 and FY22/23 DIP chart Distribution's course and serves as the road map to transforming Distribution into an agile, modernized organization.

With these strategic efforts, DLA Distribution strives to provide the best value to our nation's Warfighters and WoG partners through proven, innovative, and adaptive approaches that are aligned with the Director's five strategic lines of effort (LOEs) and three Critical Capabilities (CCs). Additionally, the FY22 DLA Distribution CG's Annual Guidance communicates the operating guidance and expectations for this FY to the Distribution network's site commanders.

#### 4. Historical Summary

##### a. COVID-19 Support

(1) Since Apr of last year, DLA Distribution has shipped over 34,268 Materiel Release Orders totaling more than 36 million items including ventilators, gloves, face coverings and test kits to our services and federal/state agencies who support COVID-19 response.

Missions	MRO Released	Total Items
Troop Support	19,696	2,075,142
N95	6,640	1,554,490
VA	357	22,839
CUE	XXXXX	XXXXX
White House Masks	7,575	32,613,000
Totals	34,268	36,265,471

##### (2) FY20 COVID-19 Vaccine Distribution

###### Moderna, Janssen, and Pfizer Distribution As of 30 September 2021

###### Moderna:

- Doses Received – 534,580
- Doses Shipped – 534,440 / 819 MROs
- Balance O/H – 140

###### Janssen:

- Doses Received – 185,300
- Doses Shipped – 185,200 / 60 MROs
- Balance O/H – 100

###### Pfizer:

- Doses Received – 106,470
- Doses Shipped – 106,470 / 29 Shipments
- Balance O/H – 0

###### Redistribution

- Doses Received – 6,425
- Doses Shipped – 6,425
- Balance O/H – 0

## b. Warfighter Always

### (1) Distribution Kitting Operation

DLA Kitting provides program management and oversight of kit assembly for Medical, Organic, and Subsistence kits, consisting of DLA and/or service-owned kits/components. Kitting offers tailored logistics using automated and integrated systems that transform customer requirements into a single, useable end item product, and enables customers to order multiples of a single NSN with a single requisition.

(a) FY 21 reimbursable revenue from kitting is more than \$12.6 million.

(b) Distribution has 13 sites performing Kitting functions: five in the Eastern U.S.; five in the Western U.S.; and three sites earmarked for future kitting operations in DLA Distribution Yokosuka, Japan, DLA Distribution Guam, Marianas, and DLA Distribution Pearl Harbor, Hawaii.

(c) Aviation, Land & Maritime and organic kitting, consists of 179 Build Directive Numbers (BDN) totaling 7,432 kits, (3,628 lines), worth \$1.2 million.

(d) Troop Support Medical kiting consists of 6 BDNs totaling 20,000 kits, (134 lines), worth \$1.2 million.

(e) Troop Support Subsistence Unit Group Rations (UGR) kitting consists of 222 BDNs totaling of 105,448 Mods (kits), (2,804 lines), worth \$10.2 million. Distribution San Joaquin California, performs this mission to simplify and streamline the field feeding process by integrating the components of heat and serve rations with quickly prepared brand name commercial products.

(f) New Long-Term AF Project: This F-16 Combination Suite Upgrade project consists of 201 kits for FY 21, possibly increasing the workload each FY up to FY 2029. Total of 17 NSN's but not established to date.

### (2) Recruit Training Centers (RTC)

DLA Distribution continues to support the military services and DLA Troop Support at the RTCs by providing inventory program support and on-site quality assurance to document and address deficiencies related to storage and distribution of DLA owned material. We remain engaged with DLA Troop Support, DLA HQ and military services as part of the RTC Joint Working Group (JWG) with goal of resolving overarching RTC program audit concerns. Since initial fielding of DSS, we have seen improvement in inventory accuracy across all sites.

### (3) U.S. European Command Plans

In FY 21, DLA Distribution Strategic Planners facilitated a European Regional Vision Plan. The Regional Vision Plan will analyze DLA Distribution's infrastructure in theater and provide a recommended strategy to fill gaps. The plan will be an umbrella document that guides the Area Development Plan (ADP) process at DLA Distribution Europe, DLA Distribution Sigonella, and DLA Distribution Djibouti.

In a first, DLA assisted the EUCOM J4 in the development and vetting of the Sustainment Generator (SUSGEN) data associated with a time phased force deployment data.

Additionally, the EUCOM team supported the DLA Director's Line of Effort 1.1 by participating in various Integrated Planning Teams to improve business processes support of contingency plans. In FY 21, planners assisted with Emergency Essential and Mission Essential designations and validated core locations in EUCOM. They also provided insight into the timing and synchronization of DLA Distribution Expeditionary Capabilities and assisted in identifying required coordination between the Theater Sustainment Command and DLA Distribution.

Distribution Planners identified systemic, policy areas that need to be addressed by HQ to define prepositioned stock (under Title 10) and NATO requirements for further support. Planners are currently assisting the vendor in writing the European Vision Plan to further the progress of ADPs in EUCOM for proper expansion for capacity needed.

#### (4) INDOPACOM Plans

In 2018, DLA Distribution, Korea (DDBK) was established to support USFK. DDBK consisted of ~\$41 million of DLA's CL I and CL IV materiel with an annual facilities cost of ~\$12 million to DLA Distribution with only low volume emergency demand of Class I.

In Sep of 2020, the Joint Logistics Requirements Review Board (JLRRB) instructed DLA to extend the Busan task order through Jan 10, 2022. Director's Reserve funds were allocated for the extension and additional guidance was given to the Army and DLA to work together and determine the way forward.

DLA Distribution led the efforts by hosting IPTs focused on the synchronization across stakeholders to ensure a seamless decommissioning /redistribution of DDBK.

In May of 2021, BG Tim White, USA, United States Forces Korea (USFK) J4, notified DLA that USFK does not wish to pursue funding for the Busan warehouse cost or purchase any of the materiel stored at DDBK. As a result, all stakeholders notified of DLA's intent to decommission the operations and redistribute the stock at Busan. The Distribution team is executing a six-month phased decommissioning plan starting Jul 1, 2021 and sunset the warehouse by Jan 10, 2022.

#### (5) Exercises

##### (a) DEFENDER EUROPE (DE) 21

DLA Distribution participated in Joint Event Life Cycle virtual planning efforts for DE21 by activating our contingency Theater Consolidation and Shipping Point (TCSP) at DLA Distribution Sigonella (DDSI). DE21 was a series of linked, U.S. Army Europe-led field training exercises, live fire exercises and a computer exercise, part of U.S. European Command's Southern Exercise Portfolio. Distribution's primary training objective was alternate routing of CONUS sourced material and increased distribution network resiliency.

DLA Distribution's close coordination with DLA Europe and Africa, 21st TSC, and USAREUR planners identified five Army Supply Support Areas in Italy, Kosovo, Romania, and Bulgaria to be supported by our contingency TCSP. CONUS sourced material utilized alternate inter-theater routing from Distribution Susquehanna (DDSP) to DDSI.

Real world runway repairs prevented normal channel routing via Norfolk NAS to Sigonella NAS; Charleston AFB was the designated aerial port of entry for channel requirements during the runway repairs. DDSP's Consolidation and Containerization Point

consolidated material for the five SSAs onto 12 Air Lines of Communication pallets and forwarded to Charleston AFB for channel flights into Sigonella NAS. DDSP played an integral role in configuring the DSS network to ensure DDSI TCSP received systemic due-in data for shipment visibility (a key shortfall from SABER GUARDIAN 2019). All shipments were successfully processed through DDSIs DSS TCSP module for onward movement.

#### (b) Combined Command Post Training (CCPT) Events (21-1 & 21-2)

DLA Distribution coordinated staff augmentation support for the USINDO-PACOM Combatant Command training events in the Republic of Korea (ROK). These two annual training events have been the backbone of joint and combined integrated training between the U.S. and ROK for decades. COVID-19 restrictions dictated virtual staff augmentation from CONUS in support of CCPT 21-1. CCPT 21-2 participants were able to travel to ROK and augment DLA INDO-PACOM Regional staff and train with United States Forces Korea (USFK) and ROK staff. Both evolutions emphasized development / execution of plans, procedures, and concepts for the defense of the ROK. The training events focused on enhancing coordination between the ROK government and Combined Forces Command (CFC). DLA Distribution continues to work the focus areas beyond the training events in coordination with DLA INDO-PACOM Regional Command, USFK, Eighth U.S. Army, and 19th Expeditionary Support Command to enhance capabilities and improve support to US Warfighters and allies in the Korean Theater of Operations.

#### (6) Expeditionary Manpower

DLA Distribution has several resource pools available to support exercises, deployments, operational support, surges, contractor-to-contractor transitions, and other initiatives requiring additional manpower. Once notified of a requirement, the Distribution J9 team ensures deployers are medically qualified, trained and sent to the desired location.

#### (a) Joint Reserve Force

The Joint Reserve Force (JRF) assigned to DLA Distribution consists of five Navy units, one Army Reserve Element, 22 Air Force personnel, and three Marine Individual Mobilization Augmentees. During FY 21, the JRF personnel provided 15,613 man-days of support through deployments, annual training, and sustainment to eleven distribution centers and four COCOMs.

In FY 21, the Distribution Reserve Force supported several important missions, the first being Susquehanna, Pennsylvania, inventory. The Susquehanna reserve unit, along with non-organic reservists, supported the center with a critical inventory mission for audit readiness. These reservists were tasked with performing TPIC-D counts in support of Susquehanna's 100% cyclic inventory. In FY 2021, 49 reservists have provided 2,236 man-days of support.

Another critical mission involved the agency's COVID-19 response. Reservists have been aiding the Distribution DLOC, as well as assisting with COVID-19 tracing taskings. Reservists assigned to the DLOC were tasked with reporting personnel accountability,

quarantine tracking, commodity tracking, and update brief preparations. By close of FY 2021, sixteen reservists contributed to both missions.

### (b) Expeditionary Civilians

The team of Expeditionary Civilians supporting Distribution consists of 217 capability based volunteers made up of several grades and series. Additionally, Distribution has two Deployable Depot (DDXX) teams located in San Joaquin, California, and Susquehanna, Pennsylvania. Each team consists of 49 team members.

Distribution has been supporting the Expeditionary Civilian deployments since FY19. DLA previously managed these positions under the DoD Civilian Expeditionary Program. In the last three years, Distribution has deployed 25 civilians under the program.

### (c) Expeditionary Training

Due to the pandemic, DLA Distribution J9 was fast stepping to catch up on FY 21 Individual Training Plans (ITP's) / BASEORD training. FY 21 ITPs were a combination of Distribution Operations training and Expeditionary training. We focused on three categories: Distribution Operations training, BASEORD training, and Tailored training.

With hurricane season fast approaching, Distribution held its annual Expeditionary Academy from 12-23 July. Reservists partnered with the DDXX teams to check equipment and otherwise prepare for the upcoming hurricane season. The JRF focused on DSS, basic inventory, and MHE training. In addition, senior enlisted and junior officers received training on supporting the DLOC. DDXX training focused on core functions: Material Processing Center, TCSP, and the Incident Support Base. Training is required per DLA Distribution's BASEORD, which guides the deployment of a DDXX Team in a contingency. BASEORD training also included operator skillsets such as Transportation Assistant, Distribution Process Worker, and Material Examiner Identifier. The Expeditionary Academy is a great platform to sign off on ITPs / BASEORD training and increase training readiness making these two great resources ready to deploy in support of worldwide contingencies.

Throughout the year, DLA Distribution J9 Training tailored training for JRF members prior to putting boots on ground. This approach allows J9 to assure reservists arrive with knowledge as well as access. This past year, four DDXX members got certified on the Rough Terrain Cargo Handling (RTCH) at Battle Creek, Michigan. These members can train new operators coming onboard. DLA Distribution J9 Training participated in the FY 21 Scale Initiative IPT and assembled a training package to roll out to the DLA Distribution Centers.

## b. Support to the Nation

### (1) Humanitarian Assistance Program – Excess Property

As part of the Defense reform efforts, DLA assumed operational oversight for the storage and distribution (S&D) of the Humanitarian Assistance Program – Excess Property (HAP-EP) in June 2020. The HAP-EP provides worldwide humanitarian support out of three locations, Albany, Georgia; Livorno, Italy; and Okinawa, Japan. The program refurbishes excess

property from DLA Disposition services and provides that property to partner nations upon a humanitarian request via the Department of State and associated combatant command.

As part of the transition, DLA accepted service agreements with the US Army and USMC from the Defense Security Cooperation Agency (DSCA). Additionally, in Mar, DLA activated a global distribution expeditionary contract for HAP labor at Albany, Georgia. DLA and DSCA have been investigating how DLA can utilize its S&D expertise to reduce the cost of the HAP-EP program.

## (2) Department of Veterans Affairs Contractor-Owned, Contractor Operated

In FY 21 Distribution registered a “signature win” with its support to the U.S. Department of Veterans Affairs (VA) and Veterans Health Administration (VHA) COVID-19 pandemic response. In so doing, Distribution also supported a DLA strategic goal of greater integration with our Whole of Government partners.

The VHA Procurement & Logistics Office requested 1) a solution for VA-procured, government-owned PPE and other pandemic support materiel supporting more than 1,200 VA facilities and 2) the establishment of four Regional Readiness Centers (RRC) for enduring storage and distribution support. Distribution’s solution leveraged its organic network and established contracts, furthering resiliency and increasing visibility of the national medical supply chain, while preventing redundant costs and minimizing inventory. Distribution established the following PPE surge locations:

- (a) DLA Distribution Susquehanna, Pennsylvania
- (b) DLA Distribution San Joaquin, California
- (c) Existing COCO in Birmingham, Alabama, and Marengo, Illinois
- (d) A new East Coast COCO in Chambersburg, Pennsylvania

To gain greater efficiencies, materiel from four VA warehouses, as well as materiel temporarily stored at the Birmingham and Marengo DLA COCO facilities was consolidated at the Chambersburg COCO by the end of FY 2021.

DLA Distribution’s agreement period with the VA/VHA runs from 3 Aug 2020 until 3 Sep 2023. Currently, 25 thousand pallets are being stored and are ready-to-issue across the four sites, while a ~1.5 thousand issues and a like number of receipts have been executed. Coordination of enduring support at four RRCs is underway, with one located in each of the VA’s four consortiums (Northeast, Midwest, South, West).

## c. Trusted Mission Partners

### (1) F-35 Program

Although COVID-19 restrictions proved challenging, DLA Distribution’s support to the F-35 program continued unabated. The command’s Business Development team led or facilitated cross-functional working groups, site surveys, and IPTs with government (JPO, DLA HQ, USTC) and industry (Lockheed Martin, Pratt & Whitney, Rolls-Royce). A highlight in early FY 21 was the transfer of Pratt & Whitney propulsion material from a third-party warehouse

outside of Tinker AFB to DLA Distribution Oklahoma City. This operation concluded 10 weeks ahead of schedule.

Business Development led preparations to receive initial F-35 material or expand preexisting footprints at the six other F-35 sites (DLA Distribution Hill, Jacksonville, Warner Robins, San Diego, San Joaquin, and Cherry Point). A highlight was beginning the transition of wholesale, Lockheed Martin-managed material from its third-party warehouse in Ft Worth to DLA Distribution San Joaquin. All other Lockheed Martin material stored off base was relocated to a DLA warehouse co-located with the industrial maintenance activity. Meanwhile, as F-35 operations at Defense Depot Oklahoma City, Oklahoma matured, a balance between warehousing and transportation emerged, with increased attention to global heavyweight shipments and deployment support.

Throughout FY 21, Business Development contributed to higher-level F-35 working groups led by other stakeholders and continued to advocate for DLA and DLA Distribution equities at senior meetings, many of which were at the GO/Flag/SES level.

## (2) Public Private Partnerships (PPP)

Despite COVID-19 curtailing industry partner prospecting activities, the PPP program progressed steadily. Business Development negotiated a fourth (of a possible five) partnership. The third PPP, with Parker Aerospace, formally began operations in Aug 2021 at DLA Distribution Warner Robins and supports F-15 depot-level maintenance. The PPP is a five-year deal projected to generate \$240,860 in revenue for DLA. Meanwhile, Distribution had its first two “repeat” PPP customers in FY 21, the latest indicator of program effectiveness. First, Thales Defense and Security, Inc. requested an extension of its PPP (DLA Distribution San Diego) through the end of CY2026. Second, Parker Aerospace requested a short-term expansion of its PPP with DLA Distribution Corpus Christi. These two actions project a combined \$427 thousand in incremental revenue for DLA. At the conclusion of FY 21, the nearly four-year old PPP program represented \$3.8 million in actual or projected revenue, cost avoidance, and cost reduction. Coming at the cost of just \$23 thousand in additional DLA resources highlights a taxpayer-friendly return on investment.

Continuing its role as the agency’s PPP lead, Business Development drafted and staffed the legislatively mandated “Year Four Report” to OSD and Congress. The report is a holistic assessment of the PPP program. It captures benefits to industry and government, outlines financial impacts, and offers recommendations. The DLA Director approved the report in Feb, and it was subsequently approved by OSD. It is currently with the House and Senate Armed Services Committees.

Finally, DLA Distribution successfully defended FY22 NDAA Legislative Proposal #452, which calls for making the PPP program permanent, before the change in presidential administrations caused it to be placed on hiatus. It was ultimately resubmitted and reapproved for potential inclusion in the FY23 NDAA.

## (3) Warehouse Utilization

Throughout FY 21, DLA Distribution continued participating in OSD’s Warehouse Utilization (WU) Reform initiative. Previously referred to as Nontactical Warehouse initiative, the WU was designed to optimize the Department’s warehousing network so as to

reduce costs and increase readiness. WU initially identified four military service-centric pilot locations to study and eventually transition: Anniston, Alabama (Army); Tinker Air Force Base, Barstow, California (USMC); and San Diego, California (Navy).

DLA Distribution remains a stakeholder since it manages robust operations at each pilot. Though the other three pilots' site assessments and execution plans are still being finalized, the USMC pilot at Barstow, California, concluded in Jul 2021. Barstow's WU success demonstrates what can be accomplished when elements within DoD work towards a common goal. In just four months, the Barstow terrain reset team vacated DLA Distribution from seven buildings and moved it into several others, optimizing the warehouse footprint. For a little up-front investment in material movement and rack installation, both USMC and DLA will realize tremendous cost benefits. Savings and cost avoidance could exceed \$100 million over the FYDP. This represents almost a 10-fold return on investment. DLA Distribution remains committed to driving down costs and improving readiness at the remaining pilot locations.

#### d. Modernized Acquisition and Supply Chain Management

##### (1) Acquisition Operations

###### (a) Contract Awards/Small Business Goals

In FY 21, Acquisition Operations (Contracting) awarded 3,237 actions valued at \$414 million in obligations. Of note, Acquisition Operations executed the third recompetes of the Global Distribution Expeditionary contract which is a labor augmentation to support surge and emerging requirements exceeding Distribution's organic capabilities. The awardee is Olgoonik Federal, an 8(a) contractor, with major subcontractor Technica, LLC. Additionally, the office executed a multiple award Logistics Modernization Integration Services contract for the solicitation's Pool 2: Individual Distribution center-targeted Automated Material Handling Equipment capability upgrades. Three contract awards were made to the following companies: Conveyor Handling Corporation (CHC), Werres Corporation, and Unity Technologies Corporation.

DLA Distribution's third industry day was held Jun 9, 2021 using a virtual platform. More than 80 companies and 135 individuals participated in interactive briefings and one-on-one breakout sessions. Briefings, conducted using DCS Connect, were provided by a variety of organizations and Distribution members. Topics included: DLA HQ and DLA Distribution acquisition overview, audit advancement, modernization efforts, doing business with DLA, DoD 8570 certifications, cybersecurity maturity model certification, and Procurement Technical Assistance Center (PTAC) overview.

The small business program exceeded its overall small business goal, achieving 74.4% of obligations to small business against a 55% goal. The competition goal was met in FY 21; the office competed 93.1% of awarded dollars against an 88% goal.

###### (b) Acquisition Assistance – Audit Readiness

DLA Distribution Acquisition Operations continued growing our programs for contractor-operated Distribution centers (and other similar service contracts) to ensuring contracts contain and the vendors meet requirements for Audit Readiness (AR),

standardization, and process excellence verification. In coordination with Distribution's Audit Readiness/Compliance Team and the Future Operations directorate, a continued strategy incorporates standard process changes and AR requirements with a better-defined warehousing practice, along with trend analysis on performance. In FY 21, the requirement for the monthly Audit Assertion Memorandum was added, which complements the FY20 changes made for the Contractor's Quality Control Plan. A standard Period End Cut-Off Procedures quarterly requirement was incorporated into contracts to meet requirement. These actions facilitate contractor performance as well as AR adherence and compliance.

#### (c) Acquisition Planning and Assistance Team

In FY 21, DLA Distribution J7 Acquisition Planning and Assistance Team completed 267 projects and worked four Distribution Center re-compete packages, the Logistics Modernization Integration Services Pool 2 award, the Global Distribution Expeditionary contract award, Defense Depot San Joaquin, California, contract re-compete, East Coast COCO stand-up, and Meals Ready to Eat Storage Services re-compete. The team continues to develop the WoG Support COCO acquisition package. Additionally, it worked 53 Technical Evaluations and completed 168 requests for contract modifications. DLA Distribution J7 Acquisition Planning and Assistance Team managed acquisition planning and Contracting Officer Representative (COR)/alternate COR duties for the Global Distribution Expeditionary contract, to include 38 Task Orders throughout DLA Distribution center locations and the support for Operations in the EUCOM, CENTCOM, PACOM, and AFRICOM AORs.

#### (d) Quality Assurance (QA) Program

The Quality Management Program Office (QMPO) maintains the QA and Quality Control (QC) programs at all DLA Distribution contractor-operated locations. The QMPO also schedules recurring QA and compliance tasks for all Government-operated locations, as directed by the J3-OC Audit Readiness staff. The QMPO maintains near daily interaction with over 200 assigned Quality Assurance Team (QAT) and Distribution leadership staff members to ensure a standardized approach is applied to oversight of distribution. During FY 21, QA team members at all locations completed 15,132 surveillance activities, 168,686 compliance checks, and 5,261 oversight reviews. The QMPO maintains and manages the Quality Management Tool. The QA program is continually revised to incorporate distribution-related requirements to satisfy contract oversight, DLA Distribution Compliance requirements, and controls (financial and operational) for Audit Readiness. As these processes evolve, so to do the QA, QC, and compliance checks. Throughout FY 21, the QMPO, working closely with Audit Readiness, incorporated compliance checks to document and report performance issues specifically related to audit compliance more succinctly. In FY22, the QMPO plans on incorporating additional processes for contractor at contractor-operated locations to make expanding QC efforts more visible to the headquarters staff.

#### (e) Government Purchase Card (GPC)

In FY 21, DLA Distribution completed 6,534 GPC transactions and reviewed 1,633 of them. There were 61 documented findings of those reviewed for a 96%

compliance rating. The GPC A/OPCs conducted training for GPC billing officials and cardholders across the enterprise. Compliant transactions increased from 89% in FY18 to 95% in FY19 and FY20, and is currently at 96%. Additionally, J7 analyzed GPC purchases to determine if card holders can use Long Term Contracts (LTCs) to streamline the administrative process.

(f) Centralized Ordering Process – Purchase Request (PR) Creation Team

The PR creation team at DLA Distribution Acquisition Operations (J7) was formed in 2015 to migrate all orders (local procurement and MILSTRIP) from distribution center-level input to centralized DLA Distribution J7 input. This team has proven effective as an intermediary between customers and DLA J7 Contracting and significantly improved processing time by adding performance goals to the Requirements Justifications position of EBS Purchase Requisitions. Centralized input facilitates ordering like items using unique material numbers to allow history to be used in preparing long-term contracts. The responsibilities of the PR creation team include monitoring, prioritizing, and working incoming requirements; answering customer questions; developing submission policies and procedures, and ensuring customer compliance. The PR Creation Team generated 5,687 orders in FY 21.

(g) Accountable Property

The DLA Distribution Acquisitions Operations (J7) Accountable Property program manages approximately 7,500 general equipment assets at 26 distribution centers with a value of nearly \$500 million. Two Distribution Accountable Property Managers (APMs) conduct daily oversight for the accountable records at the distribution sites, ensuring accuracy and working with site Accountable Property Officers (APOs) to complete monthly and annual inventories, prepare for inspections and audits, provide training, and work other tasks. In FY 21, Distribution completed 100% of monthly inventories on all assets. In addition, Distribution APMs have conducted training with new and current APOs.

(2) Continuous Process Improvement (CPI)

(a) Commercial and Government Entity (CAGE) Compromise Project

DLA HQ had been working an issue on suspect parts coming into the supply chain, resulting in the allowance of auto awards for low dollar/high demand materiel. Enormous stock screenings were placed on Distribution starting with the most vital materiel: Nuclear, Critical Safety Items and Weapons Systems. During screening, each individual MIL-STD-129 must be checked for the CAGE code and compared to the list of affected CAGEs. If materiel is from a suspect CAGE, it must be segregated and suspended, and a Storage Quality Control Report (SQCR) written for disposition. The performance of these inspections and monitoring of the project is additive and preempts standard daily work at both the distribution center and Distribution HQ. In total, 34,047 inspections were performed consisting of 16,843,745 eaches, with 11,332 SQCRs created. Distribution Centers incurred \$12,903,508 in billable work to ensure any suspect materiel was suspended. The final phase involved testing and researching questionable vendors and secondary prosecution actions. Multiple bad actors have

been sentenced to jail and massive financial restitution settlements awarded to the government. Distribution is charged with holding all the materiel as legal exhibits until cleared for disposal.

### (c) Supply Discrepancy Report (SDR) Validation Program

Distribution developed and implemented the SDR/SQCR Validation program to ensure suspension records are correct and complete, that disposition instructions are acted on or rejected appropriately, and that all actions occur within regulatory timeframes. The written portion ensures correct discrepancy codes, contract and CAGE data are in appropriate fields, verbiage is descriptive and complete, and charges are documented. Acting on the disposition instructions in the regulatory timeframes have shown marked improvement. These validations have identified where flaws in process and documentation lie. Distribution has improved this part of the program. The program was tested through multiple stages, aligns with the existing J3 QA program, and has been fully incorporated into that program. The program has shown massive improvements in suspended stock across the enterprise.

## f. People and Culture

### (1) Organizational Culture

#### (a) DPMAP

Entering the fourth cycle of DPMAP, DLA and DLA Distribution have continued to grow in program execution. DLA Distribution successfully executed the communication of performance appraisals and plans IAW CDC guidelines during the COVID-19 pandemic.

#### (b) Functional Community Management

Historically, DLA Distribution has maintained a long list of Mission Critical Occupations (MCOs). In FY 21, the command reviewed the list. Benefits from the review included comprehensive occupation descriptions, confirmation of DLA Distribution's current critical occupations, and the identification of several MCOs for removal.

### (2) Recruitment

DLA Distribution participated in numerous virtual outreach events with Virginia. This partnership enabled DLA Distribution HQ, Norfolk, and Richmond to market DLA and DLA Distribution to potential applicants.

#### (a) Recruitment Cadre Revitalization Project

DLA Distribution HQ was an active member in the DLA J1-led Recruitment Cadre revitalization project. The Cadre reviewed, updated, and made recommendations on the way Recruitment Cadre communicate and the tools they utilize. This project resulted in an updated DLA recruitment briefing template, a MS Teams document

repository, and the review of virtual recruitment platforms. As a result, DLA Distribution created a Community of Practice focused on timely communication of recruitment information, networking opportunities, and a document repository for Distributions Center participants.

#### (b) Direct Hire Authority (DHA)

DHA has been expanded to multiple locations for both General Schedule and Federal Wage Grade positions. DLA Distribution published business rules to ensure consistent implementation. Data from the hiring actions is collected to review the impact on hiring and retention across the network. Distribution Centers utilized free services such as emailing local schools and colleges and posting on state employment sites and military bases to diversify their recruitment pools.

#### (c) Summer Internship Program

DLA Distribution reinvigorated the summer internship program at five sites to bring on 50 summer hires. DLA Distribution standardized position descriptions for Administrative Support, Supply, and General Laborer. Distribution Centers worked with community partners to advertise the positions and encourage potential applicants. Hired students worked for the summer side by side with a current employee to learn about DLA Distribution, our mission, and our support to the Warfighter.

#### (4) EEO

(a) Re-organized EEO Office Structure, to include oversight of complaints to have one informal manager and one formal manager. The EEO Director assumed responsibility of the investigations contract to improve the time to award task orders.

(b) Re-organized so EEO Specialists can draft acceptance and dismissal letters.

(c) Began issuing Heritage Month newsletters. Prior to the pandemic, in-person Heritage Month observances were conducted. During the pandemic, the EEO office wrote and issued newsletters in place of in-person observances.

(d) Utilized contract investigators: spent \$95 thousand to contract investigations for formal complaints. This effort was to improve formal complaint processing timeliness. Due to added workload, improvement not achieved until office re-organized.

(e) Procured writing letter of acceptance and dismissal training. Training necessary so EEO can write these letters as part of the office re-organization.

(f) Moved EEO office at DDSP to make room for the Eastern Distribution Center Modernization. This move gave the Eastern Distribution Center (EDC) critical space to support the modernization effort, which is intended to make the EDC one of the premier warehouses in the world.

#### (5) Safety

FY 21 was a challenging year with many unforeseen hurdles to overcome. These affected all directorates to include the Safety & Occupational Health (SOH) office in numerous

different ways. While FY 21 was not a “normal year” by any stretch of the imagination, it also provided opportunities to be creative in improving the SOH program. The following is a summary of initiatives, processes, and methods enhanced or updated during the year.

#### (a) SOH

During FY 21, the SOH office diligently worked with all Distribution Centers to transition from the previous job hazard analysis process to the deliberate risk assessment process. By utilizing the new process, Distribution Center commanders and directors can effectively break down any hazard, issue, or concern and develop a plan for controlling risks before they lead to injury/illness. This process involves all levels of the chain of command.

Moving forward, the SOH office is updating the Distribution SOH Program Manual to ensure all new DLA requirements are covered and the forthcoming DoD Safety Management System structure is successfully implemented. The office will also further refine its Mishap Investigation Analysis process to improve all investigations.

#### (b) COVID-19

Throughout FY, the SOH office collaborated with Distribution leadership and DLA Human Resources to oversee, evaluate, and support the centers about the COVID-19 pandemic. This included daily monitoring of the public and center case rates, public vaccination status at the centers, and transmission rates. Any identified areas were flagged for monitoring or the deployment of the Distribution COVID-19 Assessment Team which would develop corrective actions or support needed. As the pandemic was unprecedented, there were consistent changes in guidance provided. To combat this, the SOH team collaborated with the Distribution Deputy Chief of Staff, Human Resources Customer Account Manager (CAM), and General Counsel to ensure that processes developed or guidance given was adhered to applicable policies. They also evaluated situations and events to ensure effective control measures were developed.

#### (c) Radiation Protection Program

The Radiation Safety staff maintained a high level of customer service by implementing alternate training methods, to include video teleconference, Learning Management System, Skype, and Teams. It also assisted with the transfer of each site’s Radiation Protection Officer Database (RPODB) to segregated network locations to maintain information security. Further, the staff initiated an effort to have the RPODB completely rewritten and modernized so that it is more efficient for Distribution Center end users. During FY 21, the Nuclear Regulatory Commission (NRC) inspected the Distribution Radiation program and NRC license, including management oversight of the program. The inspectors visited six Distribution Centers as well as Distribution HQ as part of the inspection, which resulted in a finding of no violations noted.

### (7) SARC

(a) In-person Prevention of Sexual Harassment & Sexual Assault  
Prevention and Response training Adobe Connect sessions were established for each quarter to offer live interactive POSH/SAPR training to 160 DLA Distribution supervisors & employees.

(b) Apr 2021 was Sexual Assault Awareness and Prevention Month; BGen Reventlow created a video message promoting SAPR Month. Along with Mr. Perry Knight, he signed a Proclamation recognizing the focus area. Additionally, the Virtual Teal Ribbon Relay surpassed our initial goal of 1,026 miles (the distance connecting each MSC) and finished strong with 55 Distribution employees covering 3,996. miles (Apr 1-30).

#### g. Fiscal Stewardship

(1) Operating Materials & Supplies (OM&S) Inventory - DLA Distribution is currently conducting a 100% wall-to-wall inventory of OM&S for the Navy shipyards at Puget Sound, Washington; Pearl Harbor, Hawaii; and Norfolk, Virginia. These inventories involved growing our Inventory teams by over 30 FTEs across three sites, include over 376 thousand total inventories, and are currently on track to be 100% complete come the Mar 31, 2022 deadline.

(2) Nuclear Inventory - Distribution is also supporting Norfolk Naval Shipyard's inventory efforts by performing a 100% count of material at that site under Nuclear custody. In the past six months the Distribution personnel have counted over 17,000 NSNs, 1 million eaches, and are currently 99% complete with first counts which is dramatically ahead of the Navy's schedule. DLA Distribution's efforts at the Shipyards not only support the customer as they proceed forth on their Audit journey, but also provide increased fidelity and trust in Navy material access technology.

#### h. Digital Business Transformation

##### (1) Modernization Efforts

##### (a) Warehouse Management System (WMS)

DLA is poised to transform the way it does business. The dedication, manpower, and diligence put into WMS during FY 2021 will allow the agency to process all transactions coming into DLA Distribution sites. WMS will refresh the Distribution Standard System (DSS) by streamlining storage, distribution, and transportation to align with industry standards, creating a single system for all of DLA. WMS will provide efficient warehouse management capabilities such as greater visibility and control and real time logic for inventory tracking, cross-docking, and order fulfillment. WMS is a SAP-based commercial off-the-shelf product that will align property management and transportation on a single platform, reducing complexities and streamlining processes. The transportation management module will complement DLA's management of transportation planning, optimization, and freight tendering. This module covers the full range of transportation modes: air, ocean, rail, and motor. Full operational capability at Corpus Christi is scheduled for the beginning of FY22. WMS will eventually interface with the Enterprise Business System (EBS). The WMS team is committed to ensuring the workforce is prepared for the next era of technological advancement.

##### (b) Voice Technology

Voice technology system uses speech recognition and synthesis to allow operators to communicate with the WMS using only their voices. The staff on the warehouse

floor uses a headset and microphone to receive instructions by voice, and verbally confirm their actions. The voice initiative addresses many automation requirements identified by DLA Distribution. Commercial voice pick technology is a proven solution that will significantly improve labor efficiency, freeing warehouse personnel to engage in other tasks. It will speed inventory, receiving, and stowing; improve inventory accuracy, reduce lost product, and increase safety.

Voice technology was successfully piloted at DLA Distribution San Joaquin during FY19. Pilot results yielded a 35% productivity gain in pick processing along with an increased efficiency. Implementation across the enterprise began in FY20 with DLA Distribution Susquehanna. Despite COVID-19 constraints, DLA Distribution, HQJ6, and Honeywell deployed voice technology at seven more sites: San Joaquin, Warner Robbins, Norfolk, Oklahoma, Utah, Red River, and Jacksonville. Additional deployments are scheduled through FY24. Voice stow functionality was fully developed near the end of the FY and is scheduled for testing and release early in FY22.

### (c) Automated Inventory

Automated inventory meets Warfighter needs and incorporates enterprise architecture. Maintaining and continuously improving end-to-end visibility of assets; enhancing visibility of assets in-transit, in-storage, in-process, and in-use; improving efficiency of physical inventories, receipt processing, cargo tracking, and unit moves; increase inventory existence and completeness in support of audit readiness; ensure asset visibility authoritative data are discoverable, accessible, and understandable in order to support informed logistics decision making across DLA.

DLA Distribution, in conjunction with DLA J6 R&D, is reviewing multiple solutions to provide an autonomous/automated inventory system that will improve inventory accuracy, material accountability and visibility and provide better audit posture for the agency. DLA Distribution has begun feasibility studies (Phase I pilots) on a low energy Bluetooth solution to track items within location and within warehouses. Bluetooth tags include accelerometer technology to notify team of all material movement by item. A second pilot also concluded in Phase I, was an autonomous drone solution utilizing radio frequency identification to scan items in location at set intervals. DLA is also pursuing an other transaction authority contract to possibly combine efforts moving forward. These efforts will reduce operating costs and improve efficiency during the 100% inventory process.

### (d) Robotic Process Automation (BOTS)

Distribution Stock Readiness was able to develop several BOTs to automate processes and streamline daily work for the personnel in the warehouses. BOTs were written to generate the daily workload for each distribution center. This ensures that the workload is available for DC personnel to immediately start their workday. It also ensures that the correct data and complete workload is available to each DC; this supersedes them having to run their own workload report. Distribution has written BOTs to run and send the regulatory required follow ups and alleviate the manual workload of sending these on a regular basis. The most effective BOT to date sends the DD1225 forms to the military Services. Previously, each Stock Readiness worker that generated a 1225 suspension on a service-owned item had to return

to their workstation and physically print and email each individual record. This BOT sends all individual service-owned 1225 records at the end of the day. This alleviates the manual workload for the Stock Readiness employee and ensures that the record gets to the appropriate owner without relying on human intervention and without human errors.

#### i. EDC Modernization

The EDC is DoD's largest distribution center with 1.8 million sqft of storage and distribution processes under one roof. It opened in the early 1990s and has been operating with the same equipment ever since. DLA studied business practices and workload with the assistance of St. Onge to develop a future state. The study allows us to implement both proven and cutting-edge technologies in distribution automation to enhance logistics support and produce more reliable, responsive, and cost-effective solutions. The ~\$200 million contract was awarded to Advantaged Solutions, Inc. in Sep 2020. Once completely implemented, the EDC will have a 139% increase in systemic throughput, 239% increase in pick-rates, 20% improvement in labor production, 100% materiel location accuracy, and a 70% increase in order verification. All of this is happening within the existing infrastructure and workforce. The new Warehouse Execution System will provide real-time data and analytics to improve workload management and place employees in the most critical areas. A robust organization Change Management team will drive adoption.

# Defense Logistics Agency

## DLA Human Resources (J1) Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Submission of DLA Human Resources (J1) FY21 Annual History Input

FY2021 saw a continuation of the COVID-19 pandemic and the challenges associated with managing a large, dispersed, and diverse workforce under an extended state of emergency. Throughout the year, the men and women of J1 continued their outstanding efforts to take care of our DLA team members and customers in other agencies who were dealing with unprecedented concerns and work conditions.

In FY2021, J1 remained front and center in the DLA response to the novel coronavirus pandemic while also maintaining our day-to-day functions virtually and remotely. These efforts were recognized when the J1-led DLA Coronavirus Coordination Team (CCT) was named as the Best Large Team in the Agency for 2021.

When I reported to DLA to assume the helm of J1 at the tail end of FY2021, I was amazed at the skill and dedication this team showed in managing the myriad challenges facing the Agency's workforce. This is most apparent in the level of cooperation, teamwork, and support for each other across the various parts of our organization.

I inherited an HR workforce that takes tremendous pride in how they support each other and the rest of the DLA family.

I look forward to leading this organization through the challenges of the near term – reconstituting the DLA workforce and workplaces – and the long term – as we're developing in our Future of Work initiative. I know this team is up to the tasks at hand.

One J1 and Warfighter Always.

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SHARYN J. SAUNDERS  
Director  
DLA Human Resources

## 1. Introduction

Fiscal Year (FY) 2021 was a year of significant transitions for the DLA Human Resources (J1) workforce, with two senior leader positions changing and acting leaders maintaining responsibility for months in the interim.

a. In Feb, longtime director Mr. Brad Bunn was selected as DLA vice director. J1 Deputy Director Mr. Billie Keeler served as acting director for seven months.

b. Early on, Ms. Hong Miller, administrator of the J1 operational arm, DLA Human Resources Services (DHRS), stepped up as acting deputy director, and Mr. Pete Marchesani, DHRS Director of Enterprise Operations, served as acting DHRS administrator. However, Ms. Miller departed DLA in early Jun, and Ms. Laurie Hall, Staff Director for Policy, then served as acting deputy director for three months.

c. DHRS came under new permanent leadership when Ms. Melissa Lalonde was hired into the newly created position of DHRS deputy director in Jun and Ms. Tanya Everett came aboard as new DHRS director (formerly DHRS administrator) in Jul.

d. J1's slate of leaders was finally complete when the new DLA Human Resources Director Ms. Sharyn Saunders arrived from the Drug Enforcement Agency in Sep.

Throughout this turmoil, the organization never lost sight of its customer focus, particularly in leading the agency's Coronavirus Disease 2019 (COVID-19) Coordination Team (CCT). As DLA entered the second year of worst public health crisis in a century, J1 continued managing a workforce divided among those able to telework and maintain productivity from their alternate work location (typically their home) – though dealing with challenges such as new technology, isolation, and childcare – and those who continued reporting to DLA's warehouses and industrial sites despite concerns over their health and requirements for face coverings, social distancing, and increased sanitation.

This mission was made more challenging in Jan after the change in presidential administrations shifted policies for pandemic management. The most noteworthy changes were mandates to vaccinate all military service members and the entire federal workforce, announced in Aug and Sep 2021, respectively.

Despite the pandemic, J1 provided timely, comprehensive, and professional support to customers within and outside DLA. In FY 21 we achieved a 93% Agency Personnel Fill/Readiness rate, filling 6,234 positions and onboarding new employees in a predominantly virtual work environment.

DLA J1 also provided the best possible support for other DoD organizations. At the end of FY 21, DLA J1 provided reimbursable HR services to:

- a. Defense Advanced Research Projects Agency (DARPA)
- b. Defense Commissary Agency (DeCA)
- c. Defense Contract Management Agency (DCMA)
- d. Defense Counterintelligence and Security Agency (DCSA)
- e. Defense Human Resources Activity (DHRA)

- f. Defense Media Activity (DMA)
- g. Defense Security Cooperation Agency (DSCA)
- h. Defense Threat Reduction Agency (DTRA)
- i. Missile Defense Agency (MDA)
- j. National Reconnaissance Office (NRO)
- k. Office of the Chairman of the Joint Chiefs of Staff (OCJCS) and the Joint Staff
- l. Space Development Agency (SDA)
- m. U.S. Transportation Command (USTRANSCOM)

## 2. Identity

### a. Mission

In support of the DLA mission, DLA Human Resources ensures a mission-ready workforce to support America's warfighters while setting the standard for people and culture innovation.

### b. Vision

In support of the DLA vision, DLA Human Resources strives to be the best in our business.

### c. Values

We live the DoD Core Values of Leadership, Professionalism, and Technical Knowledge through Dedication to Duty, Integrity, Ethics, Honor, Courage, and Loyalty. To us, this translates to four tenets:

1. In strategy, people first.
2. In action, customer focused.
3. In execution, effective and efficient.
4. In leading change, innovative and bold.

## 3. J1 Resources and Key Leaders

<b>Resources</b>	
<b>J1 Full Time Equivalents (FTEs) (Authorized)</b>	908
Working Capital Fund	65%
Reimbursable	35%

<b>Major J1 Population Centers</b>	
Whitehall, OH	546
New Cumberland, PA	170

Ft Belvoir, VA	104
San Joaquin, CA	20
Philadelphia, PA	15
Richmond, VA	16
Battle Creek, MI	10

<b>Key Leaders</b>	
<b>Leader</b>	<b>Position</b>
Ms. Sharyn Saunders	Director, DLA Human Resources (J1)
Mr. Billie Keeler	Deputy Director, DLA Human Resources (J1)
Ms. Chaletta McCoy	Staff Director, Human Capital Program Development (J12)
Mr. Darryl Roberts	Staff Director, Labor and Employee Relations Policy (J13)
Ms. Laurie Hall	Staff Director, Human Resources Policy (J14)
Ms. Cheryl Steptoe-Simon	Staff Director, Human Capital Business Integration (J17)
Mr. Stephen Herrmann	Director, J1 Business Office
CAPT Danny King, USN	Director, J1 Plans and Operations
Ms. Tanya Everett	Director, DLA Human Resources Services (DHRS)
Ms. Jill Dixon Cromer	Director, DHRS, DLA Customers
Mr. Derek Saunders	Director, DHRS, DoD Customers
Mr. Peter Marchesani	Director, DHRS, Enterprise Operations
Ms. Yolanda Howell	Director, DHRS, DLA Training
Ms. Kathryn Roberts	Director, DHRS, HR Information Systems
Ms. Lisa St. Peter	Director, DHRS, Travel and Payroll
Mr. David Tighe	Director, DHRS, Military Personnel and Administration

<b>Key Staff Members</b>	
Ms. Kathleen Rhem	HR Communications Manager
Ms. Bethrece Cheek	SAPR Program Manager
MSgt. Demetrius Wofford, USAF/SSG Gerard Macon, USA	Agency Synchronous Operations Center (ASOC) Liaisons

## 4. Pandemic Management

### a. DLA COVID-19 Coordination Team

As DLA navigated the second year of the pandemic, the J1 Coronavirus Working Group transitioned to the DLA COVID-19 Coordination Team (CCT), led by J1 and consisting of representatives from EEO, General Counsel, DLA Acquisition, and Installation Management. The CCT continued to guide DLA's leaders and workforce in dealing with complicated and

evolving guidance from the White House's Safer Federal Workforce Task Force, Office of Personnel Management (OPM), and DoD. This team went on to be named the DLA Large Team of the Year at the annual Employee Recognition Awards.

#### b. DLA COVID-19 Safety Plan

On Jan 20, 2021, President Biden issued Executive Order (EO) 13991, "Protecting the Federal Workforce and Requiring Mask-Wearing," which took a data-driven approach to safety in federal workplaces and prompted a joint OPM/Office of Management and Budget (OMB) memo requiring each federal agency to develop a COVID-19 Safety Plan. J1 took the lead for DLA, adopting the Safer Workforce Task Force and DoD COVID-19 Task Force model safety principles, as consistent with Centers for Disease Control and Prevention (CDC) guidance.

In Apr, DoD released "Guidance for Commanders' Risk-Based Responses and Implementation of the Health Protection Condition Framework during the Coronavirus Disease 2019 Pandemic," establishing onsite employee thresholds for the health protection condition (HPCON) framework. J1 incorporated this framework into the DLA COVID-19 Safety Plan.

#### c. Evolving Guidance

##### (1) Vaccinations/Authorized Admin Leave

On Apr 14, 2021, the Defense Department authorized civilian employees up to four hours administrative leave to obtain the COVID-19 vaccination and up to two days administrative leave to recover from its effects. J1 quickly drafted guidance and developed a timecard code. However, once the President issued the EO mandating vaccinations for federal employees on Sep 9, the Safer Federal Workforce Task Force revised administrative leave to duty time since it was now a condition of employment. Employees were also authorized four hours administrative leave to receive COVID-19 boosters and accompany a family member to obtain the COVID-19 vaccination. J1 consistently communicated changes to leadership and the workforce.

##### (2) Masks

Another aspect of President Biden's EO, "Protecting the Federal Workforce and Requiring Mask-Wearing," and DoD's Force Health Protection Guidance Supplement 17 was the requirement for employees, contractors, and visitors to wear a face mask on federal facilities. As more employees became vaccinated and COVID-19 cases declined, the CDC and DoD removed the mask mandate for vaccinated employees. However, as the Delta variant surged, mask guidance was revised yet again to require all employees to don face coverings in areas where COVID-19 transmission was substantial based on data posted to the CDC website. In areas with low or moderate transmission, vaccinated employees were not required to wear masks.

##### (3) Emergency Paid Leave/American Rescue Plan Act

The American Rescue Plan Act (ARPA) of 2021, enacted on Mar 11, established a new temporary category of emergency paid leave for federal employees. Eligibility was based

on COVID-19-related circumstances. Financial support came from a \$570 million Emergency Federal Employee Leave Fund administered by OPM. J1 issued guidance for implementing this new leave and worked with the Defense Department/OPM to ensure the agency was properly reimbursed. Per the ARPA, this emergency paid leave expired at the end of the fiscal year.

#### (4) Reconstitution Pause/Progress

In Jun, with COVID-19 cases decreasing significantly, OMB, OPM, and the General Services Administration issued guidance on returning employees to worksites. Per the guidance, each Executive Branch agency was required to submit a reentry approach and schedule to OMB for feedback with a final reentry plan due by July 19. The expectation before the resurgence in COVID-19 cases was for the Defense Department's guidance to be prepared by early September and issued with the caveat that bargaining obligations must be met and employees provided 30 days' notice of their return. Until these obligations were met, employees were to remain in a maximum telework status. J1 communicated this pause with leadership and the workforce. It remained in effect through the fiscal year.

#### d. Communications and Reporting

J1 and the CCT continued communicating with employees throughout the year, publishing 15 all-hands messages and about 60 FAQs, as well as coordinating with the DLA Director's office to create a video encouraging vaccination. In addition, J1 kept the DLA Coronavirus Information site updated with guidance summaries and links to resources.

As we transitioned through the end of FY 2021, DLA Human Resources leaders and staff continued to use daily accountability and a quarantine tracker to identify positive cases, hospitalizations, and COVID-19-related fatalities, as well as those subject to mandatory quarantine. J1 staff also answered hundreds of questions from employees.

### **5. J1 Annual Operating Plan (AOP) Initiatives**

#### a. Human Capital Development DoD Customers

The DoD Fourth Estate/Defense Activities and Field Activities (DAFAs) Civilian Human Resources Shared Service Delivery (HRSSD) was established as a result of DoD, GAO, and Congress recognizing the need for increased efficiencies, better delivery, and a standard model. Defense components and DAFAs were advised that DoD is evaluating potential duplication of effort in HR shared-service delivery. The HR Management Reform Team is managing this effort through the HRSSD Working Group (WG) and the Reform Management Group. The Civilian Shared Services Board would oversee HR services, make decisions regarding provider changes, share best practices, standardize metrics, and review efficiencies.

Using the WG framework, DoD is assessing HR providers with a focus on the Fourth Estate. Based on this review, DoD may reduce or better manage duplication. DLA representatives participated in the various DoD WGs. DLA J1 supports DoD's efforts to increase efficiencies, reform HRSSD, address duplication, and develop an HR service delivery model by providing HR services and systems to 15 DoD agencies and/or organizations. Additionally, J1 provided senior representatives assistance in collecting data and interpreting policy.

The HR SSD WG included representatives from Fourth Estate HR Service providers. DLA provided members to participate in each of the WGs. The WG recommended implementation of the most effective, economical, and efficient HR SSD model in support of DoD's goal to reform the Department's business practices. The Reform Management Group (RMG) concurred with establishing a Pilot HR SSD Governance Board and proceeded with implementation of an HR SSD Model. Two Working Groups were established: Performance Metrics (PM) and Delivery Cost Model. The purpose of the PM WG is to collect data for each performance metric, reduce inconsistencies across components, and establish business rules defining integration points between the Time to Hire (TTH) effort and Civilian Human Resources Shared Service Board (CHRSSB).

The Boston Consulting Group (BCG) led an effort to analyze the HR cost applied to an agreed upon Cost Decision (CODE) Framework of HR capabilities, which includes an evaluation of Activity Based Management (ABM) and Lean Six Sigma to identify cost savings and efficiency opportunities. The WG slowed during COVID-19 but has begun to review data again looking toward FY22. Metrics drivers such as the CODE framework and Human Capital Operating Plan (HCOP) are still being analyzed.

#### b. Human Capital Development USTRANSCOM

In Feb 2019, United States Transportation Command (USTRANSCOM) entered into a one-year pilot with DLA to provide civilian hiring and benefits administration services. Results show a reduction in time to fill from 220 days with the former provider to 80 days with DLA. Accordingly, USTRANSCOM requested an extension for 2020. In Aug of that year, the combatant command began seeking approval from the Assistant Secretary of the Air Force, Manpower and Reserve Affairs; Director of DLA; Deputy Commander of the Joint Staff; and Deputy Secretary of Defense to transition HR servicing for Staffing and Benefits to DLA permanently. USTRANSCOM added Learning Management System (LMS) and classification support in 2021. The request is still in coordination; and the pilot is being extended for a third year.

#### c. Enterprise Resource Planning (ERP) System Migration

The DLA J1 Human Capital Business Integration team continued transitioning the SAP ERP to cloud-based hosting and a standard version by completing business transformation studies; determining Business Process Reengineering opportunities; and challenging laws, policies, and regulation. These efforts will improve DLA's auditability, accelerate capability development, streamline business processes, decrease cybersecurity vulnerabilities, reduce aggregated costs, simplify upgrades, and improve innovation as technologies evolve.

#### d. Warehouse Management System (WMS)

DLA Human Resources continued its successful journey in the Human Performance support of the Warehouse Management System during FY 21. Its Human Capital Business Integration Team developed training materials for the various IT increments and delivered several training sessions during to support implementation.

e. Sustain Audit Readiness for Hire to Retire (H2R) Business Cycle

DLA Human Resources continued its successful journey in the audit sustainment arena during FY 21. Due to COVID-19 restraints, auditor Ernst & Young transitioned to more virtual activities but kept a demanding timeline. The J1 Human Capital Business Integration Team:

- (1) Completed FY 2021 Statement of Assurance (SOA) testing.
- (2) Registered no exceptions in the FY 2021 Financial Statement Audit.
- (3) Coordinated over 150 Provided by Customer (PBCs) documents and conducted multiple meetings with EY auditors, Office of the Secretary of Defense (OSD), Department of Defense Office of Inspector General (OIG), and DLA OIG.

f. Future of Work

J1 and DLA Installation Management (DM) co-led the Future of Work line of effort (LOE 5). LOE 5 has three objectives. It is focused on DLA CONUS (non-Federal Wage Service [FWS]) and military population with the intention of later addressing touch labor (FWS) and OCONUS. During FY 21, the LOE 5 FoW Governance structure was established (FoW Enterprise Working Group [EW], FoW Stakeholders Council, and monthly in-progress reviews with J1 Director and DLA CoS-DM). Focus Groups and Senior Leader Interviews were conducted to build upon the insights gathered from the DLA Virtual Work Survey.

g. Revise the Human Resources Management (HRM) Curriculum

DLA Training personnel redesigned the training plan for DLA and serviced DoD supervisors on the mandatory Human Resources Management (HRM) course, which focuses on federal civilian personnel authorities, regulations, tools, and processes. The training was revamped to align with the DoD 2019 Managerial and Supervisory Learning and Evaluation Framework. The new program increases DLA's credibility with customers, offers better control of scheduling, is less time consuming, and provides consistent instruction.

h. Sustain Succession Management for Critical Succession Positions (CSPs)

The DLA Succession Management Program implements an effective plan for manning all positions considered critical to the organization's mission. The succession management process enables organizations to identify positions; attrit risk; assess the knowledge, skills and abilities individuals in those positions; and locate training opportunities and retention and recruiting strategies to close competency gaps. During FY 21, the CSP Annual Review and the CSP Annual Report was completed and the test phase of the CSP Repository Module in the DLA Learning Management System (LMS) was launched.

i. Execute Direct Hire Authorities for FY 21 Allocations

Maximizing use of direct-hire authorities (DHA) authorized by Congress and prescribed by DoD allows DLA to attract a more diverse workforce. These authorities help with rapid targeted recruitment. This involved working with customers to develop strategies, notifying

customers of available Post-Secondary Student and Recent Graduate (PSS&RG) DHA allocations (allocations are requested in advance and usage is tracked), and re-assessing recruitment needs mid-year, and reallocating available DHAs. DLA utilized all 100 allocations received and requested a additional five.

j. Build and Strengthen Key Competencies to Enhance Civilian Workforce Management

Two Bi-Annual DLA Functional Community Manager (FCM) meetings were conducted virtually to share information and best practices with the DLA FCMs, FCM POCs and other stakeholders. The DLA Operations Research functional community developed a competency model and completed a competency assessment via DLA LMS to identify skill gaps. The EEO workforce (part of the Human Resources functional community) developed the GS-0260 Career Guide and associated career management tools to assist the GS-0260 workforce in career development.

k. Prepare and Execute Renegotiation of DLA-AFGE Master Labor Agreement

At the end of the fiscal year, the agency and American Federation of Government Employees Council 169 were at impasse over the terms of a renegotiated Master Labor Agreement (MLA). The agency has requested the Federal Service Impasses Panel to resolve the impasse. This will be the second time the agency has requested assistance from the panel. Negotiations on a new MLA commenced in Jul 2019. After two rounds of mediation, the parties were again unable to agree on a new MLA. The agency submitted its second request for panel assistance in May 2021 and has been working with the assigned representative, providing information on the parties' bargaining history and the issues.

## **6. Miscellaneous Enterprise Support**

a. Anti-extremism Stand-Down Training

On Feb 5, 2021, Secretary of Defense Austin issued instructions to all Defense agencies and organizations to conduct a "stand-down" within 60 days to address extremism in the Department. This posed significant challenges within DLA, with its widely distributed white and blue collar workforce in dozens of locations across the nation and overseas. To meet this mandate, J1 assembled a team of subject-matter experts from DLA Training, J1 HR Systems, Public Affairs, Installation Management Security and Emergency Services, DLA Intelligence, DLA General Counsel, the DLA Director's Staff, and DLA Equal Employment Opportunity. This team developed an online training program delivered via the Learning Management System (LMS), with a mandatory completion date, and a survey function to provide communication between management and the workforce.

In three weeks, this team researched this complex and sensitive issue; wrote a script that met all requirements set forth by the Defense Secretary; recorded videos of DLA's three senior leaders – the DLA Director, Vice Director, and Senior Enlisted Advisor – discussing key messages and highlighting agency values and priorities; packaged these videos and a curriculum created by DLA Training into a half-hour online virtual training session; and launched it via LMS. The team also loaded the complete training video onto a public DoD video server for

deployed personnel and those working at remote sites with limited access to the DLA network. From the Mar 22, 2021, launch date to the DLA-Director-imposed deadline of Apr 30, 2021, 99.14% of the DLA workforce worldwide completed this training.

#### b. Employee Recognition

Throughout the pandemic, the DHRS Enterprise Operations team continued managing the DLA awards program, making adjustments to accommodate COVID-related restrictions.

During the 53rd Annual Employee Recognition Awards Ceremony, released as a virtual program on Jan 26, 2021, the following personnel were recognized as the Outstanding Employees of the Year, DLA's highest annual recognition for current employees:

- (1) Air Force Technical Sergeant Griselda Hewett, DLA Logistics Operations
- (2) Paolo Pappalardo, DLA Distribution
- (3) Air Force Technical Sergeant Zachary J. Beggin, DLA Energy
- (4) Lloyd C. Cromwell, DLA Aviation
- (5) Jennifer J. Bertone, DLA Energy
- (6) Ronda L. Mensch, DLA Office of Inspector General
- (7) Cassandra C. Glos, DLA Distribution
- (8) Ryan B. Collier, DLA Land and Maritime
- (9) Sharon M. Croll, DLA Acquisition
- (10) Navy LCDR Hugh P. Wilson, USN, DLA Logistics Operations

Members of the DLA Hall of Fame Class of 2021 were announced in Jul, however their induction ceremony was postponed and then converted to a virtual event and released in Nov 2021 due to COVID-19 restrictions on public gatherings. Inductees are:

- (1) Denise Canada, former Technical Quality Senior Advisor, DLA Aviation
- (2) Christos Cosfol, former Deputy Director, Procurement Process Support, DLA Troop Support
- (3) Thomas Legeret, former Director, Disposal Operations, DLA Disposition Services
- (4) James McClaugherty, former Deputy Commander, DLA Land and Maritime
- (5) Stephen Sherman, former Director, DLA Document Services

## 7. Conclusion

Throughout the second year of pandemic management, DLA Human Resources continued to analyze the continually evolving situation and issue personnel guidance and policy. With extensive and ongoing support from DLA Human Resources, both populations of DLA employees – those who could telework and maintain productivity from alternate (home) locations and those who continued to work in DLA's warehouses and industrial sites – were able to continue supporting Agency operations.

Like the previous year, the J1 team improved service to its diverse and growing customer base while simultaneously supporting agency personnel through an unprecedented crisis. In addition to the accomplishments outlined above, J1 team members:

- a. Graduated 258 Pathways to Career Excellence (PaCE) participants.
- b. Reduced workers' compensation costs by over \$2 million through aggressive “return to work” interventions and case management.
- c. Delivered 807 DLA classes – 783 virtually, 24 face-to-face – for a total of 11,510 students; delivered 61 classes for a total of 1,044 students in DoD Customer organizations.
- d. On-boarded Defense Contract Management Agency (DCMA), Space Development Agency (SDA), and the Defense Commissary Agency (DeCA) onto the DLA Learning Management System (LMS) while sustaining LMS support for Defense Human Resources Activity (DHRA), Defense Security Cooperation Agency (DSCA), and U.S. Transportation Command (USTRANSCOM).
- e. Led a cross-functional team to review and revise mandatory supervisory elements for the DoD Performance Management and Appraisal Program (DPMAP).

DLA J1 leaders are proactively preparing to:

- a. Examine what was done well in the pandemic and what to improve on in the future.
- b. Modernize DLA’s approach to work – and workplace – so the agency and its workforce are ideally positioned for continued success in a post-pandemic world.
- c. Implement a new, more agile Master Labor Agreement in accord with the ever-changing national security environment.
- d. Expand HR services by supporting DLA’s mission-ready workforce and external HR customers. The pandemic put the organization’s problem-solving skills to the test, and all of J1 lived up to and demonstrated the Agency’s core values throughout this fiscal year.

# Defense Logistics Agency

## DLA Logistics Operations (J3) Fiscal Year 2021 Historical Report



DIRECTOR  
LOGISTICS OPERATIONS  
DEFENSE LOGISTICS AGENCY



Fiscal Year (FY) 2021, like FY20, presented great challenges and opportunities alike for the Nation, the Warfighter, and the Department of Defense (DoD). Despite the continuing operational constraints imposed by COVID-19, the DoD, the Defense Logistics Agency (DLA), and DLA Logistics Operations (J3) provided peerless support to the Warfighter and our Nation through multiple crises.

The J3 team was deeply involved in Operations ALLIES REFUGE and ALLIES WELCOME, the effort to withdraw American forces and civilians, as well as our Afghan allies and partners, as we ended nearly two decades of operations in Afghanistan.

When that effort intensified, the Agency Synchronization Operations Center (ASOC), our Regional Commands, and liaison officers throughout the DoD ensured American forces had what they needed to operate, and the appropriate supplies and tools to care for the Afghans seeking Special Immigrant Visas. At the same time, the ASOC tracked and coordinated DLA support in response to an earthquake in Haiti, hurricanes in the Southeast, and wildfires in the West. J3 finished FY21 with the utmost professionalism and care under difficult circumstances.

However, support to those operations only tells part of the story. The team:

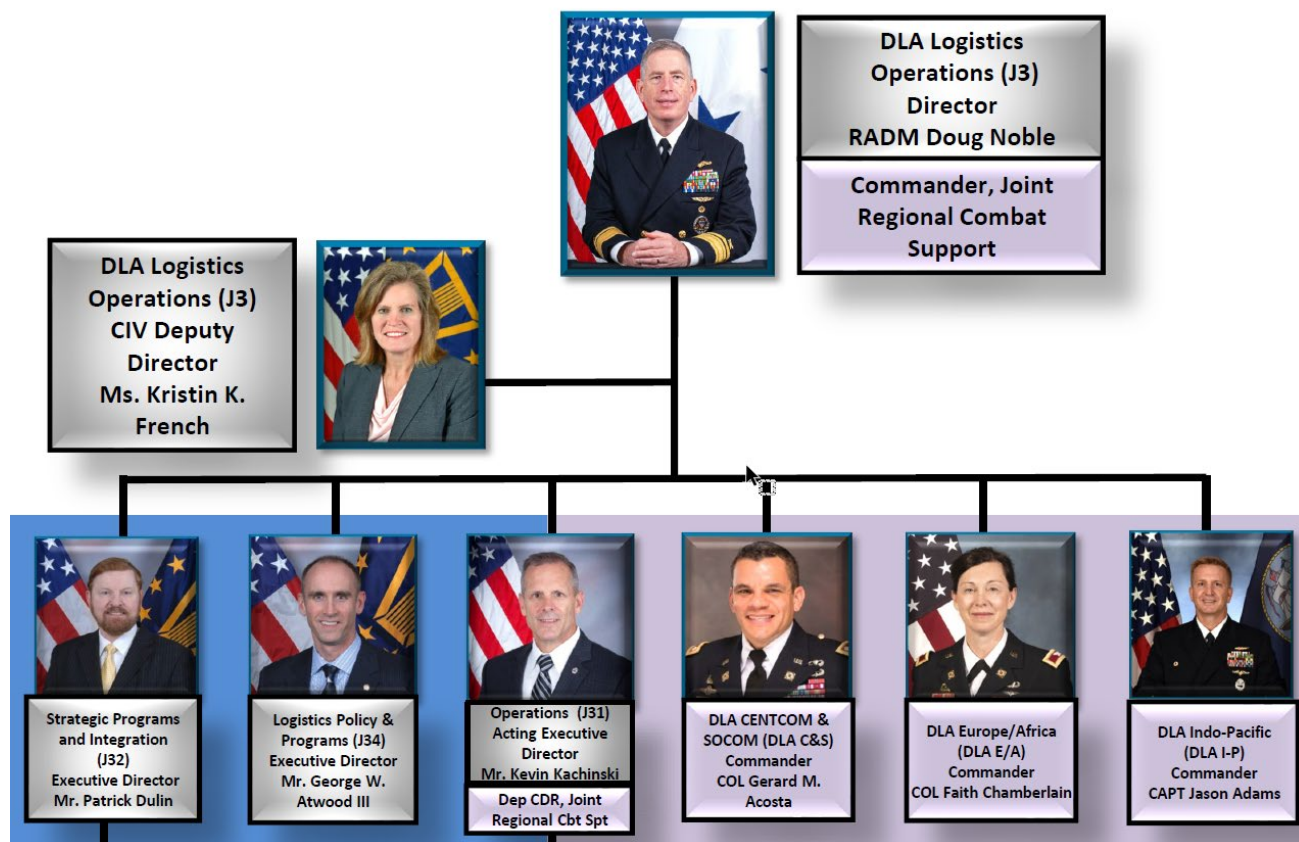
- Exceeded the FY20 overall Material Availability (MA) average by 0.3% and ended the year at 96.27% MA on all supply chains. Backorders are down 5% from FY20.
- Transitioned Industrial Hardware (IH) items to DLA Aviation and DLA Land & Maritime. IH customers saw a 0.1% MA improvement in FY21.
- Continued regular engagements with the new Office of the Under Secretary of Defense (Comptroller) Working Capital Fund Manager to help them better understand DLA missions and operations to support our quest to balance financial health with readiness.
- Held recurring Service Readiness Demand Planning Summits to corporately align with the Military Services on expected future demand. Overall, for FY21, Service demands were collectively down around \$843 million, or 11% lower than planned.

Kristin French, my deputy, and I have been proud of this organization's accomplishments and commitment to the mission under strenuous circumstances. No matter what challenges FY22 brings, I am confident our team is ready to tackle them in support of the Warfighter.

J.D. NOBLE  
Rear Admiral, SC, USN  
Director, Logistics Operations  
Commander, Joint Regional Combat Support

## 1. Organizational Overview

### a. DLA Logistics Operations (J3) Leadership



(1) FY 21 saw significant changes to the DLA Logistics Operations leadership team. RADM Doug Noble took over as the Director of Logistics Operations and Commander of Joint Regional Combat Support. He was joined by Ms. Kristin K. French as the Deputy Director of Logistics Operations. Mr. Kevin Kachinski ended the year as the Acting Executive Director of Operations and Deputy Commander of Joint Regional Combat Support. The Regional Commands saw two changes: COL Gerard M. Acosta took command of DLA CENTCOM & SOCOM and COL Faith Chamberlain took command of DLA Europe & Africa.

(2) The reorganization that started in FY 20 continued in FY 21. J32, led by Mr. Patrick Dulin, took on new missions and a new name as the Strategic Programs and Integration Executive Directorate. J34 was renamed as the Logistics Policy and Programs Executive Directorate, continuing under the leadership of Mr. George W. Atwood III. The accompanying General Order will be complete in FY 22.

(3) A refinement of DLA's Command and Control (C2) Construct continued as well. The C2 Construct defines how DLA's Regional Commands – those that answer to the Headquarters as well as those that answer to the Major Subordinate Commands (MSCs), interact in their support to the Combatant Commands (CCMD).

b. DLA Logistics Operations Mission:

DLA Logistics Operations (J3) is responsible for management of DLA's eight end-to-end supply chains. Provides logistics and materiel process management policy, guidance, and oversight. Integrates strategic, operational, and tactical perspectives, and C2 functions for contingency operations and adaptive planning to influence the end-to-end logistics supply chain. J3 is the principal strategic, operational, and tactical planner for DLA business operations. Additional responsibilities include overseeing the daily operations of all J3 activities and engaging DLA HQ Directorates and MSCs. Additionally, J3 serves as the DLA Enterprise Logistics Functional Community Manager.

J3 serves to maximize readiness and logistics combat power by leveraging enterprise solutions. To fulfill this mission, organizational elements are aligned under J3 to include Operations Executive Directorate (J31), Strategic Programs and Integration Executive Directorate (J32), and Logistics Policy and Programs Executive Directorate (J34).

The Director, DLA Logistics Operations, provides a single focal point to theater Combatant Commanders, their Service components, and coalition forces for all DLA liaison and logistical planning for DLA supply and services support. The J3 manages DLA Europe & Africa, DLA Indo-Pacific, and DLA CENTCOM & SOCOM. Oversees three O-6 level Regional Commanders exercising regional command responsibilities for DLA Enterprise operations monitoring, coordination, and planning, and coordinating and synchronizing the logistic support and service missions of all DLA activities within each theater for Combatant Commanders.

These DLA Regional Commands have directional authority of all DLA entities and DLA employees operating in or assigned to their regions. The Regional Commands are comprised of Active Duty and Reserve military, DoD Civilians, and Local National Civilians representing all DLA organizations.

c. J31 – Operations Executive Directorate:

Coordinates and integrates DLA's Logistics capabilities with CCMDs, the military services, the Joint Staff, other Combat Support Agencies, and designated Federal agencies. Provides integrated situation understanding at all levels of operations. Commands and controls contingency operations and natural disaster responses. Conducts adaptive planning.

The Operations Executive Director (J31) is assigned the additional title of Deputy Commander, Joint Regional Combat Support.

Assists Director, DLA Logistics Operations and Commander, Joint Regional Combat Support in serving as the single focal point for theater Combatant Commanders, their Service Components, and coalition forces. Assists in managing DLA Europe & Africa, DLA Indo-Pacific, and DLA CENTCOM & SOCOM. Aids the commander in overseeing three O-6 level regional commanders, to include monitoring, planning, coordinating, and synchronizing logistics for all DLA activities within each theater for Combatant Commanders.

d. J32 – Strategic Programs and Integration Executive Directorate

Lead world-class strategic programs, integration, and mission support to the DoD and Whole of Government to optimize DLA performance and mission success. The Strategic

Programs and Integration Executive Directorate is comprised of the Nuclear Enterprise Support Office, Strategic Solutions Division, Mission Assurance Division, and the Programs and Analytics Integration Division.

e. J34 – Logistics Policy and Programs Executive Directorate:

Oversees the development and dissemination of enterprise-wide business and supply chain management policy for order fulfillment, planning, stock positioning, retail sustainment, asset management, transportation, distribution network, disposition, technical/quality functions, and business cycle processes. Engages with OSD, Joint Staff, and military Service leadership in partnership efforts directly related to logistics programs and initiatives. Conducts research and analysis and provides DLA leadership with insights to shape policy development and support decisions. Manages and synchronizes enterprise-wide logistics research and development efforts. Leads/supports projects related to DLA's Audit Readiness. Develop logistics data strategies for creating, obtaining, managing, and integrating logistics data for dissemination to support the DoD, Federal agencies, and the North Atlantic Treaty Organization (NATO) operational supply chain needs and defense objectives. Manages strategic programs and initiatives to improve support to the warfighter. Manages the cost, schedule, and performance of DLA-directed programs. Leverages, integrates, and empowers DLA resources to apply Performance Based Logistics (PBL) to achieve efficient and effective combat logistics support to the Warfighter. Provides policy, management oversight, and integration of PBL to ensure outcome-based sustainment. Collaborates with program managers for Major Defense Acquisition Programs (MDAPs) to lower system lifecycle costs and establish DLA as a strategic partner.

f. DLA CENTCOM & SOCOM, DLA Europe & Africa, DLA Indo-Pacific:

Represents the DLA Director within their assigned geographic regions. Performs as principal Enterprise points of contact with DLA senior overseas customers (Combatant and Unified Commanders, Senior Service Components, Theater Service HQs, other U.S. government agencies and DoD activities, and designated multi-national organizations and allied countries). Acts as lead for Enterprise customer engagement in respective theaters of operation with responsibility for planning, coordinating, and monitoring Enterprise operations to ensure customer satisfaction. Supported commander for steady-state and contingency operations within each Region to ensure all forward DLA activities and operations are integrated in support of CCMD and Regional Service Component requirements. Supported commander for all regional operationalized staff entities such as DLA Equal Employment Opportunity, DLA Human Resources (J1), DLA Information Operations (J6), DLA Comptroller (J8), DLA Installation Management (DM), DLA General Counsel (DG) and DLA Office of Inspector General (OIG) geographically assigned to their region. Aligns regional programs with DLA's strategy and vision. Directs and coordinates DLA mission support, logistics planning, Enterprise senior-customer engagement, and engagement strategy. Monitors customer satisfaction and maintains situational awareness with the support of DLA entities in their region to provide periodic, real time situational reports to the DLA Enterprise. Responsible for managing cross-cutting Enterprise community issues regarding DLA policies and strategies within the region.

g. J3 FY 21 Funding and Personnel Goals and Actuals

	FY 21 Goals	FY 21 Actuals
<b>Civilians (FTEs)</b>	704	658
<b>Active Duty Military Authorized</b>	106	110
<b>Reserve Military Authorized</b>	74	67
	(In Millions)	(In Millions)
<b>Labor (Direct only)</b>	\$103	\$99.1
<b>Contracts</b>	\$39.3	\$30.2
<b>Travel</b>	\$3	\$0.9
<b>Training</b>	\$0.2	\$0
<b>Other</b>	\$0.7	\$0.3
<b>Total</b>	\$146.2	\$130.5

## 2. Contingencies and Humanitarian Assistance/Disaster Relief Support

### a. Coronavirus Disease-19 (COVID-19) Vaccine Distribution

#### (1) Background

On Dec. 18, 2020, the Food and Drug Administration provided Emergency Use Authorization (EUA) for the Moderna COVID-19 vaccine. Within one week of issuance, and continuing throughout FY 21, DLA distributed COVID-19 vaccines to DoD personnel and dependents stationed outside the Continental United States (OCONUS).

#### (2) Description

DLA worked closely with Operation Warp Speed (OWS, later renamed as the Countermeasures Acceleration Group), the Defense Health Agency (DHA), and the military services to identify requirements for OCONUS vaccine distribution. DLA worked with industry partners, including Federal Express and the United Parcel Service, and U.S. Transportation Command to establish cold chain shipment lanes for delivery locations. DLA closely monitored vaccine shipments, ensuring all objectives were met and no vaccine wasted.

### (3) Outcome

DLA successfully delivered 832,595 doses to 97 Military Treatment Facilities in 35 countries. The agency provided enough vaccine to vaccinate over 547,600 DoD personnel and enabled OCONUS CCMDs to reach a saturation level for Tier 1 and 2 personnel within five months of EUA.

#### b. Afghanistan Retrograde

##### (1) Background

DLA supported the Afghanistan Evacuation. It was involved in OPERATION RESOLUTE SUPPORT (ORS)-Afghanistan, OPERATION ALLIES REFUGE (OAR), and OPERATION ALLIES WELCOME (OAW) with commodity support across all classes of supply, infrastructure build for rapid capacity expansion at nodes across the global network, disposition services for outgoing material and waste, and contracting support for Foreign Military Sales (FMS).

##### (2) Description

In Apr 2021, following confirmation of the U.S. military withdrawal timeline, DLA engaged its DLA Support Team (DST)-Middle East to support operations in the U.S. Central Command (USCENTCOM) area of responsibility. The DST operated through the 1st Theater Sustainment Command (TSC) in Kuwait and the 10th Mountain Division Sustainment Brigade at Ft Drum, New York, to operate the Redistribution Property Accountability Team yard and fulfill commodity requirements.

(a) DLA used the contracted Subsistence Prime Vendor (Anham) and Kuwait and Gulf Link Transport to fulfill Class I requirements for both Afghanistan drawdown and evacuation operations.

(b) DLA Defense Fuel Support Points at Bagram Airfield and Kabul held fuel for use during closeout operations and capitalized other sites through sale to other government agencies or host nation entities.

(c) 1st TSC, with support from the DST and DLA CENTCOM & SOCOM, fulfilled critical infrastructure build orders including cots, tents, blankets, and generators to expand capacity across Middle East nodes to accommodate over 40,000 evacuees in a three-week span. This was in addition to supporting the rapid deployment and redeployment of the contingency response force.

In Aug 2021, DLA responded to directives by the Office of the Secretary of Defense, the Joint Staff, and USCENTCOM to execute a full withdrawal of personnel, equipment, and capability from Afghanistan. The mission included evacuation, temporary holding, and relocation of up to 90,000 Afghan evacuees the Department of State (DoS) deemed eligible for Special Immigration Visas (SIV).

(a) DoS was the lead agency for evacuation operations and SIV processing, while the DoD expanded capacity at U.S. bases in the Middle East to create temporary safe havens to receive and hold evacuees as they completed immigration processing.

(b) DLA Energy rapidly built Class III (B) capacity to support evacuation operations comprised of up to 70 military flights per day between Middle East nodes and Hamid Karzai International Airport in Kabul.

(c) DLA Troop Support responded to a surge of commodity requirements from 1st TSC and other supported commands to provide critical Class I, II, and VIII to temporary safe haven nodes. It also pre-positioned medical material for both contingency operations and evacuee support.

(d) DLA Disposition Services executed contingency operations for hazardous waste removal and military equipment disposition in the wake of the Afghanistan withdrawal. In addition, DLA Distribution executed contingency operations for FMS material in the distribution pipeline for the fallen Afghan government.

Once U.S. forces were safely redeployed, the mission transitioned from OAR to OAW, the resettling of Afghan evacuees in the U.S. and allied nations. This operation was led by the Department of Homeland Security with executing requirements by U.S. European Command (USEUCOM) and U.S. Northern Command (USNORTHCOM) for housing and support.

(a) DLA supported rapid infrastructure build at eight continental U.S. temporary safe haven sites, to include commodity support and subsistence prime vendor.

(b) DLA also supported emergency orders for cots, blankets, medical protective equipment, medical supplies, test kits, and vaccines.

DLA placed three rapid deployment teams (RDT) on alert status to align with CCMDs supporting the evacuation and temporary holding. RDT White initially aligned with U.S. Southern Command for earthquake relief in Haiti, then transitioned to USNORTHCOM in the wake of Hurricane Ida. RDT Blue supported USNORTHCOM missions in support of OAW. RDT Red remained on alert to support USEUCOM in support of OAW.

### c. Hurricane/Wildfire/Earthquake Response

#### (1) Background

DLA's global network and expertise in supply chain management enabled an agile and rapid response to a variety of emergencies such as hurricanes, earthquakes, Wildland Fire Protection Program, and foreign humanitarian assistance and disaster relief operations. Throughout the year, DLA planned, organized, and trained with interagency partners to prepare for these types of emergencies. DLA also supported state and local governments across Federal Emergency Management Agency (FEMA) regions.

#### (2) Outcome

In FY 21, DLA provided FEMA support in response to two hurricanes, two tropical storms, and one winter storm, fulfilling fifteen mission assignments for food, fuel,

generators, and staffing support totaling \$34.2 million. DLA also provided internal hurricane academics to key Agency participants and attended FEMA hurricane preparation events. DLA provides staffing assistance for:

- (a) The National Response Coordination Center, when activated.
- (b) DLA Distribution Expeditionary personnel trained on FEMA Incident Support Base management.
- (c) Fuel support through a contingency contractor.

DLA provided expertise and material to U.S. Forest Service (USFS), including 296 national stock numbers to DLA warehouses and the service's 10 regional cache warehouses. Ahead of the FY 21 fire season, DLA processed bulk requests from USFS designed to stock all cache locations to the greatest extent possible: material valued at more than \$24 million.

The DLA LNO to USFS participated in planning and coordination efforts and provided uninterrupted support to firefighting operations before and during fire season. As of mid-Sep 2021, support for the WFPP and 2021 fire season included:

- (a) Federal: 841 Customer Interaction Center emergency orders for critical items, total sales \$30 million.
- (b) State and Local: 0,149 FedMall line items, total sales \$4,751,661.

### **3. Regional Commands**

#### **a. DLA CENTCOM & SOCOM**

##### **(1) Background**

DLA CENTCOM & SOCOM supports its CCMDs across all lines of effort, spanning all levels of war in order to increase readiness and lethality.

##### **(2) Highlights**

- (a) DLA Logistics Information Services support to USSOCOM material cataloging.
- (b) USSOCOM Global Logistics Overview.
- (c) Defense Property Accountability System support for USSOCOM.
- (d) DLA Aviation programming and strategy for CV-22B Osprey aircraft.
- (e) DLA support to USCENTCOM "setting the theater" planning, executing, and sustaining requirements in response to Iranian aggression.
- (f) Supported: OAR/OAW, OPERATION INHERENT RESOLVE, OPERATION SPARTAN SHIELD, OPERATION FREEDOM'S SENTINEL, OPERATION RESOLUTE SUPPORT, and OPERATION CONTINUOUS RESOLVE.
- (g) Major Exercises: Eager Lion 2020, Internal Look 2020.
- (h) Joint Strategic Support Board wargames.
- (i) DLA Forward-Stocking Initiatives.

(j) DLA Distribution Navy Bahrain: Northern Distribution and Trans-Arabian Network.

(k) Class I: DLA Troop Support Europe Africa Subsistence Prime Vendor (SPV) throughout the AOR.

(l) Class III (B): DLA Energy-Middle East fuel and petroleum support throughout the AOR.

(m) Class IV: Requirements to support operations throughout the AOR, including the Maintenance, Repair, and Operations Tailored Logistics Support prime vendor contract.

(n) G-Invoicing and CCMD Agreements.

(o) DLA Director Visit to USSOCOM Apr 20, 2021: VADM Skubic conducted key leader engagements with USSOCOM leaders. Topics discussed: DLA support to special operations forces (SOF); energy; USSOCOM material in DLA; DPAS/Distribution Standard System/Warehouse Management System; the Afghan Retrograde; the DLA Troop Support Special Operations Equipment program; Great Power Competition; and CV22 support.

(p) DLA Distribution provided a list of USSOCOM (H9D) items in DLA facilities: \$33 million in eight DLA depots and manual MILSTRIP forms for items being returned to USSOCOM. DLA Distribution and SOF developed processes for future material including immediate notification through WEBSDR and blocking H9D material from DLA receipt. The processes are being documented in G-Invoicing.

## b. DLA Europe & Africa

### (1) Mission

Integrate and synchronize DLA efforts in support of USEUCOM and U.S. Africa Command (USAFRICOM) to ensure a prepared and ready force.

### (2) Vision: A Team of Teams...Called On and Counted On.

### (3) Operational Priorities

(a) *Readiness*: Ensuring a product or service is provided at the right time/place/amount.

(b) *Preparedness*: Ensuring capabilities are positioned at the Warfighter's point of need with requirements anticipated.

(c) *Care*: Focusing on workforce development and recognition programs, talent management (development opportunities and post-rotation placement), and ensuring work environments are safe and healthy so all may thrive and prosper.

### (4) Warfighter Always

#### (a) *Setting the Theater-USEUCOM*

DLA provided support to USEUCOM's "set the theater" initiatives to prepare for regional threats and contingency operations. Due to the lack of a standardized logistics

supportability analyses (LSA), DLA undertook a continuous process improvement (CPI) effort to align DLA's capabilities, resources, infrastructure, personnel, and procurement/acquisition actions to assist USEUCOM's preparation for a contested logistics environment. DLA expeditionary capabilities are capable of deploying to augment existing DLA capabilities or support a CCMD or Joint Task Force.

#### *(b) Defender Europe 2021*

U.S. Army Europe executed Defender Europe 2021 (DE21) despite numerous COVID-19 challenges. DLA Troop Support Europe & Africa (E&A) processed over 237 Class I orders and 22 Class IV orders valued over \$6.9 million. DLA Energy E&A and its vendors provided 69,000 gallons of JP8 across Southeastern Europe, and its international agreements team leveraged existing bilateral agreements to sustain aircraft with 879,000 gallons of JP8. This exercise trained 7,000 paratroopers from 10 NATO partners and involved moving cargo and personnel throughout Estonia, Lithuania, and Hungary.

#### *(c) East Africa Hardening*

In support of the East Africa hardening initiative at Camp Lemonnier, Djibouti, the MRO team assisted Navy Region Europe, Africa, Central in expediting orders valued at more than \$1 million. The MRO consisted of portable blast bunkers, Texas barriers, sand, and sandbags.

#### *(d) COVID-19 Vaccine Distribution*

In the days leading up to Christmas 2020, DLA began controlled shipping of the Moderna vaccine. DLA Europe & Africa Headquarters was a critical communication node to both CCMDs and OWS. Additionally, LtCol Sean Murray, Lt Col Matt Berridge, and Mrs. Janis Spear played key roles in ensuring DLA J3 was apprised of POCs at European military treatment facilities, attended DLA COVID-19 Task Force meetings, and updated the DLA J3 on the vaccination status of DLA employees. Mrs. Spear and Lt Col Berridge organized the DLA E&A vaccination plan, were integral players in the KMC COVID-19 Council, updated the 21st Theater Sustainment Command, and coordinated with the 86th Medical Group for vaccines for the local national workforce. Their efforts resulted in 80% of all employees in the DLA E&A footprint being vaccinated with the Moderna or Janssen variants.

#### *(5) People and Culture*

FY 21 was a year of change within the DLA E&A region, starting with leadership. Just prior to FY 21, MSG Kwesi Yansen arrived to fill the Senior Enlisted Leader role, and Lt Col Matt Berridge took over the Deputy Military Commander position. In Apr 2021, Mr. Donald Bruce took over as the Deputy Commander of the region, replacing Mrs. Colleen Morris, who transitioned back to DLA Headquarters. In Jun 2021, COL Faith M. Chamberlain, took over as the Regional Commander, replacing COL Krista Hoffman, who transitioned back to the Army G4 in the Pentagon. Finally, the commander's position physically moved from Kleber Kaserne to Headquarters, USEUCOM, Patch Barracks, Germany.

Another key change was the way personnel assigned within the regional theater supported the customer. Most staff resided and worked in Germany or Italy. During the year-long COVID-19 surge, personnel had to adhere to strict movement restrictions. This was difficult on administrative personnel and even more so on DLA E&A forward Distribution and Disposition Services warehouse personnel. Strong relationships with host nations and creative leadership kept products moving to the Warfighter.

Although a lot of the mission shifted to address the COVID-19 pandemic, the Region still met all supply chain needs of the Warfighter.

(6) Other Operations and Missions Supported by DLA E&A in FY 21:

- (a) Norway Retrograde Support
- (b) Joint Light Tactical Vehicle (JLTV) fielding Support
- (c) DLA Pre-positioned Stock Initiatives
- (d) Operations OCTAVE QUARTZ and ATLANTIC RESOLVE.
- (e) Exercises Defender Europe, Juniper Falcon, African Lion, Cutlass

Express

- (f) Joint Contracting Support
- (g) DLA Distribution Europe warehouse and bulk storage improvements
- (h) DLA Troop Support Europe & Africa Subsistence Prime Vendor
- (i) Scotland Fuel Support Agreement (FSA)
- (j) Provided construction materiel in support of operations throughout the

AOR. (e.g., MRO Tailored Logistics Support prime vendor contract)

- (k) G-Invoicing and CCMD Agreements

(l) Supported Africa due to challenges with infrastructure, distance, contractor availability and quality, Defense Wide Review, and reprioritization and repositioning of the DoD footprint on the continent.

c. DLA Indo-Pacific

(1) Tier 1 Exercise and Contingency Planning and Execution

(a) Background

DLA Indo-Pacific's direct support to U.S. Indo-Pacific Command (USINDOPACOM), U.S. Forces Korea (USFK), and U.S. Forces Japan (USFJ) underscored the Regional Command's role in fulfilling the CCMD's four Focus Areas: Force Lethality; Design & Posture; Exercises, Experimentation, & Innovation; and Allies & Partners.

(b) Description

FY 21 Tier 1 exercises Pacific Fury, Pacific Sentry, Combined Command Post Training, Defender Pacific, and Talisman Sabre illustrated the Regional Command's relevance as to both the Joint Task Force and forward-assigned DLA elements. The Indo-Pacific Synchronization Operations Center and Korea Synchronization Operations Center coordinated

supply, service, and expeditionary capabilities, along with joint logistics planning and functional subject matter expertise during scenario-based and field training exercises.

### (c) Outcomes

The FY 21 Tier 1 exercise series demonstrated the Regional Command's ability to coordinate internally with the ASOC and MSCs to accomplish all applicable training objectives and externally with the CCMD, Sub-Unified Commands, and Service Components to inform the Joint Logistics Enterprise decision-making process at the General/Flag Officer-level.

Lessons learned at the CCMD and Sub-Unified-level revealed three areas for improvement. First, better Class I, II, III(B), IV, VIII, and IX requirements are needed. Second, logistical C2 authorities should be better coordinated. Third, aligning a General/Flag Officer to the region has costs and benefits.

In support of DLA Indo-Pacific's continued COVID-19 response efforts, DLA Indo-Pacific effectively managed the uninterrupted lines of communication among the DLA Indo-Pacific Synchronization Operations Center (IPSOC), DLA Regional staffs, and DLA higher headquarters, and maintained direct contact with DLA Regional MSCs to monitor local COVID-19 impacts across the Indo-Pacific Region and facilitate daily DLA Indo-Pacific Commander Update Briefs. DLA Indo-Pacific played a key role in the controlled shipping of the COVID-19 vaccinations across the AOR. DLA Indo-Pacific was an essential coordination element to the successful implementation of OWS in the USINDOPACOM area of responsibility. Additionally, DLA Indo-Pacific coordinated efforts with regional military treatment facilities, maintained active involvement in DLA COVID-19 Task Force meetings, and synchronized and disseminated information on vaccination availability to DLA employees. Efforts resulted in 100% vaccination of all volunteers.

## (2) Senior Leader Turnover

### (a) Background

The Summer 2021 peak moving season resulted in a relatively high transition among the Regional Command's assigned senior leaders, with permanent changes of station from each of the respective MSCs, J-Codes, and D-Staffs.

### (b) Description

The Regional Command recognized the following senior leader changes: DLA Indo-Pacific Military Deputy Commander, Army COL Julia Bell to Army COL Brian Donahue; Director, DLA Installation Management Support Indo-Pacific, Mr. Mark Manfredi; DLA Troop Support Indo-Pacific Commander, Navy CDR Shani Leblanc to CDR Erik Decker; DLA Energy Okinawa Commander, Air Force Lt Col Tracy Gilmore to Maj Anthony Anderson; DLA Energy East Pacific Hawaii Commander, CDR Eric Lockett to CDR William Jakubowicz; Energy South-West Pacific Guam Commander, CDR Angela Watson to CDR Christopher Radke.

## 4. Initiatives

### a. Industrial Hardware Transition

#### (1) Background

Supply Chain Realignment is a transformational initiative that transitioned the Industrial Hardware workload to DLA Aviation in Richmond, Virginia, and DLA Land & Maritime in Columbus, Ohio. The initiative will better align DLA demand chains, leverage existing industry partnerships, and enable the agency to absorb mission growth at DLA Troop Support.

Supply Chain Realignment supports DLA's reform goal of achieving a lower cost recovery rate. The realignment will reduce operational costs, save \$12.9 million annually, and enable DLA Troop Support to respond to approximately \$4 billion in projected revenue growth from FY20 to FY23.

As the Industrial Hardware workload was phased into DLA Aviation and DLA Land & Maritime, the Industrial Hardware employees transitioned to other DLA Troop Support supply chains. Implementation, which began in FY20, was expected to take three years without interruption in support to DLA customers.

#### (2) Description

The Supply Chain Realignment Initiative was managed by a J3-led integrated process team (IPT) that tracked implementation and status. The Alignment Group provided senior leader governance and ensured continuous momentum.

Per the DLA Vice Director, the IPT developed a plan to accelerate the three-year transition. The plan included acceptable risk and metrics to ensure that acceleration does not cause unforeseen impacts. The IPT gained the Vice Director and agency senior leader approval to complete realignment in FY 21.

#### (3) Outcome

The effort, completed in FY 21, supported a transfer of near 900,000 national stock numbers from the Industrial Hardware Supply Chain at DLA Troop Support to DLA Aviation and DLA Land & Maritime. The initiative better aligned DLA demand chains, leveraged existing industry partnerships, and enabled the agency to better support the warfighter.

### b. Establishment of DLA's Supply Chain Security (SCS) Program

#### (1) Background

DLA's SCS Strategy was released in 2019 as Appendix 1 to the DLA Strategic Plan. DLA's SCS Strategy aligns with guidance provided in the 2012 National Strategy for Global Supply Chain Security, the 2018 National Defense Strategy (NDS), and the 2017 National Security Strategy (NSS). It predates the COVID-19 pandemic and the 2021 White House Executive Order on America's Supply Chains.

## (2) Description

Numerous Supply Chain Risk Management (SCRM)/SCS efforts are underway across DoD, academia, and commercial industry, but a standard or best-in-class approach has not been established. Building on existing SCRM/SCS efforts, DLA's SCS program executed a pilot project in 2019 with its clothing and textiles supply chain, resulting in the following key outcomes:

- (a) Defined the scope of SCS at DLA in relation to DLA's end-to-end supply chain.
- (b) Developed a standard, repeatable process of calculating Risk Priority Numbers (RPNs) and performing mission decomposition and mission dependency mapping to assess risk continuously and comprehensively across DLA's supply chains.
- (c) Devised a means of capturing supply chain illumination data and displaying supply chain risk in the Mission Assurance Decision Support System (MADSS).
- (d) Identified critical information gaps in supply chain illumination, supply chain threat intelligence, and DLA item criticality.

## (3) Outcome

On Jan. 11, 2021, DLA Research & Development (R&D), in conjunction with the DLA SCS team, awarded an R&D contract to a commercial vendor to provide supply chain illumination and threat intelligence data for a proof-of-concept. This project will validate DLA SCS's risk assessment methodology, which includes DLA SCS's use of MADSS:

- (a) On May 31, 2021, SCS expanded use of MADSS. Sharing of supply chain information in MADSS is highly encouraged for a broader understanding of SCS and its interdependencies across the DoD.
- (b) DLA's SCS and R&D teams will continue to collaborate with Manufacturing times Digital (MxD), Defense Advanced Research Projects Agency (DARPA), MITRE, the Massachusetts Institute of Technology (MIT), the Joint Artificial Intelligence Center (JAIC), Air Force Materiel Command (AFMC), and the Defense Intelligence Agency Supply Chain Risk Management Threat Analysis Center (DIA SCRM-TAC) to share and refine DLA's SCS approach.

### c. F-35 Lightning II Sustainment Support Efforts

#### (1) Goal

Achieve Initial Operational Capability (IOC) for both North American Regional Warehousing and Global Transportation & Distribution Product Support Provider (PSP) designations in support of 2021 objectives. Automate the CONUS shipment process and implement Electronic Data Interchanges for Phase 1 of 3 transportation capabilities. Secure decision for Disposition Services PSP designation within FY 21. Continually support ongoing OSD and F-35 Joint Program Office technical data, provisioning, and supply initiatives.

## (2) Background

Implemented DLA core competencies in support of F-35 program goals to increase Joint Spares Pool (JSP) posture, support sustainment cost reductions, and catalog items. DLA achieved IOC for NRW and GT&D by Jan 1, 2020, in support of the IOC goal of Dec 31, 2021. Secured decision for Disposition Services PSP designation. Provided cataloging services for Lead Services (Air Force and Navy) provisioning efforts. Analyzed current state of supply support and outlined program supply support initiative. Continued to present DLA's strengths and comparative advantages to decision makers at all levels.

## (3) Outcome

DLA achieved IOC for NRW and GT&D PSP. Completed propulsion assets inventory transfer from Pratt & Whitney Propulsion to Oklahoma City. Transferred assets from Lockheed Martin into DLA warehouses. Automated the CONUS shipping process, performing more than 14,000 shipments to date. DLA Disposition Services was designated as F-35 Disposition Services PSP, ensuring effective disposition of OCONUS backlogged material. These designations improve government efficiency, visibility, transparency, and accountability while supporting sustainment cost goals.

### d. Military GPS Circuits End-of-Life Procurement

## (1) Goal

Procure three configurations of Military GPS User Equipment Application Specific Integrated Circuits (ASIC) from two sole-source vendors before the trusted manufacturer stops accepting orders. Once procured, DLA issue ASICs for up to nine years.

## (2) Background

In 2019, the trusted manufacturer of an ASIC subcomponent notified DoD of its intent to shut down production. With the Increment II ASICs not ready for fielding, DoD needed a life-of-type buy to ensure capability for its weapon systems. After reviewing requirements and expertise, DoD asked DLA to consider the mission; the agency formally received tasking in January 2020. Following a joint effort, the agency awarded contracts for multiple configurations.

## (3) Outcome

The military services will be able to the equipment needed to operate ASICs until the Increment II ASICs are fielded, ensuring critical lethality and precision for warfighters.

## **5. Line of Effort (LOE) 1: Warfighter Always**

### a. Objective 1.1

Improve end-to-end readiness and cost-effectiveness in support of Combatant Commander campaign plans and integrated contingency plans in contested logistics environments.

### (1) Background

DLA's support to the Warfighter is job one – the strategic priority. LOE 1 is tailored to drive CCMD and Military Service readiness. DLA must provide the right support in the right place at the right time. The CCMDs and Services have unique needs that require customized solutions. LOE 1, Warfighter Always, and associated objectives are designed to push DLA to develop and/or refine processes that contribute to better support and risk identification.

### (2) Description

The goal of Objective 1.1 is to improve end-to-end readiness and cost-effectiveness in support of CCMD campaign plans and integrated contingency plans in contested environments. DLA is committed to improving C2 relationships with the CCMDs and is collaborating with the Joint Staff (JS) to develop a joint logistics supportability analysis process to define time-phased global requirements in support of campaigns and plans. Additionally, DLA will establish a joint architecture for globally integrated demands to identify gaps in capabilities.

### (3) Initiatives

(a) Initiative 1.1.1, a multi-year effort, is dependent on the JS J4, as overall lead, to bring the Joint Logistics Enterprise into the development of standardized LSA processes. DLA J3 has committed resources to use contracted support to assist the objective lead. A Plan of Action and Milestones (POAM) was developed to support this multi-year effort. DLA, as the Executive Agent for Class I, III, IV, and VIII, is responsible for updating the processes used to plan requirements for those supply chains. This initiative is linked to the forthcoming Office of the Assistant Secretary of Defense for Sustainment (OASD) Logistics and Material Readiness (LM&R) Strategic Plan, Line of Effort 4.1.1.

(b) Initiative 1.1.2 is a multi-year internal effort to identify global expeditionary requirements for the USEUCOM priority Integrated Contingency Plan. This is a shift in methodology from previously identifying requirements against a single numbered plan. Once global requirements are defined and resourcing solutions identified, DLA can identify any gaps and risk to mission execution. Mitigation will then occur, or known risks accepted. Initiative 1.1.2 complements Initiative 1.1.1. This initiative is directly linked to the forthcoming OASD LM&R Strategic Plan, Line of Effort 4.1.2.

(c) Initiative 1.1.3 is designed to enhance strategic relationships, which involves building a “bench” of DLA MSC General Officer/Flag Officers who can be used during competition and contingency to promote DLA capabilities and provide senior leader integration with the CCMDs and Services. This initiative should be implemented by FY22.

(d) Initiative 1.1.4, a new multi-year effort, looks at ways to improve support for CCMDs in the homeland. An operational planning team (OPT) has been formed and mission analysis is underway. The OPT is building on existing DLA Regional Command

constructs and lessons learned from the DLA COVID-19 Task Force and OAR/OAW. Courses of action will be developed, tested, and refined.

b. Objective 1.3

Proactively support the DoD Nuclear Enterprise (NE) and Space Enterprise (SE).

(1) Background

As identified in the National Defense Strategy, the NE and SE are the DoD's No. 1 and No. 2 modernization and legacy sustainment priorities. In support of the Nation's strategic deterrence, DLA will provide proactive materiel support for both legacy and emerging NE/SE weapon systems. DLA will support the U.S. Space Force's (USSF) organize, train, and equip functions as it develops its equipment and personnel structures. When U.S. Space Command (USSPACECOM) stands up, DLA will likewise support its operations and functions.

(2) Description

The NE/SE remain national priorities, and DLA is focused it can provide effective and responsive support. Additionally, DLA is developing its support mechanisms for NE/SE Major Defense Acquisition Programs (MDAPs), weapon system program managers (PMs), and formalization of DLA support to the USSF and USSPACECOM.

(3) DLA achieved the following in support of the DoD NE/SE in FY 21:

(a) SE MA data was incorporated into the DLA Readiness Dashboard NE tile.

(b) Aerospace Energy joined the weekly Agency-wide NESO Huddles and added a milestone to the DLA Strategic Plan, LOE 1.3, "Work with OSD Industrial Policy and Defense Production Act Program Office to mitigate hydrazine and nitrogen tetroxide rocket propellant supply chain risks due to diminishing supplier production capabilities."

(c) Standardized the process across MSCs to monitor MICAP and CASREP trends for impacts to agreed-upon Performance Based Agreement MA standards.

(d) Nuclear Enterprise Support Office (NESO) staff collaborated with the Strategic Solutions Division to provide focused acquisition and sustainment support to Major Defense Acquisition Program Offices.

(e) Played a pivotal role in DLA NE parts recoupment planning; maximized business rules and process flow for ~400,000 NE NIINs and reduced need to procure critical NE items, thus facilitating cost avoidance valued at ~\$19 million.

(f) Due to COVID-19 restrictions, Nuclear Weapons Related Materiel (NWRM) exercises were paused for four months; NESO developed and deployed a three-phase risk mitigation plan to address potential safety/staffing issues at DLA Distribution and DLA Disposition Services field activities, ensuring a smooth restart of NWRM exercises.

(g) Conducted multi-faceted risk assessments/analysis of the DLA NWRM program, enhancing DLA's ability to detect, identify, and secure NWRM and fortifying public

trust in the Agency; assessments covered 24 Distribution and ~115 Disposition Services locations.

(h) Reviewed/staffed requirements document for Warehouse Management System; inputs included process for common Stow and Receiving of NWRM.

(i) Coordinated with the Air Force and DLA Disposition Services in support of the Minuteman (MM) III Deactivation, Deployment, Demilitarization, Disposal Plan. Streamlined disposal actions of NE items in preparation for Ground Based Strategic Deterrent (GBSD) fielding.

(j) Adjudicated procurement prioritization process in concert with DLA Troop Support's NE product specialists, acquisition specialists, resolution specialists, and analyst. Codified procedures in a DLA nuclear policy.

(k) Participated in OSD-led Deloitte fact-finding/sustainment study of ICBM support in preparation for GBSD transition/deployment; helped build analytic tools to integrate critical nuclear matters decisions.

(l) Collaborated with the Air Force to audit and validate its new NWRM training course. Ensured training material complied with DLA MSC NWRM training requirements by incorporating receiving, storage, and handling procedures, complementing DLA's NWRM detection and prevention efforts.

(m) Participated in Global Mobility War Game 2020; supported long duration logistics and the Chief of Staff of the Air Force's Title X War game; partnered with community warfighters; Air Force Materiel Command, Air Mobility Command, DLA Energy, and Air Force Global Strike Command (AFGSC); met exercise objectives.

(n) Hosted DLA demand forecasting training for B-52/MMIII customers; worked with Air Force demand planners to conduct customer training; customer ready to forecast weapon system changing requirements.

(o) Fully engaged with NE community; attended/briefed DLA support at NE Weapon Systems Reviews for Intercontinental Ballistic Missile, B-52, B-2, B-1, and Air Launched Cruise Missile; customer armed w/strategic information to vector weapon systems to ensure heightened readiness results.

(p) Supported AFGSC Bomber Task Force; coordinated with DLA Aviation and AFGSC on warfighter new force application; evaluated and provided guidance concerning rapid, lean, and lethal movement of strategic bombers (B-1, B-52, and B-2).

(q) Briefed DLA support during the FY 21 Air Delivery Weapon System Review; provided AF partners with logistics information concerning demand forecasting.

(r) Supported MMIII Simulated Electronic Launch-Minuteman (SELM); worked w/customer and DLA Aviation to source 4 NSNs required to ensure SELM execution; SELM ready to meet U.S. Strategic Command (USSTRATCOM) readiness validation.

(s) Supported MMIII Operational Test Launch (OTL); worked w with the customer and DLA Aviation to source 2 NSNs required to ensure OTL execution; OTL ready to meet USSTRATCOM's readiness validation.

Additionally, DLA NESO staff briefed the Principal Deputy Assistant Secretary of Defense for Logistics, Mr. Steven J. Morani, on NE/SE sustainment support and DLA Small Business Innovation Research (SBIR) Program sustainment efforts/projects. The DLA J6 SBIR program manager briefed the House Armed Services Committee and Senate Armed Services Committee Staffers C/SASC Staffer Day on DLA SBIR Program sustainment efforts/projects.

NESO has continued evaluating resources required to ensure the agency is fully postured to support the evolving SE. A draft Performance Based Agreement for the USSF has been developed to include a proposed governance structure. Additionally, draft Memorandum of Agreements for the USSF and the USSPACECOM are in the staffing process.

## **6. Line of Effort 2: Support to the Nation**

### **a. Objective 2.1**

Implement a deliberate, enterprise approach to Whole of Government support while not compromising support to warfighters. Capitalize on our scope, scale, and skills in acquisition, storage, distribution, and surge capabilities.

#### **(1) Description**

The Whole of Government Support Division has supported many federal partners, defense agencies, and international customers over the past several years. Those years have been active with fires, hurricanes, flooding, U.S. Embassy support, international disaster response operations, and the COVID-19 pandemic.

In Jun 2021, DLA assisted the Department of Veterans Affairs (VA) by distributing 5,000 Janssen vaccines and 225,000 testing kits to the U.S. Embassy clinic in Manila, Philippines. This was a direct request from the VA Secretary to DLA with a short lead-time and coordination of strategic airlift from DLA's Distribution Center in New Cumberland, Pennsylvania, to Dover, Delaware, then Manila, worth ~\$15 million. Once the Secretary of Defense approved the mission, DLA quickly responded to serve beneficiaries in Manila and ensure no vaccine expired. DLA was lauded once again by the DoD and VA. Total revenue projected for the VA is \$186 million as DLA continues to expand the geographical footprint and potentially multiple supply chain support.

The DHA is another medical supply chain customer and receives streamlined logistics globally in serving the many medical supplies directly supporting the warfighter around the world. DLA Distribution's expertise in ultra-cold chain storage positions it as an industry leader for this specialized capability. In fact, DLA's preservation, packaging, packing, and marking of material designated for DHA is the industry benchmark.

DLA's support to FEMA has been nothing but incredible when supporting the nation in its darkest moments of natural and man-made disasters. DLA's logistical strength and agile capabilities make it the go-to strategic partner for "blue sky" requirements to replenish FEMA inventory at its seven distribution centers in the Continental United States and Puerto Rico. The time-sensitive disaster response requirements fulfill multiple classes of supply, to include Class I, III, IV, VIII, and IX. DLA has coordinated over 20 pre-scripted mission assignments that have DLA prepared to issue supplies from vendors on contract in advance of disasters. DLA Distribution Expeditionary has been used for the past 10 years to support and manage FEMA's Incident Support Bases (ISB) by having supplies move towards the incident and quickly transition to transporting supplies to the incident location and getting those supplies distributed to the survivors quickly and correctly. DLA is working closely with FEMA to provide a solution to have system-to-system communications to further enhance support and traceability of the supplies.

DLA's strategic partner, the U.S. Army Corps of Engineers (USACE), works closely with DLA to improve inventories at District levels. DLA provides critical items to these Districts around CONUS. DLA also provides contracting services with vendors for construction materials and different testing of supplies for research and development. This includes over 19,000 N95 reusable respirators to over 25 USACE Districts for critical infrastructure personnel and COVID-19 Temporary Hospital Assessment Teams. Continuing with additional emergency operations support, DLA expedited the acquisition of an emergency management and decontamination system in support of the Chicago District Emergency Management Operations for Indiana Harbor and Canal confined disposal facility.

## **7. Line of Effort 3: Trusted Mission Partner**

a. Objective 3.1: Implement customer-centric performance metrics and predictive problem-solving culture.

### **(1) Background**

Completed objective, initiatives, milestones and POAM for Objective 3.1 and supported development of Critical Capability C2, Advanced Analytics and Automation. Started executing objective in Dec 2020.

(a) Developing metric meeting standard operating procedures (SOP) and identifying all DLA internal meetings where metrics are the focus.

(b) Continue establishing baseline metrics and demand chain reporting with the goal of completed Army and Navy Performance Based Agreement (PBA) signed at the next DLA Service Days.

### **(2) Description**

(a) Joint Partnership Agreement Council PBA Metrics Support: Worked with the National Account Managers and the military services to develop, coordinate, and finalize baseline, partnership, and Service-unique metrics. PBA efforts will continue in FY 21-22 until all four Service PBAs are signed with the new metrics constructs.

(b) ODASD Supply Chain Metrics Group (SCMG): Represented DLA on the SCMG, focusing on DoD Supply Chain metric performance and exploring opportunities to improve outcomes. Helped establish the FY 21 SCMG metric portfolio that consists of 22 metrics reviewed each month (based on frequency – monthly, quarterly, semi-annual, or annual).

(c) Business Performance Review (BPR): Served as the secretariat for the BPR, an internally focused review of metrics that are presented during Performance to Promise meetings with the DLA Director and J3.

(d) Army Vantage Dashboard: Served as functional lead on the Army Vantage Dashboard effort, during which DLA was responsible for identifying and providing several key data elements required to complete the logistics portion of the Army's dashboard.

(e) DLA Dashboard and Enterprise Data Warehouse (EDW): Consolidated the Enterprise Dashboard and the Enterprise Data Warehouse requirements into a single

prioritized list using a weighted scoring model to determine requirement priority. The consolidated priority list is approved monthly at the Enterprise Operations Planning Council.

(f) Dashboard Tile Deployments: Deployed 36 Enterprise Dashboard and EDW requirements in FY 21. The most notable new capabilities include service readiness get well dates, service readiness non-mission capable systems, and open document trending

(g) EDW: Restarted EDW back-end development work on 67 open requirements with J6, and as of Jul 21, 2021, six were being worked. Reviewing the dated requirements, 35 were no longer required and removed from the list. Since Mar 2021, 13 additional EDW requirements have been added, bringing the total to 45.

b. Objective 3.3: Provide next generation customer service, including a customer feedback mechanism.

#### (1) Initiative 3.3.1: Implement new Customer Service Management Tool

##### (a) Background

The DLA Logistics Operations Customer Support Division sought to re-engineer the end user's experience and improve DLA's Customer Service Management processes by improving customer service. The DLA Vice Director championed the Digital Business Transformation initiative, and it became part of DLA Strategic Line of Effort 3, Trusted Mission Partner, in Apr 2021. As the Customer Relationship Management (CRM) Process Owner, the team partnered with DLA Information Operations to transition the CRM Service Management module from Enterprise Business System (EBS) to ServiceNow, modernizing the Agency's CRM capabilities and improving collaboration and communication with customers. During the early planning phases, the team articulated all functional system requirements, while translating them into as-is and to-be process workflows for system development.

The team accomplished all key objectives, resulting in the delivery of five user stories and a Minimum Viable Product in May 2021. The Customer Support Division completed initial training of more than 1,500 end users, provisioned more than 1,600 user accounts, and distributed nine awareness communications to internal and external customers in accordance with DLA Human Resources and Demand Planner teams. The Customer Support team regularly briefed Customer Service Management efforts to the DLA Vice Director and other senior leaders, and regularly followed up by updating the Enterprise Operations Planning Council, which includes DLA J and D codes, MSC senior leaders, and the customer-facing community of interest.

##### (b) Outcome

On Aug. 9, 2021, the Customer Service Management Minimum Viable Product successfully transitioned from the CRM Service Management module in EBS to the ServiceNow application. The team planned follow-on requirements for phases two and three. System development will transform the customer user experience upon Fully Operational Capability in FY22, leveraging enhanced self-help tools, a virtual agent, and artificial intelligence capabilities. DLA Logistics Operations and Information Operations teams will continue tracking the initiative to close Strategic Plan Objective 3.3 & 1.4.

## (2) Initiative 3.3.2: Launch customer survey to the military services and Whole of Government

### (a) Background

Based on industry partner feedback from nearly 150 internal and external senior stakeholder interviews in Oct 2020, it was determined DLA needed to become more customer-centric, with a focus on customer satisfaction. Working in collaboration with industry experts, the MSCs, and J and D codes, the DLA Logistics Operations team developed a customer satisfaction survey that targeted tactical, operational, and strategic supply chain customers.

### (b) Description

Phase One of the customer survey launched in May, targeting the military services, and closed in Jul. Responses were analyzed and presented to senior leaders across the enterprise. Each MSC received a detailed one-on-one presentation by the end of Sep. In parallel, the J3 Customer Support Division, in coordination with MSCs and the Whole of Government Division, developed survey communications and distribution plans, targeting eight federal agencies during Phase Two. Milestones include the launch of the same survey questions to Whole of Government Division customers by the end of Oct 2021. Critical steps that occurred prior to launch included approval by Washington Headquarters Services and Office of People Analytics to ensure appropriate survey questions. The Customer Support team worked with DLA Acquisition to secure and on-board a Qualtrics survey platform that will administer the survey, collect results, and enable analysis. The Customer Support team created a central repository for all survey data for Phases One and Two to enable trend analysis and lessons learned every year. Every Spring and Summer, the military services survey will be launched, and each Fall and Winter, the Whole of Government survey will be launched.

### (c) Outcome

This initiative allows the DLA Logistics Operations Customer Support team to track customer satisfaction over time and provide opportunities to improve satisfaction.

## (3) Initiative 3.3.3: Assess opportunities to improve current DLA Days

### (a) Background

Based on senior stakeholder interview feedback and the DLA Strategic Plan, the DLA Logistics Operations team assessed opportunities to improve Service Days, pilot proposed changes and implement new Service Day design across the military services and Whole of Government forums to evaluate success. A working group established an initial ideal Service Day Planning and Execution Checklist based on interview feedback and senior leader guidance and completed the first observation during the Air Force/DLA Day in May 2021. The group has since evolved the checklist further with participant feedback and lessons learned. The group will leverage the checklist to shape the Army and Navy DLA Days, both scheduled for

FY22. Similar process improvement techniques will be repeated for all future Military Service and Whole of Government DLA Days to institutionalize these efforts.

## **8. Critical Capability B: Fiscal Stewardship**

### **a. Agency Management Review (AMR) Program**

#### **(1) Background**

The AMR program was initiated in 2016 and is co-led by Chief of Staff and J3. It is a formal evaluation of DLA compliance with laws, regulations, policies, and procedures. Each AMR provides an objective examination to help leadership identify vulnerabilities and improve performance through corrective action plans.

#### **(2) Description**

In October 2020, J32 Strategic Programs and Integration inherited the AMR Program. J32 reinvigorated the program after it was paused in Mar 2020 due to COVID-19, and restarted the AMRs with the remaining organizations from the second AMR cycle: DLA Energy (Jun 14-17, 2021), DLA Disposition Services (Aug 23-27, 2021), and DLA Strategic Materials (Nov 1-5, 2021).

Since there was a one-year hiatus in AMRs and they would now be conducted in a virtual, maximum telework environment, the AMR program restart was discussed during the March 29, 2021 Enterprise Operations Planning Council. The senior leader emphasis was on ensuring the AMRs be conducted virtually or in-person based on COVID-19 conditions, that the topic areas and scoring criteria were relevant and clear, that there is deliberate follow up on the findings, and that the MSCs learn from each other and apply the other organizations' findings as appropriate to its own organization. In addition, senior leaders agreed that the overall rating of each review area would be scored as "Pass," "Fail," or "Observation Only," removing the prior score rating of "Pass with Comments." This was because a review area was effectively rating a "Fail" if the reviewers were not to allow corrections, comments, or adjudications during the review. This also provided consistency and alleviated the past discrepancies and confusion of allowing corrections, comments, or adjudications during the review, yet some reviewers then rated their topics as a "Pass" while others rated theirs as a "Fail."

Based on the senior leader guidance, the scoring criteria for the AMR topic areas were clarified and revised as appropriate and validated by each business areas senior leader. The topic areas and checklists were provided on MS Teams in advance of the AMR execution dates to the MSCs being reviewed. Each HQ business area coordinated efforts with their MSC counterparts and exchanged information leading up to the AMR execution. Pre-execution actions included notification to the union and coordination with J6 for direct, quick-response support if needed during the AMR execution.

#### **(3) Outcome**

On Jun 14-17, 2021, the DLA Energy AMR was conducted completely virtually using MS Teams, WebRTC (video teleconference), teleconferences, and point-to-point phone,

chat/messaging, and email. The prep sessions, entrance conference, reviews, daily hot wash sessions, and exit conference were all successfully held. There were 33 areas reviewed, with some areas not reviewed since they required on-site inspection. Of the 33 areas, there were 17 with a “Pass,” nine with a “Fail,” and seven that were “Observation Only.”

On Aug. 23-27, 2021, the DLA Disposition Services AMR was conducted completely virtually except for one topic area that required one person to travel to Battle Creek, Michigan to conduct an in-person inspection. The Headquarters and MSC teams used the same collaboration tools for the DLA Energy AMR to conduct the prep sessions, entrance conference, reviews, daily hot wash sessions, and exit conference. Of the 33 review areas, there were 26 with a “Pass,” eight with a “Fail,” and six that were “Observation Only.”

Details of the findings from both AMRs were provided in a final report accompanied by an action list and a comparison of the 2018 (first cycle) and 2021 (second cycle) reviews.

# Defense Logistics Agency

## DLA Information Operations (J6)

## Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

October 15, 2021

### MEMORANDUM FOR DLA COMMAND HISTORIAN

SUBJECT: Submission of DLA Information Operations (J6) FY21 Annual History Input

It is my pleasure to submit the DLA Information Operations (J6) contribution to the agency's FY21 Annual History Report. Once again, we have faced another challenging year in which the ever resilient and talented J6 workforce supported the IT needs of our customers, and most significantly the unprecedented response to the Nation's requirements during the pandemic.

We are embracing our strategies for Digital-Business Transformation and progressing with our modernization efforts to meet the needs of the agency through persistence in software and IT infrastructure transformation efforts. This, as I continue to stress with senior leaders and our employees, is necessary to future-proof DLA by improving understanding and managing our data, reducing manual and redundant processes, enhancing user experience, adopting new technology, and increasing the capacity of our evolving workforce.

The following pages highlight many of the J6 endeavors, both successes and those in progress, to ensure the agency succeeds in its critical mission of logistics support to the warfighter and the whole of government. I know you will enjoy reading about the J6 story and get a sense of the commitment this agile, resilient, and talented J6 team contributes professionally every day!

Warfighter Always!

DUCHAK, GEORGE D.  
E.D. 1086741578

Digitally signed by  
DUCHAK, GEORGE D. 10867415  
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Date: 2021.10.13 16:17:01 -0400

GEORGE D. DUCHAK, PhD PE  
Director  
DLA Information Operations  
Chief Information Officer

Attachment:  
As stated

## 1. Introduction

J6 delivers information and technology capabilities that enable the agency's combat logistics support to the nation, enhancing the readiness and lethality of the Warfighter now and in the future. This IT segment aligns with the DLA Strategic Plan, in particular Critical Capability C, Digital-Business Transformation, (D-BX). This historical report captures J6 local initiatives and other significant items as well.

Our vision is to employ a unified agency platform; leverage data as a strategic asset; and use artificial intelligence, machine learning, and automation to deliver uncompromised logistics support to Warfighters and the whole of government.

We, the J6, are a professional information technology team! TEAMWORK is the principle that defines our beliefs and core values. We use this principle in working together to serve our customers.

<b>T</b>	Together we win, everyone counts.
<b>E</b>	Excellence in all we deliver.
<b>A</b>	Attitude – be positive in all you do and assume good intent.
<b>M</b>	Modernize – digital-business transformation and innovation using new methods.
<b>W</b>	Warfighter always, customer first.
<b>O</b>	On time and on target – be part of the solution, own your actions, and meet commitments.
<b>R</b>	Recognize, respect, and appreciate others.
<b>K</b>	Knowledgeable – be well-informed, educated, and perceptive.

## 2. Organization

a. The following chart depicts the J6 senior leaders as of Sep 30, 2021.



b. General Order 06-20, finalized Jul 18, 2021,:

(1) Created Cybersecurity Management Services (J611), Cyber Resilience (J613), and Cybersecurity Operations (J614) under Cybersecurity (J61) as sub-organizations.

(2) Disestablished Stakeholder Integrated Services (SIS) (J63) and aligned its personnel to Customer Support and Readiness (J64A).

(3) Established Enterprise Hosting (J64D) and Configuration Management (J64E).

(4) Updated Logistics Research and Development (J68) Mission and Functions.

(5) Renamed J6T from Strategic Technology and Investments to Strategic IT Business Operations.

(6) Created Project Management Division (J6XB) to manage customer-initiated IT infrastructure projects.

## 3. Key Personnel

The following chart lists key personnel as of Sep 30, 2021.

TITLE	NAME	TENURE DATES
<b>CIO Office (J6)</b>		
Director/Chief Information Officer	George Duchak	Sep 30, 2019 - present
Deputy Director	Karyn Runstrom	Sep 30, 2019 - present

Chief of Staff	Rose Praydis	Oct 26, 2020 - present
Chief Technology Officer	Colleen (Kelly) Morris	May 9, 2021 - present
<b>Office of Chief Data &amp; Analytics Officer (J6D)</b>		
Director/Chief Data Officer	Teresa Smith	Dec 31, 2017 - present
Deputy Director	Richard TeBeau	Dec 31, 2017 - Jul 25, 2021
Director/Chief Data Officer	Dr. Lindsey Saul	Jul 18, 2021 - present
<b>Strategic IT Business Operations (J6T)</b>		
Director	Linda VanDyke	Aug 15, 2019 - present
Deputy Director	Jeff Charlesworth	Aug 15, 2019 - present
<b>Customer Experience (J6X)</b>		
Director	Eric Fegley	Oct 2017 - present
Deputy Director	Ernie Sparages	Oct 2017 - June 25, 2021
Deputy Director	Kari Riskedahl	June 25, 2021 - present
<b>Cybersecurity (J61)</b>		
Director	Linus Baker	Sep 2010 - present
Deputy Director	Suzanne Fairley (Acting)	Oct 2017 - present
<b>Program Executive Office, Enterprise Applications (J62)</b>		
Program Executive Officer (PEO)	Adarryl Roberts	Sep 12, 2019 - present
Deputy PEO	Kenneth Fielding	Jul 2012 - present
<b>Enterprise Infrastructure Services (J64)</b>		
Director	Dempsey Hackett	Dec 2018 - present
Deputy Director	Mark Jackson	Mar 9, 2014 - present
<b>Document Services (J67)</b>		
Director	Richard TeBeau	Jul 26, 2021 - present
<b>Logistics Research &amp; Development (J68)</b>		
Director	David Koch	Feb 11, 2020 - present
Deputy Director	CDR Jim Zakar	Jul 13, 2020 - present

#### 4. Total Personnel

The following J6 workforce totals are current as of Sep 30, 2021.

Civilian	2,285
Contractor	3,356
Military	7

#### 5. Historical Narrative

##### a. Transformation Projects

##### (1) Enterprise Resource Planning (ERP) Migration

Migrating ERP to the cloud means leaving DISA-provided servers and accepting Amazon Web Services. We received “Production conditional Authority to Operate” on Apr 2, 2021, and “Test and Development conditional Authority to Operate” on Jul 21, 2021. The Data Sync, which allows large amounts of data to migrate, was delayed due to transmission rate issues but resolved on Jul 27, 2021. The Digital Business Transformation Governance Committee approved a new schedule based on the delay: Release 1 – Oct 25, 2021, Release 2 – Dec 13, 2021, and Release 3 – Feb 22, 2022.

##### (2) Data Migration Server (DMIS) Upgrade

J62LCA supported the Enterprise Resource Planning Central Component (ECC) and System Landscape Transformation (SLT) DMIS support package upgrades the weekend of Jun 4, 2021. It completed the Supplier Relationship Management (SRM) DMIS upgrade the weekend of Jun 18, 2021. Upgrades will provide Near Zero Down Time for the migration of ECC and keep SRM and SLT in sync for High-performance ANalytic Appliance (HANA) replication. DMIS upgrades were required prior to Release 2, Mock 2 on Jul 23, 2021, which was moved to Aug 20, 2021.

##### (3) ERP to Cloud Migration Environment builds

J62LCA supported the Business Objects Enterprise Suite applications Cloud builds, as well as the technical configuration for Solution Manager, Supply Chain Management upgrade, and Cloud Installation and Development Security Operations (DevSecOPS) Solution Manager capabilities.

(a) J62LCA supported the Business Warehouse on HANA (BWoHANA) upgrade the weekend of Jun 11, 2021. J62LCA served as Point of Contact, providing DLA Senior Leaders Maintenance Window updates. The BWoHANA upgrade is a prerequisite for ERP Migration and DLA’s journey to S4 HANA by 2025. Release 3 Mocks are scheduled through Oct 31, 2021, with Nov 20 - Nov 22, 2021 - Production Go Live.

(b) Warehouse Management System Modernization (WMS) - The Technical Environment & Application Support Division provided managerial oversight for contractor and federal government resources for technical support of the WMS program.

(c) Enterprise Funds Distribution (EFD) - The OSD Comptroller-sponsored EFD program was declared fully operational after deploying three waves with over 45 fund accounts and implemented a final five octet technical upgrade to position the program for successful transition to DFAS in November 2021. EFD supported funds distribution for all COVID-19 congressionally mandated directives and supported Afghanistan operations.

#### (4) DLA Troop Support Modernization

The Troop Support Modernization team developed a holistic approach to modernizing the IT capability and business processes for the three supply chains not covered by Enterprise Business Systems. In Q1 FY 21, Construction and Equipment (C&E) was the first supply chain to undergo development leveraging the agency's investment in ServiceNow. The new capability was developed in Q4 FY 21 and is planned to be delivered Q1 FY22.

#### (5) Customer Relationship Management (CRM) Modernization

The CRM Team successfully configured the CRM Module on DLA's Enterprise Platform (ServiceNow) to execute a training plan across all users. The module Go Live went into production in Q4 FY 21 and includes features/capabilities which improve customer support. CRM will now be able to close and archive SAP CRM EBS tickets.

#### (6) Trusted Mission Partner

IT Capability Support for Line of Effort (LOE) Three in the DLA Strategic Plan, Trusted Mission Partner. IT Capability Support for CRM Digital Business Transformation. The ServiceNow platform will allow DLA's partners to exceed their strategic goals. User Acceptance Testing begun during Q4 FY 21 with full implementation planned for the end of FY 21.

#### (7) Modernized Acquisition and Supply Chain Management

IT Capability Support for LOE Four, Modernized Acquisition and Supply Chain Management (C4.2, Standardize IT Rationalization). Business Capability Teams and organizational structure are supported by the rationalization initiative. The Senior Executive Rationalization questionnaire was approved Q3 FY 21 and the Rationalization Questionnaire Initial Assessment 19 Critical Business Systems was completed in Q4 FY 21.

#### (8) Federal Logistics (FED LOG) Modernization

The DLA Program Executive Office reported that, as part of the modernization effort, the FED LOG application migrated exclusively to downloadable content for U.S. government customers and defense contractors, eliminating the need for more than 10,000 digital versatile discs (DVDs) each month, returning ~\$20,000 per month to the warfighter. Over the past 14 months, FED LOG has coordinated with existing customers and service component

representatives to increase the availability of FED LOG via multiple platforms, allowing customers to transition to downloading with zero operational impact.

#### b. Advanced Analytics and Automation

(1) Provided analytic support for LOE Three, Trusted Mission Partner. Added capability to the Material Availability Analytics Tool, which enables users to view diagnostic and predictive information across a multitude of indentures, enabling predictive views and prescriptive insight.

(2) Developed predictive capability for cash balances across DLA. This model simulates impacts of planning parameter decisions or changes to obligation authority and cash.

(3) Implemented enterprise and data architecture that meet or exceeded requirements. J6 hired a data architect and is working on a holistic approach to ensuring DLA data is “AI-ready:” accessible, aligned, accurate, and complete.

(4) Evaluated current pipeline of analytics use cases; weighed against new priorities generated by LOEs. Working with stakeholders to ensure a robust data and analytics capability and platform to support new and evolving reporting requirements and visibility of information for diagnostic, predictive and prescriptive insights.

#### c. Cybersecurity

(1) Cybersecurity Policy & Oversight: A Cybersecurity Risk Management Framework (RMF) was authorized in accordance with Department of Defense Instruction (DODI) 8510.01, “*Risk Management Framework for DOD Information Technology*” to minimize risks and ensure the confidentiality, integrity and availability of all DLA information systems under J6 purview.

(2) Executed RMF activities, to include authorizing 20 new DLA information systems, re-authorizing 23 established DLA information systems, and conducting 36 annual reviews of previously authorized DLA information systems. Continuously monitored the security controls associated with DLA information systems to ensure operation included continued assessment and validation of National Institute of Standards and Technology (NIST) 800-53 security controls throughout a two-year cycle. Assessed and validated 12,897 security controls across 433 security control families.

(3) Implemented a new approval process for Plan of Action & Milestones (POA&M) submissions and Authorizing Official Risk Acceptance (AORA) requests to provide visibility of risk compliance. This new process ensures POA&M items are maintained within the timeframes established in the DLA RMF Standard Operating Procedure and risk acceptance requests are completely and accurately documented. In all, 149 POA&M submissions and 14 AORA requests were approved.

(4) Command Post Exercises (CPX) and Cyber Disruption Events. Began initiative to create repeatable CPX processes.

(5) Assured Logistics Cyber Center: Stood up a cell to expand and integrate cyber within the core logistics mission to stay ahead of threats to supply chains.

(6) Renewed the Computer Emergency Response Team’s (CERT) authorization as DLA’s Cybersecurity Service Provider (CSSP) through a virtual assessment by Joint Force Headquarters-DOD Information Network (JFHQ-DODIN). DLA is one of 26 authorized CSSPs

in DOD. This assessment was the first using Enterprise Scoring Metrics version 10, which incorporates strict requirements to demonstrate compliance with DOD cybersecurity policy.

(7) Enhanced user awareness of cyber risk by implementing the Spear Phishing Exercise program. The program emails targeted groups with publicly available information to entice readers to click on malicious links.

(8) Continually reinforced DLA's cybersecurity posture with respect to focused, threat-informed operations orders, and cybersecurity tasks.

(a) Transitioned the enterprise log management system from ArcSight to Splunk. DLA's Splunk instance provides more capability to efficiently manage security log data through data modeling and indexing.

(b) Integrated the MITRE Corporation's Adversarial Tactics, Techniques, and Common Knowledge (ATT&CK) framework into cybersecurity tools and use cases. MITRE ATT&CK correlates specific cyber-attack techniques to DLA's existing defenses and highlights potential gaps.

(c) Improved cloud environment cybersecurity through cybersecurity vulnerability assessments (CVA). DLA CERT completed CVAs of critical DLA mission applications in the Amazon Web Services (AWS) and Microsoft Azure cloud environments and provided lessons learned to program and security managers for future cloud migrations.

#### d. Technology Governance

(1) Standardized Enterprise Business Capability Management.

(2) IT Rationalization: worked with stakeholders to develop a standard process to quantify the business technical value of enablers.

(3) Incorporated DLA Operational Technology (OT) framework into the technology governance process to collect, review, and improve OT assets, funding, procurement, and maintenance/sustainment.

#### e. Strategic IT Business Operations

(1) Strategic Architecture (J6TA) upgraded the DLA Portfolio and Architecture Tools Suite from MEGA HOPEX version 1 to version 3.

(2) The DLA CIO approved the DLA Enterprise Architecture v8.0 baseline on Jun 4, 2021, which included all current DLA Enterprise Reference Architecture data (J6T).

#### f. Research and Development (R&D)

R&D strives each day to increase the mission readiness of DLA and its Whole of Government partners. R&D employs a holistic approach to addressing the needs of customers and investing resources. R&D efforts that aligned to the DLA Strategic Plan follow:

##### (1) Industrial Base and Aging Weapon System Support

Implemented innovative technology to ensure that a robust, reliable industrial base provided affordable and previously hard-to-procure parts for DOD weapon systems.

(2) 3D Technical Data Modernization/Model Based Enterprise

Integrated three-dimensional technical data and knowledge-based tools to streamline supply system responsiveness for specific DLA-managed commodities.

(3) Predictive Analytics, Modeling & Simulation

Applied Artificial Intelligence/Machine Learning to DLA data to solve problems, improve business operations, and provide strategies.

(4) Logistics Operations Innovation

Integrated technologies to transform our business processes and enhance Warfighter readiness and weapons system sustainment.

(5) Smart Warehouse Modernization

Modernized distribution and disposition operations by infusing 5G-enabled interconnected technologies.

(6) To support partnership growth, R&D held an Industry Collider Day in Nov. This virtual event provided an opportunity for over 700 participants to learn about the programs and initiatives of the Enterprise Support Area (ESA). The event concluded with the awarding of 15 contracts to small businesses. A second R&D Collider Day was held in Sep 2021. Titled *Expanding Partnerships for DLA Transformation and Modernization*, it focused on reaching new partners from government, industry, academia, and small business communities. Almost 1,100 participants registered. It concluded with the awarding of seven contracts to small businesses.

(7) Shutdown the Medical Logistics Network program and reallocated funds to the remaining Logistics R&D supply chains.

(8) Established the Acquisition Modernization Technology Research program to support projects transforming how DLA procures commodities and services.

(9) The Technology Accelerator and Strategic Technology teams joined the organization. The Technology Accelerator Team builds rapid prototypes by forming ad hoc teams from across DLA/DOD/industry. The Strategic Technology Team reviews and tests technology solutions.

(10) Supported COVID-19 responses in in several ways.

(a) R&D Additive Manufacturing program operationalized the Joint Additive Manufacturing Exchange (JAMMEX) to share FDA-approved Personal Protective Equipment (PPE) AM models for COVID-19 response.

(b) R&D developed pulse plasma technology to disinfect PPE.

(c) R&D supported a rapid manufacturing prototype contract to deliver 11,000 face shields to New York City first responders in less than two weeks.

(d) R&D used an Other Transactional Authority to develop two domestically sourced and produced N95 masks.

(e) R&D's Battery Network Program prototyped key ground system lead-acid batteries with a new bipolar design to scale-up solid-state electrolyte production for transition to safer high-energy battery technology.

(f) R&D's Model Based Enterprise for Combat Uniforms and Individual Equipment (CUIE) resulted in a joint process between the military services and DLA that provides new item-requirement information and integrates technical data for use throughout the supply chain. Stakeholders now have visibility over a product's lifecycle.

(g) The Small Business Innovation Program (SBIP) supported requirements for over 22 weapons systems, including the ALCM / F107 Engine; B-52 Stratofortress; B2 Spirit; and the Ohio Class Submarine (for ICBMs). Helped by the Nuclear Enterprise Support Office, SBIP is positioning DLA to be fully responsive to weapon-system requirements of the U.S. Air Force and U.S. Navy nuclear communities (through reverse engineering hard-to-source legacy parts).

## **6. Other Significant Items of Interest**

### **a. Migration to Cloud**

Over 90% of DLA applications have been migrated to Software as a Service or to commercial cloud solutions. DLA has workloads in Microsoft Azure, AWS, and in the Oracle Cloud Infrastructure. DLA classified applications are similarly being moved. DLA and the other defense agencies and field activities are required to submit weekly migration status to the Office of the Secretary of Defense (OSD).

### **b. Amelia Help Desk Automation**

(1) Amelia Chat went live in Jul 2020. From Jul 2020 through Sep 11, 2021, Amelia Chat initiated 21,251 sessions, created 17,652 tickets, escalated 14,220 to the Enterprise Service Desk Tier 1, with 3,432 tickets escalated to other support groups.

(2) Amelia Voice went live in Oct 2020. From November 2020 through Sep 11, 2021, Amelia Voice conducted 340,716 voice sessions, generated 73,307 incident tickets, and escalated 182,285 calls.

(3) DLA and DISA introduced the DISA EBS redirect in Amelia Chat in Nov 2020 and Amelia Voice in Mar 2021 that allowed on average 2,500 DLA users per month to contact DISA directly for EBS application password resets.

(4) In Dec 2020, DLA implemented the DISA Automated Call Distribution Solution, which included a separate Toll-Free number for DLA Customers and for DLA Energy customers to call Amelia. This capability allowed users to stay on the line until the call was answered or go into the callback queue and have a technician call the user back.

(5) In Feb 2021, received official announcement of DLA Office of Inspector General (OIG) Audit of DLA's Enterprise Help Desk.

(6) In Mar 2021, J6 Implemented a temporary solution in support of cFolder password resets due to call wait/hold times being extremely long. Initiative ended May 30, 2021.

(7) In Apr 2021, Amelia developers completed the trigger escalation for Priority Users (i.e., VIP, Silver, On-Duty Battle Watch Captains, and e911 users).

(8) In Apr 2021, completed the Amelia integration with Virtual Desktop Infrastructure (VDI) application which permitted Amelia to identify the end user's hung session that prevented the user from logging into VDI.

(9) In May 2021, completed the Amelia integration with the AMPS application; providing information to Amelia on whether a user's AMPS password was locked. If locked, Amelia would email the user with directions on resetting their AMPS password.

(10) In May 2021, DLA confirmed that Amelia is not a part of the DISA Global Service Desk's (GSD) technology roadmap. DLA does not intend to integrate Amelia with our ServiceNow ITSM solution; DLA will transition off Amelia before transitioning to ServiceNow ITSM and the GSD. As a consequence, the DLA CIO approved the phased unbundling and decommissioning of the Amelia across the DLA Enterprise.

(11) In Jul 2021, J64A requested DISA increase Automated Call Distribution Customer Interaction Center concurrent licenses from 60 to 91 to handle the increased volume of calls redirected to DLA Tier 1 live agents. DISA's letter of estimate received Aug 19, 2021.

(12) In Jul 2021, J64A requested DISA switch phone lines that dial directly to Amelia with phone lines that dial directly to DLA ESD Tier 1. Discussions on switching phone lines and retaining the DLA Energy 1-800 phone number continue.

(13) In Sep 2021, J64A requested the decommissioning of all eight Amelia servers within the DLA Dayton Center and the Azure Cloud.

#### c. Expeditionary Mission Support

Contingency IT Operations supported a Deployable Distribution team operating at Esler Field in Louisiana after Hurricane Ida with a Heavy Communications Package (HCP) from Aug 29 to Oct 2, 2021. The Mobile Command Vehicle deployed to Baton Rouge, Louisiana, on Sep 7, 2021, as support of Hurricane Ida expanded for DLA Energy Task Force Americas' Fuel Contingency Contract mission. These deployments facilitated DLA's ability to support Federal Emergency Management Agency (FEMA) Mission Assignments.

#### d. IT Audit Readiness

OIG closed 23 Information Technology Notice of Findings and Recommendations. The Independent Public Auditor is reviewing an additional 13 Corrective Action Plans.

#### e. Azure DOD to Gov Region Migration

In mid-Jul 2020, the CIO approved moving all existing and future workloads to a more secure Azure region. We will migrate approximately 115 applications with 644 virtual machines. DLA's new environment received "conditional Authority to Operate" in Feb 2021. Similarly, the Digital Service Center stood up as a service and received interim authority to test.

#### f. Planning support

The J62P Center of Planning Excellence worked closely with the J343 CoPE, J314, DLA Energy, and J67 (now J6D) to implement three large projects. First, the team upgraded JDA software. Second, the team deployed the 8<sup>th</sup> of eight modules within the Joint Chiefs of Staff

Reporting Emergency Petroleum, Oils, and Lubricants (REPOL) system. Third, the team is implementing new capabilities to “ingest” Time Phased Force Deployment Data and run simulations integrating operations tempo, weapon system types and numbers, fuel burn rates, fuel demands, and locations. Users receive mission-critical fuels-related reports allowing them to interface with the Joint Petroleum Office to realign fuels supplies worldwide.

g. Received DLA Chief of Staff approval (Feb 12, 2021) to move forward with a multi-year \$702 million solicitation for DoD Multi-functional Devices – awarded Aug 13, 2021.

h. Improved FedMall user experience, catalog, and order management capabilities. Work on these improvements began in FY 21, with the first phase, IBM Master Data Management (MDM) Module, replaced on Sep 12, 2001. Replacing MDM with a modern solution not only saves \$4 million in annual licensing costs but also provides a more user-friendly interface, improved contract management, and vastly improved logging and data validation.

i. Wide Area Workflow e-Business Suite was granted a two-year Authority to Operate.

j. On Aug 17, 2020, the Under Secretary of Defense for Acquisition and Sustainment designated DLA as Program Executive Officer for joint Fourth Estate contract writing. The Defense Business Systems Support Office has been tasked, on behalf of the PEO, to deploy a modernized contract writing solution prior to the Standard Procurement System (SPS) sunset date of Sep 30, 2023. The capability will leverage existing tools, hosted within the Procurement Integrated Enterprise Environment, as well as leverage other products and capabilities.

k. The Defense Medical Logistics Standard Support-Wholesale fielded a major release for Medical Electronic Catalog Supplier View of Order Management.

l. J62 is the Functional Executive Agent Medical Support deployed Medical Logistics Online, a new authoritative data repository for all published Allowance Standards.

m. Federal Logistics Information System (FLIS) support Operation Warp Speed - The FLIS PMO processed National Stock Numbers (NSNs) for COVID-19 vaccines and disseminated the new NSN data to support Operation Warp Speed operations. These new NSNs supported the planning, procurement, order-fulfillment, distribution, and warehousing of COVID-19 vaccines and vaccine support kits.

n. The Defense Automatic Addressing System processed \$6.94 billion transactions for DOD, federal civilian, state/local and commercial organizations.

o. Enhanced collaboration tools implementation.

p. Microsoft Teams - Implemented Teams for over 17 thousand thick client devices and across DLA’s VDI production environment to replace Skype for Business and support DOD’s expansion of DOD365. Also implemented Teams Meetings Recording/Live Captioning features and Audio-Conferencing Pilot.

q. SecureView - 100% of the first 100 SecureView devices deployed to general users and procurement is underway for 200 additional end points.

r. ZoomGov – DLA VDI Teams worked with vendors to enhance ZoomGov meetings for VDI users using DLA’s User Managed Computer (UMC) devices. Procurement enabled a sizeable audience to support over 33K employees with 125 event facilitator licensees for ten DLA Organizations. The ZoomGov acquisition led to the successful execution of virtual events.

s. Mobile solutions

(1) Upgraded more than 9,000 devices to iOS 14 which required tech-refreshing over 3,000 iPhone 6s across CONUS / OCONUS.

(2) Introduced new business applications to the DLA App Store, specifically Microsoft 365 (M365) applications (e.g., Teams, Authenticator, OneDrive), which aligned with the FY 21 goal of expanding M365 access for users. Through OneDrive, DLA was able to meet cybersecurity requirements for mobile devices to transfer photos ensuring contract actions could occur in working environments, (e.g., Southern Border, Hurricane Support, etc.) without requiring procuring a third-party software solution.

(3) Supported the implementation for DLA Disposition Services's SnapTrack Application hosted in DLA App Store. Activities included coordinating with PMO for various updates and iOS 13 compatibility ensuring DLA Disposition users could conduct geo-tagging actions in remote depots to maintain the integrity of militarized-vehicle inventories.

(4) Piloted over 700 ruggedized Dell tablets for the DLA Distribution workforce to expand information system processing and sustain application connectivity while reducing the requirement to transport assets deskside.

t. Data Center Optimization and Closure - As part of the Department's Information Technology reform activities and in alignment with the DOD Digital Modernization Strategy, the DOD Chief Information Officer directed acceleration of data center consolidation and cloud adoption for the Fourth Estate in a May 3, 2018 memorandum titled "Fourth Estate Application and System Cloud Migration."

(1) The Richmond Data Center closed in Jun 2021 and is now considered an installation service node. Dayton and Tracy are the only two data centers still open.

(2) 16,123 users have migrated to Azure VDI; 10,246 are Azure exclusive.

(3) 99.87% complete moving H: drives to One Drive for CONUS users; have begun to address OCONUS users.

(4) 400TB of file share data at Dayton and Tracy replicated on a secure protocol.

u. Network consolidation and enhancements - includes LAN consolidation, firewall and Virtual Private Network (VPN) upgrades.

(1) In Dec 2020, deployed two new Azure Gov CloudGuard gateways for the DOD-to-Gov Azure migration.

(2) In Jan 2021, deployed new Pulse equipment to enhance Pulse Secure Remote Access VPN systems.

(3) In Apr 2021, deployed the Maestro Hyperscale solution and consolidated Dayton hub site firewalls into a stack. The Maestro stack maximizes appliance capacity by providing increased throughput and more efficient Computer Processing Unit (CPU) utilization. Installing the stack at Dayton doubled CPU capacity and supported H drive migration to OneDrive, which was required before Virtual Desktop Infrastructure can move to Azure. The hyper scaled "stack" consists of several firewalls which are all tied together and share resources, acting as a single firewall.

(4) In Apr 2021, installed a firewall to enable workstation connections to the Secret Internet Protocol Router Network (SIPRNet). The firewall allows users to work from remote locations.

(5) In Jul 2021, migrated all the configurations, exceptions, and bypasses to a new transfer protocol. This migration will help control access to web sites.

(6) Throughout FY 21, completed Local Area Network consolidations at 33 sites in accordance with DOD Joint Regional Security Stacks guidance. The team also completed technical LAN refreshes at 19 sites.

(7) Throughout FY 21, completed 23 technical refreshes for end-of-life firewalls. Completed technical refreshes for routers at all DLA locations.

(8) Throughout FY 21, deployed four CloudGuard gateways in support of AWS firewall deployment and Enterprise Resource Planning (ERP) migration.

(9) Throughout FY 21, configured five Policy Decision Point gateways for the enterprise Identity Awareness Project.

(10) Throughout FY 21, established eight F5s within the AWS ERP environment, and configured the initial fifteen virtual servers to ensure F5-proxied sites meet cybersecurity requirements and taskings. Converted all F5-proxied websites to Personal Identity Verification.

(11) Throughout FY 21, configured SIPRNet Infoblox tech refreshes to enhance new features with Internet Protocol Asset Management monitoring, logging, integration with other systems, etc.

(12) Throughout FY 21, dealt with multiple DoD Vulnerability Disclosure Program (VDP) taskings related to Pulse remote access VPN, with no successful penetrations.

(13) Throughout FY 21, completed upgrades for all Wireless LAN Controllers.

(14) Throughout FY 21, upgraded seventy-one compatible firewalls to version R80.40. Upgraded the version R80.40 Manager Server (SIPRNet), adding innovation, security, and significant performance improvement.

#### v. Telecommunications enhancements (J64).

(1) In Dec 2020, installed the Battle Creek High Frequency Radio Antenna.

(2) In Jan 2021, replaced End-of-Life (EOL) hardware at DLA Pearl Harbor to improve Satellite Communications (SATCOM) connectivity.

(3) In January 2021, completed Okinawa antenna installations to enhance the secure enterprise-connected communications solution for DLA teams.

(4) In 2<sup>nd</sup> and 3<sup>rd</sup> quarters, provided mission support to Camp Humphries, South Korea for satellite connectivity.

(5) In Mar 2021, Completed Joint Staff Action Processing (JSAP) Task Annual Satellite Database Re-Validation to allow continued satellite support for DLA.

(6) In Mar 2021, upgraded the Columbus Legacy Codian TelePresence Secure Bridge to a Global Resilient Cisco Meeting Server (CMS) Infrastructure.

(7) In Apr 2021, supported Contingency IT (CIT) in planning and acquiring Military Satellite Communications service for COREX-21 and CIT division training. Also, coordinated the purchase of new SATCOM equipment for Contingency IT.

(8) In Apr 2021, assisted with High Frequency Radio Configuration for DLA Distribution San Joaquin for Joint Rapid Alerting for Survivability and Endurability Field Test number 1 and 2 and participated in Field Test number 2 from Battle Creek, MI.

(9) In Apr 2021, led efforts for Very Small Aperture Terminal SATCOM hardening for Joint Force Headquarters-Department of Defense Information Network Task Operation Spartan Rumor.

(10) In Apr 2021, added WebApp CMS Endpoint Branding on Non-classified Internet Protocol Router Network (NIPRNet). A backsplash was also added to brand the 3.1 upgrade. The new DLA logo is on all services' shields.

(11) In May 2021, replaced EOL routers and switches on the DLA Enterprise Land Mobile Radio System with Juniper SRX2200's.

(12) In Jun 2021, moved the SIPRNet PAC bridge to production which gives the INDO/PAC region its own SIPRNet infrastructure.

(13) In Jun 2021, completed Type 1 Failover for Richmond to add redundancy to EVoIP phones. Completed the Type 1 Failover for Fort Belvoir in July 2021.

(14) In the 3<sup>rd</sup> Quarter, added ten Disposition Radios to Camp Pendleton's Radio System to add to the capabilities at the site.

(15) Completed Video Teleconference (VTC) technical refreshes for 40 rooms at Cherry Point, North Carolina; Bremerton, Washington; Energy HQ; HQ Tech, Virginia; Jacksonville, Florida; Mechanicsburg, Pennsylvania; Richmond, Virginia; Suffolk, Virginia; Seal Beach, California; and Warner Robbins, Georgia. Supported 5,044 scheduled NIPR VTCs and 4,075 adhoc VTCs. Supported 1,315 scheduled SIPR VTCs and 7,090 adhoc VTCs.

(16) In Jul 2021, upgraded the CMS WebApp from 2.1 to 3.1. The upgrade will remove the Extensible Messaging and Presence Protocol, increase WebRTC capacity to 500 to 3000 concurrent participants, and resolve issues with joining calls.

(17) Throughout FY 21, onboarded DISA EVoIP at Sigonella, Italy; Rota, Spain; Aviano, Italy; Wiesbaden, Germany; Molesworth, UK; NSA Naples, Italy; and Yokosuka, Japan.

(18) Throughout FY 21, upgraded the Call Manager version at 10 sites, simplifying administration, enhancing security and compliance, and improving user experience.

(19) Throughout FY 21, installed Infinistream NetScout at five sites (Columbus, Hill, Pearl Harbor, Yokosuka, Ramstein) to provide longer packet retention. Longer packet retention allows DLA cyber incident handlers to go back to the time of an incident and inspect the packets for malicious activity. These installations also allow DLA to monitor the application usage on most of the DLA circuits worldwide.

w. An updated DODI 5330.03 was signed by Acting Undersecretary of Defense for Acquisition and Sustainment, Stacy Cummings, on May 7, 2021. DLA originally started working with ODASD(Log) in 2017 to update the policy. The GAO study "Document Services: DOD Should Take Actions to Achieve Further Efficiencies," published in Oct 2018, helped solidify this need for the policy update. The policy update now identifies DLA as the single manager for document services. In addition to printing, it designates DLA as the single provider of office print devices (Multi-Functional Devices and Desktop printers). The policy updates re-affirmed DLA's long standing previous position as the single manager for printing. The significant change in this policy update is that DLA will now be the "single manager" for office print devices. This consolidation of DOD's office print device acquisition under DLA is projected to save DOD approximately \$247 million annually through consolidation and volume purchases across the department.

x. Disposition Integration Web (DIW) completed Oracle 9c software upgrade. The Oracle version being used by DIW was becoming obsolete and was going to become unsupported. DIW upgrade to Oracle 19 and avoided any system issues or outages.

y. Defense Agencies Initiative (DAI) - Deployed to the United States Marine Corps for the first implementation of DAI outside the DOD Fourth Estate.

# Defense Logistics Agency

## DLA Acquisition (J7) Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

MEMORANDUM FOR THE DLA HEADQUARTERS ATTN: Historian

SUBJECT: Submission of DLA Acquisition (J7) FY21 Annual History Input

I am pleased to submit J7's FY21 Annual History. As in FY20, the COVID-19 pandemic specter loomed large over DLA and J7's operations. It once again played a significant role in the Enterprise's response to DOD and national requirements to end the pandemic, as well as the manner in which all DLA personnel performed their jobs. FY21 can be considered a period of continued adaptation, but also one in which we were able to begin a look back on what COVID and resulting disruptions to supply chains have taught us about how we must focus our efforts to address future and enduring challenges. National emphasis on supply chain resiliency and economic security as a matter of national defense, and a refresh of the DLA Strategic Plan towards transformation, have given us a renewed perspective. This annual history summarizes some of these larger influences and the impact they are having on DLA's Acquisition Enterprise and the J7 organization.

As it does every year, this history will showcase the impressive performance of the DLA Acquisition Enterprise as a whole, in addition to the activities of the major J7 organizational elements: J7 Headquarters, DLA Contracting Services Office (DCSO) and DLA Strategic Materials. J7 HQ provides the policy and program oversight, guidance and enabling solutions for the MSCs to effectively perform their acquisition missions. DCSO executes the \$1.5B of service contract requirements required to support the Agency's Information Technology and other operations that power the DLA "machine." Strategic Materials, with its responsibility to identify and mitigate strategic and critical materials risk and manage the Defense National Stockpile, is a strategic national asset – now more than ever as the Nation has become more aware the role these materials have in national defense and our everyday way of life. Separately and together, these three groups represent significant contributions to the DLA and DOD mission.

In the spirit of the Agency's 60<sup>th</sup> Anniversary, I look forward to FY22 and beyond, and all the ways in which the J7 workforce will use the valuable experiences of our past to focus on our future.

BEEBE.MATTH  
EW.RICHARD.  
1012725473  
MATTHEW R. BEEBE  
Director, DLA Acquisition

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RD.1012725473  
Date: 2021.10.31  
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Attachment  
1 – Annual History Input

## **1. Introduction**

This historical report is a narrative summary of the organizational events and actions DLA Acquisition took over Fiscal Year 2021 (FY 21) to execute its mission of sustaining Warfighter readiness and lethality by delivering proactive global acquisition solutions in peace and war. The report summarizes high-level agency performance for the entire DLA Enterprise and is written around J7 organizational missions and functions, the DLA Strategic Plan, and the J7 Acquisition Road Map, a strategic planning document that J7 has developed and updated each year since 2015, to guide the organization's actions and remind employees of the J7 strategic intent of maintaining "deliberate focus on executing the right things, the right way, for the right reasons." This year's report also includes a discussion of external influences that were a result of the change in Presidential administrations and the enduring lessons from COVID-19.

## **2. Organization**

a. J7 is comprised of three distinct organizational units:

### **(1) J7 Headquarters (HQ)**

DLA's Acquisition Directorate and staff element. Responsible for providing guidance and overseeing DLA's acquisition workforce and procurement system. Supports J7 Director and Deputy Director in carrying out their executive functions, including Senior Procurement Executive (SPE), Component Acquisition Executive (CAE), Head of the Contracting Activity, Senior Services Manager (SSM), Competition Advocate, and Enterprise Business Cycle Owner (EBCO).

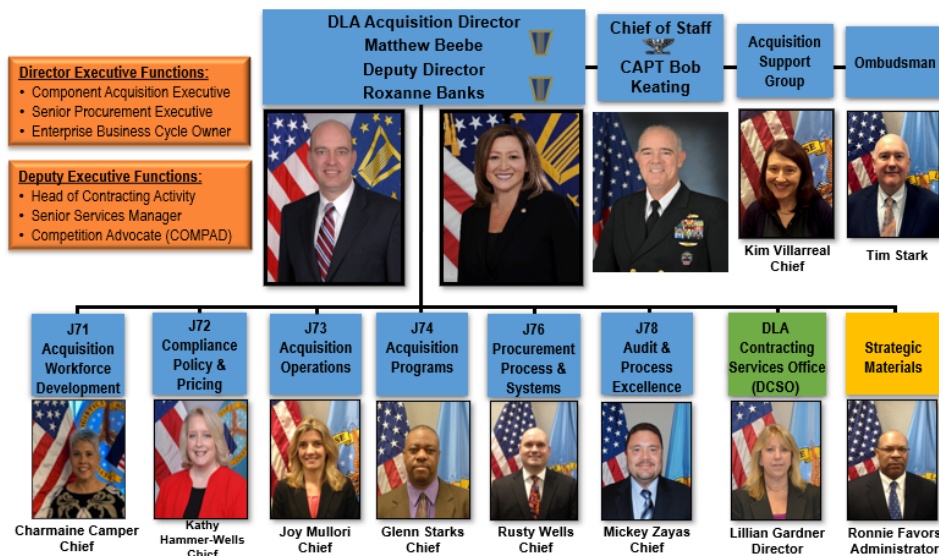
### **(2) DLA Contracting Services Office (DCSO)**

One of two operational components of J7. Supports internal agency operations through its contracting capabilities. Plans, organizes, directs, and manages procurement and contract administration for highly-specialized Electronic and Communication Services, Research and Development, Logistics Management Services, Knowledge-Based Services, Facility-Related Services, Financial-Management Services, and materials in support of DLA internal operations and to other federal agencies.

### **(3) DLA Strategic Materials**

One of two operational components of J7. Operates the Defense National Stockpile and supports U.S. Government efforts to decrease and preclude dependence upon foreign sources or single points of failure in times of national emergency. Acquires and retains stockpile materials; converts and upgrades stockpile materials; develops and qualifies domestic sources; recycles strategic materials from end-of-life government items, and disposes excess stock for operational funding.

b. J7's current organizational structure and leadership:

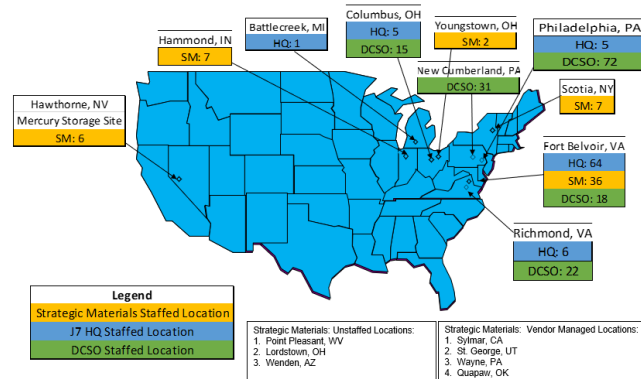


c. FY20 Organizational Changes

While there were no changes to the J7 organizational structure during FY20, there were several adjustments to supervisory and management authorities:

- (1) Ms. Charmaine Camper moved from J73 to fill the J71, Acquisition Workforce Division Chief role.
- (2) On Oct 1, 2020, the Strategic Materials contracting division was brought under DCSO and personnel from the Joint Contingency Acquisition Support Office (JCASO), which has been dissolved, were integrated into J73.
- (3) J7 gained a number of new military officers in FY 21. Col Joann Kenneally replaced Col Stupinski as the J76 Deputy Division Chief, after he moved on to his next command assignment with DCMA. COL Chris Johnson joined J73 and is specifically supporting efforts related to supply chain resiliency. Col Scott Ekstrom joined J74 from his previous assignment as the Air Force's C-17 Program Manager and is supporting J7 initiatives from Warner Robins, Georgia.

d. J7 has personnel located across the United States as depicted below:



### 3. Key Personnel

J7 key personnel include the Executive Leadership Team (Director, Deputy Director, and Chief of Staff), J7 HQ Division Chiefs, the Director and Site Leads of DCSO, the Strategic Materials Director and Deputy Director, the DLA Ombudsman and the DLA Warstopper program Manager. Key personnel and their dates of tenure are depicted below:

Name	Current Position	With J7 Since:
Matthew Beebe	J7 Director (2014 to Present)	2014
Roxanne Banks	J7 Deputy Director (2014 to Present)	2014
CAPT Robert “Bob” Keating	J7 Chief of Staff (Jul 2020 to Present)	2020
Kim Villarreal	Chief, ASG (Jul 2018 to Present)	2007
COL Angela Wannamaker	Chief, Business Office (Jun 2017 to Present)	2017
Charmaine Camper	Chief, J71 (May 2021 to Present)	2020
Kathy Hammer Wells	Chief, J72 (Jul 2013 to Present)	2010
Joy Mullori	Chief, J73 (Sep 2012 to Present)	2012
Col Mike Hansen	Deputy Chief, J73 (Jun 2020 to Present)	2020
Glenn Starks	Chief, J74 (May 2009 to Present)	2007
Rusty Wells	Chief, J76 (Jun 2014 to Present)	2008
Col Joann Kenneally	Deputy Chief, J76 (Jun 2020 to Present)	2019
Mickey Zayas	Chief, J78 (Aug 2013 to Present)	2001
Tim Stark	DLA Ombudsman (May 2018 to Present)	2008
Luis Villarreal	Warstopper PM (May 2004 to Present)	2001
Lillian Gardner	Director, DCSO (Apr 2010 to Present)	2010
Joe Marquis	DCSO-P Site Manager (Mar 2014 to Present)	2011
Steven Resweber	DCSO-FRC Site Manager (Mar 2014 to Present)	2014
Ronnie Favors	Director, DLA Strategic Materials (Mar 2010 to Present)	1988

Eric Mata	Deputy Director, DLA Strategic Materials (Aug 2016 to Present)	2014
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#### 4. Total Personnel:

	On-Board/ Authorized	HQ	DCSO	SM
<b>Civilians</b>	<b>297/301</b>	<b>81/85</b>	<b>158/154</b>	<b>58/62</b>
<b>Active Duty Military</b>	<b>8/7</b>	<b>7/6</b>	<b>1/1</b>	<b>0</b>
<b>Active Reservists</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Contractors</b>	<b>13</b>	<b>11</b>	<b>0</b>	<b>2</b>

#### 5. Significant Efforts

##### a. J7 Culture & Climate

DLA Acquisition has a very robust Culture & Climate program through which it builds its strategic plans and realizes organizational and process improvement. The Denison Culture survey drives these efforts.

Thee 2020 Denison Culture survey showed a 25-point net gain from FY18 results, with an overall score of 1,112 (92.7%). 38 out of the 60 drivers measured by Denison under performance capability improved and only nine drivers declined. Participation declined slightly by 3% to 63% with 180 out of 284 completing the survey.

Leveraging the feedback from the 2020 survey, J7 developed and published its **Acquisition Culture & Climate 2021-2022 Roadmap 2.0**, effective Jun 1, 2021, with five goals and 23 strategic objectives.

##### b. J7 Acquisition Roadmap (ARM)

In addition to the DLA Strategic Plan, DOP, and Culture & Climate Roadmap, J7 is guided by the internally developed Acquisition Roadmap (ARM), which lays out J7 mission priorities and initiatives. It complements the DLA Strategic Plan, includes all J7 led objectives from the Strategic Plan, and crosswalks key J7 initiatives with all Lines of Efforts and Critical Capabilities. It also includes traditional oversight and monitoring metrics aligned to J7 missions and functions.

After a one-year pandemic-driven hiatus during FY20, the J7 Senior Leaders met in Jun and Aug 2021 from where they left off in Mar 2020 to finalize Acquisition Roadmap (ARM) 4.0 for the period of FY 21 through FY23. ARM 4.0 is supported by 17 strategic objectives.

Performance against the ARM is monitored through the ARM Dashboard, located on the J7 website and accessible to all employees. It currently includes more than 70 metrics and five key performance indicators. During FY 21, the J7 leadership conducted five ARM Dashboard reviews and as of Sep 30, 2021, the Dashboard had a readiness rating of 97.6%, indicating currency level of all ARM metrics. The Dashboard continues to be a key management tool for J7, reinforcing program ownership and accountability for J7 Action Officers.

### c. COVID-19 Impacts of J7 Culture & Climate

As was the case with most DLA organizations, the majority of J7 operated under maximum telework for the entirety of FY 21. Divisions and organizations continued to adapt to virtual communications platforms such as MS Teams, WebRTC, and Zoom for Government. It is recognized that the pandemic will permanently change how work is performed and the J7 leadership's message to the workforce has been to develop proficiency in multiple ways of working: to be prepared for the "Future of Work."

### d. FY 21 Enterprise Business Summary

J7 HQ provides oversight and guidance to enable effective operation of the DLA Acquisition Enterprise. The size and scope of that Enterprise is reflected in the agency's overall procurement activity, primarily through contract obligations and contract actions. DLA ended FY 21 at \$38.4 billion in obligations, compared to \$41.8 billion in FY20 and \$44.2 billion in FY19. Total obligations are down 15% from the readiness investments made in FY18 (\$45.1 billion). Obligations for Hardware requirements during this period decreased 38%, while contingency support increased.

FY 21 obligations were driven by Medical (up \$1.6 billion above FY20) as the agency continued to provide acquisition support to HHS and other WOG customers. Subsistence, Maritime, Energy, DCSO, and Disposition Services all saw increases over FY20 (ranging from \$4.5 million to \$615 million). All other MSCs saw reductions in obligations, with the largest seen in C&E (down \$2.2 billion), Aviation (down \$2.1 billion), and Land (down \$1.3 billion). The reductions in DLA Hardware (Aviation and Land) were driven by a reduction in DLR obligations. The reduction in C&E was largely a reflection of several high-dollar COVID-19 requirements (mask decontamination units, PPE kits) being fulfilled early in the pandemic. FY 21 saw the redistribution of Industrial Hardware to the other hardware MSCs which accounts for the significant drop in IH.

MSC	2020	2021	Percent Change
DCSO	\$1,475,253,451.47	\$1,549,179,168.05	5%
DLA AVIATION	\$8,253,239,131.50	\$6,113,868,720.53	-26%
DLA DISPOSITION SVCS	\$106,205,416.83	\$110,692,489.57	4%
DLA DISTRIBUTION	\$433,336,921.06	\$395,704,312.55	-9%
DLA ENERGY	\$6,585,448,766.46	\$7,217,615,215.50	10%
DLA LAND	\$3,060,404,890.72	\$1,723,192,175.91	-44%
DLA MARITIME	\$1,865,720,877.78	\$2,072,994,099.48	11%
DLA TRP SUPT C&E	\$7,261,185,649.74	\$5,097,211,404.98	-30%
DLA TRP SUPT C&T	\$2,141,897,448.27	\$1,663,448,291.46	-22%
DLA TRP SUPT IH	\$333,212,635.39	\$140,300,676.11	-58%
DLA TRP SUPT MED	\$7,806,639,461.72	\$9,482,310,088.60	21%
DLA TRP SUPT SUB	\$2,563,195,876.98	\$2,837,431,998.39	11%
TOTAL DLR SPEND	\$6,867,318,638	\$4,092,622,654.54	-40%

DLA processed 3.7 million contract actions in FY 21, up slightly from FY20 (3.4 million). The reason for an increase in actions despite a decrease in obligations is attributable to more frequent, smaller dollar hardware buys in L&M and increased order volume in Troop Support related to COVID-19. At 3.7 million actions a year, DLA awards an average of 10,000 contract actions per day. The Agency continues to leverage automation and standardization to achieve such high volume. DLA processes nearly six times the number of contract actions as the services combined, illustrating the force multiplier effect of automation. Of the Agency's \$38.4 million obligations, 90% (including Prime Vendor) is satisfied by Long Term Contract delivery orders which are awarded in less than one day. Four percent of obligations are via automated (non-LTC) awards, with historical lead time average of less than 12 days.

Other significant enterprise procurement metrics include small business obligation achievement of 38%, which exceeded the FY 20 OSD small business goal of 32.36%. The agency has exceeded its small business goals for nine consecutive years. DLA exceeded its 3% HUBZone goal for first time in 10 years, exceeding \$1 billion for the first time ever, and exceeded its Small Disadvantaged Business (SDB) goal of 5% for the fifth consecutive year. Total DLA small business obligations (over and above eligible small business contracts) were \$12.9 million, a decrease of approximately \$2.2 million from FY20, but consistent with overall reductions in Agency spend. AbilityOne obligations were \$432 million.

DLA's overall competition rate was 77% of obligated dollars and 93% of actions. The rate of competed dollars increased 10% over FY20. The increase was attributable to reductions in DLR obligations, a reduction in bridge contracts and a reduction in Middle East fuel spend. "One source available" (\$5.6 billion) and "bridge contracts" (\$894 million) continue to be the largest contributors to DLAs' non-competitive spend (\$8.8 billion). Specific FY 21 challenges to achieving competition included fluctuations in the military service spending at DLR sites (L&M and Aviation), non-competitive/urgent COVID-19 support requirements (Troop Support) and unexpected large sole source purchases (ASIC buy at L&M). It is expected that with the Executive Orders on competition, equity in procurement and supply chain resiliency, FY22 will bring greater focus and attention on agency efforts to increase competition and promote a robust supplier base.

## **6. Historical Narrative**

The remainder of this historical narrative is a summary of J7 activity related to COVID-19, activity alignment to broader Executive Branch/Department topics, direct J7 contribution to the DLA Strategic Plan (Line of Effort 4), followed by the Directorate's more traditional activities related to the major J7 business functions and aligned to J7 organizations/divisions.

### **a. J7 COVID-19 Support and the Legacy of COVID-19**

No FY 21 historical report would be complete without addressing the lingering and long-term impacts of the COVID-19 pandemic. While the pace of PPE and other COVID-19 related procurements slowed over the course of FY 21, the agency continued to play a significant role in WoG efforts to respond to the pandemic. As of Sep 30, 2021, DLA had awarded \$4.3 billion and 38,344 actions to support of DOD and other customers since the Agency began tracking pandemic support in Mar 2020. As in FY20, the execution of the acquisitions took place in the MSCs, mainly DLA Troop Support, but J7 continued to provide HQ guidance and oversight for

this unique mission. This included staff support and approval authority for several Justifications and Approvals to award sole source/limited source contracts, to include the \$1.6 billion contract awards for 150 million at home and point of care test kits, which President Biden referenced in his speech to the nation on Sep 9, 2021, about stepped-up efforts to end the pandemic (including a vaccination requirement for federal employees and contractors). J7 also assisted DLA Troop Support in obtaining approvals from the DLA Director to issue two Domestic Non-Availability Determinations (DNADs) for disposable surgical gowns and personal protective coveralls, items for which sufficient domestic sources still did not exist. J7 leadership routinely participated in calls and updates with industry partners concerning the current state of DLA operations and, as they did in FY 20, J74 provided data and assessed impacts to the DLA industrial base (as manifested by facility closures, company layoffs and contract delays), J76 continued reporting to DLA and OSD leadership on the status of COVID-19 contracting obligations and actions, and J72 provided policy interpretation and guidance. Working closely with DLA Troop Support, J73 coordinated the agency's acquisition support to HHS through DoD's Defense Assisted Acquisition (DA2) cell.

FY 21 also brought about the opportunity to review lessons learned and share ideas about how the DLA and the nation can prepare for future pandemics and other events likely to generate supply chain disruptions and negative impacts to readiness. The DLA Warstopper program's success with medical readiness investments during the height of the pandemic in FY21 continued to generate interest from other federal agencies looking to establish their own programs (or participate through Warstopper). This led the Warstopper program to complete an industrial capability assessment to determine the application limits and options for an equivalent industrial readiness strategy to meet WOG requirements. Results showed the industrial readiness strategy a viable for pandemic response assuming WOG requirements are consolidated, data is reliable, and industry is incentivized to enter into the required contracting arrangements.

J7 leaders and SMEs had ample opportunity to communicate the agency's role in strengthening the domestic industrial base over various Congressional engagements and DoD working groups. As an example, in Apr of 2021, Mr. Beebe spoke to the Defense Critical Supply Chain Task Force and communicated how DoD, at less than four percent of the global demand for pharmaceuticals, has very little leverage to incentivize commercial companies to reshore their production capabilities to the United States. Speaking on a number of occasions to Congressional representatives interested in drafting legislation that would require domestic sourcing for PPE through the use of long-term contracts, Ms. Banks shared DLA's perspective that long-term contracts do not benefit industry if there is not consistent, aggregated demand and that, as such, the intent of the legislation would be better met by requiring WOG efforts to consolidate demand and communicate projections in order to support long-term, sustainable plans. These engagements, and others like them, underscored the difficulties associated with increasing supply chain resiliency and building a *sustainable* domestic industrial base, and reinforce that it cannot be done through government buying power alone. By leveraging agency experience with critical and fragile vendor bases, J7 has contributed a unique and valued perspective to larger conversations about the future security of our country's critical supply chains.

#### b. Acquisition and Industrial Base Related Executive Orders

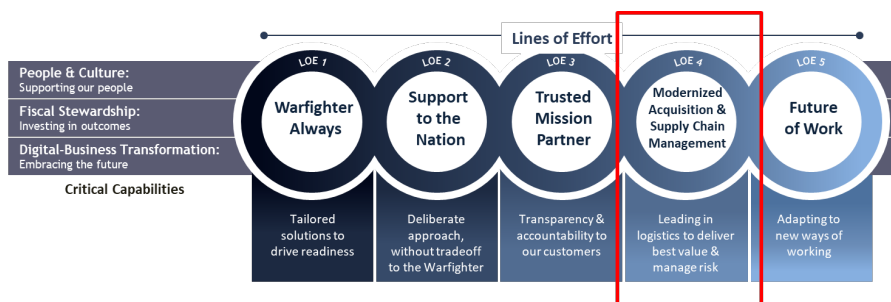
As expected with any change in administrations, a number of Presidential Executive Orders issued during FY 21, several of which have already started to have impact on acquisition

and industrial base topics. Involvement and impact is expected to continue over the next several years as policies, programs and initiatives are further developed. Below is a list of executive orders with the most direct impact on DLA Acquisition. Their concepts, priorities, and objectives will shape DLA Acquisition as it aligns with strategic guidance and executes directed efforts.

Executive Order	Summary	Acquisition Impacts & DLA Involvement
13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government," Issued 25 Jan 2021	Elevates the concept of "equity" in executive agency priorities. Specifically for DOD, directs agencies, through OMB, to identify "potential barriers that underserved communities and individuals may face in taking advantage of agency procurement and contracting opportunities; and whether new policies, regulations, or guidance documents may be necessary to advance equity in agency actions and programs." Closely related to EOs on competition (14036) & supply chain resiliency (14017).	Expect greater government emphasis on small business utilization and scrutiny on programs that are perceived to disadvantage small businesses/non-traditional vendors. Anticipate a review of Category Management metrics/goals/techniques to ensure fair opportunity for Small Businesses. In conjunction with DLA's Office of Small Business, continue to work efforts that seek to attract and enable Small Businesses to successfully participate in the federal acquisition process. Expect establishment of government wide metrics to measure and assess "equity" in the Agency procurement processes.
14005, "Ensuring the Future is Made in All of America by All of America's Workers," issued 25 Jan 2021	"The United States Government should, whenever possible, procure goods, products, materials, and services from sources that will help American businesses compete in strategic industries and help America's workers thrive." Requires Office of Management and Budgeting (OMB) to establish a Made in America Office (MiAO) and public website for waivers. Intent to align domestic sourcing policy with industries most critical to national security – tied to EO 14017 on Supply Chain Resiliency. Intends to use acquisition as a catalyst to strengthen the resiliency of our domestic industrial base.	Expect increased focus & attention on domestic sourcing, along with gradual increases to domestic content requirements. Designed to strengthen the US industrial base and promote American manufacturing/business, but will not eliminate foreign sources in government procurement. DLA leading a pilot with the Made in America Office to establish a process for waiver submission. DLA recognized as the best organization to participate given the high volume of waivers/ exceptions it processes (due to the items it procures). Objective is compliance without negative impact to readiness (due to administrative processes). Requires a DLA Senior Accountable Official for waivers, which will be the J7 Deputy Director.
14017, "America's Supply Chains," issued 24 Feb 2021	"The United States needs resilient, diverse, and secure supply chains to ensure our economic prosperity and national security." Directs 100-day reviews for 1) semiconductor industry 2) high-capacity batteries 3) critical/strategic materials and 4) pharmaceuticals and active pharmaceutical ingredients. Directs sectoral supply chain assessments (within one year) for key national industrial bases – for DOD a report on the Defense Industrial Base that shall identify where civilian supply chains are dependent on competitor nations.	Greater understanding of current vulnerabilities and challenges by supply chain/sector will support alignment of resources and policy to increase resiliency in our most critical supply chains. As critical materials is one focus area, DLA Strategic Materials, was a key contributor to the review on critical materials and coordinated with OSD-Industrial Policy on policy recommendations to further leverage authorities of the National Defense Stockpile. DLA (J3/J7) is a participant in OSD-Industrial Policy led Supply Chain Resiliency Working Group structured around implementing initiatives/recommendations from the 100-day and supply chain reports. LOE 4 is aligned with objectives of this EO in its focus on mitigating supply chain risk through supply chain illumination and applied use of market intelligence.
14036: "Promoting Competition in the American Economy," issued 9 Jul 2021	"Robust competition is critical to preserving America's role as the world's leading economy." Agencies shall adopt pro-competitive regulations and approaches to procurement and spending and rescind regulations that create unnecessary barriers to entry that stifle competition. Reiterates the role of the White House Competition Council, of which the Secretary of Defense is a member.	Federal agencies will be placing increased emphasis on competition and measures to increase/promote competition within its procurement programs. Increasing consolidation and concentration of spend with fewer suppliers is a national security concern. DLA recognizes the critical role that competition plays in building/maintaining a resilient DIB (better prices, reduced risk from single sources, spurs innovation). DLA is well-aligned with EO under LOE 4 as we seek to design a tailored strategy for transactional suppliers to reduce supplier churn (resulting from barriers to entry, difficulty doing business with DLA, etc) and increase resiliency of, and competition within, the DLA industrial base. Department has created a DOD Competition Council (J73 member).
14030, "Climate Related Financial Risk," issued 20 May 2021	Directs the FAR Council to consider amending the FAR to (i) "require major suppliers to publicly disclose greenhouse gas emissions and climate-related financial risk and to set science-based reduction targets; and (ii) ensure that major Federal agency procurements minimize the risk of climate change, including requiring the social cost of greenhouse gas emissions to be considered in procurement decisions and, where appropriate and feasible, give preference to bids and proposals from suppliers with a lower social cost of greenhouse gas emissions. Connected to EO 14008, "Tackling the Climate Crisis at Home and Abroad," requiring heads of agencies to integrate climate related financial-risk into their agency's procurement process.	Government recognition of the impact that climate changes have on supply chain risk and disruptions. Industry can expect changes to FAR Part 23 that could require climate related disclosures, and that climate factors may become part of future procurement evaluations/decisions. DLA recognizes climate related risk in its current Supply Chain Risk Management framework. As topic evolves, DLA will make changes to its procurement process in accordance with FAR Council guidance, DFARS implementing policy and data from supply chain risk analysis efforts.
14042, "Ensuring Adequate COVID Safety Protocols for Federal Contractors," issued 9 Sept 2021	"Promotes economy and efficiency in Federal procurement by ensuring that the parties that contract with the Federal Government provide adequate COVID-19 safeguards to their workers performing on or in connection with a Federal Government contract."	Agencies will implement resulting policy via contractual clauses to require covered contractor employees to be vaccinated for COVID.

### c. DLA Strategic Plan – LOE 4 Modernize Acquisition and Supply Chain Management

As noted elsewhere, the development of the DLA Strategic Plan 2022-2026 was a significant FY 21 effort, particularly for J7 as the Enterprise lead for LOE 4: Modernized Acquisition & Supply Chain Management.



LOE 4 leverages the industry focused perspective of the previous Strong Partnerships LOE under the prior Strategic Plan, building on those concepts and ideas and elevating them with initiatives that are more transformational in nature. Each objective still touches on our relationship with Industry (specifically 4.1 and 4.3) but at its heart, this LOE is about improving DLA’s ability to harness performance data to make informed, risk-based decisions and develop actionable solutions to improve customer outcomes for routine and contingency operations, as well as support the DLA industrial base. Put against the backdrop of the industrial base/supply chain resiliency focus of FY 21 Executive Orders, LOE 4 demonstrated just how aligned the agency is with higher level priorities and current challenges. So much so that LOE 4 concepts of partnering with Industry and leveraging market intelligence for risk-based acquisition decisions was identified as an objective under Goal 4 of the Logistics & Material Readiness Strategic Plan (4.3 - *Expand industry engagement and market intelligence to foster innovation and manage risk*).

LOE 4 Objectives and OPRs are:

- (1) 4.1 - *Expand industry engagement to foster innovation and maximize value for our customers*; OPR: J74
- (2) 4.2 - *Improve the end-to-end post-award segment to enable collaborative customer support, increase responsiveness, and manage costs*; OPR: J74
- (3) 4.3 - *Develop a market intelligence capability to manage supply chain risk and drive best value*; OPR: J74
- (4) 4.4 - *Enhance our acquisition capabilities to improve readiness for contingencies*; OPR: J73

FY 21 efforts centered around developing objective and initiative level charters and establishing cross-functional working groups. Each objective owner and its team meet bi-weekly with Mr. Beebe (LOE Champion) and other leaders/stakeholders to report progress, resolve issues, and perform “Deep Dives” to maintain awareness and engagement. J7 employees also participate in regular status meetings with objective owners and senior leader champions LOEs and CCs, led by other J-codes.

#### d. Acquisition Modernization Plan (AMP)

Another major effort embarked on in FY 21 - begun before yet closely related to LOE 4 and the Executive Orders referenced in the prior pages - was the development of the DLA

Acquisition Modernization Plan (AMP). The genesis for the AMP occurred several years ago when a senior-leader strategic planning session began addressing the next stage of DLA's "evolution." Whereas DLA went from "Managing Supplies" from the 1960-1990's in depots to "Managing Suppliers" in the 2000's via Prime Vendor and Strategic Suppliers contracts, J7 recognized that the next stage of our evolution will require greater reliance on data to support supply chain security and risk-based decision making. Change will require innovation and advancements in systems, tools, skills and processes that will enable us to function effectively in an increasingly dynamic environment.

To plan this next stage, J7 worked with J6 R&D to conduct a groundwork study. The below infographic captures the elements of the AMP and its overall "vision;" it serves as the basis for how J7 will organize modernization efforts and the integrate the Enterprise activities that support it. It illustrates the ways the Acquisition Enterprise will leverage the A&S Adaptive

Acquisition Framework, namely "Data Driven Analytics," "Active Risk Management," and Emphasize Sustainment."

In Oct 2021, J7 formally designated an AMP Program Manager who will be lead enterprise socialization and implementation efforts in FY22 and beyond. It will bring together current modernization activities happening within J7, the MSCs and J-codes and is expected to be a significant change management effort for both the acquisition workforce and leadership. The AMP will be governed by an Acquisition Enterprise Innovation Council that will set priorities, as well as monitor and drive progress.



e. J7 Division / Organization FY 21 Summaries

(1) Acquisition Workforce Development (J71)

The J71 Acquisition Workforce Development Division's mission is to provide plans, guidance, and direction to manage, oversee and sustain the agency's Acquisition Workforce (AWF) of approximately 9,000 individuals. As of Sep 27, 2021, the DLA AWF was comprised of 9,089 individuals across nine career fields.

Career Field	Employees
PROGRAM MANAGEMENT	314
CONTRACTING	3,590
PURCHASING	402
PRODUCTION, QUALITY AND MANUFACTURING	1,081
SCIENCE AND TECHNOLOGY MANAGER	2
BUSINESS - FINANCIAL MANAGEMENT (BUS-FM)	5
LIFE CYCLE LOGISTICS	3,240
INFORMATION TECHNOLOGY	446
ENGINEERING	9

Significant FY 21 activities and accomplishments included 98% compliance for Defense Acquisition Workforce Improvement Act (DAWIA) certification and 98% compliance for Continuous Learning Point (CLP) currency. J7 executed over \$2 million in Defense Acquisition Workforce Development Account (DAWDA) Funds; DAWDA funded salaries of 21 DLA AWF Interns and provided for various training and development opportunities, as well as attendance at professional/industry specific conferences/symposiums.

J71 continued its successful partnerships with the Universities of Virginia and North Carolina to provide industry focused training to DLA acquisition workforce professionals. Four in-person courses were conducted at UVA (108 trained) and one at UNC (35 trained). Since DLA program inception (Aug 2018), 246 personnel have gone through these courses. Offerings are one of the workforce training components of the Acquisition Modernization program.

The Acquisition Career Program Board (ACPB), the joint J1/J7 governance forum, was rechartered as the Acquisition Workforce Program Board (AWPB) to broaden the board's focus on the training, development opportunities, systems, tools, and other capabilities necessary to enable DLA's AWF and will incorporate the workforce requirements of the Acquisition Modernization Program.

J71 led agency efforts to prepare for the implementation of DOD's Back-to-Basics (BtB) transformation, working with a team of cross-functional DLA representatives and participating in OSD functional area working groups in charge of revising the current DAWIA certification programs. Formal implementation of BtB is planned for FY22.

(2) Compliance, Policy and Pricing Division (J72)

The J72 Compliance, Policy and Pricing Division is responsible for providing policy oversight and guidance for the DLA procurement system and to the DLA Acquisition Workforce. Among the significant FY 21 activities were completion of various reports mandated by Congress, statute or regulation, to include the Truth-In-Negotiations Act (TINA)/Cost Accounting Standards (CAS) Annual Report to Congress, Undefined Contract Action semi-annual reports, and Other than Certified Cost and Pricing Data Refusal, as well as Contract Audit Follow-Up semi-annual reports to DoDIG.

J72 partnered with J6 for a third year to maintain and update the Enterprise Pricing Tool Suite for the buying and pricing community (more than 1,300 users) and continued its partnership with Defense Acquisition University on the DLA Pricing Class, a course developed initially for DLA personnel, but which has been adopted by DAU for the broader

DOD workforce, providing a much-needed perspective on pricing challenges within sustainment. In FY 21, DLA conducted 15 classes with ~750 attendees. In terms of pricing support to the Enterprise, the division SMEs contributed pricing expertise to AMRs, individual acquisition reviews, and price escalation reviews (in excess of 200 individual reviews with ~45,000 data sets).

As the primary liaison between Defense Pricing and Contracting and the MSC contracting activities, J72 provides the contracting community with updated agency guidance based on National Defense Authorization Act Requirements, Executive Orders, Audit NFRs and CAPs, along with other statutory or higher-level regulations. In FY 21, J72 released 14 Procurement Letters (PROCLTRS) and five deviations, covering various issues within federal and defense acquisition, to include COVID-19, cybersecurity and Small Business. As DLA's representative to the Defense Acquisition Regulation (DAR) Council, J72 reviewed and provided comments on 47 open Federal Acquisition Regulation (FAR) cases and 62 open DAR cases, representing Agency interests. In support of audit sustainment and to ensure the memorialization of corporate history, J72 digitized 53 years' worth of acquisition policy, deviations, delegation, and ratification documents.

### (3) Acquisition Operations Division (J73)

The J73 Acquisition Operations Division helped MSC and DLA acquisition teams develop strategies and secure approvals from the J7 Director and Deputy Director in their various executive functional roles. J73 also oversaw the DLA/DCMA strategic partnership, service requirements management, as well as various other programs that impact and support agency acquisition operations.

On May 2, 2021, DLA and DCMA signed a *Memorandum of Understanding* laying out the acquisition roles, responsibilities and expectations for this critical agency partnership. J73 conducted five Executive Steering Groups, focused on exploration and illumination of systemic issues impacting contract administration and readiness improvements for the Warfighter.

The Strategic Contracts program continued to evolve over FY 21. STATCON criteria were streamlined to incorporate risk definitions based on an Enterprise perspective. The goal of the new process is to focus the Agency on a manageable population of contracts, but which still represent the highest level of risk and have critical impacts to mission and/or acquisition business. The STRATCON program name changed to Strategic Requirements and Acquisition Plan (STRAP).

To execute the oversight and approval responsibilities of the DLA Senior Procurement Executive, J73 facilitated multiple Acquisition Strategy Panels (ASRPs) and Integrated Acquisition Review Boards (IARBs). These cross-functional panels and boards are chaired by the J7 Director and ensure an agency perspective, sound strategy, and full vetting from a cross-functional enterprise perspective. As most acquisition authority is delegated to the MSC Head of Contracting Activity, ASRPs and IARBs conducted by J7 HQ are typically in excess of certain dollar thresholds, high visibility, or involving an atypical risk. Examples of include Troop Support's Medical National Prime Vendor program, DLA Aviation's GE T700 program, and Land & Maritime's Gateway to Sustainment. In addition to ASRPs and IARBs, J73 continued to lead "Red Teams" - teams of cross functional subject matter experts review selected programs or contract and provide to agency management officials a corporate

assessment of risks to schedule, performance, or the agency. J73 completed Red Team reviews for the DLA Energy Air Card program and DLA Troop Support Subsistence Prime Vendor program - Iraq, Kuwait, Jordan, Syria.

J73 supported the J7 Deputy Director in her role as the agency's Senior Services Manager (SSM). Support included the establishment of processes for review and approval of agency service requirements, known as Service Requirement Review Boards (SRRBs) (eight requirements valued at \$850 million approved by SSM); submission of the Agency's Senior Review Panel briefing to OSD on the DLA service requirements review process (reviewing \$1.7 billion in spend and identifying \$46 million in efficiencies); conducting, in conjunction with J8, the annual Services Portfolio Review of all service contract requirements, with a focus on the top ten highest spend requirements in the Knowledge Based Services, Facilities Related Services and Electronics and Communications Service Portfolios. J73 continues efforts to streamline service requirement reviews and beginning in FY22, the annual Portfolio Reviews will be integrated within the PBR process.

In support of agency and administration priorities to promote competition in federal acquisition, J73 continued to work across the agency to reduce bridge contracts and specifically with DLA Troop Support to develop strategy changes to reduce time to award for follow-on contracts. Over the year, the number of bridge contracts fell by ten from 51 to 41. Executive orders and the LOE 4.1 efforts to reduce churn and increase resiliency will generate a greater focus on Agency initiatives and practices to promote effective competition in FY22.

With the dissolution of JCASO beginning Oct 1, 2020, DLA Operational Contract Support (OCS) program management functions were integrated into J73. Over FY 21, J73 established DLA's first ever OCS related Mission Essential Tasks and standards in the Defense Readiness Reporting System (DRRS), developed DLA's first OCS policy document for publishing, engaged in an OPLAN OPT with J31 Planners to establish OCS into DLA Support Plans, and submitted the first ever OCS-vetted and validated lessons learned through Joint Lessons Learned Information System. Training responsibility for the Expeditionary Contracting Cadre transitioned to J1 in FY 21.

#### (4) Acquisition Programs (J74)

The J74 Acquisition Programs Division has a broad range of mission and functions, providing program and project management for major DLA acquisition and industrial capabilities initiatives in support of J7's acquisition and contracting mission. These include oversight of strategic sourcing initiatives, the Warstopper program and industrial base monitoring, DLA's Industry Engagement Program, Acquisition related R&D efforts and Government Purchase Card (GPC) Management associated with acquisition processes. J74 also monitors acquisition process performance metrics for the enterprise. With its high degree of focus on end-to-end acquisition processes, industry engagement/analysis and industrial base risk management, J74 is the division most heavily engaged in the LOE 4 objectives.

In addition to the focused LOE 4 efforts, the J74 Industry Engagement team managed yet another successful year of opportunities for robust and informative dialogue between DLA and industry, covering many of the hot topics and issues facing DLA, the Department and the nation. J74 led two Industry Association Webinars with major defense industry associations to discuss the lingering (and what appear to be enduring) impacts of COVID-19 on the industrial base, DLA's projected demand forecasts for FY 21 and FY22, and

other initiatives. As the agency did in all other areas of its business, J74 leveraged virtual communications platforms to strengthen and maintain our relationships and interactions. The Industry Engagement team also conducted the 2<sup>nd</sup> DLA Supplier Feedback Survey, launched in Nov 2020 and closing in Mar 2021, with over 2,800 respondents. As with the first survey, this iteration collected valuable supplier feedback data for developing action and improvement plans to further strengthen the DLA/industry relationship and established a baseline to measure trends in future surveys. Modest gains were seen, specifically in communication, effectiveness and DLA-supplier relationship, whereas a slight drop occurred in growth & profit potential, which could be attributable to the challenging funding environment and pandemic effects. Survey feedback serves as a key source of data for various industry focused initiatives, to include industry training for DLA workforce and LOE 4 efforts to gain greater understanding of our industrial base and improve overall processes and communication.

After a banner year supporting COVID-19 requirements, the Warstopper program returned to its traditional focus of mitigating industrial base vulnerabilities across all supply chains in FY 21, while still placing significant resources and attention on medical readiness needs. The program maintained its historical ROI of 7:1 and made \$45 million in industrial investments across all supply chains. Projected ROI for FY 21 is \$315 million in cost avoidance. Significant FY 21 investments included \$17 million in medical readiness (to include over \$1 million in additional PPE coverage); \$5.5 million in aging aircraft obsolescence management and \$7 million in rocket launch propellant readiness. The program is the agency's primary source for conducting risk analyses on industrial base fragility and criticality, and the outputs of the program's studies and analyses were utilized by multiple DLA stakeholders, such as the J3 SCRM Office and MSC acquisition teams, to make data-driven, risk-based operational and acquisition decisions. Warstopper program reps, along with representatives from the J3 SCRM office, participated in and provided input to the industrial policy led Supply Resiliency Working Group, stood up to work recommendations from Executive Order 14017 and complete the Annual Industrial Capabilities Report to Congress.

#### (5) J76 Acquisition Procurement Process & Systems

J76 represents the J7 Director in his role as Enterprise Business Cycle Owner (EBCO) for procurement and conduct procurement process and system performance evaluation, oversight, and maintenance. The division is responsible for ensuring the integrity of DLA procurement processes and systems operations and work cross-functionally with MSCs and J-codes to support process excellence, development, and business modernizations efforts.

During FY 21, J76 was involved in Department and agency efforts to improve supply chain security. DLA continued participation in this Department wide effort Cybersecurity Maturity Model Certification (CMMC), which seeks to enhance the protection of controlled unclassified information (CUI) within the supply chain. The CMMC will review and combine cybersecurity standards and best practices and map these controls across maturity levels ranging from basic cyber hygiene to advanced. DLA J76 presented briefings at industry forums to bring awareness to CMMC requirements and continued monthly DLA working group sessions focused on understanding CMMC and reviewing acquisitions for possible test pilots. No DLA pilots were chosen in FY 21 due to a strategic pause by the DoD Program Management Office.

In coordination with J3 and in relation to the Acquisition Modernization Plan, J76 led efforts to broaden understanding and application of SCRM tools. Acquisition teams

continued to familiarize themselves with the Business Decision Analytics (BDA) application, a support tool that assists with risk determinations regarding items, prices, and suppliers. In FY 21, additional capability was incorporated to add indicators, or flags, for risky vendors, as was as a “bot” to perform Section 889 checks (Section 889 is an NDAA requirement prohibiting the US government from buying equipment or contracting with companies that use Chinese affiliated telecommunication equipment). Other supply chain security efforts included continued maintenance of the “lockout” process for suspicious vendors, an internal control that ensures DLA can maintain sufficient levels of automated non-LTC buys (between 34%-42%) to keep up with requirements without compromising security.

On the innovation front, J76 continued aggressive championing of Robotic Process Automation (RPAs or “bots”). During FY 21, J76 approved five use cases for migration to production, saving approximately 9,800 manual processing hours. Seven more acquisition RPA use cases have been submitted for development, with potential savings of 6,000 manhours.

Other significant FY 21 activities included concentrated efforts towards prioritization of Requests for Changes in order to lessen the impacts from strategic ERP Migration efforts, active engagement in Enterprise modernization/transformation efforts such as Warehouse Management System and Troop Support Modernization, and initiation of working level discussions for the future version of Procurement for Public Sector to replace EProcurement as DLA’s Contract Writing System. J76 also spearheaded a source selection tool effort to test three commercial products with intent of selecting one for DLA-wide use in FY22.

#### (6) J78 Procure to Pay (P2P) Process Cycle Integration (PCI) Team

The J78 Procure to Pay (P2P) Process Cycle Integration (PCI) team serves as the J7 lead supporting the agency’s financial audit. J78 led DLA enterprise efforts for the agency’s first audit assertion involving the Transaction Fund (TF), which is OUSD(C) number one audit priority for DLA. Although this first assertion attempt ultimately resulted in a “disclaimer of opinion,” the progress made by the Transaction Fund team set the example for the Agency in meeting FY 22 audit priorities.

Other significant accomplishments for J78 audit efforts included closure of 19 of 77 NFRs (25%) from FY19 to FY 21 that contributed to Transaction Fund Material Weaknesses and the lowering of risk on 90% of remaining NFRs (58), through implementation of mitigating controls. J78 implemented and tracked Corrective Action Plans (CAPs) to correct 97 identified control weaknesses in NFRs covering over 150 conditions requiring remediation, across all three DLA funds. The division responded to an increasing number of Provided-By-Client requests, maintaining 85% timeliness response rate for Transaction Fund and 95% for Working Capital and General Fund. Collectively, the organization demonstrated overall improvement in ensuring audit ready processes, as the number of observations on J-7 led walkthroughs decreased 75% as compared to FY20.

J78 also oversaw Internal Control Over Reporting (ICOR) for three service organizations – U.S. Bank’s Commercial Card Transaction Processing System (CCTPS), DLA’s Wide Area Workflow (WAWF) system, and DCMA’s Contract Pay System (“MOCAS”). The division collaborated with the Enterprise Risk Management (ERM) Program Management Office (PMO) on developing and refining the agency’s internal control infrastructure, to include Industrial Base Vulnerability workshops to provide for greater in-depth understanding of industrial base issues such as market conditions and foreign dependency.

The J78 Military Interdepartmental Purchase Request (MIPR) Team oversaw 895 DLA EBS users generating \$2.6 billion in Intragovernmental Reimbursable and Assisted Acquisition Procure-to-Pay (P2P) MIPR orders. The agency metric for MIPR timeliness, which measures the accuracy, velocity, and completeness of MIPR execution from MSC and J-Codes to intragovernmental trading partners, was 91%. The J78 MIPR PM was detailed to J8 to establish the new DLA G-Invoicing Program Management Office and Center of Excellence (CoE) to provide accelerated P2P expertise regarding agreement, buy/sale policy, and implementation strategy with the U.S. Department of Treasury, OSD, and multiple DOD military components and other federal government representatives and trading partners. The CoE will stand-up in FY22 to assist the agency with full G-Invoicing compliance by FY23.

#### (7) Directorate Coordination and Integration

Each J7 division has specific missions they are responsible for executing but, as a collective, the divisions contribute to process excellence and compliance, to include the agency management review process. In FY 21 J7 supported AMRs at DLA Energy and DLA Disposition Services, after a pause due to COVID-19 restrictions. The acquisition review areas cover eight topics that fall within the Procure to Pay Enterprise Business Cycle Owner AOR. AMR findings associated with NFRs and CAPs were noted during the review process to further strengthen the link between policy compliance and auditable processes. J7 also conducted an Acquisition Process Management review for DLA Troop Support COVID-19 actions to ensure compliance with acquisition policy and procedures. Moving forward J7 will continue to work with J3 to refine the program and links to Audit Readiness and Enterprise Risk Management. In addition to AMRs, all J7 divisions supported the J7 Director in continuing regular senior-leader procurement visits to monitor overall procurement program health and compliance. All visits, with the exception of Energy, were conducted virtually. J7 SMEs also supported various DODIG and GAO level acquisition related audits and Congressional inquiries/engagements.

#### (8) DLA Contracting Services Office (DCSO)

DCSO is one of the two J7 “operational” arms, providing full-service contract support for the agency’s business operation requirements. DCSO’s main customers are the DLA J-codes, although the organization serves a number of external customers as well. In terms of metrics, key FY 21 accomplishments included:

- (a) More than \$1.5 billion in obligations - an all-time high
- (b) More than 61,000 contract actions
- (c) Small Business Goal Achievement of 51.33% overall achievement, (Goal 49%), Small Disadvantaged Business (SDB): 25.21% (Goal 5%), Service-Disabled Veteran-Owned (SDVOSB): 15.42% (Goal 5%), Woman-Owned: 11.65% (Goal 3%), and Hub Zone: 7.50% (Goal 3%)
- (d) Competition: 82.34% of contract obligations (82% goal)

The J6 Enterprise Technology Services (JETS) contract continues to be DCSO’s flagship program. The agency executed \$512 million in obligations in FY 21. The indefinite-delivery, indefinite quantity (IDIQ) contract program has consolidated all J6 requirements under

a single program and over \$1.6 billion has been obligated since the contract was originally awarded. The program's streamlined acquisition approach has resulted in \$563 million in savings for the agency and an average task order lead time of 47 days.

Other major acquisitions awarded in FY 21 include the multiple award CONUS Multi-functional Device (MFD) IDIQs, awarded by the DCSO New Cumberland office and providing 60-month leases for office and production level MFDs, accessories and associated services supporting DoD within the United States, Guam and Puerto Rico; the Energy Automation Operational Technology Sustainment (EAOTS) contracts, transferred from the Naval Warfare Information Center and awarded by the DCSO Columbus office, and which converted cost-plus-fixed-fee contracts to firm fixed price at a 21.6% cost reduction; and a contract in support of DLA Transformation for the development of the new DLA Strategic Plan, awarded by the DCSO Richmond Office.

In support of organizational efficiency, the DLA Strategic Materials contracting office merged with DCSO on Oct 1, 2021. In addition to generating greater efficiency and standardization, this merger provided expanded development opportunities for personnel.

#### (9) DLA Strategic Materials

As the other operational arm of J7, DLA Strategic Materials supports the Department though decreasing and precluding dependence upon foreign sources or single points of failure in times of national emergency. In addition to maintaining actual stockpiles, Strategic Materials employs risk mitigation strategies including acquisition and retention of materials, recycling of end-of-life excess military equipment, qualification of domestic material sources for use in military applications and funding research and development of new material sources.

Below is a summary key FY 21 statistics:

- (a) \$1.1 billion in inventory
- (b) 46 commodities across 15 CONUS locations
- (c) \$83 million in commodity sales (which support operations)
- (d) 153 materials assessed/modeled
- (e) Recycled over 440,000 lbs. of superalloys
- (f) Shipped 97.8 million lbs of commodities

While Strategic Materials has been working for years at risk mitigation, the attention the organization received in FY 21 exceeded anything experienced in recent history. In Feb 2021, President Biden issued Executive Order 14017 on America's Supply Chains. As part of that report, various federal agencies were directed to provide reports on some of the nation's most critical and vulnerable supply chains, to include those for strategic and critical materials. Working with partners at OSD Industrial Policy, Strategic Materials personnel provided direct input and analysis support to the 100-day report required by the Executive Order, as well recommendations on how the National Defense Stockpile (NDS) could be used to more effectively address current supply chain challenges. Also in FY 21, the White House published a report titled *Building Resilient Supply Chains, Revitalizing American Manufacturing, and Fostering Broad-Based Growth* that outlined a strategy to modernize the NDS. This report specifically highlighted need to reform and strengthen the NDS with recommended legislation drafted by Strategic Materials personnel, addressing topics ranging from purchasing power, loan

capabilities and fund operations. Finally, Strategic Materials submitted regular reports required by Congress – the FY 21 Congressional Report on Strategic and Critical Material Requirements (over 283 materials reviewed) and the Operations & Planning Report – and several other Congressional or other interagency reports on materials such as tantalum and rare earths. Strategic Materials leadership engaged regularly with representatives from Legislative Affairs on various proposed pieces of legislation related to the Department’s strategy for access to critical and strategic materials, as well as future changes to the Transaction Fund and the Stockpile Act to support NDS operations.

In the area of recycling, Strategic Materials advanced recycling initiatives for various materials, including a proposal to establish a closed loop germanium (Ge) recycling program from the NDS to support the National Security Space Industry Title III Office, boron carbide material recovered from damaged DoD body armor plates, lithium-ion battery recycling for recovery of nickel and cobalt and an electronic waste recovery and recycling program for critical and strategic materials. The Strategic Materials Recovery and Reuse Program (SMRRP), which reclaims strategic and precious metals from excess government-owned turbine engine components for super alloys (nickel, cobalt, and titanium) has generated 849,000 net pounds of recycled super alloys from the hot sections of turbine engines. Strategic Materials also continued its partnership with J6 R&D with multiple Small Business Innovation Research projects focused on developing domestic sources for various critical and strategic materials.

FY 21 also saw the continuation of several ongoing environmental projects to restore and remediate land that was damaged as a result of past material storage and handling practices that allowed chemical constituents to leach into soil and water. Strategic Materials is currently remediating its former depot in Somerville, NJ, which had stored materials including chromite, zinc, aluminum, lead, ferrochrome, bauxite, and mercury. Working with various federal, state, and local stakeholders, Strategic Materials has excavated all impacted soil, asphalt, concrete, and rail lines. Excavated grass areas have been backfilled with clean fill, covered with topsoil and lime, and hydro-seeded to revegetate. To date, 135,000 tons of contaminated soil and 4,750 tons of contaminated asphalt have been disposed of, and an equivalent amount of clean fill has been brought to the site to refill the excavation areas. More than 15 acres have been revegetated to support native New Jersey ecosystems. Overall, this project has cleaned nearly 25 acres of contaminated soils and sediment. The project will continue into FY 22.

# Defense Logistics Agency

## DLA Finance (J8)

### Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**HEADQUARTERS**  
**8725 JOHN J. KINGMAN ROAD**  
**FORT BELVOIR, VIRGINIA 22060-6221**

September 23, 2021

MEMORANDUM FOR DEFENSE LOGISTICS AGENCY (DLA), HISTORIAN

SUBJECT: Submission of the DLA Finance (J8) FY 2021 Annual History Report

I am pleased to forward the J8 input for the FY 2021 Annual History Report. FY 2021 has been a year with some exceptional challenges, whether it was supporting COVID-19 efforts, continuing to support full time telework for the J8 workforce, managing cash and obligation authority or continuing the work towards audit sustainment.

The attached report recognizes and shares the great things our entire J8 team is doing to support the Warfighter and our DLA Strategic Plan. It highlights J8's many accomplishments this year, especially related to having fiduciary responsibility for over \$40B in resources. In accomplishing our financial role, warfighter support is always first as we seek new opportunities to reduce costs in these demanding times.

We will have many challenges ahead of us as we lead financial-related efforts on the Agency's behalf. I look forward to meeting the demands coming our way.

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J. ARTHUR HAGLER  
Director, DLA Finance  
Chief Financial Officer

## 1. Introduction

The DLA Finance (J8) Director/Chief Financial Officer (CFO) serves as the principal financial advisor to the DLA Director and is the primary advocate for the agency when working with the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) and the Office of Management and Budget (OMB). J8 provides leadership and guidance to facilitate DoD's financial management requirements. DLA Finance performs the full spectrum of financial management services for DLA's three funds (Working Capital Fund (WCF), General Fund (GF), and National Defense Stockpile Transaction Fund (Transaction Fund (TF))), to include programming, budgeting, execution, accounting, financial reporting, audit response and sustainment, process management, process health, financial policy, and human performance and strategic planning for its workforce. DLA Finance operates with integrity and accountability in a cost-conscious culture and maintains strong, agile relationships with its internal and external partners while upholding its fiduciary responsibility to the taxpayer.

The J8 Headquarters (HQ) is at Ft. Belvoir, VA. The J8 HQ Division Directors as well as the G-Invoicing Program Management Office and the Financial Policy Office Directors report to the Deputy CFO directly or through the Accounting Officer. J8 has offices located at the DLA Major Subordinate Commands (MSCs) and those offices are named to coincide with the activity they support; (e.g., DLA Finance Troop Support or DLA Finance Distribution). The MSC Comptrollers and the J8 Human Capital Office Director report directly to the CFO.

### a. Key events:

1. Supported the nation's COVID-19 response
2. Supported Operation Freedom's Sentinel, Operation Resolute Support (ORS), Operation Allies Refuge (OAR), and Operation Allies Welcome (OAW)
3. Supported Warstopper program increases
4. Continued Financial Statement Audit Engagement and Remediation
5. Established Government Invoicing Office
6. Implemented 100 percent telework in response to the pandemic

### b. Key accomplishments:

1. Managed over \$40 billion in obligation authority in three funds: Defense-Wide Working Capital, General and Transaction.
2. Met Defense-wide Working Capital Fund Supply Chain Management cash commitments through aggressive management of Material Replacement Rates.
3. Ensured funding replenished inventories and maintained service readiness.
4. Provided COVID-19 support to the Federal Emergency Management Agency (FEMA), Department of Health and Human Services (HHS), and other federal customers. As of Sep 30, obligated \$4.7 billion for COVID-19 support.
5. Progressed towards a Transaction Fund Financial Statement audit opinion.
6. Prioritized the auditor's Notice of Findings and Recommendations and composed Corrective Actions Plans to achieve J8 targets.

7. Led DLA and the Department of Defense in implementing G-Invoicing.
8. Processed 66 internal publications and reviewed/coordinated 62 issuances.
9. Developed plan to transfer the unliquidated obligation (ULO) management from J7 to J8 at the start of fiscal year 2022. Reviewed current procedures for potential policy and process updates.
10. Supported Strategic Data Services as it downsized from three divisions to two, impacting 24 site facilities/locations.
11. Published a DLA Manual (DLAM) for documenting third-party relationships affecting DLA's Internal Controls over reporting.
12. Published a Standard Operating Procedure (SOP) to improve the auditability of DLA's use of third-party service organizations.
13. Developed 28 unattended robotic applications (BOTs).
14. Established business rules to reconcile supply and demand requirements.
15. Developed a method for reconciling DLA's Budget Exhibit Fund 11 with the military services' Fund 11/OP-32.
16. Supported efforts to minimize ordering with "XP" (manual billing) fund codes.
17. Worked with Defense Finance and Accounting Service (DFAS) to reduce manual workload.
18. Facilitated the transfer of 937,058 National Stock Numbers (NSN) and budget authority totaling \$560 million off of \$724 million in sales from the Industrial Hardware Supply Chain to the Aviation, Land, and Maritime supply chains.
19. Conducted 173 control compliance tests on 10 unique processes. These tests provide invaluable information regarding risks and areas requiring additional focus.
20. Helped develop a knowledge-sharing session for contract administrators; delivered four sessions to nearly 200 J7 and J8 personnel. These sessions spread awareness of common issues with contract closeout, reducing reoccurring post-award inquiries.
21. Enabled DLA's material supply chains to the support the USDA Forest Service as it addressed severe, prolonged wildfire disasters across the West Coast.
22. Participated in a cross-functional working group tasked with improving customer/vendor/DLA experience with timely/accurate receipting of Subsistence Prime Vendor deliveries. Developed BOT solution to enhance customer/vendor process, reduce manual workload, and obtain more accurate/timely data. Pilot rolled out Memorial Day Weekend 2021 for customers in the Southern California prime vendor AOR serviced by US Foods La Mirada, with plans to expand/scale to other vendors/locations.

#### c. Key Challenges:

1. J8 continued to monitor the CRR and has maintained a relatively flat CRR since FY 17. In the FY 23 budget estimate, DLA is required to ensure that our budget maintains a cash balance within lower and upper operating limits. DLA Energy and supply chain rates must therefore be set accordingly. This requirement will increase the CRR but not reduce DLA efforts to improve cost management and transparency.
2. J8 continued supporting efforts to reduce use of the XP fund code. DLA receives approximately \$12.2 billion in customer orders through manual billing each year, which precludes visibility of customer new orders by appropriation. DLA is working with customers to

comply with the DoD Financial Management Regulation (FMR) to reduce and/or eliminate manual billing and promote the automated MILBILLS process. In addition to budget reconciliation issues, use of the XP fund code creates manual workload, increasing costs and delaying collections.

3. Resources and efforts were shifted to nation-wide COVID-19 support (Personal Protective Equipment (PPE) items) to support FEMA and HHS as well as DoD. Financial resources and systems are being used to track spending and sales at the line-item level.

4. Developing Standard Operating Procedures (SOPs) based on financial mission needs and findings from the independent public accountant.

5. Managed costs across the agency and tracked savings and cost avoidances.

6. Improved our Risk Management Internal Control program in support of A123 and the Financial Statement Audit.

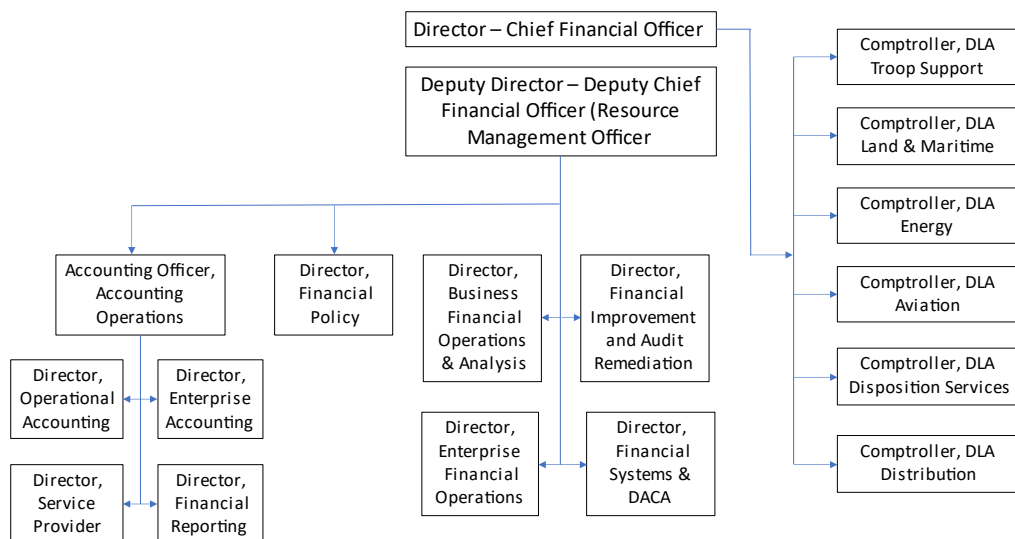
7. Established a G-Invoicing Center of Excellence and Program Management Office to facilitate implementation.

8. Invested in our people to ensure they have the tools necessary to succeed (AI, blockchain, DFMC, CDFM).

9. Continued to develop a reliable cash model. Through enhanced tools and capabilities, we will improve our cost and cash management of the Defense-wide Working Capital Fund.

## 2. Organization

a. DLA Finance was authorized 718 positions in FY 21, organized in accordance with the chart shown below.



b. J8 operated as a high-performance entity that sustained accurate and reliable financial reporting and audit remediation, provided accounting and financial performance that met or exceeded stakeholder expectations, and operated with high standards for efficiency and financial

effectiveness. The CFO focuses on the fundamentals of financial management, ensuring adherence to basic principles of accounting and providing finance support in a dynamic operating environment. Our ability to attract, develop, and retain a diverse, skilled, and agile workforce is vital to our continued success. To achieve a shared vision with the agency's Strategic Plan, J8 employees and leaders work together to fortify the culture, reward performance, build connections and prioritize the safety.

c. Developed policy which assigns responsibility and prescribes procedures for the DLA Government-Invoicing (G-Invoicing or G-INV) Program Management Office, to include the G-INV General Terms and Conditions (GT&C) Center of Excellence and cross process teams.

(1) Issued Directive-Type Memorandum (DTM) 21-005, which authorized a PMO with appropriate staffing and missions and functions pending issuance of a General Order.

(2) Justified an FTE increase beginning in FY 2022 to accomplish the increased workload as a result of the new guidance from U.S. Treasury and OSD which is intended to improve business operations and stewardship of taxpayer dollars.

### **3. People and Culture:**

Consistent with the DLA Strategy, DLA Finance supported the DLA Director's commitment to develop leaders, resource the Enterprise, manage talent, fortify culture, reward performance, and build connections.

#### **a. Key Personnel:**

(1) The DLA Finance organization was headed by two Senior Executive Service officials: Mr. J. Arthur Hagler and Mr. Jeffrey Zottola. These executives led an organization that (1) serves as the lead on all DLA financial management matters, (2) maintains effective financial management and control for the DLA enterprise, (3) assures DLA compliance with federal financial management laws and regulations and DoD financial regulations, (4) assures the availability of budgetary resources necessary to perform DLA's mission, (5) assures that agency funds are managed and controlled in accordance with federal laws and regulations and DoD financial regulations, (6) assures DLA's three agency financial reports are produced, (7) directs the administration of agency financial functions: management, operations, reporting, and compliance, (8) acts as the agency's financial management process owner, assuring that financial systems and processes are effective, efficient, and compliant with federal laws and regulations and DoD financial regulations, (9) determines financial mission resource requirements and efficient allocation of resources, and (10) manages and administers Office of Management and Budget (OMB) Circular A-136 requirements for Financial Reporting.

#### **b. Other functions performed by HQ J8 offices include:**

(1) Directing enterprise accounting, financial reporting, financial analysis, and headquarters accounting operations

(2) Issuing and updating policy relating to financial operations and reporting, providing centralized J8 policy interpretation and guidance and coordinated policy guidance implementation.

(3) Management and performance of DLA enterprise-wide accounting analysis

(4) DLA Enterprise Business System (EBS) trial balance management to assure the integrity of DLA financial reporting.

(5) Overseeing the finance and accounting support procured from the DFAS

(6) Maintenance of the J8 Human Capital Strategy and Plan

(7) Development, coordination, and execution of J8 education and training

c. MSC Comptrollers are responsible for:

(1) Providing financial management and control in support of MSC programs and stakeholder requirements

(2) Administering Planning, Programming, Budgeting and Execution System for their supported Command

(3) Working with supported MSC/SC to formulate, prepare, justify, and execute the Defense-Wide Working Capital Fund budget

(4) Presenting, justifying and supporting J8's budget estimates at hearings conducted by DLA, OSD, and OMB

(5) Implementing DLA policy for standard pricing. Establishing cost recovery rates, developing sales estimates and materiel obligation requirements

(6) Ensuring the timely and accurate recording of accounting transactions in accordance with financial reporting requirements

(7) Maintaining accuracy of accounting information

(8) Overseeing accounting services provided to them by DFAS.

(9) Serving as the MSC/SC subject matter expert (SME) on financial process health

(10) Performing analysis of MSC/SC reporting requirements and internal controls

(11) Serving as the MSC/SC J8 SME for financial system and process management

(12) Ensuring MSC/SC accounting and financial systems functional processes are integrated and perform as required.

(13) Supporting MSC J8 financial offices validate financial data, analyze issues, and document requirements for CAPs/RFCs.

(14) Analyzing and reconciling accounts

(15) Participating in the DWWCF management of cash and cash conservation plans

(16) Implementing funds holder policy

d. Culture:

Organizational culture refers to the underlying beliefs, values, and assumptions held by members of an organization, and the practices and behaviors that exemplify and reinforce them. More simply, its **“the way WE get things done around here.”**

**C**ost consciousness – while always maintaining the Warfighter Always mentality, strategically minimize costs and show a benefit to our customers. Understand long-term value and efficiency of every decision. Focus on strong and sustainable cost discipline. Consistently deliver value-added financial products at the least cost.

**A**lways accountable – the annual audits require a new way of thinking across DLA. DLA will use the annual audit report to build a better financial reporting foundation. Audit is a journey; audit advancement describes our positive progress toward reaching the goal.

**P**artners – maintaining strong relationships with our partners. We celebrate and leverage differences to deliver innovative and effective outcomes tailored to our partners' needs.

**I**ntegrity – we deliver reliable financial products, every time!

**T**eamwork – collaborating with organizations both inside and outside of Finance, we provide complete and accurate information to support timely, informed decision-making.

**A**gility - responsive to customer and leadership's evolving requirements and financing the DLA mission.

**L**earning – leveraging J8's talents with learning opportunities throughout the financial domain and participating in personnel development to achieve individual excellence and maintain a continuous learning culture.

DLA Finance continued to operate in a manner consistent with our culture and values, even while working in an almost 100% telework environment! Maintaining a strong culture and positive atmosphere is critical to DLA's core values and J8 leadership sought a positive work culture for all employees as we faced many challenges of COVID-19. J8 continued to use its Human Capital Advisory Group (HCAG) to provide information and key messaging surrounding the events of COVID-19, to include policies, procedures, and future work efforts. It continued to assist the CFO in developing multi-functional financial specialists who understand events that drive financial outcomes, updated communication plans and guidebooks, standardized processes, and reviewed J8 Human Capital Policies to ensure consistency in measuring job performance and rewarding employees. Additionally, J8 leaders reviewed several J8 performance standards to better align them with duties being performed by our financial staff and provide more specific narrative for measuring work performance.

The 2020 Denison Culture Climate Survey was delivered to the workforce in Nov 2020, with roughly 400 J8 employees participating. As a result of the survey, all four survey indices for J8 shifted into the fourth (highest) quartile, demonstrating an overall employee satisfaction and pride to work in the J8 organization. As a result, the CFO and DCFO have created the FY 21 J8

Culture Action Plan to not only maintain the improved culture in J8, but also exceed the exceptional previous results.

Leadership formed the Fresh Focus Group to share knowledge and innovate resources for initiatives such as professional development, networking, and retention of personnel. The group's priorities align with collaboration and integration across all organizations in J8; develop employees with skills needed to increase productivity and confidence in their abilities; create employee awareness of clear career paths; and to shorten the bridge between senior leaders and the workforce, encouraging bottom-up communication and top-down commitment.

The group continued to move forward in FY 21 with their second initiative, the J8 career development roadmaps. This initiative replaces the initiative formerly known as Fast Track, a previously used career developmental program that shaped career paths for J8 employees. The group has leveraged SMART goals to assist with addressing the core needs of the roadmaps, with intentions to cultivate a capable and empowered workforce.

DLA Finance requires that all employees obtain DoD FM certification; or use other OUSD(C) approved Alternate Certificate, with 100% of their staff certified within the required timeframe. DLA Finance also had its own mentor/protégé program. This program provides finance leaders with an enhanced competency base, builds collective knowledge, aids in recruitment, strengthens retention, fosters a cost-effective "learning environment," and promotes more inclusive management practices.

#### **4. Total Personnel:**

DLA Finance has a consistent workforce of approximately 700 employees across the continental United States (CONUS) with an authorized end strength of 718 positions. At the end of FY 21, DLA Finance had 682 employees on-board with a total of 671 Full Time Equivalents. They remain positioned to meet their goals.

#### **5. Historical Narrative**

##### **a. Fiscal Stewardship critical capability:**

DLA J8 is the OPR for Fiscal Stewardship, one of the three critical capabilities (CC) in the new DLA Strategic Plan. This CC has three objectives. They are:

(1) B.1 Auditability - Fiscal Stewardship: The first objective is tied to the OSD-approved DLA Audit Roadmap. DLA Finance is recording strategic plan tasks in the DLA 4-week execution tool to manage near term actions and document achievements.

(2) B.2 Cost Visibility & Cash Management: Cash Management and Cash Visibility has two major efforts. The first is the Cash Model on which J83 Data Analytics has been partnering with the J6 Analytis Center of Excellence. J83 has established a bi-weekly meeting with J6 ACE and CFO/DCFO to work requirements, issues, and decisions. The second initiative is Financial Transparency. J83 is working closely with DLA J3 for LOE 3 and recently began meeting with distribution focal points on a current system capability to provide cost transparency to the military services.

(3) B.3 Investment to drive efficiency and effectiveness: CFO/DCFO direction has been extremely valuable guiding the final objective, efficiency and effectiveness. Maximum use is being made of the Business Case Analysis (BCA) process, Continuous Process Improvement (CPI) program led by DT, Contract Reviews (SRRB), and the Program Budget Review (PBR) processes. The MSC work accomplished in the BCAs, CPI, PBR, and contract reviews will drive how well DLA and J8 execute the Strategic Plan. In the PBR cycle, 27 Direct BCAs were submitted and of those, 19 were approved.

J8 also has OCR assignments for three of the lines of effort. They are:

(1) LOE - Support the Nation / 2.1 Objective – Formalize targeted approach to Whole of Government and organizational structure to support.

(2) LOE - Trusted Mission Partner /3.2 Objective - Provide greater financial transparency to customers.

(3) LOE - Modernized Acquisition and Supply Chain management/4.2 Objective – Improve the end-to-end post-award segment to enable collaborative customer support, increase responsiveness, and manage costs.

#### b. Achievements and Milestones

(1) Established CFO financial improvement priorities in accordance with audit findings, OSD Comptroller goals and objectives, and DLA Director strategic plan and directions.

(2) Continued to hire and train our workforce to perform their job roles in accordance with the General Order missions and responsibilities.

(3) Reviewed selected performance standards to better align them with duties being performed and to provide more specific narrative for measuring performance.

(4) Wrote new position descriptions to eliminate standardization, where necessary.

(5) Conducted Position Management reviews in the HQ J8 Staff Offices to reflect more specific duties and responsibilities.

(6) Utilized technology to deliver virtual training to accommodate remote working conditions as a result of COVID-19.

(7) Delivered six formal On Boarding training sessions for 20 new employees.

(8) Collaborated with FEMA and HHS to ensure accounting and financial statement completeness and accuracy for all three agencies when reporting on the \$2.37B worth of advance payments for COVID-19 relief.

(9) Launched the J8 Accounting Guidance Review Implementation Team (AGRIT). Published Charter and Standard Operating Procedures to support Notice of Findings and Recommendations (NFR) Corrective Action Plans (CAPs).

(10) The AGRIT reviewed newly issued Statement of Federal Financial Accounting Standards (SFFAS) to identify, develop and implement J8 actions to ensure compliance with SFFAS Generally Accepted Accounting Principles for federal entities.

(11) Worked with Agency Financial Reporting (AFR) Action Officers to improve the quality of the supporting data that is included in the AFR.

(12) Issued a comprehensive Financial Reporting Procedures SOP 7710.11.001, which outlines not only the monthly and quarterly financial reporting process but also contains sound internal controls to address material weaknesses identified during the financial statement audit.

(13) Enhanced our accounting and business process analyst competencies and skill sets by updating training material and conducting 35 formal training sessions which resulted in 499 employees being trained for the J8 workforce.

(14) Issued a comprehensive Financial Reporting Procedures SOP which outlines the monthly and quarterly financial reporting process and contains internal controls to address material weaknesses identified during the financial statement audit.

(15) Implemented financial policies in accordance with audit findings.

(16) Produced and published the three DLA agency financial reports on time, a significant achievement which required constant communication with the Independent Public Auditor and J8 and DLA enterprise-wide mission stakeholders while the agency's workforce was teleworking full time.

(17) Supported Transaction Fund Subject Matter Experts (SMEs) in their efforts to obtain a modified audit opinion in FY 21. Provided advice on concepts and issues to address compliance with Generally Accepted Accounting Principles (GAAP).

(18) Continued to remediate financial systems deficiencies limiting detailed account reconciliation and analysis at the enterprise, MSC/supply chain and fund levels.

(17) Submitted seven US Standard General Ledger and Treasury changes for DLA's Enterprise Business System as a result of updated guidance. Developed mitigation strategies until the changes can be implemented.

(18) Supported the tracking of financial impact to DLA of the Afghanistan retrograde, monitoring changes in obligations/sales against accelerated drawdown schedule – specifically, ability to meet the guaranteed minimum on the five-year Subsistence Prime Vendor Afghanistan award made Mar 2020 prior to announcement of drawdown plans.

(19) Supported efforts to modernize food service to customers on-base; by end of FY 21, 10 kiosks and 11 food trucks were in operation with additional expansion planned for the future. Finance supports acceptance & execution of customer MIPRs for actual Food Truck assets and equipment, as well developing analysis for sales locations with kiosk/food trucks.

### c. COVID-19 Support

(1) Supported Warstopper program funding increases, which to date has provided over 6.4M N95 masks and other critical PPE, as well as over 8,000 ventilators.

(2) Supported Vaccine operations; obtained Defense Health Agency (DHA) COVID-19 Funding for the distribution and other miscellaneous support costs for the vaccine.

(3) Supported USAID for India and Nepal. Obtained funding for both India and Nepal for medical material and Personal Protective Equipment (PPE) in support of COVID-19; included items such as face shields, face masks, human remains pouches, rapid diagnostic tests, O2 concentrators, and N95 masks.

(4) Supported Clothing & Textiles (C&T) supply chain with the processing and tracking of a funded order from the Department of Health and Human Services, which had White House-level visibility, for the procurement and distribution of approximately 26.6 million cloth masks for disadvantaged populations at designated food banks, health centers, and reservations.

(5) Supported C&T with financial requirements for the procurement of reusable gowns and disposable isolation gowns for the HHS Strategic National Stockpile, as well as surgical gowns for FEMA distribution centers. Through Jun 2021, COVID-19 support by C&T was approximately \$510 million or 26% of FYTD 21 sales.

(6) Assisted with processing billing adjustments and coordinating with DFAS for payments to vendors supporting COVID-19 requirements to insure timely payments.

(7) Drafted a White Paper to answer the Ernst Young (EY) request on DLA distribution and accounting of COVID-19 vaccines. The White Paper addressed how DLA is serving as a distribution point, the accounting treatment of the vaccines and how at no time the vaccines were included in inventory. It also set the base for the policy memorandum on the same topic signed by the Chief Financial Officer.

(8) Robotic Process Automation Customer Receipt “Bot” – participated in cross-functional working group tasked with improving customer/vendor/DLA experience with timely/accurate receipting of Prime Vendor deliveries. Developed BOT solution leveraging RPA technology to enhance customer/vendor process, reduce manual workload on DLA, and result in more accurate/timely data available for decision-makers. Pilot rolled out Memorial Day Weekend 2021 for customers in the Southern California prime vendor AOR serviced by US Foods La Mirada, with plans to expand/scale to other vendors/locations.

# Defense Logistics Agency

## DLA Joint Reserve Force (J9) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221**

IN REPLY  
REFER TO

J-9  
15 October 2021

MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: DLA Joint Reserve Force (J9) Fiscal Year 2021 History Report

I have reviewed the JRF's submission for chronicling Defense Logistics Agency history for fiscal year 2021 and would like to forward my endorsement.

You may contact me with any questions at 571-767-7277 or [kristin.kremer@dla.mil](mailto:kristin.kremer@dla.mil).

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KRISTIN D. KREMER  
Deputy Director  
DLA Joint Reserve Force

Attachment: DLA Joint Reserve Force (J9) Fiscal Year 2021 History

## **1. Introduction**

The range of Defense Logistics Agency Joint Reserve Force accomplishments in FY 21 show just how critical the staff element is to the agency. J9's success can be credited to its jointness. Working together across services means skilled labor is directed at the most important projects.

In particular, the DLA Troop Support Joint Reserve Force provided medical cold-chain support, important in today's COVID-19 environment when vaccines require strict temperature control throughout the distribution process. The team also inspected steel-toe combat boots, a crucial safety measure for a crucial safety item.

Team members from the DLA Disposition Services Joint Reserve Force deployed to Afghanistan to retire or destroy property in preparation for the withdrawal of American forces. Closer to home, the team led several re-warehousing projects.

DLA Aviation Joint Reserve Force had so many accomplishments during the fiscal year that highlighting some risks not mentioning others just as important. The team researched the operating status of 552 vendors, critical information in the age of coronavirus. It also helped identify backorder drivers and compile aged backorder listings, critical efficiency measures. A third highlight is the work the team did to align missions and functions for the command's 200-plus reporting units with DLA Aviation's operating plan. A fourth, but by no means final, highlight is audit support, which moved the agency closer to compliance with generally-accepted accounting standards.

Last but not least, DLA Energy JTF participated in some of the year's most important events, to include hurricane support, Afghanistan withdrawal, and command post training in Korea.

## **2. Organization**

The Joint Reserve Force (JRF) is a two-star Directorate led by a Navy rear admiral (upper half) and supported by a full-time staff of Army and Navy active-duty service members and DoD civilians. Under the Director and Deputy Director are three divisions – J91 (Personnel), J93/7 (Operations, Training, and Readiness), and J95/8 (Joint Plans, Policy, and Finance) – and special staff (Special Assistant to the Director, Public Affairs and Judge Advocate General). Reserve joint team leads (JTLs) serve as the Directorate's liaisons with key components. They are located with their components but report to J9 Director. For FY 20, the joint reserve force had JTLs with DLA Logistics Operations, DLA Aviation, DLA Disposition Services, DLA Distribution, DLA Energy, DLA Land & Maritime, and DLA Troop Support.

### 3. Total Personnel:

#### **Service-funded Authorizations**

Navy Reserve	326
Army Reserve	196
Air Force Reserve	127
<u>Marine Corps Reserve</u>	<u>14</u>
<b>Total</b>	<b>663</b>

#### **DLA-funded Authorizations**

Full-time Equivalent	7
<u>Officers</u>	<u>3</u>
<b>Total</b>	<b>10</b>

### 4. Historical Narrative

#### a. DLA Troop Support JTF

##### (1) Missions

- (a) Processed COVID-19 TempTales for the Medical Cold Supply Chain.
- (b) Continued Medical Cold Chain support throughout the pandemic.
- (c) Began daily weekday support to the Medical Directorate.
- (d) Coordinated cross-MSD short-notice support to the C&T Directorate:

Navy-issued boot inspection at vendor Peckham in Lansing, MI.

##### (2) Developments

(a) Imbedded JRF members into DLA Troop Support's Command and Control Center (CCC). Worked with the principals to develop a comprehensive joint support plan that incorporates a rapid response group for contingency operations.

(b) Created joint rating chains based on supply chain support alignments. Developed cross-training plans for each supply chain and the CCC.

#### b. DLA Land and Maritime JTF

##### (1) Introduction:

The DLA Land and Maritime JRF provides a ready and available force capable of supporting CONUS and OCONUS missions. The JRF is comprised of thirty-five reserve and individual augmentees (IMA) from the Army, Air Force, Navy, and Marine Corps. While there are no full-time personnel, the Personnel Division at DLA Land and Maritime provides support.

##### (2) FY 21 Budget/Execution/Operational Support

JRF Land and Maritime was not granted financial allocations or provided any travel support for FY 21. Annual Training (AT), Active Duty for Training, and Inactive Duty for Training were all funded by the services. Where applicable, DLA Land and Maritime funded Personnel Force Innovation (PFI) tours and Active Duty for Special Work. Each member will have satisfied his/her AT exercise requirements on or before Sep 30, 2021.

### (3) Line of Effort 1: Warfighter Always Accomplishments

The Joint Reserve Force at Land and Maritime ended the year with a personnel strength of 85% and a readiness rate (medical/dental/clearance) of 90%. It provided exercise support, conducted PFI Tours, participated in the Industrial Hardware mission, saved \$11 million by reviewing 500 lines in the Counterfeit Detective and Avoidance program, expedited 1,089 requisitions valued at \$6,379,680 for inventory reduction, and reviewed more than 3,294 lines of contracts valued at \$11,068,814 for the Non-NSN project.

#### c. DLA Aviation JRF

##### (1) LOE 1: Warfighter Always

The DLA Aviation Joint Reserve Force worked with a mission-oriented focus under the Customer Operations Directorate and Supplier Operations Directorate over the last year. JRF Aviation personnel identified an area for improvement in alignment under DLA Aviation's Audit, Process Compliance and Risk Management Directorate. Following identification of a need, JRF Aviation members created the Audit Readiness, Process Compliance and Risk Management (ARPC&RM) Branch.

Within Customer Operations (CO), service members focused on Backorder Drivers and Aged Backorder Listings. Service members researched 513 national item identification numbers (NIIN) for aircraft such as the CH47, H60, KC-130, F-18, and B-2, identifying 90,000 customer backorders worth more than \$40,587,202. Service members also utilized ILSMART, an Inventory Locator Service resource, to find surplus material that contributed to emergency buy contracts with vendors such as Brown Helicopter, HD Aero Support, Unical Defense Inc, and Broadwing Aviation L.P.

Service members assigned to Supplier Operations analyzed the business status of 552 vendors. Only seven were deemed invalid. Continuous research yielded actionable information eased on individual contract performance and COVID-19's impact on supply chains.

In launching the ARPC&RM Branch, DLA Aviation JRF sought to maintain stewardship through audit readiness and sustainment, process compliance, efficiency, and audit integrity of all DLA Enterprise Business Cycles and system interfaces. The ARPC&RM Branch created and executed local programs for Enterprise Risk Management and the Risk Management and Internal Control program. In addition, JRF Aviation service members completed projects that promoted efficiency in DLA's internal control processes, converting end-to-end (E2E) processes in business enterprise architecture to a user-friendly Excel document format and creating repositories for DLA issuances, DLA expired issuances, and other key documents.

The ARPC&RM Branch contributed to key MSC mission objectives. Service members reviewed a draft of DLA Manual (DLAM) 5010.40 Volume I (Risk Management) and Volume II (Internal Controls), assessing the clarity of guidance and identifying areas that

required more information or explanation. The team also validated the completeness and accuracy of internal control performed by DLA employees at Tinker Air Force Base (AFB), Warner-Robins AFB, and Ogden-Hill AFB. Notably, the ARPC&RM Branch created a repository for all Mission and Function (M&F) information for DLA Aviation's over 200 subordinate organizations. This action aided the execution of DLA Statement of Assurance deliverables. ARPC&RM Branch service members generated several products including an Official Issuances & Expired Issuances Records Excel Workbook, the ASG #3606 DLA Aviation Historical Report Oct 2020 to Jan 2021 Excel Workbook, a Risk Management Process PowerPoint, and the Audit Calendar and the Process of Cycle Memorandum Checklist.

## (2) LOE 2: Global Posture

The JRF Aviation unit drilled in an all-virtual battle assembly (VBA) environment from Oct 2020 through Aug 2021 in response to the COVID-19 pandemic. JRF Aviation anticipates returning to Onsite Battle Assembly (OBA) in Sep 2021. The unit demonstrated adaptability in achieving "Strategic Positioning" as a "Joint Reserve Force" to maintain operational support and readiness in an all-virtual environment., JRF Aviation overcame COVID-19 restrictions by utilizing digital platforms such as CVR Microsoft (MS) Teams, DoD MS Teams, DLA MS Teams, Cisco meeting platforms, audio bridges and other collaborative platforms.

Over the year, JRF Aviation leaders developed more efficient ways of validating service member, increasing service member readiness by 15%.

All service personnel assigned to JRF Aviation completed all FY 21 General Military Training and Total Force Annual Training. Due to the COVID-19 restrictions, training was conducted remotely in online service training systems or by group in MS Teams. Each branch within JRF Aviation held individual and group training sessions for members to increase mission-oriented knowledge and skills development for onboarding service members. Topics included Controlled Unclassified Information and DLA automated systems such as Inventory Locator Service Mart, FEDMALL, and SASOR. JRF Aviation leaders encouraged servicemembers to seek other training sources through Joint Logistics and Defense Acquisition University courses. Other opportunities included Aviation Production Governance Board meetings, preliminary Order-to-Cash Business Process Overview meetings, and Industrial Plant and Equipment continuous process improvement meetings.

## (3) LOE 3: Strong Partnerships

Directed by the DLA Aviation commander, Air Force Brig. Gen. David Sanford and the DLA Aviation Joint Team Leader, Colonel Rebecca Schultz, JRF Aviation service members continued working with DLA Directorates and civilian DLA personnel to refine organizational integration. Alignment with mission and operational support greatly influenced JRF Aviation organizational structure. The new structure highlighted integration between all service branches with commissioned and enlisted service members. The integration embraced joint force concept that fosters innovation while welcoming ideas and creativity. Each Branch demonstrated commitment to developing strong partnerships and functional working relationships with their full-time counterparts.

The JRF Aviation and civilian DLA Customer Operations Team collaborated to ensure efforts were aligned with mission priorities. Prior to each drill weekend, JRF Aviation service members and civilians identified projects to be completed. These meetings also provided insight into issues or barriers affecting productivity. JRF Customer Operations intends continue to collaboration with civilian.

The ARPC&RM Branch established a rhythm of meeting full-time counterparts in morning and afternoon sessions.

#### (4) LOE 4: Whole of Government

JRF Aviation helped offset the workload of full-time staff for the LOE *Whole of Government* during the COVID-19 pandemic. Work accomplished by the reservists contributed to significant increases in collaboration with government partners.

The unit successfully adapted to an exclusively virtual environment, gained new efficiencies utilizing virtual collaboration platforms, and maintained a well-trained and ready force. JRF Aviation leaders and servicemembers exchanged best practices throughout the JRF-Aviation team. By providing adequate support while launching VBA formats, JRF Aviation fulfilled all readiness and training requirements.

In looking ahead, JRF Aviation is prioritizing complete strategic alignment with J9 and DLA's Lines of Effort. Major foci remain individual service member readiness, training proficiency, and professional development. JRF Aviation is looking forward to returning to Onsite Battle Assembly and further MSC integration by securing space for servicemembers to drill in the main Aviation building. JRF Aviation integration will maximize accessibility and leverage the professional experience and technical expertise of servicemembers.

#### (5) LOE 5: Always Accountable

JRF Aviation prioritizes both personal and professional accountability. Under the LOE *Always Accountable*, the team realized several key wins operating virtually. Eliminating travel for the 21 members who lived greater than 50 miles from Richmond, Virginia, saved \$63,000. Eliminating billeting saved \$18,900. JRF Aviation also realized a work production increase during the same timeframe. Three additional JRF members participated in virtual drills, fully engaged for roughly 10 hours on each of three drill days, increasing mission support 20%.

Lastly, the J9 Director's vision for the Joint Reserve Force was realized in the JRF Aviation joint reorganization plan. Due to the flexible nature of an all-virtual operational setting, many service members chose to reschedule their individual drills. Each branch within the new structure has blended representation of each service.

#### (6) People and Culture

(a) JRF Aviation has thirty-four total authorized billets with eleven vacancies at the close of FY 21. Current manning is 74%. The U.S. Air Force team has seven authorized positions, four which are filled. The U.S. Marine Corps has two funded positions with one filled. The U.S. Navy has fifteen billets and is currently at 86% manned. The U.S. Army has ten billets, all of which are filled.

(b) The JRF Aviation Cultural Committee meetings continued collaborative discussions throughout this year. Following the SWOT strategy developed and executed by the JTL and SEL, the Dennison Survey was released to service members. Overall response rate increased by 6%. JRF Aviation established a Culture Action Board to evaluate the results and establish actions focused on mission integration priorities, communicating, and establishing clear goals for annual training. The Culture Action Board identified an area of need within the communication line between JRF Aviation and J9. A collateral Executive Officer (XO) position was launched during May VBA duties of synchronizing resources and information to take on the myriad of tasks from J9 as well as ensuring readiness posture for each service member.

JRF Aviation recognized individual achievements by presenting three Joint Service Achievement Medals (JSAM), two Joint Service Commendation Medals (JSCM), and seven Defense Meritorious Service Medals (SMSM). The unit also hosted two retirement ceremonies.

#### d. DLA Disposition Services JTF

(1) DLA Disposition Services conducted two reorganizations in FY 21

(2) In Jun and Jul, 12 members of DSU-1 provided over 960 hours of post-COVID-19 support to DLA Disposition sites at Joint Base Lewis-McChord and Fort Bragg. An additional four members provide support at Joint Base Lewis-McChord and Camp Pendleton. Overall, DSU-1 provided over 2,000 hours of post-COVID-19 recovery support during the three summer months of 2020.

(3) DSU-1 returned to limited in-person drill Sep 2020 and transitioned to full in-person drill Oct 2020. By Mar 2021, DSU-1 had returned full spectrum support to Disposition Site Lewis and nearly 20% of unit had performed local annual training. DSU-1 processed nearly \$4 million in property in Q1 of FY 21 alone, demonstrating significant productivity while experiencing zero COVID-19 cases.

(4) One DSU-2 member returned from Kuwait and three from Qatar in support of DLA Disposition Services.

(5) DSU-2 provided over 1,720 hours of CONUS-based support to DLA Disposition Services – a value of at least \$234,000.

(6) Six service members from DSU-2 provided exercise support to DLA Disposition Services COREX 21, with three members deployed to Guam and another three to Battle Creek, Michigan.

(7) DSU-3 provided over 4,409 hours of support, processing 8,920 line items totaling \$2,211,001.06.

(8) DSU 3 members attended 15 DLA-sponsored schools in FY 21, increasing unit training readiness 30%.

(9) DSU-3 hosted the FY 21 Expeditionary Forces Leadership Huddle in May 2021 in Salt Lake City. Six leaders from DSU 3 participated.

(10) Three members from DSU-4 each provided 170 days of support to DLA Distribution's Audit Readiness mission in Susquehanna, Pennsylvania.

(11) One member from DSU-4 assisted DLA Troop Support with inspecting 30,000 pairs of steel-toe combat boots at Peckham Industries in Lansing, Michigan recalled for possible quality defects.

(12) One member from DSU-4 provided 60 days of Audit Readiness support to DLA Distribution Susquehanna, Pennsylvania.

13) One member from DSU-6 provided 80 hours of support to DLA Distribution Ft. Bragg, North Carolina.

(14) In Aug, one member from DSU-6 provided 80 hours of support to DLA Distribution at New Cumberland, Pennsylvania. Another provided 80 hours to the DLA Disposition site at Camp Pendleton, California. A third provided 88 hours to NS Great Lakes. A fourth provided 80 hours to LCSRON 2 at NS Mayport.

#### e. DLA Distribution JTF

##### (1) Overview

DLA Distribution JRF members provided significant and timely support to 10 distribution centers in FY 21: DLA Distribution Susquehanna Pennsylvania, DLA Distribution Tobyhanna Pennsylvania, DLA Distribution Norfolk Virginia, DLA Distribution Warner Robins Georgia, DLA Distribution Oklahoma City Oklahoma, DLA Distribution Anniston Alabama, DLA Distribution Red River Texas, DLA Distribution San Diego California, DLA Distribution Pearl Harbor Hawaii, and DLA Distribution Bahrain.

OCONUS, 18 DLA Distribution JRF personnel provided logistics and contracting skills in Kuwait, Afghanistan, Jordan, and Djibouti. CONUS, DLA Distribution JRF supported Audit Readiness, Re-Warehousing, and COVID-19 missions, as well as providing stand-by hurricane support.

DLA Distribution JRF welcomed three new leaders on Mar 1, 2021. CAPT Greg Eaton, SC, USN began his tour as the Distribution JRF Joint Directorate Chief. In addition, two new Branch Chiefs, CDR Allen Ledbetter, SC, USN and CDR James Phillips, SC, USN were selected as Expeditionary Distribution Support Unit (EDSU) commanding officers at Susquehanna, Pennsylvania and Warner Robbins, Georgia respectively.

##### (2) Eastern Distribution Support Unit Missions

JRF members from EDSU-SP supported missions at Susquehanna, Pennsylvania and Tobyhanna, Pennsylvania, in FY 21. The Susquehanna mission consisted of JRF members completing a cyclic inventory. Between Mar and Jun, 13 JRF members provided 547 man-days of support to Susquehanna on AT and long-term orders. By the end of the year, 41 JRF members had supported this mission. In addition, many JRF members on long-term orders at Susquehanna were dual hatted as part of Distribution's hurricane support team. The Tobyhanna mission included JRF members from EDSU-SP, as well as ARE members tasked with re-warehousing efforts. A total of 21 JRF members (EDSU-SP, ARE, Non-Org) supported in FY 21 providing over 300 man-days of support.

Distribution JRF members from EDSU-WG provided re-warehousing support to Warner Robins, Georgia. The mission consisted of re-warehousing sheet metal in Bldg. 376 and PPP&M (Preservation, Packaging, Packing and Marking). While on site, several JRF members also received valuable training and licensing on the forklift. In total, 19 JRF members (ARE, AF IMA, EDSU-WG) provided 325 man-days of support.

Distribution JRF members from EDSU-NV (Navy, AF IMA) supported the Navy Warehouse Transfer and Operating Materials and Supplies inventory at Norfolk, VA. JRF members supported warehouse material movement to accommodate bulk storage. Some JRF members were also assigned to the hurricane support team; others supported Operation PACER GOOSE 2021. A total of 58 JRF members supported Norfolk with over 700 man-days.

EDSU-OO JRF members supported Oklahoma City's re-warehousing mission to ensure audit compliance. JRF members were tasked with eliminating storage locations and location labeling updates. Twenty-one JRF members provided over 300 man-days of support.

Distribution JRF members from EDSU-JC leveraged their Annual Training to support Red River, Texas and re-warehouse Bldg. 499. JRF members were tasked with consolidating CC/F assets. They also disassembled tank components, inventoried and transferred pallets, and received/verified/inducted equipment utilizing WEBFLIS and the Distribution Standard System. Total support to Red River by 30 JRF members was 500 man-days.

Finally, 31 Distribution JRF members provided timely assistance by contact tracing DLA Distribution personnel exposed to COVID-19, and tracking/reporting personnel accountability.

#### f. DLA Energy JFT

##### (1) Summary of Achievements

FY 2021 transitioned DLA Energy Joint Reserve Forces from a virtual environment back to a physical environment starting 17-19 Sep 2021. As a result, the JRF completed seven virtual assemblies and one physical assembly. The physical assembly allowed Army personnel to complete an initial diagnostic ACFT and Navy personnel a fitness test. CDR Greenwood recognized Navy personnel with awards for Hurricane Support. The majority of DLA JDC support went to the Operations HQ at Ft Belvoir, Virginia. However, LNO support to the CENTCOM AOR, real world mission support for Eielson Supply chain in Alaska and exercises support like Pacific Sentry, QLLEX, and the American North pipeline repair were also covered to support MSCs and Combatant Commanders. The key transition was the incoming Joint Director, COL Watford, who replaced COL Kirkpatrick when she accepted a Chief of Staff position for the 451st Expeditionary Command.

##### (2) Personnel

In 2021 DLA Energy JRF had 24 team members in the Army, 17 in the Navy, 7 in the Air Force, and 1 in the Marines

##### (3) Key Personnel

COL Watford: JDC Chief

CSM Cotton: Command Sergeant Major

LTC Morrow: Americas Regional Team Lead

CDR Greenwood: Indo-Pacific Regional Team Lead

LTC Davis: Europe & Africa Regional Team Lead

MAJ Swartout: Middle East Regional Team Lead

#### (4) Major Events.

(a) One Quality Assurance Specialist trained two Americas EAST quality assurance personnel at Ft Belvoir, Virginia, and offered virtual courses to new JRF QARs.

(b) The 76th Operational Response Command (ORC) updated its Request for Orders in Oct 2020.

(c) Subject matter experts from INDOPAC, EUCOM, MIDDLE EAST, and AMERICAS briefed their regions.

(d) MAJ Zhang deployed to Arifjan/Iraq as a DLA LNO in Apr 2021.

(e) Americas Region participated in Immediate Response-21 (IR-21) in Apr 2021. IR-21 was a DLA Energy Americas discussion-based exercise designed to improve disaster response skills and preparation. The exercise simulated the deployment of two DLA Energy Americas Task Forces supporting FEMA and activating DLA Energy's contingency contractor – Foster Fuels.

(f) MAJ Foote supported EUCOM's Defender 2021 exercise during virtual training from May 10-21, 2021.

(g) CDR Greenwood, Indo-PAC Branch Chief, supported Pacific Sentry in Hawaii from May 30, 2021 to Jun 26, 2021.

(h) On INDOPAC junior officer supported DLA Energy Operations Center from Jun 13-25, 2021 at DLA HQ, Ft. Belvoir, VA.

(i) Two junior officers completed the Combined Command Post Training (CCPT) Aug 6-27, 2021 at Camp Winters, South Korea.

(j) MAJ Eldredge assisted the Energy HQ CCC at Ft. Belvoir 5-19 August 2021. He assisted with hurricane support and the Afghanistan withdrawal.

(k) A junior officer from INDOPAC supported DLA Distribution with inventory management and lost-item investigation from Aug 15-21, 2021 in San Diego, CA.

(l) One team member assisted with Hurricane support in the Energy HQ CCC, Aug 9-13, 21.

(m) MAJ Perry of INDOPAC worked in the DLA CCC, Aug 19-30, 2021 at Ft. Belvoir, VA

(n) One team member from Americas provided emergency fuel logistics support to the Federal Emergency Management Agency during Hurricane Ida from Aug 28, 2021 to Sep 16, 2021.

(o) MAJ Sabellico of INDOPAC worked in the DLA CCC Sep 6-17, 2021 at Ft. Belvoir, VA.

#### (5) Shortfalls or Constraints

(a) Aligning all 24 IDT AF IMAs into Battle Assemblies.

(b) Obtaining DLA accounts and government computers.

(c) Obtaining ASI R8 Petroleum School slots for officers.

(d) Acquiring exercise billets and skill sets when J9 planners have working groups outside of JRF Battle Assemblies.

(6) Exercises

- (a) Pacific Sentry 20-2: May/Jun, Hawaii, CPX, 4 PAX
- (b) EUCOM's Defender 2021: 10-21 May, FTX, 4 PAX
- (c) Immediate Response-21 (IR-21) in Apr 2021. 2 PAX
- (d) QLLEX 21: 11-25 Jun, FTX, 4 PAX
- (e) American North Pipeline Repair 21, Sep 19-30, 1 Pax

(7) Training

- (a) Joint Petroleum Course (J10)
- (b) Petroleum Quality Assurance (J20)
- (c) Theater Sustainment Planners Course
- (d) Combined Command Post Training

# Defense Logistics Agency

## DLA Inspector General (DA) Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

October 4, 2021

MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: DLA Office of the Inspector General (OIG) FY21 History Report

I have reviewed DLA OIG's submission for chronicling the FY21 DLA history and would like to forward my endorsement with this memo.

The POC for this action is Andrew J. Duszynski, Deputy IG for Operations, at 571-767-5417.

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WILLIAM A. RIGBY  
Inspector General

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## **1. Introduction.**

### **a. Mission**

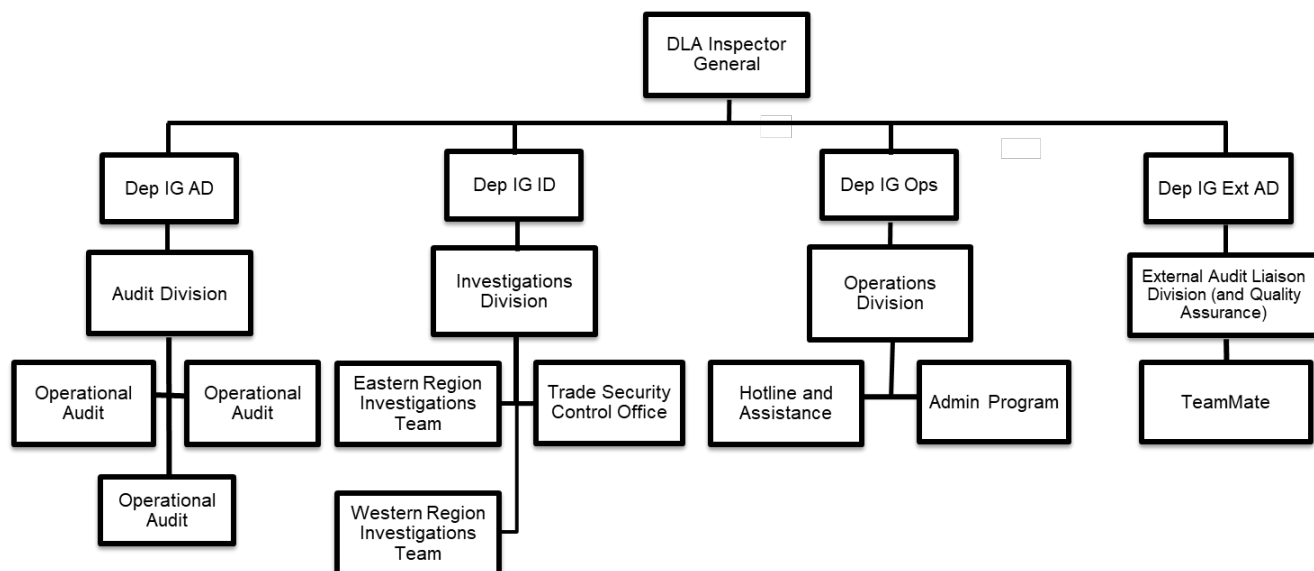
The DLA Office of the Inspector General (OIG) mission is to sustain Warfighter readiness and lethality by providing DLA leadership with facts, analysis, and recommendations through the execution of the five functions of Defense Inspectors General—teaching and training, assistance, audits, investigations, and inspections—to mitigate agency risk, improve processes, ensure compliance, and optimize resources in peace and war. While operating independently from DLA’s standard command structure, the DLA OIG assists the command with combatting Fraud, Waste, Abuse, and Mismanagement (FWAM) across the enterprise which is a collaborative effort. Despite its independent status, the DLA OIG relies on the continuous support from mandated partnerships with the Defense Criminal Investigative Services (DCIS), Military Criminal Investigation Organizations (MCIO), DoD Office of the Inspector General (DoD OIG), and meaningful relationships with other DoD Inspectors General offices and their associated criminal investigative agencies. The DLA OIG works closely with the DLA General Counsel office to coordinate and determine the best course of action for many matters relating to DLA OIG operations.

### **b. Summary of key DLA OIG events and activities in FY 21**

While the COVID-19 pandemic continued to significantly impact operations across DLA, DLA OIG still managed to provide robust support to the enterprise in the areas of administrative and hotline investigative cases, operational audits, and liaison efforts relating to external audits. The Investigations Division (ID) opened 216 investigative cases and closed 218 cases with 161 open at the end of the FY. The Operations Division’s (OD) Hotline program processed over 233 cases – a 24% decrease compared to FY20 when the COVID-19 pandemic caused a large spike – and closed 298 cases. The Audit Division (AD) completed one planned project, one unplanned inspection, and terminated one audit due to lack of evidence. The External Audit Division (Ext AD) supported and closed 113 external audits, including 53 audits from GAO, 53 from DoD OIG, and seven from the military services. The lingering effects of the COVID-19 pandemic in the first half of FY 21 significantly impacted operations of the aforementioned DLA OIG functions which is detailed in the historical narrative of this report.

## **2. Organization**

The DLA OIG structure provided functional and regional support to the command. The majority of DLA OIG Investigators and Auditors served in operationalized positions located away from DLA HQC to provide support within the Major Subordinate Commands (MSC) and Regional Commands. A small staff aligned with the DLA Headquarters (HQ) provided oversight and administrative support, managed the DLA Hotline, and provided liaison for all external audit activities. The chart below captures the organization to which DLA OIG adhered in FY 21.



### 3. Key personnel.

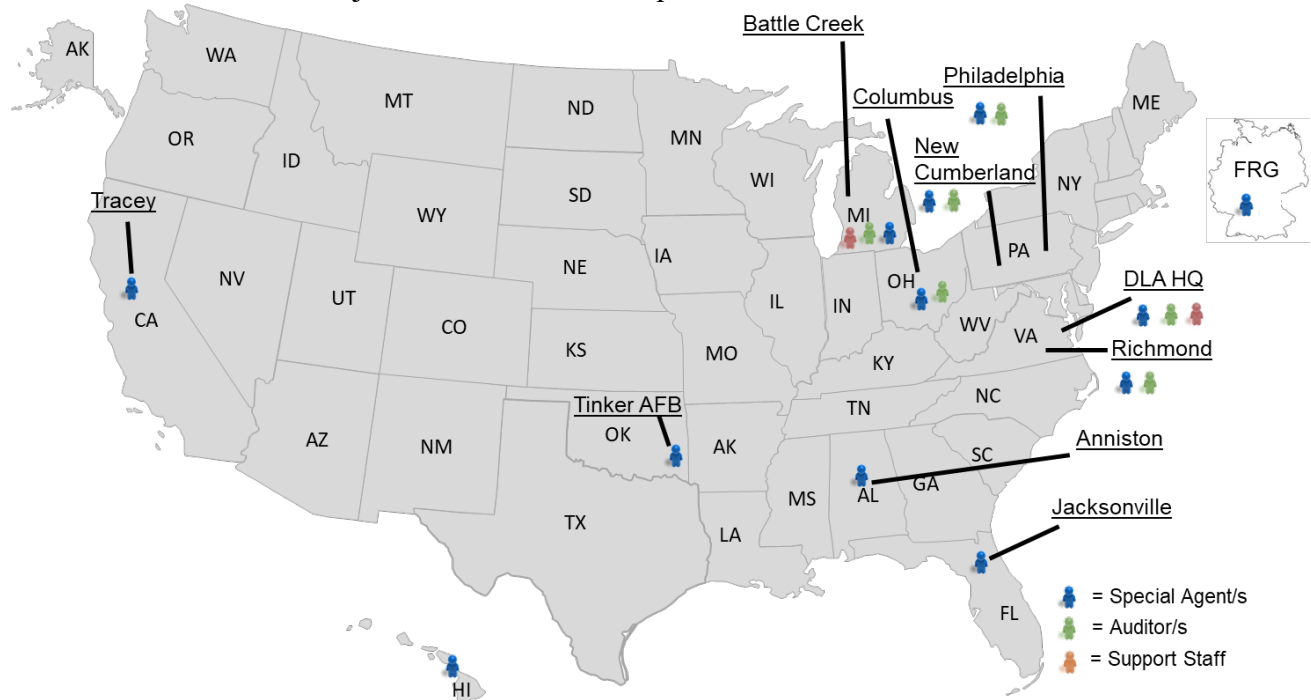
For FY 21, DLA OIG did not see many changes in key personnel. The DLA OIG Director, William Rigby, remained the DLA Inspector General and has served in this position since 2016. Likewise, DLA OIG’s four Division Chiefs remained the same – Steven Pigott for Audit Division (AD), Jerold Unruh for Investigations Division (ID), Andrew “Dutch” Duszynski for Operations Division (OD), and Andrew Hagenow for External Audit Liaison Division (Ext AD). LTC David Krzycki, USA, retired after nearly 30 years of military service. He arrived at DLA OIG in Jan 2017 and served in a variety of command and staff positions including a deployment to Djibouti as commander of a DST. DLA OIG did not experience any other changes to first line supervisors.

### 4. Total personnel.

At peak strength, DLA OIG had 49 FTEs on hand of a total 49 FTEs authorized (one “excess” GS-1805 investigative analyst served continuously on an active-duty Air National Guard deployment the entire FY). DLA OIG also had two military service members (O5) on hand with an authorization of one. OIG hired one auditor (0511 job series) and two criminal investigators (1811) in FY 21. DLA OIG FY 21 manning authorizations are below:

- a. GS-1811: 18 authorized; 18 on hand for FY 21.
- b. GS-1810: 2 authorized; 2 on hand for FY 21.
- c. GS-1805: 5 authorized; 6 on hand for FY 21 (including one active duty deployment).
- d. GS-0511: 21 authorized; 21 on hand for FY 21.
- e. GS-0301: 2 authorized; 2 on hand for FY 21.
- f. GS-0341: 1 authorized; 1 on hand for FY 21.
- g. Military O5: 1 authorized; 2 on hand for FY 21.

DLA OIG had personnel located at DLA HQ and each of the MSC HQ's, including DLA Aviation, Disposition Services, Distribution, Energy, Land and Maritime, and Troop Support; at the three Regional Commands in Kaiserslautern, Germany, Pearl Harbor, Hawaii, and Tampa, FL; and, at three of our major facilities in San Joaquin, CA, Tinker AFB, OK, and Anniston, AL.



## 5. Historical Events and Activities.

### a. COVID-19 pandemic.

The continuation of the COVID-19 pandemic presented numerous challenges to DLA OIG's daily operations. The DLA IG, William Rigby, estimated DLA OIG operated at 85% effectiveness in FY 21 when compared to previous FY's unencumbered by a worldwide pandemic. The Enterprise Hotline program received approximately 50 COVID-19 related complaints in FY20 which decreased to 15 complaints in FY 21. The DLA IG continued to designate all investigators as mission essential. Non-mission essential DLA OIG employees worked primarily in a fulltime telework status throughout FY 21. Most DLA OIG employees received the COVID-19 vaccine in FY 21.

DoD restrictive travel policy implementation resulted in a continuation of significant curtailment of official travel for DLA employees in FY 21. Official travel in support of investigations alone dropped by 90% compared to pre-FY20 levels. Both investigators and auditors integrated alternate methods for conducting interview sessions which safeguarded proper social distancing measures and adhered to travel restriction mandates. DLA OIG ID collected physical and documentary evidence in person only when essential to prevent loss, damage, or destruction of potential evidence. In those instances, agents used Personal Protective Equipment (PPE) and took required social distancing and hygiene protective measures.

In Oct 2020, DoD OIG converted their Joint IG Course (JIGC) to a virtual format to accommodate the pandemic conditions. Completion of JIGC is a baseline training requirement for DLA OIG employees and mandated by the DLA IG. Through the summer of 2021, DoD OIG continued to offer JIGC only in a virtual format, and three DLA OIG employees successfully completed JIGC in this new format by the conclusion of FY 21.

b. Operational audits and inspections conducted in FY 21

The DLA OIG Audit Division worked on the following operational audits and inspections in FY 21:

- (1) Termination Letter – Audit of Contractor Support for Audit Readiness (letter issued)
- (2) Inspection of Boston Consulting Group Hotline Complaint (report issued)
- (3) Audit of DLA Premium Time (report issued)
- (4) Audit of Contractor Teaming Arrangements (in fieldwork)
- (5) Audit of Enterprise Help Desk Contract (in fieldwork)
- (6) Audit of DLA Distribution Inventory Adjustments (in fieldwork)

c. Denison Culture Climate Survey.

Throughout Oct 2020 and Novr 2020, 86% of eligible DLA OIG employees participated in the Denison Culture Climate Survey. In coordination with the DLA IG, the DLA OIG Culture Champion, Jerry Cohoon, completed the OIG FY 21 Culture Action Plan in Jun 2021. The draft plan addressed three Director-mandated focus areas: Strategic Direction & Intent, Customer Focus, and Capability Development. The plan also incorporated ways to maintain successes in the “Consistency” focus area through cross-functional coordination and integration, while also exploring ways to improve DPMAP efforts (the latter is DLA OIG’s lowest climate score). On Aug 3, 2021, the DLA IG and DLA OIG Culture Champion met with a Denison representative, Bryan Adkins, to review ongoing culture action plan efforts. In general, Mr. Atkins complemented the IG on a strong culture action plan and recommended only a few minor adjustments to help provide further clarity. The IG concurred with Mr. Adkins’ suggestions and the DLA OIG Culture Champion’s revised the action plan accordingly.

d. DLA IG Town Halls

The DLA IG hosted three FY 21 Town Hall sessions with all DLA OIG employees in Oct 2020, Mar 2021, and Sep 2021. Topics during the October Town Hall included DLA OIG support for DLA Priorities (Support to the Warfighter, Audit Readiness, and DoD Reform Efforts), DLA OIG Culture Survey Results and ongoing Denison Survey, DLA OIG Software Support, and DLA New Strategy development. Topics during the Mar Town Hall included enterprise-level priorities and key leader changes, Denison Culture Survey results, and DLA OIG software support. Christopher Misener, DLA DI, also provided an overview of the new CUI document marking along with a related Q & A session. For the Sep Town Hall, the IG reviewed priorities for DLA OIG’s four divisions as well as the agency’s latest Combined Federal Campaign efforts. Q & A sessions with the IG concluded all three Town Hall events.

e. OIG Virtual Holiday Gathering

The DLA IG hosted a virtual holiday gathering for all DLA OIG employees on Dec 17, 2020. Employees had an opportunity to commune and share successes of the past year. The DLA IG shared his holiday message including safety tips as well as assistance options for those employee experiencing difficulties during the pandemic.

f. DoD OIG Program Review of DLA administrative Investigations

DoD OIG published their final report in Apr 2021 assessing DLA administrative investigations and found deficiencies identified in the areas of case management systems, confidentiality, quality assurance, and whistleblower reprisal investigations for the year ended December 31, 2019. Prior to the final report, DLA OIG gathered comments on the draft report from DLA J1, DLA J6, and DLA DG before forwarding DLA's formal response to DoD OIG with a commitment to corrective actions for deficiencies identified in the report. In general, DLA concurred with the report findings. Acquisition of a new case management system with dedicated IT support—an ongoing effort—will significantly improve three of the four major deficiencies cited in the report.

g. Investigations Case Management System

In coordination with DLA OIG and DLA J6, DLA DCSO awarded a contract to Cybermedia Technologies, Inc. (CTEC) in May 2021 for DLA OIG's new case management system (CMS). The new CMS will replace an aging database that lacks proper functionality and fails to fully support investigative case file management requirements in accordance with applicable policy and law. For the first time, the new CMS will be shared with the Enterprise Hotline program, and replace that program's legacy database, when fully operational.

h. DLA Energy and DLA Disposition Agency Management Reviews (AMR)

From Jun 15-16, 2021, DLA OIG held IG Open Door sessions for the DLA Energy AMR and for the DLA Disposition AMR from Aug 24-25, 2021. Investigators from DLA OIG's Investigations Division and Hotline Program conducted interviews and received allegations of Fraud, Waste, Abuse and Mismanagement (FWAM). A very low number of employees participated in the IG sessions. Typically, MSC's that do not have a large population of warehouse or hourly wage employees do not have big turnouts. Post-AMR, the DLA OIG Hotline team led efforts to process all complaints.

i. Updated OIG Operating Plan

On Jul 12, 2021, the DLA IG completed the update of his OIG Operating Plan for FY 21-22 to align his office goals and objectives with the recently updated DLA Strategic Plan. The DLA IG's primary initiatives are "External Audit and Trade Security Control Customer-Centric Focus" and "Focused FY 21 Audit Plan." For the first initiative, the DLA OIG Ext AD will ensure DLA is responsive and accurate with its coordination of all external audit tasks as well as delivers a timely resolution of findings. Similarly, DLA OIG ID Trade Security Control

Assessment Office (TSCAO) will continue to improve responsiveness to end use certificate requests while preventing the illegal transfer of Munitions List and Commerce Control List items. This customer-centric approach allows DLA OIG ID TSCAO to effectively facilitate DLA Disposition's key functions including sales of excess property. This initiative supports DLA Strategic Plan Line of Effort (LOE) 3.0, "Trusted Mission Partner." For the second initiative, The FY 21 audit plan proposes topics to validate whether agency internal controls are being implemented and are effective. The plan is dynamic, will be adjusted as needed, and will focus on the highest risk areas that are identified in conjunction with the enterprise risk control process, the DoD IG risk priorities, and the DLA Director's priorities. This initiative supports DLA Strategic Plan LOE 1, "Warfighter Always."

#### j. Annual Training Summit Postponement

Due in large part to health and safety risk concerns relating to onsite large-group training events held during a pandemic, the DLA IG postponed the DLA OIG annual training summit originally scheduled for the week of Oct 18-22, 2021. DLA OIG turned-in FY 21 funding originally allocated for this event to the Chief of Staff BMO for redistribution among the D-staff portfolio for other critical funding needs. The IG has targeted the Spring of 2022 to reschedule the training summit which provides critical training and facilitates cross-functional efforts in an "in-person / onsite" format for all DLA OIG employees.

# Defense Logistics Agency

## DLA Small Business Programs (DB) Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: Office of Small Business Programs (DB) Fiscal Year 2021 History

I have reviewed DB's submission for chronicling Defense Logistics Agency history for fiscal year 2021 and would like to forward my endorsement.

You may contact me with any questions at 571-767-0494 or [Dwight.Deneal@dla.mil](mailto:Dwight.Deneal@dla.mil).

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Director  
Office of Small  
Business Programs

Attachment: DLA Office of Small Business Programs (DB) FY 2021 History

## **1. Introduction**

It is the policy of DLA to provide maximum practicable opportunities in our acquisitions to small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Such concerns must also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by DLA, consistent with efficient contract performance.

The DLA Office of Small Business Programs (OSBP), also known as DLA-DB, was established in accordance with the Small Business Act of 1953, as amended, and Department of Defense (DoD) Instruction 4205.01, “DoD Small Business Programs,” to aid, counsel, assist, and protect the interests of small business concerns. DLA OSBP provides small business advocacy and promotes small business utilization to strengthen the competency, capability, and commitment of DLA’s industrial base. During FY 21, DLA OSBP demonstrated unwavering commitment to maximizing the contributions of small business in DLA acquisitions, while meeting the needs of the Warfighter and ensuring each tax dollar is spent responsibly. DLA OSBP guidance propelled DLA to increase opportunities for small business, culminating in award of almost thirty-nine percent of eligible contract dollars to small businesses for the year.

The Procurement Technical Assistance Program (PTAP) was established by section 1241 of the DoD Authorization Act for FY 1985 (Public Law 98–525) in an effort to expand the number of businesses capable of participating in government contracts. The statute assigned administration of the program to DLA and authorizes cooperative agreements with states, local governments, nonprofit organizations and other eligible program participants to carry out the program. Under the PTAP, cooperative agreement recipients establish Procurement Technical Assistance Centers (PTACs) that assist businesses in pursuing and performing under contracts with DoD, other federal agencies, and state and local governments. DLA OSBP is responsible for implementation of the PTAP, pursuant to Chapter 142 of Title 10, United States Code. On Oct 1, 2021, there were ninety-six PTACs operating under DLA OSBP oversight.

## **2. Organization:**

DLA OSBP was authorized 13 FTEs for FY 21, comprised primarily of GS-1102 personnel. Mr. Dwight Deneal continued to lead the team as the Small Business Director.

Two of OSBP’s FTEs are stationed in Philadelphia to support the DLA Contracting Services Office. All other DB FTEs are stationed at DLA Headquarters in Ft Belvoir, where seven primarily support PTAP. This leaves four OSBP FTEs, including the OSBP Director and Deputy Director, who support and oversee operation of the DLA Small Business program at the headquarters level.

Additionally, DLA's six MSCs each have a staffed small business office, but those personnel report through their various chains of command and not through headquarters. DCSO and Strategic Materials OSBP report through DLA-DB because these activities are components of DLA Acquisition (J7), which is also part of DLA Headquarters and this structure maintains separation between contracting and small business functions.

### 3. Key Personnel.

- a. Dwight D. Deneal, Director, OSBP (Dec 2019 – Present)
- b. Christopher Hall, Deputy Director, OSBP (May 2016 – Present)
- c. Sherry Savage, Program Manager, PTAP (Sep 2016 – Present)

### 4. Total Personnel.

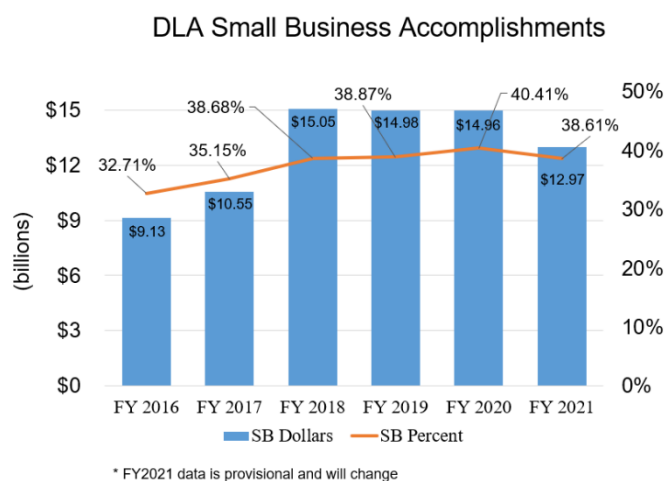
DLA OSBP was staffed with 13 full-time personnel at the end of FY 21, all civilians.

### 5. Historical Narrative.

#### a. DLA Small Business Performance

Small business represents a critical component of DLA's diverse industrial base, which reduces risk in our supply chain and is essential to our ability to provide resilient and secure industrial support to the Warfighter. DLA has about 11,000 suppliers and 80 percent of them are small businesses.

The Small Business Act established the 23% government-wide small business goal, which sets a target for the proportion of eligible contract dollars that federal agencies should obligate to contracts with small businesses. From there, the Small Business Administration (SBA) sets separate goals for individual departments, such as the Department of Defense, as it attempts to position the government to meet the collective 23% goal -- for FY 21, the DoD goal was 21.95%. In a similar fashion to what SBA does, the Department sets separate goals for individual components, such as DLA, so that DoD-wide performance results in us meeting the overall goal. The Department, which establishes small business goals for components through its Office of Industrial Policy (OUSD(A&S)), challenged DLA by setting our FY 20/21 small business goal (32.36%) higher than it has been since 2012.



Rising to the task, DLA exceeded its small business goal in FY 21, which was the ninth consecutive year, and promoted participation in our acquisitions by service-disabled veteran-owned small businesses, small disadvantaged businesses, women-owned small businesses, and historically underutilized business zone small businesses.

DLA Small Business Accomplishments						
(dollars shown in billions)						
Fiscal Year	FY21*	FY20	FY19	FY18	FY17	FY16
Goal	32.36%	32.36%	30.5%	30.5%	32%	32%
Small Business	38.61%	40.41%	38.87%	38.68%	35.15%	32.71%
	\$12.97	\$14.96	\$14.98	\$15.05	\$10.55	\$9.13
SDB	6.99%	6.67%	5.55%	5.33%	5.19%	4.71%
	\$2.35	\$2.47	\$2.14	\$2.08	\$1.56	\$1.32
WOSB	4.41%	4.42%	5.11%	4.74%	4.61%	4.76%
	\$1.48	\$1.64	\$1.97	\$1.84	\$1.38	\$1.33
SDVOSB	2.71%	3.02%	2.92%	3.38%	2.53%	2.15%
	\$0.91	\$1.12	\$1.13	\$1.31	\$0.76	\$0.60
HUBZone	3.81%	2.61%	2.21%	2.55%	2.08%	1.67%
	\$1.28	\$0.96	\$0.85	\$0.99	\$0.62	\$0.47

*Note:* The data in this chart is for the purpose of assessing performance against our small business goals. Accordingly, the statistics herein apply special rules for the small business program, such as eligibility criteria for counting contracts as part of the calculation and double small business credit for contracts with certain vendors. For example, these figures count certain contracts twice and disregard other contracts altogether. You should not use this data to depict a comprehensive picture of all DLA contracts with small businesses.

\* FY2021 data is provisional and will change

#### b. The Procurement Technical Assistance Program (PTAP)

Within DLA, OSBP is responsible for implementation of the PTAP and executes cooperative agreements with eligible program participants to establish the Procurement Technical Assistance Centers (PTACs) that assist businesses in pursuing and performing under contracts with DoD, other federal agencies, and state and local governments. PTACs provide day-to-day assistance to businesses in the form of services such as helping prepare bids/proposals, marketing to potential buyers, setting up or improving quality assurance and accounting systems, complying with cybersecurity requirements, and resolving payment problems.

Cooperative agreements, along with grants, are financial assistance instruments and are distinct from contracts in that the purpose of grants and cooperative agreements is to carry out a public purpose rather than to acquire property or services for the benefit or use of the government. PTAP is unique in DLA as it is the agency's only grants or cooperative agreements program. Funding for the PTAP and for DLA's administration of the program is provided by an annual Operations and Maintenance appropriation. For FY 21, Congress appropriated \$48

million for the program, which was the most ever and was \$3.5 million more than was appropriated for FY 20.

At the end of FY 21, there were 96 PTACs assisting business in 49 states, Washington, D.C., Puerto Rico, Guam, the U.S. Virgin Islands, the Commonwealth of the Northern Marianas, and in regions established by the Indian Affairs bureau of the U.S. Department of the Interior. For FY 21, DLA OSBP obligated \$46.6 million for the PTAC's use. As a cost sharing program, \$20.8 million in non-federal funding was also committed by the states and other local entities. PTACs provided more than 183,000 hours of one-on-one counseling to 56,729 businesses and 5,267 training and networking events.

#### c. Strategic Initiative 3.3.5, Promote Small Business Participation in Acquisitions

DLA OSBP was responsible for the completion of tasks related to Strategic Initiative 3.3.5 as outlined in the agency's FY 20 Strategic Plan Implementation Guidance. This initiative established that, as an agency, we will avoid solicitations that involve bundling or consolidation of contract requirements, or if such a solicitation is appropriate, we will mitigate the impact on small business by structuring the procurement to increase participation by small businesses as prime contractors, or to facilitate small business participation as subcontractors and suppliers.

##### (1) Defense Logistics Acquisition Directive (completed FY19)

As part of the initiative and in collaboration with J7, Procurement Policy Letter (PROCLTR) 2019-14, SUBJECT: Additional Requirements for Acquisitions Involving Consolidation, Bundling, or Substantial Bundling (Defense Logistics Acquisition Directive (DLAD) 7.105 and 7.107), dated June 16, 2019, was published.

##### (2) Computer-based training module (completed in FY20)

Another outcome from the initiative was the development and rollout of the Contract Consolidation and Bundling course (ACQ-CCB) in the DLA Learning Management System. The training provides a wealth of actionable guidance to help mitigate the impact of contract consolidation or bundling when such a strategy is necessary and justified. This LMS training went live in Nov 2019.

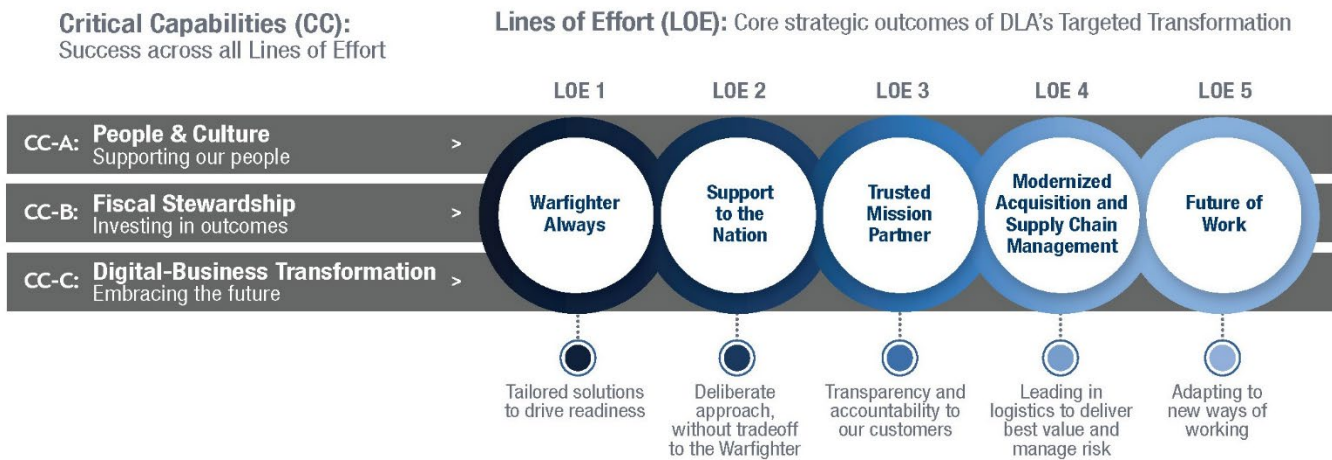
##### (3) Defense Logistics Acquisition Directive – PROCLTR 21-13 (completed FY 21)

A final part of the initiative and in collaboration with J7, PROCLTR 21-13, SUBJECT: Training Requirement for Acquisition Team Members When Acquisition Strategy Involves Substantial Bundling (Defense Logistics Acquisition Directive (DLAD) 7.107-4), dated Jul 7, 2021, was published.

Highlight of the change: When an acquisition strategy involves substantial bundling, requires that the acquisition strategy include documentation that each member of the acquisition team has, within the previous three-year period, completed the Contract Consolidation and Bundling course (ACQ-CCB).

#### d. DLA Strategic Plan 2021-2026 and Line of Effort (LOE) 4: Modernized Acquisition and Supply Chain Management

DLA OSBP is involved in collaborating with J7 and supporting the completion of tasks related to Strategic LOE 4.0 as outlined in the [Agency's FY 21-26 Strategic Plan](#). This effort established an objective to expand industry engagement to foster innovation and maximize value for our customers by harnessing and analyzing business performance data to make informed, risk-based decisions and develop actionable solutions to improve customer outcomes for routine and contingency operations. As part of our implementation of LOE 4.0, Initiative 4.1.2 aims to “Build a tailored strategy for transactional suppliers to reduce supplier churn and increase resiliency of the DLA industrial base.” The initiative mobilizes an agency-wide effort to reverse downward trends in supplier participation with metrics focused on reducing supplier churn and improving competition.



e. Agency-wide training on the Small Business Subcontracting Program

DLA OSBP developed a training video to provide contracting professionals across the agency information regarding the Federal Acquisition Regulations (FAR), Defense Federal Acquisition Regulation Supplement (DFARS), and Defense Logistics Acquisition Directive (DLAD) policies related to subcontracting. The video developed and strengthened contracting professionals' knowledge of the subcontracting program and was supported by the agency's Senior Procurement Executive.

# Defense Logistics Agency

## DLA General Counsel (DG) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221**

October 14, 2021

MEMORANDUM FOR DLA Command Historian

SUBJECT: Submission of the DLA General Counsel FY21 Annual History Report

As you will read in the following pages, our legal mission supports the DLA Enterprise in its achievement of the priorities, initiatives, and Lines of Effort (LOEs) of the DLA Strategic Plan, while ensuring a focus on military readiness and supporting the Warfighter. This past year, as the Agency's complex and challenging missions grew with the continuation of the effects of the COVID-19 pandemic, the drawdown in Afghanistan, Operations Allies Welcome and Allies Refuge, and supporting ever-expanding Whole of Government requirements, our Legal Enterprise provided the accurate and timely expert legal and business advice that our Warfighters, Military Services, and Whole of Government partners deserve. We will continue to apply the agility and power of the DLA Legal Enterprise to successfully meet future challenges and consistently provide outstanding legal support to our clients and the Agency.

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Jon L. Lightner  
Acting General Counsel

## **1. Introduction**

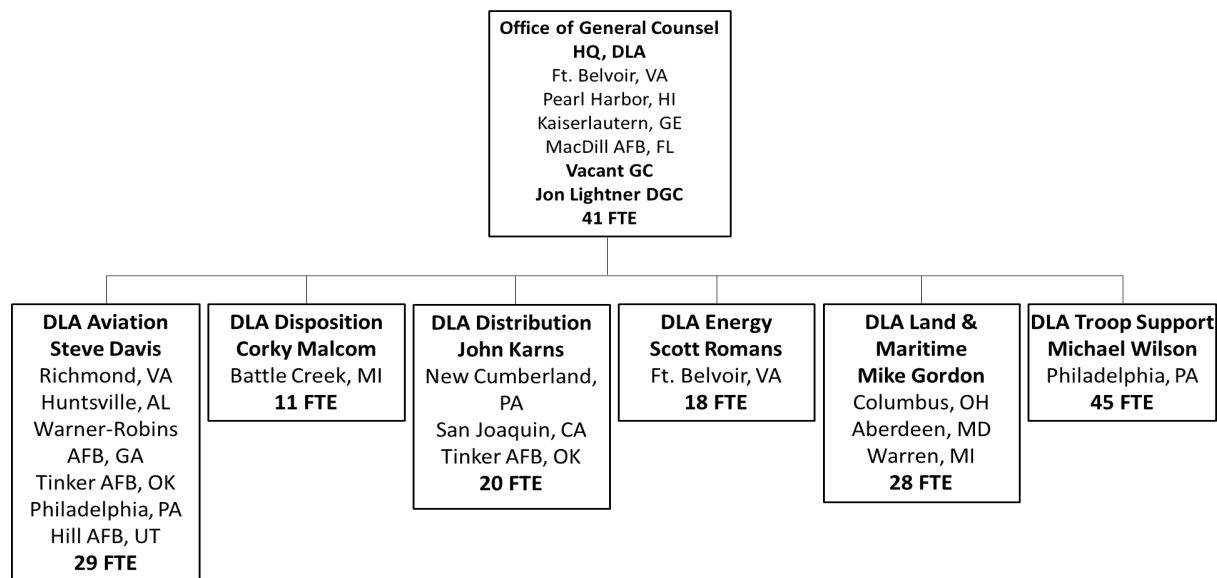
The Office of the DLA General Counsel is the exclusive provider of legal advice, counsel, and representation for the DLA enterprise. The Headquarters Office of the General Counsel (DG) advises the DLA Director, the Vice Director, J1, J3, J5, J7, J8, J9, DLA Installation Support, and the Director's Staff on the full range of matters affecting the agency, while ensuring compliance with laws and regulations. As part of the Legal Enterprise, DG's Major Subordinate Command (MSC) legal offices provide full service support to their commands and the total case numbers reported herein reflect their invaluable contributions.

The Legal Enterprise's mission is to deliver professional, candid and independent legal advice and support to the agency. As the largest Office of General Counsel in the Fourth Estate, we are comprised of a broad range of subject matter experts. Our Legal Enterprise consists of six major legal practices areas; international and operational law, administrative and civil law, ethics and standards of conduct, procurement fraud and business integrity, labor and employment law and acquisition law. The practices areas are organized under four divisions at Headquarters: international and operational law; administrative and civil law, which includes the ethics and standards of conduct program and the procurement fraud and business integrity program; labor and employment law; and acquisition law. DG also oversees the delivery of legal support in all practice areas at the MSCs and activities. The timely and effective resolution of legal issues deriving from the legal practice areas contributes significantly to the agency's achievement of its goals, lines of effort (LOEs), and priorities contained in its Strategic Plan. In 2018, DG published its Legal Strategic Plan in order to ensure that the Legal Enterprise's efforts are aligned with and nested under the LOEs of the agency's Strategic Plan.

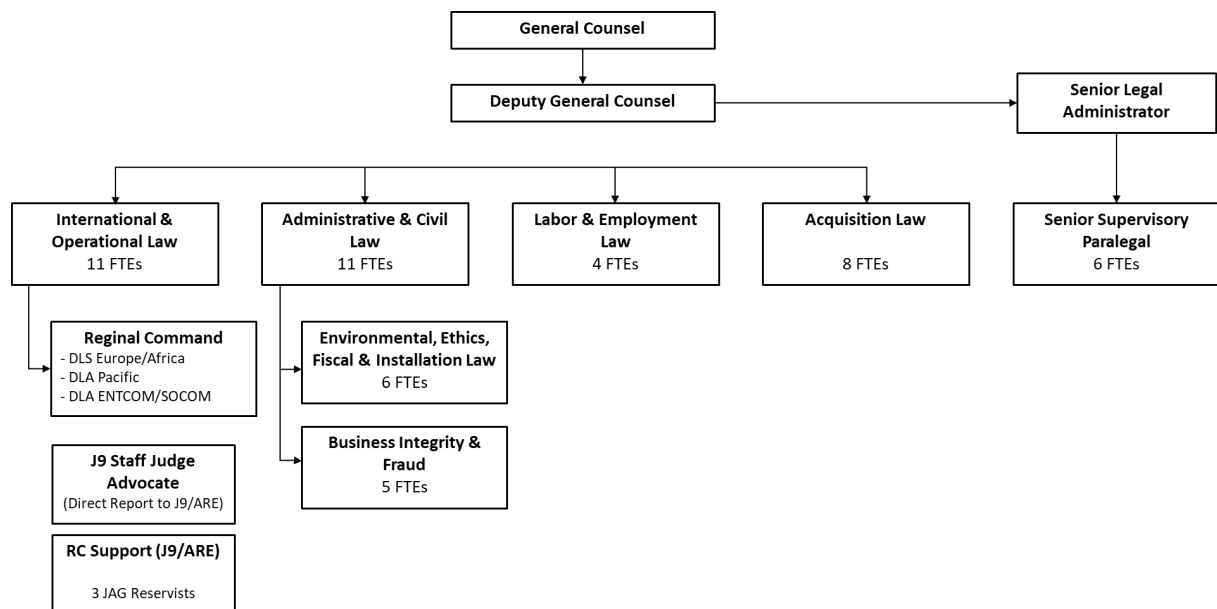
On Jul 16, 2021, Mr. Matthew F. Pausch left DLA for a new position with the U.S. Army as the Chief Counsel, U.S. Army Material Command Legal Center – Rock Island Arsenal, Illinois. Mr. Jon Lightner, the Deputy General Counsel, assumed the duties as Acting General Counsel and Mr. Mark Cremin assumed the duties as Acting Deputy General Counsel. In Jan 2021, Mr. Scott F. Romans assumed the duties of the Chief Counsel for DLA Energy after Ms. Kathleen Murphy retired in Nov 2020.

## **2. Organization and Personnel**

The following are the organization charts of the DLA OGC Legal Enterprise and the HQ DLA OGC organization:



## DEFENSE LOGISTICS AGENCY OGC HEADQUARTERS, FORT BELVOIR, VA



### 3. Historical Narrative

#### a. International & Operational Law Highlights

The Legal Enterprise's mission in this area is to support contingency operations by providing around the clock legal advice related to planned and unplanned DLA logistic support operations and activities worldwide. We proactively counsel the DLA Logistics Operations

Director (J3) and three DLA Regional Commands. To facilitate this support, DG has legal offices in Tampa, FL; Hawaii; and Germany that advise and assist Regional Commands that support six Geographic and Functional Combatant Commands. We are the agency experts in operational and international law, military justice and discipline, and serve as the primary legal advisors to the Inspector General, Public Affairs Office and the J5/Transformation Directorate. Our attorneys specialize in disaster-preparedness and overseas contingency law. We provide legal advice on such matters as local law, customs, international agreements and federal employee and contractor rights in areas where humanitarian military operations are taking place.

Our Directorate and the DLA regional command legal offices provided client focused legal support to the regional commanders who provided innovative logistics solutions to the Geographic Combatant Commands' operational needs. In FY 21, we assisted the agency in its support to the Afghanistan retrograde efforts, the COVID-19 pandemic response efforts involving many federal agency partners in the Whole of Government response, the Haiti humanitarian crisis and multiple FEMA responses to natural disasters, hurricanes and wildfires.

#### b. Administrative & Civil Law Highlights

The mission is to provide timely and effective advice in the areas of environmental and safety, installation law, fiscal, and general administrative law. Included in the administrative and civil law division are three agency programs: the standards of conduct and employee ethics program, procurement fraud and business integrity program, and the legislation program.

##### (1) Standard of Conduct and Employee Ethics

We implement the ethics program in accordance with Office of Government Ethics (OGE) and Standards of Conduct Office (SOCO) program directives. The DLA GC serves as the Designated Agency Ethics Official. Throughout the enterprise, DLA attorneys provide mandatory ethics training, identify and train those employees required to file financial disclosure statements, and collect and review financial disclosure statements for legal sufficiency and potential conflicts of interests, for over 5,500 employees in FY 21. We advise on employee disqualification statements, divestitures and post-employment restrictions. We report annually on ethics compliance to the OSD and the OGE. In FY 21, we adapted the annual ethics training to the workforce from live delivery sessions to a primarily telework environment while incorporating the leader led format through use of a Director video, remote video communication and extensive leadership engagement.

##### (2) Procurement Fraud and Business Integrity

In our fraud remedies program, we examine indications of contract fraud or other improper conduct by contractors and offerors. DLA attorneys throughout the enterprise refer matters that merit investigation to the appropriate investigative body, and monitor and report on DLA-wide efforts to prevent, detect, deter and remedy procurement fraud and related irregularities. We coordinate administrative, civil and criminal remedies. We execute the suspension and debarment program on behalf of the agency—our attorneys prepare suspension and debarment recommendations for the Suspending and Debarring official (the GC) and may hold meetings, when requested, with those parties facing suspension or debarment. In FY 21, the

Suspending and Debaring Official issued 62 notices of proposed debarment and 74 debarments for a total of 136 ineligibility actions. We also entered into two administrative agreements (AA). AAs are used as an alternative to ineligibility actions and provide that certain verifiable actions are taken in a prescribed timeframe, such as implementation of enhanced internal corporate governance practices and procedures and/or use of independent third-party monitors.

### (3) Legislative Program

We draft and advocate for legislative changes that will enhance DLA mission accomplishment and analyze the legal impact of proposed legislation. In FY 21, we provided comments on DoD and other federal agency proposals to DoD Office of Legislative Counsel and reviewed all Congressionally required reports.

### (4) Installation Law

In FY 21, our installation support attorneys at all DLA locations provided advice to assist with the agency's Sexual Assault Prevention and Response Program. They also advised on all missions within the installations support directorate to include environmental, occupational health, safety, real property, security and emergency services and morale, welfare, and recreation (MWR) programs. Our attorneys in Hawaii provided legal and business advice to DoD and Navy stakeholders on the Red Hill fuel storage facility in Hawaii. In a lawsuit brought by the Sierra Club challenging DLA contracts for the incineration of firefighting foam that contains PFAS, a chemical that has been linked to adverse health effects; attorneys from Disposition Services and HQ DLA continue to support the Department of Justice attorneys in the ongoing defense.

### (5) Fiscal Law

Our fiscal law attorney participated in the various meetings on the agency cash position, provided audit support in the agency's ongoing FIAR audit efforts, advised on potential Anti-Deficiency Act (ADA) matters, policies and investigations, and proactively identified common issues in legal sufficiency reviews for the G-invoicing implementation in training materials and assisted with drafting of a delegations of authority memorandum for agreements.

### c. Labor & Employment Law Highlights

The mission of the labor & employment law division is to defend DLA before the Equal Employment Opportunity Commission (EEOC), the Merit Systems Protection Board (MSPB), the Federal Labor Relations Authority (FLRA), arbitrators and to assist Department of Justice attorneys representing DLA in federal court. In FY 21, DLA attorneys across the enterprise defended 127 EEOC cases, 46 MSBP cases, and handled 18 arbitrations and unfair labor practice actions. We advise management officials on labor and employment matters to include disciplinary actions, policy issues and Office of Special Counsel or Congressional inquiries. In FY 21, we continued to advise on a myriad of COVID-19 related issues on workplace flexibilities, COVID-19 agency testing programs, reconstitution plans, vaccination mandates, and compliance with the COVID-19 guidelines on mission essential travel.

We run the agency's Alternative Dispute resolution (ADR) program, which has approximately 80 DLA mediators, 23 of which are DG personnel. Our ADR program establishes procedures to resolve disputes at the earliest possible stage, thereby reducing the time, expense, delay, acrimony and other adverse consequences associated with adversarial dispute resolution processes. DLA uses ADR to address disputes that occur in the areas of EEO, workplace, labor, contracts and FOIAs. In FY 21, we continued our focus on promoting the benefits of ADR in various areas and handled 125 ADR matters throughout DLA

#### d. Acquisition Law Highlights

The mission of the acquisition law division is to support billions of dollars-worth of procurements for support of military services and federal agencies, including fuel, construction and equipment, medical equipment and consumables and pharmaceuticals, subsistence, uniforms and clothing, weapons system repair and replacement parts, distribution services, disposition services, and contract actions for internal DLA support. We analyze the mission impact of new acquisition statutes, regulations and policies and serve as the DLA legal member of the Defense Acquisition Regulation Council. DLA attorneys assist in the preparation and review of solicitation and contract documents in connection with major acquisitions and serve on source selection panels, and assist contracting officers with negotiations.

We support the Director, DLA Acquisition, J-7, and his staff in areas such as procurement policy, procurement actions, such as Justifications and Approvals requiring Senior Procurement Executive approval, procurement oversight and review, such as Red Teams, and assist with special interest reviews and inquiries, such as DoDIG audits and Congressional inquiries. We support the Director, J3 and the J3 staff in procurement-related areas such as F-35 support, reform initiatives, COVID-19 Task Force and GSA/Whole of Government issues.

In FY 21, we advised on a wide variety of acquisition-related issues, such as reviewing and providing comments on the justifications for a significant number of bridge contracts needed to provide continuing support for critical Military Service requirements, an extremely urgent indemnification request needed for timely gaseous nitrogen support for critical space launches, and several Berry Amendment domestic nonavailability determinations waiving the restrictions of the Berry Amendment for protective clothing urgently needed for the national COVID-19 response. We also advised on numerous acquisition policy issues, including revisions to the DLA Acquisition Directive, and numerous acquisition documents, including justifications and approvals to limit competition, award approval documents, and consolidation justifications.

We run the contract litigation program that defends the agency position in the following fora: Government Accountability Office (GAO) protests, Armed Services Board of Contract Appeals and support Department of Justice attorneys in federal courts cases, including the Court of Federal Claims. MSC legal offices serve as lead counsel in most cases, with active oversight from HQ attorneys. In FY 21, cases involved more than \$11.9 billion in dispute (which includes government claims). In FY 21, throughout the Agency, DLA attorneys handled 124 protests, 78 ASBCA cases and 21 federal court cases, protecting and advancing the agency's interests.

Along with DLA Information Operations (J6), DLA OGC continues to develop the agency-wide Electronically Stored Information Disclosure & Discovery (ESIDD) program, which includes the discovery and disclosure of extensive volumes of ESI in eDiscovery, investigations, Freedom of Information Act and Congressional requests.

# Defense Logistics Agency

## DLA Chaplain (DH)

### Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

October 14, 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN - Historian

SUBJECT: DLA Office of the Chaplain (DH) FY 21 Annual History Report

The Office of the Chaplain is comprised of two Service Members with a focus on delivering Title 10 requirements, managing the Federal Supply Code "9925" Ecclesiastic Supply, all in support of the DLA Director's efforts to ensure a spiritually resilient workforce.

In support of managing the supply code, a ten-year review of purchases in ecclesiastic supply was conducted to gain data reflecting the Department of Defense (DoD) needs. A review of contracts, and back orders helped resolve issues affecting War Fighters. DH conducts a weekly meeting with Clothing & Textiles Directorate and Subsistence in DLA Troop Support to address issues affecting the War Fighter. An After Action Review was conducted with Troop Support in the Spring revealing that 100% of orders for Easter and Passover were delivered on time. A Buddhist kit concept was initiated by the Army and DH is assisting the service. The Ecclesiastic Supply is important in achieving Title 10 religious Support requirements of the Warfighter, the Whole of Government, and improving the resiliency of the DoD.

The Office of the Chaplain concentrated on the Health of the Agency in a COVID environment. DH provided subject matter expertise to the Director, Staff, and Commanders concerning religious exemptions regarding vaccinations. DH advised leadership in DLA at all levels on matters of religion, morals, and morale. DH ensured a spiritually resilient workforce through daily care, support to promotions, retirements, and ceremonies across DLA, and co-located agencies (DTRA and DCAA). People and culture are "the secret sauce" of the organization and we strive to build a resilient workforce.

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CHAPLAIN (COL) USA  
Defense Logistics Agency

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# Defense Logistics Agency

## DLA Intelligence (DI) Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

MEMORANDUM FOR DLA, ATTN: COMMAND HISTORIAN

SUBJECT: FY21 DLA Intelligence Historical Report

DLA Intelligence (DI) had another busy year responding to customer questions, anticipating new requirements, keeping senior leaders informed of foreign threat entities, protecting classified and unclassified information by mitigating risk, and promoting security and intelligence awareness. As you read through the attached Historical Report, you will notice that our Intelligence and Security teams worked across the DLA Enterprise to provide DLA employees the information necessary to make secure, timely, and informed decisions in support of the DLA mission. DI looks forward to another great year as we strive to meet current and future challenges.

SAMERGEDE S.STEPHANIE  
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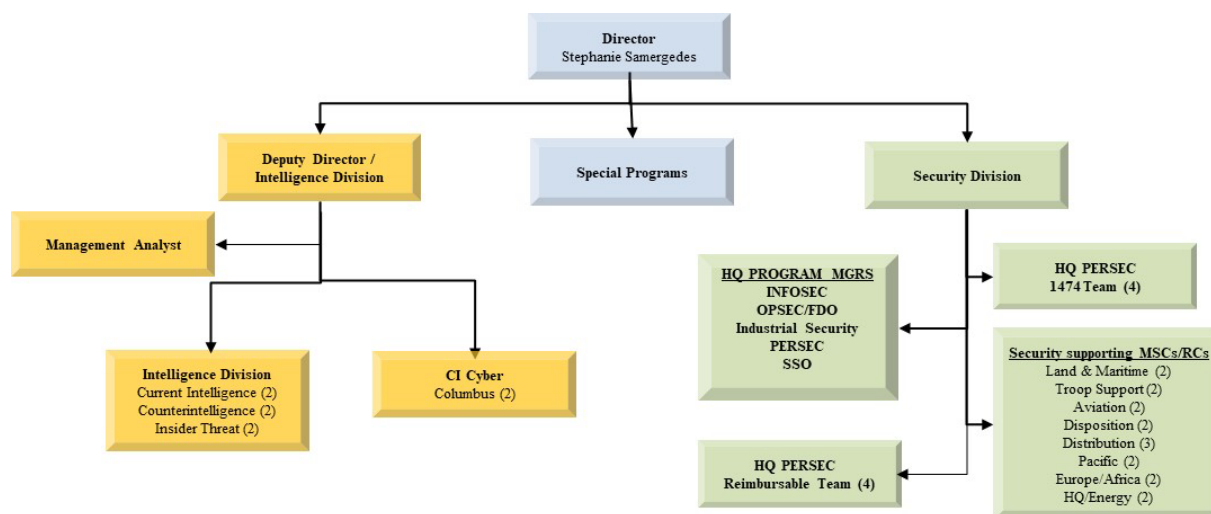
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STEPHANIE SAMERGEDES  
Director, DLA Intelligence

## 1. Introduction

DLA Intelligence serves as the de facto J2 of the organization. DI provides enterprise-wide policy, program, and operational support for the following programs: Intelligence, Counterintelligence (CI), Special Security Office (SSO), Special Program Activities, Personnel Security (PERSEC), Information Security (INFOSEC), Operations Security (OPSEC), Industrial Security, Foreign Disclosure (FD), and the Insider Threat Program (InTP). DI presents tailored intelligence to ensure DLA decision-makers are aware of the sensitive international factors impacting current and potential support requirements, are informed of foreign intelligence entity collection operations targeting DLA equities worldwide, and have awareness of foreign threat activity occurring wherever the DLA footprint resides. DI ensures DLA personnel have received adequate training, security clearances, and security awareness to ensure unclassified and classified information is protected from compromise and are equipped to detect, deter, and mitigate potential risks posed by trusted insiders to DLA networks, personnel, facilities, and operations.

## 2. Organization



## 3. Key Personnel

Key DI personnel include the Director, Stephanie Samergedes (Mar 2010-present); Deputy and Intelligence Division Chief, Adrain Clay (March 2010-present); Security Division Chief, Tim Sullivan (May 2015-present); and Special Programs Manager, Linda Uehling (Mar 2010-present).

## 4. Total Personnel

By the end of FY 21, DI had 40 positions supporting DLA enterprise worldwide, four reimbursable PERSEC positions, one position Operationally Controlled (OPCON'd) from J6 to cover the CI Cyber duties, and six military reservists.

## 5. Historical Narrative

### a. Managing DI Personnel and Customer Expectations

While DLA was at maximum telework through much of the year, the DI classified mission continued to require many DI personnel to provide onsite services for the DLA leadership and programs. With minimum staffing across the enterprise and growing unfunded mandates, DI personnel adapted to provide seamless support to their customers both virtually and in-person.

DI was unable to take advantage of the DLA Rotation program this year due to the COVID-19 restrictions, but DI continued to leverage military reservists to assist in PERSEC, specifically fingerprinting and working on the new Continual Evaluation (CE) program. Since the rotation program will allow a full year participation in FY22, DI has asked for a rotation at Richmond and Columbus to support the Personnel Security program. These positions are developmental assignments that not only increase the participant's technical knowledge and skills, but also broaden insight into the agency's mission and functions, develop enterprise perspectives that improve the knowledge and capabilities of the DLA workforce, and develop skills that met agency needs. DI has had success with this program in the past.

DI proactively supported organizations outside of DLA for Personnel Security support by hiring dedicated PERSEC personnel to conduct personnel security services in accordance with the DoD and DLA regulations and instructions, specifically the DoDM 5200.2, Personnel Security program, and DLA Instruction 5200.02, Personnel Security program. Services included but were not limited to conducting pre-appointment security checks on civilian personnel selected to occupy a sensitive position; granted interim security clearances, processed serviced employees for entry into the Continuous Evaluation (CE) program, etc. By the end of FY 21, DI had four reimbursable personnel supporting more than 7,800 reimbursable customers from six organizations.

### b. COVID-19 Pandemic Impacts

Due to max telework, CI Cyber has taken on a new sense of importance. With almost the entire enterprise working from home, our networks are more vulnerable. Bad actors and scammers are having a field day during this pandemic. Employees are anxious, distracted, working with new and unfamiliar technologies, and accessing sensitive data outside of secure working environments. To prove the point, in a span of just seven hours, a cybersecurity professional detected 2,500 infections from malicious emails playing on COVID-19 themes. Phishing emails that appear to come from legitimate sources like the World Health Organization offer links or attachments with information about the spread, face masks, a vaccine, anything that will tempt recipients into clicking and infecting their machines with spyware, ransomware, or otherwise. To counter this threat, DI submitted a Business Case Analysis for an additional CI Cyber FTE to help protect the agency from non-state actors and scammers. DLA leadership approved the BCA, effective Oct 2021.

A lesson learned from COVID-19 experiences was the need for access to classified systems while teleworking. DI's Security Division supported the J6 initiative to deliver a remote SIPR capability (SecureView) to users. While providing guidance on requirements and potential issues, the DI security SME developed a residential closed storage checklist to ensure users

issued the system were properly vetted and met security requirements to ensure the protection of information.

### c. Current Intelligence Support

While the DLA Agency Synchronization Operations Center (ASOC) and most of the DLA organizations focused on DLA's contributions to the COVID-19 response, DI continued to provide uninterrupted, tailored intelligence reports to address DLA's equities overseas. The DI Intelligence team provided 125 briefings in support of the Global Update Briefs (GUBs), and another 125 daily written Intelligence Summary (INTSUM) to DLA senior leadership and the broader Joint Logistics Enterprise, and research on special requests.

DI's Intelligence Division has established vital partnerships with key stakeholders and counterparts in the Intelligence Community (IC) that allowed DI intelligence specialists to leverage the capabilities needed to support DLA's many missions. The Current Intelligence team maintained its near-daily communication with the various agencies in the IC, the DLA Political Advisor, and multiple organizations within the joint logistics enterprise to ensure it presented a coordinated intelligence picture to support DLA senior leader decisions. This was vital especially towards the end of the FY as the U.S. withdrew from Afghanistan. The Intel team supported the Afghanistan drawdown by providing at least 12 specialized briefings to the DLA enterprise for decision making purposes. These briefings focused on the Afghan threat to DLA personnel on the ground and the threat to DLA personnel located in and around locations being used as Lilly Pads around the world. DI also participated in a USTRANSCOM formed an Afghanistan Intelligence Community of Interest.

The Intel Division also supported the DLA Director's meeting with NORTHCOM; DLA plans in support of USCENTCOM, USSOUTHCOM and USSOCOM; and the Ops Deps Pathway to Globally Integrated Exercise 2021 Contested Logistics. During each of these sessions, DI provided an intelligence picture for the Director. DI SMEs briefed current threat information and current concerns of the COCOMs based on intelligence reporting.

DI also assisted the new Deputy J3 in providing an updated unclassified threat assessment to the enterprise. In Jun, DI obtained permission from INDO-PACOM to move an unclassified Threat Assessment from the high side to NIPRnet. This allowed for wider dissemination of valuable information across the DLA enterprise.

Another DI initiative was providing unclassified briefs to the ASOC and those supporting the ASOC. DI provided unclassified threat information that could potentially impact DLA now or in the future. This was an opportunity to provide understanding of how to use intelligence and what was available in the enterprise.

DI maintained a strong Intelligence Oversight (IO) program this FY. The appointed IO officer ensured all DLA Intelligence personnel received annual training. DI did not report nor observe any questionable activities during the fiscal year. DI's IO representative also verified that 100% of personnel assigned to DI received the requisite IO training IAW DoDM 5240.01.

DI continued to develop a library of available unclassified intelligence Travel Threat & Information products designed for DLA's official and unofficial travelers. Even during the COVID-19 environment, DLA personnel continued to travel. The DI intelligence SME added new countries to the list, accessible to the DLA Antiterrorism Officers across the enterprise, and updated other travel sheets. The products provide important information such as unclassified terrorist/criminal/ medical threats, local customs, helpful language phrases, and links to relevant

information from the Department of State; Center for Disease, Control, and Prevention; and the Foreign Clearance Guide. DI personnel also briefing this information to deploying personnel, to ensure they had what they needed to ensure their success.

#### d. Counterintelligence (CI) Highlights

The CI team managed all DLA CI functional services covering more than 28,000 employees to include foreign travel prebriefs/debriefs, foreign visitor vetting, and publishing of first DLA CI Issuance. The CI team also liaised with Army CI, DTRA, AFOSI, NCIS, FBI and DIA community working groups in support of the Director's Supply Chain Security (SCS) priority, to leverage capabilities as part of ongoing DLA CI Incident Assessments (Inquiries), and to support counterpart CI investigations involving DLA equities. The CI team was also responsible for identifying a major foreign threat to the DLA enterprise at an OCONUS location, briefed local command, and contacted Army CI. As a result, the threat was assessed and resulted on new TASKORD impacting entire region. Furthermore, the CI team submitted a CI Business Case Analysis to leverage OSD resources in support of the Director's Supply Chain Security priority. The DLA Director highlighted the importance of the program by releasing a policy letter to all employees.

During the current FY, Supply Chain Security (SCS) encountered a complete turnover in personnel. DI CI specialists briefed the new crew on the DI SCS strategy, which included a focus on Vendor Threat Mitigation (VTM), and explained limitations on DI support due to lack of personnel. CI specialists are working with the Defense Intelligence Agency to assist VTM efforts and assess CI vulnerability to the supply chain vis-à-vis the foreign vendor base.

#### e. Insider Threat (InT) Highlights

The InT program continued to be a crucial part of DI. Despite COVID19-related restrictions, the program maintained contact and outreach to DLA's MSC, RC, J codes and D codes.

The InT team successfully addressed a no-notice Staff Assistance Visit (SAV), answered all SAV RFIs and provided deliverables before the SAV deadline. The InT team also liaised with the InT community to include DoD Insider Threat Management and Analysis Center (DITMAC), National Insider Threat Task Force, Air Force InTP, Navy InTP, DTRA InTP, and DFAS InTP, as part of quarterly community meetings, ongoing DLA InTP inquiries, and in support of required coordination at DLA locations worldwide. The InT team was also responsible for addressing a DoD IG audit of DITMAC and provided deliverables for over 20 requests for information involving DLA's InTP policy, inquiries, and mitigation strategies. The InT team routinely briefed DI and senior leaders on program requirements. Despite personnel changes, the team maintained its Certified Counter-Insider Threat Professional-Fundamentals (CCITP-F) and Certified Counter-Insider Threat Professional-Analysis (CCTIP-A) certifications. The team also briefed the InTP Senior Designated Official (DLA Chief of Staff) on a bi-weekly basis. The DLA Director highlighted the InT program's importance to the enterprise by issuing an agency-wide InT Policy Letter to DLA employees.

#### f. CI/Cyber Highlights

DI, in coordination with J6, continued to lead the way in CI Cyber operations with its OPCON'd CI Cyber Program Analyst. This analyst served as the agency SME providing CI Cyber support to internal and senior agency officials. He provided timely leads to other analytical groups within the IC within 24 hours of receipt. His specialized skillset filled a specific gap in between the world of threat intelligence and cyberspace awareness for DLA's Computer Emergency Response Team (CERT) and DLA as an agency, providing valuable input on specific threat assessments such as Operation Gladiator Shield.

DI's CI Cyber Analyst assisted numerous internal and external organizations in fulfilling their missions in a heavy-threat cyber environment. He assisted the Office of the Inspector General (OIG) and law enforcement in acquiring specific evidence on behalf of DLA and helped mitigate a known fraud against DLA. He continued working with OIG and DLA Fraud Counsel to secure DLA networks from account/access abuse, which could jeopardize DLA's long-term strategic goals and mission.

Within the DLA CERT, DLA's cyber analyst identified future phishing campaigns for the DLA CERT, and had in some cases, sent users specific warnings to those being targeted. He helped DLA's Red Team (Cyber Threat Emulation Team) emulate accurate threat actor actions as would be expected in a real-world event, using intelligence and understanding of the threat landscape to help shape the emulation. He also helped prioritize CERT network defense and detection measures bringing knowledge of the current threat landscape in combination with new and emerging trends and threats to help identify and prioritize CERT incident handlers focus.

The DI analyst became a core member of the new Assured Logistics Cyber Center (ALCC). The ALCC expands and integrates cyber with the core logistics mission in order to stay ahead of threats to the supply chain.

#### g. Support to Sensitive Customers

DLA provided support to DoD and Whole of Government entities in furtherance of the requestor's classified and sensitive missions. In FY 21, DI conducted deep dives into several programs, which included the requirements, agreements, implementation procedures, and payment processes. Results were presented to the Office of the Under Secretary of Defense for Intelligence (OUSDI), the Defense Intelligence Agency, and the associated customers. DI documented end-to-end processes and shared them with stakeholders and customers to ensure proper procedures and the tracking of reimbursements IAW the Economy Act, where all support provided by DLA must be paid/reimbursed. DI briefed the DLA Special Programs Council on all activities to ensure leadership was aware of all support/requirements. Overall, customers were happy with the support. Expanding requirements are expected next year and beyond.

#### h. TS/SCI and JWICS Support Highlights

Now that DLA will have a new Joint Worldwide Intelligence Communications System (JWICS) service provider in the Defense Intelligence Agency (DIA), DI, J3, and J6 have partnered with the agency to ensure a smooth transition. Our focus has been on the number of accounts, SCIFs, and funding for FY 21-22 and beyond. DLA SSO also oversaw the completion of a new SCIF in Richmond and the beginning of construction of the new SCIF in Philadelphia.

Richmond's accreditation has been delayed due to a faulty DLA J6 contract mechanism to install, test, and certify the access control and alarms for SCIFs. DI highlighted the requirements differ from those the J6 uses for collateral space, and J6 is attempting to figure out how to meet the requirements for SCIFs.

#### i. PERSEC Highlights

During a widespread pandemic, there has been a problem finding locations to conduct fingerprinting. DI has utilized its security personnel and reservists to perform fingerprinting services a few times a week and scanned fingerprint cards electronically from the MSCs. With the assistance of DLA J7, DI now has a contract to conduct fingerprinting in over 1500 locations across the U.S., Guam, and Puerto Rico. Not only will this alleviate the reoccurring outages to systems due to software updates but it will also protect the agency from an insider threats. A win-win.

DI PERSEC supported onboarding and hiring actions for civilians and contractors. DI PERSEC specialists worked with J1 on hiring actions requiring security clearance reviews or new investigations and with Contracting Officer Representatives (CORs) on contractors requiring background investigations for IT access only.

DI PERSEC was working with DHRS and J6 on an automated workflow for the Pre-appointment Security Check Process for civilian hires. This project was highlighted under a DLA Troop Support Internal Review and the out-brief, attended by other MSC leaders, showed this as the key to minimizing delays in filling positions. This project was delayed again by J6 wanting to review requirements and determine whether another approved application is available. This is the third attempt in six years to find an application.

The DI PERSEC team conducted several initiatives this FY. The Defense Counterintelligence and Security Agency (DCSA) is actively deploying a new system, National Background Investigation Services (NBIS), that will serve as the federal government's one-stop-shop IT system for end-to-end personnel vetting; from initiation and application to background investigation, adjudication, and continuous vetting. DI will need to build DLA's hierarchal structure and business workflows, establish an agency deployment team, and ensure DI personnel are trained and prepared for the transition. DLA is scheduled to onboard with NBIS on Jul 8, 2022.

Another continued PERSEC initiative is Continuous Evaluation/Vetting (CE/V), which includes military, civilian, and contractors for both DLA and DI's reimbursable community. The DoD will focus on the candidate population that has not been enrolled in CE/V previously and told the services and agencies to work those cases as the priority to ease the burden and get the Department close to meeting the mandate for Trusted Workforce (TW) 1.25, September 30, 2021. Should DI not have someone enrolled by 30 Sep 2021, the CE working group is leaning towards continuing enrollment under the current conditions versus preventing the Services and agencies from deferring investigations. As of today, DLA has 6,004 that have not been enrolled, which will be the DI target audience. DI will focus on enrolling these personnel between now and Sep 30, 2022, to meet the goal for TW 1.50. DI was able to obtain reservist personnel through Sep 2022 to assist with the initiative.

DI published the 5200.02i, Personnel Security program with updates to include information from Security Executive Agent Directive (SEAD) 3, Reporting Requirements for Personnel in National Security Positions, and SEAD 8 Temporary Eligibility.

DI, with assistance from J8, awarded a contract to conduct fingerprinting in over 1,500 locations across the U.S., Guam, and Puerto Rico. This contract will provide DLA customers with a more robust, reliable capability to capture fingerprints for national security investigations. With many reoccurring outages to the systems at each DLA installation due to software updates pushed by J6, this will allow customers access to the location more convenient to them and minimize the impact of traveling during a pandemic only to find the machine will not transmit their prints. This also protects the agency from an insider threat perspective of allowing non vetted individuals into DLA spaces.

#### i. INFOSEC/OPSEC Highlights

The Security Division supported DLA virtually (minimal impact to MSC operations) with INFOSEC, Industrial Security, and OPSEC oversight and assistance.

DI Security professionals authored OPSEC articles for new teleworkers to stress security during a telework environment. DLA INFOSEC partnered with the J6 to discuss the implementation of classified processing outside secure areas utilizing secure devices.

The INFOSEC/OPSEC security specialist supporting DLA Europe and Africa, Mr. Anthony Biafore, was recognized as the winner of the senior security specialist of the year award for FY 21. He was recognized for his outstanding work in implementing security programs for the command and his support of DLA CENTCOM Forward.

FY 21 presented multiple opportunities for DI to increase communication and heighten awareness for Operations Security (OPSEC). DI continued to respond to mandatory telework due to the COVID-19 health crisis by reminding personnel of the need to practice proper information security in a remote environment. DI passed information over a variety of media, utilizing the Director's Blog, DLA Today, and emails to the staff and leadership. In the midst of the pandemic, the Secretary of Defense announced an OPSEC Campaign to combat a multitude of information leaks and a "culture of insufficient OPSEC practices and habits within the DoD." Through a series of memoranda, OSD directed the entire community to conduct a training stand down, to ensure proper prioritization of OPSEC and unauthorized disclosure efforts, and to assess command OPSEC programs to determine if current protection measures were sufficient to protect sensitive government information. The DI Foreign Disclosure Officer also completed the required checks and information packages to on-board three new foreign exchange officers around the enterprise.

A major DoD security initiative this past FY was release of an updated Controlled Unclassified Information (CUI) policy. This new policy will have major impact on how DLA protects sensitive unclassified information moving forward. The Security Division developed the DLA issuance for CUI and set forth training for the workforce. DLA was one of the first agencies to partner with the Center for Development of Security Excellence to begin delivering the DOD-mandated CUI training virtually. The Security Division began hosting enterprise-wide localized training sessions virtually to reach a wider audience and answer employees specific questions given the wide-ranging changes in CUI policy.

DI personnel at the operational locations conducted many live sessions via MS Teams and other collaboration tools to educate the work force. Overall, DI conducted no less than 100 offerings and trained over 2,000 personnel on the new marking requirements in a collaboration environment. DI also developed a CUI Reference library and posted much of the training material and aids at this location for use by agency personnel.

#### j. Foreign Disclosure Highlights

The DI served as Designated Disclosure Authority and appointed a new DLA Foreign Disclosure Officer (FDO) this past FY. DI oversaw the program for compliance with national policy under the counterintelligence (CI) and Foreign Disclosure missions of DLA Intelligence. The FDO served as the point of contact for all DLA-owned information release requests by foreign entities to ensure compliance with DoD policies on protecting and disclosing classified and controlled unclassified information to foreign nationals, while the CI conducted CI vetting of NON-U.S. PERSON foreign visitors to DLA facilities and provided appropriate CI support, as required, and briefed DLA Contact Officers before each foreign visit. With the retirement of the J3 Foreign Visit Coordinator, DI was also involved in providing her replacement a current update on the status of the program, from the DI perspective.

#### k. Industrial Security Highlights

In Industrial Security, an update to the Federal Acquisition Regulation (FAR) mandated using the National Industrial Security Program (NISP) Contract Classification System (NCCS) for the automated processing of DD Forms 254 on all DoD contracts. This change will overhaul current industrial security processes within DLA. DI is working closely with the process lead, J7, on a seamless transition. Additional efforts include teaming with the J7 COR program to develop, implement, and codify training for contracting personnel in accordance with DoD Instruction 5220.22, Volume 2, “National Industrial Security Program (NISP).”

#### l. Intelligence Training Highlights

The Intelligence Division continued to focus routine awareness training on new MSC/RC commanders and supervisors for both the CI and InT programs. The CI and InT programs also ensured that 100% of all new DLA employees at the McNamara HQC received awareness training during bi-monthly onboarding briefings. The CI/InT programs also participated in combining security training into one LMS module. In the future, DI is looking into placing the Insider Threat Sentry App, an awareness mobile application that gives the DLA workforce streamlined access to awareness materials and facilitates, on all DLA-issued smart phones in an effort to keep training effective during the COVID-19 pandemic.

The fiscal year ended with National Insider Threat Awareness Month. The DI Insider Threat Team developed articles supporting this year’s theme for the month of Sep 2021. With so many people in max telework, it was important to remind people of lessons learned and the insider threat indicators. Insider Threat Awareness Month focused on five areas: security awareness; reporting concerning behavior; the redesigned controlled unclassified information (CUI) policy; preventing inadvertent disclosures; and resiliency.

#### m. Agency Management Reviews

The DI Security Division supported the relaunch of Agency Management Reviews. Participating virtually during reviews of DLA Energy and DLA Disposition, it focused on Information Security, OPSEC, Personnel Security and Security Training.

## **6. Summary**

FY 21 was a challenging year for DI. As a customer-focused professionals who were not able to meet face-to-face due to maximum telework and COVID-19 concerns, DI personnel nonetheless supported their customers in both the intelligence and security mission areas. A DI security specialist won the Senior Security Specialist of the Year award and many others won DI “Thanks for Being an MVP” awards due to customer acknowledgement of their support. DI did great things this year and looks forward to another great year!

# Defense Logistics Agency

## DLA Legislative Affairs (DL) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221**

October 4, 2021

MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: Office of Legislative Affairs (DL) Fiscal Year 2021 History

I have reviewed DL's submission which chronicles the Defense Logistics Agency's congressional and legislative history for fiscal year 2021. Please accept this as my endorsement.

You may contact me with any questions at 571-767-5292 or [cordell.francis@dla](mailto:cordell.francis@dla).

10/4/2021

X Cordell C. Francis Jr.

Signed by: FRANCIS.CORDELLCORNELIUS.JR.1010697618

**DR. CORDELL FRANCIS JR**  
Acting Director  
Legislative Affairs

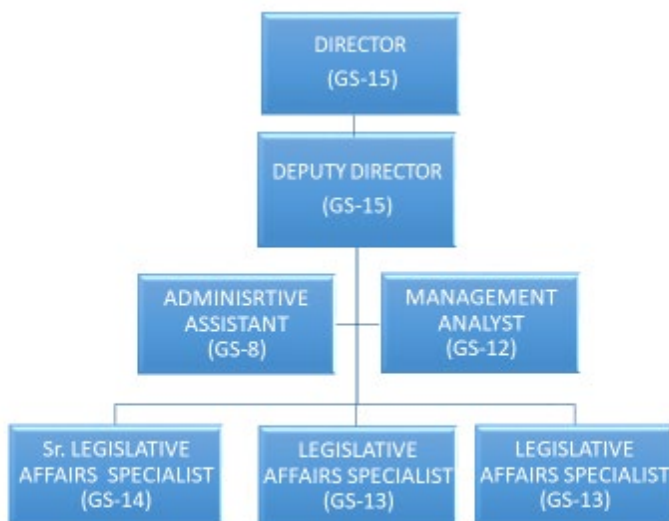
Attachment: DLA Office of Legislative Affairs (DL) FY 2021 History

## 1. Mission and Activities

The mission of the Defense Logistics Agency's Office of Legislation Affairs (DL) is to provide executive-level advice and assistance to the Director, Vice-Director, Executive Board, and Major Subordinate Commands (MSC) on all matters regarding Congress; the White House; and all national, state, and local political activities bearing on agency mission and operations. The vision of the office is to have continued proactive engagement with members of Congress, Congressional Committees, and their staffs to gain support for DLA's mission, programs, and initiatives.

DL also provides full spectrum support to DLA Headquarters and MSCs. Each legislative specialist is responsible for all congressional actions related to his or her portfolios. This includes congressional inquiries, Hill engagements (meetings/briefings), and hearing support. Congressional support is centralized within DL. The MSCs except Troop Support have no assigned legislative affairs specialists. However, there are designated legislative points of contact at each MSC who reside within either General Counsel offices or the Command group.

## 2. Staffing



### a. Assigned Personnel

DL is comprised of seven full time employees: no contract staff. There are two GS-13 Legislative Affairs Specialists tasked with direct legislative activity and one GS-14 Senior Legislative Affairs Specialist who also provides direct legislative activity and is the lead for the legislative team. We have one GS-12 Management Analyst who provides information management and database support, one Administrative Assistant, the Director, and the Deputy Director. The Director and Deputy are tasked with direct support to the DLA Director, Vice, COS, PLFA Commanders, J-Code Directors, and D-Staff Directors. Legislative Affairs

Specialists support the Legislative Director and Deputy, the Director's Staff Group (DSG), MSCs, J-Codes, and D-Staffs.

#### b. Change of DL Director

In 2020, DL saw the retirement of its long-time legislative director and welcomed his replacement. On May 31, 2020, Robert T. Wimple Jr., USAF, Colonel (ret.) retired from federal civil service after seventeen years as DLA Director of Legislative Affairs. In Feb 2003, then Colonel Robert Wimple completed his service in the Office of the Assistant Secretary of Defense for Legislative Affairs and was assigned to DLA as Director, Legislative Affairs. On Jun 1, 2007, Colonel Wimple retired from the United States Air Force after thirty years and eight months of active duty. Upon his military retirement, Mr. Wimple became the first civilian Director of Legislative Affairs. On March 31, 2020, Mr. Wimple retired from the Defense Logistics Agency after twelve years and three months of civilian service.

On Sep 28, 2020, DLA welcomed the new Director of DLA Legislative Affairs, Marta McLellan Ross, who came to the agency from the U.S. Agency for Global Media (USAGM). On April 1, 2021, Ms. McLellan Ross departed DLA for a position with the National Public Radio (NPR).

On Apr 25, 2021, DLA welcomed the new Director of DLA Legislative Affairs, Mr. Roger Pena, who came from the OSD Chief Management Office (CMO). On July 2, 2021, Mr. Pena departed DLA for a senior position with the Army G4 in the area of international security cooperation.

Dr. Cordell Francis served as the acting director during each vacancy period. DLA has solicited candidates for the position since Mr. Pena departed. No selection has been made as of Oct 6, 2021.

#### c. Staff Changes

On Jun 18, 2021, the staff's legislative affairs specialist began terminal leave. This employee retired on Jun 31, 2021, after completing a successful 35 year career in federal service with more than a decade of service to DLA Legislative Affairs.

On June 27, 2021, the staff's management analyst retired after completing a successful 36 year career in federal service with more than a decade of service to DLA Legislative Affairs.

Legislative Affairs began the new hire process before these two individuals departed but it took longer than expected to revalidate position descriptions. The jobs were announced on USAJobs and certifications were provided for review. Interviews for the GS-12 Management Analyst position were held on Sep 15-16, 2021. Interviews for the GS-13 Legislative Affairs Specialist position were conducted on Sep 22, 2021. Hires were obtained for both positions. As of Oct 6, 2021, no date has been set for their onboardings.

### **3. OSD Efficiencies Initiative**

On Jan 13, 2013, as a result of the OSD Efficiencies Initiative, the DL Deputy Director, Dr. Cordell Francis, is dual-assignment as the Special Assistant to the Assistant Secretary of Defense for Legislative Affairs. The agreement between OSD (LA) and DLA assigned the Deputy to OSD (LA) three out of five days per week. As of 2019, DLA and OSD terminated the

timesharing agreement, although there is still regular communication between the DLA Legislative Affairs and OASD Legislative Affairs.

#### **4. Reports to Congress**

DLA wrote Congressional Reporting Requirements for the Congressional Defense Oversight Committees. See table below.

#### **5. FY 21 Budget**

ITEM	ACTUALS
Labor	\$1,078,000
Travel	Combined with Directors Staff
Training	\$8,574
Supplies/Equipment	\$13,895
Contract	\$41,000

DL has a budget of approximately \$1.1M. The majority of the budget is labor (\$1M), followed by the only contract DL has – a submission to Congressional Quarterly for information and research services (\$41K) – and supplies and equipment (\$13K). The contract is shared with J8, J3, and J7. The next largest DL expense is supplies, and the remainder is absorbed by training.

#### **6. Congressional Engagements**

##### **a. CY 2021 DL Engagements (Jan 1 through Oct 6, 2021)**

- (1) 184 – Verbal
- (2) 45 – Written
- (3) 59 – Hill Engagements (Briefings / Meetings / Teleconferences / Reports / Notifications)
- (4) 15 – Administrative
- (5) 1,062 – Contract Announcements

##### **b. CY 2020 DL Engagements (Jan 1 through Dec 31, 2020)**

- (1) 327 – Verbal
- (2) 60 – Written
- (3) 94 – Hill Engagements (Briefings / Meetings / Teleconferences / Reports / Notifications)
- (4) 43 – Administrative
- (5) 1023 – Contract Announcements

#### **7. Legislative Process**

##### **a. FY 22 Proposals**

DLA offered six legislative proposals (two resubmissions) for the FY 22 legislative call: one National Defense Stockpile (NDS) proposal, one Joint Logistics Information Service proposal, two DLA Distribution proposals. Two proposals were resubmissions of FY 21 legislative proposals. Together, the proposals would:

1. authorize acquisitions for the NDS and acquisitions and disposal for NDS (two proposals);
2. authorize DoD to exclude advance billings for national emergency or contingency operations;
3. extend the authority for the United States to provide reciprocal cataloging services and data to certain non-North Atlantic Treaty Organization (NATO) members of the NATO Allied Committee 135 (AC/135) (14 Countries);
4. would establish a statutory requirement embodying current DoD policy requiring the use of DLA-operated storage and distribution facilities where collocated with organic depot maintenance locations;
5. would update and make permanent the pilot program for Distribution Support and Services for Weapon Systems Contractors authorized by Section 883 of the National Defense Authorization Act for Fiscal Year 2017.

b. FY22 National Defense Authorization Act (NDAA)

The House Armed Services Committee (HASC) subcommittee markups were completed on Jul 29, 2021, and the measure was sent to the full committee on Sep 2, 2021. The HASC subcommittee marks include language on bulk fuel management, contested logistics, the Working Capital Fund (WCF), F-35 Organic Maintenance Capability, PFAS, burn pits, domestic production of Active Pharmaceutical Ingredients (API), Individual First Aid Kits (IFAK), and the Procurement Technical Assistance Centers (PTAC), among other things. The House passed (316-113) its version of the NDAA (H.R. 4350) on Sep 23, 2021. The legislation would authorize \$768 billion for national defense programs, including \$740 billion for the Pentagon base budget — an increase of \$25 billion from the President’s budget request. DLA submitted one budgetary appeal on MGUE ASIC (J3) and two language appeals for a provision on synthetic graphite (J7 Strategic Materials) and the disparity in cost of uniforms by gender (Troop Support); both provisions were the result of House floor amendments to the underlying bill. DLA also submitted an input on the provision regarding global bulk fuel management for the Statement of Administration Policy (SAP) which was included in the Department’s final draft which was delivered to Congress on Sep 21, 2021.

The Senate Armed Services Committee (SASC) completed its subcommittee mark on Jul 19, 2021 and full committee approval on Jul 21, 2021. The Senate filed its bill (S. 2792) and report on Sep 22, 2021. The bill would authorize a topline of \$768 billion for our military and national security programs at the Department of Defense and Department of Energy. The bill includes several items of direct DLA impact or interest such as a review of the defense industrial base regarding resiliency in critical materials, a briefing on the transition of the Strategic Materials Stockpile to an appropriated process, DLA support to TRICARE for pharmaceuticals, various PFAS provisions, and a provision to maintain vaccine supplies in DLA’s stockpile. DLA

did not have any inputs for the SAP or appeals. The Senate is expected to debate and vote on the measure sometime in Oct 2021.

The House and Senate will proceed to conference committee after each chamber debates and approves their respective version of the FY 22 NDAA. In conference committee House and Senate members will reconcile the differences between the two bills. Once complete, the conference bill and report will be sent to each chamber for final consideration and vote.

### c. FY 21 Defense Appropriations Bill

The House Appropriations Committee advanced its fiscal 2022 Defense Appropriations bill, H.R. 4432, on Jul 13, 2021. The vote to report the \$705.9 billion draft bill was 33-23, a party-line breakdown that reflected GOP concerns that spending — a \$10 billion increase, or 1.4 percent above the current level — is insufficient given global threats. No date has been identified for House consideration of the committee bill. Separately, the Senate Appropriations Committee has not begun markup of the Defense Appropriations Bill as of the Oct 4, 2021. The House and Senate need to complete consideration of their bills in committee and before the full body before going to conference committee to reconcile the differences between the two bills.

Separately, a continuing resolution (C.R.) (H.R. 5305) was passed by the Senate (65-35) and the House (254-175) on Sep 30, 2021. This temporary spending bill funds the government until Dec 3, 2021.

## 8. Congressional Reporting Requirements

Subject	Requestor	Date Received	Original Due Date	Extended Due Date	Comments/Status
<b>*****Congressional Reporting Requirements (CRRs)/Congressional Notifications *****</b>	<b>*****</b>	<b>*****</b>	<b>*****</b>	<b>*****</b>	<b>*****</b>
CRR - Report - H.R. 133, Page 2134 (Consolidated Appropriations Act (includes DoD and MILCON) in support of FY21 NDAA, Sec 1053	HAC/HASC/SASC	24-Feb-21	26-Apr-21		CLOSED - 9/20/21 - OASD LA transmitted report to committees.
CRR - Report - FY21 NDAA Conference Report H. Rept. 116-617 to accompany H.R. 6395, Sec. 870 Compliance of Offices of Small Business and Disadvantaged Business Utilization	HASC/SASC	1-Jan-21	30-Apr-21		3/01/21 - OSD OSBP is the lead and has requested DLA responses to GAO questions by March 15, 2021. DB will work with DLA CoS on determining the appropriate Agency responses.
CRR - Report - FY21 NDAA Conference Rpt 116-617 to accompany H.R. 6395, Sec. 339 Assessment of DoD Excess Property Programs With Respect to Need and Wildfire Risk	HASC/SASC/House Committee on Agriculture/Senate Committee on Agriculture, Forestry &	12-Feb-21	1-Jun-21		9/24/2021 - In DLA for senior leader approval for submission to OUSD (A&S) through OASD(S).
CRR - Sec. 361. Pilot Program for Temporary Issuance of Maternity-Related Uniform Items	HASC/SASC/HAC/SAC	1-Jan-21	30-Sep-25		2/11/21 - DLA Troop Support will provide report in 2025.
CRR - Report - FY21 NDAA Conference Report H. Rept. 116-617 to accompany H.R. 6395, Sec. 861 Initiatives to Support Small Businesses in the National Technology and Industrial Base	HASC/SASC	1-Jan-21			2/04/21 - Awaiting official OSD suspense, but OSD will likely be the lead. There are requirements and/or deliverables for 2021, 2022 and 2023. DLA will provide input and coordination as needed.
CRR - Report - FY21 NDAA Conference Report H. Rept. 116-617 to accompany H.R. 6395, Sec. 323. Assessment of Department of Defense Operational Energy Usage	HASC/SASC	1-Jan-21			1/21/21 - OSD has the lead. DLA will provide input and coordination as needed. Report expected to be due to HASC/SASC NLT March 2, 2021.

## 9. Congressional Issues of Interest

### a. DLA Troop Support

Reliance on Foreign Sources in the Medical Supply Chain - Several members of Congress have expressed concern regarding medical Personal Protective Equipment (PPE),

pharmaceuticals, and medical equipment utilized by the military services, specifically potential national security risks posed by reliance on Chinese-sourced Active Pharmaceutical Ingredients (APIs). DLA received numerous inquiries on this topic and conducted several congressional engagements in coordination with OSD and Joint Staff.

#### b. DLA Disposition Services

##### (1) Law Enforcement Support Office (LESO)

Recent protests regarding law enforcement's use of force has resulted in increased emphasis on the past and current use of the program to provide excess military equipment to law enforcement agencies. The House and Senate are considering law enforcement bills, which may include provisions that impact the program.

##### (2) Incineration of Aqueous Film-Forming Foam (AFFF) containing Polyfluoroalkyl Substances (PFAS)

In Feb 2020, Senators Chuck Schumer and Kristen Gillibrand wrote a letter to SECDEF expressing concerns regarding PFAS and the need for DoD disposal actions to minimize environmental impact and allow for review of proposed actions. In May 2020, Senator Schumer wrote the SECNAV and DLA expressing concerns regarding the acceptance and incineration by the DLA subcontractor, Tradebe, of AFFF at the Norlite facility in Cohoes, NY and requested delay in the contract performance. Disposition Services subsequently removed the Norlite facility from Qualified Facilities List and halted incineration of AFFF to the aforementioned location.

#### c. DLA Energy

##### (1) INDOPACOM Fuel Study

In May 2021, DLA Energy briefed HASC Professional Staff Members (PSMs) on the IDA INDOPACOM fuel study, and DLA Energy's role in sourcing unified combatant command (CCMD) fuel requirements during major conflicts and contested environments. PSMs expressed their desire to better understand roles and responsibilities between CCMDs, the services, and DLA in intra-theater movement of fuel, especially, during the last tactical mile, and intra-theater connectors relative to fuel distribution. DLA Energy discussed DLA's views on the fuel study, and DLA's role in bulk fuel management in the INDOPACOM theater, including coordinating operational plans and fulfilling requirements. DLA Energy also explained its relationships with CCMDs and the military services in this space.

##### (2) Red Hill

The overall bulk fuel strategy and the tank upgrade alternative decision has been an ongoing issue for years. Navy is the lead organization.

##### (3) Reimbursement payments for inflight refueling sales

This has been a high-visibility issue involving DLA, OSD and Air Force. DLA Energy has responded to data calls regarding inflight refueling sales and reimbursements for countries including UAE.

#### (4) Port Mahon (Dredging)

DLA Energy provides fuel to the Air Force through Port Mahon in Delaware. The waterway could become unnavigable to fuel deliveries if there is additional build-up of silt. Staff from Senator Chris Coons's office have spoken to DLA, U.S. Army Corps of Engineers, and the state of Delaware about the matter. However, DLA is not responsible for dredging the waterway and the state of Delaware has expressed to the staffers they are also not responsible. We are at an impasse.

#### (5) Federal Helium Reserve

DLA Energy responded to congressional inquiries about the sale of the Federal Helium Reserve and the impact to the defense industrial base. DLA Energy is concerned the sale will adversely impact our ability to support demand and requirements.

#### d. DLA Aviation

##### (1) Ehren Haus litigation

DLA is engaged in litigation with Ehren Haus, a DLA Aviation parts supplier. DLA Aviation denied Ehren Haus's claim for payment of unauthorized engineering services.

##### (2) TransDigm

There is Congressional interest in reverse engineering in the wake of TransDigm's overpricing of spare parts to DLA.

#### e. DLA Small Business Programs, DB

Transition of responsibilities for the Procurement Technical Assistance Program from Director, DLA to the Under Secretary of Defense for Acquisition and Sustainment (effective Oct 1, 2021) – There is a congressional reporting requirement (FY20 NDAA, Sec. 852 (b) report and briefing) due Nov 1, 2020. OSD Office of Small Business Programs is the lead office and DLA will provide support as needed. OSD OSBP provided an interim response.

#### f. DLA Acquisition, J7

Impact of removal of accelerated payment to businesses – DLA has responded to a number of Congressional inquiries concerning DLA's change from a 15-day payment schedule to net 30 days. To more effectively manage the health of the DWCF, DLA hanged its payment terms to the stated contract term (i.e., net 30 days). The next round of requests for stimulus funding includes funding for DLA to return to 15-days payment.

g. DLA Logistics Operations, J3

Contested Logistics – The HASC and SASC are focused on preparing for future conflicts, including contested logistics scenarios. In 2020, the HASC held multiple briefings on the matter with the military services, CCMDs, and DLA. DLA responded to inquiries from the HASC. Members of the HASC Readiness Subcommittee expressed concerns about the sustainability of operations in a Pacific conflict.

# Defense Logistics Agency

## DLA Installation Management (DM) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**HEADQUARTERS**  
**8725 JOHN J. KINGMAN ROAD**  
**FORT BELVOIR, VIRGINIA 22060-6221**

October 17, 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Submission of DLA Installation Management FY21 Annual History Input

As we embarked on the FY21 Dynamic Operating Plan, I provided in my guidance to the staff that I looked forward to working together towards making it a landmark year. My initiatives were broad and organizationally demanding, but believed each success would bring us closer to meeting DLA's Strategic Goals. The era of COVID-19 has brought additional challenges for DLA Installation Management to the forefront. The attached pages show highlights from those success as DLA Installation Management continued to adapt and innovate to meet the ever changing requirements affecting DLA's mission.

We always consider the warfighter first and look for the most efficient and economical ways to do so while also looking out for our people. We continually encourage our people to work safely and passionately in support of our mission.

We hope that as people read these pages they will see a workforce ready, willing, and able to do it all that it can to exceed the DLA Director's goals for the Strategic and the People and Culture Plans.

HACKETT.GORDO  
N.BAILEY.III.10483  
09352  
GORDON B. HACKETT III  
Director  
DLA Installation Management

Digitally signed by  
HACKETT.GORDON.BAILEY.III  
1048306252  
Date: 2021.10.17 21:29:49 -0400

Attachment:  
Annual History Input

## 1. Introduction

The DM historical record outlines the actions DM took over the course of FY 2021 to improve and sustain the effectiveness and efficiency of services provided to our customers, civilian and military, internal and external to DLA. It also provides they key operating goals, initiatives, metrics, and tools used to monitor our performance.

DM provides worldwide policy, program, and operational support in the areas of:

- a. Facilities and Equipment
- b. Environmental Management
- c. Security and Emergency Services
- d. Family and Morale, Welfare, and Recreation (FMWR)

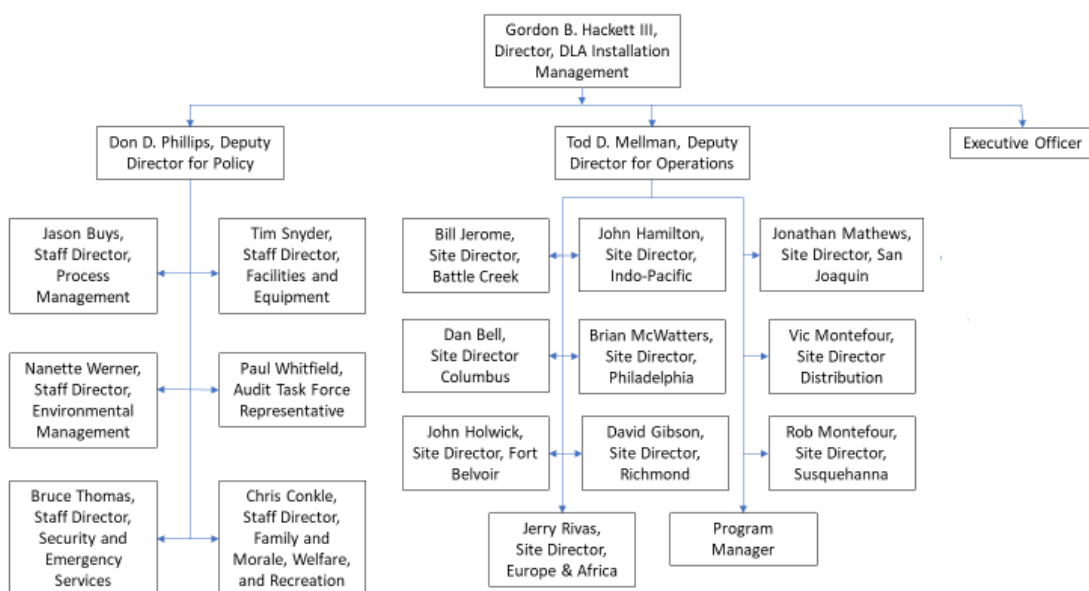
## 2. Organization

a. Mission: DLA Installation Management provides security, emergency services, environmental, facilities and equipment management, and FMWR support policy to DLA organizations.

b. Vision: Enable the DLA workforce to support the Warfighter.

c. Values: Our values are DLA's foundation. They provide our guiding principles as we accomplish our mission, pursue our vision, and strive to do what is right for the Armed Forces and DoD: Leadership, Professionalism, and Technical Knowledge through Dedication to Duty, Integrity, Ethics, Honor, Courage, and Loyalty.

## 3. Key Personnel



Over the last year, two employees were hired to fill the following key leadership positions:

- a. John Hamilton became our Site Director at DM Indo-Pacific
- b. Jason Buys became our Staff Director for Process Management

#### 4. Total Personnel

Office	Authorized Civilians	On-Board Civilians
DM Director's Office	10	9
Staff		
Process Management (DM-A)	13	11
Environmental Management (DM-E)	11	10
Facilities and Equipment (DM-I)	36	33
Family and Morale, Welfare and Recreation (DM-Q)	0	0
Safety and Emergency Services (DM-S)	14	11
Sites		
Battle Creek (DM-FB)	48	44
Columbus (DM-FC)	260	224
Distribution (DM-FD)	45	42
Fort Belvoir (DM-FF)	140	122
Europe and Africa (DM-FG)	13	24
Pacific (DM-FH)	20	35
San Joaquin (DM-FJ)	171	126
Philadelphia (DM-FP)	45	40
Richmond (DM-FR)	232	197
Susquehanna (DM-FS)	329	282
Total:	1,387	1,210

DM-Q has zero authorized Full-Time Equivalents (FTEs), but maintains a Non-Appropriated Fund (NAF) staff of 17. The DM enterprise has a total of 568 NAF employees.

#### 5. Historical Narrative

##### a. Operating Plan Initiatives

(1) DM Initiative 1.3.1: Optimize DLA Military Construction (MILCON) program through prioritization and management of projects

Facilities & Equipment has optimized FY 21 MILCON project selection, as evidenced by 100 percent program approvals from OSD and Congressional subcommittees, placing the entire project list in the National Defense Authorization and Military Construction Appropriations Acts.

(2) DM Initiative 1.3.5: Reduce Cyber Risk to Installation / Facility Control

Systems:

(a) Electronic Security System (ESS) at Hill AFB, UT, Maintenance Contract Option Year 1 - includes OT cyber security patching and updates. ESS at Philadelphia, PA Maintenance Contract - includes OT cyber security patching and updates.

(b) ESS at Norfolk, VA Upgrade operating system and Lenel version.

(c) DLA Distribution, Automated Materiel Handling Equipment Upgrade Factory Talk View from ver 9 to ver 12.

(d) Columbus, OH HVAC mechanical maintenance contract- includes OT cyber security patching and updates.

(e) Camp Carroll, Korea, OT Cyber security review of new Consolidated Warehouse (FY17 MILCON)

(f) New Cumberland, PA Utility Management Controls System contract to include OT cyber security patch and updates.

(3) DM Initiative 2.1.1: Support the DLA mission by configuring installation/facility assets to meet MSC/Region requirements:

DM-I is standing up Space Management within DLA. At present DM-IP is working to create DLA policy for space management that will include guidance and procedures for space allocation and prescribe procedures to request, allocate and assign internal space at DLA Host Sites. Guidance will include how tenants request space on host installations and process for returning excess space. Additionally, in DLA DM-I awarded a new contract to expand upon the existing DLA Geospatial Gateway to assist in space utilization needs for Installation Management at multiple DLA sites.

(4) DM Initiative 5.1.1: Optimize DLA's vehicle fleet to comply with fleet requirements:

We continue to assess the DLA Fleet Management Program to identify opportunities for optimization. We will be requesting contract support to accomplish a Vehicle Allocation Methodology (VAM) survey in FY 22 (funding requirement was identified in the FY 22 requirements plan). DM-IS is in the process of modifying our previous reviews of agency fleet data to support the new directives on moving towards electrification. We are preparing for the FY 22 GSA Leased Vehicle Replacement Cycle, which will be our first opportunity to acquire vehicles complying with E.O. 14008. We have also been working with Disposition Services to eliminate vehicles associated with their site closures. We have been able to make some progress with this, but not as much as we had hoped for. We have also taken actions to complete the streamlining of the GSA Leased Vehicle payments at our Europe locations.

(5) DM Initiative 5.1.2: Implement energy initiatives to reduce the cost of operating installations:

DM at Columbus:

- (a) Installed non-condensing boilers in Buildings 10 and 11.
- (b) Replaced Building 20 LED drivers.

DM at San Joaquin:

- (a) Installed 200 KW solar PV project on Building 100. Estimated annual savings of 240,000 KWH.
- (b) Installed 680 KW solar panels on Building 59. Estimated annual savings of 816,000 KWH.
- (c) Lighting retrofit for Buildings 19, 22, and 29 with estimated annual savings of 95,000 KWH.
- (d) Two 2-MW generators to provide depot-wide black start capability is in planning and funding stage. Objective is to reduce revenue lost due to power outages.

DM at Richmond:

- (a) Demolished Building 33, a 1942 warehouse converted into office space.
- (b) Converted boilers in Buildings 31 and 32 from heating oil to natural gas, estimated to reduce heating costs by 2/3.

DM at Susquehanna:

- (a) Eastern Distribution Center microturbine project is nearing completion.
- (b) Replaced HVACs in Buildings 210, 211, 509 at Mechanicsburg.
- (c) Mechanicsburg firm natural gas delivery contract awarded. Estimated to reduce heating costs by about 2/3, not accounting for energy cost inflation this year.

DM for Distribution:

- (a) DDPW FY 20 ERCIP project will run new natural gas lines to DDPW facilities and convert six warehouses from steam to natural gas heating. The project is estimated to cost \$5.4 million and save DLA \$13.9 million over a 20-year life span, with a savings-to-investment ratio of 2.56 and discounted payback of 7.8 years.
- (b) Conducted a field investigation and scoping site visit in May 2021. Construction is expected to commence in FY23.
- (d) DDCN Energy enterprise content management (ECM) - Awarded FY 21 at a total of \$800,000. The project includes seven facilities and ECMs such as interior lighting & controls, exterior lighting & controls, programmable thermostats, and ventilation improvements, with most work in Buildings 147, 148, 150, and 159. The project will save 5,309 MMBtu, or \$85,864 per year.

b. Culture / Climate Results

The DLA Installation Management (DM) Culture Climate survey results for 2020 reflect DM's strong organizational culture. DM is in the 3rd quartile for 11 of 12 Denison indices. From

2018 to 2020, DM improved for 11 of the 12 indices with significant improvement in five indices. DM continued to perform well in areas aligned with the DM mission such as Customer Focus (80/100), Empowerment (76/100), and Team Orientation (73/100). By conducting focus groups, Town Halls, and site-specific meetings, DM identified issues and developed action plans to address them. Top-down action planning matched equally-important feedback from staff, allowing DM to balance future needs in the focus areas. These five DM focus areas were also aligned with the DLA enterprise focus areas and the DLA Director's initiatives. Going forward, DM will concentrate on maintaining its current posture for all indices, improving focus areas, and meeting DM goals for Culture Climate.

#### c. Defense Wide Review: Alt-104 / DM Optimization

The DLA Installation Management Director ordered DM sites and staff leaders to review their organizations in preparation for DM Optimization Offsite. As a result, DM conducted a top notch and extremely well organized offsite resulting in DM Staff and Sites identifying potential contract and FTE reductions to meet the goals of several DLA Strategic Initiatives, to include: Alt. #104 and FY 21 DV led Night Court contract savings review.

We oversaw DLA's joint IPT which, in conjunction with Army Materiel Command and IMCOM teams, recommended DLA retain four sites and implement approximately \$48 million in DM savings/reductions.

We ensured DM stayed within its personnel authorizations numbers and reduced DM's FTEs by transferring 10 FTEs to the CoS portfolio to assist in remedying overages in other areas.

As requested by the J7, both DM Richmond and DM San Joaquin conducted extensive contract reviews and successfully identified contract savings totally \$9.8 million to meet required savings objectives for contracts over the \$10 million threshold.

#### d. COVID-19 Response

DLA Installation Management has played a critical role in the agency's response to COVID-19. DM ensured workplaces were clean and safe. The Installation Management team in Columbus led the way in developing a Reconstitution Playbook. This Playbook was replicated at other DLA sites and formed the basis of the Installation Management Reconstitution Support Framework Plans. DM followed the Center for Disease Control and Prevention's COVID-19 environmental cleaning/disinfecting recommendations to ensure proper levels of sanitation by increasing the cleaning of high traffic areas and conducting thorough cleanings of areas utilized by employees with confirmed cases of COVID-19. Janitorial contracts were modified at DM sites adding considerable expense due to the increased requirements. DM was also provided initial cleaning supplies to each agency organization so they could support themselves.

Developed the logistics annex to the Workforce Reconstitution plan that contained a listing of critical personal protective equipment and hygiene supplies to include procedures for ordering through DLA sources of supply. In addition, created a tracking mechanism for each site's supplies in order to baseline future contingencies.

Continued supporting the agency's COVID-19 response by leveraging DM Site and Staff Directors and by working with the MSCs, J&D codes, and Safety & Occupational Health Office and the ASOC. Routinely participated in and provided COVID-19 briefings to the DLA Director regarding status of PPE, hygiene supplies, building occupancy statistics, Force Protection and

Health Protection Conditions levels, and MWR Program Status. DM sites developed Reconstitution Playbooks/SOPs that codified procedures, promoted safe and secure work environments, and helped MSCs/Regional Commands develop reconstitution plans. DM sites collaborated with J3 to acquire and distribute hygiene supplies, over 33,400 masks, and other critical personal protective equipment (PPE) to 37 DLA activities at 69 locations around the world. DM Sites ensured they had proper cleaning contracts in place to safeguard and protect a workforce that, to date, has suffered over 2,500 reported COVID-19 exposures.

We improved senior leadership awareness, decision making ability, and workforce situational awareness by providing DM-S staff members to participate in the numerous COVID-19 functional teams and working groups, including the COVID-19 Coordination Team and the Global Update Briefings. We reported weekly DBID scan counts at the ASOC daily COVID-19 BUB Senior Leader Synch. Fire and Emergency Services (F&ES) operations and fire prevention programs remained at full activity during pandemic. DLA installation facilities continued to receive robust prevention inspections and ensured no significant fire losses at DLA installations. The DM police departments continue to play a key role in the agency's COVID-19 response by implementing no touch DBIDS scanning at gates and scanning CACs through car windows. Under certain circumstances, temperatures are taken before individuals enter the base.

#### e. Operational Technology

This past year the cyber-attacks on the Colonial Pipeline and JBS meat packing operations have highlighted the need to be vigilant within DLA for a cybersecure Operational Technology (OT) environment for our facility related control systems (FRCS), automated material handling equipment, and equipment installations. Installation Management continues to work with our Information Technology (J6) partners in the area of OT for our FRCS and Automated Material Handling Equipment. Through collaboration with J6 the Directive Type Memorandum (DTM) 20-002 "System Life Cycle Management of Facility Related Control Systems" was extended to allow for further review and development of the DALI. The DLAI will add an environmental pillar to the established pillars for Security, Fire Protection, Petroleum, Oil & Lubricants, Building Control Systems, Utility Control Systems, Material Handling and Other. The DLAI will also clarify processes, define stakeholder responsibilities, provide a foundation to develop formal policies, and encourage more involvement from MSCs. The OT Executive Board meets monthly and is co-chaired by the Chief of Staff and Chief Information Officer. Monthly OT issues are discussed. Continuous engagement with J6 is required as we move into a more cyber secure environment to mitigate any gaps. The ongoing development of the OT Risk Matrix in coordination with the CRO will ultimately emphasize cyber, mission and critical infrastructure, and vulnerability identification. DM will continue to work with partners to provide the best possible OT solutions for FRCS in 2022.

#### f. Per-and Polyflouroalkyl Substances (PFAS)

PFAS are a class of man-made chemical compounds found in many industrial and consumer products, including nonstick cookware and microwave popcorn bags. In DoD applications, the chemicals have been found in aqueous firefighting foam (AFFF) used to extinguish fuel fires. Although successful in protecting against loss of life and property, it is now known that releasing PFAS can contaminate private wells and public water systems.

In response, the Secretary of Defense created a PFAS Task Force to manage growing concerns over releases of these substances and the effects on military installations and their families. The Task Force provides an aggressive, holistic approach to find and fund an effective substitute for firefighting foam without PFAS, develop and implement cleanup standards, make lasting policy change, and coordinate across federal agencies.

To support the PFAS Task Force, DLA coordinated with the Deputy Assistant Secretary of Defense (Environment) and the services through numerous OSD level committees, including committees for the Resource Conservation and Recovery Act (RCRA), Cleanup (Defense Environmental Restoration program), Safe Drinking Water Act, and Clean Water Act. These committees drafted numerous PFAS policies to address Task Force priorities and the requirements of the FY 20 and FY 21 National Defense Authorization Acts (NDAAs).

In FY 21, DLA, as chair of the RCRA Steering Committee, continued to guide and support its customers in the proper disposal of PFAS waste. Under DLA's chairmanship, the RCRA Steering Committee drafted DoD's PFAS Disposal Policy for the PFAS Task Force and interagency review, which will continue to evolve in response to EPA guidance and emerging legislation. DLA notified agricultural operations proximate to DLA sites impacted by PFAS in accordance with Section 335 of the FY 21 NDAA, and continued to provide ongoing support to DoD Inspector General and Government Accountability Office (GAO) audits.

DLA anticipates continued broad engagement in support of the PFAS Task Force's efforts to prioritize the U.S. Government's actions in identifying appropriate disposal options for PFAS wastes, and appropriately addressing drinking water issues caused by DoD activities.

g. More Accomplishments:

(1) Major installation (DLA San Joaquin) earned the Occupational Health and Safety Administration Safety Management System Achievement Award with heavy involvement by the DLA Installation Management staff.

(2) Defense Supply Center, Richmond won the 2021 Commander in Chief's Installation Excellence Award.

(3) Process Management (DM-A)

(a) All prepared by client (PBC) requests processed within the prescribed OUSD and DLA time frames, along with receipt and processing of all 31 Notification of Failure Reports from the auditor and associated Corrective Action Plans.

(b) As result of DM's efforts and collaboration with its J8 counterparts as well across the various DM stakeholders, E&Y downgraded our Working Capital Fund PP&E from a material weakness to a significant deficiency. This effort was noted by the DLA Director who stated, "Your dedication, discipline, and attention to detail were instrumental in our success and reflect positively on each of you and the entire DLA Team."

(4) Environmental Management (DM-E)

Climate Change Executive Orders: In 2021, DM worked with J3 and DLA Energy to position DLA to respond to DoD and Administration requirements for Climate Change. Four current and pending Executive Orders (EO) have DLA equities, including EO 14008 of Jan 27, 2021, "Tackling the Climate Crisis at Home and Abroad," EO 14017 of Feb 24, 2021

“America’s Supply Chains,” EO of May 20, 2021 (no number), “Climate Related Financial Risk,” and Draft EO 14XXX, “Catalyzing Clean Energy Industries and Jobs through Federal Sustainability.

(5) Facilities and Equipment (DM-I)

(a) Rewrote the SRM Policy and Manual 4165.02 and currently in coordination

(b) Completed an EBS Update Project and added additional features and optimizations. EBS cloud migration is underway to a government cloud platform scheduled for completion 1 Oct 2021.

(c) Fleet reported to the OSD Fleet Manager on the current automotive fleet composition, to include electric vehicle support posture, developed a standardized process and checklist for license plate inventories at all DLA locations, and identified replacement options with electric vehicles.

(d) The DM Team worked very closely with OSD and the military services counterparts to chart the way ahead for transfer of Real Property. As the result of much preparatory work and close collaboration with the military service counterparts, all real property was reconciled/deactivated and resolved and MOAs are in the process of being reviewed and completed.

(6) Family and Morale, Welfare, and Recreation (DM-Q)

The FMWR HQ team is successfully supporting FMWR program reopening in accordance with HPCON requirements which allows patrons to begin utilizing our programs and facilities and generating revenue to ensure the viability of the One Fund. Identified savings of \$1.2 million over the future-years defense program by having their HR functions performed by non-appropriated funds HR and not back filling their HR FTE positions.

(7) Security and Emergency Services (DM-S)

Maintained a 95% average for AT Level I training across the DLA enterprise (48 states and 28 countries) – Right on target of agency goal in DLA People and Culture Plan.

(a) In a year of several incidents at military installations – there were zero terrorist or major criminal incidents occurred at DLA installations.

(b) To meet DoD Security Program Review (SPR) requirements, DM-S transitioned to a virtual SPR to continue capability to review and provide oversight of DLA Security & Emergency Services Programs to ensure adherence to DoD and DLA policies and standards; and to provide feedback, recommendations, and staff assistance training.

(c) Partnered with DLA Transformation (DT) and DLA Acquisitions (J7) on a continuous process improvement (CPI) project to enhance end-to-end life management of DLA contractor Common Access Cards (CACs). Updated DLAI 1000.13 in October 2020.

(d) DLA is Next Generation 911 (NG911) ready with the recent upgrade to the Omni911 application at all four installations (Richmond, VA; Columbus, OH; San Joaquin, CA; and New Cumberland, PA). This platform strengthens cybersecurity, provides

three-dimensional location information to the first responder, and enables secure sharing of information across emergency communication centers.

(e) Enhanced DLA's emergency notification capabilities by upgrading the Mass Warning and Notification System (AtHoc) to the latest version and training administrators and operators on the new system. In addition, reduced downtime of the system 99% after installing a staging server with mirror images for preproduction testing, and ensuring 24/7 tracking of functionality using the DLA Dashboard.

(f) Strengthened agency and supply chain resiliency by ensuring the continuation and execution of installations emergency management exercises. While in many cases these were conducted virtually, the key individuals and organizations adapted to the environment and actively participated with scenarios that challenged their assumptions.

(g) Republished two DLA issuances for police operations and force protection, ensuring DLA Police Officers are backed by consistent policy compliant with all DoD requirements.

#### h. Installations

##### (1) Battle Creek

The design for the Warehouse SDA 205 repair was completed, construction contract negotiated, final construction contract signed, and funding obligated. This is the first DLA Disposition Services projects expensive enough to require Congressional notification.

##### (2) Columbus

Environmental, Facilities and Equipment, and FMWR Divisions worked with Urban Tree Project (non-profit organization) to plant 50 saplings at Sports Park on 12 May 2021. Urban Tree Project is a new non-profit seeking to grow its portfolio and has connected with DSCC through the City of Columbus Urban Forest Planning group. All 50 saplings are native trees. They will provide both shade and windbreak at Sports Park as they grow. Urban Tree Project will maintain the trees for the first two growing seasons.

##### (3) Fort Belvoir

Leveraging the expansion of teleworking during the pandemic, Installation Management identified and returned 18,000 square feet of leased space in the NCR resulting in a savings of \$700,000 in FY 21 and projected cost avoidance of \$1.04 million in FY22

##### (4) Europe and Africa

Executed \$1.3 million project to expand the DLA Disposition Services (DS) yard at Al Udeid. The yard was too small to support the expanding mission. Working with DLA Disposition Services HQ and the Air Force host, DM Europe and Africa developed a plan to move to a new location on Al Udeid and double the size of the existing yard. The new yard is designed to provide DLA DS sufficient space to expand their operations and support.

(6) San Joaquin

Tracked air quality through the San Joaquin Valley Real-Time Air Quality Advisory Network to ensure all applicable wildfire and dust air quality advisories and messages were communicated to the workforce during a particularly hazardous California wildfire season. Drafted all hands information to explain the risks and steps employees can take to protect themselves from the harmful smoke and particulates.

Developed a new, more efficient process for the annual Water System Vulnerability Assessment based on the Army Technical Guide 374, Water System Vulnerability Assessments. Divided assessment elements by specialty, allowing expert focus to rewrite the assessment to explain the entire water process to leadership to better understand vulnerabilities.

(7) Richmond

Maintained Environmental Management System ISO 14001 certification at the Defense Supply Center Richmond for 16th consecutive year. ISO 14001 is the internationally accepted standard for environmental management. Recipient of Chesterfield County Platinum Award for Environmental Excellence.

(8) Susquehanna

Through coordination with Naval Facilities Engineering Systems Command, completed a natural gas contract to provide firm service for NSA Mechanicsburg by 2023 heating season. Reduced operating costs will save nearly \$350,000 annually.

Fire Department was granted accredited agency status in Aug 2021 by the Commission on Fire Accreditation International. This is the agency's 3rd consecutive international accreditation.

# Defense Logistics Agency

## DLA Equal Employment Opportunity (DO) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**HEADQUARTERS**  
**8725 JOHN J. KINGMAN ROAD**  
**FORT BELVOIR, VIRGINIA 22060-6221**

October 8, 2021

MEMORANDUM FOR DEFENSE LOGISTICS AGENCY COMMAND HISTORIAN

SUBJECT: DLA Equal Employment Opportunity Diversity and Inclusion (EEODI) 2021 Annual History Report

The DLA EEODI 2021 Annual History Report is approved and is being submitted with my endorsement along with the following attachments:

- White House Domestic Policy Council (DPC) issued implementation guidance for Executive Order (EO) 14035 – Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce
- Policy Statement on Equal Employment Opportunity (EEO) letter
- Statement on Prevention of Sexual harassment (POSH) and Sexual Assault Prevention and Response (SAPR)
- Policy statement on Reasonable Accommodation for Person with Disabilities
- DLA's Fiscal Year 2020 Management Directive 715 report that was signed by the Director on 18 December 2020 by the Director of EEODI and the DLA Director on 18 December 2020.

The attached pages show highlights from these successes at DLA EEODI for calendar year 2021.

We hope that as people read these pages, they will see a workforce ready, willing, and able to do all it can to exceed the DLA Director's goals for the DLA Strategic and Companion Plans.

SAMUEL JANICE  
E.H.1046995186

Digitally signed by  
SAMUEL JANICE H.1046995186  
Date: 2021.10.08 16:23:37 -0400

JANICE H. SAMUEL  
Director  
Office of Equal Employment Opportunity  
Diversity and Inclusion Office

Attachments:  
As stated

## **1. Introduction: “Future of Work: Managing in a diverse COVID-19 World”**

In Mar of 2020, the world changed, and life and work as we once knew it would never be the same because of COVID-19. A different protocol for managing Diversity and Inclusion within the organization would now be utilized by Defense Logistics Agency (DLA) leaders and Equal Employment Opportunity Diversity and Inclusion (EEODI) practitioners. Agency leaders would now direct their focus to the future of work and what that means for the workforce, our customers, and the Warfighter. DLA EEODI office stands firm in the charge to ensure that diversity, equity, accessibility, and inclusion is at the forefront of the efforts in developing the future of work for the people, processes, and tools.

### **a. Mission**

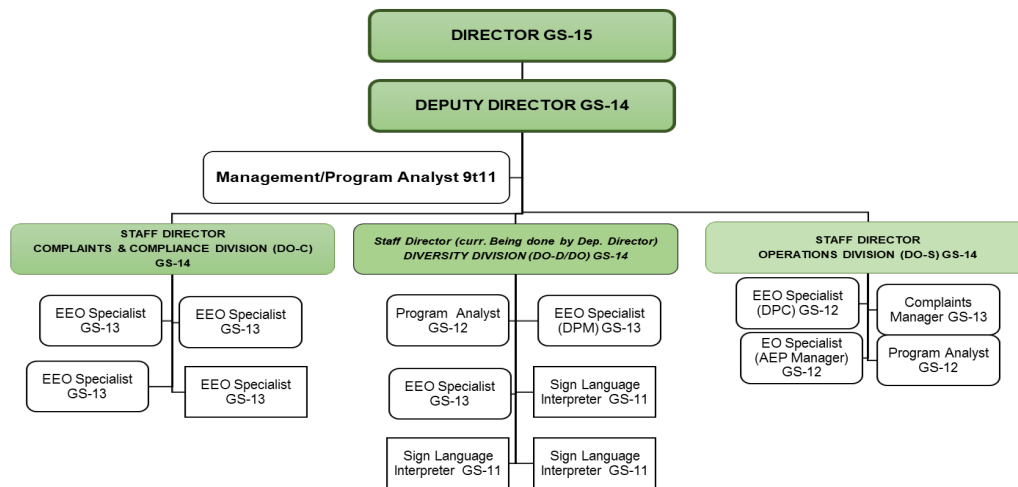
The key mission of the DLA EEODI office is to advise and assist the DLA Director, leadership, and workforce on all matters of the EEO Program and to champion a diverse and inclusive culture that empowers individual and organizational growth. To promote a workplace free from unlawful discrimination based on race, color, religion, sex, national origin, age, physical or mental disability or reprisal for personnel engaging in EEO protected activity.

### **b. Vision**

The vision is simple but profound, to be the premiere DLA EEODI Office in the Department of Defense.

## **2. Organization / Key Personnel / Total Personnel**

In 2020, the organization decreased from twenty-one positions to seventeen. The office consisted of the Director, the Deputy Director, one Management Analyst (a change from Administrative Assistant), two Staff Directors (decrease of one), eight EEO Specialists (decrease of three), one Program Analyst, and three Interpreters. In 2021, the office began a reorganization which is still being implemented. At the time of this report, there are two EEO Specialist vacancies.



### 3. Historical Narrative

#### a. COVID-19 Impacts

The change in organizational structure presented the office with an opportunity to reengineer internal processes. The COVID-19 pandemic tested those internal processes.

#### b. Technology

(1) One achievement brought about due to COVID-19 was the move to 100% virtual interpreting services for our customers. Prior to this, we had never provided remote services of this nature. It required a great deal of logistical planning on the part of our COR to determine which device would allow for the speed and mobility to handle signed services, in or out of the building. It was finally decided that Apple iPads be made available to all the agency's deaf and hard-of-hearing employees, as well as the staff interpreters. These iPads were outfitted with both Wi-Fi and cellular capabilities, ensuring customers could use them at home and/or if they were back in the office prior to the interpreting staff's return. It also ensured the bandwidth required for a seamless connection without being inhibited by a firewall or DLA server failures. With this technology, we have not only continued uninterrupted services but also provided those services at a record rate. The ease with which an interpreter can be requested and present on the video screen led to an increase of 500 hours of service in FY20 and a projected additional more than 300 hours in FY 21.

(2) As COVID-19 continued to impact people and countries around the world, the DLA workforce has moved to max telework. DLA EEODI office began full usage of Microsoft Teams, WebEx, tele-conference calls to work and stay engaged from home during the outbreak.

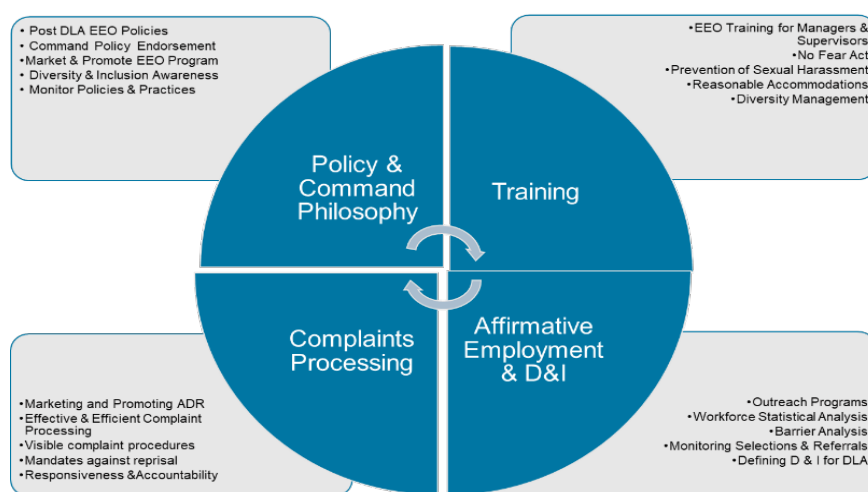
(3) In Jun 2021, DLA decided to stand-up a DoD Diversity and Inclusion Analytics Working Group (DIAWG). The DIAWG will be used to discuss the mission and goals of the DLA enterprise. The way ahead for DoD reporting required the DLA EEODI team to

spring forward and work with the J6 to create the first ever DLA EEODI Dashboard with a launch date in FY 22.

(4) DLA EEODI continues to monitor and track complaints and reasonable accommodation requests. In 2021, the iComplaints system, the database used to track all aspects of EEO complaint processing was upgraded and the implementation of the brand new EEO-ETK Reasonable Accommodation system was initiated.

### c. Diversity Initiatives

(1) Several EEODI key initiatives are described below, categorized as supporting either (1) DLA Strategic Plan or (2) DLA People and Culture Plan.



### d. Culture Action Plan

We were pleased with the improvement in our culture and climate as documented in the 2020 Denison Survey results (Fig#2). DLA EEODI assessed the results as follows: Significant overall improvement with respect to all four quadrants from 2018 survey (Fig#1) to 2020 culture trait.

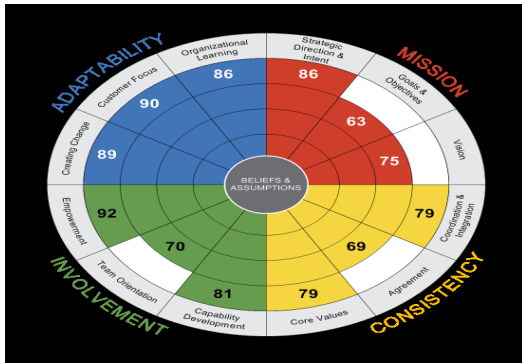


Figure1: Denison Survey Results

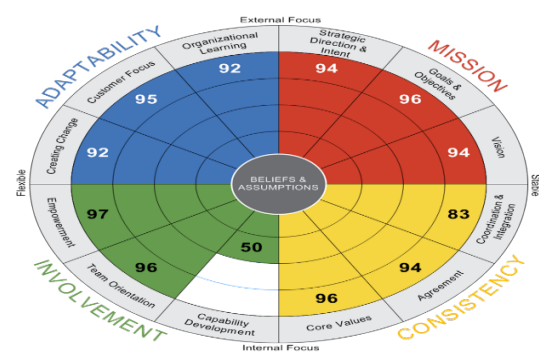


Figure 2: 2020 Denison Survey Results

#### e. DLA EEODI Leadership Focus

DLA EEODI was instrumental in transitioning executive-level meetings to a 100% virtual environment.

(1) In FY 21, DLA hired six WRP participants with four MSCs: DLA Aviation (1-permanent), DLA Distribution (3-temporary), DLA Troop Support (1-temporary) and DLA Land & Maritime (1-permanent).

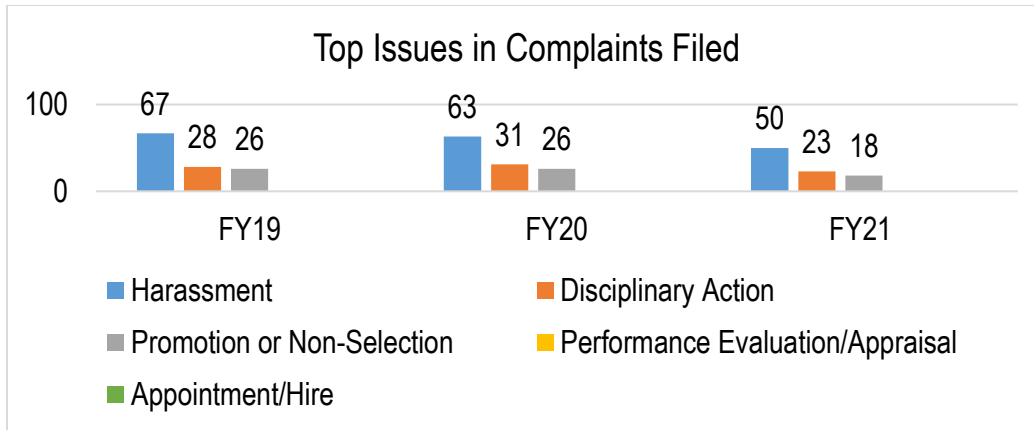
(2) Reasonable accommodations were readily provided through the Computer/Electronic Accommodations program (CAP), J6, Decision-Makers and MSCs Disability Program Coordinators (DPC).

#### f. Awards and Recognition

DLA won SECDEF Awards for Achievement in the Employment of Individuals With Disabilities (IWD) Best Mid-sized Component and for Achievement in Ensuring Accessible Information and Communication Technology in the Workplace. DLA EEODI office was recognized at a pre-broadcasted virtual DoD Disability Awards ceremony on Thursday, Oct 7, 2021.

#### g. Management Directive 715

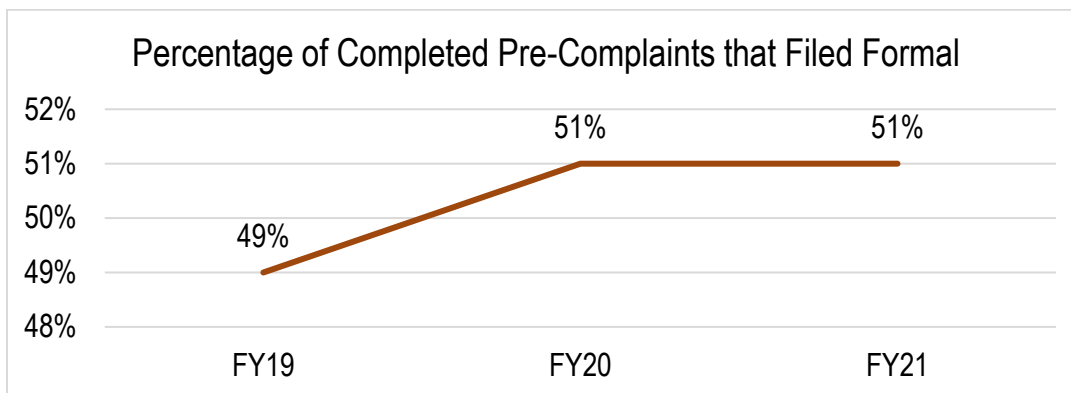
Yearly, the EEO office performs a self-assessment to identify and eliminate barriers preventing equal employment opportunities in the workplace. DLA provided its assessment with agency collaboration and submitted it on time. FY 21 alleged issues are shown in the chart below:



#### h. DLA EEODI Data

##### (1) EEO Complaints Processing

Although the average caseload for EEO complaints dropped due to 100% max tele-work, fifty-one (51%) of pre-complaints resulted in formal complaints in FY 21.



#### i. Conclusion

Like the last year, 2021 proved that the one constant is change. The ability of our government to meet the complex needs of our nation and the American people rests on the dedication of its people. Federal agencies must position themselves to attract, develop, and retain a top-quality and diverse workforce. The DLA EEODI stays committed to enforcing best practices, equal opportunity, diversity, and inclusion, throughout the agency. The agency's ability to attract, develop, and retain a diverse, skilled, and agile workforce is still vital to our continued success as a nation. To develop a competitive, highly qualified workforce, federal agencies such as DLA must fully utilize and embrace all workers' talent, without regard to race, color, religion, national origin, sex, age, sexual orientation, or disability. The DLA EEODI welcomes the opportunity to thrive in a COVID-19 changed world and looks forward to the challenge of the future of work.

# Defense Logistics Agency

## DLA Public Affairs (DP)

### Fiscal Year 2021 Historical Report



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

October 15, 2021

MEMORANDUM FOR DLA HEADQUARTERS, ATTN: DLA HISTORIAN

SUBJECT: DLA Public Affairs Annual Report

I am extremely proud of all DLA Public Affairs has done this year. As the pandemic stretched into FY 2021, we maintained communication channels and a collective approach to problem solving. Despite telework changing our schedules, we conducted 170 media engagements, produced 150 videos, published 145 articles, composed 75 infographics, answered 40 historical queries, and wrote 28 speeches. Our success has been helped by a stable work force. We had no retirements and no new personnel, although the director's speechwriter did move to the Office of the Director in July.

Highlights for the year show our flexibility as well as productivity. Daily update meetings with PA staff from across the agency helped keep situational awareness and our messaging aligned. Redesigning dla.mil will make the website the go-to portal for all with questions about DLA or wanting to do business with it. Leading the agency in 60th anniversary events displayed the staff's wide array of talents. The video team assumed new burdens with on-line video replacing many in-person gatherings. Training restarted as short weekly sessions taught by employees. These sessions incorporate public affairs staffs throughout the enterprise, of which I could not be more pleased. They have served their commanders and directors with distinction; my admiration for them knows no bounds. We have all had a very good year.

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JOSEPH M. YOSWA  
Director  
DLA Public Affairs

## **1. Introduction**

The need for effective communication was even greater in FY 21 than in previous years. The pandemic made commands and staffs increasingly reliant on video, outside interest in DLA rose due to its whole-of-government involvement, and the agency's 60th anniversary gave the office material to share with external and internal audiences.

Throughout the year, DLA Public Affairs served as the director's voice to military and civilian employees, customers, potential customers, the general public, and other stakeholders. It delivered content through electronic media, responded to queries, promoted workforce cohesion, coached senior leaders, promulgated agency history, and widened knowledge of current capabilities. It is aligned with the director's strategic plan.

## **2. Organization and Key Personnel**

DLA Public Affairs was led by Joe Yoswa (Apr 2014 – present). His deputy was Pat Mackin (May 2014 - present). All DLA PAO personnel reported to one or the other.

## **3. Total Personnel**

The fiscal year ended with DLA PAO having fourteen GS employees and one contractor. The speechwriter transferred to the Director's Strategic Initiatives Group.

## **4. Historical Narrative**

The story of DLA Public Affairs is the story of the agency as a whole. Except for one initiative, the staff's role in informing headquarters personnel of news and events, and the management incumbent upon a director-led organization in the chief-of-staff's portfolio, every effort DP pursued advanced the agency's narrative. How it did so varied among staff components.

The office's media relations team told DLA's story through the press. In addition to responding to 170 media engagements, the team trained leaders and propagated success stories such as robotic process automation and vaccine distribution. Other topics included equipment donated by DLA Disposition Services's Law Enforcement Support Office, PFAS environmental concerns, procurement of PPE and other COVID-19 items, cloud technology, strategic material sales, and the retrograde of property from Afghanistan.

The video team told the agency's story through visual means. With the pandemic elevating the importance of virtual communication, the team produced an astonishing 150 videos. Key projects included DLA Raps, short discussions with employees from various backgrounds; command videos for DLA Energy and DLA Aviation; the FY 20 Hall of Fame; and the agency's 60th anniversary. The FY 20 Hall of Fame was a completely virtual event in which presentations by awardees, sponsors, and leaders were melded into one seamless production. The 60th anniversary was a multi-product commemoration that absorbed the team's time and talent. The team promoted the agency's history through a ten-minute video, senior leader shout-outs, spots for the Armed Forces Network, and edited content from subordinate commands.

The news and web team told DLA stories through reporting. In all, the team wrote 145 articles, managed five social media platforms, and portrayed stories in pictorial form. Of particular interest was DLA's pandemic response, which covered important topics such as workforce protection and vaccine diplomacy. Also important was the team's communication with 250,000 Twitter, Facebook, LinkedIn, Flickr, and YouTube followers. The office's social media manager treated the employees, former employees, vendors, media, and government partners on these sites to four unique posts a day. The office's visual information specialist, for his part, composed seventy-five infographics, laid out the agency's strategic plan and 60th anniversary history, designed the 60th anniversary emblem, and formatted articles for publication.

Other members of the staff told stories in ways particular to their jobs. The director's speechwriter helped Vice Admiral Skubic reach students at the Eisenhower School of National Security and 27 other audiences. Although his position was cut to the Strategic Initiatives Group in Jul, he remains part of the public affairs community. The agency historian, in addition to his work on the FY 20 and FY 21 annual reports, interpreted the agency's past in a picture-filled organizational history. He also responded to 40 historical queries and presented at the DLA Joint Reserve Force's Annual Leadership Review: storytelling at its most intimate.

Finally, the dla.mil webmaster controlled content and its delivery, as well as continuing his redesign of the website. This redesign, more initiative than story, will change how customers interact with the agency. It will connect corporations, military units, and Whole of Government partners to the many services offered by the agency, as well as provide them information on how to work with DLA.

DLA Public Affairs can engage in such a broad-ranging effort because it plans, writes orders, and participates in operations. In other words, it influences the present and future as well as the past. Because the staff relies on individual talent to provide this wide-ranging support, Joe Yoswa, the office director, substituted employee-led training for a three-day conference. The result has been informative, interactive, inexpensive, and well-received sessions.

Despite losing the director's speechwriter, the DLA Public Affairs workforce remained stable over the fiscal year. Without any retirements or hires, it adjusted well to telework, with employees retaining bonds with each other as well as teammates throughout the enterprise. Cohesion helped the staff write the agency's story with verve and creativity.

# Defense Logistics Agency

## DLA Transformation (DT) Fiscal Year 2021 Historical Report



**DEFENSE LOGISTICS AGENCY**  
**HEADQUARTERS**  
**8725 JOHN J. KINGMAN ROAD**  
**FORT BELVOIR, VIRGINIA 22060-6221**

November 30, 2021

MEMORANDUM FOR DLA HISTORIAN

SUBJECT: DLA Transformation (DT) 2021 Historical Report

This memorandum serves as my endorsement of DLA DT's Fiscal Year 2021 Historical Report.

My point of contact for this action is Thomas Doyle. If you have any questions about this submission, you may contact him by email: [Thomas.Doyle@dla.mil](mailto:Thomas.Doyle@dla.mil), or phone: (571) 242- 7157.

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Director  
DLA Transformation

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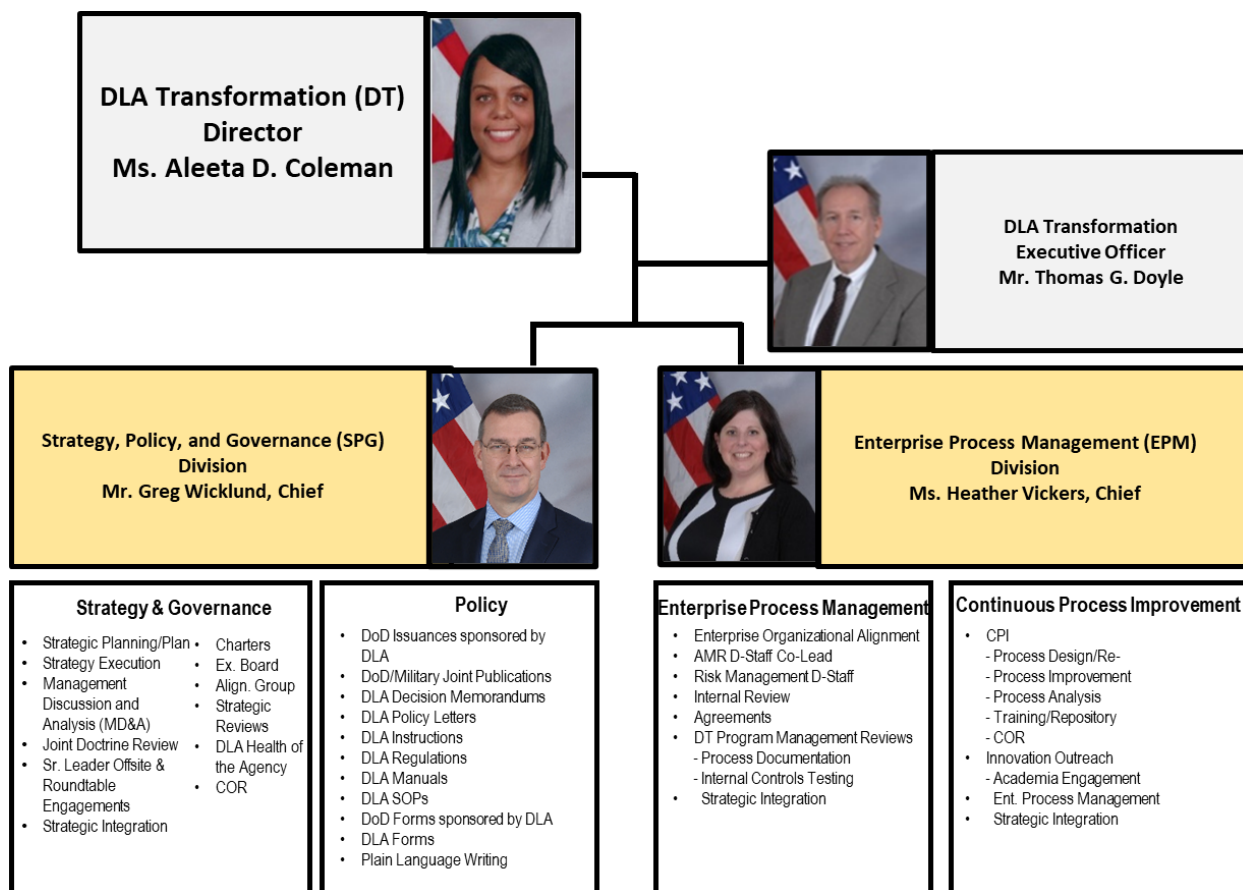
## 1. Introduction

This historical record describes DLA Transformation's (DT) 2021 actions, accomplishments, and contributions to advancing governance, improving operational effectiveness and efficiency, and enhancing the agency's compliance with laws and regulations.

### a. Mission.

DLA Transformation assists the Director and Executive Board in building and sustaining an exceptional Combat Logistics Support Agency capable of meeting the needs of the Armed Forces now and into the future. The mission entails developing a deliberate approach and requisite policies, procedures, programs, and oversight in the areas of DLA Strategic Planning, DLA Director's Guidance, Agency Governance, National Defense Strategy, Enterprise Organizational Alignment (EOA), DLA Issuances and Forms, Agreements, Enterprise Process Management (EPM) and Continuous Process Improvement (CPI).

### b. DT's Organizational Structure.



c. DT Website: <https://today.dla.mil/DLATransformation/Pages/default.aspx>

## **2. DT Leadership**

Ms. Aleeta Coleman, DT Director, is supported by Mr. Thomas Doyle (DT), Executive Officer, and two Division Chiefs, Mr. Greg Wicklund (DT-SPG), and Ms. Heather Vickers (DT-EPM) with one Branch in each Division.

DT had multiple key personnel transitions in FY 21. Mr. David Opatz, former DT-EPM Division Chief, accepted a position in DLA Financial Operations (J8) to assist with the Agency's G-Invoicing program. His position was announced, and [as previously mentioned] Ms. Heather Vickers became the new DT-EPM Division Chief. Mr. Dennis King accepted the DT-SPG Division Chief position replacing Mr. Wicklund, who is retiring. Lastly, Ms. Dewalt was selected as DT Executive Officer, assuming duties from Mr. Thomas Doyle, who's also retiring.

## **3. Total Personnel**

a. There are 25 full-time billets in DT augmented with contracting staff. DT is reintegrating personnel once detailed or deployed. The employee who volunteered for the DLA Civilian Expeditionary Workforce has returned. Two employees assigned to the DLA Reform Office have also returned. Three employees returned from extended reserve duty. There are currently six vacancies in the recruitment cycle.

b. DLA Transformation staff are professional in our interactions and bearing, providing effective strategic communications and striving to be value-added in everything we do. We actively partner with stakeholders to encourage and enable success. In addition, we:

(1) Provide centralized management (guidance, tools, and training) for policy development, performance monitoring, and integration across organizational boundaries.

(2) Conduct special projects to improve both internal and external engagements, decision making, policy, and processes

(3) Conscientiously demonstrate our values through supportive interactions with all peers and stakeholder, placing "what is right" before "what is easy", teaming for the most advantageous outcome, and exercising emotional intelligence to balance our needs

## **4. Historical Narrative**

In FY 21, DT continued its synchronization efforts through the Director's new Strategic Plan and Strategic Execution Tool, organizational Operating Plans, and alignment with Department of Defense (DoD) guidance. DT continued the Issuances Program by streamlining and expanding enterprise collaboration and training. We expanded efforts to reinforce a process-oriented culture and pursue improvement opportunities by leading two strategic initiatives (LOE 3.1.1 and CC B.3.2). DT continued to embrace ideas to expand skills and capabilities across the Agency. We continued facilitating a holistic solution to EPM while also achieving the US Treasury mandate for Support Agreements. Last, we began optimizing internal processes to improve customer support and employee satisfaction.

To standardize DT processes and maintain consistent oversight, the DT Director assessed program maturity by evaluating efficiency, effectiveness, oversight, and accountability to ensure DT follows all Agency guidance and intent.

As a final note, we embraced our need to EVOLVE to remain relevant and impactful in support of the Warfighter.

**Enhance Capabilities by Expanding our Knowledge  
Value Added with Validated Results Ownership of our Vision, Values and Mission Leverage Partnerships and Relationships Versatile and Agile Approaches  
Empower Others to Succeed**

#### a. Strategy, Policy and Governance Division

##### (1) Director's Strategic Plan

The DLA Strategic Plan provides direction for the organization and supports an integrated Agency effort. The plan delivers readiness and lethality to the Warfighter always and support to our nation through quality and proactive global logistics. DT coordinated the development of a new 5-year DLA Strategic Plan, "Transforming Global Logistics," aligned to the National Defense Strategy and Secretary of Defense priorities. The plan includes 5 Lines of Efforts, 3 Critical Capabilities and 8 Agency-level Key Performance Indicators. Underlying these Lines of Effort and Critical Capabilities are 23 prioritized objectives and 78 strategic initiatives. DT tracks these initiatives and provides strategic input to LOE/CC leads.

##### (2) Strategy Council

DLA re-established the Agency's Strategy Council. The DLA Director chairs the council, which meets every 45 days to review progress in support of the strategic plan's Lines of Effort and Critical Capabilities. This periodic review includes deep dives focused at the objective level and includes synchronized reviews. Conducting a periodic senior-level review allows the Agency to track performance and provide rudder guidance as necessary.

##### (3) Strategic Execution and Monitoring Tool

In previous years, the Strategic Plan Implementation Guidance (SPIG) was used to help the DLA Staff and Major Subordinate Commands (MSCs) execute the DLA Strategic Plan. It compiled initiatives from individual organizational plans that directly supported strategic plan objectives.

This year, DLA Transformation oversaw the development and implementation of the Strategy Execution and Monitoring Tool to plan, track, and monitor Agency progress against the plan at the strategic initiative level. The tool incorporates all the elements of the old SPIG, a Word document requiring extensive formatting and oversight to maintain. The first iteration of the Strategy Execution and Monitoring Tool standardizes inputs and measurements so users can update progress directly. Once the tool is updated, information automatically populates the DLA Strategy Map and to generate briefings for senior governance forums. The new Strategy

Execution and Monitoring Tool standardizes input, output, and monitoring criteria, and reduces time spent collecting, consolidating, and analyzing.

DLA Transformation trained over 100 personnel on the tool. The team conducted rigor tests across all 23 DLA Strategic Plan objectives, assessing the tool and improving execution. The tool saved hundreds of manhours by streamlining updates and automating outputs.

#### (4) DLA Strategy Map

DLA continued to use the DLA Strategy Map. The DLA Strategy Map provides an Agency-wide performance execution common operational picture. It is an automated communication tool; that is, a visual representation that displays performance of Lines of Efforts and Critical Capabilities, Objectives, and Initiatives. It provides web-based visibility. It has a drill-down capability to supporting initiatives to view tasks, metrics, or measures, and progress towards completing the initiative. Select strategic elements (e.g., objectives, initiatives, etc.) are discussed during the Strategy Council, along with DoD reform initiatives and special focus areas.

#### (5) Operating Plans and Reviews.

DT coordinated guidance and review of 23 FY22 organizational Operating Plans to ensure each J-code, D-code, and MSC initiative is nested with the DLA Strategic Plan. Organizations use their Operating Plans to communicate organization-specific priorities to their workforces. These plans link Agency objectives and metrics to the working level. They also help employees see how their daily efforts support the Agency mission. Vice Admiral Skubic incorporated Operating Plan reviews into her visits to MSCs.

#### (6) Governance Meetings

Executive governance forums facilitated collaboration and senior leader decision-making, enabling DLA to make progress on its strategic goals. DT developed agenda items for 29 senior leader governance forums (5 Executive Board meetings, 23 Alignment Group meetings, and 1 Senior Leader Offsite). As the secretariat of these forums, DT captured, documented, and tracked 116 senior leader tasks and 6 Alignment Group decisions to ensure actions were completed in accordance with senior leader guidance. The key outcomes of January's Senior Leader Strategic Offsite were robust discussions shaping the areas of:

- (a) Strategic planning, which created rich objectives and initiatives.
- (b) Decisions on the future DLA Strategic Plan.
- (c) Objective Charters for Line of Effort/Objective teams.
- (d) Strategies to modernize workforce skills.
- (e) Leveraging the Professional Staff Member relationship without overstepping boundaries with OSD.
- (f) Acknowledging DLA's adaptability, resiliency, and strong foundation in response to COVID-19 and how the Agency can build on additional changes.
- (g) Reviewing, discussing, and understanding Climate Culture results.

#### (7) Health of the Agency.

DLA Transformation coordinated the annual Health of the Agency (HOA). The HOA is conducted annually as part of the Executive Board. It provides insights to senior leaders on the overall health and well-being of the Agency to facilitate decision-making. Topics included updates and statuses on culture/climate survey results, personnel readiness/security, safety and occupational health, sexual harassment and sexual assault, hotline complaints, reasonable accommodations, alternative dispute resolution, as well as updates from DLA Public Affairs, the DLA Chaplain, and the Senior Enlisted Leader. This review allows for trend analysis and spurs senior-level action to address areas in need.

#### (8) Strategic Integration

DLA Transformation served as the integrator for high-level service requirements across four portfolio groups. Efforts will accelerate support of mission requirements, generate savings through economies of scale, and reduction of duplicative efforts.

(a) Provided insight on DLA's organizational and operational structure in support of the Defense Health Agency's (DHA) acceptance of the military departments' medical departments. Collaboration strengthened our relationship with this partner agency and customer.

(b) Oversaw COVID-19 reconstitution and voluntary vaccination efforts for the DLA Headquarters Complex/National Capital Region (HQC/NCR), which included evolving DoD/DLA guidance to the workforce through ad hoc working groups. Retrieved and analyzed data from Virginia Department of Health to inform phase movement recommendations and conducted daily on-site reporting to ensure compliance with phased movement restrictions.

(c) Developed and executed plan to implement COVID-19 Vaccine DLA population schema for the HQC/NCR; resulted in 98.6% personnel contacted (2307/2339), 63.8% volunteers at Military Treatment Facilities/non-Military Treatment Facilities, and 50.1% total workforce with shots-in-arms (as of Apr 8, 2021.)

(d) Crafted input to the Management's Discussion and Analysis section of DLA's 2021 Agency Financial Report. This portion of the report outlines ways to gauge how the Agency's financials support the Agency's strategic direction.

#### (9) DLA Forms

DLA forms are essential to achieving the Agency's mission in an efficient and economical manner. Forms include hardcopy, electronic, or other media and gather information in a consistent, controlled, and repeatable way. They organize and sort information to meet various needs of the Agency, enhance communication and information flow, and transmit prescribed information quickly and efficiently. Forms are often kept as an official Agency Record. In FY 21, DT performed the following:

(a) Cataloged and maintained all Agency forms and designed and redesigned Major Subordinate Command forms.

(b) Reviewed 493 forms for use and relevancy, canceling 83.

(c) Working to automate the creation and design of enterprise forms through the deployment of Adobe Experience Management suite, which allows forms to be accessible on multiple information technology devices.

#### (10) DLA Issuances

DT maintains a repository of up-to-date and well-written policy and procedural documents, which support the Agency's ability to meet its mission, aids in effective and efficient operations, and helps ensure compliance with higher level laws, policies, and regulations.

(a) Oversaw the development, coordination, and publication of 112 DLA issuances for FY 21: 30-DLA Instructions, 6-DLA Manuals, 11-Directive-Type Memorandums, 1-Joint Service Regulations, and 64-Standard Operating Procedures.

(b) Revised the 90-day DLA Pipeline Process to prepare, develop, and coordinate DLA draft issuances by adding the DLA Transformation, Policy Management and Oversight office as a primary stakeholder in Stage 1 (Development) to ensure all draft issuances follow policy, procedures, and are administratively correct.

(c) Facilitated the publication of four DLA Policy Letters signed by the DLA Director through an agile 30-day process.

(d) Delivered the Plain Language Program and compliance requirements to DLA procedural writers and policy managers through training, guidance, and tools provided by the DoD Plain Writing Act implementation plan, DoD Instruction 5025.13, and DLA 5025.13, "Plain Language Program."

(e) Made Traceability, Auditability, and Accountability key initiatives in the Issuance Program resulting in well-written, up-to-date, and aligned policy and procedural documents necessary for the effective and efficient operation of the Agency and compliance with higher-level laws and regulations.

#### b. Enterprise Process Management Division

##### (1) Agreements Program

The DLA Agreements program establishes policy, assigns responsibilities, and provides procedures for planning, writing, negotiating, coordinating, signing, storing, and maintaining agreements. Additionally, the program offers oversight, support, and guidance to the organizational Support Agreement Managers and Department of Defense, Federal, and Nonfederal Trading Partners.

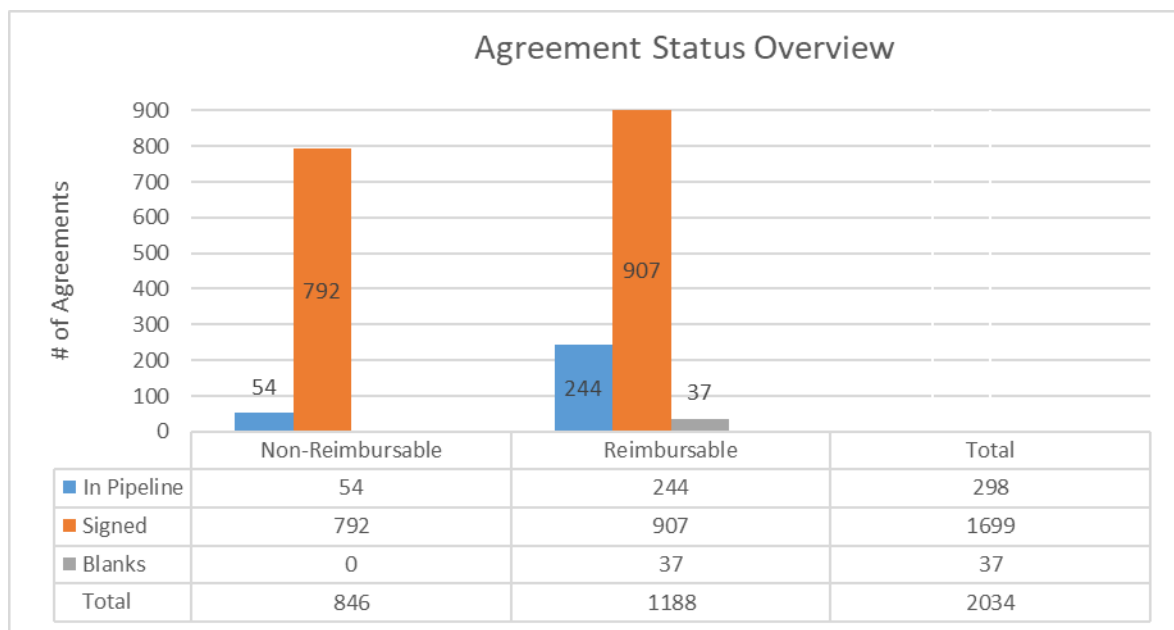
(a) This year, we focused on developing policy, process, and procedures for the Agreements program. We published a new Delegation of Authority that outlines procedures for entering agreements. For the first time, we are writing a Process Cycle Memorandum, which is currently in its initial review. DLA Instruction 4000.19, "DLA Agreements Program" is in its last stage of coordination before publication. Additionally, we are writing a DLA Manual for agreements. It will include procedures for Host-Tenant Support Agreements, internal agreement procedures, and procedures for managing agreements such as annual and mid-term reviews.

(b) We re-established the Host-Tenant Support Agreement (HTSA) Working Group meetings. Within this working group, we collaborate with the agreements community and provide solutions to the complex issues surrounding HTSAs. A successful by-product of the HTSA meeting is the Naval Facilities Engineering Systems Command (NAVFAC) Base Operation Support agreement. Through collaboration with the Navy and Support Agreement Managers, we were able to provide Base Operation Support solutions to meet the needs of DLA while negotiating a new follow-on overarching agreement with NAVFAC.

(c) The Community of Practice (CoP) meeting has also seen changes. DT revised this meeting from agreements updates and an open forum to best practices and knowledge sharing. Each month, the CoP is presented with a new topic to encourage positive, meaningful discussion.

(d) Our MSCs and J/D-codes reported 490 agreements have been signed since Oct 1, 2020. That is 24% of the combined total 2,034 of reimbursable and non-reimbursable agreements reported for Aug 2021.

(e) The Delegation of Authority (DOA) was a great accomplishment. In its latest version, the DLA Director has delegated their authority to commanders and Directors to sign agreements in support of their organization's missions and functions.



## (2) Enterprise Organizational Alignment (EOA)

The EOA Program establishes policy, assigns responsibilities, and provides procedures to plan, coordinate, approve, and implement Organizational Alignment changes. It provides semi-annual updates to the Alignment Group.

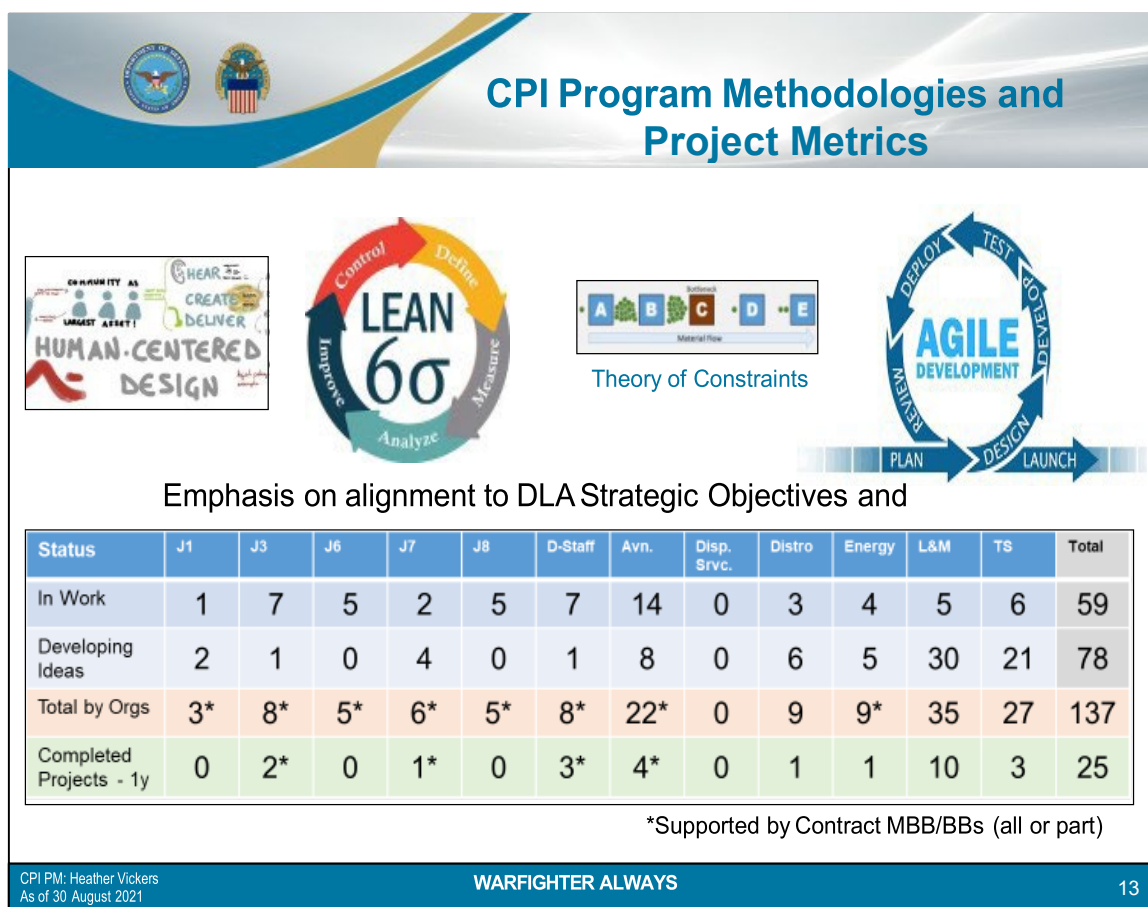
(a) When a J/D-code or MSC wants to disestablish, establish, or change its organization, update its missions or function, or move personnel, it must submit a General Order to ensure the changes are officially coordinated and approved by the Enterprise Organizational Alignment Board and the DLA Vice Director, and then recorded on the EOA Repository. This provides a framework for tracking change.

(b) Last year, the EOA Program published nine and implemented two General Orders, as well as creating metrics to measure the program's efficiency and effectiveness. Senior leaders and personnel from across the Agency better understand the EOA program, and we are updating EOA policy for publication later this year.

### (3) Continuous Process Improvement.

The CPI Program Management Office (PMO) establishes policy, assigns responsibilities, and provides procedures to increase the effectiveness and efficiency of DLA operations, create a culture of problem solvers, empower the workforce, and improve processes and compliance. CPI brings a deliberate problem-solving approach to improving efficiency, effectiveness, reliability, quality, and productivity. CPI supports deliberate problem-solving and promotes a culture of problem solvers. CPI activities achieve savings; avoid costs; improve efficiency, effectiveness, quality, safety, and auditability; and reduce risk.

(a) Over the past year, we evolved the program by implementing training focused on hands-on work and coaching between sessions and during project work. We secured a \$19M 5-year contract with VC Solutions; in year one of that contract, we executed over \$8M in task orders across the Agency.



(b) HQ CPI PMO continues to foster growth among our DLA employees by sponsoring a CPI Rotation Assignment; we had 5 people join our team for six months beginning Jun 2021. They are in the process of completing over 5 weeks of training to include yellow, green, and black belt with the addition of our training model additions: Facilitation and Meeting training.

(c) HQ CPI PMO leads two strategic initiatives focused on developing a problem-solving, continuous-improvement, and customer-centric culture. These initiatives fall under LOE 3 – Trusted Mission Partner and Critical Capability B – Financial Stewardship. Our support to the Agency has expanded to include over 75% of the strategic initiatives.

(d) CPI completed a process map of the Navy prime vendor billing for DLA Troop Support. Follow-on projects recommended Just-Do-It training and seamless proposals with high payoff potential that are being implemented.

(e) CPI developed the Collaboration HorizonMetric (CHM) for DLA Logistics Operations. The CHM uses six strategically defined color bands to allow users to identify and react to unplanned forecast variation quickly. Standardized reporting tools and training materials were developed and provided to all stakeholders.

(f) CPI restructured the Out of Cycle Price Validation for DLA Land & Maritime so customers can learn of expenses they were not expecting, while also ensuring

auditability. Once implemented, DLA Land & Maritime will capture a significant higher portion of cost recovery than the \$27.5M not recovered on Direct Vendor Deliveries in FY19.

(g) CPI reviewed and compared existing Air Force and DLA process maps for DLA Aviation. Process owners agreed to process improvements designed to reduce administrative leave time and error tracking, resulting in 21% improvement in lead time.

#### (4) Enterprise Process Management.

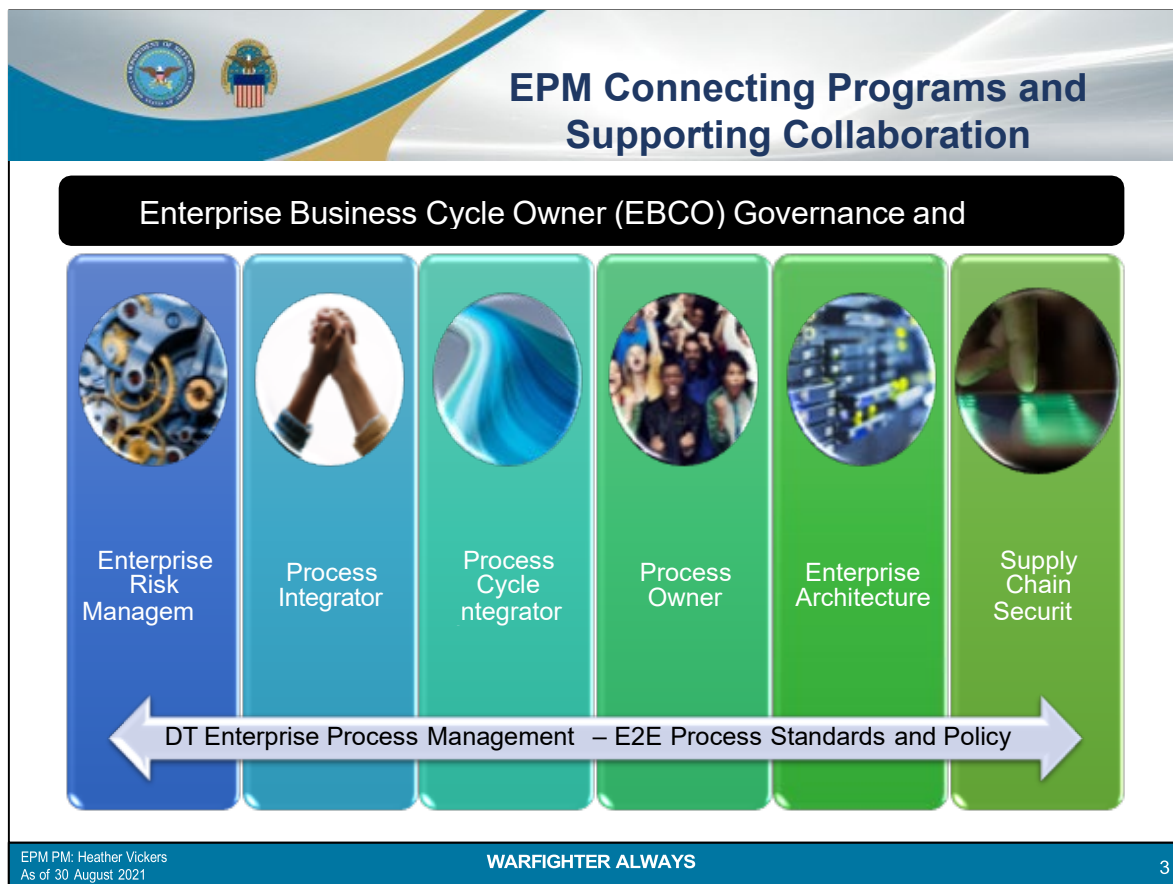
The Enterprise Process Management (EPM) program leverages the work of Agency stakeholders in a way that supports efficient and effective execution with minimal to no duplication of effort. Several Organizations and Subject Matter Experts approached the EPM Program Manager describing the various taskings assigned that were all similar, but distinct (for example, process documentation). We then met with Process Owners, Process Cycle Integrators, Process Integration, Enterprise Risk Management, Enterprise Architecture, Assured Logistics Cyber Center, and Supply Chain Security to understand requirements and challenges. From there, we developed a way forward, gaining support from all groups to update EPM to support holistic integration of ALL process requirements from across the Agency and rebuild the Enterprise Business Cycle Owner Sync. The new EPM is:

(a) End-to-end (E2E) results-oriented management where functions operate collaboratively to achieve customer's requirements.

(b) A structure for process management through horizontal swim lanes across functions with an integrated capability to leverage vertical competencies.

(c) The foundation from which we can make agile adjustments to process.

(d) Enables organizations to be more efficient and effective; thus, to respond quickly in an ever-changing environment.



#### (5) Agency Management Review (AMR) Program

The AMR Program evaluate DLA's compliance with laws, regulations, policies, and procedures. The program assists management in identifying vulnerability areas, improving program performance, and isolating trends by establishing corrective action plans aimed at leveraging efficiency and effectiveness. Reestablished in Feb 2021, the AMR program has revamped the review process to ensure accurate alignment with the Agency's strategic efforts. Enhancements include:

- (a) Standardizing Agency scoring criteria.
- (b) Establishing a "Best Practices" forum.
- (c) Establishing an Action Officers/Subject Matter Expert Working Group.
- (d) Modifying Meeting Requirements.
- (e) Streamlining Reporting Requirements (50% Reduction in Meetings held).
- (f) The AMR Program will have (3) reviews complete before Dec 2021.
- (g) 20 Participants formally recognized as "Star Performers."

## **5. Conclusion**

The exceptional team we have in DT will continue to lead the way in FY22. There will be challenges, but DT will assist the Agency in meeting any crisis or contingency. We are the Agency synchronizers on every front.