

Fiscal Year 2019 Report of March 6, 2019 Closed Meeting
of the Office of the Secretary of Defense Reserve Forces Policy Board
Under Section 10(d) of the Federal Advisory Committee Act

1. The Reserve Forces Policy Board (RFPB) held a quarterly meeting in the Pentagon, Washington, DC on March 6, 2019 in Room 3E863.
2. A portion of the meeting was closed to the public from 8:55 a.m. to 2:30 p.m. The meeting was closed in accordance with provisions outlined by the Government in the Sunshine Act, as amended by 5 U.S.C. § 552b(c)(1) and the Federal Advisory Committee Act (FACA), as amended by 5 U.S.C. Appendix (Executive Order 13526 – Classified National Security Information). The agenda items covered during this period were the presentations from the Under Secretary of the Navy; the Director of Joint Intelligence, National Guard Bureau; the Principal Deputy Assistant Secretary of Defense for Readiness; the Deputy Director, Defense Health Agency; and the Assistant Secretary of Defense for Manpower and Reserve Affairs, Performing the Duties of the Under Secretary of Defense for Personnel and Readiness. Secret level discussions are likely as they address military operations, readiness, availability, use, and performance of the National Guard and Reserve, and the future strategies for their use. The unclassified summary of each of the presentations is provided below:

a. Under Secretary of the Navy

The Honorable Thomas B. Modly

- Secretary Modly opened his discussion with an understanding that Navy missions and OPTEMPO have remained relatively unchanged over the last few decades, while the size of our fleet has shrunk when it should have been growing.
- He gave a description of the “antiquated acquisition process” highlighting how it can’t keep up with the speed of change. He said that the legacy business operations are neither fast nor agile and that we need to find a better return on our investments, such as buying two aircraft carriers simultaneously instead of one at a time, saving \$3.5B.
- He stated that educating our forces for uncertainty focuses our competitive advantage on our people’s minds vice their equipment. He provided a quick description of the Navy’s “Education for Sea Power” initiative.
- The Secretary provided some very enlightening statistics about the military industrial complex and pressed for “urgent and transformative change,” and then focused on what should be changed. He stated that the answer surrounded the term “agility” and included: Velocity, Collaboration, Visibility/Transparency, Adaptability, Methodical Innovation, Humility, Trust, and Skepticism. He concluded this portion of the discussion with a nod towards the Navy’s Business Operations Plan for FY ‘19 – ‘21 entitled “Agility and Accountability.”
- He ended the final portion by giving remarks centered around Senior Chief Shannon Kent who was recently killed in Syria and how our networked Navy needs to be focused more on protecting people like this.

b. Director of Joint Intelligence, National Guard Bureau

Brig Gen Patrick J. Cobb, ANG

- Brig Gen Cobb discussed the role of the Reserve Components in the Space Force, the Department of Defense’s proposed legislative language of the Space Force addressing the warfare domain definition, required skill sets, and the integration of Reserve Components into the Space Force.

- He gave an overview on the United States Space Force (USSF) strategic situation, the current Space Force status, and the Reserve Components support to Space and stated that with the strategic situation Space is vital to U.S. economic security and is vital to U.S. national security.
- He briefed that the character of war is changing as it is addressed in the 2018 National Defense Strategy and that great power competition has reemerged as the central challenge to U.S. prosperity and security and that dominance in space will sustain “Joint Force military advantages” and deter adversaries from aggression against our vital national interests. Our adversaries view counter-space capabilities as a means to reduce U.S. and allied military effectiveness, while U.S. prefers space to remain free of conflict.
- He said that we are at risk of losing our comparative advantage in space and that the desired end-state is to maintain U.S. leadership in space & deliver space capabilities at speed and affordably to stay ahead of the competition, with a strategic approach to transform our space posture from a support function to a warfighting domain with capabilities to compete, deter, and win.
- Brig Gen Cobb then briefed Space Policy Directive-4 issued 19 Feb 19 to establish the Space Force initially as a new Service under a USAF lead.
- Brig Gen Cobb concluded by showing that the Reserve Component Forces currently provide space operational capacity in dedicated core areas.
- Chairman Punaro thanked Brig Gen Cobb for his Space Force presentation. He stated that he was concerned with the decision to delay the Reserve Components inclusion in the initial Space Force proposal. He directed the RFPB to work the Space Force establishment with a working group like the Cyber working group to ensure that the Space Force addresses the Reserve Component forces in the early stages of establishment.

c. Acting Deputy Assistant Secretary of Defense Readiness Programming and Assessments

Mr. Ted C. Graham

- Mr. Graham discussed National Guard and Reserve Equipment Appropriation (NGREA), Congressional Adds, Reserve Component top five equipping issues, distribution and fielding, DoDI 1225.06 Equipment Transfers, NDAA directed Army parity assessment and equipment transparency.
- Mr. Graham stated that NGREA funds are often not received until late in the FY, and that late receipt of funds significantly impacts ability to meet 1st and 2nd year obligation goals.
- He also highlighted aggressive and agile funds movement between programs as a means to optimize funds utilization as well as heavy engagement with System Program Offices (SPO) to meet Obligation Rate and Program execution goals.
- He further pointed out statistics showing nearly 75 percent of Air Force Reserve and 62 percent of Air National Guard procurement funding derived from NGREA and that since 2017, NGREA has provided the primary source of funding for key upgrades to the Air Force Reserve’s legacy F-16C Block 30 aircraft, which were produced and fielded in the late 1980s. Finally, he acknowledged that NGREA alone is insufficient to completely upgrade 100 percent of the Air Force Reserve’s F-16C fleet.
- Mr. Graham then pointed out the top five equipping issues for each of the Services.
 - Mr. Graham identified the top five equipment challenges for the Marine Corps Reserve as the KC-130J Aircraft, KC-130J Weapons System Trainer, KC-130J Enlisted Aircrew Training System (EACTS), Mobile Integrated Remains Containerized System (MIRCS) and F/A-18 SimuStrike Low Cost Trainer.
 - He stated that the Air National Guard and Air Force Reserve top five equipping issues are the F-16 Active Electronically Scanned Array (AESA) Radar, the KC-130J transition,

Mobile/Deployable Remotely Piloted Aircraft (RPA) detect and avoid capability, Multi-Mission Design Series Real Time Information in the Cockpit (RTIC), and C-130H Propulsion Modernization. He also identified that diminishing manufacturing sources is a major inhibitor to aircraft service life extension. He further stated that as legacy fleets and requisite support equipment continue to operate beyond originally planned service life or delays in scheduled retirements, they experience problems with obsolescence, loss of manufacturing sources, materiel shortages, and lapses in contract logistics support.

- Mr. Graham identified the five major equipment challenges for the Navy Reserve as the P-8A, F/A-18E, KC-130J, 40 foot Patrol Boats and Patrol Boat Simulators.
- He identified the top five equipment challenges for the Army Reserve as the Joint Battle Platform (JBC-P), M4A1 5.56 Carbine, Joint Light Tactical Vehicle (JLTV), Line Haul Tractor and 7.5k Petroleum Semitrailer and Joint Assault Bridge (AJB).
- Mr. Graham identified the top five equipment challenges for the Army National Guard as the Joint Effects Targeting System (JETS), Transportable Tactical Command Communications (T2C2), Heavy Expanded Mobility Tactical Truck (HEMTT) Wrecker, and All Terrain Crane and Hydraulic Excavator (HYEX).
- Mr. Graham closed by stating that funding for enabler units being redirected to higher priorities in year of execution is routinely an issue, and called attention to the recent Memorandum for the Under Secretary of Defense for Personnel and Readiness.
 - The memo states that full transparency and traceability of procurement funding desired by Congress would not be possible until implementation of specific Reserve Component Budget Line Item Numbers or something similar, and that without this level of financial transparency, certification for the procurement or receipt of expected items for which funds were appropriated is impossible.
- Chairman Punaro summarized that Mr. Graham's description of RC Equipment Management trends reminded him of the "bad old days of the 1970's and 1980's," also adding that "It's worse than I thought."
- Mr. Stewart noted the differences of Reserve Forces organized as units equipped outside of the association construct while MG Ortner described the importance of RC forces being able to train on current versions of platforms and equipment. From his perspective as PTDO USD (P&R), Mr. Stewart observed that the Department talks Total Force management but is "not there yet" based on current configurations of manpower and equipment.
- MG Orr added that the type of warfighting made a key difference, where a high level policy decision would be necessary to ensure services were focused on keeping the RC current in rapidly changing operational communications capabilities and heavy major end items. MG Orr noted that just-in-time post mobilization training is less complicated for light IBCT forces than it is for heavy forces.
- Maj Gen Bohac pointed out the Air Force C-130H example where an RC-only mission reduces the possibility of interoperable active and reserve units. Board members also noted the case of the Navy P-8 mission where the RC structure was not incorporated, resulting in the DoD's inability to preserve aircrew experience in the RC as personnel leave for the airlines.
- Chairman Punaro ended by observing that "this is a crisis" and the "problem was not fixable under the current model," which must change from cascading to concurrent. The Department will never catch RC forces up to the demands of the National Defense Strategy by solely using NGRE.
- Chairman Punaro advocated for sending a RFPB recommendation to the SecDef as a follow-up to this problem set concerning a concurrent delivery model and embedding total force management of manpower and equipment within the Department.

d. Deputy Director, Defense Health Agency
Mr. Guy Kiyokawa

- Mr. Kiyokawa briefed an update by the Defense Health Agency (DHA) on the Department's Integrated System of Health and Readiness, the change case for DoD Healthcare Reform, and the aspects that concern the Reserve Components.
- In his comments on the National Defense Strategy and the vision for DoD Healthcare Reform, Mr. Kiyokawa noted that the change reason goes beyond the 2017 NDAA direction for Reform savings due to Congress at the end of FY19.
- He stated that consolidated services through common enterprise activities eliminate unwarranted variation in pharmacy, managed care support contract administration, health IT, resource management, medical logistics, facilities, procurement, research, public health, and training. He emphasized that standardization benefits patient safety through these consolidated services.
- In addition to the consolidation of management functions and enterprise initiatives, Mr. Kiyokawa introduced the changes to medical force size requirements and structure and the planned phases of the Military Health System (MHS).
- During the discussion of Reserve Component Readiness, Board Member MG Daniels inquired about the existence of policy affirming whether RC members can obtain Individual Medical Readiness (IMR) support at Military Treatment Facilities (MTF).
- Mr. Lyons, the Deputy Assistant Secretary of Defense for Reserve Integration, added to this by asking "if there is a case to be made for RC members to obtain IMR services outside of drill."
- Mr. Kiyokawa agreed that there was a case to be made and noted that the services varied in their RC IMR support practices. He expressed the DHA's interest in finding a better way to support the deployability of RC members due to its direct relationship with the "Improved Readiness" aspect of the Military Health System's "True North." He noted the agency's current work with the Assistant Secretary of Defense for Health Affairs (ASD HA) on improving the policy in this area that would better effect that support and his interest in continuing to explore how best to mitigate RC non-deployability.
- He stated that one significant issue concerning the development of policy on RC IMR support at DHA MTFs is the ability of the Department to verify benefits in order to deliver the support.
- COL Swanson from ASD HA described that existing DoD, Military Service and Geographic Combatant Command policy & Force health protection guidance supports RC members obtaining IMR support, and that an opportunity exists within MHS Reform that needs to be seized: clarifying that no statute or policy prohibits the Military Health System from supporting the Total Force for individual health readiness services in DoD MTFs.
- MG Orr addressed the experiences of states like Iowa where no MTFs exist to obtain medical readiness support. He stated that this situation forces RC members to rely on their private providers to address their medical readiness, which translates to more time away from work in order to maintain their RC membership. MG Gen Orr further stated that from a National Guard perspective, 19 states share this issue, and in the case of the Iowa National Guard, the leadership desired to employ Air National Guard medical units to improve medical readiness levels across the state but ran into resistance.
- Chairman Punaro related his experience as a Congressional staffer when the American Medical Association resisted the practice of military medical units providing support due to the lost market share impact on private practices.
- Mr. Kiyokawa addressed general changes to the medical force structure, understanding that a full discussion with the Board is possible only after the FY 2020 budget release takes place.
- Chairman Punaro noted recent media coverage foretelling the Department's reduction in medical forces.

- Mr. Lyons asked if DHA received any feedback from the RCs as the MHS transitions to civilian or commercial formats concerning a need to retain capacity and capability in the RCs in order to retain skills.
- Chairman Punaro related his experience from the late 1980's with the Senate Armed Services Committee, when Senators McCain and Glenn actively preserved capability in the Guard and Reserve during downsizing of the active component.
- Chairman Punaro thanked Mr. Kiyokawa for his brief and directed the RFPB to review and make a recommendation to the Secretary of Defense on this topic to coincide with the FY 2020 Budget Release when the details become known: "I do not want to miss the window for a 1:1 AC to RC transfer" of operational medics and providers.

e. Assistant Secretary of Defense for Manpower and Reserve Affairs, Performing the Duties of the Under Secretary of Defense, Personnel and Readiness
Secretary James Stewart

- Secretary Stewart discussed his goals and objectives in his position Performing the Duties of the Under Secretary of Defense for Personnel and Readiness and reforms under consideration to include review of the Assistant Secretary of Defense Reserve Affairs reorganization. Secretary Stewart noted upon his arrival at his position as Assistant Secretary of Defense Manpower & Reserve Affairs that many of the Reserve functions previously managed by Assistant Secretary of Defense Reserve Affairs were now scattered across various organizations, and he was working to determine where all of the various functions landed and how they could be brought back under a single advocate. He noted some of the major issues/initiatives that P&R has been working on, to include but not limited to:
 - Standing up Defense Health Agency
 - Transgender Service
 - Screening those we assess for service
- He also provided an update on the Board's proposed definition for "Operational Reserve" and the Department's ongoing Close Combat Lethality working group, noting that we meticulously track aircraft readiness and now seek to monitor readiness down to the squad level. The challenge of defining readiness and what it really means was also discussed.
- Secretary Stewart then stated that standing up new organizations, such as the Space Force, should not be done in the same manner historically used, where force structure is built by first looking at the Active Component, followed by the Reserve Component, civilians, and then contractors. He emphasized that a holistic approach is needed from the start, with data used to make the correct decisions on force mix.
- He concluded by saying that a major concern was with the FY17 NDAA amendments on Reserve Component G/FOs position, that included the removal of the requirement for 3 star grade for RC Chiefs and the elimination of the Chairman's Reserve Positions. He also stated that a good review should be done on the 2018 RAND study *Realigning the Stars* that was sponsored by DASD-MPP and the Director, J1, Joint Staff.

Arnold L. Punaro
Major General, USMCR (Ret)
Chairman, Reserve Forces Policy Board