Defense Logistics Agency
Fiscal Year 2019 Annual History

The Nation’s Combat Logistics Support Agency

DLA History Program
December 2019
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Defense Logistics Agency

Message from the Director
Fiscal Year 2019 Annual History

The Defense Logistics Agency (DLA) experienced an incredible Fiscal Year (FY) 2019. While reinforcing our commitment to the DLA Strategic Plan 2018-2026, we focused on continued Warfighter readiness, support to defense reform and audit advancement. Significant achievements included execution of $32B in sales, support for four disaster events, robust industry engagements, expanded Whole of Government partnerships, establishment of the Agency Synchronization Operations Center and the Audit Task Force, exceeding small business goals for the seventh year in a row...and much more.

This Annual History is a narrative account of what the Agency faced, accomplished and overcame during the twelve months ending September 30, 2019. It differs from financial and management reports in that it covers not only what we did, but why and how we did it. As such, DLA’s Annual History is both an official record and a tool for preserving the legacy of this great organization.

It is my hope that readers of this annual history take away three important observations. The first is that our people were behind everything DLA accomplished in FY 2019. Even advances such as robotics processing, additive manufacturing, and unmanned aerial vehicle delivery involved human planning and programming. People are at the heart of everything we do.

The second takeaway is that the challenges we faced in FY 2019 made us better. DLA responded to adversity by increasing more than ever its support to DoD priorities to improve military readiness, strengthen alliances and bring about business reforms.

The third takeaway is DLA’s breadth of support. While our primary customers remain the Military Services, we raised the bar with support to other governmental partners during the fiscal year, establishing new formal agreements with the Department of Veterans Affairs and the Defense Health Agency. DLA will continue to focus on Warfighter and Whole of Government support during FY 2020.

As we continue to lead change into the next fiscal year and beyond, we will ensure the Defense Logistics Agency remains indispensable as our “Nation’s Combat Logistics Support Agency.” Enjoy the read!

DARRELL K. WILLIAMS
Lieutenant General, U.S. Army
Director
1. Introduction

The Defense Logistics Agency (DLA) is the nation’s combat logistics agency. Headquartered at Fort Belvoir, it conducts over $40 billion in wholesale and retail sales every year. DLA provides end-to-end management of 9 supply chains and counts Military Services, federal departments, local governments, and international partners as customers.

2. Organization

a. The Defense Logistics Agency is a largest of 20 nation’s defense agencies. Its 2,633 offices are grouped into a headquarters and six Major Subordinate Commands (MSCs).

b. The headquarters includes the Office of the Director; six functional, or “J” staffs; and ten Director, or “D” staffs.

c. “J” staffs include:

   (1) DLA Human Resources (J1)
   (2) DLA Logistics Operations (J3)
   (3) DLA Information Operations (J6)
   (4) DLA Acquisition (J7)
   (5) DLA Finance (J8)
   (6) DLA Joint Reserve Force (J9)

d. “D” staffs include:

   (1) DLA Transformation (DT)
   (2) DLA Installation Management (DM)
   (3) DLA Small Business Programs (DB)
   (4) DLA General Counsel (DG)
   (5) DLA Office of the Inspector General (DA)
   (6) DLA Intelligence (DI)
   (7) DLA Legislative Affairs (DL)
   (8) DLA Equal Employment Opportunity (DO)
   (9) DLA Public Affairs (DP)
   (10) DLA Chaplain (CH)
e. DLA Land and Maritime is a MSC headquartered in Columbus, OH.
f. DLA Troop Support is a MSC headquartered in Philadelphia, PA.
g. DLA Aviation is a MSC headquartered in Richmond, VA.
h. DLA Energy is a MSC headquartered in Fort Belvoir, VA.
i. DLA Disposition Services is a MSC headquartered in Battle Creek, MI.
j. DLA Distribution is a MSC headquartered in New Cumberland, PA.

3. Key Personnel

a. The below chart depicts key leaders as of 30 September 2019.
b. Key Leadership Changes

(1) On 31 December 2018, Mr. Ted Case, Vice Director, retired. He was replaced in March by Mr. Michael Scott.
(3) On 30 July 2019, Ms. Gretchen Anderson, CFO, retired. She was replaced on 22 July 2019 by Mr. John Arthur (Art) Hagler.
(4) On 6 September 2019, R. Adm. Deborah P. Haven, J9, retired. She was replaced that month by R. Adm. Grafton D. Chase
(5) On 17 March 2019, Mr. Matthew F. Pausch became DLA’s General Counsel. He replaced Melinda L. Perritano, who had served in an acting capacity.
(7) On 9 July 2019, Brig. Gen. Linda S. Hurry finished command of DLA Aviation. She was replaced on the same day by Brig. Gen. David J. Sanford.
(8) On 5 August 2019 Ms. Christina Young, Director, Small Business Programs, left DLA. She was replaced in an acting capacity by Sherry Savage.

4. Total Personnel

On 30 September 2019, DLA had 25,817 employees (25,299 civilian and 518 military).

5. Historical Narrative

Despite leaving office in January, Secretary of Defense James N. Mattis influenced the Defense Logistics Agency (DLA) throughout Fiscal Year (FY) 2019. The three priorities he set upon taking office in early 2017 generated reforms that were fully underway by October 2018; both his priorities and the Department of Defense (DoD)’s advancement of them remained unchanged during the acting secretaryship of Patrick M. Shanahan and first months of Dr. Mark T. Esper’s tenure. While DLA also reacted to events and pursued its own initiatives, efforts to restore military readiness, apply business practices, and strengthen America’s alliances encapsulate the fiscal year’s most significant developments.

DLA increased readiness by ensuring that its customers – the military services, combatant commands, and other federal agencies – received the commodity or repair part they needed, when they needed it. By focusing on the items most affecting readiness, the Agency improved its material availability (MA) for almost every supply chain. Overall, the agency ended September with a 96.2 percent MA, 0.7 percent higher than the end of September 2018. Other metrics, such as backorders and on-time inventory, improved as well. Also noteworthy, DLA became the global transportation and North American warehouse supplier for the F-35 Lightening II, a multi-purpose fifth generation jet whose development has become the most expensive acquisition program in history. Both DLA Aviation and DLA Distribution expect to see increased business from this assignment.
To track MA and other readiness indicators, DLA added more display tools and real-time data to its readiness dashboard. Established in March 2018 by Army Lt. Gen. Darrell K. Williams, the Agency Director, this web-based display presents a common picture of where the enterprise stands at any point in time. To maximize access, DLA keeps the information posted to this site unclassified.

Efforts to increase DoD readiness had a consequence. They dropped the Agency’s on-hand cash to perilous levels and constrained the amount it could obligate contractors. In response, Lt. Gen. Williams authorized austerity and other cost-saving measures. Employees began this effort in March by reducing their travel, overtime, and training. DLA then lengthened the time it took to reimburse vendors, a move that granted it a one-time cash infusion. It also reduced the up-front money paid to suppliers by restricting Long Term Contracts to under thirty days.

By summer, DLA leaders realized that more needed to be done. Initiating Operation AGENCY RESOLVE, it sought new ways to reduce back orders, unliquidated obligations, and suspended stock. By forcing DLA to examine individual purchase orders and discern buying trends, AGENCY RESOLVE left DLA in decent shape at the end of the fiscal year. While a response to cash / obligating authority shortages, the operation had the benefit of educating internal and external audiences on the intricacies of DLA’s business practices.

Other business reforms influenced the Agency in FY 2019, the most central of which was the Defense-wide Review. Announced by Secretary Mark T. Esper at his confirmation hearing in July, the Defense-wide Review has the potential of changing how DLA operates. Esper’s goal is to align DoD components with Mattis’s 2018 National Defense Strategy, which identified great-power competition as the most dangerous threat facing America. The consequences of this review will likely be the dominant story for First Quarter, FY 2020, if not the entire year.

Second in importance only to the Defense-wide Review was audit reconciliation. As mandated by Congress, DLA underwent a financial audit in 2018. Conducted by Ernst and Young and based on the standards in the Office of Management and Budget’s A-123 circular, the audit noted deficiencies in the Agency’s business practices. The enterprise is working to resolve these deficiencies, known as Notices of Findings and Recommendations, with the goal of obtaining clean opinions as soon as possible. Because of its multiple customers and supply chains, DLA ended the fiscal year with work to do.

In addition to financial reforms, DoD initiated Defense Agencies and Field Activities (DAFA) reviews in FY 2019. Overseen by the Department’s Chief Management Officer, these reviews seek to eliminate duplicative functions in Fourth Estate entities. While enterprise-wide examinations of financial management, healthcare, acquisition, information technology, real property, and human resources have yet to result in organizational change, it is possible that
DAFA elements will end up sharing even more services than they already do. As of the end of September, it looks like J1, DLA Equal Employment Office, and DLA Intelligence will continue to support other DAFA elements but J6 will transfer personnel to DISA.

To manage these reforms, the Agency has established an independent entity in the Office of the Director. DLA Reform generates strategies for Department-wide initiatives and tracks their implementation. To understand how the Agency spends money, DLA Reform works with McKinsey & Company to conduct “sprints,” or intense looks into the financial operations of a major subordinate command or enterprise function. In FY 2019, these sprints focused on financial and warehousing activities. For example, DLA Reform oversaw a DoD study that determined that the Department had an 8 to 24 percent overage in its non-tactical storage. Another initiative overseen by DLA Reform is cost transparency, an effort based on the assumption that businesses and customers will be more willing to work with DLA if they understand what they were being billed for and why.

DLA participated in one more business reform during the year. While DoD has long used Military Interdepartmental Purchasing Requests to transfer money from one organization to another, these transfers have not always been backed by agreements between sender and receiver. The Department of Treasury is looking to correct this deficiency with G-invoicing. As with many reforms, G-invoicing will increase ease of execution but only after a lot of up-front work, to include determining who needs agreements with whom.

G-invoicing is important because DLA continues to grow its support for the federal government. One key addition in FY 2019 was the Department of Veterans Affairs (DVA). Although DLA has long worked with DVA, the two agencies signed an agreement in August that will decrease both the wholesale prices paid by DLA Troop Support’s medical directorate and the retail prices paid by DVA. On 15 August, the medical directorate established a similar relationship with the Defense Health Agency. DLA Troop Support’s subsistence directorate may extend assistance to DVA as well. Currently, it is increasing its support to the U.S. Department of Agriculture (USDA). The USDA oversees the nation’s school lunch program; many school districts in the country already rely on the directorate’s purchasing power to obtain meals at reasonable prices.

In addition to agreements with other agencies, DLA advanced Secretary Mattis’s third priority – supporting international partners – buy supporting foreign military sales (FMS). Despite having a low priority, repair parts ordered by American allies such as Israel and Iraq nonetheless totaled to $1.4 billion during the fiscal year. The Agency also strengthened international alliances by participating in exercises. Two of these exercises were particularly noteworthy. Through its Indo-Pacific Command, DLA established and maintained a material processing center in Australia for Operation TALISMAN SABRE over the summer. At the same time, its Europe and Africa Command both oversaw DLA deployments to Kosovo for Operation SABER GUARDIAN and helped plan Operation DEFENDER EUROPE 20.

DLA strengthened alliances in other ways. As part of Enhanced Forward Presence, a program to support North Atlantic Treaty Organization (NATO)’s eastern members, the Pentagon assigned
the 30th Armored Brigade Combat Team to U.S. European Command. A National Guard unit, the 30th Armored had not been resourced to the same readiness level as active units. DLA Land and Maritime provided the parts the Army needed to get the brigade combat-ready.

While the Agency responded to DoD-driven events such as brigade deployments, it also initiated its own projects. One that received public attention was robot process automation (RPA). RPA automates high volume, mundane, and repetitive tasks so DLA employees can focus on creative work. As of the end of the fiscal year, it has had significant success, especially in helping J3 and J8 resolve their Notices of Findings and Recommendations. The goal moving forward is to shift from “attended bots,” programs that require human intervention, to “unattended bots,” programs that do not.

Other DLA projects streamlined the way it managed information. Lt. Gen. Williams, who pushed the Agency to develop its readiness dashboard, transformed its operations center into an Agency Synchronizations Center (ASOC). The ASOC provides the Agency both a common operating picture for and a single point of contact for the liaisons it has with combatant and logistical commands. When manned with representation from across the enterprise, the ASOC will increase DLA’s ability to respond to events. The Agency is currently constructing a permanent location for the ASOC in its headquarters building.

The end of FY 2019 also marks the completion of two Senior Leader Orientation Courses (SLOCs). Developed by the J1, the SLOC introduces new leaders to what DLA does and how it operates. The first two courses were particularly important, as the Agency underwent unprecedented leadership change in the second half of the fiscal year. A partial list of new leaders includes the Vice Director, Operations Officer, Chief Information Officer, Chief Financial Officer, Assistant Chief Financial Officer, Senior Reserve Officer, General Counsel, DLA Troop Support Commander, DLA Aviation Commander, DLA Land and Maritime Deputy Commander, DLA Energy Deputy Commander, and J6 Program Executive Officer.

With new leadership comes a new goal. In late July, Lt. Gen. Williams challenged DLA to reduce its cost recovery rate from 11.3 to 9.5 percent. This rate, essentially the tax the Agency adds to sales, funds the organization’s operations and maintenance. While DLA’s cost recovery rate has decreased significantly since the early 1990s, it needs to drop further if the Agency is to remain viable in today’s restricted financial environment. By moving toward its 9.5 goal, DLA expects to save $1.3 billion by FY 2024.

Cost reductions cannot detract from the Agency’s ability to respond to events. One recent development is the Agency’s contract with the American Federation of Government Employees, still being renegotiated at the end of the fiscal year. Another is the assistance DLA Troop Support provides Customs and Border Protection in its efforts to secure America’s southern
border. Yet another has been the many police forces that have benefited from excess DoD property provided to them through DLA Disposition Services’ Law Enforcement Support Office.

As a whole-of-government member, DLA stands ready to respond to natural disasters and other events outside its control. Dorian, a slow-moving Category 5 hurricane that destroyed the Bahamas and hit America’s southeast coast in September, proved DLA’s biggest mobilization during the fiscal year. Almost every element of the organization had a role in supporting affected communities. DLA Troop Support provided 1.13 million meals to seven locations, as well as 100 cases of bottled water, 60 generators, and 352 sets of personal protective equipment. DLA Distribution deployed two expeditionary teams that received, stored, and managed 1,024 trailers of Disaster Relief. The command shipped over 9,000 cases of Meals-Ready-to-Eat, coordinated the movement of 1 million meals, and supported 6,000 Marine recruits displaced from Paris Island, South Carolina. DLA Energy’s Task Force Americas deployed representatives and oversaw a contingency fuels contract. Various headquarters elements, to include the Analytics Center of Excellence, captured lessons learned from these components so support for future disasters will be even more responsive.

DLA ends FY 2019 prepared for DoD reform and the unknowns of the future. Most important, it stands ready to help our nation prevail against its enemies. By providing logistics services and all classes of supply except ammunition and major end items, the Agency remains critical to DoD’s ability to implement national policy.
Defense Logistics Agency

“Taking it to the Next Level”
Director’s Focus Areas for FY 2019

1. Director’s Introduction:

“As we close out Fiscal Year 2018, I though it fitting to review our journey together.

I am delighted at how much we’ve accomplished in the past 12 months, but I’m also aware that unless we connect where we are to where we want to be, we could lose the momentum we’ve worked so hard to create. In order to take it to the next level, I would like to share with you where we’ve been and my vision for where we need to go.

As we move into Fiscal Year 2019, I want to reinforce our ironclad commitment to the 2018-2026 DLA Strategic Plan.

I consider our DLA Strategic Plan to be one of our early and most important wins. It was conceived and produced through collective input at all levels across the Agency. I believe it gives us the foundation and direction we require to meet the needs of our Warfighters.

I see three major themes for DLA in the coming year:

a. Continued Warfighter Readiness
b. Support to Defense Reform
c. Audit Advancement

As the Nation’s only Combat Logistics Support Agency, everything we do much contribute to Warfighter Readiness”

//signed//

DARRELL K. WILLIAMS
Lieutenant General, U.S. Army
Director, Defense Logistics Agency
2. Guidance and Themes in the Department Impacting DLA

a. FY 2018 Significant Achievements

(1) $38.8B estimated sales
(2) $14B in Small Business, exceeding goal for six consecutive years
(3) 90% On-time Delivery (excludes Energy)
(4) Increased Material Availability (MA); Abrams +15%, Blackhawk +13%
(5) 26M transactions supporting 294K global customers
(6) $1.6B in Humanitarian Assistance/Disaster Relief support:
   (a) 88M humanitarian meals
   (b) 3M gallons of fuel
   (c) 1,261 generators
(7) $970M in Foreign Military Sales (as of Aug 1st, 2018)
(8) Catalogues 40K parts for F-35
(9) Real Property inventory; 17K assets at 538 locations
(10) 98% of positions occupied; average time to fill 75 days
(11)Completed Culture/Climate Survey; 63% participation
(12) $13B in potential cost savings/avoidance through DoD Reform initiatives

b. FY 2018 MSC Accomplishments

(1) Troop Support
   (a) Record high sales of $17.6B; 135 increase
   (b) Corpus Christi Army Deport Integrated Product-Support Vendor Contract; 11K items provided, 99% fill rate, $665K
   (c) Awarded multiple Athletic Footwear contracts; %78M

(2) Land and Maritime
   (a) Expanded Global Tire Program; $2.1B
   (b) Long-term Performance Based Logistics Contract with OEM; $6.7M savings to Services
   (c) Leveraged existing Commercial Supply Chains for 50K items worth $300M
(3) Aviation

(a) Awarded 5 strategic contracts (KC-46, F-18, and F108, T64, F118 Engines); $4.3B value
(b) $18M in savings through 6.5K contract reviews
(c) Virtual Army Support Team; 30% increase in Army contract award rate, reduced Acquisition Lead Time 6 days, increased MA B

(4) Energy

(a) Over $10B in fuel provided to 4K customers worldwide
(b) SRM Program completed 1.57K fuel facility projects at a value of $547M
(c) Category Management – Best in Class! Annual government-wide award by OMB and Category Management Program Office

(5) Distribution

(a) Established Trans-Arabian Network contract. Reduced customer wait time; $50M savings to U.S. Army.
(b) Expanded operations in Bahrain by 4.9K NIINs valued at over $17.7M to support Arabian Peninsula customers
(c) Supported Iwakuni Storage & Distribution operations for incoming air assets including the first USMC F-35B squadron and USN CVW 5

(6) Disposition Services

(a) $641M of material, equipment and vehicles returned to Services
(b) $266M of equipment provided to State and Local Law Enforcement Support Program
(c) Demilitarized 1.3K Afghan National Defense Security Force vehicles

(7) Supported 550K deployed Warfighters daily in multiple regions around the world with Food, Bulk Fuel, Construction & Barrier, Medical Material, and Repair Parts

c. Organizational Change

2018 saw organizational changes as DoD established the Office of the Under Secretary of Defense for Research and Engineering (OUSD(R&E)) and the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)). The Office of the Assistant Secretary of Defense for Logistics and Materiel Readiness (OASD(L&M)) is transitioning to the Office of the Assistant Secretary of Defense for Sustainment (OASD(S)). The Chief Management Officer (CMO) assumed additional management and oversight authorities for the Fourth Estate.
d. The 2018 National Defense Strategy

The 2018 National Defense Strategy directed urgent and significant change to rebuild America’s military advantage. Special emphasis was placed on innovation, forward posture, and an agile and resilient logistics network to ensure the lethality of the Joint Force across the conflict spectrum.

e. Priorities

(1) Secretary of Defense

(a) Restore Military Readiness as we build a more lethal force
(b) Strengthen Alliances and attract new partners
(c) Bring Business Reforms to the Department

(2) USD(A&S)

(a) Significantly improve F-35 program execution
(b) Ensure the Nuclear Enterprise in enabled
(c) Promote allied readiness by enhancing military capability through targeted foreign military sales improvements
(d) reconfigure the acquisition workforce
(e) Implement acquisition reform
(f) Implement the Acquisition, Technology & Logistics reorganization

(3) ASD(S)

(a) Revitalize weapon system readiness
(b) Fix F-35 readiness and sustainment issues
(c) Make the sustainment enterprise more effective and efficient
(d) Make the logistics enterprise more effective and efficient

(4) DLA

(a) Warfighter First
(b) Global Posture
(c) Strong Partnerships
(d) Whole of Government
(e) Always Accountable
f. DLA Mission:

Sustaining Warfighter Readiness and Lethality by delivering proactive global logistics in peace and war: while our mission remains the same, the urgency with which we need to deliver effective logistics support to the operating forces of our military has never been greater.

g. National Defense Authorization Act

The John s. McCain National Defense Authorization Act (NDAA) for Fiscal year 2019, signed by the President in August of 2018, has several implications for DLA. It is critical that we develop key internal metrics to meet these directives. We need to focus on supporting the Department’s Reform of Business Enterprise Operations, to include the:

1. Goal of no less than 25% savings in Fiscal Year 2020
2. Development of a plan NLT Jan 1, 2020 to reduce Agency rates charged to customers by not less than 10%
3. Chief Management Officer’s (CMO’s) review of the efficiency and effectiveness of DoD Defense Agencies while minimizing duplication of efforts and establishing metrics for performance
4. Development of a DLA plan to implement a comprehensive system that enables customers to view inventory and in-transit visibility and a predictive analytics capability to identify emerging customer needs

3. Enhanced Integration and Synchronization across the Agency: Critical to Achieving Success in 2019

Over the next 12 months, we will continue to be presented with challenging and competing requirements. I see three keys to success in improving DLA performance in Fiscal Year 2019, and everyone in the Agency should approach each mission with them in mind:

a. Enhance integration and synchronization across the Agency.

Only after doing this can we consider asking for additional resources.

b. Approach Reform and Audit through the lens of Warfighter Readiness.

These missions are not mutually exclusive. By reforming and improving our processes, we will provide more efficient and effective support to the Warfighter.

c. The transformed Agency Synchronization and Operations Center will help synchronize staff/Major subordinate command (MSC) planning, and improve cross-functional coordination to provide an integrates solution for internal and external missions across the Agency
4. Warfighter First: Strengthen Service and Combatant Command Readiness and Lethality

Through the lens of DoD Reform, DLA has identified an estimated $13B in potential savings and cost avoidance to date. As the Agency continues to support DoD Reform, we will synchronize our capabilities across logistics functions including: acquisition, storage, distribution, disposal, and energy, leveraging the expertise, skills and relationships that make DLA a world-class provider of these services.

We must never forget WHY we perform our mission – “to serve the Warfighter and our nation!” for this reason, while pursuing Fiscal Year 2019 efficiencies, we need to ensure that every initiative contributes to increased Warfighter Readiness.

Over the past year, we focused on operationalizing DLA support to the Services and the Combatants Commands (CCMD). While we have made progress, there is much to be done. Thank you for your hard work! We will continue to push hard to reduce Back orders (BOs) by 10% and improve Material Availability (MA) by 2%. Looking ahead, the passage of the nearly $700B Defense budget and enhanced collaboration with our Customers indicates increased demand for DLA’s goods and services. Revenue could top $40B in Fiscal Year 2019. We will need to increase our focus on MA and BOs, and consider our Performance Based Agreements a contract with the Services.

I am pleased that we now have the Service Readiness Dashboard, a great decision-making tool that gives us a near real-time assessment of our impact on readiness and where we need to focus. It will figure prominently as we make buying decisions and forecast demand. Looking ahead, our DLA Information Operations (J6) team will further refine and expand the dashboard to add even more value, to include trend analysis, aligning industrial performance metrics with Service readiness metrics, and predictive analytics.

We’ve made progress with support to the Nuclear Enterprise (NE) through focused investments and collaborating with the Services to map our National Item Identification Numbers (NIIN) to their systems using Weapon System Designator Codes. In order to ensure deterrence forces remain safe, secure, reliable and ready, we will continue to strengthen support to the NE.

Confirming that the future is indeed here, we will look to harness the potential of artificial intelligence to improve Warfighter Readiness and lethality while reducing costs. We will prioritize DLA’s support to the Space Enterprise by establishing a robust space portfolio, and winning new customers across the DoD and the Whole of Government (WOG).
5. Global Posture: Prepared for Immediate Action

Since my arrival as Director, I have traveled overseas to the USINDOPACOM, USEUCOM and USCENTCOM AORs, as well as all over the U.S. assessing DLA entities and building relationships with our important customers. I also met with leaders from other supported CCMDs. Wherever I go, your great support is being noticed at the highest levels.

With our three regional commands serving as the cornerstone, we will continue to provide a single face to the Warfighter, improve support to Combatant Commanders (CCDR) Problem Sets, Integrated Contingency Plans, and Theater Posture Plans, publish a DLA Global Posture Plan and CCMD Support Plans while also increasing involvement in CCMD sponsored exercises. Through our 2,000-plus DLA members overseas, along with key capabilities and contingency stocks, we will continue to strategically position DLA capabilities where the Warfighter needs them most.


In Fiscal Year 2018, our DLA Acquisition team established a fully-manned Ombudsman office and published an Industry Engagement Plan (IEP) for the purpose of ensuring a capable and robust defense industrial base, generating innovative and efficient solution and maintaining a secure and resilient supply chain. The IEP gives us a framework that will increase results-oriented engagements. This fiscal year culminated in the first-ever annual Agency Industry Day event.

We will continue a robust schedule of industry events, starting with integrated semi-annual Demand Forecasting and Planning Summits, then industry association luncheons, in-person visits, and MSC-specific industry events. Building upon the results of our first-ever Supplier Feedback Survey, we will strengthen our relationships with industry partners based on a mutual desire to reduce costs and increase Warfighter readiness.

We exceeded our Small Business goal for the sixth year in a row, and increased participation in DLA acquisitions by service-disabled veteran-owned small businesses, small disadvantaged businesses, women-owned small businesses, and Historically Underutilized Business Zone small businesses.

We must develop mutually beneficial goals with our partners, such as:

   a. Becoming the F-35 Produce support Provider for storage and distribution, consumable support and disposition to reduce F-35 lifecycle costs by $2B
   b. Maintaining seamless integration and unity of effort with U.S. Transportation Command (USTRANSCOM) through the Terms of Reference and during operations
   c. Working with Industry and the Service to develop a Fiscal Year 2019 metrics-based integrated Depot Level Repairable (DLR) Support Strategy
d. Increasing use of Readiness metrics-driven Performance Based Logistics-like contracts focused on specific weapons platforms
e. Continuing to increase the level of awareness of DLA’s mission with key public stakeholders such as Congress, the media, and academia

7. Whole of Government: Support to the Nation

I was very proud of our historic disaster relief efforts, during which DLA worked closely with USNORTHCOM and FEMA to provide over $1.6B of support in response to three consecutive hurricanes that occurred in August and September 2007 – as well as sustained support to Puerto Rico through much of Fiscal Year 2018.

DLA team members will continue to plan, organize and train for crisis response with interagency partners. We will continue to work with our U.S. Forest Service partners to support wildfire response and help the U.S. Coast Guard transition to DLA support. Though a WOG unified customer outreach plan, we will develop an engagement strategy carefully balanced with support to the Warfighter.


Fiscal Year 2018 saw a continuation of our multiyear journey to achieve an unmodified financial statement audit opinion. After our Independent Public Accountant issued a Disclaimer of Opinion in December, we launched efforts to address Notices of Findings and Recommendations and close out Corrective Action Plans.

The audit team has focused on reconciliation of Real Property inventory and I look forward to our next phase: reconciling DLA-owned inventory.

DLA is in the spotlight and we must continue to set the standard for other DoD entities undergoing their first audit. As we progress, we much be a learning organization – our pace at making corrections this year should be greater than that of last year.

Maintain the momentum with your Service counterparts, continue to work the issues and stay on the glide path.

Congress continues to meet or exceed the Services’ funding request for over $600B in Fiscal Year 2019. While the Service and CCMDs recognize that we are indispensable as America’s Combat Logistics Support Agency, there is constant pressure on all Defense Agencies to prove their worth. We were born out of reform in 1961, and as you can see from the significant decrease in the Cost Recovery Rate (CRR), we continue to provide world-class support at the
lowest rates to the Warfighter. We will continue to remain cost-conscious and reduce our CRR to 11.5% in Fiscal Year 2019 and 11.4% in Fiscal Year 2020.

9. People and Culture

At DLA, we understand that our people are the “secret sauce” of this Agency – they are at the heart of everything we do. We recognized the importance of our people and organizational culture in our Strategic Plan by publishing a companion document specifically dedicated to attracting, developing and retaining our diverse, skilled, and agile workforce.

We completed the 2018 Culture and Climate survey finishing with a 63% response rate. The final results will be released in October, and I look forward to sharing the results and my enterprise focus areas with the workforce. I also anticipate great things moving forward as each of you develop, implement, and share with me your local Culture Action Plans.

We successfully completed our first performance rating, review, and awards cycle under the new DoD Performance Management and Appraisal Program (DPMAP). As an Agency, we are capturing lesson learned to improve the process for the next year. Together we will continue to leverage DPMAP to drive organizational performance in support of a high-performing culture.

In 2018 we inducted five former DLA team members into the DLA Hall of Fame and recognized outstanding personnel from across the Agency by awarding 60 annual awards for 2018. And as a tribute to the spirit of the first DLA Director we introduced the first ever LTG McNamara Icon award. This inaugural award will be presented in 2019.

10. Enterprise Enablers

Our DLA Information Operations (J6) team developed a supplement to the Strategic Plan focusing on technology, data management, and innovation that establishes a way forward for modernization. In the future, we will accelerate ways to leverage technology to increase Warfighter Readiness, to include:

a. Ensuring that Cyber incidents do not compromise DLA’s world-class support to the Warfighter
b. Creating a DoD framework for Additive Manufacturing (AM) that establishes the Agency as the repository for interoperable technical data to leverage AM across the Department
c. Continuing to transform the Agency’s Data Management and Predictive Analytics, including the development of predictive/artificial intelligence models
d. Continuing to close the gap between public and commercial distribution capabilities through the Distribution Modernization Program (DMP)
11. Fiscal Year 2019 Imperatives

a. Warfighter First

   (1) Transfer Retail Industrial Supply, Storage and Distribution Functions to DLA
   (2) Transform DLA Storage and Distribution
   (3) Document Services Closures
   (4) Data Center consolidation
   (5) Multi-Functional Devise Service Consolidation
   (6) Center of Excellence for Commodity/Sustainment Procurement
   (7) Energy Center of Excellence
   (8) Space Enterprise
   (9) ASD(S): Industry Metric Visibility
   (10) Increase Warfighter Readiness

b. Global Posture

   (1) JLOC Transformation
   (2) Global Logistics Support Capability

c. Strong Partnerships

   (1) USD(A&S): F-35 Support
   (2) Depot Level Repairable Support
   (3) Communication with Industry

d. Whole of Government

   (1) Whole of Government Support
   (2) GSA Partnership Disposal Pilots

e. Always Accountable

   (1) Provider of Choice for the Coast Guard
   (2) Audit Remediation

f. People & Culture

   (1) Safety Program Modernization
   (2) Culture/Climate Action Plans
(3) DLA/AFGE Master Labor Agreement
(4) Institutionalize DPMAP

g. Enterprise Enablers

(1) Innovation & Agile Development
(2) Robotic Process Automation
(3) Data Management & Predictive Analysis
(4) Distribution Modernization Program

12. Conclusion

The world is constantly changing and we must remain vigilant, agile, and ready. We can look back with pride on our accomplishments over the past 12 months, but we need to keep our momentum by constantly selecting the right metrics, measuring our progress and striving for greater goals.

As your Director, I know we have a great team, fueled by a deep commitment to serve the Warfighter and our Nation. Thank you for your phenomenal efforts over the past year. Looking ahead, I urge each of you to do your part to capitalize on our gains. There’s only one way to provide the support our Warfighters and other customers expect and deserve, and that’s to move out and take it to the next level!
MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Land and Maritime FY2019 Annual History Submission

It is with a sense of professional satisfaction that I include a summary of the significant operational achievements chronicled in this DLA Land and Maritime FY 2019 History submission.

Over this past fiscal year, the Land and Maritime team has worked cohesively together to make measurable improvements in our operational metrics. These metrics have directly translated into improvements in warfighter mission efficiencies.

Both land and maritime weapon systems have benefitted from our efforts to increase material availability while simultaneously reducing the number of back ordered items needed for successful operations.

Efficient logistics support represents the backbone of every successful military force and DLA Land and Maritime remains proud of its commitment to support this nation’s warfighters with the equipment and service they demand to remain the world’s premiere fighting force.

J. T. PALMER
RDML, SC, USN
Commander

Attachment:
2019 Land and Maritime History Submission
1. Introduction:

a. General

DLA Land and Maritime Supply Chains deliver repair parts to all Military Services. Daily operations include more than 2,500 associates at 37 locations worldwide, to include four DLA Depot Level Reparable detachments and four detachments supporting U.S. Naval Shipyards. DLA Land and Maritime’s core functions include purchasing material, monitoring inventory levels, maintaining technical data and assuring quality conformance of approximately two million spare and repair parts utilized by more than 19,000 military units and federal and civilian agencies. In 2019, DLA Land and Maritime’s sales exceeded $4.1 billion.

DLA Land and Maritime’s mission is to provide worldwide logistical support to our customers. Land and Maritime directly support Navy surface and subsurface, Army and Marine Corps customers through dedicated customer relations while working with numerous suppliers to fulfill requirements for assigned stock classes across the Department of Defense. Additionally, we provide logistical services directly to Navy shipyards and Army and Marine Corps industrial sites. The successful accomplishment of this mission requires a well-trained, diverse workforce and a professional culture that supports high expectations.

b. 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, Mutual Trust and Respect.
2. Organization:
3. Key Personnel:

(Left to right)

1. Commander RDML John Palmer: June 2018-present
2. Deputy Commander Mr. Kenneth Watson: October 2019-present
3. Acquisition Executive Mr. Mark Brown: March 2018-present
4. Chief of Staff Col. Janette Ketchum: July 2018-present
5. Director of Operations Mr. Griff Warren: January 2009-present
1. Director, DLA Land Customer Operations Col. Juanita Clarke: July 2018-present
2. Deputy Director, DLA Land Customer Operations Linda Johnson: July 2018-present
3. Director, DLA Land Supplier Operations Col. Robert Murray: August 2018-present
4. Deputy Director, DLA Land Supplier Operations Don Schulze: July 2018-present
5. Director, DLA Maritime Customer Operations CAPT David Lockney: August 2018-present
6. Deputy Director, DLA Maritime Customer Operations Mr. Shawn Cody: October 2017-present
7. Director, DLA Maritime Supplier Operations CAPT Jeff Schmidt: April 2016-present
8. Deputy Director, DLA Maritime Supplier Operations Mr. Ben Roberts: July 2014-present
9. Director, Strategic Acquisition Programs Directorate CAPT Christopher Waldron: June 2019-present
10. Deputy Director, Strategic Acquisition Programs Directorate Linda Kelly: April 2019-present
(Depot Level Reparables Detachments L-R)
1. Director, DLA Land Warren Vito Zuccaro: July 2016-present
2. Deputy Director, DLA Land Warren Bryon Gerwolds: May 2015-present
3. Director, DLA Maritime Mechanicsburg Quentin Smith: March 2018-present
4. Deputy Director, DLA Maritime Mechanicsburg Emily Bear: April 2018-present
5. Director, DLA Land Doug Nevins: November 2018-present
6. Deputy Director, DLA Land Allison Scannell: January 2014-present

(Shipyard Detachments L-R)
1. OIC, DLA Maritime Norfolk CDR Aaron Sikes: November 2018-present
2. Deputy, DLA Maritime Norfolk Ernie Styron: April 2019-present
3. OIC, DLA Maritime Puget Sound CAPT Mike Krisman: June 2019-present
5. OIC, DLA Maritime Portsmouth CDR Chris Donnelly: June 2019-present
6. Deputy, DLA Maritime Portsmouth Thomas Moore: December 2013-present  
7. OIC, DLA Maritime Pearl Harbor CDR Bruce Reilly: September 2017-present  
8. Deputy, DLA Maritime Pearl Harbor Robert Torres: October 2016-present

(Left to right)

1. Director, DLA L&M Business Process Support Mr. Oscar Mitchell: October 2018-present
2. Deputy Director, DLA L&M Business Process Support Mr. Dave McGraw: August 2014-present
3. Director, DLA L&M Business Procurement Support Mr. Ken Goodson: April 2019-present
4. Deputy Director, DLA L&M Business Procurement Ms. Julie Van Schaik: November 2018-present
5. Director, DLA L&M Eng & Tech Support Mr. Eugene Williams: July 2019-present
6. Deputy Director, DLA L&M Eng & Tech Support Ms. Renee Magill: Jan. 2018-present
7. Director, DLA L&M Office of Counsel Mr. Michael Gordon: November 2015-present
8. Deputy Director, DLA L&M Office of Counsel Mr. John Hart: November 2015-present
9. Director, DLA L&M People & Culture Mr. Robert Boggs: September 2015-present
11. Director, DLA L&M Small Business Ms. Sherry Wellmer: April 2019-present
12. Deputy Director, DLA L&M Small Business Mr. James Secrist: Sept. 2017-present
13. Director DLA L&M EEO Mr. Charles Palmer: March 1999-present
14. Director, DLA L&M Internal Review Ms. Melanie Schmechel: Jan 2012-present
15. Director, DLA L&M Executive Programs Mr. Ben Kinstlinger: July 2019-present
16. Public Affairs Officer, DLA L&M Public Affairs Mr. Michael Jones: April 2011-present
18. J1 Customer Account Manager, DLA Human Resources Services Ms. Jessica Barton: December 2017-present
19. Comptroller, DLA Finance L&M (J8C) Mr. William Pascol: November 2018-present
20. Deputy Comptroller, DLA Finance L&M (J8C) Mr. James Patterson: January 2019-present
21. DSCC Site Director, Mr. Dan Bell: October 2015-present
22. DSCC Deputy Site Director, Mr. Eddy Poprock: January 2018-present
23. AFGE Local 1148 Union President Ms. Robin Menafee: December 2015-present
24. IFPTE Local 7 Union President Mr. Jeffery Tanner: May 2019-present
4. Total Personnel:
5. Historical Narrative:

a. Operations

(1) Highest Recorded Material Availability (MA):

In June of FY19, associates at the Land Supplier Operations directorate achieved a 92% MA rating by successfully fulfilling 135,637 orders. These efforts helped register their highest rating in more than nine years.

Land Supplier Operations leadership developed and implemented an active vendor engagement plan to help reach this achievement. That plan focused on working closely with vendors and suppliers to mitigate supply chain challenges that helped create backorders. The directorate is comprised of four distinct divisions: Vehicle Support, Batteries/Tires/Engines, Small Arms/Industrial Product Support and Contracting Support. These departments include 374 associates who collectively manage more than 400,000 National Stock Numbers (NSN). In managing these NSNs they executed more than 450,000 contracts supplying more than 2 million items. These items total more than $1.6 billion in annual sales.

(2) Global Tire Program:

The Global Tires Program integrator acquisition team executed the largest contracting initiative in Defense Logistics Agency Land and Maritime’s history on Nov. 9, 2018. The contract is for 10 years and is valued at $2.1 billion. The integrator contract provides global supply and supply chain management of tires for aircraft and ground systems to all United States Department of Defense military service branches and its allies. The contract will deliver $193 million in cost avoidance and provide improvements to customer support that include a 3% increase from the preceding contracts for on-time delivery and fill-rate metrics. These efforts were instrumental in raising delivery performance from 95% to 97%.

(3) Nuclear Enterprise Support:

The Nuclear Reactors Program (NRP) is the Navy’s priority operations program. The safe and reliable operation of nuclear reactors that power the Navy’s aircraft carriers and submarines are vital to our country’s national defense. DLA has developed a reputation of commitment, mission focus and unparalleled customer support when it comes to supporting the Navy Nuclear Reactors Program. The items managed are extensive in scope and unequaled in terms of customer expectations. DLA’s NRP associates produce extraordinary results through intensive management, constant communication and collaboration to ensure the program demands are fulfilled. These dedicated and highly motivated individuals have made a positive impact on DLA’s support to the warfighter by achieving MA for this critical weapon system above 95% for the past 141 months. FY19 MA averaged 97.1% for the first 10 months and at the
end of July 2019 had increased to 97.8%. DLA Land and Maritime’s goal is a sustained and repeatable supply chain material effectiveness and responsiveness.

b. Small Business

The DLA Land and Maritime Office of Small Business Programs had an overall successful year. Consistently serving small businesses throughout the year, as of fourth quarter FY19 the Small Business Office’s metrics were ahead in the areas of overall Small Business, Small Disadvantaged Business and Historically Underutilized Business Zone (HUB Zone) goals. The exceptions are in the category of Small Disadvantaged Veteran-Owned Small Business, where we are slightly behind and Woman-Owned Small Business which continues to be a challenge throughout the agency. Additionally, the Small Business Office exceeded its goal of 70.03% of contracts at or below the simplified acquisition threshold of $250,000 awarded to small businesses. Successes also included obligating $1.9 billion of eligible dollars in the same category. Small Business educational activities included hosting four Training, Knowledge and Opportunity seminars, including one specifically requested by Procurement Technical Representatives. Office specialists continuously focus on expanding the socioeconomic base and improving relationships between small and large businesses for subcontracting opportunities by attending beneficial outreach events like the Annual U.S. Army Ground Vehicle Systems Engineering and Technology Symposium, Advanced Planning Briefings for Industry Conference, the Macomb Regional Procurement Technical Assistance Center event, the HUBZONE Small Business Summit, the National Ohio Statewide Procurement Technical Assistance Center training at Dublin Integrated Education Center, the Cleveland Business to Business Matchmaker and the National Small Business Federal Contracting Summit.

c. Safety Program:

On June 12, 2019 the DLA Chief of Staff, Ms. Kristin French, issued a memorandum directing operational control of DLA Installation Management Safety and Occupational Health (SOH) staff to the Major Subordinate Commands and Regions. The Land and Maritime Safety Program Manager immediately began reporting directly to the DLA Land and Maritime Chief of Staff. In line with the realignment initiative the Land and Maritime Commander, Navy RDML John Palmer, assumed the role of Chair of the Defense Supply Center Columbus Safety Council, and the Safety Manager was integrated into all Land and Maritime routine business meetings. An improvement in communications and senior leader awareness of the pulse of the safety culture have been prominent. Efforts are ongoing to modernize the DLA Safety Programs enterprise wide to improve efficiency and comply with federal and DoD Doctrine. DLA Land and Maritime is part of the DLA SOH Modernization Task Force and working group collaborating with representatives across the enterprise to redefine SOH roles and responsibilities.

d. Community Cooperation Agreement:

DLA Land and Maritime’s Police and Emergency Services (P&ES) entered into a mutual aid agreement with the City of Whitehall Division of Police (WHPD) to meet law enforcement
response requirements with high-risk/critical incidents. The resources the WHPD will provide P&ES have significantly reduced staffing costs associated with recalling them (on their regular days off and/or vacation) to assist with all phases of the response. Law enforcement high-risk/critical incident responses are unique and unpredictable. The resources needed to mitigate these incidents are dependent on the totality of the circumstances; therefore, assessing the cost saving on resources and staffing must be a case-by-case basis.

e. DLA Land and Maritime Detachment Success:

(1) Mechanicsburg:

DLA Maritime Mechanicsburg’s detachment had a successful fiscal year. The detachment provides sustainment support to Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) by contracting for new Depot Level Reparables for NAVSUP WSS surface ships, submarines, carriers and foreign military sales customers. The detachment entered FY19 with an all-time high workload of more than 3,300 purchase requests. The Land and Maritime Command detachment was challenged to reduce the workload to 800 PRs by the end of FY19. The detachment’s workforce accomplished the goal of getting below 800 PRs ahead of schedule at the beginning of August through hard work, dedication to warfighter support and strategic contracting initiatives. Their accomplishment helped NAVSUP WSS achieve an all-time high in supply MA and an all-time low in unfilled customer orders.

(2) DLA Land Warren:

The mission of DLA Land Warren is to provide comprehensive acquisition, contracting and business advisory services to support customer requirements for new purchase of Depot Level Reparable items. As FY19 closes, DLA Warren expects to come very close to the record $1.1 billion in contract dollars and 2,000 contracts awarded during FY18. During that period, small business-awarded dollars and actions were the most ever by DLA Warren. FY18 dollars and actions surpassed FY17’s performance; which was also a record year. DLA Warren is on track to top FY18’s performance pending resolution of service funding shortfalls. DLA Land Warren detachment has increased the number of long term contracts over the past several years; culminating with the most LTCs ever awarded during its FY19 operations. LTC awards have almost tripled from FY15 to FY19, increasing from 44 to 120.

Senior leadership at Army Materiel Command, DLA Land and Maritime and U.S. Army Tank-Automotive Command incorporated the Base Realignment and Closure Act in reaching a decision that dictated a mission change for DLA Land Warren. That mission change shifted the purchasing responsibility for consumable items to the Army Contracting Command in Warren, Michigan.
The DLA Land Warren has been working on a Work-in-Process (WIP) Burn-Down Plan to reduce requirements from a high of about 1500 in FY18 to 750 requirements in FY19. DLA Land Warren’s mission change transferred the management of consumable requirements to Air Combat Command Warren and the contracting assistance of a Columbus Tiger Team contributed to the WIP burn down achievements. A productivity increase contributed to Warren’s WIP decrease and was fueled by maintaining appropriate resource levels. WIP is projected to continue to decrease through the end of FY19.

d. Deployment Operations

For FY19 Land and Maritime deployed 16 personnel to Kuwait and Afghanistan in support of Operation Freedom’s Sentinel, and one additional person to Iraq in support of Operation Inherent Resolve.

On the training side, Land and Maritime deployed one person to Korea for the Spring 2019 exercise Dong Maeng 19-1 (formerly Key Resolve). Land and Maritime also deployed one person to Korea for the Summer 2019 exercise Dong Maeng 19-2 (formerly Ulchi Freedom Guardian).

On the humanitarian side, Land and Maritime deployed one person from our Global Reaction Force team to provide remote Class IX expeditionary support from Fort Belvoir, Virginia for the refugee crisis in Venezuela from May to June 2019.

Land and Maritime also deployed four additional personnel to Afghanistan using the 12-month Expeditionary Civilian deployment program.

e. People and Culture

DLA Land and Maritime’s internal rotation and job shadowing programs were created to provide employees with the opportunity to further develop functional, cross-functional and leadership skills through experiential internal rotational opportunities within Land and Maritime. During FY19, DLA Land and Maritime graduated 13 participants in the Internal Rotation Program and 25 participants in the Job Shadowing Program. The intent of these programs is to help ensure workforce capabilities match present and future mission requirements while providing more opportunities for employee growth.

f. Supply Chain Security

(1) Commercial and Government Entity (CAGE) Compromise Program

During FY19 Land and Maritime’s Fraud Counsel identified 79 contractors whose stock was defective and subject to removal from the supply chain. This DLA Headquarters directed screening initiative prevented defective stock supplied by fraudulent contracts from being delivered to our military customers. The actions were coordinated with Headquarters and other fraud counsels and enabled the dispositioning, demilitarization and disposal of nonconforming parts.
Additionally, the Land and Maritime Fraud Team reviewed new DLA Internet Bid Board System (DIBBS) account data weekly to identify companies that may be “CAGE Compromised.” These reviews helped prevent defective material from entering the supply chain. To date, more than 1,875 suspect CAGE codes have been identified, with approximately 1,200 linked to a single network. These CAGEs are locked out of DIBBS but permitted to later apply for reinstatement. Approximately 90% never seek reinstatement, which is demonstrative of how well the program identifies bad actors.

(2) FY19 Fraud Success Metrics, Including CAGE Compromise Related Contractors

(a) 7 Convictions (including guilty pleas that are pending sentencing)
(b) $1.2 million total restitution ordered
(c) $800,000 total civil settlement (pending Court acceptance)
(d) 23 Debarments/Suspensions – (18 CAGE Compromise related)
(e) 54 Debarment Recommendations – (22 CAGE Compromise related)

(3) Deoxyribonucleic Acid (DNA) Marking:

Federal Supply Class 5962, which covers microcircuits, was identified as a High Risk Stock Class for procurement of counterfeit items. DNA marking was selected as one of several tools to mitigate risk of supplying counterfeit microcircuits to our depot repair centers and military customers. DNA is a plant-based material that is used for marking each microcircuit component.

The successful creation and implementation of the DNA marking program for microcircuit devices within the Defense Logistics Agency’s Land and Maritime supply chain represents a tremendous amount of hard work, ingenuity, creativity and teamwork. The Electronics Product Test Center (EPTC) inspects each microcircuit, validates paperwork received with the product, inspects packaging, verifies authenticity of the product and DNA marks each individual microcircuit procured by DLA. All vendors are required to supply traceability, which entails a full chain of custody back to the approved source of supply. The DNA mark can’t be replicated and provides a unique ability for DLA to determine a device’s origin years after it’s been provided to our military customers. As of July 31, 2019, the EPTC has reviewed 170 projects through the DNA Marking Program. Within those projects, 344,245 individual microcircuit devices have been DNA marked. Current contract rejection rates are routinely under 5% each month. As an added safeguard, the DNA process only awards to trusted suppliers, which include original component manufacturers, original equipment manufacturers, authorized distributors, companies on the qualified suppliers list of distributors and companies on the qualified testing suppliers list.
g. Environmental Stewardship

Installation Recognition: Defense Supply Center Columbus (DSCC) was certified as a USA Tree City by the Arbor Day Foundation and Ohio Department of Natural Resources. The Tree City USA program is a nationwide movement that provides the framework necessary for communities to manage and expand their urban forest. DSCC has achieved Tree City USA status by meeting four core standards of sound urban forestry management: maintaining a tree board, maintaining a tree ordinance, spending at least $2 per capita on urban forestry and celebrating Arbor Day. The Environmental Division is also working to prevent future planting of invasive species by implementing a tree permit system. The USA Tree City initiative is an example of DLA Land and Maritime’s strong partnership with the Ohio Department of Natural Resources.
MEMORANDUM FOR DLA HEADQUARTERS, ATTN – Historian

Subject: Submission of DLA Troop Support FY19 Annual History Input

Despite only being commander of this great organization for the last quarter of fiscal year 2019, I am extremely proud of this organization's accomplishments. In my few months here, I have seen our employees' dedication and commitment to our mission of delivering “optimal, global supply chain solutions to enable ready, lethal Warfighters and our other valued customers.”

The accomplishments listed in the following pages are highlights of a stellar year for Troop Support, with our highest sales ever of $19.1 billion. With five distinct supply chains, all successful in their own right, it shows the depth and breadth of our support to America's military and Whole of Government partners.

As we move forward in FY20, we will continue to support and enable the accomplishment of the DLA Strategic Plan and align with DLA’s three major themes of Continued Warfighter Readiness, Support to Defense Reform, and Audit Advancement.

I am confident that the DLA Troop Support workforce is capable, ready and willing to continue our legacy of providing outstanding customer support.

[Signature]

DG Gavin A. Lawrence, USA
Commander
DLA Troop Support
1. Introduction.

The Defense Logistics Agency (DLA) Troop Support FY19 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 FY19 to support the needs of our customers around the globe.

DLA Troop Support collaborates with the Military Services, the Combatant Commanders and its multitude of industry partners to balance Service requirements with industry capabilities in order to successfully meet warfighters’ demands.

In addition to direct customer support, DLA Troop Support actively supported the agency’s goals to reduce inventory, decrease operating costs, decrease 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 team providing globally responsive Warfighter support and premier supply chain leadership.

c. Values:

Leadership, Professionalism, and Technical Knowledge through Dedication to Duty, Integrity, Ethics, Honor, Courage and Loyalty.

2. Organization:

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 FY19 totaled $19.1 billion, accounting for approximately 48% of all DLA sales. Staffing includes 2,346 civilians, 74 active duty military personnel and 42 reservists.
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 medical 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 our warfighters serving 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 Gavin Lawrence, USA, Commander: June 2019-present
(2) Mr. Richard A. Ellis, Deputy Commander: July 2010-present
(3) Mr. William J. Kenny, Executive Director, Contracting & Acquisition Management: August 2010-present
(4) Mr. Robert A. Ratner, Chief of Staff: July 2010-present

b. Supply Chains

(1) Subsistence

Col. Eric McKoy, USA
Rich Faso
Lourdes Valentin
John Sheehan

Director: June 2019-present
Deputy Director: April 2016-Present
Supplier Operations Director: November 2018-Present
Customer Operations Director: July 2016-Present

(2) Clothing & Textiles

Col. Joseph Elkins, USAF
Roy Dillard
Steven Merch
Bruce Carson
Lisa Rauchiesen

Director: August 2019-present
Deputy Director: August 2016-Present
Supplier Operations Director: August 2016-Present
Customer Operations Director: July 2019-Present
Plans & Integrations Director: August 2015-Present
(3) Construction & Equipment

CAPT Jacqueline Meyer, USN    Director: June 2019-present
Thomas Grace                  Deputy Director: April 2016-Present
Marko Graham                  Supplier Operations Director: July 2018-Present
Howard Page                   Customer Operations Director: July 2016-Present

(4) Medical

COL Matthew Voyles, USA        Director, Medical: June 2018-present
David Johns                   Deputy Director: February 2016-present
Nora Steigerwalt              Customer Operations Director: August 2016-present
Dan Keefe                     Supplier Operations Director: May 2016-present

(5) Industrial Hardware

Col. Adrian Crowley, USAF     Director: August 2017-present
Tina Piotrowski               Deputy Director: September 2017-present
Gary Shifton                  Supplier Operations Director: February 2014-present

c. Key Staff Elements

(1) Procurement Process Support

CAPT James Gayton, USN        Director: July 2018-present
John Fafara                   Deputy Director: August 2018-present

(2) J3/J5 Operations and Plans

CAPT Timothy Griffin, USN     Director: June 2019-present
Patrick Owens                 Deputy Director: December 2018-present

(3) Product Test Center Analytical

Jamie Hieber                  Director: July 2014-present

d. Key Personnel Changes

(1) Patrick Owens served as the Customer Operations Director, Clothing & Textiles from September 2017-December 2018. In December 2018, he became the Deputy

(2) Gina Vasquez, Supplier Operations Director, Subsistence retired in January 2019.

(3) Col. Melvin Maxwell, USAF served as the Director, Clothing & Textiles from August 2018-April 2019. In April 2019, he was selected to serve as the Executive Officer of Logistics Operations at Defense Logistics Agency, Fort Belvoir, Va.

(4) Col. Abel Young, USA served as the Director, Subsistence from September 2017- June 2019. Young was selected to serve as the Deputy Military Athletic Director at the United States Military Academy at West Point.

(5) Brigadier General Mark Simerly, USA served as the DLA Troop Support Commander from July 2017- June 2019. Simerly was selected to serve as the commanding general, 19th Sustainment Command (Expeditionary), Eighth Army, Republic of Korea.

(6) Capt. Gerald Raia, USN served as the Director, Construction & Equipment from May 2018-June 2019. Raia was selected to serve as the Chief, Office of Military Cooperation, Kuwait.

(7) Jeffrey Horton served as the Deputy Director for Procurement Process Support from May 2016-August 2019. Horton retired from the agency.

(8) Bruce Carson was selected as the Clothing & Textile Director of Customer Operations in July 2019.

4. DLA Troop Support FY 2019 Command Accomplishments

a. Awards and other Recognition

Defense Logistics Agency Troop Support and the Office of Corporate Communications received the Employer Support of the Guard and Reserve Seven Seals and the Secretary of Defense Employer Support Freedom Award. The awards are given to organizations that support employees serving in the Guard and Reserve.

(1) 2018 Troop Support Hall of Fame Inductees

Every November, former Troop Support employees are nominated for induction into the DLA Troop Support Hall of Fame, for having made significant long-term contributions or provided outstanding customer service and displaying exemplary work ethic during their tenure. Inductees must be at least 2 years removed from the organization, and no more than 10 years separated.
(a) Jacqueline A. Basquill was inducted into the Defense Logistics Agency Troop Support Hall of Fame, Class of 2018 for her outstanding mission support from 1973 through 2014. Throughout her federal career of 42 years she touched the lives of countless warfighters, Department of Defense beneficiaries and those in need of critical medical materiel around the globe.

(b) Keith R. Ford was inducted into the Defense Logistics Agency Troop Support Hall of Fame, Class of 2018 for his outstanding mission support from 1981 through 2016. Mr. Ford began his federal career in 1981 as a GS-5 contract specialist and worked his way up the ranks before retiring as the deputy director of the Clothing and Textiles supply chain where he led a staff of 338 professionals through unprecedented change in uniform requirements.

(c) Wayne H. Williford was inducted posthumously into the Defense Logistics Agency Troop Support Hall of Fame, Class of 2018 for his outstanding mission support from 1980 through 2016. Mr. Williford was a skillful business logistics specialist who held a variety of positions at DLA Troop Support and its legacy organizations, and was best known for his leadership during many organization transformations.

(2) Troop Support Innovation Award

During the December 2018 Troop Support Town Hall, then commander, Army Brig. Gen. Mark Simerly launched the inaugural Declaration of Innovation Award. The award will be presented quarterly to employees that make recommendations for changes or improvements within the organization. The award recipients by quarter were:

(a) Quarter 1 Individual Award: Robert Fagan, Clothing and Textiles supply chain, was instrumental in standardizing and developing a new material to be used in flags for the military. Once implemented, his innovative idea could save the agency $1.35 million dollars a year.

(b) Quarter 1 Team Award: The Subsistence supply chain drone support team won the team category. The team examined the use of unmanned air systems, or drones, to deliver food and water to areas not accessible by normal modes of transportation.

(c) Quarter 2 Individual Award: Sarah Wyatt, Clothing and Textiles supply chain was recognized for creating a custom special measurement Marine Corps dress coat for Medal of Honor recipient Marine Corps Sergeant Major (Retired) John L. Canley.

(d) Quarter 2 Team Award: The Subsistence supply chain kiosk team was recognized for working with the Joint Culinary Center of Excellence to modernize garrison food service operations and create remote food locations for meal card holders to enjoy a selection of food, fruits, snacks, and beverages.

(e) Quarter 3 Individual Award: Andrew Nemeth, Industrial Hardware supply chain was recognized for leading the creation and implementation of a new Product
Quality Deficiency Report process to ensure DLA would receive restitution for deficient material, meet work and time requirements and audit readiness.

(f) Quarter 3 Team Award: The Industrial Hardware’s Supply Chain Point of Contact (SCPOC) Team was recognized for streamlining project data to more effectively engage all of Industrial Hardware functional areas to collaborate on corrective actions for specific items by creating a standardized “Storyboard” presentation for projects. The team’s actions resulted in a 30% reduction in overdue contracts, resolving issues with non-procurable items, and accelerating 80% of delivery timelines to meet urgent weapon system needs.

(3) Troop Support Sexual Assault Prevention and Response Program

(a) Planned and executed novel “SAPR Campfire Sessions” which engaged Culture Improvement Teams and supply chain leadership in developing effective SAPR communications and program focus for CY19. Through targeted, small-group discussions focused on perceived “blind spots” and key SAPR talking points, the Sexual Assault Response Coordinator, Ms. Ella Wynn, was able to develop effective events and communications such as the well-attended April 2019 “Be Brave” educational empowerment event and a quarterly poster campaign advertising important point-of-interest as recommended by the CIT and leader Campfire attendees.

(b) Coordinated installation-wide events for Sexual Assault Awareness and Prevention Month on behalf of Troop Support and in cooperation with the Naval Support Activity Philadelphia SAPR committee. Through record attendance of events such as the Proclamation Signing, Be Brave educational event, SAPR Awareness Walk and awareness and information tables throughout the campus. Awareness and education efforts reached a record number of employees in 2019, leading to a more informed and SAPR-minded workforce.

(4) Public Affairs Community Relations

(a) Feds Feed Families

In September 2019, DLA Troop Support donated 4,279 pounds of food to Philabundance, the region’s largest hunger relief organization. The Feds Feed Families food drive ran from June 2019 through August 2019 and yielded the highest total food donations of all the Philadelphia federal agencies.

(b) Vietnam War Veterans Commemoration

i. DLA Troop Support partnered with the Greater Northeast Philadelphia Chamber of Commerce, Association of U.S. Army William Penn Chapter and the Corp. Michael J. Crescenz VA Medical Center in recognizing approximately 90 Vietnam War veterans from the local community on March 29.

ii. The event was in support of the Vietnam War Commemoration Program and was held at KleinLife in NE Philadelphia.
iii. The program featured guest speakers Woody Goldberg, civilian aide to the Secretary of the Army, a performance by the USO Show Troupe and leadership presence from across the participating organizations.

iv. DLA Troop Support is an official National Vietnam War Commemoration partner.

(c) Philadelphia School District Internship Program

i. DLA Troop Support partnered with the Philadelphia School District to create a pilot internship program as part of a Community Relations initiative.

ii. The pilot program was a paid internship for local high school seniors to gain meaningful federal work experience before advancing to college.

iii. Two Northeast Philadelphia High School students were selected for the pilot where they worked in the Corporate Communications office and the Product Testing Center from Dec. 2018 to the end of their school year.

b. Supply Chain Accomplishments

(1) Subsistence

(a) Subsistence provided over 5 million meals to the Federal Emergency Management Agency in support Hurricane Michael disaster relief efforts in September 2018.

(b) William Beaumont Army Medical Center, Fort Bliss, Texas, became a Defense Logistics Agency Troop Support Subsistence supply chain customer. The facility successfully completed several orders for dairy and bakery items.

(c) During the Research and Development Associates for Military Food and Packaging, October meeting in Woburn, Massachusetts, Subsistence collaborated with food industry partners to establish a transparent process to remove or restrict ingredients in military dining facility menus.

(d) The Unitized Group Rations-A Option team collaborated with the Continuous Process Improvement Office to conduct a project to improve the on-time delivery of the items for troops in field conditions. The project resulted in the team meeting nearly 100 percent of their delivery dates.

(e) Roberto Santana Irizarry, a contracting officer representative was selected as the 2018 DLA Troop Support Leader of the Year.

(f) Subsistence Garrison Feeding Division supported the United States Army Joint Culinary Center of Excellence on their inaugural Army Outpost Kiosk grand openings at Fort Stewart, GA., Fort Carson, CO, Fort Drum, NY and Fort Riley, KS. The kiosks
offer fresh grab and go options for soldiers who are on base but are away from the dining facilities for training.

(g) Subsistence provided border support requirements for Davis-Monthan Air Force Base, Laughlin Air Force Base, and Eagle Pass, TX, totaling $320,000.00.

(h) The United States Department of Agriculture/Department of Defense Fresh Produce Program continued to grow this year with sales over $300M for the school year and hundreds of new school customers added throughout the country.

(i) Subsistence Employee Pama Hamlett was selected as the FY 18 Defense Logistics Agency Employee of the 4th Quarter for her outstanding work day in and day out as well as her tireless efforts with Hurricanes Florence and Michael.

(j) Subsistence worked with the commander of the Submarine Forces Atlantic Fleet, Norfolk, VA, on an initiative to use freeze-dried items in recipes for meals aboard submarines. The Navy is interested in expanding the number of freeze-dried items on the catalog, as well as the number and type of ships in the future, pending the outcome of the pilot program.

(k) The Umatilla Tribe out of Oregon rejoined the United States Department of Agriculture/Department of Defense Fresh Program.

(l) The ALFOODACT Credit Defect Reduction, continuous process improvement project was initiated and completed. The project focused on improving how refunds/credits are confirmed after they are issued to the customer after items are recalled.

(m) The 185th Iowa Air National Guard in Sioux City received their first Christmas holiday delivery from the Defense Logistics Agency.

(n) Subsistence provided the initial food orders for the Navy’s newest Freedom-variant LCS, the future USS Billings (LCS 15). The ship set sail from Marinette, WI in May 2019.

(o) Dr. Starr Seip, the Subsistence resident Registered Dietitian and Nutritionist, had her first research article published in the December 2018 issue of Journal of Food Science and Nutrition. She wrote on the association of the type of diabetes education to decrease chronic limitations due to the disease. Starr shared her knowledge of nutrition and disease prevention with the Troop Support workforce through Subsistence University seminars.

(p) DLA Troop Support Subsistence and the United States Department of Agriculture expanded the Summer Feeding Program. The program uses federal funds to provide fresh fruits and vegetables to summer school and camp locations in 21 states. Sales are expected to reach $250K. Two new states, Oklahoma and Idaho, joined the program in summer 2019.

(q) Subsistence hosted its second Ingredients Industry Day at the Doubletree Airport Hotel, Philadelphia. Over 50 manufacturers, industry and government personnel were in attendance. The meeting was held to continue the collaboration, transparency and communication that has been ongoing for nearly 2 years regarding the removal or restriction of ingredients in the food served in military dining facilities and onboard ships.

(r) FEMA requested 52,054 cases of Humanitarian Daily Ration meals to be delivered to its Distribution Center in Tracy, Ca. The meals will serves as replenishment for the Pacific Region for potential disaster relief efforts.

(s) Additionally, three Military Interdepartmental Purchase Requests totaling more than $150K were awarded for Food Service Equipment for customers at Camp
Lejeune, NC and Gulfport, MS. The FSE team continued to accept numerous Military
Interdepartmental Purchase Request and new business during the last week of March.

(t) Tailored Vendor Logistics Specialist Sharon Pollard and Contract
Specialist Jessica Borreli successfully added a third weekly delivery from Prime Vendor Sysco
Central Alabama to support Tyndall Air Force Base. The increased delivery requirement is in
response to an influx of personnel to Tyndall AFB in support of rebuilding efforts post-Hurricane
Michael, with much of the base and its food storage facilities being damaged or destroyed. Daily
customer counts at the dining facility are frequently exceeding 1K daily patrons. With limited
storeroom storage capacity due to hurricane damage, this additional weekly delivery allows the
DFAC to maintain needed inventory quantities without rationing or running out food.

(u) The second Army Outpost Kiosk open on April 16 at Ft. Drum, New
York. Efforts by the Subsistence customer, cataloging, and supplier teams successfully added
over 100 items to the Ft. Drum DFAC catalog, such as pre-made and individually wrapped
sandwiches, wraps, salad bowls, breakfast bowls, fruit cups, frozen entrees, beverages, and
snacks. This project was worked months in advance to ensure the Prime Vendor (Renzi),
Produce, and Beverage Vendors were sourcing the approved items for the Kiosk. The goal of the
Kiosk is to offer a choice to the soldiers for nutritional items that can be purchases with their
meal swipe card.

(v) In April 2019, Wornick and Sopakco made their first incremental
deliveries of the Humanitarian Daily Ration (HDR) to FEMA warehouses in Puerto Rico and
Hawaii. These stocks will be pre-positioned and rotated by FEMA to support potential disaster
relief events in these areas.

(w) Subsistence provided support to TRIDENT 19-4, the Naval Special
Warfare's Joint National Training Capability, which test and evaluate the command and control
of the deploying SEAL Teams. The exercise based out of El Paso, TX with additional forces in
multiple areas of operation will support approximately 800 warfighters with three meals per day
throughout the duration.

(x) Thirteen (13) Basic Ordering Agreements (BOAs) for Commercial
Shelf Stable Meals were put into place to support FEMA during the Hurricane Season which
began on 1 Jun. FEMA revised and enhanced their nutritional requirements for the BOAs to a
minimum of 800 calories/meal with a maximum sodium content of 1,000 mg. In addition, the
shelf life was increased to 10 months and candy has been eliminated from the meals. Vendors
will be able to provide a cumulative total of approximately 17.5M meals by Day 15. The average
price per meal is $5.50, an increase of approximately $0.50/meal from the previous configuration
which was expected given the increased nutritional requirements.

(y) At the end of June, Subsistence successfully provided support to four
ships crossing the borders between the United Arab Emirates and Oman signaling improved
relations and processes transporting goods through international ports.

(z) In June 2019, Subsistence made its first successful attempt to deliver
UGR-A Dry components through the port of Gdynia, Poland. Shipping the items directly to
Gdynia helps bypass some of the more stringent ports and avoids crossing borders in the European Union.

(aa) Members of the Subsistence Equipment Branch hosted a visit from Joint Base Andrews Air National Guard personnel to discuss the purchase of Disaster Relief Mobile Kitchen Trailers. The Equipment team currently has a Military Interdepartmental Purchase Request for $3.9M to procure 5 DRMKTs. The possibility of a long term contract was discussed as the ANG is looking to procure 3-5 DRMKTs per year for the next 5 years.

(bb) On July 24-25, the Subsistence Strategic Material Sourcing Group in partnership with the New Jersey Institute of Technology Unmanned Aviation Systems Test Site, conducted a successful land-to-land unmanned aircraft systems research flight to learn about the potential use of UAS to deliver supplies to areas that may be inaccessible by normal delivery methods, such as a combat environment or during disaster relief efforts. The successful drone delivery consisted of a 50-pound payload of a case of bottled water and a case of First Strike that traveled 1.25 miles from the Cape May-Lewes Ferry Terminal to the New Jersey Aquaculture Innovation Center in Cape May, New Jersey. The next day it transported the same load from the terminal to the fast response cutter USCGC Lawrence Lawson off the coast of Cape May to evaluate its land-to-sea-to-land capabilities.

(cc) In August, the Subsistence Food Safety Office, Supplier Support Division and the Equipment branch began working with the Department of Defense Military Working Dog Center along with the Joint Base San Antonio-Lackland Contracting Squadron to add additional lines items to their catalogs for the military working dogs.

(2) Clothing & Textiles

(a) In October 2019, the Clothing and Textile supply chain provided over 17,000 Operational Camouflage Pattern utility uniforms to Airmen at Aviano Air Base, Shaw Air Force Base, South Carolina, the Pentagon, Washington, D.C., Joint Base Charleston, South Carolina and MacDill AFB, Florida.

(b) The new Berry Amendment compliant Athletic Footwear Shoes were rolled out to Air Force & Coast Guard recruits on January 1st and to Navy recruits on April 1st.

(c) Clothing and Textiles’ special measurements team created a custom Marine Corps dress coat for retired Marine Sergeant Major John L. Canley, a Medal of Honor recipient. Canley received the Medal of Honor from President Donald Trump on October 17, 2018, for his heroic actions in Vietnam in 1968.

(d) The new female Marine dress uniforms were provided to over 3,000 Female Recruits at Marine Corp Recruit Depot Parris Island, South Carolina during the 1st and 2nd quarter of 2019. The first class of approximately 129 recruits were fitted and tailored for their November graduation.

(e) Supply chain leaders and the Troop Support commander hosted industry representatives from the National Council of Textile Organizations, Warrior Protection & Readiness Coalition and the American Apparel and Footwear Association to encourage open and candid dialogue about innovative ways to provide support to the warfighter.
A contract was awarded valued at $15.5M for 216,240 Navy Coveralls, Utility, Improved Flame Resistant Version (IFRV), Class I, Type II, Dark Blue 3392. This item is the supply chain's highest backordered item and the exigency buy was required to help meet the Navy’s revised forecasted demand of 33K per month, which was more than double their initial forecasted demand of 15K per month.

Clothing and Textile leaders observed the Personal Protective Equipment (PPE) return on March 6 for Army Staff Sergeant Steven McQueen, whose helmet was struck in the back by a 7.62x54mm Russian round at a distance of about 20 feet while deployed to Afghanistan.

Joseph Szwec, a contracting officer in the Clothing and Textile supply chain was selected to serve as the Deputy Commander for Defense Logistics Agency Troop Support Team-Kuwait beginning August 2019.

In partnership with LMI, the Clothing and Textile supply chain conducted training on the new Supply Request Package (SRP) Tool designed under the Military Unique Sustainment Technology effort. The intent of the new tracking system is to extend SRP process visibility and traceability as we work to support our customers. The new workflow system went live March 1, 2019.

The first article testing requirement for Leading Technology Composites (LTC) under its new long term contract for the Enhanced Side Ballistic Inserts (ESBI) was waived and first production lot authorized. The ESBI is a Personal Protection Equipment, Critical Safety Item that provides armor piercing rifle round protection for our ground troops. DLA holds the only contract in the DoD for ESBI.

A contract awarded valued at $26,380 for max quantity 50,130. Marine Corps and Coast Guard Sweaters 2 March, as the Submarine Forces (SUBFOR) plans to bring back the old submarine sweater as a heritage item.

Clothing and Textiles in coordination with Navy leadership and industry partners introduced two new Navy items in support of the Navy Recruit Issue Bag: Athletic Footwear and the Navy’s new Cold Weather Parka (CWP) which replaced the Navy Peacoat and All Weather Coat (AWC), April 1.

Clothing and Textiles filled 185 orders in support of Ash Wednesday, Palm Sunday, Passover, and Easter holidays in April. Orders consisted of 2,028 bottles of wine or grape juice, 274,000 pieces of palm, 434 Jewish ceremonial Seder kits and 65 ounces of ashes. C&T coordinated with other DLA MSCs, forward deployed personnel and vendors to ensure 100 percent of the Holiday items ordered were delivered to destinations within and outside of the continental U.S. including Japan and Iraq.

The first DLA contract supporting the Marines with its new load bearing pack system was awarded for a total dollar value of $37M for max quantity 385K. This first time indefinite quantity contract has a one year base ordering period with two one year options designed to provide sustained support for the Marines infantry load bearing needs for years to come.
The C&T Product Specialists and Resolution Specialists have made substantial progress on closing Quality Notifications (QN) for suspended stock, supply discrepancies and product quality deficiencies. At the beginning of calendar year 2019, there were $1.96 million in QNs with suspended stock. As of the end of May, there are $698,000 for suspended stock, a 65% reduction. In addition, over 70% of all QNs are now closed with a positive impact on sales of $10.3 million to date.

C&T responded to an urgent request for OCP uniform coats & trousers and tan t-shirts from the Navy Expeditionary Combat Readiness Center (ECRC) to outfit 25 Navy deployers within four days. Because the unit was not an authorized user of the uniform, the C&T Customer Account Specialist took immediate action to expeditiously address user authorization issues, input requisitions into the system, coordinate overnight shipment from the 3PL to complete the task one day ahead of schedule. The customer was very appreciative of the extra efforts to ensure they met their mission assignment.

In partnership with industry, the box for the Medal of Freedom was recently re-designed, and the first shipment of the new boxes have been received. The original box was handpicked by Jacquelyn Kennedy, and had a mahogany finish with blue and white matting inside the box. Due to shortages of the wood used for the box, a re-design was necessary. The Institute of Heraldry worked with the Medal of Freedom vendor Ira Green to develop several prototypes. These prototypes were sent to the White House, and presented to First Lady Melania Trump for review and decision. After several revisions, the First Lady selected a final design. The new box has black matting which highlights the medal itself and make it “pop.”

(a) Construction and Equipment supply chain provided 63 generators sets to the Federal Emergency Management Agency (FEMA) in support Hurricane Michael disaster relief efforts in October 2019.

(b) Contract specialists met a Foreign Military Sales customers’ urgent need for 16 armored bulldozers to support the fight against Islamic militants in Syria in four months rather than the year it would normally take.

(c) Construction and Equipment provided support to FEMA in the wake of Hurricane Florence, which included 1296 sets of gloves and vests and 1320 waders.

(d) A bridge contract for Fire and Emergency Services was awarded on October 30, 2018.

(e) Construction and Equipment began support to military members deployed to the Texas/Mexico border, providing pickets, rolls of concertina and barb wire. Border support concluded with a total of $7.8M of supplies, including: 178K pickets; 102K rolls of concertina wire; 7 EBS; and 4.3K rolls of barb wire.

(f) Construction and Equipment awarded the Federal Supply Group 80 contract during the second quarter of FY19.

(g) C&E received a mission assignment and delivery order from the Federal Emergency Management Agency for 18,552 cots, which were delivered to three of FEMA’s distribution centers in Dallas, Texas; Fredericksburg, Maryland; and Atlanta, Georgia.
(h) The Special Operations Equipment Tailored Logistics Support Program supported a $70 million U.S. Army Communications-Electronics Command requirement.

(i) The Maintenance, Repair, and Operations Tailored Logistics Support program delivered 12,000 tarps to be used as temporary shelter for internally displaced people in Syria. In addition to tarps, DLA Troop Support provided 6,000 tarp mounting kits.

(j) The C&E container team worked with the Crane Army Ammunition Activity and the Surface Deployment Distribution Command on the purchase of 194 20-foot containers at a total value of $1.7 million. The containers were shipped to McAlester Army Ammunition Plant to replenish aged containers.

(k) The Director of Supply, Ordnance and Logistics Operations OPNAV and DLA Headquarters signed a memorandum of understanding to increase OCONUS hazmat support to the Navy. The MOU allows DLA to release FSG 80 material to OCONUS Navy customers with reduced shelf life remaining. The MOU is a pilot program to assess the effectiveness of expanding shelf life limitations.

(l) Cynthia Mitchell-Riley was selected to attend Emerging Leaders at Harvard University’s Kennedy School of Government through the DLA Executive Development Program.

(m) John Finchen was named DLA Troop Support Employee of the Year.

(n) Daniel Turner was named DLA Troop Support Supervisor of the Year.

(o) The Construction & Equipment supply chain’s Puerto Rico Power Team was named DLA Troop Support Team of the Year.

(p) Kelsi MacMurray, contract specialist PaCER in the acquisition planning branch, won the Fresh New Hire Bronze Medal at the 2019 Federal Executive Board’s Excellence in Government Awards Ceremony.

(q) In September, C&E leased 144 generators for Hurricane Dorian support.

(r) The supply chain also provided support for personal protective equipment required by the United States Army North for hurricane relief efforts. C&E awarded orders for 320 pairs of gloves, 320 life vests, and 352 pair of waders.

(s) Kelvin Picorelli became the miscellaneous equipment division chief.

(t) Construction and Equipment ended the fiscal year with $6 billion in sales, a record for the supply chain.

(4) Medical

(a) The Medical supply chain provided approximately 3.4 million doses of the influenza vaccine to military treatment facilities and U.S. Navy Fleet clinics around the world in support of the Department of Defense’s Influenza Vaccination Program.
(b) Through a partnership with the Defense Logistics Agency and the United States Department of Veteran Affairs, the Captain James A. Lovell Federal Health Care Center began using DLA Troop Support Medical supply chain’s Medical/Surgical Prime Vendor program in March 2019. This is the first time a VA-administered medical facility has utilized a DLA Troop Support Medical program to acquire medical and surgical items through the program’s worldwide procurement system.

(c) DLA Troop Support Medical continues to build strong partnerships, extending our support capabilities with our Whole of Government partners. We executed two five-year Inter-Agency Agreements with the Department of Health and Human Services, Centers for Disease Control, Division of Strategic National Stockpile, and the Washington D.C. Department of Behavioral Health's, St. Elizabeth's Hospital.

(d) DLA Troop Support Medical has expanded its Arthrex, Inc. Electronic Catalog contract with 318 additional orthopedic items. Many of the new items Medical added are different sizes or iterations of products that are already on contract and currently being purchased by the DOD customers. Adding these additional items will enable surgeons to treat their patients with custom sized, state-of-the-art implants and instruments.

(e) During October 2018, the 68 Navy 21N Program medical items, managed by DLA Troop Support Medical, posted an excellent material availability rate of 97.1 percent. Our availability rate is well above the required mandate of 95 percent, in accordance with the performance based agreement elements of the 21N program for all of the DLA supply chains.

(f) Stryker Orthopedic is participating in a pilot with DLA Troop Support Medical, which will result in further savings based on sales growth for orthopedic implants for the Military Healthcare System. Medical negotiated with Stryker to implement the additional discounts in fiscal 2019 based on sales growth from fiscal 2018. DLA Troop Support is estimating a cost avoidance of approximately 3-5 percent overall for fiscal 2019, which equates to roughly $750,000 to $1.25 million in potential savings.

(g) On Oct. 30, 2018, DLA Troop Support Medical awarded a $15,000 purchase order for a Module Salinity Channel to Marine Electric with a twenty-day delivery. This award was made to support the USS IWO JIMA.

(h) On Nov. 9, 2018, DLA Troop Support Medical awarded a long-term contract to Ziehm Imaging, Inc., for their complete commercial product line of Radiology systems including digital portable C-Arm systems. The contract is a joint contract with the Department of Veterans Affairs National Acquisition Center. The contract has a ten-year term, which consists of a five-year base and one (1) five-year option, with a maximum dollar value of $135 million.

(i) DLA Troop Support Medical awarded a contract to Medical Place Inc., a Service Disabled Veteran-Owned Business and an authorized distributor of a variety of sleep related products manufactured by ResMed. This contract will increases the availability of sleep equipment and could potentially attract new customers. This is a five-year contract with a maximum value of $15 million. The final pricing reflects discounts that range from 39% to 82% off the manufacturer’s list price.

(j) NORA is a Web-based system that enables authorized DOD pharmaceutical customers to digitally sign electronic orders for Schedule II (controlled)
substances. NORA facilitates secure electronic transmission of Schedule II substance orders without the need for the paper-based DEA Form 222. Although NORA is a Defense Health Agency managed system, it facilitates the ability of DLA customers to order and obtain controlled drugs from DLA Prime Vendors in a timely manner. On Oct. 26, 2018, the connectivity of NORA between DHA retail ordering systems and Defense Transaction Services was unexpectedly interrupted. DLA Troop Support collaborated with the DHA Joint Medical Functional Development Center, DLA Transition Services and Defense Systems Information Agency to explore the issue, develop and implement actions to address it. On Dec. 5, 2018, JMLFDC announced the restoration of NORA connectivity and is now working with all stakeholders to administratively handle orders placed during the outage and restore the process to full capability.

(k) On Dec. 13, 2018, a team of 22 employees from DLA Troop Support Medical was selected for the “Acquisition Support Professional Team of the Year” for 2018 at the 51st Annual DLA Employee Recognition Awards Ceremony held at DLA Headquarters in Fort Belvoir, Virginia.

(l) On Dec. 14 2018, DLA Troop Support Medical collaborated with Navy Pharmacy consultants, Defense Health Agency and Joint Medical Logistics Function Development Center in regards to the expansion of the Auto-Sub Pilot and how it influences Defense Medical Logistics Standard Support’s interface with AmeriSource Bergen. Stakeholders discussed implications of recalls, auditability as well as expansion to other Medical Treatment Facilities. Auto-sub has generated more than $600,000 in savings over the past year; however, there is a burdensome administrative tail to the process.

(m) In December 2018, DLA Troop Support Medical reduced the costs of 60 drugs, through its National Contracts Program, by $22.7 million. This reduction results in a total of $60.3 million reduction for fiscal 19, and $891.8 million since the Program began in August 2013.

(n) During December 2018, the MSPV Program reduced DLA customers’ costs by an additional $1.6 million. Added to previous reductions, we have reduced customer costs by $5.4 million for fiscal 2019 and $33.9 million since inception. The new MSPV Generation V contracts provide higher levels of service, while substantially lowering the distribution fee for all customers from an average of 4.3% to an average of 1.2%, thereby reducing the delivered cost of every order.

(o) During December 2018, DLA Troop Support Medical reduced the cost of pharmaceuticals provided through its National and Global Pharmaceutical Prime Vendor programs by an additional $27.5 million. The National Prime Vendor Program, which services the Defense Health Agency's Pharmaceutical Home Delivery Operation, saved an additional $13.4 million. The Global Pharmaceutical Prime Vendor Program, which services all CONUS and CONUS Military Treatment Facilities and other Department of Defense customers, saved $14.1 million. These additions bring the total Pharmaceutical Prime Vendor savings to $81.1 million for fiscal 2019 and $1.413 billion since inception of both programs.
DLA Troop Support Medical expanded one of the Electronic Catalog Contracts for the Gaumard Scientific Co., Inc. at the request of Naval Medical Logistics Command located at Fort Detrick, Maryland. We were able to negotiate an additional five percent discount from the initial ECAT unit price offered by the vendor. The customer also requested the addition of the Advanced Pediatric Hal Simulator, which is the world’s most advanced pediatric patient simulator. Medical added the item, which is now available to both CONUS and OCONUS customers with a delivery time of 30 days.

This award recognized the nominees for their continued dedication to the Warfighter, Whole of Government customers and Humanitarian Assistance initiatives. The Medical Team, comprised of customer and supplier operations personnel, processed over 400 requisitions, which included high-priority items, such as combat application tourniquets, universal first aid kits, syringes, bandages, as well as cold chain products in support of Foreign Military Sales requirements valued at over $25 million. These requirements enabled U.S. allied medical personnel worldwide to perform lifesaving medical procedures for severely injured or ill personnel.

DLA Troop Support Medical reduced the cost of the medical material it purchased for DoD by $147.05 million:

i. Pharmaceutical Prime Vendor Program: $67.5 million
ii. Pharmaceutical National Contracts Program: $53.4 million
iii. Medical/Surgical Prime Vendor Program: $3.78 million

DLA Troop Support Medical extended its Electronic Catalog Sales to various non-DoD organizations by $36.3 million.

i. Department of Veterans Affairs: $95.77 million
ii. Department of Health and Human Services: $2.4 million
iii. US Coast Guard: $0.15 million
iv. Federal Health Care Facility, Great Lakes: $0.7 million

The Senior Enlisted Advisor to the Chairman Joint Chiefs of Staff, Command Sgt. Maj John Troxell, visited DLA Troop Support. Troxell took some time to greet and present his Coin of Excellence to one of his former soldiers who had served with him while they were deployed to Iraq and is now a DLA Troop Support Medical member.

Two DLA Troop Medical members were awarded medals at the Federal Executive Board Award Ceremony in the categories of Outstanding Technical Achievement and Steadfast Achievement.

DLA Troop Support Medical representatives attended the annual Global Patient Movement Joint Advisory Board Conference on April 2-5, at Scott Air Force Base. Representatives from numerous U.S. and allied organizations attended. These organizations included Defense Health Agency, Veterans Affairs, Health and Human Services and Federal Emergency Management Agency, U.S. combatant commands, United Kingdom Royal Air Force, Royal Australian Air Force and Canadian Forces. The mission focus of the
The conference was the handling of mass casualties in a deployed Multi-Modal Patient Movement Items environment, from point of injury all the way to CONUS Military Treatment Facilities.

(w) DLA Troop Support Medical continues to build strong partnerships with Whole of Government VA customers under Veterans Integrated Support Network 19. On April 24, Medical added 58 VA custom kits to Electronic Catalog for American Medical Depot. The VA requested the custom kits for its following stations: Montana, Cheyenne, Denver, Grand Junction, Muskogee, Oklahoma City and Salt Lake City. DLA’s ECAT System is providing the VA a cost savings of approximately $410,000 annually as compared to their current VA contract.

(x) DLA Troop Support Medical participated in a Mortuary Affairs RoC drill conducted at the Army Logistics University in Fort Lee, Virginia from April 23-25. The purpose of the RoC drill was to present a comprehensive examination of the doctrinal concepts for MA operations in a collaborative manner, with key input from the institutional and operating sustainment community. We identified challenges for executing MA operations in a Large Scale Ground Combat Operations environment, while gaining a better understanding of existing capacity and capability gaps. The collective approach will result in an integrated and unified concept for MA support as part of the Stryker Brigade Combat Team Warfighters Forum. Outcomes of the event were to inform and codify the MA doctrinal revisions and provide sustainment community leaders with a clear understanding of the MA operational framework, requirements and gaps, and implications for sustaining formations during LSGCO. The updated MA doctrine will be nested with the major themes of Field Manual 4-0, and approved for publication in fourth quarter 2019.

(y) The Medical supply chain provided approximately 3.4 million doses of the influenza vaccine to military treatment facilities and U.S. Navy Fleet clinics around the world in support of the Department of Defense’s Influenza Vaccination Program.

(z) Through a partnership with the Defense Logistics Agency and the Department of Veteran Affairs, the Captain James A. Lovell Federal Health Care Center began using DLA Troop Support Medical supply chain’s Medical/Surgical Prime Vendor program in March 2019. As of May 2, obligations total 1038 lines for $461,046.92 with total sales (receipts posted) of 995 lines for $428,627.36.

(aa) Medical Supply Chain leadership is hosted a “$1 billion Celebration,” for its National Contracts team on May 28. The celebration included pizza, hoagies and drinks for all Medical personnel. Since the inception of the Medical National Contracts Program in August of 2013, the contracting team has surpassed the one billion dollar cost reductions threshold in support of our warfighters.

(bb) DLA Troop Support Medical personnel participated in the 2019 Humanitarian Assistance/Disaster Relief Table Top Exercise on May 28-29. The goal of this exercise was to increase readiness and improve interagency communication and coordination in preparation for the upcoming hurricane season. Representatives from U.S. Northern Command, U.S. Southern Command, Federal Emergency Management Agency and the U.S. Army Corps of Engineers provided briefs on the National Response Framework followed by a real-time
immediate response exercise to enhance DLA Troop Support’s ability to respond in Defense Support of Civil Authority operations.

(cc) DLA Troop Support Medical awarded an additional National Contract on May 29. The award was made to Exelan Pharmaceuticals, Inc., for Finasteride tablets used in the treatment of enlarged prostate. The total estimated value of the 5-year contract is around $45.1 million. This contract reduced DLA customer costs by a projected roughly $18.5 million per year.

(dd) DLA Troop Support Medical has completed a modification to the “Equipment Electronic Catalog” contract with Verathon Inc. The modification included the addition of 28 Video Laryngoscope and Bronchoscopy Systems. The added items are discounted from 4.5 to 41 percent from the commercial list price. These items will broaden the scope of Verathon, Inc.’s product offering and include items requested by our service customers.

(ee) DLA Troop Support Medical completed a recent modification to Beacon Point’s Equipment Electronic Catalog contract to add 13,808 items. The items added include products from Stryker, Medtronic, Covidien and Midmark. The products have an average discount of 41% off list pricing and DLA is being offered the best pricing Beacon Point offers to any customer. The modification increases the scope of products being offered and includes many items requested by our service customers.

(ff) On June 10, the Navy asked DLA Troop Support Medical personnel to expedite seven purchase requests for the U.S. COMFORT, which was deploying on June 14. These requests included items such as surgical sponges, litmus paper, microtome blades, specimen plate, specimen bags and intravenous arm boards. We were able to award four of the necessary purchase requests within one day with deliveries meeting the deployment date. One purchase request was awarded the next day, but the item is on manufacturer backorder, so it will be supplied later. The last two lines were for items that are discontinued; we are working with technical personnel and the customer to find a suitable replacement that can meet the resupply date.

(gg) The Medical Supplier Operations director accompanied Mr. William Kenny to the Veterans Affairs Headquarters to attend the ceremonial signing of the Memorandum of Agreement between DLA and the VA. The VA will now have increased ability to provide materiel support to Veterans through this strategic partnership. The agreement between DLA and the VA allows better acquisition over medical and surgical items, cleaning supplies and equipment, construction materials and equipment, and other items. This first step gives VA networks increased access to DLA’s major programs, improving productivity and efficiency.

(hh) DLA Troop Support Medical personnel attended the Army Medical Logistics Command’s Activation and Assumption of Command ceremony conducted Sept. 17 at Fort Detrick, Maryland installing Army Col. Michael B. Lalor as the new commander. Army General Perna, Army Materiel Command commanding general, officiated this event with a DLA Troop Support Medical representative as emcee.
(5) Industrial Hardware

(a) The Industrial Hardware supply chain ended all contracts under the Acquisition Advice Code (AAC) J program in December 2018. The AAC J program provides special attention to items that are either unique, hard to acquire, or traditionally ordered in small quantities. Approximately 5,710 orders have been placed under the project for a total value of $3,691,300.00 since contract implementation. A new AAC J contract program began in Feb 2019 with contracts awarded to SupplyCore Inc. (4V314), Alabama Aerospace (083L8), RM Government Services (6FN58), Kampi Components (7Z016) and GIGA, Inc. (8S706) and cover a total of approximately 700 NSNs. Approximately 272 orders have been placed under the project for a total value of $85,868.00 since renewal contract implementation.

(b) Commercial Fastener Integrator (CFI) Program ended in July 2019 to begin moving material back to DLA Depots. At its height, the inventory was valued at $7.5 million. The total number of DOs issued against the contract is 37,007 valued at $13 million.

(c) In partnership with the Air Force and Pratt Whitney, the Industrial Hardware has chartered a TF33 Supportability working group. The working group is responsible for obtaining affordable, sustainment solutions ensuring the safety and operational viability of the TF33 through the remainder of its program life. The working group is focused on major safety concerns, as well as supportability concerns, for the TF33 engine suite driving war readiness engine levels to unacceptable risk levels.

(d) Post-Award Continuous Process Improvement project creates dramatic improvements to customer expedite and status response time. The project resulted in a 90.28 percent improvement in average response times. The project implemented improved data management, standardized processes, and established an expedite team modeled after commercial best practices. In six months post implementation, the response time to CRM and other customer requests has been reduced from 175 days to 17 days while simultaneously reducing the amount of human resources assigned to responding to customer status requests.

(e) The Corpus Christi Army Depot Integrated Prime Vendor (IPV) team is currently reviewing a Boeing (formerly KLX) proposal for an equitable adjustment (REA) to manage and supply Army-owned material in support of IPV bins with potential value estimate of $4.8 mil for the remaining 7 years of the contract and should be approved and in effect by July 2019. Additional coordination occurred with DLA Aviation to implement a kitting solution for items coming off the Honeywell TELSS contract covering approximately 335 NIINS and 11 kit Bills of Material.

(f) Industrial Hardware Deputy Director Tina Piotrowski was temporarily detailed to lead a Troop Support Recruitment Task Force, by direction of the commander, from February - June 2019. The deputy position was temporarily backfilled by the Industrial Hardware Traditional Acquisition Division Chief Joanne Anello.
(g) Achieved milestone Materiel Availability and Backorders of 91.89% and of 89,604 respectively, exceeding the DLA Director’s goals of 91.2% minimum and 92,289 maximum, respectively for each metric.

(h) Garnered three Federal Executive Board of Philadelphia annual awards to include: Outstanding Community Service (Individual) – Gold; Outstanding Technical Achievement (Individual) - Gold – Bradley Steiner; Economy in Government Operations (Group) – USAF Capt. Roy Cruz and Tech. Sgt. Jennifer Bartholomew.

(i) Strategic Materiel Sourcing Group awarded FSC 5330 “Fully Competitive Packaging” project – eight contracts covering 147 items with annual demand of $668. Achieved $204k in negotiated savings with potential to add 6k items pending demand. SMSG also modified five other Long Term Contracts with a combined estimated annual demand of $1.8M ensuring provision and support for 63 critical coded warfighter support items.

(j) Strategic Materiel Sourcing Group awarded the Restricted Source FSC 5305 thru 5325 Renewal Project consisting of ten contracts covering 161 items with: an Annual Demand Value of $3M, $307K in negotiated savings and potential to add an additional 10,638 items via the Add/Delete Clause if demand warrants.

(k) Instituted DAU course prep sessions (CON090 and CON091) for acquisition employees to prepare students for difficult training. Prep courses yielded 100% pass rate for TDY training for CON090 and CON 091 since implementation.
(1) Product Test Center Analytical

<table>
<thead>
<tr>
<th>Quarters</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>FY19 Total</th>
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<tbody>
<tr>
<td><strong>Total Reports Received</strong></td>
<td>4302</td>
<td>4159</td>
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<tr>
<td>Other</td>
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<td>1</td>
<td>2</td>
<td>3</td>
<td>7</td>
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<td>8</td>
<td>6</td>
<td>32</td>
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<tr>
<td>Source Untested</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>14</td>
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</table>

<table>
<thead>
<tr>
<th>Total Reports Completed</th>
<th>4070</th>
<th>4232</th>
<th>3197</th>
<th>2870</th>
<th>14369</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shade</td>
<td>2846</td>
<td>2207</td>
<td>1932</td>
<td>2038</td>
<td>9023</td>
</tr>
<tr>
<td>Verification</td>
<td>69</td>
<td>118</td>
<td>68</td>
<td>64</td>
<td>319</td>
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<td>Source</td>
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<tr>
<td>Certifications</td>
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<td>32</td>
<td></td>
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<tr>
<td>Source Untested</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>7</td>
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</table>
(2) Financials

(a) As reported in the Annual Operating Plan, the FTE goal for FY19 was 2,286 actual FTE number for FY19 was 2,122.80. The travel goal was set at $3.005M. Actual for FY19 was $2.540M. The training execution goal was set at $2.042M and the actual for FY19 was $428K.

(b) Net Operating Result (NOR) tracks DLA’s revenues and expenses monthly, assesses performance against the budget, identifies variance early in the fiscal year and allows the Agency to take corrective actions necessary to achieve NOR targets. DLA Troop Support measures performance against the plan. For DLA Troop Support, the NOR forecasted for FY19 was $14.5 M. The Actual NOR was $232.5M for FY19.

(c) Cash Plan Performance (CPP) is DLA’s total disbursements minus DLA’s total collections. A negative CPP implies that more cash was collected than disbursed and increases the Cash Balances. A positive CPP implies that more cash was disbursed than we collected and decreases the Cash Balance. For DLA Troop Support, the forecasted CPP for FY19 was $356.9 M. The Cash FY19 Actual was $56.2 M.

(d) Overall, DLA Troop Support performed favorably against these FY19 financial goals.

(3) FY19 Sales Breakdown

DLA Troop Support sales for FY19 totaled $19.1 billion. Sales by supply chain breakdown as follows:

(a) Subsistence: $2.8 billion
(b) Clothing & Textiles: $2 billion
(c) Construction & Equipment: $6.2 billion
(d) Medical: $7.6 billion
(e) Industrial Hardware: $613 million

(4) Process Compliance

The Continuous Process Improvement (CPI) team provided professional consulting, coaching, and education that resulted in nine projects, 42 trained lean six sigma green belts, and over $1.8 million in savings.

<table>
<thead>
<tr>
<th>FY19</th>
<th>CPI Projects</th>
<th>Identified Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2018 – June 2019</td>
<td>11 projects completed</td>
<td>$1.8 Million (includes $99.7 k for F&amp;R New Item financial cost avoidance)</td>
</tr>
<tr>
<td></td>
<td>Along with collaborations in Blockchain, Project Management, LSA, and DLA Kitting Process</td>
<td></td>
</tr>
<tr>
<td>Personnel Trained</td>
<td>Green Belt Certification</td>
<td>Black Belt Certification</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>42 trained</td>
<td>3 certifications</td>
<td>0</td>
</tr>
</tbody>
</table>

(5) Project Management Culture Change

<table>
<thead>
<tr>
<th>PM Orientation Training</th>
<th>10 out of 13 Completed</th>
<th>July-Sept 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Benefit/Effort Matrix Workshops</td>
<td>3 sessions</td>
<td>Aug-Sept 2019</td>
</tr>
<tr>
<td>2 WBS Workshops</td>
<td>2 sessions</td>
<td>24-26 Sept 2019</td>
</tr>
</tbody>
</table>

**d. Audit Readiness**

The **Audit Readiness (AR)** team increased progress towards DLA achieving an audit opinion to demonstrate that DLA Troop Support is accountable and continues to strive to provide the best service and value to the Warfighter. Our focused approach with the external auditor for FY 19, led to successful outcomes for Troop Support including no findings resulting from Troop Support, successful closure of 4/17 observations associated with Troop Support, with additional support for closure of other observations associated with DLA J-code offices.

The most impactful steps taken for audit success were the deliberate rehearsals conducted in advance of the independent auditor walk-throughs and the follow up communication post site visits to provide additional information that closed observations and prevented future findings. AR achieved this through a DLA Troop Support Commander’s memorandum of instruction (MOI) on audit and by teams committing to readily providing access to information and documentation that was responsive to the sample transactions the identified by the auditor.

To prepare for the external auditors visit, AR educated the 5 Troop Support supply chains and staff offices on what to expect during the audit, including how to work with auditors, via town halls, videos, an audit pamphlet guide, and a roadshow with the DLA audit task force. AR performed mock audits on the 19 areas listed for audit and the team reviewed the newly created risk control matrices. After executing end to end audit walkthroughs with the supply chains, AR integrated with the other MSCs and supporting J-code staff to ensure enterprise audit alignment. Troop Support then met with the external auditor for three weeks of audit engagements in Philadelphia. These engagements covered: expenses (order to cash processes), inventory (plan to stock processes), and revenue (procure to pay processes). An additional success of the AR products is other DLA MSCs have referenced and requested the tools in support of the ongoing audit site visits.
Outside of the audit site visits, AR has established a centralized library to hold the documentation for all processes within each Supply Chain. As this process continues, AR will create or assist in the development of additional documentation to support robust knowledge management. AR updated and mapped the 11 unique Troop Support process cycles and appointed assessable and sub assessable unit manager responsibilities. AR is also working to update or assist in the update of any controls that may be identified for improvement during the testing of risk control matrices.

Supporting the overall audit mission, AR completed and submitted three Statements of Assurance (SOAs) and appendices for financial reporting. In support of accurate starting balances, Troop Support has actively worked to achieve a 100% inventory count for FY 19, and adjusted variances that occur on a monthly basis as part of system inventory reviews. We continue to support initiating or improving upon the corrective action plans (CAPs) as DLA receives Notices of Findings and Recommendations (NFRs) and progresses to closure of each finding.

<table>
<thead>
<tr>
<th>FY19</th>
<th>AR Projects</th>
<th>Audit</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Personnel Trained</th>
<th>Observations and Findings</th>
<th>New item roll out</th>
</tr>
</thead>
<tbody>
<tr>
<td>All five supply chains and staff offices</td>
<td>Troop Support was completed implementation of the corrective action plan for finding NFR-118, and closed 4 of 17 FY 19 audit observations.</td>
<td>AR introduced audit education Risk Control Matrices to the Supply Chains. AR also launched a Centralized Library and Audit Playbook for knowledge management.</td>
</tr>
</tbody>
</table>

**e. Command Support Office**

A leadership development pilot program began for mid-career civilian employees to gain one-on-one mentorship from senior-level employees. During FY 19, 25 mentees and 24 mentors participated in the program.

Defense Logistics Agency Troop Support hosted career program representatives from six Philadelphia-area universities April 29, as a part of the inaugural Discover DLA Day. Participants met with DLA Troop Support senior leadership and learned about career opportunities, compensation and benefits offered within the organization. Discover DLA is a recruitment initiative for the Intern and Pathways to Career Excellence programs to attract local college and university graduate students to DLA Troop Support and federal service.
f. Support to Small Business

DLA Troop Support continued to strengthen its relationship with the small business community and special emphasis program partners. In the face of increased obstacles and many regulatory changes, small businesses continued to demonstrate the ability to successfully complete for a wide variety of DLA Troop Support acquisitions.

Overall awards to small businesses exceeded $7.8 billion including $361 million awarded to small businesses located in Historically Underutilized Business Zones (HUBZones). Awards to small disadvantaged and small women owned business concerns totaled more than $1.4 billion.

Awards to veteran-owned small business concerns totaled more than $1 billion. 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 2019 awarding over $590 million to AbilityOne entities. DLA Troop Support is also a strong supporter of Federal Prison Industries (UNICOR) with over $117 million awarded to UNICOR facilities in FY 2019.

In 2019, small business concerns as well as AbilityOne partners continued to be a vital part of DLA Troop Support’s robust industrial base across its five supply chains.

g. Procurement

(1) Pricing Division (BPA)

Pricing processed in excess of 650 pricing cases in FY19 with 85% of the actions in the Subsistence, Clothing & Textile and Medical supply chains to ensure best pricing for our customers.

(2) Competition Advocate

Troop Support’s competition rate greatly exceeded projections in FY19. Total competed dollars were $15.5B out of $18.2B obligated under contracting actions. This translated to a rate of 85.1%, nearly a 10-percentage point increase over what was anticipated at the start of the FY.

h. Compliance Division (BPB)
(1) Performed Internal Procurement Management Reviews (IPMRs) and new Internal Agency Management Reviews (AMRs) of Supply Chains, DLA Troop Support Europe & Africa and DLA Troop Support Pacific.

(2) Performed Special Interest IPMRs on Command directed topics.

(3) Performed intense acquisition & pricing reviews on a representative sample of work of each DLA Troop Support Contracting Officers. Conducted as needed training based on reviews and findings.

<table>
<thead>
<tr>
<th>Program Metric (plan per year)</th>
<th>Est Actions/Reviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Quality Reviews (CQR) LG/SM/Mod</td>
<td>63/311/262</td>
</tr>
<tr>
<td>Simplified Acquisition Reviews</td>
<td>350 per year</td>
</tr>
<tr>
<td>Biennial Warrant Reviews</td>
<td>475 KOs over 2yrs.</td>
</tr>
<tr>
<td>IPMRs/IAMRs</td>
<td>6-7 each over 2yrs.</td>
</tr>
</tbody>
</table>

i. Programs Division (BPC)

(1) Special Projects Team

(a) In FY19, the Industrial Base Extension (IBex) Program purchased 29 Market Research and Micro Reports, primarily for INDOPACOM and EUCOM. Additionally, reports for the Arctic Circle were purchased; this was the first time market forces in Russia, Canada, and the United States (Alaska) were reviewed, strengthening IBex’s support of EUCOM and introducing IBex to NORTHCOM planners. Additionally, IBex continued its support of the Joint Engineer community (briefing at JEOC throughout the year) and to those deploying to remote or hostile locations (reviewing IBex with Army and National Guard Reservists). In FY20, IBex will continue these efforts, as well as explore drafting new Blanket Purchase Agreements for classified reports for the J2 community. Ultimately, IBex aims to expand the communities it supports while continually providing quality market intelligence on OCONUS commercial capabilities to its traditional partners.

(b) Warstopper: Customer Outreach- Joint Engineers Operation Course (JEOC), Ft. Leonard Wood
(2) ULO (Unliquidated orders) (As of September 19, 2019)

(a) 228,380 Lines and $793,987,009.27
(b) 133,939 Lines and $455,504,321.65 marked for manual cleanse
(c) 94,441 Lines and $338,482,686.62 held in a valid status code

(3) Government Purchase Card (GPC)

(a) 26 Billing/Alternate Billing Officials - 28 Cardholders
(b) All training is up to date for BO/CH
(c) Monthly Compliance:

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<tbody>
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<td>Compliance Conformance Rating:</td>
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<td>88%</td>
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<td>83%</td>
<td>88%</td>
<td>91%</td>
<td>87%</td>
<td>88%</td>
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<td>Total Transactions:</td>
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<td>74</td>
<td>84</td>
<td>71</td>
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<td>66</td>
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<td>19</td>
<td>22</td>
<td>20</td>
<td>20</td>
<td>23</td>
<td>211</td>
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</table>

(4) Contract Review Division (BPP)

(a) Reviewed high dollar value complex Acquisition Plans, Solicitations, Pre-Negotiation Objectives, Competitive Range Determinations, Price Negotiation Memos, and Source Selection Decisions
(b) Number of cases reviewed by Supply Chain:

<table>
<thead>
<tr>
<th>Supply Chain/Region</th>
<th>Cases Reviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical</td>
<td>86</td>
</tr>
<tr>
<td>Subsistence</td>
<td>76</td>
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<tr>
<td>Construction and Equipment</td>
<td>63</td>
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<tr>
<td>Clothing and Textiles</td>
<td>43</td>
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<tr>
<td>Europe and Africa</td>
<td>9</td>
</tr>
<tr>
<td>Industrial Hardware</td>
<td>19</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>296</strong></td>
</tr>
</tbody>
</table>
(5) Systems & Procedures Division (BPS) (FY19 to date)

(a) 400 hours of specific topic training related to Policy/ECC/EProcurement/External Systems
(b) Customer Service – 24,500+ email and phone requests
Policy Guidance issued to the Procurement Community
(c) 12 Contracting Broadcast News (CBNs)
(d) 7 Contract Policy Memorandums (CP Memos)
(e) 10 Clause Change Notices (CCNs)
(f) 16 Procurement Letter Summaries (summaries represent a policy analysts review of a new PROCLTR, a short synopsis for the acquisition workforce along with a description of how the PROCLTR is likely to impact buyers and what changes will be needed to implement the PROCLTR)
(g) Continuous System Guidance and System Testing as a result of policy changes and system upgrades

i. Systems Issue Tracking – worked with various users in obtaining data and screenshots of the system issues in EBS and EProcurement and complied for J6
ii. Automated Indefinite Delivery Contract (AIDC) testing
iii. Continuity of Operations Plan (COOP) testing
iv. Milestone Plan implementation
(h) J7 BOT development and consolidation effort.
(i) DCMA workload driver weekly discussions
(j) Suspended Stock J7 root cause analysis effort
(k) DCMA LV/LR adjudication and resolution team
(l) Procurement System Modelling
(m) Resolution of thousands of Payment issues on various orders
(n) Quarterly and Yearly FPDS Verification and Validation reports for

Troop Support
(o) Full time Support of Operation Agency Resolve
(p) Hurricane Support
(q) Audit Readiness support as systemic SMEs
(r) Agency Management Review (AMR) support as systemic SMEs
MEMORANDUM FOR DLA HEADQUARTERS, ATTN – Historian

SUBJECT: Submission of DLA Aviation FY’19 Annual History Input

DLA Aviation remains encouraged and diligent in working to solve materiel availability through FY’19.

Continuous improvement is always on the forefront of Aviation’s objectives and is established in our efforts to improve forecasting via holding contractors accountable for late deliveries and strategic buying initiatives.

In my time since taking command, I have been able to spend time and make rounds with my DLA Aviation team members and discuss challenges and processes we can work together and make better.

I would like recognize and share the great things our entire Aviation team is doing for the Warfighter. From the day-to-day business issues, to updating our business practices, to seeking constant process improvements, I see how our Aviation team is generating readiness and making remarkable strides to expanding and improving logistical support for the security of our armed services ability to support our interests globally.

The Aviation Team Goal is to be inventive and invested in strategic planning to achieve continuous and dynamic Warfighter support.

At the end of the day, Aviation is working on producing the best leaders creating an empowered culture, putting the warfighter and the mission first, while implementing the DLA Director’s Strategic goals for People and Culture.

David J. Saunders
Brigadier General, USAF
Commander, DLA Aviation & Defense Supply Center Richmond

Attachment:
1-Annual History Input
1. Introduction

The Defense Logistics Agency (DLA) Aviation is a Major Subordinate Command (MSC) of DLA and is the agency’s combat logistics and supply chain manager for aviation and nuclear assets across the Department of Defense.

DLA Aviation is headquartered in Richmond and operates at 18 geographically separated sites across the U.S. The DLA Aviation team is comprised of more than 3,800 civilian and military personnel supporting more than 1,700 weapon systems as the U.S. military's integrated materiel manager for more than 1.2 million national stock number items, industrial retail supply and depot-level repairable acquisitions resulting in over $5.8 billion in annual sales.

Positioned alongside its military customers, DLA Aviation manages industrial support activities at Robins Air Force Base (AFB), Georgia; Tinker AFB, Oklahoma; Hill AFB, Utah; Marine Corps Air Station Cherry Point, North Carolina; Naval Air Station North Island, California and Naval Air Station Jacksonville, Florida. DLA Aviation is responsible for supply at six major industrial maintenance, repair, and overhaul facilities and for storage operations at three.

Our five depot-level repairable (DLR) procurement organizations executed procurements of more than $1.9 billion in FY19. DLA Aviation managed DLR operations at Robins, Tinker and Hill Air Force Bases; Naval Supply Systems Command, Weapon Systems Support, Philadelphia; and at Redstone Army Arsenal, Alabama. DLA Aviation also operates an Industrial Plant Equipment Services (IPES) maintenance, repair and overhaul facility at Mechanicsburg, Pennsylvania. DLA Aviation strives to deliver excellence in performance, and responsiveness in support of our worldwide customer network.

Whether it was bringing up the F-16 Mission Capable Rates from 68.1 percent to 75 percent during FY19, or developing a manual build set process for over 2,000 piece parts located directly in the Fleet Readiness Center shop to undergo maintenance repair and overhaul work, or providing customers with more than 5,638 mapping products, to creating new National Stock Numbers for hazardous substances or developing programs to help with supervisory functions; Aviation is committed to supporting the warfighter, people and mission.
3. Key Personnel and Organizational Changes

The following are some of the key personnel changes that Aviation experienced in FY19.

a. At the beginning of FY19, Mr. Steven Kinskie transitioned from being DLA Aviation Chief of Staff (COS), Director of the Command Support Directorate, and Operations Officer to becoming the Planning Programs Director. He maintained his position as Aviation Operations Officer.

b. Ms. Tanya Hill transferred from the position of Director of Procurement Process Support when selected as Chief of Staff in March 2019. Ms. Hill also serves as the Director of the Command Support Directorate.

c. Ms. Martha Tuck replaced Ms. Hill as Director of Procurement Process Support in August 2019. Ms. Tuck transferred from the Aviation Supplier Operations Original Equipment Manufacturer (OEM) Directorate where she was the Deputy Director.

d. On July 9, 2019 Air Force Brig Gen David J. Sanford assumed command of DLA Aviation replacing outgoing Commander, Brig Gen Linda S. Hurry.

f. In February 2019, Ms. Theresa Wolfe replaced Mr. Rocky Weaver as Aviation’s Customer Account Manager for Human Resources Support.

h. In June 2019, Mr. Floyd Moore accepted a rotational assignment with the Office of the Secretary of Defense while Mr. Alok Upadhyaya temporarily filled his position as Supplier Operations Commodities Director.

i. In August 2019, Mr. Travis Beasley was selected as the Director of Supplier Operations OEM (FM), a position left vacant after the acting director, Ms. Martha Tuck, accepted the position of Director of the Procurement Process Support (BP) Directorate.

j. In August 2019, Ms. Daniele Kurze vacated her position as Deputy Director of Strategic Acquisition Programs (A) when she was selected as Director of the Supplier Operations Commodities (FA) Directorate.

k. In the summer of 2019 DLA Aviation submitted a reorganization package that includes the addition of a new Audit and Process Compliance Directorate (DR). This new directorate is led by Mr. Stephen Mason. The directorate aligns organizations and efforts in support of audit sustainment and process improvement. The creation of this new directorate triggered the following organizational realignment changes:

l. The Audit Readiness Division moved from the Business Process Support (BA) Directorate to the Audit and Process Compliance Directorate (DR)

   (1) The Internal Review Office moved from the Command Support Directorate (DO) to the Audit and Process Compliance Directorate (DR)
   (2) The Continuous Process Improvement Program moved under the Audit and Process Compliance Directorate (DR)

m. Management of the Safety Office transferred from Installation Management to the Command Support Directorate

4. Total Personnel

DLA Aviation total workforce – 3,808 (includes 66 military, 212 contractors.

   a. Aviation Richmond – 2,186 (includes 56 military, 116 contractors)
   b. Aviation at other sites – 1,622 (includes 10 military, 96 contractors)

5. Historical Narrative

   a. Warfighter First
(1) Material Availability (MA)

DLA Aviation increased MA, specifically for Crown Jewels and Diamonds (highest demanded items). We kicked off 2019 with our End of Month January results just coming in with our Crown Jewel MA increasing from 88.57 percent to 92.4 percent and our Diamonds increased from 87.71 percent to 95.43 percent.

(2) Crown Jewels MA

Over a two-month span, during FY19, Aviation drove up and improved performance seeing a 1.3 percent increase Crown Jewel MA and a 1.3 percent increase in Aviation Supply Chain MA.

(3) DLR Support

Aviation also delivered on its promise to quickly procure a set of spares valued at $167M based on pricing negotiated by Naval Air Systems Command (NAVAIR) as part of the Priced Bill of Material (PBOM) for F-18 production Lot 42. The entire effort took only 30 days. Additionally, this innovative award was made as a Fixed Price Incentive, Firm (FPIF) contract with incentives for both cost and delivery that will maximize value to the government and support to the warfighter. Our Navy customer was thrilled, and we couldn’t be prouder of our Philadelphia DLR Team for getting it done! This was huge in terms of our partnership with the Navy.

(4) Nuclear Enterprise:

(a) Aviation had a strong collaboration with B-2 enterprise on Low Density High Demand weapon system (20 aircraft); efforts aided 8.8 Aircraft Availability (AA) exceeding the B-2 System Program Office projection of 8 AA. DLA items impacted AA.

(b) We targeted B-52 engagement ensured no Programmed Depot Maintenance (PDM) line stops; aided in meeting PDM goal of 17 three years running. Also, a key contributor for PDM “Road to 8” Aircraft Availability (AA) initiative to reduce Work in Process; three B-52s returned to warfighter 3.9 percent AA back to the warfighter.

(c) Our collaboration efforts with the Intercontinental Ballistic Missile (ICBM) Systems Directorate, 576 Flight Launch Test Squadron and DLA have decreased DLA critical items from 24 to zero. This ensured Operational Test Launches (OTLs) and Simulated Electronic Launch Minuteman (SELMs) were not impacted by DLA.

(d) The entire population of 451 DLA National Stock Numbers (NSNs) impacting the F-107 engine on the Air Launch Cruise Missile will be fully supportable by industry in late 2019 through a combination of Long-Term Strategic contracts and Small Business Innovation Program initiatives.

(e) We engaged Space Command to set a special forecast monthly demand level linked to Unit Bench Stock replenishment quantities for Radar Transmitters and Receivers.
Efforts increased MA by 60 percent for the two main systems, the Ballistic Missile Early Warning System (BMEWS) and the Precision Acquisition Vehicle Entry Phased Array Weapon System (PAVE PAWS). MA increased 46 percent to 75 percent for BMEWs and 50 percent to 83 percent for PAVE PAWS.

(f) Aviation aggressively provided DLA equities and logistical program support to the field and Nuclear Command, Control, and Communications (NC3) and Military Satellite Communications Systems Directorate (MILSATCOM) shareholders; collaboration resulted in maintaining an NC3 operational and CFM MA above 95 percent (currently at 97.03 percent). NC3 is an evolving architecture of 59 total systems (28 DLA WSDC coded, 23 contractlogistically supported (CLS) and eight systems in acquisitions), to include Global Aircrow Strategic Network Terminals (G-ASNT) and the Family of Advanced Beyond Line-of-Sight Terminals (FAB-T).

(g) The Nuclear Enterprise Support Office Customer Relationship Management (NESO CRM) Cell aggressively monitored orders for seven operational units; coordinated resolution efforts yielded reduction in unfilled orders by 30 percent and aged unfilled orders by 18 percent.

(h) Aviation made full usage of the Small Business Innovation Program. The office executed 13 projects, worth $10M, on new sources to fix heavy support challenges.

(i) Our operational MA increased 5.75 percent overall for NESO weapon systems (B-2/B-52/ICBM/ALCM) with the B-2 and ALCM improving the most with 10.4 percent and 14.5 percent, respectively.

(5) F/A-18 Rhino Recovery 9

(a) Starting in March 2019, a Memorandum of Understanding between the Defense Logistics Agency and Naval Supply Systems Command (NAVSUP) gave back the Depot Level Repairable (DLR) Procurement to the Navy for the F/A-18 EF platform not to exceed 18 months. Initial indications from the data shows that there are not any performance improvements to this pilot program at this time.

(b) DLA has been in constant contact with Boeing to ensure the Flight Control Surfaces continue to be a priority for Boeing and not an impediment to reach the Air Boss goal of 341 aircraft.

(c) We have also partnered with Boeing to provide Logistical Service Representatives (LSR) and Field Service Representatives (FSR) direct support at the Aircraft on Ground (AoG) Cell at Naval Air Forces US Atlantic Fleet Norfolk, Virginia; Naval Air Station Oceana, Virginia; Naval Air Station Lemoore, California; Naval Air Station North Island, California and the Fleet Readiness Centers (Southwest, Southeast, East and West). These
representatives have direct access back into the Boeing Company and are a valuable resource for the Fleet Customers, as well as our DLA teammates working alongside of them.

(d) DLA Aviation established three Full Time employees (two civilians and one Navy Lieutenant Commander) to cover the day and night shift at the AoG Cell in Norfolk providing direct access to the DLA Enterprise. Our members are integral to the overall effort of continuing to keep the F/A-18EF and EA-18G platforms in a mission capable status and leverage the entire DLA network to get expedite and ensure the correct material is available to fill these high priority requisitions. Lastly, Material Availability for the entire F/A-18 Platform (F/A-18 AD; F/A-18EF and EA-18G) at the end of July 2019 was 92.2 percent; the Navy’s Performance Based Agreement goal is 90 percent.

(6) MC-80 Readiness

(a) The F-16 Mission Capable (MC) rate is currently at 75 percent (up from Oct 18 MC of 68.1 percent). Aggressive efforts resulted in a significant MA increase up from 83.7 percent to 91.1 percent since October 18. The AF Total Not Mission Capable for Supply (TNMCS) rate decreased by 3.7 percent and surpassed the AF goal of 3.6 percent. DLA's investment for the F-16 is approximately $40M and future forecasts project support for 9K industrial/operational National Item Identification Numbers (NIINs) with the total investment near $200M.

(b) The F-22 MC rate decreased 4.3 percent in FY19. The logistics enterprise continued efforts to increase MA resulting in an increase from 89.6 percent to 90.4 percent. The AF TNMCS rate decreased by 5.6 percent, closer to the AF 7 percent reduction goal. Due to the limited amount of NIINs DLA manages for this platform, mostly CLS/other SoS, DLA has limited influence with supportability.

(c) F-35 is still CLS. DLA has no influence on F-35 MC80 efforts.

(d) The DLA Air Force Division continues to stay engaged in a variety of ways. They manage Weekly Readiness Driver meetings that consist of other Aviation Directorates, as well as other MSCs (Land and Maritime and Troop Support). They also participate in bi-weekly meetings with AF Sustainment Command (AFSC) and assisted with forecast requirements consisting of level loading of 8000+ industrial NIINs and 700 plus operational NIINs.

(e) For the F/A18 A-D MA is 91.6 percent (up from Oct 18 MA of 89.5 percent). DLA NMCS decreased from 18.4 percent to 5.4 percent.

(f) For the F/A18 E-F MA is 90.5 percent (up from Oct MA of 85 percent). DLA NMCS decreased from 11.9 percent to 2.3 percent. Investment for future forecast is $103M for NAVAIR increased demands.

(g) For the E/A18 G MA is 91.1 percent (up from Oct MA of 86.4 percent). DLA NMCS decreased from 13.3 percent to 1.4 percent.

(7) Air Force and Navy Industrial Support Performance and Accomplishments

(a) ORT for Jan 18 – Jan 19 remained close to goal of 92 percent across the Air Logistics Centers (ALCs) with a rolling 6-month average of 91.4 percent.
(b) SSC Fill Rate for Jan 18 – Jan 19 has consistently risen and maintained within the high 74 percent against a goal of 75 percent. The six-month rolling average was 74.2 percent.

(c) Material Availability for Jan 18 – Jan 19 stayed at or above the 90 percent goal across the three Fleet Readiness Centers (FRCs).

(d) Total Gross Demand Plan (GDP) Fill Rate trailed closely to the 90 percent goal at 88 percent while orders not on GDP continued to remain low.

(e) Material Delay DLA requisitions at the three FRCs took a spike in last quarter of FY18, but then rebounded back down to historical numbers between the months of October 2018 – January 2019.

(f) San Diego and Cherry Point Industrial Support Activities (ISAs) developed a manual build set process in response to recommendations from the Navy Sustainment System (NSS) and Boston Consulting Group (BCG) for 31 end items totaling over 2000 piece parts located directly in the FRC shop where the end item is undergoing maintenance, repair, and overhaul (MRO) work.

(g) Actions taken at the FRCs have driven down the F/A-18 UFOs at each of the FRC ISAs such as Cherry Point, North Carolina reduced UFOs from 740 to 137 between the months of September 2018 – August 2019.

(h) SECDEF MC-80 NIIN supportability at Ogden ISA increased to 96 percent.

(i) Additionally, DLA Aviation at Oklahoma City ISA led a joint Air Force-DLA team with the goal of reducing end items awaiting DLA parts (AWP), with tremendous results to date. The team drove down AWP 16 percent over FY19, developing new processes focused on ensuring the right parts are available for Air Force mechanics. In addition, the ISA co-led several continuous process improvement efforts focused on improving forecasting processes for DLA parts in support of Air Force depot maintenance workload.
(8) MA Campaign Plan – View of MA by Military Service

<table>
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<th>SERVICE</th>
<th>Sep-18</th>
<th>Jul-19</th>
<th>FY19 Improvement</th>
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<td></td>
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<td>BO EST</td>
<td>MA</td>
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<tr>
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<tr>
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<td>Grand Total</td>
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</table>

DMDS = Demands  
BO EST = Backorders Established  
MA = Material Availability

b. Global Posture

Aviation’s Deployment Program Support to the Enterprise Agency Synchronization and Optimization Cell or ASOC, consisted of multiple deployments all over the world.

(1) DLA Deployment Support Team (DST):

(a) Deployed 24 personnel during FY19. Locations included Kuwait, Africa, Afghanistan and Romania.
(b) DLA Aviation had four individuals recognized for outstanding work performance while being deployed.
(c) Global Response Force (GRF) Rapid Deployment Team (RDT) participated in two exercises.
(d) Red Team participated Exercise TD 19-1, a USTRANSCOM Joint Task Force Port Opening (JTF-PO) Aerial Port of Debarkation (APOD) Field Training
Exercise. Keith Chambers (Red Team Ops Officer) deployed to Jacksonville, Florida to participate as member on the DLA Assessment Team (DAT).

(g) The Blue Team participated in the US Force Korea Exercise 19-2. Three members from DLA Aviation participated in the exercise Gwendolyn Woods (Blue Team Operations Officer), William Henslee (Information Technology), Stephanie Lowe (Joint Contingency Acquisition Support Office).

(h) Europe and Africa requested support for two DLA Liaison positions in Poland In Support Of (ISO) the DLA Support Team. One position in Powdiz, Poland and the other in Poznan, Poland. These positions will rotate between MSCs. DLA Aviation is schedule to support this requirement starting May 2020 (Powdiz) and Feb 2021 (Poznan).

c. Strong Partnerships

Aviation works with industry to ensure a capable defense industrial base; to generate innovative and efficient solutions; and to maintain a secure and resilient supply chain. We continue building on our strong relationships with industry partners to deliver cost-effective, innovative solutions. An agency supplier engagement plan will guide us. Through effective supply chain practices, open and frequent communication with suppliers and industry associations, and market intelligence, we will continue to assess the strength of our industrial capabilities, develop responses to vulnerabilities, reduce single points of failure and implement best practices.

(1) Defense Logistics Agency Aviation Supplier Industry Days were held May 29 and 30 in the Frank B. Lotts Conference Center on Defense Supply Center Richmond, Virginia. The two-day conference allowed industry business leaders and owners discuss support issues with DLA Aviation acquisition professionals.

(2) DLA Aviation’s Supplier Operations Commodities Directorate hosted the event that brought more than 250 industry business owners and leaders to Defense Supply Center Richmond for talks about government processes including the post-award process, how the Defense Contract Management Agency works with DLA and DoD, the use of FedMall and for participation in breakout sessions.

(3) During the conference, suppliers and Aviation leaders discussed FedMall, a web-based ordering site, which is a full e-Commerce site that provides the ability to find and acquire goods from commercial and government sources for federal, state and local governments, as well as other authorized buyers. FedMall provides access to more than 25 million products with market-driven competition with dynamic pricing and flexible contract arrangements while providing a safe shopping experience. Suppliers had an opportunity to address specific problems, have discussions with Aviation’s leadership and build relationships with the people they’ll be working closely with over the life of the contracts.
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d. Whole of Government

1. Humanitarian Assistance and Disaster Recovery

   a. DLA Aviation-Mapping Customer Operations provided support to Customs and Border Protection (CBP)/Operation Faithful Patriot during FY-19. Customers from DoD and other federal agencies ordered 5,638 mapping product lines for a total of 74,254 copies.

   b. Rapidly mobilized and deployed RDT Personnel within a 24-hour notification in support of Hurricanes Florence and Michael.

   c. Deployed Marco Walker (RDT) to Maxwell Air Force Base ISO FEMA and Task Force Atlantic. Mr. Walker acted as an Operations Officer (OPSO) and DLA Liaison Officer (LNO) to FEMA’s Joint Field Office and DoD bases within the affected regions: Georgia, South Carolina, North Carolina, Virginia and West Virginia. Facilitated on site tracking and visibility of high priority customer requisitions for multiple supply class support.

   d. Deployed Taylor Frazier (RDT-OPSO) to Jacksonville, Florida to establish initial operations with Task Force 51 (U.S. Army North, Forward). Relocated to Eglin AFB to conduct facility assessments at Tyndall AFB and to assist the 325th Fighter Wing with recovery.

   e. Rapidly mobilized and deployed RDT Personnel (Stephanie Lowe, Joint Contingency Acquisition Support Office) to Fort Sam Houston, Texas ISO Border Operations and to form DLA Support Team Border Operations.

   f. DLA Aviation ALOC Chief Kevin Ryan was awarded the 1st QTR FY19 Director’s Strategic Goals Award for Support to Disaster Relief and Border Security

e. Always Accountable

1. During FY19, Aviation’s Engineering Directorate’s Hazardous Minimization and Green Products Program established six NSNs for bio-based oils, and eight additional NSNs for less hazardous substances used by the Navy. The new NSNs are managed by DLA Aviation, and will help to meet the requirements of various Executive Orders that require the federal government to reduce the size of its hazardous footprint. This initiative has a reach far beyond DLA - potentially having world-wide reach.

2. The Aviation CPI program works with dedicated project teams and belts that are committed to achieving assured supply chain, financial and process excellence to provide end to end solutions and deliver readiness and lethality to the warfighter. Aviation uses CPI to identify and implement improved processes touching DLA, our supplier partners and our customer; the warfighters.

3. In November 2018, what started out as a local research effort initially recommended by the DLA Aviation Kitting Team, turned into a completed document recognized by DLA Logistics Operations planning process owners, who then ultimately decided to expand the activity into an enterprise-wide event that included process mapping and guidance development for all three major subordinate commands as well as DLA Distribution.

4. DLA Aviation CPI team members facilitated two DLA Aviation Kitting Projects, resulting in an updated kitting business and operations process document, and created
four new kitting process flows documenting the separation of job roles, duties and accountable actions.

(a) In a project designed to identify and prioritize backorders, the team mapped out the process and developed an innovative strategy to reduce administrative lead time for one of Honeywell’s highest volume sites. The team helped reduce time to award while increasing the agility in responding to customers’ needs. The process incorporated repair objective percentages, backorder age, high priority backorders (like ANDONs), a lean Six Sigma term for any item potentially causing delays in production, MICAP, mission capability and customer feedback. A gated process was defined in order to work backorders, with easy-to-follow tasks needed to be completed within each gate, identifying minor differences unique to each section.

(b) Implementation of the project resulted in coordination with the customer to reach a common goal of an 85 percent repair objective and zero-line stops.

(c) The second project was a joint effort between Northrop Grumman, DLA Aviation and 309th Aerospace Maintenance and the Regeneration Group Tooling Team. This team reduced tooling shipment days by 70 percent. The project was initiated to identify processes driving tooling delivery delays in excess of one year from AMARG, and then develop and implement new processes to drive tooling delivery down to 30 days or less. Over ten improvements were identified within the three stakeholder organizations and improved (gated) processes were implemented. Tooling delivery times were reduced to 31 days on tooling shipping requests that use the new process improvements.

f. People and Culture

(1) The Wheel

(a) The Wheel was created in FY19 to serve as the Junior Leadership Consortium. Consortium members realized that new supervisors rarely had exposure to processes outside of their area of technical expertise and were not aware of how their technical area impacted other areas in DLA Aviation or the goals and mission of those areas.

(b) During the two-week program, supervisors gained a better understanding of basic supervisory functions, the internal organization, as well as how the different organizations support the DLA Strategic Plan through individual organizational briefings.

(c) Program attendees also received basic Human Resources training for new supervisors, such as EAGLE timekeeping, daily supervisory tasks, Department of Defense Performance Management System training, union agreements, and the agency’s hiring and promotion process.
(d) During the second week, new supervisors received an in-depth overview of DLA Aviation’s industrial support activity co-located at the Oklahoma Air Logistics Complex.

(e) The Wheel is offered on a quarterly basis and participants travel to a different DLA Aviation industrial support activity for each offering. The goal of the Wheel is to show new supervisors how all of the disciplines (the spokes) that 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).

(2) Flash Mentoring and Job Shadowing

(a) The DLA Aviation Flash Mentoring Program was established to discuss career goals of junior or apprentice staged employees while offering developmental opportunities and guidance to employees with a desire to enhance knowledge and skills most critical to career and leadership growth.

(b) Several Flash Mentoring and Job Shadowing sessions took place during FY19 which serviced more than three dozen employees.

(c) Flash mentoring is designed to enable prospective mentees to have an initial 10 minute discussion with several different mentors in a round-robin table setting with the intent to find a mentor during that session with a possible option of setting up later dates/times to learn from and seek guidance, institutional knowledge and experience offered from that mentor.

(3) Tier and Executive Mentoring Programs

(a) In June 2019, 25 Aviation employees celebrated their completion of their participation in the year-long Tier II Mentoring program. The DLA Aviation Tier II Mentoring Program has served as a great opportunity for employees to find their niche in the organization, build strategic relationships, and gain a broader perspective of DLA’s mission and future. It was built on the sharing of ideas and experience; mentors play a critical role in helping employees enhance their careers.

(b) The DLA Aviation Executive Mentoring Programs (Grades GS-11/12 (Tier II) and GS-13/14 Tier III) are about developing leadership traits, building strategic relationships with other leaders, and gaining a broader perspective of DLA’s mission and future.
Even though the programs are mentee-driven, they also create an environment where individuals learn how to collaborate effectively. Additionally, mentors benefit just as much as the mentees. During FY19, the program graduated 36 mentees in 2019 (Tier II - 25/Tier III - 11). Currently there are 39 mentees in the program (Tier II - 25/Tier III - 14).

(c) More than 90 percent of program participants agreed the program helped facilitate professional growth and development. As the program progressed, a number of mentees said they have already been promoted and/or given new responsibilities since the start of the program. The majority of mentees expressed that one of the major strengths of the program is networking opportunities as well as organizational support. By participating in the program, participants have reported that the program has given them more exposure within DLA and put them in touch with people they would not have met otherwise.

(d) Over 95 percent of participants said they would recommend the Executive Mentoring Program to a friend of colleague.

(4) Equal Employment Opportunity and Diversity (EEOD)

(a) In FY19, Aviation’s EEOD offered several 8-week Sign Language courses. The courses detailed the culture of the Deaf community and taught participants a basic vocabulary of American Sign Language (ASL).

(b) Aviation EEOD also offered courses tailored for the Defense Supply Center Richmond Police Force giving police officers basic exposure to emergency signs and to the deaf culture in emergency situations.

(c) Additionally, Aviation’s EEOD introduced “The Silent Lunch Table”. A table located in the main cafeteria at DLA Aviation Richmond creating an environment for past ASL students, and interested people who want to learn sign, and also for students currently taking the sign class. It gives employees a place to practice their skills while incorporating the culture of the Deaf and hard of hearing employees.

(d) By end of FY19, EEO trained more than 94 percent of Aviation’s workforce on the biennial mandated instructor led training in the area of the EEO complaint process, prevention of sexual harassment and sexual assault.

(e) During FY19, the EEO Office implemented and hosted the first Aviation World Café. World Café’ is a grass-root initiative designed to bring stakeholders to the table to engage in conversation, share ideas, insights, actively listen to each other, then develop solutions.

(f) The Aviation EEO office utilizes the ELI Civil Treatment training focusing on employees changing behaviors and working through a series of vignettes where participants take responsibility for achieving a positive work culture. Topics in ELI Civil Treatment include bullying, discrimination, respectful workplace, and retaliation to name a few. This was a change from typical EEO trainings simply addressing laws and legal mandates governing equal employment.
(5) Training and Recruitment

DLA Aviation’s commitment to investing in its future workforce was evident in fiscal 2019.

(a) DLA Aviation budgeted $2.2 million to provide career enhancing training through leadership development programs, college tuition assistance programs, professional development, career enhancing courses, and an internal rotational program. In FY19, DLA Aviation trained 105 Defense Logistic Agency’s Pathways to Career Excellence Program Pacers, accepted eight employees into the annual DLA Aviation rotation program, and hired 41 college-level interns.
MEMORANDUM FOR DLA HEADQUARTERS, ATTN: HISTORIAN

SUBJECT: Submission of DLA Energy FY19 Annual History Input

This 2019 History submission is dedicated to the DLA Energy employees who focus their talent, hard work and time towards supporting the Warfighter and strengthening the service and combatant command readiness and lethality.

The DLA Energy workforce is at the core of successful Warfighter support. Our accomplishments over the last year focused on relationship building, business reform, and government-wide efficiency. We are committed to attaining and sustaining auditable process excellence and sound financial stewardship by practicing audit readiness through continued testing and reliance on internal controls.

Our professionals procure and manage energy supply contracts for the Department of Defense and the whole of government. Our involvement in the new DoD Energy Strategy is a collaborative effort with the Services, DLA Energy, and other DoD Components with a short-term focus for 2021. We continue to bring business reforms and government-wide efficiency in procuring and managing energy supply contracts for whole of government. We hope that as people read this report they will better understand all aspects of DLA Energy, and DLA as a whole.

In closing, I want to thank the DLA Energy workforce, which operates from more than 30 locations around the world, for their hard work and dedication in helping us achieve the accomplishments listed in this year's history report. The success of our warfighters and other whole of government partners is inextricably linked to the global support you provide each and every day.

BRUCE A. BLANK
Deputy Commander, Acting

Attachment:
1-Annual History Input
1. Introduction

Warfighter support is at the core of DLA Energy’s mission. We strive to enhance that support to fulfill the requirements of our customers. Our customers are the Combatant Commands and Joint Petroleum Offices.

DLA Energy supplies 100% of fuel to our military in the form of petroleum and lubrication products, alternative fuel/renewable energy, fuel quality/technical support, fuel card programs and installation energy services. For Whole of Government, DLA Energy supplies 94% of all U.S. government fuel purchases. Energy savings performance contracts and renewable energy supply agreements are examples of how DLA Energy works to improve efficiency in procuring and managing energy supply contracts for the Department of Defense. Both domestically and in our regional offices, DLA Energy is ready for any situation, from combat training to disaster relief.

We have a global posture. We support 2,190 posts in 93 countries. We accomplish this through:

- 598 Defense Fuel Support Points
- 125 bunker contract locations in 28 countries
- 38 international agreements
- $542.7 million (FY2018) sustainment, restoration and modernization funds for 440 DFSPs
- $46.87 million in foreign military sales
- 442 into-plane contracts in 85 countries
- ~6K Air/Sea Card Locations

In FY2020, DLA Energy will build on those successes by sustaining Warfighter readiness and lethality by delivering proactive global logistics in peace and war. We will continue to leverage the Joint Logistics Enterprise and assure supply chain, financial and process excellence.

2. Organization. DLA Energy is dedicated to providing exceptional support across the spectrum of energy operations whenever and wherever U.S. assets are utilized. The structure is as follows:
3. Key DLA Energy Personnel

a. Commander: Brig Gen Albert G. Miller, USAF
b. Acting Deputy Commander: Mr. Bruce Blank
c. Chief of Staff: COL Stephen R. Davis, USA
d. Director, Business Process Support: Mr. Tom Turets (acting)
e. Director, Procurement Process Support: Mr. Jake Moser (acting)
f. Director, Strategic Programs & Initiatives: Ms. Regina Gray
g. Director, Customer Operations: CAPT Christopher Light, USN
h. Director, Supplier Operations: Ms. Gabriella Earhardt
i. Commander, DLA Energy Americas: COL Kevin Cotman, USA
j. Commander, DLA Energy Middle East: LTC Amanda Shumaker, USAF
k. Commander, DLA Energy Europe & Africa: LTC Donna Welch, USA
l. Commander, DLA Energy South-West Pacific: CDR Angela Watson, USN
m. Commander, DLA Energy Hawaii: CDR Eric Lockhart, USN
n. Commander, DLA Energy Japan: Maj Justin D’Agostino, USAF
o. Commander, DLA Energy Korea: LTC Craig Daniel, USA
p. Commander, DLA Energy Okinawa: Maj Tracy Gilmore, USAF

4. Total Personnel:

As of 30 September 2019, DLA Energy had 1,205 employees (1,137 Civilian and 68 Military)
5. Historical Narrative:

a. Warfighter First.

We continue to set the standard for strengthening Warfighter support and Combatant Command readiness and lethality.

In September 2019, DLA Energy Americas West leadership observed the USNS Petersburg demonstrate the offshore petroleum distribution system capability via the Single-Anchor Leg Mooring System to transfer bulk liquid over-the-shore into a bladder farm built on Imperial Beach, CA. OPDS is a critical Joint Logistics over the Shore capability for contingency and Defense Support of Civil Authorities activities. This exercise provided realistic, relevant training to develop a more effective amphibious force as a critical enabler to DoD and Whole of Government partners.

DLA Energy and Joint Service Energy leads participated in the 2019 Joint Force Energy Wargame hosted by USINDOPACOM and sponsored by the Deputy Assistant Secretary of Defense for Energy and Joint Staff J4. The game grew out of concerns that existing Service war games were not sufficiently identifying the organizational, geographic, and supply chain seams that adversaries likely will exploit to disrupt the flow of energy to our combat forces.

(1) Joint Logistics Enterprise (JLEnt) Digital Transformation Strategy:

At the direction of Assistant Secretary of Defense (Sustainment) and Director of Logistics for the Joint Staff, DLA Energy funded a $1.5 million innovation pilot project to demonstrate the Rhombus Power Guardian capability for the Class III Bulk Petroleum Supply Chain. The Center for Joint & Strategic Logistics at the National Defense University will coordinate the project on behalf of the DoD.

DLA Energy’s Business Process Support Directorate and Procurement Process Support Directorate are in the forefront of employing a new Robotic Process Automation (known as BOT) initiatives to improve the quality and increase productivity of routine automated processes. This new functionality automates the manual work of identifying and entering base reference prices on solicitations. This reduces manual work currently performed by a contract specialist while also reducing the risk for entry errors.

(2) Red Hill remains a top priority:

In July, the Hawaii Department of Health submitted a letter allowing the Navy to continue to operate the Underground Storage System at DFSP Joint Base Pearl Harbor Hickam until a final decision is rendered. We continue to fund the tank maintenance and Sustainment, Restoration, and Modernization for Red Hill at higher-than-ever levels. DLA has historically
averaged $25 million per year in SRM there, and we’ve committed to fund the required $71 million this fiscal year. In FY2020, we expect to fund $90 million. DLA Indo-Pacific is fully engaged with INDOPACOM and USPACFLT.

We are also working with the Navy in response to PACFLT’s request to examine alternate sites for the fuel currently stored at Red Hill. PACFLT has indicated the overall study approach and scope may require adjustment, due to “recent political and civilian interaction at both the local and state level on Red Hill concerns.” PACFLT’s review continues.

(3) USAFRICOM:

DLA Energy is aggressively working to provide fuel to Baledogle Military Airfield, Somalia. The existing DLA Energy FOB destination contract is being augmented with a security element contracted through the U.S. Army Africa tender program. Moving forward, DLA Europe & Africa will leverage scheduled bulk fuel movements with security elements used for other commodities being flown in to reduce costs.

After extensive dry-dock repairs, DFSP Okinawa’s single point mooring is fully mission capable to support surge/contingency operations. In February DLA Energy Okinawa received its first JP8 tanker through the SPM. The tanker was offloaded successfully without incident.

In March, our Bulk Petroleum Products East Division, awarded nineteen contracts under the Inland East Gulf Coast program for an estimated dollar value of $2.8 billion. This annual buy is one of our STRATCONS and the largest Bulk Products procurement supporting the Military Services in various locations within the Inland/East/Gulf Coast/Offshore regions.

b. Global Posture:

The DLA Energy Commander attended the All Things Europe Table Top Exercise in early November. He also attended the Central European Pipeline System Program Board with the U.S. voting member from the U.S. Mission to NATO. The main topics of discussion were infrastructure management, pipeline utilization, and overall management of the system.


c. Always Accountable.

By reforming and improving our processes, we will provide more efficient and effective support to the Warfighter.

(1) Fuel pricing information:

On 24 September, the OUSD Comptroller published the FY2020 Fuel Price Change memorandum changing the standard fuel price from $125.16 per barrel in FY19 to $124.32 per barrel in FY2020. The new pricing took effect on October 1, 2019.
(2) Updates to Petroleum Inventory Risk and Control Matrix.

DLA Energy conducted an all-day workshop in July to update the Petroleum Inventory Risk and Control Matrix. DLA Energy utilized variables to include E&Y’s specific feedback from the FY2019 Internal Control Testing Stage and the Audit Task Force guidance to execute four focused objectives.

(3) Manning Deep Drive.

DLA Energy is keeping Keesler Air Force Base, Mississippi, running stronger with a new 50-year contract award. The $126M Utilities Privatization (UP) contract, awarded March 1, offers a fixed price with economic price adjustments to the home of one of the Air Force’s largest technical training centers and the second largest medical training center. City Light & Power will own, operate, and maintain the installation’s electrical distribution system, building reliability and resilience through infrastructure improvements and modernization, as well as development of standard electrical distribution practices. In September, two 50-year UP contracts were awarded to American Water Military Services, LLC, at Joint Base San Antonio, Texas and U.S. Army Garrison – West Point, New York for the water and wastewater utility systems. These contracts, valued at $448M and $520M, respectively, will improve water and wastewater utility system infrastructure, and operations and maintenance at these installations through modernization, and improvements to those systems.

U.S. Army Garrison – Oahu will have a new owner for its electrical distribution system thanks to a DLA Energy 50-year UP contract award, valued at $638.5M. Hawaiian Electric Company (HECO) will own, operate and maintain 12 Army installations on Oahu covered under the contract. Performance under the contract will improve infrastructure, modernize equipment to improve reliability and resilience, and implement standardized electrical distribution practices. Military installations are shifting from the role of owner operators to that of smart utility service customers.

(4) Utilities Privatization contracts.

Army’s Fort Campbell in Kentucky got a new owner for its electrical distribution system thanks to a DLA Energy 50-year UP contract award. City Light & Power, Inc. will own, operate and maintain the installation’s system with plans to improve infrastructure, modernize equipment and develop standardized electrical distribution practices. DLA Energy is keeping Keesler Air Force Base, Mississippi, running stronger with two new contract awards – a 50-year UP Contract and a 22-year financed term ESPC. The $126 million UP contract, awarded March 1, offers a fixed price with economic price adjustments to the home of one of the Air Force’s largest technical training centers and the second largest medical training center.
A new 50-year fixed-price utilities privatization contract was awarded that will upgrade Joint Base San Antonio, Texas, electric and natural gas distribution systems and improve installation mission readiness. Military installations are shifting from the role of owner operators to that of utility service customers.


DLA Energy helped Hill Air Force Base, Utah, utilize over $4 million through energy incentives and bill credits for a $91.1 million ESPC. The Hill Air Force Base, Utah, ESPC will implement energy conservation measures that span 262 buildings and 9.1 million square feet. The measures are expected to reduce the base’s overall energy consumption by 9% and energy costs by 13% while increasing its distributed/renewable energy portfolio by 30%.

DLA Energy awarded Misawa Air Base, Japan’s first Energy ESPC December 20, 2018. The ESPC provides for $206 million in main base and military family housing infrastructure improvements that will provide an estimated annual energy savings of 258,697 million thermal units with no up-front capital costs to the government.

(6) Auditability.

Audit Readiness is a DLA Energy Line of Effort. In October 2018, DLA created an Audit Task Force and staffed with 40 employees from across the agency, including DLA Energy, dedicated to strengthening efforts to achieve an unmodified audit opinion. The task force is the principal audit advisor to the director.

DLA Energy participated in an entrance conference with GAO on November 30, 2018. The audit was in response to a congressional mandate and OSD interest regarding the accounting of support provided under ACSAs. The Independent Public Auditor, Ernst & Young reissued three DLA Energy specific NFRs accompanied within the DLA FY18 Financial Statement Audit Report. DLA Energy conducted internal control testing to assess the effectiveness of the corrective actions taken to remediate two of the DLA Energy specific NFRs. We support the Independent Public Auditor’s confirmation of DLA Energy Inventory beginning balance for fiscal 2019 through observation of physical inventory at sampled Defense Fuel Support Points, and retrieval of evidential matter for all transactions and end-of-month physical inventories.

In May 2019 representatives from DLA Energy accompanied the Independent Public Auditor, Ernst & Young (EY), on walkthroughs of two selected DFSPs and three DLA Energy Regions. The walkthroughs focused on EY selected DLA Energy Internal Controls/Business Processes that were specifically executed at the DFSPs and/or Regions.

In June, RADM Haven held the Audit Task Force Roadshow with the Energy workforce. RADM Haven recognized several DLA Energy employees for their outstanding efforts to support the on-going efforts of the Audit Task Force. Additional highlights included a review of the employee’s role within the Energy Audit Strategy, an explanation of the audit process, and upcoming areas of audit focus.
Representatives from DLA Energy accompanied EY on 25 site visits for the fourth quarter FY2019. The IPA’s objectives include performing and documenting the physical inventory as of the site visit date and review of supporting documentation.

DLA Energy has uploaded 44 out of 60 reimbursable agreements into G-Invoicing and 27 out of 43 non-reimbursable agreements into DLA SharePoint for the Military Services. DLA Energy trained 86.88% of its personnel requiring G-Invoicing training. Energy’s confirmed personnel with G-Invoice access is 46.54%. Internal Phase I POAM draft is complete and Phase II POAM framework complete.

The final issue of the DLA Energy quarterly magazine Energy Source Spring/Summer 2019 published in May 2019 focused on DLA Energy efforts to implement corrective actions to help DLA achieve a clean financial statement audit opinion.

d. Whole of Government:

DLA Energy supplies 94% of all US government fuel purchases. Whole of government accounts for 8.5% of DLA Energy’s annual sales. DLA Energy is the mandatory source of fuel for FedCiv business.

In October 2018, DLA Energy supported a FEMA Mission Assignment order of $5 million for 32 fuel trucks in support of disaster relief for Hurricane Michael. This included 35,000 gallons of Diesel, 20,000 gallons of gasoline, and 12,000 pounds of propane. Six personnel from Task Force Americas supported the Mobile Command Vehicle at the FEMA Incident Support Base at Maxwell AFB, Alabama, to support Hurricane Michael relief operations in October 2019. In addition, the Energy LNO worked closely with FEMA at their National Response Coordination Center in Washington.

On October 24, 2018, the Department of Homeland Security submitted a Request for Assistance to DOD for NORTHCOM to support the Customs and Border Protection Agency with DoD personnel and capabilities in response to an inbound convoy of migrants from Central Americas through Mexico to the southwestern and southern border of the United States. DLA Energy Americas was an active daily participant in the NORTHCOM Joint Fuels Coordination Board and provided seamless bulk fuel support (F-24 and ground fuels) to the BSIs along the border in California and Arizona in support of the Joint Force Land Component Commander. To date, approximately 1.4 million gallons of F24/Diesel have been issued/sold in support of CBP operations.

At the request of USNORTHCOM/ARNORTH, Fuel Cards (Voyager) are being used as a temporary solution to support fuel requirements. Fuel supplies at the Border Safety Initiative locations remain more than sufficient to meet potential requirements; however, USNORTHCOM anticipates increased requirements in support of DHS CBP.

DLA Energy celebrated the Navy’s signing of an afloat Memorandum of Agreement in October 2018. DLA Energy capitalized Navy inventory in FY2003, and DLA Energy and Navy
components have engaged since 2012 in negotiating an agreement addressing the Navy’s management of DLA-owned fuel inventoried on Navy vessels.

DLA Energy met with NASA, Bureau of Land Management, and OSD/Industrial Policy to discuss the growing concern over the Helium Stewardship Act and the directed transfer of Helium operation functions to private industry, and disposal of the Federal Helium System. The Helium market supply is becoming limited and prices continue to rise; the impact to meet Warfighter requirements will be significant if BLM ceases operation of the Federal Helium Reserve.

(1) Support for Space Launches.

DLA Energy supported the launch of the first Lockheed Martin GPS III satellite aboard a SpaceX Falcon 9 by providing 3,220 pounds of high purity hydrazine and 1,820 pounds of Mixed Oxides of Nitrogen (MON) 3. In addition, we provided fuel for the launch of a United Launch Alliance Delta IV Heavy at Vandenberg AFB, California.

Rocket fuel supplied by DLA Energy launched the Northrop Grumman’s Antares rocket to resupply the International Space station from Virginia’s Eastern Shore, April 17. The Antares rocket, filled with 21,500 pounds of rocket propellant for the first stage rocket and 500 pounds of hydrazine for the payload, launched the Cygnus NG-11 spacecraft from the Mid-Atlantic Regional Spaceport at NASA’s Wallops Flight Facility, Virginia.

DLA Energy provided high purity hydrazine and dinitrogen tetroxide to launch the United Launch Alliance Atlas V rocket carrying a U.S.A.F. communications satellite from Cape Canaveral Air Force Station, Florida, August 8.

DLA Energy Aerospace supplied the propellants for both the rocket and the payload for the liftoff of United Launch Alliance Delta 4 rocket. It launched successfully at Vandenberg Air Force Base, California, January 2019.

(2) Sustainment, Restoration and Modernization.

A core competency of DLA Energy is the military construction program. DLA Energy funds new construction, alterations and improvements that exceed the $2 million threshold. Planning for military construction consists of 5 years from concept to construction. For FY2019, DLA Energy has a $310.8 million allocated for new construction, alterations and improvements to infrastructure.

In FY2019, 993 SRM projects were funded against a plan of 990.

DLA Energy has been meeting with industry and government partners on the maintenance and repair of fuel storage tanks. Leaders have found that procedures are more alike than different. Seventeen industry organizations consisting of 39 partners participated in the engagement and eight of them provided briefings to compare and contrast commercial and DoD tank sustainment processes.

Operational fuel requirements and strategic planning were the priorities of the 18th annual Joint Petroleum Seminar held in the McNamara Headquarters Complex at Fort Belvoir, Virginia, January 14-16.
(3) Strong Partnerships.

DLA Energy participated in the second annual DLA Industry Day and sponsored two industry breakout sessions in July to provide more information about DLA Energy opportunities. Eleven companies representing the Oil and Gas, Renewable Energy, and Utility Services sectors attended the breakout sessions. By giving industry a two-year forecast on large dollar procurement programs, we requested that suppliers ensure readiness to respond to solicitations.

The DLA Energy LNO to USAREUR worked closely with the DLA Energy Europe & Africa International Agreements team to open a short-notice Acquisition and Cross-Servicing Agreement Order with Slovakian Armed Forces for Exercise Toxic Valley. This ACSA Order supports the increase of mil-to-mil interoperability within Europe while strengthening partnerships.

DLA Energy participated in the annual Australia Defense Force Fuel Symposium held at Canberra, Australia, October 29-November 1, 2018. The theme of this year's symposium was on safety for its people and improving current sustainment, restoration and modernization of its ageing fuel infrastructure.

DLA Energy hosted the French Service Des Essences Des Armees Commande Major General Jean-Charles Ferre for the purpose of increasing cooperation between France and the USA. France’s SEA is the French Ministry of Defense’s equivalent of DLA Energy, but they are also considered a separate Service in the French armed forces. A meeting was held between the SEA Commander and the Deputy Assistant Secretary of Defense for Energy. The discussion focused on the U.S. vision for future energy, and the role of electric vehicles on the battlefield. In addition, the French officers were given briefs by a number of DLA Energy business units, followed by open discussions that included the Service Control Points.

Two French officers participated in a fuels officer exchange program with DLA Energy. During their visit, they provided a brief to the DLA Energy senior staff on the organization, mission and main capabilities of the French Service Des Essences Des Armees. The officers received briefings, participated in discussions and took part in a one-day tour of the Army Petroleum and Water Department at Fort Lee, Virginia.

In March 2019 DLA Energy and the Service Control Points hosted 12 students from the Eisenhower School, to include foreign nationals from the UAE, Mexico, Tunisia, and Indonesia, for an overview of DLA Energy’s organization/mission, core competences, and fuel pricing.

DLA Energy attended the America, Britain, Canada, Australia, New Zealand, naval fuels and lubricants meeting in Windsor, UK. Items discussed during the meeting included fuel and lubricant quality trends, specifications, stability and contamination problems, and procurement issues. By attending, DLA Energy gains knowledge from other nation's experience regarding fuel and lubricant technical issues and emerging issues, which may impact fuel supply and quality concerns for marine fuel procurement, storage, handling, and interoperability.
Expanding its 38 fuel agreements across the world, DLA Energy signed a new Fuel Implementing Arrangement with the Peru Navy to improve interoperability between the U.S. and Peruvian Navies in May 2019. The new IA replaces a 2007 legacy fuel agreement and expands the scope of support – authorizing all product types both on land and at sea and allows better interoperability between the U.S. and Peruvian Navies; it is essential to support major combined exercises such as RIMPAC and UNITAS.

Shoulder-to-shoulder, the Armed Forces of the Philippines and the U.S. military operated together in the 35th annual Balikatan exercise April 1-12. Throughout the exercise, DLA Energy provided six types of fuel and delivered 234,717 gallons to the U.S. military services at 18 different sites.

Drawing a record number of attendees and an action-packed agenda, the DLA Energy 2019 Worldwide Energy Conference was held at the Gaylord National Hotel and Conference Center in National Harbor, Maryland May 20-22. The 2019 WWEC theme was “Building Stronger Partnerships” and provides the opportunity for stakeholders, interagency and industry partners to gain insight into the future of energy industry. More than 2,300 personnel attended the event.

e. People and Culture.

DLA Energy hosted Deputy Assistant Secretary of Defense for Logistics at DLA Energy Headquarters for the inaugural Senior Leader Mentor Session in October 2018. Ms. Dee Reardon spoke to Energy’s GS-12 through GS-14 acquisition workforce about the type of acquisition reform we are facing and how we can be agents of change.

The DLA Energy Commander recognized 117 Energy employees for achieving DAWIA Certifications on October 18.

After years of advancing in the rankings, this year the DLA beat the competition to win the Fort Belvoir Commander’s Cup for the first time. Thirty-five DLA Energy athletes played a significant role in helping earn the win.

In November 2018 DLA Energy Commander and Deputy Commander announced the release of DLA Energy video on Denison Culture Climate Survey results. The 2018 DLA Energy Culture Climate results were 22 points higher than the 2016 Culture Climate results with an average score of 83.

Great effort went in to making DLA Energy a better place to work. We implemented three workforce councils (Culture Council; Supervisory Council; Training Council), created the DLA Energy Career Management Portfolio, and spurred the growth of DLA Energy nominees for the Executive Development Program – all aimed at developing the DLA Energy workforce.

Four former employees were inducted in the third annual DLA Energy Hall of Fame in a ceremony at the McNamara Headquarters Complex, Fort Belvoir, Virginia, October 23. The 2018 DLA Energy Hall of Fame inductees honored in the ceremony are:

(1) Kathryn Fantasia, former director, Direct Delivery Fuels
(2) Retired Army COL Robert Jarvis, former commander of Defense Fuel Region Middle East, Bahrain
(3) Carol O’Leary, former director, DLA Finance for Energy
(4) Paul Rogers (posthumously honored), former deputy director of the Environmental Division, DLA Installation Support for Energy

To increase our workforce’s knowledge of the DLA Energy mission we hosted an Energy Overview Course. We are targeting 100% participation for the course which includes all government civilian employees, active duty/reserve personnel, and employees who have arrived in the last 12 months to include the Pathways to Career Excellence (PaCE) Program.

DLA Energy initiated a series of Virtual Town Halls with members of our workforce that are geographically separated from the DLA Energy Headquarters to address associated region-specific perspectives. This included DLA Energy Okinawa, DLA Energy Hawaii, DLA Energy South-West Pacific (Guam), DLA Energy Japan, DLA Energy Korea. This effort will mitigate the effects of reduced workforce interaction at DLA Energy Regional Command locations due to resource constraints affecting senior leader TDY travel.

In March, DLA Energy hosted 10 OSD Sustainment Fellows. We focused on DLA Energy’s support to the Warfighter as well as my perspective on leadership and work/life balance.

DLA Energy personnel participated in a recruitment opportunity at George Mason University in April. The event provided general information on career fields available, the Pathways to Career Excellence (PaCE) program, and utilizing USAJOBS to search for DLA Energy job announcements. The experience provided George Mason University students firsthand insights into career opportunities available at DLA Energy.

DLA Energy Procurement Process Support Directorate hosted its semi-annual DAWIA/DAC Ceremonies in April. Acquisition professionals were recognized for their achievements for the following categories/certifications: Level I, II, and III Certifications Contracting, Production Quality and Manufacturing and Life Cycle Logistics Career Fields (57); Membership into the Defense Acquisition Corps (DAC) (8); Contracting Officer Warrants (3); Petroleum Commodity Certifications (3); and Completion of Supplier Operations Pilot Rotational Program (5).

On May 7 DLA Energy Deputy Commander Mr. Guy Beougher was selected for the Senior Executive Service (SES) position of Deputy Director, DLA Logistics Operations (J3). Mr. Bruce Blank will serve as the Acting Deputy Commander for DLA Energy until a permanent backfill is in position.

Ms. Sharon Murphy was selected to join the 2019 DLA Hall of Fame, which recognizes former DLA civilian and military team members who made significant and lasting contributions to DLA and its mission. Ms. Murphy spent 28 years with DLA Energy. She joined the Defense Fuel Supply Center in 1985. Over the course of the next 28 years, Ms. Murphy served in various leadership positions culminating in her role as DLA Energy Aerospace Energy Director, where she retired in 2013.
A new DLA Energy command video *DLA Energy provides the power*, was introduced for the first time to the DLA Energy 2019 Worldwide Energy Conference audience.

Recent DLA Energy Changes of Command include:

(1) 7 June 2019: DLA Energy Americas North Change of Command
(2) June 21, 2019: DLA Energy Okinawa Change of Command
(3) June 24, 2019: DLA Energy Europe & Africa Change of Command
(4) June 26, 2019: DLA Energy Americas East Change of Command
(5) July 25, 2019: DLA Energy Middle East Change of Command
MEMORANDUM FOR DLA HEADQUARTERS, ATTN - Historian

SUBJECT: Submission of DLA Disposition Services FY19 Annual History Input

As we embarked on the FY19 Dynamic Operating Plan, I wrote in my guidance to the staff that I looked forward to working together towards making it a landmark year. I noted that our dynamic environment presents many challenges, that my initiatives were broad and organizationally demanding, but believed each success would bring us closer to meeting DLA’s Strategic Goals. The attached pages show highlights from those successes as DLA Disposition Services continued to adapt and innovate to meet ever changing requirements affecting the Defense Logistics Agency’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 the mission. Our Battle Creek Alignment is an example of how we have listened to our field sites and adapted the staff structure here to better support them and the warfighters. We studied our processes to ensure we focus our time and resources on those that we have to do and avoid duplication of effort.

We have harnessed technology to work more efficiently. The deployment of the Hazardous Material Management System - Hazardous Waste Disposal, the RTD Photo App and Mobile Office will all help field personnel process turn-ins and provide better information to encourage more reutilization. Our use of the DLA Dashboard and the development of a “bot” to monitor our inventory for items to fill critical weapon systems maintenance needs will also help us do more to support the mission.

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 Strategic and the People and Culture Plans.

MICHAEL G. CANNON
Director

Attachment:
1-Annual History Input
1. Introduction:

DLA Disposition Services operates from 103 locations throughout the world that are supported by a leadership team in Battle Creek, Michigan. The field sites receive, classify, segregate, demilitarize, account for and dispose of excess materiel received from warfighters and other customers. Then, by facilitating customers’ reuse of serviceable excess, DLA Disposition Services reduces their need to purchase new materiel. In FY19, materiel with an estimated acquisition value of more than $27.5 billion was turned in to DLA Disposition Services. From that material, there were 145,404 requisitions that requested 5.3 million usable items worth more than $2.5 million 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 plus eligible non-profit agencies. Among DLA Disposition Services’ operations is oversight for the demilitarization and disposal of remaining property through transfers, donations and sales, or its ultimate disposal – as is the case with hazardous waste. Public sales generated approximately $94 million of revenue, which reduced the warfighter’s service level bill. The fiscal year presented new challenges and opportunities for the DLA Disposition Services team that required engaged leadership, individual initiative, and constant communication from everyone. As in the past, the workforce overcame challenges and met the FY19 objectives through mission focus, resiliency and outstanding teamwork.

2. Organization:

The command shifted from a legacy organizational structure at the start of FY19 to a new process-centric model in June as part of the Battle Creek Alignment initiative.
3. Key Personnel and Personnel Changes

FY19 saw the arrival or departure of a number of key personnel that included:

a. Tina Maier departed as Customer Support director and became DSD Europe and Africa director
b. Mark Aicher moved from Transformation director to become Customer Support director
c. Connie Nowicki moved from Finance director to become Transformation director
d. Isaac Stanley became Finance director
e. Darran Duncan retired as Operations director
f. Arthur Welsh became Operations director
g. Timothy Dauten became Chief of the Law Enforcement Support Office.

4. Total Personnel

The global operations of DLA Disposition Services are staffed by 1,328 civilians, 13 active duty military (10 filled) and 113 local nationals and augmented by six Reserve units. These numbers do not include the 25 members of the Law Enforcement Support Office funded by the Defense Department.

5. Historical Narrative

a. Warfighter Support

   (1) Battle Creek Alignment

   Just as Network Optimization sought to make the best use of field personnel and resources, the Battle Creek Alignment initiative made additional changes to better support the people in the field supporting the warfighter. The initiative studied all of the processes performed by the staff in Battle Creek to first ensure work was not being done that was not required nor beneficial and then realigned in a process centered structure that avoids duplication of effort. A team of regional deputy directors and other experts helped identify the processes, which were reviewed by a second team from the Battle Creek staff to match them against requirements from regulations and public law. The second team also gathered input from supervisors to match the best job series and grade to each position needed to perform all of the processes. Supervisors were given training to help them notify employees where they would be placed in the new alignment and how the transition would work. A stand down day was used in May to offer training to all employees to educate them on processes, who owns them and who manages them. With union concurrence, employees began transitioning to their roles under the new alignment.
June 21 when operational control went to the supervisors of the processes. The new alignment is expected to reduce costs and improve efficiencies in supporting field operations. Additional information on the initiative is available on eWorkplace in the NetOps Battle Creek Alignment section.

(2) Optimize DSR Support (disposal service representatives – located at field sites)

The disposal service representative provides a direct link between our customers and DLA Disposition Services. The DSR is often the first contact for turn-in customers and can advise on all disposal support available to meet the customer’s needs. The DSR can provide customer service via phone, email, in person, and can make disposal decisions at the turn-in customer’s activity location. When a DSR is unavailable, customers can use the Digital DSR page on the website for research on services. The site also helps customers contact the Customer Interaction Center if they still have questions. There is also contact information for the DLA Enterprise Help Desk to resolve technical problems in accessing online systems like searching for usable property.

(a) DSR - High Visibility Support

We continually identify generator requirements, provide training and tailored disposal solutions by contacting local commands for customer outreach. We coordinate warfighter requirements (near-term/long-term) with site visits by regional directors and major command support representatives. Our goal is to meet 90% of the customer's requirements. Accomplishments achieved in this area by the third quarter included:

i. Syria – Currently supported by Kuwait via Iraq or Jordan with no personnel on the ground. Receipts have been minimal.

ii. Iraq – Currently is supported via Kuwait. Military DSR visits included locations in Baghdad and Irbil. The 1st Theater Sustainment Command Redistribution Property Assistance Team yard is receiving material from Iraq in Kuwait prior to turn in for disposal.

iii. Jordan - Currently supported by Kuwait. Recent visit identified possible HM/HW support and sales authority may be sought.

iv. Djibouti – R2010 scrap removals have successfully removed all scrap from the yard.

v. Tyndall AFB - Total scrap removed as of June 5 was 5,126,000 pounds between Tyndall AFB and NSA Panama City. Changes in the scrap metal market meant the contractor started losing money, which led to base leadership’s decision to use the Qualified Recycling Program to dispose of remaining scrap. As rolling stock/vehicles are received, they are moved through the GSA screening/RTD process. Expeditionary Disposal Remediation Team personnel arrived June 17 to assist with processing.
(b) DSR University

Training continues to ensure each DSR receives the same information and has the same access to online references to offer our customers consistent and accurate information regardless of which DLA Disposition Services site is contacted. Updates to training material in FY19 includes information on Receipts in Place, expanded Demilitarization as Condition of Sale, Controlled Item Inventory Codes II-IV, and security classification stickers. New interactive training was developed based on student recommendations. ICE surveys specific to DSR University were created to allow live feedback. The first max capacity DSR University class sessions occurred in July 2019. Lessons learned were captured to enhance future courses.

(3) Divestiture support

Efforts continued throughout the year to help the services divest themselves of excess items to improve readiness and enhance their auditability.

(a) Army

DLA Disposition Services worked with Army leaders during fiscal 2014 and 2015 to plan how best to support the need. The divestitures mainly occurred in 2016 and 2017. There was a large Clean Sweep effort at Fort Hood in early 2018, but by FY19 it was back to normal operations for the most part. The lessons learned in these earlier efforts helped achieve success with the other services in FY19.

(b) Navy Material Accountability Campaign (NMAC)

DLA Disposition Services has a strong partnership and alliance with the Navy that enhanced support efforts for the Navy Material Accountability Campaign (NMAC)/divestiture planning. To date, we have participated in senior leader Navy Road Shows or Table Top Exercises at twelve locations. Briefings consist of showing the Navy Disposition Services capabilities, all with a positive result. Several of our site locations are actively engaged in providing unit level training and assisting with their turn-ins of property.

Leadership has taken an active role in supporting the Navy N4, CNIC, BSOs and others in the development of a NMAC/divestiture planning documentations to provide greater emphasis on the importance of Disposition Services having an active role to ensure success over the next few years. Disposition Services is a non-voting member of the Command Property Officer Working Group (CPO WG) as well as our area managers are part of the installation level Council of Captains (CoC). Our involvement in providing disposal language, disposal aids such as the Digital DSR, Smartbook, importance of proper disposal and our capabilities is evident in the Navy’s document and published Playbook.
From the last Navy/DLA Day, a Disposition Services/N4 Working Group was established and meet monthly. Participants from all over the Navy call in to ask questions, raise concerns and our Customer Wait Times and No Shows are provided to show improvement against the metric. Held an Industry Day in June for Puget Sound, WA with great participation from industry. We are continuing to work closely working with Puget Sound on their scrap sales/barge removals and the sale of batteries.

We have developed monthly metrics, provided to the N4 and BSOs to show improvement against the metric. In FY19 the Navy increased their turn in quantities by 26% over FY18 and an increase of 12% in turn in documents/workload. We anticipate the turn in numbers to continually grow as they go through their audit and execute the NMAC Operations Order with specific timelines (June 30, 2020) to complete their inventories and excess property no longer needed.

(c) Marine Corps

As home of Marine Corps Logistics Command and Marine Depot Maintenance Command/Production Plant Albany, the Marine Corps Logistics Base Albany, Georgia, is a focal point for aiding the Corps divestiture efforts. By Aug. 13, the divestiture effort was complete with DLA personnel supporting the Marines having processed receipts for 224 rolling stock and 771,602 for non-rolling stock items, year to date. The extra effort contributed to the 5.4 million pieces the Corps turned in overall with an ACQ value of over 1.2 billion.

(4) Increase Warfighter Readiness through improved Reverse Logistics Operations

This aligns with the DLA strategy map under the Readiness and Lethality objective and is a DLA strategic imperative, directly given to DLA Disposition Services. Our focus is on internal operational/efficiency improvements to better support Warfighter readiness through coordinated Disposal Release Order (DRO) drops and increasing on-the-shelf rate of targeted components and reducing unprocessed receipts. Our goal with regard to customer wait time (CWT) is a reduction of 10% from FY18, until we meet a 14 day metric. The CWT for FY18 was 18.1 days. As of September 30, 2019, our customer CWT was 10.5 days (-42%) thus exceeding our goal of a 10% reduction.

<table>
<thead>
<tr>
<th>Customer Wait Time</th>
<th>Fiscal Year</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>10.5</td>
<td></td>
</tr>
<tr>
<td>FY18</td>
<td>18.1</td>
<td></td>
</tr>
</tbody>
</table>
Our on-the-shelf rate (OSR) goal is to increase by 5% from that of FY18. The OSR FY18 baseline is 20.7% and as of September 30, 2019 we were at 21.7%, thus reaching our planned goal.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>21.7</td>
</tr>
<tr>
<td>FY18</td>
<td>20.7</td>
</tr>
<tr>
<td>FY17</td>
<td>19.0</td>
</tr>
</tbody>
</table>

The goal for unprocessed receipts is to achieve a 10% reduction from our FY18 baseline. Our baseline for FY18 was 88,837 DTIDS/5.7 days. As of September 30, 2019 our unprocessed receipts were 111,339 DTIDS/7.7 days which is an increase of 20%. Because this is a “snap shot in time,” we are looking at Network Optimization and major realignment to assess how best to meet this goal in the near future and beyond. We continue to expand our internal reporting tiles.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>DTIDs</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>111,339</td>
<td>7.7</td>
</tr>
<tr>
<td>FY18</td>
<td>88,837</td>
<td>5.7</td>
</tr>
<tr>
<td>FY17</td>
<td>168,102</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Our accomplishments in this area included developing and designing 12 of 22 large field activity workflows; completed Network Optimization; creating a Smartbook with performance metrics; automating Visitor Control Log; developing Dashboard Tiles; executing DCOS at Sierra (10 million lbs.) and Eglin (3million lbs); and designing an On-the-Shelf Robotic Process Automation.
(5) Enhanced Processing For Weapons Parts

We have worked to create a DLA Disposition Services Center of Excellence in weapon disposal solutions. This involves an increase in capability/capacity to receive and process all weapon parts at our Anniston, Alabama, site. In March, Operations worked with the Disposal Policy Working Group for new language in the 4160.21-M, which identifies the requirement for the services to send their Controlled Item Inventory CODE II-IV directly to DLA DS Anniston and DLA DS fund. Commodore Crunch (the successor to Captain Crunch) is a massive shredder used for cutting up rifles, pistols, etc.) and expected to be at Initial Operating Capability in April 2020.

(6) Photo App

Reutilization, Transfer and Donation (RTD) program customers have always wanted as much information as possible on the condition of items they are considering to ensure the acquisition would be worth the effort. The customers outside of the Defense Department must pay for shipping and donation customers who go through a state agency for surplus property usually have surcharges to pay, so they want to be sure the item is in good shape. They want to see photographs during the selection process. But using digital cameras takes added time and effort to get images loaded and put into the RTD Web system. The development of the RTD Photo App during previous fiscal years allowed for its deployment in FY19 to all locations inside the continental United States and the start of deployment to sites outside of the continental United States. The app exploits the mobile phone camera features, as well as barcode scanning and talk-to-text features of DLA-issued iPhones and greatly speeds the process of displaying images of available property items to customers on the RTD Web site. The app allows the images to be sent directly from the iPhone into the RTD Web server and greatly expedites the flow of information to customers. It is easily acquired by authorized users’ phones through the DLA Apps Store. User roles for people using the app must be requested through the Account Management and Provisioning System. Details on the roles needed and how to request them are part of the training materials distributed during FY19 to help employees use the app effectively. Some ideas for refinements were suggested as users began working with the app during the year and some tweaks have been made. Overall, the program manager reports excellent feedback from employees who say that this app is really going to save time and users love it.

(7) Mobile Office

DLA Disposition Services moved closer to fielding mobile offices kits after a briefing and prototype demonstration in Battle Creek, Michigan, Oct. 11, 2018. The mobile office demonstrated was designed to fit in a vehicle’s front passenger seat, backseat or in the trunk of the typical vehicles used by DLA Disposition Services. The mobile office unit is designed to contain a laptop locked onto an adjustable arm and a label printer that creates the standard labels attached to property being turn in by warfighters. A power inverter to provide AC power is built onto the workstation and there is room to carry a very small plain paper printer as well. A standard handheld barcode scanner can be attached. Using a government-issued iPhone
as a hot spot or a local Wi-Fi signal, disposal service representatives can use the mobile office wherever property is located to receive items in place, take and process photos, input items into DSS, and print property labels – all on site, all in one trip. The initiative expedites the input of the customer’s information and faster relief from accountability for item turn-ins. DLA Disposition Services Director Mike Cannon said the project could save employees in the field time as well as improve service to customers, plus avoid unneeded repeat site visits. During FY19 thirty mobile office units were deployed at selected sites across the DLA Disposition Services enterprise as well as a few DLA Distribution sites as part of the pilot program.

(8) Contained/stored AFFF removals (PFOS/PFAS)

DLA support to DOD includes a worldwide Defense Material Disposition Program, including disposal of DOD hazardous property. Disposition Services uses licensed contractors to remove certain types of waste that have been held in tanks, containers or other controlled storage on military facilities. The most common materials are waste oils and other waste associated with motor vehicle and aircraft operation.

Multi-year contracts were awarded starting in 2016 for removal of firefighting foam stored at military bases. The discovery that some components of AFFF were a matter of health and pollution concern had led military units to want to dispose of the foam formulation in place at the time.

In fiscal 2019 DLA Disposition Services continued support to the armed forces by awarding follow-on AFFF removal contracts as the original contracts expired. The new contracts offer removal and disposal of contained AFFF materials for the armed forces and Department of Homeland Security.

DLA does not serve in a regulatory role in executing environmental support responsibilities. Under EPA and DOD policy, and, specifically, RCRA standards, a supported DOD activity determines if its wastes are, or are not, regulated and how they may be properly disposed of.

DLA Disposition Services contracts with licensed contractors who have demonstrated the ability to handle, transport, treat and dispose of wastes in accordance with regulatory standards set by federal, state and local authorities. Trained environmental specialists are used by DLA Disposition Services to execute its responsibilities in compliance with applicable standards.

b. Global Posture

(1) Maturation of Expeditionary Capabilities

Our support in contingencies is based on having all personnel and cargo arrive in accordance with the supported operations order when we deploy. Our OCORT 2019 training in
Michigan was another successful test as we developed OCONUS exercise objectives in coordination with DLA-E/A. We secured a liaison officer position with the training audience’s C2 staff.

(a) Saber Guardian 19

After securing funding and filling manpower rosters, we deployed personnel in support of Saber Guardian 19, a US Army Europe (USAREUR) Southern Campaign focused, regional exercise and part of the Joint Exercise Program. Personnel and property were deployed for two weeks to Camp Bondsteel in the Republic of Kosovo during June 2019, which represented agency planning and training efforts over several years. Regional disposal representatives provided the same high level of support and response to Camp Bondsteel as they do elsewhere -- arranging for hazardous waste removal from Kosovo or by advising on property shipments to one of the agency’s 10 permanent disposal offices in the region. Expeditionary equipment needs were methodically identified, tweaked and improved as personnel rehearsed a mix of skills required to operate in potentially austere and far-flung environments. Support was provided for the first time from one of the four standard Expeditionary Site Sets. DLA Disposition Services is postured to support Defender 2020 in Poland during FY 20.

(b) Mobile Demil / Expeditionary Support (ESS)

One of the four Expeditionary Site Sets was pre-positioned in Germany in early 2019. Another set was shipped to the Indo-Pacific region, one set is in Kuwait and two sets remain in the United States. The sets can be quickly deployed nearly anywhere to erect a full-service site and begin accepting and processing defunct or unwanted equipment within 100 hours of arrival.

(c) Overall AOR support

We have made physical improvements to sites in Afghanistan and Africa to enhance operations. We have shifted copper shipments from Afghanistan to Kuwait versus Germany. We also conducted bi-weekly meetings with 1st TSC, ARCENT to support Deliberate Resolve. We are performing Receipt-in-Place actions in the UAE, formulating scrap sales and providing as-needed DSR visits to UAE and Jordan.

(d) Indo-PACOM focus

We have identified designated mission essential personnel and conduct weekly interactions to include participation in exercises / real world events such as the Pacific Sentry Ex with DLA Indo-Pacific. We are ensuring the Pacific region is postured for quick response to real world contingencies / exercises in the Pacific region. An operation planner has been added to support exercises.
c. Strong Partnerships

(1) Sustain Small Business Initiatives

DLA Disposition Services exceeded expectations for the past two years in its successful effort to use small business contractors which contributed to Sheryl Woods, DLA Disposition Services’ associate director of small business, receiving the award as DLA Acquisition Support Professional of the Year at the annual awards program in December 2018. The figures below show the command is on track to make FY19 the third consecutive year it has met or surpassed all goals for small business contracts.

<table>
<thead>
<tr>
<th>Category</th>
<th>Goal</th>
<th>Achieved YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business</td>
<td>57.00%</td>
<td>81.83%</td>
</tr>
<tr>
<td>Small Disadvantaged Business (SDB)</td>
<td>16.43%</td>
<td>29.08%</td>
</tr>
<tr>
<td>Woman-owned Small Business (WOSB)</td>
<td>20.82%</td>
<td>40.48%</td>
</tr>
<tr>
<td>Service-disabled Veteran-owned (SDVOSB)</td>
<td>4.80%</td>
<td>5.86%</td>
</tr>
<tr>
<td>Historically Underutilized Business Zone (HUBZone)</td>
<td>2.15%</td>
<td>5.31%</td>
</tr>
</tbody>
</table>

Nine different events were conducted to help employees and vendors. The events included new Contracting 1102 employee training, seven Small Business Administration-hosted webinars on various program/topics plus the SBA Michigan District Office and the Office of Government Contracting gave an overview and legislative/regulation update. Strategic engagements included 10 enterprise and local outreach events.

Four new firms were awarded disposition operation support contracts to do business with DLA that added an estimated total $4.8 million for all performance periods. Three of the firms were U.S. small businesses from California, Florida and Wisconsin. One of the new awards went to a Kuwaiti firm. As the year progressed the program continued to be recognized for its support of the DLA Enterprise Small Business Team. In February 2019, there was announcement that DLA Enterprise Small Business Team earned the Director’s 4th Quarter Strategic Goals award for FY18 in the category of Strong Partnerships. Two months later, the DLA Enterprise Small Business Team was presented the “Champion of Veterans Award” by the National Veteran Small Business Coalition held in San Antonio.

d. Whole of Government

(1) Solidify General Services Administration Disposal Partnership

We have used FY19 to gain knowledge of General Services Administration (GSA) disposal programs for specific commodities (weapons, furniture and electronics) to identify best business practices to determine which agency has the best disposal solution for
increasing efficiencies and saving tax dollars. We used agency web links and developed rotational programs to increase knowledge and improve relationships. We created relationships with GSA through routine meetings to identify Best-in-Class practices. Key initiatives include a staff exchange/rotation, revision of the A or D SOP based upon GSA Best Practices, Sales Contracting Officer training using the GSA model, and streamlining the Computers for Learning application process. Successes are shared through the executive leadership of GSA and DLA.

(2) Improve Humanitarian Outreach

We provided requested Defense Department excess property to affected states and/or agencies to support disaster relief efforts. Our approach is to establish preliminary contact with anticipated affected areas to provide property listings and relief supplies available after Presidential declaration. We are updated our Humanitarian Outreach Preparation SOP for facilities, equipment, and personnel to act within 12 hours from a Presidential declaration 95% of the time and achieved a 100% rate. Response time for disasters has exceeded the 95% metric, and also reached 100%.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>QTY</th>
<th>LINES</th>
<th>ACQ VALUE TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19 YTD thru August 31st</td>
<td>14,822</td>
<td>584</td>
<td>$6,421,728</td>
</tr>
<tr>
<td>FY18</td>
<td>12,306</td>
<td>481</td>
<td>$3,918,019</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>QTY</th>
<th>LINES</th>
<th>ACQ VALUE TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19 YTD thru August 31st</td>
<td>125,449</td>
<td>2,660</td>
<td>$21,405,054</td>
</tr>
<tr>
<td>FY18</td>
<td>53,363</td>
<td>3,977</td>
<td>$29,223,792</td>
</tr>
</tbody>
</table>

(3) Response / Storm / Disaster Preparedness

We train deployable DLA Disposition Services personnel to support DLA disaster assessment teams. Besides personnel, we also maintain equipment to support the disposal mission in disaster areas. We update FEPASS, recall listings, gate/building access info, and alternative contact information quarterly on all personnel to ensure timely notification when they are needed. During FY19 we maintained 100% of RDTs 24 hours deployment and 100% of quarterly FEPASS updates. Personnel from the Eglin AFB site deployed to support the DLA
Rapid Response Team in the aftermath of Hurricane Michael. An excess semi-tractor trailer was also provided to Tyndall to provide office space.

Among our accomplishment this fiscal year was coordinating relief for Arkansas, Mozambique, Offutt AFB and those impacted by Hurricane Michael (Tyndall AFB), which included providing property listings after Presidential Declaration within 12 hours 100% of the time; provided 153 items worth $2.5 million in FY19 YTD.

Additionally, our site leader at our African site in Djibouti said that elements of the Combined Joint Task Force-Horn of Africa used the site’s on-hand stock of used and excess equipment and acquire some helpful items to augment their response mission needs to Cyclone Kenneth. This property included four 5,000-watt electrical generators, a “water buffalo” portable industrial water tank, and tarps for protecting their equipment, and white boards for planning and coordination sessions. A high-clearance cargo truck provided to the Forest Service’s Fire Fighter Support Program helped rescue people during Nebraska’s worst flooding in 50 years. An excess 5-ton truck was also used to rescue a motorist from flooding near Anson, Texas. Likewise, law enforcement agencies like South Carolina’s Horry County Police Department were able to use excess equipment obtained from the 1033 program to prepare for Hurricane Dorian.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>QTY</th>
<th>LINES</th>
<th>ACQ VALUE TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19 YTD thru August 31st</td>
<td>162</td>
<td>33</td>
<td>$2,180,148</td>
</tr>
<tr>
<td>FY18</td>
<td>247</td>
<td>21</td>
<td>$400,912</td>
</tr>
</tbody>
</table>

(4) Improve Recovery Process of Critical Items

We have worked to create an automated process within DSS/EBS to identify available property for recoupment, increasing warfighter readiness. We do this by identifying systemic requirements and coordinating with DLA headquarters and other MSCs. By the end of the third quarter, we processed over 30,000 recoupment orders valued in excess of $81.3 million. We are also reaching out to offer training to military services and nation account managers, as required, on available property searches and want list creation.

(5) Special Programs

(a) Computers for Learning
DLA Disposition Services continues to manage the Department of Defense’s Computers for Learning program. The program transfers excess information technology assets to pre-kindergarten through 12th grade schools and educational non-profit entities. Success stories for FY19 include Layton Christian Academy with 150 students from preschool through 12th grade who needed an updated computer lab. The academy received 60 working laptops from Hill Air Force Base, Utah. The laptops needed new hard drives and the replacement of some missing power cords, but the lab was successfully updated for $2,500 compared to the $56,000 spent previously to upgrade two other computer labs. Overall, 540 requisitions placed 5,872 items worth $3.9 million (based on initial acquisition cost).

(b) Law Enforcement Support Office

DLA Disposition Services also manages the Department of Defense’s Law Enforcement Support Office program, which facilitates the transfer of excess Department of Defense property to law enforcement agencies across the United States and its territories. These transfers allow more return on investment for taxpayers, especially in the case of controlled items like tactical vehicles that would otherwise have been destroyed. Since its inception, the program has transferred more than $6.9 billion worth of property. Currently, more than 8,000 law enforcement agencies have enrolled in the program. In FY19, 21,912 requisitions were received to transfer 338,947 items worth $293.5 million (based on initial acquisition cost) to law enforcement agencies.

(c) Firefighters

DLA Disposition Services also continues to support the Forest Service’s Federal Excess Personal Property program. That program offers Forest Service-owned property on loan to state foresters for wildland and rural firefighting. Most of the property is excess equipment that belonged to the Defense Department and was transferred to the Forest Service by DLA. It is loaned to state coordinators by the Forest Service for firefighting purposes. The property is then loaned to the states foresters, who may place it with local departments to improve local fire programs. During FY19 there were 5,795 requisitions asking for 133,890 pieces worth $139.7 million (based on initial acquisition cost)

e. Accountability

(1) Turn in customer training on previously classified property
We have worked to reduce the number of generators attempting to process previously classified items by 5% from FY18. Tools to enable this reduction include:

(a) New classified items fact sheet flyer
(b) Developed PowerPoint training slides
(c) Added flyer and training slides to DDSR Website
(d) Major command training to diverse audiences
(e) Senior leader briefs at military service/DLA days
(f) Moving forward, we will continue to offer customer training for increased visibility; pass information through a newsletter, customer visits, etc.; provide refresher training during DSR University and monitor data trends.

(2) Divestiture role

As previously noted, support to the services during their divestiture efforts plays a large role in their accountably and auditability. DLA Disposition Services Director Mike Cannon joined Thomas W. Harker, assistant secretary of the Navy for financial management and comptroller, and Navy Vice Adm. Dixon Smith, deputy chief of naval operations, fleet readiness and logistics, at NAS Jacksonville, Florida, for an audit roadshow March 27 and 28. Army Col. Wayne Bondy, DLA Disposition Services Deputy Director, supported roadshows on the West Coast as well.

(3) Deploy Hazardous Material Management System-Hazardous Waste Disposal

Deployment of the Hazardous Material Management System-Hazardous Waste Disposal (HMMS-HWD) began in March followed by after training in May for environmental protection specialists from across DLA Disposition Services in San Antonio, Texas, to learn about the system. During fall 2018, personnel prepared for the deployment with testing of the system by a functional team of numerous DLA Disposition Services environmental specialists and the Operations Directorate’s Environmental Branch. They were joined by experts from a software developer and staff from DLA Information Operations. The testing included the use of data from turn–in documents and hazardous waste profile examples, plus the use of the new hazardous waste electronic turn-in document portion of HMMS along with receipt, delivery order request, issue, manifesting and payment. It provides complete tracking, management and reporting for hazardous waste. It also satisfies federal, state and local reporting and compliance requirements for government facilities. The visibility allows users to manage material from before it comes into a facility until the waste is manifested and shipped to a treatment, storage or disposal location for final disposition. Customers who once used electronic documents for turning in hazardous waste in the past will use HMMS-HWD.

f. People & Culture

(1) Culture Action Team

The DLA Disposition Services Culture Action Team has representatives from every region in the field (Pacific, Central, Europe & Africa, North-East, South-East, Mid-America, West) plus each directorate in Battle Creek as well as the Sexual Assault Response Coordinator and the employee’s union. The team met in Battle Creek in November 2018 to
perform qualitative analysis of the Denison data from the 2018 Denison Survey. The Disposition Services Culture Action Plan was submitted to DLA and approved in March 2019. This overall plan provided strategic guidance to J-Code Directors and DSDs as they created their local culture action plans.

(2) Enhanced Safety

Protecting the safety of DLA personnel has included the following initiatives:

(a) MHE rodeo

DLA Disposition Services continued to teach material handling equipment operators safety and operating skills during the October 2018 MHE Rodeo. "Pallet Ballet," "Killer Crossover," and "Basket Slalom" courses were challenging and forced consistent use of safety rules.

(b) Realignment of safety under the Chief of Staff’s office.
(c) Established MSC leads at all field activities.
(d) Coordinated with DLA headquarters on safety manuals.
(e) Currently on track to complete all required annual inspections.

(3) Equal Employment Opportunity & Diversity

The Equal Employment Opportunity, Diversity and Inclusion program executed a robust plan to train all agency employees. Working within budget constraints that limited travel, the staff made face-to-face training available to all agency personnel in Battle Creek HDI Federal Center, reaching more than 1,200 local employees and 11 field sites. The staff also expedited processing on reasonable accommodation requests to complete them all within 45 days or less for the first time on record, averaging only 8 days to process against a goal of 45 days. A year-long Special Emphasis Program Calendar improved quality, participation and collaboration. Among the calendar events were six high-impact, special observance programs all conducted under-budget. Several events received local newspaper coverage; increasing favorable relations with the local community.

(4) Sexual Assault Prevention

The Sexual Assault Response Coordinator worked with the Equal Employment Opportunity, Diversity and Inclusion program to incorporate training for the Prevention of Sexual Harassment plus Sexual Assault Prevention and Response during field training sessions at 11 locations that consolidated several other field sites. Local SARC personnel were used when possible to save funds. Outreach and information supported the expeditionary civilian and military workforce to include briefings for the Expeditionary Leadership Summit, regular and advanced courses in expeditionary operations, a contingency training exercise, and one-on-one
pre/post deployment check-ins for individual deployers. Four awareness programs were executed during Sexual Assault Awareness month, which all increased participation and engagement. Assistance was given during Teal Tea event in Columbus, Ohio. Internal partnerships were enriched by participating in the DLA Federal Women’s Program, DLA Spring into Safety Event, and Women’s Equality Day Program. External partnerships were enhanced by collaborating with the Sexual Assault and Domestic Violence Counsel of Calhoun County and other community events.

g. Enterprise Enablers

(1) Establish on-the-shelf BOT knowledge

By using artificial intelligence tools, we hope to use a “bot” to automate the review of inventories to increase RTD / Sales and decrease expenses for debris from scrap/abandonment or destruction. We use DSS Smart Business Rules to drive disposal decisions, which helped achieve the on-the-shelf rate improvement mentioned earlier (see pg. 7). Five of the nine elements of the BOT were accomplished by adding business rules in DSS. The remaining four elements are currently being developed by Information Operations in coordination with BOT Team members from the Operations and Business Support directorates.

6. Documents

a. Network Optimization Execution Order
b. Battle Creek Alignment Fact Sheet
MEMORANDUM FOR DLA HEADQUARTERS, ATTN: DR. COLIN WILLIAMS

SUBJECT: FY19 DLA Distribution Annual History Report

Attached, please find DLA Distribution’s FY19 Annual History Report submission.

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

TWILLA C. GONZALES, SES
Deputy Commander
1. Introduction

In FY19, the DLA Distribution team achieved extraordinary results responding to natural disasters at home, 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. These efforts were informed by the FY18-19 Dynamic Operating Plan (DOP) and underpinned by a diverse and skilled workforce dedicated to the Warfighter and committed to excellence in Delivering the Right Things, to the Right Place, at the Right Time.

2. Organization

   a. Mission

      DLA Distribution’s Mission: Provide an agile, global Department of Defense (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 including 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, specialized packaging, as well as transportation support and technology development. We are connected directly with our operational and industrial partners and integral to the success of our National Military Strategy.

      Nearly 10,000 highly skilled employees provide timely distribution services to customers around the globe. In FY 19, DLA Distribution processed over 18 million receipts and issues supporting customer operations worldwide, including support to combat operations, humanitarian assistance missions, Whole of Government (WOG) partners and a multitude of military exercises.

   b. Vision:

      An adaptive, innovative organization which always Delivers the Right Things…at the Right Place, at the Right Time!

   c. Quick Facts:
(1) Oversees the operation of a network of 24 distribution centers worldwide with expeditionary capability.
(2) Employs approximately 10,000 employees consisting of 7,800 civilians, 127 active duty military, 190 reserve military and 1,600 contractors.

(a) Stores 2.4 million items, valued at more than $110 billion.
(b) Services 249,000 customers worldwide.
(c) Maintains 130 scheduled truck routes.
(d) In fiscal year 2019, processed over 18 million transactions.

d. CONUS Locations

(1) DLA Distribution Albany, Georgia

Director: Mr. Andre Charlton
Deputy: Vacant

DLA Distribution Albany is a tenant command of Marine Corps Logistics Base (MCLB) Albany, GA. It is the primary source of storage and distribution for secondary repair parts and expendables for the Marine Corps Maintenance Facility on MCLB Albany, GA.

Albany stocks a wide range of items commonly ordered by the military services and other DoD customers, to include: meals ready-to-eat (MREs), construction materials, electrical supplies, electronic components, and secondary repair parts. In addition, DLA Distribution Albany performs preservation, packaging, stock readiness inspection, marking, and re-classification of materiel. Along with these responsibilities, DLA Distribution Albany handles transportation functions, and processes trans-shipments for the entire base.

Albany has provided disaster relief to the Southeast and Caribbean on multiple occasions in the last 2 years. Despite receiving significant storm damage themselves from a tornado in 2017, the site greatly helped supply the region with cots and MREs in after hurricanes Irma and Maria.

(2) DLA Distribution Anniston, Alabama

Commander: LTC Martin E. Wennblom, USA
Deputy: Mr. Guy Taylor

DLA Distribution Anniston, Alabama, provides distribution services for combat weapons systems, small arms weapons and missile systems for all services. It maintains materiel to support weapons and combat systems, including radioactive, hazardous, consumables, major end items and secondary repair parts.

DLA Distribution Anniston, Alabama's primary mission is to support the maintenance mission of Anniston Army Depot. It is collocated with the Army's only small arms repair facility. The organization also receives, stores, and issues material by land (truck and rail), sea and air for worldwide distribution for all military services. DLA Distribution Anniston,
Alabama, also demilitarizes small arms, weapons systems components and other items, at the request of the service in support of ROTC, honor guards, posts, camps, stations, and Veteran Organizations.

(3) DLA Distribution Barstow, California

Director: Mr. Matthew J. Balogh
Deputy: Mr. James Lucowitz, Jr.

DLA Distribution Barstow, California is composed of distribution facilities at two locations, eight miles apart, Nebo and Yermo Annex. The Headquarters, administration, central receiving, shipping, storage and most support facilities for wholesale worldwide distribution are located at Nebo. Most outdoor storage and logistical off-load and on-load support for the Fort Irwin Army Training Center and Marine Logistics Command Fleet Support Division operations are located at the Yermo Annex.

DLA Distribution Barstow is capable of accommodating inside storage requirements for a wide variety of commodities. Major items currently provided inside storage at the distribution center are electronic parts and components, radioactive material, clothing and textiles, replacement and repair parts of military helicopters and equipment such as, engines and transmissions, helicopter blades, shafts, reduction gears, and wire cable. The organization also operates a container manufacturing section that is proficient in the design and construction of lumber, plywood cleated, fiberboard and special purpose containers for shipment or storage. Containers may be custom constructed to meet customer requirements and in compliance with Federal, Military and International specifications.

(4) DLA Distribution Cherry Point, North Carolina

Director: Mr. Robert (Kevin) K. Taylor
Deputy: Vacant

DLA Distribution Cherry Point, North Carolina supports the 2nd Marine Air Wing, numerous Marine Aviation Logistics Squadrons, MCAS Cherry Point, the largest Marine Air Station in the world, and the Naval Air Systems Command's Fleet Readiness Center, or FRC-East, Cherry Point, as well as military and government customers worldwide. The organization provides full service distribution support for both wholesale and retail processes, such as receipt, stow, issue, inventory, COSIS and transportation for customer logistics requirements.

DLA Distribution Cherry Point performs specialized packaging, preservation, and crating of aircraft components. In addition, it operates three separate Preservation, Packaging, Packing, and Marking satellite operations within FRC East, and is integral to the FRC East production line, which refurbishes Department of Defense aircraft, components, including the
custody, preservation, handling and shipping of aircraft parts, components, and engines. The distribution center supplies all of the preservation and packaging, hazardous material packaging, central receiving, rigging operations, ordnance transportation certifying and transportation management office requirements to Warfighter units in the local area.

(5) DLA Distribution Corpus Christi, Texas

Commander: LTC Justin M. McGovern, USA
Deputy: Mr. Jeremy Beckwith

DLA Distribution Corpus Christi, Texas, serves as the primary wholesale distribution point for major components to support helicopter repair missions for Department of Defense and Foreign Military Sales customers worldwide. Its mission is to receive, store, pack, preserve, issue and arrange transportation for assigned supplies and equipment as directed by DLA and Service Inventory Control Point Item managers. Items processed include repair parts for principal end items such as small aircraft and helicopters, avionics, electronics, industrial, petroleum, chemical, radioactive and other hazardous materials.

DLA Distribution Corpus Christi, Texas, performs serves as the property officer for all assets in storage. Other services include loading and unloading helicopters and other priority cargo from C-17, C-5A, C-141, and C-130 aircraft operated by the Air Mobility Command and local delivery of aircraft components and other items to designated customers.

(6) DLA Distribution Hill, Utah

Director: Mr. James McArthur
Deputy: Mr. Preston Kriegshauser

DLA Distribution Hill, Utah, is located at Hill Air Force Base, Utah, which is also home to the Ogden Air Logistics Center, or ALC. Its employees perform key distribution operations to include receiving, storage, packing, shipping and disposal of military weapon system spare parts. The distribution center supports two fighter wings and maintenance functions performed by the Ogden ALC as well as numerous military units throughout the world.

Primary distribution support to the Ogden ALC is provided for the Minuteman and Peacekeeper missiles and the Emergency Rocket Communication System; the F-16 Fighting Falcon; the A-10 Thunderbolt; the C-130 Hercules; and Air Force-wide depot level overhaul and repair for all types of landing gear, wheels, brakes and tires.

DLA Distribution Hill, Utah, also assembles the Army's Deployable Medical Systems, or DEPMEDS. These self-contained, portable units are capable of being positioned quickly in an area of operations during war or a national emergency. They can range in size from a single general-purpose lab to a 164 bed hospital containing 12,000 line items. Medical Assembly and Shelter Repair (DEPMEDS) personnel also perform the overhaul and repair of International Standards Organization (ISO) approved shelters.
(7) DLA Distribution Jacksonville, Florida

Director: Mr. Richard Adderly (Acting)
Deputy: Mr. Richard Adderly

DLA Distribution Jacksonville, Florida, is the central hub for the South East Region of the United States. Its mission is to receive, store, issue and provide single point of entry for customer turn-ins to Disposition Services. DLA Distribution Jacksonville supports a wide variety of customers from the Department of Defense and ensures that its major customer, the Fleet Readiness Center Southeast, or FRCSE, has the right material, at the right place, at the right time, and at the right price. The airplanes, engines, and components repaired at the FRCSE are critical for Warfighters around the world. DLA Distribution Jacksonville also supports The Expeditionary Warfare Center (EXWC), US Navy Naval Air Systems Command (NAVAIR), and the National Aeronautics and Space Administration, and U.S. Customs Service. It has detachments in Mayport, Florida, and Gulfport, Mississippi.

(8) DLA Distribution Norfolk, Virginia

Commander: CAPT Thomas Neville, SC, USN
Deputy: Ms. Christine Johnson

DLA Distribution Norfolk, Virginia supports a diverse customer base that includes homeported and transient ships - from aircraft carriers to destroyers and submarines - as well as major Navy industrial activities and shore establishments located on and around the world's largest Navy base in Norfolk, Virginia. Increasingly, DLA Distribution Norfolk, Virginia provides support to local Air Force and Army installations and has a growing role in special operations and humanitarian missions. The organization serves customers worldwide with particular emphasis on EUCOM, CENTCOM and SOUTHCOM.

The Norfolk distribution center operates the largest Navy Material Processing Center (MPC) in the world, providing customized material sorting, receipt processing, and delivery services to over 150 units in the Hampton Roads region, including aircraft carriers, surface combatants, Military Sealift Command vessels, and submarines. Additionally, it contains a Consolidation and Containerization Point and a dynamic cross-dock facility that receives, processes, consolidates, and containerizes export surface cargo. This broader mission includes the designation as an official government water port supporting inbound and outbound cargo movement for all Services and for most commodities. The organization has detachments at Cheatham Annex, Little Creek, and Portsmouth, Virginia; and New London, Connecticut.
(9) DLA Distribution Oklahoma City, Oklahoma

Director: Mr. Dennis Goodnight (Acting)
Deputy: Mr. Dennis Goodnight

DLA Distribution Oklahoma City provides a full range of distribution services in support of the Oklahoma City Air Logistics Complex, Tinker Air Force Base tenants, and other global customers. Its core services include receiving, storage, packaging, and issue of military supplies. Support to the Oklahoma City Air Logistics Complex is primarily for programmed depot maintenance for aircraft and engines and is available around the clock.

On-base customers include the 552nd Air Control Wing, U. S. Navy Strategic Communications Wing One, the 507th Air Refueling Wing and the Oklahoma City Air Logistics Complex. Off-base shipments support customers on Air Force bases and DoD installations worldwide with the various systems and commodities procured by DLA and that have been repaired at Tinker Air Force Base.

(10) DLA Distribution Puget Sound, Washington

Commander: CDR Evelyn Lee, SC, USN
Deputy: Ms. Susan Lucio

DLA Distribution Puget Sound, Washington is located in Bremerton, Washington, in the northwest portion of the state, with site locations at the Trident Refit Facility in Bangor, Washington, and Naval Station Everett, in Everett, Washington. The Distribution Center in Bremerton is a tenant command on Naval Base Kitsap and located next to Puget Sound Naval Shipyard and Intermediate Maintenance Facility and several other Navy activities. Puget Sound supports primarily local, but also worldwide customers, through: material receipt, stow, issue, and delivery for shipyard, TRF, and other retail customers; executing incoming and outgoing material movement associated with network redistribution orders; shipping services and transportation solutions in support of local industrial and enterprise customers; accurate inventory maintenance to ensure reliable project planning, execution, and material purchasing; regional pick-up, delivery, and movement of material for all sites, including the regional DRMO site at Joint Base Lewis-McChord; Material Processing Center services providing direct support to various home-ported and transient ships in the Pacific Northwest, including aircraft carriers, submarines and supply ships.

Puget Sound is the U. S. Navy's second largest shipyard and intermediate repair facility and the only one of its kind on the West coast. Employees receive and ship materiel consisting of a variety of products, ranging from 200,000-pound ship propulsion shafts to miniature electronic components, and supports work force requirements in Washington, San Diego, Guam and Japan. The distribution center is best known for its Nuclear Propulsion and Submarine materiel support.
DLA Distribution Red River, Texas

Commander: LTC Seth M. Olmstead, USA
Deputy: Mr. Fred Hildrich

DLA Distribution Red River, Texas' primary mission is to provide distribution services and tailored logistics solutions of the highest quality, on time and at the best value to the Warfighter and other customers. The distribution center provides distribution support for Class IX repair parts and secondary items for tracked and wheeled vehicles, aircraft and major weapon systems. These services are housed in a state-of-the-art distribution facility that provides for receipt, storage, packaging/marking and shipping functions to be performed under one roof.

DLA Distribution Red River also has a large Class VII major end item distribution mission. The Army has designated DLA Distribution Red River, Texas, as the storage site for its Bradley Fighting Vehicle Systems, Multiple Launch Rocket Systems, High Mobility Artillery Rocket Systems, and the High Mobility Multipurpose Wheeled Vehicles. In support of these systems, the distribution center builds and maintains basic issue items and components. These kits include wrenches, vehicle jacks, tie-down ropes or cables, and other items needed to perform maintenance in the field. The center is also the primary distribution point for the Single Channel Ground and Airborne Radio System. This system links communications among wheeled vehicles, tracked vehicles, helicopters, and soldiers on foot.

DLA Distribution Red River, Texas is home to members of the DLA Distribution Expeditionary Team, a deployable and scalable distribution capability that can receive, store, issue, transship and maintain in-transit visibility of military supplies.

DLA Distribution Richmond, Virginia

Director: Mr. John M. Pearson
Deputy: Mr. Ben Harvey

DLA Distribution Richmond, Virginia, receives, stores, maintains, manages and distributes material to US Forces worldwide, while also providing premium distribution services for DLA Disposition Services and Foreign Military Sales program.

The distribution center serves as DLA Distribution's Hazardous Center of Excellence for hazardous material with Environmental Protection Agency-conforming storage space. It is also the primary DoD repository for Ozone Depleting Substances, which includes a compressed gas reclamation and cylinder refurbishment operation.

In January 2014, DLA Distribution Richmond, Virginia, absorbed the primary functions of the former DLA Distribution Mapping. Today, DLA Distribution Richmond is responsible for inventory and worldwide physical distribution of all maps, charts and other geodetic material for DoD, storing 82,600 map items for its military customers worldwide.
(13) DLA Distribution San Diego, California

Commander: CAPT Jerome R. White, SC, USN  
Deputy: Mr. Lazaro Street

DLA Distribution San Diego, California is located on Naval Base San Diego and performs standard distribution operations to include receipt, store, ship, and issue, with related functions to include transshipment, preservation, packaging, packing, and marking. Level 1 Sub-Safe Program, the Emergency Support Operations Center, Care of Supply in Storage, and reclassification. As a part of this mission, DLA Distribution San Diego provides tailored distribution services through the Material Processing Center, which serves as a centralized receipt activity for afloat customers in the San Diego area. Items processed include depot level repairable, electronics, hazardous material, ship and aviation repair parts, and small boats/amphibious craft. The organization handles predominately Navy-owned/managed material. Its customers include ships home-ported in San Diego and major shore commands, Fleet Readiness Center Southwest (FRCSW), Southwest Regional Maintenance Center, and smaller activities in the Southwestern United States.

A large portion of DLA Distribution San Diego business is receiving, storing, and issuing depot-level repairable for FRCSW, which is one of the Navy’s largest repair facilities. The organization also assumes responsibility for operations from the Fleet and Industrial Supply Center Port Hueneme. Port Hueneme is the primary logistical support center for the U.S Antarctic’s Research Program, as well as Navy’s Mobile Construction battalions in the Pacific. The organization has detachments at Point Loma, Port Hueneme, and North Island, California.

(14) DLA Distribution San Joaquin, California

Commander: Col Tiffany N. Harris, USMC  
Deputy: Ms. Jodie Johnson-Micks

DLA Distribution San Joaquin, California is DoD’s western Strategic Distribution Platform and DLA’s primary distribution point to the western United States, Pacific and Indian Ocean regions. The distribution center coordinates global materiel distribution and other logistics activities in support of U.S. forces worldwide. San Joaquin stores and manages assigned DLA and Service materiel and optimizes downstream supply chain activities in order to deliver what the Warfighter needs on time. The Distribution Center stores over 383,000 different stock numbers valued at over $7.8 billion.

Warfighter in the United States Pacific Command Area of Operations are supported through DLA Distribution San Joaquin’s Consolidation and Containerization Point (CCP), which operates much like a cross-docking, freight-forwarding business.

More than one-third of DLA Distribution San Joaquin’s shipments are transported on dedicated trucks. Service Component customers on the west coast receive deliveries same day or overnight, while customers as far away as Pennsylvania can be supported in 72 hours. DLA Distribution San Joaquin also assembles Unitized Group Rations, a heat and serve meal that sustains military personnel on deployments. Meals assembled are the UGR-M and UGRHeat and
Serve meals. The Unitized Group Rations use commercially available foods to provide the highest quality group meals to Warfighter s in the field.

Defense Depot San Joaquin were awarded the prestigious 2018 Commander in Chief’s Installation Excellence Award. Further, the distribution center was awarded the 2017 Phyllis C. Campbell Award for Superior Performance, DLA Distribution Center of the Year, and was recognized as the Distribution Center of Excellence.

(15) DLA Distribution Susquehanna, Pennsylvania

Commander: COL James M. Callis, USA
Deputy: Mr. Brent Barnes

DLA Distribution Susquehanna, Pennsylvania is a duel-sited operation, headquartered in New Cumberland, Pennsylvania with additional facilities in Mechanicsburg, Pennsylvania. It coordinates material management and distribution of mission critical items including military and commercial repair parts, industrial, medical supplies, tires, and aerial delivery equipment, optimizing all resources with a focus on safety, quality, and continuous process improvement. It serves as the eastern strategic distribution platform for the Department of Defense and primary distribution point for all branches of the U.S. Armed Services, Foreign Military Services, and other Federal agencies in the eastern U.S., and serves as their Consolidation & Containerization Point for transiting supplies to Central & South America, Europe, North Africa, and Southwest Asia.

Home to the largest distribution processing facility in DoD – the 1.7 million square foot Eastern Distribution Center handles 25 percent of DLA Distribution’s total receipt, storage, and issue of materiel worldwide. Susquehanna is the only center that receives, inspects, stages, and consolidates material for U.S. Army Security Assistance Command projects and acts as freight forwarder for Greece, Iraq, and Romania. It has detachments at Mechanicsburg, Pennsylvania, and Whitehall, Ohio.

(16) DLA Distribution Tobyhanna, Pennsylvania

Commander: LTC Samuel Smith, USA
Deputy: Vacant

DLA Distribution Tobyhanna, Pennsylvania, located at Tobyhanna Army Depot, supports the massive Department of Defense communications/electronics industry by providing both retail and wholesale distribution support. TYAD is the largest, full-service communications / electronics maintenance facility within the DoD. DLA Distribution Tobyhanna receives, stores and issues systems ranging from communications; command, control and computers; and intelligence/electronic warfare to satellite communications systems in its Wholesale Distribution
Operations Division. The organization is noted for handling special electronics operations such as the Electro-Static Discharge Control Program where sensitive parts receive component protection through proper handling, packaging, marking and storage procedures.

The Retail Distribution Operations Division performs supply, storage, material movement and distribution responsibilities in direct support of the various workloads at Tobyhanna Army Depot. Additionally, the organization is responsible to plan, program, manage, and accomplish receipt, storage, inventory, preservation/packing/marking, and worldwide distribution for all the branches of services to include Army major-end-items such as wheeled and tracked vehicles, repair parts, and secondary items such as engines, transmissions, generators, and heaters. Retail and wholesale warehouse facilities provide for general purpose, heated, HAZMAT, radiological, industrial gasses, and bulk stock storage and contain satellite terminals, radio and radar systems, telephones and switchboards, anti-intrusion devices, airborne surveillance equipment and navigational instruments, electronic warfare, and many other types of unique and specialized systems.

(17) DLA Distribution Warner Robins, Georgia
Director: Ms. LaSand Kinnaird (Acting)
Deputy: Vacant

DLA Distribution Warner Robins, Georgia distributes supplies to all branches of the military at locations all around the world. More than half the work completed at the distribution center is in support of the Warner Robins Air Logistics Center. The organization's $11 billion inventory includes parts and equipment for F-15, C-130, C-5 and C-17 aircraft, target acquisition systems, and most airborne electronic warfare systems.

e. OCONUS Locations

(1) DLA Distribution Bahrain

Commander: CDR Joseph H. Peth, SC, USN
Deputy: Ms. Karen Lundy

DLA Distribution Bahrain, Southwest Asia maintains forward-positioned stock and provides multi-modal distribution to all branches of service operating in the CENTCOM AOR. It serves as the single Theater Distribution Platform within CENTCOM. Located in Bahrain Logistics Zone adjacent to the Khalifa Bin Salman Port, the distribution center performs standard distribution operations to include receipt, store, ship, and issue as well as inventory control, care of stock in storage, packaging, and preservation.

Bahrain books contract transportation service for the Trans Arabian Network (TAN) that serves units in Kuwait, Jordan, UAE, Oman, and Kingdom of Saudi Arabia. This enables supplies to be sourced out of Bahrain and delivered using surface routes instead of air transportation from Germany, which helps reduce costs and customer wait time.

Providing tailored distribution services through its Material Processing Centers in Bahrain, the MPC performs core business functions on fleet requisitioned materiel such as
receiving; customized sorting; temporary storage; customized delivery options; expedited shipment tracking; and freight forwarding functions. Materiel in storage includes Class IX repair parts and Class II component items, clothing, office, housekeeping supplies, Class III (P) packaged petroleum products, and Class IV barrier and construction materials. Distribution Bahrain offers extensive classified and unclassified Mapping products and navigational aids for land, air, and maritime use.

(2) DLA Distribution Europe

Commander: LTC Jonathan Ackiss, USA
Deputy: Ms. Crimson Smith

DLA Distribution Europe, located in Germersheim, Germany, is DLA Distribution's largest distribution facility on the European continent and a forward deployed Theater Distribution Platform. An integral part of the Defense Logistics Agency's worldwide network of 24 Distribution Centers, the organization provides initial surge capability during the transition to war phase, seamless joint theater distribution, and innovative support of DLA and service-managed materiel to all four service component Warfighter s and government partners throughout Europe, Africa and part of the Middle East (Afghanistan and Qatar only).

Strategically positioned near the Rhine River and Ramstein Air Base in central Europe, its facilities take advantage of available air, road, rail, and barge transportation, and enables the critical theater break-bulk mission performed by the Theater Consolidation and Shipping Point.

DLA Distribution Europe operates the highest value Army Supply Support Activity (SSA) in EUCOM by performing central receiving, storage, and distribution of strategically placed materiel to support the readiness of combat platforms within the Army Prepositioned Stock (APS2) and Operation Atlantic Resolve units located throughout Europe. Current commodities distributed by DLA Distribution Europe are repair parts, barrier and construction material, clothing and textiles, packaged POL, operational rations, mail, and humanitarian relief support.

(3) DLA Distribution Guam, Marianas

Director: Mr. Franklin P. Leon Guerrero
Deputy: Vacant

DLA Distribution Guam, Marianas, is a tenant command located on US Naval Base Guam. The organization was established on October 1, 2004, to provide forward stock positioning and enhanced physical distribution services to the military community on Guam and
customers in western Pacific theater of operations. Its storage and distribution facilities are strategically positioned to reduce transportation costs and Customer Wait Time (CWT).

DLA Distribution Guam, Marianas, is a Government-Owned Contracted-Operated (GOCO) site that performs standard distribution functions to include receipt, storage, stock readiness and issues. Additional functionality includes seafar surface and air inbound/outbound shipments, Air and Surface Theater Consolidation Shipment Point (TCSP), Material Processing Center (MPC), emergency walk-through requisitions, Packing, Packaging, Preservation and Marking (PPP&M), transshipment services, and Cold Chain Management.

Commodities stored at DLA Distribution Guam, Marianas, include repair parts, ODS Compressed Gases, Consumable items, Hazardous Material, Navy Level 1/Subsafe material and Depot Level Repairables (DLR). The organization maintains prepositioned Humanitarian Assistance/Disaster Relief items in an event of a disaster or request for assistance in the Asia/Pacific region.

(4) DLA Distribution Korea

Commander: LTC James M. McGee, USA
Deputy: Ms. Macy Ooka

DLA Distribution Korea provides United States Forces Korea (USFK) with critical logistics capabilities including Storage and Distribution, the Theater Consolidation and Shipping Point (TCSP), Transportation Planning Management, Logistics Planning and Contingency Operations, and Material Movement Tracking and Expediting.

Located on Camp Carroll in Area IV, the distribution center is essential to the Southern Hub, the logistics backbone of unit readiness and the Warfighter’s ability to “Fight Tonight.” The fact that USFK committed to build a new distribution facility with significantly increased capabilities attests to DLA Distribution Korea’s vital role as a strategic platform for the Korean Theater of Operations (KTO).

DLA Distribution Korea executes a diverse range of missions in support of service component customers including joint theater distribution, multi-stop direct delivery, cross-dock, in bound/outbound surface containers, Total Delivery Service, and retrograde. It stocks and maintains more than 14,000 Class II, IIIP, IV, and IX DLA-managed items including maps, both retail and War Reserve Stock. The distribution center also provides Transportation Protective Service to the 731st Air Mobility Squadron (AMS), the escort of sensitive items (excluding ammunition).

DLA Distribution Korea also oversees a Contractor-Owned Contractor-Operated (COCO) facility in Busan. Facilities include climate-controlled storage for MREs (Class I) and a General Purpose warehouse for Class IV.

DLA Distribution Korea works in conjunction with DLA Indo-Pacific, the 19th Expeditionary Sustainment Command and other partners to validate and refine Theater Operational Plans. Joint and combined ROK-U.S. exercises include Key Resolve, Combined Logistics over the Shore, and Ulchi Freedom Guardian enable the transition from armistice to contingency. As since 2005, the dedicated team of highly-skilled Korean Nationals remains the heart and soul of DLA Distribution Korea. It has a detachment in Busan, Korea.
(5) DLA Distribution Pearl Harbor, Hawaii

Commander: CDR Sean Andrews, SC, USN
Deputy: Vacant

Located at the gateway to the Pacific, DLA Distribution Pearl Harbor, Hawaii, joined the DLA Distribution network on April 7, 1999. It provides physical distribution support for Naval ships and major industrial/shore commands, as well as transiting battle groups; the Army's 25th Infantry Division at Schofield Barracks; 3rd Marines, MCBH at Kaneohe; and the 15th Air Base Wing at Hickam.

DLA Distribution Pearl Harbor, Hawaii, contains the largest preservation and packing facility on the island, providing support to the Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility, as well as other Navy, Marine Corps, Air Force and Army activities. Large items such as ship propellers, periscopes, gears and shafts are specially packed and crated for storage or shipment by the DLA Distribution Pearl Harbor, Hawaii, professionals.

Over the last several years, DLA Distribution Pearl Harbor, Hawaii has seen remarkable mission growth adding to its Storage and Distribution portfolio the Theater Consolidation and Shipping Point for air cargo entering at Hickam AFB, the Mapping Support Office, Material Processing Center (MPC), retail operations support to Pearl Harbor Naval Shipyard, receiving and warehousing support for DLA Disposition Pearl Harbor, and most recently Job Readiness Cell (JRC) kitting for the shipyard.

(6) DLA Distribution Sigonella, Italy

Commander: CDR Vincent V. Erno, SC, USN
Deputy: Mr. Michael Watt

DLA Distribution Sigonella, Italy, is strategically located in the heart of the Mediterranean Sea. With capability to provide the full complement of physical distribution services and ideally located on the historically-rich island of Sicily, Sigonella stands ready to support all four service components and other federal agencies located south of the Italian Alps.

Officially activated on April 1, 2004, DLA Distribution Sigonella, Italy, was established to provide forward stock positioning support and enhanced physical distribution services in conjunction with an expanding regional customer base. Collocated on Naval Air Station, Sigonella, DLA Distribution Sigonella, Italy's primary customers currently include the Aviation Support Division, Aviation Intermediate Maintenance Division, two P-8 Squadrons, the 7th Tactical Reconnaissance and 324th Expeditionary Reconnaissance Squadrons as well as Navy ships operating in the Mediterranean region. Specialized handling and support services include managing the Navy's hazardous materials, depot-level repair part storage and distribution, and a complete range of material packing and shipping services. Sigonella also
provides expedited requisitioning and centralized receiving support to the military community throughout the Mediterranean. Detachment locations: Rota, Spain; Djibouti, Africa.

(7) DLA Distribution Yokosuka, Japan

Commander: CDR Allen Rivera, SC, USN
Deputy: Mr. Jamie Sternadel

DLA Distribution Yokosuka, Japan, is strategically located to provide joint distribution support solutions throughout the Western Pacific, Indian Ocean and the Persian Gulf. The command headquarters and primary site are located on the U.S. Naval Base in Yokosuka; four other detachment sites include Yokohama North Dock, U.S. Naval Base in Sasebo, Okinawa site on Marine Corps Base Camp Kinser, and Marine Corps Air Station Iwakuni.

Service is provided primarily to warships of the Carrier Strike Group homeported in Yokosuka, the Expeditionary Strike Group homeported in Sasebo, U.S. Naval vessels transiting the 7th Fleet Area of Responsibility, as well as the major Department of Defense industrial shore commands and military bases throughout Japan, Singapore, Diego Garcia and the Middle East. Additionally, DLA Distribution Yokosuka, Japan participates in contingency plans for Far East scenarios. The center also provides Transportation Protective Service to the 730th Air Mobility Squadron (AMS), the escort of sensitive items (excluding ammunition).

DLA Distribution Yokosuka, Japan is composed of 24 facilities with 3.7 million cubic feet of covered storage and 61,000 square feet of open storage. The distribution center has general purpose, humidity controlled, secure, hazardous material, freeze, and chill warehousing capabilities. The principal commodities distributed through DLA Distribution Yokosuka, Japan include repair parts, depot level repairables, bottled gasses, lumber, navigational aids, and Hazardous Materials. Services include transshipments, disposition partnership, ODS bottle collection center for the Far East, cold storage facilities and specialty warehousing for Level 1 SubSafe metal stock for submarine repair as well as large items such as ship's propellers and aircraft assemblies. Detachment locations: Sasebo, Iwakuni, Okinawa and Yokohama, Japan.

f. Expeditionary Units

(1) DLA Distribution Expeditionary

Commander: MAJ Edward P. Strzalkowski, USA

DLA Distribution Expeditionary is a strategic distribution enabler that supports Military Services, Combatant Commands (COCOM’s) in support of contingency operations and Humanitarian Assistance/Disaster Relief (HA/DR) worldwide. Three expeditionary teams positioned in Red River, Texas; San Joaquin, California and Susquehanna, Pennsylvania enhance the distribution global network capability in austere environments.

Expeditionary Distribution core functions are to operate Theater Consolidation and Shipping Point (TCSP), Material Processing Center (MPC), Forward Distribution Warehouse (FDW), and Incident Support Base (ISB) operations.
In support of ISB operations, Expeditionary teams operate CONUS ISB’s with Federal Emergency Management Agency (FEMA) and/or Joint Task Force Commanders during a HA/DR event. Additionally, the expeditionary team operates OCONUS ISB’s with or in conjunction with, the United States Agency for International Development (USAID), the Office of United States Foreign Disaster Assistance (OFDA), and the Joint Task Force Commanders during HA/DR events.

   g. Theater Consolidation and Shipping Points (TCSPs)

   (1) Okinawa TCSP

   As a result of the Disposition/Distribution (D2) Continuous Process Improvement, and to better support the Warfighter, J5 established an IPT with DLA Distribution Yokosuka, Japan, proposing a Theater Consolidation and Shipping Point (TCSP) operation to cross-dock materiel from the Sea Port of Debarkation (SPOD) and Aerial Port of Debarkation (APOD) for delivery to customers on the island. The desired end state would also provide In-Transit Visibility (ITV) to Okinawa customers, decrease customer wait time, and relieve the customer of its burden to pick up material. DLA Office of Operations Research and Resource Analysis (DORRA) conducted a formal Business Case Analysis (BCA), and the findings favored establishment of a TCSP at MCB Camp Kinser.

   FY19 funding initiatives in support of the Okinawa TCSP include $80,000 for IT requirements and $249,700 for an additional Vertical Lift Module (VLM) in building 600. American Engineering Corporation received the contract award to install the IT network, IOT meet initial operational capability (IOC) for the TCSP. In early June 2019, UNICOR completed the assembly of one VLM in building 600, as well as conducted training with the employees at DLA Distribution Yokosuka, Japan at Okinawa, on the operation of the new VLM.

   (2) Sigonella TCSP

   DLA Distribution created a TCSP capability at DLA Distribution Sigonella, Italy (DDSI) to provide redundant capability in case EUCOM sustainment requirements exceed DLA Distribution Europe (DDDE) capacity or the facility becomes inoperable for a time. Continuing the efforts from 2018, the TCSP team at DDSI provided the system capabilities and coordinated training to the local workforce in order to reach initial operating capacity in April 2018. DDSI continues to work to acquire additional facility space to allow for potential long-term operations. In May 2019, we tested the TCSP capability as part of Saber Guardian 2019.
3. Key Personnel:

- **Commander:** RDML Kevin M. Jones, SC, USN
- **Deputy Commander:** Ms. Twila C. Gonzales, SES
- **Chief of Staff:** Mr. Perry Knight
- **Deputy Chief of Staff:** Ms. Stacy L. Umstead
- **Director, Current Operations (J3):** COL Frederic Maddox, USA (Acting)
- **Director, Distribution Future Operations (J4):** Mr. Paul Abel
- **Director, Future Plans (J5):** Mr. Scott Rosbaugh
- **Director, Acquisition Operations (J7):** Mr. Gene Surmacz
- **Director, Organization Management (J9):** Mr. Ed Visker
- **Director, Business Development (BD):** Mr. Joe Faris
- **Equal Employment Opportunity Officer (EEO):** Ms. Yvette Harris
- **Public Affairs Officer:** Ms. Dawn Bonsell
- **Financial Operations (J8):** Mr. Charlton Albright
- **General Counsel:** Mr. John Karns
- **Human Resources Services:** Ms. Darlene Ferrante, Customer Account Manager
- **Information Operations (J6):** Mr. Kevin Hand, LNO and NE Regional Manager
- **Installation Support for Distribution:** Mr. William Holtz
5. Historical Narrative

a. Dynamic Operating Plan

DLA Distribution Office of Future Plans (J5) coordinated and led a cross-staff group to refine the FY18-19 Dynamic Operating Plan (DOP) guided by the DLA Strategic Plan 2018-2026 and 2019 Strategic Plan Implementation Guide (SPIG). The FY 18-19 DOP closely follows the higher level Strategic Plan’s five Lines of Effort (LOEs). DLA Distribution participated in the SPIG Working Group at the DLA HQ level to ensure its efforts were synchronized. DLA Distribution’s Commanding Officer, Rear Admiral Kevin M. Jones, signed the FY 18-19 DOP on October 16, 2018. All Distribution FY 18-19 DOP initiatives were briefed to the Director on March 18, 2019. The Director was particularly pleased by Distribution’s 21-point improvement in the culture survey between 2016 and 2018. Some of the Director’s areas of concern included the 100% inventory audit, modernization, Warehouse Management System (WMS), and Reform.

(1) Warfighter First

(a) 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 through the use of automated and integrated systems that transform customer requirements into a single, useable end item product, and enabling customers to order multiples of a single NSN with a single requisition. Kitting functions are performed at 10 Distribution sites; five located in the Eastern US and five in the Western US.

(b) Modernization Efforts

i. Warehouse Management System/Transportation Module:

Due to Distribution Standard System (DSS) being 24 years old, not easy update, and expensive to maintain, DLA selected WMS/TM as the new Distribution automated system. J4BD was chosen for the Agile Software Development Approach. The approach includes adaptive planning, continuous process improvement, and a way to respond rapidly changes in the Warfighter environment. The initial phase was implemented at DLA Distribution Corpus Christi, Texas in June 2018 with the Minimal Viable Products (MVP) which included Storage and Distribution, Receiving, Issues, Inventory and Transportation capabilities to allow for Local Delivery shipments.

Currently, the WMS project is under a Pivot approach. It was identified that requirements that were noticed two years ago were not comprehensive of the
actual need for the new WMS system. During the Pivot J4 identified categories that represent the end-to-end processes Distribution is currently using. The receiving category has been discussed in a face-to-face meeting. From this meeting, all stakeholders will be involved in developing a new timeline with well-defined requirements for the SAP team to determine whether the requirement is standard in the SAP software or if it would need customization. Anything that is deemed custom will need to go through a Business Process Reengineering (BPR) process by the Process Owners at DLA HQ, to determine if we still need to do these functions or if we can change a policy, law, or regulation that is driving the requirement. This new pivot will direct the way forward, and help to produce an accurate timeline for the delivery of the SAP project.

ii. Transportation Modernization System:

TMS is commercial transportation software that USTRANSCOM is prototyping to test integration of end-to-end transportation operations. DLA and USTRANSCOM are both modernizing transportation capabilities and working together to determine a common end-state vision. DLA’s modernization is the Warehouse Management System that includes a Transportation Module (WMS/TM), USTRANSCOM’s modernization is the TMS Prototype while the DLA/USTRANSCOM Governance Council serves to find solutions to best integrate the two modernization initiatives. In determining DLA’s participation in the TMS Prototype, DLA is guided by the following principles: DLA will continue to manage warehousing functions, DLA will remain the shipper; keeping decisions of when to pick/pack and mode selection and DLA will use the TMS tool for improved transportation planning and automated carrier selection. These principles will inform a larger decision of how DLA’s Warehouse Management System (which includes a Transportation Module) will come together with TMS.

DLA and USTRANSCOM teams collaborated on several iterations and options for DLA’s participation in TMS; DLA’s decision was based on the following factors: TMS is not auditable in the prototype and does not have documented auditable controls, transactions tested in production are subject to DLA financial statement audit and audit findings while TMS requires manual processes (operational and financial) that are currently systemic in DLA systems. TMS requires 400 hours of J6 technical support and J8 manual, financial reconciliation and there is limited TMS functionality that would enhance DLA’s current modernization efforts. Key DLA actions are building the data interface for system-to-system data exchange, determining prototype assessment actions, developing a change management / training plan, and drafting documentation to mitigate audit risks.

iii. Supply Discrepancy Report (SDR) Validation Photo Pilot:

Distribution led an SDR Validation and Photo Pilot at two of its Strategic Distribution Platforms (DLA Distribution Susquehanna and DLA Distribution San Joaquin) from October 2018 to the end of November 2018. The goal was to provide a better understanding of how to write SDR, and to prevent erroneous suspensions of materiel. Together they looked at over 2500 SDRs. The outcome showed the time to get actionable disposition was reduced from 192 days to ~10.5 days. By providing photos, the Item Managers could see the
actual discrepancy which helps them provide final disposition more quickly, it will also reduce the amount of interim dispositions. The validation portion of writing SDRs showed great improvement by the end of the pilot. Better verbiage and correct discrepancy codes were being used, which also led to fewer erroneous suspensions. DLA HQ chose not to staff the Photo Pilot effort.

iv. Technology/Automation/Robotics:

As a part of PBR-20, Distribution J4, in conjunction with DLA J6 submitted a Business Case Analysis (BCA) for an array of modernization initiatives. The BCA was approved and subsequently awarded for $325M in support of modernization efforts. DLA Distribution J4 is responsible for working with stakeholders and customers in identifying key capabilities for a variety of initiatives designed to transform business processes and increase distribution efficiencies by leveraging technology, automation or robotics. DLA Distribution has tested wireless Bluetooth mobile printers and found that by integrating this technology with tablets they could anticipate 35% productivity gain when used in key areas. New ruggedized tablets coupled with scan capability and many other features are anticipated for initial deployment by first quarter FY20 and will be fully deployed by end of FY 20. The J4-BT Integration Division is working a collaborative project with DLA Disposition for using a mobile office on wheels to accompany this technology. The enhanced battery pack and inverter will provide mobility for a full shift without charging.

In FY 19, discussions arose regarding the state of our wireless infrastructure across the enterprise, largely from issues experienced in rolling out tablets and printers to distribution centers. In 3rd quarter of FY19, Distribution J4 BT partnered with HQ J6 R&D, Massachusetts Institute of Technology (MIT) and Johns Hopkins University (JHU) to assess the state of DLA’s Warehouse Wireless Infrastructure. Ultimately, it was discovered that neither MIT nor JHU could provide the necessary testing and upgrades due to contractual stipulations. J4 BT and HQ J64 have partnered to address this issue, as the success of the Information Technology network will provide the bandwidth necessary to operate new technologies and automation to their fullest.

Warehouse automation projects are managed under a J6 OT Acquisition strategy that ensures awareness of cybersecurity vulnerabilities, and commitment for funding, maintenance and sustainment. The Distribution J4 Automated Material Handling Equipment (AMHE) Pillar Lead has been an integral part in developing an Enterprise Capabilities Requirements Document (ECRD) and Standard Operating Procedures to assure DLA customer requirements for warehouse automation can be addressed very quickly from concept to realization of automation testing and pilot. The ECRD covers warehouse automation dimension and weigh equipment to reduce induction, packaging, and shipping times; unique identification and tracking of Major End Items; and a real-time inventory locating system for sensitive materiel.
DLA Distribution J4 has been able to push forward other modernization efforts by working with the Distribution Modernization Program Office. This is a HQ J6 program that routinely meets with Distribution senior staff personnel to ensure collective voices are heard as Distribution explores how to leverage technology to streamline distribution operations. In 2018, earnest discovery began of how to use voice technology in one the Distribution Centers. A voice pilot continues at DLA Distribution San Joaquin; through testing it has been demonstrated and ensured a “good pick” path. J4 has developed a streamlined training format and process, coupled with a quick equipment setup and connections guide to have users online and operational in a matter of minutes. Voice technology will continue to evolve over system life cycle and is designed as a seamless solution. The industry standard of approximately 40% efficiencies are the expectations for using voice in key areas. The success criteria will be the catalyst for deploying voice technology throughout Distribution and the enterprise where it makes sense.

DLA Distribution J4 also partnered with DLA HQ J6 Research and Development (R&D) to identify Small Business Innovation Research (SBIR) projects that provide opportunities for small, high-tech U.S. businesses and academia to provide innovative research and development solutions in response to critical Defense Logistics Agency needs. This research would provide DLA a first look at using technologies such as Augmented Reality (AR), Google glasses and state of the art robotics picking automation designed to increase efficiency, effectiveness, productivity, and provide continued world class support to the Warfighter. In FY19, J4 BT explored reducing repetitive motion in the Distribution San Joaquin’s Unitized Group Rations (UGR) area. The UGR operates a labor-intensive assembly line of assembling boxed meals that requires 18 employees per line, with the ability to operate up to three lines simultaneously. Vecna was selected under the SBIR to showcase robotic picking technology at Distribution San Joaquin during 2nd quarter of FY19. Their presentation was better characterized as a tote retrieval system. Further collaboration with HQ R&D has allowed Distribution to test automated vehicle guided (AGV) and automated storage as specific site identified capabilities.

v. Engineered Standards (ES):

Beginning in FY16, the DLA Distribution J4 standardization team took an aggressive stance to develop, maintain and implement engineered standards along with the deployment of a systemic manage and measurement system. Thirteen CONUS Distribution Centers were visited over a two-year period in support of maintenance scheduling which focused on capturing how process changes impacted engineered standards (ES), whereby ES times could then be updated. Engineered standards maintenance was completed at DLA Distribution Pearl Harbor; the four remaining OCONUS Distribution Centers have not yet been completed. The Interim Metrics Tool (IMT) was designed as a testing protocol to use ES blended rates and production sheets to obtain production and workload to calculate the four key measures (i.e., % on standard, % utilization, % productivity and % performance) that would be used to alert managers where adjustments need to be made for optimal productivity and provide employees awareness of the production status. The IMT was successfully deployed at DLA Distribution Tobyhanna and was the precursor to the Agency Workload Leveling System, (AWLS).
In 2019, Distribution J3 began creating a new labor management tool AWLS 2.0 that incorporates engineered standards, workload and time stamps for managers to use to manage workload and personnel in Distribution process areas.

Engineered standards baseline data will continue to be used to measure process improvements as a result of integrating new technologies, automation and robotics in our daily distribution production areas.

Standard Organizational Structure was a fundamental pillar of DLA Distribution Modernization Program. The goal was to align and integrate structure, people, processes, technologies and infrastructure to facilitate effective mission accomplishment and strategy achievement. The objective was to develop standardized Distribution Center organizational structures for DLA CONUS and OCONUS Distribution Centers and Continue Government Authority (CGA). Over a four-year period, Standard Organization Structures were developed for Tobyhanna, Norfolk, Oklahoma, San Joaquin, Anniston, Corpus Christi, Albany, Puget Sound, Cherry Point, Guam, Hill, Jacksonville, Red River, Barstow, Yokosuka, Susquehanna, Warner Robins, Bahrain, San Diego and Richmond.

Standard Structure buckets are: Extra Large (XL), Large (LG), Medium (MD), Small (SM), Extra Small (XS) and CGA. The goal is 80% standardization among each group. A collaborative leadership group from eight Distribution centers developed the baseline standard structure. Standard Structure aligns the organization into three distribution cost categories: Mission, Mission Support and Support Services (G&A).

The DLA Operational Technology Acquisition (OTA) Business Process Analyst (BPA) has implemented an enterprise-wide framework to ensure that existing and future operational technologies meet cyber security regulations and provide an enterprise-level AMHE management capability that will improve procurement and maintenance costs. The framework is based on standardized Enterprise Capability Requirements Document (ECRD) which sets forth the Key Performance Parameters (KPPs) for the acquisition of future AMHE. The framework establishes seven operational technology pillars: Security; Fire Protection; Petroleum, Oil & Lubricants; Building Control Systems; Utility Control Systems; Material Handling, and Other. DLA has identified DLA Distribution J4-BT as the overall proponent for the Material Handling Pillar.

While the role and responsibilities of a pillar lead continue to evolve, the pillar lead’s primary responsibilities consist of maintaining the AMHE Enterprise Capability Requirements Document (ECRD) and reviewing AMHE acquisition requests. As requests come into the Pillar, they are looked at to validate that the item contains operational technology, and that the technology being acquired is in line with the AMHE ECRD. Requests are then forwarded to the DLA OTA BPA who works with the customer to develop specific IT/cyber security requirements and include those requirements in the acquisition documents. As the AMHE Pillar Lead, J4-BT has been at the forefront in implementing this new process.
(c) Continuous Process Improvement (CPI)

i. Stock Readiness

Suspended Stock: Suspended Stock continues to be a major project for the Enterprise. In 2011, suspended materiel was at $2.1B. This number was a result of AOR draw downs and the commensurate increase in returns to DLA of predominantly Service-owned materiel. In 2013, as a result of IPTs with the Services and DLA Supply Centers as well as Tiger Team initiatives, suspended stock was at an all-time low of $900M. However, over the next two years, suspended stock increased to $2.2B. This was due to increased stock screenings (Amphenol, CAGE Compromise, FSG 80, etc.) that resulted in discrepant materiel as well as additional returns from the field. In January 2018, Distribution, working closely with the Services and MSCs, was able to facilitate obtaining disposition instructions from the MSCs and Services in order to remediate or dispose of suspended assets stored at the Distribution Centers. Currently, the Enterprise is at $1.9B of Suspended Stock and holding. The team continues to follow-up with the Services and MSCs to obtain disposition instructions on aged SDRs/SQCRs. During FY 2019, DLA Distribution Centers closed over 100K SDRs and SQCRs, with a total dollar value of close to $4B. The team also distributed hundreds of Safety of Flight and Safety of Use messages to the Distribution Centers. In addition, they distributed and tracked thousands of special inspection requests and stock screening inspections for potentially defective stock. These efforts ensured that materiel is ready for the Warfighter.

ii. Commercial and Government Entity (CAGE) Compromise:

DLA HQ was working an issue in regards to suspect parts coming into the Supply Chain. It is primarily a result of allowing auto award 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 a screening the MIL-STD-129 label on each piece of materiel must be checked for the CAGE code and compared to the list of effected CAGEs. If the materiel is from a suspect CAGE it must be segregated, suspended, and an SQCR written requesting disposition from the Supply Center. The performance of these inspections and monitoring of the project is additive and preempts the standard daily work of both the distribution center and Distribution HQ personnel. A total of 34,047 inspections were performed and tracked consisting of 16,843,745 eaches, with a total of 11,332 SQCRs created. The total cost incurred for the Distribution Centers work reached nearly $13 million of all billable work performed. The reasoning was to ensure that any materiel of suspect quality coming into the Supply Chain was suspended from use.

iii. Workload Prioritization:

Over the last two years, large projects have come up that cause the distribution centers to prioritize some workload over others against regulatory timeframes. These special projects need to be prioritized in addition to prioritizing their normal daily workload.
Recent special projects were Navy 21-N Suspended Stock and Cashflow/OAR DLA High Priority Back Orders.

Navy 21-N - DLA Director committed to the Navy to achieve a 95% Materiel Availability (MA) goal for the Navy Nuclear Reactor Program (21-N). Distribution J4 provided each site with a listing of 21-N suspended stock with disposition instructions. The distribution centers had 24 hours to complete the disposition actions and report closure to the DLOC (or any delays along with the get-well plan).

Cashflow/OAR - DLA High Priority Back Orders - Due to cash flow issues, DLA HQ planned to use suspended materiel in DLA custody to fill backorders and allow on-hand cash to be used for other buys. The Major Subordinate Commands were to evaluate current suspended stock with backorders for potential remediation to upgrade to an issuable condition code. DLA Distribution took the lists supplied by the other MSCs for items with systemic disposition instructions and made them the priority within our suspended stock workload. Distribution has completed close to $400 million dollars in workload.

iv. Paperless Processing at Non-Paperless Distribution Sites:

To prepare the Distribution Sites for the eventual roll out of the new Warehouse Management System (WMS), the decision was made to implement paperless processing at the DLA Distribution sites currently utilizing paper processing. Personnel at Anniston, Barstow, Hill, Korea and Red River have received training from Distribution J4 and have converted their operations over to a paperless environment.

v. Department of Defense’s Serialization Efforts:

In support of DoD’s General Equipment Capital Assets (GECA) serialization efforts, J4 has provided training (on-site, on-the-job (OJT) and remote training (VTC)) to the Distribution Sites prior to, during and after the implantation of serialization within the Distribution Standard System (DSS). Along with on-site training, Distribution assisted in the collection and recording of existing serial number at numerous Distribution Sites. This data was key to J6 uploading serial number data at Go Live. Distribution J4 continues to support the ongoing implementation of further systemic capabilities within the serialization project.

The serialization effort is in support of the DoD requirement to track GECA at the serial number level from cradle to grave. In order to support the Army, DSS was scheduled to be updated in three phases. The initial work began at DLA Distribution Tobyhanna, due to the high volume of materiel requiring serialization and then was rolled out to all sites. Prior to the DSS serialization go-live at each site, all serialized assets had to be identified and serial numbers captured. The data was recorded in a J6 database which was used to load the serial numbers in to DSS at go live, to prevent any delays in processing of this
materiel. Additionally, J4 was tasked with providing training on how to capture serial numbers and on the use of the J6 tool.

vi. Global Combat Support System (GCSS)-Army Mapping:

In support of preparing sites for ongoing audits, Distribution observed, mapped and created Standard Operating Procedures (SOP) for the Army GCSS. Distribution took this measure to ensure the team in Germany performing the mission would be auditable in the future as no SOPs were available from the system owners. SOPs for all processes from receiving to warehousing to inventory were created and provided to the site.

vii. DLA Distribution Mapping System (DDMS) to Distribution Standard System (DSS) Migration:

Distribution J4 has been providing support to J6 and Troop Support for the integration of the DDMS system into DSS to support the auditability of the mapping process. The unique operations of the Mapping Support Offices (MSOs) are being mapped to be included (or revised) in to DSS.

J4 is supporting the implementation of DSS at the Map Support Offices. J4 was brought in to the discussions by J6 after J6 was tasked with replacing the existing mapping system. This implementation of DSS will be used by Distribution and Aviation employees.

viii. J4 Warehousing Subject Matter Expert (SME) Working Total Package Fielding (TPF) Project:

Distribution J4 participated in discussions to update the TPF process for Foreign Military Sales as the Army moves their processing into the Defense Logistics Management Standards (DLMS) transactions. Additionally, reports have been updated to provide more useful data.

ix. Accountable Officer Position Description Review:

Defense Logistics Agency Distribution J4 Inventory Team assisted DLA J1 with updating the Accountable Officer’s (AO’s) Position Description (PD). The goal is to develop a standardized PD for all AOs to ensure their duties and responsibilities are clearly stated, and the qualifications for the position are documented for future qualified vacancy fulfillment.

x. Delayed M02 Continuous Process Improvement (CPI) Event Update:

Defense Logistics Agency (DLA) Distribution J4 participated in the Air Logistics Center (ALCs) CPI to reduce order fulfillment response times resulting from
delayed “MO2” (release of inbound Materiel Release Orders (MROs) transactions to the Distribution Standard System (DSS)).

This CPI event is an off-shoot of the ALC local delivery CPI that was conducted in FY18. One of the finding was that MROs were being delayed in DSS. MO2 is a DSS status code for MROs waiting to be released for pick. For workload planning, DSS holds MROs until the site releases them for processing. This new CPI is looking at ways to prevent local delivery MROs from being held to a point where the site cannot meet the delivery metric agreed upon by DLA.

(2) Global Posture - Prepared for Immediate Action

(a) Expeditionary

i. Saber Guardian:

DLA Distribution Sigonella, Italy demonstrated its newly-acquired TCSP capability during SbG19, a Southern European regional exercise. Air cargo for three Army SSAs in the region was consolidated and re-routed on air pallets from Norfolk to Sigonella through the AMC channel. The pallets were then processed through Sigonella’s TCSP for onward movement by truck and small parcel. USAREUR provided C-12 aircraft. MRO sourcing logic was also changed to look at Sigonella’s first, resulting in additional cargo to increase utilization of temporary routes during the exercise. A total of 19 air pallets were shipped in support of the exercise. The AAR identified deficiencies that will be addressed and implemented for the Defender 2020 exercise next year.

ii. Talisman Saber:

Talisman Saber is a biennial exercise between Australia and the United States. The exercise took place in Australia and ran from 11-24 July 2019. The Navy requested that the DLA Distribution Expeditionary team participate in the exercise by setting up and operating a Materiel Processing Center (MPC) in Townsville where the Fleet Logistics Center (FLC) was located. This was the first opportunity to exercise the expeditionary MPC, which trains functions associated with OPLAN tasks for multiple CCMDs. The team supported a F35 POP since Navy units had F35s embarked. At the request of PACFLT, DLA also forward-stocked six small common-use NSNs, which the Navy requisitioned during the exercise. Other units were supported when feasible.
iii. Dong Maeng (19-01 & 19-02):

DLA Distribution supported the USINDO-PACOM Combatant Command by participating in two Joint Chiefs of Staff (JCS) sponsored training events in the Republic of Korea (ROK). Dong Maeng 19-01, formerly known as Key Resolve, was held in March 2019, and Dong Maeng 19-02, formerly known as Ulchi Freedom Guardian was held in August 2019. The Distribution plans team, in conjunction with Commander, DLA Distribution Korea, participated at Camp Humphreys and Camp Carroll respectively. Participants augmented DLA INDO-PACOM Regional staff and trained with United States Forces Korea (USFK) and ROK staff on the development/execution of plans, procedures, and concepts for the defense of the ROK. These two annual training events have been the backbone of joint and combined integrated training between the United States and the ROK for decades. In addition to full spectrum planning and simulated execution operations, the training events provided opportunities to enhance customer support through focused attention to Distribution challenges in support of the Korea Theater of Operations. Great strides were made in identification and resolution of support challenges related to war reserve maps, forward positioned Class IV, and employment of DLA Distribution Expeditionary (DDXX) capabilities.

iv. Joint European TPFDD Sustainment (JETS):

A Strategic Planner from DLA Distribution J5 attended the 21st Theater Sustainment Command (TSC) JETS 1.0 Results Workshop. The purpose of this workshop was to synchronize assessment results and assumptions pertaining deliberate planning of logistics, sustainment and Joint Reception, Staging, Onward Movement, and Integration (JRSOI) in support of USEUCOM efforts. DLA Distribution gathered operational and strategic insights on USEUCOM customer requirements for storage and distribution and coordinated support efforts. Additionally, a Strategic Planner from DLA Distribution J5 attended the JETS Main Planning Conference (MPC) from 4-6 September 2019 in Kaiserslautern, Germany. The MPC was a continuation of the EUCOM-led, 21st Theater Support Command-executed wargame and provided an opportunity for synchronizing planning efforts across the Service components and the supporting JLENT.

v. Austere Challenge:

DLA Distribution provided an LNO to US Marine Forces Europe (MARFOREUR) G4 as part of DLA’s support to the USEUCOM exercise Austere Challenge 19-2. During the exercise, the LNO was able to provide knowledge to the Marine Corps on the capabilities that DLA brings to the fight and develop a relationship with our service partner. During the exercise, in addition to performing the duties of the LNO, he also participated in several Operational Planning Teams (OPTs) with the Marine Corps and various Commander, Joint Forces Marine Component Command (CJFMCC) entities to further refine corresponding OPLAN documents. The MARFOREUR G4 communicated that having DLA participation co-located with their Logistics Operations Center was “value-added” and would be greatly utilized in the event of a real-world contingency.
vi. Ardent Sentry:

NORTHCOM Exercise Ardent Sentry 2019 (May 2019). The NORTHCOM planner participated in this USNORTHCOM Tier 1 Command Post Exercise (CPX) that focuses on Defense Support to Civil Authorities (DSCA), CONPLAN 3500, and the USNORTHCOM New Madrid Seismic Zone Playbook.

vii. Positive Response/Global Thunder:

NORTHCOM/STRATCOM exercise Positive Response/Global Thunder 19 (October/November 2018.) The DLA Distribution J5 NORTHCOM planner wrote the DLA portion of the exercise scenario in which an airliner crash produced a conflagration on DLA Distribution San Joaquin, CA (DDJC).

viii. Gladiator Shield:

CYBERCOM Operation Gladiator Shield (May 2019). Distribution J5 provided the information requirements (Business Process Analysis/Business Impact Analysis) tasked by DLA J31 as part of an ongoing process to determine DLA’s mission essential systems.

ix. Steadfast Badger: DLA/STRATCOM exercise Steadfast Badger (July/August 2019). The STRATCOM planner represented DLA Distribution in this exercise that explores logistics resilience in a complex global security environment.

(b) Trans Arabian Network (TAN):

DLA transitioned its logistics posture to match USCENTCOM’s strategy to increase strategic depth, provide operational flexibility for emerging requirements, and respond to any loss of access. DLA Distribution established a Bahrain-centric distribution strategy for the Arabian Peninsula. To accomplish this, DLA Distribution expanded its enduring facility in Bahrain from 373,888 square feet to 679,248 square feet to hold additional forward stocks and created a predictable and reliable ground distribution network. It is estimated this will save the Services over 50 million dollars a year while meeting the same, or better, customer wait times as flying material from Europe.

During FY19, DLA Distribution’s Short-Term Transportation Contract (STTC) demonstrated from October 1, 2018 to June 30, 2019, the viability of a commercial transportation solution to navigate the myriad customs requirements and deliver within the air transportation standards set by DLA Distribution Susquehanna, PA and DLA Distribution Europe. Once TAN proved to meet or exceed existing Susquehanna and Europe logistic response
time on the Arabian Peninsula, DLA decided to shift the cost to the Major Subordinate Command (MSC) that manages the material transported. However, without an established method to recover the costs, DLA Distribution continued to bear these costs. In conjunction with J8, a manual TAN cost recovery method was developed. During FY19 $409,002.27 was recouped from the MSCs and STTC delivered 152 trucks. From October 1, 2018 to June 30, 2019, the STTC saved the Services $6,914,021.00.

On July 1, 2019, DLA Distribution transitioned from the STTC to the DLA Distribution Transportation Contract (DDTC). In FY19, the DDTC delivered 69 trucks to Kuwait averaging 10.95 days and 15 trucks to other CENTCOM destinations averaging 16.7 days. On July 24, 2019, management of the DDTC contract transferred from the J5 to the J3.

A separate, but strategically important mission, DLA Distribution continued its partnership with USTRANSCOM and USCENTCOM to expand intra-theater surface shipments through commonly unused ports across the USCENTCOM footprint. These shipments have been vital to gaining a better understanding of customs processes and timelines in each country, as well as building host-nation relationships.

(c) Material Processing Center (MPC) closure at Salalah, Oman:

On 17 December 2018, NAVCENT withdrew the requirement for the MPC in Salalah, Oman due to low operational demand. A J5-led integrated planning team (IPT) quickly developed courses of action, risk mitigation, and Plan of Action and Milestones (PoAM) in order to close the MPC no later than 31 May 2019 when the contract extension expired. A collaborative effort between DLA Distribution J3, J5, J6, J7; DLA Distribution Bahrain (DDNB); DLA Energy LNO; Patricio Enterprises (contract service provider); and NAVCENT CTF 56.1 successfully executed all actions per EXORD 19-005 (Disestablish Oman Material Processing Center) and DLA task order. The Salalah MPC closed on 31 May 2019.

(d) DLA Distribution Sigonella, Italy at Djibouti, Africa MOA, Global Combat Support System-Army (GCSS-A) Reimbursement:

On 1 OCT 2016, DLA Distribution achieved IOC of DLA Distribution Djibouti, Africa. Per United States Army Region Africa (USARAF) request, DLA Distribution incorporated a Global Combat Support System - Army (GCSS-A) capability into the Djibouti platform. In late Apr 2018, AFRICOM Deputy J4 engaged the AMC G3 to request a dialogue to “resolve funding SSA operations”. DLA E/A leadership worked with AFRICOM to engage the components. Responses from the components led AFRICOM J43 to determine AFRICOM J8 will provide FY 19 funding and FY 20 operations will be funded by USARAF. In Nov 2018, AFRICOM J4 submitted their unfunded request to AFRICOM J8 to cover the FY 19 cost of the GCSS-A in Djibouti. AFRICOM J8 denied the request on 3 Dec 2018. To resolve funding issues, DLA Distribution developed a Memorandum of Agreement (MOA) between USARAF, DLA E/A, and DLA Distribution at Djibouti. The MOA was signed 24 JUN 2019. This MOA allows DLA Distribution to receive a ~$2.5M payment from USARAF for services rendered in FY 19. The agreement also outlines continuing work and payment into FY 20 while an enduring solution is put in place at this location. The MOA has generated a General Terms and Conditions (FS
Form 7600) document, which was signed 14 Aug 2019, and has allowed DLA Distribution to be reimbursed for services performed.

(e) III Marine Expeditionary Force (MEF) assistance at Darwin, Australia:

On 7 December 2018, the III MEF Assistant Chief of Staff G-4 sent a memorandum to DLA INDOPACIFIC requesting support for a temperature controlled storage capability. The request was to source, procure, and provide a permanent storage solution for the operational rations of the Marine Rotational Force – Darwin (MRF-D); currently no such capability exists. The III MEF further clarified their requirement by identifying two options they would like to explore. The preferred option is a hardstand infrastructure that would accommodate 300+ warehouse pallets of Unitized Group Rations (UGR), Meals-Ready-to-Eat (MRE) and Ultra High Temperature (UHT) milk, estimated at 6000-8000 square feet. The second option of support would be procurement of twenty 20-foot, climate-controlled ISO containers with comparable square footage. In this scenario, the containers would be permanently located on the Matilda Lines at Robertson Barracks, Darwin, Australia. DLA Distribution personnel completed the development of a COA decision brief in coordination with the III MEF G4 Food Services Officer. Upon further review of the developed courses of action and associated costs, the III MEF G4 Assistant Chief of Staff decided to utilize the local contracting office to procure facilities without labor costs. As of May 2019, DLA Distribution fulfilled its obligations in response to the III MEF customer request to provide courses of action in support of operational rations climate controlled storage.

(f) Ogden Air Logistics Complex (ALC) Kadena Air Base (AB):

The Ogden ALC Support Center Pacific (SCP) is looking to improve the supply chain processes and maintenance requirements in order to better support Kadena AB, Okinawa, Japan. The J5 INDOPACOM planners conducted a site survey of the Ogden ALC at Hill Air Force Base (AFB). Ogden ALC personnel explained their operations and how DLA supports their mission. They then provided an overview of the current processes required to order repair parts for the 525th Electronics Maintenance Squadron (EXMS) on Kadena AB, Okinawa. The Ogden ALC is looking at DLA to provide a similar support solution to what currently exists on Hill AFB for the 525th EXMS. J5 planners conducted a mission analysis and COA development and presented some actions to the Ogden ALC that need resolution before DLA can assist. At the end of May 2019, J5 personnel accompanied DLA Aviation and Ogden ALC personnel to Okinawa in order to walk the spaces of the SCP on Kadena AB, as well as walk through DLA Distribution Yokosuka, Japan at Okinawa, warehouses. The visit to Okinawa allowed stakeholders to physically explore and thoroughly discuss the granular details of DLA Distribution’s wholesale support to DLA Aviation’s retail support for the Air Force customer.
(g) Continuity of Operations (COOP) Agreement:

In order to obtain redundancy for critical systems in a continuity event, the J5 Continuity of Operations Team drafted a set of reciprocal MOAs with Naval Sea Systems Command (NAVSEA) and Naval Supply Systems Command (NAVSUP) at Naval Support Activity, Mechanicsburg, and the PA Department of Military and Veterans Affairs/PA National Guard at Fort Indiantown Gap. DLA J6 collaboration made the MOAs possible by allowing non-DLA users to access the DLA network once the proper certificates have been added to their tokens. Now, if NAVSEA, NAVSUP, or the PNG lose access to SIPR or NIPR, their Emergency Relocation Group can displace to Bldg 430 and continue mission essential functions. Conversely, if DLA Distribution loses access, its ERG can displace to the partner stations. This redundancy was achieved administratively; there were no additional cost to taxpayers.

(3) Strong Partnerships

(a) Industry Engagements

i. F-35

On 4 January 2019, the F-35 Joint Program Office (JPO) formally integrated DLA into F-35 sustainment when it named the Agency as the Product Support Provider (PSP) for North American warehousing and, in partnership with USTRANSCOM, global transportation. As a result, DLA Distribution’s Business Development (BD) team spent the balance of FY19 leading or otherwise facilitating a steady battle rhythm of face-to-face, working group meetings, and site surveys with key government (JPO, DLA HQ, USTC) and industry (Lockheed Martin, Pratt & Whitney, Rolls-Royce) stakeholders. F-35 warehouse and transportation PoPs involving DDOO and DDHU were successfully executed in the summer of 2019. The close of FY19 saw the BD team coordinating site surveys at the other four (San Diego, Jacksonville, Cherry Point, Warner Robins) affected F-35 sites while setting conditions for IOC execution in January 2020.

Since the designation on January 4, 2019, DLA Distribution has begun to execute a Proof of Principle (PoP) of select F35 Prime Vendor shipments. The J5-led IPT modified the DLA Distribution, Hill, Utah (DDHU) support contract (Service Provider is AECOM) to include a transportation office staffed to execute Vendor Shipment Module (VSM) processed shipments. The Distribution J3 provided AECOM staff with training on VSM and other strategic methods for transportation within the Defense Transportation Service (DTS). DLA J3 has modified VSM to include origin hazardous shipment processing and will include OCONUS originating shipments in support of Initial Operating Capability (IOC) of the F35 program during FY20.

ii. Public Private Partnerships

The close of FY18 saw the Business Development team leading the final negotiation stages of the Agency’s first-ever PPP, which in fact occurred in March 2019
when DLA and Thales Defense and Security, Inc. (TDSI) officially partnered in support of the USMC’s H-1 rotary wing depot-level maintenance program at FRC-Southwest. In the partnership, DLA Distribution San Diego provides secure and dedicated warehouse space in its warehouse on NAS North Island, as well as touch labor to process TDSI-owned material in their WMS. DLA Distribution commanding officer Navy RDML Kevin M. Jones presided over the ribbon cutting on North Island on 6 June 2019. As FY19 came to a close, DLA Distribution was in the final stages of negotiation on its second PPP, one involving Parker Aerospace and DLA Distribution Corpus Christi in support of rotary wing maintenance at Corpus Christi Army Depot.

iii. Research and Development (R&D):

J5 in collaboration with the J4 R&D team closed out two of the last three remaining projects in the portfolio with the completion of the Battery Desulfation Project and the Lithium-Ion Battery Upgrade Project. The Director, Enterprise Maintenance Technology, Office of Deputy Assistant Secretary of Defense Maintenance Policy and Programs (ODASD MP&P) funded the one-year desulfation study in order to determine if chemical additives could improve the performance of lead-acid batteries while also extending the lifespan. ODASD MP&P had been approached by vendors making these claims and the director thought it prudent to independently test the chemical additive before committing defense funds to a large purchase.

The Lithium-Ion Battery Upgrade Project executed a test and comparative evaluation of six lithium-ion (LIBs) batteries and twelve lead-acid batteries (LABs) over a one-year period at DLA Distribution Susquehanna, Pennsylvania, and DLA Distribution San Joaquin, California, in order to determine if replacing lead-acid batteries and propane with lithium-ion batteries could decrease forklift battery total life-cycle costs, decrease safety risks to workers, reduce energy consumption, reduce operational downtime, and increase forklift operational readiness rates. This project was jointly funded by ODASD MP&P and HQ DLA J3.

Both projects were rigorously executed and closely managed. By the end of the respective projects, the data was conclusive. For the Desulfation Project, it was determined that the desulfation additive provided no performance edge to treated LABs. The Lithium-Ion Project demonstrated that LIBs are more energy efficient, have a faster charging time, are lighter, and have higher capacities and specific energies. They also are non-hazardous, have a longer lifespan and shelf life, produce less noise and no emissions, and have an overall lower cost of ownership when compared to lead acid batteries and propane-powered forklifts.

iv. Defense Freight Transportation Services (DFTS) Contracting Officer Representative (COR):

DFTS is the United States Transportation Command Acquisition (TCAQ) managed contract that provides transportation for all locations in CONUS, Alaska and
Canada. DFTS also provides transportation to the port of embarkation for all overseas destinations. DLA Distribution oversees and manages the DFTS contract by providing the COR. Crowley is the service provider for the DFTS contract and has approximately 20,000 sub-vendors they work with in order to provide transportation services for DLA.

Crowley delivered 296,129 loads during FY19 and achieved 98% for on-time response, pickup, on-time delivery, and incident free delivery. Their 3G Transportation Management System (3GTMS) was available for 99% of the time each month. Crowley met all their other contract goals, usage rates for small business, disadvantage business, veteran owned small business, women owned small business, certified hubzone small business and service disabled veteran owned small business.

(4) Whole of Government

(a) Federal Emergency Management Agency (FEMA):

Hurricane Florence Support: DLA Distribution Susquehanna expertly coordinated with local and regional transportation carriers / customers impacted by Hurricane Florence in September 2018. Throughout Hurricane Florence’s changing path and timing, Susquehanna adjusted all applicable dedicated truck routes daily impacting over 650+ DoDAACs and held MROs for Customer impacted at locations in Virginia, North Carolina and South Carolina from September 2018. Susquehanna initially held material followed by a strategically metered flow to the region as customer bases returned to normal operations during September and into October 2018.

DLA Distribution provided Humanitarian Assistance and Disaster Relief (HA/DR) support to FEMA in response to Hurricane Dorian that struck the U.S. East Coast in August 2019. In response, DLA Distribution Expeditionary rapidly deployed teams to Fort Bragg, North Carolina and Maxwell Air Force Base, Alabama to establish FEMA Incident Support Base (ISB) operations. DLA Distribution J9 coordinated the deployment of 52 Expeditionary team members (8 military, 44 civilians) in support of the two ISB operational sites. The Expeditionary ISBs processed and inventoried 1,024 trailers of HA/DR materiel, including over 10 million liters of water and 9.1 million commercial packaged meals. Other supporting efforts included Distribution Centers at Albany, Georgia and Norfolk, Virginia shipping 9,205 cases of MREs; J3 Transportation coordinating movement of 1M commercial meals to ISB sites; and DLA Distribution Albany, Georgia supporting 6,000 displaced Marine recruits from Parris Island, South Carolina.

(b) U.S. Forest Service:

DLA Distribution San Joaquin was a key player during the Wild Fire Season (March to August) as they provided critical materiel support for the National Fire Cache System and other Federal, State and Local customers who participated in the government-wide wild fire firefighting effort in western CONUS. In FY19, San Joaquin shipped ~25K MROs in support of the Fire Mission while maintaining an average receipt to ship time at less than 24-hours. San Joaquin stores approximately 370 NSNs owned and managed by DLA Troop Support
for this effort. DLA San Joaquin’s dedicated support to the nation continued to prevent further damage and injury from wild fires out West.

(c) EUCOM Deliberate Plans:

During FY19, DLA Distribution continued to support the US European Command (EUCOM) Deliberate Plans review cycle by completing inputs to the DLA Support Plan, participating in EUCOM-led wargames, and coordinating with the Service Components to refine their theater distribution requirements. Distribution completed inputs to the DLA Support Plan by holding cross-functional operational planning teams to develop the Distribution Concept of Operations to support EUCOM’s priority deliberate plan. Additionally, the Distribution J5 participated in EUCOM-led wargames hosted by The Naval War College and The National Geospatial Agency respectively to refine staff estimates of supportability and identify risks and their appropriate mitigation strategies. The year-long planning effort included multiple site surveys and coordination meetings across the EUCOM Theater with every Service Component. Highlights included site surveys to the United Kingdom, Norway, Belgium, Germany, and Poland as well as participation in the 21st Theater Support Command led Joint European TPFDD Sustainment (JETS) Working Group and Wargame. The Distribution J5 Planning Team will close out FY19 by briefing a Logistics Supportability Analysis to the DLA Director to gain approval for the overall DLA Support Plan to EUCOM’s priority deliberate plan.

(5) Always Accountable

(a) Acquisition Operation:

In FY19, Acquisition Operations (Contracting) awarded 3,018 actions valued at $306.5M, the second highest value of obligations recorded by the organization.

(b) Trans Arabian Network:

Acquisition Operations executed a long-term contract for transportation requirements in the TAN to respond to increasing customer requirements.

(c) Contracting Office:

Recompeted and awarded two requirements for Distribution Operations at Government-Owned/Contractor Operated locations in Guam and Jacksonville.
(d) DLA Distribution Industry Day:

DLA Distribution held its second DLA Distribution Industry Day at the Susquehanna Club in New Cumberland, PA. Seventy-one vendors attended the event; DLA Distribution received and supported 190 attendees at the two-day event.

(e) Small Business Program:

The Small Business Program exceeded its overall Small Business goal, achieving 68.87% of obligations to Small Business against a 60% goal. Additionally, all Socioeconomic goals were met for FY19: Small Disadvantaged Business – 47.32% (Goal 42%); Woman-Owned Small Business – 28.03% (Goal 26.13%); Service-Disabled Veteran-Owned Small Business – 8.26% (Goal 5.25%); HubZone – 3.12% (Goal 3.00%); Small Business < SAT 87.44 (Goal 79.83%). The competition goal was met in FY18; the office competed 93% of awarded dollars against an 88% goal.

(f) Local Compliance Programs

   i. Pricing Review Program (Average Score of 99%)
   ii. Contract Quality Review (Average Score of 99%)
   iii. Contracting Officer Warrant Program (Average Proficiency Score of 96.5% for active
   iv. Contracting Officer’s in Calendar Year 2019 to date)
   v. Quality Assurance Program:

   The Contract Quality Assurance Program Office (CQAPO) maintains the Quality Assurance (QA) program at all DLA Distribution centers, both Contractor-Operated as well as organic Government-Operated locations. The CQAPO maintains daily interaction with over 180 assigned Quality Assurance team members at all locations to ensure a standardized approach is applied to oversight of distribution operations. During FY19, the Quality Assurance team members completed 17,108 surveillance activities, identifying 795 problem areas. Of the 17,108, the CQAPO Analysts completed 6804 oversight reviews. With on-site training visits to all Distribution Centers, the CQAPO successfully converted from the Quality Management System Integration Tool (QMSIT) to HighGear. This transition was completed twelve months ahead of schedule to accommodate J6’s mandate to decommission the application server at New Cumberland where QMSIT resides. HighGear offers a better platform for developing and implementing meaningful and customizable workflows for the QA program with the added benefit of being able to query and report on any data contained in the database.

   v. Government Purchase Card

   In FY19, DLA Distribution completed 8,343 transactions, and completed in-depth reviews of 1,701 transactions. Of the 1,701 transactions reviewed, there were 89 documented findings for a 95% compliance rating. The GPC A/OPCs revised and issued an updated version of the Distribution GPC Desk Guide, and mandatory training was conducted for
all GPC billing officials and cardholders across the enterprise. Compliant transactions on a monthly basis increased from 89% in FY18 to 95% in FY19 because of the training.

vi. Agency Management Review (AMR)

DLA Distribution Acquisition Operations (J7) participated in the Agency Management Review (AMR) in April 2019, which involved the review of 65 transactions (61 were compliant). DLA Distribution had a transaction compliance score of 94%, an administrative requests score of 97%, thus achieving an overall score of 96%.

vii. DLA Distribution Acquisition Planning and Assistance Team:

In FY19, DLA Distribution Acquisition Planning and Assistance Team completed 243 Acquisition Assistance Projects, worked the following Distribution Center Contract and major contract acquisition and re-compete packages; DLA Distribution Cherry Point, DLA Distribution Jacksonville, DLA Distribution San Diego, Corpus Christi Army Depot, DLA Distribution Corpus Christi, Work In Process Control Area, Pearl Harbor Navy Ship Yard, Voice Pick, DLA Distribution Transportation Contract (TAN), DLA Distribution Guam, and San Joaquin Installation Support. Completed 37 Technical Evaluations, and completed 168 requests for contract modifications. Additionally, DLA Distribution Acquisition Planning and Assistance Team managed Acquisition Planning, and Contracting Officer Representative (COR)/Alternate COR duties for the Global Distribution Expeditionary Contract to include 40 Task Orders and planning efforts to support mission requirements throughout DLA Distribution center locations and the support for Operations in the EUCOM, CENTCOM, PACOM, and AFRICOM AORs.

viii. Audit Readiness/Sustainability:

Distribution continued to support the DLA FFSA while embarking on the first ever within DLA, Internal Controls based audit and Agreed Upon Procedures audit. The Control-based audit was focused on Military Service-Owned Items in DLA Custody (SOIDC) and while the outcome was not as desirable as hoped, the learning benefits DLA in the long run. LA Distribution is reassessing internal controls and will be ready to excel at this type of financial audit in the long run.

ix. 100% Physical Inventory:

Distribution embarked on a first-ever 100% physical count inventory. It developed a detailed plan of action and executed the inventory of 2,294,979 NIIN (item) inventories which equates to approximately 684M individual items that were counted. Distribution accomplished the task in line with monthly and annual milestones and ended the first year baseline at 87% accuracy for worldwide operations.
x. Military Construction Program (MILCON):

The DLA Distribution MILCON Program Priorities Package was provided to DLA HQ in May 2019, outlining the 2020-2025 proposed allocation of $311.9M. Of this allocation, $81M is granted from the OSD for Europe Deterrence Initiative (EDI) Projects at DLA Europe. In addition, five projects were under construction during FY19 at the cost of $130.1M. Seven projects were in design at the cost of $263.9M.

(g) FY18 Update for DDNV (NAVSTA / NNSY) Hazmat Warehouses:

O/A 5 September 2019, OSD provided official notification of funding affected by the administration’s decision to use Section 2808 of Title 10, U.S. Code to fund border barrier projects. DLA wants to request construction funds again, however due to delays we would likely need additional funds added to the PA to support. Both project sites have unresolved issues with poor local soils, stormwater requirements, and lack of firewater infrastructure. The initial project concept schematics were heavily overdesigned, however DLA PM was unsuccessful in having NAVFAC or the A/E (Clark Nexsen) to redesign by the contract requirements to get costs to the CCL established in the design contract. DLA has proposed these projects to OSD for the project development agreement (PDA) alpha test to assist in improving communications with NAVFAC. OSD has some concerns using these projects, however given numerous site issues, DLA PM believes the exercise is warranted.

(h) D2 Integration Initiative:

On 22 February 2019, the DLA Director determined the remaining DLA Disposition Services sites that partially combined operations with DLA Distribution (otherwise known as D2) would revert back to DLA Disposition Services so as to align activities closer with DLA’s strategic objectives. The transition entailed a cooperative effort between the respective organizations, and J1, J8, and Installation Operations. As per OPORD 19-07, the initial goal was to have the transition complete NLT 01 April 2019; however, this deadline was unable to be met, with a revised OPCON transition date being directed in FRAGO 17-07-001. The guidance of the transition was to utilize the “MOA between DLA Distribution and Disposition Services – Implementation of DLA Facilities Integration Initiate (D2),” in compliance with the initial transition of equipment and personnel to form the ‘as is where is’ methodology for the reversion. In order to ensure the commander’s intent for the D2 Reversion was clearly articulated, all DLA Distribution staff were made aware of the D2 reversion via email on 22 February 2019 by the Deputy Commander DLA Distribution. The D2 reversion affected ten sites.

Union Notification occurred on the afternoon of 25 March 2019. This milestone was critical as the reversion teams were under the restriction of not executing or distributing the POAM to the sites or SMEs until the bargaining Unions were notified. On 01 May 2019, the MOA between DLA and AFGE was signed and detailed the intent that operational control of work requirements by Disposition Services would be effective on the second pay period post signing of the MOA. HQ DLA subsequently released FRAGO 19-07-001 directing the OPCON implementation date on 26 May 2019 for the 174 identified FTE.
Disposition Services assumed Operational Control of the 174 identified FTEs on 26 May 2019 as per the FRAGO released on 15 May 2019. Administrative Control of the identified FTEs was handed to Disposition Services on 13 October 2019 as per FRAGO 19-07-002. All personnel were reverted on the ADCON date, regardless of their labor affiliation. The process for the transfer of Local Nationals in Signonella and Okinawa is expected to be complete over the coming months with a letter yet to be signed and released by the Director Disposition Services to initiate the transfer.

On 09 August 2019, DLA Installation Management at Battle Creek and DLA Installation Management Distribution signed a memorandum authorizing the transfer of real property and general equipment. The Disposition Services J3 and Distribution J3 reached an agreement for the transfer at Richmond. A decision has been reached on the bay split between Distribution and Disposition Services within building 600 in Okinawa. Disposition Services has decided that Bay 845 in Hill is suitable for relocation. All facility transfers are complete.

(i) Distribution Estimate Tool:

In FY 19, Distribution J5 continued its partnership with J-67A, Analysis Center of Excellence to build a Distribution Estimate Tool. Intent is to have a model that translates Time Phased Force Deployment Data (TPFDD) into volume through the distribution network. The tool will allow planners to see wartime requirements, identify gaps, and model solutions for those gaps as they develop support plans for Combatant Commander Operations Plans. J-67A conducted visits to Distribution Centers in New Cumberland, Pennsylvania; Norfolk, Virginia; Camp Carrol, Korea; and San Joaquin, California. J5 executed the first test of the IOC model in August of 2019. As the project transitions to FY 20, the team will conduct visits to Japan and Bahrain, which will allow the team to meet FOC criteria within the next FY.

(6) People and Culture

(a) Organizational Culture

i. Performance Management:

Entering the second cycle of DPMAP, DLA and DLA Distribution have continued to grow in program execution. DLA Distribution successfully participated in a cross-unit planning committee to redefine the standard supervisory performance elements. It offered meaningful suggestions and communicated the Federal Wage Grade Supervisor perspective, succeeding in reducing mandatory performance standards from four to three. DLA Distribution also gained approval to pilot a “Compliance” element that encapsulates all supervisory regulatory responsibilities. It expanded the use of SuperUser roll to nine. During the
2018-2019 appraisal, DLA Distribution utilized the optional roll of a Senior Level Review (SLR) to provide senior leaders (Commanders, Directors, and Deputies) visibility of employee ratings.

ii. Functional Community Management (FCM):

The Distribution Deputy Commander, Twila C. Gonzales, SES, is the Functional Community Manager for the Warehousing Community and Transportation under the life Cycle Logistics Community. Distribution participated in two FCM Bi-Annual Meetings in FY 19 designed to guide workforce planning efforts and strategies in the respective communities and ensure they are aligned with mission requirements. These twice-yearly meetings detailed specific strategic workforce initiatives and promoted Defense Department workforce forecasting, planning and shaping strategies.

iii. Critical Succession Positions:

DLA Distribution is currently re-examining their senior leader positions and is working with teams across the enterprise to evaluate the Accountable Officer (AO) positions. The intent is to identify all hard-to-fill and/or unique positions as critical and track their fill, turnover, and the quality of certificates against vacancies.

iv. Operation Warfighter:

OWF is a Department of Defense internship program that matches qualified wounded, ill and injured Service members with non-funded federal internships in order for them to gain valuable work experience during their recovery and rehabilitation. This process assists with the Service members’ reintegration to duty or transition into the civilian work environment where they are able to employ their newly acquired skills in a non-military work setting. OWF enables Federal employers to better familiarize themselves with the skill sets and challenges of wounded, ill and injured Service members as well as benefit from the considerable talent and dedication of these individuals.

v. Workforce Recruitment Program:

The Workforce Recruitment Program (WRP) is a federal recruitment and referral program that connects federal employers with college students and recent graduates with disabilities for summer internships and permanent jobs. Distribution utilized this Schedule “A” Hiring Authority to streamline the hiring process. In FY19, Distribution utilized seven allocations, hiring students at San Joaquin, Susquehanna, Anniston, and Corpus Christi with the possibility that these enter Distribution’s workforce roles when their program ends. Distribution’s involvement in WRP is a key factor in DLA dominating the Defense Department’s 2019 Workforce Recruitment Program Awards. DLA placed in all four categories and was named WRP Component of the Year for the second year.
(b) Workforce Development

i. Mentor Program:

Distribution completed a Pilot Mentor Program in July 2019. The Program fostered employee development, career enhancement, knowledge transfer, and broader understanding of DLA Distribution and its missions. The program facilitated partnership between 16 mentors and protégés and ensured partnerships were sustained and maintained. The mentor relationship enhanced communication, conflict resolution, leadership and time management. End of Program evaluations indicated 96% positive feedback.

ii. High Performing Leadership (HPL):

HPL, which piloted in FY15, has continued to evolve. The current course includes modules on: Setting the Direction, Job Instruction, Job Relations, and Quality Control. HPL recognizes that management matters and offers concrete actions supervisors can take to improve our overall performance and culture. HPL requires that our leaders have knowledge of the work, the ability to lead, teach, and improve, and understand their responsibilities. To date, more than 850 supervisors have been trained.

(c) Training Operations:

Distribution engages a variety of training operations including a focus on the Distribution warehouse management system, DSS (Distribution Standard System).

<table>
<thead>
<tr>
<th></th>
<th>FY18 Courses Delivered</th>
<th>DLA Distribution Workforce Participants</th>
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<td>Dist Ops Functional Tng Courses</td>
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<td>Leadership Courses</td>
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<td>FY19 Courses Delivered</td>
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<tr>
<td>Leadership Courses</td>
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</table>
(d) Coaching:

DLA Distribution is at the forefront of the coaching transformation, and used the coaching program in FY19 to develop leaders, motivate employees, and increase productivity. Using DLA’s In-House Coaching (IHC) Program, Distribution employees were matched with DLA coaches trained through the International Coach Foundation (ICF) accredited programs. The coaches worked individually with employees to improve their leadership capability and inspire the individual.

(e) Ask the Pros:

Distribution launched “Ask the Pros” in response to supervisory development needs. Virtual meetings comprised of panel members from EEO, Legal, Human Resources and other support organizations are held monthly to provide information on topics ranging from Ethics, Onboarding, Leader Responsibilities, and Training, among other.

(f) Awards

Distribution’s award program is second to none. In 2019, more than 900 Distribution employees were recognized with honorary awards:

<table>
<thead>
<tr>
<th>Award Name - FY19</th>
<th>Count</th>
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<tbody>
<tr>
<td>Exceptional Civilian Service Award</td>
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<tr>
<td>Meritorious Civilian Service Award</td>
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<tr>
<td>Superior Civilian Service Award</td>
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<td>Distinguished Career Award</td>
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<td>Gold Letters</td>
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<td>Silver Letters</td>
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<td>Global War on Terrorism Medal</td>
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<td>Presidential Letters</td>
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<tr>
<td>EOQ Nominations</td>
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<td>Strategic Goals Nominations</td>
<td>27</td>
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<tr>
<td>Global Distribution Excellence</td>
<td>235</td>
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<tr>
<td>Retirements</td>
<td>254</td>
</tr>
</tbody>
</table>

i. In 2019, DLA Distribution Susquehanna, Pennsylvania received the Commander in Chief’s Annual Award for Installation Excellence

ii. Army Master Sgt. Kahlil Warner, the noncommissioned officer-in-charge of current operations at Distribution made history by becoming DLA’s first soldier to be named Senior Enlisted Member of the Year by the Office of the Secretary of Defense.
iii. Two DLA Distribution employees entered the DLA Hall of Fame: MG Michael J. Lally, III (Ret) and Mr. Patrick McCormick.

(h) Distribution Expeditionary Manpower 2019:

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

i. Joint Reserve Force (JRF):

The Joint Reserve Force (JRF) assigned to DLA Distribution consists of five Navy units, one Army Reserve Element, 22 Air Force Individual Mobilization Augmentees and three Marine Individual Mobilization Augmentees. During FY19, the JRF personnel provided 15,137 man-days of mission support through deployments, Annual Training and sustainment to thirteen Distribution centers. On top of the Distribution center support, the reservists supported key exercises throughout three COCOMs.

A new exercise was introduced to the reserves, Saber Guardian 19, which was supported by 23 reservists. Saber Guardian is an exercise that is co-led by Romanian Land Forces and U.S Army Europe. Due to an increased workload at DLA Distribution Sigonella and DLA Distribution Europe, reservists were tasked with supporting the massive amount of material on hand at Sigonella and Germany in order to sustain the two carrier strike groups in the Mediterranean. The reservists integrated with the workforce to assist in processing receipts, palletizing material and sorting through the hundreds of pallets received to separate material going to many different commands and ships.

Joint Reserve Force (JRF) Support to J5 – DLA Distribution has an authorized Joint Reserve Force (JRF) of 191 personnel (36 Army; 130 Navy; 22 Air Force; and 3 Marines). The JRF provides trained, ready and available joint reservists for contingency operations, operational support, workforce surge, and planning. DLA Distribution reservists routinely perform contributory warehouse support (i.e., shipping, receiving, material inspection, and other warehousing duties as assigned). They also support Joint Staff Directorates, logistics operations centers, humanitarian efforts, and disaster relief missions.

ii. Expeditionary Civilians (EC)

The team of Expeditionary Civilians supporting Distribution consists of 219 Capability Based Volunteers made up of several grades and series. Additionally, Distribution has two Deployable Depot teams located in San Joaquin, California and Susquehanna, Pennsylvania. Each team consists of 49 team members.
In FY19, the San Joaquin Expeditionary team participated in the Talisman Saber 19 exercise in Rockhampton, Australia. Talisman Saber is a bi-annual combined joint multilateral field training exercise that provides a training venue for forces from Australia, Japan, U.K, New Zealand, and Canada to conduct high end operations.

FY19 was the first full year that Distribution J9 began supporting the newly-acquired Expeditionary Civilian (EC) deployments. These positions were previously managed by DLA under the DoD Civilian Expeditionary Program. To date Distribution has deployed 20 civilians under the EC program with several others in the pre-deployment phase.

iii. Expeditionary Training:

In FY19, Distribution J9 led an Expeditionary Academy at San Joaquin, California. During this event, 18 JRF personnel along with the Expeditionary personnel from San Joaquin were trained on equipment and computers. The Expeditionary Academy aligns Distribution’s reservists to DLA’s contingency missions in order to augment the Expeditionary Team in support of a Theater Consolidation Point (TCSP), Material Processing Center (MPC), Forward Deployed Warehouse (FDW), and a FEMA ISB.

Due to the increasing mission demands for Hazmat certified personnel, one Hazmat Academy was held at Susquehanna, Pennsylvania in order for JRF members to receive their Hazmat re-certifications. Because of this effort, the Distribution reserve force was able to complete extremely critical missions at multiple distribution centers.

In order to ensure the JRF personnel are fully trained on MHE, two MHE academies were held in FY19. During the first MHE Academy, 18 reservists were certified. The second academy resulted in 12 reservists being certified. This academy was extremely important due to the reserve members from EDSU-NV being tasked with supporting a critical mission at DLA Distribution Sigonella in August 2019 which required all be licensed.
MEMORANDUM FOR DLA HISTORIAN

SUBJECT: Submission of DLA Human Resources (J1) FY19 Annual History Input

While DLA exists to support the Warfighter, the foundation of our agency’s success is simple: our people. This great organization could not carry out any of the important objectives outlined in the DLA Strategic Plan without an effective, motivated, focused, and capable workforce.

The initiatives undertaken by J1 during FY19 are bound by a common thread, LTG William’s guiding leadership principle: If you take care of your people, the mission will happen.

The professionalism and dedication of the J1 workforce is reflected in our pride in the accomplishments outlined in this submission.

We expanded the Agency’s partnership with USTRANSACOM by implementing a successful Human Resource Servicing Pilot, which we hope is a model for expanded customer opportunities moving forward. Our Emerging Leader Certificate Program is strengthening DLA’s bench of highly skilled leaders to guide us into the next decade and beyond. Identifying Critical Succession Positions will also help ensure DLA is positioned to continue its reputation as a world-class organization, while the foundation we build with a new Master Labor Agreement and institutionalization of effective performance management principles will provide a sturdy framework for the challenges of the future.

I am proud of our J1 workforce and the strong partnerships we’ve built and nurtured with leaders and employees at all levels of DLA and among our DoD customers, and I look forward to continuing to lead change in supporting the DLA Strategic Plan and DLA People and Culture Plan.

BRAD BUNN
Director
DLA Human Resources
1. Introduction

a. General:

DLA’s ability to attract, develop and retain a diverse, skilled and agile workforce is vital to our continued mission as America’s Combat Logistics Support Agency. Our workforce is highly skilled and committed to meeting the needs of the Warfighter, but there is always an opportunity to improve, particularly in our rapidly changing, global environment.

In Fiscal Year 2019, DLA Human Resources (J1) took a number of steps to improve and sustain the effectiveness and efficiencies of its service to customers, civilian and military, internal and external to DLA. J1 also used key operating goals, metrics, and other tools used to regularly monitor its performance and ensure DLA’s workforce had the capabilities to meet present and future mission requirements.

DLA J1 also continued to position itself to provide the best possible support for our HR customers in other DoD organizations. At the end of FY19, DLA J1 provided reimbursable HR services to:

(1) Defense Advanced Research Projects Agency (DARPA)
(2) Defense Civilian Personnel Advisory Service (DCPAS)
(3) Defense Commissary Agency (DeCA)
(4) Defense Human Resources Activity (DHRA)
(5) Defense Media Activity (DMA)
(6) Defense Manpower Data Center (DMDC)
(7) Defense Security Cooperation Agency (DSCA)
(8) Defense Security Service (DSS)
(9) Defense Threat Reduction Agency (DTRA)
(10) Missile Defense Agency (MDA)
(11) U.S. Transportation Command (USTRANSCOM)

J1 FY 2019 pursuits were shaped by fiscal realities facing DLA, including emerging austerity measures and necessary cash-saving measures. J1 expanded utilization of the Director’s Dashboard to impart critical operational information, and other strategic initiatives reflected an emphasis on increasing efficiencies, revalidating workforce investments, and pursuing initiatives that fostered an engaged, high-performing workforce. As DLA leaders rapidly responded to the emerging needs and expectations of their valued customers and other stakeholders, J1 stood ready to help them choose the right mix of human capital strategies to achieve their workforce goals.
b. Mission:

In support of the DLA mission, DLA Human Resources finds, hires, trains, and sustains a mission-ready workforce for DLA and our HR customers, using world class polices, processes, programs, and tools.

c. Vision:

In support of the DLA vision, DLA Human Resources is recognized as simply the best human resources organization in the Federal Government. We set the standard for:

(1) Taking care of our customers;
(2) Partnering with leaders, unions, and employees to solve problems;
(3) Training and developing our people to be mission-ready;
(4) Innovating and adapting HR policies and programs to enable DLA to meet its mission; and
(5) Accomplishing our mission in a cost effective, audit-ready way.
(6) J1 is the single best place to work if you are an HR, training, or administrative professional.

d. Values

(1) Integrity: Honest and trustworthy, we follow through on what we promise.
(2) Resiliency and Diversity: Flexible, responsive, recoverable, and able to quickly adapt to changing business environments while achieving outstanding results. Composed of people from varied backgrounds. We celebrate and leverage our differences to deliver innovative and effective outcomes.
(3) Innovation: We pioneer new ideas, devices, and methods. Working with each other, customers, and stakeholders to provide solutions that are unique and creative.
(4) Accountability: Obligated and willing to accept responsibility. We are accountable to the Department of Defense (DoD) and our customers, just as our workforce is accountable to the DLA mission to provide effective and efficient global solutions to Warfighters and our other valued customers.
(5) Excellence: Extremely high quality. We take pride in providing first-class solutions on time, every time.
2. Organization:
3. Resources and Key Personnel

<table>
<thead>
<tr>
<th>Resources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>J1 Full Time Equivalents (FTEs) (Authorized)</strong></td>
<td>784</td>
</tr>
<tr>
<td>Working Capital Fund</td>
<td>74%</td>
</tr>
<tr>
<td>Reimbursable</td>
<td>26%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Major J1 Population Centers</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Whitehall</td>
<td>474</td>
</tr>
<tr>
<td>New Cumberland</td>
<td>159</td>
</tr>
<tr>
<td>Fort Belvoir</td>
<td>95</td>
</tr>
<tr>
<td>San Joaquin</td>
<td>21</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>15</td>
</tr>
<tr>
<td>Richmond</td>
<td>12</td>
</tr>
<tr>
<td>Battle Creek</td>
<td>10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Leaders</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leader</strong></td>
<td><strong>Position</strong></td>
</tr>
<tr>
<td>Mr. Brad Bunn</td>
<td>Director, DLA Human Resources (J1)</td>
</tr>
<tr>
<td>Mr. Billie Keeler</td>
<td>Deputy Director, DLA Human Resources (J1)</td>
</tr>
<tr>
<td>Ms. Chaletta McCoy</td>
<td>Staff Director, Human Capital Program Development (J12)</td>
</tr>
<tr>
<td>Mr. Daryl Roberts</td>
<td>Staff Director, Labor and Employee Relations Policy (J13)</td>
</tr>
<tr>
<td>Ms. Laurie Hall</td>
<td>Staff Director, Human Resources Policy (J14)</td>
</tr>
<tr>
<td>Ms. Cheryl Steptoe-Simon</td>
<td>Staff Director, Human Capital Business Integration (J17)</td>
</tr>
<tr>
<td>Mr. Stephen Herrmann</td>
<td>Director, J1 Business Office</td>
</tr>
<tr>
<td>Mr. Michael Beaupre</td>
<td>Administrator, DLA Human Resources Services (DHRS)</td>
</tr>
<tr>
<td>Ms. Jill Dixon Cromer</td>
<td>Director, DHRS, DLA Customers</td>
</tr>
<tr>
<td>Mr. Derek Saunders</td>
<td>Director, DHRS, DoD Customers</td>
</tr>
<tr>
<td>Mr. Peter Marchesani</td>
<td>Director, DHRS, Enterprise Operations</td>
</tr>
<tr>
<td>Ms. Rochelle Anderson</td>
<td>Director, DHRS, DLA Training</td>
</tr>
<tr>
<td>Ms. Kathryn Roberts</td>
<td>Director, DHRS, HR Information Systems</td>
</tr>
<tr>
<td>MS. Lisa St. Peter</td>
<td>Director, DHRS, Travel and Payroll</td>
</tr>
<tr>
<td>Ms. Dawn Burton</td>
<td>Director, DHRS, Benefits</td>
</tr>
<tr>
<td>Mr. David Tighe</td>
<td>Director, DHRS, Military Personnel and Administration</td>
</tr>
<tr>
<td>Ms. Donna Estep</td>
<td>Director, DHRS, Injury Compensation</td>
</tr>
</tbody>
</table>

| Key Staff Members                                                      |   |
4. Historical Narrative

Several of J1’s key FY19 initiatives are described below, categorized as supporting either (1) the DLA Strategic Plan or (2) the DLA People and Culture Plan. Three of these J1 initiatives were designated as “FY19 Imperatives” by the DLA Director. Those initiatives are marked as such.

<table>
<thead>
<tr>
<th>Key J1 Initiatives Supporting DLA Strategic Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of Effort 3 Strong Partnerships</td>
</tr>
<tr>
<td>Transition USTRANSCOM HR Servicing</td>
</tr>
<tr>
<td>Line of Effort 5 Always Accountable</td>
</tr>
<tr>
<td>Sustain Audit Readiness for Hire to Retire (H2R)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key J1 Initiatives Supporting DLA People and Culture Plan Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective 1 Develop Leaders</td>
</tr>
<tr>
<td>• Evaluate Segments of Key Leader Programs</td>
</tr>
<tr>
<td>• Implement Enterprise Leader Development Program (ELDP) Level 2</td>
</tr>
<tr>
<td>• Emerging Leader Certificate Program</td>
</tr>
<tr>
<td>• Develop and Implement Senior Leader Orientation Course</td>
</tr>
<tr>
<td>• Sustain Succession Management for Critical Succession Positions</td>
</tr>
<tr>
<td>(CSPs)</td>
</tr>
<tr>
<td>• Implement DLA In-House Coaching Program</td>
</tr>
<tr>
<td>Objective 2 Resource the Enterprise</td>
</tr>
<tr>
<td>• Execute Direct Hire Authorities for FY19 allocations</td>
</tr>
<tr>
<td>Objective 3 Manage the Talent</td>
</tr>
<tr>
<td>• Build and Strengthen Key Competencies</td>
</tr>
<tr>
<td>Objective 5 Fortify the Culture</td>
</tr>
<tr>
<td>• Develop and Execute Culture/Climate Action Plans [FY19 Imperative]</td>
</tr>
<tr>
<td>• Prepare and Execute Renegotiation of DLA-AFGE Master Labor</td>
</tr>
<tr>
<td>• Agreement (MLA) [FY19 Imperative]</td>
</tr>
<tr>
<td>Objective 6 Perform and Reward</td>
</tr>
<tr>
<td>• Institutionalize the DoD Performance Management and Appraisal</td>
</tr>
<tr>
<td>• Program (DPMAP) Across the Agency [FY19 Imperative]</td>
</tr>
<tr>
<td>• Evaluate Effectiveness of DPMAP in DLA</td>
</tr>
</tbody>
</table>
a. Key J1 Initiatives Supporting DLA Strategic Plan

(1) LOE 3, Strong Partnerships: Transition USTRANSCOM HR Servicing

J1 implemented the HR Servicing Pilot between DLA and USTRANSCOM for staffing and employee benefits functions. This broadened insight into USTRANSCOM and DLA mission and functions, allowing us to provide better HR servicing for USTRANSCOM civilian personnel. Tangible outcomes included reducing time to fill and eliminating transactions processing backlogs, increasing mission readiness of the organization.

(2) LOE 5, Always Accountable: Sustain Audit Readiness for Hire to Retire (H2R)

J1 maintained a great standing on the H2R Examination for payroll, FECA, EOPF, Benefits and Travel. This standing reflects improved time, data, and quality of monthly payroll reconciliations. It allowed us to sustain internalized standards, contributed to organizational learning, and encouraged shared values.

b. Key J1 Initiatives Supporting DLA People and Culture Plan Objectives

(1) Objective 1, Develop Leaders: Evaluate Segments of Key Leader Programs

In 2019, J1 conducted a leader competency assessment and will develop action plans based on the results; hosted the biennial DLA Building Your Roadmap to Success (BYR2S) Leadership Forum in May 2019 at DLA Headquarters; and continued monthly Enterprise Senior Leader Discussion Forums for ELDP Level 4 supervisors and managers.

(2) Objective 1, Develop Leaders: Implement Enterprise Leader Development Program (ELDP) Level 2 Emerging Leader Certificate Program

The ELDP Level 2 certificate program was developed to build and sustain a highly skilled and motivated pool of team/work leads with understanding on conflict management and improved awareness of situational leadership. The program promotes organizational learning and improved employee engagement. In FY19, the pilot group completed the initial cohort and the implementation team completed an AAR. The program officially launched for all DLA team and work leads, approximately 1,100 individuals, in April 2019.

(3) Objective 1, Develop Leaders: Present Senior Leader Orientation Course

The Senior Leader Orientation Course (SLOC) is an in-person, classroom-based, instructor-led course that covers the full breadth of DLA missions; organizational structure; command and control (C2) relationships, roles, and responsibilities; current operations; strategic priorities; customer interaction philosophy; Defense-Wide Working Capital Fund (DWWCF) business model; and key administrative and management processes, such as managing civilians.
through the DoD Performance Management and Appraisal Program (DPMAP), labor relations and key tenets of the DLA Master Labor Agreement (MLA), IT, travel, etc. Two iterations in FY19 included a total of 54 senior leaders, both military and civilian, ranging in rank and grade from GS-14 to SES and MAJ (O4) to Major General (O-8).

(4) Objective 1, Develop Leaders: Sustain Succession Management for Critical Succession Positions (CSPs)

DLA uses career development programs and succession management initiatives to develop candidates with the skills needed to inspire greater confidence and productivity in the workforce. Improving succession management efforts results in an increased number of internal candidates and reduced time to fill critical vacancies. This is vital to maintain agency leadership continuity. We created a TMT tracker for annual CSP review, created and updated new CSP marketing materials, and developed an enterprise-wide CSP Annual Report.

(5) Objective 1, Develop Leaders: Implement DLA In-House Coaching Program

In FY18, DLA set out to create a coaching culture that fosters a continuous learning environment for all levels of leadership. FY19 saw the program pilot come to a successful completion. Information gathered from pilot participants is currently being evaluated. Future plans include increasing the number of highly qualified International Coach Federation (ICF)-trained coaches in DLA. This will help ensure DLA is developing and maintaining a motivated and productive workforce, increase partnerships and networks, and promote employee engagement.

(6) Objective 2, Resource the Enterprise: Execute Direct Hire Authorities for FY19 allocations

Maximizing use of direct-hire authorities authorized by Congress and prescribed by DoD allows DLA to attract a more diverse workforce. These authorities help with rapid targeted recruitment of better-qualified applicants. This involved reviewing allocations and identifying targeted recruitment needs, determining and executing recruitment strategies for Recent Graduate allocations, and determining how best to redistribute unused allocations.

(7) Objective 3, Manage the Talent: Build and Strengthen Key Competencies

The focus of this objective is to assess competency models and develop or refresh career maps to enhance civilian workforce management. This will assist in meeting the needs of current mission requirements, identify critical competency gaps and develop strategies to close the identified gaps. In FY19, five competency models and two career guides were
created/refreshed. Also in FY19, J1 hosted two DLA Functional Community Managers (FCMs) Bi-Annual meetings as informational sharing venue for the DLA FCMs and other stakeholders.

(8) Objective 5, Fortify the Culture: Develop and Execute Culture/Climate Action Plans [FY19 Imperative]

J1 provided support to the Agency and individual organizations in developing, implementing and monitoring concrete action plans to address opportunities for improvement identified in the 2018 DLA Culture/Climate Survey results. During FY19, J/D Code and MSC organizations developed, implemented and communicated culture/climate action plans to their workforces to facilitate increased organizational effectiveness, stronger survey scores, and increased employee satisfaction. Action plan progress was reported quarterly to J1. At the same time, J1 began preparing for the 2020 DLA Culture/Climate Survey, which will be launched in March 2020.

(9) Objective 5, Fortify the Culture: Prepare and Execute Renegotiation of DLA-AFGE Master Labor Agreement (MLA) [FY19 Imperative]

Preparing for and executing the enterprise strategy for renegotiating the AFGE-DLA MLA was conducted in anticipation of the previous MLA’s expiration. This is the first time in more than a decade the complete MLA was open to renegotiation. During FY19, DLA completed and delivered draft proposals to AFGE Council 169 and engaged in the negotiation process in two-week periods with two weeks off in between negotiating sessions. Upon completion in FY20, we are seeking a new MLA that balances the need to be mission-focused, agile and responsive in a dynamic national security and business environment while sustaining a positive, people-focused workplace climate and culture that provides employees a credible venue to voice concerns about workplace rules established in the collective bargaining agreements.

(10) Objective 6, Perform and Reward: Institutionalize the DoD Performance Management and Appraisal Program (DPMAP) Across the Agency [FY19 Imperative]

J1 provided ongoing DPMAP guidance and assistance to DLA leaders, DPMAP organizational POCs, and the general workforce. During FY19, J1 facilitated DLA's successful enterprise DPMAP Summit, resulting in comprehensive briefs on key policies, requirements, DoD changes, and lessons learned. Program improvements based on Summit outcomes included more formalized training and job aides for MyPerformance super users.

(11) Objective 6, Perform and Reward: Evaluate Effectiveness of DPMAP in DLA

DLA has worked to leverage DPMAP to improve employee engagement, enhance accountability, and create a high-performing culture. We have emphasized awareness of individual performance expectation, desired results, and the importance of supporting organizational goals. To this end, J1 has completed several DPMAP compliance reviews,
including of Supervisor and Team/Work Lead performance plans, random samples of performance elements, timeliness with DPMAP cycle milestones, and end-of-cycle award results.

5. Conclusion:

In FY19, J1 pursued the above-described initiatives and many others to sustain and improve its service to our diverse and growing customer base. In focusing on providing HR services that efficiently and effectively enhanced DLA’s preparedness for current and future mission areas, J1 focused on supporting the DLA Strategic Plan and DLA People and Culture Plan. DLA J1 leaders are preparing the agency to meet the anticipated challenges of DoD HR reforms and legislative proposals, including changes in the HR services delivery model. J1 is posturing for growth and preparing for an expansion of DLA HR services by building on our strong foundation, recognizing external drivers, and anticipating increased DoD direction.

6. Attachments:

   a. Annual Awards – The DLA Director hosted the 51st Annual Employee Recognition Awards Ceremony on Dec. 13, 2018, at DLA Headquarters. The announcement memo listing individual and team award recipients is attached.

   b. Hall of Fame – The DLA Director inducted six new members into the DLA Hall of Fame on June 26, 2019. The announcement memo listing the new inductees is attached.
Fiscal Year 2019 was another busy year for DLA and the J3 directorate. This annual history report captures the numerous accomplishments of the J3 in the many varied mission areas including:

- Maturation of the DLA Readiness Dashboard
- Transformation of the Joint Logistics Operations Center to the Agency Synchronization Operations Center
- Continued Whole of Government support, including Humanitarian Assistance/Disaster Relief response to hurricanes at home and abroad
- Expansion of the Agency’s partnership with the Department of Veterans Affairs
- Supporting the DoD in its mission with Customs and Border Protection
- Designation of F-35 Product Support Provider roles for North American Regional Warehousing and Global Transportation and Distribution in partnership with USTRANSCOM
- Establishment of a DLA Supply Chain Security Strategy
- Developing a Space Systems Portfolio in support of the standup of USSPACECOM

In addition to these important tasks, the J3 team was engaged in a wide range of critical Agency-wide efforts, including Operation Agency Resolve, the ongoing effort to obtain a clean audit opinion, and preparation for the Defense Wide Review with Secretary of Defense Dr. Mark Esper.

It was a year of transformation and expansion of the support provided by DLA marked by unprecedented challenges in the way the Agency conducts business. The J3 team remains committed to the Agency’s strategic priorities, our customers, and of course the Warfighter. We look forward to building on these initiatives in 2020.

Signed/Oct. xx, 2019

ALLAN E. DAY
Major General, USAF
Director, Logistics Operations
1. Organizational

Fiscal Year 2019 (FY19) was a year of change within DLA Logistics Operations, starting with its leadership. In June 2019, Maj Gen Allan E. Day took over as the DLA Director of Logistics Operations (J3), replacing Maj Gen Mark K. Johns, who retired in April 2019. Maj Gen Day came to DLA after serving as Air Force Materiel Command’s Director of Logistics, Civil Engineering, Force Protection, and Nuclear Integration, and he previously served as the Commander of DLA Aviation from March 2015 to June 2017.

In May 2019, Mr. Guy C. Beougher, Senior Executive Service (SES), assumed his new role as DLA Deputy Director of Logistics Operations (DJ3), succeeding Mr. Michael Scott, SES, who assumed his new duties as DLA’s Vice Director. Mr. Beougher returned to J3 after serving as the Deputy Commander of DLA Energy from May 2017 to May 2019, and previously served as J3’s Executive Director of Operations.

Other key leadership roles also saw change during FY19. Mr. Kevin Kachinski became the Acting Executive Director for Mission Support in May 2019, when Mr. Patrick J. Dulin was named the Acting Director of DLA Information Operations (J6) and DLA Chief Information Officer. COL Hattie L. Richardson assumed command of DLA CENTCOM & SOCOM in January 2019, and COL Krista Hoffman replaced COL Theodore Shinkle as the Commander of DLA Europe & Africa in June 2019.

The changes continued beyond the J3’s leadership. A two-year process to transfer functions between J3 and J6 culminated in Spring 2019, as DLA Research & Development and the DLA Office of Operations Research and Resource Analysis moved to J6 and DLA Logistics Information Services and the DLA Customer Interaction Center (CIC) moved to J3. The CIC
was placed under the Operations Executive Directorate (J31), while LIS joined the Logistics Policy and Strategic Programs Executive Directorate (J34).

b. DLA Logistics Operations Mission:

DLA Logistics Operations (J3) is responsible for management of DLA’s nine end-to-end supply chains. Provides logistics and materiel process management policy, guidance, and oversight. Integrates strategic, operational, and tactical perspectives, and Command and Control functions for contingency operations and adaptive planning in order to influence the end-to-end logistics supply chain. Principal strategic, operational, and tactical planner for DLA business operations. Oversees Operational Contract Support, the daily operations of all J3 activities, and engages DLA HQ Directorates and Major Subordinate Commands (MSCs) to gather and interpret customer requirements for the Agency. 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), Joint Contingency Acquisition Support Office, Executive Directorate (J32), and Policy and Strategic 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. Manages the overseas customer interface network of DLA Europe and Africa, DLA Indo-Pacific, and DLA CENTCOM and SOCOM. Oversees three O-6 level Regional Commanders (DLA Indo-Pacific, DLA CENTCOM and SOCOM and DLA Europe and Africa) 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 region. 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

Coordinate and integrate DLA’s Logistics capabilities with Combatant Commands (CCMDs), Military Services (MILSVCs), the Joint Staff, other Defense Combat Support Agencies, and designated Federal agencies. Provide integrated situation understanding of all levels of operations, Command and Control (C2) functions for contingency operations, natural disasters and adaptive planning to influence the end to end logistics supply chain. Support DLA customer outreach activities functional Help Desk services, customer interaction analytics, and forward deployed support.
d. J32 – Mission Support Executive Directorate

Provide Operational Contract Support (OCS) joint strategic enabling capability support to Geographic Combatant Commanders and U.S. Special Operations Command through planning, joint training, and initial OCS mission support to the Joint Force Commander to help ensure the Combatant Command has an organizational program management approach to OCS to comply with law. Engage and partner with the Offices of OSD, Joint Staff, MILSVCS, and other DoD and federal agencies to advance and promulgate OCS.

e. J34 – Logistics Policy and Strategic Programs Executive Directorate

Oversee development and dissemination of enterprise-wide policy of business and supply chain management 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 strategic programs and initiatives. Conduct research and analysis and provides DLA leadership with insights to shape policy development and support decisions. Manage enterprise-wide logistics research and development. Leads/supports projects related to DLA’s Audit Readiness efforts. Develop logistics data strategies for creating, obtaining, managing, and integrating logistics data for dissemination to support the Department of Defense (DOD), Federal agencies, and the North Atlantic Treaty Organization (NATO) operational supply chain needs and defense objectives.

f. NESO/J310 – Nuclear Enterprise Support Executive Directorate

Serves as HQ DLA’s leading face to the customer for all DLA-related nuclear enterprise issues, as well as coordinating all internal DLA support to include development of the DLA nuclear enterprise specific policies, procedures and strategic messaging.

g. DLA CENTCOM & SOCOM, DLA Europe & Africa, DLA Indo-Pacific

Represents the DLA Director within their assigned geographic regions. Perform as principal Enterprise points of contact with DLA senior overseas customers (Combatant and Unified Commanders, Senior Service Components, and Theater Service HQ, 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 the monitoring of Enterprise operations to ensure customer satisfaction. Supported Commander for steady-state and contingency operations within each Regional to ensure all forward DLA activities and operations are integrated in support of Combatant Command and Regional Service Component requirements. Supported
Commander for all regional operationalized staff entities such as DLA Human Resources (J1), Joint Contingency Acquisition Support Office (JCASO), DLA Information Operations (J6), DLA Comptroller (J8), DLA Installation M DLA General Counsel (DG) and DLA Office of Inspector General (OIG) geographically assigned to their region. Ensures alignment of regional programs with DLA’s overall strategy and vision. Directs and coordinates DLA efforts in support of mission support, logistics planning, Enterprise senior customer engagement, and development of an overall strategy for regional customer engagement. Monitors customer satisfaction and maintain 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 the implementation of DLA policies and strategies within the region.

h. FY19 Funding and Personnel Goals and Actuals

<table>
<thead>
<tr>
<th></th>
<th>FY19 Goals</th>
<th>FY19 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civilians (FTEs)</td>
<td>775</td>
<td>745</td>
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<tr>
<td>Active Duty Military Authorized</td>
<td>108</td>
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</tr>
<tr>
<td>Reserve Military Authorized</td>
<td>75</td>
<td>71</td>
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(In Millions) | (In Millions) |
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<tr>
<th></th>
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<tr>
<td>Labor (Direct only)</td>
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</tr>
<tr>
<td>Contracts</td>
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<td>Travel</td>
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<tr>
<td>Training</td>
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<tr>
<td>Other</td>
<td>$.6</td>
</tr>
<tr>
<td>Total</td>
<td>$93.8</td>
</tr>
</tbody>
</table>
2. Contingencies and Humanitarian Assistance/Disaster Relief Support

a. Department of Defense Support to Customs and Border Protection (CBP)

(1) Background:

Wire emplacement for Department of Homeland Security (DHS)/CBP Request for Assistance (RFA) #4 was completed on March 24, 2019. Under RFA #4, a total of 141.27 miles of fencing were emplaced in California and Arizona. Across all RFAs, a total of 201.37 miles of fencing were installed in Texas, California, and Arizona. In support of these and other CBP operations, DLA delivered $7,741,377 of Class IV material, $3,363,621 of re-utilized material, and $4,048,631 in Class I material. RFA #7, approved by the then-acting Secretary of Defense (SECDEF), called for the hardening of up to 16 Points of Entry (POE) in Texas and New Mexico.

(2) Outcome:

Units required DLA support for the procurement of concrete and plastic refillable jersey barriers. DLA engaged vendors through the Maintenance, Repair, and Operations (MRO) process to procure requested material, including jersey barriers and rebar, identified during engineering assessments conducted by U.S. Army North (ARNORTH) units.

(3) Key Highlights

(a) Total Class IV requisitions were 175
(b) Total mission assignment value was $0
(c) No DLA personnel deployed.
(d) There were 60 DLA Requests for Information (RFIs).
(e) Joint Staff DOD Support to the Department of Homeland Security
Revision 001 MOD 1 issued.
(f) Commander U.S. Northern Command (CDRUSARNORTH) issued
FRAGO 064.049 to OPORDER 01-17 and Capability Requirement/Activation Message 064.
(g) CDRUSARNORTH issued FRAGO 48 to OPORD 19-005 and
FRAGO 3 to TASKORD AN-TSK-19-012-1.
(h) DLA Execute Order (EXORD) 19-003 MOD 7 issued.
(i) DLA Liaison Officer stationed at Fort Sam Houston in support of

ARNORTH.
b. Support to Super Typhoon Yutu Relief Operations

(1) Background:

HQ DLA J31, DLA Troop Support, and DLA Indo-Pacific engaged with Federal Emergency Management Agency (FEMA) logistics leaders in the Indo-Pacific region to complete recovery operations in response to Super Typhoon Yutu. DLA completed delivery of all required Celina and Temper tents (726 Temper, 51 Celina) for temporary housing in Saipan and Tinian. FEMA acquired 300 tents organically through their supply support system to complete the total requirement for Yutu relief efforts. In addition, DLA Troop Support shipped four construction bills of materiel (BOM) worth $30M.

(2) Outcome: Mission complete.

c. Offutt Air Force Base Support

(1) Background:

DLA Disposition Service team members assigned to Offutt Air Force Base provided $60,431 in reutilized material, supporting recovery efforts. The 55th Logistics Readiness Squadron completed the assessment of damaged Class IX material, resulting in 44 requisitions using project code OAR (Offutt AFB Recovery). DLA Energy and Air Force Petroleum completed all actions to restore aviation and ground fuel resupply. The established plan to repair hydrant facilities received a timeline of up to six months to complete. DLA rescinded Execute Order (EXORD) 19-005, dis-establishing DLA Support Team-Offutt on April 24, 2019.

(2) Key Highlights:

(a) DLA EXORD 19-005 issued establishing DLA Support Team - Offutt (DST-Offutt).
(b) DLA Air Force National Account Manager, DST-Offutt Commander and DLA ASOC were fully embedded with the 55th LRS Commander and staff.
(c) Established a centralized collection point to support disposition efforts.
(d) J8 created an internal project code (OAR) that tracked support to Offutt AFB.

d. Hurricane Dorian Support

(1) Background:

Hurricane Dorian was the fourth named storm, second hurricane and first major hurricane in 2019 Atlantic hurricane season. Dorian formed on August 24, 2019 from a tropical wave in the Central Atlantic and gradually strengthened as it moved toward the Lesser Antilles,
becoming a hurricane on August 28. Rapid intensification occurred, and on August 31, Dorian became a Category 4 hurricane. On September 1, Dorian reached Category 5 intensity, with maximum sustained winds of 185 mph, and a minimum central pressure of 910 mb (26.87inHg) while making landfall in Elbow Cay, Bahama. Dorian made another landfall on Grand Bahama several hours later. The ridge of high pressure steering Dorian westward collapsed on September 2, causing Dorian to stall just north of Grand Bahama for about a day. It is the strongest known tropical system to impact the Bahamas. A combination of cold water upwelling and an eyewall replacement cycle weakened Dorian to a Category 2 hurricane on the next day. On the morning of September 3, Dorian began to move slowly toward the north-northwest. Dorian subsequently completed its eyewall replacement cycle and moved over warmer waters, regaining Category 3 intensity by midnight on September 5. In the early hours September 6, Dorian weakened to Category 1 intensity as it picked up speed and turned northeast. Dorian would pick up speed and move northwest along the North Carolina coast September 6, moving just south of the Crystal Coast, clipping Cape Lookout and eventually making landfall at Cape Hatteras.

(2) Description:

On August 29, upon the establishment of FEMA’s 24 hour-watch at the NRCC, the DLA ASOC activated its Hurricane contingency battle rhythm, which not only included Hurricane Dorian updates during our normal 0730 Global Update Brief, but also inclusion in a 1230 FEMA NRCC brief, a 1400 DoD NORTHCOM Sync and finally a Hurricane Dorian Battle Update Brief at 1530. This battle rhythm continued until September 13th when NORTHCOM has their final DoD Synch in support of their efforts supporting USAID and Bahamas HADR support.

(3) Outcome:

In total, $14M in total support included aid rendered to FEMA mission assignments (MAs) as well as various support to USNORTHCOM units.

(4) FEMA Support Executive Summary:

At the high point of operations, DLA had 73 personnel deployed in support of response and recovery operations contributing to the following:

(a) Expeditionary Deployable Depot Operations, Maxwell Alabama: Processed 669 trailers of various humanitarian support materials for onward movement to affected areas or FEMA reset locations.
(b) Expeditionary Deployable Depot Operations, Ft. Bragg, North Carolina: Processed 268 trailers of various humanitarian support materials for onward movement to affected areas or FEMA reset locations.

(c) Provided 1M meals (500K to Maxwell AFB, AL/500K to Ft Bragg, NC) for onward movement to affected areas or FEMA reset locations.

(d) Provided 144 generators on stand-by to support response efforts.

(e) Provided 71 contingency fuel support vehicles on stand-by to support response efforts

   i. Diesel 70,000 US gallons
   ii. Gasoline 40,000 US gallons
   iii. Propane 12,000 US gallons

(f) Provided 4 Liaisons to the FEMA National Response Center to coordinate DLA support.

While our fuel and generator support remained on stand-by as the storm track remained off the US East Coast, our Deployable Depot operations, meals and liaisons were lauded as critical support to current and future FEMA responses.

(5) Additional DLA Support to USNORTHCOM, other DoD and Partner Support:

(a) Mapping support to various customers provided; quantity: 4,141
(b) Repositioned 54 generators to Albany, GA (diverted to Ft. Bragg on FEMA request)
(c) 528 cases of meals provided to Stark, FL to Florida Army National Guard
(d) Delivered High Water Gear (320 sets of waders, gloves) requested from USNORTHCOM
(e) 685 cases of meals to Marine Corps Logistics Base (MCLB) Albany, GA in support of USMC Recruits from Parris Island, S.C.
(f) 100 cases of meals to Clearwater, FL (USCG Air Station)
(g) 960 cases of bottled water ordered for Ft Bragg, N.C. (3rd ESC)
(h) Additional 2,134 cases of meals to Albany, GA in support of Marine recruits from Parris Island, SC
(i) 432 cases of meals to Langley AFB, VA
(j) 100 cases of bottled water to Clearwater, FL (USCG Air Station)
(k) 68 cases of meals to Norfolk, VA (USN support)
(l) 6,960 cases of meals from Parris Island, SC to Albany, GA (USMC support)
(6) Participating Organizations:

(a) Internal to DLA: RDT Red Commander, RDT Blue Commander, DLA LNO to DoS, DLA LNO to USNORTHCOM, DLA LNO to FEMA, DLA CSR Support to FORSCOM/NGB, DLA Energy, DLA Troop Support, DLA Distribution, DLA Land and Maritime, DLA Aviation, DLA Disposition Services, DLA TRANSCOM, DLA J1, DLA J32 (JCASO), DLA J6, DLA J7, DLA J8, DLA J9, DG, DP, DL

(b) External to DLA: NORTHCOM (AFNORTH, ARNORTH), FEMA, USAID, US Coast Guard

3. Regional Commands

   a. DLA CENTCOM & SOCOM

(1) Background:

DLA CENTCOM & SOCOM proactively integrates and synchronizes DLA’s Global Readiness Solutions to ensure U.S. Central Command (USCENTCOM), U.S. Special Operations Command (USSOCOM) and Service Component Warfighter capability. DLA CENTCOM & SOCOM is integrated with the Combatant Commands, postured to anticipate requirements in coordination with DLA Headquarters and Major Subordinate Commands in order to meet emerging and future sustainment requirements in the CENTCOM area of responsibility (AOR).

(2) Key Highlights:

(a) Assumption of Command: COL Hattie Richardson took command in January 2019.

(b) DLA Logistics Information Services support to USSOCOM material cataloging requirements.

(c) USSOCOM Global Logistics Overview.

(d) Defense Property Accountability System (DPAS) for USSOCOM weapon systems and equipment.

(e) DLA Aviation programming and strategy for CV-22B Osprey aircraft readiness.

(f) DLA support to USCENTCOM “setting the theater” planning, executing, and sustaining requirements in response to Iranian aggression within the region.

(g) Supported Operations: Operations Inherent Resolve (OIR), Operation Spartan Shield (OSS), Operation Freedom’s Sentinel (OFS), Operation Resolute Support, and Operation Continuous Resolve (OCR).
(i) Joint Strategic Support Board wargames.
(j) DLA Forward-Stocking Initiatives.
(k) Distribution – Northern Distribution and Trans-Arabian Network.
(l) CL I: Subsistence Prime Vendor (SPV) throughout the AOR.
(m) CL III(B): DLA Energy-Middle East fuel and petroleum support throughout the AOR.
(n) CL IV: Requirements in support of operations throughout the AOR. (e.g., Maintenance, Repair, and Operations (MRO) Tailored Logistics Support (TLS) prime vendor contract)

b. DLA Europe & Africa

(1) Background:

DLA Europe & Africa proactively integrates and synchronizes DLA’s global readiness solutions to ensure U.S. European Command (USEUCOM), U.S. Africa Command (USAFRICOM) and Service Component Warfighter capability. DLA Europe & Africa is operationalized as DLA’s forward deployed logistics integrator, synchronizing DLA Enterprise capabilities and resources to ensure a Warfighter level of readiness and lethality.

(2) Key Highlights:

(b) Facilitated $7.5 million of services for War Reserve materiel storage facility
(c) Coordinated $3.4 Million of Special Operation Equipment to U.S. Air Forces Europe Security Forces
(d) Established CL I warehouse in Poland to support Operation Atlantic Resolve
(e) Supported Southern Exercise Campaign 19 with CL I and CL IV
(f) Expanded relationships with Polish and Bulgarian Ministries of Agriculture
(g) Established fountain soda machines at Camp Lemonnier, Djibouti, through local vendor to reduce waste produced by canned soda
(h) Exercised establishment of a second Theater Consolidated Shipping Point (TCSP) at DLA Distribution Sigonella, Italy, during Saber Guardian 19, opening an alternative sustainment node and providing operational flexibility to USEUCOM.
(i) Brought teams of Reserve Component service members on orders to work inside Distribution Centers during times of peak workloads related to exercise, rotational force activity, and anticipated Local National leave periods
(j) Partnered with the 21st Theater Support Command (TSC) to execute a Proof of Principle (PoP) shipping two containers via river barge to MK Romania in order to test
barge capabilities for the 21st TSC. The barge transited through seven countries and three main rivers – the Rhine, Main, and Danube – and the Europa Canal. This PoP is an effort to reduce traffic on the west to east road network in Europe.

c. DLA Indo-Pacific

(1) Background:

DLA Indo-Pacific represents the DLA Director within its assigned geographic region. It performs as principal Enterprise point of contact with DLA senior overseas customers (Combatant and Unified Commanders, Senior Service Components, Theater Service headquarters, other U.S. government agencies and Department of Defense activities, and designated multi-national organizations and allied partners). DLA Indo-Pacific is operationalized as DLA’s forward deployed logistics integrator; synchronizing DLA Enterprise capabilities and resources to ensure a Warfighter level of readiness and lethality.

(2) Key Highlights:

(a) Supported over 33 exercises within the U.S. Indo-Pacific (USINDOPACOM) including successful deployment of DLA Distribution Expeditionary Capability in support of Talisman Saber.
(b) Successful move and consolidation of DLA’s South Korean footprint to Camp Humphreys, adding robust capability including an operational SIPR DLA Korea Logistics Operations Center
(c) In support of the U.S. Pacific Fleet requirements, successful Proof of Principle to strengthen allies/partners and interoperability with CL I support via Subsistence Prime Vendor to the Japan Maritime Self-Defense Force.
(d) Support for Super Typhoon Yutu and deployment of team in support of the Federal Emergency Management Agency and Navy Region Marianas

4. Line of Effort: Warfighter First

a. Objective: 1.1 Nuclear Enterprise

(1) Initiative: 1.1.1 Support Services efforts to accurately code and map parts to NE weapon systems, including Nuclear Command and Control Communications (NC3) and Integrated Threat Warning/Attack Assessment (ITW/AA) systems, in accordance with the DoD Weapon System Support Program (WSSP), DoDM 4140.01.

(a) Background:
i. The WSSP is a DoD-directed program, which facilitates cost effective and responsive DoD supply chain material support to sustain Services weapon system operational readiness. The program allows each Service to identify National Item Identifier Numbered (NIINs) parts and material to a weapon system by criticality and essentiality.

ii. DLA works with the Services to ensure updates of the WSSP. There are approximately 424K NIINs under DLA management which support 10 NE weapon systems.

iii. Mapping parts to specific NE weapon systems is crucial to DLA’s ability to provide accurate support to the NE warfighter.

iv. WSSP data is the only means for DLA to accurately track its supply chain performance to NE weapon system readiness.

(b) Description:

i. The NESO works closely with Services acquisition, engineering, and sustainment organizations to stress the importance of the WSSP and the need for accurate mapping of associated NIINs.

ii. DLA coordinates with the Services to link NE NIINs to weapon systems via the Weapon System Designator Code (WSDC) assignment process. The WSDC enables DLA and the Services to apply intensive management techniques and detailed support analysis for weapon systems.

iii. NE WSSP Storyboards have been developed for each NE weapon system and are updated quarterly.

iv. DLA utilizes the Nuclear Support Tile on the Director’s Readiness Dashboard to provide the current readiness status of key NE performance indicators.

(c) Outcome:

i. Established comprehensive system portfolios for DLA support for NC3, ITW/AA, and Space systems. Currently, DLA is tracking over 200 systems.

ii. Identified key NC3 users and added their information to the NE Executive Dashboard.

iii. Partnered efforts with the Office of the Secretary of Defense – Chief Information Officer (OSD-CIO), USSTRATCOM, Air Force Global Strike Command (AFGSC), Air Force Space Command (AFSPC), Defense Information Systems Agency (DISA), Air Force Nuclear Weapons Center (AFNWC), Air Force Sustainment Center (AFSC), and the AF NC3 Center.

iv. Collaborated with the Air Force and Navy to accurately reflect NE weapon system WSDCs and map NIINs in the WSSP database for all organically supported NC3 systems; established WSDCs for 65 of the potential 185 organically supported NC3 systems.
(2) Initiative: 1.1.2 Enhance DLA support to USSTRATCOM and its components as they work to achieve NE performance readiness goals.

(a) Background:

i. In 2016, the NESO undertook the Director’s Strategic Initiative to improve DLA’s Material Availability (MA) performance to 95% by conducting a comprehensive analytic study, which resulted in a recommendation to invest $204M in additional safety-level inventory for AF and Navy NE weapon systems. The DLA Director approved the investment recommendation.

ii. The DLA Major Subordinate Commands (MSCs) implemented procurement actions associated with increasing NE inventory levels.

iii. An assessment of several strategic DoD internal reviews of the Nation’s NE capabilities and readiness, the NESO increased participation in USSTRATCOM Operational Planning and Exercises to identify DLA equities and vulnerabilities.

iv. NESO devised an Agency based strategy to meet 95% Customer Focused Metrics (CFM) MA goals by October 2021.

(b) Description:

i. Strengthen DLA capabilities to achieve NE Warfighter MA goals.

ii. Develop strategy to progress to 95% CFM MA.

iii. Develop strategy-based plan and Implement plan to progress to 95% CFM MA.

iv. Participate in USSTRATCOM Operational Plans and Exercises with DLA NE WS equities.

(c) Outcome:

i. DLA targeted NE investment actions resulted in recent NE weapon system MA improvements.

ii. The Agency’s NE inventory investment efforts achieved a 24% increase in AF and Navy CFM NE parts orders between FY15 and FY18 with only 0.7% decrease in CFM MA. As of EOM April 2019 CFM MA performance has been above 95%.

iii. Utilizing mission capable (MICAP) and casualty report (CASREP) reporting, NESO has been able to aggregate and analyze Services readiness for the Nuclear Triad fleet rewrite
iv. Briefed USSTRATCOM logistics supportability to the DLA Director during the bi-weekly DLA External Readiness Review.

v. Developed Agency’s first Supply Class IX (repair parts) Agency Mission Essential Tasks supporting USSTRATCOM in order to optimize warfighter readiness.

vi. Collaborated with MSCs to craft standards and performance measures for 14 weapon systems and supplies in order to meet USSTRATCOM OPLAN mission requirements—117.3K DLA managed National Stock Numbers.

vii. Requested and developed the Nuclear Enterprise Executive dashboard utilizing USAF and USN data extracts and EBS to track NE Weapon System Status.

viii. Leveraged Additive Manufacturing, the Small Business Innovation Program (SBIP), Small Business Technology Transfer (STTR), and Rapid Innovation Fund (RIF) program to improve MA.

ix. Co-sponsored the 2018 DLA Global Crisis Logistics Game with USSTRATCOM, facilitating over 50 stakeholders towards the development of strategic assessment standards and evaluating logistics challenges across 15 key nuclear and conventional weapons systems.

(3) Initiative: 1.1.3 Codify DLA supply chain support to the NE

(a) Background:

i. Per direction of the DLA Director, DLA codified its support to the DoD NE in the DLA Charter and by developing policy outlined in DLA Instruction 3150, *DLA Support to the DoD Nuclear Enterprise*.

ii. DLA dedicated labor and resources in its supply chains, demand chains, and business process areas specifically to support the DoD NE. Re-organized HQs DLA and MSCs to enhance support to the DOD NE.

iii. DLA established policy and is participating in AF and USN NE governance meetings, brokered agreements with supported NE organizations and placed Nuclear Liaison Officers (NLOs) at key NE customer locations.

(b) Description:

i. Improved collaboration with AF and USN to formalize NE governance structures, and establish forward presence and formal agreements in support of the NE Warfighter.

ii. Participated in NE Collaborative forums.

iii. Established NLO forward presence within key logistics and strategic NE organizations.

iv. Formalized agreements with key logistics and strategic NE organizations.
(c) Outcome:

i. Established a Memorandum of Agreement (MOA) with the Air Force Nuclear Weapons Center (AFNWC), solidifying a key NE stakeholder partnership while also codifying DLA’s continued support to the DoD NE.

ii. Assigned a DLA NLO at the AFNWC to synchronize sustainment support to the AF NE/NC3 missions and to assist with proactively posturing weapon system material support.

iii. Participated in various service NE Weapon System Reviews, provisioning forums and incorporated NE logistics support elements into formal agreements (MOA/Memorandum of Understanding (MOU)/Performance Based Agreements (PBA)).

iv. Revitalized Service PBAs, analyzed current metrics, and reviewed readiness improvement opportunities and CLIX core supportability metrics.

v. Obtained training allocations for Air Force Nuclear Fundamentals (NUC 200), Advanced Nuclear Concepts (NUC 300) and Senior Leader Nuclear Management (NUC 400) Courses; enhanced DLA’s NESO Enterprise understanding of the Nuclear Posture Review and materiel support to Triad Deterrence (Nuclear/Cyber/Space)

vi. Hosted AF Nuclear College’s Nuclear Enterprise Orientation Course at DLA; attendees included representative from across DLA, Navy Strategic Weapons Systems, Head Quarters United States Air Force and Head Quarters National Guard Bureau

vii. Engaged with Defense Threat Reduction Agency (DTRA) to address DLA support of cataloging Department of Energy (DOE) commercial items and mission assurance support.

viii. Briefed Johns Hopkin Applied Physics Laboratory on DLA Core competencies and supply chain support capabilities during their Ground Based Strategic Deterrent (GBSD) fact finding mission.

b. Objective: 1.2 Readiness and Lethality

(1) Initiative: 1.2.2 Additive Manufacturing (FY Imperative)

(a) Background:

The Office of the Secretary of Defense issued a Directive Type Memorandum (DTM), titled “Interim Policy and Guidance for the Use of Additive Manufacturing (AM) in Support of Materiel Sustainment”, on March 2019. The DTM outlines procedures, roles and responsibilities across the Department to ensure advancement of AM in support of warfighter readiness.
(b) Description:

This Initiative is identified in the DLA Strategic Plan, Objective 1.2, Readiness & Lethality; Initiative 1.2.2 Additive Manufacturing.

i. J344, Technical & Quality Assurance, leads AM efforts across the Enterprise. Activities will result in new policy and procedures to support the implementation of viable AM business models/offerings.

ii. Collaborative efforts with Military Services will define new technologies and capabilities needed to implement AM, such as 3D AM Technical Data Packages and new AM testing methods for item acceptance.

iii. DLA and Military Services will assess extent of current organic AM production on demand signals to the supply chain.

iv. J344 leads internal integration efforts to ensure comprehensive AM policies and processes are developed.

vi. FY19 Imperative

Focuses on some of the models/offerings: establish a collaborative framework with Military Services to share AM data; explore processes to provide parts made via AM; DLA Distribution deliver BCA on AM production capabilities

vii. JAMMEX – Joint Additive Manufacturing Exchange

viii. AM Task Force

(c) Significant Activities to note:

i. DLA establishes an integrated approach between DLA R&D and DLA Logistics Operations to initiate operationalization of AM. J344 AM leadership established.

ii. DLA Internal AM Summit and first DLA/Military Services AM Summit completed, second DLA/Military Services Summit scheduled for July 2019.

iii. DLA fully integrated with OSD R&E and OSD A&S regarding AM, and working hand-in-hand with AM leadership (MANTECH and Enterprise Maintenance Technology, respectively) to execute efforts outlined in DTM.

(d) Outcome:

DLA’s role as key stakeholder to implement AM in the DOD Supply Chain is defined through the DTM. The DTM will be replaced by permanent OSD policy by March 2020. Adapting standardized approaches with the Military Services to implement AM is crucial to ensuring it is a viable supply support option.
(e) Participating Organizations:

i. Internal to DLA: J344 – Technical and Quality Assurance Division, J6LB – Research and Development, J62 – Information Operations, MSC (Aviation, Disposition, Distribution, Land & Maritime, Troop Support), J7 – Acquisition Policy


POC: J34

(2) Initiative: 1.2.4 Industry Metric Visibility (FY Imperative)

(a) Background:

In October 2017, DLA formally acknowledged a requirement for a consolidated DLA Readiness Dashboard using data from the Military Services’ systems of record. The Readiness Dashboard was deployed in March 2018 to provide near real-time reporting of Service readiness for designated weapon systems and DLA equities impacting readiness. Weekly internal and external focused readiness briefings with senior leadership have been conducted since November 2017 to evaluate near real-time reporting. In FY19 our development focus shifted primarily to Service/DLA Industrial performance impacting weapon system readiness. The industrial performance metric tile with daily automated data updates is projected to be fully developed by the end of 3rd quarter.

(b) Description:

i. DLA continues to work closely with the Services and OSD Chief Management Officer (CMO) to align our daily mission capable, availability, and total inventory reporting on the DLA Service Readiness Dashboard with monthly Service-OSD reporting.

ii. DLA continues consolidating current data feeds in our Enterprise Data Warehouse (EDW) to create and maintain a centralized repository of real-time, actionable data to support detailed analytical analysis. The Readiness Dashboard provides a refocus and operationalizes the way DLA provides support to the Services.

(c) Outcome:

i. Weekly internal and external focused readiness briefings
with senior leadership have been conducted to evaluate near real-time performance and reporting.

   ii. DLA focus remains on increased Service weapon system readiness.

   iii. In November 2018, DLA started reporting Defense Readiness Reporting System (DRRS) quantitative assessments for Class IX repair parts support using Service weapon system platform Non-Mission Capable Supply (NMCS) rates for DLA.

   iv. Since October 2017, the DLA Enterprise Dashboard development team has deployed over 61 tiles highlighting mission critical data impacting Service readiness and daily DLA operations. Recently deployed tiles include Army and Navy-Maritime Industrial, Recruit Training Center Bag Fill Rate, Audit Task Force and Agency Performance Review.

   v. Internal to DLA: Agency-wide participation continues in weekly senior-leader readiness reviews, dashboard requirements generation and tile deployments

   vi. External to DLA: Primary external users continue to be Army, Navy, Marine Corps, Air Force, our Whole of Government partners and OSD.

   c. Objective: 1.3 Address Risk

      (1) Initiative: 1.3.2 Support A&S Transform Sustainment

      (a) Background:

      As Army Sustainment Command (ASC) implemented the new Common Core Authorized Stock List (ASL), it coordinated with DLA to explore the feasibility of moving DLA-owned stock closer to the Warfighter and maintainer to reduce lead-time and inventory investment. ASC owned the inventory held by the Installation Supply Support Activity (ISSA) Logistics Readiness Centers (LRC) supporting base operations. ASC decided to run a proof of principle to test alternative approaches of forward stocking versus using a distribution model that increased frequency of deliveries to offset elimination of LRC inventory.

      i. ASC selected Ft Carson, CO, to test the forward stocking model and Ft Drum, NY, to validate the Distribution model. Ft Carson was identified as it supported three different brigade combat teams, each with a different ASL. Ft Drum was selected because of proximity to DLA Distribution Susquehanna, PA (DDSP).

      ii. The distribution model was implemented in March 2018 and forward stocking in April 2018.

      iii. In May 2016, Headquarters Marine Corps (HQMC) asked for DLA’s assistance to address findings of the Strategic Prioritization Process Initiative that identified the Marine Corps need for an enterprise approach and standardization of processes for consumable item management. Marine Corps and DLA partnered on two Proofs of Principles (PoP) focusing on opportunities to leverage DLA’s capabilities to improve support from their Supply Management Units (SMU) to supported units. The SMUs provided intermediate-level consumable material
support to the Marine Expeditionary Force (MEF). The SMU is capable of deploying and provides material for deploying units (deployment blocks). Both PoPs, with varying degrees, evaluated DLA’s capabilities in assisting to right-size the MEFs’ intermediate-level inventory, reduce material turned into DLA’s disposition services while leveraging the Defense Working Capital Fund (DWCF) and DLA’s expertise of consumables. This effort provided unprecedented insight into the retail demands better informing supply (procurement) decisions. The process was collaborative, with DLA making recommendations on stocking objectives, while the SMUs make the ultimate decisions on levels based operational requirements.

(b) Description:

i. Marine Corps

The Camp Pendleton I MEF SMU tested the effectiveness of using DLA tools and models to provide recommended range and depth. The Marines then decided whether to accept the recommendations and adjusted stock accordingly using Service funding. DLA recommended Requisition Objective and Reorder Points to the I MEF SMU utilizing retail level demand history and an offline version of DLA’s Inventory Policy Optimization (IPO) planning tool. I MEF focused on the demand supported items (2,246 NIINs) aligned to 9 Principle End Items. DLA’S initial recommended inventory totaled $700K and identified excess of $2M.

ii. Army

ASC worked with DLA J34 and Distribution to establish a dedicated route to Ft Drum and arrange for an additional scheduled weekly delivery. Ft Drum and Tobyhanna Army Depot shared a weekly truck from DDSP. DLA Distribution Transportation team established two scheduled weekly trucks to Ft Drum as volume supported the additional truck. The deliveries to Drum added a 5th stop on the installation. Army decided to route all priority shipments from DDSP on the trucks rather than use parcel post. Distribution removed Tobyhanna from the joint route and added a scheduled truck to support their requirements.

DLA worked with Army to identify candidates for forward stocking. The joint Army-DLA team agreed to focus on CL IX Acquisition Advice Code (AAC) D/H/Z items that were maintenance significant, high demand, and high priority. Army provided 3 years of consumption data to DLA. As Army upgraded equipment in the past 3 years, DLA gave greater weight to current consumption. DLA provided Army an initial list of approx. 10K lines of items for review. Army eliminated more than 5K lines recommending 4.1K lines for forward stocking. DLA used Inventory Policy Optimization (IPO) to estimate an inventory investment of $12.5M was required to support the lines—DLA used the Materiel Returns Process (MRP) to transfer the SMS materiel in the LRC to DLA.

ASC decided to implement the Distribution model when the command was tasked to provide 90 employee positions to support the establishment of Futures
Command. The Distribution model enabled ASC to reduce staffing at the LRCs. The DLA Enterprise is working with ASC to develop plans to support the future LRC construct. ASC will implement the plan starting in FY19 with sites that are relatively easy to implement. Some routes support multiple installations and services—these are complex to decouple and will be placed toward the end.

(c) Participating Organizations:

i. Internal to DLA: DLA Human Resources (J1), DLA Logistics Operations (J3), DLA Information Operations (J6), DLA Acquisition (J7), DLA Finance (J8), DLA Reform, DLA Land and Maritime, DLA Distribution, DLA Aviation, DLA Troop Support

ii. External to DLA: Marine Corps Logistics Command, Army G-4, Army Materiel Command, Naval Sea Systems Command, Army Sustainment Command

(2) Initiative: 1.3.3: Identify and Prevent Counterfeit/Nonconforming Parts

(a) Background:

As part of DLA’s continual effort to mitigate supply chain threats DLA executed the following actions in FY19.

i. Implemented an enhanced supplier validation procedures for DLA suppliers seeking export-controlled technical data for DLA procurement requirements. The additional controls significantly mitigate the risk that unauthorized suppliers will access unclassified military critical technical data.

ii. Revised the DLA Instruction 4000.04 “Counterfeit Material Prevention and Mitigation.”

iii. Completed a reach and development project that demonstrated that value of using digital technology to in lieu of manual processing. The digital platform digitized the collection, analysis and storage of supply chain security documentation for electronic parts and export controlled technical data. The web-based technology significantly reduced supplier errors when submitting their documentation to DLA, and enabled DLA personnel to more effectively evaluate the documentation for approval.

iv. In collaboration with J6, developed and deployed an automated data solution to support the DoD IG Defense Criminal Investigative Service’s (DCIS) data analytics capability. The solution was instrumental to helping DCIS identify supply chain threats.

v. Initiated and research and development project that leverage “Block Chain” technology to strengthen DLA’s supply chain security for integrated circuits that support critical weapon systems.

(b) Description: Same as above.

(c) Outcome: A more comprehensive program for identifying and preventing suspect parts from entering DLA Supply Chain and protecting export controlled technical data.
(d) Participating Organizations:

i. Internal to DLA: DLA Information Operations (J6), DLA Acquisition (J7), DLA Disposition Services, DLA Major Subordinate Commands

ii. External to DLA: DoD IG Defense Security Investigative Service (DCIS), Military Services

d. Objective: Warfighter Trust

   (1) Initiative: 1.5.1: Assess and Improve DLA Systems, Performance, and Service From the Warfighter Perspective

(a) Background:

   In October 2017, DLA completed a review of customer support through the Strategic Logistics Education Development (SLED) program. The review found many gaps in DLA support and provided suggested areas for improvement. The review also found there was a significant gap in providing consistent training to our agency customer facing personnel and our customers on DLA’s product, services, and self-help tools. The review also found there was not a centralized place for the customer or vendor to find all the information readily to support the customer, so many customers were simply calling the Customer Interaction Center since it could lead them to a solution.

(b) Description:

   i. We must synchronize our efforts across the agency to ensure E2E support and gauge our effectiveness to deliver. We will examine ourselves from the perspective of those we serve, our Warfighters to determine if we meet their standards of support. Through an active engagement and ongoing dialogue, we will make DLA more effective in improving Warfighter readiness and lethality.

   ii. Assess and improve DLA systems, performance, and service from the Warfighter perspective.

   iii. Establish and execute a continuous process for soliciting and responding to the Warfighter feedback

   iv. Develop a framework and processes to implement measures to sustain and improve DLA’s systems, performance, and service

   v. Assess process and measures; adjust per customer feedback
(c) Outcome:

i. Used a DLA customer facing survey to determine DLA tools that customers need the most familiarization.

ii. Used suggestions from DLA SLED program to make the DLA public webpage much easier to navigate and improve the customer experience.

c. Objective: 1.6 Space Enterprise

(1) Initiative: 1.6.1: Develop Space Systems Portfolio (FY Imperative)

(a) Background:

i. DLA established Strategic Plan Initiative “Space” in June of 2018

ii. Purpose is to identify DLA’s current space equities and synchronize Agency efforts in support of USSTRATCOM and impending US Space Command

iii. NESO established the “Space Portfolio” as an FY19 Strategic Plan Initiative consistent with the 2019 National Defense Authorization Act (NDAA) requirement to establish US Space Command as a Sub-Unified Command under USSTRATCOM.

iv. Space Portfolio includes a portion of the NC3 (MILSATCOM), Missile Warning & Defense, AF Satellite Control Networks, Space Based Infrared Systems, Weather, Global Positioning Systems, Sensors, and Launch, Ranges & Networks Systems

(b) Description:

i. Provide responsive end-to-end supply chain support for the Nation’s organically supported SE systems.

ii. Prioritize DLA’s support to the SE.

iii. Develop SE storyboard; include customers, weapon systems and supply chains.

iv. Conduct WSDC and NIIN assessments for all space systems.

v. Conduct MA assessment for all space systems.

(c) Outcome:

i. Assigned a NLO at HQ AFSPC, Peterson AFB, continually providing direct facilitation and synchronization of DLA support to the SE at the strategic, operational, and tactical levels.
ii. Built a robust SE portfolio that captures warfighters and customers across DoD/Whole of Government. The portfolio includes associated WS, supply chains, and health assessments for supported SE systems.

iii. Developed and updated space systems storyboard content.

iv. Calculated the percentage of WSDCs required/assigned & measure against to be 100%, NIINs mapped to WSDCs & measure against to be 100%, MA against 95% target for NE WS

d. Objective: 1.7 Support to Department of Defense Reform

(1) Initiative: 1.7.2 Transform DLA Storage and Distribution (FY Imperative)

(a) Background:

During FY19, DLA continued to explore methods to reduce costs and improve the readiness of its commodity support to its customers. This initiative is a part of larger DoD Logistics Reform efforts. Transform DLA Storage and Distribution consisted of three conceptual levers: 1. Increasing Direct Vendor Delivery (DVD) commodity procurement; 2. Warehouse Modernization; as well as 3. Improving warehouse business practices. This initiative has a savings/cost avoidance goal of $128M by 2024.

(b) Description:

i. Total current estimates (FY19-24) for Lever I hold that increased DVD commodity support will save $105.1M; Lever II investments in modernizing warehouses will cost $182.6M; and Lever III process improvements will save $23.2M for a combined net cost of $54.3M.

ii. DLA investigated potential DVD opportunities in two phases. In Phase I, DLA J3 and Major Subordinate Commands (MSCs) investigated commodities that had an apparent presence in the open commercial marketplace. Current estimates hold that phase I activities will have a net savings of $77.1M. Phase I commodities to continue to DVD source selection include Federal Supply Group (FSG) 80 (Pants, Sealants, and Adhesives) and FSG 53 (Hardware and Abrasives). Phase II includes commodities identified by a DLA internal survey of commodities and a survey conducted by McKinsey and Company. Rough estimates of phase II commodities hold a potential net savings/cost avoidance of $28M.

iii. DLA’s internal survey identified eight FSGs for Phase II of commodity optimization: FSGs 85 (toiletries – Troop Support), 31 (Bearings – Aviation), 59 (Electric Components – Aviation), 66 (Laboratory Instruments – Aviation), 81 (Containers and Packing Supplies – Aviation), 20 (Ship and Maritime Equipment – Land and Maritime), 59

iv. After this survey, the McKinsey Company, working with DLA Information Technology (J6), applied machine learning techniques to identify commodities that may see gains in readiness metrics from DVD support. The McKinsey Company’s result was at the National Item Identifier Number (NIIN) level and identified nearly 13K NIINs – many of which were part of pre-existing phase I and phase II efforts. In January, the DJ3 tasked MSCs to include McKinsey survey results in ongoing Phase I and phase II efforts. Business Case Analyses (BCAs) for Phase II commodities expected from the MSCs in July 2019.

v. Concerns and Risks with Lever I: BCAs conducted to date have collectively concluded that firms are willing to assume a greater role DLA’s commodities, but at an increased cost. Additionally, increased DVD support may inadvertently raise DLA rates over time. DVD and other methods that place inventory outside of the DLA network lower warehouse throughput without lowering DLA’s fixed costs resulting in an increased costs for items still handled by the DLA network. Per DLA’s Presidential Budget Request (PBR) submission for 2020 and 2021 – fixed costs will increase due to capital investments made to modernize DLA’s Distribution network. In addition, J3 has noted customer and Distribution concerns that commodities currently supported by DVD have had issue meeting delivery time requirements.

vi. Lever II: In October 2018, the DJ3 added Distribution Modernization as a lever for this initiative. Distribution Modernization consists of four major tasks: modernizing the Eastern Distribution Center (EDC), implement tablets with printers, conduct voice technology pilot and implement, and implement real time location system (RTLS). These investments, if successful will result in a reduction of 350 FTEs from Distribution by FY24. While the reduction in personnel will offset some of the costs of the investments outlined above, per the PBR20, Distribution Modernization activities will have a net cost of $182.6M by FY2024.

vii. Lever III: In January 2019 the McKinsey Company identified possible business process improvements that could increase the cost effectiveness of DLA Distribution’s operations. DLA Distribution is investigating these business practice improvements and estimates that, in whole they could net a net savings of $23.2M by FY2024.

(c) Outcome:

As of the time of this report:

i. DLA expects FSG 80 to be supported via DVD and that this support will result in net savings/cost avoidance of $61.5M (by 2024) and improve MA to 90%. Distribution expects of potential reduction of 56 FTEs by FY2024.

ii. DLA is waiting on market feedback to determine the feasibility, potential costs and savings for CBI and FSG 53.

iii. DLA is conducting further analysis in Phase II commodities to determine the feasibility of DVD support.

iv. Modernization expenses, necessary to continue Distribution productivity and capabilities will result in a net cost of $182.6M by 2024. Distribution expects a
potential reduction of staff of 350 FTE pending the successful implementation of modernization investments.

v. DLA Distribution is conducting further analysis into potential business practice improvements.

(d) Lessons Learned:

Insights identified below are from internal research and coordination with consultants (BCG and McKinsey):

i. This initiative played a role in kick starting cost transparency efforts to better understand how actions and policies taken by DLA and our Service Partners to nominally lower prices may inadvertently increase rates for Distribution due to fixed costs.

ii. DLA quantified that ~70% of DLA serviced commodities (mostly Troop Support) are already supported via DVD (based on FY18 sales).

iii. Items that do well in DVD arrangements (fast/predictable movers that are commercially ready) are already, by in large supported by DVD.

(e) Participating Organizations:

i. Internal to DLA: DLA Logistics Operations (J3), DLA Information Operations (J6), DLA Acquisition (J7), DLA Finance (J8), DLA Reform, DLA Land and Maritime, DLA Distribution, DLA Aviation, DLA Troop Support

ii. External to DLA: OSD CMO Consultants (BCG), McKinsey

Company

POC: J34

(2) Initiative: 1.7.3 Transfer Retail Supply, Storage, and Distribution to DLA (FY Imperative)

(a) Background:

i. Recommendation 177 of Base Realignment and Closure (BRAC) 2005 consolidated Supply, Storage and Distribution (SS&D) functions of DLA Distribution Depots co-located with the same functions at 13 Service Maintenance Depots.

ii. While not included in the BRAC recommendation, Storage and Distribution (S&D) functionality was consolidated at Red River Army Depot, Pearl Harbor Naval Shipyard and Portsmouth Naval Shipyard with co-located DLA Distribution Depots in 2010.
iii. The Air Force (AF) transferred S&D functions, and supply responsibilities for DLA-managed consumables at the Air Logistics Complexes (ALCs). Prior to inventory transfer, there was $3.42B in total consumable inventory (AF and DLA) at the three ALCSs. DLA capitalized $366M of DLA-managed AF owned inventory. Today, DLA holds $2.38B in inventory at the 3 ALCs.

iv. The Services used different approaches to implement the BRAC recommendation at the Aviation depots and shipyards.

Navy transferred SS&D functions at the three Fleet Readiness Centers (FRCs). Prior to conversion, there was $1.27B in total consumable inventory (Navy and DLA) at the three FRCs. DLA capitalized all consumable inventory totaling $205M (less nuclear), regardless of materiel management. Today, DLA holds $.99B in consumable items at the 3 Navy FRCs.

The four shipyards transferred S&D functions and the related staff. Navy ceased transfer of supply functions because of system functionality issues.

The Army and Marine Corps transferred S&D functions and supporting personnel, but did not transfer inventory. The two Services determined their materiel was not retail inventory but work-in-process directly supporting depot production.

Table 1 provides a summary of the industrial site implementation dates

<table>
<thead>
<tr>
<th>Service</th>
<th>Industrial Activity</th>
<th>Go-Live Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navy Fleet Readiness Centers</td>
<td>North Island</td>
<td>Jun-13</td>
</tr>
<tr>
<td></td>
<td>Jacksonville</td>
<td>Oct-13</td>
</tr>
<tr>
<td></td>
<td>Cherry Point</td>
<td>Mar-14</td>
</tr>
<tr>
<td>Air Force</td>
<td>Warner Robins</td>
<td>Aug-09</td>
</tr>
<tr>
<td></td>
<td>Oklahoma City</td>
<td>Nov-09</td>
</tr>
<tr>
<td></td>
<td>Ogden</td>
<td>Jan-10</td>
</tr>
<tr>
<td>Navy Shipyards</td>
<td>Norfolk</td>
<td>May-09</td>
</tr>
<tr>
<td></td>
<td>Puget Sound</td>
<td>Jul-09</td>
</tr>
<tr>
<td></td>
<td>Pearl Harbor (Wynne)</td>
<td>Apr-10</td>
</tr>
<tr>
<td></td>
<td>Portsmouth (Wynne)</td>
<td>Jun-10</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>Albany</td>
<td>Jun-11</td>
</tr>
<tr>
<td></td>
<td>Barstow</td>
<td>Jul-11</td>
</tr>
</tbody>
</table>
As Army Sustainment Command (ASC) implemented the new Common Core Authorized Stock List (ASL), it coordinated with DLA to explore the feasibility of moving DLA-owned stock closer to the Warfighter and maintainer to reduce lead-time and inventory investment. ASC owned the inventory held by the Installation Supply Support Activity (ISSA) Logistics Readiness Centers (LRC) supporting base operations. ASC decided to run a proof of principle to test alternative approaches of forward stocking versus using a distribution model that increased frequency of deliveries to offset elimination of LRC inventory.

ASC selected Ft Carson, CO, to test the forward stocking model and Ft Drum, NY, to validate the Distribution model. Ft Carson was identified as it supported three different brigade combat teams, each with a different ASL. Ft Drum was selected because of proximity to DLA Distribution Susquehanna, PA (DDSP).

The distribution model was implemented in March 2018 and forward stocking in April 2018.

(b) Description:

i. The BRAC SS&D changes brought about realignment and consolidation to achieve greater supply chain integration by eliminating duplicate DoD logistics activities operating in the same facility. It provided a foundation for DoD to fully leverage joint opportunities, increase synergy and reduce redundancy across the Department.

ii. Moving the point of sale closer eliminates the need for the Services to invest in inventory until consumption by the warfighter or maintainer. The Services are beginning to understand the benefit and are examining other opportunities to expand logistics functionality into their operations.

(c) Marine Corps:

i. Industrial Retail Support

During June 13, 2018 Marine Corps/DLA Day, the DLA Director approved the concept, known as Industrial Supply Integration (ISI) as briefed and requested by the LOGCOM Deputy Commander. Both DLA and Marine Corps leadership fully support ISI with Marine Corps Industrial sites at Albany, GA and Barstow, CA. LOGCOM initiated a business case analysis to examine alternative courses of action (COAs) for further integration with DLA. After evaluating three potential COAs, LOGCOM decided to move forward with right-sizing the
retail footprint and optimizing materiel management processes first, then transitioning the supply function to DLA. We are pursuing a four-year SS&D implementation timeline that supports the approved COA. DLA and LOGCOM signed a Memorandum of Understanding (MOU) in April 2019, and efforts are underway to implement the selected COA with a projected full operational capability of Oct 2022.

   ii. Operational Retail Support: See Initiative 1.3.2 for more information.

   (d) Navy:

   Naval Sea Systems Command (NAVSEA) has discussed opportunities to re-engage with DLA in the shipyards. VADM Thomas Moore, NAVSEA Commander, toured the Warner Robins ALC in 2016 to understand the opportunities. Currently, Naval Supply Systems Command (NAVSUP), NAVSEA and DLA are examining roles and responsibilities within the shipyard. NAVSEA is interested in potentially leveraging existing DLA functionality as they evaluate a replacement for the Material Access Technology (MAT) application at their shipyards; DLA supporting the next generation of logistics IT is key to ensuring success. NAVSEA/DLA developed an MOU to define responsibilities. We anticipate the DLA Director re-engaging the NAVSEA Commander on this issue during the June 2019 timeframe.

   (e) Army

   i. Industrial Retail Support

   Army Materiel Command (AMC), Department of the Army (HQDA G4) and DLA are jointly developing a business case analysis (BCA) on moving the point of sale closer to the production line in four industrial depots located in Red River, TX, Anniston, AL, Corpus Christi, TX, and Tobyhanna, PA. The study started in October 2018 and anticipated completion is expected in June 2019. The effort involves examining four COAs, to include: status quo, DLA-owned materiel in Army’s LMP system, DLA-owned materiel in DLA systems, and Army and DLA-owned materiel in DLA systems.

   Once a COA is selected by executive leadership, the joint working group will conduct a deep-dive to identify the requirements and refine costing estimates. The goal of the initiative is to eliminate redundancies and improve supply chain performance and materiel support.

   ii. Operational Retail Support: See Initiative 1.3.2 for more information.

   (f) Outcome:

   i. DLA effectively integrated SS&D functions with Air Force ALCs and Navy FRCs. DoD inventory investment was reduced by $1.283B since implementation began
in 2009--$1.04B for the Air Force sites and $280M for the Navy sites. DoD reduced end strength by 105 full time equivalents (FTE) accomplished by eliminating duplicative processes—63 FTEs at AF sites and 42 at Navy sites.

ii. The SS&D effort has been successful at the ALCs and FRCs. The consolidated Order Response Time (ORT)—the key metric for the ALCs—averaged 91.7% for the previous 6 months for the 3 sites, exceeding the 90% goal. The 6 month average ORT ranged from 92.3% at Oklahoma City to 89.3% at Warner Robins. Overall FRC Gross Demand Plan (GDP) Fill Rate—Navy’s key metric—exceeded the goal of 90%. GDP Fill Rate averaged 91.7% for the past six months, remaining consistently above 91% for 11 of the past 12 months. 6 month fill rates range from 92.7% at Cherry Point to 89.5% at North Island.

(g) Participating Organizations:

i. Internal to DLA:

DLA Human Resources (J1), DLA Logistics Operations (J3), DLA Information Operations (J6), DLA Acquisition (J7), DLA Finance (J8), DLA Reform, DLA Land and Maritime, DLA Distribution, DLA Aviation, DLA Troop Support

ii. External to DLA: Marine Corps Logistics Command, Army G-4, Army Materiel Command, Naval Sea Systems Command, Army Sustainment Command

e. Objective 1.8: Demand Projections

(1) Initiative 1.8.1: Work to Improve Accuracy for Demand Planned Items

(a) Background: Roughly 125,000 line items managed by DLA are collaboratively planned with the Services in order to match procurement to service needs. Accuracy varies greatly throughout the list of items.

(b) Description: On May 1, 2019 DLA conducted a Demand Planning Summit in order to work with the Services to improve upon demand planning accuracy. This is especially important in a constrained OA environment in order to direct limited resources where most needed to ensure support to key readiness vital systems.

(c) Outcome: DLA had over 100 participants and received inputs allowing for significant refinements to the demand projections. While accuracy won’t be known for some time, this creates much more robust inputs, including the knowledge and insights of a great many disparate organizations.

(d) Participating Organizations:
5. Line of Effort: Global Posture

a. Objective: 2.2 Single Point of Entry

(1) Initiative: 2.2.1 Single Face to the Warfighter

(a) Background:

This initiative ensures all Warfighter-oriented and agency customer-facing teams are synchronized in a united effort to connect requirements with DLA capabilities. In October 2017, DLA completed a review of customer support through the Strategic Logistics Education Development (SLED) program. The review found many gaps in DLA support and provided suggested areas for improvement.

The review also found there was a significant gap in providing consistent training to our agency customer facing personnel and our customers on DLA’s product, services, and self-help tools.

The review also found there was not a centralized place for the customer or vendor to find all the information readily to support the customer, so many customers were simply calling the Customer Interaction Center since it could lead them to a solution.

(b) Description:

Building a framework to resource, train, and equip customer-facing teams to present a single point of entry for all support and services is on-going. The following outline of steps to support include:

i. Work withMSCs and Regions on portfolio of customer facing
PDs to include in curriculum

ii. Review portfolio of PDs for competencies and learning
objectives

iii. Validate a group of customer facing personnel the draft
competencies and learning objectives (Survey DLA only personnel, survey should be more often
than yearly)

iv. Build a Community of Practice to share information and
provide a library of briefings and resources to be used by all

v. With validated competencies and learning objectives, review
existing DLA/LMS training to see what we have that already fits
vi. Use selected customer facing personnel to build some in house education and training AND have LMS build some education and training AND Battle Creek instructional staff to build education and training. If needed, contract out to DTC to build training

(c) Sub-Task: Military Partner Feedback Survey (Phase I): Assess DLA’s performance in the execution of mission areas to measure the effectiveness of DLA as a combat logistics agency to Warfighters and gain insight into the military partners’ experience when working with DLA. Improve execution of our mission and to enhance supporting our Warfighters.

i. The purpose of this sub-initiative is to retrieve feedbacks from warfighters who are identified as strategic, operational, and tactical level customers from all service components to retrieve feedback as in a united effort to connect requirements with DLA capabilities.

ii. Regardless of the input point, we must portray a united face to the Warfighter. Based on the assessment, the intent is to develop improvement plan at the agency level with more details from each J code, MSCs and regional commands. Once the improvement plan is developed and approved, it will be executed throughout the cycle and it will be reassessed in next survey.

(d) Outcome:

More effective messaging and greater customer awareness, resulting in fully involved and engaged customers.

i. Better synchronized customer engagement and enhanced customer education and training resulting in more proficient and self-sufficient customers.

ii. Optimally resourced, trained, and equipped regional commands, MSCs and customer-facing teams throughout the agency that achieve a synchronized unity of effort for supported commands and organizations. Improvement through direct feedback from customers throughout various level will improve Warfighter readiness and lethality.

(e) Participating Organizations:

i. Internal to DLA: Regional Commands, Major Subordinate Commands, J31 Customer-facing teams
ii. External to DLA: Military Services (Phase I), Whole of Government Partners (Phase II)

(2) Initiative: 2.2.2 Joint Logistics Operations Center Transformation (FY Imperative)

(a) Background:

In FY19, DLA began to transition the Agency’s Joint Logistics Operations Center (JLOC) to the Agency Synchronization Operations Center (ASOC) with the goal of combining the Center’s focus on contingency logistics operations with business operations across the DLA Enterprise.

Description: This effort focused on integrating personnel, processes, and systems to support real time sharing of data, information, and resources that drives analysis; the development of actionable logistics intelligence; and empowers leaders to make informed decisions as well as track outcomes to ensure the priorities of our Service, Combatant Command, and Whole of Government customers are supported.

To accomplish this transformational effort, organizational representatives are engaged in day to day operations that leverages the use of virtual tools to enhance communications and deliver a synchronized capability for the enterprise. Additionally, the ASOC personnel participate in Fusion Cells/IPTs/Working Groups to analyze issues and develop COAs to solve key Agency issues and track to completion.

(b) Outcome:

An Enterprise capability that operates in both the unclassified and classified environments representing all DLA components that are applicable to supporting contingency operations as well as business operations that manage and support our external partners.

(c) Participating Organizations:

i. Internal to DLA: J & D Codes, Service NAM teams, MSCs, Regional Commands

ii. External to DLA: TRANSCOM, FEMA, GSA

b. Objective: 2.4 Expanded Solutions

(1) Initiative: 2.4.1 Improve Operational Contract Support Capability to Meet Combatant Command Requirements

(a) Background:
OCS is “the process of planning for and obtaining supplies, services, and construction from commercial sources in support of CCDR-directed operations through the related contract support integration, contracting support, and contractor management functions.” OCS doctrine originated as a response to Congressional mandates, (e.g., 2007 NDAA, Section 854), the Gansler Commission Report findings, multiple Government Accountability Office (GAO) reports, and lessons learned reports from Operation Iraqi Freedom, Operation Enduring Freedom, and Joint Task Force Horn of Africa. Current doctrine states that “OCS planning and execution require a programmatic approach on behalf of the JFC [Joint Forces Command] and supporting CCMDs, Service components, CSAs, and their associated contracting organizations.”

The Department of Defense (DoD) established the DLA Joint Contingency Acquisition Support Office (JCASO) in 2010 in response to Congressional scrutiny into issues associated with planning, managing, and accounting for contractor services and contractor personnel during contingency operations. JCASO is comprised of military, DoD civilians, and contractors responsible for performing OCS planning, joint training, and short-term deployable OCS expertise in support of contingency operations with a focus on CCMD, sub-unified command, and USSOCOM support. Per DLA General Order No. 11-16 (effective date August 9, 2016) JCASO’s mission includes a specified task to “Engage and collaborate with OSD, Joint Staff, military services, and other DoD organizations on OCS initiatives.”

Despite tremendous strides made since 2010, as of FY19 OCS is still at a critical juncture and remains on the Biennial GAO High Risk Report List (GAO-19-157SP). In part, this is because of the lack of Service component OCS staffing and training capacity; this is a critical challenge that impacts the effectiveness of the GCCs. Additionally, Combatant Commanders lack the tools needed to visualize commercial support dependencies and the methods to assess OCS risks and mitigation techniques.

In FY18, DLA J32 JCASO, in-coordination with the Military Service Departments, launched the OCS Tutor Initiative to address Service component capability gaps related to the planning and integration of OCS into current operations. The tutors’ core functions were to plan, integrate, manage, and execute OCS support within the Services and Service components and to guide and mentor Service component staffs. The OCS Tutor initiative is an on-going contract solution that initially provided eight tutors for a period of one year (from September 2017 to September 2018) at locations identified by the Services and SOCOM.

(b) Description:

OCS Tutors: The JCASO OCS Tutor Initiative supports the line of effort to advance DLA’s global posture through expanded solutions (Objective 2.4) by effectively improving OCS capabilities at Service Component Commands and TSOCs in support of GCC and USSOCOM requirements. While DLA funded the base year of the contract as a “proof of principle” for FY18, in FY19 the Services (and SOCOM) were responsible for funding an option year to validate the benefits of the initiative.
All but one Service funded the option year through September 2019. Under the option year, contracted OCS tutors supported the U.S. Air Force, U.S. Army, U.S. Marine Corps, and Special Operations Command. JCASO also expanded the use of tutor support to address DLA’s Combat Support Agency OCS equities by incorporating an OCS integration capability into the Agency Synchronization and Operations Center and by collaborating with JSJ4 and OSD to improve OCS knowledge management.

REI: Concurrently, JCASO Mission Support Team One (MST 1) assisted US European Command (USEUCOM) and coordinated the Memorandum of Agreement (MOA) between DLA J3 and USEUCOM J4. Signed in Dec 18, the OCS REI MOA focused on intra-theater transportation (trucking) and codified DLA-funded contractor support at USEUCOM J4 for 12 months. MST 1 led the short-term effort, prior to contract award, assisting USEUCOM J4 with analysis of their commercial support dependencies (CSD) and worked with U.S. Army Europe (USAREUR) G-4, 21st Theater Sustainment Command (TSC), U.S. Air Forces Europe (USAFE) A4, and DLA to gather trucking requirements. DLA leveraged an existing Air Force contracting vehicle to procure six contractors to develop tools/products to satisfy the REI objectives and support related enhancements to USEUCOM J4’s OCS Integration Cell (OCSIC) capabilities. Contractor performance started 1 May 19.

(c) Outcome:

OCS Tutors: Progress is 85% as of 14 May 19 based on delivery of 157 out of 185 total required contract deliverable reports. This initiative is a success story for the DoD, DLA, and the warfighter. Feedback from the Army 1st TSC, for example, was that “All the training you provided was essential to being able to function as well as we did upon arrival in theater.” Some of the highlights of this effort include:

i. Tutors for USAF are integrating OCS equities into Air Force Instructions (AFIs) and career field training for 48 functional areas, in support of USAF Doctrine, Organization, Training, Materiel, Leadership & Education, Personnel, and Facilities (DOTMLPF), Change Request (DCR) Implementation, and have improved OCS in plans at USAFE, Air Forces Northern Command (AFNORTH) and Air forces Southern Command (AFSOUTH).

ii. Tutors for US Army injected OCS into Army unit mobilization training, conducting 12 engagements with active and reserve unit staffs this training year, with 8 more engagements approved by the Army POC and COR for the period between the 14 May 19 report date and end of FY19

iii. The USMC Tutor revised USMC Expeditionary Logistics (EXLOG) training in collaboration with the Marine Corps Logistics Operations Group (MCLOG) to include OCS considerations.

iv. The Tutor supporting Special Operations Command Pacific (SOCPAC) has developed or refined Annexes W for two OPLANs, two CONPLANs and two Campaign Support Plans, and is training SOCPAC staff on Time Phased Force Deployment Data (TPFDD) analysis and OCS Defense Readiness Reporting System (DRRS) tools.
v. Tutors supporting DLA have helped develop OCS integration capabilities in the ASOC and improved OCS knowledge management through OCS-Connect in-collaboration with the Joint Staff J4

OCS REI: Contractor performance started 1 Apr 19. In support of contract deliverables (systems and tools to visualize CSD and methodologies to assess associated risk), the REI team is working with the USEUCOM J4 OCSIC to facilitate and establish OCS-related boards and working groups, develop OPLAN Annex W appendices, and assisting with programs such as Vendor Threat Mitigation (VTM)/Vendor Vetting capability aligned with REI objectives. Recently, the REI team’s analysis of EUCOM, 21 TSC, and DLA trucking requirements identified the “Top 5” most-relied upon companies to help prioritize VTM efforts.

The next milestone is for the REI contractors to provide a Plan of Action and Milestones (POAM) and report progress on a monthly basis to ensure the contractors are on-track and aligned with the established stakeholders’ objectives. Additionally, JCASO will regularly update the community of interest through established joint boards and working groups.

(d) Participating Organizations:

i. Internal to DLA: JCASO, DLA J7


6. Line of Effort: Strong Partnerships

a. Objective: 3.1 Joint Logistics Enterprise Partnerships

(1) Initiative: 3.1.2 Enhance Joint Logistics Enterprise partnerships with seamless integration and unity of effort between USTRANSCOM and DLA.

(a) Background:

Following release of the 2018-2026 DLA Strategic Plan, the enduring partnership between US Transportation Command (USTRANSCOM) and DLA was comprised of three recurring initiatives.

i. Sustain integration of DLA Rapid Deployment Teams (RDT) into USTRANSCOM exercises, alerts, and deployments.
ii. Review Terms of Reference (TOR) and refine initial milestones, conduct Executive Steering Group (ESG) meetings.

iii. Integrate DLA’s Warehouse Management System (WMS) with USTRANSCOM’s Transportation Management System (TMS).

(b) Description:

i. RDT Red team participated in USTRANSCOM’s Turbo Distribution 19-1 exercise at Jacksonville, FL from 16-23 February 2019. This was an aerial port of debarkation field training exercise (FTX).

ii. RDT White participated in Turbo Distribution 19-2 at Sierra Depot, CA from 9-15 April 2019. This was an aerial port of debarkation FTX.

iii. RDT Blue will participate in Turbo Distribution 19-3 at North Auxiliary Field, SC from 15-27 July 2019. This was an aerial port of debarkation FTX.

iv. TOR was revised on 11 February 2019 and approved by both USTRANSCOM and DLA. Revisions included inclusion of USTRANSCOM Commander’s updated command priorities as well as an update to the existing 13 Focus Areas.

v. Paper-only ESG was conducted on 13 February 2019.

vi. Next ESG is scheduled for 8 July 2019.

vii. DLA J34, J6, and Distribution participated in TMS blueprinting sessions during the summer/fall of 2018.

viii. DLA Distribution San Joaquin (DDJC) participated in TMS training in May and July 2019.

ix. DDJC will go-live with booking truck segment between DDJC and Travis AFB for airlift shipments to Hawaii beginning in August 2019.

(c) Outcome:

RDT and TOR/ESG initiatives are enduring. WMS/TMS interoperability is progressing towards fall 2019 completion.

Participating Organizations:

b. Objective: 3.2 DoD and Interagency Partnerships

(1) Initiative: 3.2.1 F-35 Lightning II Joint Strike Fighter (JSF) Sustainment Support Efforts (FY Imperative)

(a) Background:

The F-35 Lightning II is a fifth generation fighter aircraft, with stealth, autonomic logistics, and firepower for the Navy, Air Force, Marines, eight Partner Nations, and four Foreign Military Sales (FMS) customers. At program inception, the F-35 Joint Program (JPO) designated Lockheed Martin Aerospace (LM) and Pratt and Whitney (P&W) with
sustaining the F-35 Air System and F135 Engine for the life of the program under a Contractor Logistics Support (CLS) strategy. As aircraft began flying, sustainment issues arose and costs increased, prompting the Department of Defense (DOD) to reexamine the CLS decision. DoD evaluated requests for information, and began a relationship with DLA to help reduce life cycle costs and improve aircraft availability. The relationship started initially with a cataloging effort in support of F-35 disposition requirements, and has grown to include warehousing and transportation Product Support Provider (PSP) services. Additional areas of opportunity with fuel support, common consumables support, and disposal support exist and are being explored with the JPO.

(b) Description:

In 2012, the JPO contractually tasked LM and P&W with providing the necessary technical/logistics data to screen for existing National Stock Numbers (NSNs) and initiate cataloging for disposition of 70,869 items. DLA reviewed 77% of the NSN candidates, but required additional data from LM and P&W to get to 100%. Work has ceased, since the contract with this scope of work expired 31 Dec 18. DLA continues to work with JPO on a path forward and requirements needed to obtain the necessary technical data for cataloging. A Technical Data Package working group is being formed by the JPO with DLA as a key participant to establish data and logistical information requirements in support a provisioning and cataloging effort with the intent to develop an organic sustainment strategy.

On 4 Jan 19, JPO formally designated DLA as the PSP) for North American Warehousing, and DLA in partnership with United States Transportation Command (USTRANSCOM) as the PSP for Global Transportation and Distribution. DLA and USTRANSCOM formed working groups for the development of requirements, service level agreements, and transition plans to move the warehousing and transportation workload from contractor support to organic.

On 15 Feb 19, DLA and LM Aero signed a Memorandum of Understanding that established DLA as an additional source of supply to LM in support of the F-35 program. The agreement provided LM with a new avenue to procure common consumable parts already supported by DLA and common with other weapon system platforms.

JPO is working on additional PSP assignments for Disposition Services and Common Consumables support, with DLA standing by to discuss these PSP opportunities.

(c) Outcomes:

DLA reviewed/cataloged 54,524 F-35 items, of which 7,400 are common with other platforms.

PSP implementation will assist in bringing the F-35 program in-line with standard DoD practices by leveraging existing DoD transportation and warehousing
infrastructure with proven processes and capabilities. By utilizing an organic PSP solution, the program will have increased visibility and oversight over the storage and movement of sustainment assets. Over time DLA support will contribute to increased performance and increased asset visibility while driving solutions to lower sustainment life cycle costs.

DLA worked with LM and identified 958 items LM has interest in purchasing directly from DLA. This work resulted in a signed Memorandum of Agreement between LM and DLA, making DLA an additional source of supply supporting the F-35 program.

(2) Initiative: 3.2.2 Engage Early in the Major Defense Acquisition Program (MDAP) Process

(a) Background:

In 2016, DLA recognized the need to engage with program offices early in the acquisition life cycle process to assist with developing efficient life cycle sustainment solutions and provide information on DLA support capabilities. As a result, DLA established the Major Defense Acquisition Programs Section in J32, with the goal of creating and maintaining partnerships with the Services and Whole of Government organizations (as applicable) for all new MDAPs.

(b) Description:

In FY19, J32P identified 22 programs to begin engagement with; however, funding and OSD-level decisions reduced the list to 17. J32P then developed a DLA value presentation to support discussions, and established contacts with Weapon System Support Managers and Business Development Managers at the Major Subordinate Commands for subject matter expertise and support as required.

J32P briefed all 17 program offices, resulting in active, recurring DLA involvement with 7 program offices. J32P established procedures for maintaining communications with the program offices, and requirements for reviewing the Defense Acquisition Management Information Retrieval (DAMIR) system for new programs for DLA engagement.

(c) Outcome:

J32P established active, regular DLA involvement in 7 of the 17 Pre-MDAP program offices. The remaining Pre-MDAP programs were assessed to be too early in the acquisition life cycle. In addition, J32 established procedures to monitor these programs for status changes that would necessitate active involvement. In FY19, the 7 programs with active DLA involvement included:

i. LPD 17, San Antonio Class Amphibious Transport Dock (Navy)
ii. LRSO, Long Range Stand-Off Weapon (Air Force)
(3) Initiative: 3.2.3 Performance Based Logistics Center of Excellence

(a) Background:

To provide increased performance to the Warfighter while reducing overall costs, DLA established an outcome-based strategies solution concept and adopted a goal of establishing the Agency as a Performance Based Logistics (PBL) Center of Excellence (COE). The desired end state was to establish and maintain organic DLA capability to develop, execute, and deliver Performance Based arrangement solutions by FY20.

(b) Description:

In FY19, DLA took multiple major actions toward establishing the PBL COE. These actions included:

i. PBL Training and Organizational Change: J32 facilitated formal training at the Major Subordinate Commands (MSCs) in PBL concepts and development, training over 90 personnel. In coordination with J31, J32 developed a Position Description (PD) for a PBL Program Manager (PM) that the MSCs are actively using to manage their PBL programs.

ii. Business Case Analysis (BCA) Tool: J32 coordinated the effort to enhance DLA’s BCA capability through a phased plan to acquire, test, and deploy a BCA tool capable of supporting business decisions for PBL and other complex Tailored Logistics Solutions (TLS). J32 has established the goal of deploying a fully integrated tool by FY22.

iii. PBL Auditability and Process Alignment: J32 and J8, along with PBL stakeholders across DLA, are engaged in a contractor-supported effort to assess and correct gaps in PBL auditability and process alignment across multiple functions. The effort will deliver recommended process and system changes designed to ensure PBL auditability and alignment by April 2020.

iv. Supplier Initiated Order (SIO) Concept of Operations (CONOPS): J32 has drafted an SIO CONOPS to serve as a basis for detailing the benefits of SIO, the risks SIO can pose to DLA, and formal system and process controls designed to reduce risk while ensuring SIO auditability. The SIO CONOPS will be finalized pending findings from
the PBL Auditable and Process Alignment effort which will assess SIO as 1 of 6 major DLA PBL models.

(c) Outcome:

DLA is an established Performance Based arrangement provider, recognized as a lead expert in this area, supporting DoD and Interagency performance outcomes by providing greater product support performance, efficiency, and productivity to our partners.

4. Line of Effort: Whole of Government

   a. Objective: 4.2 Provider of Choice

      (1) Initiative: 4.2.2 Provider of Choice for U.S. Coast Guard (FY Imperative)

      (a) Background:

      Developed a Whole of Government (WOG) Plan of Action and Milestones (POA&M) and integration timeline to execute a uniform supply and distribution support mission for the U.S. Coast Guard (USCG). DLA total support to USCG for FY2018 was $326.4M. This figure includes commodities; water, meals, clothing and textiles, repair parts, fuel, and CL IV building materials. DLA Troop Support, DLA Energy and DLA Distribution provided support.

      (b) Description:

      USCG requested assistance with modernizing their uniform procurement, warehousing, and distribution processes. In December 2018, the UDM work group was established with the goal of developing and implementing steps to move USCG away from the current system, and have DLA be the provider of choice for all Clothing and Textiles (C&T) items going forward. Two successful test orders were executed in March 2019 with direct delivery to the USCG Recruit Training Center and Base Exchange as proof of concept.

      (c) Outcome:

      DLA Troop Support, in coordination with USCG personnel, completed cataloging and inventory of key C&T items. USCG is now positioned to reduce the warehousing footprint associated with the UDM mission, and also realize efficiencies and cost savings as result of the partnership with DLA.

5. Line of Effort: Cross Cutting Initiatives

   a. Initiative: Supply Chain Security

      (1) Background:
In April 2019, the DLA Director tasked DLA J3 to establish and lead a cross-functional team to develop the Agency’s Supply Chain Security Strategy by the end of June 2019. The DLA J3 asked Col Scott Ritzel (NESO) to lead the effort. Col Ritzel established a 25-person cross-functional team and conducted weekly working group meetings to develop the Agency’s Supply Chain Security Strategy. The strategy was completed on-time.

(2) Description:

DLA’s Supply Chain Security Strategy is the roadmap for how the Agency will address supply chain security challenges across the enterprise. This cross-cutting effort is fundamental to DLA’s operations and underpins the Agency’s ability to support the Warfighter. Interruption of DLA supply chain operations compromises our nation’s ability to deliver combat power and execute critical missions.

Today’s world presents a multitude of challenges to DLA’s supply chain operations. Threats from natural disasters, geopolitical developments, nefarious activities, diminishing manufacturers, and the ever-present threat from the cyber-domain demand that DLA continues the journey to strengthen operational resiliency. As the threat environment evolves, so too must DLA’s ability to detect, protect, and continue operations in a contested or degraded environment through redundant and resilient supply chain operations.

DLA’s Supply Chain Security Strategy is designed to establish an architecture that comprehensively addresses supply chain security from an enterprise perspective. The architecture consists of five broad components; (1) threat identification and risk prioritization, (2) offensive risk mitigation, (3) defensive risk mitigation, (4) resilient supply chain operations and (5) prevention, detection, protection and defense of the Agency’s Global Supply Chain. To develop such an architecture, DLA will concentrate on four Strategic Focus Areas:

(a) Institutionalize Supply Chain Security across the DLA enterprise
(b) Maintain integrity and access to key data
(c) Partner with valid, reputable vendors who produce quality supplies and services
(d) Strengthen the resiliency of systems, processes, infrastructure and people

The Strategic Focus Areas are “strategy bins” that house supply chain security-related initiatives that are mapped to objectives in the Agency’s Strategic Plan. The initiatives put the strategy in motion by actuating the Strategic Focus Areas for the purpose of developing the architecture.

Key and essential to the overall strategy is integrating Supply Chain Security into the Agency’s Mission Assurance portfolio and Enterprise Risk Management (ERM) Framework.
This effort underwrites DLA’s ability to execute its Mission Essential Functions during peace and war, regardless of the nature of disruption.

A prototype Supply Chain Security (SCS) Scorecard has been developed and is being refined to create a live feed within the ASOC DLA Dashboard. This involves engaging J- and D-codes and the MSCs, as owners of critical mission areas which need to be clearly defined and reported within the scorecard. Additional focus has been placed on the eight new, and four existing, SCS initiatives within the DLA Strategic Plan so that each is actively worked to operationalize the various facets of SCS within the Agency.

The Chief Risk Officer (CRO) has established an interim Cybersecurity Working Group which will assess and leverage the initial efforts behind the Operation GUARDIAN SHIELD (OGS) operational risk assessment, with a much broader scope. The Cybersecurity Working Group will create the Agency’s initial Cybersecurity Risk Profile for review by the DLA Senior Management Council. Enterprise Risk Management (ERM) will explore these five areas with participation from functional experts:

(a) OGS Maturity  
(b) Supply Chain Security Strategy (Cyber Initiatives)  
(c) Information Technology System “Burn-Down” Advancement  
(d) Information Technology Cloud Migration Advancement  
(e) Assured Logistics Cyber Center (ALCC) Stand-Up & Integration into ERM Framework

(3) Outcome:

The DLA Director approved the strategy in June 2019. Public Affairs published the strategy online to the DLA Today Strategic Plan site and circulated a news article to formally announce the publishing. The approval of the strategy also consolidated supply chain security activities under DLA/J31 (Mission Assurance) as the Office of Primary Responsibility. DLA also established the ERM Program Office and appointed Col Ritzel as the Chief Risk Officer for the Agency on 1 July 2019 (directly aligned under the DLA Chief of Staff). The overall focus of the ERM Program Office is to identify and prioritize the Agency’s most critical risks to ensure senior leader resourcing decisions are consistent with the Agency’s most critical objectives.

6. Additional Initiatives

a. DLA Readiness Dashboard

(1) Background:

DLA Readiness Dashboard concept development began in October, 2017 with the initial Service Readiness tile deploying in March, 2018. The goal of the Readiness Dashboard has been to operationalize DLA support and improve Service Readiness rates. Director-led Weekly Readiness Reviews (WRRs) were imitated in April, 2018 and continue to the present.
Building on our FY18 rollout of the DLA Readiness Dashboard, all MSC initial baseline tiles, Whole of Government metrics, and Service Industrial metrics reporting capabilities were successfully deployed in FY19. Initial Qlik visualization capabilities were tested and deployed for DLA Distribution Internal reporting establishing the template for Agency Performance Review (APR) metrics automation and tiles.

Also in FY19 we continued to refine and automate back-end dashboard data feeds to facilitate future Big Data, predictive analytics and artificial intelligence development efforts along with expanding user access to detailed data for additional analysis. In support of the ASOC and continuing DLA Director imperatives, we are aggressively pursuing all opportunities to highlight and address DLA impacts on Service readiness as we continue operationalizing DLA’s support to the Services.

DLA continues to operationalize Service support using the real-time readiness and support data provided by the DLA Readiness Dashboard. Our overall FY20 dashboard development focus is to fully automate all Agency Performance Review (APR) metrics leveraging Qlik visualizations along with history, trending, statistical process control (SPC) and predictive analytics capabilities for all operational and industrial Service metrics. We also plan to tab the Service Readiness Dashboard by MSC and staff sections to provide expanded reporting capabilities and user-generated metrics tiles for internal use.

b. Suspended Stock

(1) Background:

The Office of the Secretary of Defense expressed interest in the reduction of DoD suspended stock. As a result, DLA has established an enterprise Suspended Stock Integrated Planning Team (IPT) to work these issues.

(2) Description:

The Enterprise Suspended Stock IPT developed a Root Cause action plan with focus on preventing recurrence of suspended stock and process validation. DLA tracks these actions monthly during the EOPC. The plan focuses on actions associated to the followingmajor categories:
(a) Training

i. Developed and trained workforce on Notice of Finding and Recommendations (NFR) Service Deficiency Report (SDR) Training and Packaging 101

ii. Initial stages of developing SDR and State Quality Control Review Quality Notification training

iii. Developed eSOP for Supply Discrepancy Reporting and updated Technical Quality SDR Job Aid

(b) Investigation

i. Removing outdated receipt restriction screens

ii. Reviewing controls for updating/monitoring investigation status

(c) Customer Returns

i. Developed and distributed customer survey

ii. Working with service counterparts to educate field activities on process for customer returns (i.e. must be identified and properly packaged)

(d) Vendor Compliance

i. MSCs developing process to identify repeat offenders and notify them of repeated discrepancies to prevent recurrence and clarify requirements

(3) Significant Activities to note:

(a) Established permanent Forward Presence at DDSP and DDJC (Aviation and Land and Maritime)

(b) Establishing standardized data analytics for the enterprise to help with the research and tracking of performance measures.

(c) Initial implementation of monthly and quarterly NFR controls with the MSCs to address timeliness and accurate processing of SDRs.

(4) Outcome:

Since the establishment of the Suspended Stock IPT (Oct 2017), DLA Managed Suspended stock has been reduced by $123M (27%) and overall DoD suspended stock has been reduced by $338M (15%).
c. Whole of Government Expansion - Veterans Affairs

(1) Background:

Defense Logistics Agency (DLA) has provided medical supply chain commodity support to Veterans Affairs for almost ten years. Over the past year, Veterans Affairs (VA) has requested a more robust partnership with the DLA.

DLA’s partnership with the VA is estimated to produce a cost avoidance in Pharmaceutical National Contracts ($182.3M), Radiology/Imaging Contracts ($26.9M), and Electronic Catalog (ECAT) ($17.3M). VA and Department of Defense (DoD) are leading the Office of Management and Budget (OMB) Category Management efforts in each area. The total federal spend is $20B annually…making the VA a significant partner in the Whole of Government (WOG) portfolio.

DLA Troop Support hosted numerous VA Senior Executives (Aug 2018) with the mutual purpose of strengthening partnerships while seeking areas to jointly execute programs.

The DLA Director met with the Secretary of the VA, HON Robert Wilkie on Jan 15 2019. Secretary Wilkie made it clear that DLA will play a large role in meeting his goals, which includes working with DoD to create a continuum of service for veterans, treat the VA as DLA’s 5th service customer, transform current VA logistics (4M credit card purchases, ad hoc purchases at local drug stores, etc.) into a more effective logistics system, and make logistics a major component of a modern 21st century VA organization.

(2) Description:

DLA has five significant initiatives with the Department of Veterans Affairs (VA) that directly support Medical Category Management.

(a) Extension of DLA’s Electronic Catalog (ECAT) to the VA

i. Acquisition Program to include optical, dental, specialty & medical/surgical items

ii. ~20% cost avoidance thru ECAT vs Vendor Direct

iii. ECAT Sales – Jan 2018 + $108M

iv. VA Cost Recovery Rate – 3.2% 16% Material Costs avoidance

v. Extension of ECAT to WOG is a Medical Category Management Initiative

(b) Joint Acquisition of Radiology and Imaging Capital Equipment.
(c) Joint National Pharmaceutical Contracts.
(d) Prototyping the use of the Defense Medical Logistics Standard Support System (DMLSS), leveraging DLA Ecommerce programs, at the Federal Health Care Facility, North Chicago and potentially additional VA facilities in the Northwest.
(e) Exploring the extension of DLA’s Medical/Surgical Prime Vendor (MSPV) Program

The VA and DLA began a DMLSS Prototype at the Federal Health Care Center (FHCC) in North Chicago on March 1st, 2019 extending MSPV via web-based ordering to the joint VA/DoD facility. The DLA Director accompanied the Deputy Secretary of VA for a ribbon cutting ceremony at the Captain James A. Lovell Federal Health Care Center in North Chicago on March 7th, 2019. The DMLSS Prototype initiated DMLSS support and will lead to the VA using the DLA Medical Logistics programs in October 2019.

(3) Outcome:

Extension of the MSPV Program to the VA is a critical reform initiative involving DLA and VA efforts extending DLA MSPV reducing credit card purchases and other inefficient practices. The VA is considering DLA MSPV support because VA prime vendors remains challenged to meet the needs of its medical treatment facilities. DLA continues to prove that our disciplined supply chain management and logistics expertise brings the VA into the 21st Century. The VA Medical/Surgical spend is approximately $745M a year across its 21 Veteran Integrated Services Networks (VISNs) consisting of 160 Medical Centers and 610 clinics throughout the United States. The DLA MSPV would provide the VA with access to 356K medical/surgical and small equipment items from 694 vendors. Resulting in significantly reduced costs and timelier deliveries. DLA MSPV Program provides next day delivery in the continental United States (CONUS) DLA’s industry-low Prime Vendor distribution fees range from 0.3% to 2.8% which offsets DLA’s 3% Cost Recovery Rate for CONUS customers.

d. Culture Action Plan

(1) Background:

DLA conducts a Culture Climate Survey every 18 months using the Denison Model. The workforce was surveyed in March and April 2018, and results were released in September 2018. Of the 953 personnel assigned to DLA Logistics Operations (J3) during the survey period, 567 took the survey, for a response rate of 59%.

(2) Description:

Across J3, respondents indicated a high level of clarity and alignment. In the four areas measured by the survey, the organization trended positive, with percentile increases in every area. The large number of personnel from new organizations in Battle Creek, Michigan (the DLA Customer Interaction Center and DLA Logistics Information Services), impacted those improvements. While 2-Digit and Regional organizations implemented Culture Action Plans for
their activities, the J3 plan centered around continuing actions that led to the improvements measured over the 2016 survey, targeting Coordination and Integration, Capability Development, Senior Leaders, the Defense Performance Management and Appraisal Program (DPMAP), Creating Change, and Communication. Initial actions included:

(a) Disseminating “Back to Basics” documents to help staff properly create and staff products.
(b) Daily tracking of Individual Development Plan completion.
(c) Supervisory Town Hall to go over DPMAP lessons learned and best practices.
(d) Workforce Council added as a standing topic at J3 Town Halls.

After the new J3, Maj Gen Allan Day, and Deputy J3, Mr. Guy Beougher, assumed their roles, adjustments were made to the plan. Underlying issues like leading a geographically-dispersed, remote workforce came to the fore, and Town Hall forums were developed for any site at which either senior leader visited that included J3 personnel. Additionally, J3 Town Halls were expanded to two sessions to allow live participation for personnel unable to attend the primary time. Additionally, J3 began developing a J3 101 course to help on-board new personnel and give them insight into leadership philosophy, organizational priorities, and business processes.

(3) Outcome:

The DLA workforce will take its next Culture Climate Survey in Spring 2020.
MEMORANDUM FOR DLA HISTORIAN

SUBJECT: DLA Transformation (DT) 2019 Historical Report

This memorandum serves as my endorsement of DLA DT’s Fiscal Year 2019 Historical Report submission.

Please contact me if you have any questions by e-mail: David.Opatz@dla.mil, or phone: (571) 767-0441.

Attachment: DLA DT Historical Report for FY 2019
1. Introduction:

DLA Transformation’s mission is to advise and assist the DLA Director, Vice Director, and Chief of Staff with formulating and executing the Agency’s strategy to meet and sustain logistics support capabilities for the U.S. Department of Defense (DoD) and Whole of Government partners. The DLA Transformation Directorate develops the Agency strategic plan, executes governance, manages Agency policy, forms, and organizational alignment, and coordinates integration of special interest projects and improvements through Continuous Process Improvement and the Academia and Outreach Programs.

2. Organization:

![Organization Diagram]

3. Historical Narrative

This historical record describes DLA DT’s 2019 actions, accomplishments, and contributions that advanced the Agency’s governance, improved operational effectiveness and efficiency, its ability to comply with higher-level laws and regulations, as well as leading innovation in the way we conducted business now and in the future.

   a. Strategic Management System:
DLA DT made several improvements and accomplishments to the Agency’s governance process through a refined Strategic Management System.

Process:  Strategic Plan → Director’s Intent (Annual Guidance) → SPIG → Individual Dynamic Operating Plans → DOP Reviews → AFRs

(1) Strategic Plan

In November 2017, DLA published the DLA 2018-2026 Strategic Plan. The Plan promulgates the Agency’s future direction. A two-eight year plan that addresses the “What” DLA plans to do and the “Why.” In April 2019, DLA amended the Strategic Plan to preserve the Agency’s relevancy and alignment with OSD priorities. The amendment identifies the original five (5) Lines of Effort (LOEs), two (2) Critical Capabilities (CCs), three (3) Cross-Cutting efforts, and delineates the 37 (including five new objectives) supporting strategic objectives. The new objectives are:

(a) Space Enterprise
(b) Support to DoD Reforms
(c) Cybersecurity
(d) Demand Projections
(e) Transform Cost Structure to Reduce Rates and Improve Transparency

Cross-Cutting Efforts – There are three (3) cross-cutting efforts: Auditability, DoD Reforms, and Supply Chain Security. These efforts support, impact, or significantly influence more than one LOE. They are recognized to ensure deliberate consideration, greater
coordination, and synchronization during planning and execution, both within and external to DLA.

Critical Capabilities – There are two (2) critical capabilities: People & Culture and Enterprise Enablers. They are crucial enablers to function as a center of gravity and, as such, essential to the accomplishment of the specified or assumed objective(s).

The updates include changes to the Director’s Intent to clarify the five (5) lines of effort, and to better-align our Strategic Plan with Joint Doctrine terminology; that is, Critical Capabilities and Cross-Cutting Efforts.

There are two companion plans to the DLA Strategic Plan: People & Culture and Enterprise Enablers. These plans support the DLA LOEs and are essential for the DLA workforce to accomplish our strategic and operational environment.

(2) Strategic Plan Implementation Guidance

The Strategic Plan Implementation Guidance (SPIG) is the product of focused planning efforts by the DLA Staff and Major Subordinate Commands (MSCs) to support execution of the DLA Strategic Plan. The SPIG is the Agency-level operating plan, which enables DLA to meet management and audit related requirements set forth in OMB Circulars Numbers A-11, A-123, and A-136.

The SPIG serves several purposes. First, it sets Agency priorities, issues new Director’s Guidance, and identifies annual imperatives for the Agency to accomplish during the fiscal year. Second, it synchronizes planning and execution. DLA DT garners Agency-wide representation through a working group, then assigns OPR and OCR relationships for Initiatives in support of the Strategic Plan. Third, it provides a mechanism to adjust priorities or focus areas as necessary. Last, it is the source document for the Strategy Map.

(3) Dynamic Operating Plans

Dynamic Operating Plan (DOP) is a two-year plan written at the individual MSC and J/D Code level. Their focus is internal. These plans are “dynamic” in nature; that is, they are refreshed as necessary based on new guidance, changing environments, J Code and MSC Leadership turnover, etc.

(4) Dynamic Plan Reviews

The Director leads DOP Reviews and individual organizations facilitate them. DLA organizations conduct these comprehensive reviews twice each year, and analyze DLA’s effectiveness and efficiency as the Combat Logistics Support Agency for the DoD.

(5) DLA Strategy Map
The DLA Strategy Map provides an Agency-wide Strategy Common Operational Picture (COP). It is an automated communication tool; that is, a visual representation that displays performance status of LOEs and CCs, Objectives, and Imperatives/Initiatives. It provides web-based visibility across the Agency to oversee progress on Strategic Initiatives. In addition, it has a drill-down capability to supporting initiatives to view tasks, metrics, or measures, and progress towards completing the initiative. The status of select imperatives or initiatives is a topic at Executive Board meetings, along with DoD reform initiatives and special focus areas.

b. DLA Policy Letters

DLA DT has always maintained the Agency repository for all DLA policy and procedural documents. These documents are necessary for the effective and efficient operation of the Agency and compliance with higher-level laws and regulations. In FY 2019, we added a new type of document – Agency Policy Letters. Policy Letters are concise, informative communication documents from the DLA Director, which clearly articulate his intent, expounds on initiatives and objectives important to the Agency, or add emphasis to established Agency policy.

The DT Director, the DLA Executive Officer, and the Strategic Initiatives Group (SIG) formed a working group on DLA Policy Letters and associated policy instructions, procedural documents, and organizational authorities with GS-15/O6-level representation that have broad knowledge of their organization to attend these special sessions, and the authority to speak on behalf of their Commander or Director. These meetings are in addition to the regular Policy Managers Working Group meetings sponsored by DT at the AO level, although Policy Managers do attend. In accord with the Director’s guidance and intent, our goal is to:

2. Establish Director-level policy letters.
3. Identify the need for and write policy letters.
4. Focus on policy letters to advance Agency initiatives, imperatives, decisions, and enterprise policies.

Examples of new policy letters include:

1. “Director’s Commitment for Risk Management and Internal Control.”

This is an exceptional opportunity for DLA organizations to garner the Director’s support and highlight the organization’s critical policies, goals, and initiatives. We also made it easy to find and read Agency policy letters. DLA Transformation established a “Policy Letters” folder in the DLA Policy and Issuances Repository. A featured link to the Director’s Policy Letters is on DLA Today. Additionally, DLA personnel can access policy letters through a prominent link on the Official DLA Issuances website.
c. Agreements (G-Invoicing (G-INV))

The way we buy and sell goods and services with our governmental trading partners will change soon. Currently, DLA conducts most reimbursable business using a funding document DD Form 448, “Military Interdepartmental Purchase Requests,” or MIPRs. In this legacy business process, reimbursable orders often have no official agreement between the trading partners. Thus, there are no clear terms and conditions agreed on by both parties, and frequently key data elements are missing.

An audit on the Federal government’s Intragovernmental Buy and Sell transactions uncovered a $26B accounting discrepancy. To resolve this discrepancy, the U.S. Treasury built the Government-Invoicing (G-INV) system – to establish a standard process within the Federal Government.

G-Invoicing is a U.S. Treasury software platform to conduct intra-governmental buy and sell transactions. It is a way to exchange information between trading partners, negotiate the general terms and conditions of the Agreement, broker funding (orders) against these agreements, exchange billing (performance) information, and validate invoices. It will result in a standard process that everyone must follow within the federal government. It will ensure:

1. Both parties agree with the terms and conditions up front.
2. Performance reporting (receipt and acceptance) is completed when goods or services are provided.
3. The buyer approves invoices in advance.
4. Effective processing of transactions without rejections.
5. Most important, it should eliminate many audit findings.

DLA Transformation is leading the effort for DLA. Federal agencies and DOD must use G-INV by June 30, 2021. To prepare the Agency to accomplish this goal, DLA DT updated policy, processes, and procedures on agreements, built a centralized Agreements SharePoint repository to manage the DLA Agreements program, and trained more than 800 DLA employees.

d. Academia Engagement and Outreach Program

A new program for DLA, the Academia Engagement and Outreach Program was set up in FY2019, and links to DLA’s vision as the Nation’s Combat Logistics Support Agency: global, agile, and innovative; focused on the Warfighter first. To support this program, in 2019 we published Agency policy and provided outreach efforts to familiarize DLA personnel with the program’s mission, intent, and goals.

The Agency recognizes that mission accomplishment requires close collaboration, partnerships, and strong relationships with critical stakeholders both inside and outside of the
Federal Government. We must sustain these partnerships and synchronize our efforts with these entities to help DoD and the Nation address immediate needs and long-term challenges. These engagements not only include academic institutions, but Research Organizations (for example, Federally Funded Research and Development Centers) and Think Tanks. The Academia Engagement and Outreach Program is pivotal to achieving this vision, and helps the Agency keep a strong strategic outlook on impacts affecting DLA’s lines of business, identifying innovations, and addressing gaps.

It is through these engagements that DLA will improve our support to the Warfighter and Whole of Government by addressing our immediate needs and long-term challenges.
MEMORANDUM FOR DLA COMMAND HISTORIAN

SUBJECT: DLA Information Operations (J6) Annual History – Fiscal Year (FY) 2019

I am pleased to submit the J6 Annual History Report for FY19. This report highlights the hard work of our dedicated J6 team members who work tirelessly to support the Warfighter and the DLA Mission.

In this age of rapidly changing technology, the Information Operations team manages to adapt technology to complete projects using innovating methods and solutions in order to get the mission accomplished. We are on the cutting edge of emerging technology, and in some areas such as cloud first initiatives, “as a service” adoption, and data center closures, we are leading the way in the Department of Defense.

I am honored to be a part of the great work J6 performs on a daily basis serving with excellence and a willingness to go beyond expectations to satisfy our customers across the Nation and around the world.

WILLIAMS, LINDA
OUISE.1028005306
Digitally signed by WILLIAMS, LINDA.LOUICE.1028
002306
Date: 2019.10.15 15:50:07

LINDA L. WILLIAMS
Acting Deputy Director
DLA Information Operations

Attachment:
As stated
1. Introduction:

DLA Information Operations (J6) is the DLA knowledge broker, providing comprehensive, best practice Information Technology (IT) support to the Department of Defense/DLA Logistics Business Community, resulting in highest quality information systems, customer support, efficient and economical computing, data management, electronic business, telecommunication services, key management, and secure voice systems for DoD, DLA, and geographically separated operating locations.

a. Summary of J6 Key Events and Accomplishments

(1) Deployed 23 new tiles/enhancements in the DLA Enterprise Dashboard, for greater relevancy inside and outside DLA. Additions included Whole of Government sales by FY, Service readiness supply chain/depot visibility, Daily Obligation Tile, DLA IT Availability, plus audit and backorders status.

(2) Deployed 45 new “bots” across the agency, with a projected saving of 127,800 hours per year, equivalent to 80 FTEs.

(3) Closed 36 more print facilities, per Document Reform initiative, avoiding $6.9M costs/year, only two left to close of 76 total facilities.

(4) Completed 11 LAN consolidations per DoD Joint Regional Security Stacks guidance, increasing security while reducing network footprint.

(5) Achieved 98.2% average compliance for all DoD Cyber Scorecard metrics, strengthening DLA’s cyber resiliency.

(6) Procured 200 additional Topaz licenses to enhance IT monitoring.

(7) Modernized/consolidated desktop support and asset management with a $80M, 3-year contract, includes automated agent ability and live agent functions.

(8) Invested $24M, improving speed 30-40 percent in warehouse operations.

(9) Implemented major “Desktop 2.0” rollout for 6,300 user-managed devices, better user experience, cyber security, and reduced swap outs from hours to 15 min.

(10) Closed three large DLA Datacenters, 75% of the goal of closing all 23 datacenters by 2021.

(11) Decommissioned or migrated 402 applications, decommissioned 1,197 physical and 1,506 virtual assets (rolling total), achieved $15.6M in savings.
2. Organization:

Figure 1. DLA Information Operations (J6) Organization

a. Changes:

(1) Established the Research & Development, Engineering, and Technical Support (J62L) portfolio in October 2018. This included the former Enterprise Engineering and Technical Services organization and OPCON of J68 Research and Development organizations into one cohesive organization.

(2) Consolidated the DISA Liaison and Hosting Office (J6L) mission and resources under Enterprise Infrastructure Services (J64).
3. Key Personnel

The chart below lists key personnel as of September 30, 2019.

<table>
<thead>
<tr>
<th>TITLE</th>
<th>NAME</th>
<th>TENURE DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CIO Office (J6):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director/DLA Chief Information Officer</td>
<td>Patrick Dulin</td>
<td>March 18, 2019 - present</td>
</tr>
<tr>
<td>(Acting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director/DLA Chief Information Officer</td>
<td>Kathy Cutler</td>
<td>Departed March 15, 2019</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Vacant</td>
<td></td>
</tr>
<tr>
<td>Chief of Staff</td>
<td>Len Nale</td>
<td>September 5, 2019 - present</td>
</tr>
<tr>
<td>Chief of Staff</td>
<td>Linda Williams</td>
<td>June 2018 - September 4, 2019</td>
</tr>
<tr>
<td><strong>Strategic Technologies and Investments (J6T):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director/Chief Technology Officer</td>
<td>Linda Williams</td>
<td>August 15, 2019 - present</td>
</tr>
<tr>
<td>Director/Chief Technology Officer</td>
<td>Jeff Charlesworth</td>
<td>June 2017 - August 14, 2019</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Jeff Charlesworth</td>
<td>August 15, 2019 - present</td>
</tr>
<tr>
<td>Deputy Director (Acting)</td>
<td>Steve Costner</td>
<td>June 2018 – August 14, 2019</td>
</tr>
<tr>
<td><strong>Customer Experience (J6X):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td>Eric Fegley</td>
<td>October 2017 - present</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Ernie Sparages</td>
<td>October 2017 - present</td>
</tr>
<tr>
<td><strong>Cybersecurity (J61):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role</td>
<td>Name</td>
<td>Dates</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>---------------------</td>
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</tr>
<tr>
<td>Director</td>
<td>Linus Baker</td>
<td>September 2010 - present</td>
</tr>
<tr>
<td>Deputy Director (Acting)</td>
<td>Suzanne Fairley</td>
<td>October 2017 - present</td>
</tr>
<tr>
<td><strong>Program Executive Office, Enterprise Applications (J62):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Executive Officer (PEO)</td>
<td>Adarryl Roberts</td>
<td>September 12, 2019 - present</td>
</tr>
<tr>
<td>Program Executive Officer (Acting)</td>
<td>Ken Fielding</td>
<td>March 11 - September 11, 2019</td>
</tr>
<tr>
<td>Program Executive Officer</td>
<td>Bill Tinston</td>
<td>Departed March 10, 2019</td>
</tr>
<tr>
<td>Deputy Program Executive Officer</td>
<td>Ken Fielding</td>
<td>July 2012 - present</td>
</tr>
<tr>
<td><strong>Enterprise Infrastructure Services (J64):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td>Dempsey Hackett</td>
<td>December 2018 - present</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Mark Jackson</td>
<td>March 9, 2014 - present</td>
</tr>
<tr>
<td><strong>Strategic Data and Analysis (J67):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director/Chief Data Officer</td>
<td>Teresa Smith</td>
<td>December 31, 2017 - present</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Richard TeBeau</td>
<td>December 31, 2017 - present</td>
</tr>
</tbody>
</table>

4. Total Personnel

The following J6 workforce totals are current as of September 30, 2019.

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civilians</td>
<td>2,294</td>
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<tr>
<td>Contractors</td>
<td>3,090</td>
</tr>
<tr>
<td>Military</td>
<td>6</td>
</tr>
</tbody>
</table>
5. Accomplishments - Aligned to Strategic Plan

a. Warfighter First

(1) Modern Desktop 2.0

(a) By December 2018, J6 addressed all requirements and we were ready to begin deploying a DLA furnished User Managed Computer (UMC) that met the two criteria of improving the user experience and the cyber security posture as promised in the DLA Strategic Plan Enterprise Enablers Lines of Effort\(^1\) - Technology Initiative 7.3.6.\(^2\)

(b) By March 2019, provided 4,140 DLA users with a UMC using the Windows 10 operating system and in most instances a companion non-mobile zero client for in-office Virtual Desktop access.

(c) By June 2019, a UMC Virtual Desktop Infrastructure (VDI) access network was in place at most DLA sites in the continental United States. A wireless network was at all these sites in addition to a UMC wired network at the Philadelphia and Ft. Belvoir large sites. This allows greater mobility for the DLA issued UMC in the DLA office and allows users to bring in their personal UMC.

(d) In September 2019, procured over 5,000 zero clients to deliver enhanced resilience and connectivity options for end users. Also, supported transition of the remaining 2,200 Thin Client users to the Modern Desktop 2.0 program while reducing DLA’s patch management requirements. Achieved the FY19 goal to deploy 6,800 UMCs.

(2) Modernized Enterprise Help Desk

(a) In October 2018, the Evaluation Board received proposals from DCSO-P.

(b) In January 2019, the Evaluation Board finalized the proposals and submitted package with recommendation. DCSO-P and Legal reviewed submitted documents, corrected and modified evaluation packages and on January 30, the Evaluation Board signed the final evaluation packages and sent them to DCSO-P.

(c) In February 2019, awarded the Enterprise Service Delivery Contract to General Dynamics IT and TekSynap.

(d) In May 2019, Regional Tier 2, Enterprise Helpdesk, Energy Helpdesk, and Asset Management contracts started to transfer to the Enterprise Delivery Contract.

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\(^{1}\) DLA Strategic Plan 2018 - 2026, Amended April 2019, Enterprise Enablers Lines of Effort, Technology Objective 7.3, pg. 14

\(^{2}\) DLA Information Operations (J6) Dynamic Operating Plan, Mr. Patrick Dulin, July 22, 2019, Technology Initiative 7.3.6, pg. 45
i. April 1, Pacific and West-Northern regions transitioned to Enterprise Service Desk (ESD)

ii. April 8, Central-Northern region transitioned to ESD

iii. April 29, South-Northern regions transitioned to ESD

iv. May 1, Enterprise Helpdesk

v. May 14, West-Southern region transitioned to ESD

vi. May 24, Northeast region transitioned to ESD

vii. June 1, Europe/SWA/Africa region transitioned to ESD

viii. July 3, National Capital Region (NCR) transitioned to ESD

ix. September 1, South-Southern Region transitioned to ESD

x. September 8, DLA Energy Helpdesk transitioned to ESD

(e) In June 2019, approved email ingestion directly to ITSM Remedy for ITSM Sustainment to start work.

(3) Enterprise Dashboard – Added over 20 tiles or enhanced capabilities to change how DLA manages its business, e.g., Daily Material Obligation Authority detailing FY19 total, customer direct and DLA direct by Major Subordinate Command; Air Force, Navy and Marine Corps Industrial reporting metrics on the Service Readiness tile; J8 Audit Readiness tile and Distribution internal functionality (including trending analysis).

(4) Standardized Network

(a) Completed 11 LAN consolidations in accordance with DoD Joint Regional Security Stacks (JRSS) guidance to better support our customers and increase security measures while streamlining our network footprint. JRSS is a suite of equipment that provides a host of network security capabilities. The network is centralized into regional architectures instead of locally distributed architectures.

(b) Sustained and maintained the 24 x 7 global network operations, providing 99.63% network availability for FY19.

(5) In May 2019, completed the migration of the B-KOP application to both the DLA Azure Staging and Azure Test/Development environments.

(6) In July 2019, completed the migration of the Training, Knowledge, and Opportunities (TKO) application to the DLA Azure Staging environment.

(7) In July 2019, completed the EAGLE application cutover from DISA Ogden to the DLA Azure environment. Declared Full Operating Capability (FOC) on August 20, 2019.

(8) In November 2018, Equipment Management Solutions provided multi-function device support for the 38th Parallel Healthcare Training Symposium in South Korea. This year’s theme was “Military Health System Support in Multi-Domain Operations” and aligned with the Army Chief-of-Staff’s focus on readiness. Used the multi-function devices at the conference to process all administrative paperwork.

(9) Proposed that multi-function device service for the DoD be consolidated to Equipment Management Solutions as part of a DLA Reform Initiative. If adopted, this proposal
will designate DLA as the mandatory source for office document devices and save the DoD an estimated $247M annually.

(10) To serve OCONUS Navy customers better, the Equipment Management Solutions division worked with the Navy ONE-Net Program Office to update device accreditations on existing devices provided by DLA, as well as artifacts for new devices. DLA helped the forward deployed and overseas components of the Navy to remain focused on their mission by assisting them with 12 families of multi-function devices.

(11) Central Document Services (Reform Initiative)

(a) Implemented a new service delivery model where Customer Relations Specialists use a consultative approach to provide services and source non-mission specialty print workload to the Government Publishing Office. Closed 74 brick and mortar facilities, and had a reduction of 222 civilian positions with placement or adjudication of all impacted production and office group employees.

(b) J6 led this initiative with assistance from many other parts of DLA to include J7, J8, Disposition Services and Installation Support.

(c) Improved readiness through greater online access to print facilities and quicker delivery of product. Total projected savings is $34.5M over 5 years with savings projected to start in FY20.

(12) Deployed general fund and a time and labor reporting capability for over 5,985 DISA employees in DAI Increment 3, Release 1, and developed a Defense Working Capital accounting capability for use by Defense Counterintelligence and Security Agency in Release 2.

(13) Virtual Desktop Infrastructure (VDI)

(a) Increased VDI average daily usage from 10,000 to 12,000 users across DLA worldwide.

(b) Modernized and improved VDI stability by upgrading VDI Operating System from Windows 2008 to Windows 2016.

(c) Successfully passed Cyber Penetration Testing, validating standardization and VDI image security.

(d) Streamlined VDI and stability through software upgrades, and by reducing non-essential components within the VDI environment, which lowered the annual overall cost of sustaining VDI for the agency.

(e) Initiated efforts to transition VDI capabilities on SIPR out of DLA HQ environment and into DLA Datacenters to improve accessibility and reliability. As part of this transition, the VDI and image slated to complete upgrades to align with current VDI offerings on NIPR (QTR4 FY19).
(f) In QTR 3 of FY19, DLA pursued commercial cloud hosting options for future VDI capabilities. These events initiated several proof of concepts, currently underway, to determine commercial cloud capabilities for these services.

(14) Office 365

(a) Implemented Microsoft features within the Security and Compliance Center (SCC). The features included eDiscovery, which provides the ability to search for email, Skype for Business conversations and SharePoint Online data.

(b) SCC Auditing provides reports for User Activity in SharePoint Online and Exchange Online, and provides dashboard top insights and recommendations.

(c) Initiated Office 365 ProPlus testing and prepared for implementation. Office 365 ProPlus includes Word, Excel, PowerPoint, etc., and it has the latest features and security updates.

(15) Cloud Consolidation/Efficiency – In July 2019, completed a “lift and shift” of the v applications suite from DISA milcloud to the Microsoft (MS) Azure cloud environment. This served as a pilot for future DISA to MS Azure cloud migrations that will result in significant hosting savings

b. Global Posture

In March 2019, Equipment Management Solutions submitted a proposal to be the worldwide supplier of 3D printers and consumables for DoD. The objective of this proposal was to leverage DLA’s buying power for the purchase of 3D printers capable of creating polymer, composite or metal objects, scanners and consumables for the DoD.

c. Strong Partnerships

(1) Implemented Subsistence Total Order & Receipt Electronic System’s (STORES) of the Navy/MSC A41 order import functionality, which simplified the order import process for the Navy.

(2) Enterprise Business Standards Office (EBSO) created its first ever Campaign plan and accompanying roadmap to focus on revolutionizing how the Department adds logistics business capability in an accelerated fashion, comparable to the Agile methods used by many modern information technology applications. Initiatives included the establishment of a logistics data lake, implementation of blockchain, focus on data as an enabler of logistics business processes, eliminate DOD-unique requirements enabling commercial out of the box implementation of major logistics software applications.

(3) EBSO expanded its mission by taking over the management of cataloging data and transaction standards for the DoD Logistics Enterprise. Defense Logistics Information Services performed this mission prior to the transfer. The policy and procedure standards, along with Chair of the Federal Catalog Committee, remain with DLA J3 Logistics Operations.
Established a management structure to monitor compliance standards for logistics business. The structure consists of key metrics from Defense Automatic Addressing System data to measure usage of legacy 80 record position transactions and to identify those sources. It also includes a DoD-level Integrated Process Team to assess implementation of new Defense Logistics Management Standards’ capabilities in DoD and Whole of Government logistics applications. Lastly, EBSO re-established a customer outreach position in the 3rd quarter of FY19 to proactively communicate with its customers and provide assistance on implementation of new standards and capabilities.

In May 2019, the Information Governance and Compliance Office (IGC) obtained approval to establish an Information Governance Council under the leadership of Director, DLA Information Operations, Chief Information Officer (CIO) and Director, General Counsel.

In April 2019, Equipment Management Solutions met with OMNI Business Systems and HP to help OMNI arrange equipment testing and substitute end of life multi-function devices offered on our current CONUS contract.

Equipment Management Solutions conducted quarterly meetings with Trident Engineering & Procurement Inc., Cartridge Technologies, Inc., Xerox Corporation, Konica Minolta, Inc., and Lexmark International, Inc. Designed these meetings to keep an open dialog with our primary multi-function device vendors about contract issues and ways to improve performance.

Equipment Management Solutions completed comprehensive testing with J62, J64 and DLA Distribution for replacement of DSS Printers in warehouse facilities. Addressed maintenance issues in the aging fleet of single function printers currently in use. Proposed a single model to replace all of the different model printers currently in use.

Conducted the Biannual DFAS/DLA Joint Executive Program Review hosting the DFAS Principal Deputy Director and program staff to discuss the six DLA programs that include DFAS as a stakeholder.

Coordinated and hosted the May 2019 DLA/Defense Information Systems Agency (DISA) Enterprise Business System (EBS) In-Progress Review (IPR) in Columbus, Ohio. Enhanced communication and addressed specific topics for service, maintenance windows, patching and escalation.

d. Whole of Government

IT Reform planning for Fourth Estate Network Optimization (4ENO) initiative

Network and Telecom Services (NTS) prepared and delivered documentation and collaborated with DISA to plan the 4ENO Initiative. The initiative was started to consolidate the Department of Defense’s common services across the agencies to lower costs while increasing IT efficiencies.
(2) Contingency IT

(a) In October 2018, NTS assisted Contingency IT Operations with radio support for Hurricane Michael relief at Maxwell AFB, AL. The radio support was critical to avoid harmful frequency interference among communications and data systems.

(b) In the third and fourth quarters, NTS assisted in Spectrum management support for Exercise Talisman Saber in Australia. NTS provided host nation limitations to frequency bands, transmit power, bandwidth, etc. of the probable devices (Land Mobile Radios, Radio Frequency Identifications, Wireless Local Area Networks, and Satellite Phones) to Contingency IT Operations.

(3) Enterprise Business Standards Office, with programmatic support from the Defense Automatic Addressing System, implemented a modernized electronic DoD Activity Address Directory website. This site serves as a single entry point for the Military Services, Defense Agencies, and Federal Civilian Agencies to establish, update, and delete activity address codes and associated information. The application can also interface with authoritative data sources to establish authority levels (i.e., procurement, shipping, requisitioning, and billing) for key Department of Defense Activity Address Codes (DODAACs).

(4) In October 2018, Equipment Management Solutions became the primary office print device supplier to the US Coast Guard. Will optimize and replace their fleet of almost 10,000 office document devices with 4,600 DLA multi-function devices in the next three years. This shift to DLA will net the Coast Guard an estimated $17M annual savings.

(5) In March 2019, Equipment Management Solutions became the General Services Administration (GSA) Preferred Provider for multi-function devices on the GSA Hallways acquisition portal. This recognition makes DLA the go-to for anyone looking for multi-function devices on the GSA portal.

(6) Canceled the Security Cooperation Enterprise Program and disestablished the Program Management Office.

(7) Throughout FY19, worked with DLA J1 to implement DLA’s Learning Management System (LMS) for other Fourth Estate agencies that receive human resources services from DLA J1. In July 2019, implemented LMS for the Defense Security Cooperation Agency.

(8) Defense Retired and Annuitant System 2 (DRAS2)

(a) In October 2018, DRAS2 was accepted into the DoD NDAA 2018 Agile 873 Pilot Program. Under the oversight of OUSD Acquisition and Sustainment (A&S), the congressionally mandated program monitors lessons learned with the Department of Defense to inform future acquisition policy and statutes.

(b) On February 7, 2019, DRAS2 successfully demonstrated new software functionality to the Director, Defense Finance and Accounting Service (DFAS) and OUSD(C) staff in order to validate progress achieved under Agile software development and support a decision to fund and proceed with future development.

(c) On April 11, 2019, halted DRAS2 development due to unavailability of funds until the end of FY19.
e. Always Accountable

(1) DLA J6 Technology Roadmap - Successfully maintained the DLA J6 Technology Roadmap by conducting four FY19 quarterly J6-wide formal reviews to validate applications, verify agency software transition/usage schedule, add emerging technologies and document vendor lifecycle support.

(2) Command Cyber Readiness Inspection (CCRI)

(a) J61 Cybersecurity led CCRI events at San Joaquin, Jan 14-18, 2019, at Columbus, OH, Jan 28 – Feb 1, 2019 and at undisclosed locations, Jun 7 – Jul 19, 2019. DLA received passing marks on all events.

(b) In the second quarter, Network and Telecom Services (NTS) prepared and participated in the San Joaquin and Columbus CCRI inspections and exercises. The team mitigated findings within the required timeframe while improving in different areas via lessons learned.

(c) The Equipment Management Solutions Division assisted in San Joaquin CCRI preparations by providing multi-function device updates and guidance ensuring no loss of functionality for users when Server 2016 STIGs were applied. This enabled NTS to clear four open server vulnerabilities.

(d) Equipment Management Solutions provided contractual support to acquire vendor assistance to load multi-function device firmware updates on USCG multi-function devices for CCRI follow-up.

(3) Enterprise Business Standards Office (EBSO) began decommissioning/retirement procedures for the legacy Military Standard Requisitioning and Issue Procedures (MILSTRIP) and Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP) manuals. During FY19, EBSO began migration of the core legacy procedures and data content into the Defense Logistics Management Standards manual.

(4) EBSO conducted opening discussions with the maintenance community of interest to establish a data architecture framework for the implementation of autonomic logistics. The key is to harness the data and through the use of predictive analytics and maintenance key performance parameters, establish a proactive/push supply chain thereby reducing logistics response times, mean turnaround time to repair, and logistics delay times, ultimately increasing weapon system readiness and operational availability.

(5) Acted as the Configuration Management Enterprise Office of Primary Responsibility and addressed six notice of findings and recommendations (NFR) during the DLA FY19 financial statement audit (FSA); at the start of the FSA engagement, there were six open

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3 DLA Information Operations (J6) Technology Roadmap, Fiscal Year 2019, Quarter 3
NFRs and the J6TA team closed one with four being reissued in FY2019 and with one NFR undergoing validation testing.

(6) Facilitated the completion of 275 documentation requests from the auditor in support of the DLA FY19 FSA; the requests included 11 at the Enterprise-level and 264 at the system-level.


(8) Updated and formally signed all ECM Directives:

(c) Configuration Control Working Group Charter (CCWG) Template, v8 and Instructions.
(d) Pre-Approved Change List and Maintenance Instructions, (Pending).
(e) Developed and distributed an approved ECM Glossary of Terms and Definitions to standardize the use and meaning of terminology across the J6 Enterprise.

(9) The CCSG held eight meetings with two ECM updates distributed to the membership through email communications.

(10) Ninety-two percent of systems use the Change Management Module in the DLA ITSM Remedy Software Capability to track and monitor changes moving through the development life cycle providing oversight of the rate of change across the Enterprise.

(11) One hundred percent of DLA systems have an approved Supplemental Implementation Guide (SIG) in place for audit purposes and 100% of the SIGs are maintained in the Document Automation Content Services (DACS) CM repository. The SIG documents the application level processes and other pertinent information to ensure Audit Readiness.

(12) As the Enterprise office of primary responsibility for Configuration Management, provided guidance and oversight for SSAE-18 Audits (5 systems) and Financial Statement Audits (8 Systems). Conducted IT General Controls Testing for systems identified as having financial statement impact (6) or meeting criteria as a Service Provider System (4) with no findings identified.

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5 DLA Enterprise Configuration Management Plan, Version 6.1, August 2019
6 DLA Enterprise Configuration Management Standard Operating Procedure, SOP 8250.01-01, November 2018
7 Configuration Control Working Group (CCWG) Charter Template, Version 8.0
8 Instructions for CCWG Charter Template, Version 8.0, September 2018
9 ECMP Glossary of Terms and Definitions, Version 6.1
f. People and Culture

(1) The CIO hosted several J6 Town Halls from DLA Headquarters to the entire J6 workforce and from local J6 sites to audiences in Battle Creek, Ogden, Tracy and New Cumberland. The CIO and other J6 senior leaders briefed on several topics to keep the J6 workforce informed about Innovation efforts, IT Audit updates, Customer Support initiatives, DoD and 4th Estate IT Reform, Workforce Transformation, Artificial Intelligence, Robotic Process Automation and Climate Culture results.

(2) Enhanced User Capabilities

(a) In November 2019, upgraded the Virtual Private Network (VPN) remote access solution (Juniper) to improve remote access availability and performance for users.

(b) Throughout FY19, prepared major sites to use VDI via the User Managed Computer (UMC) initiative, and rolled out wireless capabilities at several sites to support the customer and mobility.

(c) Throughout FY19, completed VTC tech refreshes for several rooms at 11 different sites to enhance and standardize DLA’s capabilities to communicate via video teleconferencing. Supported the DLA VTC for 18,896 VTC meetings/events with 99.75% availability.

(d) In July 2019, added Web Real Time Communication to give DLA VDI internal users the capability to attend VTCs.

(e) Completed 61 DLA sites for DISA EVoIP, deploying a robust, stable and cost-efficient voice solution.

(f) Created a Section 508 Service Offering in Single Point of Entry (SPOE) under Communication and Collaboration Services to support portfolio managers and content creators with 508 assistance.

(g) Created and implemented a documented repeatable process for Assistive Technology (AT) software upgrades. The process includes communication and coordination with DLA portfolio managers for testing of potential releases outside of the DLA Section 508 Office. Delivered “DLA Section 508 Office Assistive Technology Software Release Process Description” and associated templates that were adopted and used by the DLA Section 508 Office.

(2) Expanded Mobile Capabilities for DLA Users

(a) Transitioned Enterprise Mobile Device Management solution, VMWare Airwatch to VMWare Workspace, which enables multi-platform endpoint management to include tablets, laptops, and other mobile computing platforms.
(b) Continued evaluation of Android-based OS devices (e.g. SAMSUNG) for integration into DLA’s enterprise mobility environment. Worked with CITRIX, VMWare and SAMSUNG vendors, and other DLA and DISA teams to address functionality and security concerns.

(c) Worked with DLA Distribution, Disposition and Installation Support customers to define and procure the next generation tablet solutions required for integration with more modern business applications as well as to improve functionality and productivity concerns for users.

(d) Began validating and making available DLA internal applications or customer requested capabilities. Provided SNAPTrack App for Disposition Services’ customers to help with Depot Yard asset visibility. Provided Reserve-IT and Cisco Meeting to help with collaboration and meeting spaces across the enterprise.

(e) Continued integration and evaluation of incorporating Microsoft O365 Office Automation applications to the mobile device. Solutions such as Word, PowerPoint and Excel are available. Skype for Business continued its integration to the mobile platform with the mobility team continually working with F5 and Microsoft vendors. Microsoft TEAMS entered its feasibility study to be road-mapped as a possible replacement for Skype for Business with enhanced collaboration features.

(f) In June 2019, the Equipment Management Solutions Division had one intern complete the Student Career Experience Program (SCEP). These internship programs are important to the long-term success of the agency by bringing in new, talented individuals who bring a fresh perspective and new ideas to long standing programs.

(g) In November 2018, put into place the Equipment Management Solutions & Customer Relations Specialist (EMS & CRS) Roles and Responsibilities document to help eliminate divisional silos. This document clearly outlines the responsibilities in the partnership between these two J67 divisions, ensuring clear and concise processes to guarantee our customers the best experience possible.

(h) In February 2019, added a capability within Employee Activity Guide for Labor Entry (EAGLE) to automate the process to retroactively correct pay for DLA civilian employees.

(i) In October 2018, replaced the legacy Employee Benefits Information System with the latest version of the Government Retirement and Benefits Platform. In February 2019, enabled the capability for retirement estimate requests.

(j) In August 2019, added capability to automate the Voluntary Leave Transfer Program within EAGLE.

g. Enterprise Enablers (Innovation, Data Management, Technology and Cybersecurity)

(1) Robotic Process Automation (RPA) – Completed 50 automations/use cases since October 2018. The resulting digital workforce is contributing the equivalent of approximately 80 FTE’s worth of hours. Designed and tested the first unattended configuration

10 EMS & CRS Roles and Responsibilities, Version 1.0, March 2019
of RPA within DoD. Created white paper for unattended mode and shared with DoD and Federal agencies.

(2) IT Reform - Data Center Consolidation

(a) Closed four Data Centers in FY19; 17 of 23 closed to date.
(b) Migrated 177 Applications/environments to the Cloud.
(c) Provided weekly progress updates to OSD on Migration Schedules.
(d) Migrating all applications from milCloud 1.0 to Commercial Cloud.
(e) Completed non-DLA DoD DACS application migration for OSD.


(4) Data Management & Predictive Analytics

(a) Enterprise Data Warehouse (EDW)

i. In October 2018, developed Qlik Sense Security Roles.
ii. In November 2018, completed SAP Lumira Sandbox, upgraded BWoH OS to SUSE 11.4, completed Hadoop production environment and deployed Data Visualization capabilities.
iii. Completed 50+ corrective actions to improve EDW (HANA) data loads.

(b) EDW Service Readiness Data (ongoing iterations)

i. Deployed Service Readiness tile powered by Service data exchanges combined with DLA data to develop readiness metrics for each Service aligned by Weapon Systems and Supply Chains with drill-down capabilities.
ii. Developed detailed daily and weekly data reports to support data analysis and access to raw Service and DLA data driving readiness metrics.
iii. Deployed Nuclear tile with Customer Focused Metrics (CFM).
(5) Cybersecurity

(a) Cybersecurity worked with J7 to establish a cybersecurity clause for contracts requiring vendors to ensure their computers are operated in accordance with DoD standards. Provided cyber evaluation support to Supply Chain/MSC operationally critical contracts.

(b) Completed objectives of Joint Forces Headquarters – Department of Defense Information Network (JFHQ-DODIN) Operation Gladiator Shield (OGS 2019) to map IT resources to identified Mission Relevant Terrain – Cyber (MRT-C).

(c) Identified and prioritized the remediation of high-risk vulnerabilities by providing a weekly Top-10 prioritized actionable list and focused efforts on exploitable vulnerabilities that resulted in > 95% of high risk vulnerabilities remediated within 120 days, greatly improving the security posture of DLA computers and networks.

(d) Awarded the contract on June 12, 2019 for the installation of Automation Fuel Systems. The contract included cybersecurity concerns.

(6) Innovation & Agile Development

In January 2019, made significant changes to DLA CAS Lookup Application. Created a new executable program to automate processes to collect data from active directory and populate DLA Lookup database, avoiding the need to store data on an intermediate server.

(7) Distribution Modernization Program (DMP)

(a) Warehouse Management System (WMS) – Released to production 24% out of 51% of the delivered road map capabilities, with the latest release-taking place on July 12, 2019. This is a technical refresh from Distribution Standard System (DSS) to WMS. The technical refresh will allow WMS to streamline storage and distribution processes to align with industry standard, creating a single warehousing system for all of DLA.

(b) Voice Pick – Conducted a successful pilot at DLA Distribution San Joaquin and the delivery of the first of several incremental releases for the final phase occurred on July 1, 2019. The voice initiative directly addresses many of the overall automation requirements identified by DLA Distribution. Voice Pick technology will speed inventory, receiving, and stowing, improve inventory accuracy, reduce lost product, and improve safety.

(c) Real Time Location System (RTLS) – The RTLS concept was tested at DLA Distribution Red River, TX to track semi-trailers, Bradley Fighting Vehicles, High Mobility Multi-Wheeled Vehicles, Heavy Expanded Mobile Tactical Trucks, Palletized Load Systems, Family of Medium Tactical Vehicles, Mine Resistant Ambush Protected vehicles and Multiple Launch Rocket Systems. RTLS is a GPS based technology that enables continuous asset visibility, accountability, chain of custody, and on-time and on-command reporting.

(d) Enterprise Resource Platform (ERP) to the Cloud – Started an effort to migrate all of our existing SAP ERP applications to the cloud to standardize the capabilities and eventually reach a Software-As-A-Service model. Established an Integrated Process Team with all affected DLA organizations. Started work on the DLA strategy development, acquisition
documentation and business case for Program Budget Review. Began cloud readiness activities using existing resources and developed an initial technical roadmap in coordination with SAP.

(8) Rationalized and Migrated Applications to Cloud

(a) Task Management Tracker (TMT) migrated from DISA and achieved FOC in Microsoft Azure. Stood up the Azure development/testing, stage and production regions for DLA Today, Strategic Materials Sales, Strategic Materials Contracting, Defense Criminal Investigative Reporting System, LOGDRMS, and Hotline.

(b) Message of the Day was migrated to DLA Today in Microsoft Azure, and BLOGS was migrated to eWorkplace SharePoint Online to support moving to the cloud and consolidating applications into Enterprise solutions.

(9) Stood up the Center of Planning Excellence (CoPE). Transformed and consolidated 20 employee positions and 7 applications/systems that span across the NIPR and SIPR. The main elements of the transition included the following:

(a) The J62B Enterprise Capabilities Portfolio and the J62C Enterprise Sourcing, Medical Contingency Portfolio transitioned the following four applications/systems and affiliated employee positions:

   i. Joint Chiefs of Staff Reporting Emergency Petroleum, Oils, and Lubricants (REPOL)
   ii. Integrated Consumable Item Support (ICIS)
   iii. Industrial Base Management System (consisting of the Surge and Sustainment Database [SSDB] and World Wide Web Industrial Capabilities Assessment Program [WICAP])
   iv. Bulk Petroleum Common Operational Picture (BPCOP)

(b) The J62H Logistics Cataloging and Data Solutions Portfolio (LCDS) transitioned the Enterprise Geospatial Information System (EGIS), combined into the BPCOP program.

(10) Research & Development (R&D)

(a) Overview. The R&D program, as part of DLA’s Innovation Enabler, under the Strategic Plan LOE 7.1,\(^\text{11}\) seeks out disruptive technologies that have potential game-
changing implications. R&D manages 14 programs comprised of 190+ projects that affect DLA across its MSCs, supply chains and functional process leads.

(b) Accomplishments by Program – We achieved considerable success in delivering innovative and responsive solutions to the Warfighters and our other valued customers, including several significant accomplishments in our R&D funded Manufacturing Technology and Log R&D programs as follows:

i. Additive Manufacturing (AM) – Conducted Military Services’ demonstration of the use of 3D Model Technical Data Packages to repeat manufacturing of AM parts in labs and at sea; Industry’s demonstration of automation techniques to accelerate identification of AM candidate parts within population of legacy repair parts; and Academia’s demonstration of AM testing techniques to characterize acceptability processes.

ii. Subsistence Network (SUBNET) – Started determining measures to ensure milk quality and shelf life consistency for the Military Services. Researched the future of the subsistence prime vendor through the lens of emerging technology and improved in-transit visibility. Demonstrated the capability to use visualization and modeling and simulation, of operational rations in the supply chain, and started to develop Meals, Ready-to-Eat (MRE) optimization and inspection modules for better MRE packaging performance.

iii. Castings – In FY19, the DLA R&D Casting program focused on meeting the military’s evolving requirements for cost and time savings while delivering quality parts for the warfighter. The casting projects focused on a wide range of technical focus areas including: improved metal casting manufacturing processes, improved metal casting tooling, simulation tool for predicting performance and manufacturing processes, nondestructive evaluation and testing, alternative or improved materials, and procurement solutions. Currently there are 33 active projects within these focus areas.

iv. Forgings – In FY19, the DLA R&D Forging program completed five existing projects, including the “Forging Process Improvement Using Intensive Quenching Immediately after Forging Operations are Completed” (DFIQ) project. In partnership with IQ Technologies, the technology was completed and implemented for use within forge shops. The project focus was to create a miniaturized mobile version of existing larger IQ systems for use on parts coming directly off the forge to improve the mechanical properties of the material. This strategic placement of the unit with a forge shop results in reduced energy consumption, lead times of up to eight days and costs of up to 30%. It also lowers grade materials to be used in place of higher quality more expensive materials due to the increased properties obtained resulting from this process.

v. Battery Network (BATTNET) – Of note, the DLA R&D BATTNET program was recognized for the 2018 DoD Manufacturing Technology Achievement Award for Supply Chain Improvement work on a Lithium-Ion Replacement for the tube-launched, optically-tracked, wireless-guided (TOW2) Missile Guidance System (MGS) Nickel Cadmium battery. In collaboration with the US Army Close Combat Weapon Systems Project Office, R&D developed and demonstrated a li-ion integrated power system to replace a suite of legacy equipment for the TOW2 MGS. Also, developed domestic lithium-ion cells optimized for soldier conformal (flexible) wearable batteries, to provide a 55% energy density increase (performs longer) at a 20% lower cost to manufacture.
vi. Advanced Microcircuit Emulation (AME) – Completed the evaluation and development of Additive Manufacturing (AM) techniques in Phase I of AM for Microcircuit Cases. Transitioned to Phase II in which fully qualified manufacturing capability will be developed and transitioned to production. Also, continued to develop manufacturing capability to emulate 20-volt operational amplifiers. Planned for transition in FY20, this will represent the first linear/analog capability in a program that has previously been limited to digital microcircuits. This program has a historical Return on Investment of 8:1.

vii. Military Unique Sustainment Technology (MUST) – The MUST program is addressing the GAO recommendation to establish a “knowledge based approach” to collaborate on development and acquisition of combat uniforms and individual equipment. MUST is researching and developing knowledge based technologies to reengineer the joint process and product and to develop the foundation for technical data modernization. This program is a precursor that will enable DLA and its industrial base to achieve the benefits of Industry 4.0 (the integration of information and communication technology throughout the DLA supply chain).

viii. Defense Logistics Information Research (DLIR) – In FY2019, expanded the number of DoD Program Management Offices (PMOs) and Engineering Support Activities (ESAs) that validated 3D technical data template and processes to support routine DLA procurements. Additionally, DLIR began research to identify criteria used to determine if 2D line drawings should be converted into a 3D model-based format. Started to evaluate the processes and tools to convert legacy technical data into a modern 3D model-based format.

ix. Strategic Distribution and Disposition (SDD) – R&D worked closely with the J6 Distribution Modernization Program Manager and SDD to pursue projects that help meet the goals of the program. In FY19, SDD began an Augmented Reality pilot at DLA Distribution, Oklahoma City that superimposes a computer-generated image on a user's view of the real world, thus providing a composite view. Conducted research and evaluated warehouse wireless networks to determine compatibility with emerging technologies. Assessed system integration of Autonomous Guided Vehicles (AGVs) in the Distribution Centers. Also, conducted an AutoStore test pilot project to make warehouse operations more reliable, sustainable and cost effective while potentially improving safety.

x. Weapon Systems Sustainment (WSS) – WSS leads the R&D effort for assuring supply chain integrity through its Counterfeit Risk Reduction program. During FY19, the program supported development of a Vendor Network Mapping Capability (VNMC), by testing a new business process to identify supply chain risks by providing information on second and third tier suppliers. Developed a proof of concept for digital platforms to collect data securely for the Counterfeit Detection and Avoidance Program, Joint Compliance Program, and Trade Security Control processes. Explored technologies in Artificial Intelligence/Machine Learning to solve one of the DLA Director’s top priorities for forecasting Warfighter sustainment needs to support the goal to improve a 30% deficit in accuracy rate for critical parts forecasting. Supported laying the groundwork strategy for implementing AI, began
projects to improve the current demand forecasts, to incorporate Service maintenance data in forecasts, and to improve lead-time estimation.

xi. Energy Readiness Program (ERP) – The ERP focused on determining R&D solutions for ongoing issues affecting fuel, and fuel additive quality and operational requirements (e.g., thermal stability, storage stability, ignition capability). ERP was provided $7M in Congressional Add funding in FY19 to develop innovative technologies to produce hydrocarbon biofuels from cellulosic (woody biomass) matter. This effort will assist in developing up scaled woody biomass-to-fuel processes, a step that will lead to creating a sustained biofuels industry in the state of Maine and surrounding area. This industry will bolster the domestic supply base for military grade fuel products.

xii. Small Business Innovation Program (SBIP) - In alignment with the DLA Strategic Plan, Support the DoD Nuclear Enterprise, SBIP focused most FY19 resources on the Nuclear Enterprise Support Office (NESO) effort. Because the NESO is aligned to OSD and the Nuclear Enterprise, OSD provided $24M specific to this mission critical effort in partnership with the Air Force and the Navy to reverse engineer and manufacture hard to source and obsolete parts that affect many of our weapon systems. These efforts benefit DLA by expanding sources of supply, enhancing life-cycle performance, accelerating product availability, increasing competition and enabling small businesses to ensure effective logistics support to the nuclear enterprise.

xii. Successfully sustained and improved DLA Portfolio and Architecture Tool Suite (DPATS) as the Enterprise Architecture solution. This solution uses the MEGA commercial-off-the-shelf software and standardizes architecture data that demonstrates alignment with the DoD Architecture Framework.

xiii. Successfully revised and improved the Enterprise Architecture policy (DLA Instruction 8000.01)\(^\text{12}\) by reducing the architecture development requirements for solution-level architecture to focus on value-added views for the Agency. Published the policy in September/October 2018.

xiv. Developed the Strategic Enterprise Architecture (SEA) concept to further identify and expand architecture data across the J6 organization, and completed a proof of concept with J67 in December 2018 that demonstrates the SEA capability is possible using the Hortonworks Hadoop and Qlik Sense solutions. Identified 24 use cases, 76 data sources and 3,310 data elements throughout J6 to enable the development of a data dictionary and increase awareness of data for better decision making.

xv. Advanced the DLA Enterprise Architecture Management Maturity Framework (EAMMF) assessment (delivered on April 12, 2019) by addressing EAMMF requirements for architecture development. Clarified DLA requirements for segment reference, and enterprise reference architectures, to include identifying all models in scope, current version number, date of last update, date of next update, CM name of model, model location (in DPATS or external), value line of each model, and model POC. Additionally, established clear goals, with supporting metrics for improving completeness of solution architectures that were achieved/implemented on March 4, 2019.

\(^{12}\) DLA Instruction 8000.01, Enterprise Architecture, September 14, 2018
6. Documents

DLA Strategic Plan 2018 – 2026, Amended April 2019
J6 Dynamic Operating Plan, July 22, 2019
DLA J6 Technology Roadmap, FY19, Quarter 3
Configuration Control Steering Group Charter, v5.2, September 2019
DLA Enterprise Configuration Management Plan, v6.1, August 2019
DLA Enterprise Configuration Management Standard Operating Procedure, November 2018
Configuration Control Working Group Charter Template, v8
Instructions for CCWG Charter Template, v8, September 2018
ECMP Glossary of Terms and Definitions, v6.1
EMS & CRS Roles and Responsibilities, v1.0, March 2019
DLA Instruction 8000.01, Enterprise Architecture, September 14, 2018
MEMORANDUM FOR THE DLA HEADQUARTERS, ATTN - Historian

SUBJECT: Submission of DLA Acquisition (J7) FY19 Annual History Input

I am pleased to submit J7's FY19 Annual History. The DLA Acquisition Enterprise is one of immense scope and scale. With almost $44B in contract obligations, over 3M awards and a variety of acquisition programs and vehicles covering nine unique supply chains, DLA's acquisition mission is unlike any other in the Department. While the day-to-day contracting activity occurs largely at the MDCs, the staff of the J7 Acquisition Directorate provides the guidance, oversight and assistance that is necessary to keep the "DLA Acquisition Machine" running smoothly and efficiently.

Throughout FY19 we continued our efforts to drive efficiencies related to DLA operations and DOD Reform, strengthened our commitment to compliance, developed the Acquisition Workforce, built upon our strong relationship with Industry, sustained a procurement business system that is unmatched in DOD, showed significant progress on our journey to Audit Readiness and worked with the MDCs and the J-codes to deliver superior acquisition solutions and protect the DOD supply chain. In addition, the DLA Contracting Services Office (DCSO) and DLA Strategic Materials, J7's operationalized arms, provided essential contracting support to DLA business operations and administered the Defense National Stockpile, a strategic national asset.

Our mission, priorities and actions are driven by the DLA Strategic Plan and its companion documents. Each year we make considerable effort to ensure that the J7 Acquisition Road Map and J7 Culture and Climate Plan are aligned with the DLA Strategic Plan to ensure consistency of message and of purpose. In the following pages, it is my hope that readers will see an organization with a wide-ranging mission set but a singular focus of serving the Warfighter and the Nation.

MATTHEW R. BEEBE
Director, DLA Acquisition

Attachment:
1 - Annual History Input
1. Introduction

This DLA Acquisition Annual Historical Report is a narrative summary of the organizational events and actions J7 took over the course of Fiscal Year 2019 (FY19) to execute its mission of sustaining Warfighter readiness and lethality by delivering proactive global acquisition solutions in peace and war. The report is written around J7 initiatives included in the DLA Strategic Plan and the J7 Acquisition Road Map, a strategic planning document that J7 has developed each year since 2015 to guide organizational 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.”

2. Organization

DLA Acquisition (J7) is comprised of three distinct organizations:

a. J7 Headquarters (HQ):

DLA’s Acquisition Directorate and staff element. Responsible for providing HQ guidance and oversight of DLA’s acquisition workforce and procurement system. Provides support to J7 Director and Deputy Director to carry 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).

b. DLA Contracting Services Office (DCSO):

One of two operational components of J7. Supports internal Agency business operations through its contracting capabilities. Responsible to plan, organize, direct, and manage procurement and contract administration for the acquisition of highly-specialized Electronic and Communication Services, Research and Development, Logistics Management Services, Knowledge-Based Services, Facility Related Services and Financial Management Services, and materials in support of DLA internal operations and to other federal agencies.

c. 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 for strategic materials in times of national emergency. Provides for acquisition and retention of stockpile materials; conversion and upgrade of stockpile materials to prevent obsolescence; development and qualification of domestic sources of strategic materials;
recycling of strategic materials from end-of-life Government items and disposal of excess stocks for operational funding.

2. Organization:

a. The J7 organizational structure is depicted in the following chart:

b. FY19 Organizational Changes:

In January 2019 the former J75, Services Contracting Division, was merged into the existing J73 Operations Division when the former J73 Division Chief retired. After an organizational assessment of current missions, priorities and staff levels, the J7 leadership determined the services contracting functions would be best supported under J73 Operations. Ms. Mullori assumed the role of Chief, J73.
c. J7 Presence:

J7 has personnel physically 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 Directors of DCSO and Strategic Materials, as well as the DLA Ombudsman. Key personnel and their dates of tenure are depicted below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Current Position</th>
<th>With J7 Since:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthew Beebe</td>
<td>J7 Director (2014 to Present)</td>
<td>2014</td>
</tr>
<tr>
<td>Roxanne Banks</td>
<td>J7 Deputy Director (2014 to Present)</td>
<td>2014</td>
</tr>
<tr>
<td>Col James (Jim) Wilkie</td>
<td>J7 Chief of Staff (Mar 2019 to Present)</td>
<td>2019</td>
</tr>
<tr>
<td>CAPT Chad Burke</td>
<td>J7 Chief of Staff (May 2018 to Feb 2019)</td>
<td>2017</td>
</tr>
<tr>
<td>Kim Villarreal</td>
<td>Chief, ASG (Jul 2018 to Present)</td>
<td>2007</td>
</tr>
<tr>
<td>COL Angela Wannamaker</td>
<td>Chief, Business Office (Jun 2017 to Present)</td>
<td>2017</td>
</tr>
<tr>
<td>Betty Hoapili</td>
<td>Chief, J71 (Jul 2017 to Present)</td>
<td>2017</td>
</tr>
<tr>
<td>Kathy Hammer Wells</td>
<td>Chief, J72 (Jul 2013 to Present)</td>
<td>2010</td>
</tr>
<tr>
<td>Kevin Burke</td>
<td>Chief, J73 (Jun 2015 to Jan 2019)</td>
<td>2014</td>
</tr>
<tr>
<td>Joy Mullori</td>
<td>Chief, J73 (Sep 2012 to Present)</td>
<td>2012</td>
</tr>
</tbody>
</table>
4. Total Personnel:

<table>
<thead>
<tr>
<th></th>
<th>On-Board/Authorized</th>
<th>HQ</th>
<th>DCSO</th>
<th>SM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civilians</td>
<td>299/301</td>
<td>81/76</td>
<td>148/153</td>
<td>70/72</td>
</tr>
<tr>
<td>Active Duty Military</td>
<td>3/6</td>
<td>3/6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Active Reservists</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contractors</td>
<td>15</td>
<td>13</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

J7 HQ is subject to Management Headquarters Activity (MHA) reductions and has been working throughout FY18 and FY19 to manage mandated reductions while limiting the level of risk to J7 mission performance. The FY20 MHA target for FY20 is 74.

5. Historical Narrative

a. 2019 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. In FY19, DLA obligated $43.7B and issued 3.4M contract actions, representing a 3.96% and 5.56% decrease from FY18. Other significant enterprise procurement metrics include a Small Business obligation rate of 38.25%, which exceeded the FY19 OSD Small Business goal of 30.5%. DLA has exceeded its overall Small Business goal for seven consecutive years. Total DLA Small Business obligation (over and above eligible Small Business contracts for purposes of goal calculation) were $15.20B. AbilityOne obligations for FY19 were $580M. DLA competed 70.9% of obligated dollars and 91.4% of actions. DLA is the DOD leader in terms of volume and speed of supply commodity procurement. DLA awards nearly six times the contract awards of all the Military Services combined. DLA’s automated procurement capabilities are the equivalent of ~5,000 procurement FTEs.
b. FY19 at a Glance

### FY19 Obligations $43.7B

- C&E: 4%
- Subsistence: 5%
- Maritime: 6%
- Land: 7%
- C&T: 15%
- Energy: 19%
- Med: 16%

**FY18 Obligations: $45.5B**

### Contract Actions 3.4M

- Automated Purchase Order (<12 day ALT): 7%
- Manual Under SAT: 5%
- Manual Over SAT: <1%
- Long Term Contract System Delivery Order (1 day ALT): 87%

**FY18: 3.6M**

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c. J7 Culture & Climate

The J7 organization has established a robust Culture & Climate Program through which the organization builds its strategic plans and drives organizational and process improvement, using the Denison model as a foundation. The program is led by the J7 Culture Champion, supported by the J7 Project Management Office Lead and contractor master black belt support. The Culture Champion leads the Acquisition Culture Climate Team (AC2T), which is comprised of Acquisition Culture Climate Agents (AC2As), who are representatives from the J7 divisions, DCSO and Strategic Materials.

d. Major activities for FY19 included:

1. Distributed 2018 Denison results to the J7 workforce. Compared to 2016, J7 had a 21% average increase for each of the 12 measured indexes (total of 250-point strength increase from 837 in 2016 to 1,087 in 2018). Whereas the 2018 goal was to achieve 4th-quartile index scorings for each of the 12 indexes, i.e. above 75% of Denison’s benchmark database, the 2018 results significantly exceeded the goal with an average index value of 90.58%!

2. Conducted offsites with the AC2As to analyze the 2018 C2 survey results and develop the FY19 C2 focus areas for the FY19 J7 Culture Plan.
(3) Conducted multiple individual offsite/workshops with division/organization AC^2As to develop respective division/organization Culture Action Plans.

(4) Reinstituted the J7 Peer Award Program.

(5) Developed and executed a separate interim Culture & Climate survey with a visual circumplex for Climate similar in appearance to the Denison Culture circumplex in order to gain information reflecting J7 workforce Esprit de Corps. The interim survey also serves as a Strengths/Weaknesses/Opportunities/Threats (SWOT) tool to develop both the FY20-21 AC^2T Roadmap and the FY20-21 Acquisition Roadmap and FY20 DOP (rationale: Denison survey does not provide SWOT data, does not measure Climate, and the data is currently a year old).

e. J7 Acquisition Roadmap (ARM)

In addition to the DLA Strategic Plan, J7 is guided by the internally developed Acquisition Roadmap (ARM) strategic planning document that lays out J7 priorities and initiatives. It is a compliment to the DLA Strategic Plan and includes all Director Imperatives, J7 initiatives from the Strategic Plan Implementation Guidance (SPIG) and J7 developed initiatives included in the DLA Acquisition Dynamic Operating Plan (DOP). The first ARM was created in 2015; ARM 3.0 was published in June 2018. ARM metrics are maintained in the ARM Dashboard, a centrally maintained electronic dashboard, accessible to all J7 employees and providing current status of all ARM metrics. Clicking on an individual metric will take a user to the detail information and POA&M for that metric. The J7 leadership reviews the dashboard with J7 management and OPRs quarterly.
f. FY19 Summary

The remainder of this Historical Narrative is a summary of the activities of the major J7 organizational and/or business functions, as aligned under the DLA Strategic Plan and ARM.

(1) Warfighter First

(a) Reform:

J7 was involved several in Defense Reform initiatives during FY19. The most significant for J7 was Enterprise Buying. This initiative was identified as a Chief Management Office (CMO) Logistics Reform Initiative and the basic objective is to identify major categories of fragmented, unconsolidated spend across the Department and explore
opportunities for having a single organization act as the procuring activity for the Department. Rationale for the initiative is based on a McKinsey analysis that showed there is $16B in fragmented, unconsolidated commodity (non-weapon system) spend that could be procured more efficiently, with potential annual savings of $800M to $1B. In May 2019, Acting Secretary of Defense Shanahan directed OSD(A&S) to proceed with implementation of the initiative. DLA, via J7, is responsible for execution of the initiative and has established a working group comprised of representatives from DLA and the Military Services’ logistics communities. As of September 2019, DLA continues to work with representatives to obtain Service data for analysis and to support the development of a transition plan for specific categories of items. The initiative is being monitored through the Reform Management Group (RMG). Consolidation opportunities will be facilitated and determined by the RMG.

In addition to Enterprise Buying, J7 and DLA supported the CMO and the Category Management Reform team in its effort to execute Category Management “Sprints” that identify potential savings from more efficient procurement of categories of the Department’s $200B of annual spend. DLA provided detailees from the MSCs to provide full-time support to CMO efforts and facilitate DLA involvement with CMO and the independent consultants who are performing the analyses. The first pair of detailees, Sherry Welmer (DLA Land & Maritime) and Kaitlyn Faillace (DCSO-Philadelphia), completed their details in April 2019 and were followed by Randall Dortch (DLA Aviation) and Brendan Close (DLA Troop Support). Sprint 1 focused heavily on DLA with $13.5B of the $15B analyzed coming from DLA. As of September 2019, DLA has concurred with the consultants’ recommendations for $748M of savings from the categories of spend analyzed in Sprint 1 and 2. The Sprint process will continue in to FY20 and beyond. J7 will monitor the planned execution of recommendations, track actual savings to be reported back to CMO and will continue to identify additional categories of DLA spend for analysis.

A variety of J7 representatives provided input and assistance to the DLA Reform team and the consultants on a number of topics related to the Agency’s Cost Transparency/9.5 in 5 initiative, ensuring that the team had a sound understanding of DLA procurement systems, processes and organizational structures. A major area of collaboration was the Service Contract Reduction effort, whereby J7 worked with requirements owners in the J/D-codes and MSCs to review, validate and set reduction targets that will contribute to operational cost reductions and support the planned Cost Recovery Rate reductions. This effort will continue in to FY20 along with the broader Cost Transparency initiative.

(b) Acquisition Metrics:

In coordination with the MSCs and J3, J74 continued to monitor and adapt various acquisition metrics that reflect the overall effectiveness of the acquisition process and drive improvements in readiness. Those metrics include Administrative Lead Time, On Time Delivery, Time Definite Delivery, Automated and Long Term Contracting (LTC) rates, and LTC renewals. J74 has developed metrics for consumables and reparables, to ensure Enterprise awareness of these different lines of business. In addition, after several years of oversight and reporting to OSD, J74 institutionalized the CSART review of TDD compliance. J74 also finalized a Production Lead-Time (PLT) instruction, the result of a multi-year CPI project that
will provide guidelines and instruction to the MSCs to reduce PLT. J7 coordinated throughout the year with J3 and J6 to incorporate acquisition metrics on the Director’s Dashboard, providing a more comprehensive view of readiness and the factors that contribute to it.

(c) Strategic Contracts (STRATCONs) and Red Teams:

J73 continued to execute and refine the STRATCON program during FY19. STRATCONs are acquisitions for Agency requirements that may involve significant risks to schedules or performance, have a critical impact on the Warfighter or Whole of Government and Coalition partners, or represent a significant financial or programmatic investment. The program is operated collaboratively among the MSCs, J3, and J7, with MSC Commanders designating specific STRATCONs, and J3 and J7 jointly ensuring Agency leadership awareness though discussion at Quarterly STRATCON Reviews with the Director, on a case by case basis at Agency Readiness Reviews and as displayed on the Director’s Readiness Dashboard. FY19 Quarterly STRATCON Reviews were 4 Oct 2018, 10 Jan 2019, 4 Apr 2019 and 6 Aug 2019.

Acquisition Red Teams are intended to provide a thorough corporate perspective and oversight for aspects of acquisitions that potentially pose significant risks to schedule, performance, or the Agency. Identification of candidates for a Red Team review is selective, focused on mitigating risk. The Red Teams completed during FY19 were:

i. OCT 2018:  Troop Support SPV Europe/Africa
ii. NOV 2018: Aviation AeroControlex (ACX)
iii. FEB 2019:  Land & Maritime Global Tire Program (GTP)
iv. MAR 2019: Troop Support FSG-80

(d) Supply Chain Security:

J7 continued collaboration with MSCs and J Codes in this area in FY19. In late December 2018, protection efforts of new and revised Export Controlled Technical Data were center stage. J7 developed revised business processes with J3, J6, Aviation, Land & Maritime, and Troop Support for soliciting and awarding requirements. An enhanced export control validation process with vendors was established and it provided additional security related to handling sensitive technical data.

J7 also engaged in DLA’s first ever Supply Chain Security Strategy (SCSS). Starting in late April thru late June, J7 provided input for inclusion in the overall DLA SCSS that was released by the DLA Director in early July. In addition, J7 sponsored two initiatives to support furtherance of the DLA SCSS. The initiatives address increasing the DLA acquisition workforce’s knowledge and operation of supply chain risk management (SCRM)
tools and optimizing use of cybersecurity as discriminator in source selection/awards. Estimated completion dates have been created and personnel are working actions to complete them.

(2) Global Posture

(a) Agency Synchronization Operations Center (ASOC):

J7 played an active role in the Agency’s stand-up of the ASOC, providing several military and civilian representative to ensure reach-back and coordination with J7 to address acquisition related questions and status, and to ensure inclusion and consideration of the “acquisition perspective” in Agency operations. Specifically, J7 personnel supported wargame series Steadfast Badger and Gladiator Shield and participated in the J3 led Joint Concepts Integrated Process Team, which was established to synchronize Joint concepts such as Operational Contract Support and Vendor Threat Mitigation. J73, the primary J7 liaison to the ASOC, provided acquisition related advice on Trade Agreements Act (TAA) compliant dehumidifiers for the USAF, Athletic Footwear to support USMC, support to Customs and border Protection (CBP), Operation Agency Resolve (OAR) and the establishment of the Defense Wide Working Capital Fund Working Group to review processes on obligation authority and cash and policies.

(b) Global Logistics Support Capability (GLSC):

GLSC was a FY18 and FY19 Director’s Imperative. The purpose of GLSC was to provide greater depth for DLA core capabilities in contingencies (both Humanitarian Assistance/Disaster Response (HA/DR) and conflict) through the delivery of 4PL Global Support Services Integration, Customer-Facing Support Services, Materiel/Demand Planning Support Services, and Disposition Support Services. The intended outcome was a capability that would allow for sustained support to the DLA mission, or provide limited, temporary service functions, when requested by the military services. Investments in customer readiness and DoD budget restraints drastically reduced DLA’s cash position in FY19; given the current financial challenges, Agency leaders determined that the best path forward was to cancel the GLSC solicitation. DLA will continue to support this mission utilizing organic resources to absorb any unforeseen contingency operations.

(3) Strong Partnerships

(a) DLR Strategy:

On January 24, 2019, the J74 hosted a DLR Summit to bring together all of the DLR entities at HQ DLA to discuss topics that impact that community and discuss best practices in the field. Discussions covered topics such as DLA and services system integration, operational and strategic metrics, tactical workload management, leveraging DLA consumables, forecasting and demand planning, DLR and DCMA data collection, the funding process for DLR support, and the reduction of operational/material cost of DLA support. The Summit was heavily
attended and highly praised by all participants, which included top level managers of the sites, working level specialists, and J8 finance personnel who manage and control the DLA Cost Recovery Rate. J74 and the summit attendees continue to communicate with the DLR sites to gain insight into issues that need attention.

Another major component of DLA’s DLR strategy is systems integration efforts with the Air Force, Army, and Navy. The outreach efforts with the Army and Navy were slow going, while the Air Force integration discussions moved forward during FY19. DLA and Air Force personnel established a DLR integration group that performed a gap/fit analysis on open requirements, as well as began development of integration ROMs. The next step is to establish an integration schedule. Current estimate is that integration activities will complete in mid FY21.

(b) Industry Engagement:

The first DLA Industry Day was held on September 19, 2018 at DLA HQ and hosted 174 industry partners representing more than 120 companies. Each of the Services were represented by several members of senior military leadership. A general session was held at the beginning of the event and was followed by breakout sessions that addressed DLA’s missions, challenges, and opportunities for future collaborations between DLA and industry. The objectives of this highly interactive, collaborative event were:

i. Support to the Secretary of Defense’s effort of Restoring Military Readiness

ii. Meet achievement of Service Supply Availability goals

iii. Increase DoD buying power through better forecasting

iv. Transform the way DLA collaborates with the Services to capture corporate demand & deliver requirements to Industry

v. Communicate forecasts & requirements to Industry on an annual basis

vi. Enhance the dialogue between DLA, the Services, CCMDs, Whole of Government, and Commercial & Organic Industrial base

vii. Continue to grow DLA’s relationship with Industry

viii. Provide tangible opportunities for business with DLA

Following the success of the first DLA Industry Day, the second DLA Industry Day was held on July 31, 2019 with 180 industry partners, representing 124 companies. These companies accounted for $17.9B in FY18 DLA spend. Presentations were made by the Hon. Lord, LTG Williams, MG Day and Mr. Beebe. Additionally, a panel was held and moderated by Mr. Scott with representatives from each of DLA’s MSCs.
The Hon. Lord spoke to the Department’s priorities, supply chain security and importance of the industrial base. In addition, the Director highlighted the breadth of DLA support, the improvements the team has made over the last year in Material Availability and weapons systems down for DLA parts, while acknowledging not all systems were improved. DLA also provided demand projections for the coming year and translated that into projected opportunities for industry. The MSCs followed the main assembly with breakout sessions that spoke specifically to their area of operation and additional breakouts were hosted by services acquisition SMEs and a group for Innovation in Supply Chain Management-Artificial Intelligence and Cybersecurity.

FY19 marked the first time DLA has conducted an industry spanning feedback survey. The DLA Supplier Feedback Survey is a first of its kind in government, supplier focused survey. The survey was designed to capture and analyze suppliers’ perceptions of DLA as a business partner, asking respondents to rate DLA in four different categories: DLA’s communication, growth and profit potential when working with DLA, the DLA/Supplier relationship, and DLA’s effectiveness. The survey was launched September 6, 2018, and closed on November 30th, 2018. In total, DLA sent the survey to 7,800 suppliers and received 2,999 responses, for a 38% response rate. DLA scored highest in “Trustworthiness” and lowest in “Innovation.” Results from the survey can be segmented in various ways, including by MSC, type of business and size of business. DLA expects to issue a similar feedback survey at least every two years.

(c) Industrial Base/Warstopper:

DLA has a well-established industrial base program that identifies, assesses, and mitigates industrial base and readiness risks across all DLA MSCs. The Warstopper program has an historic ROI of 7:1 for program investments. In FY19 the program made $31.1 million in industrial investments. The projected ROI for FY19 is a $224.8 million cost avoidance to war reserve material. Significant investments in FY19 include: $21.8 million in medical readiness to include over $8 million in medical equipment, $1.3 million in aging aircraft obsolescence management, $0.7 million in buffer materials to include titanium, 300M steel, and bearing grade steel, and $0.4 million in TF33 engine obsolescence management. In addition, in FY19 the program completed a report to Congress and 11 industrial base studies on fragile and critical industrial base focus areas. In addition, an Industrial Base High Visibility Risk Indicator metric was integrated into the Director’s Dashboard, identifying critical items with the most vulnerability from an industrial base perspective and enabling Agency leaders to ensure proper mitigations are in place to ensure readiness of these items.

13 Warstopper ROI report to be completed in April 2020 with detailed post investment analysis of Warstopper investments to provide a validated return on investment.
FY19 was another active year of working with the DLA External Audit team, MSCs and DLA Public Affairs coordinating site visits, requests for information and responding to audit recommendations and subsequent media requests. The most notable audit was DoDIG’s “Review of Parts Purchased from TransDigm Group.” As a result of close coordination between J7, the MSCs, Counsel, Legislative Affairs and Public Affairs, clear messaging and advocacy for DLA contracting officers, DLA was able to turn what could have been a very damaging and inflammatory report directed at DLA and Service personnel into one that focused Congressional and media attention on the predatory business behavior of this company. As a result of the audit, TransDigm officials were called to testify before Congress, along with DOD officials. J7 provided information and support to HON Kevin Fahey, Assistant Secretary of Defense for Acquisition & Sustainment, in preparation for his testimony. In addition to the audit response and media inquiries, J7 engaged in senior level discussions with DOD officials to discuss the ways in which intellectual property and pricing risk related to sole source items can be mitigated. These efforts will continue into FY20.

(4) Whole of Government

(a) General Services Administration (GSA) Relationship:

DLA and the GSA engage in a number of collaborative forums to share information, identify good-for-government initiatives, identify potential supply chain
improvements, and foster a beneficial working relationship. J7 is an integral member of these forums. Through these collaborative engagements, DLA was able to streamline DLA FEDMALL commercial catalog contracts to eliminate redundancy and drive savings and efficiencies by leveraging existing GSA contracts and supply support methods. Through data scrubbing, J7 worked with GSA to remove GSA managed items from FEDMALL and directed customers to the appropriate GSA buying platforms.

In addition, J7 has also been able to shape the GSA Commercial Platform Initiative (CPI) e-commerce program to ensure DLA and DoD concerns are reflected in the proof-of-concept plan put forward by GSA in their report to Congress in April 2019. Through the embedding of a J7 procurement analyst with the GSA CPI team during the key period of market research and report writing, DLA was able to ensure representation of DLA interests and concerns in the program’s development. Six overarching DLA concerns were reflected in GSA’s plan to Congress.

Once the report to Congress was issued and GSA began to develop the CPI proof-of-concept acquisition, J7 ensured continued engagement by assigning a procurement analyst to continually engage with the GSA team through weekly phone calls and periodic meetings. Based on information from these engagements, DLA J7 worked with all DLA stakeholders to review the GSA acquisition documents and provide recommendations to the GSA acquisition team as it developed and refined the acquisition strategy.

(b) Category Management:

Category Management refers to the practice of buying common goods and services as an enterprise to eliminate redundancies, increase efficiency, and deliver more value and savings from the Government's acquisition programs. The result is more effectively managed contract spending through a balance of Government-wide, agency-wide, and local contracts; reduced unnecessary contract duplication and cost avoidance; and continued achievement of small business goals and other socioeconomic requirements. In FY19 DLA continued to support and participate in OMB’s Category Management program, achieving a Spend Under Management (SUM) figure of $13.8B and spend on Best In Class (BIC) contracts of $1.7B. As OSD, through A&S and CMO, becomes more involved and invested in Category Management as a Reform topic, we expect to see changes in DLA’s level of engagement with OMB.

(5) Always Accountable

(a) Services Acquisition Reviews:

J7 continued to build and further develop robust processes for the Services Acquisition Functional Area. J73 accomplished significant milestones during FY19, including issuing the DLA Manual on Services Acquisition in June. The Quarterly Service Validation Reports have gone through three successful submission cycles to CMO. Working with requirements owners, J73 successfully completed the yearly Annual Portfolio of Services Reviews. During the last four years, these reviews have served as an effective assessment to ensure oversight and help capture efficiency targets for all the DLA Services Acquisition
Portfolios requirements. The data collected at these reviews facilitated reporting of efficiencies as directed by the CMO and DLA has successfully met the 5% efficiencies target for the last three years.

(b) Pricing:

J7 has been engaged in several pricing-related tasks and events this year. Starting with the Department level, representatives from J72 and the MSCs were part of the DPC Sustainment Profit Policy Team which resulted in a DLA Pilot at DLA Aviation and DLA Land & Maritime. J72 also been a part of the DPC High Risk Pricing CADRE, which was stood up in response to the TransDigm audit and subsequent Congressional inquiries into the company’s business practices. J7 continues to provide the following reports to DPC: Truth In Negotiations Act (TINA)/Cost Accounting Standards (CAS) annual report for Congress, Undefinitized Contract Action semi-annual reports, and the new Other than Certified Cost and Pricing Data Refusal (which was initiated in response to the TransDigm audit). J7 also provides the Contract Audit Follow-Up semi-annual reports to DoDIG.

This year J7, in collaboration with J6, rolled out the Enterprise Pricing Tool Suite for the buying and pricing community. Currently this Tool has over 1200 users. J72 also continued its very successful partnership with Defense Acquisition University on the DLA Pricing Class, completing 28 classes with ~600 attendees. J72 sponsored the 5th Annual Pricing Summit with several MSC attendees, completed the Annual Price Trend for Automated and Manual Awards, and approved the Annual Inflationary Factor for the Automated System. Team members completed several AMRs, STRATCON, and price escalation reviews as well, over 750 individual reviews with ~400 data sets.

All tasks in SPIG Objective 5.1.2 Execute Enterprise Pricing Strategy and SPIG Objective 5.4.1 Execute Enterprise Pricing Oversight were completed in accordance with the J7 Dynamic Operating Plan. J72 fully executed its 2019 pricing strategy, completing data analysis to isolated negative trends in pricing and develop mitigation strategies to address findings. J72 also developed and implemented updated policy/guidance to address findings. This year also brought a new collaborative relationship with Army pricing and we have engaged in several pricing data exchanges with them this year.

(c) Market Intelligence:

In support of industry engagement efforts and with the objective of using industry information to better inform the Agency’s acquisition strategies, J74, with support from the R&D Program Office, has established the Applied Market Intelligence in Defense Acquisition (AMIDA). The program objective is to enhance the Agency’s market intelligence capabilities and to bring the organization in line with industry best practices, both from a data collection and analysis perspective (technical), as well structurally within the organization.
AMIDA’s technical component includes utilizing market data and software, report, and models, while the organizational approach includes the implementation of a hub and spoke model, employing market specialists at each of the MSCs, and ensuring industry partners have a “place at the table.”

A pilot with Subsistence has been underway since August 2018, with a planned completion of November 2019. In addition to shaping the AMIDA effort, the pilot results will document success stories and value added. It will also prototype a dashboard that integrates external market intelligence data sources with internal DLA data that will provide the acquisition community a centralized location to access data and perform supply chain-specific analyses. DLA’s goal is to implement commercial supply chain AMIDA in 2020. In the interim a pilot with a non-commercial (i.e. hardware based) MSC is also planned.

(d) Operation Agency Resolve:

Beginning in early June, J7 started convening a MSC and J6 working group to determine what criteria could be modified to facilitate Obligation Authority (OA) conservation. Various automated processes were adjusted to promote manual intervention capabilities allowing the selective funding of requirements to slow down the OA burn rate. Reporting tools were developed to assist in monitoring funding eligible requirements as well as ability to reproprocess requirements that fail funding. J7 continued twice a week discussions during the remainder FY19 to address hot issues and concerns.

(e) Audit:

Audit activity continued to be a major focus area for J7 in FY19, for both the J78 Audit and Process Excellence team, who oversees the more Enterprise focused program management aspects of Audit, as well as J7 staff in all three J7 organizations, as they worked to develop, test and close audit findings within their respective functional areas.

In FY19, J78 implemented and tracked Corrective Action Plans (CAPs) to correct the identified control weaknesses. There were a total of 128 J7 CAPs, covering General Fund (GF), Transaction Fund (TF), and Working Capital Fund (WCF) - which are led by J7, J3 and J8. Of the 128 CAPs, 51 are targeted for completion by FY19, 32 by FY20, 44 by FY21, and 1 by FY22. Evaluation and testing for CAP closure will continue into FY 2020.

J78 reestablished the Managers Internal Controls (MIC) Program in concert with the new Enterprise Risk Management (ERM)/Internal Control Program Management Office (PMO). The MICP will ensure efficient and effective management of government resources to protect against fraud, waste, and abuse. Development of the internal control infrastructure with the ERM/IC PMO Program Office will continue into FY20. Some of the first actions for MICP were an assessment of risk to identify internal control vulnerabilities, appointments for Assessable Unit Managers (AUMs), Sub-Assessable Unit Managers (SAUMs), and the creation of risk control matrices.

The Military Interdepartmental Purchase Request (MIPRs) Program Management Office (PMO) responsibility was realigned from J75 to J78 when the J73 and J75 divisions merged in January 2019. The MIPR PMO provided precise program policy, systemic
oversight, training and audit compliance for over 700 users across the DLA enterprise that generated 7,100 line item reimbursable and assisted acquisition MIPR orders for a total of $2.4 Billion. The Outbound MIPR Program Management Office (PMO) team successfully completed FY19 with an 88 percent DLA aggregate enterprise EBS timeliness metric (historical milestone). The metric is a key performance indicator of the accuracy, velocity and completeness of MIPR order execution from MSC and J-Codes to Intragovernmental trading partners for goods and services in direct support of the DLA Warfighter Support mission. The MIPR PMO team has consistently improved this metric by 16 percent since FY17, through relentless customer engagement and confident of achieving the 95 percent enterprise goal for FY20.

The MIPR Program Manager (PM) also actively participated in multiple DLA G-Invoicing Core team strategy meetings and training events in FY19. As the P2P (DLA as buyer) lead, the MIPR PM provided extensive inputs and outputs regarding EBS system change requirements and facilitation of unique order requirements for Energy, Troop Support and Aviation. Other accomplishments included finalized core team charter, delegation of authority procedures and revision/synchronization of other related agency instructions, manuals, SOPs and development of multiple trading partner analysis to enable achievement of OSD mandated FY21 implementation goal.

During FY19, Unliquidated Obligation (ULO) program management transitioned from J73 to J78 and were aligned under the MIPR PMO.

(f) Agency Management Reviews:

J7 continued to play an active and leading role in AMRs. In Fiscal Year 2019 J7 supported two AMRs at DLA Aviation and DLA Land and Maritime. The Acquisition review areas cover nine topics that fall within the Procure to Pay Enterprise Business Cycle Owner AOR. Additionally J7 began supporting the DLA Acquisition led cross process review of Quality Notifications in the Supply Discrepancy Report (SDR) process. During this cycle when applicable, AMR findings associated with NFRs and CAPs were noted during the review process to further strengthen the link between policy compliance and auditable processes. Moving forward J7 will continue to work with DLA Logistics Operations to refine the program and links to Audit Readiness and Enterprise Risk Management.

(g) Senior Procurement Executive (SPE) Visits:

J7 continued its successful practice of conducting bi-annual visits by the DLA SPE, Mr. Beebe, with the HCA of each MSC and Contracting Activity. The visits provide Mr. Beebe an opportunity to engage with MSC acquisition teams on the three SPE “pillars” of Acquisition Workforce, Compliance and Strategic Acquisition. The visits, which generally last a day to a day in a half, include a workforce focus group comprised of acquisition personnel who have a chance to engage directly with the DLA SPE, presentations and active dialogue with
SME’s for the activity’s compliance programs, and robust discussion with the activity’s senior leadership on their key strategic acquisition initiatives. The visits continue to be productive engagements, and provide a continuous feedback loop to strengthen the working relationship between HQ J7 and the field acquisition teams.

(6) People & Culture

(a) Acquisition Workforce (AWF):

The J71 Acquisition Workforce Development Division’s mission is to provide plans, guidance, and direction to professionalize, manage, and sustain DLA’s 9000+ member AWF. FY19 was an active year for the division as it worked various initiatives and programs to strengthen DLA’s capability to meet new and emerging requirements.

At the end of FY19, DLA AWF had a total of 9,082 members across 10 acquisition career fields, all requiring professional certification and continuous learning. The largest populations are in Contracting/Purchasing (4,104), Life Cycle Logistics (3,198), and Production, Quality, and Manufacturing (1,039). Of this workforce, 242 positions are designated as Critical Acquisition Positions (CAPs) based on significant supervisory, managerial, or lead acquisition responsibilities. Of those CAPs, DLA designated 21 as Key Leadership Positions (KLPs) having a significant level of responsibility and authority that is key to the success of a program or effort. These positions warrant special management attention and oversight for qualification and tenure requirements.

J71 manages the Defense Acquisition Workforce Development Fund (DAWDF) for the Agency. Working with the MSCs and J-codes, the division ensures budget submission and execution to fund initiatives and activities that support the Agency’s strategic acquisition workforce goals. In FY19, DLA executed 100% of its $6.4M budget, netting DLA a 21% increase for FY20 over the FY19 baseline budget.

The personnel and programs receiving DAWDF funding have been force multiplying for DLA. For example, DAWDF funding provided for the hiring and/or retention of 67 interns, ensuring a succession pipeline in key areas. Over the FY, DAWDF also funded advanced education classes, leadership training, career field/competency training, and professional conference/symposium attendance.

Targeted DAWDF also supported DLA’s Contracting Officer Warrant Program Summit and a Cost and Pricing Summit, including representatives from all MSCs. Discussions included current improvement opportunities, proficiency reviews, lessons learned from Agency Management Reviews (AMRs), and MSC progress on Audit/Corrective Action Plan (CAP) assignments. This forum enhanced DLA’s collective acquisition capability which directly impacts support to the warfighter and overall readiness.

DAWDF funds also supported a major element of DLA’s Strong Partnerships LOE of the Strategic Plan. Two flagship industry-focused programs were offered to varying grade levels of DLA’s AWF - the University of Virginia (UVA) “Insights into Industry” course and the University of North Carolina (UNC) “Understanding the Government-Industry Relationship in Sustainment” course. The goal of both programs is to develop DLA acquisition
and sustainment professionals who better understand industry performance drivers, financial and decision making processes, and incentive programs, to yield better business arrangements to net improved warfighter readiness. To date, 115 participants have attended the semiannual UVA course; 52 participants have attended the annual UNC course. Efforts to further expand DLA’s DAWDF program in FY20 will increase opportunities for even greater participation.

Another major FY19 workforce initiative was DLA’s participation in Talent Exchange Programs. Joining DoD Human Capital Initiative’s (HCI) inaugural Public-Private Talent Exchange (PPTE) program, DLA’s first participant from DLA Troop Support spent five months with Deloitte, where he gained a better understanding of business operations and challenges and learned about innovative practices that stimulated change ideas for DLA. Shortly thereafter, DLA’s Training with Industry (TWI) Program deployed an additional five DLA employees to FedEx, Microsoft, UPS, Amazon and Caterpillar. DLA’s AWF Development team is closely tracking the ROI as the attendees return, share what they’ve learned with others, and DLA management taps into their increased capabilities with more challenging assignments.

J71 also partnered with J1 to leverage a Competency Assessment for the Contracting (GS 1102/1101C) Career Field. The survey assessed nine technical and three leader competencies. The 38% response rate identified skill gaps for focused training and/or hiring. In addition, J71 and J1 are working to create a career guide for the GS 1105 Purchasing Career Field to identify assignments, education, and training needed for growth and advancement via career paths. The guide will enable informed decision making necessary for effective recruitment and retention strategies, improved succession planning, and targeted workforce development strategies.

(7) DLA Contracting Services Office (DCSO)

FY19 represented another active year of supporting DLA business operations and providing contracting support to various external customers. Specific FY19 Accomplishments included:

(a) 109,243 actions with more than $1.15B in obligations  
(b) Automation rate of 94%  
(c) Maintained a Time to Award (TTA) average of 90% compliance  
(d) $623M+ in Small Business obligations, obligation rate of 56.6% against a 44% goal, exceeded goals for Small Disadvantaged Business, Small Disadvantaged Veteran Owned Small Business and Hubzone  
(e) 85.6% in competed dollars, exceeding 82% competition goal for FY19  
(f) AbilityOne obligations of $29.5M  
(g) Held a DLA J6 Enterprise Technology Services (JETS) Industry Day on 15 Nov 2018 with 63 vendors
(h) Held an Automated Fuel Handling Equipment (AFHE) Energy Automation Operational Technology Sustainment (EAOTS) Industry Day 6-7 Feb 2019 with 7 vendors

Significant actions from DCSO’s operational sites included:

(a) Through 31 Jul 2019, the DCSO Philadelphia (DCSO-P) office awarded 45 task orders against the JETS multiple award Indefinite Delivery Indefinite Quantity (IDIQ) contract. Total awards amounts exceeded $258M. Including post-award actions, DCSO-P obligated over $285M against the JETS IDIQs in FY19. One of the requirements competed through JETS was for the Enterprise Service Delivery (ESD) requirement, which resulted in two task orders valued at over $79M for a three-year period. ESD includes the management of customer relationships and IT customer service to DLA and Non-DLA users worldwide. The successful awardees, General Dynamics Information Technology and TekSynap proposed an innovative solution to traditional help desk services through the use artificial intelligence software.

(b) The DCSO Richmond (DCSO-R) office re-competed the DLA Wireless contract utilizing the Navy’s “Best in Class” Spiral 3 IDIQ for the first time. Historically, DLA wireless contracts have been awarded to two carriers, each on a sole source basis due to “perceived” coverage area and existing equipment. The Spiral 3 contract requires that wireless be competed among all 3 IDIQ holders. As a result of competition under Spiral 3, a single DLA wireless award was made at a price of $3.4M, approximately $3.6M below the Government estimate which was based on historical pricing.

(c) In accordance with the inter-service support agreement between DCSO and the Defense Contract Audit Agency (DCAA), DCSO-R awarded a new IT operation & maintenance contract for the entire DCAA enterprise to include 5,000+ employees at over 100 locations worldwide. The contract was awarded directly to Creative IT Solutions LLC., an 8(a) native tribal enterprise, to include a one-year base period and one-year option period totaling $21M. Extensive market research and negotiation efforts, resulted in a realized savings of $1,044,962.90 (4.7% negotiated reduction in price) to the DCAA. The contract was awarded on time, preventing a lapse in service or unnecessary extension to the current contract (awarded and managed by GSA), and resulted in a contractor turnover period with minimal discrepancies and no degradation in service to DCAA.

(d) The DCSO Columbus (DCSO-C) office awarded three multiple-award IDIQ contracts for Automated Fuel Systems Installation (AFSI) in support of DLA J62 Energy Applications requirements transitioning from the Naval Information Warfare Systems Command (NIWC), formerly the Space and Naval Warfare Systems Command (SPAWAR). The IDIQs will award approximately $93M over the next five years. This contract will support the DLA worldwide mission to provide petroleum and related support worldwide to include installation, integration, logistics, maintenance and life-cycle management and technical support. Proposals were received from three vendors who were all found technically acceptable and awarded a contract. Additional proposals are currently underway for multiple installation task orders and expected to be awarded in the first quarter of FY20.
(8) DLA Strategic Materials

DLA Strategic Materials’ FY19 activities supported the organization’s mission to decrease and preclude dependence upon foreign sources or single points of failure for strategic materials in times of national emergency. Examples of accomplishments supporting that mission include:

(a) Developed and Submitted the FY19 Congressional Report on Strategic and Critical Material Requirements (over 140 materials reviewed).
(b) Development and Submission of FY19 Operations & Planning Report.
(c) Achieved Small Business and Competition goals set by DLA for Strategic Materials for acquisition actions; maintained Small Business and Competition information for sales actions.
(d) Maintained 90% or better GPC compliance for entire FY19.
(e) Held successful Industry Day this year at the George Mason PTAC to expand and educate supplier base.
(f) Corrected 100% Agency Management Review FY18 Notice of Findings and Recommendations.
(g) Executed R&D program for Li Ion Recycling.
(h) Planned and Pursued Strategic Energetics Reserve in partnership with Army PEO and OSD/Industry Policy.
(i) Completed programmatic and facility upgrades for Nuclear Regulatory Commission (NRC) compliant radiological storage at Scotia, NY.
(j) Initiated new material inspection requirements within current inspection program. Performed Re-verification of material weights in support of audit advancement.
(k) Completed all sales for High Carbon Ferromanganese from Lordstown, OH, removed all remaining material, completed environmental conformational site testing, ended the current lease 30 Sep 2019.

Every year, Strategic Materials must deliver several congressionally mandated reports. These reports have repeatedly proven valuable to not only standard stakeholders, but other senior level DoD activities, and were routinely referenced by senior government officials and used as a source to address media inquiries related to increased interest in Rare Earth Elements. FY19 saw the merger of the Operations Report and Annual Materials Plan, resulting in greater efficiency. The Requirements Report was expanded to include additional materials on the initial watch list, resulting in a more comprehensive report, identifying additional at risk materials and offering proposed solutions.

A major initiative in FY19 was the proposal for a Strategic Energetics Reserve (SER). This was a coordinated effort with PEO Ammo and OUSD IP to establish a SER due to
capacity and supply issues for critical energetics produced at Holston Army Ammunition Plant. DLA is pursuing a small scale $10 million SER acquisition for FY20 using emergency acquisition authorities and will pursue $250 million in authority and appropriations for FY22. This funding buys approximately 52,000 munitions. The DLA-SM issue paper requesting these funds was denied in both FY20 and FY21 and plans are under way to resubmit for FY22.

In 2019, the Material Management Directorate provided oversight of all activities related to receipt and storage of approximately 1.3 billion pounds of National Defense Stockpile inventory. Strategic Materials managed receiving and shipping of material (including management of hazardous materials), transportation, safety and health at staffed locations, ensured environmental stewardship programs at inventory storage locations, repackaged mercury in Hawthorne, Nevada, and made significant progress on an environmental remediation project in Somerville, New Jersey. Storage facility improvements included: installation of a parking lot in Hawthorne, Nevada; fire suppression and high efficiency lighting upgrades (to reduce energy costs and increase safety) in Hammond, Indiana; upgraded intrusion detection systems in Hammond, Indiana and Scotia, New York; creation of a secure contained storage area in Scotia, New York for low level radioactive materials; initiation of a Nuclear Regulatory License and creation of a radiological dosimetry program to meet regulations and protect the safety and health of employees.

Material upgrades were completed to ensure inventory met DoD requirements and specifications for tin and germanium. Strategic Materials reclaimed 240,000 pounds of cleaned and sorted nickel-based super alloys and accumulated an additional 950,000 pounds to be processed in 2019 & 2020, returning high dollar government excess material back to DoD.

Strategic Materials initiated environmental remediation clean-up at its former Somerville Depot, a site used to store Stockpile materials including chromite, zinc, aluminum, lead, ferrochrome, bauxite, and mercury. The clean represents a major accomplishment for Strategic Materials, addressing all contamination of concern in the soil and groundwater from previous activities. The end result of remediation will be the conversion of this contaminated site into one that is uncontaminated and can be productive again. The remediation builds off work done in previous years, when Strategic Materials conducted environmental investigations to identify the types and amounts of contaminants in the soil, groundwater, surface water, and sediment contamination. Overall this project will clean approximately 25 acres of contaminated soils and sediments, and clean the groundwater. The remediation activities will be complete in FY20.

DLA Strategic Materials awarded contracts for the acquisition of boron carbide, electrolytic manganese metal, and completed the strategic acquisition of tantalum. Research and development into the development and qualification of domestic sources resulted in approval of studies of antimony trisulfide, potassium hydroxide for use as a coolant and pH control in nuclear reactors and substitute ablative materials substitute for carbonizable rayon fiber. The Strategic Materials Recovery and Reuse Program (SMRRP) concluded another successful year of operations with anticipation of further expansion of these services. The ability to reclaim strategic materials at reduced cost and return to the domestic industrial base has economic, environmental and security benefits. Recycling strategic materials from end-of-life Government items furthered the recovery and moved toward processing of germanium from thermal infrared optical equipment and specialized high-temperature and lightweight, high-strength alloys from
In addition to daily operations, audit sustainment and support was a major focus area. Strategic Materials completed 100% inventory inspections and three-dimensional surveys, with volume and weight calculations, of all bulk materials; in-depth re-verification of 46 active commodities, and the development of a roll-forward inventory process to further validate material inventory accuracy.

FY19 brought significant professional development opportunities for two Strategic Materials’ employees. DLA and the Office of the Undersecretary of Defense, Industrial Policy (OUSD-IP) signed a Memorandum of Agreement for a 12 month rotational assignment for Mr. Brian Gabriel, Chief of Strategic Planning. Mr. Gabriel worked with Industrial Policy and other government officials, providing industrial base analyses, risk identification and developing mitigation solutions. Mr. Mark Andrews, a contract specialist from the Contracting Division, deployed as part of the Civilian Expeditionary Workforce (CEW) to spend a year working alongside his Military counterparts, providing critical expertise to meet operational needs.
MEMORANDUM FOR DEFENSE LOGISTICS AGENCY, HISTORIAN

SUBJECT: Submission of the DLA Finance FY 2019 Annual History Input

It is my pleasure to serve as the Director, DLA Finance and the Chief Financial Officer (CFO) for the enterprise. During my short tenure with this dynamic organization, I have enjoyed my senior financial advisor role and serving the Director, LTG Darrell K. Williams, in helping to achieve the DLA Strategic Goals. The attached report presents many accomplishments this year, especially related to having fiduciary responsibility over $45 billion in resources.

In accomplishing our financial role, we always consider the Warfighter first and seek new opportunities to reduce costs in these challenging and austere times. We have many challenges ahead of us as we continue to support the Warfighter and lead financial related efforts to helping the DLA accomplish its strategic themes.

ARLINGTON<br>DIRECTOR, DLA Finance<br>Chief Financial Officer

Attachment:
As stated
1. Introduction.

The DLA J8 organization served as the principal advisor to the Director and was the primary advocate for the Agency when working with the Office of the Secretary of Defense (Comptroller) and the Office of Management and Budget. J8 provided Financial Management expertise and intellectual capital to DLA to facilitate meeting DoD’s mission requirements. The organization performed the full spectrum of financial management services to include accounting, budget, audit remediation and sustainment, process management, process health, financial policy, and human performance and strategic planning for its workforce. DLA Finance operated with integrity and accountability in a cost-conscious culture and maintained strong, agile relationships with its internal and external partners while upholding its fiduciary responsibility to the taxpayer.

a. Key events in J8:

Mrs. Jean Cox, Deputy CFO, retired April 30, 2019.

Mr. John Arthur (Art) Hagler, DLA CFO, assumed leadership July 22, 2019.
Mr. Jeffrey Zottola, DLA Deputy CFO, assumed deputy position July 22, 2019.

b. Key Accomplishments:

(1) Obtained and managed approximately $45 billion in resources (obligations incurred in three funds: Defense Wide Working Capital Fund, General Fund and Transaction Fund) to support the DLA mission which generated $43 billion in revenue
(2) Developed Cash Management strategy to maintain DWWCF solvency
(3) Continued Audit Engagement and Remediation efforts
(4) Continued financial transformation efforts
(5) Obtained resources and funding for additional finance personnel in support of audit
(6) Acted as the lead for DLA and for the Department of Defense with Treasury in G-Invoicing in G-Invoicing implementation using innovative solutions and robotic technology
(7) Performed daily cash monitoring focusing on shorter cycle times between material purchases and sales
(8) Proposed changes to legislation (10 USC 2208); lifting a $1B cap for advances
(9) Established a Posting Logic Team as a strategic audit initiative with the objective of identifying posting logic deficiencies, designing corrective action plans, and submitting requests for changes in the Enterprise Business System (EBS), and/or policy drafts for procedural modifications to remediate deficits and achieve compliance with Generally Accepted Accounting Principles

(10) Participated with the Real Property Task Force to validate asset values within the financial system of record (EBS)

(11) Supported Federal Emergency Management Agency (FEMA) for Hurricane Florence and Typhoon Yutu, and other DOD contingency operations

(12) Coordinated the initiation of Excess, Obsolete and Unserviceable (EOU) inventory posting logic development, organizing the effort into multiple phases to include EOU inventory posting, revenue transactions, and budgetary considerations

(13) Provided financial guidance and support for the implementation of DLA Disposition Services Headquarters Realignment, Network Optimization, and Roll-Back of D2 (between DLA Disposition and DLA Distribution Services)

(14) Corrected employee access to the financial system to ensure appropriate segregation of duties (SOD)

(15) Led the change in Office of Secretary of Defense (OSD) guidance for useful life and capitalization threshold required creation of new asset classes in EBS

(16) Participated in Enterprise Transparency Reform initiatives

(17) Developed a new pricing inquiry tool

(18) Advanced audit support; developed 133 corrective action plans associated with 89 Notices of Findings and Recommendations (NFRs) related to the FY 2018 financial statement audit

2. Organization.

J8 continued operating as a virtual enterprise throughout Fiscal Year (FY) 2019. The CFO recognized the need to transform the DLA Finance organization to a high performance entity capable of sustaining accurate and reliable financial reporting and clean audit opinions, providing consistently high accounting and financial performance that met or exceeded DLA stakeholder expectations while operating with high standards for efficiency and financial effectiveness. Financial transformation was guided by leadership vision and commitment around nine key areas: financial reporting, accountability, audit findings/remediation, internal controls, risk management, human capital, performance management and process management. The CFO recognized that the transformation process was a long-term commitment and one that would take years to accomplish, with top priority given to remediating deficiencies identified by financial statement audits performed by Ernest and Young, an Independent Public Accounting firm. DLA received disclaimers of opinion for all three funds for consecutive years, FY 2017, FY 2018 and FY 2019.

In Fiscal Year (FY) 2018, DLA Finance requested and received additional resources to meet these objectives and would enable the accomplishment of this vision. For Fiscal Year (FY) 2019,
the DLA Finance organization was authorized 768 positions to enable mission success. The following Org chart reflects the structure in place during this time.

With the assistance of Klynveld Peat Marwick Goerdeler (KPMG) advisors, DLA Finance restructured their operations to improve management’s span of control and operational capabilities, skills mix, support to the supply chain customer base, balance workload equitably, meet audit objectives, limit risk, and reduce costs. They were organized into three distinct processes, Accounting, Resource Management and Process Management. Risk Management and Process Health, in support of A 123 and audit, were also core competencies. This re-alignment:

a. Addressed staffing shortages; improved training and skill sets; evaluated positions, reviewed grade structures, aligned duties, and job roles; strengthened the use of the performance management system, and improved opportunities for employee professional development and growth

b. Improved financial and accounting processes with primary emphasis on remediating deficiencies cited by the auditor in the areas of policies, procedures, and internal control; developed policy and procedures to ensure consistency in approach in order to improve entity level controls
c. Focused on new tools and technology such as an automated budgeting tool, daily cash management, site specific trial balances and artificial intelligence, where appropriate

d. Provided a governance structure to provide better communication, guidance, support and consistent decisions to the finance managers and their workforce

J8 is headquartered at Ft. Belvoir, VA. The HQ Staff Directors reported directly to the DLA Deputy CFO. J8 also had offices located at the Major Subordinate Commands (MSCs) and those offices are named to coincide with the Supply Chain or Activity they support; (e.g., DLA Finance Troop Support or DLA Finance Distribution). The MSC Comptrollers reported directly to the DLA CFO. Each Major Subordinate Command office followed a basic organizational framework that mirrored their HQ counterpart with separate Accounting, Resource Management, Process Management and Process Health Divisions who reported directly to the site Comptroller.

In late FY 2019, in order to manage DWCF cash balances, DLA Finance purposely paused specific hiring actions to enable under-execution of resources and continues to control and manage the use of overtime, compensatory time and travel.

3. Key Personnel:

a. Overview:

Consistent with the DLA Strategy, DLA Finance upheld the DLA Director’s commitment to develop leaders, resource the Enterprise, manage the talent, fortify the culture, reward performance and build connections. In FY 2019, DLA Finance promoted 81 employees, almost 13 percent of the total staff.

The DoD recently started a Financial Management (FM) STARS Program, designed to foster a strong, trained, agile and ready (STAR) workforce that aligns with the Department’s Strategic plan. This program aims to increase the organizational effectiveness of the DoD organizations involved through exposure to best practices and alternate FM solutions. The benefits of the program are fourfold:

1. Deliver a deeper understanding of what it means to be a professional member of the DoD FM workforce, and gain a greater appreciation of the implications and impacts of FM work.

2. Reinforce the important roles that FM civilians have in inspiring meaningful contributions to the team and fostering a more effective workplace.

3. Encourage civilians to proactively engage in career development through focused professional development opportunities that provide new possibilities, new knowledge, and new skill areas.

4. Enhance retention of staff and nurture participants’ skills by consistently and actively promoting professional development opportunities.

5. In FY 2019, DLA Finance had four participants in the program.

b. The CFO and DCFO:

The DLA Finance organization was headed by two Senior Executive Service officials: Ms. Gretchen V. Anderson, the CFO and Ms. Jean Cox, the Deputy CFO. Both executives
retired in FY 2019 after a two year tenure. During their time, they (1) served as the lead spokesperson on all DLA financial management matters, (2) maintained effective financial management and control for the DLA enterprise, (3) assured DLA compliance with federal financial management laws and regulations and DoD financial regulations, (4) assured the availability of budgetary resources necessary to perform DLA’s mission, (5) assured that agency funds were managed and controlled in accordance with federal laws and regulations and DoD financial regulations, (6) assured DLA’s annual financial statement reports were produced, (7) directed the administration of agency financial management, operations, reporting, and compliance functions, (8) acted as the agency’s financial management process owner, assuring that financial systems and processes were effective, efficient, and compliant with federal laws and regulations and DoD financial regulations, (9) determined financial mission resource requirements and efficient allocation of resources, and (10) managed and administered office of management and budget (OMB) circular A-136 requirements for financial reporting.

c. HQ Staff Directors:

**Staff Director, Human Capital Office (J8H), Mr. Steve Turley**
developed and maintained the J8 Human Capital Strategy and Plan, provided CFO communications support, maintained and coordinated J8 education and training requirements, coordinated J8 recruitment, retention, and hiring activities and served as J8’s Culture champion.

**Accounting Officer, Ms. Karen-Opie-Toler and Mr. Joe Wilburn**
The Accounting Officer role was performed by Ms. Karen Opie-Toler and Mr. Joe Wilburn throughout 2019. Ms. Opie-Toler was selected to participate in the DoD STAR Program and was assigned to the Office of Under Secretary of Defense Comptroller (OUSD(C) for a six month period. Mr. Joseph Wilburn performed in this role for most of FY 2019. The Accounting Officer directed the administration of enterprise accounting, financial reporting, financial analysis, and headquarters accounting operations. He provided executive advisory and analytical support to DLA/ J8 senior leadership, maintained Defense Finance Accounting Service (DFAS) Mission Work Agreement and performs MWA compliance monitoring and Key Performance Indicators (KPIs) and process metrics for accounting operations and financial reporting.
Staff Director, Financial Policy, Mr. Michael Witsman developed, issued, and updated policy relating to financial operations and reporting, provided centralized J8 policy interpretation and guidance and coordinated policy guidance implementation with other J codes. During the 3rd quarter in FY 2019, the Policy Office began reporting directly to the DCFO versus the Accounting Officer since the office was responsible for all financial policy versus just accounting documentation.

Staff Director, HQ Operation Accounting Division (J81), Ms. Joy Stith performed accounting analysis and financial reporting for DLA HQ programs, and maintained the accuracy of HQ EBS accounting information for three Funds: Working Capital Fund, General Funds and Transaction Fund. Ms. Stith was also responsible for the Accounting operations for all HQ staff offices and for funds management for the DLA.

Staff Director, Enterprise Accounting Division (J82), Mr. Jason Buys managed and performed DLA enterprise-wide accounting analysis and EBS trial balance management to assure the integrity of DLA financial reporting, reviewed and validated DLA reports prepared by DFAS, performed tri-annual review analysis and reporting, prepared EBS journal vouchers, provided financial accounting operational guidance, and developed and implemented standard process for the Agency regarding trial balance management.

Staff Director, Business Financial Operations and Analysis Division (J83), Mr. Kevin Abney managed and coordinated DLA’s Planning, Programming, Budget, and Execution (PPBE) process and budget reporting for the Defense-Wide Working Capital Fund, provided financial support for Material Supply Chains and Energy, developed and defended cost recovery rates and pricing, and administered DWWCF cash account and performed cash management.

Staff Director, Governance and Risk Management Division (J84), Ms. Billie Sue Goff provided leadership and compliance with OMB Circular A-123, provided program management for DLA’s A-123, Enterprise Risk Management (ERM) and the Manager’s Internal Control Program Requirements, served as Governance Risk and Compliance (GRC) Program Manager, and participated on the team to determine placement of the Enterprise Risk Management program. In late 2019, the Enterprise Risk Management function transferred to the DLA Chief of Staff.
Staff Director, Financial Reporting Division (J85), Ms. Lori Smith managed and coordinated DLA’s financial statement analysis and reporting responsibilities and produces auditable financial statements, reviewed and validated financial statements, prepared the Annual Financial Report (AFR), coordinated and oversaw DFAS Defense Departmental Reporting System (DDRS), and monitored financial reporting tasks performed by DFAS on behalf of DLA in accordance with the DFAS/DLA MWA.

Staff Director, Enterprise Operations Division (J86), Ms. Stephanie Wright. Ms. Wright was also the acting Deputy CFO between May – July 2019. Managed and coordinated DLA’s Planning, Programming, Budget and Execution (PPBE) process and budget reporting for the Operationalized Activities, DLA Strategic Materials, DLA General Funds, and the Capital Investment Program, provided financial and resource management support for Information Operations accounts, to include Document Services Business Area, and developed and presents information on DLA Strategic Materials sales program, operations budget and cash flow to House and Senate Armed Committee staffs in concert with DLA Legislative Affairs.

Staff Director, Financial Systems and Data Division (J88), Ms. Joy Adams provided financial information services and assures that DLA financial systems and processes perform optimally to produce reliable financial information and reporting, managed financial system job roles and access, developed, maintained, and reported DLA’s financial system strategy and plan for achieving FFMIA compliance, provided financial data governance and integrity, developed and implemented J8 business and financial tools, and managed and coordinated EBS master data management responsibilities.

Staff Director, Process Health Division (J89), Ms. Monica Harrigan managed and coordinated DLA’s financial compliance and audit response functions for accurate and reliable financial statement reporting and operational effectiveness, performed compliance reviews with Federal, DoD, and DLA policies and regulations, as necessary, managed and coordinated J8 FRM program requirements, reviewed and validated Corrective Action Plan (CAP) remediation, monitored and reported the status of DLA’s financial statement audit findings (e.g., Notice of Findings and Recommendations), and
coordinated, facilitated and supported J8 Process Cycle Integrator (PCI) responsibilities. In FY 19, Ms. Harrigan supported the Audit Task Force.

d. MSC Comptrollers

(J8 Finance Disposition/Battle Creek, Michigan), J8 Finance Land and Maritime (Columbus, Oh), J8 Finance Energy (Ft. Belvoir, VA), J8 Finance Distribution (New Cumberland, PA), J8 Finance Troop Support (Philadelphia, PA) and J8 Finance Aviation (Richmond, VA).

(1) The duties of an MSC Comptroller included:

(a) Provide financial management and control in support of MSC programs and stakeholder mission requirements.
(b) Administer the DLA Planning, Programming, Budgeting System for their supported Command.
(c) Prepare, formulate, justify and execute the DWWCF budget for the MSC/SC supported.
(d) Present, justify and support J83’s defense of the budget estimates at budget hearings conducted by DLA, OSD and OMB.
(e) Implement DLA policy for standard pricing. Establish cost recovery rates, develop sales estimates and materiel obligation requirements.
(f) Ensure timely and accurate recording of accounting transactions in accordance with financial reporting requirements.
(g) Maintain accuracy of accounting information.
(h) Perform oversight of accounting services provided by DFAS.
(i) Serve as the MSC/SC J8 Subject Matter Expert (SME) on financial process health matters.
(j) Perform ongoing analysis of MSC/SC reporting requirements and effectiveness of internal controls.
(k) Serve as the MSC/SC J8 SME on financial system and process management matters.
(l) Ensure MSC/SC accounting and financial systems functional processes are integrated and perform as required.
(m) Provide support to MSC J8 financial offices on financial data validation and analysis issues and document requirements for CAPs/RFCs.
(n) Perform analysis and reconciliations of accounts.
(o) Participate in the DWWCF management of cash and cash conservation plans.
(p) Implement funds holder policy
(2) Except for Mr. Albright, who began working for the DLA Finance in May 2016, each of the MSC Comptrollers were recently promoted to these positions from within DLA Finance. At the end of the Fiscal Year (FY), several organizational changes intended to streamline and/or improve the efficiency and effectiveness of operations are pending:

(a) J8A – Financial Policy; realigned from Accounting Officer to DCFO
(b) J81 – Requested 3 branches each headed with a GS 14 vs. single block entity
(c) J82 – Branch title changed
(d) J84 – Realigned the ERM function to the DLA Chief of Staff
(e) J85 – Requested 2 branches each headed with a GS 14 and a deputy GS 15 vs. single block entity
(f) J88 – Requested a third branch (J883) for FFMIA; headed by a GS 15
(g) J89 – Audit Task Force (ATF) performed the Audit Response (ARS function).

In FY 2019, the Audit Task Force was established to provide leadership, policy, guidance, and oversight to ensure compliance with Office of Management and Budget Circular A-123 (excluding risk management). The Audit Task Force addressed the material weaknesses associated with high priority areas to manage and coordinate DLA’s financial compliance and audit response functions. In FY 20, reporting changes are planned.
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(h) Aviation – Changed branch structure and staffing mix  
(i) Energy – Realigned Process Health under BA&I; supports a GS 15 Deputy Comptroller (dual hatted)  
(j) Land/Maritime – separated Process Health and Process Management and created a new GS 14  
(k) Troop Support – Requested to establish Supply Chain Divisions with F&AA and Resource Management Offices under each  
(l) Process Health and Process Management – clarified roles and responsibilities within each entity

e. Leadership Culture:

DLA Finance continued to have a strong culture as depicted in the Denison survey! Maintaining a positive culture and atmosphere is critical to DLA’s core beliefs and values. J8 Leadership’s goal was to ensure they created a positive work culture for all employees. J8 continued to use their Human Capital Advisory Group (HCAG) which played a major role in the positive survey results. They implemented recruitment and retention ideas to ensure a balanced workforce and a bunch of future leaders. They assisted the CFO in developing multi-functional financial specialists who understand business events that drive financial outcomes, created a communication plan and guidebook to facilitate knowledge transfer, standardized processes and consistent messages, implemented fair and equitable J8 Human Capital Policies and ensured consistency in measuring job performance and rewarding employees.

In FY 2019, a new group, the Fresh Focus Group, was formed to engage in knowledge sharing and innovate resources for current and future initiatives such as professional development, networking, and retention for all DLA J8 personnel. They focused on key factors that align with the J8 Culture Action Plan: Communication, Skills, Tools, and Empowerment. They brainstormed ideas on cost-effective and interactive communication tools. Also during this year, the MSC Comptroller at Land/Maritime, instituted a DLA Financial Community Culture Action Plan to develop leaders, resource the Enterprise, manage the talent, fortify the culture, perform and reward, and build connections. The plan leveraged DoD STARS program opportunities for DLA Financial Community potential leaders and brought a J8 Fresh Focus Group into being as a change agent to engage in knowledge sharing and innovate resources for current and future professional development, networking, and retention initiatives.

Conducting Town halls and Manager meetings to communicate vision, mission, values, and long term goals was an integral part of their strategy. DLA Finance also has participants in the DoD FM certification program with 100% of their staff certified within the required timeframe. DLA Finance also had their own organization specific mentor/protégé program. This program provided finance leaders with an enhanced competency base, built collective knowledge, aided in recruitment of high caliber talent, strengthened retention by providing an avenue for investing in a highly qualified, skilled workforce, fostered a cost-effective learning environment and promoted more inclusive management practices.
4. Total Personnel:

DLA Finance has maintained a level workforce for the last two years with more than 600 employees across CONUS. DLA Finance has requested additional resources to meet their transformation objectives. DLA Finance has authorized strength of 768 positions. However, the CFO and DCFO have strategically paused specific hiring actions to ensure they are well positioned to meet the Director’s cost recovery rate strategy and to meet the cost management actions directed by the Defense Wide Review. At the end of FY 2019, DLA Finance had 642 employees on-board with a total of 584 Full Time Equivalents. They remain positioned to meet their goals. Included below are the J8 resources by location across the CONUS.

5. Historical Narrative:

a. Goals and Objectives:

   DLA Finance played an important part in supporting the Director’s Strategic goals and five lines of effort. The J8 Director, as the CFO for the Agency, holds the responsibility for cash management. Throughout FY 2019 DLA addressed the changes in the balance resulting from continued downward pressure related to readiness investments, fuel prices and other
circumstances and implemented cash conservation measures to stabilize the DWWCF. Such measures included curtailing travel, training, overtime and compensatory time. More significant actions were also imposed such as lengthening payment time to their vendors. Other cash mitigation strategies (filling customer orders, funding orders that had short financial lead times, and reviewing suspended stock) were also applied.

(1) Warfighter First:

(a) Objective 1.4: Predictive Technology

i. Initiative 1.4.1 – We increased the use of automated financial systems, tools, and applications to reduce cost, increase ability to attain and maintain DLA audit-readiness and increase productivity.

In FY 2019, supported development of the Budget Formulation and Execution Manager system. BFEM is a database which significantly reduced the amount of manual data entry of budget figures by J8 Financial Analysts, allowing more opportunity to conduct analysis

ii. Initiative 1.4.2 – Developed flexible pricing options that allow customers to choose the level of performance and service that best meets their operational and affordability requirements.

(2) Always Accountable: Assured Supply Chain, Financial, and Process Excellence

(a) Objective 5.1: Cost Consciousness

i. Initiative 5.1.3 – Put in place an improved cost savings/performance tracking process by the end of FY 2019 to ensure monitoring and validation of savings and programmed cost avoidance reductions in execution.

Initiative 5.1.4 Provided organizational financial incentive ideas.

ii. Initiative 5.1.6 – Developed a cadre of financial analyst, trained in the latest cost analysis techniques, to analyze Agency business cases, examine business trends, forecast future business events, and benchmark business factors against private industry. Strengthened organizational capabilities in the area of cost management and cost analytics. Fifteen managers/analysts completed coursework over 18 weeks headed by Dr. Dale Geiger, renowned author and educator on governmental cost management, case studies, and after action reviews. Techniques and lessons learned helped improve cost consciousness, cost identification, and cost allocation across DLA activities. By further understanding cost relationships, DLA was better positioned to further reduce costs and achieve savings.

Supported the Director’s goal of further reductions to the Cost Recovery Rate (CRR)
(b) Objective 5.2: Auditability

i. Initiative 5.2.2 – Comprehensive financial performance analysis and advice

On October 1, 2018, the Fund Control Instruction, DLAI 7200.01, instituted Agency-wide policy concerning the execution of DLA Working Capital Fund operations funding. The policy assigned roles and responsibilities to senior management, Fund Holders and their J8 Resource Managers. The instruction provides specifics as to the necessary documentation and mandatory training. As a part of this initiative, a central Fund Holder repository has been created to house the required documentation. The repository will be used as the Agency source for verification of legally appointed Fund Holders. Currently, J7 and J1 are using the repository for their programs that require Fund Holder verification. A Fund Holder Standard Operating Procedure is currently in development. Training was also developed.

(c) Objective 5.4: Mitigate Risks: Strengthen risk management to ensure secure, agile and resilient combat logistics support. DLA thoroughly managed risks associated with alternatives to deliver world-class logistics support.

i. Initiative 5.4.2 – Provided oversight and guidance for standardized risk management framework. Assessed, mitigated, and validated risks across the enterprise, to include resiliency and redundancy measures.

During 2019, J8 communicated with OSD Enterprise Risk Management group, gathering the most updated DOD policies on risk management. Through a standardized risk management framework, consistent and effective risk identification, and risk mitigation, DLA ensured world-class logistical support to our customers. J8 used the Enterprise Risk Profile to identify and assess current and potential risks relating to DLA’s mission. Through risk assessments, DLA developed mitigation plans to manage potential negative impacts to support operations. Also performed a Risk and Internal Control Assessment of the GE Supplier Initiated Orders (SIO) agreement at DLA Aviation.

b. Achievements and Milestones

(1) Transformation:

(a) Implemented General Order 5-18 which restructured management roles and responsibilities at HQ and MSC levels.
(b) Established CFO financial improvement priorities in accordance with audit findings, OSD Comptroller goals and objectives, and DLA Director strategic plan and directions.

(c) Established top priorities: Posting Logic, the Agency Financial Report (AFR), Transaction Fund, and Cash Management.

(d) Completed an operational review of each J8 accounting and finance office to document gaps in capabilities and performance.

(e) Continued to hire and train our workforce to perform their job roles in accordance with the General Order missions and responsibilities.

(f) Achieved our staffing plan requirements as documented through the BCA and audit discoveries.

(g) Updated our job roles in accordance with current duties and responsibilities and implement role based training.

(h) Standardized our position descriptions and classifications across J8 offices and sites.

(i) Enhanced our accounting and business process analyst competencies and skillsets.

(j) Developed and implemented financial policies and procedures in accordance with audit findings.

(k) Continued to remediate financial systems deficiencies which limit essential account reconciliation and analysis at the enterprise, MSC/Supply Chain, and fund levels.

(l) Addressed deficiencies in producing complete Trial Balance information at the MSC/Supply Chain level.

(m) Explored the use of robotics to automate simple, repetitive processes.

(n) Developed improved financial and accounting analysis tools for our workforce.

(o) Produced General Ledger Account Code (GLAC) analysis tools and quick reference guides to facilitate accounting analysis and reconciliation.

(p) Enhanced Financial Analytics and Metrics (FAME) functionality to provide additional data visualization and metrics analysis.

(q) Implemented enterprise and financial risk management processes that comply with OMB Circular A-123 requirements.

(r) Expected increases in controls testing were addressed through financial risk management guidance to the process health community at HQ and MSC levels. Prioritized financial improvement efforts to achieve audited financial statements for the Transaction Fund.

(s) Continued to take action to improve the accuracy of our cash balances and inventory valuation for the strategic materials GLACs and financial reporting. Developed corrective action plans for audit NFRs within OSD guidance and prescribed timeframes.

(t) Implemented the updated DFAS Mission Work Agreement (MWA) to strengthen collaboration and monitoring of the reimbursable financial support.
(u) Improved our information and knowledge management repositories to support audit advancement and A-123 requirements.
(v) Implemented a plan of action to remediate accounting backlogs and achieve/sustain accurate beginning GLAC balances.
(w) Assessed internal control deficiencies that drive accounting backlogs and unsupportable beginning balances.
(x) Developed and executed CAPs to remediate internal control deficiencies.
(y) Collaborated with enterprise business cycle owners to remediate internal control deficiencies in our financial system feeders and interfaces.
(z) Applied temporary resources as necessary to eliminate backlogs and unsupportable balances once the CAPs have been tested and verified to be effective.
(aa) Strengthened communications and teamwork between HQ and MSC financial offices
(cc) Conducted Agency Management Reviews (AMR) at DLA Aviation and DLA Land and Maritime reviewing scoped business processes.
(dd) Published policy to identify, report and investigate a potential Ant deficiency Act violation.
(ee) Developed a DLA Fraud Risk Management training for DLA J8 employees in November, 2018. As a basis for this training, J84 conducted a Fraud Risk assessment which utilized the American Institute of Certified Public Accountants (AICPA) audit standard (AU-C) section 240.04 criteria to identify any additional actions to build a more robust fraud risk awareness capability in DLA.

(2) Process Management:

(a) Plan to Stock (P2S) business cycle support:

i. Performed all database coding and data maintenance for the DLA Inventory Reconciliation for Inventory Stock on Hand General Ledger Account to improve DLA’s Inventory reconciliation capabilities.

ii. Lead the EBS to Distribution Working group who continued to look at ways to improve the EBS to Distribution reconciliation. Supported three related working groups: BOTs/RPA process improvement, EBS System changes and DSS system changes.

(b) Enhanced the Enterprise QFAR (Quarterly Financial Analysis Report).
Managed and coded an Enterprise QFAR rollout at the end of 2018. Continued to provide support and improvements.

(c) Continued development for FAME (Financial Analytics and Metrics), including Customer Statements and a Fund view; and implemented new functionality, including the Scorecard which gave the MSCs the ability to track progress at a high level month to month.

(d) Managed and distributed the Standing Priority List (SPL) to numerous DLA J8 representatives.

(e) Worked with J62 Program Managers and Functional Leads ensuring that data pulled from the EAGLE Enterprise Change Request Tool (ECRT) was correctly input onto the SPL which was viewed on a weekly basis.

(f) Identified transactions that were included in certain Job Descriptions (JDs) and provided updates as to where J88 stood with Segregation of Duties (SOD) evaluations of the proposed new EBS accesses.

(g) Using EBS, determined and corrected which Job Descriptions contained violations that were created within various transactions and ensured there were no violations within the user’s roles.

(h) Ran complete Government Risk and Compliance (GRC) simulations.

(i) Worked with the Eliminations Team, J8 on the effort for customer master clean up. As a direct result, eliminations variances have been reduced by over $100 million.

(j) Acted as the Project Lead/Product Owner a systems change that increased the volume of collection postings and created a new interface for just disbursements.

(k) Obtained/reconciled transaction populations for high priority general ledger accounts.

(l) Implemented key reconciliations with 5 critical reconciliations still in process to uphold audit advancement.

(m) Represented DLA J8 on the Real Property upgrade contract with SAP. The support included assisting the DS team as well as representing finance needs for the implementation.

(n) Established the automated interface from the Enterprise Business System (EBS) to the Defense Repository for Common Enterprise Data (DRCED).

(o) Provided significant analytical support to develop a data model that allows OSD to ingest DLA financial data and reconcile it to other DoD data sources.

(p) Worked with the Federal Reserve to update EBS processes for international disbursing regulations to ensure payments to United Arab Emirates and Australia could continue without interruption.


(r) Designed, tested and rolled out major changes for our FI-13 invoice interface. The changes improved invoice interface posting, enabling more efficient vendor payments. Also as part of the RFC, designed from scratch and tested a new idoc report which produced data fields never available to EBS users, including new drill down capability.
(s) Supported the deployment of the EFD (Electronic Funds Distribution) as the Network Change agent for DLA, coordinating requirements for new user access and training; as well as verifying budget structures to be loaded into EFD master data for DLA.

(t) Implemented the following new reporting functionality:

i. The Scorecard: this gives MSCs the ability to track progress at a high-level month to month.

ii. Customer Statements: this functionality automatically generates customer accounts receivable statements that are required as part of the Accounts Receivable process.

iii. Fund View of all metrics: the key reports available in FAME were updated so that each could be viewed in terms of Fund Category. Revamped reports to enable MSCs to view their individual data more clearly at a high level.

(u) Improved processing of General Orders and re-developed guidance through CPIs.

(v) Data Clean-up: led data clean-up related to financial objects in regards to Financial Hierarchy. Took advantage of General Order opportunities to take corrective action to bring organizations in balance and current in their financial hierarchy structure.

(w) Led data clean-up related to Internal Order Numbers – over 10,000 IONs have been placed in closed status.

(x) J8 is the Financial POC for the USTRANSCOM Transportation Management System (TMS) Prototype. J88 is working closely with J3 and J6 on DLA requirements and audit risk. P2P SPO participated in the TMS testing for AAFES release in April. DLA is utilizing TMS for Air transport from Defense Distribution San Joaquin to Defense Distribution Pearl Harbor starting October 2019.

(y) Worked with the Government Purchase Card (GPC) PMO to resolve Government Purchase card issues with US Bank’s new contract (SP3). Hierarchy issues prevented statements from interfacing with EBS therefore it required manual intervention to process payment. As of June 2019, the majority of issues with US Bank have been resolved.

(3) Financial Statement Audit Support

(a) Provided critical data supporting detailed transactions for the FY 2019 Audit. Provided data along with coordinating and managing other requests for the audit.

(b) Working as the EBS Finance Data Owners, researched and approved, when appropriate, any Finance EBS system access request in AMPS. This research and review guaranteed that only the proper users gained access to the most appropriate EBS system access roles.
(c) Worked to ensure that all Finance, DFAS, and Auditors had access to create, change, display, and report on the appropriate EBS financial and accounting records as well as master data. This involves creating, and maintaining the EBS Financial system access roles that all Finance, DFAS, Internal Auditors, and support users need to complete job assigned duties related to their office’s mission and functions.

(d) Worked with J6 to complete changes to EBS Finance roles by identifying the right changes, transactions, authorizations, segregation of duties risks, and mitigations needed to meet J8 requirements through implementation and testing. By understanding the end-to-end financial process, any potential risk may be mitigated either through a control, process change, or by shifting the offending transaction or authorization to a separate EBS role.

(e) Derived and evaluated System Change Requests (SCRs) submitted by other DLA activities and provided feedback and recommendations that ensured financial audit compliance.

(f) Collaborated with J1 in multiple meetings discussing the best approach for the Segregation of Duty (SoD) way ahead, the different phases, who will be impacted, and the rules of engagement.

(g) Continually monitored and updated the J8 enterprise wide Systems and Access Roles for all DLA J8 personnel.

(h) Updated and monitored mitigation strategies and controls that were due to expire and completed necessary steps prior to expiration as required to maintain audit readiness.

(i) Worked with the J8 Transformation Team updating the Yellow Pages directory in the Post Transformation. The process involved aligning hundreds of DLA employees with their correct job roles, requesting role changes, validation of employees not aligning with Process Health, and removing and or changing roles for Business Analysts where there was a risk or conflict with accesses in EBS.

(j) Supported a monthly FMBL (Financial Management to Budgetary Ledger) reconciliation and submitted tickets when needed to J6 on system issues.

(k) Led the automation of posting logic files for order to cash and procure to pay using robotic processing automation (RPA). This will help our central EM team gather EM samples quicker with fewer errors.

(l) Led the change in OSD guidance for useful life and capitalization threshold required creation of new asset classes in EBS.

(m) Participated in the DoD Cash Accountability and Traceability Working Group to ensure EBS is following the Defense Cash Accountability Strategy to streamline the process and become a Treasury Central Accounting Reporting System daily reporter.

(n) Annual Pricing Updates to the 4.7 million+ DLA managed materials occurred. This action involves how new selling prices are calculated and made effective on 1 October of the Fiscal Year. The intent of the pricing strategy is to break even over time (no gain / no loss).

(o) Added multiple elements to our key reports (Accounts Payable, Accounts Receivable, Negative Payables, etc.) so they are easily exported out of FAME

(p) Continued supporting DLA Legal in identifying suspect bank accounts where Vendor’s banking information was compromised in SAM, which flows to EBS and can result in payments being made to false accounts.

(q) J8 is the lead for OSD’s Vendor Invoice and Payment working group that was organized in FY2019 where Defense agencies discuss current vendor payment issues and potential resolutions. Allows agencies to provide lessons learned to other activities and identify common issues across the DOD.

MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: DLA Joint Reserve Force (J9) Fiscal Year 2019 History

I have reviewed the JRF’s submission for chronicling Defense Logistics Agency history for fiscal year 2019 and would like to forward my endorsement.

You may contact me with any questions at 571-767-7277 or Kristin.Kremer@dla.mil.

KREMER KRISTIN
DIANE: 1043857545
Date: 2019-10-21

KRISTIN D. KREMER
Deputy Director
DLA Joint Reserve Force

Attachment: DLA Joint Reserve Force (J9) Fiscal Year 2019 History
1. Introduction

The JRF is led by a two-star Navy Reserve Director supported by a full-time staff of Army and Navy active-duty service members and civilian personnel. Under the Director and Deputy Director are several divisions: J91 (Personnel); J93/7 (Operations, Training, and Readiness), J95/8 (Joint Plans, Policy, and Finance), and special staff (Special Assistant to the Director, Public Affairs and Judge Advocate General). Reporting to the Director are reserve joint team lead (JTL) liaisons assigned to: DLA J9 Headquarters, DLA Headquarters J3, DLA Headquarters Joint Contingency Acquisition Support Office (JCASO), DLA Aviation, DLA Disposition Services, DLA Distribution, DLA Energy, DLA Land and Maritime, and DLA Troop Support.

2. Organization

The Joint Reserve Force (JRF) (J9) mission is to provide DLA with trained and deployment-ready reservists for contingency operations and additive support requirements to include operational support, surge capability, and exercise support planning augmentation. JRF leadership advises the DLA Director regarding the development and application of JRF support, readiness posture, and service policies affecting utilization of DLA-assigned reservists.

3. Key Personnel

Throughout FY19, JRF focused on personnel readiness, mission goals and objectives, exercise support, and Defense Support of Civil Authorities (DSCA). The two foci of the readiness effort were billet vacancies and culture. Overall, the JRF service-wide billet fill rates exceeded 90%, with the J9 leadership team engaged to achieve 93% manning for the first time. The JRF had a robust culture during FY19, in comparison to the 2018 Culture Climate Survey results, where significant increases occurred in 10 of 12 focus areas, the highest possible quartile for any organization within the agency.

a. Leadership Transitions

(1) RADM Deborah Haven (USN) replaced by RDML Grafton Chase (USN)-October 2019
(2) CAPT Phil Armas (USN), JTL replaced by CAPT David Buehler (USN)
(3) CMDCM William Sherman (USN) replaced by CMDCM James Butler (USN)-April 2019
(4) SGM William Downey (USA) replaced by SGM Kevin Timmons (USA)-June 2019
(5) COL Julianne LeFevre (USA), JTL replaced by LTC Denis McDonnell (USA)
(6) CDR Dedric Jackson (USN), JTL replaced by COL Danita Ladson (USA)
4. Total Personnel

a. Authorized Funded Billets

<table>
<thead>
<tr>
<th>Military Branch</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navy Reserve</td>
<td>326</td>
</tr>
<tr>
<td>Navy Full-time Support</td>
<td>3</td>
</tr>
<tr>
<td>Army Reserve</td>
<td>191</td>
</tr>
<tr>
<td>Army Staff</td>
<td>5</td>
</tr>
<tr>
<td>Air Force Reserve</td>
<td>127</td>
</tr>
<tr>
<td>Marine Corps Reserve</td>
<td>14</td>
</tr>
<tr>
<td>Civilian Staff</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>672</strong></td>
</tr>
</tbody>
</table>

b. Billets Assigned by Location

<table>
<thead>
<tr>
<th>Location</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLA Headquarters J9</td>
<td>38</td>
</tr>
<tr>
<td>DLA Headquarters J9 Staff</td>
<td>14</td>
</tr>
<tr>
<td>DLA HQ JCASO</td>
<td>16</td>
</tr>
<tr>
<td>DLA HQ J3</td>
<td>30</td>
</tr>
<tr>
<td>DLA Central</td>
<td>4</td>
</tr>
<tr>
<td>DLA Europe &amp; Africa</td>
<td>13</td>
</tr>
<tr>
<td>DLA Pacific</td>
<td>4</td>
</tr>
<tr>
<td>DLA Aviation</td>
<td>34</td>
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<tr>
<td>DLA Disposition Services</td>
<td>201</td>
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<td>DLA Distribution</td>
<td>191</td>
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<tr>
<td>DLA Energy</td>
<td>52</td>
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<tr>
<td>DLA Land and Maritime</td>
<td>35</td>
</tr>
<tr>
<td>DLA Troop Support</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>672</strong></td>
</tr>
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</table>

c. Full-time Staff

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time Equivalent</td>
<td>6</td>
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<tr>
<td>Army Guard Reserve (AGR)</td>
<td>5</td>
</tr>
<tr>
<td>Navy Full-time Support</td>
<td>3</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>14</strong></td>
</tr>
</tbody>
</table>
5. Budget

<table>
<thead>
<tr>
<th>Budget Categories</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor (Civilian)</td>
<td>$718,000</td>
<td>46.00%</td>
</tr>
<tr>
<td>Contracts</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Travel</td>
<td>$25,241</td>
<td>1.64%</td>
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<tr>
<td>Supplies</td>
<td>$2,831</td>
<td>0.18%</td>
</tr>
<tr>
<td>Training</td>
<td>$17,928</td>
<td>1.16%</td>
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<tr>
<td>ATF Travel</td>
<td>$67,000</td>
<td>4.34%</td>
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<tr>
<td>ATF Contract</td>
<td>$713,000</td>
<td>46.68%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,544,000</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

6. Historical Narrative

a. FY19 Summary of Accomplishments

The JRF amassed over 41,000 man-days of contributory support, averaging 48 reservists on contingency operations in U.S. Central Command (CENTCOM) and U.S. European Command (EUCOM) areas of responsibility. On average, 73 reservists or 11% of the JRF were on orders supporting DLA and the Warfighter. Navy personnel participated in numerous mobilizations, annual training (AT), and inactive duty for training (IDT) periods to support exercises and missions, efforts which enabled DLA to clear $34M in suspended stock, reduce Nuclear Reactors Program N21 unfilled orders (UFO), and support the DLA Real Property Task Force. The JRF had over 83 reservists participate in 12 exercises in FY19, with Navy reservists comprising the majority of the DLA Support Team for Exercise Saber Guardian as well as being a vital component of Rim of the Pacific (RIMPAC), Overseas Contingency Operations Readiness Training (OCORT), and Talisman Sabre/Pacific Sentry Exercise 2019.

The JRF Leadership developed several initiatives streamlining personnel accountability, morale, and administrative process improvement through several JRF Policy Letters:

1. Amplifying Guidance on Key Employee Administration (dated April 12, 2019)
2. HQ JRF Joint Military Award Submission Process (dated April 24, 2019)
The JRF Annual Leadership Review was conducted March 15-17 at DLA Headquarters Fort Belvoir, VA. The event was attended by LTG Darrell Williams (DLA Director) and BG Doug Cherry (76th Division Deputy Commanding General), enabling new JRF leaders to interact with the DLA leadership, the J9 staff, and JRF leaders. The event included over 90 leaders from across the organization participating in strategic discussions, collaborative exchanges of techniques and procedures, training and team building, resulting in knowledge sharing and the development of organizational strategy for utilization of the Joint Reserve Force through improved leadership, management and communication throughout the force.

b. Army Reserve Element (ARE)

The DLA JRF Army component contributed to DLA real-world missions and key DoD training events. Army reservists across the DLA enterprise provided support for DLA mission requirements by participating in multiple exercises and DSCA events, the DLA Real Property Task Force, and Audit Task Force initiatives. At DLA Troop Support (Philadelphia), Army reservists provided 66 days of annual training contributory support for subsistence, medical cold chain, construction and equipment, and industrial hardware supply chains.

c. JCASO

JCASO continues to provide Global Support to Combatant Commanders (CCDRs) through OCS planning efforts across the regions, domains, and functions to provide additional options for decision-makers, including the most challenging scenarios identified in the current National Military Strategy. JCASO Mission Support Teams (MST) personnel participated in numerous exercises and supported operational efforts throughout FY19, as listed below.

(1) Deployed Support: JCASO personnel deployed to Bagram in support of the U.S. Forces-Afghanistan (USFOR-A) OCS Integration Cell (OCSIC), Poland in support of Atlantic Resolve, Republic of George in support Logistics Development (LOGDIV) 19, Hurricane Michael Support in Florida and Texas and South West Border support in Texas; and USAID/OFAD Support to Venezuela.

(2) OCS Planning: JCASO provides full-time deliberate OCS planning support to CCDRs via embedded JCASO OCS Planners located in the CCDR’s HQs.

(3) JCASO participated in the following exercises:

(a) Internal Look 19
(b) Jackal Stone 19
JRF Aviation is the Reserve force multiplier managing over 60 military personnel, 3,500 civilians, more than 3,000 suppliers, and 1.2 million items, with an inventory of over $5.8B; and annual contracts exceeding $4.8B. JRF Aviation does not have an operating budget; all orders for Reserve support are funded by individual Services, with each unit member performing their required Annual Training, to contribute 453 days or 3631 hours of contributory/direct support to DLA Aviation.

(1) Leadership Transitions

(a) Col. Eric Rivera (USAF), JTL replaced by CMDR Patrice Higgins (USN)-Jan-July 2019
(b) Lt. Col. (USAF) Rebecca Schultz assumed JTL position August 2019

(2) FY19 Summary of Accomplishments

(a) January 16-February 22, 2019

A Navy reservist supported the U.S. Navy Aircraft on Ground (AOG) mission at Richmond, VA and Norfolk, VA, providing a critical reach-back capability to DLA components in order to leverage defense-wide logistics capabilities within the AOG cell. The reservist was expedited acquisitions and delivery of parts and consumables within the DLA network per the end-to-end supply chain lead’s direction. The reservist coordinated with defense and industry organizations to facilitate rapid procurement and distribution of supply material required to repair and maintain Navy aviation and weapons systems.
(b) April 29-June 30, 2019

CW3 Leon Davis, Jr, U.S. Army Reserve, provided PFI support as a Customer Logistics Site Specialist (CLSS), where he conducted Quality Assurance duties in support of the DLA Aviation Army Customer Facing Division. He researched over 2,427 NSNs and assisted with unfilled order reduction efforts. CW3 Davis was relieved by CPT Steven Peterson, US Army, who served in the same capacity from July 1 – September 20, 2019.

(c) Retail Demand Planning and Forecasting

Maj. Randy Gabriel and GySgt Mike Vetreno, U. S. Marine Corps Reserve, supported DLA Aviation as members of the Retail Demand Planning and Forecasting (RDPF) Integrated Product Team (IPT) which provided strategic organizational maintenance and program management inputs. Maj Gabriel and GySgt Vetreno provided subject matter expert input, drafted and presented briefs to stakeholders, coordinated three planning conferences at Richmond, VA, and NAS Patuxent River, MD, and developed a repository for members to share RDPF documents.

e. DLA Disposition Services

DLA Disposition Services had a very successful FY19, spearheaded by the organization’s involvement in contingency exercises and mobilizations both CONUS and OCONUS. Disposition Services continues to recruit strongly across all services, minimizing positional vacancies and ensuring that a strong and trained workforce stands ready to deploy in support of contingency operations.

(1) Leadership Transitions

SHCM Michael Bevel (JTL), HQ SEL replaced by LSCS (USN) Brett Landau-
June 2019

(2) FY19 Summary of Accomplishments

(a) DSU-1: Two non-commissioned officers from the U.S. Army Reserve were part of the first-ever Disposition Services mobile expeditionary site OCONUS deployment at Camp Bondsteel, Kosovo. The hugely successful exercise served as an evaluation tool for the viability of deploying Expeditionary Site Sets to austere environments and was a precursor to Saber Guardian.

(b) DSU-1 and DSU-2: In June 2019, personnel were mobilized to participate in Exercise Saber Guardian at Camp Bondsteel, Kosovo. Over 628,000 pounds of scrap materials and 655,000 pounds of hazardous waste were received and processed during a two-week exercise, with equipment and materials processed totaling $1,093,554.

(c) DSU-3: In June 2019, MAJ Mendenhall, U.S. Army Reserve, led command and control of the Overseas Contingency Operations Readiness Training (OCORT)
exercise, which is Disposition Services’ primary yearly training event.

(d) DSU-4 and DSU-5: In June 2019, fourteen personnel (8 from DSU-4, 6 from DSU-5) supported the Disposition Services OCORT exercise. These members processed 278 DTIDs and 411-line items totaling approximately 69,000 pounds of scrap material.

(e) DSU 6: In December 2018, the unit received the Navy Operational Support Center Jacksonville, FL Naval Reserve Unit Excellence Award for the medium-sized unit category. CDR Roger Dube, U.S. Navy Reserve, was selected by Commander, Navy Reserve Forces Command, to attend the executive MBA program at Naval Postgraduate School in Monterey, CA.

f. DLA Distribution

The DLA Distribution major initiatives and accomplishments focused around the FY19 Strategy Map and DLA Lines of Effort. The JTL worked with the DLA Distribution J9 staff and Senior Leaders to increase deliberate planning processes and developed a FY20 mission requirements list to improve the planning and prioritization of customer needs and inform budget/manpower requirements.

(1) Leadership Transitions

CAPT Jim Shelton (USN), JTL, replaced by CAPT Alan Schmitt (USN)-July 2019

(2) FY19 Summary of Accomplishments

(a) June 5, 2018- September 30, 2019

Lt. Colonel Wawrzyniak (USMC) served as the DLA Distribution Liaison Officer (LNO) between the Commander, DLA Distribution and the Commander of the Regional Command, providing expert storage and distribution advice and technical guidance to direct the design, development, execution, and promulgation of deliberate and crisis action plans for theater-wide sustainment of Office of Secretary of Defense (OSD), Joint Chiefs of Staff (JCS), Service Component Commands and the Department of State.

(b) January 7-September 30, 2019

Navy, Air Force, and Army Reservists supported DLA Distribution Pearl Harbor’s request to assist with their wholesale operations performing emergency supply and warehousing functions due to manning shortages. A total of 13 DLA Distribution supported J3’s request for assistance due to a critical shortfall in the civilian transportation series.
(c) January 14-February 23, 2019

Six Navy Distribution Reservists from EDSU-OO/WG; LS1 Joshua Werner, LS2 Alejandro Garcia, LS2 Michelle Gailes, LS2 Stephanie Wray, LS3 Angela Burns, and LSSA Jhashaira Farmer performed a wide range of warehousing duties involving receiving, storing, selecting, and shipping materials at various warehouse locations (MPC and CCP). The reservists were required to use automated equipment such as computer terminals, bar code wands, and/or laser scanning equipment to read, store, query, route, and track data. They were also tasked with loading and unloading shipments from trucks and other material conveyances utilizing forklifts capable of lifting and moving materials weighing 15,000 pounds or more and manual pallet hand trucks.

(d) January 15-February 8, 2019

Twelve Navy Reservists from EDSU-JC with DSS experience used their annual training to support DLA Distribution San Diego’s request to assist their detachment at Port Hueneme with conducting location surveys and completing data entry into DSS for proper inventory management and accountability.

(e) February 1-April 5, 2019,

DLA Distribution J5 requested reserve assistance in the closure of the MPC operation at Salalah, Oman. Four Navy Reservists supported this request, serving as Technical Points of Contact (TPOC) during the decommissioning of the MPC. TPOC oversaw government equipment packed and shipped; collected tokens and oversaw security and safety sweeps conducted by DLA Distribution Bahrain personnel. TPOC was responsible for providing status updates to Bahrain leadership and Distribution J5 and J7 as required.

(f) April 28-June 21, 2019

DLA Distribution also provided 20 Navy and one Marine Reservist to bases in Sigonella, Italy, and Germersheim, Germany, in support of Saber Guardian 19. While on orders the reservists were credited with:

i. Sorting over 3,400 pieces of materiel
ii. Processing over 900 documents for shipments
iii. Conducting customs inspections on 450 items
iv. Picking 395 orders
v. Stowing more than 130 pieces of materiel and
vi. Sorting nearly 400 hazardous materials by class, compatibility, and Department of Defense activity address codes

(g) July 7-24, 2019 and August 12-23, 2019
DLA Distribution Norfolk requested Distribution reservists to receive freight, sort freight, and load/unload containers at the DLA Distribution Norfolk Container Consolidation Point (CCP) freight station. Their request was filled by two rotations, totaling 14 JRF members, who were tasked with backfilling the civilian freight station employees who will be augmenting the stevedore operations for a ship loading operation in support of the U.S. Air Force’s Pacer Goose, the Air Force’s annual resupply mission for Thule Airbase in Greenland:

(h) July 13-24, 2019

CDR Kacey Lorson, EDSU-SP supported DLA Distribution’s request for a liaison officer (LNO) to augment the Combined Logistics Group (CLG) at Rockhampton during Talisman Saber 19-a combined joint multilateral field training exercise (FTX) that provides a training venue for forces from Australia, Japan, U.K, New Zealand, and Canada to conduct high-end operations.

(i) August 5-31, 2019

Fifteen enlisted Navy Reservists supported DLA Distribution Sigonella’s request for backfill assistance to the 6th Fleet. JRF members’ primary support was to MPC Operations and also provided secondary support to other Distribution functional areas, including Pick, Pack, Stow, Quality Assurance, Receiving, Stock Readiness, and Transship, providing great support and gaining valuable hands-on experience, including some utilization of the Distribution Standard System (DSS). Work accomplished included receiving/distributing 6,909-line items valued at $1.5 million dollars and processing 981 Care Of Supplies-in-Storage (COSIS) using DSS. Personnel included:

(j) August 30-September 7, 2019

Five Reservists supported Hurricane Dorian relief efforts at Maxwell AFB. Two Reservists supported Hurricane Dorian relief efforts alongside DDXX and FEMA at Fort Bragg.

g. DLA Energy

The Energy JRF provides support on an as needed basis to the Energy ASOC and the MSC as a whole. The Energy JRF continued our support of the State Department and the Energy MSC through filling a Liaison Officer requirement at the US Embassy in Kabul. Working in coordination with DLA-E (Middle East/Africa), this LNO worked to ensure the full support of the Energy enterprise to US Government operations in Kabul and across Afghanistan. We are scheduled to continue that support on the return of the current Officer.
(1) FY19 Summary of Accomplishments

DLA Energy contributed three Army reservists providing hurricane support by contributing to Headquarters (HQ) operations and intermediate staging base (ISB) activities in support of the Federal Emergency Management Agency (FEMA). The team reviewed designated acquisition documents to identify potential process risks and to help mitigate potential risk impacts. DLA-C/S provided a customer perspective to the process and leveraged the Regional Command’s knowledge and understanding of plans and operations that could directly affect the implementation of future requirements.

h. DLA Land & Maritime

The JRF members are funding by their respective services in support of operations and training as delineated. Annual Training (AT), Active Duty for Training (ADT), or Inactive Duty for Training is funding by individual services. Where applicable, the MSC – DLA Land and Maritime funds Personnel Force Innovation (PFI) tours and Active Duty for Special Work (ADSW). Across the JRF, each member has or will have satisfied his/her Annual Training in support of operational/regional exercise support between 14-29 days on or before 30 September 2019.

(1) Leadership Transitions

Deputy Commander Mr. Steven Alsup retired, Mr. Mark Brown is acting as the interim Deputy

(2) FY19 Summary of Accomplishments

(a) June 3, 2019

CDR Michael Gomes participated in Pacific Sentry 19. This was a Joint Exercise of US DOD branches and the Australian military. CDR Gomes stood the starboard *night watch oppose DLA INDO-Pacific Region LNO as an LNO to field white cell injects. He and his team supported PACFLT Sustainment cell.

(b) ULO Project Support

The Land and Maritime JRF integrated with the MSC to provide Unliquidated Obligations (ULO) Project Support by performing actions to close out aged delinquent contracts. Total value of the purchase orders vary monthly based on requirement as for example the May 2019 effort was $1,116,720 of which a substantive portion is now in the process of being recovered due to contract delinquency or non-responsiveness from the respective vendors. They provided additional project support by sending 48 hour Demand Letters. Correspondingly, the total value of the purchase orders was $558,232.80 and the large
majority is now in process of being recovered due to contract delinquency from the respective vendors.

i. DLA Troop Support

The Troop Support Joint Reserve Force provided a total of 2,164 hours of contributory support for FY2019, partnering with each of the five MSC directorates / classes of supply: Subsistence (Class I), Clothing & Textiles (Class II), Construction & Equipment (Class IV), Medical (Class VIII), and Industrial Hardware (Class IX), as well as the Troop Support Command and Control Center (CCC).

(1) Leadership Transitions

LTC Mark Seris (USN), JTL, replaced by COL Gregory Smith (USA)

(2) FY19 Summary of Accomplishments

JRF personnel provided contributory support for the subsistence directorate for review of past-due receipts within the USDA Fresh Fruits and Vegetables Order Receipt System (FFAVORS) in support of U.S. Department of Agriculture (USDA)/DLA meal programs. JRF personnel provided guidance/support to invoice delinquent receipts to prevent unliquidated government obligations. Their efforts addressed 173 customer accounts with 1,493 individual requisition lines, resolving $97,699 worth of unpaid vendor claims. JRF personnel also created 124 new USDA/school accounts within the Enterprise Business System (EBS) to enable new customer participation in USDA/DLA meal programs.

JRF personnel provided daily contributory support for the Medical Directorate cold chain vaccine mission during the 2018-2019 flu season, supporting the health readiness of DoD personnel and dependents worldwide. JRF personnel analyzed 2,837 TempTale readers during FY2019 (more than 75% of all monitors distributed by DLA), directly contributing to a low product loss rate of only 1.4% for the 2018-2019 flu season.

JRF personnel provided contributory support for the Clothing & Textiles Directorate to perform market trend analysis for military dress clothing contract option years that cumulatively saved 595 days of administrative lead time and a total of 1,125 production days over new procurement. This effort saved the government $487,190 versus current market prices.
5. FY19 JRF Lines of Effort (LOE) and Initiatives


DLA Aviation, JRF personnel, received training per their designated skill sets, with in-rate or technical training completed based on their career specialty. Currently, at least four personnel are DLA Aviation civilian employees and perform similar duties in their reserve and civilian capacity. Additionally, designated personnel completed the Material Management Contingency Training Course on September 23-28, 2019, at DLA Headquarters Fort Belvoir, with additional personnel receiving access to various DLA-specific applications such as FEDMALL and the inventory locator service website.

<table>
<thead>
<tr>
<th>DLA LOE</th>
<th>DLA Objective</th>
<th>DLA Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOE 1: Warfighter First</td>
<td>OBJ 1.2: Readiness and Lethality</td>
<td>Initiative 1.2.1: Enhance DLA’s response capability by managing individual readiness and billet fill rates.</td>
</tr>
<tr>
<td>LOE 1: Warfighter First</td>
<td>OBJ 1.2: Readiness and Lethality</td>
<td>Initiative 1.2.2: Enhance DLA’s global warfighter support capability by developing and disseminating a JRF mobilization tracker and execute a 100% fill rate at least 180 days prior to BOG date.</td>
</tr>
<tr>
<td>LOE 1: Warfighter First</td>
<td>OBJ 1.2: Readiness and Lethality</td>
<td>Initiative 1.2.3: Maximize DLA JRF contributions to achieve the operational effectiveness that DLA and our customers expect (formerly Initiative 4.1.2).</td>
</tr>
<tr>
<td>LOE 2: Global Posture</td>
<td>OBJ 2.3: Expeditionary Capabilities</td>
<td>Initiative 2.3.1: Augment DLA’s global support capability with rapidly deployable Joint Reserve Support Teams (JRST).</td>
</tr>
<tr>
<td>LOE 2: Global Posture</td>
<td>OBJ 2.5: Joint Reserve Force</td>
<td>Initiative 2.5.1: Assess force structure against current and future DLA requirements. Partner with resource providers to request additional permanent and reserve manpower resources to meet emergent requirements.</td>
</tr>
<tr>
<td>LOE 2: Global Posture</td>
<td>OBJ 2.5: Joint Reserve Force</td>
<td>Initiative 2.5.2: Implement the JRF regional alignment model to support Major Subordinate Command (MSC) and Regional Command priorities and requirements. Develop 3-tier JRF regional training plan supporting Service, Major Subordinate Command, and Regional Command requirements.</td>
</tr>
<tr>
<td>LOE 3: Strong Partnerships</td>
<td>OBJ 3.2: DoD and Interagency Partnerships</td>
<td>Initiative 3.2.3: Increase JRF regional training by participation in regional exercises.</td>
</tr>
<tr>
<td>LOE 4: Whole of Government</td>
<td>OBJ 4.1: Crisis Response</td>
<td>Initiative 4.1.1: Posture JRF to be prepared to support Defense Support of Civil Authorities (DSCA) for crisis response and contingency operations.</td>
</tr>
<tr>
<td>LOE 5: Always Accountable</td>
<td>OBJ 5.2: Auditability</td>
<td>Initiative 5.2.1: Recruit JRF resources to support Agency audit initiatives.</td>
</tr>
<tr>
<td>LOE 6: People and Culture</td>
<td>OBJ 6.5: Fortify the Culture</td>
<td>Initiative 6.5.1: Improve and fortify JRF culture based on DLA Command Culture Survey results.</td>
</tr>
</tbody>
</table>
In FY19, Disposition Services personnel participated in two significant large-scale exercises: Operation Saber Guardian (June 2019) and Camp Bondsteel, Kosovo, an exercise that followed the first-ever OCONUS deployment of an Expeditionary Site Set (ESS) to conduct disposition processes in an austere environment. A team composed of military members and Disposition Services civilians collaborated to process over 1,995 line items of scrap materials totaling 628,436 pounds and valued at $1,093,554. The team also received and processed over 655,000 pounds of hazardous waste.

The exercise was successful in reducing the significant backlog of equipment and materials accumulated over several years of military operations in a region which previously lacked efficient or cost-effective means to dispose of used or worn property. The successful deployment and utilization of an ESS during Saber Guardian served as a model for future missions and exercises.

Disposition Services conducted a successful Overseas Contingency Operations Readiness Training (OCORT) exercise at Battle Creek, MI, June 8-23, 2019, which included over 30 combined military and civilian participants and involved set-up, completion of Disposition Services operations, and ESS tear down at two sites. Overall, exercise participants were able to process 278 direct turn-in documents (DTID) and 411 line items totaling approximately 69,000 pounds of scrap material. The exercise was a true testament of the “one team, one fight” spirit, with additional emphasis on establishing strong partnerships and putting the warfighter first. Both exercises discussed above significantly contributed to the organization's efforts to build a cohesive team of trained, ready civilian and military personnel for the continued support of Disposition Services missions in Kuwait, Afghanistan, Qatar, and other areas of operations.

For DLA Distribution, the collaboration between the JTL, DLA Distribution J9 staff, and senior leaders greatly increased deliberate plans process engagements, resulting in the development of an FY20 mission requirements list that improved the planning and prioritization of customer needs to inform budget and manpower requirements better.

Similar to DLA Aviation, DLA Land and Maritime, JRF personnel had multiple personnel serve in civilian employee roles within the organization that closely align with duties and responsibilities for which they perform in a reserve capacity. There were also assigned personnel with direct access to DLA systems and databases, as well as other resources for sustained MSC support. During FY19, nearly 50% of assigned personnel received Counterfeit Detection and Avoidance Program (CDAP) training from a DLA Center of Excellence.

b. Accomplishments for Line of Effort: Warfighter First, Objective 1.2: Readiness and Lethality, Initiative 1.2.2: Fill Mobilization Billets

J9 HQ implemented the JRF SharePoint portal to provide JTL personnel a centralized means to document and actively track manpower and readiness metrics for increased visibility and briefing to DLA HQ J9 leadership. SharePoint use combined with active recruiting efforts resulted in an overall JRF billet fill rate increase from 88% in FY18 to over 92% throughout FY19. During FY19 and across the entire DLA enterprise, the completion of 2 Air Force, 25
Army, and 57 Navy outside the continental United States (OCONUS) deployments/mobilizations in support of DLA missions across the globe occurred. Within the continental United States (CONUS), JFR personnel completed 76 Army Personnel Force Innovation (PFI), as well as 4 Marine Corps and 41 Navy Active Duty for Special Work (ADSW) tours. Mobilization processes and timelines were intricately mapped and codified for each service, actions that provided a ready reference for use across the agency to request capability-based reserve support.

DLA Energy, JRF personnel, supported the MSC and the U.S. State Department by filling a Liaison Officer requirement at the U.S. Embassy in Kabul, with continued rotational support expected. DLA Troop Support, JRF personnel supported 11 FY19 deployments/mobilizations to Djibouti, Afghanistan, Kuwait, Bahrain, Hawaii, and other CONUS-based locations.

b. Accomplishments for Line of Effort: Warfighter First, Objective 1.2: Readiness and Lethality, Initiative 1.2.3: Contribute to DLA Mission Success

The Aviation, JRF team is principally focused on providing order fulfillment support for the MSC’s supply stock posture initiative for the H60, MH60, F/A 18, MV22, H64, and Rhino F/A 18 Recovery and CH-53 Reset. Six Navy reserve personnel seamlessly augmented the DLA Aviation, Richmond team, meticulously researching approximately 6,750 national stock number (NSN) and surplus items as well as expediting the emergency buy process. The efforts these members resulted in approximately 2,500 civilian workforce man-hours saved, led to the award of additional contracts, and greatly contributed to the return of aircraft to fully mission capable status.

Over 25 DLA Disposition Services, JRF personnel deployed in support of contingency operations in Kuwait and Afghanistan. The efforts of these individuals were paramount to supporting the reception, processing, and safe disposition of large quantities of equipment and materials in these theaters of operations. DLA Disposition Services’ ability to provide trained personnel for immediate integration and contribution to locally-based teams reflects well on the organization’s training programs and internal mobilization planning processes.

DLA Land and Maritime, JRF personnel, seamlessly integrated to support MSC operations and contributed the following deliverables:

1. Tiger team material processing: valued at approximately $14,349,834
2. Material upgrades: 404,308 line items valued at $8,503,939.85
3. Disposals: 5,111 line items valued at $871,905.91
4. Backorder lines cleared: 956
5. Backorder quantity cleared: 179,829
6. Supply Discrepancy Report (SDR)/quality notifications processed: over 1,000
7. Follow-up requests for market research surveys completed: approximately 500

Land and Maritime, JRF personnel also routinely provided unliquidated obligation (ULO) project support by performing actions to close aged delinquent contracts that included processing invoice requests, shipping status, cancellation concurrence, technical referral follow-ups, etc.
DLA Troop Support, JRF personnel provided daily contributory support for the medical directorate cold chain vaccine mission during the 2018-2019 flu season, greatly enhancing the readiness of DoD personnel and dependents worldwide. Essential tasks included processing/interpreting data from TempTale vaccine shipping temperature monitors, investigating alarmed readers, and partnering with vaccine manufacturers and DoD customers for product resolution. During FY19, JRF personnel analyzed 2,837 TempTale readers (more than 75% of all monitors distributed by DLA), directly contributing to a product loss rate of only 1.4% for the 2018-2019 flu season. Troop Support, JRF personnel also provided contributory support for the clothing and textiles directorate, conducting market trend analysis for military dress clothing contract option years that cumulatively saved 595 days of administrative lead time and a total of 1,125 production days over new procurement, facilitating continuous supply availability. This effort effectively saved the government $487,190 when compared to current market prices. In addition, JRF personnel conducted Air Force clothing demand trend analysis as compared to all other services and meticulously prepared a shipment of high dollar value scanning equipment for Recruit Training Center use.

d. Accomplishments for Line of Effort: Global Posture, Objective 2.3: Expeditionary Capabilities, Initiative 2.3.1: Define JRF Rapid Deployment Capability

In FY19, the Joint Reserve Support Team (JRST) concept was introduced, composed of reserve military personnel with various skills that create an essential element that provides logistics support to DLA customers around the world. Each 10-person team consists of a Commander, Deputy Commander, Operations Officer, Universal Customer Account Specialist (UCAS), Class I Specialist, Class III(B) Specialist, Class IV Specialist, Disposal Specialist, Distribution Specialist, and general logistician. In order to effectively track JRF and JRST requirements, a JRF exercise support SharePoint portal was created, which provides JRF members information that reflects available opportunities to participate in exercises or annual training events in support of DLA/J9 missions and administrative support. In essence, the focus of the portal is to match JRF personnel with the required rank and/or skill sets listed for each opportunity, with JRF personnel volunteering for opportunities with concurrence/approval from their assigned leadership.

To support each event, JRF members must ensure overall readiness through timely completion of all medical, dental, training, and other noted requirements, ensuring they are fully medically and physically qualified are prepared for rapid, worldwide deployment. JRF documents and personnel readiness status are tracked via the J9 SharePoint portal for all assigned members. Personnel are not fully qualified (medical / dental) for worldwide deployment are notified via their respective chain of command, with JTLs actively working within Service parameters for timely completion to ensure member participation in DLA exercises, deployments, and other events. As an example of event participation, in 2019, DLA Disposition Services showcased its ability to rapidly deploy and provide support for a Tyndall Air Force
Base / Eglin Air Force Base retrograde operation. DSU-3 (Salt Lake City, UT) provided 44% of the total assigned manpower and was able to execute the mission with minimal planning, due primarily to the short-fused nature of the support request. The team successfully completed the retrograde exercise, clearing a considerable backlog of equipment and materials to allow for receipt of newly acquired assets.

e. Accomplishments for Line of Effort: Global Posture, Objective 2.5: Joint Reserve Force Integration, Initiative 2.5.1: JRF Capability and Force Structure Assessment

In December 2018, the DLA HQ J9 Manpower Analysis Team was established to conduct a capability gap analysis (Phase I) for all Joint Reserve Force funded reserve billets (658). JTLs conducted a comprehensive review of each assigned billet (across all services) to address known capability gaps as well as to validate the current personnel fit (rate, rank, MOS, series, location, etc.) based on the current mission(s) and operational requirements. Each JTL provided recommended billet actions to the J9 Action Officer, which were reviewed and adjudicated by the DLA HQ J9 staff.

Based on the feedback received, 78 billet action requests were submitted for JRF Air Force, Army, Marine Corps, and Navy billets assigned to support DLA HQ, JCASO, J3, Disposition Services, Distribution, Energy, and Land & Maritime. Of the 78 requested actions, 64 military manpower change request (DLA Form 89A) documents were approved for submission to the DLA J9 Service leads for adjudication via their respective services. Following implementation, the current JRF billet structure will better align personnel, skillsets, and capabilities to meet the organization's mission in support of Major Subordinate Commands and Regional Commands. Each billet action request will be monitored by the J95 staff until complete, with DLA J9 planning to conduct a follow-on manpower review of currently assigned / funded billets in 2021 / 2022. Major milestones included the following:

(1) December 2018: Establish a Manpower Analysis Team to conduct the JRF capability gap analysis
(2) January 2019: Initiate a data call for each JTL to provide recommended revisions to currently authorized and assigned JRF billets
(3) February 2019: JTL inputs received and consolidated
(4) February – March 2019: J95 engagement with JTLs to clarify requests / requirements
(5) April 2019: JTL requests vetted through J9 Service Leads for adjudication
(6) May 2019: Phase I brief conducted with J9 Deputy Director and Executive Officer
(7) June 2019: Phase I debriefs conducted with JTLs
(8) June 2019: Phase I brief conducted with DLA J9 Director
(9) July 2019: Military Manpower Change Request (DLA Form 89A) documents were generated, signed, and distributed to J9 Service Leads for action
(10) Ongoing: J95 follow-up with J9 Service Leads regarding completion of billet action requests
Phase II analysis began in March 2019, which consisted of a force structure review that required each JTL/MSC to determine the number of additional capability-based JRF billets to support operation plan (OPLAN) requirements. Requests to increase JRF force strength by 321 billets were provided by DLA Disposition (89 billets), DLA Distribution (209 billets), DLA HQ J3 (18 billets), DLA Energy (4 billets) and DLA HQ JRF Staff (1 billet). This initiative was executed in close coordination with the DLA HQ Agency Synchronization Operations Center (ASOC) and DLA J3, which completed validation of DLA regional support team requirements to include locations, total number, and required capabilities / skillsets in order to determine the total number of positions that would be filled by active component, civilian, and reserve component personnel. This initiative will extend into FY20 based on required capability gap analysis and JRF personnel alignment, which could ultimately revise the initial estimate of 321 additional reserve billets for OPLAN support in multiple areas of operation/responsibility.

JCASO’s mission includes a specified task to “Engage and collaborate with OSD, Joint Staff, MILSVCS, and other DoD organizations on OCS initiatives.” OCS Tutors: Progress is 85% as of 14 MAY 2019 based on delivery of 157 out of 185 total contract deliverable reports due. This initiative is a success story for the Department, DLA, and the warfighter. Feedback from the Army 1st Theater Support Command, for example, was that “All the training you provided was essential to being able to function as well as we did upon arrival in theater.” Some of the highlights of this effort include:

(1) Tutors for USAF are integrating OCS equities into Air Force Instructions (AFIs) and career field training for 48 functional areas, in support of USAF DCR Implementation, and have improved OCS in plans at USAFE, AFNORTH, and AFSOUTH.

(2) Tutors for US Army have injected OCS into Army unit mobilization training, conducting 12 engagements with active and reserve unit staffs this training year, with 8 more engagements approved by the Army POC and COR for the period between the 14 May 19 report date and end of FY/TY 19

(3) The Tutor for USMC revised USMC Expeditionary Logistics (EXLOG) training in collaboration with the Marine Corps Logistics Operations Group (MCLOG) to include OCS considerations.

(4) The Tutor supporting SOCPAC has developed or refined Annex Ws for 2 OPLANs, 2 CONPLANs, and 2 Campaign Support Plans, and is training SOCPAC staff on Time Phased Force Deployment Data (TPFDD) analysis and OCS Defense Readiness Reporting System (DRRS) tools.

(5) Tutors supporting DLA have helped develop OCS integration capabilities in the ASOC and improved OCS knowledge management through OCS—Connect in collaboration with the Joint Staff J4

REI: Contractor performance started April 1, 2019. In support of contract deliverables (systems and tools to visualize CSD and methodology to assess associated risk), the REI team is
working with the USEUCOM J4 OCSIC to facilitate and establish OCS-related boards and working groups, develop OPLAN Annex W appendices, and assist with programs such as Vendor Threat Mitigation/Vendor Vetting capability aligned with REI objectives. Recently, REI team’s analysis of EUCOM, 21 TSC, and DLA trucking requirements identified the “Top 5” most-relied upon companies to help prioritize VTM efforts.

The next milestone is for the REI contractors to provide a Plan of Action and Milestones (POAM) and report progress on a monthly basis to ensure the contractors are on track and aligned with the established stakeholders’ objectives. Additionally, JCASO will regularly update the community of interest through established joint boards and working groups.

f. Accomplishments for Line of Effort: Global Posture, Objective 2.5: Joint Reserve Force Integration, Initiative 2.5.2: JRF Integration with Regional Command Plans

In January 2019, DLA HQ J95 engaged with each Regional LNO to request Geographic Combatant Command training requirements (online, resident, etc.) for all newly reporting personnel, specifically reservists who provide general, mission, and exercise support during a designated timeframe. This consolidated list would also assist in generating individual training plans for selected reservists assigned to DLA units that support each Geographic Combatant Command. As such, all geographic and service-specific training requirements were received, consolidated, and are now disseminated as part of the DLA JTL J3 monthly updates. Per DLA JTL J3’s guidance, in FY20, the JRF will take a capability-based approach to align JRF members to each DLA Regional Command vice the 2018 unit alignment approach, which did not clearly articulate the skillsets and capabilities contained in each unit to meet Regional Command requirements.

g. Accomplishments for Line of Effort: Strong Partnerships, Objective 3.2: DoD and Inter-agency Partnerships, Initiative 3.2.3: Increase JRF Joint Exercise Participation

FY19 JRF exercise requirement requests began with 17 exercises supported by 123 reservists. By the end of FY19 Q1, the requirement was reduced to 15 exercises supported by 94 reservists, based largely on political developments that suspended Ulchi Freedom Guardian. By the end of FY19 Q2, DLA fund constraints substantially impacted operations throughout the agency, resulting in the cancellation of all remaining FY19 exercises supported by JRF personnel. As a result, JRF personnel supported 12 exercises with a total of 83 reservists. As an example of exercise participation, Major Randy Gabriel, assigned to DLA Aviation, was assigned to Larrakeyah Precinct (Base) in Darwin Australia from July 1 – September 30, 2019. He seamlessly integrated into the Marine Rotational Force-Darwin (MRF-D) Command Element staff, diligently addressing DLA and MRF-D noted challenges as well as supporting MRF-D Field Grade Officer requirements. He also reconciled fuel billing discrepancies between MRF-D Air Combat Element and DLA Energy, totaling nearly $1M in non-invoiced fuel charges.

In order to provide an immediate response to natural disasters in the United States, JRF personnel developed a holistic DSCA support plan which ensured ready and available support for any DLA mission requirements. Using the J9 SharePoint portal, multiple reservists volunteered to support various operations centers and relief efforts throughout the hurricane season. For DLA Aviation, there was approximately 5 personnel who volunteered to support DSCA/hurricane operations while DLA Distribution had 12 JRF members receive orders during FY19 Q4 to provide operational support, conduct FEMA training, and serve as standby reserves for hurricane support.

i. Accomplishments for Line of Effort: Always Accountable, Objective 5.2: Auditability, Initiative 5.2.1: JRF Resources for Agency Audit Efforts

During FY19, 20 reservists supported the DLA Real Property Task Force (RPTF) to ensure proper accountability of government resources and maintain good stewardship of taxpayer dollars. In addition, 16 reservists were assigned to suspended stock tiger teams, with their efforts resulting in successful clearing of $34M of Condition Code “L” items. In a 30-day span, the RPTF Pacific West Region team conducted a complete physical inventory and validated over 230 real property assets with an acquisition value of more than $108 million. Five reservists were also assigned to the DLA Audit Task Force, ensuring DLA financial processes and procedures were Financial Improvement and Audit Readiness (FIAR) compliant per governing policies.

During FY19, an annual Statement of Assurance (SOA) was not required since the JRF did not have any FY19 audit requests, identified material weakness, or accomplishments in the areas of property, plant, and equipment (PP&E), information technology (IT), or fund balance with treasure (FBWT) per the DLA A123 Program Guidebook. J9 internal controls such as Defense Travel System (DTS) audits, lodging in kind reviews, and end-to-end mobilization process mapping is in place and utilized to ensure compliance with governing regulations. In addition, the JRF is revising General Order 03-16 (J9 organization) to outline the mission, functions, and tasks associated with full-time support staff, JTLs, and SELs.

DLA Troop Support, JRF personnel provided contributory support to the subsistence directorate in order to conduct a monthly analysis of subsistence prime vendor contracts for identification of potential government unliquidated obligations. JRF personnel reviewed invoice history for 29 prime vendor, dairy, and bread contracts (approximately $3.5 million per month) to identify mismatched billing that required further remediation. Troop Support JRF personnel also provided contributory support for the construction and equipment (C&E) directorate in partnership with tailored vendor logistics specialists (TVLS) to address outstanding maintenance repair operations (MRO) requirements, including requests for proof of shipment/delivery, order status, and outstanding invoices. Their efforts ensured proper accountability and closure of orders marked for cancellation. JRF personnel further aided in end-user requirement refinement, assisted the C&E Executive Agent with outreach programs, and coordinated with all service
schools for officer and enlisted DLA C&E indoctrination efforts. JRF personnel also developed a standard operating procedure (SOP) for managing purchase order receipt discrepancies within C&E customer operations. Lastly, Troop Support JRF personnel provided contributory support for the industrial hardware directorate, conducting record management file research for contracts valued at less than $25K in order to determine if proof-of-delivery was applied to linked items, thereby ensuring timely vendor payment. Their efforts resulted in 30 vendors receiving immediate payment functionality within the DLA Enterprise Business System (EBS).

j. Accomplishments for Line of Effort: People & Culture, Objective 6.5: Fortify the Culture, Initiative 6.5.1: Develop and Implement Culture Action Plan

During FY19, the JRF exhibited a healthy culture, reflected by the 2018 Culture Climate Survey results (administered across DLA by Denison). It demonstrated considerable increases in 10 of the 12 observed areas and boasted the highest possible quartile for any organization. The JRF Focus Areas, based on survey results and comments, were communications (ties to leader engagement and coordination/integration), capabilities (direct support of capability development), and processes and integration. The 2018 overall results showed strong alignment with organizational goals and vision, understanding of customer needs, empowerment of team members, and support for risk-taking as well as demonstrated a positive shift from short-term to long-term organizational thinking/vision. JRF leadership continued to strive for improvement in the areas of communications, training, and process improvements, with teams focused on implementing the 2019 culture action plan. The JRF full-time staff greatly contributed to mission support efforts via the implementation of a SharePoint knowledge management repository, which provided real-time individual readiness metric visibility across the organization and its assigned billets. Additional culture accomplishments include:

- DLA Aviation, JRF, joint fitness training sessions were implemented, along with a collective review of retired General Stanley McChrystal’s book “Team of Teams.” The Senior Enlisted Leader is designated as the JRF culture representative and disseminated a culture survey to all assigned reservists for feedback consolidation and action. In addition, unit/battle assembly “All Hands” events are conducted during each drill weekend in order to strengthen effective communication and remove any existing barriers.

- DLA Disposition Services, JRF placed great emphasis on its culture action committees, consisting of service members across all DSUs who met quarterly to discuss various topics such as command climate, training, readiness, and professional development. The results of these meetings are routed through unit leadership to the JTL and SEL, who work within the organization to address any noted issues or challenges.

- DLA Land and Maritime, JRF findings of the 2018 Denison Survey were indicative of an overall healthy culture, with personnel working vigorously to ensure each of its members had a clear understanding of customer expectations and an increased focus on the identification of customer expectations along with continued efforts to link all contributory support activities directly to the DLA Strategic Plan. The team identified learning opportunities across the MSC and DLA enterprise, with the JRF Academy serving as an option to enhance training in support of initiatives worldwide.
DLA Troop Support, JRF created a FY19 Culture Action Plan based on 2018 Denison survey results. JRF leadership solicited additional feedback from assigned personnel, which further facilitated action plan development, identifying specific focus areas for improvement as well as implemented Culture Action Team (CAT) workshops to discuss cultural issues and develop implementation strategies as needed. The FY19 culture action plan included the following key components:

1. Increase opportunities for DLA-specific and technical training
2. Leverage JRF member civilian skills and increased use of professional training
3. Encourage a focus on the customer/warfighter in all tasks and linkage to DLA Strategic Plan
4. Support the development of new and innovative solutions to meet customer needs
5. Focus on problem-solving skills and improved collaboration to create optimal solutions to problems
6. Continue leadership by example to include open communication, ethical decision-making, and consensus-building.
MEMORANDUM FOR DLA HEADQUARTERS, ATTN: Historian

SUBJECT: Submission of DLA Installation Management FY19 Annual History Input

As we embarked on the FY19 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 I believed each success would bring us closer to meeting DLA’s Strategic Goals. The attached pages show highlights from those successes 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 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

Attachment:
Annual History Input
1. Introduction

The DM historical record outlines the actions DM took over the course of Fiscal Year 2019 to improve and sustain the effectiveness and efficiency of service 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 regularly monitor our performance to ensure we can meet present and future requirements.

DM provides worldwide policy, program, and operational support in the areas of:

a. Facilities and Equipment
b. Safety and Occupational Health
c. Environmental Management
d. Security and Emergency Services
e. Family and Morale, Welfare, and Recreation

2. Organization

a. Mission: DM provides safety, security, installation and facilities management support policy to all DLA organizations. Enables DLA’s Headquarters (HQ) Staff and Major Subordinate Commands (MSCs) to provide logistics support to the warfighter, DoD components, and other customers.

b. Vision: Enable the DLA workforce to support the Warfighter.

c. Values: Our values are DLA’s foundation for all we do. 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.
There have been several changes over the last year to our key leadership positions. We’ve hired new individuals into the following key positions:

a. Director, DLA Installation Management  
b. Deputy Director for Policy  
c. Deputy Director for Operations  
d. Staff Director, Process Management  
e. Staff Director, Facilities and Equipment  
f. Staff Director, Family and Morale, Welfare, and Recreation  
g. Staff Director, Security and Emergency Services  
h. Site Director, Energy  
i. Site Director, Europe and Africa  
j. Site Director, Pacific  
k. Site Director, Philadelphia
4. Total Personnel:

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DM-Q has zero authorized Full-Time Equivalents (FTEs), but does maintain a Non-Appropriated Fund (NAF) staff of 38 and the DM enterprise has a total of 532 NAF employees.

5. Historical narrative

a. OBJ 1.3: Supporting Initiatives

   (1) Initiative 1.3.4: Strengthen the Organic Industrial Base Infrastructure

Defense Logistics Agency  
Fiscal Year 2019 Annual History

sustainment, restoration and modernization. It would use DLA’s Real Property inventory as the basis for planning programming and execution.

(b) Nov 2009 initiated Real Estate and Project System modules in EBS
(c) 2011, initiated facility condition assessments using the U.S. Army Corps of Engineer, Sustainment Management System
(d) Dec 2011, launched Real Estate, Project System and Plant Maintenance modules in EBS for the vertical major subordinate commands
(e) March 2012, launched Real Estate, Project System and Plant Maintenance modules in EBS for the Energy major subordinate command
(f) 2016, initiated second 5-year facility condition assessments using the U.S. Army Corps of Engineer, Sustainment Management System; resulted in identifying 5-year program estimate of $1.1 B SRM requirements
(g) October 2018, launched EBS software upgrades “back to standard” to correct standard reporting capabilities and enable future software updates

(2) Initiative 1.3.5: Reduce Cyber Risk to Installation / Facility Control Systems

b. OBJ 5.2: Supporting Initiatives

(1) Initiative 5.2.1:

FY19 Imperative - Audit Remediation: Create and implement a strategy for comprehensive 100% physical Inventory count for inventory in stock and real property, and strengthen information technology security measures. Close 10% of FY 2018 Notice of Findings and Recommendations (NFRs).

c. OBJ 6.4: Supporting Initiatives

(1) Initiative 6.4.2:

Maintain individual and organizational focus on the safety and security of our workplace. Achieved the highest performance levels by establishing, implementing and maintaining safeguards to protect all DLA personnel, facilities, mission, and resources from terrorism, vandalism, misuse, theft, assault, espionage, sabotage, unauthorized disclosure or loss. In a year of several incidents at military installations--Zero terrorist or major criminal incidents occurred against DLA.

During the Triennial USNORTHCOM AT/Force Protection (FP) Program Review DM-S received outstanding results. USNORTHCOM Assessors stated: “DLA continues to execute their program according to the USNORTHCOM Commander’s vision for AT/FP; all required components of the AT program are addressed – staff expertise and experience evident – DLA is the vanguard of the Mission Assurance construct – multiple new initiatives and program advancements.” Coordinated, developed and supported various DLA Leader initiatives and functions:
(a) Supported installation full scale exercises, provided objective observations and made recommendations to improve processes.

(b) Developed and published the DLA AtHoc Mass Notification System instruction to guide the use of the AtHoc system within the Agency.

(c) Extended the use of AtHoc for network outages to all employees regardless of location. The action ensures a more effective and efficient use of J6 resources.

Coordinated with J31 responsibility for managing, coordinating, and overseeing the DLA Mission Assurance Working Group; formally chaired by the DLA Chief of Staff -- membership representation from MSCs and J/D codes; worked to provide smooth transition to include operational side of DLA.

Synchronized security risk management with DLA's ERM program. Provided security risk assessment methodology documentation to J8 ERM team and; highlighted key deficiencies during the Disposition Services Agency Management Review (AMR).

Persevered in obtaining M4 Rifle to the police weapons inventory as a force enhancer to improve our capability to respond during active shooter events. Worked directly with the DoD licensing team to become the only DoD Agency licensed to procure M4s.

(a) Built DLA two Instructions and four Manuals to exacting DoD Use of Force standards.

(b) Procured 48 M4 rifles for $31.4k using US Army contract, a 30% cost savings for DLA compared to other alternatives.

(c) Actions were commended by DLA DM Director and processes were benchmarked by Pentagon Force Protection Agency.

Managed Agency Real-time Automated Personnel Identification System (RAPIDS) and Common Access Card (CAC) programs to high levels of excellence. Directly contributed to DM-San Joaquin receiving DMDC’s RAPIDS Site of the Year and four sites receiving “High Flier” Certificate of Performance. Ensured timely execution of all required duties of DLA’s Service Point of Contact for the Trusted Associate Sponsorship System (TASS). Oversew completion of one no-notice audit to ensure Contracting Officer’s Representative/Trusted Agent compliance with all contractor CAC requirements. Reissued DLAI 1000.13 to update and clarify guidance for DLA’s TASS practitioners.

Authored several articles for DLA Today and Director, DLA Installation Management, Blogs: Crime Prevention, CTIP, criminal threats, mitigation and reporting procedures, emergency procedures and Fire Safety & Prevention.

(a) Promoted use of DLA iWATCH through articles, exercises, and tests to reinforce mechanisms for reporting suspicious activities across DLA. These personal protection and awareness blogs and numerous awareness articles are released by Public Affairs
across social media (Facebook, Twitter, YouTube, etc.), bulletins, newsletters, and DLA Today (DLA website).

(b) Inform workforce through blogs, articles and Did-You-Know on DLA Intranet. Tuned to the workforce targeting fire prevention, self-protection, and emergency communication.

Responded quickly and decisively on several real-world security events to include up channel reporting to DLA leaders...unyielding support for Supply Chain Security Cross-Cutting Efforts under Strategic Plan Objectives 1.3, 6.4, and 7.4.

Completed USNORTHCOM AT/FP Program Review Self-Assessment in coordination with J3, J6, & DI -- DLA is in full compliance with DoD and USNORTHCOM program requirements as well as identifying DLA as a model for other DoD Agencies.

(a) Thirty-two Greenlights for 32 assessed Benchmarks.
(b) Managed the successful 100% completion of the required installation full-scale exercises and evaluations including an Active Shooter scenario. Ensured DM-S observed 100% full scale active shooter exercises and provided positive observations and areas for improvement.

Alternate administrator for the Agency's $1.25M AtHoc Mass Notification System posed to ensure notification to 25,000 employees at seven locations.

(2) Initiative 6.4.3: Integrate employee protection programs designed to provide early detection of a potential Insider threat.

Conducted three AMRs and three SPRs to ensure DM S&ES programs are in compliance with DoD and DLA policies and regulations. The intent of the AMR/SPR are to provide management with an objective analysis to aid in identifying areas of vulnerability and which seeks to improve overall program and operational performance through corrective action plans.

(a) Successfully identified that MSCs are 90% compliant with S&ES policies (481 items compliant; 48 non-compliant).
(b) Identified areas to provide MSC Commanders and Directors and overall risk management picture of worldwide MSC operations in line with ERM.

Ensured 100% of required Higher Headquarters AT Vulnerability Assessments (IAW DoDI 2000.16). Supports DLA AMRs, with the intent to provide management with an objective analysis to aid in identifying areas of vulnerability and which seeks to improve overall program and operational performance through corrective action plans.

Reviewed and completed Risk and Control Program input ensuring up to date information for DLA Leader’s to make strategic risk decisions as well as ensuring importance of program which was identified with DLA’ Strategic Plan.

Continued to oversee the implementation and advancement of security technology projects to include ESS, Key Control, Common Operating Picture, Emergency Reporting; and
the sustainment of Defense Biometric Identification System, E911/Computer Aided Dispatch (CAD), and RMS. Managed collaborative efforts under the Operational Technology Security Pillar, coordinating with J6, field customers while integrating physical security technology projects across the Enterprise (including ESS and Electronic Key Control).

d. OBJ 6.8: Supporting Initiatives

(1) Initiative 6.8.1: FY19 Imperative - Safety Program Modernization: Support Agency efforts to modernize the Safety and Occupational Health (SOH) Program to comply with DoDI 6055.01.

In October 2018, the appointed Occupational Safety and Health Manager chartered the SOH Working Group to execute the Director’s FY19 imperative to modernize the SOH Program. This group made up of the Chiefs of Staff for the Major Subordinate Commands (MSCs), Installation Management Site Directors, and Installation Management SOH Managers. This group developed the implementation plan to modernize the SOH Program.

In January 2019, the DLA Director documented his decision on SOH modernization and to move the SOH staff and function to the MSCs and Regions. This document confirmed the Agency desire to formally move forward with re-aligning the SOH staff to the MSC and Region Chain of Command.

In March 2019, the DLA Director was briefed on three high risks associated with DLA SOH Program. He documented the following decisions establishing the controls to lower the Agency risk. He approved controls to re-align the SOH staff at the Headquarters and the MSCs and Regions to ensure Commanders and Directors had access to SOH staff and could receive unfiltered advice to prevent injuries and illnesses. He approved controls to update the DLA SOH Program to make it a comprehensive program that addresses all the DODI 6055.01 requirements. He also approved the Agency implementing the risk management process to reduce workplace injury and illness.

In May 2019, the DLA approved the implementation plan to modernize the SOH Program. His decision included the Agency SOH Director reporting to the Deputy Chief of Staff and the MSC and Region SOH Managers reporting to their organization’s Chiefs of Staff (Deputy Commander for Europe & Africa). The decision allows DLA to move toward achieving the Director’s FY19 imperative by October 1, 2019.

(2) Initiative 6.8.2: Improve mishap reporting and investigation using the DLA SOH Management System in support of providing leaders with actionable trending and analysis for making risk-based decisions.

(3) Initiative 6.8.3: Improve SOH inspection and hazard management process to focus on eliminating or controlling identified hazards in the workplace.
(4) Initiative 6.8.4: Improve SOH training and awareness programs by aligning current programs with emerging SOH modernization efforts to ensure standardization across all organizations.

e. OBJ 7.4: Supporting Initiatives

(1) Initiative 7.4.1: FY19 Imperative - Cybersecurity: Leveraging state of the art technology and tactics, techniques, and procedures designed to continuously monitor, detect, respond, and protect DLA’s mission critical data and enabling technology capabilities against an ever growing, advanced, and persistent cyber threat.

(2) Completed Electronic Security System (ESS) sites surveys at the four DLA-hosted installations and Headquarters Complex in coordination with the United States Army Corps of Engineers. These surveys are a vital component of DLA’s initiative to establish an enterprise ESS solution for the Agency. Managed 100% inventories of ESS equipment in coordination with the Army Corps of Engineers. Survey reports delivered by December 2018 in support of DLA’s Enterprise ESS initiative.

f. Additional Initiatives and Accomplishments

(1) Family and Morale, Welfare, and Recreation

(a) Stand-up of the FMWR Training Center in Richmond Virginia. - A needs assessment survey that was conducted returned results that 80% of the Enterprise Workforce desired a centralized training center for employees. The training center has begun operations and intends to go through accreditation in FY 20.

(b) FY 19 saw the stand-up of the FMWR Plans and Analysis Office. In addition to Continuous Process Improvement and RIM, the PA&E Office implemented the following documentation and guidance: Updated Enterprise Strategic Plan, Create Annual Operating Plan and subsequent reporting procedures, Enterprise People and Culture Plan, Enterprise Risk Management Plan (to include Enterprise COOP), Employee Career Pathing, and Multiple additional plans and analysis tools and guidance.

(2) Battle Creek

(a) Improved FCI by over 10% and, in the words of Disposition Services senior leadership, “Disposition Services couldn’t be happier (with the engineer effort)...we’ve turned a corner.” An overhaul of supporting engineer processes, prioritization and coordination procedures led by the Installation Management senior engineer with the Disposition Services customer improved the condition of structures across the customer base. Improved spend plan processes to focus on safety and security unique identifiers helped engineers focus on the highest priorities and has drastically reduced deficiencies
(3) Columbus

(a) DLA Installation Management at Columbus achieved a combined 97% obligation rate of DM-FC Defense Working Capital Fund (DWCF) operations budget totaling $65.5 Million; obligated 98% of labor budget, 98% of Sustainment Restoration and Maintenance SRM funds, and an obligation rate of 95% of DWCF operations budget.

(b) DSCC was certified as a USA Tree City by the Arbor Day Foundation and Ohio Department of Natural Resources. The Tree City USA program is a nationwide movement that provides the framework necessary for communities to manage and expand their urban forest. DSCC has achieved Tree City USA status by meeting four core standards of sound urban forestry management: maintaining a tree board, maintaining a tree ordinance, spending at least $2 per capita on urban forestry and celebrating Arbor Day. The Environmental Division is also working to prevent future planting of invasive species by implementing a tree permit system. The USA Tree City initiative is an example of a strong partnership with the Ohio Department of Natural Resources.

(c) DSCC was certified as a USA Tree City by the Arbor Day Foundation and Ohio Department of Natural Resources. The Tree City USA program is a nationwide movement that provides the framework necessary for communities to manage and expand their urban forest. DSCC has achieved Tree City USA status by meeting four core standards of sound urban forestry management: maintaining a tree board, maintaining a tree ordinance, spending at least $2 per capita on urban forestry and celebrating Arbor Day. The Environmental Division is also working to prevent future planting of invasive species by implementing a tree permit system. The USA Tree City initiative is an example of a strong partnership with the Ohio Department of Natural Resources.

(4) Fort Belvoir

(a) Achieved a top line fiscal result that included a 98% EOY obligation rate for a $52.9M budget to include over $28.2M reimbursable funding, an overall reduction of overtime hours between FY17-18 by 2.28%, which equates to a $18,593.09 savings, and under-executing the OT cap by 11.62%.

(b) The key to employee and tenant satisfaction lies in synchronization and coordination across all levels. DM-FF maintains a robust internal and external communications engagement programs with seven (7) quarterly site level town hall events that include separate sessions with the police and childcare shifts, and 41 additional engagements with the DLA D/J code, tenant command representatives, AFGE Union, and members of the US Army Belvoir garrison. These external engagements included Quarterly HQC Consulting Groups, a monthly Safety Management Council, monthly HQC Health and Fitness Council, biannual AT/FP Threat Working Group, monthly facility coordination meetings, monthly HQC
Child Development Parent Advisory Committee meetings, and quarterly security and emergency services exercise planning meetings and table top exercises.

(5) San Joaquin

(a) The MWR Recreation Program completed numerous projects to improve the quality of life for the employees of DLA San Joaquin. A newly renovated fitness center with state of the art equipment; running/walking track, and two basketball / tennis courts were constructed to offer additional fitness and recreation options to the workforce. In addition, three gazebos along with barbeque grills and benches were added to the installation to create functional recreation areas.

(b) Environmental Office accepted the Excellence in Commuter Options (ECO) award on behalf of DLA Distribution San Joaquin at the San Joaquin Green Team’s Annual “REXPO” event. The ECO Award recognizes employers that have implemented strategies to assist employees with Smart Travel options such as carpooling, transit, biking, and walking, to improve air quality, reduce congestion, and save employees money.

(c) San Joaquin replaced a total of 1,740 fluorescent lighting fixtures of T5 High Output (T5HO) and T8 High Output in Warehouse 13, 14, 15, 16, and 28 with modern light-emitting diode (LED) High Bay lighting. In addition, we replaced a total of 3,959 fluorescent lighting fixtures of T8 and T12 with LED strip fixtures in Warehouse 16 A & B. This replacement is reducing energy consumption by approximately 54.5%.

(d) DLA San Joaquin RAPIDS site recognized by Defense Manpower Data Center (DMDC) as one of the top three RAPIDS sites within DOD, May 2019. With a success rate of more than 95.7%, the Pass & ID office created a .5% annual increase in successful transactions despite a 43% increase in workload from the previous year. The staff created and maintained a pre-authorization list of all identified visitors to determine eligibility to access the installation. This required considerable administrative and organizational skills as monthly authorization lists for this period contained approximately 250-300 visitors per month.

(6) Philadelphia

(a) MILCON Project P1501 DLA Troop Support Headquarters – The current DLA Troop Support Headquarters (Bldg. 36) is old, energy-inefficient, and does not meet AT/FP criteria. MILCON PROJECT P1501 was awarded to construct a new Headquarters facility. The construction of the building is essentially complete. Current construction activities include the installation of interior walls, and electrical, mechanical, and plumbing systems. The roof that is being installed will have a layer of soil and vegetation (plants) on top of it. This type of roof will help to control rainwater run-off and will also help to insulate the roof. Also for energy efficiency, a ground water geothermal well system will provide most of the heating and cooling for the building using 24 wells, each about 400 feet deep under the parking lot. These sustainable design/energy conservation features will result in the building receiving the LEED Silver certification. The building will have four stories and will have approximately the same square footage (108,000 SF) as the current Headquarters building (Building 36). The building, which will be numbered Building 45, is approximately 70%
complete and is scheduled for occupancy in the first quarter of FY-20. When the new building is complete, Building 36 will be demolished

(7) Richmond

(a) DLA Aviation Command and approximately 800 DLA Aviation employees moved into the new Building 46, DLA Aviation Operations Center Phase 1.
(b) Welcomed the Virginia National Guard Joint Forces Headquarters and Adjutant General for the Commonwealth of Virginia as a permanent tenant to Defense Supply Center Richmond (DSCR).
(c) Renovated the Community Center, Building S-27 (“The Barn”).
(d) Completed an Elk Management plan in partnership with Virginia Dept. of Game and Inland Fisheries and U.S. Dept. of Agriculture resulting in improved herd management.
(e) Welcomed Defense Acquisition University as a permanent tenant at DSCR in Building 4, with a capacity for training 100 students.

(8) Susquehanna

(a) Expanded existing natural gas infrastructure to support 80 series buildings
(b) Six military construction projects under construction
(c) Riverview Golf Course 60th Anniversary Tournament & Memorial Ceremony

6. Documents

a. Charter for SOH Working Group
b. DLA Decision Memorandum on SOH Modernization
c. DD Form 2977 Deliberate Risk Assessment Worksheet on SOH Alignment
d. DD Form 2977 Deliberate Risk Assessment Worksheet on SOH Program
e. DD Form 2977 Deliberate Risk Assessment Worksheet on Risk Management Process
f. DLA Decision Memorandum SOH Implementation Plan
MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: Office of Small Business Programs (DB) Fiscal Year 2019 History

I have reviewed DB’s submission for chronicling Defense Logistics Agency history for fiscal year 2019 and would like to forward my endorsement.

You may contact me with any questions at 571-767-3297 or Christopher.Hall@dla.mil.

Attachment: DLA Office of Small Business Programs (DB) FY 2019 History
1. Introduction.

It is the policy of the Defense Logistics Agency (DLA) to provide maximum practicable opportunities in its 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 the industrial base that fulfills DLA’s mission as the Nation’s Combat Logistics Support Agency. During fiscal year (FY) 2019 DLA OSBP demonstrated an 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 and vision propelled DLA to increase opportunities for small business, culminating in award of over thirty eight 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 FY1985 (Public Law 98–525) in an effort to expand the number of businesses capable of participating in government contracts. The statute assigns 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 September 30, 2019, there were ninety-three PTACs operating under DLA OSBP oversight.

2. Organization.

DLA OSBP was authorized twelve full time equivalents (FTEs) for FY2019, comprised primarily of GS-1102 personnel. For FY2019, DLA OSBP was subject to FTE reductions along with other components of DLA Headquarters and the twelve FTEs authorized was a reduction from fourteen authorized in FY2018, which will be further reduced to eleven for FY2020. The DLA OSBP Director left the agency in August 2019 and Ms. Sherry Savage served as OSBP Director (Acting) for the duration of FY2019.
Two of OSBP’s FTEs are stationed in Philadelphia to support the DLA Contracting Services Office (DCSO). All other FTEs are stationed at DLA Headquarters in Fort Belvoir, where five primarily support PTAP. This leaves five 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 Major Subordinate Commands (MSCs) each have a staffed small business office, but those personnel report through their various chains of command and not through headquarters. DCSO OSBP reports through DLA-DB because DCSO is a component of DLA Acquisition (J7), which is also part of DLA Headquarters. DCSO OSBP reports through DB rather than J7 to maintain separation between contracting and small business functions.


   a. Christina Young, Director, OSBP (May 2018 – Aug 2019)
   b. Christopher Hall, Deputy Director, OSBP (May 2016 – Present)
   c. Sherry Savage, Program Manager, PTAP (Sept 2016 – Present)
      Acting Director, OSBP (Aug 2019 – Present)

4. Total Personnel.

DLA OSBP was staffed with ten full-time personnel at the end of FY2019, all civilians. The OSBP Director’s job was vacant and filled by Ms. Savage on an interim basis.
5. Historical Narrative

a. DLA OSBP Strategic Roadmap

For FY2019, DLA OSBP published a Strategic Roadmap, which provided guidance and direction to DLA small business professionals, both at headquarters and the MSCs. The roadmap described four lines of efforts (LOEs) that OSBP leveraged to execute the DLA Small Business Program for FY2019 and provided the direction and guidance needed to achieve small business goals for fiscal year 2019. Below are the roadmap’s LOEs and objectives, which are areas where DLA dedicated significant work and resources throughout FY2019.

(1) LOE 1: DLA Industrial Base

(a) Objective 1.1: Acquisition Planning

Contribute to acquisition strategy, market research and contracting processes and activities to ensure small businesses receive the maximum practical opportunity to provide innovative, cost-competitive and timely products and services to satisfy DLA requirements.
(b) Objective 1.2: Promote Small Business Participation in DLA Acquisitions

Identify proposed solicitations that involve consolidation or bundling of contract requirements and help structure contract requirements to facilitate competition by and among small business concerns.

(2) LOE 2: Strong Partnerships

(a) Objective 2.1: Industry Partnerships

Partner with industry to ensure a capable defense industrial base, generate innovative and efficient solutions, and maintain a secure and resilient supply chain. Sustain our partnerships with industry to help DLA and DoD address immediate needs and long-term challenges.

(b) Objective 2.2: Public Engagement

Proactively engage with the small business community to increase their knowledge of the DLA mission, requirements and opportunities. Outreach efforts will focus on recruiting viable participants in our supply chains or service centers and diversifying our vendor base to meet our goals for the small business programs.

(c) Objective 2.3: DoD and Interagency Relationships

Cooperate with DoD and interagency partners to develop solutions that optimize DLA OSBP support of major acquisition programs and policy objectives.

(3) LOE 3: People and Culture

(a) Objective 3.1: Investment in Small Business Professionals

Invest in the development of our teammates to strengthen our capabilities and develop an innovative small business workforce capable of professional and technical excellence in executing the DLA Small Business Program.

(b) Objective 3.2: Fortify the Team

Build and strengthen relationships throughout the DLA small business community and facilitate information sharing. Foster an organizational culture where employees are engaged and motivated to achieve mission excellence.

(4) LOE 4: Always Accountable

(a) Objective 4.1: Policy and Guidance
Evaluate, refine and propose policy to ensure maximum practicable opportunity for small businesses to participate in procurements, while prioritizing the accomplishment of DLA’s mission; engage in the legislative and regulatory processes to ensure DLA complies with regulations and statutes and, when appropriate, recommend adjustments to improve the Small Business Program.

(b) Objective 4.2: Small Business Goals

Establish challenging and achievable small business procurement goals, monitor performance across all small business socioeconomic programs and implement initiatives to achieve our goals.

b. 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 twelve thousand suppliers and eighty percent of them are small businesses.

For FY2019, DLA exceeded its small business goal for the seventh consecutive year, and promoted participation in acquisitions by Service-Disabled Veteran-Owned Small Businesses (SDVOSBs), Small Disadvantaged Businesses (SDBs), Women-Owned Small Businesses (WOSBs), and Historically Underutilized Business Zone (HUBZone) Small Businesses. DLA met its goals for each of the Small Business Socioeconomic Contracting Programs and exceeded 5% for the WOSB Program for the first time since FY2015. 
c. 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 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 principal 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 FY2019, Congress appropriated $42.3 million for the program, which was the most ever and was $3.8 million more than was appropriated for FY2018.

At the end of FY2019, there were 93 PTACs assisting business in 48 states, Washington, D.C., Puerto Rico, Guam and in the regions established by the Indian Affairs bureau of the US Department of the Interior. For FY2019, DLA OSBP obligated $41.5M for the PTAC’s use. As a cost sharing program, $27M in non-federal funding was also committed by the states and other local entities. PTACs provided more than 169,000 hours of one-on-one counseling to 54,000 businesses and facilitated over 5,300 training and networking events. PTAC clients won 708,000 contracts and subcontracts worth more than $26 billion. Based on the $47,060 mean salary for US jobs (according to the US Bureau of Labor and Statistics) PTAC assistance facilitated the creation or retention of about 560,000 jobs.

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### Provisional Small Business Accomplishments for FY2019* (as of 11 Oct 2019)

<table>
<thead>
<tr>
<th>Goal Area</th>
<th>FY19 Goal</th>
<th>FY19 Actual</th>
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</thead>
<tbody>
<tr>
<td>Small Business Prime Contracts</td>
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<tr>
<td>Small Disadvantaged Business</td>
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<td>Women-Owned Small Business</td>
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<td>Service-Disabled Veteran-Owned Small Business</td>
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<tr>
<td>HUBZone Small Business</td>
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*small business statistics are provisional and will not be finalized until February or March 2020
MEMORANDUM FOR DLA, ATTN: Command Historian

SUBJECT: Submission of the DLA General Counsel FY 19 Annual History Report

It is a great honor to be back at DLA, an organization for which I have the utmost respect. I came back to a talented legal team with a history of providing exceptional service that is known throughout DoD for its expertise and excellence. As you will read in the following pages, our legal mission supports the DLA enterprise in its achievement of the DLA Strategic Plan while ensuring a focus on military readiness and supporting the Warfighter. The Office of General Counsel continues to deliver outstanding support to the DLA enterprise. We will meet future challenges while providing legal expertise for whatever lies ahead.
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 involving or affecting the Agency while ensuring compliance with laws and regulations.

The Office of the DLA General Counsel’s mission is to deliver professional, candid and independent legal advice and services 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 in many areas of the law. This 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. These 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. The Office of the DLA General Counsel also oversees the delivery of legal services at the Major Subordinate Commands (MSC) and activities. The timely and effective resolution of legal issues and challenges deriving from the legal practice areas contributes significantly to the Agency’s achievement of its Strategic Plan and ensuring military readiness.

In FY 19, the Office of General Counsel developed its first DLA OGC Strategic Plan. As stated above, our mission is to deliver professional, candid, and independent legal advice and services to the Defense Logistics Agency. Our vision is to be the DoD’s premier legal office of one team composed of many highly motivated independent legal professionals, dedicated to excellence and aligned to support the Agency. Our commitments include a promise to deliver the highest-quality, timely, and responsive legal services; maintain and nurture the personal courage and experience necessary to ensure our clients receive well-reasoned, objective legal advice; cultivate an environment conductive to professional growth and excellence; foster a unified team through open, informal and collaborative working relationships with each other, and across the legal enterprise; and to be a continuously improving, flexible organization that anticipates and prepares for new requirements and missions.

This year, DG welcomed back Matthew Pausch as the General Counsel on March 17, 2019. Mr. Pausch serves as the principal legal advisor to the Director, DLA, overseeing the headquarters and field legal offices, exercising professional direction over the attorney workforce, and acting as the program manager for Agency legal programs. Mr. Pausch came back to DLA after serving as Chief Counsel, U.S. Army Tank-automotive and Armaments Command, Warren, Michigan, since 2014 and has extensive DoD experience in practicing law and leading legal organizations with Department-wide responsibilities and worldwide impact. Additionally, he possesses in-depth knowledge of the DoD and DLA contracting and logistics mission, having served in a
number of DLA OGC positions, including DLA Disposition Services Chief Counsel, DLA Troop Support Deputy Chief Counsel, and Associate General Counsel at DLA Headquarters from 1989-2014.

Our previous General Counsel, Mr. James Coyne, retired October 31, 2018 and Mrs. Melinda Perritano, the Deputy General Counsel, served as Acting General Counsel from Mr. Coyne’s retirement until Mr. Pausch’s onboarding. Mrs. Perritano departed from federal service on April 13, 2019. Mr. Mark Cremin, Chief Counsel for International and Operational Law at OGC, and Mr. Steve Davis, Chief Counsel at DLA Aviation, both served as Acting Deputy General Counsel at different times during the year.

2. Organization and Personnel

Below is an organization chart of our DG Legal Enterprise. The Office of Chief Counsels are listed below the Office of General Counsel and their offices include the attorneys assigned to the supply chain sites that belong to the MSC.

Below is an organization chart of our DG office at Headquarters, Fort Belvoir.
Enterprise DG Personnel Currently On-Board/Authorized for FY19

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<thead>
<tr>
<th></th>
<th>Civilians</th>
<th>Active Duty Military</th>
<th>Active Reservists</th>
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<td><strong>FY 19</strong></td>
<td>184/184</td>
<td>4/4</td>
<td>3/3</td>
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3. Historical Narrative

Below are the descriptions of the mission and highlights of our practice areas for Fiscal Year (FY) 2019.

a. International & Operational Law Highlights

   The mission is to be prepared for CONUS and OCONUS contingency operations by providing around the clock legal advice and service related to planned and unplanned DLA logistic support operations. We proactively provide legal advice and counsel to the DLA Logistics Operations Director (J3), a 2-star Flag Officer, 4 SESs and 600 personnel worldwide to include 3 Regional 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. We foster and train an appropriate number of Agency attorneys specializing in disaster-preparedness and overseas contingency law. We provide legal advice and representation with respect to such matters as local law, customs, international agreements and federal employee and contractor rights in areas where humanitarian military operations are taking place.

   In FY 19, DLA’s International & Operational Law division supported disaster relief efforts, including response efforts related to hurricane Dorian, provided support to Custom Border Patrol on the southern border, participated in Key Resolve Korea exercise and managed the Agency’s International Agreements Program. Additionally, we assisted clients in the restructuring the Joint Logistics Operations Center (JLOC) as the Agency Synchronization and Optimization Center (ASOC). The ASOC provides both a common operating picture for the enterprise and a single point of contact for the liaisons DLA has with combatant and logistical commands.

b. Administrative & Civil Law Highlights

   The mission is to provide timely and effective advice in the areas of fiscal, environmental and safety, installation law, and general administrative law. Included in the administrative and civil law division are three programs that we execute for the Agency: 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 requirement specified in federal statutes and regulations, in accordance with Office of Government Ethics (OGE) and Standards of Conduct Office (SOCO) program directives. The DLA General Counsel serves as the Designated Agency Ethics Official. We implement ethics program requirements specified in federal statutes and regulations and in the Office of Government Ethics and DoD program directives. We provide mandatory ethics training for employees, 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. We advise on employee disqualification
statements, divestitures and post-employment restrictions. We report annually on ethics compliance to the Office of the Secretary of Defense and the Office of Government Ethics.

In FY 19 we ensured timely trained, filed and reviewed 5600 OGE 450 filers for all of DLA, 900 plus at HQs (35 OGE 278 Reviews), drafted PAO articles for Agency wide distribution on gambling, rules on gifts and the Hatch Act. We revised the DLA OGE 450 policy. Additionally, we reviewed and revised senior leader travel policy and reviewed industry engagement events for the Agency.

(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. We refer matters that merit investigation to the appropriate investigative body. We 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 General Counsel) and may hold meetings, when requested, with those parties facing suspension or debarment.

In FY 19, the Suspending and Debarring Official (SDO) issued 58 suspensions, 105 notices of proposed debarment and 95 debarments for a total of 258 ineligibility actions. We also entered into 5 administrative agreements. Administrative agreements are used as an alternative to suspension and debarment 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.

<table>
<thead>
<tr>
<th>SDO ACTIONS</th>
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<td>FY 2019</td>
</tr>
</tbody>
</table>

Our legislation program provides comments to the Office of Secretary of Defense Office of Legislative Counsel on legislative proposals advanced by DoD, its
components and other Federal departments and agencies. We draft and advocate for legislative changes that will enhance DLA mission accomplishment and analyze the legal impact of proposed and new legislation. In FY 19, we were successful in streamlining two annual National Defense Stockpile Congressional Reporting Requirements into one Reporting Requirement through our legislative program (Section 1411 of the FY 19 NDAA Public Law 115-232).

In FY 19 our installation support attorneys provided advice and counsel to assist with the Agency’s Sexual Assault Prevention and Response Program implementation. Additionally, our installation support attorneys provide advice 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. This support included detailed legal and business advice to DoD and Navy stakeholders on the Red Hill fuel storage facility in Hawaii. The fiscal attorney participated in the various meetings on the Agency cash position, provided audit support in the Agency’s ongoing FIAR audit efforts, and advised on potential Anti-Deficiency Act (ADA) matters, policies and investigations.

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. We advise management officials on labor and employment matters to include disciplinary actions, policy issues and Office of Special Counsel or Congressional inquiries. We run for the Agency’s Alternative Dispute resolution (ADR) program, which has approximately 80 DLA mediators, 23 of which are DG personnel. Below is a chart depicting the enterprise caseload for FY19.

**DLA Labor & Employment Caseload**

<table>
<thead>
<tr>
<th></th>
<th>EEOC</th>
<th>MSBP</th>
<th>Arbitrations</th>
<th>Unfair Labor Practices (ULP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>119</td>
<td>48</td>
<td>11</td>
<td>9</td>
</tr>
</tbody>
</table>

Note: These numbers reflect only the EEOC cases in which an administrative law judge has been assigned and do not include EEO complaints at the formal or informal stage pending assignment, nor do the numbers include cases in which the
complainant has requested a final agency decision. Many informal and informal complaints are settled at the informal and formal stage without a hearing.

In FY 19 our labor & employment lawyers are supporting J-1 in the negotiations of a new Master Labor Agreement (MLA) which covers the large number of unions across the DLA Enterprise, as the last MLA was negotiated several years ago. We are working with the Agency EEO office and J-1 to improve the Agency’s reasonable accommodation process.

Our ADR program establishes procedures to anticipate and resolve actual and potential disputes at the earliest possible stage, thereby reducing the time, expense, delay, acrimony and other adverse consequences associated with adversarial dispute resolution processes. In FY 19, we continue to focus on promoting the benefits of ADR in various areas. We continue to foster relationships with key stakeholders levering our respective strengths for the good of the Agency. DLA uses ADR to address disputes that occur in the areas of EEO, workplace, labor, contracts and FOIAs.

<table>
<thead>
<tr>
<th>DLA ADR Actions</th>
<th>Contracts</th>
<th>EEO</th>
<th>Labor</th>
<th>Workplace</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>0</td>
<td>114</td>
<td>39</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Resolved</td>
<td>0</td>
<td>25</td>
<td>19</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Unresolved</td>
<td>0</td>
<td>89</td>
<td>20</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

d. Acquisition Law Highlights

The mission of the acquisition law division is to support billions of dollars-worth of procurements for military service and federal agency support, including fuel, construction and equipment, medical and pharmaceuticals, subsistence, uniforms and clothing, weapon system repair and replacement parts, distribution services, disposition services, and contract actions for internal DLA support. We assist in the formation of acquisition policy and procedures. 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. Our office assists 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
We support the Director, J3 and the J3 staff in procurement-related areas such as F-35 support, Reform Initiatives, and GSA/Whole of Government issues. Our office supports the Director, DLA Information Operations (J6) and the J6 staff in program and procurement-related areas (e.g., support agreements), and provide legal support to cross-functional procurement-related programs such as Additive Manufacturing within DLA on a DoD working group.

In FY19, we assisted and advised on the recompete of the Subsistence Prime Vendor (SPV) Iraq, Kuwait, and Jordan and associated bridge contracts along with the recompete of the SPV Afghanistan and associated bridge contracts. We provided advice and legal counsel on F-35 Joint Strike fighter support issues, implementation issues related to section 883 of FY National Defense Authorization Act for FY 2017 (Storage and Distribution Support to Weapon Systems Contractors) to include drafting the delegation of authority to the Director, DLA Logistics Operations, and drafting contract terms and conditions for this test program. In the area of Other Transaction Authority – Prototype Projects, (OTA) authorized by 10 USC 2371b, we drafted a delegation of authority to the Director, DLA Acquisition J-7 and continue to assist in training efforts for the workforce.

We run the contract litigation program that defends the Agency position in the following fora: General 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 (COFC). DLA MSC Office of Counsel serves as lead counsel in most cases with oversight from HQ attorneys. Cases involved more than $12 billion in dispute (which includes government claims).

### DLA LITIGATION IN FY19

<table>
<thead>
<tr>
<th>Forum</th>
<th>Total Pending end of FY19</th>
<th>Cases Filed FY 19</th>
<th>Cases Resolved FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAO Protests</td>
<td>13</td>
<td>154</td>
<td>156</td>
</tr>
<tr>
<td>COFC Protests</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>ASBCA</td>
<td>64</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>Courts</td>
<td>12</td>
<td>8</td>
<td>4</td>
</tr>
</tbody>
</table>

Since 2016, DLA OGC has spearheaded efforts to establish an 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 (FOIA) and Congressional Requests. DLA OGC has established several resources, policies and capabilities for the Agency on electronic discovery. We continue to collaborate with stakeholders including DLA J6 to acquire on-premises ESIDD software tools and further develop agency processes and policies. In January 2019, DG issued a policy memo that outlined DLA OGC professional responsibility obligations to understand technology and be responsible for his or her case ESI matters, including but not limited to implementing litigation
holds, conducting defensible ESI searches and culling, and reviewing and analyzing ESI for privileges and other protections. This is a fast changing and challenging area of the law and all attorneys must understand these important issues to represent DLA competently and effectively.
Defense Logistics Agency

DLA Office of the Inspector General (DA)
Fiscal Year 2019 Annual Historical Report

MEMORANDUM FOR COMMAND HISTORIAN


I have reviewed DLA DA’s (OIG) submission for chronicling the FY19 DLA history and would like to forward my endorsement with this memo.

The administrative POC for this action is Andrew J. Duszynski, Deputy IG for Operations, at 571-767-5417.

PIGOTT, STEVEN
D.1230763913
STEVEN D. PIGOTT
Inspector General (Acting)

October 21, 2019
1. Introduction:

   a. Inspector General’s Intent during FY 2019

   The Office of the Inspector General (OIG) operates to support mission readiness for DLA. The OIG provides organizational impartiality to support independent assessments of DLA’s performance in any area. The OIG goal is to provide factual and timely information to support DLA leadership decisions on mission operations, protection of DLA assets, and care for the DLA workforce. Our unique ability to give a voice to DLA employees underscores the agency’s commitment to its People and Culture goals. While the majority of effort for the OIG team is reactive to complaints, fraud schemes, or incidents, the OIG will prioritize proactive assessments to support decision-making and risk mitigation. Mandated reduction in staffing levels executed in FY19, as well as significant attrition of authorized personnel throughout FY19 will require the OIG to critically review tasks and requests for support and prioritize those that will best support DLA priorities and areas of risk. This is a continuous effort in FY20 as we conduct comprehensive analysis of workload trends and agency requirements, and determine how to best prioritize our efforts while mitigating the risks of our realignment. We will leverage an increase in joint Audit-Investigative efforts to provide more timely assessments to the Enterprise through inspections which are less resource-intensive and time consuming than formal audits. OIG prioritizes its resources to prevent, detect and report fraud, waste, abuse, and mismanagement through a variety of tools including the DLA Hotline Program. OIG assumes risk in the areas of Inspections and Audit execution.

   b. DLA OIG Mission

   The DLA 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.

   c. The OIG assists DLA Senior Leadership by:

   (1) Conducting Audits that support and inform the agency.
   (2) Conducting investigations to probable cause with impartial and unbiased findings and recommendations.
   (3) Conducting Inspector General (IG) reviews (investigations and audits) that facilitate a healthy and balanced work environment and DLA culture for all members.
   (4) Coordinating external Audit support, responses, and follow-up to close recommendations.
(5) Maintaining effective partnerships with Defense Criminal Investigative Organizations (DCIO) and Law Enforcement (LE) Organizations that support DLA, as well as other OIG.

(6) Managing the Hotline and Assistance Program in accordance with DLA and Department of Defense (DoD) requirements.

(7) DLA’s auditors focus on high-risk areas and investigators conduct IG (administrative) investigations. Auditors and Investigators routinely work together as a team using their complimentary skill sets to find facts and develop recommended solutions to complex issues for management.

d. Inspector General Support to the Command

The OIG is organized to provide functional and regional support to the command. The majority of OIG Investigators and Auditors are operationalized and co-located to provide support across DLA to the Major Subordinate (MSC) and Regional Commands. A small staff aligned with the DLA Headquarters provides oversight, manages the DLA Hotline, and provides liaison for all external audit activities. In FY20, OIG manning provides sufficient support to sustain coverage for each MSC and Regional Command. Heavy attrition of authorized personnel in the latter half of FY19 (30% Auditors and 25% Investigators) may temporarily reduce support in some areas until hiring actions have been completed and new hires have been adequately trained and acclimated. A mission-tailored OIG allows for continuity and expediency of effort, confidentially, and subject matter expertise (SME) within the OIG. The OIG will continuously review the capability of the DLA Hotline and External Audit Liaison functions, while structuring Investigator and Auditor coverage for the best enterprise-wide capability. DLA’s worldwide area of responsibility (AOR) poses a tremendous challenge in properly addressing Fraud, Waste, Abuse, and Mismanagement (FWAM) issues throughout the enterprise.

e. Fraud, Waste, Abuse, and Mismanagement (FWAM)

Combating FWAM requires an active collaborative effort. While the OIG operates independently, it relies upon the continuous support from mandated partnerships with Defense Criminal Investigative Services (DCIS), DoD Inspector General (IG) and meaningful relationships with other DoD Inspectors General offices and their associated criminal investigative agencies. The OIG works closely with the DLA General Counsel office to coordinate and determine the best course of action for each matter. The support provided by these entities allows the OIG to collaborate on investigative and audit efforts as well as receive operational support to identify the areas of greatest risk to DLA performance and efficiency.
2. Organization

a. Organizational Structure:

b. People:

(1) Full Time Equivalents (FTE) Authorized/Actual 47/39.
(2) Military Authorized/Actual 1/0.
(3) Authorized 47 FTEs is comprised of GS-0511 and GS-0301 Auditors, GS-1811 and GS-1810 Investigators, GS-1805 Investigative Analysts, and a GS-0341 Administrative Officer.
(4) OIG personnel are located at DLA Headquarters and each of the MSC HQ’s, including 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 two of our major facilities, San Joaquin, CA, and Tinker AFB, OK.
(5) 100% of FTEs are authorized situational telework. Approximately half of the OIG staff is also authorized recurring telework days per each pay period (up to 2 days per week).
Defense Logistics Agency
Fiscal Year 2019 Annual History

Participation Rate
DLA Goals for Individuals with Disabilities & Targeted Disabilities
Federal government workforce in SLPs reported in EEOC Annual Report for FY2010


NCLF = 2010 U.S. Census data representing persons in each of the respective demographic groups who are 16 years of age or over (except those in the armed forces) who are employed or are unemployed and seeking work.

ACRONYM GUIDE
IwTDs = Individuals with Targeted Disabilities
IWDS = Individuals with Disabilities
Blacks = Black or African American
SLPs = Senior level positions (GS-14, 15, & SES)
NCLF = National Civilian Labor Force

DLA Data Source: DCPDS As of: July 01 2019
Fed Govt Comparative Data Source: FY2010, EEOC Annual Report on the Federal Workforce, Appendix IV, Tables 2, A-1, A-3b,
c. Budget:

(1) Total Budget: $7,964,268
   (a) Labor Budget: $6,802,066
   (b) Non-Labor Budget: $1,162,202

d. Customers:

(1) Warfighters and the Armed Services.
(2) The American People (Taxpayers).
(3) The DLA Director / Vice Director.
(4) MSC and Regional Commanders.
(5) The J-Code and D-Staff Principals.
(6) Commanders and directors of DLA installations and activities worldwide.
(7) Office of DLA General Counsel (DG).

e. DLA OIG Culture Action Plan:

We were pleased with the significant improvement in our culture and climate as documented in the Denison Survey results between 2016 and 2018. We assessed the results as follows: Significant overall improvement with respect to Mission culture trait but MHA reductions impacted Strategic Direction & Intent. As a result, we implemented the following actions;

(1) Held 3-day Training Seminar course on Change Management on May 14-16, 2019.
(2) Clearly linked OIG functional area objectives and results to DLA Strategic Plan on May 16-17, 2019.
(3) Held Employee Feedback Session on Indices Less than 75 percent on May 17, 2019.
(4) Combined Investigator-Auditor activities – Cross functional teaming. (Project started May 21, 2019)
3. Function Areas and Services Provided

a. External Audit Division

The Deputy IG for External Audit (DIG External AD) oversees the External Audit Liaison Team and QA Program. The External Audit Liaison (EAL) team provides coordination and oversight of all audits performed at DLA by external audit and inspection agencies, most notably the DoD Inspector General and the Government Accountability Office (GAO). This includes the introduction of external audit teams to senior management to ensure appropriate resources is provided to the team, coordination of requirements and requests, reporting, tracking and closure of all findings and recommendations. EAL regularly report to senior management on the progress and status of ongoing external audit activities within each respective DLA organization. EAL seeks to identify emerging trends and areas of focus in the federal audit arena to better position DLA to self-assess its risks and vulnerabilities and take corrective actions on a proactive basis.

The EAL team also performs follow-up tracking and management of all audit recommendations resulting from both external and internal audit projects. The audit follow-up process provides DLA senior leadership with reasonable assurance that corrective actions from previously reported findings and recommendations are implemented in accordance with the timeline established by the responsible DLA organization, and that identified deficiencies have been corrected in a timely manner. DLA OIG Auditors and DLA management share responsibility for ensuring that actions taken correct the cited deficiency and reduce DLA’s risk of mission failure, increased costs, and vulnerabilities to fraud, waste, abuse, and mismanagement of government resources.
The DIG External AD, as an additional duty, provides the required Quality Assurance (QA) function to provide reasonable assurance that the Audit Division and its personnel comply with professional standards and regulatory requirements during the performance of their audit projects. This is accomplished through reviews of the documentation supporting completed audit and attestation engagements and the resultant reports issued.

<table>
<thead>
<tr>
<th>External Audits Supported</th>
<th>118</th>
</tr>
</thead>
<tbody>
<tr>
<td>DoD IG</td>
<td>59</td>
</tr>
<tr>
<td>GAO</td>
<td>44</td>
</tr>
<tr>
<td>Service</td>
<td>15</td>
</tr>
</tbody>
</table>

b. Audit Division:

The Deputy IG for Internal Audit (DIG Internal AD) oversees the OIG Audit Division. The DLA OIG Audit Division (AD) is the command assurance activity that performs independent internal audits, attestations, inspections, and advisory services in accordance with Generally Accepted Government Auditing Standards (GAGAS) and DoD IG requirements. The goal is to assist DLA leadership in improving efficiency, accountability, and program effectiveness, for both DLA and its customers.

The audits performed by DLA OIG AD are operational audits. DLA OIG AD does not perform financial statement audits, but can perform audits of financial processes and report on internal control, compliance with laws and regulations, and provisions of contracts and grant agreements as they relate to financial transactions, systems, and processes.

(1) Operational Audits

The audits performed by DLA OIG are operational audits. Operational audits provide conclusions based on our evaluation of evidence against stated criteria, such as specific requirements, measures, or defined business practices. Operational audits provide objective analysis so that management and those charged with governance and oversight can improve program performance and operations, reduce costs, and facilitate decision-making. Operational audits include DLA worldwide logistics and acquisition operations, to include but not limited to distribution, disposition, supply chain management, and overall DLA enterprise support. During 2019 the DLA OIG Internal Audit issued two inspection reports and one audit report. These products are summarized below.
(2) Audit of DLA Unmatched Collections and Disbursements:

We performed this management requested audit to identify significant root causes for the sample unmatched collections and disbursements, and determine if DLA has strategies in place to address the root causes. This was a collaborative audit with DFAS Internal Review.

(3) Inspection of DLA Distribution Small Arms Major End Item Rates:

Our inspection objective was to determine if documented procedures exist for calculating small arms major end item (MEI) rates, and if rate calculations are supported and communicated to the Army.

(4) NWRM:

Upon inspection, we determined personnel at selected sites were appropriately received and processed as required by appropriate regulations and instructions, although there was, as always, room for improvement. Additionally, all four of the tested depots/sites properly identified the test item as NWRM. Some small, less important, areas of non-compliance were also identified and are currently being remedied.

(6) Audit of COR Roles and Responsibilities:

The objective of these audits (conducted at the Major Subordinate Commands and the Defense Contracting Support Office locations) is to determine whether contracting officer’s representatives for service contracts perform their roles and responsibilities in accordance with regulatory guidance and procedures. Additionally, we will determine if contracting officers provide sufficient oversight of the contracting officer’s representative’s performance.

(7) Audit of COR Roles and Responsibilities for J6 Service Contracts:

This audit has the same objective as the initial COR audit; however, its scope limited to DLAJ6 Information Operations since they contract for over $1 billion is services.

(8) Audit of Disposition Services Japan Compliance with Disposal Procedures:

The objective of this management requested audit is to determine if DLA Disposition Services sites in Okinawa and Sagami comply with disposal policy and procedures.

c. Investigations Division:

The Deputy IG for Investigations (DIG ID) oversees the Investigations Division. The Investigations Division (ID) conducts preliminary and IG (administrative) investigations of matters of interest to the DLA Director, DLA senior leadership, and DLA DG. In addition, ID coordinates with, refers criminal allegations to, and assists Defense Criminal Investigative
Organizations (DCIO) such as the Defense Criminal Investigative Service (DCIS), Naval Criminal Investigative Service (NCIS), Air Force Office of Special Investigations (AFOSI), United States Army Criminal Investigations Command (USACIDC) and other federal, state and local law enforcement agencies in their investigations where DLA is a party of interest. DLA OIG ID conducts investigations where DLA has an interest and when DCIOs or other investigative agencies decline to do so. Our DLA OIG Special Agents (SA) are regionally organized (Eastern and Western), operationalized, and co-located at DLA MSC, Regional Commands, and some major DLA activities (Oklahoma City, OK, and San Joaquin, CA) in order to effectively cover the enterprise.

As part of the Quality Assurance (QA) program, The Deputy IG for ID also oversees the QA program addressing the Investigations Division (ID). Investigative activity is monitored to ensure it complies with laws, directives, instructions, policies, and agreements.

(1) Investigations:

ID provides the full range of investigative services and support throughout the enterprise. SA’s assigned to ID receive complaints of crime and misconduct directly from victims, the DLA Enterprise Hotline Program, Commanders and Directors of MSC, Regional Commands, J and D Staff, Commanders and Directors of other DLA installations and activities, and from outside agencies such as DCIS and the DoD IG. Investigations are initiated, investigative plans are submitted and approved, and coordination is maintained with DG and J1 throughout the life of the investigation. If credible information leads to the belief a crime has been committed, the appropriate DCIO, Federal Law Enforcement Agency, or State or Local Law Enforcement Agency is notified and the complaint is offered to them as a matter pertaining to their primary area of jurisdiction. If they decline, we continue the investigation and report the results. The OIG ID’s mission is to seek diligently to discover the truth, deterred neither by fear nor prejudice; identify crime conducive conditions that increase supply chain vulnerability or interfere with supporting the warfighter, and recommend solutions to reduce or eliminate the vulnerabilities; identify and eliminate fraud, waste, abuse, and mismanagement; and, assist in the protection of DLA installations, activities, personnel, supplies, and equipment.

We started the year with 209 investigative actions open. We opened 231 and closed 200 leaving 240 under investigation or pending at the end of FY 2019. For much of the year we had 12 working GS-1811-13 criminal investigators serving throughout the enterprise, supervised by two GS-1811-14 supervisory criminal investigators. The Investigations Division includes the Trade Security Controls Assessment Office discussed below and is supervised by the Deputy IG, ID, a GS-1811-15 supervisory criminal investigator. The DLA Hotline, Assistance, and Inspections programs started the FY under ID but was transferred to the new division (Operations Division) towards the end of the FY.

Our most significant investigation in FY 19 actually started in 2014 with a complaint from a concerned third party. Our IG assigned to our office in Pearl Harbor, HI,
collocated with HQ, DLA Pacific, was instrumental in resolution of this significant and complex investigation that will ultimately result in nearly 500 million dollars in fines, recoveries, and restitutions. We anticipate as much as 100 million being returned to the DLA Working Capital Fund. Not only did he receive and refer the initial complaint, but when the investigation started moving, he was a key member of the team that successfully resolved the matter. South Korea-based companies SK Energy Co. Ltd., GS Caltex Corporation, and Hanjin Transportation Co. Ltd. have agreed to plead guilty to criminal charges and pay a total of approximately $82 million in criminal fines for their involvement in a decade-long bid-rigging conspiracy that targeted contracts to supply fuel to United States Army, Navy, Marine Corps, and Air Force bases in South Korea, the Department of Justice.

(2) Trade Security Control

Our Trade Security Controls Assessment Office (TSCAO) prevents illegal acquisition or other unauthorized transfers of defense and dual-use technology goods, services and munitions by or to individuals, entities and / or countries whose interests are adversarial to the United States. Trade Security Control (TSC) helps prevent those technologies, goods, services and munitions from being exported directly or indirectly into unauthorized areas designated by the Secretary of State, the Secretary of Commerce, or the Director of Foreign Assets Control. Investigations Division IG Special Agents and analysts conduct investigations and ensure the enforcement of TSC through assessing end use certificate requests to prevent the illegal transfer of Munitions List and Commerce Control List items. These activities include performing clearance checks (Integrity / Reliability checks) and End Use Certification on bidders prior to delivery of property and performing select Post-Sale Investigations (PSI) after delivery. TSCAO will expand operations to include export controlled intellectual property (technical data) in FY 2020. This mission is to prevent unauthorized transfers of export controlled intellectual property. We were approved for five additional investigative analysts to support this mission in FY 2021 and expect to start hiring additional analysts as this mission begins before the end of CY 2019. This expanded effort on intellectual property directly supports DLA Supply Chain Security. ID conducts related investigations pertaining to the worldwide sales of surplus property by DLA Disposition Services.

TSC has seen a significant increase in J349 sales and a decrease in Disposition Services (DS) sales, which represents a major shift for us. Actual sales and assessments in TSC still remain 80-95% of our workload, though. The LESO ORI process continues and remains a substantial part of our mission. We have performed 5601 LESO ORI verifications this year. The time required per ORI is significantly less than a typical sale assessment. TSC, with the addition of a new employee, has also nearly completed our entire backlog of scanning as well and at this point we are strictly uploading. We have consistently met or kept ourselves below the 45 working day goal and our constantly trying to fix and improve DCIRS before our eventual transition to RMS. This combined with multiple initiatives, upcoming new processes and a solid three person team, TSC has had a successful 2019. Here are some statistics:

(a) Temporary Clearances, Assessed: 664 / 55 mo.
(b) Previous EUC’s entered: 681 / 57 mo.
d. Operations Division

The Deputy IG for Operations (DIG Ops) oversees the Operations Division. The DIG Ops directly supports the IG through the synchronization of key OIG mission-related functional efforts under the umbrella of investigations, audits, assistance, inspections and Hotline. The foundation of this support is the Operations Division’s administrative program that coordinates all primary staff functions across OIG related to personnel, finance, training, security, travel, taskings, records management, and general administration. The administrative program supports all OIG employees at nine CONUS and two OCONUS locations, and serves as a liaison to all DLA HQC staff elements. The DIG Ops oversees the Enterprise Hotline and Assistance Programs and is directly involved in the synchronization of the OIG Inspections Program that is executed by subject matter experts of the Audit and Investigations Divisions.

(1) Hotline

The Deputy IG for Operations oversees the DLA Enterprise Hotline Program on behalf of the Inspector General. The DLA Enterprise Hotline Program provides DLA personnel with an alternative communication mode to report suspected fraud, waste, abuse, and mismanagement without fear of reprisal. DLA Hotline complaints are received through a web portal, email, phone or fax or in person. The DLA Enterprise Hotline Program operates in accordance with DLAI 7050.01. Complaints are received, considered, coordinated as appropriate with General Counsel, and then referred to ID or to the appropriate MSC, Regional Command, D or J Staff Point of Contact (POC) for either information or action. When investigations are required in support of an action referral, an examining official is appointed. Completion Reports are received and reviewed by the Hotline Program Manager (PM) before distribution, if required. The DLA Hotline PM acts as the liaison with the Defense Hotline Program. In FY 2019, the hotline processed and resolved 206 complaints, 144 from the DLA Hotline and 62 referrals from DoD IG Hotline.

(2) Assistance

The Deputy IG for Operations also oversees the DLA Assistance Program. Personnel requiring assistance can make direct requests to any DLA OIG employee assigned IG duties, through the DLA Enterprise Hotline program. Anyone may request assistance of the DLA OIG, and the assistance function is a tool that the DLA Inspector General uses to provide DLA employees and stakeholders a resource for determining the best solution to any challenge that
they may face. The purpose of the Assistance function is to help resolve issues for DLA employees and stakeholders so they can focus on their assigned mission of support to our nation’s Warfighters, and to resolve issues that interfere with performance or resiliency.

(3) Inspections

The Deputy IG for Operations is directly involved in the synchronization of the OIG Inspections Program that is executed by subject matter experts of the Audit and Investigations Divisions. As part of our informal inspection process, OIG conducts IG reviews (investigations and audits) that facilitate a DLA work environment and culture that is both healthy and balanced for employees. The DIG Ops synchronizes these efforts gaining support of Audit Division and Investigative Division as necessary. OIG supports the agency management review process as part of our formal inspection process.
MEMORANDUM FOR THE DLA HISTORIAN

SUBJECT: Submission of the DLA Intelligence FY19 Annual History Report

Fiscal Year 19 was another banner year for DLA Intelligence. Our Security Division worked diligently to establish and strengthen partnerships to influence effective workflow. It also saw a rise in workload while sustaining a reduction in employees. Our Intelligence Division provided enterprise-wide intelligence support to ensure DLA decision-makers received the needed intelligence to make timely and informed decisions. Our Special Programs Office provided classified and sensitive support to the Military Services, other DoD components, Executive Branch agencies of the Federal Government, and non DoD and Federal Departments and Agencies.

As you read through the attached Annual History Report, you will have a better understanding of the important programs within DLA Intelligence and the support we provide the DLA enterprise-wide. Through our historical narrative, you will note the support we provide to the focus areas in the DLA Strategic Plan is not limited to those we are the OPR in the People & Culture Plan, but to each focus area in the DLA Strategic Plan, and the new initiatives we introduced during the FY.

It is a good read!

Attachment:
1 – Annual History Report
1. Introduction:

   a. DLA Intelligence (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), to ensure DLA decision-makers:

      (1) Are aware of the sensitive international factors impacting current and potential support requirements;
      (2) Are informed of foreign intelligence entity collection operations targeting DLA equities worldwide;
      (3) Have awareness of foreign threat activity occurring wherever the DLA footprint resides;
      (4) Have confidence DLA personnel have received adequate training, security clearances, and security awareness to ensure unclassified and classified information is protected from compromise; and
      (5) Are equipped to detect, deter, and mitigate potential risks posed by trusted insiders to DLA networks, personnel, facilities, and operations.

   b. DLA Intelligence plays a support role in the DLA Strategic Focus Areas of Warfighter First, Global Posture, Strong Partnerships, Whole of Government, and Always Accountable by:

      (1) Augmenting DLA’s Enterprise awareness of the sensitive international factors impacting current and potential support requirements;
      (2) Focusing on implementing risk mitigation strategies; and,
      (3) Creating a more highly skilled, diverse, agile, proactive, responsive, and trained intelligence and security workforce that is complementary to the overall mission, goals and objectives of DLA.

   c. In FY19, DI’s Security Division worked diligently to establish and strengthen partnerships to influence effective workflow. Further, the Security Division saw a rise in workload while sustaining a reduction in employees. Accomplishments included:

      (1) Assisting J1 (DHRS Columbus) in decreasing their unacceptable cases submitted to OPM by 8% through focused training on the completion of the Electronic Questionnaires for Investigations Processing (e-QIP) system;
      (2) Assisting MSCs with coordinated OPSEC Assessments by the Joint Staff OPSEC Support Element (JOSE) and worked with Major Subordinate Command (MSC)
personnel to close gaps identified during assessments; conducted assessments on each MSC and
three Depot level activities;

(3) Serving as principal advisor to the J1 for security clearance issues during
monthly “Hot Topics” meetings;

(4) Enhancing timeliness rate and quality of submission on e-QIP submitted to
OPM through process change; timeliness up 8% from FY 17, measured at 68% for this FY with a
DLA goal of 70%; submitted over 7107 background investigation requests with only 100
deemed unacceptable, well below the 5% target established by OPM;

(5) Serving as key advisor to the J1 led position sensitivity validation. Worked
with dozens of hiring officials on use of position designation tool; assisted Enterprise Position
Description (PD) owners in determining sensitivity level and upgrading security clearance
investigations for over 1123 people assigned to three separate PDs;

(6) Training Personnel Security specialists in making suitability determinations on
personnel requiring unescorted access or information technology access. Formal training allows
personnel to conduct Due Process for suitability issue cases sent down by the DoD Consolidated
Adjudication Facility (CAF);

(7) Improving oversight of security programs through partnership with J3 and
Installation Support during Agency Management Reviews (AMRs). Took ownership of the
process to approve space for classified use and discussion; significantly reduced the timeliness of
approvals over the past quarter; and, integrated J6 Information Assurance and COMSEC
programs into approval process for faster provisioning of equipment to process classified
material;

(8) Publishing updates to several SOPs designed to reduce administrative burden
on specialists. Updates approved and implemented in suitability, due process case processing,
and the formal memorandums for access suspension;

(9) Implementing the Defense Information System for Security (DISS) on
schedule with the DoD roll-out;

(10) Reaching IOC on a new internal security application which takes the place of
two antiquated applications, about 60% functionality received from requirements documents;

(11) Promulgating new policy in PERSEC, OPSEC, and INFOSEC;

(12) Updating security clearance and background investigations on employees
whose position sensitivity changed or their last investigation is not valid for the current eligibility
and position sensitivity;

(13) Implementing an approval process for areas to process classified material
outside secure spaces with assistance from J6 and DM;

(14) Leading discussion into whether DLA requires a NATO Sub-registry and a
NATO certification for the local SIPRNet enclave;

(15) Coordinating with J6 in developing a process to reduce the number of
personnel delinquent in completing Derivative Classifier training. Effective Sept 1, 2019
delinquent personnel will be notified that their SIPRnet account will be disabled within a
specific time if the training is not completed as required. J6 will also provide DI with a daily
SIPRnet account roster to ensure the Derivative Classifier training is assigned to new SIPRnet
account holders via LMS;
(16) Working with MSCs having Local Nationals (LN)s on their roles. DI Battle Creek worked with DLA Disposition Services J5 to review 11 AMPS roles that had been historically accessed by DLA Disposition Services LN s assigned to DLA Europe/Africa and DLA Indo-Pacific. DI Battle Creek proposed solutions (reviewing current IT2 roles to see if they were in fact IT2; proposed establishing a secondary/tertiary role from the IT2 roles that could be IT3 for the LN s to access). The timeline established by DLA Disposition Services leadership did not allow either of these proposals to be vetted. DLA Disposition Services leadership requested a waiver until the two proposals could be validated. DI Battle Creek coordinated with DLA Disposition Services J5 on the waiver and DLA J3 approved the waiver;

(17) Participating in the OUSD Working Group in reviewing Job Analysis received from department OPSEC PM, Coordinators, and Officers resulting in establishing program criticality of tasks. Participation was by the DI Battle Creek INFOSEC/OPSEC PM;

(18) Participating in the Defense Security Service (DSS) Exam Developer Item Writing update for Physical Security Certification and updating the Certification Renewal Form. Participation was by the DI Battle Creek INFOSEC/OPSEC PM; and

(19) Assessing six J67 Document Services classified production operations for compliance with security policies.

d. In FY19, DI’s Intelligence Division continued to provide Enterprise-wide intelligence support to ensure DLA decision-makers received the needed intelligence to make timely and informed decisions. Accomplishments included:

(1) Updating the format for all current intelligence briefings and written products to ensure global situational awareness, better readability, and reduced redundancy;

(2) Enhancing overall Agency situational awareness by coordinating all Global Update intelligence briefings with relevant stakeholders;

(3) Reviewing the DLA Director’s Priority Intelligence Requirements (PIRs) to include short, mid, and long-range requirements;

(4) Streamlining/modernizing intelligence procedures and applications to offset reduction in manpower;

(5) Ensuring broader Agency CI awareness by increasing the frequency of CI Awareness Training to all newcomer in-processing days;

(6) Developing a comprehensive CI strategy to provide CI support to the Agency’s Supply Chain Security Strategy;

(7) Partnering with the USTRANSCOM Foreign Entity Vetting (FEV) team to explore opportunities to collaborate and build organic capability for providing CI support to DLA supply chains;

(8) Assisting the DLA Foreign Visit Program Coordinator by conducting CI checks on all foreign visitors to the DLA enterprise;
(9) Ensuring MSC and RC leadership was appraised of the local CI threat by conducting liaison with pertinent CI services in an effort to include DLA as part of all future Service CI Threat Assessments;

(10) Ensuring the Agency was appraised of potential CI threats through foreign travel CI pre-briefs and debriefs of DLA travelers;

(11) Drafting and staffing a CI Policy Issuance in an effort to provide grounded and consistent guidance on all matters related to CI issues;

(12) Drafting and staffing a DLA CI Program Policy Memorandum for the DLA Director’s endorsement and signature;

(13) Enrolling and graduating two division members from the Joint CI Training Academy’s (JCITA) CI Research, Development & Acquisition (CIRDA) course;

(14) Serving as the principal advisor to the DLA Chief of Staff for CI and Insider Threat issues during bi-weekly updates;

(15) Serving as the principal advisor to the J1 for Insider Threat issues during monthly “Hot Topics” meetings;

(16) Continuing to educate the workforce on the Insider Threat program (within MSCs and RCs) by briefing leadership and supervisors on the criticality of timely reporting, the insider threat inquiry process, and insider threat behavioral indicators;

(17) Drafting and staffing a DLA Insider Threat Program Policy Memorandum for the DLA Director’s endorsement and signature; and

(18) Enrolling three division members into required training in the National Insider Threat Task Force (NITTF) HUB Operations Course.

e. In FY19, DI’s Special Programs Office continued to provide classified and sensitive support to the Military Services, other DoD components, Executive Branch agencies of the Federal Government, and non DoD and Federal Departments and Agencies. Accomplishments included:

(1) Increasing DLA’s “whole of government” services through sales purchases and services, supporting the Director’s Strategic Plan.

(2) Reducing aged receivables significantly by training and partnering with the customers and DFAS on financial processes; developing and sharing tailored instructions on payments procedures; and, incorporating new G-invoicing requirements.

(3) Coordinating with DLA Energy and Fuel Purchase Agreement group to shorten the processing time for customer; and, providing the customer with easy-to-use templates to ensure accuracy and first-time approvals, improving turnaround times by 50% or more.

(4) Leading and/or hosting multiple meetings with various customers to field new requirements, discussing unique issues to ensure their anonymity and mission success, and presenting DLA capabilities and concerns to safeguard DLA’s mission and relationships.
2. Organization:

Key Personnel:

Key DI personnel include the Director, Stephanie Samergedes (March 2010-present); Deputy, Adrian Clay (March 2010-present); Security Division Chief, Tim Sullivan (2015-present); Intelligence Division Chief, David Lovejoy (January 2019-present); and Special Programs Manager, Linda Uehling (2010-present).

4. Total Personnel:

a. We are in the midst of personnel reductions due to MHA cuts. We currently have 43 positions, with three reservists and two positions OPCON’d from J6. We have three required MHA reductions for FY19. Positions taken were Personnel Security positions in Ohio and Philadelphia, thus far.

b. We were also fortunate enough to welcome some Mr. David Lovejoy, Chief, Intelligence Division. We have no contractor employees.

c. In the Intelligence Division, we welcomed two new CI/Insider Threat positions in FY19, one of which is currently filled and one is the Intelligence Division Chief (Mr. David Lovejoy).

5. Historical Narrative:

a. DI Operations
(1) Conducted quarterly VTC (Oct 2018; Feb 2019; July 2019) to update all personnel on new developments within DLA and to understand issues DI personnel may be having (alternate VTCs, one with HQC leading, the other with field personnel leading).

(2) Established culture climate working group to address issues identified during culture/climate survey and develop action plan to resolve problems. Working group is now year-round.

(3) DI Director is conducting sensing sessions with all employees to gauge the atmosphere of the organization and gather perspectives and identify concerns with climate and culture.

(4) Produced weekly FRIDAY NOTES to communicate directly with the staff (both at HQC and the field). Used this tool to apprise staff of new policy, reiteration of current policies, issues, force protection/ security/safety concerns, and to espouse teamwork and DLA values.

(5) Used DLA rotation program to train non-intelligence personnel in intelligence. Individuals (we requested one for FY19) learn and are able to provide assistance with development of intelligence products. (Win-win for both sides).

(6) Published quarterly DLA Intelligence Newsletter alerting DLA Enterprise of security and intelligence items of interest.

b. Security Division Operations

(1) New Customers: DSCA; DHRA (expanded support).

(a) DI is currently supporting almost 5K in personnel from other Defense Agencies with only one FTE assigned permanently. DI is working towards hiring a second FTE to handle reimbursable organizations.

(2) OPSEC Developments: Dashboard Review; OPSEC Assessments of Supply Chains; OPSEC assessments of Depots.

(a) The USDI provided the DLA Dashboard with a favorable review for classification management and process. DI continues to partner with the Joint OPSEC Support Element (JOSE) to assess specific supply chains utilizing open source activity reviews (OSRAs).

(b) Supported DLA Energy with OPSEC reviews of all presentation prior to their Fuels conference. Provided expert recommendations to keep sensitive information from being discussed with unauthorized personnel.

(3) PERSEC Developments:

(a) Continuous Evaluation implemented for DLA, impacts 16K personnel; Position Designation Review completed, processed 850 of 1200 new security clearances resulting from position re-designation.
Continued focus on mitigating issues during security clearance processing resulted in a 40% reduction in adverse security clearance actions. Keeps Agency personnel in access and working vice having access suspended and work redistributed.

(4) INFOSEC Developments:

(a) Highlighted security violation concerns; wrote policy memo on mobile devices in DLA meetings; wrote Director’s policy memo on security and information protection; and, received clean opinion on information protection on the Director’s dashboard from USDI.

(b) Identified and implemented a process in coordination with J6 to identify personnel required to take annual Derivative Classification training. New process ensures personnel comply with DoD mandate and J6 has appropriate oversight over SIPRNet accounts.


(a) Published several articles on maintaining security clearance eligibility.

(b) Developed new annual training which incorporates 5 mandatory training events into a single module for employees. Test out option before taking module will allow employee to bypass training if they score 100% on knowledge test questions. J1 continues to develop program for implementation in FY 20.

(6) Industrial Security Developments:

(a) Developed training for product specialists on requirements for vendors to handle covered defense information, a subset of sensitive information. Training commenced with over 200 product specialists briefed.

(c) Intelligence Division Operations

(1) New Customers: DLA Troop Support Commander/Senior Staff (intelligence briefings, 3/week); Expansion to Insider Threat Population/Program.

(2) Current Intelligence Developments: Improved Global Update briefing format; Intelligence brief moved to the front of the daily Global Update; Improved INTSUM format; TOP SECRET Intelligence Book for senior DLA leaders.

(3) Counterintelligence (CI) Developments: DLA Director’s Counterintelligence Policy Memo; Increased CI Awareness Training; CI Support to Foreign Visit Program; Pre-brief/De-brief of DLA employees on foreign travel; CI Inquiries; Military Department CI
(4) Insider Threat Developments: DLA Director’s Insider Threat Program Policy Memo; Insider Threat Awareness Training, Supervisor Training, and Command Briefs; Insider Threat Working Group Meetings; DoD Insider Threat Management and Analysis Center (DITMAC) seminars; Mission Assurance Working Group member; PAO engagement.

(5) Keeping the workforce informed: Health of the Agency; DI Newsletters; PAO outreach; increased training of new DLA employees.

d. DOD Intelligence Oversight (IO) Inspection

(1) DLA Intelligence continues to have a strong Intelligence Oversight program. The appointed IO Officers perform their responsibilities for ensuring all DLA Intelligence personnel receive annual IO training and reporting any intelligence questionable activities.

(a) No questionable activities were reported or observed during this historical period.

(b) There have been no questionable intelligence activities reported or observed for CY2018/2019 period.

(c) DLA’s IO representative verified that (100%) of personnel assigned to DLA Intelligence have received all required IO training IAW DoDM 5240.01.

(2) IO Program Developments: DLA Intelligence is in receipt of a draft classified report from the CMO regarding the IO inspection conducted a few months ago. However, it has some factually incorrect items and, as a result, DI is working with General Counsel and DLA OIG on how to respond to each of the findings and observations.

e. Counterintelligence (CI) CYBER

(1) DI in coordination with J6 continues to lead the way in CI Cyber operations with one of two OPCON’d CI Cyber Program Analysts. This CI Cyber Analyst continues to be the Agency Subject Matter Expert providing CI Cyber support to internal and senior agency officials. This analyst provides timely leads to other analytical groups within the Intelligence Community within 24 hours of receipt that may assist or provide additional resources/assets to establish DLA’s integration into the cyberspace focused DoD community.

(a) He discovered multiple items of security concern and new threat vectors that could potentially impact DLA operations. He always sent out notifications of these vulnerabilities within 24 hours upon discovery, and in most cases, he delivered follow-on assessments within 48 hours from the original notification.

(b) His proactive threat hunting led to discovery that there was a corporation tracking multiple DLA users in an effort to de-anonymize their web traffic. The company was compiling the information to personally identify the users and their browsing habits, social media, and physical addresses. CI Cyber was able to identify the targeted DLA
members and mitigate the company's efforts. He also passed this threat information up to USCYBERCOM for their consideration for blocking.

(c) He educated leadership on the ever evolving cyber threat by conducting multiple briefings to senior leadership, training DLA civilians and contractors, and communicating national threat items to a wide variety of personnel. He is frequently praised for providing enlightening and information rich material in a concise manner.

(d) He completed extensive research and sampling project on CAC card vulnerabilities to ensure that DLA's CAC cards did not contain an inferior encryption scheme that some CAC cards had at the time; during this project he coordinated with USCYBERCOM and other components on research and final findings. USCYBERCOM released a DoD wide notification about 48 hours after our CI Cyber Analyst notified them of the potential vulnerability.

f. Sensitive Support Operations

(1) Led the initiative to work the aged receivables (outstanding) bills directly with the sensitive support customers and financial team. Met with DFAS and DLA J8 to identify how the customer was submitting the payments incorrectly. Determined best method for non-DoD customers to pay via IPAC. Developed step-by-step instructions on how to fill out system fields so payments are processed in the right DFAS office; included in SOP/continuity book. Result: Aged receivables for this customer reduced significantly; fuel bills are in current FY only and other DLA support and services are almost completely cleared.

(2) Coordinated with a DLA office to provide shipments for a customer; provided written instructions to both parties, and tested procedures to ensure proper communication (results were very successful).

(3) Coordinated with DLA Energy and Fuel Purchase Agreement group to shorten the processing time for customer; provided the customer with easy-to-use templates to ensure accuracy and first-time approvals, improving turnaround times by 50% or more.

(4) Formulated a system to track fuel purchase agreements to ensure updates are completed prior to the expiration date; this best practice process has given the customers time to submit the paperwork with no break in mission requirements.

6. New Initiatives

a. Training. Consolidating four separate annual training briefings into one briefing with four modules, test opt-out also available. Pending J1 creation. Scripts and pre-tests written by SMEs and approved by Division Chief.

b. Agency Management Reviews (AMRs). Conducted AMRs on Disposition Services, DLA Energy, and DLA Aviation. Expanded assessments to include all DLA activities (J6, other MSCs located at site) to save on multiple TDYs to assess DLA activities.

c. Increased CI Awareness Training to new employees during all DLA Onboarding days.
d. Incorporated face-to-face Insider Threat Awareness training for Supervisors into the DLA enterprise.

e. Developed a CI Strategy designed to provide CI support to DLA’s new Supply Chain Security Strategy.

f. Developed a DLA World View briefing slide that gives the DLA Director and senior staff an increased global situational awareness of issues relevant to DLA.

7. DI Enterprise-wide

a. Troop Support: Sensitive Compartmented Information Facility (SCIF) and open storage certification of newly constructed facility; JOSE Assessment of subsistence supply chain.

b. Aviation: SCIF planning, AMR completed. Identified significant deficiencies within or adjacent to locations where classified material can be discussed or projected over VTC. Provided mitigation to ensure classified and sensitive were protected.

c. Land and Maritime: SCIF accredited; SCI LAN installed and operational.

d. Distribution: SCIF accredited.

e. Energy: JOSE Open Source Assessment completed on Fuels supply chain.

f. Disposition Services: Assisted with proposal to destroy Special Access Programs (SAP) IT at request of DoD CIO.

8. Final Comments

a. We will continue holding quarterly Operating Plan (OP) reviews with the DI staff to help us remain on track to achieve our goals, which align with those of the Agency. We will monitor progress throughout the year and update the DI OP with new requirements and metrics. We will assess accomplishments at the end of the fiscal year and use those results to develop the follow-on DI OP for fiscal years 20-21.
MEMORANDUM FOR COMMAND HISTORIAN

SUBJECT: Office of Legislative Affairs (DL) Fiscal Year 2019 History

I have reviewed DL’s submission which chronicles the Defense Logistics Agency’s congressional and legislative history for fiscal year 2019. Please accept this as my endorsement.

You may contact me with any questions at 571-767-6150 or robert.wimple@dlamil.

ROBERT T. WIMPLE
Director
Legislative Affairs

Attachment: DLA Office of Legislative Affairs (DL) FY 2019 History
1. Introduction

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 members and Field Activities 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 Field Activities. Each legislative specialist is responsible for all congressional actions related to their specific portfolios. This includes congressional inquiries, Hill engagements (meetings/briefings) and hearing support. Congressional support is centralized within DL. The Field Activities, except Troop Support, have no dedicated legislative affairs specialists assigned to their organizations. However, there are designated legislative points of contact at each Field Activity who reside within either the General Counsel offices or the Command support staff group.

2. Organization

![Organizational Chart]

3. Key Personnel

The DL staff is comprised of seven full time employees; no contract staff. There are two GS-13, Legislative Affairs Specialist’s, tasked with direct legislative activity; 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. The Legislative Affairs Specialists directly support the Legislative Director and Deputy, and their Director’s Staff Group (DSG), MSC, J-Code, and D-Staff customers.

4. Historical Narrative

a. OSD Efficiencies Initiative

On January 13, 2013, as a result of the OSD Efficiencies Initiative, the DL Deputy Director, Mr. 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.

b. Congressional Engagements

In 2019 the Legislative Affairs office conducted in excess of 3K Congressional engagements. Specifically:

(as of October 17, 2019)

(1) 0210 – Congressional Inquiries
(2) 0007 – Congressional Reports
(3) 0000 – Hearings
(4) 0032 – Briefings/Meetings/Telecons
(5) 0004 – Budget Briefings
(6) 1059 – Contract Announcements
(7) 0014 – Congressional MILCON Notifications
(8) 2880 – Direct requests for information (calls, emails, faxes, etc)

c. Reports to Congress

DLA wrote or contributed to Congressional Reporting Requirements for the Congressional Defense Oversight Committees. See table below.
d. Fiscal Year (FY) 19 Budget

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DL had a budget of approximately $896K. The majority of the budget is labor ($861K), followed by the only DL contract for Congressional Quarterly ($60K) for information and research services. The contract was shared with J8, J3, and J7. The next largest DL expense is supplies ($9K), and the remainder was absorbed by training.

e. FY19 National Defense Authorization Act

(1) Coverage

The Conference Agreement on HR 5515, National Defense Authorization Act for FY 2019 authorizes $717.1 billion for the Pentagon and defense-related programs, $16 billion more than FY 2018 authorized level and 1.2 billion less than the president’s overall request. The total includes $639.1 billion for the Pentagon’s base, non-war budget that is subject to spending caps and $69 billion for uncapped Overseas Contingency Operations (OCO) to support operations in Afghanistan, the fight against the Islamic State, and the general war on terrorism. It includes a large increase in funding for nuclear weapons, including funds for a controversial new “low-yield” nuclear warhead, as well as additional funding for more ships, planes and armored vehicles.

(2) DLA Specific/Direct Impact Language Included:

**SEC. 356. NOTIFICATION REQUIREMENTS RELATING TO CHANGES TO UNIFORM OF MEMBERS OF THE UNIFORMED SERVICES.**

(a) DLA NOTIFICATION.—The Secretary of a military department shall notify the Commander of the Defense Logistics Agency of any plan to implement a change to any uniform or uniform component of a member of the uniformed services. Such notification shall be made not less than three years prior to the implementation of such change.

(b) CONTRACTOR NOTIFICATION.—The Commander of the Defense Logistics Agency shall notify a contractor when one of the uniformed services plans to make a change to a uniform component that is provided by that contractor. Such a notification shall be made not less than 12 months prior to any announcement of a public solicitation for the manufacture of the new uniform component.

(c) WAIVER.—If the Secretary of a military department or the Commander of the Defense Logistics Agency determines that the notification requirement under subsection (a) would adversely affect operational safety, force protection, or the national security interests of the United States, the Secretary or the Commander may waive such requirement.

**SEC. 871. PROHIBITION ON ACQUISITION OF SENSITIVE MATERIALS FROM NON-ALLIED FOREIGN NATIONS.**
(a) IN GENERAL.—Subchapter V of chapter 148 of title 10, United States Code, is amended by inserting after section 2533b the following new section:

"§ 2533c. Prohibition on acquisition of sensitive materials from non-allied foreign nations

"(a) IN GENERAL.—Except as provided in subsection (c), the Secretary of Defense may not—

"(1) procure any covered material melted or produced in any covered nation, or any end item that contains a covered material manufactured in any covered nation, except as provided by subsection (c); or

"(2) sell any covered material from the National Defense Stockpile, if the National Defense Stockpile Manager determines that such a sale is not in the national interests of the United States, to—

"(A) any covered nation; or

"(B) any third party that the Secretary reasonably believes is acting as a broker or agent for a covered nation or an entity in a covered nation.

"(b) APPLICABILITY.—Subsection (a) shall apply to prime contracts and subcontracts at any tier.

"(c) EXCEPTIONS.—Subsection (a) does not apply under the following circumstances:

"(1) If the Secretary of Defense determines that covered materials of satisfactory quality and quantity, in the required form, cannot be procured as and when needed at a reasonable price.

"(2) To the procurement of an end item described in subsection (a)(1) or the sale of any covered material described under subsection (a)(1) by the Secretary outside of the United States for use outside of the United States.

"(3) To the purchase by the Secretary of an end item containing a covered material that is—

"(A) a commercially available off-the-shelf item (as defined in section 104 of title 41),

"(B) a neodymium-iron-boron magnet manufactured from recycled material if the milling of the recycled material and sintering of the final magnet takes place in the United States.

"(d) DEFINITIONS.—In this section:

"(1) COVERED MATERIAL.—The term 'covered material' means—

"(A) samarium-cobalt magnets;

"(B) neodymium-iron-boron magnets;

"(C) tungsten metal powder; and

"(D) tungsten heavy alloy or any finished or semi-finished component containing tungsten heavy alloy.

"(2) COVERED NATION.—The term 'covered nation’ means—

"(A) the Democratic People’s Republic of North Korea;

"(B) the People’s Republic of China;

"(C) the Russian Federation; and

"(D) the Islamic Republic of Iran.

"(3) END ITEM.—The term 'end item’ has the meaning given in section 2533b(m) of this title.’’.

(b) CLERICAL AMENDMENT.—The table of contents at the beginning of such subchapter is amended by inserting after the item relating to section 2533b the following item:
‘‘2533c. Prohibition on acquisition of sensitive materials from non-allied foreign nations.’’

**SEC. 623. AUTHORITY TO AWARD DAMAGED PERSONAL PROTECTIVE EQUIPMENT TO MEMBERS SEPARATING FROM THE ARMED FORCES AND VETERANS AS MEMENTOS OF MILITARY SERVICE.**

(a) **IN GENERAL.**—Chapter 152 of title 10, United States Code, is amended by adding at the end the following new section:

§ 2568a. Damaged personal protective equipment: award to members separating from the Armed Forces and veterans

‘‘(a) **IN GENERAL.**—The Secretary of a military department, acting through a disposition service distribution center of the Defense Logistics Agency, may award to a covered individual the demilitarized PPE of that covered individual. The award of PPE under this section shall be without cost to the covered individual.

‘‘(b) **DEFINITIONS.**—In this section:

‘‘(1) The term ‘covered individual’ means—

‘‘(A) a member of the armed forces—

‘‘(i) under the jurisdiction of the Secretary concerned; and

‘‘(ii) who is separating from the armed forces; or

‘‘(B) a veteran who was under the jurisdiction of the Secretary concerned while a member of the armed forces.

‘‘(2) The term ‘PPE’ means personal protective equipment that was damaged in combat or otherwise—

‘‘(A) during the deployment of a covered individual; and

‘‘(B) after September 11, 2001.’’.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 152 of such title is amended by adding at the end the following new item:

‘‘2568a. Damaged personal protective equipment: award to members separating from the armed forces and veterans.’’.

**Joint Explanatory Statement (JES)**

**Amendment to and repeal of statutory requirements for certain positions or offices in the Department of Defense (sec. 811)**

The bill contained a provision (sec. 811) that would amend or repeal a number of statutory requirements for certain Department of Defense positions or offices established or required by law, and would establish a sunset for one statutory designation.

(d) **REPEAL OF STATUTORY REQUIREMENT FOR DEFENSE LOGISTICS AGENCY ADVOCATE FOR COMPETITION.**—

**JES**

**Authorization for payment of certain costs relating to procurement technical assistance centers (sec. 859)**

The House bill contained a provision (sec. 862) that would authorize Procurement Technical Assistance Centers (PTACs) to form an association to pursue matters of common concern, and direct the Secretary of Defense to recognize a PTAC association with a membership of the
majority of PTACs. **BRIEFING.**—Not later than six months after the date of the enactment of this Act, the Director of the Defense Logistics Agency shall brief the congressional defense committees on the recognition or lack of recognition by the Department of Defense of procurement technical assistance center associations and the rationale for the recognition or lack of recognition, including a discussion of whether the Department needs authority to recognize such associations.

The Senate recedes with an amendment that would direct the Director of the Defense Logistics Agency to brief the congressional defense committees on the potential utility of PTAC associations, and expands the use of authorized funds to include coordination activities among PTACs.

**SEC. 869. IMPLEMENTATION OF PILOT PROGRAM TO USE AGILE OR ITERATIVE DEVELOPMENT METHODS REQUIRED UNDER SECTION 873 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2018.**

(a) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the Secretary of Defense shall include the following systems in the pilot program to use agile or iterative development methods pursuant to section 873 of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115–91; 10 U.S.C. 2223a note):

3. Army Contract Writing System (ACWS), Army.
5. Item Master, Air Force.

(c) **COMMUNITY OF PRACTICE ADVISING ON AGILE OR ITERATIVE DEVELOPMENT.**—The Under Secretary of Defense for Acquisition and Sustainment shall establish a Community of Practice on agile or iterative methods so that programs that have been incorporating agile or iterative methods can share with programs participating in the pilot the lessons learned, best practices, and recommendations for improvements to acquisition and supporting processes. The conferees expect the Department to attend to compliance with Section 873 of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115–91). The conferees note that the adoption of agile or iterative methods remains a challenge for the Department of Defense, despite the fact that delivery of increments of useful capability no less frequently than every six months is not only a best practice for software-intensive systems but is also a government-wide requirement for such systems.

**SEC. 858. FUNDING FOR PROCUREMENT TECHNICAL ASSISTANCE PROGRAM.**

(a) **AMOUNT OF ASSISTANCE FROM SECRETARY.**—Section 2413(b) of title 10, United States Code, is amended—

1. by striking ‘‘not more than 65 percent’’ and inserting ‘‘not more than 75 percent’’; and
(2) in paragraph (1), by striking ‘‘more than 65 percent, but not more than 75 percent’’ and inserting ‘‘more than 75 percent, but not more than 85 percent’’.

(b) FUNDING FOR ELIGIBLE ENTITIES.—Section 2414(a) of such title is amended—
(1) in paragraph (1), by striking ‘‘$750,000’’ and inserting ‘‘$1,000,000’’;
(2) in paragraph (2), by striking ‘‘$450,000’’ and inserting ‘‘$750,000’’;
(3) in paragraph (3), by striking ‘‘$300,000’’ and inserting ‘‘$450,000’’; and
(4) in paragraph (4), by striking ‘‘$750,000’’ and inserting ‘‘$1,000,000’’.

JES
Funding for procurement technical assistance program (sec. 858)
The House bill contained a provision (sec. 859) that would amend section 2413(b) of title 10, United States Code, to provide Procurement Technical Assistance Centers (PTACs) the resources necessary to conduct greater outreach and provide expanded support to small businesses. This section would increase the funding caps for PTACs operating on statewide, less than statewide, and eligible tribal locations. This section would also adjust the percentage of Federal funding for PTACs to 75 percent from 65 percent, and would adjust the community contribution to 25 percent from 35 percent.

f. FY19 Legislative Proposals

DLA submitted three legislative proposals for inclusion in the President’s FY19 Budget Request to Congress. They would (1) authorize acquisitions for the National Defense Stockpile (NDS); would (2) amend the Strategic and Critical Materials Stock Piling Act to provide greater flexibility in the management of the National Defense Stockpile (NDS) by granting exemptions to congressional notification and reporting requirements before acquisition of small scale material buys of less than or equal to $10 million; and (3) combine two annual reporting requirements of the Stock Piling Act into one report.

g. FY19 Consolidated Appropriations Act, P.L. 116-6


h. FY19 Budget Briefings

DLA started the 2013 Congressional Year with the FY2014 defense budget briefings after the President’s Budget release to Congress on April 10, 2013.

i. DLA Issues of Congressional Interest

A number of DLA issues gained Congressional interest in 2019. A snapshot of the significant meetings and briefings are listed below.
<table>
<thead>
<tr>
<th>Org</th>
<th>Type</th>
<th>Date</th>
<th>Subject</th>
<th>Attendees</th>
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<tr>
<td>DLA Small Business</td>
<td>Briefing</td>
<td>2/15/2019</td>
<td>FY19 NDAA Conference Report - H.Rept. 115-874 (Sec.859) - Briefing on Authorization for Payment of Certain Costs Relating to Procurement Technical Assistance Centers</td>
<td>House Armed Services Committee</td>
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<tr>
<td>DLA Energy</td>
<td>Briefing</td>
<td>1/16/2019</td>
<td>ACSA Agreements/Fuel Billing and Collection Issues</td>
<td>Senate Armed Services Committee</td>
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<td>DLA Logistics Operations (J-3)</td>
<td>Briefing</td>
<td>1/11/2019</td>
<td>Briefing - DLA 101 to SASC</td>
<td>Senate Armed Services Committee</td>
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<td>DLA Strategic Materials</td>
<td>Briefing</td>
<td>1/22/2019</td>
<td>Rare Earth Elements Update</td>
<td>House Armed Services Committee</td>
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<tr>
<td>DLA HQ Legislative Affairs</td>
<td>Meeting</td>
<td>4/1/2019</td>
<td>HASC SASC Staffer Day at DLA HQC</td>
<td>House &amp; Senate Armed Services Committees</td>
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<tr>
<td>DLA Finance (J8)</td>
<td>Meeting</td>
<td>5/17/2019</td>
<td>DLA Audit update</td>
<td>Senate Finance Committee</td>
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<tr>
<td>DLA Troop Support</td>
<td>Meeting</td>
<td>2/26/2019</td>
<td>Supplycore and Troop Support's MRO Japan/Korea Acquisition</td>
<td>Reps Adam Kinzinger (R-IL-16) and Cheri Bustos (D-IL-17) (R-OH)</td>
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<tr>
<td>DLA Distribution</td>
<td>MSC Congressional Visit</td>
<td>2/13/2019</td>
<td>Site Visit - Pennsylvania Lt Governor John Fetterman Visit to DLA Distribution HQ</td>
<td>Pennsylvania Lieutenant Governor John Fetterman</td>
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<td>DLA Troop Support</td>
<td>Briefing</td>
<td>10/8/2019</td>
<td>Breifing - DLA Support to Veterans Affairs (VA) for Medical Surgical</td>
<td>House and Senate VA Committee</td>
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<tr>
<td>DLA Strategic Materials</td>
<td>Meeting</td>
<td>9/25/2019</td>
<td>Meeting - Noranda Chemical (Rare Earth Metals)</td>
<td>Rep Garrett Graves</td>
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<td>DLA Distribution</td>
<td>MSC Congressional Visit</td>
<td>7/8/2019</td>
<td>Site Visit - Defense Distribution Center, New Cumberland - Local Health Clinic Operations</td>
<td>Rep Scott Perry (R-PA-10)</td>
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<td>DLA Energy</td>
<td>Teleconference</td>
<td>3/21/2019</td>
<td>SASC Teleconference - Follow-up ACSA Way Ahead</td>
<td>Senate Armed Services Committee</td>
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<td>DLA Troop Support</td>
<td>Teleconference</td>
<td>6/12/2019</td>
<td>State Minimum Wage Laws and Small Business Contracting</td>
<td>Rep Mike Bost (R-IL-12)</td>
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<td>DLA Logistics Operations (J-3)</td>
<td>Teleconference</td>
<td>5/1/2019</td>
<td>Teleconference - F-35 Program Legislative Proposal</td>
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<td>5/14/2019</td>
<td>Teleconference - POGO Article: Demil of Humvees - Ground Vehicles</td>
<td>Senate Armed Services Committee</td>
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<td>Teleconference</td>
<td>5/23/2019</td>
<td>DLA Legislative Proposal Sec. 1413. Authority to Dispose of and Acquire Materials or the NDS</td>
<td>House Armed Services Committee</td>
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<tr>
<td>DLA Acquisition (J-7)</td>
<td>Teleconference</td>
<td>5/2/2019</td>
<td>Historically Underutilized Business Zone (HUBZone) Set Aside</td>
<td>Rep Elaine Luria (D-VA-2)</td>
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<td>DLA Finance (J-8)</td>
<td>Teleconference</td>
<td>4/19/2019</td>
<td>MILCON Project Funding - Richmond Operations Center</td>
<td>House Armed Services Committee / Senate Armed Services Committee / Senate Appropriations Committee / House Appropriations Committee</td>
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<tr>
<td>DLA Troop Support</td>
<td>Teleconference</td>
<td>6/12/2019</td>
<td>State Minimum Wage Laws and Small Business Contracting</td>
<td>Rep Boozman (R-AR)</td>
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<td>DLA Acquisition (J-7)</td>
<td>Teleconference</td>
<td>4/18/2019</td>
<td>Teleconference with OSD in Prep for HORC Hearing TransDigm</td>
<td>House Oversight Reform Committee</td>
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</tbody>
</table>
MEMORANDUM FOR DEFENSE LOGISTICS AGENCY COMMAND HISTORIAN

SUBJECT: DLA Equal Employment Opportunity and Diversity (DO) 2019 Annual History Report

The DO’s 2019 Annual History Report is approved and is being submitted with my endorsement along with the following attachments:

- General Order (GO 12-13) that recognized the DLA EEO offices on 18 March 2014.
- The historic partnership Memorandum of Understanding between Gallaudet University and DLA that was signed on 25 March 2010.
- DLA’s Fiscal Year 2018 Management Directive 715 report that was signed by the Director on 25 April 2018 by the Director of EEO and the DLA Director on 1 May 2018.
- Article from DLA Today on the Workforce Recruitment Program Ceremony, in which DLA won all four award categories for the first time in DLA’s history.

The attached pages show highlights from these successes at DLA Office of EEO and Diversity through the past several years and allow DO to continue to meet the ever-changing requirements affecting DLA’s mission.

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.

Sincerely,

JANICE SAMUEL
Director
Office of Equal Employment Opportunity and Diversity

Attachment:
As stated
1. Introduction

The DLA Equal Employment Opportunity/Diversity (EEO/Diversity) office is responsible for providing advice, assistance, and guidance to the DLA Director, the Vice Director, the DLA Executive Board, senior leaders, supervisors, and managers, on all matters relating to the (EEO) program, as well as proactive measures to develop and maintain a model EEO program. It also provides counseling, advice, and training to the workforce about the rights and responsibilities within the EEO process.

On March 18, 2014 by General Order No 12-13, the Defense Logistics Agency (DLA) Equal Employment Opportunity (EEO) Organization was reorganized. The General Order outlined the formal structure of each EEO Office to comprise of two branches: Complaint and Training Business Unit Branch and Affirmative Action/Special Emphasis and Analysis Business Unit Branch. For the enterprise DLA EEO Office at the McNamara Headquarters Complex, this translated to the disestablishment of the Policy and Compliance Division and establishment of the Complaints and Compliance Division, and the establishment of the Affirmative Employment Program/Diversity Division. The DLA HQ EEO Operations Division was renamed DLA Headquarters EEO Operations Division (DO-S).

In an effort to display a clear understanding and background of the DLA EEO/Diversity office, this report will provide historical information, which began since the reorganization in 2014, with programs and initiatives that continue into 2019.

a. Background Mandates

The Equal Employment Opportunity Commission (EEOC) provides leadership and guidance to federal agencies on all aspects of the federal government's equal employment opportunity program. EEOC assures federal agency and department compliance with EEOC regulations, provides technical assistance to federal agencies concerning EEO complaint adjudication, monitors and evaluates federal agencies’ affirmative employment programs, develops and distributes federal sector educational materials and conducts training for stakeholders, provides guidance and assistance to EEOC Administrative Judges who conduct hearings on EEO complaints, and adjudicates appeals from administrative decisions made by federal agencies on EEO complaints.

The EEOC regulations implement the federal workplace discrimination laws and are found in the Code of Federal Regulations (CFR). In addition, EEOC's significant regulatory actions are approved by the Office of Management and Budget, and are coordinated with other federal agencies. EEOC's regulations are published annually in Title 29 of the Code of Federal Regulations (CFR).
b. Statutory Requirements

The following laws, directives and executive orders are some of the key federal regulations and guidelines that are used in executing the EEO program:

(1) Title VII of the Civil Rights Act of 1964, as amended.
(2) Management Directive 715 (MD 715)
(3) Management Directive 110 (MD 110)
(5) 1614.301 Age Discrimination in Employment Act (ADEA)
(6) 1614.203 Rehabilitation Act
(7) 1614.202 Equal Pay Act (EPA)
(8) Genetic Information Non-Discrimination Act of 2008 (GINA)
(9) Age Discrimination in Employment Act of 1967 (ADEA)
(10) Americans with Disabilities Act of 1990 (ADA), as amended.
(12) Executive order 13583 to promote Diversity and Inclusion in the Federal Workforce

c. Mission:

The DLA EEO/Diversity office mission is to advise and assist the DLA Director on all aspects of the development and maintenance of a model EEO Program, and to ensure that DLA remains in compliance with the regulations and guidelines set by the federal government.

d. Vision:

The DLA EEO/Diversity office vision is to ensure that consistent programs of equality, diversity and inclusion are in place for all employees, which empower the workforce to achieve their full potential and unify the workforce to achieve the DLA mission.

e. Mission Essential Tasks

The mission essential tasks are divided within the EEO/Diversity office through specific duties assigned to the three different divisions identified below:

(1) Complaints and Compliance Division (DO-C)

DO-C oversees the enterprise-wide Equal Employment Opportunity (EEO) complaints process. Issues agency-wide policy guidance and ensures standardization of agency processes. Issues final agency decisions, manage the agency appeals process, manages the
investigations contract, meets reporting requirements, and conducts EEO staff assistance visits through the Agency Management Review (AMR).

(2) Operations Division (DO-S)

The DLA Headquarters Equal Employment Opportunity Office (DO-S) serves as a champion of equality, opportunity, diversity and inclusion for DLA HQ organizations and other DLA-serviced agencies. DO-S partners with managers, supervisors, and employees to work towards empowering solutions that allow for achievement of full potential and successful execution of DLA’s mission. In fulfilling the agency mission DO-S strives to help the workplace resolve conflict through alternative dispute resolutions and EEO complaint processing. DO-S assist employees and managers with identifying and fulfilling reasonable accommodations that will allow the successful performance of job functions for individuals with disabilities. DO-S also strives to help the workplace achieve a diverse, qualified and inclusive workforce, which represents the population of this country, while fulfilling DLA mission requirements.

(3) Affirmative Employment Program (AEP) Diversity Division (DO-D)

DO-D advises and assists the EEO Director on all matters relating to the EEO program, Affirmative Employment Programs, Disability Awareness and Reasonable Accommodations, Diversity and Inclusion, and Special Emphasis Programs. DO-D develops, issues and implements DLA instructions (DLAIs) policies, and enterprise standard operating procedures (ESOPs) related to these areas of responsibility. DO-D is also responsible for preparing and submitting the DLA Management Directive 715 (MD-715) annual report, on the status of the EEO program, to the Equal Employment opportunity Commission (EEOC).

2. Organization:

The organizational structure of the DLA EEO/Diversity office is made up of twenty-one positions, which includes the Director, the Deputy Director, one Secretary, three Staff Directors, eleven EEO Specialist, one Program Analyst, and three Interpreters.
(a) EEO Director (DO) - Ms. Janice Samuel
(b) EEO Deputy Director (DO-1) – Dr. Angela Curtis
(c) Secretary – Ms. Kathy Fields
(d) AEP Diversity Division (DO-D) Staff Director – Dr. Russell Lowe
(e) Operations Division (DO-S) Staff Director – Mr. Dennis Ellis
(f) Complaints and Compliance Division (DO-C) Staff Director -- Ms. Kimberly Lewis
(g) DLA Disability Program Manager – Ms. Nancy Rivera
(h) DLA Complaints Manager – Ms. Gabriela Reitan
(i) DLA HQ Complaints Manager – Currently Vacant
(j) DLA HQ Disability Program Coordinator – Ms. Monique Ray
(k) EEO Specialist – Mr. Eric Spanbauer
(l) EEO Specialist – Ms. Cynthia Sexton
(m) EEO Specialist – Mr. Larnce Hopkins
(n) EEO Specialist – Ms. Charnika Hayes
(o) EEO Specialist – Mr. Michael Bellinger
(p) EEO Specialist – Ms. Michelle Crafts
(q) EEO Specialist – Mr. Mohamed Fawaz
(r) Program Analyst – Mr. Christopher Kehoe
(s) Interpreter – Ms. Catherine Callender
(t) Interpreter – Ms. Rachel Johnson
(u) Interpreter – Ms. Jeanette Colgan
3. Key Personnel Changes:

These are some of the key personnel changes that have taken place within the last two years:

   a. Ms. Janice Samuel was selected as the DLA EEO Director in January 2018.
   b. Dr. Angela Curtis was selected as the DLA EEO Deputy Director in March 2019.
   c. Ms. Kimberly Lewis was hired as the Staff Director of the Complaints and Compliance Division (DO-C) in March 2019.
   d. The DLA Operations Division (DO-S) Complaints Manager left DLA in the spring of 2019. This position is currently vacant. However, efforts are now in place to fill it as soon as possible.

4. Historical Narrative

Our accomplishments are centered on the DLA Strategic Plan, specifically the DLA People and Culture (P&C) Plan. The DLA People and Culture Plan states that “The key to mission success is to continue our focus on people and culture and ensure our greatest resources, people, are engaged and motivated. Engagement is the emotional commitment our employees have to DLA and its mission. It is a key driver of higher retention, increased innovation and productivity, and decreased absenteeism. Four of the eight objectives in the People and Culture Plan are addressed below:

   a. Manage the Talent (Objective 3)

      This objective is focused on concept to “Develop, promote, and sustain initiatives to strengthen workforce competencies to meet emerging mission requirements.”

      (1) Standards for EEO Personnel

      In FY2015, DO-S Specialists assisted DO with planning and implementation of an enterprise-wide training symposium. This symposium trained all DLA EEO Specialists and provided them with their required annual eight hour refresher training. All DO-S EEO Specialists attended this symposium and fulfilled their annual training requirement. This required eight hour annual refresher training, for all EEO specialist, continues to be obtained through various sources, such as training courses with the Equal Employment Opportunity Commission (EEOC), the Defense Equal Opportunity Management Institute (DEOMI), and training offered by other Department of Defense and federal agencies.
(2) Training

In recent years, DO-S purposed to increase its visibility to the DLA HQ workforce. In FY15, DO-S revised its new Employee Orientation (NEO) training. The prior training provided a basic overview of the EEO program to familiarize employees with the functions of EEO. The newly revised training provides a more in-depth briefing aimed at ensuring that employees understand the fundamentals of EEO, know who to contact if an EEO issue arises, understand EEO rights, and are encouraged to utilize the RA and ADR processes. This training was implemented in August 2015.

During FY2015, DO-S created and published the handouts, “What You Need to Know About EEO” and “RESOLVE.” The first booklet explains the EEO process and explains protections afforded under EEO law. The second handout explains the ADR program and promotes mediation. These handouts continue to be provided to employees during EEO training and individual visits to the EEO Office. They often supplement what the workforce receives via in-person counseling and training.

In FY16, DO-S engaged over 70 new employees and supervisors during new employee orientation (NEO) to provide an outline of the objectives of the EEO program, including specific policies on harassment, complaint procedures, and Special Emphasis Program principles. In FY17, a total of five (5) NEO sessions were conducted, with a total of 48 new employees having completed the EEO module.

(3) Reasonable Accommodations for Supervisors, Managers, and Employees

DO-S continued to work with managers and employees of its serviced DLA organizations and DOD agencies on providing reasonable accommodations as needed. In August 2015, the DLA Headquarters Affirmative Employment Program/Diversity and Inclusion Division (DO-D) created a new RA instruction, which outlines the procedures for requesting and processing RA requests. In FY2015, 46 RA requests were made and 43 were granted, equating to a 93.5 percent success rate. The average processing rate of those requests was 24.2 days. Eight of the 46 requests were closed beyond 30 days; however, cases could have remained active while waiting for medical documentation.

In FY2016, DO-S created a training curriculum and briefing for Reasonable Accommodation training for managers and supervisors. DLA Human Resources (HR), workmen’s compensation division, and Information Operations participated in a pilot of the training, and gave it favorable evaluations. The training was finalized and launched during FY2017 to all of the DO-S serviced DLA organizations and agencies. In FY2016 a total of 54 RA requests were processed, with eight (8) pending at the end of FY16. DO-S also hired a full-time Disability Program Coordinator in FY2016. The requirement to processing the reasonable accommodations requests, of employees at the DLA Headquarters Complex (HQC), is one of this employee’s duties.

In FY2017, a total of 82 RA requests were met. Sixty seven (81.71%) of the 82 requests were for DLA HQC employees. The remaining 15 were for the non-DLA agencies that DO-S services. Sixty two (92.54%) of the 67 DLA HQ RA requests were processed. At the end
of FY17, five (7.46%) of the 67 were pending. During FY17, DLA HQC organizations also hosted 7 students from the Workforce Recruitment Program (WRP).

In FY2018 DO-S continued to address the RA needs of the HQC workforce utilizing the Agency’s RA instruction. A total of 64 RA requests were received. Fifty three (82.81%) of the 64 were for DLA HQC employees. The remaining 11 were for the non-DLA agencies that DO-S services. Forty (75.47%) of the 53 HQC RA requests, were processed. At the end of FY18, thirteen (24.53%) were pending.

(4) EEO Training for Supervisors, Managers, and Employees

In FY2018 and continuing into FY2019, DO-S offered training that provided an overview of the EEO Program and Reasonable Accommodations (RA) for DLA supervisors, managers, and employees.

(5) Prevention of Sexual Harassment/Sexual Assault Prevention & Awareness (POSH/SAPR) for Supervisors, Managers, and Employees

In addition to the EEO and RA training for supervisors, managers, and employees, DO-S also partnered with DLA Human Resources to offer monthly Prevention of Sexual Harassment and Sexual Assault Response and Prevention Training, which began in FY2018 and is continuing into FY2019.

(6) American Sign Language (ASL)

(a) Sign Language Interpreting:

Among the responsibilities of the DLA Headquarters EEO Operations Division (DO-S) is providing sign language interpreting services to McNamara Complex employees of DLA HQ and DLA Energy, Defense Technical Information Center (DTIC), Defense Threat Reduction Agency (DTRA), and Defense Contract Audit Agency (DCAA).

The sign language interpreting needs within the McNamara Complex are met through both full-time staff interpreters and supported by contract interpreters on an ‘ad-hoc’ basis, which is managed by DO-S. While sign language interpreting remains the primary duty of the sign language interpreters, they also oversee the sign language interpreting contract, the scheduling of all customers interpreting services, DO’s support agreements, administration of the reimbursable funding, and billing for all DO’s services via both the DLA timekeeping system of EAGLES and manual submittals to finance.

During FY2017, a total of 4,163.23 hours of interpreting service has been provided, of which DLA HQC had 2,254.90 (54.16 percent) of the hours, followed by DLA Energy with 1,132.68 hours (27.21 percent), DTRA with 585.80 hours (14.07 percent), DCAA at
111.30 hours (1.89%), and DTIC with 78.55 hours (2.67 percent). A total of 1,131 interpreting requests were met, of which DLA HQC had 483 (42.71 percent) of the requests, followed by DLA Energy with 377 (33.33 percent), DTRA with 234 (20.69 percent), DTIC with 26 (2.03%), and DCAA with 11 (0.97%).

By the end of FY2018, a total of 3,874.25 hours of interpreting service has been provided between October 1, 2017 through September 30, 2018. Of the 3,874.35 hours DLA made up 1,557.25 (40.19%) of the requests, followed by DLA Energy with 1,210.00 (31.23%), DTRA at 893.75 (23.07%) DCAA with 110.00 (2.84%) and DTIC with 103.25 (2.67%).

To date in FY2019, a total of 3,444.58 hours of interpreting service has been provided between October 1, 2018 through June 30, 2019. Of the 3,444.58 hours DLA Headquarters made up 1,160 (33.69%) of the hours, DLA Energy made up 1,521.00 (44.16%) of the hours, DTRA at 651.25 (18.91%) of the hours, DCAA with 91.00 (2.64%) and DTIC with 20.75 (.60%).

To meet this end, a total of 1,384 interpreting requests required 361.75 hours’ worth of coordination and scheduling, of which DLA HQs have 526 (38.01%) of the requests, followed by DLA Energy with 532 (38.44%), DTRA at 307.00 (22.18%), DCAA 7 (.51%), and DTIC with 12 (.87%).

<table>
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<tr>
<th>SLI Hours</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 (to date)</th>
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<tr>
<td>Total</td>
<td>3,560.25</td>
<td>4,163.23</td>
<td>3,874.25</td>
<td>3,444.58</td>
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<td>DLA Headquarters</td>
<td>1,759.50</td>
<td>2,254.90</td>
<td>1,557.25</td>
<td>1,160 (33.69)</td>
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<tr>
<td>DLA Energy</td>
<td>922.25</td>
<td>1,132.68</td>
<td>1,210</td>
<td>1,521 (44.16%)</td>
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<tr>
<td>DTRA</td>
<td>565</td>
<td>585.80</td>
<td>893.75</td>
<td>651.25 (18.91%)</td>
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<tr>
<td>DCAA</td>
<td>213 (6%)</td>
<td>111.30 (1.9%)</td>
<td>110 (2.84%)</td>
<td>91 (2.64%)</td>
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<tr>
<td>DTIC</td>
<td>100 (2.82%)</td>
<td>78.55 (2.67%)</td>
<td>103.25 (2.67%)</td>
<td>20.75 (.60%)</td>
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<table>
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<th>% of SLI Requests</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 (to date)</th>
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<tr>
<td>Total</td>
<td>1,289</td>
<td>1,131</td>
<td>1,489</td>
<td>1,384</td>
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<tr>
<td>DLA Headquarters</td>
<td>666 (51.67%)</td>
<td>483 (42.71%)</td>
<td>628 (42.18%)</td>
<td>526 (38.01%)</td>
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<td>DLA Energy</td>
<td>359 (27.85%)</td>
<td>377 (33.33%)</td>
<td>456 (30.62%)</td>
<td>532 (38.44%)</td>
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<tr>
<td>DTRA</td>
<td>172 (13.34%)</td>
<td>234 (20.69%)</td>
<td>391 (26.26%)</td>
<td>307 (22.18%)</td>
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<td>DCAA</td>
<td>64 (4.96%)</td>
<td>26 (2.03%)</td>
<td>10 (.67%)</td>
<td>7 (.51%)</td>
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<tr>
<td>DTIC</td>
<td>28 (2.17%)</td>
<td>11 (0.97%)</td>
<td>4 (.27%)</td>
<td>12 (.87%)</td>
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(b) American Sign Language Course:

The newly hired sign language interpreters offered an Introductory American Sign Language (ASL) course within the McNamara Complex. The 11-week course was taught by several McNamara Complex deaf employees, and provided participants with a unique introduction to ASL from three deaf employees of various HQC organizations. The first iteration started October 13, 2016, and was open to DLA HQs, DLA Energy, DTRA, DTIC, and DCAA employees. When the series was announced, it amassed 35 registrants within the first three registration days, and 60 persons on the waiting list. The course was offered again to the McNamara Complex September 11, 2018 through November 13, 2018.

b. Perform and Reward (Objective 6)

This objective meant to “Sustain a results oriented performance culture that links individual performance and recognition to organizational goals and performance based actions.”

(1) DoD’s Outstanding Employee with a Disability Award

The purpose of this award is to recognize an outstanding DLA Civilian Employee with a Disability who has demonstrated exceptional performance in support of the Agency’s mission and readiness. This Secretary of Defense Award, for Outstanding DoD Service Members and Civilians with Disabilities, honors those who support the DoD mission, including their exemplary professional contributions, and/or whose attributes best epitomize the qualities and core values of the Defense Logistics Agency. This includes individuals, who through their personal commitment and professional initiatives, have made demonstrable contributions in the recruitment, retention and advancement of Individuals with Disabilities (IWD) in the DLA civilian workforce, as well as assisted with the advancement of IWD, and served as role models and future leaders.

Several employees from DLA won this award between 2014 and 2019. The winners include an employee at DLA Land and Maritime in Columbus Ohio in 2014; an employee at DLA Distribution DLA Distribution at Tinker Air Force Base, Oklahoma in 2015; an employee at DLA Human Resources (J1) at Fort Belvoir, Virginia in 2016; an employee at DLA Land and Maritime, Small Business Office in Columbus, Ohio in 2017; an employee at DLA Distribution in Susquehanna, Pennsylvania in 2018; and an employee at DLA Distribution, Shipping Branch, Weapons Division in Anniston, Alaska.

(2) Secretary of Defense (SECDEF) Award in the Achievement of Individuals with Disabilities - Best Mid-Size Component Award
Every year the Under Secretary of Defense for Personnel and Readiness approves the Component award recipient for the Secretary of Defense Award for Achievement in the Employment of Individuals with Disabilities, by Best Military Department, Best Mid-sized Component, and Best Small-sized Component. The winners are then recognized at the annual DoD Disabilities Awards Ceremony. DLA won this award in 2017, 2018, and was nominated to receive this award once again in 2019. The results of the 2019 nomination is currently pending and will be determined by August 2019.

(3) WRP Awards

The Workforce Recruitment Program (WRP) is a recruitment and referral program that connects federal sector employers nationwide with highly motivated college students and recent graduates with disabilities who are eager to prove their abilities in the workplace through summer or permanent jobs. The U.S. Department of Labor's Office of Disability Employment Policy (ODEP) and the U.S. Department of Defense's Office of Diversity Management & Equal Opportunity (ODMEO) manage the program.

The purpose of this award is to honor Department of Defense (DoD) civilian employees who have supported the DoD mission, overseas contingency operations, or whose attributes best epitomized the qualities and core values of their respective DoD Components.

DLA uses the WRP as an important pipeline in the recruitment of individuals with disabilities and targeted disabilities. DoD has established a goal for 12% for Individuals with Disabilities and 2% for Targeted Disabilities. DLA has established a goal of 3% for Targeted Disabilities.

This year DoD is recognizing Workforce Recruitment Program (WRP) participants, Outstanding WRP Coordinators, Outstanding WRP Recruiters, and Outstanding WRP Component awardees who have made significant contributions to the DoD workforce and have advanced the WRP as an affirmative employment program within the Federal government. In 2019 the WRP Awards has recognized DLA in every category (Component, Recruiter, Coordinator and Participant). DLA has won a total of nine times! Two times as the WRP Component, two times for the WRP Recruiter, two time for the WRP Coordinator, and three times for the WRP Participant.

In 2016 an employee from the DLA Office of Equal Opportunity and Diversity Office, at Fort Belvoir, Virginia won this award by Coordinator and DLA also won the award by Component in 2016; DLA Troop Support won the award by Recruiter in 2017; in 2018 DLA Distribution, San Joaquin, won by Participant and DLA Finance Operations at Fort Belvoir, Virginia won by Recruiter; in 2019 DLA Installation Support at Fort Belvoir, Virginia won by Participant, DLA Office of Equal Opportunity and Diversity at Fort Belvoir, Virginia won by Recruiter, DLA Disposition Services, at Battle Creek, Michigan won by Coordinator, and DLA won the award by Component. Note: This is the first time in DoD history, DLA made a clean sweep in each of the four WRP annual awards categories within the same year, which included the WRP Component of the Year award for the second consecutive year. DLA is the second largest WRP employer in the federal government.
(4) Equal Employment Opportunity (EEO) Awards by Employee, by Supervisor or Manager, and by Organization

In 2015, DLA Distribution in Red River, Texas won the organization award; in 2016 DLA Distribution in New Cumberland, Pennsylvania won the employee award, Land and Maritime FMSC Branch in Columbus, Ohio won the supervisor or manager award, and DLA Land and Maritime in Columbus, Ohio won the organization award; in 2017 DLA Troop Support in Philadelphia, Pennsylvania won the employee award and also the supervisor or manager award as well as the organization award.

(5) Affinity Awards

An affinity group is a group formed around a shared interest or common goal, to which individuals formally or informally belong. Affinity groups are generally precluded from being under the protection or sponsorship of any government agency, and their purposes are primarily non-commercial. Affinity groups can be based on a common ideology, a shared concern for a given issue or a common activity, role, interest, or skill. DLA has employees who are actively engaged in some of these affinity groups. In some cases, there are also chapters established at federal work sites.

Employees from DLA have been nominated and recognized for awards from some of these affinity groups, with winners selected in two of them over the past several years.

(a) LULAC Excellence in Service Award:

League of United Latin American Citizens recognizes excellence in public service in the advancement of education, economic, health and diversity accomplishments, particularly within underrepresented populations of the Nation. This award is provided to recognize these achievements of members in the uniformed services and civilians of the United States Army, United States Marines Corps, United States Navy, United States Air Force, United States National Guard, United States Coast Guard, the Public Health Service and National Oceanic and Atmospheric Commissioned Corps. This criterion also includes Active, Reserve Guard and Civilians in support of the uniformed services.

This external award is given annually to recognize the achievements of persons contributing to the Hispanic community within DLA whose personal commitment and professional initiative have made demonstrable contributions in the recruitment, retention and advancement of Hispanics employees in the DLA workforce, and who have assisted with the advancement of Hispanic professionals, and served as role models and future leaders.

An Employee from DLA Land and Maritime in Columbus, Ohio won this award in 2014; an employee from DLA Distribution in San Joaquin, California won the award in
2017; an employee from DLA Land and Maritime in Columbus, Ohio won the award in 2018; and an employee from DLA Aviation in Richmond, Virginia won this award in 2019.

(b) Blacks in Government (BIG) Military Meritorious Service Award:

Blacks in Government (BIG) Military Meritorious Service Award is an award to honor military members and Department of Defense (DoD) civilian employees who have supported the DoD mission, overseas contingency operations, or whose attributes best epitomized the qualities and core values of their respective Military Service or other DoD Component.

This external award honors DoD civilian employees and military veterans in government service, whose attributes best epitomize the qualities and core values of their respective federal/military service, and who promoted a positive image of those in uniform. This includes persons who have made demonstrable contributions in the recruitment, retention and advancement of African-American/Black employees in the DLA civilian workforce, and who have assisted with the advancement of black professionals, and served as role models and future leaders. This includes persons who have significantly increased the opportunity for participation of Historically Black Colleges and Universities (HBCUs) in Federal programs and enhanced the capacity to build and develop infrastructure to increase participation in DLA employment programs.

An employee from DLA Distribution in Richmond, Virginia won this award in 2015; and employee from DLA Distribution in New Cumberland, Pennsylvania won the award in 2016; an employee from DLA Distribution in New Cumberland, Pennsylvania won the award in 2017; an employee from DLA HW Finance Operations (J8/3) at Fort Belvoir, Virginia won the award in 2018; and an employee from DLA Installation Management for Energy in Richmond, Virginia won this award in 2019.

c. Resource the Enterprise (Objective 2) Build Connections (Objective 7)

Objective 2 is to “Recruit and retain a diverse, talented, and skilled workforce”. Objective 7 is to “Create an environment where employees share a common perspective allowing them to work effectively across organizational boundaries, eliminate “silos,” and promote actions that are in the best interest of DLA as a whole.”

(1) DLA Recruitment Cadre

The DLA Recruitment Cadre is associated with developing recruitment strategies, methods, and plans and sources to identify and attract qualified, diverse candidates for the full range of occupations in DLA. Cadre members focus on systematic corporate marketing strategies for selecting DLA’s future employees that acknowledge the complex economic and demographic factors that continue to evolve and impact the talent marketplace. The Recruitment Cadre must possess the following:
(a) An understanding of and a commitment to the value and importance of public service

(b) Professionalism

(c) A commitment to understanding cultural diversity and developing a quality and diverse workforce

(d) Enthusiasm

(e) Good communication skills, and

(f) Knowledge of and appreciation for what makes DLA an employer of choice

There is also a requirement for all cadre members to complete the annual DLA Recruiter refresher training.

(2) Partnerships/Outreach

DLA’s EEO/Diversity partnership and outreach efforts serve as pipelines, which will expand our pool of qualified candidates of Women, Minorities, and Individuals with Targeted Disabilities (IWTDs), into positions that are underrepresented in these areas within the DLA workforce. The following are some of the partnerships and outreach programs initiated by the DLA EEO office.

(a) Gallaudet University

Gallaudet University, federally chartered in 1864, is a bilingual, diverse, multicultural institution of higher education that ensures the intellectual and professional advancement of deaf and hard of hearing individuals through American Sign Language and English. Gallaudet maintains a proud tradition of preparing its graduates for career opportunities in a highly competitive, technological, and rapidly changing world; and offers many degrees that support and complements the mission of DLA. It is also consistent with this objective (objective 2) of DLA’s Strategic Plan for People and Culture.

Defense Logistics Agency Director Army Lt. Gen. Darrell K. Williams and Gallaudet University President Roberta J. Cordano signed a historic memorandum of understanding to promote greater opportunities for qualified future graduates of the university to find full-time employment with DLA. The event took place in the historic Chapel Hall at Gallaudet University in Washington, D.C., on 25 March 2019. Gallaudet University is a leading institution of learning, teaching and research for individuals who are deaf and hard of hearing. The school is known for recognizing and promoting American Sign Language and for its pioneering efforts to remove barriers that prevent individuals who are deaf and hard of hearing from fully participating in society.
(b) Operation War Fighter

Operation Warfighter (OWF) is a Department of Defense internship program that matches qualified wounded, ill and injured Service members with non-funded federal internships in order for them to gain valuable work experience during their recovery and rehabilitation. This process assists with the Service members’ reintegration to duty, or transition into the civilian work environment where they are able to employ their newly acquired skills in a non-military work setting. DLA partners with HR to attend OWF events. OWF enables Federal employers to better familiarize themselves with the skill sets and challenges of wounded, ill and injured Service members as well as benefit from the considerable talent and dedication of these individuals.

c) Soldiers for Life/ Wounded Warriors

In FY2019, DO-S has entered into an informal partnership with the Fort Belvoir Soldiers for Life – Technical Assistance program in order to promote the agency at the SFL-TAP workshops for soldiers transitioning from active duty.

d. Diversity and Inclusion (Not one of the P&C Objectives)

DO-S continued its tradition of offering interesting SEP observances to the McNamara Complex. DO-S partnered with the other DLA organizations and DOD agencies at the McNamara Complex to offer observances that educated the workforce to culture uniqueness, issues, and other areas of interest. Some of the observances offered through the years included:

(1) FY2015

A HQC Women’s Health Fair was offered for Women’s History Month with vendors providing information and resources that address women’s health issues. Asian American/Pacific Islander Heritage Month featured a television network executive who shared the importance of understanding another culture. The event also featured an artifact display representing various Asian countries, a Chinese Lion Dance, and a tea-tasting.

In FY2016, DO-S stood up the DLA HQ Special Emphasis Program Committee. Since its inception, the committee has been educated on SEPs, recommended resources for outreach and recruitment to DLA Human Resources, helped plan and participated in SEP observances, and highlighted issues of concern that exist within the workforce.

(2) FY2016

As part of Lesbian, Gay, Bisexual, and Transgender (LGBT) month, the DLA EEO and Diversity Office held a session entitled, “Transgender Employees in the Workplace” to introduce DLA supervisors to the DOD Instruction 1400.25, Volume 800, which addresses policy, responsibility, guidance and procedures specific to transgender civilian employees in the
workplace; facilitate discussion of the definitions of terminology related to the LGBT community; federal precedent court rulings; DLA requirements, and support required for transitioning employees.

(3) FY2017

DLA hosted a viewing and discussion of the U.S. Holocaust Memorial Museum documentary, “The Path to Nazi Genocide” for approximately 80 attendees. DLA also hosted a variety of activities during National Disability Employment Awareness Month, which featured a workshop, attended by 20 employees that addressed “What to Do If You [or Someone You Know] Becomes Disabled”; a presentation on “Hidden Disabilities” attended by 58 people; and a session that covered “Creating a Deaf-Friendly Environment” with 34 participants.

(4) FY2018

Approximately 135 McNamara Complex employees viewed the “Letter from the Birmingham Jail” in observance of the birthday of Rev. Dr. Martin Luther King, Jr. Holocaust survivor, Mr. Nat Shaffir shared his story of Holocaust survival to an audience of 160 employees.

Women’s Equality Day Program was a Chat & Chew, using the theme “Maintaining a Balance”, featuring high ranking women in non-stereotypical positions within the U.S. DoD, who spoke to an audience of 85 people. National Disability Employment Awareness Month was observed by hosting Mr. George Dennehy, a professional singer and motivational speaker who was born without arms. Approximately 92 people were in attendance for this event.

National Native American Heritage Month was observed by 45 employees who attended the viewing of the film “A Thousand Roads” and profile posters of public figures of American Indian heritage were also on display.

(5) FY2019

DLA Black History Month was observed with a trivia challenge that required competing teams, representing McNamara Complex agencies, to answer questions related to Black History facts. Approximately 120 people attended the event to watch 14 contestants represent their agencies in this lively game.

e. Accountability and Compliance

Although this is not one of the DLA People and Culture plan objectives, these accomplishments have made a significant contribution to the success of our goal of developing and maintaining a model EEO program.
(1) EEO Investigations

Regulations require agencies to develop an impartial and appropriate factual record upon which to make findings on the claims raised by a complainant and complete its investigation within 180 days of the date of filing an individual complaint. In late September 2018, four Blanket Purchase Agreements were awarded to contractors to conduct EEO investigations within 60 days. This was done to improve the timeliness for completing investigations. In addition, guidance was provided to EEO offices on the required paperwork necessary for requesting contract investigators.

(2) Final Agency Decisions (FADs)

Final decisions are made based on a complaint filed by an individual on the merits of each issue in the complaint, when an Equal Employment Opportunity Commission (EEOC) administrative judge (AJ) issues a decision, and when a complainant alleges a breach of settlement agreement. In FY19, DO-C wrote 23 merit FADs based on the record. DO-C also wrote and issued 26 final orders following an AJ decision; issued one (1) final decision on damages; and four final determinations on breach of settlement agreement claims (Data as of July 1, 2019). In June 2019, two EEO Specialists were sent to the EEOC “Drafting Final Agency Decisions” course, and a tiger team was developed, to help to improve our timeliness.

(3) Appeals Processing

Complainants have the right to appeal an agency's final action on a complaint of discrimination to the EEOC's Office of Federal Operations. DO-C responded to and processed 27 appeals filed with EEOC. Processing included review of the case file, preparation of documents, and assembling and preparing the case record for submission to EEOC. (Data as of July 1, 2019)

(4) Policy Statements

In November 20, 2018, a policy statement on Equal Employment Opportunity was signed by the DLA Director on workplace discrimination and/or harassment showing his commitment in ensuring a workplace free from unlawful discrimination. In June 2019, policy statements were refreshed to update the Sexual Orientation and Gender Identity Harassment and Discrimination, Diversity and Inclusion, Reasonable Accommodation, Prevention of Sexual Harassment, and a new Statement on Prevention of Sexual Harassment (POSH) and Sexual Assault Prevention and Response (SAPR) was also developed.

(5) Alternative Dispute Resolution (ADR)

Upon receiving notice that DoD Investigations and Resolutions Directorate (IRD) would no longer conduct mediations at the pre-complaint stage of the process, DO-C provided guidance and information on the use of the DoD Shared Neutrals Program - a free service which
provides neutrals for ADR proceedings to the DoD components – ensuring DLA complaints are being resolved at the lowest level possible.


DO-C analyzed statistical data pertaining to complaints of employment discrimination filed by employees as part of the No FEAR Act quarterly reports and ensured quarterly reports were posted on the DLA’s public website. DO-C ran monthly 462 reports to evaluate data entry of complaint information, and verified the data was accurate. If errors were found the appropriate EEO office was notified to correct the error(s) in the database. In October 2018, DO submitted a timely report to EEOC. Out of a total of 271 pre-complaints, DLA completed 228, settling 21 pre-complaints, with 104 not filing a formal complaint. ADR was offered to 190 of the 228 completed pre-complaints (or 83%). Out of 323 formal complaints, DLA closed 88 cases, investigated 59 complaints. (Data as of July 1, 2019)

(7) Agency Management Reviews (AMRs)

In support of the DLA Director and Agency mission, DLA has established the AMR program as a comprehensive, cross-functional, formal evaluation of DLA’s compliance with the laws, regulations, policies, and procedures covering operational activities throughout the agency. These reviews provide an objective analysis to assist management in identifying areas of vulnerability and improve overall program and operational performance. The program also aims to isolate trends and identify best practices across the agency to strengthen DLA’s overall performance. These evaluations are conducted every three to four months at different Major Subordinate Commands (MSCs).

The DLA EEO office will continue to conduct AMR visits to do comprehensive evaluations and assess the EEO program and performance of the various MSC EEO offices. The last one was conducted at the DLA Aviation EEO office from March 4-8, 2019, for quality and assessment of work completed. Feedback was provided to the EEO office with best practices identified and recommendations for improvements. The next two visits are scheduled for August 5-9, 2019 at Land and Maritime and October 2019 at Troop Support.

(8) iComplaints Database

iComplaints is a database used to track all aspects of an EEO complaint. DO-C regularly attended the vendor’s “user forum” to stay abreast of the latest updates to the software. DO-C also collaborated with J-6 when migrating iComplaints to a new cloud.
5. Conclusion

The United States government employs millions of men and women across the country and around the world. The ability of our government to meet the complex needs of our nation and the American people rests strongly on these dedicated and hard-working individuals. As a result of the increasing public expectations of government institutions, federal agencies must position themselves to attract, develop and retain a top-quality and diverse workforce that can deliver results and ensure that our nation continues to growth and prosper.

Equal opportunity in the federal workplace is one of the key factors to accomplishing this goal. In order to develop a competitive, highly qualified workforce, federal agencies must fully utilize all workers’ talents, without regard to race, color, religion, national origin, sex, age, sexual orientation, or disability. Although the promise of workplace equality is a legal right afforded to all of our nation's workers, equal opportunity is more than just a matter of social justice, it is a national economic imperative. Therefore, federal agencies must make full use of our nation's human capital, by promoting workplace practices that allows opportunities for the best and brightest talent available. All workers must be able to compete on a fair and level playing field and have the opportunity to achieve their fullest potential.

Policies and practices that impede fair and open competition in the federal workplace can cost the American economy millions of dollars every year. The most obvious costs are out-of-pocket costs, from both the agencies and federal workers, in connection with workplace disputes. Some of the less obvious, but just as expensive, are those costs associated with decreased morale and productivity and the ineffective and inefficient use of human capital resources. These costs can and should be avoided. The Defense Logistics Agency (DLA) must continue to maintain a firm commitment to the principles of equal opportunity and make those principles a fundamental part of the entire DLA workforce culture.

Investing in our future is our most valued resource. Having a Diverse and Inclusive environment that draws on the different perspectives and skill sets leads to a more innovative and results driven culture. A commitment to equal opportunity, diversity and inclusion, is critical for DLA as a model equal employment opportunity employer. DLA’s ability to attract, develop, and retain a diverse, skilled, and agile workforce is vital to our continued success as the nation’s combat logistics support agency. DLA is committed to creating a culture of high organizational effectiveness that focuses on employee engagement, development, performance, and accountability.
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MEMORANDUM FOR DLA HEADQUARTERS, ATTN: Historian

SUBJECT: DLA Public Affairs Annual Report

DLA Public Affairs had a full year coordinating the major communication efforts of Agency's to proliferate our strategy, goals and programs to our audiences around the world. I could not be more proud of the award-winning articles, speeches, videos, editing, and visual support this talented team of communicators have produced this year. Likewise, I remain impressed with the steady growth in engagements the office's media team has responded to the developments and news stories of an eventful year.

The history of DLA Public Affairs is the reflection of DLA history writ large. Sometimes the office promotes Agency initiatives such as robotics, Procurement Technical Assistance Centers, and outreach to combatant and logistical commands. At other times, it answers queries from a small town newspapers to national media outlets wanting to know DLAs position on an IG report or how we're supporting law enforcement agencies.

Through our print and online publications and communications, DLA Public Affairs ensures that the public is given accurate information on the support this storied Agency provides the Department of Defense, allies, and other governmental agencies. As a group of veteran and civilian employees, the PAO shop sets Warfighter readiness and lethality as a priority. The following report highlights a few of the many ways it did so in FY 2019.

JOSEPH M. YOSWA
Director
Public Affairs
Defense Logistics Agency

DLA Public Affairs (DP)
Fiscal Year 2019 Annual Historical Report

1. Introduction:
DLA Public Affairs supports the execution of the DLA Strategic Plan by sustaining / improving the reputation of DLA among key stakeholders, growing awareness of DLA's logistics capabilities throughout DOD and with federal/state agencies, and promoting cohesion within the DLA Enterprise workforce.

2. Organization:

[Diagram of organizational structure]

as of 9/30/2019
3. Key Personnel:

DLA Public Affairs is led by Joe Yoswa (i.e., 10 December 2017 – present). His deputy is Pat Mackin.

4. Total Personnel:

The fiscal year ended with DLA PAO having fourteen GS employees and one contractor.

5. Historical Narrative:

The Defense Logistics Agency Public Affairs Office (DLA PAO) had a FY 2019 full of changes. Due to a shrinking staff and changes to the way people consume media, Director Joe Yoswa and Deputy Director Pat Mackin realigned the office’s reporting structure, stopped printing DLA’s workforce-oriented magazine, and shifted writers to digital/social media platforms. Staff members incorporated these changes while responding to queries, reporting on events, maintaining multiple websites, producing videos, and assisting the Director with speechwriting. As with the rest of the Agency, they had to work with reduced travel and funding, a consequence of efforts taken by DLA to increase the readiness of military services and combatant commands.

Two Department of Defense (DoD) initiatives drove PAO changes in FY 2019. A decision made in late 2016 to reduce major headquarters throughout the Department resulted in PAO shrinking by seven employees, a reduction that led to a decrease in products and articles written by staff.

At the same time, DoD ordered a delayering campaign which required supervisors to have a one-to-ten ratio. Assisted by the drop in personnel from twenty-six to fourteen, Yoswa and Mackin began supervising all employees directly. Several employees had to rewrite their duty descriptions as a result of not being a supervisor.

The last employee to leave was John Bell, the editor of LOGLINES. Published six times a year, LOGLINES had been the office’s printed vehicle for communicating with the workforce. Each volume included a message from the director, interviews with key leaders, articles about employees, coverage of events, and analysis of issues. After releasing its last regularly-scheduled issue in March – and one final publication would follow in September – the office began searching for other ways to inform DLA employees.

The answer was to rely more on websites and social media. Instead of the hard-copy magazine, DLA Today, DLA’s homepage, Facebook, Twitter, YouTube, Flicker, and LinkedIn became the office’s platforms for communicating with the agencies workforce, vendors and service customers.

Yoswa and Mackin did not change formats due to concerns about quality. In fact, LOGLINES and its authors won several Defense Media Merit Awards in FY 2019. The magazine took second place for print publications, Beth Reece took first place in commentary for “A Veteran
Reflects on Service, Pride in Fellow Service Members,” and Nutan Chada took second place in short-form video for “One Team, One Mission, Connected with Data.” PAO did not just win awards, it issued them. Run by Phil Prater, the DLA Journalism in Excellence Competition received an all-time high of sixty-eight entries. Participants included every public affairs office in the Agency. Awards were given in twelve categories.

Another DLA PAO accomplishment for FY 2009 was the redesign of the front page of www.DLA.mil the Agency’s public webpage. With J-3’s Customer Engagement Team, Christopher Goulait coordinated efforts, taking suggestions for the engagement team’s draft layout creating it into a webpage focused on supporting customers, vendors and employees. He then used his position as the agency's webmaster to reengineer pages so users could more readily find information, access programs, and interact with the Agency.

In public affairs, communicating with the public means answering media queries. Mr. Mackin’s team of Michelle McCaskill, Melissa Bohan and Chris Born responded over 300 queries throughout the year. Topics included the Law Enforcement Support Office (LESO), a DLA component that provides excess equipment to state and local sheriffs and law enforcement offices; the F-35 joint strike fighter and DLA’s role as the Global Transportation and North American Warehousing; and TransDigm, a company that was part of a DOD IG and subsequent congressional investigation for a business model that marked-up prices.

The public affairs office also managed messaging for the Agency’s response to the changes in the way DOD managed the working capital fund and cash. These two fund resources allows the agency to operate and the margins designated by OSD required senior staff and subordinate offices to change the normal operating procedures. Dubbed Operation AGENCY RESOLVE, DLA PAO issued guidance through the orders process on leaders engagements with customers, employees, and industry/suppliers.

OAR’s talking points to employees included the need to continue cost saving measures. As with the rest of the Agency, PAO had to cut training expenditures, a decision that prevented it from holding its annual conference. While the office searched for virtual training opportunities, the benefits gained from the annual assembling all the Agency’s public affairs professionals in one location for training did not happen.

The office also fell subject to travel limitations, with its Video Production Team experiencing this restriction most acutely. To film video, the production team needs visuals, and the only way to obtain visuals is to travel to where employees work. Despite restrictions, the team still managed to finish twenty-five recordings, to include a new command video for DLA Energy and several additions to its Logistics on Location series. In addition, Nutan Chada, the team lead, spent a week filming DLA Distribution’s Expeditionary Site Set Team dispose of excess
property during Operation SABER GUARDIAN in Kosovo. Chada’s video will market the Site Team to combatant commands.

The Director remained the Agency’s key communicator in FY 2019. Helped by speechwriter Chris Erbie, Lt. Gen. Darrell K. Williams addressed industry partners, academic institutions, military units, and civic organizations throughout the fiscal year. In particular, he spoke at the National Industry for the Blind in November 2018, Gallaudet University in March 2019, the National Clothing and Textile Organization in March 2019, the Command and General Staff College graduation in April 2019, and the Central Florida Urban League in June 2019.

To help leaders other than the Director interact with external audiences, Yoswa and Mackin established an enterprise-wide Engagement Working Group. As outlined in “DLA Outreach and Engagement Strategy” – still in draft form at the end of the fiscal year – the working group will optimize “the overall strategic impact” of the Agency’s “collective outreach efforts” by advising employees who communicate outside the Agency. As planned, the group will rely on a web-based platform to collect requests and display them on a calendar. Its goal is to shape, manage, and standardize engagements with academia, businesses, communities, and other entities.

Standardization is also important across DLA’s multiple public affairs offices. While public affairs offices at major subordinate commands helped promulgate the Agency’s story, they also engaged local audiences. DLA Troop Support PAO, for example, served not only as a proponent of five supply chains but also as a conduit to veterans’ organizations and other resident groups in northern Philadelphia. In addition to taking the lead on stories regarding F-35 parts acquisition, DLA Aviation PAO publicized its installation’s unique history. DLA Energy, while collocated with DLA headquarters, concentrated on topics particular to its business operations, to include supplying rocket fuel to NASA and hosting the biannual Worldwide Energy Conference in May. Likewise, DLA Land and Maritime, DLA Disposition Services, and DLA Distribution all pursued public affairs portfolios that both reflected and differed from that of headquarters.

Yoswa and Mackin synchronized these operations by lines of effort (LOEs) that aligned with the Director’s LOEs. By ensuring that all entities sustained or improved DLA’s reputation among key stakeholders, they advanced the Director’s Strong Partnerships and Always Accountable LOEs. By having all public affairs personnel grow in awareness of the Agency’s capabilities, they supported the Director’s Whole of Government effort. Finally, they promoted cohesion throughout the enterprise (Global Posture LOE) and supported the Director’s implementation guidance (Warfighter First LOE).

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Defense Logistics Agency

DLA Chaplain (DH)

Fiscal Year 2019 (FY19) Annual Historical Report

MEMORANDUM FOR DLA HEADQUARTERS, ATTN - Historian

SUBJECT: Submission of DLA Office of the Chaplain (DH) FY19 Annual History Input

The Office of the Chaplain is comprised of two Service Members with a focus on managing the Federal Supply Code “9925” Ecclesiastic Supply, while also supporting the DLA Director’s efforts to ensure a spiritually resilient workforce. In support of managing the supply code, products like a quarterly newsletter and an all-encompassing ecclesiastical supply catalog were developed as a means to provide relevant information to FedMail users. To ensure customers needs are addressed, a weekly meeting is held with Clothing & Textiles Directorate and Subsistence in DLA Troop Support. A working group was established to improve the shelf-life of Kosher MREs from nine months to nearly 24 months. A review of Federally Approved Names was reviewed and a project was initiated for review of the entire supply line with the Cataloger. 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. Several VA Chaplains were contacted to serve a test platform for VA chaplains using FedMail.

The importance of the Ecclesiastic Supply can not be underestimated, as we meet the Title 10 religious Support requirements of the Warfighter and the Whole of Government.

While working on those projects to increase support to the Warfighter, the health of the agency was always in the forefront. The Office of the Chaplain was available and often advised the Command at all levels on matters of religion, morals, and morale. To ensure the spiritual resilience of the workforce was being cared for, the office provided literature and support to promotions, retirements, and command ceremonies to DLA and co-located agencies (DTRA and DCAA) and MSC. People and culture are, as the DLA Director says, “the secret sauce” of the organization and we strive to make things a little sweeter.

[Signature]

ROBERT E. WICHMAN
CHAPLAIN COLONEL, USA
Defense Logistics Agency
1. Introduction:

   a. Mission:

   Provide religious logistics support for Religious Affairs personnel, enabling the free exercise of religion across the Department of Defense. Provide confidential pastoral care and support to DLA employees.

   b. Vision:

   World-class religious supply logistics in support of the spiritual wellbeing of the Armed Forces in peace and in war, around the clock, around the world

   c. Values:

      (1) Warfighter needs guide us
      (2) Integrity defines us
      (3) Diversity strengthens us
      (4) Excellence inspires us

2. Organization:

![DLA Command Chaplain](image1.png)

Chaplain (Colonel) Bob Wichman

![DLA Religious Affairs NCO](image2.png)

Sergeant First Class Apollo Steeber

3. Historical Narrative

In Fiscal Year (FY) 19, the DLA Office of the Chaplain (DH) focused on building the team and improving sales. There are many projects that require multi-year effort and coordination with
several organizations within and outside of DLA. These initiatives are to support the DLA Director’s Strategic Plan in the areas of Warfighter First, Global Posture, Whole of Government, Always Accountable, and People and Culture. This effort has been ongoing even with the loss of the Individual Mobilized Augmentee (IMA) Chaplain, CH (MAJ) Demetrius Walton at the end of the last FY, and the Command Chaplain and his NCO being new to the position.

People and culture are “the secret sauce” and the Office of the Chaplain supports this fully. Chaplain provides prays or helps locate people to prayer for events that included Marine Corps Birthday at DLA Aviation in Richmond, VA, to the change of command at Troop Support in Philadelphia, PA, while supporting local events like DLA Energy’s award ceremony and dozens of promotions and retirements throughout the McNamara Complex. We also made several site visits to get a pulse of the MSC, supported four open house/org days, and support spiritual resiliency throughout the command.

Global Posture, Warfighter First, Whole of Government, and Always Accountable are on our minds in everything else we do. From visiting the Jewish Chaplains’ Conference to visiting individual VA Chiefs of Chaplains, we want to make the purchasing process easier with the right items. This means having a continuously updated Ecclesiastical Supply Catalog, getting WebFlis updated so data pulled to FedMall includes colloquial names to aid in search results. It also required that DH closely tracked all orders during holy days and help find solutions to unique issues that come up every year. The result has been continuous growth in purchases from DLA as the Warfighter learns that they can depend on DLA to provide the right gear when they need it!