



Office of the Secretary of Defense
Reserve Forces Policy Board
Quarterly Meeting Minutes



Wednesday, 5 March, 2014

Location of Meeting: SecDef Conference Room 3E863 (Pentagon)

Members Present

1. MajGen Arnold Punaro, USMCR (Retired) - Chairman
2. MG Marcia Anderson, USAR - Deputy Chief Army Reserve (IMA)
3. SGM Michael Biere, USAR - Enlisted Military Advisor to the Reserve Forces Policy Board (Non-voting)
4. VADM John Cotton, USN (Retired)
5. Maj Gen Michael Edwards, ANG - The Adjutant General of Colorado
6. The Honorable Grier Martin, Member North Carolina House of Representatives
7. Ms. Paulette Mason – Former Delaware Chair, Employer Support of the Guard and Reserve
8. MajGen Darrell L. Moore, USMCR
9. Dr. John Nagl – Headmaster, Haverford School and Non-Resident Senior Fellow at CNAS
10. Mr. Sergio Pecori - President & Chief Executive Officer of Hanson Professional Services Inc.
11. RADM Russell Penniman, USN, Reserve Deputy Commander, U.S. Pacific Fleet
12. Maj Gen James Stewart, USAFR - Military Executive of the Board (Non-voting)
13. Ms. Maria Vorel, Retired FEMA Disaster Operations Coordinator

Invited Guests

1. The Honorable Deborah Lee James, Secretary of the Air Force
2. Honorable Tom Hall, Former Assistant Secretary of Defense for Reserve Affairs
3. Honorable Whitten Peters, National Commission on the Structure of the Air Force
4. Dr. Scott Comes, Acting Director, CAPE
5. Mr. Paul Patrick, Deputy Assistant Secretary of Defense for Reserve Affairs (RT&M)
6. Mr. John Hastings, Deputy Assistant Secretary of Defense for Reserve Affairs (Resources)
7. MG (ret) Fred Rees, Army Deputy M&RA
8. Ms. Cathleen Berrick, GAO
9. Lt Gen Joe Lengyel, Vice Chief, National Guard Bureau
10. Ms. Dawn Halfaker, USA, CPT(Retired), Nominated Board Member
11. MG William Wofford, ARNG, Nominated Board Member
12. RADM Brian LaRoche, Nominated Board Member
13. BGEN Burke Whitman, Nominated Board Member
14. MG Scott Gorske, ARNG, Assistant to CJCS for National Guard Matters
15. Major General RTI Munro, British Army, Deputy Commander Land Forces

RFPB Staff

1. CAPT Steven Knight, USN (DFO)
2. Col Don Bevis, ANG
3. Col Jay Jensen, USAFR
4. Col Reidar Larsen, USMCR
5. COL Timothy Lynch, USAR
6. COL Robert Preiss, ARNG
7. CAPT Scott Hanna, USN
8. LT Alisa Harkins, USCGR
9. SMSgt Joyce Voyles, USAFR
10. SFC Ivelisse Rivera-Moya, USAR

11. Mr. Alexander Sabol, DoD Civilian

Public Observers

1. Lt Gen Stanley Clarke, Director ANG
2. Lt Gen James Jackson, Chief USAFR
3. Mr. Trey Carson
4. Brig Gen Illingworth, UK Attaché
5. Lt Col Timothy Harper, British Army
6. Lt Col Paul Smith, British Army
7. Brig Gen Tom Gibson
8. Ms. Elaine Simmons, CAPE
9. Mr. Andrew Ryan
10. Col T. Silvester, USMCR
11. MajGen (Ret) Kenneth Bouldin
12. CSM Thomas
13. Ms. Julie Small (VBA)
14. LTC John Paul Cook, USAR
15. Mr. Joseph McInnis
16. Mr. Greg Schumaker, NCSAF
17. LCDR Brad Martsching
18. Mr. Jerome Howard
19. CDR Gwen Graves, USN
20. Lt Col M.A. Nichols, USMCR
21. MCPO Mark Allen, USN

0800 - Chairman Punaro opened the Board to conduct required administrative business.

- The Chairman recognized key individuals and welcomed all members and guests.
- He commented on the cumbersome process for appointing members to Federal Advisory Committee Act (FACA) Boards and the associated delays in getting appointment packages approved for several RFPB nominees.

0808 - The Military Executive provided additional administrative updates to the Board.

- The Military Executive advised members that the 4 June date for our next Board meeting would be flexible to accommodate the Secretary of Defense.
- He notified members that the RFPB Annual report was completed and ready for distribution to the President and Congress.

0810 - Chairman Punaro presided over an award ceremony for Board staff member Captain Steven Knight.

0815 - Chairman Punaro called the Reserve Forces Policy Board to order and provided the following comments to the Board:

- The Chairman announced that, as required by the Federal Advisory Committee Act (FACA), the Designated Federal Officer is present and has pre-approved the opening of this meeting and its agenda. Once the DFO has confirmed that only the authorized personnel are in the room, we will begin the closed portion of the meeting.

- The DFO confirmed that only authorized personnel with appropriate security clearances were in the room.

The RFPB commenced business in Closed Session

0820 - **Dr. Scott Comes** – Acting Director, OSD Cost Assessment and Program Evaluation (CAPE)

Dr. Comes commented on the impact of current and future fiscal challenges. The Fiscal Year 2015 budget was characterized as a budget that plans for a leaner, but more technologically advanced force that focuses on capability over capacity. He stated that future budgets will continue to seek efficiencies. Dr. Comes also discussed the implications of future budgets that require compliance with sequestration levels.

0900 - **Mr. John T. Hastings** – Deputy Assistant Secretary of Defense for Reserve Affairs (Resources)

Mr. Hastings commented on the President's Fiscal Year 2015 Budget submission and its impact on the Reserve Components, including end strength and funding data. He began his discussion by talking about the strategic view, noting that the FY-15 Budget funding levels were slightly higher than those outlined in the Budget Control Act because of the recent Bipartisan Budget Agreement. The FY-15 budget is \$496B, similar to FY-14 levels and a reduction of \$75B below the FY-14 President's Budget. He further stated that the Budget plan projects \$115B more in spending than sequestration levels for FY-15 through FY-19. He noted that all components, except the Navy active duty, would reduce end strength between FY-14 and FY-15. Next, he outlined Reserve Component funding in the FY-15 Budget. He explained that the ARNG continues to reduce their overall end strength, including 4,000 fewer full-time support positions. He also briefed that ARNG military personnel funding decreased by \$135M from the previous year. In addition, cuts to O&M funding have driven the ARNG to train their members at only the Individual, Crew and Squad levels. There are no funds available for Guard units to train at Combat Training Centers. He also briefed the following: Army Reserve funding for Ground OPSTEMPO, Base Operations and Support (BOS), and facility Sustainment, Restoration, and Modernization (SRM) decreased; Navy Reserve reductions occurred in Navy Expeditionary Combat Command structure and manpower; Marine Corps Reserve funding decreased in Active Duty for Training (ADT) mandays, while sustaining school training; and the ANG and Air Force Reserve C-130H, KC-135 and F-16 fleets are recapitalizing or modernizing concurrent with the divestiture of the A-10 fleet. In conclusion, he suggested that there will be a continuous downward pressure on all service budgets, and that increased manpower costs will continue to drive end strength reductions.

1000 - **The Honorable Deborah Lee James** – Secretary of the Air Force

Secretary James' comments dealt with the Total Air Force and her view of the future. She concentrated on three priorities: 1) Taking care of the people; 2) Balancing today's readiness with tomorrow's readiness requirements; and 3) Ensuring the Air Force is using its limited budget wisely - making every dollar count. She also described how the Total Force Continuum (TFC) group is working to identify restrictive policies and processes that are counterproductive to the Total Force, and providing her viable solutions to consider to improve Total Force continuum of service. She also addressed the National Commission on the Structure of the Air Force's (NCSAF) recommendations and how the Air Force will proceed in the future. Finally, Secretary James described how although the Air Force of the future will be smaller, it will remain highly capable in our current and future budget constrained environment.

1100 - Lieutenant General Joseph L. Lengyel – Vice Chief, National Guard Bureau

Lt Gen Lengyel offered new thoughts on the mission of the National Guard in addition to describing future force structure, modernization and compensation. He noted that the National Guard mission has three basic component parts: warfighting, conducting Homeland operations, and engaging in Global Partnership. He stated that as the Army National Guard receives future reductions in troop strength and force structure, the leadership will seek to accomplish those missions while sustaining readiness and modern technology. Lt Gen Lengyel explained that under the current Army future plan, Army National Guard (ARNG) end strength and force structure would decline, but emphasized that under sequestration budget levels ARNG reductions could be even larger. In response to questions about National Guard helicopter capability in the future, he noted that the National Guard Bureau leadership is working with Army leaders to determine the future aviation force structure. Details concerning implementation of the announced proposal to transfer AH-64 Apache/UH-60 Blackhawk between components and elimination of the OH-58 Kiowa fleet were not solidified yet. In addition, Lt Gen Lengyel outlined his concerns with compensation reform stating that slowing the growth of military compensation costs requires Congress to support and implement the DoD's compensation recommendations. He completed his remarks by stating that the Chief of the National Guard Bureau is committed to maintaining a ready and capable National Guard.

1200 - Mr. Sergio Pecori – Cyber Policy Task Group Leader

Mr. Pecori presented a current summary of the Findings and Observations from the Cyber Policy Task Group and described Group visits with experts and final report development.

1300 - RFPB concluded business in Closed Session.

The RFPB commenced business in Open Session

1305 - Chairman Punaro called the Reserve Forces Policy Board to order and provided the following comments to the Board:

- The Chairman announced that, as required by the Federal Advisory Committee Act (FACA), the meeting was open to the public. He welcomed the public and noted that no one had requested to appear before the board in accordance with directions described in the public federal register notice.
- The Chairman introduced the first guest speaker.

1315 - Major General Ranald Munro (UK) – Deputy Commander Land Forces (Reserves), British Army

Maj Gen Munro opened by stating that the British Army is transforming both the Reserve and Regular Components and moving to an integrated Army - Army 2020 and beyond. He mentioned that there will be refinements along the way, but the destination and goal of an integrated Army is clear. He described his background as a civilian General Counsel and pointed out that when he deployed to Iraq in 2005, he was deployed not in his military specialty, but rather based on his civilian skill as a lawyer, leading a team of operational law attorneys. Maj Gen Munro provided information on his government's 2011 independent commission report entitled "Future Reserves 2020" whose key findings were: 1) that the Reserves were undervalued and in decline primarily due to utilization as individual augmentees; 2) Defence was not making the best use of talent; and 3) that Reserves were needed to restore the connection with society.

Maj Gen Munro discussed the recommendations and delivery of the Future Reserves 2020 report, which included such topics as financial investment; growing to a trained force of 30,000 by 2018; betterment packages; recruiting and partnership programs; and oversight. The end state is to transform the Territorial Army and build capability to provide a credible, usable and relevant Army Reservist as an integrated and enduring element of the whole force.

In addition, Maj Gen Munro discussed the core functions of the future Army - defence and deterrence; defence engagement and overseas capability building; and UK engagement and homeland resilience. He briefed a “whole force” concept, which involves an integrated Army of 112,000 (82,000 Regulars and 30,000 Reserves) with Reserves routinely providing general military capability partnered with Regular units for training and force generation. He also described the Army 2020 Structure, made up of Reaction and Adaptable Forces supported by Enabler Forces.

Next, Maj Gen Munro talked about the expectation that Army Reservists will deliver force elements with predictability and assurance; accomplished through mandated training events. He also envisioned reservists having access to modern equipment and the planning requirement for RC members to be prepared to mobilize 1 year in every 5 to encompass a full spectrum of military tasks. He said that the British Army leadership has made an explicit commitment to the future operational employment of Reserves by mandating that at least 10 percent of all future deployments will consist of Reserve forces.

Finally, Maj Gen Munro spoke about Reserve benefits and the government’s contract offer to Reservists and families, which includes pay, leave, career management, pension, bounty (end of the year tax free payment for service), and access to health care. Included in the discussion was the need for a government offer of financial awards to employers when a reservist mobilizes and the necessity for improved communications and a public recognition program. Maj Gen Munro closed by describing the steps required to achieve full Reserve integration, which includes attracting the talent, then manning, equipping, training, and sustaining the force. He also expressed some concern about the need to overcome Regular Army prejudice toward the reservist to ensure success, and reiterated that this integrated change to the British Army must succeed because the driver now is lack of money and there is no alternative (no plan B).

The Chairman thanked Maj Gen Munro for the briefing and noted similarities in education benefits as a very significant recruiting tool for the Reserve Component. Both agreed that the dialogue was a productive exchange and that the relationship between the RFPB and the British Army should continue.

1415 - **Honorable F. Whitten Peters** – Commissioner, National Commission on the Structure of the Air Force

Mr. Peters began his presentation by talking about the commission’s charter and the force structure issues they were directed to consider including: AC/RC balance; areas where RC draws on civilian strengths, including cyber warfare; capacity required for Homeland Defense; and maintaining a rotation that meets a deployment/dwell goal of 1:2 for the AC and 1:5 for the RC. In addition, he addressed the Commission’s implied tasks of accounting for the operational nature of Air Force Reserve Components, and determining present and future mission requirements and the resources likely to be available to them. He also pointed out that if we are going to have an operational reserve in the future, current law needs to change (especially in the Title 32 arena) to fully support and enhance an integrated force.

Mr. Peters also spoke about the methodology used for the study, which included getting views/opinions from inside and outside the beltway and Air Force, and testing force structure conclusions with a war gaming exercise. He pointed out that the DoD interpretation of FACA laws was an impediment to the commission's deliberation process. He discussed the fundamental assumptions of the study which were: 1) assume that there will be austere defense budgets in the future, and 2) the active force will need to rely more on 'part-time' forces to fill additional missions without sacrificing overall effectiveness. He commented that their data showed that the Reserve Component has not been tested to a 1:5 task level, but witnesses testified that the Reserve Components could do it as long as the missions were predictable. He noted that 180 day rotations for the RC is not ideal, and pointed out that there must be flexibility for RC personnel rotations with consideration for issues with civilian employers, education requirements, and airline currency. He related that 45 to 90 day RC rotations for Northern and Southern watch during his tenure as SECAF were initially viewed by Air Force leadership with some skepticism, but ultimately the practice proved very successfully, and highlighted that there was no difference between AC and RC units supporting those missions.

Mr. Peters provided the Board with a key finding of the study which is: the Air Force has funded a very capable and ready Reserve Component that trains and tests to the same standard as their Active Component counterparts, which means that any unit (AC or RC) is capable of deploying at any time. He stated that the Reserve Components have demonstrated their capacity and capability for increased contributions, but questions remain as to whether a 1:5 dwell ratio is supportable in the long term.

One of the conclusions of the study was the Air Force is now positioned to leverage the RC's high level of readiness into cost savings that can offset some of the cuts to readiness, modernization and manpower. To be more specific, the report recommended moving manpower into the RCs rather than a 'peanut butter spread' into all three components, and cited significant cost savings by moving force structure into the Reserve Components or integrated wings. However, Mr. Peters mentioned that the Reserve Components cost a lot less when in training status, but cost about the same when supporting operational missions. As expected, the Chairman challenged this claim referencing the RFPB's costing report that identifies other considerations like base operating support costs for AC, and that the Department needs to start looking more closely at the fully-burdened and life-cycle costs of the components.

Mr. Peters agreed and said that their summary of recommendations included recognition of the need to plan and budget for costs using a fully-burdened approach. He also discussed the following: decrease AC and shift more manpower to RC; increase routine, periodic use of RC units and individuals in operational missions (cannot put RC units 'on the shelf'); program sufficient funds for an Operational Reserve; increase integration of units and headquarters; create a 'continuum of service' and other force management modifications to allow people who may be impacted by a variety of circumstances to move more easily between AC and RC in order to retain quality people; and consider the report holistically.

In addition, Mr. Peters stated that the commission pressed CAPE to take a position on the RFPB's cost model and noted that there are multiple (cost) models, all with different assumptions. He explained that CAPE concluded that a traditional non-pilot Air Force reservist costs one sixth that of an Active Duty member when in a training status and that CAPE also agreed that the cost of a RC combat squadron is about two thirds the cost of an AC squadron. The commission's report also recommended reducing overall infrastructure by looking at another BRAC round to capture additional savings.

Mr. Peters mentioned meeting with the Air Force's Total Force Task Force. That group came up with a solid recommendation on integrating the force. They believe that at the unit level and below, one integrated chain of command is essential – one caveat mentioned is that the Air National Guard needs Title 32 force structure to do Title 32 missions under current law. Mr. Peters stated the commission felt that at the headquarters level, with the RC working so effectively with the AC for decades, there really isn't a good reason to have a separate RC MAJCOM and staff. Maj Gen Stewart challenged that notion stating that while the integrated headquarters concept is good, there is additional groundwork needed before taking away the reserve headquarters infrastructure. Until there are RC leaders in key Headquarters and Command positions throughout the Air Force, this concept is premature and ill advised. Maj Gen Stewart reminded Mr. Peters that the reason for the Commission in the first place was that there is a lack of trust between the components. It needs to be repaired before undertaking a change of this magnitude. Mr. Peters mentioned that the current AF leadership is very much committed to ensuring the three components work together as a team, and in speaking with several TAGs, they feel that trust is being restored. He stated again that as manpower comes down, it is very hard to justify a separate RC headquarters because of the need to integrate units, training, and personnel systems.

On the issue of rebalancing the force, he stated that the place to start integration is with Title 10 AC and RC forces as Title 32 issues with the Guard creates a number of challenges that need to be addressed beyond the current work arounds before there can be full integration. He noted a benefit with integrated units should mean horizontal fielding of equipment vice RC forces always getting the older equipment. The point was made that associate RC units (e.g. C-130 units) were being taken down, which impacts trust and makes it more challenging to reconstitute in the event forces are needed. Mr. Peters view was that the Guard and Reserve was not having a hard time recruiting, and that there could be a larger, cheaper RC force to reconstitute if funding was made available.

Mr. Peters stated that the commission looked at moving force structure into areas best and most easily supported by RC personnel (including cyber) and determined that AF can maintain current end-strength by reducing AC end-strength by 36,000 and increasing RC by same amount while saving ~\$2 billion.

He commented on the commission's charter to look at the requirements for Homeland Defense and their finding that Homeland Defense mission requirements are not well defined. He noted that this may be a funding issue since there is a fundamental premise (not necessary founded in law) that DoD cannot buy equipment that is only for DSCA missions and cannot be used overseas.

On the subject of managing the force, Mr. Peters stated that the commission recommended: reducing the number of duty statuses; accelerating AF Integrated Personnel and Pay Systems; and developing multiple career tracks, including high year tenure controls to retain experienced, healthy pilots who are flying for the airlines until age 65, but cannot remain in the military. He commented on the need to look at the 1:2, 1:5 dwell ratios that may work well for the Army, but don't necessarily work well for the Air Force.

According to Mr. Peters, the main take away from the report is there are highly trained RC forces (cheaper than the AC) and the Air Force needs to find ways to use RC forces more to preserve/reconstitute for surge, to support peacetime missions, and develop flexible options to serve, which includes more ways for personnel to move between the components.

Finally, Mr. Peters was surprised by how many senior leaders he interviewed had served in all three components. In addition, he commented that the report is not applicable to other services.

The Chairman asked about the progress of the commission's briefings. Mr. Peters responded that the 'Hill' has been very receptive, but mentioned that the FACA lawyers had made it difficult to communicate with groups due to their interpretation of the FACA rules; thus, that is why he was speaking to the RFPB in his personal capacity. He stated that the commission was able to keep their core staff for a short time longer, and that the senior level briefings they were giving were going well. He mentioned that the biggest push back so far was coming from the RC, who argues that the Air Force should not decrease RC forces until preconditions are set to make integration worthwhile. The Chairman thanked Mr. Peters on a phenomenal report and commented on the credibility of the report given the experience levels of the members of the Commission.

1520 - **VADM (Ret) John Cotton** – Subcommittee Chair, Ensuring a Ready, Capable, Available, and Sustainable Operational Reserve

VADM Cotton briefed on selected metrics from the Defense Manpower Data Center's Status of Forces Survey of the Reserve Components. He opened with general observations about the data which showed that most RC members had deployed at least once, and members were satisfied with the deployment and would do it again. In addition, the families and employers supported deployments as well.

VADM Cotton explained that the data showed early in the war satisfaction dipped, but currently 75 % are satisfied. He stated that views about participation of Guard and Reserve families, co-workers, spouses and supervisors showed satisfaction rates were 70% or higher and showed a positive trend over time. He also briefed officer and enlisted activations by service, which showed land forces being used the most over time, with 64% of RC personnel having been activated and most doing multiple deployments.

The overall effect of activations on families and employers showed that over half had positive reactions. The data on compensated days indicated a downward trend in man day availability due to the reduction in OCO funds; thus, more members are spending uncompensated time doing military related work. The data indicated that the likelihood of RC members staying in the RC was at 75% with the top three most influential factors being: 1) opportunity to serve; 2) pension; and 3) opportunity for advancement. In summary, VADM Cotton stated that after 12 years of war, DMDC data shows that most RC member's families and employers have very positive feelings about the member's participation, and are not war weary despite what those in Pentagon leadership positions think.

1530 - **Maj Gen Michael Edwards** – Subcommittee Chair, Enhancing the DoD's Role in the Homeland

Maj Gen Edwards stated that work continues on the Presidential Nominating Conventions funding issue, and more due diligence is needed to formulate a compelling recommendation. He also mentioned that several key points were discussed at the subcommittee's February 14th update meeting:

1) Limited knowledge of Defense Support of Civil Authorities (DSCA) requirements remains a factor. More education is needed on the topic of capabilities at all governmental levels. The subcommittee will research a possible recommendation where ASD HD would work with FEMA to develop a RC capabilities list and better detail the DSCA request process. Discussion

surrounding the long-term need to define DSCA requirements so the DoD can fund the requirements via the PPBE process is also important.

2) Discussed the National Commission on the Structure of the Air Force's Homeland centric recommendations.

3) Discussed the long-term problem associated with the DoD's reluctance to authorize Title 32 502(f) due to FEMA's (or OMB's) restrictions to reimburse the DoD with Stafford Act funds. Similar funding issues may also occur when Title 10 12304(a) authorities are requested for possible future DSCA support.

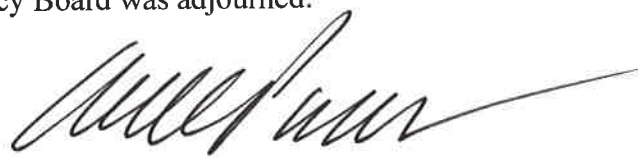
Several action items were identified to include: scheduling a future subcommittee update meeting where the NGB J3 (Operations) and NORTHCOM would provide information related to DoD's guidance regarding the use of Title 32, 502(f) authorities and NORTHCOM's plans to utilize 12304(b) in future exercises during Fiscal Year 2015; and researching FEMA's rationale for not reimbursing the DoD for use of National Guard personnel in a Title 32 502(f) status.

1540 - **MG Marcia Anderson** – Subcommittee Chair, Supporting and Sustaining Reserve Component Personnel

MG Anderson provided an update on the Yellow Ribbon Reintegration Program (YRRP). She gave a brief synopsis of the program along with member and family attendance data since program inception. She also discussed the program's plan for future support of an Operational Reserve. She brought up the fact that the services currently fund the Yellow Ribbon Program with OCO dollars and discussed the need for the services to have a plan to fund YRRP in the services base budget to ensure continued support for an Operational Reserve.

MG Anderson also provided an update on the Reserve Component Survivor Benefit disparity. The Under Secretary of Defense responded to the RFPB's recommendation to eliminate the disparity by stating that the Air Force has submitted a FY 2016 Unified Legislative and Budget (ULB) request, which would achieve parity between Reserve and Active Duty Survivor Benefit plans.

1600 - Meeting of the Reserve Forces Policy Board was adjourned.



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